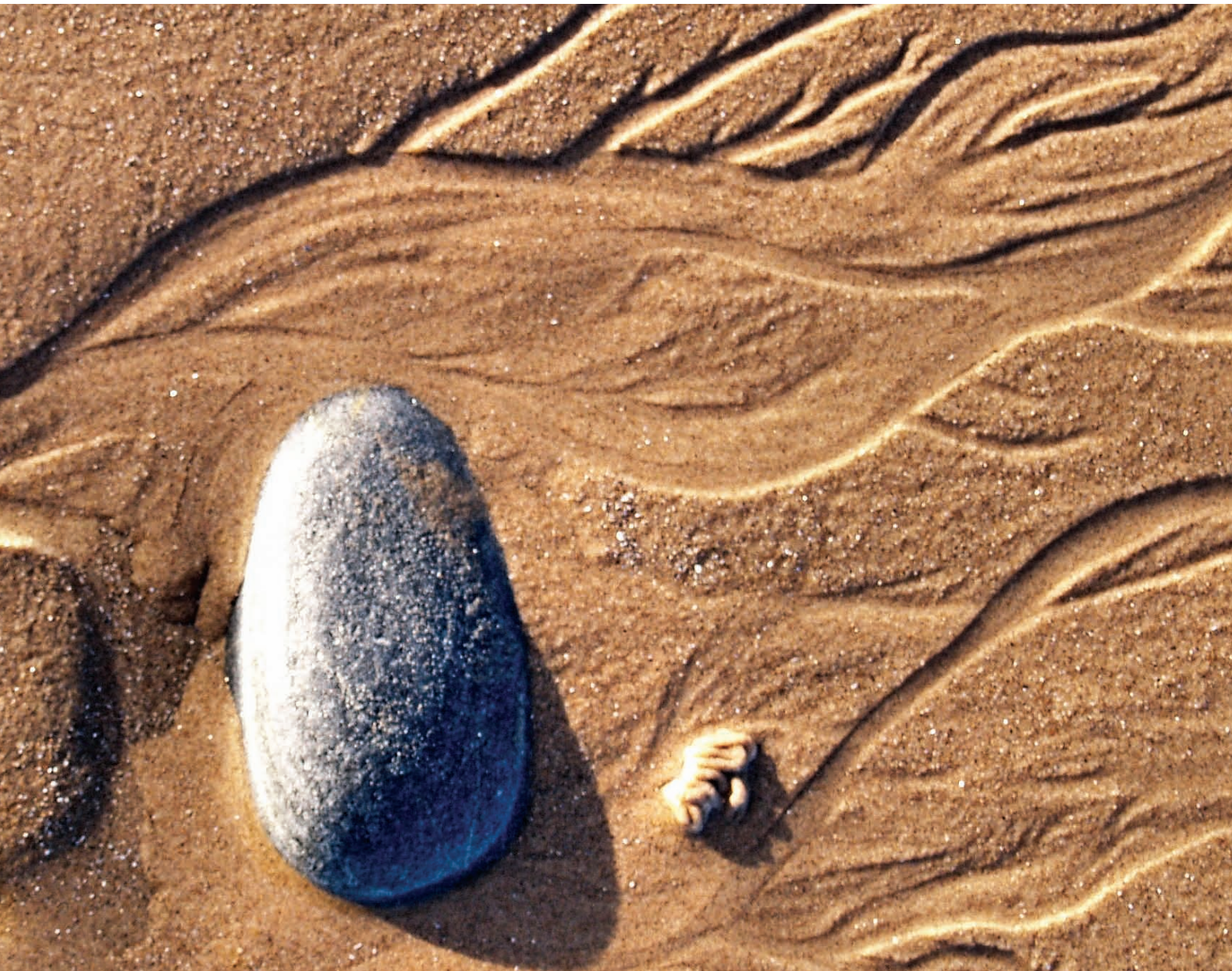




Synergies

Business and Biodiversity Programme

Annual Report 2008



About IUCN

IUCN, International Union for Conservation of Nature, helps the world find pragmatic solutions to our most pressing environment and development challenges.

IUCN works on biodiversity, climate change, energy, human livelihoods and greening the world economy by supporting scientific research, managing field projects all over the world, and bringing governments, NGOs, the UN and companies together to develop policy, laws and best practice.

IUCN is the world's oldest and largest global environmental organization, with more than 1,000 government and NGO members and almost 11,000 volunteer experts in some 160 countries. IUCN's work is supported by over 1,000 staff in 60 offices and hundreds of partners in public, NGO and private sectors around the world.

About the Business and Biodiversity Programme (BBP)

- Seeks to catalyze the private sector and IUCN networks to reduce the business footprint on nature, and to enhance the private sector's contribution to nature conservation
- Four focus areas: large-footprint industries, biodiversity-dependent industries, green enterprises, the finance sector
- Vision: "A sustainable global economy in which the private sector and the conservation community are committed and effective partners in achieving a just world that values and conserves nature"

About this report

This report reflects the progress made by BBP in 2008. The stories are selected to present a fair and balanced representation of BBP's results in terms of delivering the planned programme activities. The document focuses on the direct work of the BBP team, but also reflects some private-sector engagement which takes place in other parts of IUCN, in the regions and other global thematic areas.

Performance assessment

BBP supports and contributes to IUCN's commitment to results-focused reporting. The performance assessment at the end of this report shows progress against the planned annual results.

“Shaping the future”



JULIA MARTON-LEFÈVRE
Director General IUCN

2008 has been a special year for IUCN. It was the year of the World Conservation Congress (WCC) in Barcelona. Some 8,000 people from all over the world got together to discuss, debate and find solutions to the world's most pressing environment and development issues. It was the place where we shaped the future of IUCN for the next four years.

The clear message coming out of Congress was that biodiversity underpins the wellbeing of human societies and their economies. But conservation can only succeed if we address the underlying causes of biodiversity loss, and action is taken at the same time to reduce the impacts of that loss. The private sector, like other sectors, uses and affects nature in multiple ways and simply cannot be

left out of this equation. That is why our engagement with the private sector is vital. This report presents the highlights of the Business and Biodiversity Programme (BBP) in 2008. One of the highlights has been the revision of our Operational Guidelines for Private Sector Engagement.

I am proud of what the programme has achieved and would like to thank all our staff, members, Commissions and our corporate partners for their efforts. Mohammad Rafiq, who left us as the Head of BBP in 2008, deserves our special thanks for having built up this programme. I am delighted that Juan Marco Alvarez has joined us as the new Head of BBP, and I look forward to the fruits of his efforts in bringing the programme to new levels.

“Exploring opportunities”



JUAN MARCO ALVAREZ
Global Thematic Director,
Economy and Environmental
Governance Group
Head, Business and Biodiversity
Programme

As a previous IUCN Council member (2005-2008) I feel privileged to now form part of this unique organization, not just as Global Thematic Director for the Economy and Environmental Governance Group (Naturally Energizing the Future and Greening the World Economy Programme Areas), but as the new Head of the Business and Biodiversity Programme. Private-sector engagement has been an integral part of my previous position as Executive Director of SalvaNATURA, a leading conservation organization based in El Salvador and with activities in northern Central America. My business background and international experience give me a clear perspective on the vision, objectives and future challenges of BBP.

I am very much looking forward to using that experience in my new role,

and building upon the impressive work the BBP team has achieved so far. Together we can explore the many opportunities that I see for our work with the private sector, including the oil, gas and extractive industries, which are the sectors BBP has almost exclusively been targeting. I strongly believe that we can make a difference to these sectors, but also to others such as energy, tourism, agriculture and finance, which are key in terms of helping us deliver the IUCN programme worldwide.

Engaging the private sector from the perspective and complexities of IUCN won't necessarily be an easy task, but with the support of all stakeholders, most importantly our membership, I am confident that we will make the BBP grow to gain a much stronger position and recognition by the end of the 2009-2012 programme.

Large-footprint industries

Objective: Large-footprint industries adopt and follow good practice for managing biodiversity

Mining Dialogue continuing

2008 marked the conclusion of the second phase of the Dialogue with the International Council on Mining and Metals (ICMM). The 2004 terms of reference for the Dialogue set the objective of providing a platform for stakeholders to seek a balance between the protection of important ecosystems and the social and economic importance of mining. Highlights in 2008 include two Roundtables and an external review of the Dialogue.

The next edition of the Roundtable on Mining and Indigenous Peoples Issues brought representatives from indigenous peoples groups together with the

mining industry to discuss Free, Prior and Informed Consent and community engagement processes. Participants were overwhelmingly positive about the Roundtable and requested IUCN and ICMM to convene further discussions.

The Roundtable on Restoration of Legacy Sites developed a shared understanding of the scope and scale of the challenges posed by legacy sites. Representatives from government, industry, indigenous peoples groups, and the conservation community agreed that further information sharing was desirable.

IUCN and ICMM commissioned a review of the Dialogue. Conclusion: the Dialogue has fostered mutual understanding, has delivered good practice guidance which provides a strong basis for moving towards a more results-oriented relationship. IUCN and ICMM are planning an inclusive process for negotiating new terms of reference for the next phase of the Dialogue.

i For more information, see www.iucn.org/about/work/programmes/business/bbp_our_work/bbp_mining/



“ICMM values the opportunity for on-going Dialogue with IUCN and its members – we can have separate views but the Dialogue enables us to discuss the issues in such a way as to assist our member companies in delivering change on the ground”.

ANTHONY HODGE
President ICMM

Biodiversity conservation at Holcim

In 2007, Holcim and IUCN entered into a three-year agreement with the aim of developing “robust ecosystem conservation standards for the Holcim Group, contributing to sector-wide improvements in the cement and related sectors”. A fundamental role in the implementation of the relationship is the IUCN-Holcim Independent Expert panel, whose mandate is to provide independent input on biodiversity conservation policy for the Holcim Group. Early in 2008, Dr Christoph Imboden was appointed as Chair of the IUCN-Holcim Independent Expert Panel. Dan Gross, Peter John Meynell, Dave Richards and Marc Stalmans were appointed to the panel as experts.

The panel developed a conceptual framework (“The rational way forward”) that spells out the panel’s approach and the expected outputs of their work. To collect information on existing practices and challenges, the panel visited Holcim’s operations in Spain and Indonesia. In 2009, the panel plans to visit Hungary, Belgium, United States, United Kingdom and China.

To complement and take forward the results achieved at the global level, country-based agreements are fostered. In 2008, two additional agreements between IUCN and Holcim country operations were signed for Viet Nam (February) and Costa Rica and Nicaragua (August).



The IUCN-Holcim relationship also focuses on integrating biodiversity conservation into Holcim’s efforts to promote sustainable livelihoods. IUCN provided technical support to Holcim in developing a methodology to guide Holcim’s work in this area (Biodiversity-based Micro-enterprise Development, B²MD). The concept was discussed during a workshop organized by IUCN and during a session organized by Holcim at the World Conservation Congress (WCC) in Barcelona in October. During the WCC, Holcim and IUCN jointly organized the Imax Nature Film Festival showing five nature films. Each congress participant received a free ticket sponsored by Holcim.

The agreement is entering its full maturity in 2009. To adjust for initial delays and to take full advantage of the 2010 global biodiversity discussions, the agreement will be extended till December 2010.

i For more information, see www.iucn.org/about/work/programmes/business/bbp_our_work/bbp_holcim

First full year of Shell/IUCN agreement

Shell and IUCN entered 2008 in the first full year of a five-year, formalized partnership agreement. A Shell secondment joined IUCN in February and spent much of the year contributing to BBP issues, such as capacity

building in the regions, and not the least of which was preparation for the WCC. In June, IUCN welcomed a full-time Relationship Manager to Gland. The Relationship Managers for both Shell and IUCN worked during 2008 to

focus the partnership on a few major issues (the North Sea and the Arctic) as well as managing the day-to-day work that goes along with the Base Work Programme of the partnership. The Base Work Programme funds initial scoping studies in areas of common interest between the two parties, such as biofuels, conservation education, and species conservation. In August, IUCN placed a secondment at the Shell headquarters in The Hague. This secondment is working towards a better understanding of Shell's Biodiversity Action Plans and there is interest, on both sides, for this work to take the next step in 2009. Both parties expect that 2009 will see the first major developments emerge from the partnership, with the primary focus of the work concentrating on two main issues: the decommissioning of North Sea oil and gas platforms, and the continuing and expanding interest in the resources of the Arctic and deciding the best way forward.

i For more information, see www.iucn.org/about/work/programmes/business/bbp_our_work/bbp_shell/



Rio Tinto relationship discussions

For more than five years, Rio Tinto plc and IUCN have been collaborating on a host of issues, on a project-by-project basis. In 2006, Rio Tinto and IUCN began discussions regarding the potential for developing a formalized relationship which led, in 2007, to the completion of an initial due diligence report on Rio Tinto. In 2008, negotiations continued,

although they were delayed due to a Rio Tinto takeover attempt initiated by BHP Billiton. Simultaneously, both in IUCN and Rio Tinto, staffing changes contributed to the slowing of negotiations, but the discussions continued in earnest in September 2008. In November and December of 2008, an IUCN BBP staff member travelled to Australia and Indonesia to

continue the due diligence work and discuss what a relationship between the two organizations might look like. Discussions continue, and are expected to result in a decision related to a relationship agreement.

i www.iucn.org/about/work/programmes/business/bbp_our_work/rio_tinto

Biodiversity-dependent and green enterprises

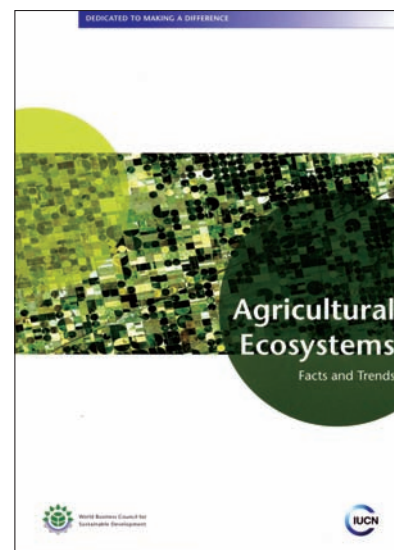
Objective: Biodiversity-dependent industries and green enterprises better understand ecosystem values and seek to conserve them

Agricultural Ecosystems: Facts and Trends

In the framework of the cooperation with the World Business Council for Sustainable Development (WBCSD), BBP supported the development of a Facts and Trends issue document dedicated to agricultural ecosystems and the key challenges facing the sustainable management of these ecosystems. The publication focuses on the key facts and good practices related to biodiversity and ecosystem services: climate, water, land, soil and nutrients. It also highlights the main challenges

for the future, namely bioenergy and biofuels, certification standards, incentives for farmers, and improving agricultural efficiency. The publication was developed with the technical support of member companies of WBCSD's Ecosystem Focus Area Core Team.

i To download the publication: http://cmsdata.iucn.org/downloads/agriculturecosystems_2.pdf



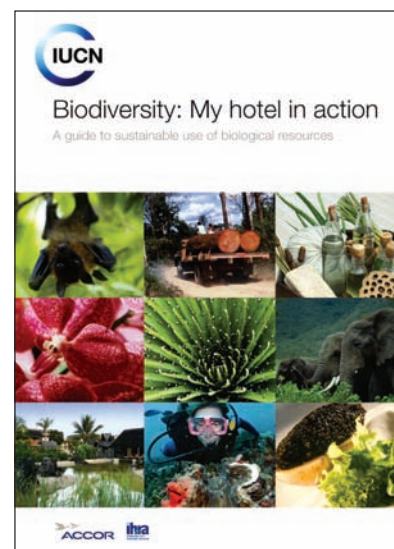
Biodiversity: My hotel in action

BBP completed the guide *Biodiversity: My hotel in action*, with the financial support of the French Ministry of Ecology, Energy, Sustainable Planning and Development, the French Ministry of Foreign Affairs and Accor.

The guide is aimed at hotel managers and owners of small and large hotels worldwide, from cities to mountains and coastal areas. It is structured around the main operational areas of a hotel: restaurants, public areas, including the spa, guest rooms, hotel souvenir

shops, hotel grounds and gardens. It also covers the relationships a hotel can establish with the surrounding community. For each of these areas, the guide provides management tips focusing on what can be done internally, with the suppliers, with the clients and with the community. The management tips are complemented with technical fact sheets developed by TRAFFIC, the wildlife trade monitoring network, listing conservation issues and advice on which species to choose and which to avoid in their menus, in the wood used for the furniture, and in the souvenirs sold.

The International Hotel and Restaurant Association (IH&RA) has also joined forces with IUCN and Accor and will support the wide dissemination of the guide among its members. The guide was published in English. The French version will be available in January 2009. Proposals for a translation into Japanese and Thai have been received.



i For more information, see www.iucn.org/about/work/programmes/business/?uNewsID=1643
To download the publication: http://cmsdata.iucn.org/downloads/iucn_hotel_guide_final.pdf



Promoting sustainable biofuels

Understanding and managing the impacts of biofuel developments continued to be a key area of engagement for IUCN. Many programmes in IUCN contributed to the European Commission discussions on standards for sustainable biofuels and, more broadly, bioenergy. IUCN's biofuels work is focused on addressing the social risks and opportunities of biotechnology and bioenergy,

identifying high-value ecosystems, and the environmental opportunities and risks of biofuels, including the issue of potentially invasive crops. IUCN also continued its engagement with the Roundtable on Sustainable Biofuels, promoting the version zero set of principles and criteria at the WCC. Several publications around biofuels were produced with the support of the Italian Trust Fund.

IUCN also convened a joint workshop with Shell bringing participants from Shell, IUCN and other organizations including Earthwatch, Wetlands International and Energia (the gender and energy network with whom IUCN has recently signed an MOU) to discuss biofuels, biodiversity and associated social issues. The aim of the workshop was to share expertise and understand existing work in order to be able to identify potential areas for collaboration between Shell, IUCN and other organizations. Further work is now proposed to develop biodiversity management tools along the supply chain, which will also link into the implementation working group of the Roundtable on Sustainable Biofuels.

i For more information, see www.iucn.org/energy



“A publication based on the bioenergy toolkit paper has the potential to be important and influential”.

MIKE FELL
Commissioning Editor of Earthscan

Exploring the links between energy and ecosystems

Thanks to funding from the Italian Directorate General for Development Cooperation (DGCS) Trust Fund, IUCN was able to explore the links between energy and ecosystems. A scoping workshop was held in Bamako, Mali in collaboration with Helio International, bringing conservation, energy and development networks together. Subsequent to the signing

of an MOU with Helio International, IUCN developed a paper on the issue, which was used as background for a workshop during the WCC. In this workshop, the energy implications of five key ecosystems were explored. It is intended to scale up the findings around water, dryland, forest, marine and island ecosystems in 2009. The background paper was also shared

with the International Energy Agency, where initial discussions were started to explore the vulnerability of energy systems to climate change through their dependence on ecosystems. The links between water and energy specifically were explored with the World Economic Forum and World Business Council for Sustainable Development (WBCSD).

Designing market-viable ecotourism products

During the WCC, BBP organized a Learning Opportunity on “Designing market-viable ecotourism products”. The session was aimed at conservation organizations, and in particular IUCN members that have experience in establishing tourism enterprises as part of their conservation efforts. Thirty-six participants attended the session, almost half of whom were IUCN members. The goal of the workshop was to provide an insight

into the realities of tourism and to guide the creation of more market-viable ecotourism products. Three themes were covered: the ecotourism potential of a site (delivered by UK-based tour operator Discovery Initiatives); safety of ecotourism products (by the UK Federation of Tour Operators); and tourism marketing (by Rainforest Alliance). A workbook was developed to guide the session. The results of a final survey indicate that around 85%

of the participants found the session useful, relevant to their work and that it contributed to their learning. Because of the success of the workshop, BBP will explore the possibility of replicating this event at local and regional levels in 2009.

i For more information, see www.iucn.org/about/work/programmes/business/bbp_our_work/tourism/



Biodiversity finance

Objective: The finance sector has, and uses, the required capacity for integrating biodiversity conservation in their lending and investment decisions

Buy, Sell, Trade!

IUCN and WBCSD developed an interactive game about how ecosystem markets work. Key input was provided by Earthwatch Institute, World Resources Institute, Katoomba Group/Forest Trends, the US Business Council for Sustainable Development and Fundacion Entorno. "Buy, Sell, Trade!" is a role-playing game that demonstrates the multiple benefits of preserving ecosystems for the services that they provide. Every part of society, including business, government, NGOs and other local stakeholders, depends directly or indirectly on the sustainable management of ecosystems and the services they provide. For example, wetlands help purify water, provide recreation and a buffer against natural disasters. The game highlights the challenges and opportunities of creating markets for ecosystem services. The final test run of the game took place at the WCC. The game is freely available at the IUCN web site.

i For more information, see www.iucn.org/about/work/programmes/business/bbp_our_work/wbcd/



Much of BBP's work in 2008 was committed to on-going projects in other sectors. There was no dedicated staff capacity for work in the finance sector, which has been a challenge. BBP is looking at refocusing the efforts in 2009.

Private-sector-related conservation policies

Objective: Improved private-sector-related conservation policies

Collaboration with WBCSD

Under the agreement with World Business Council for Sustainable Development (WBCSD), which was signed in 2005, various activities took place in 2008. BBP supported the development of Agricultural Ecosystems: Facts and Trends, an issues paper dedicated to the key

challenges related to the sustainable management of agricultural ecosystems. BBP also supported WBCSD in developing “Buy, Sell, Trade!”, an interactive game about how ecosystem markets work. WBCSD had a key presence at the WCC with a dedicated pavilion, which hosted

many events related to business and biodiversity, effectively complementing BBP’s events. We are moving towards the end of the Memorandum of Understanding with WBCSD (April 2009) and we will discuss new ways of working together.

Global Reporting Initiative

BBP represented IUCN on the Working Group for the Mining and Metals Sector Supplement of the Global Reporting Initiative (GRI). A key evolution of the Supplement is the expansion of biodiversity indicators to include reference to the industry’s potential impacts on ecosystem goods and services and a means for companies to

report on biodiversity offsets. All sector supplements are being re-worked to fit the new G3 GRI process and guidelines. The draft supplement will be available in early 2009.

i For more information, see www.globalreporting.org



Private Sector Knowledge Network

Over the past few years, IUCN has been reflecting on how it might associate the private sector with the delivery of IUCN’s mission in a more institutionalized way. In March, on the recommendation of the Governance Task Force, IUCN Council endorsed the development and implementation of a Private Sector Knowledge Network (PSKN). The primary purpose of establishing the network is to extend the IUCN platform to individuals from

the private sector and to those from other parts of society interested to engage with the private sector in achieving nature conservation. This will entail developing and implementing a programme of work that is of interest to the private sector and in accord with the IUCN global programme and priorities. In July, IUCN convened a brainstorming meeting bringing together a small group of people representing the Secretariat, members, Commissions and Council

to generate ideas on the PSKN. The outcome of the meeting was to inform the Director General’s decision on how to pursue the PSKN. The Network will be discussed with Council in February 2009.

i For more information, see www.iucn.org/about/work/programmes/business/bbp_our_work/other_act/

Leaders for Nature

BBP continued its support to Leaders for Nature. This initiative engages emerging business leaders in a process of reflection and learning about nature conservation. The purpose is to prepare current and future leaders of large and small businesses for decision making with greater care and responsibility for the environment. The Swiss Leaders for Nature network began in 2007, building on the Dutch Leaders for Nature model started by the National Committee of IUCN in The Netherlands in 2005.

The Leaders for Nature initiative for Switzerland held three constructive learning meetings and a Steering Committee of members was formed. In Sri Lanka a related business leaders' forum was created in 2008. A number of other Leaders for Nature chapters are still in discussion, with Swiss Leaders for Nature in coordination transition.



i For more information, see <http://leadersfornature.pbwiki.com/FrontPage>

Business and Biodiversity Offsets

BBP supported the Economics Unit in its work with the Business and Biodiversity Offset Programme (BBOP). This is a partnership between companies, governments and conservation experts to explore biodiversity offsets. BBP attended a meeting to finish Phase I of BBOP, to prepare the launch of its documentation and to work towards the next phase. The communication efforts of BBOP were also supported.

i For more information, see www.forest-trends.org/biodiversityoffsetprogram/



Working Group on Extractive Industries and Biodiversity

The Working Group on Extractive Industries and Biodiversity (WGEIB) continues as a mechanism for engaging the IUCN membership in work with the mining sector. In addition to being actively involved in the delivery of the IUCN ICMM Dialogue work programme, WGEIB members provided advice on IUCN inputs into the Mining and Metals Sector Supplement of the Global Reporting Initiative (GRI) and were informed of mining events and Motions at the WCC in Barcelona.





World Conservation Congress

BBP's participation in the WCC in Barcelona (October) was active and varied. Different events highlighting BBP's past and future endeavours were organized. BBP also worked with partners and other IUCN component programmes in organizing other events, including coordinating a Journey dedicated to markets and business topics, and coordinating the Futures Pavilion. BBP also provided technical backstopping in the motion submission and discussion process. Many of the events BBP was involved in during Congress are described in other sections in this report. Some activities are listed below.

i For more information on BBP's participation at the Congress: <http://www.iucn.org/about/work/programmes/business/congress/wcc4/>

Objectives of BBP at WCC

- Build buy-in among our membership into the concept of private-sector engagement as a viable conservation strategy
- Build a network of members and partners for delivery of our private-sector engagement strategy and programme of work 2009–2012
- Provide a platform for balanced and substance-based discussions on strategic issues, bringing private-sector voices to the table
- Build capacity for IUCN (component and regional programmes, Commissions and members)

BBP highlights during WCC

- “Designing market-viable ecotourism products”, learning event
- Workshop “Towards biodiversity-friendly hotels”
- Building a Business & Biodiversity Congress Team with focal points from around the globe
- Workshop on SMEs: “Small companies, large footprint?”
- Markets and Business Journey
- High-level roundtable on business and biodiversity
- Workshop on Independent Scientific Panels
- “Buy, Sell, Trade!”, interactive game on ecosystem services
- Futures Pavilion
- Technical support to motions



Markets and Business Journey



To create a community of people interested in markets and business, a special journey was prepared. The Markets and Business Journey guided the participants through the Forum. It highlighted some 50 events, representing a selection of the many events related to economics, markets and business which took place. It included events related to agriculture, extractive industries and tourism as well as events related to partnerships between conservation organizations and business, new economic incentives and biodiversity indicators for business. The events profiled innovative approaches to using the market to conserve biodiversity.

Greening the Earth's Economy report

The many events related to markets, economics and business at the WCC are captured in a report *Greening the Earth's Economy*. The report captures the richness of the many exchanges, discussions and resolutions related to markets, economics and business.

i For more information, see <http://www.iucn.org/about/work/programmes/business/congress/wcc4/>



The Futures Pavilion

The Futures Pavilion was coordinated through BBP and aimed to provide a space for IUCN staff, members and partners to showcase their work related to the new IUCN programme for 2009–2012 “Shaping a sustainable future”. Issues on biodiversity, wellbeing, climate change, energy and green economy were explored through over 50 events. The Pavilion was generously supported by the IUCN-Shell relationship, Toyota Europe and Philips. Toyota Europe also provided an eco-driving simulator which was tested out by hundreds of participants.



Team building at Congress

The WCC was a great opportunity for BBP to work with other IUCN component programmes. By forming the Business and Biodiversity Congress Team, BBP brought together the business and biodiversity focal points and other staff from various country and regional offices and facilitated their interaction. A total of 15 members of staff integrated this team with participants coming from 10 different country offices (including headquarters), spread over six different regions. The main objective of the team was to report on the business discussion at Congress which then enabled the creation of a post-Congress report. Discussions between the team members also allowed for the cross-fertilization of ideas to take back to their individual settings. In 2009, BBP hopes to expand its collaboration with, and cross-learning from, different country and regional offices for the successful implementation of the One Programme.

Technical backstop to the Motions process

A fundamental element of the WCC is the Motions process. BBP provided technical backstopping to the submission and discussion of private-sector-related motions. Some of the “private sector” motions led to passionate discussions during contact groups and in the plenary. All private-sector-related motions but one (MOT 107 – Termination of the Agreement between IUCN and Shell) were approved. Some, however, were substantively modified. Overall, IUCN members approved 136 Resolutions and Recommendations, more than 50 with relevance to the private sector. The sectors being addressed include fisheries, extractive industries, finance, transport and wildlife trade. A number of Resolutions also address general matters related to the establishment and management of engagements with the private sector.

For a complete list of Resolutions and Recommendations relevant to the private sector see: www.iucn.org/about/work/programmes/business/congress/res_rec/

Capacity building on business and biodiversity

Objective: Enhanced capacity for engagement with the private sector

Private sector operational guidelines updated

At the WCC, IUCN members requested “... IUCN’s Council as soon as possible, in consultation with the Director General, to approve the Operational Guidelines by which the IUCN Secretariat and the Commissions interact with the private sector ..” (Res. 4.086). Therefore, the IUCN Secretariat, led by BBP, decided to revise the first version of the Operational Guidelines for Private Sector Engagement which was developed in 2006. The guidelines assist IUCN Secretariat staff and Commission members worldwide with the implementation of IUCN’s Private Sector Strategy.

The review focused on the feedback of over 50 stakeholders (IUCN members, Councillors, Commission members,

private-sector representatives and staff), and generated a report: *Review of the application of the Operational Guidelines for Private Sector Engagement* (Duncan and Bertrand, December 2008).

Based on the findings of this process, and taking into consideration the recommendations issued by Council in 2008 on private-sector engagement, BBP prepared a new version of the Operational Guidelines for Private Sector Engagement which will be submitted for approval to the 72nd IUCN Council meeting (February 2009).

i For more information, see www.iucn.org/about/work/programmes/business/bbp_aboutus/strategy/



Supporting the regions

BBP provided support to the regions in their business and biodiversity work. In May, BBP contributed to and

participated in a two-day meeting with the Asia BBP focal points. The meeting in Bangkok was hosted by the

IUCN Asia Regional Office. The main objectives of the meeting were to foster team building amongst the BBP focal points, enhance knowledge and skills, and address issues and constraints collectively.



BBP extended Memoranda of Understanding with the IUCN Regional Offices for West Asia (ROWA) and South America, to strengthen and support their private-sector work. With the input from BBP, ROWA took on a full-time professional staff member to set up a business and biodiversity programme in the region, in line with the global private-sector strategy. BBP plans to build upon these foundations to achieve greater collaboration with a greater number of regions.

Capturing the learning from IUCN's Independent Expert Panels

Confronted with challenging conservation issues, IUCN has led a number of Independent Expert Panels to help address these issues by providing a neutral platform for independent scientific and expert advice. The Independent Scientific Review Panel (ISRP) was convened in 2004 to evaluate the science around the conservation of Western Gray Whales in the context of Sakhalin Energy's oil and gas development project. This panel has been followed by the creation of the Mauritania Panel, the IUCN-Holcim Independent Expert Panel and the Western Gray Whale Advisory Panel (all in operation as of today).

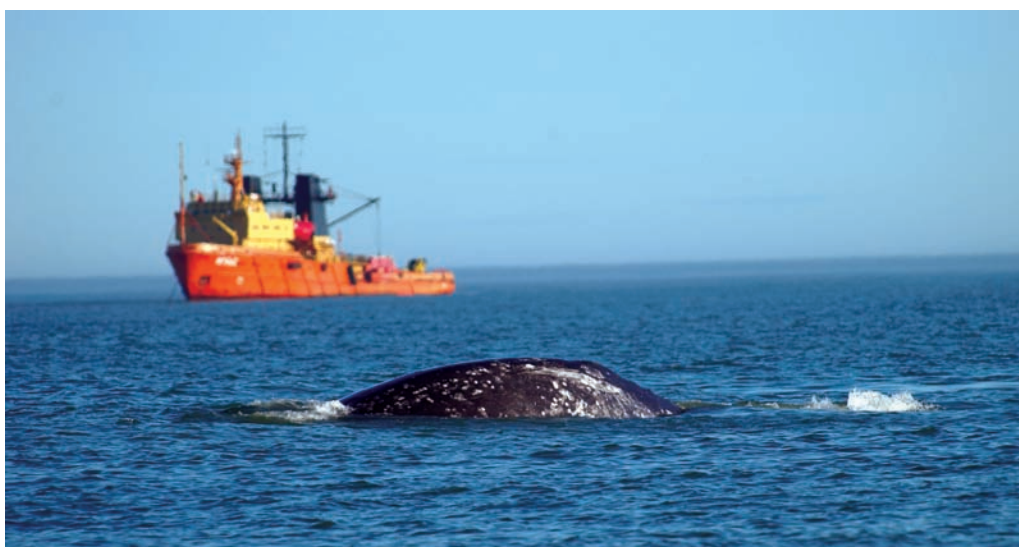
To capture the learning from these processes, BBP organized a session during the WCC. It brought together representatives of these panels to present their experiences, with the objectives of exploring the role, working modalities and results of the three main IUCN panels and obtain input from the

audience on the value, role and shape of the panels.

Furthermore, BBP commissioned a study on the lessons learned from the Independent Scientific Review Panel (ISRP), the only concluded panel as of

today, and will use these as the base for capturing the learning from the other IUCN-led panels.

i For more information, see http://www.iucn.org/about/work/programmes/business/bbp_our_work/other_act/



Using business as a conservation tool

BBP initiated a study of the extent to which IUCN members are developing business enterprises as part of their conservation programmes. This study is financed by the French Ministry of Ecology, Energy, Sustainable Planning and Development and the French Ministry of Foreign and European Affairs. The study will build upon a 2007 survey on IUCN members' use of tourism as a conservation tool and add the examples collected in the survey. The results will be published by mid-2009 and will include a selection of "Products and services developed by IUCN members" and a report on challenges and lessons learned in developing biodiversity enterprises.



Small companies, large footprint?

During the WCC, BBP organized a Global Thematic Workshop with the title: “Small companies, large footprint?” The event was about the footprint of Small and Medium-sized Enterprises (SMEs). The emphasis of the workshop was more on average SMEs rather than the green, biodiversity-dependent businesses. There were speakers from the International Finance Cooperation, Hivos and WBCSD. Topics explored were: examples of SMEs being successful in minimizing their footprint, success factors and challenges, and the role of IUCN in helping SMEs improve their environmental and social performance. The workshop helped to identify what IUCN can do to support SMEs within its sustainable development approach, as part of its 2009–2012 programme.



Business and Biodiversity High-Level Roundtable

At the WCC, IUCN organized a high-level roundtable event. The aim was to engage individuals at the Chief Executive Officer/President level of governments, private sector, and civil society in a discussion on the 2010 Biodiversity Target. The roundtable was to discuss the achievements and failures of the 2010 Target, to talk about potential ways forward following 2010, and to provide an opportunity to identify potential new forms of collaboration that can reduce the loss of biological diversity. Eighteen individuals participated in the roundtable discussions. Common themes described as areas that need additional attention were: communication and education; markets; governments;

collaboration; local communities. Participants suggested that biodiversity does not come across as an “attractive” cause for the general public, and that we need to simplify the message. On markets, the overriding message was to put a price on carbon – the private sector wants and needs a price on carbon so that they know where they stand, to provide a definite competitive challenge. The conclusion of the session was an agreement that further and closer collaboration is needed between governments, the private sector, and civil society in order to succeed in overcoming the biodiversity issues that lie in front of us.

“I commend you and those who have contributed on the comprehensive substance that you put together. It becomes irritatingly obvious what and where action is required. Let’s hope we’ll see some progress on that front soon”.

One of the participants in the High-Level Roundtable

Programme management

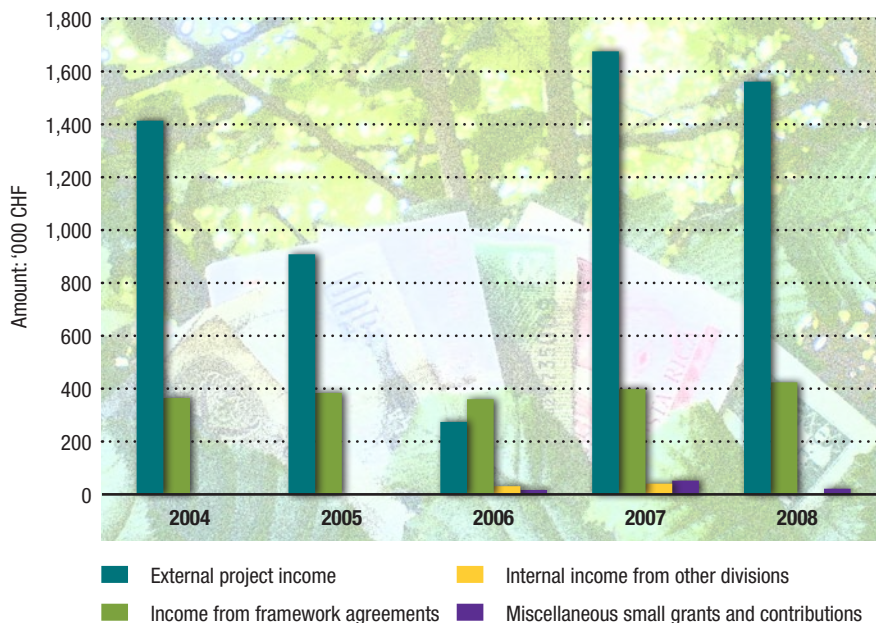
Finance

It was an active year for BBP, with several important projects really taking off.

The total income received during 2008 amounts to CHF 1,993,000. Additionally, more than CHF 1,2 million was carried over from the financial year 2007, thus making a total of more than CHF 3 million available for activities in 2008. The unspent balance will be carried forward to 2009 for continued project activities.

More detailed financial information about IUCN can be obtained from the audited consolidated financial statements (available upon request) as well as the annual programme report.

Income analysis Business and Biodiversity Programme



Staffing

The year 2008 was a year of change. Three new team members joined the BBP team. Saskia de Koning joined as Business and Biodiversity Advisor seconded from Shell. Dennis Hosack joined as Relationship Manager for the IUCN-Shell agreement and Maria Ana Borges strengthened the team as Junior Professional Associate.

The biggest change of all was the departure of the Head of Programme, Mohammad Rafiq, who decided to leave IUCN in July to join his family and to accept the job of Vice-President in Rainforest Alliance as of November 2008. For nearly four years Mohammad Rafiq was Head of Programme. Giulia Carbone acted as Head of BBP until the new Head of Programme, Juan Marco Alvarez, was appointed in early 2009.



Communications

BBP has put more effort into improving its communications in 2008. The programme has put a communications strategy in place including objectives and key tools. BBP reached out at WCC to the various stakeholders to exchange information and to listen to their views. BBP has reorganised its web site to make it more accessible and kept it up to date as much as possible. BBP has also produced a brochure for the private

sector and the IUCN constituency explaining the programme. There is always more to be done to improve communications and transparency, and this will again be an area of focus in 2009.



Environmental footprint

BBP aims to lead by example when it comes to environmental performance. With the adoption of the IUCN Code of Conduct and Professional Ethics for the Secretariat, BBP has continued to think green, by minimizing paper use in the group, preferring teleconferencing or train journeys where feasible, and supporting the internal sustainability group "My Green IUCN".

BBP continued to record the emissions from its business flights, as part of IUCN's mandatory offset scheme. Despite an increase in size, BBP continued its trend of reducing average emissions per team member (based on corrected data from BBP 2007 report, see * in table below) and will aim to continue this trend for 2009.

- i** For more information on the IUCN Code of Conduct and Professional Ethics: <http://www.iucn.org/about/values/>
- i** For more information on IUCN's new offset policy: http://cmsdata.iucn.org/downloads/iucn_carbon_offset_policy_and_procedures.pdf



BBP greenhouse gas emissions

Year	Average number of team members	Total emissions (tonnes)	Total offsets (20CHF per tonne)	Average emissions per team member
2006	4	22.82	502.00	5.7
2007	6	32.44	648.80	5.4*
2008	7	32.20	708.40	4.6

* Corrected from 2007 BBP Annual Report's figure of 6.49.






Contact us:

For up-to-date contact information, please refer to the Business and Biodiversity Programme pages on the IUCN website. The BBP team is based at IUCN HQ in Switzerland. You can contact us at:
























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BBP performance in 2008

BBP supports and contributes to IUCN's commitment to results-focused reporting. This table highlights the programme's progress against the planned annual results. The objectives refer to IUCN's Global Programme Objectives.

Under each heading, progress against the planned annual results is outlined, based on a self assessment process by the BBP team. As performance indicators, three types of arrows are used: Results exceeded  Results fully met  Results not fully achieved .

 For more information on the Programme Objectives, see www.iucn.org/programme

BBP Objectives	Planned Results for 2008	Performance
IUCN dialogue partners in large-footprint industries adopt and follow good practice for managing biodiversity	ICMM good practice guidance tested and operationalized in selected areas	
	Shell-IUCN collaboration effectively managed	
IUCN dialogue partners in biodiversity-dependent industries better understand ecosystem values and services and seek to conserve them	The dialogue initiated with Natura carried forward	
	Foundation for an IUCN programme on agriculture strengthened	
IUCN dialogue partners in "green enterprises" have the knowledge and capacity to use ecosystems sustainably, contributing to their improvement	Eco-tourism industry uses nature sustainably and enhances biodiversity	
IUCN dialogue partners in finance sector have, and use, the required capacity for integrating biodiversity conservation in their lending and investment decisions	IUCN work in the finance sector revitalized	
Improved private-sector-related conservation policies	Enhanced CBD interest and capacity to engage private sector for conservation	
	Increased policy influence on business associations and related multilateral organizations	
	Promote and support the implementation of good practice for biodiversity in 2-3 businesses	
Increased understanding between business, IUCN members and other conservation organizations on important conservation issues	Stakeholders and industry partners have greater mutual understanding of conservation issues in four areas	
Greater collaboration among IUCN members, other conservation organizations and private sector	Tools and mechanisms to harness opportunities for collaboration between business and conservation communities identified and developed	
	Support the consolidation and expansion of the Leaders for Nature Initiative	
Enhanced IUCN Secretariat capacity for engagement with the private sector	The use of IUCN private sector (PS) guidelines promoted	
	IUCN Regional and Country Offices and Global Thematic Programmes have increased capacity/experience to work with the private sector	
	BBP is adequately resourced and effectively managed	
	BBP Intersessional Plan (2009-2012) drafted	
	Energy, Ecosystems and Livelihoods Initiative scaled up	
Increased capacity of IUCN Commissions	Three Commissions have an enhanced understanding of the conservation-business interface	
A strengthened private-sector governance framework as related to nature conservation	PS-related governance opportunities explored and pursued	
An enhanced understanding of the business case for biodiversity conservation	An enhanced understanding of select issues in BBP	
	Foundation laid for IUCN private-sector work in Francophone areas	
IUCN guidelines, tools and experiences of business engagement are available to conservation organizations for them to adapt appropriately	IUCN PS Guidelines are made available to IUCN members and other organizations	
Learning from IUCN engagement with the private sector documented	Learning from one or more of the IUCN component programmes' engagement with the private sector documented	
Increased IUCN access to business good practice	IUCN benefits from private-sector support in streamlining its operations	
Key business and biodiversity issues are explored, and results and lessons learnt communicated broadly	Selected business and biodiversity-related issues are researched	
Enhanced understanding and pursuit of corporate social responsibility (CSR) in IUCN	Assist IUCN with industry best practice on CSR and support internal CSR efforts	
Business good practice and IUCN learning in CSR is made available to other organizations	Other conservation organizations benefit from IUCN leadership in CSR	
Biodiversity offsets further assessed, developed and tested	An enhanced knowledge and understanding of the conceptual and operational implications of biodiversity offsets	
Biodiversity performance indicators for the private sector developed or adapted, and promoted	An extended and broadly shared knowledge base for biodiversity performance indicators	
Other new ideas and approaches for business engagement in conservation identified and tested	A shortlist of new ideas and opportunities for IUCN private-sector work available	

Moving forward

Let's start focusing on the next four years!

At the WCC in October 2008, IUCN members approved the 2009–2012 Intersessional Programme including the 2009–2012 BBP Programme. The BBP programme includes 13 results focusing on the five global thematic areas of: conserving biodiversity, changing the climate forecast, naturally energizing the future, managing ecosystems for human wellbeing, and greening the world economy. It includes activities that build on the acquired experience in the oil and gas and mining sectors, and which aim at strengthening BBP presence in the tourism, agriculture and finance sectors.

As a result of internal restructuring, BBP is now part of a larger Thematic Group together with the global programmes of Economics, Environmental Law and

TRAFFIC, and the thematic programme areas of Markets and Energy. BBP is keen to using the strengths and synergies within this Thematic Group to improve our performance in 2009 and beyond.

We are looking forward to continuing our work with our current private-sector relationships in delivering the commitments and goals we have set. We have also started to establish a number of additional engagements with the new corporations that will enable us to deliver the new programme. The initial focus has been the mining sector. As a follow-up to the ICMM review, discussions with ICMM are underway to define the key elements of the next agreement. Relationships with Rio Tinto and Nespresso are also

being considered, and due diligence for both companies have been completed. Given the priorities of the Energy Thematic Programme Area, BBP is also supporting the expansion of relationships with energy sector companies such as E.On (on managing the impacts of offshore renewable energy technologies on the marine environment with the Global Marine Programme), GDF Suez, and biofuels companies and investors.

Communications on our activities will be an area of continuous attention in 2009, as well as supporting the implementation of the updated Operational Guidelines for Private Sector Engagement. Another busy year ahead of us!



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