

Roadmap to 2012: *Business challenges and opportunities*



Summary Report – London, 11 September 2009

The Earthwatch Institute, with the support of the International Union for Conservation of Nature (IUCN), Rio Tinto and Mitsubishi Corporation, organised an event in London on 11 September to explore the key issues and priorities of the global conservation community and discuss what role business, scientific field research and NGOs can play in the run-up to 2012 and beyond – a period during which some notable events will take place.

The seminar was organised using the IUCN's recently adopted "*Shaping a Sustainable Future*" programme as a backdrop. This programme recognises the continuing need to support biodiversity conservation at all levels and, through five thematic areas, provides focus for the IUCN to take action and engage with members, partners and other key stakeholders, including Earthwatch and the business community, to deliver concrete results in priority areas such as climate change, managing ecosystems for human well-being and greening the world economy.

Representatives were present from 21 organisations: Aggregate Industries, Alliance-Boots, BG Group, Birds Eye, BP Biofuels, Business in the Community, Coca-Cola Europe, Forum for the Future, HSBC, Institute of Business Ethics, IPIECA, IUCN, Marks & Spencer, Mitsubishi Corporation, PricewaterhouseCoopers, Reed Elsevier, Rio Tinto, Shell, Standard Chartered Bank, Timbmet Group, Wetlands International and Peter McManners (author).

The road to 2012 is a significant one, not least because several important landmarks will be passed on the way. This includes the review of international efforts to achieve a significant reduction in the current rate of biodiversity loss by 2010, publication of *The Economics of Ecosystems and Biodiversity* (TEEB) and assessment of the Kyoto Protocol first round target of reducing greenhouse gas emissions from 1990 levels. The next *World Summit on Sustainable Development* is also being planned for 2010, 20 years on from the pivotal Rio Earth Summit, likely to be seen as a watershed for creating a new and compelling vision of sustainability for the 21st Century.

Opening the seminar, Dave Hillyard, Earthwatch International Director of Partnerships, highlighted that many environmental targets set over the last decade will fail to be achieved in the coming years. He reaffirmed growing concerns that we cannot afford to continue on this path, with the sense of urgency rising. Pointing to the current 'credit crunch', he claimed that when a crisis is big enough, governments can and do act together at sufficient scale - trillions of dollars poured into the

financial sector to stave off collapse, but can this be replicated for the environment?



By exploring the issues, aspirations and activities in promoting the global sustainability agenda through the conservation of biodiversity and ecosystems, the seminar examined what role business could and should play in helping to address the challenges and priorities during this period.

"We must work together to generate a profound change in the current way of doing business."
Juan Marco Alvarez, Head of Business & Biodiversity Programme, IUCN

Presentations

Juan Marco Alvarez, Head of the IUCN's Business & Biodiversity Programme, kicked off proceedings with a presentation on the work of the IUCN in

helping shape a sustainable future. The new 2009-2012 programme is looking to strengthen work on conserving biodiversity, while developing more effective and strategic interventions in areas such as climate change and greening the world economy.



The IUCN recognises that sustainably managed resources is the key to growth and development – and that we cannot deal with climate change without recognising the potential of biodiversity to help reduce its effects and adapt. Juan Marco pointed out that there is no one single correct answer to the conservation challenge – we need to be flexible, based on the idea that each situation needs proper analysis to determine the best means to solve particular challenges.

In particular, a critical role is to be played in providing decision-makers with the knowledge and tools needed to embark on the path towards a greener economy. There is a need to enhance the capacity of the conservation community to effectively engage with and influence economic decisions and policies. These efforts must be complemented by targeted interventions across a range of key economic and business forums, not least through the development of new green markets or by engaging with leading companies.

Internal capacity building must go hand-in-hand with enhanced communication and coordination to ensure the conservation community is well-equipped to support the greening of economic systems from a local to global level. It will be important to ensure that knowledge generated is continually improved and we must continue to develop and refine appropriate tools, guidelines and related capacity building efforts. This includes the continual testing and refinement of robust sustainability standards across key economic sectors, such as agriculture and extractives.

Juan Marco believes there is a key role to be played in pooling experiences and reaching beyond specific industry sectors to generate a more profound change in the current way of doing business.

Dr Elaine Dorward-King, Global Head of Health, Safety and Environment for Rio Tinto, believes that

for business to make a long-term, sustainable difference in the conservation of biodiversity and ecosystems, a number of elements must be in place.

“Our ability to engage and work with external organisations and individuals will be critical to overcoming barriers.”

Dr Elaine Dorward-King, Global Head of Health, Safety and Environment, Rio Tinto

- **Companies must recognise they have a role to play.** Companies must be proactive in understanding and managing risks to ensure they have the legal and social licence to operate, and well-positioned versus competitors to access resources.
- **Companies must engage with others to address the issues.** Few companies have the expertise or range of skills necessary. External points of view are essential to properly understand and explore the full range of threats and opportunities, but also find solutions.
- **Companies must support research and development around biodiversity and conservation.** This should include funding, but also intellectual engagement and participation to ensure internal capacity is developed within organisations.
- **Companies need to talk publicly about their commitments.** This can help raise the bar for other businesses, but can also create new opportunities for learning and collaboration.
- **Companies need to be willing to take risks.** The business role in conservation is somewhat new in many parts of the world. Business has to understand it takes time and demonstration of results to gain credibility and trust. It has to show serious and long-term commitment, recognising that biodiversity and habitat conscious land use management are business-critical, emerging issues with the potential to impact the ‘bottom line’ if not well managed.
- **Companies must build conservation and land use management requirements into governance and operating systems.** This needs to become part of the culture of the organisation – and part of how senior leaders’ performance is judged.



Rio Tinto has a number of projects under way that illustrate how they are trying to embed these principles across the Group and implement their commitment to achieve a 'net positive impact' on the regions where they operate. Elaine recognises they will face significant challenges in the development of these projects. Their ability to engage and work with external organisations and individuals will therefore be critical in overcoming these barriers.

So, what are the key issues from the perspective of the scientific and NGO community? **Dr James Burton**, Research Manager at Earthwatch, believes there are four areas where more work is necessary.

“All stakeholders, government, companies, scientific institutions and NGOs, must work collaboratively to solve these issues.”

Dr James Burton, Research Manager, Earthwatch

- **Managing productive terrestrial ecosystems.** As population increases and novel uses for land emerge, including carbon sequestration and development of non-food crops, competition for land will increase markedly. As a result, there is a need for an improved level of understanding of how to achieve operational, multiple use management of terrestrial ecosystems – for production, providing ecosystem services and maintaining biodiversity. This is a priority area of work for Earthwatch, with research well underway with companies such as Syngenta, Cadbury and Starbucks. This work lends itself well to linking up with the IUCN’s goal of developing robust sustainability guidelines for certain key sectors.
- **Climate change and developing payments for regulating ecosystem services.** Carbon markets are a rapidly developing area, but

there are still many questions that remain unanswered. This is especially true in the case of generating carbon credits through forest sequestration, but with uncertainty around the impact that corresponding management and creation of habitats has on biodiversity. The scientific community can help and Earthwatch is already involved in pioneering research projects in this area, supported by companies such as HSBC and Aviva. This work can and should help with the refinement and development of carbon offsetting schemes and, ultimately, the creation of innovative new sources of financing.

- **Assessing impacts of conservation interventions.** Whilst much progress has been made at the global, national and local level, more effort is needed to review, evaluate and learn collectively from the actions we take. Only by doing so, can we be more adaptive in finding workable and sustainable conservation solutions. Many companies are making considerable achievements in this area through their development of specific measurement, certification and reporting schemes. As we approach 2010, however, there is a great opportunity, but pressing need, for companies to show commitment and leadership in helping achieve any new targets that are agreed to help stem the loss of biodiversity – and facilitate a transition towards a green economy.



- **Stakeholder engagement and capacity building.** Stakeholders and communities are now increasingly recognised as playing an important role in biodiversity conservation projects, but there is still a long way to go. Scientists and NGOs cannot address biodiversity loss without adequate public support – a multi-faceted approach is needed

that expands public awareness about biodiversity. There is a wealth of communication tools available, but these will need to evolve as societies change and technology develops. But it is a two-way process and we need to examine the relationship between individuals' learning and their attitudes, knowledge, beliefs and

behaviours towards the environment. There are many examples of companies working in partnership with NGOs, like Earthwatch, but if we are to face up to and solve environmental challenges, a collaborative approach is needed, involving all stakeholders – government, companies, scientific institutions and NGOs.

Facilitated Discussions

Participants broke into three industry sector groups to discuss in more detail the issues raised by the presentations. Based on the challenges, opportunities, response options and knowledge gaps facing industry, each group was charged with developing a top-line message they would be prepared to take to the CEO of a major company in order to gain their support. To help focus discussions, some of the key questions posed were as follows:

- What are the challenges; do companies perceive them to be important and why?
- How can companies embed the nature of these challenges within their business thinking?
- What are the inherent risks of not responding?
- Is business taking the issues seriously?
- What opportunities do companies think exist?
- How can companies prioritise and capitalise on the opportunities?
- Do companies perceive the issues to present real business opportunities or a burden?
- What role can business play and how can scientists and other institutions help?
- What instruments or tools are required?
- What information would companies need to help inform their work around the issues?



The following is a summary of the working group sessions:

Consumer Goods & Services

"Out of business if you don't think long-term."

- 2012 is not that far away; you must set a sustainable business vision for 2020 to address what must be done now.
- Targets need to be set using common methodologies (internationally, across sectors).
- Business has an influencing role, both upstream (government) and downstream (consumers) to provide informed choice.
- Collaboration is essential.
- We need to adopt a more holistic, ecosystem services ['planetary impact'] approach that integrates climate, water and biodiversity.

Extraction & Construction

"Do it or perish! Biodiversity is a big issue that is not going away."

- There will be more regulation, more pressure on industry to manage their impacts, and more consumer pressure.
- By managing your impacts on biodiversity, you manage risk and know your costs and benefits.
- We need to embed sustainability in the organisation.

Financial Services

"Whether you like it or not, planetary boundaries are setting boundaries for business."

- We need to increase our intellectual capacity in this area.
- There is a calculable financial payback on sustainability initiatives.
- The time for action is now; we cannot afford to lag behind our competitors.

For more information, including copies of the raw outputs from each discussion group, please contact Marcus Gilleard, Head of Corporate Partnerships on +44 1865 318860 or mgilleard@earthwatch.org.uk