



On the Way to CBD COP15: Business & Biodiversity

Chinese and international exchange on corporate solutions for biodiversity conservation

Summary Report
June 18, 2021

On the Way to CBD COP15: Business and Biodiversity was an event held on June 18, 2021 by the Sino-German Environmental Partnership (SGEP) and the German Embassy in Beijing, serving as a warm-up to the “Business and Biodiversity Forum,” one of the parallel sessions of the 15th Conference of the Parties (COP15) of the Convention on Biological Diversity (CBD). This event provided a platform for exchange on business and biodiversity conservation among Chinese and international companies and organizations, where companies showcased their solutions for biodiversity conservation, and further synergies between business and biodiversity conservation were explored. The insights gained can serve as a reference for other stakeholders in the run-up to the CBD COP15 in Kunming. The event was moderated by Dr. Christian Stärz, Director of the SGEP of GIZ, and Dr. Alexander Fisher, Cluster Head of the Sino-German Cooperation on Biodiversity, Climate and Environment of GIZ.

The event featured presentations given by the following leaders of Chinese and international businesses in the private sector:

Ms. Peng Yijie, *President, Social Good and Green Development, Ant Group,*

Mr. Huang Xiaojun, *Senior Vice President | Managing Director, Veolia China,*

Mr. Guo Weiliang, *Executive Director | Vice President, Elion Group,*

Mr. Jörg Wuttke, *Chief Representative, Elion Group, BASF China,*

Ms. Hu Caihong, *Director, Environment Management business area, Volkswagen China.*

Further contributing participants included:

Mr. Hendrik Barkeling, *Head of the Economic Department, Minister Counselor, Embassy of the Federal Republic of Germany in Beijing,*

Mr. Liu Ning, *Deputy Director, Office of the Executive Committee for the CBD COP15; Deputy Director-General, Department of Nature Conservation, Ministry of Ecology and Environment (MEE),*

Ms. Wang Ying, *Senior Specialist, Foreign Environment Cooperation Office (FECO), MEE,*

Mr. Andreas Gettkant, *Director, “Private Business Action for Biodiversity” Project, GIZ,*
and

Dr. Zhu Chunquan, *China Head, Global Platform for Public Goods, World Economic Forum.*

Opening Remarks: Mr. Hendrik Barkeling & Mr. Liu Ning

Mr. Hendrik Barkeling and Mr. Liu Ning of the German and Chinese governments, respectively, both emphasized the importance of biodiversity to human survival and development and that its accelerated rate of loss has been a result of human activity. They both also pointed out how the Covid-19 pandemic showcases the interconnectedness of human and nature, and the importance of safeguarding ecological security to prevent the rise of such infectious diseases. In the April 2021 phone call between President Xi and Chancellor Merkel, both countries’ leaders agreed to cooperate further on business, environment, and epidemic control. The speakers called upon the private sector to take further leadership in combating biodiversity loss, as the services provided by nature are at the basis of every economic process. Fortunately, businesses are increasingly willing to assume the responsibilities of nature conservation, by incorporating biodiversity indicators into development planning and business decision-making, strengthening supply chains through upstream and downstream collaborative governance, and sustainable usage of natural resources.

Ms. Wang Ying: Introduction of the “Business and Biodiversity Forum” (BBF) and “Global Partnership for Biodiversity and Business” (GPBB)

Ms. Wang explained the context and workings of both the “Business and Biodiversity Forum” (BBF) and “Global Partnership for Biodiversity and Business” (GPBB), to help enterprises gain a better understanding of their activities and be able to join the process. The CBD is one of the three major UN conventions, whose main target is to protect biodiversity, the sustainable utilization of biodiversity, and equal and equitable access to the benefits of biodiversity. The CBD COP15 theme is *Ecological Civilization: Building a Shared Future for All Life on Earth* and its most important deliverable will be a global biodiversity framework that covers the next decade. The COP15 is composed of both formal sessions and pre-sessions, and the BBF is one of these pre-sessions. The results of the BBF will be incorporated into resolutions of the CBD. Moreover, the idea that businesses should be included into the effort was raised during COP11, which became the GBPP. FECO officially took part in the GPBB in 2015 and promotes the participation of Chinese enterprises in the partnership, via trainings that help businesses understand how to incorporate biodiversity in their portfolios and decision-making processes, and how they can contribute to the framework. Through recent activities and continued activities, FECO aims to continue gathering insights from the private sector and contribute these insights to the establishment of the CBD COP15 Post-2020 Global Biodiversity Framework.

Mr. Andreas Gettkant: Private Business Action for Biodiversity

Mr. Gettkant shared the findings from his program “Private Business Action for Biodiversity,” implemented by GIZ and financed by the German Ministry for Environment, Nature Conservation and Nuclear Safety (BMU) / International Climate Initiative (IKI). The six-year project is set to end this year (2021) and the objective has been the identification, analysis, and further development of promising mechanisms and instruments for promoting biodiversity-friendly production and commercialization via pilot activities in Brazil, India, and Mexico. In India, for instance, working with different supply chains for spices found that through improved provisions of ecosystem services, farming system became more resilient to changing climate conditions and the economic viability of farm operations were sustained. Pilot-level findings were extrapolated to 12 global-level findings, which are presented in the figure below.

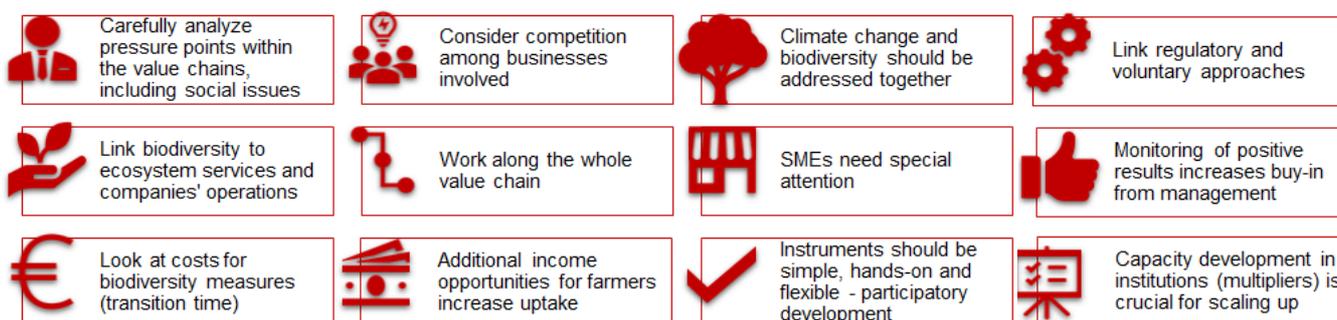


Figure 1: The 12 global-level findings on how to promote biodiversity-friendly production and commercialization, of the Private Business Action for Biodiversity project implemented by GIZ. (Andreas Gettkant. Private Business Action for Biodiversity. June 18, 2021. Beijing, China.)



Ms. Peng Yijie: Better World, Better Us

Ms. Peng emphasized Ant Group’s vision and commitment to providing every individual and small business inclusive, green, and sustainable services, through technology and innovation. Ant Group not only encourages green lifestyles and promote green finance, but has committed to realizing net-zero emissions by 2030. She shared in detail her company’s *Ant Forest* project, which promotes citizens’ green and social good awareness and participation. Launched in 2016, Ant Forest is part of the Alipay mobile phone app. Each time users take action to reduce their carbon emissions, (e.g., biking to work, going paperless, and buying sustainable products) they are awarded with “green energy points.” These points can be used to grow virtual trees or protect virtual conservation areas within the app. Alipay matches by planting a real tree or protecting a real nature conservation area in the name of their users, which currently numbers more than 550 million. So far, through the efforts of users and partners, Ant Group has set up 15 nature conservation areas in China to protect biodiversity, ecosystems, and vulnerable areas. Additionally, 223 million trees have been planted in China, 570 square kilometers of area protected, and 1.7 billion USD of ecological and economic value created. Ms. Peng announced the soon to be publicly launched “magical species” program, where daily photos and captions of animals will engage and inspire users to protect the planet. Ant Group believes that only when people change will the Earth change.



Mr. Huang Xiaojun: Best Practices of Biodiversity and Ecological Transformation

Mr. Huang highlighted the biodiversity protection activities done by the French company, which provides water, waste, and energy management solutions. Veolia helps cities and industrial clients manage, optimize, and access resources, and develops the circular economy. After extensive internal development by top management, Veolia announced its “Purpose,” which contains 18 goals for sustainable development, including biodiversity and climate change. By 2023, Veolia expects to have invested 400 million EUR to reduce greenhouse gas emissions. One example of how the company has contributed to biodiversity protection was the remediation of a lagoon containing wastewater runoff, together with Yanshan SINOPEC. By using treated wastewater and introducing natural water plants which purify industrial effluents, the environment was restored and eventually turned into the Niukouyu Wetland Park. One hundred and forty-four types of birds, 28 types of dragonflies, 57 types of plants, and 19 types of butterflies have now come back to the area.



Mr. Guo Weiliang: Biodiversity Conservation and Climate Change Response Actions and Strategies of Elion Group

Mr. Guo stated Elion’s dedication to environmental recovery and protection, recognized by the UN as a global leader in combating desertification. One of Elion’s great successes in combating desertification has been its governance of the Hobq Desert, the seventh largest desert in China and the closest in proximity to Beijing. In the 1990s, the Hobq Desert was known as the “sea of death.” It was difficult for birds to fly over, the vegetation cover rate was only 3%, and the sand was frequently blown into Beijing, causing severe sandstorms in the city. Through the planting of specific sand plants, gradually implementing measures such as ecological relocation, ecological education, closure and protection, natural restoration, large-scale planting by combining mechanical and artificial methods, and building ecosystem capacity, today, more than three-quarters of the land is covered by grasslands, many different wild animal species are coming back, and the forests, lakes, water, and grasslands in the area form a whole ecological system. Through 30 years of practice in desertification controls, Elion has shown the world that deserts are governable, biodiversity can be restored, and local climates improved.



Mr. Jörg Wuttke: BASF’s Strategic Focus on Biodiversity Protection in Agriculture

Mr. Wuttke shared what BASF is doing for biodiversity. There are many biodiversity touchpoints along the BASF value chain. The company not only depends on ecosystem services for raw materials, production, and its products, but also influences them. The main challenge for the farmers who use BASF products is the need to balance sustainability and productivity. BASF is working on products that help farmers produce high yield but are also climate- and stress-resistant. In its Kavje project in Mexico, BASF supported sustainable coffee production through trainings on pest management, environmental education, conserving biodiversity, and respecting cultural diversity. This has led to not only higher yields, but higher prices for quality coffee beans, and has improved the prosperity of coffee growers and the community. In Germany, the Lark’s Bread pilot project protects the lark bird, which often nests in wheat fields and are subject to dangerous farming machines. By leaving out sections in the fields for the birds, indicating that the bread was made from the wheat harvested in these areas and selling them at a markup, farmers were compensated for their efforts and yield loss. Finally, the BASF FarmNetwork fosters sustainable agriculture, where independent farmers, environmental NGOs, and academia collaborate with BASF.

Ms. Hu Caihong: Business and Biodiversity Management Approach and Best Practice of Volkswagen

Ms. Hu presented Volkswagen's (VW) "Go to Zero" mission statement. For all products and mobility solutions, VW aspires to minimize environmental impacts along the entire lifecycle, from raw material extraction to end-of-life, in order to keep ecosystems intact and to create positive impacts on society. The company has more than 100 projects worldwide with a focus on biodiversity, including reforestation, wildlife protection, environmental education, ecosystem protection, and the financing of external biodiversity projects. VW also supports UNESCO Biosphere Reserves in Spain, Poland, and Germany via the preservation of natural biodiversity in wetlands, the restoration of peat bogs, etc. In China, VW's *Green Belt* project also contributes to local biodiversity. A ten year corporate social responsibility project was kicked off this year (2021) and will address climate change and ecological deterioration using nature-based solutions. As a part of this project, there are plans to plant more than eight million trees in NW China, of which 850,000 locally suitable trees have already been planted.

Further Insights from the Q&A Session:

Dr. Zhu (WEF) *on what makes a change in the boardroom and why companies are suddenly interested in biodiversity and the environment:* Different businesses directly or indirectly affect biodiversity. Forty-four trillion USD of GDP relies on nature. Therefore, if biodiversity is lost and if ecological systems are compromised, there would be a large negative impact on industries. Some companies are already incorporating biodiversity into their strategies and action plans, which reflects the fact that biodiversity is starting to receive mainstream attention. In the previous decade, the 20 biodiversity targets were not met, and only six made some progress. This is because biodiversity was never the mainstream target for businesses. Therefore, it is hoped that at COP15, businesses can increasingly contribute to the realization of these targets.

Ms. Peng (Ant Group) *on how Ant Group was able to make the huge impact it did on biodiversity and the environment and at what point it started to incorporate these elements into its business:* Alipay started to change from only a payment tool to a lifestyle app starting ten years ago, and it has fully realized that dream today. The app can be used for everything – ordering food, unlocking a shared bike, booking a ticket, etc. In 2016, the company also felt that the green lifestyle was a critical and important part of people's lives, which is how Ant Forest began. Environmental protection and biodiversity conservation has increasingly become one of the fundamental pillars of the business. Not only does green lifestyle play an important role, but green finance as well. The financial sector is a good engine in encouraging people and companies to engage in more "green" activities. Ant Group issues lower-interest green funds and green loans and promotes green funds to their investors.

Mr. Huang (Veolia) *on why Veolia engages in biodiversity conservation:* Veolia engages in biodiversity conservation not because of external forces such as the government mandates, but purely because it is the nature of the company, which works in the environmental protection sector. Its building up of wetlands, for instance, was due to what it perceived as its corporate social responsibility and as a duty to society and the community.

Mr. Guo (Elion) *on how Elion got started in desertification treatment:* Elion had a salt factory located near the desert and was using a lagoon there to extract salt. Around that area, it was very difficult to transport products out due to nature of the area. Subsequently, the company planted trees and built roads around the lagoon and then drew up plans to treat the desert.

Mr. Wuttke (BASF) *on what it would take to make the entire BASF business compatible with biodiversity and climate change:* Frankly, chemicals are not close to nature and the production of them not very favorable to nature. However, chemicals are needed to bring innovation forward: making cars lighter, insulating buildings, etc. Thus, BASF is in a bind, but undergoing a revolution. The chairman of BASF has pledged for the company to become carbon neutral by 2035. The power of the capital markets, which actually withdraws from companies that are not perceived green, should not be forgotten and is not forgotten by the company. It will be a challenge for BASF, as the energy consumption in its Ludwigshafen, Germany headquarters is equal to that of the country of Denmark.

Ms. Hu (VW) *on what it would take to make the entire automotive industry compatible with biodiversity and climate change:* Increasing efficiencies are a good method for automotive companies to contribute to biodiversity and climate change. It both saves the company money and maximizes the use of resources. Other activities, such as building up solar projects, which also save money and help reduce carbon emissions, are good methods.

To end the event, companies stressed the importance of a clear plan coming out of CBD COP15 so that they can optimize their planning and investments and reiterated the importance of cooperation between each other and with all stakeholders.

About the Sino-German Environmental Partnership Project

The Sino-German Environmental Partnership project has supported bilateral environmental policy dialogue through the exchange of experience and advice on various specialist topics since 2013. It is overseen by the Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) of the Federal Republic of Germany and the Ministry of Ecology and Environment (MEE) of the People's Republic of China. The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) is responsible for implementing the Sino-German Environmental Partnership project, which is funded through the International Climate Initiative (IKI) of BMU.

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