

## The 30-year search for biodiversity gold

Jessica Dempsey, University of British Columbia

Conservation finance, private equity funds, land and rainforest bonds: all are attempting to “unlock” the supposedly trillions of dollars waiting to finance the global environmental agenda.<sup>1</sup> A recent report by Credit Suisse, World Wildlife Fund, and McKinsey claims that conservation could generate all the funding needed to conserve worldwide biodiversity if main investor segments, including high net worth individuals, retail, and institutional investors, allocated only “1% of their new and reinvested capital to conservation”.<sup>2</sup> This is a claim that a teeny-tiny spit in a large bathtub by the super-rich of the planet can halt biodiversity loss.

Yet the last quarter century is filled with promises that the market will generate the financial flows that conservation needs. But these promises never seemed to materialize at any scale, invariably followed by yet another set of promises.

In the ECO this week, I will traverse three promises in a 30-year effort to sell nature to save it: “gene gold” (today), “REDD gold” and Conservation Finance gold (Friday).

### 1) Gene Gold

You may remember the promise of “gene gold”. This dream is perhaps best articulated within the 1987 *Our Common Future*, which, during the then-emerging biotechnological revolution, viewed the vast genetic resources of the tropics as an almost limitless source of wealth, a wealth that could fund biodiversity

conservation. The famed report predicted that the economic value in genetic resources “is enough to justify species preservation”.<sup>3</sup> Meaning: the incentive to sell the genetic information in tropical forests to pharmaceutical and agricultural companies would outweigh the value of other opportunities in, e.g., land for forest and timber or for agriculture and food production.

Such dreams of win-win-win finance – with positive environment, development and profit outcomes - also found their way into the Convention on Biological Diversity (CBD). Enthusiasm for bioprospecting as a revenue source for conservation in the tropics perhaps peaked in 1991 when pharmaceutical giant Merck signed a 10-year, US\$ 1.3 million deal with the Costa Rican National Biodiversity Institute (INBio). But, InBio notwithstanding, bioprospecting largely failed to deliver on its promises of both profits and conservation.<sup>4</sup> And a 2012 assessment found that it generated only a meager 50 million dollars for conservation.<sup>5</sup>

The promise of bioprospecting featured prominently in the CBD negotiations in the late 1980s and early 1990s. But around same time chief IUCN scientist Jeffrey McNeely (and others) began calling for a focus on calculating and including the *indirect* economic values of biodiversity, such as ecosystem functions and services, seen to be vastly more economically valuable than genetic resources.<sup>6</sup> These services include carbon sequestration, soil fertility and water purification.

(In tomorrow’s ECO: REDD+ Gold and Conservation Finance Gold)

The opinions, commentaries and articles printed in ECO are the sole opinion of the individual authors or organizations, unless otherwise expressed.

**Submissions** are welcome from all civil society  
Email: [gadirilavadenz@gmail.com](mailto:gadirilavadenz@gmail.com)

<sup>1</sup> Cf. UNEP (2011): Towards a green economy: Pathways to sustainable development and poverty eradication. Nairobi. [https://sustainabledevelopment.un.org/content/documents/126GER\\_synthesis\\_en.pdf](https://sustainabledevelopment.un.org/content/documents/126GER_synthesis_en.pdf) and World Bank (2015): Joint report on multilateral development banks’ climate finance 2014. Washington, D.C. [www.worldbank.org/climate/MDBclimatefinance2014](http://www.worldbank.org/climate/MDBclimatefinance2014)

<sup>2</sup> Credit Suisse/World Wildlife Fund/McKinsey & Company (2014): Conservation finance: Moving beyond donor funding toward an investor-driven approach. Zurich. <https://www.cbd.int/financial/privatesector/g-private-wwf.pdf>, p. 16.

<sup>3</sup> World Commission on Environment and Development (1987): Report of the World Commission on Environment and Development: Our common future. New York: Oxford University Press, p. 155.

<sup>4</sup> For example, see Firm, R.D. 2003. Bioprospecting — why is it so unrewarding? *Biodiversity and Conservation* 12: 207-216; Burtis, P. 2008. Can bioprospecting save itself? At the vanguard of bioprospecting’s second wave. *Journal of Sustainable Forestry* 25(3-4): 218-245.

<sup>5</sup> Cf. Parker, Charlie/Cranford, Matthew/Oakes, Nick/Leggett, Matt (2012): The little biodiversity finance book: a guide to proactive investment in natural capital (PINC), 3rd Edition. Oxford: Global Canopy Foundation. <https://globalcanopy.org/publications/little-biodiversity-finance-book-3rd-edition-2012>

<sup>6</sup> Cf. McNeely, Jeffrey A. (1988): Economics and biological diversity: developing and using economic incentives to conserve biological resources. Gland: IUCN. <https://portals.iucn.org/library/sites/library/files/documents/1988-MacN-001.pdf> McNeely, Jeffrey A./Miller, Kenton/Mittermeier, Russell A./Reid, Walter V./ Werner, Timothy B. (1990): Conserving the world’s biological diversity. Gland: IUCN. <https://portals.iucn.org/library/sites/library/files/documents/1990-017.pdf>

## Civil Society Statement on Conflict of Interest

*Christine von Weizsäcker, Ecoropa*

I am speaking on behalf of Ecoropa, supported by Youth, Econexus, Friends of the Earth International, and other civil society organizations present at this meeting.

We highly appreciate that the topic of Conflict of Interest is on the agenda and thank all those who made it possible. This procedure will contribute to the transparency, integrity and credibility of processes under the Convention and its Protocols.

There are many publications, mainly legal publications, on the relationship between decision-making bodies and the procedures they have for acquiring the best available, objective and unbiased expert advice. These relationships are delicate, never easy and sometimes flawed.

It is human to have personal interests and preferences: e.g. those for soccer teams in the World Championship, political parties, family ties, friendships, work for recognized public interest groups, and hobbies ranging from motorbike-races to bird-watching. We want to clarify that the area which the Conflict of Interest Requirements, Disclosure Form and Implementation addresses should clearly not be interpreted as dealing with personal interests in general, but rather with private, financial and vested interests.

Dear delegates, we need the decision now in 2018. It would be a disaster for the CBD if the preparations for the Post-2020 Agenda would be flawed by interest-driven expert advice. Wise farmers do not rely on expert guidance by foxes when designing their chicken coops.

We also would like to add text and hope for Party support: **CBD/SBI/2/16 on page 12, para 4.4, in line 5, after “a balance of such expertise”:**

**we would like to add: “with a view to serve the objectives of the Convention and its Protocols, as appropriate”. “As appropriate” simply points to the fact that the COP of the CBD and COP-MOPs of its Protocols are being addressed.**

The reason for this added text is: “Balance” needs a qualifier. There are many criteria for balance, e.g. balance regarding regions, gender, balance as to the types of expertise, e.g. inclusion of Indigenous Peoples’ and Local Communities’ expertise, and that of social sciences. The criteria of “balance” vary with their context, be it health or trade, biodiversity or climate change. The concept and criteria of balance under the CBD and its Protocols should reflect their contexts.

Dear Delegates, decide wisely when guarding the chicken coop of biodiversity.

## Stepping Up How We Review Implementation in the CBD

*Holly Jonas (ICCA Consortium and Global Forest Coalition)*

The previous Executive Secretary, Braulio de Souza Dias, was well known for saying that we need to do three things: “Implementation, implementation, implementation.” Parties have adopted strong text over the years on a number of issues of crucial importance to civil society and Indigenous peoples and local communities. However, as we have heard this week in SBI-2, progress in implementation of the Strategic Plan is currently not sufficient to meet the 2020 Targets. Part of the issue is arguably the very ‘soft’ approach to compliance and review of implementation that has characterised the CBD to date. As a result, the increasing focus in the CBD on mechanisms to review implementation is a positive development.

Overall, the CBD would benefit from a more rigorous approach to reviewing implementation, including through stronger compliance-based mechanisms and country-by-country reviews of progress. They can be used in a complementary manner with mechanisms such as experience sharing, joint learning and other forms of support. This combination of compliance-based and facilitation-based mechanisms would put the CBD more in line with other MEAs, rather than relying solely on facilitation-based mechanisms, as is currently the case.

Secondly, CBD discussions about the NBSAP peer review mechanism have yet to explicitly consider the roles of rights-holders, particularly women, children and youth, and Indigenous peoples and local communities. This process should provide for their effective participation. For example, a peer review team could include representatives of each of these rights-holder groups who could serve as ‘ombuds-people’ for considering the perspectives of their respective groups in the country under review.

Finally, with reference to paragraph 14 of SBI/2/11, which lists review mechanisms of other bodies that may be useful to draw upon, we encourage Parties to also consider the experience of the Universal Periodic Review (UPR) process for UN human rights treaties. The review is based on information that is provided by the state under review, contained in reports by independent experts, human rights treaty bodies and other UN entities, and from NGOs and others. It may be worth considering whether this approach could work for the CBD and also for joint review of implementation of the Rio Conventions or of biodiversity-related MEAs.