

Biodiversity: what is at stake?



Biodiversity loss is a serious risk to business. Aleksandar Rankovic and Juliette Landry review an action agenda to curb biodiversity loss

China will host the 15th Conference of the Parties (COP) of the Convention on Biological Diversity (CBD) in October 2020. The international community expects COP15 to see the adoption of an ambitious “*post-2020 global biodiversity framework*” that will become the international reference for the development of policies dedicated to curb biodiversity loss.

However, greater ambition and actions can no longer only count on the commitments of states. ‘Non-state actors’, and the private sector among them, have a crucial role in the process, and the CBD has even developed a tool in that perspective: the *Sharm El-Sheikh to Kunming Action Agenda for Nature and People*. What is the purpose of the action agenda? What is the opportunity raised here? What is at stake more exactly?

Serious threats to worldwide societies, including business

The Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) released its *Global Assessment Report* in May 2019. The report points out accelerated species extinction and warns of the possible extinction in the coming decades of somewhere between 500,000 and one million species.

Furthermore, it is important to note that the Global Assessment does not identify any positive trends at the global level. Direct and indirect drivers of biodiversity loss are intensifying; current goals are very not likely to be met; and, in a few words, nature is falling apart.

Implications for worldwide societies are significant, and business is not exempted. The *2020 Global Risks Report* issued by the World Economic Forum (WEF) reveals that biodiversity loss is the third perceived global risk in terms of impact, and the fourth in terms of likelihood. Risks are tremendous on many aspects. The report refers to the IPBES assessment: food insecurity, health risks, aggravation of climate change, but also business risks.

In May 2019, the OECD assessed biodiversity loss impacts and risks for business and financial organisations, in its report to the French G7 Presidency and the Environment Ministers' Meeting. Globally, ecosystem services, that is to say 'services' provided by ecosystems (and biodiversity) are estimated to provide between USD 125 to 140 trillion per year, one and a half time the global GDP.

The OECD also presented the costs of inaction, representing USD 4 to 20 trillion per year in losses of ecosystem services, from 1997 to 2011. Biodiversity loss, and ultimately the loss of ecosystem services, is an increasing and exponential risk because, for instance, of economic losses from disasters.

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Therefore, biodiversity loss will affect the private sector. However, as mentioned by the WEF in its *Global Risks Report*, “nature-related risks are undervalued in business decision-making.”

On the path towards COP15

To prepare the final text that will be adopted at COP15, a preliminary document opened for discussions and negotiations was drafted and published in January. This zero draft proposes goals and targets for the 2030 and 2050, as well as some first elements of a policy framework dedicated to implementation.

The document proposes twenty action-oriented targets, divided into three categories:

- Reducing threats to biodiversity;
- Meeting people’s needs through sustainable use and benefit sharing;
- Tools and solutions for implementation and mainstreaming.

The first category naturally includes conservation targets, eg. increasing protected areas, but also aims at addressing the most important drivers for biodiversity loss that were identified by the IPBES global assessment report, such as land and sea use change, overexploitation of species, or pollution.

For instance, the draft proposes a 50% reduction of three major pollutant families (nutrients, biocides, plastics). The second category of targets explicitly links biodiversity targets to development targets, e.g. food security, access to clean water and livelihood, thus advocating for sustainable use and trade.

Finally, tools and solutions for implementation aims at, inter alia, eliminating harmful subsidies, reforming economic sectors, and promoting sustainable lifestyles through education and other incentives. This category also displays the necessity to mainstream biodiversity into all sectors, to increase sustainable practices, for instance along supply chains.

Why do we need a biodiversity 'action agenda'?

The idea of a biodiversity action agenda is part of a longer-term trend to strengthen the mobilisation of non-state actors in and around international environmental policies. These initiatives have an important strategic dimension: they exist to create, reinforce and maintain the ambition of multilateral discussions, but also to complement them, to accompany their implementation, and even to act as a relay.

Action agendas have thus been created for the Global Compact (2000), the Johannesburg Summit Type II Partnerships (2002), the Rio+20 Global Registry of Voluntary Commitments (2012) and, more recently, the Global Climate Action Agenda (2014), the Sendai Framework for Disaster Risk Reduction (2015) and the Ocean Commitment Registry for the implementation of SDG 14 (2017).

Both for the development of the post-2020 framework, and for its implementation, increase this kind of mobilization is of utmost importance. In practice, an Action Agenda can fulfil at least four functions, before or after major international negotiations, all of which apply in the case of biodiversity:

- **Aligning imaginaries towards change:** the aim here is to align expectations, by making signals converge through mobilising all types of actors and from all sectors, and by staging/enhancing their commitments. This is notably important for actors who do not usually make commitments on biodiversity (and this feature of the Action Agenda thus also serves as an attraction function).

The aim prior to COP15 would be to signal that change is happening, and that the course of history is that of a change towards protecting biodiversity in policies and in socio-economic sectors; and to disseminate the message that there is much to gain by being involved in this transition, and much to lose by not being part of it.

- **Putting pressure on parties:** such a mobilisation can provide positive pressure to the negotiating process, signaling to political leaders that large numbers of actors are ready to take action for biodiversity and are calling for an ambitious international framework, that would facilitate their actions.
- **Enabling difficult discussions and initiatives:** an action agenda can also be used to organise and structure discussions and coalitions on issues that are difficult to tackle head-on in the constrained framework of multilateralism, while providing these initiatives visibility and proximity to negotiations.
- **Catalysing and channeling energies:** an action agenda can have a catalytic effect that facilitates the strengthening of existing coalitions and/or the launch of new ones.

At the same time, a close proximity to the negotiating arena avoids the loss of energy and ensures that such initiatives fulfil their potential in terms of helping to achieve the global objectives determined within multilateral frameworks.

The Global Climate Action Agenda provides a suitable reference in this regard. Launched in Lima in 2014 by the Peruvian and French Presidencies of COP20 and COP21, the Lima-Paris Action Agenda (LPAA) was primarily intended to demonstrate that the commitments of non-state actors could contribute to the achievement of goals to limit global warming, particularly by helping to bridge the 'ambition gap' by 2020.

Due to the considerable involvement of the presidencies, along with effective support from the UN Secretary-General and the UNFCCC Secretariat, the LPAA helped raise awareness and mobilise different groups of actors that now include 12,396 stakeholders (scientists, business and finance sectors, communities, NGOs).

The process consisted of a series of events focused on sectoral themes, which have enabled the formalisation of practical initiatives, the profiles of which have been raised through the registration of voluntary commitments on an online platform known as NAZCA (Non-State Actor Zone for Climate Action), set up by the UNFCCC Secretariat.

Actors directly involved in the organisation of COP21 have acknowledged that the LPAA constituted a driving force in the negotiations leading to Paris, having enabled the *“development of alliances and multi-partner coalitions which act, move forward, energise and influence States and vice versa.”*¹

A translation into the language of biodiversity: the Sharm El-Sheikh to Kunming action agenda

The *Sharm El-Sheikh to Kunming Action Agenda for Nature and People* was launched in November 2018 during the COP14 of the Convention on Biological Diversity (CBD). The announcement came in response to calls from some states and many non-state actors², to support the adoption of an ambitious biodiversity framework at COP15. A dedicated web platform went online in March 2019.

The action agenda, as defined at COP14, currently has three objectives:

- Raise public awareness about the urgent need to stem biodiversity loss and restore biodiversity health for the sake of humanity and the global ecosystem;

- Inspire and help implement nature-based solutions to meet key global challenges, addressing societal goals through the protection, restoration and sustainable management of ecosystems. Nature-based solutions help in providing food, clean air and water, or in preventing diseases and natural disasters, while safeguarding biodiversity;
- Catalyse cooperative initiatives across sectors and stakeholders in support of the global biodiversity goals. The establishment of this agenda is also an opportunity to look for concrete points of collaboration, beyond the rigid framework of the conventions, in the implementation of international regimes for the protection of the environment, on biodiversity, climate, and the oceans.

The platform is opened to non-governmental or subnational organisations but also to the private sector or to individuals, and encourages those actors to submit 'biodiversity commitments'.

But as for now, this mobilisation is not at scale. As mentioned in the OECD report, finance flows harmful to biodiversity represent USD 500 billion per year, whereas biodiversity-relevant spending only represents USD 49 billion. Though it is urgent to reform economic sectors and promote biodiversity-relevant practices, and to redirect investments and financial flows, the Action Agenda Platform only counts less than 90 commitments, nearly one year after its launch.

In addition, most of those commitments are issued by academic and research institutes. The platform thus needs to be taken over by business and financial organisations to ensure its operationalization and concrete results on the road to the COP 15.

A momentum from business and financial organisations

The post-2020 global biodiversity framework is likely to help frame reforms on economic sectors and subsidies. Parties to the CBD, that is to say governments, will have to redirect their incentives in order to comply with their commitments.

Nevertheless, the implementation of such targets is not ensured, as many obstacles are still on the path to success and achievement. There is an important necessity to develop a joint momentum from both public and private stakeholders.

Together, they should address the enormous gap between global finance needed to achieve the post-2020 global biodiversity framework and the actual and current financial flows, investing in the many existing opportunities for biodiversity and ecosystems.

Biodiversity and the process leading to COP15 of the CDB is increasingly high on the international agenda. The second session of pre-negotiations was held in Rome, last February. Parties mainly discussed the drafted targets and goals, but also first propositions on implementation mechanisms, before the release of a new version in June.

The results of the talks, taking place in Cali, Colombia, in July, will shape the last working basis for negotiation at COP15. However, prior to this, mobilisation of both states and non-state actors is necessary to ensure that the post-2020 global biodiversity framework will be implemented on the ground, and bear fruit. ■

Aleksandar Rankovic is the Coordinator, and Juliette Landry is a Research Fellow, on International Biodiversity Governance at the Institute for Sustainable Development and International Relations (IDDRI, Sciences Po, Paris)

Endnotes

1. Ourbak, T (2017). *Analyse rétrospective de la COP 21 et de l'Accord de Paris : un exemple de diplomatie multilatérale exportable*, Expert report, MAEDI, p. 14.
2. Rankovic, A, Maljean-Dubois, S, Wemaere, M, Laurans, Y (2019). *An Action Agenda for biodiversity: Expectations and issues in the short and medium terms*, IDDRI, Issue Brief N°04/19. [https://www.iddri.org/sites/default/files/PDF/Publications/Catalogue Iddri/D%C3%A9cryptage/201904-IB0419EN_action agenda CBD.pdf](https://www.iddri.org/sites/default/files/PDF/Publications/Catalogue%20Iddri/D%C3%A9cryptage/201904-IB0419EN_action%20agenda%20CBD.pdf)