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NEWLY FORMED UNION PROMOTES BUSINESS ENGAGEMENT IN CBD

GUS LE BRETON and **RODOLFO GUTTILLA**, respond to questions on establishment of the Union for Ethical BioTrade.

What is "Ethical BioTrade"?

Gus Le Breton (GLB) – "Ethical BioTrade" is the term used to describe a particular set of business practices that contribute, in systematic way, towards sustainable development, including biodiversity conservation. It is a sincere attempt to harness the power of business as a partner towards achieving this goal. Ethical BioTrade is based on the BioTrade Principles and Criteria defined by the UN Conference on Trade and Development (UNCTAD), broadly centred on the CBD objectives. The work of the UNCTAD BioTrade initiative has been recognized by Parties in various COP decisions.

What is the Union for Ethical BioTrade?

GLB – The Union is a membership-based organization whose members, trading and non-trading, have all made a commitment to integrate Ethical BioTrade practices into their business model. It was publicly launched in October 2007.

Why create a Union?

Rodolfo Guttilla (RG) – Primarily because we are all venturing into new territory and we think the journey will be easier in the company of others. But we are also, of course, hoping to again collective recognition for our efforts in trying to promote biodiversity conservation and sustainable development more generally.

How does it work?

GLB – On joining the Union, a company undergoes a detailed assessment that compares its current business practices with Ethical BioTrade practices. From this, a work-plan is developed which should see the company reaching compliance with the Ethical BioTrade standard within less than five years. For companies at the end of the supply chain, this signifies establishing management systems that promote Ethical BioTrade. For actors at the beginning of the supply chain, this signifies good practices in the sourcing areas. The member then reports annually on its progress, and is required to submit to periodic third party assessments.

RG – Natura, for instance, has reviewed its sourcing and R&D policies in light of the requirements of the Union for Ethical BioTrade. It made the necessary changes and is now working with its providers and community suppliers to put these policies into practice further down the supply chain.

Who can join the union?

RG – Any corporate entity active in the BioTrade arena and which is seriously committed to the CBD, whether a trading company or a support organization, can apply for membership. At this stage, the primary focus is on companies in the cosmetics and personal care markets.

GLB – In our daily business activities, we witness that consumer awareness on fair trade and sustainability issues is growing rapidly in this sector. There is thus a strong incentive for businesses in this sector to start aligning corporate policies and practices with the objectives of the Convention.

What are the business benefits?

GLB – The Union is a grouping of likeminded companies. There is a great deal that members can learn and gain from each other, and a big part of the benefit simply comes from this collective association. This is one of the main drivers behind the new membership applications that we receive. However, it is more than that. Companies that are going that extra mile with respect to access and

equitable benefit-sharing, fairer trade or biodiversity conservation practices, would like to get recognition for their efforts. Membership of the Union, and the third party verification that goes with it [see box], enables companies to do this.

RG – Natura, for instance, has submitted a large number of access and benefit sharing requests to the Brazilian Government, a process that is often complex and time consuming.

GLB – Members invest a lot in sourcing practices that assure sustainable use of biodiversity. PhytoTrade Africa now supports members with such practices, but in the future we look to the market to recognize these efforts and bear the additional costs.

How does the Union work with governments?

GLB – As the Union grows, it will work on engaging governments and companies into constructive dialogue. The Union is frequently approached by companies that are keen to know more about the CBD. After COP-9, UNCTAD and the Union are therefore planning discussions with companies from the cosmetics and personal care sector and CBD national focal points from developed and developing countries. These meetings intend to increase mutual understanding and make a contribution to national biodiversity strategies that effectively promote business engagement.

What activities are you planning at COP-9?

RG – This will be the first CBD COP since the Union for Ethical BioTrade was established, and we will of course actively participate. We intend to take the opportunity to present the Union to delegates and show the positive contribution members can make to the CBD objectives. We will organize a side event and have a stand at the “Expo for Diversity”; we invite all readers to pay us a visit at stand 45. In addition, member companies will actively participate in the different events organized during the COP. Natura, for example, will join the German business and biodiversity initiative.

GLB – The COP will also give member companies an opportunity to see the intergovernmental machinery at work, provide insight in the issues at stake, and illustrate the different views and wide range of stakeholders involved in the debates.

What would you like to achieve by COP-10?

RG – By 2010 we plan to be a solidly established association with sufficient critical mass in terms of membership to make a real impact on the way business is done in our target sectors. For this we are reaching out of companies at both ends of the supply chain. In the running up to COP-10, we expect therefore significant level of activity by our members in trying to put the BioTrade Principles into practice. This will certainly pose challenges to the companies and their providers and will raise many practical questions.

GLB – Already members turn to us for guidance and advice, and we expect these requests to rise. At the COP-10 and its preparatory events, we expect to share these experiences with the parties and contribute with concrete inputs to the policy discussions.

Gus Le Breton is President of the Board of the Union for Ethical BioTrade, and CEO of PhytoTrade Africa (the Southern Africa Natural Products Trade Association).

Rodolfo Guttilla is Vice-President of the Union's Board, and Director of Corporate Affairs, Natura Cosméticos SA, Brazil.

The Union for Ethical BioTrade is a non-profit, membership-based organization. The Board of the Union includes private sector, trade associations, NGOs, and National BioTrade Programmes.

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Box 1

UEBT at COP-9

Side event: 26 May, lunchtime, Maritim / Planck Expo: stand #45

Box 2**UEBT Verification Framework**

The verification framework used by the Union is derived from the BioTrade principles and criteria as defined by UNCTAD. After a long consultation period, this verification framework was adopted in September 2007. The Ethical BioTrade framework contains 7 principles, which are broken down in criteria and indicators:

1. Conservation of biodiversity.
2. Sustainable use of biodiversity.
3. Fair and equitable benefit sharing derived from the use of biodiversity.
4. Socio-economic sustainability.
5. Compliance with national and international legislation.
6. Respect for the right of actors involved in BioTrade activities.
7. Clarity about land-tenure, right of use and access to natural resources.