Making a business case for biodiversity as a development asset

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Abisha Mapendembe
United Nations Environment Programme – World Conservation Monitoring Centre (UNEP-WCMC)
abisha.mapendembe@unep-wcmc.org
Making a business case for biodiversity

- Biodiversity has real and substantial economic and social benefits.

- Making the case can be difficult because of the direct and indirect benefits that may be difficult to quantify.

- More clarification on what we mean by ‘biodiversity’ - distinguish it with terms such as ‘environment’ and ‘natural resources’.

- Numbers, numbers, numbers - actual figures on return on investments (e.g. actual value of forests, wetlands, fisheries, tourism, medicines etc)

- We need to acknowledge that trade-offs do exist
First NBSAPs 2:0 project workshop

NBSAPs 2.0: Mainstreaming Biodiversity and Development Project

NBSAPs 2.0: Mainstreaming Biodiversity and Development First Project Workshop Report

Maun, Botswana

14-16th November, 2012
Maun Statement

NBSAPs 2.0: MAINSTREAMING BIODIVERSITY & DEVELOPMENT

Maun Statement on Biodiversity and Development Mainstreaming

JANUARY 2013

The Strategic Plan for Biodiversity (2011-2020) urges the mainstreaming of biodiversity and development – particularly as part of the process of revising National Biodiversity Strategies and Action Plans (NBSAPs). In this context, the “African Leadership Group” (ALG) on Biodiversity and Development Mainstreaming was established as an open voluntary body, and met in Maun, Botswana, from 14th to 16th November 2012. At this meeting the ALG:

1. Acknowledged the Secretariat of the Convention on Biological Diversity (CBD) invitation to Parties to be champions for specific Aichi Targets and in particular Aichi Target 2 on biodiversity mainstreaming into development planning.

2. Committed itself to providing leadership on advancing biodiversity and development mainstreaming through:

3. Recognized that mainstreaming of biodiversity into development is mutually reinforcing, is fundamental to the entire NBSAP revision process, and is an efficient way of delivering on many of the Aichi Targets.
Biodiversity mainstreaming is the integration of biodiversity concerns into defined sectors and development goals, through a variety of approaches and mechanisms, so as to achieve sustainable biodiversity and development outcomes.

Key steps for biodiversity mainstreaming, derived from experience and good practice to date and shared by Maun Workshop participants include the following:

1. **Problem exploration and definition by stakeholders:**
   The mainstreaming process starts with identifying and defining the specific biodiversity-development problems that need to be addressed (e.g. unsustainable Non-Timber Forest Products (NTFPs) harvesting; local hostility to protected areas; degradation of traditional subsistence crop varieties). The problem needs to be discussed with a wide range of stakeholders to understand the specific issues that mainstreaming needs to address (e.g. protected area policy, NTFP regulations etc.).

2. **Identify elements of biodiversity to be mainstreamed:**
   This depends on the problems identified which

3. **Identify defined sectors and development goals into which biodiversity concerns are to be mainstreamed:**
   This depends on the problem identified. It may require targeting a sector such as agriculture, forestry, and/or a development policy such as poverty reduction, food security and climate change adaptation.

4. **Identify desired biodiversity and development outcomes of mainstreaming:**
   Mainstreaming outcomes range from revised policies, plans, budgets or other decisions to behavioural, institutional, capacity and biodiversity management. Specific examples include: harmonised land use planning, increased tourism investment and elimination of particular behaviour threatening to biodiversity.

5. **Shape a strategy for communication:**
   Effective communication is essential to bringing about the changes in behaviour, policy and practice that are required for biodiversity mainstreaming. Communication is essential throughout the mainstreaming stages; during problem articulation, stakeholder engagement and business case development among others. Effective communication
6. Identify and engage stakeholders who might support or undermine progress towards the desired outcomes and understand their sources of influence: This involves initial discussions about associated institutional, governance and capacity changes required to achieve desired outcomes to identify who should be engaged. This can be done through stakeholder analysis and power mapping – a variety of tools are available.

7. Identify enabling factors for mainstreaming: Existing enabling factors that need to be worked with might include political will, leadership, media, public perception and awareness of values, intersectoral coordination, lobbying by interest groups, good governance, stakeholder participation and availability of funding among others. Where there is an absence of some of these, this should inform the choice of mechanisms at step 8.

8. Identify and select a variety of approaches and mechanisms to achieve the mainstreamed biodiversity and development outcomes: Various approaches may be needed to mainstream biodiversity and development. Some of these are partnerships, spatial planning and land use planning and economic incentives such as payment for ecosystem services (PES) schemes and revenue-sharing mechanisms.

9. Develop a “business case” that persuades the stakeholders who need convincing: A business case needs to be as specific as possible and to give evidence of direct benefits from strategies that combine biodiversity and development (i.e. revenue, jobs and products). A good business case is key to influencing ‘powerful but difficult to convince’ stakeholders. Useful tools to make the case depend on the audience that needs to be convinced. For example, valuation can be used to generate evidence for Economists; and SEA and Environmental Impact Assessment (EIA) can be used for policy makers and planners. Then build on the enabling opportunities identified above such as political will, availability of adequate funds, cross-departmental dialogue processes.

10. Develop a monitoring and evaluation (M&E) system for biodiversity mainstreaming: A proper M&E system needs to be in place to guide the mainstreaming process and assess
Key steps in developing a biodiversity business case

- Frame the types of arguments (economic, social and/or political) that best persuade your target group and the questions that need to be answered.

  - Good economic arguments aligned to strategic interests (e.g. government priorities such as job creation, health, food and water security, rural development service etc.).
  
  - Also non-economic arguments - social, cultural and political benefits of biodiversity
Key steps in developing a biodiversity business case

- **Assemble and prepare evidence to support the arguments**
  
  - Provide concrete and killers facts and figures to support economic, social and political arguments
  
  - Statistics on biodiversity contribution to tourism, agriculture, forestry, fisheries, hunting, health, food, health etc.
  
  - Interpreting existing data in new ways (e.g. why wetlands matter in water supply).
  
  - Collecting and analysing new data (e.g. poor people dependence on biodiversity for income and subsistence, health etc.)
Key steps in developing a biodiversity business case

- *Estimating the costs and benefits of action and inaction*
  
  – Estimates of benefits of investment in biodiversity management for the poor and for the economy overall – return on investment.

  – Costs incurred due to poor biodiversity management and resulting biodiversity loss - rely on existing analytical work!!!

  – Where possible, commission additional work to get the costs and benefits.
Key steps in developing a biodiversity business case

- **Clarifying how impacts are distributed among different players**

  - Important to emphasize the distributional aspects of the data being presented (e.g. contribution to pro-poor economic growth and to poor people).

  - Decision makers often want to see the evidence of changes taking place within certain population groups (e.g. poor people, women and most vulnerable groups).

  - Impact on poverty, employment, business opportunities, and profits will draw the attention of key ministries and businesses.
Key steps in developing a biodiversity business case

- **Identifying the counter-arguments to your case, and how they can be rebutted**

  - Some stakeholders may have counter-arguments to proposed initiatives or solutions

  - Return on Investment (ROI) in biodiversity conservation in the short and long term, demonstration of the main beneficiaries of biodiversity by population and income groups etc

  - High level political will, inter-sectoral coordination, lobbying by interest groups, good governance and stakeholder participation
Business case tool

- Provide key steps or guidance on how to develop the key elements of a convincing business case for biodiversity mainstreaming that appeals to key development stakeholders and potential investors and funders.

- Does not provide exhaustive details for each step, but enables the user to follow a simplified process while consulting other sources for detail.

- Builds on the experience of developing a business case for biodiversity at the first NBSAPs 2.0 project workshop held in Maun, Botswana in November 2012 and the exercises that we will follow my presentation...
Thanks for your attention...

PCLG website:

Making the business case for biodiversity

You need to make a business case for biodiversity: what’s your idea and how much money do you need? What are the costs, benefits, challenges and why should potential investors care?

In the style of the TV programme ‘Dragons’ Den’, Dineo Gaberekwe from the Ministry of Environment, Wildlife and Tourism of Botswana, pitches the biodiversity business case for Botswana with the ‘investors’ looking on.