

This COP Protects Biodiversity

With COP26 in Glasgow last year on climate change and the follow-on to implement changes dominating climate change-related headlines, it might seem like there is only one COP. Another one is underway, though, and the focus by COP15 on the Convention on Biological Diversity (CBD) that will protect nature and biodiversity is at least as important as COP26. Here's what it is and why it matters.

Background

The CBD has actually been around for a long time. It was as ground-breaking when it was agreed on in 1992 at the Rio meeting as the Climate Convention that confirmed at the same time and that was the precursor to COP26.

The rationale for the CBD is clear. Healthy ecosystems provide a multitude of benefits, including a stable climate as well as benefits to people including food, water and jobs. Scientists have also found that protecting ecosystems such as old-growth forests, marshes, mangroves and peatlands could mitigate climate change by at least 30 percent, according to Conservation International.

Similar to Convention on Climate Change, however, progress on the CBD has been slow and goals agreed upon at the CBD meeting in Aichi Japan in 2010 have not been met.

Indeed, human activities such as natural resource overexploitation, pollution and global warming have led to habitat loss that has accelerated declines in biodiversity. The 15th meeting that was supposed to happen in 2020 was delayed by two years, which has left the world without targets to stop habitat loss and wildlife extinctions.

The meetings this year are critical. Implementation of this framework is likely to be our last chance to halt and reverse biodiversity loss and put us on the path towards a 'nature-positive' world by 2030, as BirdLife International put it, meaning that it is a "now or never" opportunity to ensure the future of life on our planet.

Key Initiatives in 2022

After long delays, meetings happened in March 2022 to prepare for the COP15 that is currently scheduled to take place in China in October 2022. And there are signs of progress.

The draft UN Convention to be presented at COP15 sets targets for the end of this decade that the Guardian says include protecting 30 percent of land and sea ecosystems by 2030 (30X30), eliminating billions of dollars of environmentally harmful government subsidies and restoring at least a fifth of degraded freshwater, marine and terrestrial ecosystems. Negotiators will try to hammer out goals, targets, indicators, financing arrangements and practices to implement changes.

The CBD is more complex than the COP26 climate negotiations, however, since it has three goals - conservation, sustainable biodiversity and the fair sharing of benefits from genetic resources - rather than one. Indeed, the UK, US, Canada and Argentina have already worked to block proposals to halve nitrogen waste, often the result of farming and fossil fuels, after lobbying by farmers. The invasion of Ukraine may make agreement on agricultural issues even more difficult due to concerns about producing enough food for people and for animals. French president Emmanuel Macron, for example, has already said that France will "prioritise productivity over sustainable farming goals" due to the war in Ukraine.

Another contentious issue, according to think tank IDDRI, is agreement on financial resources that could include US\$700 billion per year to bridge the gap to protect biodiversity, the mobilisation of US\$200 billion now and US\$10 billion per year for developing countries, and the reform or elimination of annual subsidies and incentives totalling US\$500 billion.

Impact on Business and Consumers

Perhaps surprisingly, some business leaders are very positive about the CBD.

Chartered Accountants Ireland, for instance, said biodiversity is fundamental to long-term business survival because businesses depend on ecosystems for inputs into their production processes and for essential services such as air, soil and water quality.

International Chamber of Commerce secretary general John Denton even went so far as to say that biodiversity is good for business, and that the private sector can and must help to protect, conserve and restore our ecosystems.

Some industries do, however, face significant risks of higher costs resulting from COP15. While biodiversity is critical for the food and agriculture industries, financial services giant MSCI said food production is considered the main cause of biodiversity loss. MSCI noted that agriculture is responsible for the conversion of 80 percent of natural land to agriculture globally, causes more than a quarter of global greenhouse-gas (GHG) emissions and is a significant contributor to air and water pollution through its use of pesticides, fertilizers and plastic packaging. If COP15 sets specific targets to reduce these activities and is ratified, food and agriculture companies could face new pressure. Institutional investors may want to know how these companies could be affected by increased regulatory costs, reduced fiscal subsidies, regulatory reporting requirements and exposure to biodiversity loss. The food industry does not seem ready for changes that COP15 may adopt and could lose market value or parts of their business, as only a few food companies have comprehensive programs to avoid biodiversity loss.

The financial services industry may face changes as well, think tank Planet Tracker said, if it needs to comply with governmental commitments, scheduled follow-ups and new national or regional regulatory frameworks.

If the Convention is adopted at COP15, then, companies may need to make major adjustments to thrive or even survive. For people enduring the impacts of climate change and biodiversity loss, on the other hand, the Convention on Biological Diversity can be a major step forward towards protecting their well-being and the planet.