

# Business involvement in biodiversity-related human rights impacts

This briefing is intended to support business practitioners to get started on identifying and addressing human rights risks and challenges relating to biodiversity.

# What are the human rights implications of the biodiversity crisis for companies?

Biodiversity is vital for all life on the planet – meaning that the loss of biodiversity has inherent human rights implications. However, action to address biodiversity loss and restore nature also has the potential to impact human rights adversely. Companies could potentially cause, contribute to or be directly linked to adverse human rights impacts through their involvement in both biodiversity loss and through their own biodiversity action.

Importantly, biodiversity loss and biodiversity action may disproportionately impact the rights of Indigenous Peoples, traditional and local communities and other groups at heightened risk of vulnerability or marginalisation.

# Examples of potential business involvement in human rights risks of biodiversity loss

- A company may adversely impact the right to a clean, healthy and sustainable environment through
  its involvement in biodiversity loss for example, in connection with natural resource extraction, agricultural
  practices, over-fishing, eco-conversion, deforestation, pollution (air, land or water), packaging or waste
  management practices.
- A company may adversely impact the right to life, liberty and security where it or its business partners
   threaten or kill human rights and environmental defenders.
- A company's involvement in biodiversity loss may result in adverse impacts on the right to physical and mental health, through loss of access to medicine and time spent in nature.

# Examples of potential business involvement in human rights risks of biodiversity action

- Without meaningful engagement and a commitment to free, prior and informed consent (FPIC), a
  company's efforts to conserve and restore nature may adversely impact Indigenous Peoples' rights
  and the rights of traditional and local communities, and their connection and access to/use of land
  and water, intellectual property and cultural/spiritual practices.
- A company may adversely impact **land rights** through biodiversity action such as bio-offsetting, reforestation, biodiversity conservation and nature restoration initiatives, and through its efforts to reduce plastics pollution, for example, by transitioning to recyclable packaging.
- Livelihoods and the right to an adequate standard of living of workers and communities may be negatively impacted if a company makes major changes to its business to conserve biodiversity such as introducing regenerative agricultural practices or shifting agricultural supply chains or engages in ecoconversion to conserve biodiversity and restore nature.

# The rights of Indigenous Peoples

The growing focus on the links between human rights and the biodiversity and climate crises serves to highlight the rights of Indigenous Peoples (and other traditional communities).

Indigenous Peoples comprise less than five percent of the world's population. However, they have protected 80% of Earth's global biodiversity, despite historic and ongoing contexts of colonisation and continuing marginalisation and other power imbalances. Indigenous Peoples' critical roles and leadership in addressing the biodiversity crisis are increasingly recognised in legal and policy developments.

Companies should be aware that Indigenous Peoples:

- May be disproportionately affected by biodiversity loss including as a result of potentially profound impacts on their ways of life, learning, cultural heritage and cultural/spiritual practices.
- May be disproportionately impacted by efforts to address biodiversity loss, including as a result
  of changes to land access and use, failure to seek and obtain free, prior and informed consent
  (FPIC), biopiracy and impacts on cultural heritage and cultural/spiritual practices.
- Are likely to be leaders and key partners in many efforts to conserve biodiversity and restore nature.
- May draw on knowledge systems that are different from those used by business and other stakeholders.

Stakeholder expectations that companies across a wide range of industries know and show how they engage with Indigenous Peoples and respect their rights – including in relation to action to address the biodiversity crisis – are likely to strengthen significantly.

# Company action to address biodiversity-related human rights impacts

#### Why should companies address biodiversity-related human rights issues?

- It's the right thing to do: There is a clear environmental and human rights case to act.
- Companies have a normative responsibility to respect human rights, set out in the UN Guiding Principles on Business and Human Rights (UNGPs). To meet this responsibility, companies should identify and address human rights impacts across their business activities and business relationships – including those that result from involvement in biodiversity loss or action to conserve biodiversity and restore nature.
- Companies and other actors are increasingly expected to address the intersections between human rights and environmental (including biodiversity-related) impacts: This trend is reflected in:
  - UN General Assembly recognition of the human right to a clean, healthy and sustainable environment (see GBI's analysis).
  - Increasing integration of human rights and environmental considerations in legal and policy developments, including mandatory human rights and environmental due diligence and reporting initiatives, sustainability reporting standards such as the TNFD and GRI, and strategic litigation.
  - Recognition of the role of business in addressing biodiversity in a rights-respecting way in major global frameworks, such as the Kunming-Montreal Global Biodiversity Framework.

- Integration of human rights and environmental considerations in benchmarking initiatives, such as the WBA Nature Benchmark.
- Emerging expectations from investors, civil society organisations, employees and other stakeholders.

Importantly, recognition of the human rights risks does not mean that businesses should refrain from taking action to address the biodiversity crisis – there is a strong case to act, and quickly. Rather, human rights due diligence should inform how a company responds to the biodiversity crisis by enabling the company to take action to prevent, mitigate and address any biodiversity-related human rights risks it has identified.

# Practical actions for business **Policy** Update existing policy commitments to recognise links between commitment human rights and biodiversity • Consider making an explicit policy commitment to Indigenous Peoples' rights and the rights of traditional and local communities, and to FPIC **Human rights** Map involvement in biodiversity loss/action across the value chain: consider activities associated with land/natural resource use (including due diligence agriculture and fisheries), transport, plastics, packaging and recycling, use of Indigenous Peoples' knowledge, pollution, water, lobbying, etc. Identify and assess actual and potential biodiversity-related human rights impacts, take effective action to prevent, mitigate and redress impacts, track performance and communicate about the company's approach • Ensure human rights due diligence is informed by meaningful engagement with affected people Review existing grievance mechanisms to ensure they are fit-for-Access to purpose as regards biodiversity-related human rights impacts remedy • Ensure the business takes a rights-respecting approach to participation in State-based and other third-party grievance processes on impacts related to biodiversity **Embed** Build familiarity and buy-in at senior management level, across the business and among colleagues working on environmental issues to a rightsensure greater understanding of potential impacts respecting response to • Ensure coherence and coordination across human rights and the biodiversity environmental due diligence crisis Strengthen capabilities on human rights across key teams involved in biodiversity action - in particular, regarding Indigenous Peoples' rights

# Biodiversity primer & further resources

# What is biodiversity and why does it matter?

## The importance of biodiversity

The term biodiversity refers to the diversity within species, between species (including animals, plants, fungi and microorganisms) and of ecosystems that make up our natural world. Our access to food, clean water, medicine and shelter depend on the natural world – as do our mental health and many of our cultural and spiritual practices.

High levels of biodiversity are also key to resilience – enabling species and ecosystems to evolve and adapt to changing conditions.

#### How bad is the biodiversity crisis?

Some scientists believe the sixth mass extinction has begun – nature and its vital contributions to people (and all other life on earth) are deteriorating worldwide. This is largely <u>caused by</u> changing human activity in land and sea use, natural resource exploitation, climate change, pollution and the introduction of invasive species.

- The <u>extinction rate of species</u> is thought to be about 1,000 times higher than before humans dominated the planet.
- One estimate suggests that, by weight, 97% of the world's vertebrate land animals are now comprised of humans and farm animals; only 3% remain wild. Further, 75% of the world's food is sourced from just 12 crops and five animal species.

A <u>recent assessment</u> of planetary boundaries found that all four biological boundaries were at or close to the highest risk level.

# Global architecture to address the biodiversity and climate crises

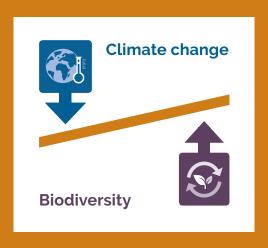
	Biodiversity	Climate change
Rio Convention	Convention on Biological Diversity (CBD)	UN Framework Convention on Climate Change (UNFCCC)
International treaty	Kunming-Montreal Global Biodiversity Framework (GBF)	Paris Agreement
Scientific assessment body	Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)	Intergovernmental Platform on Climate Change (IPCC)
Key global target	GBF: Conserve nearly one third of Earth for nature by 2030, while respecting Indigenous and traditional territories	Paris Agreement: Limit global warming to well below 2°C, and ideally to 1.5°C

## The climate change and biodiversity crises are linked

The <u>IPBES Global Assessment Report</u> observes that the level of interconnectedness between the climate change and biodiversity crises is high and should not be underestimated - we will 'solve both or solve neither'.

If we are not able to limit global warming to 1.5°C, climate change is likely to become the dominant driver of biodiversity loss.

In turn, efforts to preserve and restore biodiversity are needed to limit global warming and address the climate crisis – the UN has **described** biodiversity as our strongest natural defence against climate change.



# Further reading and resources

## About biodiversity and human rights

What is biodiversity? (Our Planet)

What is biodiversity and why does it matter to us? (The Guardian, 2018)

Human rights and biodiversity: Key messages (UN Environment Programme, 2021)

In-depth brief: What are biodiversity offsets? (Carbon Brief, 2023)

#### **Biodiversity assessments**

Global Assessment Report on Biodiversity and Ecosystem Services (IPBES, 2019)

<u>The IUCN Red List of Threatened Species</u> (International Union for Conservation of Nature and Natural Resources, 2023)

Earth beyond six of nine planetary boundaries (Stockholm Resilience Centre, 2023)

Living Planet Report 2022 (World Wildlife Fund, 2022)

#### Recommendations and other resources for business

TNFD Recommendations and Additional Guidance publications (TNFD, 2023) (includes a standalone Guidance on engagement with Indigenous Peoples, Local Communities and affected stakeholders)

A Blueprint for Responsible Global Business (World Wildlife Fund, 2020)

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