

## How biodiversity is reshaping the beauty industry *5<sup>th</sup> Beauty of Sourcing with Respect Conference*

This unique annual conference organized by the Union for Ethical BioTrade (UEBT) brings together cosmetics and personal care companies to share approaches and experiences on the ethical sourcing of biodiversity. It is a chance to discuss latest developments and best practices in this field with internationally recognized experts, decision-makers and other stakeholders. Over the last five years, the focus of the conference has moved from awareness raising to experience sharing, with increasing contributions from companies that are members of UEBT. The 2013 edition was supported by L'Oréal and Natura Cosmetics, and drew 150 participants, the largest number of participants to date.

This year's conference focused on how biodiversity is reshaping the beauty sector. **Rik Kutsch Lojenga**, UEBT, pointed out major changes that occurred over the last five years with regard to ethical sourcing of biodiversity, including: a rising biodiversity awareness among consumers; increased company reporting on biodiversity (from 13% in 2009 to 32% in 2013); improved understanding of access and benefit sharing (ABS); and the growing realization that biodiversity is an issue for companies looking to grow in emerging economies.

### Morning keynote address

In a passionate keynote speech with examples from around the world, **Prof. Gilles Boeuf**, President of the French National Museum of Natural History, stressed the importance of biodiversity for the planet and humankind. He urged conference participants to take action regarding biodiversity, making sure that the 2020 biodiversity targets set by the United Nations are not missed.



### Biodiversity: Consumer awareness & company perspectives

The UEBT Biodiversity Barometer underscores that consumers expect industry to take action on biodiversity. Insights obtained over the last 5 years, i.e. 31,000 consumers surveyed in 11 countries, show that biodiversity is a concept of growing global importance. In 2013, the survey looked particularly at Chinese consumers, which, similar to Brazilian consumers, show remarkably high awareness on biodiversity, reconfirming the importance of biodiversity in emerging markets. For the first time in 2013, consumers were also asked which brands they view as making most efforts to respect biodiversity. The 2013 findings led to animated discussions among conference participants. In the course of the conference, UEBT and CBD issued a [joint press release](#) on the 2013 UEBT Biodiversity Barometer, highlighting this year's key findings.



Moderated by **Kathleen Bottriel**, International Finance Corporation, a panel shed its light on the biodiversity barometer results.

**David Ainsworth** from the CBD Secretariat said: 'These figures give us an agenda to work with: we now need to link awareness to action'.

**Laurent Gilbert**, L'Oréal, highlighted that biodiversity is an important part of the innovation and sustainability strategy of L'Oréal, with individual brands deciding whether and how to communicate on biodiversity. He noted: 'It is no surprise that The Body Shop is recognized by the consumers surveyed in the UEBT Biodiversity Barometer as a company that respects biodiversity. From its inception onwards it has focused on community trade, and linked social aspects to environmental issues'. L'Oréal is now translating the lessons learned from The Body Shop into its own programs.

**Bas Schneiders**, Weleda, explained that respect for biodiversity has been deeply enshrined in the

values of Weleda from its creation. This is also illustrated by its UEBT membership. However, biodiversity is not yet in the consumer mindset, with attention to concepts like green, fair trade, organic prevailing. 'Weleda has recently started to talk about biodiversity to its consumers - for example through story telling at the corporate level, and by highlighting specific ingredients at the product level', remarked Mr. Schneiders.

**Eder Ramos**, Symrise, confirmed the importance of biodiversity in the Brazilian market. 'To play in Brazil, flavors and fragrance companies like Symrise has to work with biodiversity and promote ethical sourcing models' said Mr. Ramos.

**Rémy Oudghiri**, Director of Trends and Insights at IPSOS, highlighted the opportunity created by the lack of brands that are globally associated by consumers with respect for biodiversity. He said: "There are clear opportunities for brands to position themselves around the issue of biodiversity, and anticipate increasing consumer interest on this issue".



### **Parallel sessions**

To facilitate discussion and exchange, several parallel sessions were organized this year.

#### Biodiversity: Implications for marketing and communication

This session, moderated by **David Ainsworth** from the CBD Secretariat, explored in more depth what the findings of the UEBT Biodiversity Barometer mean for marketing. The Biodiversity Barometer shows that the young, better-educated and affluent people have the highest biodiversity awareness rates. To connect to consumers on biodiversity, companies need be transparent and truly sustainable, as well as communicate positively. 'Green is beautiful' and 'You don't need to be ugly to save the planet' are catching examples of positive approaches, said **Leila Rochet-Podvin**, from Cosmetics Inspiration & Creation. Story telling, putting a face to supplier communities and sourcing areas, is an effective approach as well. Beraca showed how it partners with Kiehls' on acai, a natural ingredient from the Amazon. A drawing contest was held among children from the local communities that collect acai, with the winning painting used for a label of a Kiehls' product. 'A successful way to connect to consumers' said **Claire Frelin** from Beraca.

#### Promoting local development with sourcing communities

**Lorena Jaramillo** from the UNCTAD BioTrade Initiative moderated the session aimed at sharing experiences on working with sourcing communities to promote local development. Olvea Burkina Faso, showed the importance of moving from conventional sourcing practices to more direct and longer-term relationships with source communities. 'The next step for Olvea is to support communities towards diversifying the products they supply, in order to increase daily income and reduce dependence on one product' said **Christophe Godard** from Olvea.



**Rodrigo de Prospero**, UEBT, emphasized the critical importance of entering into dialogue with local communities. This includes listening, giving local partners the opportunity to actively participate, and exchanging information. **Gabriela Salinas**, a community engagement expert working with UEBT, stressed the importance of information sharing. She added, 'Information is at the basis of any constructive dialogue, and helps clarify the responsibilities of communities and the company'. The recently developed UEBT community training materials are good examples of tools to provide simple and visual information on the Ethical BioTrade concept.

### Biodiversity conservation in the supply chain

**Humberto Gomez** from FAN Bolivia moderated this session, which showed examples of how three UEFT member companies are working to promote biodiversity conservation in their supply chains. For over 15 years, Candela has collected Brazil nut from deep in the Peruvian Amazon – the nuts are turned into oil, used, among others, in The Body Shop products. ‘The Brazil nut collection respects sustainable management plans of forest concession, and offers sustainable livelihoods to forest communities’, said **Gaston Vizcarra** of Candela.

**Fernando Alonso Oliveira** from Native, a leading organic sugar cane producer from Brazil gave another example, in different circumstances. Native supplies, among other products, sustainable alcohol to beauty brands. By adopting biodiversity-friendly farming practices and introducing forest habitats on their farms, studies show Native has had an extremely positive impact on farm biodiversity. Finally, **Peter Lovett** from the Savannah Fruits Company shows how organic Shea Nut collection from a hippo sanctuary in Northern Ghana preserves the habitat of hippos and generates income for the communities in the region.

### **Afternoon keynote address**

**Thierry Aubry-Lecomte**, Natura Cosmetics Europe, delivered the keynote address for the afternoon sessions. Setting the scene for discussions on research and development in natural ingredients, Mr. Aubry-Lecomte highlighted the synergies between innovation and biodiversity. He described how Natura Cosmetics put ‘socio-biodiversity’ at the core of its business strategy and gave concrete examples of how science, technology, innovation and biodiversity can be successfully connected.

### **Benefit sharing: An update on ABS rules and regulations**

This session, chaired by **Maria Julia Oliva**, UEFT, provided an update of legal developments on ABS in some key countries, as well as insights into issues and concerns driving government and other stakeholders.



**Roberto Calvacanti**, Secretary of Biodiversity and Forest at the Ministry of Environment in Brazil, emphasized the importance of the Nagoya Protocol: “Biodiversity does not respect national boundaries, which is why the recognition of sovereign rights must be accompanied by equitable sharing of benefits.” In terms of ABS in Brazil, Mr. Calvacanti noted ongoing work to review legislation, with a vision of making Brazilian biodiversity “a catalyst for research, innovation, economic and social development, and biodiversity conservation.” The idea is to generate benefits through the creation of a favourable environment for innovation and development of biodiversity-based products and processes.

**Vassilis Koutsouris**, European Commission, provided an overview of the draft regulation on ABS currently being considered in the European Parliament. The draft regulation outlines a due diligence system for companies involved in research and development. Mr. Koutsouris explained: “These companies would be obliged to demonstrate, at various stages, that they gather and maintain ABS-related information.” In practical terms, for companies in the cosmetics sector, he suggested taking steps such as establishing traceability and monitoring procedures.

**Suhel al-Janabi**, ABS Capacity Development Initiative, shared developments and experiences with ABS implementation in Africa. Mr. al-Janabi noted that Africa is the leading region in terms of Nagoya Protocol ratifications and that the African Union is developing guidelines for a coordinated implementation of this agreement. Additionally, there are national ABS measures in 13 countries, including South Africa. On ABS, “the doors on the government side are open,” noted Mr. al-Janabi, “which creates interesting opportunities for dialogue with the private sector.”

**Virginie D’Enfert**, Fédération des Entreprises de la Beauté (FEBEA), explained that her organization has put forth the specificities of research and development in the cosmetics sector as France develops legislation on ABS. For example, FEBEA has shared the ‘critical path’ for research and development of natural ingredients, from sourcing to formulation, with policy-makers. It has also made proposals to the French and European authorities, including a simplified access system for exploratory research and development.

## Benefit sharing: Practical ABS cases from around the world

This session, chaired by **Jaime Cavalier**, Global Environment Fund, focused on companies and other organizations already putting ABS principles in practice in different regions and circumstances.

**Juan Fernando Botero**, Ecoflora Cares, described the experiences with the development of a new natural colorant, derived from *Genipa americana*, in Colombia. The process followed legal procedures on ABS, as well as Ethical BioTrade requirements. As a result, an interesting benefit-sharing model was developed jointly with producers, local authorities and civil society. Nevertheless, Mr. Botero noted: "No negotiation will be fruitful without first levelling up the knowledge of the communities on key elements of ABS and Ethical BioTrade."



**Chris Dohse**, TreeCrops, described ABS cases in Malawi, including applications for plant material for potential use in a medicinal drug and for a well-known commercial use linked to traditional knowledge. The ABS legal framework presented challenges. Particularly, as in some other countries, Mr. Dohse said, "there is currently little involvement and no genuine representation of local communities in ABS processes." Nevertheless, he shared an example of how such issues can be addressed, presenting a benefit-sharing model currently used by TreeCrops.

**China Williams**, CBD Education Officer at the Kew Royal Botanic Gardens, shared her organization's experience in the context of non-commercial research. Kew Gardens, with vast collections of preserved and living plants, seeds, DNA and tissue samples, has a set of ABS tools, including policies and procedures for fieldwork. There are over 60 active ABS agreements. Ms. Williams noted that Kew Gardens is considering the evolving legal framework and lessons learnt to ensure it is working with best practice.

## Closing thoughts

**Ricardo Faucon**, President of the Board of UEBT, closed the meeting with a look at the cosmetics sector in the five years of the 'Beauty of Sourcing with Respect' conference. "There is a clear evolution," he noted, "with growing awareness of biodiversity among consumers, in company approaches and in government perspectives." As a result, this year's conference provides participants, Mr. Faucon noted, "with inspiration and reinforcement of the belief that this is a task that not one company, organization or government needs to address by itself. We can work on biodiversity together." He thanked those that are already part of the UEBT journey and invited everyone to join the Ethical BioTrade movement.



The conference was supported by:



**The Union for Ethical BioTrade** is a non-profit association that promotes the 'Sourcing with Respect' of ingredients that come from biodiversity. Members, which include many beauty companies, commit to gradually ensuring that their sourcing practices promote the conservation of biodiversity, respect traditional knowledge, and assure the equitable sharing of benefits all along the supply chain.

For more information, please visit: <http://www.ethicalbiotrade.org>

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