

GIZ Progress Report August 2015 – July 2017 on the Leadership Declaration of the 'Biodiversity in Good Company' Initiative

Produced by the Quality and Sustainability Section GIZ Corporate Development on 7 August 2017

Leadership Declaration:

All signatory companies acknowledge and support the three objectives of the international Convention on Biological Diversity (CBD):

- Conservation of biological diversity
- Sustainable use of its components
- Fair and equitable sharing of the benefits that arise out of the utilisation of genetic resources.

and commit themselves to:

- 1. Analysing corporate activities with regard to their impacts on biological diversity;
- 2. Including the protection of biological diversity within their environmental management system;
- 3. Appointing a responsible individual within the company to steer all activities in the biodiversity sector and report to the Management Board;
- 4. Defining realistic, measurable objectives that are monitored and adjusted every two to three years;
- 5. Publishing activities and achievements in the biodiversity sector in the company's annual, environmental, and/or corporate social responsibility report;
- 6. Informing suppliers about the company's biodiversity objectives and integrating suppliers accordingly and step by step;
- Exploring the potential for cooperation with scientific institutions, non-governmental organisations (NGOs) and/or governmental institutions with the aim of deepening dialogue and continuously improving the corporate management system vis-à-vis the biodiversity domain.

1. Analysing corporate activities with regard to their impacts on biological diversity

GIZ produces an annual <u>climate and environmental audit</u> (German only) that documents the environmental impacts of its major locations in Germany and resource consumption abroad. It also sets out the key environmental aspects for GIZ and the cross-cutting nature of biodiversity in a separate section. In addition, it contains informative figures on relevant issues such as transport, CO_2 emissions, resource efficiency, sustainable construction and



sustainable event management. The metrics are based on the requirements of the Global Reporting Initiative (GRI), the Greenhouse Gas Protocol and the European Eco-Management and Audit Scheme (EMAS). GIZ's EMAS locations are its head offices in Bonn and Eschborn, the representation in Berlin and the International Training Centre in Feldafing. In 2016, both the Meander Building in Bonn with office space for some 500 employees and a smaller building in Eschborn were awarded the gold certificate of the German Sustainable Building Council (DGNB).

To enshrine the principle of sustainability in all GIZ commissions and implement GIZ's sustainability programme and gender strategy, a Safeguards+Gender Management System that is mandatory for all the areas in which the company operates was introduced on 1 December 2016. The specific reason for this was GIZ's accreditation to the Green Climate Fund (GCF). The Safeguards+Gender Management System applies to projects of all commissioning parties. It involves a systematic review process that enables external risks and unintended negative impacts – as well as potential for promoting gender equality – to be identified at an early stage so that appropriate plans can be drawn up, thus ensuring better protection of people and other important assets. The majority of aspects of the Safeguards+Gender Management System are not new to GIZ: the system brings existing processes and guidelines together in a unified process. The assets protected by the environmental safeguard include people; biological diversity (animals, plants, microorganisms, etc.); ecosystems and their services; soils, water and air; cultural assets and other objects; and interactions between these assets.

GIZ rates the strong commitment to biodiversity of its staff in Bonn and Eschborn as a success. There is already an established bee group in Eschborn and since May 2017, there has been a similar group in Bonn that is run by colleagues. The Meander Garden Group has also been active in Bonn since April 2016; it focuses on urban gardening on the company site and its activities include planting and caring for old varieties. The 'Environmental Heroes' scheme is running in Berlin, where it implements small-scale measures.

2. Including the protection of biological diversity within the environmental management system

The '**Biodiversity in Good Company**' initiative was launched by GIZ on behalf of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) in 2008. The initiative helps to involve the private sector in achieving the objectives of the international Convention on Biological Diversity. As a corporate member, GIZ uses the initiative as a learning and dialogue platform as part of the continuous development of its activities in this area.

The most important levers for conserving biological diversity at corporate level are corporate environmental management and sustainable procurement.



The locations themselves (see also 'EMAS locations' under 1.) can make a direct contribution to the conservation of species diversity: thus there is a separate biodiversity strategy for the new buildings at the company's head offices. This ensures that the outside areas and roofs are planted with native species and that sealed surfaces are kept to a minimum. The efficient use of water, energy and paper and the avoidance of waste and emissions are additional fundamental components of the company's approach to environmental management.

The environmental impact of products is taken into account in the procurement process; environmental sustainability is ensured by means of appropriate criteria which are set out in the <u>Sustainable Procurement Report (German only</u>). International standards such as FSC and PEFC that include biodiversity requirements play an important part in the purchase of wood products and in calls to tender for such products.

In other countries, the Country Directors and project managers are responsible for corporate sustainability management. To assist with this GIZ has introduced the <u>Corporate</u> <u>Sustainability Handprint</u>, a management tool for defining and assessing sustainability targets in the context of the specific country. This enables biodiversity considerations to be taken into account in areas such as procurement and sustainable event management.

3. Appointing a responsible individual within the company to steer all activities in the biodiversity sector and report to the Management Board

At operational level, the Sustainability Office continues to coordinate measures relating to GIZ's corporate responsibility and corporate environmental management in Germany. It advises the field structure on preparation of the Corporate Sustainability Handprint (see Point 2.).

4. Defining realistic, measurable objectives that are monitored and adjusted every two to three years

In 2015, GIZ updated its environmental programme for the period to 2020 with particular attention to biodiversity. A strategy for making the German locations biodiversity-friendly is to be drawn up by 2018. In addition, guidelines will be drawn up for applying biodiversity considerations to the office locations abroad. The environmental programme's midterm review is scheduled for 2018.

GIZ's current three-year corporate strategy also sets out targets for reducing greenhouse gas emissions and resource consumption and specifies sustainable procurement measures. Achievement of the reduction targets is monitored annually. These strategic steps have a positive impact on biodiversity.

5. Publishing activities and achievements in the biodiversity sector in the company's annual, environmental, and/or corporate social responsibility report

GIZ reports on its sustainability activities in its annual <u>Integrated Company Report</u> and its regular reports to the <u>Global Reporting Initiative</u> (GRI), the Global Compact and the German Sustainability Code (DNK). In these reports it always outlines its activities and successes in the field of biological diversity and mentions its involvement in the Biodiversity in Good Company initiative. The annual <u>EMAS environmental statements</u> (German only) and the climate and environmental audit likewise contain this information.

GIZ describes its expertise in the field of biodiversity on its website at <u>https://www.giz.de/expertise/html/2091.html</u>. More than 140 pages on its website relate to projects and programmes in which biodiversity plays a part:<u>https://www.giz.de/de/html/suchergebnisse.html?doctypes=html&query=biodiversit%C3</u>%A4t&send_button_search.x=0&send_button_search.y=0.

The information can also be accessed via GIZ's transparency portal: <u>https://www.giz.de/projektdaten/index.action?reguest_locale=en_GB</u>

6. Informing suppliers about the company's biodiversity objectives and integrating suppliers accordingly and step by step

Calls for tenders to supply goods and services are an important lever for enshrining biodiversity criteria in corporate processes. The GIZ report on sustainable procurement provides important guidance in this regard. The report includes 15 specifications that will form the basis for new calls for tenders under framework agreements; the specifications cover procurements such as energy supplies, vehicle acquisitions and architect contracts for new GIZ buildings. By 2019, the company plans to inform its suppliers of its contribution to the conservation of species diversity and its sustainable procurement criteria, with the aim of both raising awareness of biodiversity and encouraging suppliers to modify their offers to GIZ accordingly.

In the forthcoming call to tender for operation of the canteen, operators will be asked to provide organically grown, regional and seasonal foods. In Eschborn the caterer has already undertaken to take account of agro-biodiversity and hence of species diversity. The caterer is also demonstrating his commitment in this area by renting a meadow orchard near Frankfurt. In 2015 and 2016, some of the harvest was collected by children from the Eschborn company kindergarten and taken to a fruit press.

7. Exploring the potential for cooperation with scientific institutions, non-governmental organisations (NGOs) and/or governmental institutions with the aim of deepening dialogue and continuously improving the corporate management system vis-à-vis the biodiversity domain

In developing its environmental management system GIZ liaises with other organisations such as the Rhine-Main Environmental Forum and the German Environmental Management Association (B.A.U.M.) and takes note of the annual exchange of information between the environmental officers of Federal and state institutions, in which biodiversity issues have in recent years become increasingly important.

GIZ is also a member of BION, the Biodiversity Network Bonn (http://www.bionbonn.org/en/partner) and a full member of the International Union for Conservation of Nature (IUCN, <u>http://www.iucn.org/</u>).

In an online survey in connection with the first <u>Stakeholders' Day on corporate sustainability</u>, stakeholders prioritised key sustainability issues that appear in GIZ's significance matrix. The environment and climate emerged as the most important issue and the subject was discussed in detail in a workshop at GIZ's Stakeholders' Day in Berlin in December 2016. The resulting recommendations, which are now being implemented, provide important starting points for refinement of the sustainability programme and GIZ's corporate strategy. For example, GIZ is currently exploring learning partnerships with other stakeholders on the subjects of 'sustainable procurement' and 'climate and the environment' to enable it to learn about these issues from other organisations.

A biodiversity strategy for the new Meander Building in Bonn was produced in collaboration with the Bodensee Foundation. Biodiversity issues were also taken into account in connection with the new building for the Academy for International Cooperation in Röttgen near Bonn, which is due to come into use at the end of 2017.

GIZ's biodiversity consulting services

GIZ's **biodiversity consulting services**, which are based on the targets of the Strategic Plan of the Convention on Biological Diversity, are aimed mainly at partners in developing and newly industrialising countries. Important issues covered include:

- Mainstreaming to ensure that the services of nature are more fully taken into account in politics and industry; approaches such as The Economics of Ecosystem and Biodiversity (TEEB)
- Biodiversity and climate: adaptation to climate change (ecosystem-based adaptation), vulnerability analysis, biodiversity standards in REDD+ (Reducing Emissions from Deforestation and Forest Degradation and the role of conservation, sustainable



management of forests and enhancement of forest carbon stocks in developing countries)

- Development-oriented nature conservation: governance of protected areas and protected area systems (terrestrial, marine and coastal), co-management schemes, indigenous and local communities, spatial planning, biosphere reserves, sustainable financing of protected areas
- Combating poaching throughout the illegal trade chain, i.e. targeting both supply and demand and combining necessary short-term interventions with long-term development measures, especially in connection with poaching of elephants and rhinoceros
- Promoting the sustainable use of biodiversity: sustainable forest management and forest policy, agro-biodiversity, BioTrade
- Access and benefit sharing in the utilisation of genetic resources: legal and policy advice in connection with access and benefit sharing, traditional knowledge, technology transfer, incentives for sustainable use
- Environmental communication: education and outreach activities, awareness raising

GIZ is implementing more than 130 biodiversity conservation projects worldwide in the form of global, regional and bilateral projects in more than 60 countries. These projects, which are being run in particular in Central America and the Caribbean, the Amazon states, the SADC (Southern African Development Community) and COMIFAC (Commission des Fôrets d'Afrique Centrale) regions and South-East Asia, are commissioned mainly by the German Federal Ministry for Economic Cooperation and Development (BMZ) and the German Federal Ministry for the Environment and Nature Conservation (BMUB). Other commissioning parties include the EU, Norway, Denmark and France.

The following table provides a breakdown of the total commission volume (in million euros) of current projects that contribute to realisation of the objectives of the Convention on Biological Diversity (as at the end of June 2016):

	Asia, Pacific	Europe, Mediterranean, Middle East, Caucasus, Central Asia	Latin America, Caribbean	Sub-Saharan Africa	Supraregional	Total
bilateral	€ 155,395,133	€ 48,400,000	€ 179,441,974	€ 183,646,354		€ 566,883,461
regional	€ 76,025,000	€ 49,880,000	€ 85,425,000	€ 60,100,000		€ 271,430,000
global					€ 90,757,851	€ 90,757,851
Total	€ 231,420,133	€ 98,280,000	€ 264,866,974	€ 243,746,354	€ 90,757,851	€ 929,071,312



Examples of projects:

(1) Adaptation to climate change through integrated protection of coasts and mangrove forests in the Mekong provinces (Viet Nam)

German Federal Ministry for Economic Cooperation and Development (BMZ) and the Australian Department of Foreign Affairs and Trade (DFAT)

Overall term: 2011-2018

The Mekong Delta is home to 17 million people and is Viet Nam's most important agricultural region, producing 55 per cent of the country's rice. Viet Nam is now the world's second-largest exporter of rice, with its production in the Mekong Delta feeding more than 245 million people worldwide. However, the Mekong Delta is facing existential threats as a result of climate change, particularly because of the rising sea level. Some areas of the coast are already being eroded by 30 metres a year. The mangrove forests along the coast, which protect the hinterland from floods and storms, are in dramatic decline. In 2016, the Mekong Delta suffered its most severe drought in 90 years. This, together with rising sea levels, resulted in a heavy intrusion of saltwater into rice-growing areas.

The programme supports the Vietnamese authorities in their efforts to strengthen the coastal area and to cope with the environmental changes occurring there, while opening the way to sustainable growth. The better protection of 720 kilometres of coastline against extreme weather events benefits both people and the land. This is being achieved through integrated coastal protection plans and feasibility studies for investment in coastal protection. For example, T-shaped breakwaters have in some places halted erosion of 30 metres per year. Elsewhere up to 180 metres of land lost to the sea has been reclaimed each year. Mangroves and other plants now grow on these mudflats.

The coastal forest ordinance that has been drawn up provides for the planting of 46,000 hectares of new coastal forest by 2020. This forest will provide ecosystem services worth USD 102 million annually, as well as carbon sequestration of 13.2 million tonnes of CO_2 equivalent – roughly what 2.7 million cars emit in one year.

The programme is also helping farmers adapt to climate change. New techniques to reduce the use of water and pesticides in rice production, combined with improved access to markets and enhanced management of more than 14,000 kilometres of canals in the Mekong Delta, are raising farmers' incomes and boosting agricultural sustainability. Some 1.2 million people in rural households in the region are benefiting as a result.

An important aspect is better coordination of all the stakeholders involved. The programme is helping the Vietnamese government to achieve this and a corresponding mechanism was adopted by the Prime Minister in April 2016. The coordination of interprovincial planning and investment in coastal protection measures, improved water management, agriculture, aquaculture and forestry is a major success that is now due to be extended to far larger areas of the Mekong Delta.





(2) Biodiversity conservation in community reserves in the Amazon region Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) Overall term: 2013-2017

The Amazon rainforest is unique. Covering an area larger than the entire European Union, it is home to 40,000 plant species. This massive area is also one of Earth's most important suppliers of oxygen and carbon sinks. However, it is in acute danger: trees are being felled illegally, more and more cropland is being planted, and climate change is threatening plants and animals.

Peru has the second-largest area of Amazon rainforest within its borders: only Brazil has more. Deforestation there is responsible for nearly half of the country's greenhouse gas emissions.

A new means of protecting the rainforest – the community reserve – is now proving successful. A key feature is the strong involvement of the indigenous population. Local people manage the reserves jointly with the state agency responsible for conservation areas. Ten community reserves covering around two million hectares or 13 per cent of all Peru's conservation areas have already been set up. GIZ, on behalf of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), is helping both sides – the communities and the state agency – to develop the management capacities needed for this innovative co-management scheme.

To achieve effective management of a community reserve, a co-management model must be developed in a participatory process, and traditional management instruments adapted. GIZ is also advising the indigenous village communities on drawing up the sustainable management plans needed to ensure that products such as rubber and the natural remedy copaiba oil can be harvested in the forest and then sold. Such plans have already been drawn up for some 65,000 hectares of forest, enabling more than 400 families to increase their income by up to USD 200.

The indigenous groups see the community reserves as part of their traditional territories, the biodiversity of which is being protected with support from the state. The reserves thus enjoy a high level of acceptance among the local population and the government.





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