

Litsea Cubela Drom fragrances

> Indonesia Patchouli Firmenich Grasse

### 1992

During the Rio Earth Summit, countries adopt the Convention on Biological Diversity (CBD), with the aim of conservation and sustainable use of biodiversity and fair and equitable benefit sharing.

### 1996

To support CBD objectives, the UN Conference on Trade and Development (UNCTAD) launches the BioTrade initiative.

## 2007

The Union for Ethical BioTrade (UEBT) is launched, following an UNCTAD initiative to promote business engagement for the ethicaLsourcing of biodiversity.

## 2008

UEBT moved to independent offices and signs\ a memorandum of understanding with the CBD secretariat.

### 2015

Launch of UEBT certification for natural ingredients and the joint UEBT / UTZ herbal tea certification program.

## 2018

Launch of UEBT ethical sourcing system certification, in partnership with Weleda and Natura Cosmetics.

Examples of prioritised supply chains of UEBT member companies



# **ANNUAL REPORT 2017**



## **UEBT** in brief

### WHO WE ARE

UEBT is a non-profit association that promotes sourcing with respect. It supports and verifies companies' commitments to innovation and sourcing that contribute to a world in which people and biodiversity thrive.

### **UEBT VISION**

Companies' innovation and sourcing of natural ingredients contribute to a world in which people and biodiversity thrive.

### **UEBT MISSION**

To support and validate best practices of companies committed to ethical sourcing and innovation of natural ingredients for the benefit of people and biodiversity.

### **OUR STORY: HOW WE ARE MAKING CHANGE**

### WHEN...

WE REALIZE how we affect our living planet by growing, collecting and using natural resources..

... WE COMMIT to sourcing with respect for biodiversity and the people who benefit from it...

... WE ACT according ethical principles and meet strict standards throughout our supply chains...

... WE ACCELERATE

sourcing by investing in local capacities and good practices...

.. WE IMPROVE the incredible richness of our ecosystems and let animals, plants and people thrive and survive...

THEN...

... WE CONSERVE our natural resources for future generations and make our business blossom in the long run...

... WE VALIDATE recognition for our efforts...

... WE TRANSFORM difference on a global scale

So, whether you're in food, cosmetics, pharma, or any other sector, join the Union for Ethical BioTrade AND LEAD THE WAY.

#### **OBJECTIVE OF 2017-2020 STRATEGIC PLAN**

Significantly increase the positive impact of companies' natural ingredient innovation and sourcing practices on people and biodiversity.

### Priority sectors

iseal

alliance

- > Beauty and personal care
- > Food segments: herbal teas, fragrances and flavors
- > Natural pharmaceuticals

### **Key Priorities**

- 1. Branding and market recognition
- 2. Credible and innovative validation of ethical sourcing of biodiversity
- 3. Facilitating ethical sourcing
- 4. Institutionnal strengthening



## Views from UEBT Board President and Executive Director

### We are celebrating 10 years of UEBT. Are you satisfied? Were objectives realised?

Rik: In 2007, when UEBT was created, the need for more business awareness on biodiversity and commitment to the BioTrade principles was clear. The main task the UNCTAD BioTrade Initiative, the International Finance Corporation and others set for UEBT was to engage private sector in BioTrade. Now, we see biodiversity awareness grow and grow, as so does the UEBT community. We are proud to have succeeded in our goal.

Bas: Indeed, over the last 10 years, UEBT contributed significantly to putting ethical sourcing of biodiversity on the corporate agenda. Sourcing with respect – and specific notions such as access and benefit sharing (ABS) and the Nagoya Protocol – are now mainstream concepts in our sector. UEBT is a well-recognized and respected actor.

Rik: But a lot remains to be done. Awareness is UEBT Executive Director important, but real impact comes from changing

practices on biodiversity-based innovation, traceability, or sourcing partnerships, including with local and indigenous communities.

Bas: Yes, you're right, we are still far from the goal of transforming these sectors. Scale is one factor... UEBT remains small. This is our challenge for the years to come: upscaling efforts, promoting real change, partnering with more business and civil society actors.



BAS SCHNEIDERS Chair of UEBT Board of Directors; Head of International Strategic Sourcing & Corporate Sustainability, Weleda AG



**RIK KUTSCH LOJENGA** UEBT Executive Director

## Based on experience to date, how has the UEBT vision evolved?

Rik: Our vision – at its core – remains the same, but we have certainly learnt a lot. For example, we saw the critical role of biodiversity for product innovation, in the context of trend towards naturals.

Bas: Also, the emphasis of UEBT communication has shifted from the impersonal notion of "trade" to a focus on companies and their sourcing practices – because it is of course companies that drive change.

Rik: The vision statement adopted in 2017 calls out the idea of "positive impact" on both people and biodiversity. Two things are important there – one is looking to make a difference, the other is highlighting that social and equity issues – people – are central to the web of life that is biodiversity, as well as to our work.

## When you look at the work of UEBT, what are you most proud of?

Rik: For me, it is travelling to sourcing areas, seeing the tangible contributions that UEBT members are making to improving the

livelihoods of thousands of producers, to valuing their care and daily work with the incredible richness of our planet's biodiversity.

Bas: Yes, fully agree this is ultimately the impact we are pursuing. Just look at the map to get a sense of the variety of people, species and ecosystems involved. This wouldn't be possible without the growing community of businesses committed to applying the Ethical BioTrade standard in their supply chains.

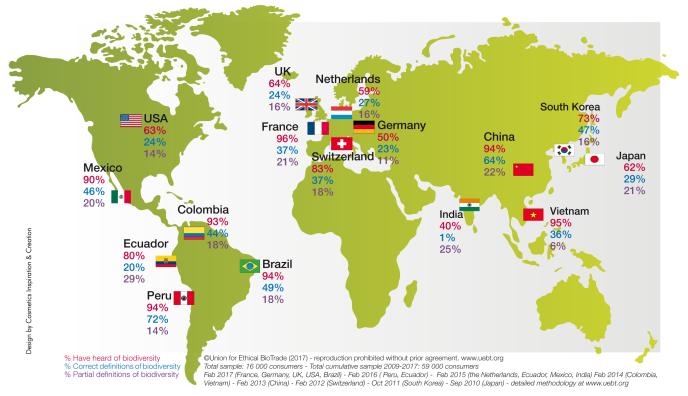


### **UEBT VISION**

2007: 'increased trade in biological resources actively contributes to the conservation and sustainable use of biodiversity, as well as to other sustainable development goals'. 2017: 'companies' innovation and sourcing of natural ingredients contribute to a world in which people and biodiversity thrive'.

## **UEBT Biodiversity Barometer**

Since 2009, UEBT assessed awareness of biodiversity, and interest in ethical sourcing in 16 different countries. Nine years of research, among 59,000 people, and hundreds of leading companies, have provided several valuable insights that may guide companies and governments in their approaches towards people and biodiversity. People's awareness of biodiversity ranges from 40% in India (2015) to 96% in France (2017). Respondents in Latin America, a continent that hosts many mega-biodiverse countries, consistently show high biodiversity awareness (see map below).



#### **BIODIVERSITY: A KEY ASSET FOR BUSINESS**



"The results of 2017 Biodiversity Barometer show a growing awareness of the value of biodiversity by consumers around the world. Businesses should increase their efforts to sustainably use biodiversity."

"The Secretariat of the Convention is excited to continue working with the Union for Ethical BioTrade, and raising awareness of biodiversity, its values for human well-being, and the ways that area of work for us. It is not only a people and companies can protect it." matter of sourcing; biodiversity is also

DR. CRISTIANA PAȘCA PALMER

Executive Secretary of the Convention on Biological Diversity

To watch the videos of leading companies interviewed for the 2017 UEBT Biodiversity Barometer go to: www.biodiversitybarometer.org

### WHAT ARE THE CONSUMERS' **EXPECTATIONS TOWARDS A COMPANY?**



"Biodiversity is a key

a source of innovation, nature is an

inspiration for L'Oréal to develop new

applications for our consumers."

LAURENT GILBERT

L'Oréal

It makes me feel good when I buy a product that respects people and biodiversit



am confident that companies pay serious attention to ethical sourcing of biodiversity.

**UEBTBiodiversity Barometer 2017** Basis: Total Agree, all sample (France, Germany, UK, USA, Brazil) 1000 consumers/country

## **UEBT statement of financial position**

### UEBT statement of financial position

FINANCIAL YEAR	END 2017	END 2016	
Assets	EUR	EUR	
Cash and short-term deposits	159, 819	75, 749	
Project funds to be received	87, 109	29, 573	
Receivables	55, 976	49, 121	
Fixed Assets	4, 464	1, 780	
Total	307, 368	156, 223	
Liabilities and funds			
Project funds & fees received in advance	96, 592	53, 568	
Charges to be paid	115, 262	62, 066	
Reserves and balances brought forward	95, 514	40, 588	
Total	307,368	156, 223	
EBT income & expenditure statement			
FINANCIAL YEAR ENDING 31 DECEMBER	2017	2016	
Income	EUR	EUR	
Membership fees	177, 290	153, 623	
Certification fees	85, 250	68,000	
Conference fees	26, 573	18, 970	
Sponsorships	75, 306	94, 399	
Advisory services	253, 026	71,613	
Projects Grants	240, 316	209, 147	
Total	857, 761	615, 751	
Expenses	EUR	EUR	
Board / Governance	5, 344	8, 110	
Staff costs	481, 350	351, 299	
Operational expenses	84, 973	78, 693	
BSR conference & Barometer	104, 590	112, 319	
Project and other direct expenses <sup>1</sup>	126, 578	61, 834	
Total	802, 835	612, 256	
Operational result	54, 926	3, 496	
Reserves brought forward	40, 588	37, 092	
Reserves carried forward	95, 514	40, 588	

### Audited by CR Gestion et Fiduciaire S.A.

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UEBT BOARD OF DIRECTORS 2017						
BAS SCHNEIDERS Weleda Board President	<b>GASTÓN VIZCARF</b> IPPN Board Vice Preside		ANGELA PINHATI Natura Cosmetics Board Treasurer			
<b>GUSTAVO URREA FONDO</b> Biocomercio	PIERRE CHARLIER DE CHILY Aldivia	<b>EDER RAMO</b> Symrise Braz				

### **UEBT Members**

### Brazil

Beraca, Health and Personal Division Centroflora Group Natura Cosmetics Usina São Francisco/Native Produtos Orgânicos

Burkina Faso Agrifaso sarl

OLVEA Burkina Faso

Chile Sociedad Agricola Y Forestal Casino

Colombia Ecoflora

Croatia Jan Spider

Czech Republic Extravit s.r.o.

Egypt A. Fakhry & Co (Provisional Member)

France Aldivia Cosmo International Ingredients

### Angola

BioDivSourcing

Bolivia

Fundación amigos de la naturaleza (Friends of Nature foundation – FAN)

Brazil Imaflora Movimento Empresarial Brasileiro pela Biodiversidade (MEBB) Tozzini Freire Advogados -Environmental Practice Group

### TRADING MEMBERS

Firmenich Grasse Laboratoires Expanscience Laboratoires Prod'Hyg & LETICC Latitudes 23° Prova Vanille Durable (Provisional Member) Naturex BU Cosmetic Serdex - SEPPIC

### Germany

Drom Fragrances Martin Bauer GmbH & Co. KG. Wollenhaupt Herbal Tea Worlée NaturProdukte Symrise AG (Provisional Member)

### India

Indfrag

### Italy

Capua 1880 Cilione

Madagascar Madagascar Green Product Sotramex Sarl

Mexico Mexialoe Laboratorios S.A.

#### **AFFILIATE MEMBERS**

Colombia

Fondo Biocomercio Biointropic

France Cruchon Développement Rongead

Latin America Development Bank of Latin America (CAF)

Peru Instituto Peruanos de Productos Naturales (IPPN) Promperú

### Nigeria

Refem Millers

Peru Agroindustrias Osho S.A.C. Candela

South Africa Grounded (Provisional member)

Spain Provital

Switzerland Weleda

Tanzania Novel Development Tanzania Ltd

United Kingdom Blue Sky Botanics

United States Aromatics USA

Zimbabwe B'Ayoba (Pvt) Ltd. (Provisional Member) Kaza Natural Oil (Provisional Member) Organic Africa

U.S.A. International Finance Corporation (IFC)

Vietnam Vimames

Zimbabwe Bio-Innovation Zimbabwe PhytoTrade Africa

List of UEBT members as of June 2018

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