



# A Guide to Biodiversity for the Private Sector

[www.ifc.org/BiodiversityGuide](http://www.ifc.org/BiodiversityGuide)

## Agribusiness

### The Bottom Line

Agriculture occupies more than 60 percent of all habitable land on Earth and accounts for about 70 percent of human freshwater use. The sector depends directly and profoundly on healthy ecosystems, for nutrient rich soil, water flows, pollination, and genetic diversity that can increase the long-term viability of common crop species. Agriculture can have severe negative impacts on biodiversity through land-clearing, the introduction of non-native species, excessive water use, habitat conversion, and soil and water contamination. It can also be possible to have biodiversity value in cultivated landscapes, for example by planting native species and preserving some of the natural aspects of an area.

The food production and processing sector was identified as a high risk (“red zone”) sector for biodiversity risk in the September 2004 report *Is Biodiversity a material risk for companies?* (F&C Asset Management plc) [Report available from: <http://www.businessandbiodiversity.org/pdf/FC%20Biodiversity%20Report%20FINAL.pdf>] The report defines red-zone sectors as those sectors in which *most companies* are likely to be exposed to biodiversity risks and the risks are *likely to be significant*.

### Drivers for change

- Ensuring the **sustainability of future harvests** (Shareholders, company, employees, clients)
- An increasingly demanding **compliance environment**, particularly around the issue of genetically modified organisms (GMOs) (government, clients, export market regulators)
- Continuing **ability to access global markets** (clients, regulators)
- New **environmental and social requirements** introduced by major food retailers and processors (clients)
- Sustainability requirements introduced by **investors** (financiers, shareholders)
- Maintaining and enhancing **brand value and reputation** (clients, shareholders)

### Key sustainability initiatives and good practices

- **The IFC-WWF Better Management Practices program:** [[http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/art\\_CCF-BMPIntro/\\$FILE/BMP-Intro.pdf](http://www.ifc.org/ifcext/enviro.nsf/AttachmentsByTitle/art_CCF-BMPIntro/$FILE/BMP-Intro.pdf)] IFC is working with WWF and other partners to develop and test Better Management Practice (BMPs) for agricultural commodities that are having significant impacts on biodiversity and where there is a critical mass of interest from producers, buyers and investors to effect change.
- **The Roundtable on Sustainable Palm Oil (RSPO):** [<http://www.rspo.org>] The RSPO, which includes the entire supply chain for palm oil production, from growers to retailers, as well as investors and conservation groups, focuses on plantation management practices, improved planning processes for new plantations, the development of risk analysis tools for investors, and chain of custody issues. A similar initiative has been developed for soybeans.

- **WWF Agriculture and Environment Guide to Commodities:**  
[[http://www.panda.org/about\\_wwf/what\\_we\\_do/policy/agriculture\\_environment/commodities/index.cfm](http://www.panda.org/about_wwf/what_we_do/policy/agriculture_environment/commodities/index.cfm)] A comprehensive guide to biodiversity-related issues for 21 major agricultural commodities.
- **The Rainforest Alliance Certified label:**  
[<http://www.rainforest-alliance.org/programs/agriculture/certification/index.html>] The Rainforest Alliance and the Sustainable Agriculture Network (SAN) have developed social and environmental standards for sustainable farm management that cover worker welfare, the use of agrochemicals and biodiversity. The Alliance certifies bananas, cocoa, coffee, cut flowers and oranges at more than 470 farms and cooperatives in 12 nations.
- **The Sustainable Food Lab:** [<http://www.glifood.org>] More than 60 private companies, banks, NGOs and government agencies from three continents have joined together to accelerate the movement of sustainably produced food from niche markets to the mainstream.
- **The Sustainable Agriculture Initiative (SAI) platform:**  
[<http://www.saipatform.org>] The SAI platform was founded by food companies Danone, Nestlé and Unilever to support the development and promotion of sustainable agricultural practices throughout the food products supply chain.

- **The Marine Stewardship Council (MSC):**  
[<http://www.msc.org>] First established by Unilever, the world's largest buyer of seafood, and WWF, the MSC uses a product labeling system to promote sustainable and well-managed fisheries.
- **The Center for Environmental Leadership in Business: Agriculture and Fisheries Program:**  
<http://www.celb.org/xp/CELB/programs/agriculture-fisheries>
- Sustainable Business Associates [<http://www.sba-int.ch>] has released **Organic Agriculture: Alternative Food Production** [<http://www.sba-int.ch/pdf/Files/Organic.pdf>], an overview of organic agriculture, certification schemes and standards.
- The IFC's **Biodiversity and Agricultural Commodities Program (BACP):** [[http://www.ifc.org/ifcext/enviro.nsf/Content/Biodiversity\\_BACP](http://www.ifc.org/ifcext/enviro.nsf/Content/Biodiversity_BACP)] seeks to reduce the impact of agribusiness on biodiversity by leveraging market forces at all levels of the value chain. The program focuses on palm oil, cocoa, sugarcane and soybeans.