



“The Beauty of Sourcing with Respect”

Bringing together key stakeholders from the public and private sector, the “Beauty of Sourcing with Respect” conference in Munich, Germany highlighted the growing importance of biodiversity for conservation, development, and commercial strategies. Organized by the Union for Ethical BioTrade, the one-day event, held on 24 April 2009, provided a unique platform for discussion on the ethical sourcing of natural ingredients and the critical role these practices play in meeting sustainable development objectives and in safeguarding biodiversity – the variety of plants, animals, and their ecosystems. Leading companies in the cosmetics sector, as well as international organizations and civil society groups, shared their experiences and commitment with such practices. The launch of the Ethical BioTrade Barometer – the first-ever international measurement of awareness on biodiversity – was also presented during the event. The Barometer empirically illustrated the rising understanding amongst consumers of the importance of ethical practices.



What is the Union for Ethical BioTrade?

The Union for Ethical BioTrade is a non-profit association that promotes the 'Sourcing with Respect' of ingredients that come from native biodiversity. Members 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. The Union for Ethical BioTrade has adopted the BioTrade Principles and Criteria to guide the business conduct of its members.

“The beauty behind these principles is that they encourage respect for biodiversity,” said Luisa Lema, President of the Board for the Union for Ethical BioTrade, in her opening remarks to the conference.

Summary of Morning Session

Sustainable biodiversity sourcing practices are particularly important as companies in the cosmetics sector are faced with a growing demand for products made from natural and ethically sourced ingredients. As Rachel Barre of L’Oréal noted: *“plant-based ingredients are a huge source of innovation and currently a priority focus.”* In her presentation, Ms. Barre presented L’Oréal’s approach to ensuring sustainable sourcing practices with regards to these ingredients.



Presenters from the Convention on Biological Diversity (CBD) and the United Nations Conference on Trade and Development (UNCTAD) highlighted the impact that ethical biotrade practices can have on sustainable development strategies. Ravi Sharma, a representative of the CBD, emphasized the link between development and conservation, observing that natural ingredients are generally sourced in regions with significant poverty. Sharma also stressed the CBD’s objectives to ensure that biodiversity is mainstreamed into national planning processes and that awareness of related issues is raised, particularly as 2010 is the International Year of Biodiversity. Eduardo Escobedo, from the UNCTAD BioTrade Initiative, noted that awareness is in fact increasing. *“Countries now see that the advancement of biotrade requires essential attention to fostering private sector engagement in sustainable practices,”* said Escobedo.

As was demonstrated throughout the conference, the private sector plays an important role in the conservation and sustainable use of biodiversity through their engagement in sustainable sourcing and their implementation of ethical practices from social, environmental, and economic perspectives. There are also significant commercial benefits for private industry, including responding to an increasing consumer demand for environmentally – sound products, as well as for developing innovations and technical solutions that lead to cost-saving and other benefits in the long-term. *“It will be the companies that are greener that will win in the long run,”* argued Juan Marco Alvarez, the Director of Economy and Environmental Governance Group and Head of the Business and Biodiversity Programme at the International Union for Conservation of Nature (IUCN). This was reaffirmed during the presentation of the Ethical BioTrade Barometer created by the Union for Ethical BioTrade.

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Results from the Ethical BioTrade Barometer indicated a considerable and real interest amongst consumers in biodiversity products. Perhaps more importantly from a private sector perspective, of those questioned in the study – participants from France, the UK, Germany, and the US – 87% said that they would favour cosmetics from a company that takes action to protect biodiversity and 79% said they would stop buying a cosmetics brand if they knew that the brand was not ethically sourcing ingredients. Clearly, there are significant incentives for the cosmetics industry, and the private sector more generally, to engage in partnerships and practices that encourage the sustainable use of biodiversity.

Summary of Afternoon Session

From the presentations at the Union for Ethical BioTrade conference, it is evident that companies in the cosmetics sector are already pioneering ethical practices, as well as tackling fundamental issues for the sustainable use of biodiversity, including the fair and equitable sharing of resulting benefits. For companies such as Natura Cosmetics SA and SILAB, this course of action is rooted in corporate philosophical and ethical principles, which translate into a pro-active approach to benefit sharing. Natura Cosmetics representative, Marcos Vaz, emphasized company-wide policies on benefit sharing and the significant monetary and non-monetary benefits that communities are already witnessing as a result. Thierry Cruchon, of SILAB, highlighted the importance of transparency and dialogue when addressing access and benefit sharing, explaining that, *“participation in the Union for Ethical BioTrade was a good opportunity for [SILAB] to have a fair interaction with all of parties and to exchange experiences.”*

A central issue in the conservation and sustainable use of biodiversity, access and benefit sharing (ABS) is also the subject of ongoing international negotiations at the CBD, which could affect work with natural ingredients. For the private and public sector, the well-defined implementation of ABS in the international regime will have important implications. The conference featured several perspectives from experts and organizations closely involved or monitoring these negotiations; each presenter, respectively, highlighted the need for the cosmetics sector to increase its involvement. Pierre du Plessis, who has co-chaired one of the expert groups in these international negotiations as a representative from Namibia, provided an overview of the issues at stake, as well as their relevance for cosmetics companies. Anke van den Hurk, a constituent of the International Chamber of Commerce Task Force on Biodiversity, highlighted the involvement and concerns of industry in the negotiations, as well as their calls for a workable international regime on access and benefit sharing. As explained by Francois Meienberg from the Berne Declaration, a Swiss – based non-governmental organization, implementing access and benefit sharing is critical for the success of the CBD. *“The CBD has three pillars,”* Meienberg said. *“Conservation, sustainable use, and access and benefit sharing... If we lose one of these pillars, the whole house will fall.”*

Conclusion

As was made evident throughout the “Beauty of Sourcing with Respect” conference, biodiversity – and the ethical sourcing of biodiversity ingredients in particular – is an issue of enormous significance from the development, conservation, and commercial perspective. Companies in the cosmetics sector are now beginning to reflect this importance in their approaches and practices with respect to natural ingredients. Moreover, consumers seem poised to increasingly demand the implementation of these practices. As such, the Union for Ethical BioTrade plans to host a second conference in 2010, which will provide another opportunity to continue to examine these growing trends, as well as to call attention to the importance of these issues not only for the cosmetics sector, but also for the variety of all life forms on Earth.

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