



## STEP 5:

# BIODIVERSITY MAINSTREAMING INTO BUSINESS IN SOUTH AFRICA



### Key questions to consider

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#### For shareholders:

Are the financial and social/stakeholder biodiversity values inherent to your investment well managed or at risk?

#### For the CEO and the board:

What is the approach to managing biodiversity dependencies and impacts of your business and its value chain? Do you have an official policy that is commensurate to the challenges identified?

#### For environmental and sustainability managers:

What is the scope and ambition of the biodiversity policy of your business?

#### For the financial sector:

Has your client adopted a biodiversity policy that is commensurate to the challenges identified?

## DECIDE HOW TO DEAL WITH THE BIODIVERSITY DEPENDENCIES AND IMPACTS OF YOUR BUSINESS

Key:  
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## Key messages

- Making an informed decision about your material biodiversity dependencies and/or impacts is the focus of this step;
- This involves compiling all information gathered through implementing Steps 1 to 4 of the biodiversity mainstreaming guidelines and assessing the materiality of the evidence;
- Your business policies should focus on conservation, sustainable use and/or the fair and equitable sharing of benefits arising from biodiversity;
- Policies should be framed according to the Convention on Biological Diversity targets and the Sustainable Development Goals;
- Decision-making should involve the mapping of expected benefits against the level of effort or resources required, potentially leading to a phased mainstreaming process.

Once you have identified, measured and valued the material biodiversity dependencies and impact drivers of your business across its value chain (see Steps 2, 3 and 4 of the biodiversity mainstreaming guidelines), the next logical step is to make a decision about how to apply the findings from Steps 1 to 4.

To make an informed decision about how to best manage your biodiversity risks and opportunities, this step invites you to compile the information produced till this point and discuss the potential scenarios for action. Step 5 precedes Steps 6 to 9, which deal with the development and implementation of the biodiversity mainstreaming strategy and action plan for your business.

### **Compiling all the information collected from Steps 1 to 4 of the biodiversity mainstreaming guidelines**

Determining whether the biodiversity dependencies and/or impacts of your business are significant enough to act involves gathering and synthesising all the information you have obtained from the application of the previous four steps of our biodiversity mainstreaming guidelines – from the framing of your business case to the identification, measurement and valuation of the biodiversity dependencies and impacts of your business.

To make an informed decision about what the biodiversity policy of your business should be, you should compile, analyse and discuss:

- The business case for biodiversity through the identified biodiversity risks and opportunities, framed from various complementary perspectives (e.g. financial, legal, social licence to operate, production security) (see Step 1 of the biodiversity mainstreaming guidelines);
- The list of material biodiversity impacts and dependencies of your business and its value chain, explaining the full process by which these were identified (e.g. mapping across the value chain, materiality assessment) (see Step 2 of the biodiversity mainstreaming guidelines);
- The results of the dependency and /or impact measurement assessment(s) undertaken for the material biodiversity issues of your business and its value chain (see Step 3 of the biodiversity mainstreaming guidelines);
- The results of the dependency and /or impact valuation assessment(s) undertaken for the material biodiversity issues of your business and its value chain (see Step 4 of the biodiversity mainstreaming guidelines).

## Case study - Data from Steps 1 to 4 of the biodiversity mainstreaming guidelines

**Step 1:** Company A operates in the food retail sector. External stakeholders have raised concerns about important biodiversity risks in its supply chain, through the activities of farmers and food processing industries. This presents reputational and supply risks because of highly controversial resources (e.g. soya, palm oil, tuna, etc.). Market share loss is feared in the short term for products using these resources.

**Step 2:** Company A has mapped its biodiversity impact drivers (both dependencies and impacts) across its supply chains for key commodities. It has identified key suppliers and risks areas throughout the world.

**Step 3:** Company A has measured its biodiversity footprint for the top five commodities using the Biological Diversity Protocol. Soya in the Amazon basin was confirmed to be the main source of biodiversity loss, while palm oil plantations in Central Africa are an emerging issue.

**Step 4:** Company A has valued its biodiversity footprint for the top five commodities using the Natural Capital Protocol. Both business (financial valuation and market prices) and social (surface area of habitat lost, loss of key ecosystem services) values were assessed.

**Step 5:** Company A has produced several supply chain risk scenarios and has weighted them according to various private and social cost-benefit criteria. This has allowed it to adopt a biodiversity no-net-loss policy for all supplies in the target countries.



This means assessing the materiality of the evidence you have gathered for the biodiversity risks and opportunities you previously identified in Step 1; which may eventually lead you to re-frame your initial business case.

The challenge is about establishing what needs to be managed: i.e. confirmed material biodiversity issues for your business and its stakeholders.

Deciding whether to actively manage material biodiversity dependencies and/or impacts should involve the mapping of expected benefits against the level of effort or resources required.

Gathering this information will likely require in-depth stakeholder engagement and may lead to a phased approach to biodiversity mainstreaming (see Step 6 of the biodiversity mainstreaming guidelines).

## Explore the biodiversity policies of some leading South African companies

Click on the logo to navigate to the company case study



### National Biodiversity and Business Network

The National Biodiversity and Business Network (NBBN) recognises the importance of biodiversity to business and builds the capacity of business to act as a positive force for the conservation of biodiversity in South Africa. The natural environment plays an important role in the value chain of any business. We work with innovative business leaders to identify and manage the business risks and opportunities that result from their interactions with the natural world.

We provide a platform for businesses to proactively engage with each other and discover solutions that lead to sustainable business growth and many exciting business opportunities such as new sources of revenue and the opportunity to reduce production costs.

We achieve this through the following projects:

- Biodiversity Disclosure Project
- Biological Diversity Protocol
- Mainstreaming Biodiversity into Business Toolkit

