

Marketing of Biodiversity

Biodiversity is crucial – protecting and promoting its sustainable use is becoming increasingly important. "Failure to conserve and use biological diversity in a sustainable manner would result in degrading environments, new and more rampant illnesses, deepening poverty and a continued pattern of inequitable and untenable growth." (Kofi Annan, United Nations Secretary-General, 2005).

The international "2010 Biodiversity Target", aims at significantly reducing the rate of biodiversity loss by 2010¹. This target was formulated based on the Convention on Biological Diversity (CBD), agreed on by 178 governments at the Earth Summit 1992 in Rio de Janeiro. The CBD's three main objectives are:

1. to conserve biological diversity
2. to use biological diversity in a sustainable fashion
3. to share the benefits of biological diversity fairly and equitably

With this paper I would like to outline current developments around conservation of biodiversity, that go beyond organic farming (although organic farming is one way to conserve biodiversity due to higher diversity of flora and fauna per area organic farm than per area conventional farm, no use of genetically modified crops etc.). My focus is on natural biodiversity, its sustainable use and markets for "biodiversity products".

But what are biodiversity products?

- Plants from wild collection?
- Underutilized / old varieties?
- Plants and animals originating in biodiversity regions?
- Plants and animals from the „red list“(CITES)?
- Any products that are produced in a biodiversity conserving way?
- Any products from companies that contribute to the conservation of biodiversity?

There is no clear definition, but increased awareness on the importance of biodiversity. A growing number of companies are taking measures for biodiversity conservation on the one hand and using it for marketing purposes on the other hand, taking advantage of consumers' growing interest in "natural products". Biodiversity products can be all of the above listed and I would like to give you some examples from the market, firstly of products concerned to fulfil the first to objectives of the CBD:

(1) **Conservation of biodiversity** is crucial due to the essential goods and services it provides. It delivers ecosystem functions like fresh water, soil conservation and climate stability. In addition it contributes to maintaining of genetic resources important for agriculture and food security, it serves as supplier of active pharmaceutical and cosmetic ingredients, fibre, wood or other materials. Finally biological diversity provides for cultural values and habitat to mankind. Saving biodiversity with its multiple functions is maintaining the means of livelihood for future generations.

(2) "**Sustainable use**" means the use of components of biological diversity in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations. (Article 2, Convention on Biological Diversity (CBD), June 5, 1992)

¹ In [decision VI/26](#), the Conference of the Parties (COP) adopted the Strategic Plan for the Convention on Biological Diversity (CBD). In the Plan's mission statement, Parties committed themselves to a more effective and coherent implementation of the three objectives of the Convention, **to achieve by 2010 a significant reduction of the current rate of biodiversity loss at the global, regional and national level as a contribution to poverty alleviation and to the benefit of all life on Earth.**

“Conservation of old varieties / utilization of adapted varieties / local seeds”

“**KAMUT**” is a trademark, registered in 1990 to market the ancient wheat variety khorasan, a grain with exceptional qualities like naturally sweet and nutty taste, higher protein and mineral content than common wheat, including selenium, and can be eaten by many people who are sensitive to modern wheat. It is an ancient relative of modern durum wheat, originating in the Fertile Crescent region reaching from Mesopotamia to Egypt. KAMUT® brand khorasan wheat is always grown organically, has never been hybridized or genetically modified, and fulfils other defined high quality standards. By developing this trademark and promoting this old variety to be consumed, a valuable seed of high nutritional value is being preserved. (www.kamut.com)

“Food produced in a biodiversity saving way”

In the **food market**, products from “sustainable production” gain importance, produced e.g. according to the **Rainforest alliance standards** (that claim to be) based on conservation of biodiversity. The market volume of Rainforest Alliance products grew from one billion Euros in 2007 to two to three billion Euros in 2008. The area cultivated grew by 57% to 598,000 ha. Multinational companies like Unilever, Tchibo, Kraft Foods, McDonalds, Chiquita, Mars or Coca Cola are using the logo. (www.rainforest-alliance.org)

“Sustainable use of natural resources”

To avoid the ocean – the oldest and biggest interconnected ecosystem on earth – to be over exploited, the **Marine Stewardship Council (MSC)** was established. In 2008, 28 fisheries were certified; over 50 are in the evaluation phase. In the year 2000, only two products were certified, while last year this number grew to already 1,421 products. The retail market in The Netherlands for example aims at sourcing its complete amount of wild fish from MSC certified origins. The global market value of MSC products has reached more than one billion Euros (2008).

To avoid unsustainable use and uncontrolled destructions of forests, certification systems for sustainable forestry have been established. The two main ones are the **Forest Stewardship Council (FSC)** and the **Programme for the Endorsement of Forest Certification schemes (PEFC)**. FSC is the fastest growing and most important certification system. Its certification not only applies to production but as well to the complete chain of custody (from forest, to wood processor, to paper mills and also to the printing company). In 2007, already 7% of the global productive forest area and 7500 companies were FSC certified, covering about 100 million ha. The market value of FSC certified products represented about 20 billion Euros in 2008. PEFC is the certification programme with the biggest forest area under certification (>200 Mio ha).

“Plants originating in biodiversity regions – access and benefit sharing”

Biodiversity is not distributed evenly over the globe, there are areas with lower levels of biological diversity and so called biodiversity hotspots (of which one comprises the Caucasus) where diversity is very high, with species originating and being endemic only to these regions. But one-dimensional perspectives which see these areas only as resource provider or biotope that must be protected need to be replaced by a holistic approach which takes local and cultural conditions and the need of inhabitants to live in and from these resources into account. The question of who has access to biodiversity and who has the benefits from its use is central to the issue.

Natural remedies, dietary supplements or ingredients for natural cosmetics are examples of how to make use of natural biodiversity. The market for **natural cosmetics** is an extremely fast growing market. Synthetic raw materials are being replaced by natural ones. Whether it is luxurious skin creams or essential oils, goods that come from the Earth’s wide range of flora and fauna are in high demand. Weleda is using for example the Ratanhia root (wild collected in Peru) in one of its products; the Body Shop uses Maca extract (cultivated plant

but native in Peru). The market volume of natural cosmetics was two to three billion Euros in the US and one to two billion Euros in Europe in 2008.

The market for **natural remedies and dietary supplements** based on plant products grew significantly within the past ten years and has a volume of about 30 billion US \$ today. More and more people turn to alternative and natural healing systems like traditional Chinese medicine (TCM), ayurvedic medicine and other naturopathic treatments.

Creating such natural cosmetic or pharmaceutical products is a beautiful marriage of native biodiversity and modern science with benefits for all sides: For the consumer to get natural products, for the companies developing and selling the final products and for the communities living in the region where the raw materials occur. But the issue of bio-prospecting, access and benefit sharing is quite a complex one. To find “new” natural extracts, prospectors may rely on local communities for their traditional knowledge about species and their uses. Researchers work to pinpoint the active ingredients, which are then used to create new products. This process is quite time consuming and expensive as of many plants tried and tested, only some can finally be used. The different legal requirements and trade regulations are hard to meet. On the other hand cultivating or collecting biological sources entails accessing land and employing local harvesters. Sourcing with respect implies that all actors along the supply chain need to make every effort to conserve biodiversity, respect traditional knowledge and ensure that everyone concerned is paid a fair wage and shares in the benefits generated from the products. Use of biodiversity is not possible without applying social criteria for the community living with/from/in the area of the product, otherwise overuse or extinction/destroying of the product are the consequence instead of conserving biodiversity.

To facilitate this, a general set of seven BioTrade Principles has been defined through a joint process carried out by UNCTAD and National BioTrade Programmes. These principles are based on the objectives of the CBD and other social and economic criteria which assure the sustainability of private initiatives and the competitiveness of these products in the market (www.biotrade.org).

1. Conservation of biodiversity
2. Sustainable use of biodiversity
3. Equitable sharing of benefits derived from the use of biodiversity
4. Socio-economic sustainability (management, production and markets)
5. Compliance with national and international legislation and agreements
6. Respect for the rights of actors involved in BioTrade activities
7. Clarity about land tenure, use and access to natural resources and knowledge

To assist countries and regions rich in biodiversity for making use of and trading their biodiversity products, and accessing the markets, the BioTrade Facilitation Programme (BTFFP) was created. Finally, producers associations like Phytotrade Africa help local producers and collectors of biodiversity products to overcome the many challenges of international trade (www.phytotradafrica.com).

Apart from the examples mentioned, there are further market sectors for biodiversity products like fibres, furniture and building material, ecotourism, the Bio-Carbon market or watershed management.