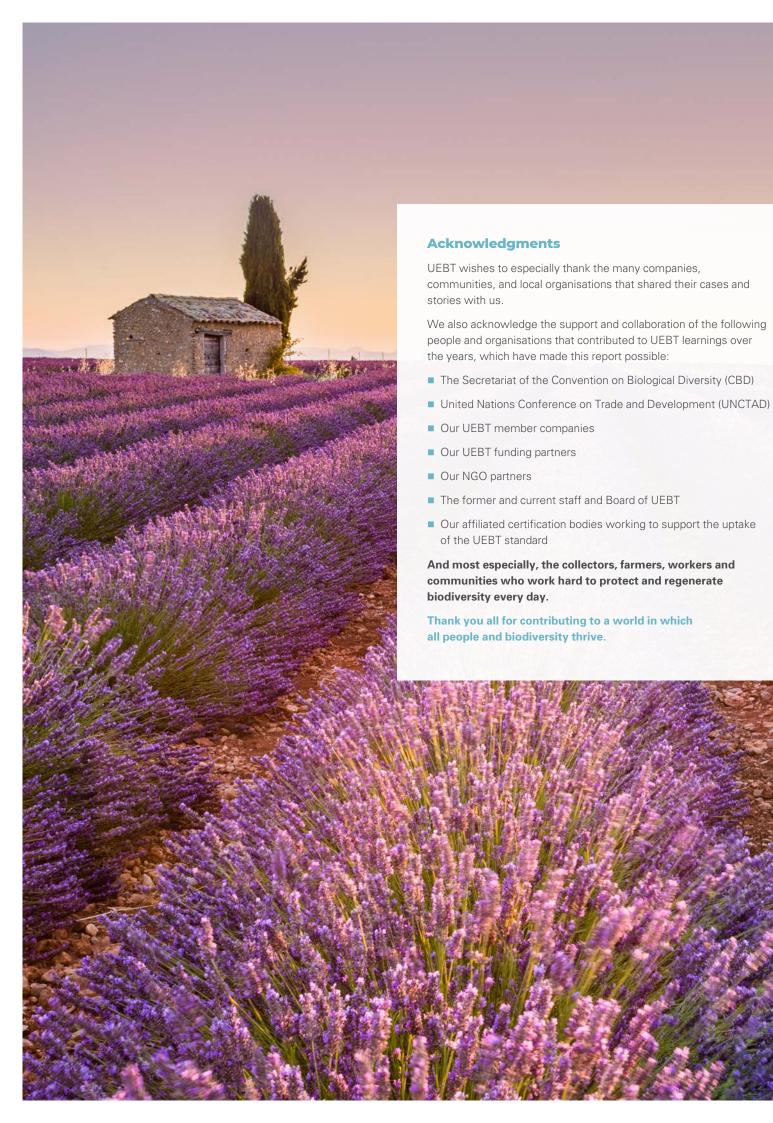
# THE BIG SHIFT: BUSINESS FOR BIODIVERSITY

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SOURCING WITH RESPEC

Lessons Learned from over 10 years of the Union for Ethical BioTrade (UEBT)

A CONTRIBUTION TO THE POST-2020 GLOBAL BIODIVERSITY FRAMEWORK AUGUST 2020



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# INTRODUCTION

As the United Nations Decade on Biodiversity comes to an end in 2020, the development of a new ambitious global biodiversity framework is underway under the **Convention on Biological Diversity (CBD)**<sup>1</sup>. Despite the commitments made by governments in the past, the loss of biodiversity continues apace, and much remains to be done.

An early draft of the post-2020 global biodiversity framework puts forward a plan to bring about the shared vision of "living in harmony with nature."<sup>2</sup> While the document will still evolve, it centres on the need for urgent action at a global level, in order to transform our economic, social and financial models. Such action is necessary to stabilize biodiversity loss by 2030 and allow for biodiversity's recovery, regeneration and net improvement by 2050.

Since its establishment, the Union for Ethical BioTrade (UEBT) has been supporting CBD objectives. Through a memorandum of understanding, UEBT is collaborating with the CBD Secretariat to further engage the business community and to advance the implementation of its strategic plan and priorities. It is timely to review lessons learned by UEBT, its members, and partners over the past decade, in order to contribute to the development of the post-2020 global biodiversity framework.

This document is structured as a set of lessons learned on enhancing business contribution to biodiversity conservation, sustainable use and regeneration. Each lesson flows from specific experiences in the work of UEBT and its collaboration with companies. **Building "from the ground up", the aim is to provide a practical and tested set of considerations, often missing from the policy context.** 

Finally, based on the draft post-2020 global biodiversity framework, this document illustrates how the UEBT principles are aligned with broader biodiversity goals and outlines how UEBT, its members and partners can thus contribute to creating harmony between people and biodiversity.

### Who is this document for?

- Companies that depend on biodiversity for inputs and ingredients for their products
- Companies interested in addressing biodiversity as part of their sustainability strategies
- Brands responding to consumer expectations on biodiversity
- Small and medium enterprises responding to market needs and demands
- Companies researching new properties and applications of plants and other biodiversity
- Companies committed to decreasing pressure on biodiversity
- Companies committed to positive impact on people and biodiversity

#### And also...

- Industry associations supporting biodiversity and responsible sourcing initiatives
- Business and biodiversity platforms and initiatives
- Policymakers working towards a post-2020 global biodiversity framework
- Policymakers and other organizations working for business engagement and partnerships
- Policymakers developing measures on biodiversity



<sup>2</sup> To find the zero draft, click on the 'official' documents tab at www.cbd. int/conferences/post2020/wg2020-02/documents and see document number CBD/WG2020/2/3.

<sup>&</sup>lt;sup>1</sup> For more information on the preparations for the Post-2020 Biodiversity Framework, please visit www.cbd.int/conferences/post2020.

### About UEBT

UEBT is a non-profit association that promotes sourcing with respect. It was founded in 2007 at the initiative of the United Nations Conference on Trade and Development (UNCTAD), which sought to promote business engagement in the ethical sourcing of biodiversity.

UEBT supports and verifies companies' commitments to sourcing that contribute to a world in which people and biodiversity thrive. To this end, UEBT sets good practices for how companies and their suppliers produce, develop, process and purchase ingredients from biodiversity for use in food, cosmetic and natural pharmaceutical products. These companies use a multitude yet small volumes of different ingredients from biodiversity – particularly plant parts or compounds, but also microorganisms and algae – coming from cultivation and wild collection around the world.

The Ethical BioTrade standard, which is managed by UEBT and is at the core of its work, establishes good practices along the supply chain. This means good practices extend from the cultivation and wild collection areas to the companies working with UEBT, which may include farms, cooperatives, processing companies, product manufacturers, and brands. The Ethical BioTrade standard covers topics such as conservation of biodiversity, sustainable use of its components, fair prices, living income, access and benefit sharing, human, children and workers' rights, local development, and food security.

The work of UEBT on business and biodiversity includes:

- Raising awareness on ethical sourcing of biodiversity through a membership programme, a knowledge sharing platform, international conferences and training workshops.
- Verifying ethical sourcing practices on respect for people and biodiversity through the Ethical BioTrade standard and two related certification programmes: certification of ingredients from biodiversity and of ethical sourcing systems.

- Collaborating with companies, private sector working groups, or civil society partners to address specific issues through working groups and multi-stakeholder initiatives.
- Advising companies through tailored services or special projects related to their ethical sourcing.
- Contributing to continuous improvement of Ethical BioTrade practices through a monitoring and evaluation programme that includes regular performance data collection, outcome evaluations and longer-term impact studies.

# Where does UEBT draw its learning from?

UEBT draws the lessons in this document from its work with its members and partners. As of April 2020, more than 50 companies of all sizes across the food, pharmaceutical and cosmetics sectors are UEBT members, having committed themselves to integrating the Ethical BioTrade standard across their activities and supply chains.

Additionally, UEBT members prioritize supply chains, where actions are taken to advance more quickly on good practices. At the end of 2018, UEBT members had prioritized 315 supply chains from 52 countries, involving 120 plant species.

Information on the work of UEBT members is gathered through membership and certification assessments, annual reports and monitoring and evaluation.

# **LESSONS LEARNED**

### **1** BIODIVERSITY IS OUR BUSINESS

It is becoming clear that biodiversity is not only an ecological, but also an economic imperative for business. Companies are increasingly recognising the extent to which their products and operations depend on conserving biodiversity.

Of course, humans depend on biodiversity: we consume 7,000 plants species as food and use almost 20% of plant species for medicinal purposes. Additionally, growing awareness of biodiversity, trends led by young consumers and health and safety concerns make the market for natural products among the fastest growing in various industry sectors.

Biodiversity is thus central to companies' ability to provide new and best-selling products in food, cosmetics, fragrances, and natural pharmaceuticals. Eder Ramos, Global President, Cosmetic Ingredients Division at Symrise, a major producer of flavors and fragrances and UEBT member, notes:

"For Symrise, biodiversity is a valuable source of innovation and inspiration for creating fragrances, flavorings, cosmetic and functional ingredients that improve health, nutrition and well-being."

Botanicals, dairy alternatives and plant-based proteins are key trends in the food sector.

Addressing biodiversity loss is not just the right thing to do, it is also a way to invest in long-term business success. Companies moving to address conservation, sustainable use and regeneration of biodiversity are those ensuring their ingredients and innovation into the future.

### What we have learned at UEBT:

Over the last ten years, UEBT has seen companies increasingly responding to the business case for biodiversity. This business case for biodiversity usually focuses on one or more of the following elements:

- Ensuring availability of the biodiversity on which product inputs and ingredients are based,
- Being able to access biodiversity to research and develop new products, as consumers continue to seek innovative and natural ingredients,
- Having better visibility into their supply chains all the way up to the field level,
- Reducing costs and risks associated with lack of good practices,
- Complying with evolving regulations, including access and benefit sharing rules.

For UEBT members, the business case for biodiversity is only the beginning. Their commitments go deeper and look further, restoring habitats, safeguarding species and contributing to local development. It is seen as the 'right thing to do' in a long-term business strategy. These companies implement concrete actions for biodiversity and local development in sourcing areas (see Boxes 1.1 and 1.2) and offer models of effective local stakeholder engagement.

### Box 1.1

### Jan-Spider in Croatia: Positive impact is the business model

Jan-Spider, a company based in Croatia and UEBT member since 2017, is an important player in the herbal tea market. Its factory in Croatia has the capacity to pack over 400 million tea bags annually, making it one of the biggest in Europe. Chamomile, one of their most important ingredients, is also significant for the 40 cooperatives producing the herb. For some of the growers and their families, chamomile provides up to 80% of their income, while for others it is a supplementary income, constituting 20–30%.

Jan-Spider, which has been in business for more than 25 years, bases its business model on ingredients that have a positive impact on people and the environment. The company helps family growers by providing knowledge and advice on good farming practices, providing seeds, helping farmers to obtain financing and paying fair prices. The company also takes actions to support the local community including sponsoring local school, childcare, and hospital activities.

Jan-Spider holds certification for chamomile and other herbs used for tea under the UEBT/UTZ herbal tea certification program (soon to be changed into a UEBT/ Rainforest Alliance program). As part of their work with UEBT, the company has developed a biodiversity action plan with the following goals:

- regeneration of endemic flora and fauna,
- maintenance and improvement of soil conditions, and
- application of good farming practices over six farms covering 192 hectares.

### **How UEBT contributed:**

The UEBT membership program involves an assessment of company systems and practices and the adoption of an improvement plan, including a biodiversity action plan that it implements with UEBT guidance.Additionally, the company achieved certification for various ingredients, which thus are validated as complying with the UEBT principles.

### Box 1.2

# Natura Cosmetics: Brazilian biodiversity at the core of the business

Natura Cosmetics, part of the Natura & Co group, is a leading company in the cosmetics and personal care sector, based in Brazil. Since 2000, with the launch of its Ekos brand, Natura has put biodiversity–particularly Brazilian biodiversity–at the core of its business. The strategic importance of biodiversity is reflected in concrete actions in the company's operations and, most importantly, supply chains.

As a UEBT founding member, Natura has increased actions to protect biodiversity and support local communities. The company has prioritized 28 ingredients that are collected or harvested by local communities from 73 supply chains. In 2016, Natura obtained UEBT natural ingredients certification for 40 supply chains from the Amazon and in 2018, they obtained UEBT Ethical Sourcing System certification.

A 2018 impact study carried out by UEBT, following a methodology developed by outside experts, found that over the period 2007 to 2017 the company made significant changes in its business through its work with UEBT on Ethical BioTrade and in line with the company's own commitments. These changes, among others, included:

- Developing a company standard in line with UEBT requirements,
- Defining risks and establishing new systems, including a new traceability system,
- Creating a new department in Natura to focus on relations with communities,

- Intensifying collaboration to empower communities and promoting development projects,
- Having Natura staff constantly in contact with communities in the field, and
- Conducting regular audits to achieve UEBT certification.

So far the company has perceived the following positive outcomes, among others:

- Reinforcement of their corporate culture promoting biodiversity,
- More effective sourcing, and
- Improved traceability and verification that adds value in light of consumer awareness of biodiversity.

#### **How UEBT contributed:**

UEBT and Natura have been working together for many years. The Natura impact study found, among other learnings, that the UEBT assessment of Natura's internal monitoring system highlighted the need for verification.

The approach proposed by UEBT to organize the internal monitoring system stimulated reorganization of Natura towards more horizontal and collaborative decisionmaking. In addition, UEBT advisory services helped in understanding and implementing requirements in the UEBT standard which also guided the definition of Natura's own standard and checklists.

### **2** BIODIVERSITY IS A CONSUMER EXPECTATION

In food, cosmetics and other sectors, many of today's consumers demand greater transparency and sustainability in the products they purchase.

More consumers want to know where their products come from and what practices they involve or don't involve. For companies, understanding and meeting these expectations is essential. It enables them to respond to consumer demands and is also a key aspect of relationship building: consumers and companies often connect on values.

### What we have learned at UEBT:

Over the last decade, consumer awareness of biodiversity has expanded. Consumers more and more know what it is, its importance and that companies should protect it. Companies increasingly recognize this rising awareness and use it as an opportunity to meet expectations from consumers in how the company goes about its sourcing and development of ingredients from biodiversity.

Through its **Biodiversity Barometer**, UEBT has interviewed more than 74,000 total consumers in 20 countries over a 12-year period (2009 to 2020). One of the major learnings from the Barometer has been that there is a gap in consumer confidence: as consumers increase their awareness of biodiversity and its importance, they have lower confidence that companies are actually taking steps to protect biodiversity (see Box 2).

Other lessons include:

- Awareness and understanding of biodiversity grow year after year, around the world. Consumers with lower incomes show particular growth in their awareness.
- Biodiversity is a global concept, and important in upper middleincome economies such as Brazil<sup>4</sup> and China.
- Young consumers (ages 16–24) are consistently best informed about biodiversity.
- Biodiversity is becoming a mainstream concept for consumers in the cosmetics sector in particular.<sup>5</sup> Consumers find biodiversity conservation important for their personal wellbeing and that of generations to come. They want to personally contribute to safeguarding biodiversity.
- Respecting people and biodiversity in purchases is a growing concern. Consumers understand their potential to make a positive contribution to society-and it makes them feel good to choose products that make such a contribution.
- Consumers want companies to act for biodiversity, but they doubt that companies, with a focus on profit, will do so.
- Consumers want more and more information preferably externally validated – on where products come from and how they respect people and biodiversity.
- Authentic stories, proof of good practices on the ground, and clear communication are key to convince consumers of companies' respect for people and biodiversity.

### Box 2

# Consumers expect companies to respect biodiversity, but don't trust they do

Year upon year, consumers surveyed for the UEBT Biodiversity Barometer would struggle to name brands making a positive difference for biodiversity. Questions posed about companies' obligations versus companies' actions always showed a gap.

For example, the 2018 edition of the research that surveyed 5,000 consumers in five countries showed that the majority (79%) felt that "companies have a moral obligation" to have a positive impact on people and biodiversity in their sourcing of natural ingredients, but only 37% felt "confident that companies pay serious attention" to these issues.



<sup>4</sup> UEBT research shows that year after year, Brazil is the only country where a company has a high recognition by consumers specifically for its 'contribution to biodiversity.' The brand cited is Natura. <sup>5</sup> UEBT research shows that food and cosmetics consumers are becoming increasingly aware of biodiversity. This is likely less so in the natural pharmaceuticals sector.

# **3** BIODIVERSITY MEANS ENGAGING ON THE GROUND

Dramatic biodiversity loss over the last few years has led business to engage and make concrete commitments to reducing their footprint or moving to positive impacts.

Hundreds of companies have pledged to transform their production systems and supply chains to protect people and biodiversity to support important initiatives and targets such as the Paris Climate Agreement, the Bonn challenges for landscape restoration, the New York Declaration on Forests and the UN Sustainable Development Goals.

Yet it is clear that a significant gap remains between company's sustainability targets and the implementation of those commitments on the ground.

### Box 3.1

### **Rise in reporting on biodiversity**

Each year, the UEBT Biodiversity Barometer also analyses how much attention cosmetic and food companies pay to biodiversity in their corporate reports and websites.

In 2019, references to biodiversity increased significantly: in the beauty sector, it was 49% of companies reporting on the topic–from 13% in 2009. In food and beverages, it was 76% of companies mentioning biodiversity– from 53% in 2012.

The depth and quality of information reported on biodiversity, though, is still limited. Biodiversity is mostly raised in relation to palm oil, deforestation or sustainable packaging.

### What we have learned at UEBT:

UEBT has always required its members to go beyond traceability, targets and policies and take action to improve practices on the ground. Such action takes several forms, including supply chain partnerships. For example, the Ethical BioTrade standard requires companies to strive for long-term collaboration with local producers.

Companies working with UEBT ensure good working conditions so that people do not feel they must leave their communities to find a decent livelihood. These partnerships and good conditions allow companies to engage with producers and their communities, learn from and share important knowledge, and advance actions for improved conditions in sourcing areas (see Boxes 3.2 and 3.3). UEBT companies also engage in concrete actions that improve local biodiversity: these actions are explored later in this paper.

### Box 3.2

# Positive impact on the ground in sesame oil in Mexico

Weleda, a world-leading manufacturer of natural cosmetics, has a history of engagement with producers and their communities. In their 10 years of UEBT membership, such efforts have been consolidated and further integrated into their systems. For example, one of the elements in their UEBT work plan was to look more deeply at their long-term sesame oil supplier in Mexico.

Sesajal is an oil seed processing company based in Guadalajara. It produces sesame oil from 1,000 hectares, working with 200 small farmers and other workers. In 2008, Sesajal signed a partnership on sustainability projects with Weleda and underwent an audit against the Ethical BioTrade standard. Some areas for improvement identified included worker and community health and safety. There was also a gap in Sesajal's knowledge of biodiversity and possible actions to ensure its sustainable use. A plan was put in place, supported by Weleda, that included farmer training, new tools to increase yields, and collection of biodiversity information to share with the government, among other activities. The company is also planning to expand its projects and collaboration with Weleda.

### How UEBT contributed:

The UEBT membership program involves an assessment of company systems and practices and the adoption of an improvement plan, which included strengthening biodiversity considerations as part of Weleda's philosophy. The Ethical BioTrade standard was used to verify the supply chain.

### Box 3.3

# Vanilla in Madagascar: Increasing income while preserving rich ecosystems

Vanilla is one of the world's most valued spices, used in everything from baked goods to the finest perfumes. About 80% of the world's real vanilla comes from Madagascar. UEBT member Symrise sources vanilla from 7,000 farmers in 98 villages in Madagascar.

The company works in partnership with smallholders, offering a higher income, health and education benefits and a variety of programs to support good practices. As Alban Bonnet-Casson, Sustainable Development Coordinator at Symrise Madagascar, says:

"Farmers know about the challenges they need to manage, and the ones that we need to manage together."

Symrise has now secured UEBT ingredient certification for vanilla in Madagascar, as well as for other ingredients around the globe. This certification reaffirms their own commitment to biodiversity, attests that their vanilla is ethically sourced from farming villages and that the company is creating shared value for local people.

### How UEBT contributed:

The UEBT membership program involves setting targets for ethical sourcing, assessing company systems and practices and the adoption of an improvement plan.

UEBT ingredient certification is based on the Ethical BioTrade standard and validates social, economic and environmental practices along the supply chain and in sourcing areas.

## **4** STANDARDS ARE TOOLS FOR BIODIVERSITY ACTION

As companies engage in biodiversity and other sustainability topics, standards can provide guidance on good social and environmental practices for ingredients, products or sectors.

Sustainability standards can be used by producers, companies, governments, financial institutions and consumers to identify what is the right thing to do and buy for biodiversity. They are also tools to distinguish companies, ingredients and products that follow good practices, from those who don't. More importantly, sustainability standards provide incentives for improvements on the ground.

A recent note (see Box 4.1) by **ISEAL Alliance**, the umbrella organisation for sustainability standards, explained the rationale for companies working with standards as follows:

"While many companies are putting in place their own monitoring regimes and programmes, or use for-profit platforms and consultancies to do auditing, these are often a 'black box'. Inhouse or 'on-demand' programmes that lack impartiality, transparency or rigour should not be considered adequate due diligence approaches." <sup>6</sup>

### Box 4.1

#### Companies do better if they align and build on credible standards

"Even the most credible and effective standards system cannot replace the need for each company to develop its own due diligence policy and procedures. However, where a credible standards system or industry initiative is available, widely used, and credible, it makes sense that companies should align and build on them, rather than developing parallel approaches in isolation.

"It is important to reflect on the implications of companies implementing due diligence policies without leveraging sector wide tools such as multi-stakeholder standards. In such scenario, lack of consistency and coherence in due diligence policies could easily create further fragmentation, confusion along supply chains, adding to the burdens already placed on upstream actors and producers."

From ISEAL's note *Corporate due diligence, sustainability standards and certification*, September 2019

### What we have learned at UEBT:

The Ethical BioTrade standard, which is the foundation of UEBT activities, drives business engagement with UEBT. Companies see a clear alignment between the standard and evolving policy goals and regulatory requirements.

They also realize that the Ethical BioTrade standard can be integrated in their own policies and procedures and is supported by additional tools for risk assessment, biodiversity action and access and benefit sharing (ABS) compliance. Notably, companies appreciate that working with an independent organisation, and with a standard created in a multi-stakeholder consultative process, allows them to be responsive to customers who seek this kind of impartiality in the verification of a company's sustainability performance.

At UEBT we have found that the membership process drives ethical sourcing commitments, and the tools of UEBT verification or certification help to solidify those commitments. Companies then move from commitment into implementation through the requirements around the criteria in the Ethical BioTrade standard. These external requirements often enhance and expand in-house programmes, or are used to meet in-house goals, and they further benefit a company with external recognition.

For example, Martin Bauer Group chose to join the UEBT/UTZ certification program for herbal tea (now under development as the future **Herbs and Spices Programme of UEBT and the Rainforest Alliance**) and to comply with its requirements because, in part, of demand from customers for sustainability labels and external verification.

See more on Martin Bauer's work with UEBT in Box 4.2.

<sup>6</sup> ISEAL Alliance, Corporate due diligence, sustainability standards and certification, September 2019

### Box 4.2

#### Martin Bauer Group and verification as a way to combine product quality with sustainability

Martin Bauer Group is a global company that works with more than 200 plant-based raw materials from more than 80 countries and five continents. They provide customised products for the global tea, beverage, food and animal nutrition industries.

The company's in-house standard, called mabagrown® was developed with a focus on quality, safety, socioeconomic and environmental sustainability. Working with the Ethical BioTrade standard, Martin Bauer Group strengthened the mabagrown® standard through, for example:

- Introducing Biodiversity Action Plans in areas where cultivation and wild collection take place
- Further specifying good farming practices, including on yield optimisation and agrochemical use
- Developing social projects that are participatory and regularly monitored
- Defining mechanisms for fair remuneration for the use of local knowledge and resources

Demand for mabagrown® products continues to increase, with existing clients shifting to mabagrown® ingredients and new clients asking for them. The demand currently exceeds supply, showing opportunities in ethical sourcing.



# **5** PEOPLE AND BIODIVERSITY ARE INHERENTLY LINKED

We depend on biodiversity in our daily lives, in ways that are not always appreciated. Our well-being depends upon ecosystem products and services such as fresh water, food and fuel sources.

Biodiversity loss affect livelihoods, income, and disrupts cultures and communities. Indigenous peoples and local communities, in particular, live in remaining areas of high biodiversity, demonstrating a correlation between biological richness and cultural diversity and the importance of local views, knowledge and practices in biodiversity conservation.

### What we have learned at UEBT:

Companies working with UEBT are required to work on the social and cultural aspects of their ethical sourcing systems. This includes ensuring fair prices, respecting human rights, and sharing benefits in ways that honour the contributions and rights of indigenous peoples and local communities (the issue of benefit sharing is further explored in section 6).

Social challenges are often systemic. There may be several factors that determine whether or not communities are resilient and not affected by challenges such as poverty, food insecurity, gender inequity and more. But it's important for companies to understand that if people are trapped in poverty, they will not be able to conserve or regenerate biodiversity. Long term investments in communities are necessary to lift people out of poverty so that they have the social capital and the income to be able to take care of local biodiversity.

Of course, the supply chain cannot achieve all socio-economic goals in isolation. Companies can contribute to improving social conditions and many have found a range of strategies that contribute to better incomes and wages, increase social support, and also help communities respect biodiversity while pursuing their livelihoods (see Box 5). Good practices in the Ethical BioTrade standard through which companies can contribute to local economic development include:

- Engaging in dialogue with local producers and pursuing long-term partnerships based on trust, enhanced collaboration and broad benefits for all stakeholders,
- Ensuring fair prices for local producers, that cover the costs of implementing good practices and allow them to improve their quality of life and that of their communities,
- Promoting community efforts in areas such as medical services and education,
- Offering good working conditions and respecting worker rights, and
- Making continuous improvements towards living wages and farmer 'living incomes' based on credible local benchmarks.

"The producer wins when prices go up, but they lose when market prices go down. Mexialoe decided to maintain its price throughout the year regardless of whether the price is fluctuating in the market, and we guarantee our purchases."



#### Guadalupe Bojorquez, General Manager at Mexialoe Laboratorios

UEBT member Mexialoe is based in the state of Campeche in Mexico and is a leading supplier of Aloe

Vera to the cosmetics, food, pharmaceutical and personal care industries globally. The company works with local communities located in buffer zones of two protected natural areas.

### Box 5

# Brazil nuts collectors gain fair contracts and cash advances

In Madre de Dios, in Peru, collection of Brazil nut and related activities represent two-thirds of annual revenue in the region. UEBT founding member Candela Perú works with 200 collectors or "castañeros", including 80 women, in sourcing Brazil nut for use in food and cosmetics.

The company's focus is on ensuring good working conditions for the collectors, respect for human rights, fair payments, and finding markets that recognize such practices. Castañeros are able to work based on written contracts and have access to no-interest, pre-harvest payments, free transport and necessary equipment.

Candela Perú also works to build the capacity of local people to protect the trees and assist with natural regeneration across the forests, and supports the Indigenous Forest Association in Madre de Dios (AFIMAD).

As explained by Gaston Vizcarra, President of Candela,

"It hasn't been easy to navigate in these competitive, price-driven markets, with more and more regulations to meet, and increasing requirements from buyers on quality. We have revisited our mission and feel that we really are a team of people focused on local communities, and the sustainable use and conservation of ecosystems where our ingredients come from.

"Throughout UEBT's existence, we have experienced and witnessed that UEBT doesn't only develop the standard, but they take actions that help us create and realise Ethical BioTrade in our company."

#### **How UEBT contributed:**

UEBT membership program and Ethical BioTrade standard guide Candela Perú on sustainable use and conservation of biodiversity. The Candela Perú team that works in the field believes that

"There are many product certifications in the market but the UEBT guidelines really help us commit to sustainable use and conservation of our resources."

# 6 RECOGNIZING RIGHTS OVER BIODIVERSITY IS ESSENTIAL

Who owns biodiversity? International agreements recognize the rights of countries and communities to regulate access to plants, microorganisms and other components of biodiversity for research and development.

Over 80 countries now have rules for such access, as well as for the sharing of resulting benefits. Rules on access and benefit sharing or ABS aim to safeguard rights over biodiversity and traditional knowledge and harness the value of these resources for conservation, sustainable use and local livelihoods. Lack of compliance with ABS rules opens companies up to sanctions and reputational risks.

### What we have learned at UEBT:

#### Navigating ABS rules

ABS rules are guided by the **Nagoya Protocol** adopted in 2010, but each country adopts its own approach and procedures. That is why some companies are stuck trying to define the relevance and implications of ABS rules around the world to their research, product development and commercialisation. UEBT members and other leading companies are already exercising due diligence, applying good practices, and collaborating with governments on ABS.

In this way, they are not only navigating ABS rules, but contributing to making these rules more practical, more effective and more impactful on the ground. Box 6 explains how South African authorities, conservation entities, companies and local communities worked together on ABS in the case of the Clanwilliam cedar.

#### Where to start on ABS?

To begin, companies need to define whether and how ABS rules apply to their activities. This may involve asking questions to their suppliers, on whether laws or regulations exist where plants or other biodiversity are sourced for ingredients. It may also include looking through procedures for releasing new samples for research or product development activities. Or assessing potential liabilities in their research pipeline.

UEBT offers tools, training and technical support for companies exercising such due diligence on ABS. If ABS rules apply, it can also help companies define the specific procedures and requirements to be followed and engage in the process with local authorities and providers. The aim is to promote development of new ingredients, in a way that creates beautiful products and respects people and biodiversity.

### Box 6

### Trees, communities and benefit-sharing in South Africa

The Clanwilliam cedar is endemic to South Africa and a vital part of its biodiversity. Yet the tree is now on the brink of extinction. The Body Shop and Givaudan came together to create a perfume that is inspired by the Clanwilliam cedar and now contributing to its conservation.

The companies secured a permit under the South African ABS rules and concluded a benefit sharing agreement that involved CapeNature, the Heuningvlei community, and South African authorities, through a process facilitated by UEBT. The benefits from the sale of the perfume are flowing back the local community, improving their livelihoods and supporting conservation initiatives linked to the Clanwilliam cedar. The companies also raise awareness of the origin, importance and cultural heritage of the tree in their product marketing.

ABS rules in South Africa have been criticized for their complexity. Indeed, defining what was 'fair and equitable' in this case didn't prove straightforward. Moreover, the case involved headspace, a unique technique used in the fragrance sector, which raised questions in terms of determining whether and how rules applied.

This case proves that, with collaboration among actors, it is possible to put ABS into practice. Partnership was a key success factor. CapeNature was an essential partner who facilitated exchanges with the Heuningvlei community. Without the engagement of the local community, prior informed consent would not have been meaningful and the potential for positive impacts would have been diminished. Similarly, the collaboration and constructive engagement of The Body Shop and Givaudan, which focused not only on legal compliance but on respecting ABS principles was critical. Finally, this case also showed how the support of organisations such as UEBT and its partner, the **ABS Capacity Building Initiative**, can contribute to bringing different actors together and reaching positive outcomes.

# 7 BIODIVERSITY IS PARTOF COMPANY STRATEGIES,OPERATIONS AND SUPPLY CHAINS

Sustainability began at the periphery of a business, but it is quickly moving to its core. This is true in the sense of biodiversity becoming an economic imperative, as discussed earlier.

It is also true in how effective corporate engagement in sustainability depends on integrating social and environmental issues across corporate strategies, business operations and the company's supply chains. Companies that are successful in meeting their sustainability commitments take meaningful actions and ensure implementation in procurement, in product innovation, and across all other business functions. Implementation of sustainability actions must take place from source all the way to the end use.

### What we have learned at UEBT:

# Ownership of biodiversity actions must lie at the senior management level

When it comes to biodiversity, too often a commitment to conservation and sustainable use is not fully integrated into the entire business, and senior leadership see it as a small or side project, often siloed in the sustainability team. But ownership of biodiversity conservation and regeneration needs to lie at the senior management level. Management should both embrace these goals and promote them, requiring them to be a guiding force throughout the company's strategies, operations and supply chains. Roberto Marques, CEO of Natura & Co, currently the world's fourth largest free standing beauty company, has stated that the ambition is not to be the biggest beauty company in the world, but rather "the best beauty company for the world."

# Both companies and suppliers can obtain a range of social and environmental benefits

Weleda is one of the brands that has worked with UEBT over the last decade and has shown that this integrated approach lends well to positive effects for the company and its suppliers. Another important UEBT partner is Yanbal, which has made a strong commitment as it begins its work on biodiversity. In both cases, company vision and leadership at the highest level have been important factors in making progress over the long-term on biodiversity (see Boxes 7.1 and 7.2).

UEBT members see benefits from integrating ethical sourcing in their strategies and operations, including improved sustainability strategy, more effective supply management, better risk identification, enhanced stakeholder recognition and corporate reputation, and more. Their suppliers have seen positive benefits as well, including improved working conditions, better contracts, support for environmental and social projects, enhanced credibility and recognition from the purchasing company, and a view towards long-term partnerships.

### Box 7.1

### Weleda: Long-term commitment by company leadership is a critical factor for success

Weleda is a natural and organic cosmetics and pharmaceuticals brand that was founded in 1921. They have been a UEBT member since 2011, bringing more than 900 ingredients into their ethical sourcing system.

A 2018 impact study on the company conducted by UEBT, following a methodology developed by outside experts, found that over the period from 2011 to 2017 the company made significant changes in its business through its work with UEBT on Ethical BioTrade and in line with Weleda's own commitments.

These changes included:

- Integrating additional biodiversity and social aspects into its supplier control systems,
- Defining a risk assessment system with scoring related to biodiversity issues,
- Merging sourcing departments for improved coordination and expanding staff over the years,
- Creating a new position focused on "sustainable" sourcing,
- Assessing 1,200+ supply chains against baseline UEBT indicators, and
- Prioritizing 60+ supply chains for improvement plans.

The company has perceived the following positive outcomes, among others, so far:

- Improved sustainability strategy
- More effective supply management
- Improved risk identification
- Enhanced corporate reputation

### How UEBT contributed:

UEBT and Weleda have been working together for many years. Weleda selected the Ethical BioTrade standard because of its focus on social, economic and ecological issues and because it is system-based.

In 2018, Weleda received UEBT certification for their Ethical Sourcing System. Additionally, other factors found to enhanced good practices at Weleda included UEBT advisory services and networking opportunities.



### Yanbal: "There is still a lot to do, but we are committed to generate change"

Yanbal, one of the top beauty companies in the world, based in Peru, became a UEBT member in 2018. It is using UEBT guidance to implement systems to ensure the ethical sourcing of ingredients from biodiversity. The company is adapting its policies, reviewing its procedures and generating skills in the corporate team and among suppliers.

The aim is that staff and partners understand the relevance of the company's actions and work to benefit local communities. Part of the decision to start working with UEBT, as explained by their CEO Janine Belmont, was to

"improve the sourcing of the company's natural ingredients, guaranteeing a responsible and positive impact in the local communities."

Belmont adds that

"we know that there is still a lot to do, but we are committed to generate the change to a more sustainable business."

### How UEBT contributed:

The UEBT membership program involves an assessment of company systems and practices and the adoption of an improvement plan. UEBT is supporting the company in putting this improvement plan in practice.

# **8** BIODIVERSITY ACTIONS ARE EFFECTIVE WHEN TAILORED TO LOCAL CONTEXTS

It is in its name: Biodiversity involves a wide range of ecosystems, species and genes. This means that, when defining actions to maintain or enhance biodiversity in specific areas, considering local circumstances, existing pressures and ongoing conservation and regeneration efforts is critical.

Such tailoring of biodiversity actions to local contexts can only be done with the participation and active engagement of producers and local communities.

### What we have learned at UEBT:

# Fine-tuning to local realities and involving producers in plans are crucial

Business can make a difference for biodiversity no matter what their size or their local context are. While biodiversity conservation often brings to mind the collection of wild plants harvested by hand in a protected area, UEBT has seen that companies can work for biodiversity in many different parts of the world and in many types of cultivation systems.

Biodiversity actions can be taken on any continent and in any country in the world, in farms as well as in wild collection areas. What good actions for biodiversity have in common is that they are fine-tuned to local realities, involve producers in the plans and complement existing local strategies. They also contribute not only to the reduction of biodiversity loss, but also to conservation and restoration activities. At the same time, these actions often boost crop performance, through reaching adequate yields due to better soil conditions or improved crop resilience over time in the face of changing climatic conditions.

In some cases, very little is known about a species being collected or cultivated in terms of how that species adapts to climatic conditions, and so a company and its partners often need to invest in new research to better understand how best to protect their raw materials as well as the local biodiversity in these sourcing areas and surroundings (see Box 8.1). They need to coordinate with local organisations on this research (see Box 8.2). In some cases, a collected species might even be competing with native plants, so a company needs to take specific action to stop its spread while still managing its collection (see Box 8.3).

### Box 8.1

# Allanblackia oil: Social and ecological improvement in a biodiversity hotspot

Used as a plant-based fat in foods such as margarine, Allanblackia oil comes from the seeds of a native, evergreen tree that grows in the tropical cloud forests of Tanzania, specifically in the Usambara and Nguru Mountains, in the northeastern part of the country.

The Usambara Mountains are one of the world's biodiversity hotspots and boast several species of plants and birds found nowhere else in the world. The region where the trees grow has income challenges, so additional income from honey, fruits or oils that can be added to regular agroforestry crops, makes a huge difference for people's livelihoods.

Novel Development Tanzania, a UEBT member company in Tanzania, is producing 240 tons of Allanblackia seeds each year for the market. The company has been working for several years to build a successful Allanblackia supply chain, including training women and men on how to collect and care for the trees, conducting some of the first research on the tree itself, and establishing linkages to the market.

They are also raising awareness on biodiversity, since conserved trees provide ecological benefits in addition to extra income. Today, margarine made with UEBT certified Allanblackia can be found in France and Sweden, under popular brands such as Fruit D'Or, which contains 60% Allanblackia oil.

**How UEBT contributed:** Novel Development Tanzania has been a UEBT member since 2011. UEBT principles helped the company develop and grow, with UEBT assessments shaping what the company was doing to become more systematic.

The company achieved UEBT certification for Allanblackia oil, which facilitated other certifications, such as organic, later obtained. As Fidelis Rutatina, Managing Director of Novel Development Tanzania, explains:

"The organic auditor came and saw almost all the organic principles already in place. Without working with UEBT it would have been very difficult. We now have market differentiation, producing Allanblackia that is ethically sourced and also organic." Companies that take biodiversity actions in a systemic and context-specific way often begin by:

- Assessing opportunities and threats to biodiversity in the context of their sourcing.
- Tackling aspects that are important for production (e.g. yield, pests, etc.) and combining those with actions that focus on all three aspects of biodiversity: conservation, restoration, and sustainable use.
- Planning different measures and coordinating with different actors along the supply chain and beyond, such as local organisations.

"We leverage our influence to improve social and ecological conditions in the countries we source from. We see the promotion of social and ecological sustainability as mandatory for leading a successful business in global agricultural supply chains. It is our way of doing business."



Sebastian Sieben, Chief Executive Officer of Martin Bauer Group Europe

### Box 8.2

# Importance of biodiversity actions for resilience of citrus farming in Italy

Calabria, in Southern Italy, is known as the land of the citrus fruit. Calabria boasts several varieties of native citrus fruit, including clementines, oranges, lemons and bergamots—used, among other purposes, for fragrance. Traditional citrus farms have indigenous vegetation along farm borders, in fallow land and ravines, and in the undergrowth of citrus trees. However, endemic species are threatened, and soil is deteriorating because of heavy mechanisation. In addition, invasive species are spreading because of changing climatic conditions and certain farming practices that alter local flora and fauna.

Capua, a citrus processing company in Italy and UEBT member, is working with farmers to start biodiversity actions in this area. UEBT helped with an initial assessment and connected the company to a local university and a national park that could provide information and knowledge on local biodiversity. Capua hired an agronomist to define the actions and develop a monitoring system. The agronomist mobilized and supported several farmers in the implementation of the eventual biodiversity action plan.

Capua's biodiversity action plan has the following goals and suggested actions:

- Goal 1: Maintain and repopulate pollinators Plant herbs that are good for pollinators, define a set aside area to attract pollinators, and use natural products to manage pests.
- Goal 2: Improve biodiversity in the area Allow for and promote spontaneous undergrowth between citrus trees, use local vegetation along farm borders and especially choose trees whose structure and dimension provides a barrier to the wind that causes soil erosion.
- Goal 3: Promote biodiversity-friendly citrus farming Increase resistance to diseases and pests by planting different citrus varieties on the same farm to ensure genetic diversity, use high-efficiency irrigation systems that rely on a highly localized application of water, discontinue all flood irrigation, analyse the weather forecasts and plant needs and record each application of water.

#### How UEBT contributed:

The UEBT standard was the initial motivation for creating a biodiversity action plan. The Ethical BioTrade Standard – through its requirements in Principles 1 and 2 (Conservation of Biodiversity/Sustainable Use of Biodiversity) – guides its members and their suppliers to define and implement systemic approaches to biodiversity conservation and sustainable use. To facilitate this process, UEBT recommends companies adopt Biodiversity Action Plans.

### Box 8.3

# Harvesting Rose hip: stopping the spread of an invasive species

UEBT members harvesting Rose hip for use in herbal teas and cosmetics have a unique challenge: the species (introduced in the nineteenth century, not by the companies now making use of it) is considered invasive and competes with native plants. At the same time, it is an important source of income for local communities in areas not suitable for farming.

With guidance from UEBT, companies are now taking actions in their collection of the plant to reduce the risk of spreading. They also work to regenerate native vegetation under pressure from Rose hip.

For example, forests are being replanted to create habitats for native flora and fauna that has been threatened by the spreading of Rose hip over the years. Companies are replanting especially those species that are most endangered.

Union for Ethical BioTrade (UEBT) The Big Shift Business for Biodiversity

# **9** BIODIVERSITY REGENERATION IS THE NEXT STEP

Protecting and preserving the wealth and variety of species, habitats, ecosystems, and genetic diversity on the planet is fundamental to our well-being.

The problem is that we have reached a level of habitat loss and species in danger of extinction where merely conserving biodiversity is not sufficient. The concept of regeneration is supporting actions and practices that seek to "heal" natural systems, such as promoting beneficial insects, birds and animals, improving soil conditions, looking at the interrelationships between plants, etc.

### What we have learned at UEBT:

Companies are beginning to think not only of reducing harm to biodiversity, and conserving species that are threatened or endangered, but also of regenerating biodiversity in and around the sourcing areas. Regeneration shifts the focus from mitigating negative impacts to revitalising the soil and the environment. It improves lands and waterways and leads to more productive farms.

Regeneration can take many forms. Examples from UEBT member actions include:

- In West Africa, native trees function as barriers for seasonal, dry wind coming from the desert and are useful in preventing soil degradation leading to desertification. Re-planting these trees helps restore this function. Reforestation costs, in terms of land for farmers, are offset by crop resilience due to improved soil. Indigenous species are planted on the farm to act as shade trees and to protect the soil from heavy wind and rain.
- In the Balkans, companies harvesting Chamomile are creating borders along farms with native vegetation. They expect to see reduced cross-contamination and pollution from agrochemicals. More effective pest control, along with better soil quality, and higher climate adaptability through increasingly diverse Chamomile varieties should also lead to stabilized yields.

#### Companies go beyond sustaining what they have

In all of the above actions, companies are going beyond the steps associated with maintaining biodiversity at current levels, and are working to directly regenerate, or contribute to projects that regenerate natural systems. In recent decades, this has often been conducted through set asides, or no-go zones in and around farms, essentially creating areas that are not cultivated or collected from. This is beneficial as natural ecosystems will repair and rebuild if left alone. However, regeneration today is often more active, where companies and local partners are incorporating beneficial insects, building up the soil, improving soil carbon content, planting native trees (see Box 9) and additional actions to bolster ecosystems and habitats while improving crop performance for the future.

### Box 9

# **REFEM works in Nigeria to prevent soil** loss that leads to desertification

In the region of Nigeria where UEBT member REFEM processes and exports dried Hibiscus flowers and a range of other products, the local ecological balance is at risk and increased desertification has become a significant challenge.

Seasonal dry winds blowing from the desert do not face sufficient plant barriers, thereby causing soil erosion by blowing away soil particles and the nutrients that allow it to remain arable. The company, as part of its work with UEBT on its biodiversity action plan, is replanting native trees to function as barriers for the wind coming from the desert.

Native tree species are selected for reforestation, and these trees contribute to enhancing local biodiversity and slowing down the spread of non-native vegetation. The company planted 100 trees in 2019 and through its biodiversity action plan will now be planting at least 1,500 trees in 2020–2021.

#### **How UEBT contributed:**

The Ethical BioTrade Standard was the initial motivation for creating a biodiversity action plan.

UEBT's standard – through its requirements in Principles 1 and 2 (Conservation of Biodiversity/ Sustainable Use of Biodiversity) – guides its members and their suppliers to define and implement systemic approaches to biodiversity conservation and sustainable use.

To facilitate this process, UEBT recommends companies adopt Biodiversity Action Plans.

## **10** BIODIVERSITY MEANS WORKING IN PARTNERSHIP

Collaboration among companies has been recognized as important in sharing information and good practices and cooperating on common challenges and actions on biodiversity.

Similarly, multi-stakeholder initiatives are effective in engaging all relevant actors-from industry, civil society and other sectors-in dialogue, decision making, and implementation of responses that respect needs, perspectives and expectations.

### What we have learned at UEBT:

# Close collaboration between suppliers and farmers is essential

In all actions that companies take for biodiversity, the importance of partnerships is consistently brought up by UEBT members as a major factor in achieving success. This includes partnerships in the supply chain with different actors (including small and medium enterprises), as well as partnerships with local and international NGOs, with government authorities, with researchers or universities, with outside experts, and also with industry colleagues through sector-wide initiatives. In the supply chain, the close collaboration with suppliers and farmers or field operators is essential, since these local actors have important knowledge, must have buy-in for the actions and are the only ones that can make changes on the ground.

# Complement, rather than replace, to strengthen local collaboration

Local input into what are opportunities for improvements is also vital for ensuring good implementation of those improvements over time. Companies that work closely with their suppliers are also careful to complement rather than replace any existing strategies, and to tailor all interventions to the local reality. Incentivizing improvements through a strengthened business relationship, whether that be longer-term contracts or better prices, is also crucial to ensuring success. Resources including training and economic incentives are similarly important. Finally, local suppliers need to be empowered to control their actions. In the case of UEBT members creating biodiversity action plans, often the local companies are put in charge of such plans and they also set up monitoring plans, with the support of purchasing companies.

# Sector-wide exchange drives scale at the landscape or industry level

Companies need to also share information and best practices with others in their industry. UEBT provides this networking and knowledge sharing in its 'Sourcing with Respect' Conference each year, but additional sector and industry initiatives are crucial for companies working at the forefront of biodiversity conservation and sustainable use. Pre-competitive working groups can provide an essential way to have a dialogue on improvements that goes beyond any individual supply chain and builds collaboration on landscape level issues such as local working conditions or ecosystem conservation (see Box 10).

### Box 10

### **Initiative for Responsible Carnauba**

Used in products as varied as candy, cosmetics and shoe polish because of its hard and glossy qualities, Carnauba wax comes from trees that grow in the wild in northeast Brazil. In 2018, systemic problems came to light in some of the Carnauba wax extraction areas, including high rates of deforestation, degradation of local biodiversity, persistent drought, rapid expansion of invasive species, as well as poor working conditions and low pay.

The Initiative for Responsible Carnauba (IRC) was developed by UEBT and GIZ to bring together local and international companies to improve conditions in the Carnauba sourcing areas, as well as to find new approaches to the social and environmental challenges in the associated industry. The working group's aim is to foster a responsible Carnauba wax supply chain that respects the demands of people and helps to preserve biodiversity in the unique semiarid biome of northeast Brazil.

The IRC includes public and private organizations, including several large manufacturers (including Nestlé, L'Oréal, Mars Wrigley Confectionary, Haribo, Natura, Weleda, and others), non-profit and governmental agencies, and local processing companies in Brazil. It has an action plan focused on good harvesting practices, traceability and transparency, and shared learning and training. Carnauba wax suppliers participate by joining UEBT and submitting an improvement plan that shows they are making gradual and verifiable steps to meet the Ethical BioTrade standard.

### **How UEBT contributes:**

UEBT co-facilitates the Initiative for Responsible Carnauba with GIZ. The Ethical BioTrade standard serves as the focal point for local wax processors in the working group to demonstrate continuous improvement to purchasing companies.

Working group members such as brands and manufacturers make responsible sourcing commitments to incentivize local companies to implement the Ethical BioTrade standard.

# **UEBT AND THE POST-2020 FRAMEWORK**

The business community will have an important role to play in the implementation of the Post-2020 Global Biodiversity Framework.UEBT and its members can contribute to the implementation of the framework in a practical manner through ethical sourcing of ingredients from nature. Although the framework is still under discussion, the table below aims to illustrate how UEBT principles and its standard<sup>9</sup>, which guide UEBT's work with companies, are aligned with the goals and could support the achievement of a number of the targets set out in the zero draft of the framework:<sup>10</sup>

Post-2020 Biodiversity Framework (Draft)	Ethical BioTrade standard	
<b>Draft Goal 3</b> Genetic diversity is maintained or enhanced on average by 2030, and for [90%] of species by 2050, with a suggested indicator of comprehensiveness of conservation of socioeconomically as well as culturally valuable species.	Concrete actions to maintain, regenerate, or enhance biodiversity are initiated or supported in cultivation or wild collection areas. Targets are set for concrete actions that allow for assessment of progress and impact.	Principle 1 Conservation of biodiversity, criterion 1.2.
Draft Goal 5 The benefits, shared fairly and equitably, from the use of genetic resources and associated traditional knowledge, have increased by [X] by 2030 and reached [X] by 2050. Draft Target 11 Ensure that benefits from the utilization of genetic resources, and related traditional knowledge, are shared fairly and equitably, resulting by 2030 in an [X] increase in benefits.	If Access and Benefit Sharing (ABS) legal requirements apply, measures are taken to ensure that prior informed consent is obtained, necessary permits and agreements are in place, before undertaking further activities. Activities are undertaken and benefits are shared in line with the mutually agreed terms and, whenever possible, directly support local livelihoods and the conservation and sustainable use of biodiversity. In cases where no legal requirements on ABS apply, the utilization of genetic resources and associated traditional knowledge accessed from indigenous peoples and local communities respects ABS principles.	<i>Principle 3</i> Fair and equitable sharing of benefits derived from the use of biodiversity, criteria 3.4 and 3.5.
<ul> <li>Draft Target 5</li> <li>Ensure by 2030 that the harvesting, trade and use of wild species, is legal and at sustainable levels;</li> <li>Draft Target 7</li> <li>Enhance the sustainable use of wild species providing, by 2030, benefits, including enhanced nutrition, food security and livelihoods for at least [X million] people, especially for the most vulnerable, and reduce human-wildlife conflict by [X%].</li> <li>With a suggested indicator of: Estimates of numbers of people benefiting from wild harvest of fish, wildlife, medicinal plants etc.</li> </ul>	Practices are adopted to ensure sustainable use of species that are wild collected. Wild collection and trade in wild collected species comply with laws and regulations implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other national or local rules on rare, threatened or endangered species. Wild collection activities do not take place in protected areas where such activities are not allowed. In protected areas where wild collection activities are allowed, such activities take place in line with official management plans. Wild collection activities do not intensive species, as defined in the 'Global Register of Introduced and Invasive Species,' other scientific information, and local knowledge. If wild collection activities involve invasive species, which have not been intentionally introduced, measures are taken to avoid the spread of these species beyond cultivation and wild collection sites.	<i>Principle 2</i> Sustainable use of biodiversity, criteria 2.1.

<sup>9</sup> This section was based on the UEBT Ethical BioTrade standard, July 2020 The most up-to-date standard can be accessed at: www.ethicalbiotrade.org/setting-the-standard

<sup>10</sup> See document number CBD/WG2020/2/3/ADD1 at www.cbd.int/conferences/post2020/wg2020-02/documents, then click on the 'official' documents tab.

#### Post-2020 Biodiversity Framework (Draft)

**Draft Target 8** 

**Draft Target 14** 

Change in the number of private-sector

organizations which reflect biodiversity

in their planning, valuation, and impact

participation of indigenous peoples and

local communities, and of women and

use of biodiversity, ensuring by 2030,

equitable participation and rights over

girls as well as youth, in decision-making

related to the conservation and sustainable

assessment processes.

Promote the full and effective

**Draft Target 19** 

relevant resources.

#### Cultivated species are rejuvenated or renovated as needed to Principle 2 Conserve and enhance the sustainable maintain yields and plant health. For new planting, including Sustainable use of propagation, plant varieties are selected and used, based on use of biodiversity in agricultural and other biodiversity, criteria 2.1. managed ecosystems to support the consideration such as yield, resistance against pests, diseases productivity, sustainability and resilience and drought, inputs required, product quality, genetic diversity and of such systems, reducing by 2030 related adaptation to local conditions. Purchase of seed and planting material productivity gaps by at least [50%]. is done through trusted and/or certified organisations. In case of on-site production of seeds and planting material, actions are taken to ensure that the seeds, seedlings, and new plants are free from pests, fungal infections and toxic weed seeds. New plantings follow cropping patterns that take into account issues such as varietal requirements; geographical, ecological and agronomic conditions; diversification and intercropping; planting density; crop rotation; and fallow periods. Cultivated species are managed to ensure optimal yields and avoid conflict with other cultivated and interdependent wild species. Ethical BioTrade practices are promoted through organisational Principle 4 Reform economic sectors towards operations and management systems. Resources are available to Socio-economic sustainable practices, including along their implement Ethical BioTrade practices. A traceability system is in sustainability national and transnational supply chains, place in line with market, certification and legal requirements. (productive, achieving by 2030 a reduction of at least financial and market [50%] in negative impacts on biodiversity. management), criteria 4.1, 4.2 and 4.4. With a suggested monitoring target of:

Concrete actions to maintain, regenerate, or enhance biodiversity are initiated or supported in cultivation or wild collection areas. Targets are set for concrete actions that allow for assessment of progress and impact.

The rights and traditional practices of indigenous peoples and local communities are respected.

The rights of indigenous peoples and local communities to own, use, and control lands, territories and resources in cultivation or collection sites, including the right to free, informed and prior consent, are identified and respected as recognized in the ILO Convention 169 on Indigenous and Tribal Peoples, the United Nations Declaration on the Rights of Indigenous Peoples, the United Nations Declaration on the Rights of Peasants and Other People Working in Rural Areas, and national and customary laws.

Cultural, environmental and social concerns and interests of indigenous peoples and local communities, including women, children and other vulnerable groups, in cultivation and wild collection areas are taken into account.

Principle 7 Clarity about land tenure, right of use and access to natural resources, criteria 7.2.

Principle 1

Conservation

criterion 1.2.

of biodiversity,

### **Ethical BioTrade standard**

# CONCLUSION: WHY MUST BUSINESS ACT ON BIODIVERSITY?

As illustrated by the experiences shared, businesses can contribute to conservation, sustainable use and benefit-sharing in a number of ways. Key messages drawn from the lessons learned by UEBT over the past decade include:

### **BIODIVERSITY IS OUR BUSINESS**

Businesses that undertake efforts to improve their impact on biodiversity along their supply chains do so because they see a strong economic case for their action, among other reasons. For some companies, the business case goes deeper, focusing on the link between biodiversity and human well-being and moving to the regeneration of biodiversity.

### **BIODIVERSITY IS A CONSUMER EXPECTATION**

There is a growing consumer awareness of biodiversity: what it is, its importance and that companies should protect it. Companies need to recognize this rising awareness and use it as an opportunity to meet expectations from consumers in how the company goes about its sourcing and innovation of ingredients from nature.

### **BIODIVERSITY MEANS ENGAGING ON THE GROUND**

A significant gap has emerged between company's sustainability commitments and implementation of those commitments on the ground. While company commitments have risen significantly, corporate action is often lagging behind commitments.

Implementation and public reporting of concrete action on the ground is a significant challenge. UEBT members are required to go beyond establishing sourcing systems and commitments to improve practices, and to engage on the ground to have an impact.

### STANDARDS ARE TOOLS FOR BIODIVERSITY ACTION

Working with independent standards often enhances and expands corporate in-house programmes on biodiversity, and they further benefit a company with external recognition.

UEBT and its standard are a good approach that can be integrated in their own policies and procedures. The UEBT membership process drives ethical sourcing commitments, and the tools of UEBT verification or certification help to solidify those commitments.

# PEOPLE AND BIODIVERSITY ARE INHERENTLY LINKED

Long term investments in communities are necessary to lift people out of poverty and ensure preservation of local biodiversity. Companies can contribute to local economic development through ethical sourcing practices such as those incorporated in the UEBT Ethical BioTrade standard.

### RECOGNIZING RIGHTS OVER BIODIVERSITY IS ESSENTIAL

Access and benefit-sharing (ABS) rules and principles are tools based on recognition of rights of countries and communities over their resources and associated knowledge.

UEBT members and other leading companies are already exercising due diligence, applying good practices, and collaborating with governments on ABS. They are not only navigating ABS rules, but contributing to making these rules more practical, more effective and more impactful on the ground.

# BIODIVERSITY IS PART OF COMPANY STRATEGIES, OPERATIONS AND SUPPLY CHAINS

Company vision and leadership at the highest level have been factors in making progress over the long-term on integrating biodiversity across business strategies, operations and supply chains. Benefits for companies have included: improved sustainability strategy, more effective supply management, better risk identification, enhanced stakeholder recognition, corporate reputation, and more.

Benefits for their suppliers have included: improved working conditions, better contracts, support for environmental and social projects, enhanced credibility and recognition from the purchasing company, and a view towards long-term partnerships.

# BIODIVERSITY ACTIONS ARE EFFECTIVE WHEN TAILORED TO LOCAL CONTEXTS

Actions for biodiversity only work when they are fine-tuned to local realities, involve producers in the plans and complement existing local strategies. They can also contribute not only to the reduction of biodiversity loss but also to broader conservation and restoration activities.

## **BIODIVERSITY REGENERATION IS THE NEXT STEP**

Companies are beginning to think not only of reducing harm to biodiversity, and conserving species that are threatened or endangered, but also about regenerating biodiversity in and around the sourcing areas. Companies are going beyond sustaining what they have.

### **BIODIVERSITY MEANS** WORKING IN PARTNERSHIP

In the supply chain, the close collaboration with suppliers and farmers or field operators is essential, since these local actors have important knowledge, must have buy-in for the actions and are the only ones that can make changes on the ground. Companies also benefit from sharing information and best practices with others in their industry and in multi-stakeholder initiatives.

Over the years, UEBT has contributed to a shift in how business thinks of biodiversity, including:

- A shift in awareness of ethical sourcing systems that respect biodiversity.
- A shift in awareness of concrete biodiversity actions companies can take.
- A shift in number of concrete plans and policies for access and benefit sharing in the innovation of raw materials from biodiversity.

### But more needs to be done.

All of the lessons contained here need to be taken up by more and more businesses sourcing from biodiversity.

# THE REASON IS SIMPLE... OUR VERY FUTURE ON EARTH DEPENDS ON IT



To conclude, here are what some UEBT member leaders told us (from UEBT's **Leading Voices interview series**) about their focus on biodiversity.



"We decided to partner with UEBT because we wanted to have a management system and a standard that covered all the three pillars of sustainability, not only for the suppliers but all the actors back to the field where the raw material is coming from, whether grown or wild collected."

#### Annette Piperidis, Sustainable Sourcing Manager, Weleda



"Based on the principle of sustainable use and conservation of biodiversity, we focus on transparent, open information; a direct relationship with our producers and long-term commitments and purchasing agreements for them."

### Gaston Vizcarra, President of Candela



"Over the years we have seen a dramatic shift in the prioritisation of ethics and sustainability in supply chains; this is coming from customer demand and resonates throughout the supply chain with suppliers now becoming more receptive to, or sometimes more apprehensive of, the kinds of questions that we need answering in supplier and raw material approval."

#### James Lambe, Managing Director of Blue Sky Botanics



"We teach people to conserve and live alongside diverse species present in their fields and hope they will spread this philosophy to the next generations."

Guadalupe Bojorquez, General Manager of Mexialoe Laboratorios







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