

# Help balance conservation and development: Join BBOP

– the Business and Biodiversity Offsets Programme

The role of governments and inter-governmental organisations

## The definitions

**Biodiversity** is the variety of life forms on earth: the different animals, plants and micro-organisms, their genes and the ecosystems of which they are part. Biodiversity provides beneficial **ecosystem services** to humankind, including oxygen production, soil formation, water purification, climate stabilisation, pollination and waste decomposition. Loss of biodiversity leads to a reduction in the amount and quality of ecosystem services on which people and businesses depend. Major causes include the loss of habitat due to construction – of roads, dams, mines, oil and gas installations, residential and commercial buildings and other infrastructure – and as a result of planting crops such as palm oil and soybean.

**Biodiversity offsets** are measurable conservation outcomes resulting from actions designed to compensate for significant residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation measures have been taken. The goal of biodiversity offsets is to achieve no net loss and preferably a net gain of biodiversity on the ground with respect to species composition, habitat structure, ecosystem function and people's use and cultural values associated with biodiversity.

## Why should governments consider biodiversity offsets?

Governments face the challenge of balancing economic development with a public interest in protecting biodiversity. By contributing to regional conservation and land-use planning, biodiversity offsets can help the 193 government parties to the Convention on Biological Diversity who committed to “achieve by 2010 a significant reduction of the current rate of biodiversity loss.

More than 30 countries have laws requiring biodiversity offsets, many others require some form of compensatory conservation, and others still are now exploring policy frameworks for biodiversity offsets. This is because biodiversity offsets offer a way to achieve better conservation outcomes than typically result from project planning, as developers using a biodiversity offset plan for ‘no net loss’ of biodiversity. This goes beyond traditional mitigation of impacts, and encourages business to take responsibility for its impacts. Biodiversity offsets thus result in new and additional investments in conservation outcomes by the private sector, which can help governments achieve the conservation targets they have adopted in national biodiversity strategies and action plans.

Indigenous peoples and local communities often object to development projects, feeling they do not benefit fairly and are concerned about environmental impacts on their way of life. Biodiversity offsets can engage local people in the offset planning process, which builds community support for development projects and biodiversity offsets and contributes to sustainable livelihoods.

Developers are often unsure what is expected of them by government in terms of avoiding, minimising and ultimately compensating for their impacts on biodiversity. Clear guidance by government through biodiversity offset policy is welcome as it offers companies legal certainty, efficiency and cost savings in the planning process, and flexibility in how to achieve agreed conservation goals.

## About us

The Business and Biodiversity Offsets Programme (BBOP) is a recognised leader in the field of biodiversity offsets. BBOP was established in 2004 by Forest Trends, a US-based non-profit organisation that supports market-based approaches to conservation globally. We are now an international partnership of some 50 leading companies, government agencies, financial institutions, conservation

organisations and experts who have developed a set of principles and methodologies for best practice biodiversity offsets through on-the-ground experience.

Our vision is a future in which biodiversity offsets are applied worldwide to achieve no net loss and preferably a net gain of biodiversity when there are significant development impacts.

We are now expanding our membership. One aim is to work with more governments, at the national and state levels, supporting their efforts to develop policy frameworks that incorporate no net loss of biodiversity.

## **Why join BBOP?**

We provide a global, multi-stakeholder forum for networking and reaching agreement upon standards of best practice for biodiversity offsets and conservation banking. BBOP is the principal group supporting government policy on the subject, at the national and international levels. We collaborate in a number of ways, from offering practical help to public and private developers on specific biodiversity offsets at the field level, to working with government to support the development of relevant policy. Participation in BBOP can help governments and intergovernmental organisations explore, develop and apply policies to achieve no net loss or a net gain of biodiversity that enjoy the support of business, finance and civil society.

## **How we add value**

### **Advice and networking**

BBOP membership provides governments with unique access to businesses already implementing offsets, governments with many years' experience designing and administering offset systems and conservation organisations with biodiversity expertise to support biodiversity offset design and implementation. Government members can learn from the policy experiences of other governments and benefit from advice as they review options for biodiversity offset policy at home.

Intergovernmental organisations can use BBOP to keep abreast of emerging biodiversity offset policies and shape future developments, whether through development assistance or intergovernmental negotiations. All partners use BBOP as a forum to help shape the development of biodiversity offset methodologies and guidelines, and ensure that approaches are efficient, fair and practical for business.

### **Policy support**

BBOP will work with a handful of governments in the development of national and regional policies on biodiversity offsets and compensation, developing models and ideas that other governments can adapt. BBOP can offer support on a wide range of policy options including fiscal incentives, supplementary guidance to existing policies, and developing regulatory requirements or market-based approaches such as conservation banking schemes. BBOP members can help governments establish where, when and how to improve their management of residual impacts. One cost-effective way to do so is to integrate biodiversity offsets into the Environmental Impact Assessment. BBOP can also help governments that are planning Strategic Environmental Assessments, to support planning for 'no net loss' of biodiversity at the regional level.

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### **Conservation goals**

Through appropriate use of biodiversity offsets, governments can identify and source funding for conservation of vulnerable areas in need of protection to support national biodiversity priorities. Governments can learn how others have created national or regional systems that contribute to the financing of protected areas and conservation priorities and that offer economic incentives and income for local communities and conservation groups.

### **Development goals**

BBOP's approach can support broader government objectives such as improved local livelihoods and equitable sharing of benefits from the development of natural resources.

By encouraging adoption and use of the BBOP principles and tools, government members can work more effectively with local stakeholders and help developers ensure their projects enjoy support at the local level.

### **International conservation commitments**

The Convention on Biological Diversity and the Ramsar Convention on Wetlands have encouraged their member governments and the business community to explore biodiversity offsets, including through collaboration with BBOP. For example, Under Decision IX/26 of the Conference of the Parties to the Convention on Biological Diversity, the Executive Secretary of the Convention, 'in collaboration with relevant organizations and initiatives, such as the Business and Biodiversity Offsets Programme (BBOP), is to compile and/or make available: (a) case studies; (b) methodologies; tools and guidelines on biodiversity offsets; and (c) relevant national and regional policy frameworks'.

### **Standards**

Well designed, implemented and monitored biodiversity offsets help governments ensure that developers assess and address the risks to biodiversity caused by their projects. However, presently, there are no accepted international standards on biodiversity offsets: something BBOP plans to address. We're developing assurance mechanisms that enable companies to demonstrate the quality and effectiveness of their biodiversity offsets, which helps avoid controversy and uncertainty. Government partners can ensure their policies enjoy wide support by working with BBOP to develop internationally agreed standards for biodiversity offsets, creating trust among civil society and companies.

## **What we've achieved so far:**

Here are some key results from our 'proof of concept' phase, completed in 2009:

- 1) A set of internationally recognized best practice principles for biodiversity offset design and implementation.
- 2) Handbooks offering best practice methodologies for voluntary biodiversity offset design and implementation.
- 3) Practical, on-the-ground offset design experience from a portfolio of pilot projects in the extractive industry and real estate development sectors in six countries – available in detailed case studies.
- 4) Consultations with policy makers and other stakeholder groups in many countries.
- 5) A Learning Network of over 1000 individuals and organizations worldwide.

## What next?

In addition to supporting governments at the national and state levels to develop policy frameworks that incorporate *no net loss*, we are also seeking more companies from a variety of industries to join us in furthering the development of best practice, by sharing their experience and undertaking pilot projects. We're improving our offset design and implementation guidelines, based on broader practical experience. We are developing assurance methods, leading eventually to internationally recognised standards. And we are developing a training and capacity-building programme to ensure that there are enough professionals to support companies as they design and implement high quality biodiversity offsets.

## How do you join BBOP?

### Contact us at:

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We can answer further questions and discuss the expectations and benefits of membership.

## BBOP's partners<sup>1</sup>

<p><b>Companies</b></p> <p>The Ambatovy Project          AngloGold Ashanti          Arup          Environmental Banc &amp; Exchange          Markit Environmental Registry          Newmont Mining Corporation          Nollen Group          Rio Tinto          Response Ability, Inc.          Shell International          Solid Energy, New Zealand</p> <p><b>Governments and International Organisations</b></p> <p>Department of Conservation, New Zealand          Department of Sustainability &amp; Environment, Government of Victoria, Australia          International Union for the Conservation of Nature (IUCN)          Ministry of Ecology, Energy, Sustainable Development, and Spatial Planning, France          Ministry of Housing, Spatial Planning, and the Environment, The Netherlands          National Ecology Institute, Mexico          Ramsar Convention on Wetlands          South African National Biodiversity Institute          United Nations Development Programme (Footprint Neutral Initiative)          United Nations Environment Programme – World Conservation Monitoring Centre          United States Agency for International Development</p>	<p><b>Conservation and Other Civil Society Groups</b></p> <p>BirdLife International          Biodiversity Neutral Initiative          Brazilian Biodiversity Fund (FUNBIO)          Centre for Research-Information-Action for Development in Africa          Conservation International          Ecoagriculture Partners          EcoTopia Science Institute, Nagoya University          Fauna &amp; Flora International          Forest Trends          International Institute of Environment and Development          Royal Botanic Gardens, Kew          The Nature Conservancy          Tulalip Tribes, US          Wildlife Conservation Society          WWF-UK          Zoological Society of London</p> <p><b>Financial Institutions</b></p> <p>European Bank for Reconstruction and Development          International Finance Corporation          KfW Bankengruppe          Mizuho Corporate Bank</p>
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**For further information see [bbop.forest-trends.org](http://bbop.forest-trends.org)**

*Other factsheets in this series include: Companies and BBOP, NGOs and BBOP, Financial institutions and BBOP and Service providers and BBOP.*

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<sup>1</sup> As of April 2010