

BEAUTY OF SOURCING WITH RESPECT 2011 The Strategic Importance of Biodiversity

Over 120 attendees were welcomed to the Cercle National des Armées in Paris on May 5 for the third edition of the Union for Ethical BioTrade's (UEBT) Beauty of Sourcing with Respect conference. Experts from the cosmetics industry, including brand leaders and ingredients suppliers, joined government officials, policy makers and NGOs to discuss the strategic importance of biodiversity for business.

UEBT's Executive Director Rik Kutsch Lojenga opened the day by highlighting the growing awareness of biodiversity around the world both among consumers and the private sector. He highlighted the growing economic and political importance of biodiversity, citing next year's Rio+20 meeting, which aims to secure renewed political commitment for sustainable development. In addition, he underlined how sourcing biodiversity ethically could play a role in poverty alleviation - a central theme in the conference's later sessions.

Marketing biodiversity: Towards win-win strategies

The morning session focusing on communicating biodiversity, opened with a presentation from Laurie Bennett, Head of Strategy at Futerra Sustainability Communications. Biodiversity communication needs to take on a positive tone, he explained. Rather than concentrating on negative extinction messages communicators need to tap into the love and awe people feel when they think about the natural world. Rémy Oudghiri from IPSOS followed with a presentation of the results from this year's UEBT Biodiversity Barometer. He highlighted that global awareness of biodiversity currently stands at 70% and is going up, which has implications for companies sourcing from the natural world. Furthermore, one in three people were aware of the United Nation's International Year of Biodiversity in 2010, and this campaign is likely to have helped raise awareness. In addition, 27% of the top 100 beauty companies reported on biodiversity in their communication, which, although still a relatively small proportion, is double last year's figures. More information on these results can be found in the [Biodiversity Barometer](#).

A lively roundtable then followed with representatives from L'Oréal, Guerlain, Amorepacific, Weleda and Futerra, which explored how brands can communicate on biodiversity. Brands highlighted the different levels of biodiversity communication: at the employee, the corporate and the consumer level. Many companies are moving on from the first two levels and are looking at how to communicate on biodiversity with consumers. The power of telling the story behind ingredients was highlighted; however, this was seen to depend on the brand image and its positioning, as well as the type of retail channel used. In addition, the positive communication highlighted in Futerra's presentation was discussed, with some brands confirming that 'fear paralyzes' and does not motivate behaviour change. In exploring ways that companies can communicate with consumers on this topic, it was noted that lessons can be learnt from the high level of awareness surrounding fair trade practices. Rather than waiting for consumer awareness to grow before communicating on it, a number of companies involved in the fair trade sector have been actively raising awareness of the concept, suggesting that proactive communication can really pay off. More information on communicating biodiversity can be found [here](#).

New rules on access and benefit sharing: Possible implications and approaches

International regulation on access and benefit sharing (ABS) was tackled in the second half of the morning, with Valerie Normand from the Convention on Biological Diversity (CBD) Secretariat introducing the recently adopted Nagoya Protocol. Ms Normand explained that the protocol aims to support the implementation of the third objective of the CBD: the equitable sharing of benefits arising from the use of genetic resources. The protocol helps clarify what is meant by genetic resources and the kinds of benefits that can be shared, as well as introducing a compliance aspect. "Ensuring that



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benefits are shared once the resource has left the provider country is challenging as it is very difficult to impose your own legislation on foreign countries,” she said. Ms Normand explained that the Nagoya Protocol means that national ABS systems must include a compliance aspect, affecting the way research teams move samples across borders. More information on the Nagoya Protocol and what this means for industry can be found [here](#).

Bruno David from Pierre Fabre then highlighted lessons from the pharmaceutical sector on ABS, that can be applied to the cosmetics industry. Mr David cautioned against national interpretations of ABS that can be too strict and therefore discourage research. He added that legal uncertainty is particularly serious and expressed hope that the Nagoya Protocol would clarify the situation for many companies. Pierre du Plessis, ABS negotiator for Namibia, then discussed what ABS might mean for Africa, a continent where 70% of the population lives off biodiversity. He highlighted that the equitable sharing of benefits resulting from the utilisation of genetic resources is a necessary pre-requisite for the first two of the CBD’s objectives: the conservation of biodiversity and its sustainable use. *“We need to make sure that everyone who uses biodiversity contributes to its protection,”* he said. Mr du Plessis was keen to point out that Africa supported the successful implementation of the Nagoya Protocol and wanted to remain ‘open for business’ for academic and commercial enterprises looking to research its biodiversity. For more information on Africa’s biodiversity and the opportunities this presents for business, please click [here](#).

“The 2011 Biodiversity Barometer shows that over 50% of the consumers said that improving livelihoods of African producers and protecting African biodiversity would motivate them to buy products made with African natural ingredients. This demonstrates that the sustainable use of biodiversity is a potential source for sustainable economic development for many developing countries,” said Ahmed Djoghlaif, Executive Secretary of the CBD when commenting on this year’s Biodiversity Barometer

Benefit sharing in practice: Navigating ABS legislation in Brazil

UEBT was honoured to welcome the forests and biodiversity secretary for the Brazilian government, Braulio Dias. Mr Dias explained how Brazil’s national ABS legislation functions, including the creation of CGEN the council set up to deal with regulation and authorisation, and IBAMA the agency set up to enforce the issue. While Mr Dias highlighted how committed Brazil is to the CBD’s objectives and making benefit sharing work, he said that the implementation of national laws has been challenging. *“Most of the players out there in Brazil still don’t have a formal authorisation from the council to do their work on access and don’t have contracts,”* he said. However, he went on to explain that Brazil’s legislation had been drafted in response to a biopiracy situation seen as an emergency, and added that the country is working hard to make the system more efficient. For more information on Brazil’s ABS legislation, please click [here](#).

Cristiane Derani, a lawyer working in Brazil on a number of access and benefit sharing issues, then gave her experiences of the Brazilian legislation. She highlighted a number of complexities including whether oils and extracts can be regarded as genetic resources and linking traditional knowledge to specific communities. A panel discussion with representatives from Natura, Beraca HPC and Solabia Group followed, focusing on how the legislation is affecting companies operating in the country. While some warned that businesses are starting to look elsewhere as the national laws are so challenging, there was a recognition that where ABS had successfully occurred it had contributed to local development and conservation efforts.

Benefit sharing in practice: Argan, biodiversity and local communities in Morocco

The final session of the afternoon looked at how benefit sharing might work when there is no national ABS legislation, using Moroccan argan oil as a case study. Professor Zoubida Charrouf described her



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work setting up local women's cooperatives to supply argan oil to an international market. Professor Charrouf also referred to research undertaken with a number of national and international partners to investigate the characteristics of the oil and other derivatives of the argan and how it could be used in cosmetic products. Dr Daniel Robinson expanded the discussion on argan oil, describing the benefit sharing partnerships set up between the cooperatives supplying the oil and cosmetics ingredients company Laboratoires Sérobiologiques (part of Cognis Group) and L'Oréal. Dr Robinson explained that price premiums are paid for the oil and related products such as pressed cake. In addition, benefits are paid to a social fund, which can be used by the women as they wish for a range of different purposes. Although this partnership was not created with ABS in mind, as Morocco is currently without a national regime, some of its characteristics could be classed as benefits, both monetary and non-monetary, as stipulated by the CBD. Suhel al-Janabi then gave an insight into the Moroccan regulatory situation as the country embarks on developing its own national ABS legislation. More information on Argan Oil and the benefit sharing partnership can be found [here](#).

The floor then opened for a discussion session on argan oil including representatives from L'Oréal, Aldivia and Laboratoires Sérobiologiques.

Conclusion

President of UEBT Board of Directors, Gus Le Breton, closed the event, thanking the benefit-sharing experts who shared their knowledge during the day as well as highlighting the work of pioneering companies that will be prepared when ABS legislation is implemented on a more global basis. He also echoed the words of Mr du Plessis, saying, *"I want to make sure that the door for business really is open in Africa and that it is easier for companies to come into the country"*. In addition, Mr Le Breton highlighted the importance of like-minded companies working together to put the ethical sourcing of biodiversity into practice. UEBT provides support for companies putting in place ethical biodiversity sourcing practices and promotes interaction between members working toward the same goals.

Participants and speakers alike said the 2011 Beauty of Sourcing with Respect event was highly informative and a great networking opportunity for companies and organisations involved in ethical sourcing of biodiversity.

The following day UEBT members met for a training session on ABS, which included a number of presentations and discussions, as well as a group exercise on a hypothetical benefit sharing case.

The conference was undertaken with the support of L'Oréal, Amorepacific and Natura.

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