

**Speech Minister Agnes van Ardenne  
at the conference  
Biodiversity in European Development Cooperation**

- 3-day conference (Paris, 19-21 September).
- Time slot: last day, session 'on the way forward' (implementation of the outcomes), opening speech, 14h15 – 14h35 (after introduction to the 'Message of Paris')
- Followed by a panel session with:
  - Charles Sylvain Rabotoarison, Minister of Environment, Madagascar
  - Olav Kjørven, Director Energy and Environment, UNDP
  - Philip Mikos, Head of Unit Sustainable management Natural resources, DG Development, European Commission
  - Jean Luc Roux, Political Director, Greenpeace International
  - Samuel Nguiffo, Director Centre Environnement et Development, Cameroon

### **Introduction**

Biodiversity is essential to mankind. Our societies depend on the resources that nature provides: timber, fish, agricultural products, vegetable oils, biomass for energy production, animal feed, to name but a few. We extract, grow and exploit these resources. But because we are so distant from the places where production takes place, we are often not aware of the impact of our consumption and production patterns. Or we conveniently close our eyes to it. The poor are in a very different position. They have a direct relationship with biodiversity and nature: they depend on them for their daily survival. As the World Resources Institute so aptly puts it: "biodiversity is the wealth of the poor".

### **Trends**

Globalisation and the rapid development of international markets for natural resources are placing increasing pressure on regions with a high biodiversity. New markets are developing and new major players, such as China and India, are entering the field. We are all aware of the issues related to the production of palm oil in Indonesia and Malaysia, soy in Brazil, fishmeal in Peru and fisheries in West African waters. Competing claims on resources for food, energy, construction materials and animal feed force us to make choices. New markets

create opportunities for developing countries, but at the same time we face the threats of over-exploitation and resource depletion, a negative impact on food security, destruction of the environment and further marginalisation of the poor. We all have seen that competition for natural resources could lead to very serious conflicts, like in Darfur.

A recent development, resulting from compliance with the Kyoto Protocol, is an increasing demand for biomass and biofuels. The consequences are important: the increased use of biological resources, such as vegetable oils and ethanol from sugar cane, will compete with food production and nature for increasingly scarce land, especially in developing countries. There are also issues related to monocultures and pesticide use. Several countries, such as the UK, France and Japan, are looking to Brazil to supply biofuels. Brazil in turn is eager to develop ethanol production in African countries. But will these countries be able to capitalise on these market opportunities in a sustainable way? How will this impact the environment and what will the socioeconomic effects be?

One of the main recommendations of the Millennium Ecosystem Assessment was to integrate environmental considerations in economic decision-making. I believe this is essential for biodiversity conservation. With IUCN and other organisations, we have learned how to establish the economic value of environmental resources. But we still need to translate that economic value into monetary terms. We have to make sure that conservation pays. And even better: that it pays the poor who depend on these resources.

## **Action**

I confront the challenges presented by globalisation, new markets and new insights into environmental protection in several ways. The Netherlands has been a strong supporter of integrated water management and sustainable forest management for a long time. Our participation in the Nile Basin and the Mekong River initiatives are evidence of my view that water is a basic element of national and transboundary ecosystem management. Our focus on illegal timber and the programmes implemented under our tropical rain forest policy contribute to the sustainable use and protection of forest resources.

With the Poverty Environment Partnership, an informal coalition of bilateral donor agencies and NGOs at the interface of environment and poverty reduction, we are showing that investments in responsible management of natural resources, including biodiversity, can be

efficient, can support growth and boost government revenues, and contributes – directly and indirectly – to poverty reduction.

Through UNCTAD and other programmes, we support the sustainable use and trade of forest products in several African and Latin American countries, including the Amazon region. We also support capacity development to capitalise on the emerging markets in environmental goods and services, such as emission credits through the Clean Development Mechanism. And we are facilitating deals between upstream, relatively poor watershed “managers” and beneficiaries of improved water quantity and quality downstream, such as Coca Cola in Guatemala.

But the challenges created by globalisation and increased demand for natural resources call for additional and different types of interventions. Collaboration between different actors and stakeholders targeting sustainable production, trade and consumption is a key element of innovative approaches. We therefore support and are active participants in the Round Table on Sustainable Palm Oil and the Round Table on Responsible Soy. Of course, the fact that Dutch multinationals are involved in the trade in major commodities provides us with a great opportunity for public-private partnerships. We partnered with the large Dutch animal feed company NUTRECO and IUCN to promote sustainability in the fishmeal and fish oil chain. We have been able to unite stakeholders along the entire trade chain, from large producers in Peru and Chile to retailers, traders and investors in Europe. Together with local and international NGOs and the government of Peru we have been able to address ecological and socioeconomic issues. Together with the International Fishmeal and Fish Oil Organisation, IFFO, the partnership is instrumental in developing the round table on sustainable fish feed.

As far as biofuels are concerned, we are at the forefront of developing sustainability criteria for inclusion in legislation and other policy instruments. A major report on import criteria has just been finalised. We support coherent policies and therefore a level playing field for sustainable production of biofuels in the North and the South. We work with the Global Reporting Initiative on sustainability indicators, and we are discussing a biodiversity covenant with the industry.

## Messages to the EU

Obviously the task is enormous: reaching the Millennium Development Goals, stopping biodiversity loss by 2010 as we all agreed in Johannesburg in 2002, eradicating poverty and promoting sustainable use of natural resources for the benefit of all. And this in an ever more complex international setting. But we need to move from words to action. I mentioned a number of key issues and several of my policy directions: coherence, partnerships and integration of environment in poverty reduction strategies. And I have some specific challenges for the EU.

Environmental issues need to be an integral part of poverty reduction strategies. Mainstreaming environment into Country Strategy Papers could be even more important for sustainability than the creation or extension of special programmes such as the Programme for National Resources including Energy. The recent report of the European Court of Auditors (July 2006) concluded that the Commission's manual for the integration of environmental aspects should be finalised and be implemented. The Netherlands insists on compliance with the existing environmental provisions in the common framework. Moreover specific action is needed to improve mainstreaming of environment in EDF 10. This needs to be clearly reflected in Country Strategy Papers. Natural resources, and the way we manage them, cannot be an afterthought in strategy development. They are the very foundation of our existence.

In the EU there is an ongoing discussion on how to implement policy coherence for development. We need policy coherence for sustainable energy production. Compliance with Kyoto is an important objective which we can partly achieve by increasing the use of biomass and biofuels. But are we using sustainability to increase economic growth and to secure our energy at the cost of the environment and poor people in developing countries? Or are we really going to use this opportunity to boost economic growth in developing countries, secure environmental protection and reduce poverty? Policy coherence for development means supporting opportunities for developing countries to enter this market and reducing negative impacts.

The OECD made an important step with the Paris Declaration on Aid Effectiveness based on the five over-arching principles of ownership, alignment, harmonisation, managing for development results and mutual accountability. In order to facilitate mainstreaming of environment into development, we need to earmark the necessary funds in the context of

budget support. The Poverty Reduction Strategy Papers should be systematically subject to Strategic Environmental Assessments in providing the basis for such budget support.

Political commitment for the integration of environmental aspects into development has been achieved at the highest levels, both nationally and internationally. But policy coherence between environment and development alone is not enough. Trade and economic affairs ministers should participate in conferences on development cooperation and environment. We need to make sure that in WTO negotiations and agreements, poverty reduction and environmental are integral aspects.

## **Conclusion**

Ladies and gentlemen, every day the impact of our actions is painfully visible. Just last week we have been informed that the ice on the North Pole is melting, even in winter. The scientists' joy over the discovery of dozens of new species in the waters near Papua New Guinea is tempered by the fact that they had to be labeled "threatened with extinction" the very moment they were discovered. "An inconvenient truth" as Al Gore has aptly named his book and movie on climate change. I think we are well aware of the challenges lying ahead of us. And we know we need each other to confront the issues and find the solutions. We need to take steps from words to action. Not alone, but together.