

GIZ Progress Report August 2017 to July 2019 on the Leadership Declaration of the Biodiversity in Good Company initiative

prepared by the Quality and Sustainability Section GIZ Corporate Development on 19 November 2019

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;
- 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.



Analysing corporate activities with regard to their impacts on biological diversity

GIZ produces an annual <u>Climate and Environmental Report</u> that documents the climate and environmental impacts and the resource consumption of all of its locations in Germany and 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 and information on relevant issues such as mobility, CO₂ emissions, sustainable procurement, 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-validated locations are its head offices in Bonn and Eschborn, its Berlin offices, the International Training Centre in Feldafing, and the Kottenforst Campus in Bonn Röttgen. Named due to its location right on the edge of the Kottenforst conservation area, the Kottenforst Campus is home to GIZ's *Academy for International Cooperation* (AIZ). The facility was opened in 2018 and received the gold certificate from the *German Sustainable Building Council* (DGNB e.V.) in 2019.

To enshrine the principle of sustainability in GIZ commissions and implement GIZ's sustainability programme and gender strategy, a <u>Safeguards+Gender Management System</u> that is mandatory for all the areas in which the company operates was introduced in 2016. The <u>Safeguards+Gender Management System</u> is binding for projects for all commissioning parties, with only the smallest commissions exempted for reasons of cost efficiency. It involves a systematic review process that enables external risks and unintended negative impacts – in addition to potential for improving sustainability and promoting gender equality – to be identified at an early stage. These risks and impacts are then taken into account in project planning. 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. The *climate safeguard* covers the potential for reducing greenhouse gas emissions, the possible negative impacts of climate change on projects and resulting adaptation requirements.

One of GIZ's achievements is the strong commitment to biodiversity on the part of its staff at all major locations. Since 2016, employees have been working as part of the *Mäandergarten group* in Bonn to promote biodiversity and carry out urban gardening on the company premises. Old plant varieties, for instance, are being planted and cultivated on sites belonging to GIZ. A community garden with 32 raised beds featuring organically grown fruit and vegetables was established on the south side of the *Mäander Building*, which was opened in 2015. In addition to other established sustainability measures such as the beekeeping groups in Eschborn and Bonn and the *Umwelthelden* ('eco-heroes') in Berlin, the newly established *Ökotti* initiative is up and running on the Kottenforst Campus. *Ökottis* are committed to promoting biodiversity on the campus grounds, encouraging sustainable procurement and establishing a sustainable event management system, and have their own beekeeping group.



Including the protection of biological diversity within the environmental and sustainability management system

The **Biodiversity in Good Company** initiative was launched by GIZ on behalf of what is today the *German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety* (BMU) 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. It is important to GIZ in this context to actively shape biodiversity issues not only in its advisory work with project partners, but also in its own business activities.

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

The locations themselves can make a direct contribution to the conservation and promotion of species diversity. For example, there is a separate biodiversity strategy for each of the new buildings. This ensures that the outside areas and, where relevant, 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.

During the procurement process; product compliance with environmental sustainability requirements is taken into account and ensured by means of appropriate criteria which are set out in the <u>Sustainable Procurement Report</u> (German only). International standards such as FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification Schemes) that include biodiversity requirements play a particularly important part in the direct procurement of wood products and in calls to tender for such products. The topic is also promoted on an ongoing basis in the area of catering and canteens (for instance, in the context of agro-biodiversity and hence species diversity).

GIZ promotes sustainable event management within the company and applies international standards. For instance, the *Guide to sustainable event management* was updated (third edition) and webinars designed and delivered for the field structure in 2018. Additionally, sustainability criteria such as exclusively vegetarian catering were applied at the first events (e.g. the conference on climate and the environment in 2018, attended by up to 420 people).

In other countries, the country directors and project managers are responsible for corporate sustainability management. GIZ introduced the <u>Corporate Sustainability Handprint</u> (CSH) to this end in 2013, refining it in 2019. This provides staff with a uniform framework for rating their corporate sustainability. The CSH is a tool for collecting key environmental data and assessing your own performance, so that you can then set targets for the next two years. This enables biodiversity considerations to be taken into account in areas such as procurement and



sustainable event management. Teams are formed in the respective countries for the purpose of applying the CSH. While examining the different topics, these teams can, for example, reflect together on strengths and weaknesses, identify examples of good practice and define new sustainability objectives.

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

The highest body responsible for corporate sustainability is the *Sustainability Board*, which is headed by the Chair of GIZ's Management Board. The other members of the Board are the Director Corporate Sustainability and a further seven heads of departments and corporate units. The *Sustainability Board* meets four times a year and determines the long-term strategic direction and further development of corporate sustainability. It analyses and evaluates performance across the company, decides on the appointment of working groups and adopts targets with the relevant steps needed to achieve them. The *Sustainability Office* coordinates measures relating to GIZ's corporate responsibility and corporate climate and environmental management. It also advises the country directors and project managers in the field on drawing up the CSH.

4. Defining realistic, measurable objectives for improving the conservation and sustainable use of biological diversity that are monitored and adjusted every two to three years

Objectives for improving the protection of biological diversity and its sustainable use can be found in GIZ's <u>Environmental Programme 2016-2020</u>, which formulates the following objective: 'We strengthen biodiversity in the company.' In this vein, GIZ has developed an individual policy for biodiversity-friendly design for the new *Campus 2020* building in Bonn. This policy takes account of aspects such as:

- · Areas of natural gravel with wild herbs,
- Flower meadows with native species,
- Paths with wide-spaced natural stone paving,
- Gardening beds for staff to design.

Increasing consideration is also being given to aspects of biodiversity at GIZ's other locations. A key goal in this context is supporting staff members in their activities to further promote biodiversity through their own voluntary work at all locations. In order to support colleagues in this endeavour, GIZ adopted an internal orientation text on employee involvement in sustainability management in 2019.

A multi-location policy for biodiversity-friendly design at the German EMAS locations is also being developed. The policy will define material aspects that can be promoted in the field of biodiversity and refers to existing and new buildings.



The environmental programme's mid-term review in 2018 showed that all reduction targets for greenhouse gas emissions and resource consumption (except for the target value for water consumption) in Germany have been achieved.

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> in accordance with the <u>Global Reporting Initiative</u> (GRI) standard. 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 <u>Environmental Statement</u> (German only) and the annual <u>Climate and Environmental Report</u> likewise contain this information.

GIZ describes its <u>expertise in the field of biodiversity</u> on its website, where it reports on projects and programmes in which biodiversity plays a part. The information can also be accessed via GIZ's overview page on <u>project data</u>.</u>

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

Tenders to supply materials and equipment and services are an important lever for enshrining biodiversity criteria in corporate processes. The GIZ <u>Sustainable Procurement Report</u> (German only) provides important guidance in this regard. The report includes 15 specifications that form the basis for new tenders under framework agreements; the specifications cover procurements such as energy supplies, vehicle acquisitions and architect's contracts for new GIZ buildings. The company also informs 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 getting suppliers to modify their offers to GIZ accordingly.

In current and future calls to tender for operation of the canteen, operators will be asked to provide organically grown, regional and seasonal foods, continually expand their range of vegetarian and vegan dishes, and take account of agro-biodiversity and hence of species diversity.

7. Exploring the potential for cooperation with nature conservation organisations, scientific 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 <u>Rhine-Main Environmental Forum</u> and the <u>German Environmental Management Association</u> (B.A.U.M.) and takes note of the annual exchange of information between the environmental



management officers of federal and state institutions, in which biodiversity issues have become more important in recent years.

GIZ is also a member of <u>BION - Biodiversitätsnetzwerk Bonn</u>, <u>BioFrankfurt - Das Netzwerk für</u> <u>Biodiversität e.V.</u>, <u>WWF Deutschland</u>, the <u>International Union for Conservation of Nature (IUCN)</u> and the <u>International Nature Conservation Agreement Advisory Board</u>.

At the second <u>Stakeholders' Day on corporate sustainability</u> in 2018, stakeholders prioritised key sustainability issues and the results now appear in GIZ's Materiality Matrix. The topic of environmental protection and climate change in projects was mentioned both by external stakeholders and by GIZ staff members as a key issue.

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 countries and emerging economies. Important issues covered include:

- Mainstreaming to ensure that the services of nature are taken into account more fully in politics and business, especially the productive sectors, and mainstreaming natural capital;
- Promoting the sustainable use of biodiversity: sustainable forest management and forest policy, agro-biodiversity, BioTrade;
- 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;
- Biodiversity and climate: nature-based solutions (NBS) as effective options for combating climate change, including activities for the protection, sustainable management and restoration of ecosystems. Adaptation to climate change (*Ecosystem-based Adaptation*), vulnerability analyses, 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);*
- Combating poaching throughout the illegal trade chain, i.e. targeting both supply and demand and combining necessary short-term measures with long-term development measures, especially in connection with poaching of elephants and rhinoceroses;
- 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 initiatives 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*), COMIFAC (*Commission des Fôrets d'Afrique Centrale*) and South-East Asia.

Most of the projects are commissioned by the *German Federal Ministry for Economic Cooperation and Development* (BMZ) and the *German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety* (BMU). Other commissioning parties include the EU, Norway, Denmark and France.

The BMZ and BMU publication entitled <u>Committed to Biodiversity</u> provides detailed information on the way German development cooperation with developing countries and emerging economies contributes to implementing the Convention on Biological Diversity for sustainable development. It also contains information on the commission volume of current projects that contribute to realisation of the objectives of the international Convention on Biological Diversity.

Examples of projects:

(1) Private Business Action for Biodiversity: Promoting business action for biodiversityfriendly production and commercialisation

German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) as part of the International Climate Initiative (IKI)

Overall term: 2016 to 2020

Businesses can play an important role in combating the causes of biodiversity loss. On the one hand, the services provided by nature are at the basis of many economic processes. On the other hand, economic activity alters biodiversity and ecosystems in a negative way.

The global *Private Business Action for Biodiversity* project promotes promising methods and instruments for biodiversity-friendly production and commercialisation. It tests and enhances them and systematises the experience gained in a way that enables both private and public actors to use them. A special focus is placed on small and medium-sized enterprises (SMEs) that are part of agricultural supply chains.

In an initial scoping phase, the project team has worked together with cooperation partners in Brazil, India and Mexico to develop implementation strategies with the aim to test and improve selected instruments and mechanisms for promoting biodiversity-friendly production and commercialisation in the partner countries.

In Brazil, the focus is on two palm products: açaí and carnauba. Açaí grows in the tropical Amazon rainforest and is increasingly cultivated in plantations that have a low biodiversity – rather than in mixed forests. Carnauba palms grow on riverbanks in the predominantly semi-arid Caatinga, a region in north-eastern Brazil, and are increasingly threatened by invasive species



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and changes in land use. Wax extracted from the leaves of the palm trees is used in car polish, cosmetics and sweets.

The project concentrates on the following instruments:

- Developing successful management practices for carnauba areas,
- Cooperating with and supporting the Initiative for Responsible Carnauba
- Improving the sourcing of carnauba wax by modifying the standard of the Union for Ethical BioTrade (UEBT)
- A system for impact monitoring with regard to ecosystem services is tested as part of the Forest Stewardship Council (FSC) standard, and applied to açaí.

In India, the project addresses spice cultivation in the Western Ghats, a mountain range in southern India that is known for its great biodiversity. The project promotes biodiversity-friendly practices in the cultivation of pepper, cardamom, nutmeg and cinnamon as well as chili.

Biodiversity Action plans for the integration of biodiversity aspects in and around farms
are being adapted to the needs of small-scale spice producers, tested and improved.
 Results and recommendations will be shared with the Indian spice sector.

In Mexico, the main focus of the project is on agaves. This plant has a particular tradition in the country and is used, for instance, to produce mezcal and tequila.

- Setting up a monitoring system for the biodiversity-friendly production of agaves,
- Providing support in marketing 'bat-friendly tequila and mezcal' and advertising this with a label ('bat-friendly'),
- Integrating the costs for increased biodiversity protection into the production and marketing process.

At global level, the pilot interventions in the partner countries are being methodically supported and documented to guarantee ongoing sharing of experiences and methods between the international level and the partner countries.

(2) BioInnovation Afrika – Equitable Benefit-sharing for the Conservation of Biodiversity

German Federal Ministry for Economic Cooperation and Development (BMZ)

Overall term: 2019 to 2022

Africa bears nine global biodiversity hotspots and is home to over 60,000 different plants and still uncounted numbers of animals and microorganisms. They are the source of food supplements, cosmetics and medicinal applications. The demand by European users for raw biological materials and ingredients for product innovation is increasing steadily.

At the same time, the *UN Convention for Biological Diversity* (CBD) has committed its member states to the fair and equitable sharing of monetary and non-monetary benefits, like knowledge and technology transfer. The large economic potential for the valorisation of biodiversity-based



products in Africa is not yet tapped and long-term business relations under the legally binding Nagoya Protocol on *Access and Benefit-sharing* (ABS) hardly exist. Value chains for the production of high-value food, cosmetic and pharmaceutical products especially offer opportunities for direct investments into biodiversity conservation by providing countries with benefit-sharing mechanisms. It is therefore important that these opportunities contribute to local development and the conservation of Africa's biodiversity and the many ecosystems under threat.

The German Marshall Plan with Africa seeks to exploit these opportunities by focusing on the promotion of economic cooperation for sustainable development. In this context, the *German Federal Ministry for Economic Cooperation and Development* (BMZ) commissioned *BioInnovation Africa*, which will closely collaborate with the *ABS Capacity Building Initiative* benefiting from its rich experience.

The European-African partnerships for biodiversity-based innovations and products have been strengthened with equitable benefit-sharing for conservation and sustainable use of biodiversity. Moreover, the private sector has entered into sustainable and mutually beneficial business partnerships based on high ethical, social and environmental standards.

The BioInnovation Africa project endeavours to support four African countries in the implementation of their national ABS systems by supporting the conclusion of benefit-sharing agreements between African providers of raw biological materials and ingredients, and users from Europe. These users are predominantly enterprises from the food, cosmetics and pharmaceutical sectors as well as research institutions. Measures involve blended learning trainings, advice on contracts and the development of IT-based online systems for ABS applications, permissions and tracking.

The agreed monetary and non-monetary benefits stipulated by the benefit-sharing agreements contribute to gender-sensitive measures for the sustainable use and protection of ecosystems in the partner countries. In this context, vulnerability assessments, cost-benefit analyses and knowledge sharing between partner countries are conducted.

These new collaboration agreements will be publicly promoted through trade fairs, round tables, meetings and business associations. Based on these agreements, *BioInnovation Africa* ensures that biodiversity-based raw materials and ingredients from the four African partner countries are used for developing innovations and products under equitable benefit-sharing mechanisms. In order to encourage long-term business relations between providers and users, the project facilitates various formats, such as matchmaking and exchange platforms. Likewise, *BioInnovation* promotes joint ventures and technology transfer to increase local value addition and job creation.



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Echinops roots in the drying station © GIZ

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