CC: Secretariat of the Convention on Biological Diversity

Re: State Parties Must Stop and Reverse Biodiversity Loss

December 12, 2022

Dear Signatory Parties to the Convention on Biological Diversity:

Humanity is at a crossroads. Protecting biodiversity underpins all life on Earth, but biodiversity loss is accelerating at an alarming pace. Biodiversity is critical for sustaining life on Earth, regulating the climate, maintaining ecosystem functions, and ensuring food security. Human actions are causing ecosystem collapses and threaten more species with extinction than ever before. It is the responsibility of state parties to stop and reverse biodiversity loss, and hold corporations and financiers accountable for their historical and ongoing role in driving biodiversity impacts.

We represent 73 civil society organizations in calling on the signatory parties of the Convention on Biological Diversity to take concrete, active actions to stop and reverse biodiversity loss. This includes establishing, developing, and enforcing stringent regulations and laws to hold corporations and financial actors accountable for driving and worsening biodiversity loss. According to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), only bold, transformative changes can adequately address biodiversity loss. State parties bear responsibility in initiating and implementing these transformative changes, which "By its very nature...can expect opposition from those with interests vested in the status quo". The Fifteenth meeting of the Conference of the Parties to the Convention on Biological Diversity (COP15) is a pivotal moment for transformative change. We call on state parties to hold corporations and financiers accountable for their biodiversity impacts, and to firmly push back against political, economic, and corporate forces and vested interests which support business as usual.

## Corporate and Financial Impunity Is Causing Biodiversity Loss and Violating Indigenous and Local Community Rights

State parties have failed to hold corporations and financial institutions accountable for environmental, biodiversity, climate, and human rights abuses. If corporations and financiers are fined, penalized, or disciplined for causing or driving negative impacts, these cases are the rare exception, rather than the norm. Even in cases where a corporation or financier has violated its own laws, policies, or international standards, there are few, if any, material consequences to prevent similar violations in the future. Corporations and financiers may keep their profits and are not required to provide remedy for their role in causing ongoing or historical negative impacts. By supporting and expanding sectors associated with biodiversity loss drivers, corporations and financiers have profited by driving, worsening, and perpetuating the biodiversity crisis. At the same time, the corporate and financial sectors have long resisted

and lobbied against stronger local, regional, and international regulations and laws in order to avoid responsibility and liability for their role in causing and exacerbating negative impacts. Furthermore, proposals which over rely and focus on business self-reporting, instead of actual regulation, distract from the core problem that corporations and financiers will continue to drive and finance the biodiversity crisis until state parties establish stringent, concrete regulations which prevent and correct such behavior. Corporate and financial impunity must stop if governments are serious in addressing the root drivers of biodiversity loss.

In addition, Indigenous Peoples and local communities who resist and challenge extractive, unsustainable activities face <u>harassment</u>, <u>intimidation</u>, and <u>violence</u> for trying to hold corporations and financiers accountable for their activities. In doing so, state parties effectively shift the burden of ensuring accountability to Indigenous Peoples and local communities. This is a global dynamic which has had devastating effects not only for Indigenous and impacted communities, but for global efforts to stop biodiversity loss. Indigenous Peoples represent just <u>6% of the world's population</u>, but protect 80% of the world's biodiversity. Research shows that lands managed by Indigenous Peoples yield the same if not <u>better biodiversity outcomes</u> than protected areas. Nature and <u>biodiversity decreases</u> at a <u>slower rate</u> on Indigenous lands, and yet these areas are facing increasing threats and pressures for harmful and industrial development. **Protecting biodiversity cannot be separated from protecting the rights of Indigenous Peoples. Protecting Indigenous Peoples rights yields positive biodiversity outcomes.** 

## Recommendations for State Parties to Stop and Reverse Biodiversity Loss

If the world is to succeed in stopping the coming cascade of ecosystem collapses, state parties must ensure the strict regulation of corporations and financiers, in addition to foreign corporations and financiers which operate within their territory. This month's COP15 is a pivotal moment for countries to come together and agree on concrete plans to stop and reverse biodiversity loss. As state parties will meet to finalize the Post-2020 Global Biodiversity Framework, we urge governments to consider implementing the following recommendations.

1. Stop legitimizing and enabling industries that are the greatest contributors to biodiversity loss: State parties must end the expansion of industries and sectors associated with causing and driving biodiversity loss, deforestation, and unsustainable land conversion. These sectors include but are not limited to: fossil fuels, industrial mining, industrial factory farming, industrial agriculture, industrial logging, large hydropower, pesticides and other toxic substances. To do so, governments must set clear, time-bound targets and roadmaps for reducing and phasing out these industries, including restricting financing. It is also important to end government subsidies, tax benefits, land grants and similar schemes to high-risk industries and redirect these resources towards a just transition and to ecologically and socially sustainable practices. This includes prohibiting the use of public financing (i.e. via multilateral development

banks, insurance providers, export credit agencies, among other public financiers) to these sectors.

- 2. Restore and protect biodiversity and ecosystem functions: State parties must ensure the right to a clean, healthy, and sustainable environment. This is a fundamental human right. In protecting biodiversity, governments must ensure that spatial planning processes take a rights-based approach in developing and implementing any biodiversity conservation plans.
- 3. Uphold commitments to international human rights obligations and conventions: State parties must ensure that Indigenous Peoples have the full respect of human rights under international law, including the United Nations Declaration on the Rights of Indigenous Peoples, the Escazu agreement, and the International Labor Organization Convention No. 169. In implementing these human rights obligations, state parties should respect Indigenous jurisprudence and customary law, and ensure Indigenous Peoples and local communities are able to access their legal rights as guaranteed under international and national law.
- 4. End impunity for the corporate and financial sectors: Biodiversity loss will continue to accelerate unless state parties end impunity for the corporate and financial sectors. State parties must introduce and strengthen laws, regulations and enforcement mechanisms and frameworks that hold corporations and financiers legally and financially accountable for harms they may cause or exacerbate. This includes establishing or increasing the risk of civil or criminal liabilities, and requiring remedy for past or current environmental, social, and biodiversity impacts. Importantly, accountability should involve and require the seizure of profits or assets linked to corporate and/or financier activities which are documented to have negative impacts.
- 5. Strengthen and ensure proper enforcement of existing or establish new environmental laws and regulations to hold corporations and financiers accountable for biodiversity harms: In addition to establishing clear laws and requirements to hold corporations and financiers accountable, state parties must consistently and effectively implement relevant laws and regulations. In doing so, state parties must effectively regulate the environmental and social impacts caused and supported by the business and banking sectors. This should include requiring banks and companies to develop and establish due diligence practices, which meet international norms and standards. By requiring banks and companies to reference international norms and standards in due diligence procedures, state parties can help ensure not only the identification of adverse environmental, social, and biodiversity impacts, but also require provisions which compel banks and companies to prevent the occurrence of identified, adverse impacts on rights holders, such as providing credible analysis and opportunity for a "no project" option. Effective regulation must hold companies and financiers legally accountable for biodiversity and human rights harms, based on polluter pays principle. Effective regulation must also hold companies and financiers responsible

for providing comprehensive reparations actions as defined by affected communities, and account for actions which go beyond monetary compensation. In moving beyond business as usual, state parties should require project developers and corporations to bear the burden of proof in demonstrating that activities in inherently high-risk sectors (such as fossil fuels, mining, logging, hydropower, and industrial agriculture), will not lead to negative environmental, climate, biodiversity, human rights and social harms. Government regulators should also prioritize regulating high-impact corporate emitters, including private and state-owned enterprises and financial institutions with a longstanding record of environmental, climate, biodiversity, and human rights violations.

- 6. Respect the right to self-determination and sovereignty for Indigenous Peoples, and protect the rights of local communities: State parties will not be able to meet biodiversity objectives without respecting the rights of Indigenous Peoples and local communities. State parties must strengthen existing policies and laws regarding Indigenous Peoples and public participation. Governments should require corporations and financiers to apply free, prior, and informed consent (FPIC) principles as codified in international law whenever there are any impacts on Indigenous Peoples, their territories, or resources, including the right to say no to proposed projects. Governments should also require corporations and financiers to apply FPIC as a best practice in consulting local communities. Given the importance of Indigenous Peoples in protecting biodiversity, governments should recognize and support – both politically and financially - the importance of Indigenous and local communities in the equitable governance and effective management of biodiversity and resources of conservation areas, and acknowledge the legitimacy, knowledge, and authority of Indigenous and local communities in governing, occupying, and managing areas and resources where they have historical, ancestral, cultural ties.
- 7. Take a precautionary approach in biodiversity protection: Biodiversity loss and species extinction is irreversible and IPBES has warned that mass extinctions will accelerate within the next decade. As such, governments should take a precautionary approach in addressing the root causes of biodiversity loss, which involves avoiding false solutions. This means implementing a moratorium on biodiversity offsets, and avoiding an over-reliance on voluntary certification, institutional corporate social responsibility frameworks, and business self-reporting initiatives. In addition, a precautionary approach necessitates "no loss" approaches to biodiversity protection in host country legal and regulatory frameworks, instead of "no net loss" and "net gain" approaches. This is because offsets are baked into "no net loss/gain" concepts. In particular, businesses, cities and regions must make sure that their operations and supply chains do not contribute to deforestation, peatland loss and the destruction of remaining natural ecosystems. In particular, banks and financial institutions should have a policy of not investing in or financing businesses linked to deforestation, and should eliminate agricultural commodity-driven deforestation immediately.

## 8. Promote agroecology and community-based solutions by integrating such approaches into conservation plans.

To stop and reverse biodiversity loss, governments must have the courage and resolve to go beyond the status quo and implement transformative changes. We hope these recommendations can help guide state parties in doing so.

Thank you for your consideration. We ask that you please confirm receipt of this letter by contacting us at <u>stopbiodiversitylossnow@gmail.com</u>. We welcome any questions or feedback.

Sincerely,

AbibiNsroma Foundation (Ghana) Action for Ecology and People's Emancipation (Indonesia) African Center for Sustainable Development and Environment (Cameroon) Ajemalibu Self Help (Cameroon/Ghana) Amazon Sacred Headwaters Initiative (Latin America) Amazon Watch (United States) Angir Nuden Munduuhuu (Mongolia) Asociación Unión de Talleres 11 de Septiembre (Bolivia) Australian Forests and Climate Alliance (Australia) BankTrack (International) Bankwatch Network (Central and Eastern Europe) Batani Indigenous Foundation (Russia) **Biodiversity Conservation Center (Russia)** Brighter Green (United States) BROC (Russia) Cambodian Human Rights Task Force (Cambodia) Center for Energy, Ecology, and Development (Philippines) Center for International Environmental Law (United States) Civic Response (Ghana) Civil Initiatives Support Fund (Tajikistan) Community Empowerment and Social Justice Network (Nepal) Community Resource Centre (Thailand) **DRONT Ecological Center (Russia)** ECODEV (Cameroon) Envol Vert (France) Forests & Finance Coalition (International) Forests and Rural Development (Cameroon) Forum Ökologie and Papier/Ecology & Paper Forum (Germany) Friends of the Earth US (United States) Future of the Amazon (Netherlands) Future Threshold (Mongolia) Gender Action (International)

Global Forest Coalition (International) Global Witness (United Kingdom) Gobi Soil (Mongolia) Green Development Advocates (Cameroon) Green Finance Observatory (Belgium) Greenpeace (International) Initiatives for Community Development and Forest Conservation (Côte d'Ivoire) International Association of Technicians, Experts and Researchers (France) International Attac Network (France) International Rivers (United States) Jamaa Resource Initiatives (Kenya) James Hutton Institute (United Kingdom) Lamu Youth Alliance (Kenya) Latin America is Moving Collective (International) Legal Aid Institute Angsana (Indonesia) National Forum for Advocacy Nepal (Nepal) Maryknoll Office for Global Concerns (United States) NGO Forum on ADB (Philippines) Ei polteta tulevaisuutta/Not Burning the Future (Finland) Oyu Tolgoi Watch (Mongolia) Pachamama Foundation (Ecuador) Pakistan Fisherfolk Forum (Pakistan) Platforma CIPÓ (Brazil) Profundo (Netherlands) Psychological Responsiveness (Mongolia) Rainforest Action Network (United States) Recourse (Netherlands) Rivers Without Boundaries Coalition (International) Rivers Without Boundaries Mongolia (Mongolia) Save Virunga (International) Sisters of Mercy of the Americas Justice Team (United States) Russian Social-Ecological Union/Friends of the Earth Russia (Russia) Tajik Social and Ecological Union (Tajikistan) Tarcísio Feitosa da Silva, Goldman Prize Winne (Brazil) Trend Asia (Indonesia) Vision Building Future (Pakistan) WALHI/Friends of the Earth Indonesia (Indonesia) Women's Earth and Climate Action Network (International) Women for Social Progress (Mongolia) World Animal Protection (Finland) Zo Indigenous Forum (India)