



# STRATEGIC BIODIVERSITY PROGRAM

2015 - 2020 | BIOCAF

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Prologue

Introduction

Background

Current State of  
Biodiversity in  
Latin America

2015-2020  
Strategic Plan on  
Biodiversity

Relationship of  
AICHI Targets to  
the Action Plan

Guidelines for Follow-up  
and Monitoring

The CAF  
Commitment

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*The content and opinions contained in this publication do not necessarily represent, in whole or in part, the views of CAF, the Development Bank of Latin America.*

## Acronyms

(CAF)	Development Bank of Latin America (CAF)
(CAN)	Andean Community
(CBD)	Convention on Biological Diversity
(DACC)	Directorate of Environment and Climate Change
(ECLAC)	Economic Commission for Latin America and the Caribbean
(GEF)	Global Environment Facility
(GIZ)	German Development Cooperation
(IADB)	Inter-American Development Bank
(IUCN)	International Union for Conservation of Nature and Natural Resources
(OECD)	Organization for Economic Co-operation and Development
(SME)	Small and Medium Enterprise
(UEBT)	Union for Ethical BioTrade
(UNCTAD)	United Nations Conference on Trade and Development
(UNDP)	United Nations Development Program
(UNEP)	United Nations Environment Program

Prologue

Introduction

Background

Current State of Biodiversity in Latin America

2015-2020 Strategic Plan on Biodiversity

Relationship of AICHI Targets to the Action Plan

Guidelines for Follow-up and Monitoring

The CAF Commitment

# Prologue

The international community in recent decades has raised the intense and growing challenge to improve understanding of the consequences of the impact of development on biodiversity and ecosystems, their conservation and the sustainable use of resources. Although progress has been significant, the global agenda remains under construction.

CAF believes that the main contribution of the environmental dimension of sustainable development points toward the recognition of conservation and sustainable use of the region's biological resources. That sustainability in development proposed by CAF is evident in the main effects of its Environmental Strategy, based on the conservation of the natural heritage, making a transition to a greener and more inclusive economy in Latin America.

Likewise, CAF recognizes that the environmental component is crucial in the productive transformation of the region. First of all, being aware of the importance of the insertion of the region in the global context, it promotes and supports international environmental

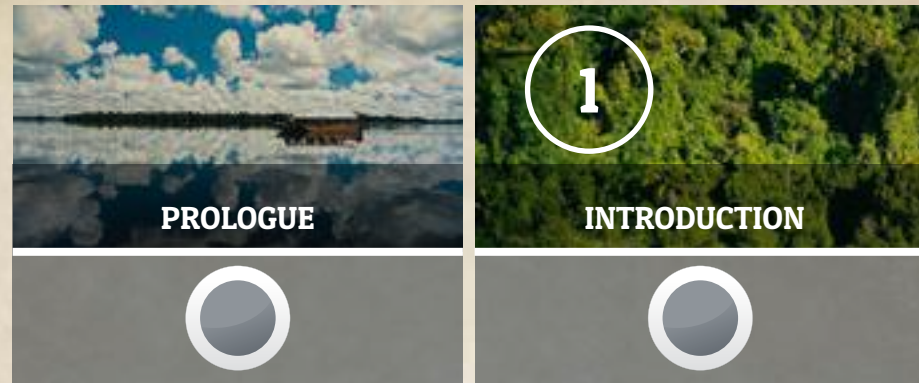
agreements that have been signed by its member countries, including the Convention on Biological Diversity and its annexed protocols.

At the same time, CAF promotes and supports the generation of and the increase of the productive value of natural capital, as well as the development of emerging environmental markets and improving the environmental management of business and of the production sectors, so that together, these strengths foster sustainable integration of countries into international markets under sustainability parameters.

Thus, according to the institutional mission of CAF to promote sustainable development and regional integration, it developed the biodiversity strategy, which aims to support and contribute to the actions of the member countries in the implementation of their national biodiversity strategies developed for compliance with the Aichi targets, establishing priorities for action and strategic objectives that respond directly to the priority actions undertaken by the countries.

Ligia Castro de Doens  
Director of Environment and Climate Change  
CAF -Development Bank of Latin America-





GENERAL ASPECTS



- Threats to biodiversity
- Global Actions in favor of biodiversity
  - 3.1. Society and biological resources
- Sustainable use and sharing of benefits
  - 3.2. New trends and use of resources
- Companies and biodiversity
  - 3.3. Climate change and biodiversity
  - 3.4. Natural capital and ecosystem services
- Potential for paying for environmental services
- The Opportunity

STRATEGIC PLAN ON BIODIVERSITY

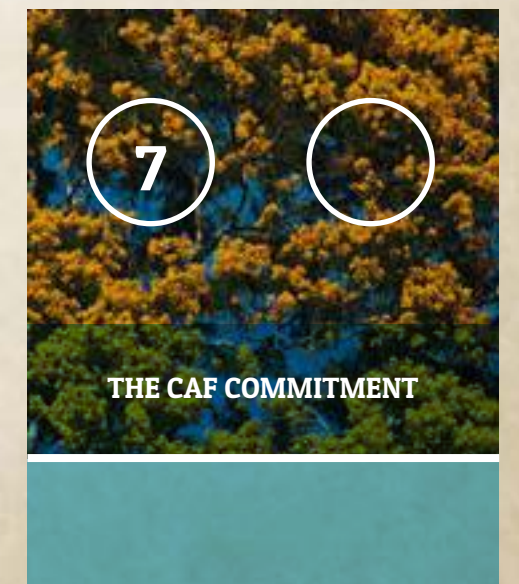
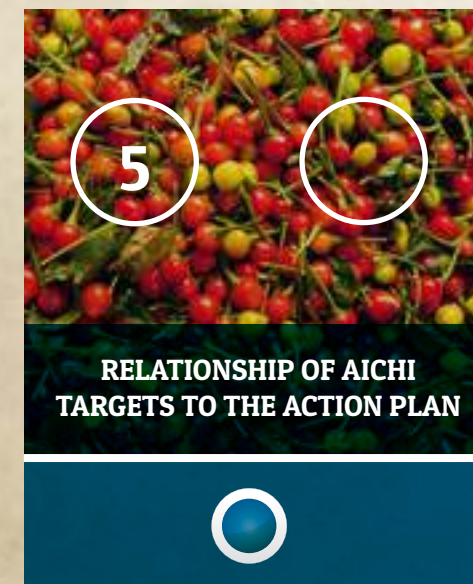
2015-2020 STRATEGIC PLAN ON BIODIVERSITY

- 4.1. Institutional Context
- 4.2. Vision
- 4.3. Intervention Strategy
- 4.4 Action Priorities, Strategic Objectives and Goals to 2020

2015-2020 ACTION PLAN

- Action Priority 1.** Promote the Conservation of Biological Resources
- Action Priority 2.** Promote Sustainable Businesses in the CAF Member Countries
- Action Priority 3.** Promote Practices of Fair and Equitable Distribution of Benefits
- Action Priority 4.** Generate Technical and Management Capacities

FOLLOW-UP AND MONITORING



# 1. Introduction

Latin America and the Caribbean is the region with the planet's greatest biodiversity. It contains six of the seventeen so-called mega-diverse countries, which together contain about 40% of the world's biodiversity, with less than 15% of the land area (UNEP 2010).

Despite the region's valuable natural capital, biodiversity is seriously threatened by different pressures affecting the integrity of the ecosystems. It is in this context that the countries that are party to the CBD have developed national action plans for biodiversity. More recently, the convention defined the Aichi targets, a ten-year strategic plan (2011-2020) to guide countries and other stakeholders regarding actions in which efforts are focused in saving biodiversity and enhance its benefits for people.

According to the document "Global Biodiversity Outlook 4", considerable progress has been made toward meeting the Aichi targets. However, it is expected that the pressures on biodiversity will continue to increase and that it will continue to deteriorate, despite the considerable growth of the societal response to its loss. According to the

data, critical ecosystems such as forest habitats have lessened their loss of biodiversity. However, forests, wetlands and grasslands continue to be degraded, mainly due to intensive agricultural exploitation.

It is anticipated that the risk of extinction of birds, mammals and amphibians will continue to grow due to increasing threats from habitat fragmentation and climate change. It is also estimated that global use of resources will continue to grow such that people have come to take about 40% of the total production of plants, twice the percentage of a century ago.

Given the above context, CAF is committed to sustainable development in Latin America and the Caribbean, and in accordance with its environmental policy, seeks to promote interventions for the conservation, sustainable use and the fair and equitable sharing of the benefits associated with biological resources.

This document presents the Strategic Program for Biodiversity, BIOCAF 2015-2020, led by Green Business Unit, which seeks to support

CAF member countries in the implementation of actions that contribute to the fulfillment of the Aichi targets.

It consists of three sections: **the first section** presents the general aspects of the background to the strategy and the context of the state of biodiversity in Latin America and the Caribbean, presenting the new market trends of products based on biodiversity, as well as the relationship of society to biological resources, climate change, ecosystem services and biodiversity.

**The second** section describes the CAF Strategic Biodiversity Plan, showing the institutional context in which are made the strategic plan, the vision and the intervention strategies, as well as details of the four action priorities for 2015-2020, and their relationship with the Aichi targets.

Finally, the third section presents the guidelines of the system for monitoring the strategy, with indicators developed for each action, as well as monitoring of the progress of the countries in fulfilling the goals of their biodiversity strategies.

1. Global Biodiversity Outlook 4 provides timely information on progress until 2014 to reach the 20 Aichi goals for Biodiversity and the possible actions to accelerate that progress. Available at [www.cbd.int/GB04](http://www.cbd.int/GB04)



Prologue



Introduction



Background



Current State of Biodiversity in Latin America



**2015-2020 Strategic Plan on Biodiversity**



Relationship of AICHI Targets to the Action Plan



Guidelines for Follow-up and Monitoring



The CAF Commitment

# OVERALL ASPECTS

## 2. Background

The CAF Biodiversity Program, implemented between 2002 and 2009, was conducted within the framework of CAF's environmental strategy and had as its main objective to promote the conservation and sustainable use of ecosystems, natural and genetic resources and biodiversity.

Three lines of action were defined within their areas of work, from which various projects were supported: a) promotion of conservation initiatives of ecosystems and species in the region; b) promotion of compensation and / or payment mechanisms for environmental services (SSAA) for the conservation of ecosystems that generate such services, and c) promotion of the development of markets for biodiversity and genetic resources.

a) In the line of promoting conservation, the program sought to support initiatives that contribute directly to the conservation of species and ecosystems in member

countries; to identify initiatives that would enable providing comprehensive support to the management of natural areas in member countries; to support initiatives that include the avoided deforestation approach, and finally, to promote initiatives that serve to disseminate knowledge aimed at the conservation of ecosystems and species.

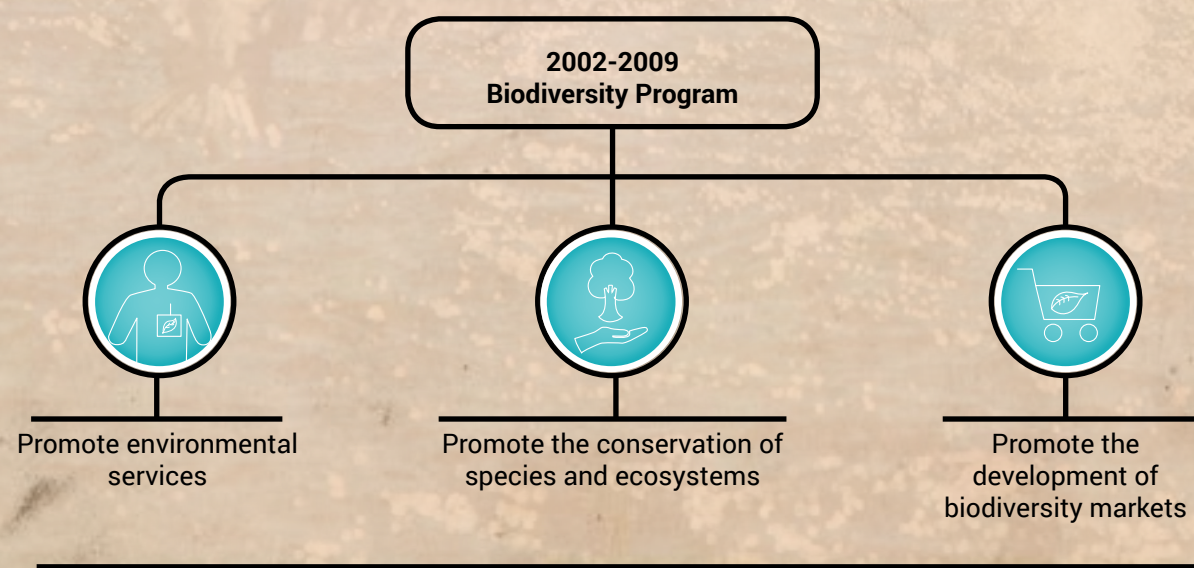
b) In the line of promoting environmental services, the program sought to develop replicable pilot projects at the municipal or regional level; to support the establishment of technical, institutional and financial conditions, as well as policies that help to generate knowledge; and to share overall experiences on environmental service initiatives.

c) In the line of promoting the development of markets for biodiversity and genetic resources, the program sought to support

biotrade initiatives that promote the National BioTrade Programs, to promote pilot biotrade projects located in member countries that seek to promote the participation of disadvantaged populations, and finally, to strengthen the establishment of technical, institutional and financial conditions as well as policies that help to generate knowledge and share overall experiences on initiatives on biotrade and biotechnology.

In practical terms, the above lines sought to involve CAF in biodiversity, ecosystems and natural and genetic resources of member countries. This was completed with the resources provided for conservation activities, the support for their use and sustainable exploitation, and finally, by helping to recognize the economic profits provided by nature.

As a result, the 2002-2009 biodiversity program supported 53 initiatives in nine member countries. This support was given to different ecosystems in the beneficiary countries -through the action lines conceived under the Program - in a total area estimated at 1,147,177 km<sup>2</sup>. It is also estimated that the potential benefits that these initiatives have generated or will generate will cover a population of over 4 million people directly, and 18 million people indirectly.





Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity



Relationship of AICHI Targets to the Action Plan



Guidelines for Follow-up and Monitoring



The CAF Commitment

3

## Current state of biodiversity in Latinamerica



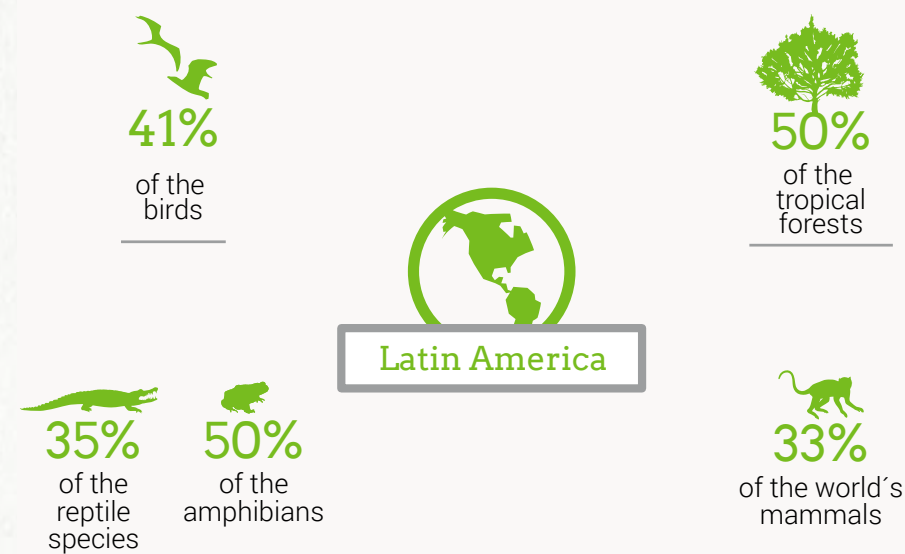
The immense variety of ecosystems and species in Latin America and the Caribbean has led to its being considered the most bio diverse<sup>2</sup> region in the world, hosting about 40% of it, although it only represents 15% of the land surface<sup>3</sup>.

The region includes six of the seventeen countries considered to be "mega-diverse" (Brazil, Colombia, Ecuador, Mexico, Venezuela and Peru) for having about 70% of species of mammals, birds, reptiles, amphibians, plants and insects, and the majority of tropical rainforests, coral reefs and other ecosystems<sup>4</sup>.

In terms of natural wealth, the region comprises terrestrial, coastal and ma-

rine habitats and ecosystems, which make up about 80% of the world's biomes and contain nearly 900 million hectares and 22% of the total global forest cover. Likewise, 30% of the world's freshwater resources and about 40% of its renewable water resources are in Latin America<sup>5</sup>.

There is no doubt that the region contains a unique biological wealth. Proof of this is that the most diverse ecological area of the planet, the slope of the Andes - thus considered for its geographical location, the great diversity of microhabitats and a complex geological history - is in America<sup>6</sup>.



2. The Convention on Biological Diversity understands biodiversity as "the variety of living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within each species, between species and of ecosystems."

3. United Nations Environment Program, (2010). "Environment Outlook: Latin America and the Caribbean. GEO LAC 3".

4. Loc. cit

5. Lemay, (2012). Proposal to establish a special multi-donor program funds for biodiversity and ecosystem services, IDB.

6. United Nations Environment Program, (2010). "Environment Outlook: Latin America and the Caribbean. GEO LAC 3," p. 95.



	Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment

## Threats to biodiversity

The growth of the populations and the search to meet their needs have increased pressure on natural resources in an unsustainable manner, altering the characteristics and functioning of ecosystems. It is estimated that the degradation of natural ecosystems and their conversion to productive systems in South America consisted of 4 million ha/year of tropical forest<sup>7</sup>. It is also estimated that more than 1,750,000 ha/year are deforested in the Amazonian region of the Andean Community countries<sup>8</sup>.

According to the report "Global Environment Outlook-5" (GEO-5), the loss of terrestrial habitat is due to the pressure generated by cropping systems: fresh water aquaculture and, especially, the transformation of land for agricultural production, which now occupies nearly 30% of the cultivable area. In addition, the demand for biofuels and large-scale commercial agriculture has significantly influenced the loss of biodiversity. In the same vein, the millennium ecosystem report says "it is true cropland provide supply services, the transformation of its habitat for agriculture leads to the reduction of the local native biodiversity."

The overexploitation of wild species and unregulated, excessive consumption is another of the main pressures on biodiversity that affect terrestrial and marine ecosystems.

According to the International Union for Conservation of Nature – IUCN-five of the twenty countries with the highest number of threatened animal species, and seven of the twenty with the largest number of threatened plant species are found in Latin America and the Caribbean<sup>9</sup>.

Plants for food and medicinal uses are exploited, while mammals and birds are consumed for food and wildlife trafficking. Another worrisome factor is the overexploitation of fish that, added to under regulated fishing practices, cause damages to other species<sup>10</sup>.

Meanwhile, the introduction of invasive alien species threatens biodiversity through the depredation and modification of the habitat. The spread of these species has been growing due to accidental introductions as a result of international trade, which generates significant adverse consequences<sup>11</sup>.

Finally, another factor of pressure on biodiversity has been climate change,

which has had a significant impact on the distribution of species, the size of populations, the timing of migration and the emergence and spread of pests. As climate change intensifies, an increased risk of the extinction of species is expected, along with rising temperatures and acidification of the seas, plus the spread of invasive species and the spread of disease<sup>12</sup>.

Another factor of pressure on biodiversity is pollution, which adds to other pressures, such as the expansion of cropland, causing contamination of ground and surface water due to water extraction for irrigation. This is the case of Chile, where the wells for human consumption were contaminated with nitrates and coliform bacteria due to mismanagement<sup>13</sup>.

### Causes of the loss of biodiversity



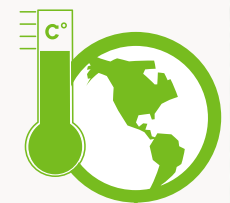
Over exploitation of wild species and unregulated, excessive consumption



Introduction of invasive exotic species



Transformation of lands for agricultural production



Climate change

7. Bovarnick, A., F. Alpizar and C. Schnell, editors (2010). *The importance of biodiversity and of the ecosystems for economic growth and equity in Latin America and the Caribbean: An economic valuation of the ecosystems*. United Nations Development Program.  
 8. BIOCAN (2013). Our Andean Amazonian region: use of biodiversity. Available in: <http://www.comunidadandina.org/amazonia/biodiversidad.htm>  
 9. IUCN, (2008). Red List Summary Statistics, IUCN. Gland, Switzerland. Available at: <http://www.iucnredlist.org/about/summary-statistics>  
 10. Disponible en Global Biodiversity Outlook 4, 2014. Available at [www.cbd.int/GB04](http://www.cbd.int/GB04).

11. Millennium Ecosystem Assessment, (2005). *Ecosystems and Human Well-being: Biodiversity Synthesis*.  
 12. Bart Ullstein, H de Mattos, Editors (2010). *Global Environment Outlook*, United Nations Environment Program.  
 13. Ibidem

	Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of Aichi Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment
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## Global Actions in favor of biodiversity

In the face of the rapid loss of biodiversity and the changes in the operation of the services provided by ecosystems, various agreements have been established for the protection and conservation of biodiversity. The most important is the Convention on Biological Diversity - CDB - established in 1992 in Rio de Janeiro. The CBD defined three main objectives:

1. The conservation of biological diversity,
2. The sustainable use of its components and
3. The fair and equitable sharing of benefits arising from the use of genetic resources has been the

benchmark for the development of multiple global initiatives and actions in favor of biodiversity.

The governing body of the CBD is the Conference of Parties (COP), which in 2010 approved the 2011-2020 Strategic Plan for Biodiversity with a long and medium-term view, in addition to establishing the Aichi targets. These targets are a framework for action in which all countries and stakeholders interested in safeguarding biodiversity and the benefits it provides can continue to provide guidance on the conservation of biodiversity.

The Aichi targets are organized into five objectives:

### Strategic Objective A

Address the underlying causes of the loss of biodiversity by the incorporation of biodiversity in all governmental and societal bodies

### Strategic Objective B

Reduce the direct pressures on biodiversity and promote sustainability

### Strategic Objective C

Improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity

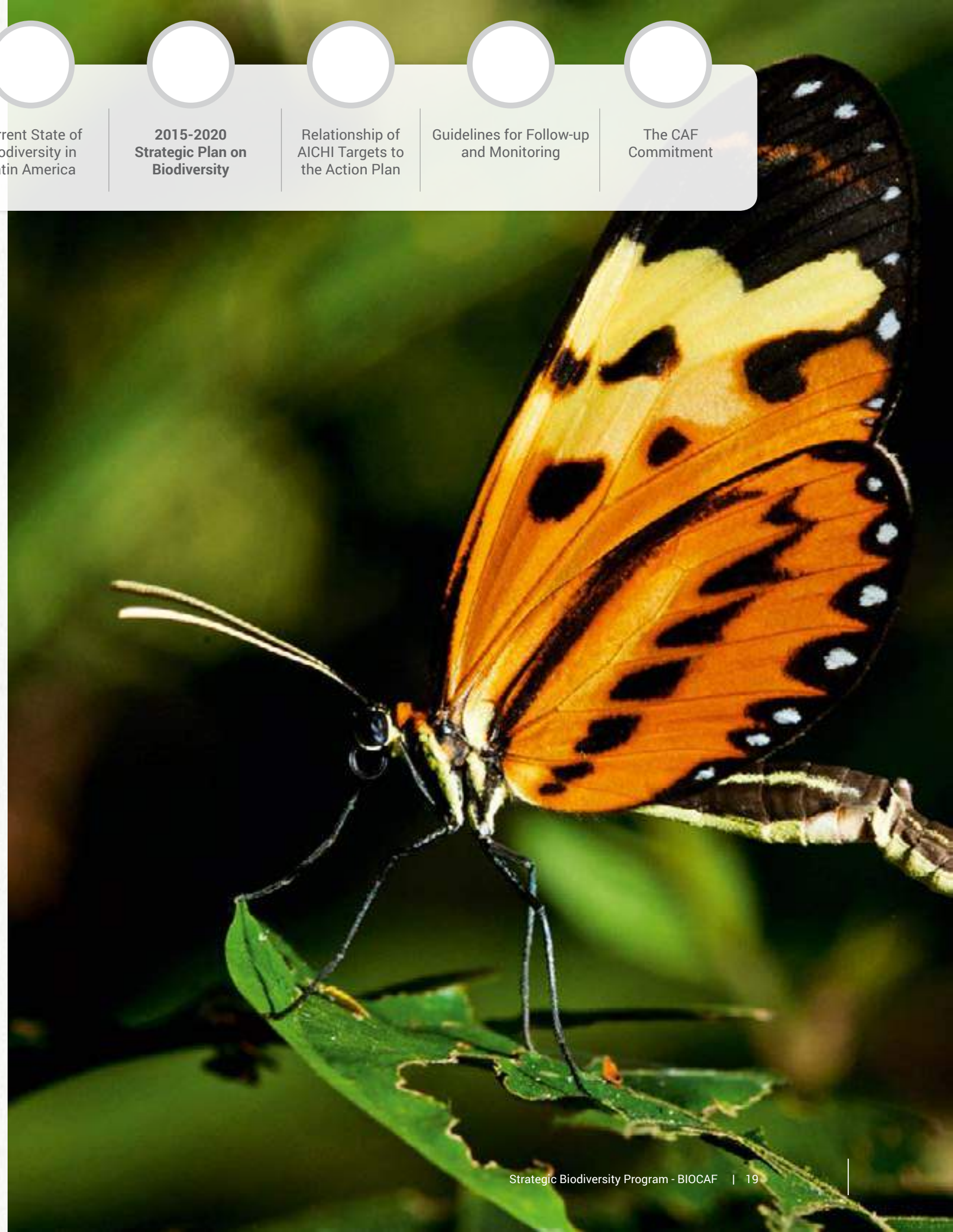
### Strategic Objective D

Increase the benefits of biodiversity and ecosystem services for everyone

### Strategic Objective E

Enhance implementation through participatory planning, knowledge management and capacity building

By achieving these five targets, international public and private sector efforts seek to halt the loss of biodiversity and maximize the benefits it provides to society.





Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity



Relationship of AICHI Targets to the Action Plan



Guidelines for Follow-up and Monitoring



The CAF Commitment

### 3.1 Society and biological resources

Although the Aichi targets proposed increasing the awareness of people about the role of biodiversity and ecosystems within the everyday economic and development dynamics, the path is still under construction.

The relationship of societies and biodiversity are becoming closer given that the population's growth and the overlapping of key ecosystems and urban areas is increasing.

According to the IDB<sup>14</sup>, between 1950 and 2010, the population of Latin America and the Caribbean grew more than 250%, and between 1990 and 2010 the GDP recorded an increase of 87%. By 2030, the region is expected to have 700 million people, of which 500 million will be in the middle class; GDP will have doubled and poverty levels will be in decline.

In the same vein, the CBD<sup>15</sup> states

that the number of cities in the region has grown six times in the last 50 years, so that is expected by 2050, 90% of the population will live in cities, with Latin America being considered to be the planet's most urbanized region. On the other hand, about 65% of the Caribbean has higher urban growth rates than Latin America, despite having a lower level of urbanization".

Given the estimates, the region is generating evermore income for its inhabitants, and its urban population and middle class will increase, and with them, the demand for resources such as water, energy, food, minerals, among others. This represents significant challenges to ensure the sustainable availability of resources, and draws attention to cooperative efforts to channel the expected effects in a way that is sustainable for ecosystems and species.

14. IDB (2012) Using the opportunities for sustainable growth: IDB Biodiversity Platform for Latin America and the Caribbean..

15. Secretariat of the Convention on Biological Diversity. "Perspective of cities and biodiversity" Executive Summary. Montreal, (2012).16 pages.

	Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment
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## Sustainable use and sharing of benefits

Equitable sharing of benefits is a cornerstone of the Convention on Biological Diversity, referring to the measures taken to ensure that the benefits arising from the use of biodiversity and associated traditional knowledge are shared fairly and equitably with organizations or communities identified as contributing to the management of resources and to the scientific and / or commercial process<sup>16</sup>.

The necessary incentives for the conservation and sustainable use of biodiversity come from the recognition of the rights of communities over biological resources as it is clear that an equitable sharing of the benefits becomes an incentive to conserve and sustainably use the resources of each territory, generating local dynamics of social inclusion and new capabilities that result in an improved quality of life.

Likewise, the benefits from traditional knowledge associated with biodiversity are considered important. For example, Decision 391 of the

Common Regime on Access to Genetic Resources of the Andean Community states that "it is necessary to recognize the historic contribution of indigenous, Afro-American and local communities to biological diversity, its conservation and development, and the sustainable use of its components, as well as the benefits generated by that contribution." No doubt there are many benefits from traditional knowledge, for example, valuable information that communities share for sustainable use that reduces costs of research and development of new products<sup>17</sup>.

Benefit sharing also includes aspects of fairness and transparency in businesses based on biodiversity and related to local communities, promoting negotiations, costing of production, formalization of relations through contracts and communication and transfer of knowledge among actors in the chain, among other things, that promote synergies and win-win situations for all actors.

16. The Union for Ethical BioTrade, "Fair and equitable sharing of benefits," (2013).  
 17. Andean Community Inter-American Development Bank. "Regional Biodiversity Strategy for Tropical Andean Countries"

## Entry into force of the Nagoya Protocol

The month of October 2010, during the tenth meeting of the Conference of Parties (COP 10) held in Nagoya Japan, the Nagoya Protocol was adopted on Access to Genetic Resources and the Fair and Equitable Sharing of the benefits from their use.

The Protocol provides mechanisms so that the users of traditional knowledge, genetic resources and their derivatives comply with the national legislation of the country of origin of genetic resources. Meanwhile, the Protocol is an international platform that provides legal certainty for providers and users of genetic resources, allowing a more effective fight against biopiracy.

Recently, the Conference of Parties held its 12th meeting in October 2014, in which the Nagoya Protocol was ratified by 51 Parties to the CBD, thus representing a challenge for aid agencies and stakeholders to support both signatory countries in their implementation and those who have yet to promote the practices of the protocol.

	Prologue	Introduction	Background	Current State of Biodiversity in Latin America	2015-2020 Strategic Plan on Biodiversity	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment
--	----------	--------------	------------	--	--	--	---	--------------------

### 3.2 New trends and use of resources

Consumer trends and preferences have been changing over time. The market for biodiversity products and services that include practices of sustainable use<sup>18</sup> is growing as a result of consumer preference for healthy, natural and organic products and fair trade practices. In 2009, the Cone Consumer Environmental Survey<sup>19</sup> indicated that approximately 34% of consumers are more likely to buy products that display responsibility with the environment<sup>20</sup>.

Similarly, according to the barometer of biodiversity of the Union for Ethical BioTrade (UEBT)<sup>21</sup>, 87% of the consumers surveyed expect companies to have supply policies that respect biodiversity; 77% of respondents indicate

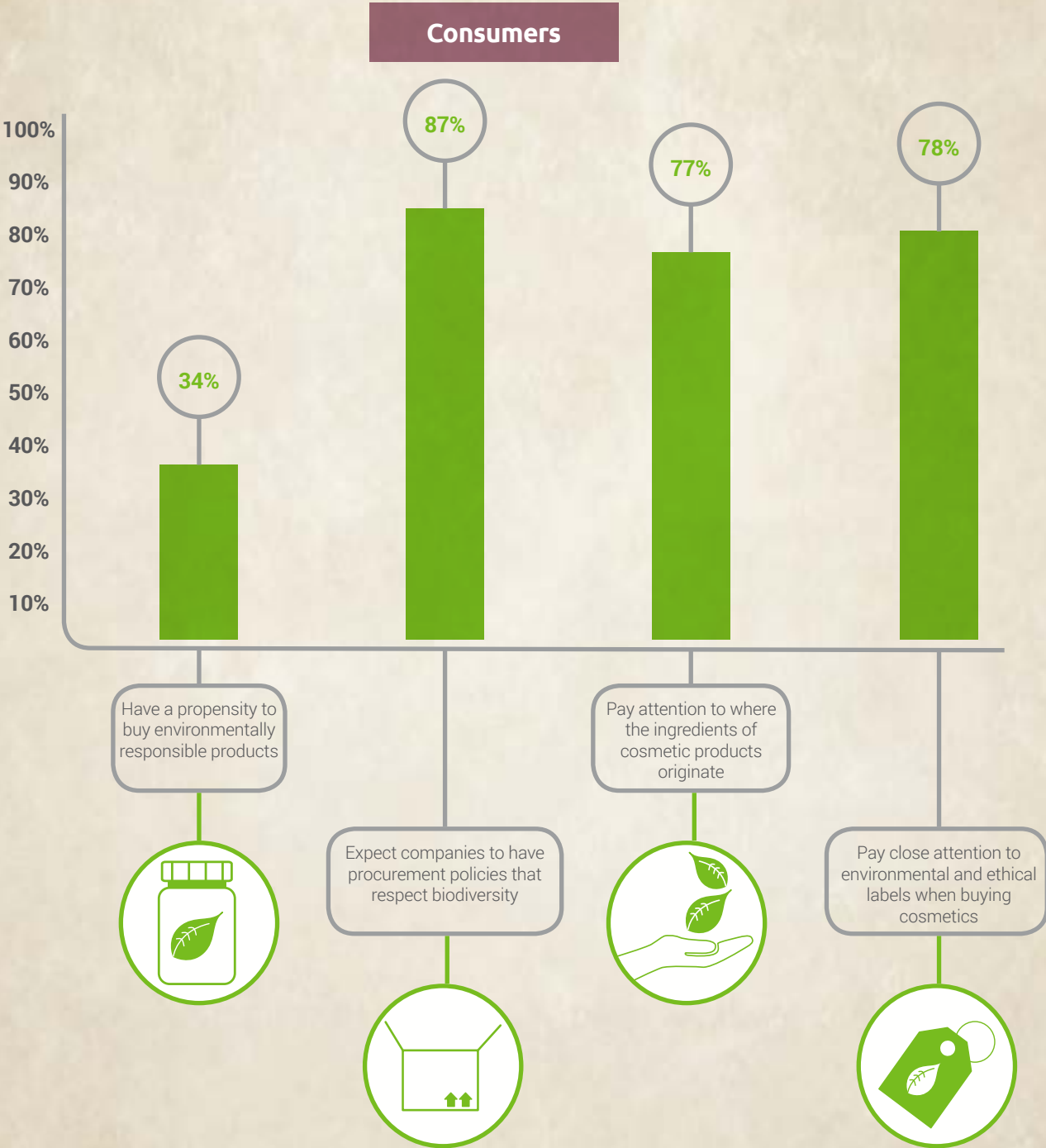
that they pay attention to the origin of the ingredients of cosmetic products. Finally, an average of 78% say they pay close attention to environmental and ethical labels when buying cosmetics.

As a result of this, the sales of biodiversity products have increased. According to UNCTAD<sup>22</sup>, total (domestic and export) sales of products derived from biodiversity in the Andean countries were USD 223.4 million in 2007 and USD 238.7 million in 2008.

Also, if the value of sales of UEBT<sup>23</sup> members is taken into account, they accounted for USD 2 billion in 2008, including companies from Latin America and other regions.

**Companies and the use of resources**

It has begun to be recognized that companies depend, directly and indirectly, of ecosystem services to produce the goods and services they provide to the economy (TEEB, 2010). Identifying business opportunities for biodiversity goods and services include the use of standards relating to biodiversity for investors; certification schemes, evaluation and reporting related to biodiversity and mechanisms of incentives, including bioprospecting contracts, payments for carbon or water and compensation for biodiversity (TEEB, 2010 y Blackman et al., 2012).



18. According to the Convention on Biological Diversity, the sustainable use of biodiversity seeks the use of natural resources in a way that they can renew themselves, and thus ensure the needs of present and future generations.  
 19. <http://www.conecomm.com/2009-consumer-environmental-survey>  
 20. UNCTAD, (2012) Trade and Biodiversity: The BioTrade Experiences in Latin America, United Nations Conference on Trade and Development.  
 21. UEBT Biodiversity Barometer, Union for Ethical BioTrade (Online) [http://ethicalbiotrade.org/dl/barometer/UEBT\\_Biodiversity\\_Barometer\\_2014\\_SPA.pdf](http://ethicalbiotrade.org/dl/barometer/UEBT_Biodiversity_Barometer_2014_SPA.pdf)  
 22. UNCTAD, (2012) Trade and Biodiversity: The BioTrade Experiences in Latin America, United Nations Conference on Trade and Development.  
 23. The UEBT members include companies in Latin America and other countries that are involved in natural ingredients and committed to the implementation of the Principles and Criteria of BioTrade.

	Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment

## Companies and biodiversity

Parallel to changing consumer preferences, initiatives have been developed to guide the business sector in the inclusion of sustainable practices. Among them is the *Biotrade Initiative*<sup>24</sup> promoted by UNCTAD, which promotes conservation of native biological resources through sustainable use, including practices of environmental, social and economic sustainability. It also promotes working under value chain models that take an ecosystem approach into account as well as the ability to assess and adjust to conditions, through adaptive management.

On the other hand, the CBD has promoted the *Global Partnership for Business and Biodiversity*<sup>25</sup> which aims to promote dialogue between stakeholders and

help raise awareness on biodiversity and sustainability in the community of the business sector, assisting companies to understand and incorporate the objectives of the Convention and the Strategic Plan for Biodiversity (including the 20 Aichi targets).

During the eleventh meeting of the Conference of Parties (COP 11), a decision on business engagement was issued that encouraged continuing support for initiatives such as biotrade or business and biodiversity in order to ensure that the business sector internalizes issues related to biodiversity and that sustainability practices are implemented in all business models, looking towards a transition to a greener and more sustainable economy.



24. [www.biotrade.org](http://www.biotrade.org)  
 25. <http://www.cbd.int/business/gp.shtml>

## 3.3 Climate change and biodiversity

Climate change is one of the main causes of the loss of biodiversity, being manifested mainly in fluctuations in temperature and rainfall. It is expected that climate change creates additional pressure on terrestrial and freshwater biodiversity in the region<sup>26</sup>. It should be noted that over 30% of the fresh water on earth and about 40% of its water resources are in Latin America.

Likewise, climate change causes changes in the conditions of habitats, populations, in the varieties of species, and increased outbreaks of diseases and pests because the adaptation of some species is slower than the changes generated<sup>27</sup>. According to the 2007 Intergovernmental Panel on Climate Change<sup>28</sup>, it is estimated that the loss of species at risk will be around 20% to 30%.

Moreover, changes in ocean currents and precipitation patterns, as well as rising sea levels and ocean acidification are considered the main threats to coastal and marine biodiversity related to climate change<sup>29</sup>. Among the major effects on marine biodiversity of the region are the loss of habitat, increases in infestations of pests and transmission of disease, which in turn weaken the performance of the



ecosystems, which depend on their physical and biotic conditions for the provision of different ecosystem services, so probably this ability is affected.

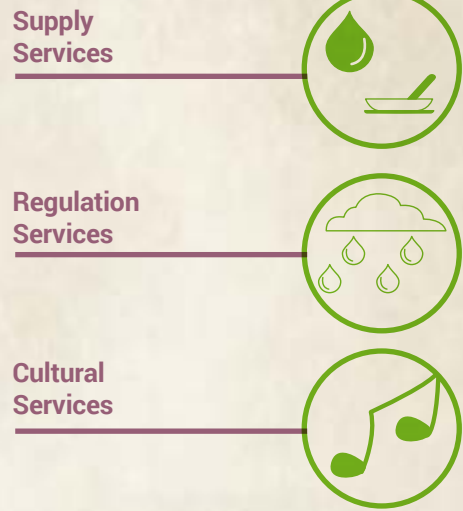
Thus the generation of actions that promote the conservation and valuation of the oceans is a priority action that CAF seeks to address.

26. Blackman et al., (2012); Strayer and Dudgeon, (2010)  
 27. Thomas et al., (2004); Pounds et al., (2006)  
 28. <http://www.ipcc.ch/index.htm>  
 29. Miloslavich et al., (2011)

	Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment

### 3.4 Natural capital and ecosystem services

Ecosystems provide a wide range of services that have a close relationship with human well-being. The "Millennium Ecosystem Report" (EM) has classified the benefits from ecosystem services into three categories: **supply services**, which include the provision of food, clean water, wood and energy resources; **regulation services**, which affect climate, diseases, floods and water quality; and **cultural services** that provide recreational, aesthetic and spiritual benefits.



Due to the variety of benefits provided, the maintenance of the characteristics and functioning of the ecosystems is a key to the conservation of the diversity of species they contain, and to the maintenance of the supply of services connected directly with the integrity of populations. Ecosystem services directly support sectors like agriculture, fisheries, forestry and tourism, which together account for 15% of the region's GDP, employing 17% of its work force and contributing, on average, 50% of its total exports<sup>30</sup>.

Moreover, it is estimated that in the Andean region, 75% of households depend directly on biodiversity to meet their basic needs both for access to

water and food and to preserve their culture<sup>31</sup>. It is also estimated that about a quarter of the rural population in Latin America and the Caribbean live on less than USD 2 a day<sup>32</sup>.

Therefore, the poorest members of society are those who depend mostly on the goods and services provided by ecosystems and biodiversity, including the availability of food, a key factor in both malnutrition and on large scale urban migration. Degradation and the loss of biodiversity and ecosystem services directly affect this population, thus generating higher levels of poverty.

30. Inter-American Development Bank – IADB, Biodiversity and ecosystem services program  
 31. CAF (2014) Value proposition: Promotion of financing tools for the conservation of biodiversity  
 32. United Nations Food and Agriculture Organization - FAO Urban and peri-urban agriculture in Latin America and the Caribbean: a reality (online) [http://www.fao.org/fileadmin/templates/FCIT/PDF/Brochure\\_FAO\\_3.pdf](http://www.fao.org/fileadmin/templates/FCIT/PDF/Brochure_FAO_3.pdf)  
[http://www.fao.org/fileadmin/templates/FCIT/PDF/Brochure\\_FAO\\_3.pdf](http://www.fao.org/fileadmin/templates/FCIT/PDF/Brochure_FAO_3.pdf)



Prologue	Introduction	Background

Current State of Biodiversity in Latin America	2015-2020 Strategic Plan on Biodiversity	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment

## Potential for paying for environmental services

The relationship between local communities and forest conservation for the generation of ecosystem services is very narrow. It is said that 98% of forests held by indigenous people and other local communities are still standing, helping to conserve biodiversity, provide clean water, and maintain other vital ecosystem services, in addition to sustaining thousands of local communities, their cultures and customs<sup>33</sup>.

In Latin America and the Caribbean, important experiences have been developed on payment for environmental services, such as the Suruí Carbon Project in Brazil, in the native community Pater-Suruí, which protects an area of 247,845 hectares of forest in the states of Rondônia and Mato Grosso, involving more than 1,200 members; in Mexico, 10 indigenous and rural communities in Oaxaca reforest and protect 3,196.43ha, selling carbon credits in the voluntary market; or the case of Peru, reducing carbon emissions through avoided deforestation to protect the Cordillera Azul National Park, where 250,000 people in 250 towns and indigenous communities in four departments protect 1,353,190.85 ha<sup>33</sup>.

The study, "2014 state of the forest carbon markets" indicates that the demand for carbon offsets experienced a significant

growth of 17% for 2013, based on an investment of USD 192 million in reforestation and "climate-smart" agriculture projects. Offsets generated by forest protection also reached 24.7 million tons, based on forestry projects in Latin America, with Brazil and Peru being the main sources of compensation, given that 70% of the reductions took place in these countries.

It is estimated that the market value of projects in 2013 reached USD 1 billion, despite the fact that average prices suffered a fall (in 2012, they were at US\$ 7.80/ton, while in 2013, USD 5.20/ton was recorded). Nonetheless, 159 forest carbon projects around the world created 9,000 jobs, built capacities in the forest care for 150,000 people and generated USD 41 million in benefits for the ways to make a living as a result of the sustainable development approach<sup>34</sup>.

All these named trends and experience demonstrate the economic potential of the markets for ecosystem services that have been developed and strengthened in recent years, with significant environmental and social impacts, as this issue is important to be included in the countries' biodiversity strategies, for which CAF is interested and willing to generate and support actions for this purpose.

33. Sebastian Charchalac Santay (2012) Experiences in compensation for environmental services in Latin America (PES or REDD +): Description of relevant cases

34. Ecosystem Marketplace, Turning over a New Leaf State of the Forest Carbon Markets 2014. [http://www.forest-trends.org/documents/files/doc\\_4770.pdf](http://www.forest-trends.org/documents/files/doc_4770.pdf)

## The Opportunity

Latin America and the Caribbean have an economic dependence with respect to its biodiversity, leading the region to face a number of challenges based on the opportunities that its biodiversity and associated services represent that will allow their adaptation to growth that is environmentally and socially sustainable. These opportunities are present in all sectors of the economy of the region, and are based on the development of green business models, on the promotion of sustainability practices within the productive sectors, and on increasing investments that protect the region's natural capital.

Due to the conditions of the region that are related to its valuable natural and social capital, opportunities and comparative advantages that are created must be transformed into competitive advantages, coupled with the important trends of demand for healthy products and businesses that are more sustainable responsible in terms of the environment, trends that seek to address this strategic biodiversity plan.





Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity



Relationship of AICHI Targets to the Action Plan



Guidelines for Follow-up and Monitoring



The CAF Commitment



# 2015-2020 STRATEGIC PLAN ON BIODIVERSITY

## 4.1 Institutional Context

CAF seeks sustainable development and regional integration via the mobilization of resources for the provision of financial services.

CAF is conscious that the sustainable management of the environment still requires major global efforts. The loss of biodiversity and forest cover, pollution levels, as well as the degradation of soils and over-exploitation of resources requires the rethinking of current growth models, replacing them with other, more inclusive models that significantly reduce environmental damage.

In order to respond to this problem, CAF has established an Environment and Climate Change Division (DACC, for its acronym in Spanish) to further CAF's comprehensive sustainable development agenda, with the mission of promoting the conservation of natural and social capital, facilitating

migration to a low-carbon, climate-resilient economy, with social inclusion and equal opportunities.

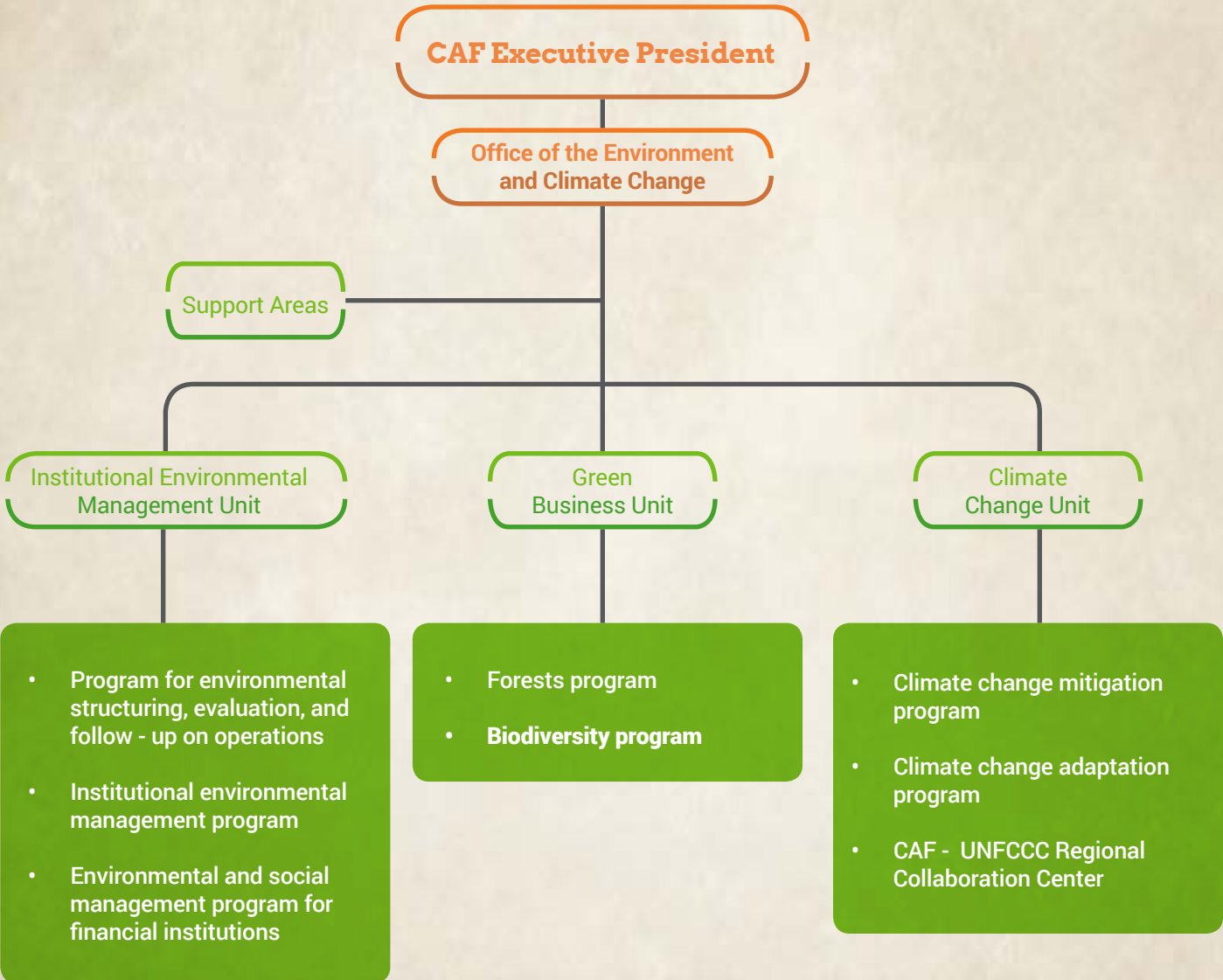
The ultimate objective is to incentivize capital and green infrastructure investments as part of the region's growth. The goal set was to be the bank with the broadest portfolio and highest return on green businesses in Latin America by 2017, with at least **40% of CAF's portfolio being related to green businesses or investments.**

The DACC consists of three units, which use strategic programs to address matters such as:

- I) Institutional Environmental Management;
- II) Green Businesses; and
- III) Climate Change.



Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment
----------	--------------	------------	--	---	--	---	--------------------



The strategic plan on biodiversity is part of the Green Businesses Unit, which seeks to promote new sustainable businesses that drive productive transformation in the region with an inclusive approach, through two key programs: Forests and Biodiversity.

The Green Businesses Unit also seeks to support the DACC in key actions related to:

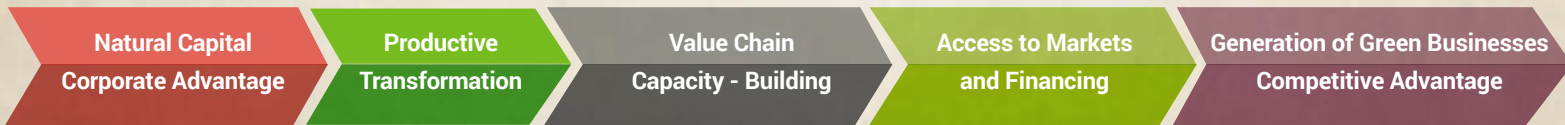
- Incentives for green production models
- Promotion for insertion of member countries in the green economy; and
- Incentives for efficient consumption models;

that are aimed at aligning the region's natural capital and the CAF's capacities with green business operations.

The strategy is implemented as part of the biodiversity program of the Green Businesses Unit, defining intervention actions between 2015 and 2020 aimed at promoting the conservation and revitalization of biodiversity in Latin America, supporting and strengthening innovative and inclusive sustainable development processes that transform this comparative advantage into a competitive advantage.

**4.2 Vision**

For 2050, CAF member countries will have incorporated biodiversity into the scope of their government and society, and will have adopted concrete measures for the conservation, sustainable use, and distribution of the benefits derived from biological resources, achieving an improvement of the situation of biodiversity in the region and directly contributing to the vision of the Aichi targets.



### 4.3. Intervention Strategy

CAF will promote capacity building and concrete actions for the efficient management of biodiversity in each one of the member countries, through:

1. Support and **consultancy on public policies** and institutional development to improve the countries' competitiveness, thus creating an effective management for the conservation and use of resources.

Support will be provided on the articulation of strategic alliances that help create dynamics beneficial to the conservation of the resources of biodiversity and its characteristics.

2. **Mobilization of resources**, for the financing of initiatives for conservation and the sustainable use of resources, based on social sustainability and local development criteria, through:

a. The formation of strategic alliances for technical cooperation and financing, implementing and executing projects with financing from the GEF, Green Climate

Fund and Adaptation Fund, among others, related to biodiversity, adaptation, and RED, to the benefit of member countries.

b. Advocacy for the creation of financing lines for green businesses and energy efficiency initiatives in the region's financial institutions.

c. The availability of financial resources, granting direct credits for business initiatives, programs, and/or projects related to environmental sustainability, or which include good environmental and social practices as part of their approach.

d. Direct support through non-reimbursable technical cooperation resources for initiatives with a positive impact on the conservation and sustainable use of resources.

Furthermore, CAF seeks to focus on the natural capital of Latin America and the Caribbean, prioritizing intervention efforts involving key ecosystems<sup>35</sup> in the region, such as:

35. BID (on Line)  
<http://www.iadb.org/es/temas/medio-ambiente/plataforma-de-biodiversidad/plataforma-de-biodiversidad/servicios-ecosistemas-desarrollo-america-latina-caribe.7780.html>



#### 1 The Amazon

with a total area of  
**7,000,000 km<sup>2</sup>**

in countries such as Bolivia, Brazil, Colombia, Ecuador, French Guyana, Peru, Suriname, and Venezuela.



#### 4 The Chaco

The Chaco, the world's second largest forest ecosystem, with a total area of  
**1,000,000 km<sup>2</sup>**

present in Argentina, Bolivia, Brazil, and Paraguay.



#### 2 The Tropical Andes

with a total area of  
**1,542,644 km<sup>2</sup>**

in countries such as Argentina, Bolivia, Chile, Colombia, Ecuador, Peru, and Venezuela.



#### 5 The Guiana Shield

with one-fourth of the world's tropical forests and an area of  
**2,500,000 km<sup>2</sup>**.

It covers countries such as Brazil, Colombia, French Guyana, Suriname, Venezuela, and Guyana.



#### 3 The Cerrado

with a total area of  
**439,910 km<sup>2</sup>**,

involving three South American countries: Bolivia, Brazil, and Paraguay.



#### 6 The Pantanal

with a total area of  
**140,000 km<sup>2</sup>**

present in countries such as Bolivia, Brazil, and Paraguay



#### 7 The Mesoamerican Barrier Reef

which covers an area of **1000 km** allowing for the regulation of coastal water quality, industrial fishing, and the stabilization and protection of the coastal landscape. This reef system also creates jobs and income for over one million people, and is considered the second largest barrier reef in the world. It includes countries such as Mexico, Belize, Guatemala, and Honduras.



#### 8 The Caribbean Large Marine Ecosystem

with a total area of **2,515,900 km<sup>2</sup>** that benefits over 26 countries and 19 territories, with different ecosystem services, primarily erosion control, industrial fishing, and the stabilization and protection of the coastal landscape.

	Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment
--	----------	--------------	------------	--	---	--	---	--------------------

Additionally, efforts will be made to promote articulation with intersectoral entities, promoting work under value chain models involving products with a high potential for conservation and social inclusion, such as cocoa, ecotourism, and medicinal plants, among others, for the development of businesses rooted in biodiversity, which includes sustainable practices.

Priority will be given to knowledge management, producing technical information and promoting the exchange of experiences among CAF member countries, thus contributing to the development of new capacities for individuals, public and private institutions, and society in general, for the internalization of biodiversity as a basis for development and inclusion in Latin America and the Caribbean.

#### 4.4 Action Priorities, Strategic Objectives and Goals to 2020

The Biodiversity Strategy seeks to make a direct contribution to the implementation of the Aichi targets in the CAF member countries, defining action priorities, strategic goals, and actions based on the objects established in the countries' strategies.

For this purpose, an analysis was performed on the actions prioritized by the member countries, identifying the common activities in which CAF may intervene, which were incorporated into the proposal as

possible projects or intervention supports.

As such, the CAF's Biodiversity Strategy has 4 action priorities, 12 strategic goals, and 24 actions to be worked on between 2015 and 2020 in the scope of the CAF member countries<sup>36</sup> in Latin American and the Caribbean, valorizing the region's natural capital in order to promote the creation of competitive value chains that enable social inclusion in harmony and balance with the ecosystems for the generation of green businesses.



36. List of CAF member countries available at: <http://www.caf.com/es/sobre-caf/donde-estamos>



Prologue



Introduction



Background



Current State of Biodiversity in Latin America



**2015-2020 Strategic Plan on Biodiversity**



Relationship of AICHI Targets to the Action Plan



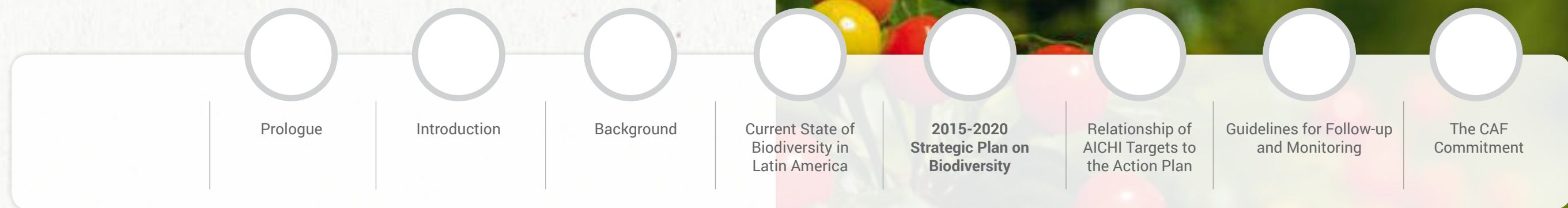
Guidelines for Follow-up and Monitoring



The CAF Commitment

# 2015-2020 **ACTION PLAN**





## Action Priority 1. Promote the Conservation of Biological Resources

The promotion of the conservation of biological resources seeks to maintain the integrity of the characteristics and makeup of biodiversity and the ecosystems and their services associated with the CAF member countries.

CAF is committed to the Amazon as one of the most representative ecosystems in the region in terms of biodiversity and species richness, prioritizing support in terms of support for practices and policies involving actions that promote the conservation of the Amazonian ecosystem.

Priority is given to in situ conservation interventions through the maintenance of protected natural areas and their characteristics, as well as ex situ conservation in both urban and rural areas, placing particular emphasis on fragile and vulnerable ecosystems.

Priority was likewise given to the valorization of biological resources and the ecosystem services they provide, boosting the generation of information and the performance of economic activities associated with the ecosystems, which allow for the creation of added value and give rise to local development dynamics.

Finally, advocacy will be performed with the infrastructure mega-projects financed by CAF, so that they include practices for the decrease of negative impacts on ecosystems and species.

For such purpose, three strategic objectives were defined:

### Strategic Objective 1: Implement cooperation mechanisms that foster the conservation of the characteristics of biological resources.

In order to contribute to the conservation of the characteristics of biological resources and ecosystems, technical cooperation and management mechanisms will be implemented to support national administrations, through:

#### Actions:

- The promotion of initiatives for the conservation of the natural ecosystems associated with urban areas, with the goal of rescuing, restoring, and/or maintaining natural ecosystems in urban areas. One example of this is the Open Spaces and Ecological Infrastructure Project in Lima, Peru.
- The generation of synergies for the participation of in situ ecosystem conservation initiatives, in order to define supports for conservation activities in protected natural areas.
- Support for initiatives for the identification, conservation, and restoration of fragile and vulnerable land/or marine ecosystems, coordinating efforts for the recovery and maintenance of species affected by the loss of ecosystems.

### Strategic Objective 2. Promote the valorization of biological resources and the ecosystem services that they provide, as an incentive for conservation.

Value the natural capital of biological resources through the generation and dissemination of information on ecological, economic, cultural, and other activities and benefits provided by ecosystems, help raise awareness among society, decision makers, and users of biodiversity for the sustainable management of resources. For this purpose, quantitative and qualitative criteria will be defined for the relationship between the goods and services provided by biodiversity, society and its needs:

#### Actions:

- Promote initiatives for the establishment of marine value chains and ecosystem services, based on the generation of scientific information that allows for the valorization of the oceans.
- Promote initiatives to value ecotourism in Latin America as an effective mechanism for the conservation of ecosystems and the generation of local development.
- Establish knowledge bases so that countries recognize and in-

clude natural capital in the national accounts, adopting accepted techniques and methodologies.

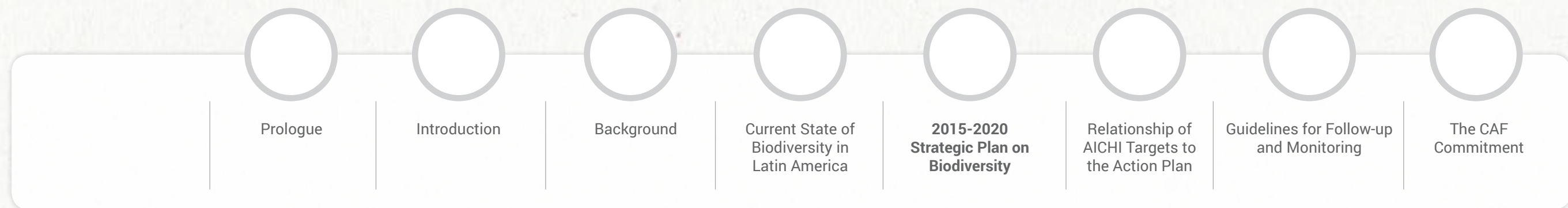
- Implement actions and investments for the valorization of resources through intellectual property, patents, certifications, and ecosystem services.

### Strategic Objective 3. Foster sustainable practices to decrease the pressure placed on natural habitats.

As a result of accelerated population growth, societies require increasingly larger infrastructure works to meet the population's needs. This places greater pressure on ecosystems, affecting their resilience and species richness due to changes in their makeup. For this reason, it is necessary to carry out advocacy activities financed by CAF so that they include practices that decrease pressure on ecosystems:

#### Actions:

- Draft guidelines and implement analytical tools for management, mitigation, and compensation plans that directly affect the mitigation of the environmental impacts caused by the performance of infrastructure mega-projects by CAF clients.



## Action Priority 2. Promote Sustainable Businesses in the CAF Member Countries

At CAF, we believe that the sustainable use of resources helps to place value on biodiversity and foster economic dynamics that include practices of sustainability which will have an impact on the conservation of resources and ecosystems. Thus, the creation of green businesses based on biodiversity resources, with business models that include environmental, social, and economic sustainability practices in their business model, seek to promote conservation and the distribution of the benefits to achieve social inclusion and sustainability in their operations.

For this purpose, three strategic objectives were defined:

### Strategic Objective 4. Implement cooperation mechanisms that foster good sustainability practices in productive activities associated with biodiversity.

Cooperation and support mechanisms will be created for green business initiatives in Latin America through knowledge management for the exchange of experiences, as well as the promotion of value chains with a high potential for the conservation of resources and social inclusion. For such purpose, activities such as the following were defined:

#### Actions:

- Scale the lessons learned on biotrade during the performance of the Regional Andean BioTrade Project,<sup>37</sup> managing the knowledge acquired for its replication in the region.

- Lead the Latin American cocoa initiative to improve benefits in the region's value chain, strengthening its competitiveness and potential for social inclusion and conservation.
- Use strategic alliances and the exchange of information and experiences between countries to generate tools for the implementation of sustainable practices in the scope of key thematic areas, e.g., economy of the oceans, ecotourism, cocoa and biotrade.

### Strategic Objective 5. Promote the application of tools and access to available sources of financing for capacity-building in MSMEs.

Micro, small, and medium enterprises are an essential component of the entrepreneurial fabric in Latin America, and key stakeholders for increasing the region's potential growth. However, these enterprises exhibit low levels of competitiveness (low innovation, productivity, technology, etc.), due, among other things, to limited access to financing.

According to OECD/CEPAL 2012,<sup>38</sup> access to financing continues to be limited for a significant fraction of MSMEs in Latin America: less than 15% of all credit in the region is destined to the MSME sector, even though they account for the bulk of productive units and are responsible for nearly 80% of employment.

In this scenario, priority was given to the intervention in MSMEs in order to build capacities and channel resources that allow them to strengthen their management.

Financing will also be made available for large businesses that work with and/or have an impact on biodiversity, and include sustainability practices, generating a high social impact and promoting the equitable distribution of benefits throughout the supply chain.

Finally, resources will be channeled for technical assistance to the different stakeholders in the value chains, so that they can strengthen their management (accounting, financial, administrative) and increase their potential eligibility in the eyes of the financial sector.

For such purpose, the following activities were defined:

#### Actions:

- Build the capacities of SMEs and microenterprises to increase their access to available sources of financing, through the application of tools that strengthen and improve their eligibility in the eyes of the financial sector.
- Channel financing for the technical assistance of stakeholders throughout the value chain in

activities that contribute to their competitiveness, through the implementation of practices such as certifications and the attendance of fairs, among other activities that help strengthen their business management.

### Strategic Objective 6. Strengthen access to markets through the creation of added value.

Innovation improves the quality of products and processes, increases productivity and competitiveness, and allows a better positioning in national and international markets, and progress toward activities with greater added value (OECD/CEPAL 2012).

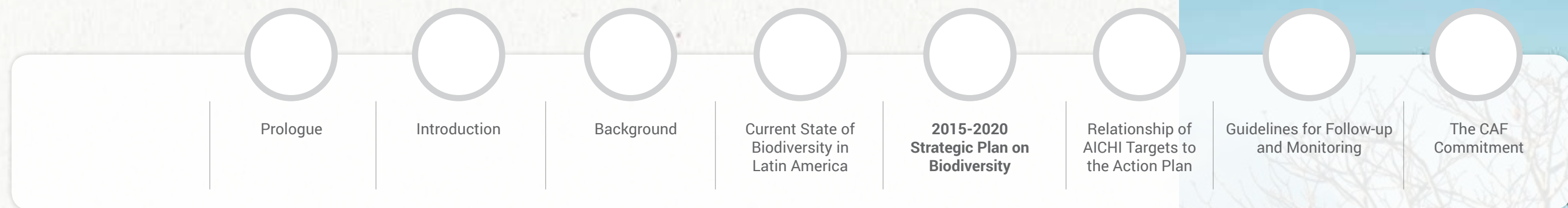
Along these lines, efforts will be made to promote the creation of value by obtaining certifications, based on:

#### Actions:

- Support national sustainability certifications associated with ecosystems and value chains, with recognition by the main international markets, and the promotion of local demand for products.
- Create inclusive business models in which certification processes and access to markets permit a regional scope in key ecosystems (for example, intervention in Amazonian ecosystems, the Chaco, etc.).

37. [www.biocomercioandino.org](http://www.biocomercioandino.org)

38. OECD/CEPAL(2012)Latin American Economic Outlook 2013, SMEs Policies for Structural Change.



### Action Priority 3. Promote Practices of Fair and Equitable Distribution of Benefits

The CDB and the Nagoya Protocol laid the foundations for the establishment of the concept of the fair and equitable distribution of benefits, in terms of the measures adopted to ensure that the benefits arising from the use of biodiversity and its associated traditional knowledge, as well as the subsequent applications and trade, are shared fairly and equitably with all the stakeholders and local communities that have taken part in the management of the resources, as well as the scientific and/or commercial process.

In addition to possessing a great richness of biological species, Latin America and the Caribbean boast a widespread presence of local and indigenous communities with traditional knowledge on the use of biodiversity, a knowledge that needs to be adequately conserved, protected, and recognized.

For such purpose, three strategic objectives were defined:

**Strategic Objective 7. Foster practices for the distribution of benefits within the sustainable business models promoted by the DACC.**

The Office of the Environment and Climate Change, acting through its three units (Institutional Environmental Management Unit, Climate Change Unit, and Green Business Unit), performs a variety of interventions related to environmental themes, several of which involve local communities. As such, advocacy work

will be performed in all of the operations of the DACC so that they include practices of sustainability:

**Action:**

- Establish knowledge bases for direct influence on the application of practices for equitable distribution in all of the DACC's projects involving local communities.

**Strategic Objective 8. Support the implementation of the Nagoya Protocol in CAF member countries.**

Following the recent ratification of the Nagoya Protocol in October 2014 by 51 countries—six of which are CAF members<sup>39</sup>—tools will be provided for adoption by those countries that did not ratify the protocol, as well as establishing mechanisms for the implementation of the Protocol in those CAF countries that did ratify it.

**Action:**

- Facilitate the adoption and/or implementation of the Nagoya Protocol in CAF member companies through the creation of a capacity-building action plan for the application of the protocol.

These tools will provide technical support and new knowledge to incentivize benefit-distribution practices and the recognition of traditional knowledge in the member countries.

**Strategic Objective 9. Foster social inclusion through the support of community-based business models.**

Promote and strengthen biodiversity-based business models rooted in local communities, through associative models, for the positioning and increased competitiveness of these businesses. The aim of this action is to build management and technical capacities in keeping with local contexts.

**Action:**

- Collaborate on the strengthening of community-based business models for SMEs and associations, based on local vocations and productive processes, as well as traditional knowledge and practices.



39. CAF member countries that ratified the convention: Mexico, Uruguay, Panama, Peru, Spain, and Portugal.





## Action Priority 4. Generate Technical and Management Capacities

Capacity generation is a key part of CAF's biodiversity strategy, aimed at ensuring the sustainability of the supports and interventions implemented, such that the knowledge and capacities are implemented at the local level.

According to the United Nations Development Programme (UNDP) (2009)<sup>40</sup>, a strong capacity, locally generated and sustained, is essential for the success of any company tied to development. Without such capacity, the integrity of development achievements may be compromised and the advances may not take root, ultimately rendering them illusory, isolated from already-existing capacities, and vulnerable to the increasingly severe and complex difficulties faced by today's world.

With this in mind, three strategic objectives were defined:

**Strategic Objective 10. Promote the institutionalization of matters tied to biological resources through support for the generation and/or application of policies and laws**

Technical assistance in the public and private spheres aims to promote the internalization of biodiversity as a key element for economic development. The support to be given to programs such as the one on bio-trade in Mexico, for example, promotes the exchange and transfer of knowledge and capacities between countries, adopting lessons learned and successful practices.

Advocacy work will also be carried out

so that private companies adopt biodiversity-friendly practices as part of their business management. With this in mind, two actions were prioritized:

### Actions:

- Provide technical assistance to countries to improve the institutionalization of biodiversity in their public policies, with impacts on the removal of regulatory barriers and the creation of conservation incentives.
- Provide technical assistance to private companies for the inclusion of biodiversity conservation as part of their corporate governance mechanisms.

**Strategic Objective 11. Promotion of inter-institutional and intersectoral synergies, fostering strategic alliances for the generation of initiatives for innovation in conservation and the sustainable use of biological resources.**

According to the CEPAL<sup>41</sup>, sectoral policies are the focal points of the specialization or diversification strategies proposed as necessary paths for the advancement of productive development, fostering basically horizontal policies concentrated in specific sectors, including the promotion of productive clusters with a value-chain approach. Following this logic, priority was given to the reinforcement of clusters that promote cooperation and the exchange of experiences related to the use of biodiversity:

### Actions:

- Strengthen the formation of clusters related to value chains for products of biodiversity, which promote innovation and intersectoral and inter-institutional collaboration, fostering good practices for conservation and sustainable use in the territories

**Strategic Objective 12. Produce and disseminate information on biodiversity management to promote the exchange of experiences and increased awareness among society.**

The dissemination of information is an important practice for increasing society's awareness of biodiversity, as well as generating new technical and management capacities based on scientific research and the adoption of previous successful experiences in similar scenarios. Aichi Target One proposes ensuring that, by 2020, people are aware of the values of biological diversity and the steps they can take to conserve and use it sustainably.

With this goal in mind, it was proposed to provide support for the preparation of the UEBT biodiversity barometer, an important source on international trends in the relative awareness of biological diversity. Priority was also given to the creation and dissemination of publications on successful experiences in biodiversity management:

### Actions:

- Support the preparation of studies and publications related to the creation of the biodiversity barometer by the Union for Ethical BioTrade (UEBT).
- Create and disseminate publications on biodiversity management experiences.
- Implement an observatory for information, discussion, and promotion of the use and conservation of biodiversity in member countries.



40. United Nations Development Programme (UNDP), (2009) on line [http://www.undp.org/content/dam/undp/library/capacity-development/spanish/Capacity\\_Development\\_A\\_UNDP\\_Primer\\_Spanish.pdf](http://www.undp.org/content/dam/undp/library/capacity-development/spanish/Capacity_Development_A_UNDP_Primer_Spanish.pdf)

41. Pérez Wilson (2004) "CEPAL, Políticas sectoriales y de desarrollo de clusters en América Latina y el Caribe." Online (<http://www.cepal.org/ddpeudit/proy/clusters/JRamos.pdf>).

Prologue	Introduction	Background	Current State of Biodiversity in Latin America	<b>2015-2020 Strategic Plan on Biodiversity</b>	Relationship of AICHI Targets to the Action Plan	Guidelines for Follow-up and Monitoring	The CAF Commitment
----------	--------------	------------	--	---	--	---	--------------------





Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity



Relationship of AICHI Targets to the Action Plan



Guidelines for Follow-up and Monitoring



The CAF Commitment

5

## Relationship of AICHI targets to the action plan

The activities prioritized in the CAF's strategic plan on biodiversity will provide support to its member countries for the application of the following Aichi targets:

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Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity






















Relationship of Aichi Targets to the Action Plan




Guidelines for Follow-up and Monitoring



The CAF Commitment

Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target
Promote the conservation of biological resources	Implement cooperation mechanisms that foster the conservation of the characteristics of biological resources	Promote initiatives for the conservation of the natural ecosystems associated with urban areas	  
		Generate synergies for the participation of <i>in situ</i> ecosystem conservation initiatives	 
		Support for initiatives for the identification, conservation, and restoration of fragile and vulnerable land/ or marine ecosystems	  
	Promote the valorization of biological resources and the ecosystem services that they provide, as an incentive for conservation.	Promote initiatives for the establishment of marine value chains and ecosystem services, based on the generation of scientific information that allows for the valorization of the oceans.	   
		Promote initiatives to value ecotourism in Latin America as an effective mechanisms for the conservation of ecosystems and the generation of local development.	  
		Establish knowledge bases so that countries recognize and include natural capital in the national accounts, adopting accepted techniques and methodologies	 
		Implement actions and investments for the valorization of resources through intellectual property, patents, certifications, and ecosystem services	 
		Foster sustainable practices to decrease the pressure placed on natural habitats	Draft guidelines and implement analytical tools for management, mitigation, and compensation plans that directly affect the mitigation of the environmental impacts caused by the performance of infrastructure mega-projects by CAF clients

Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target
Promote Sustainable Businesses in the CAF Member Countries	Implement cooperation mechanisms that foster good sustainability practices in productive activities associated with biodiversity	Scale the lessons learned on bio-trade during the performance of the Regional Andean BioTrade Project	  
		Lead the Latin American cocoa initiative to improve benefits in the region's value chains	 
		Use strategic alliances and the exchange of information and experiences between countries to generate tools for the implementation of sustainable practices in the scope of key thematic areas, e.g., economy of the oceans, ecotourism, cocoa, biotrade	
	Promote the application of tools and access to available sources of financing for capacity-building in MSMEs	Build the capacities of SMEs and microenterprises to increase their access to available sources of financing, through the application of tools	
		Channel financing for the technical assistance of stakeholders throughout the value chain in activities that contribute to their competitiveness, through the implementation of practices such as certifications and the attendance of fairs, among other activities	
		Support national sustainability certifications associated with ecosystems and value chains, with recognition by the main international markets	  
	Strengthen access to markets through the creation of added value	Create inclusive business models in which certification processes and access to markets permit a regional scope in key ecosystems (for example, intervention in Amazonian ecosystems, the Chaco, etc.)	  



Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity



Relationship of AICHI Targets to the Action Plan

















Guidelines for Follow-up and Monitoring



The CAF Commitment

Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target
<b>Promote practices of fair and equitable distribution of benefits</b>	Foster practices for the distribution of benefits within the sustainable business models promoted by the DACC	Establish knowledge bases for direct influence on the application of practices for equitable distribution in all of the DACC's projects involving local communities	  
	Support the implementation of the Nagoya Protocol in CAF member countries	Facilitate the adoption and/or implementation of the Nagoya Protocol in CAF member companies through the creation of a capacity-building action plan for the application of the protocol	 
	Foster social inclusion through the support of community-based business models	Collaborate on the strengthening of community-based business models for SMEs and associations, based on local vocations and productive processes, as well as traditional knowledge and practices	  

Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target
<b>Generate technical and management capacities for the conservation and sustainable use of biological resources</b>	Promote the institutionalization of matters tied to biological resources through support for the generation and/or application of policies and laws	Provide technical assistance to countries to improve the institutionalization of biodiversity in their public policies, with impacts on the removal of regulatory barriers and the creation of conservation incentives	   
		Provide technical assistance to private companies for the inclusion of biodiversity conservation as part of their corporate governance mechanisms	  
	Promotion of inter-institutional and intersectoral synergies, fostering strategic alliances for the generation of initiatives for innovation in conservation and the sustainable use of biological resources	Strengthen the formation of clusters related to value chains for products of biodiversity, which promote innovation and intersectoral and inter-institutional collaboration, fostering good practices for conservation and sustainable use in the territories	 
	Produce and disseminate information on biodiversity management to promote the exchange of experiences and increased awareness among society	Support the preparation of studies and publications related to the creation of the biodiversity barometer by the Union for Ethical BioTrade (UEBT)	 
		Create and disseminate publications on biodiversity management experiences	 
		Implement an observatory for information, discussion, and promotion of the use and conservation of biodiversity in member countries	





Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity



Relationship of Aichi Targets to the Action Plan



Guidelines for Follow-up and Monitoring



The CAF Commitment

# 6

## Guidelines for follow-up and monitoring

This strategy proposes the performance of two types of follow-up:

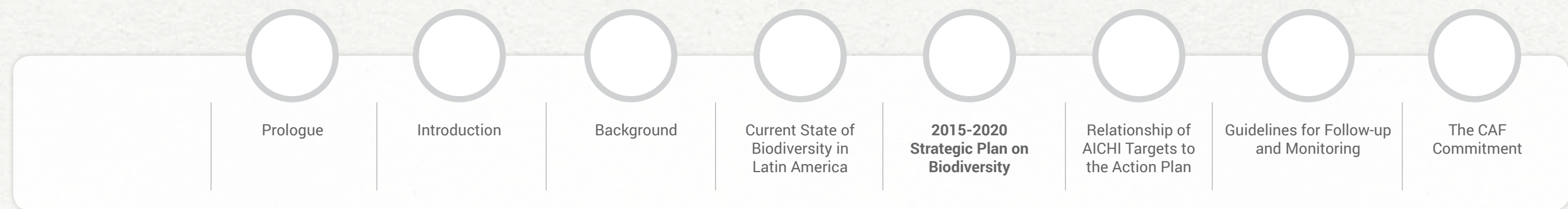
1. Progress of the biodiversity strategies of CAF member countries: Follow-up and monitoring will be performed annually based on reports made for the CDB, in order to establish trends, main advances, and new areas that need to be strengthened in the countries.

This follow-up will be published on the internet, so that the information may be used by the other entities who work on the accompaniment of the environmental goals of the countries in the region.

2. Follow-up on the strategy's indicators, to measure the progress of the activities aimed at meeting the goals.

Indicators and estimated implementation periods were defined for 2015-2020, as follows:

Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target	
Conservation of Resources	Implement cooperation mechanisms that foster the conservation of the characteristics of biological resources	Promote initiatives for the conservation of the natural ecosystems associated with urban areas	# of cities that implement conservation actions for urban ecosystems	
		Generate synergies for the participation of in situ ecosystem conservation initiatives	# of in situ conservation programs and covered areas jointly supported	
		Support for initiatives for the identification, conservation, and restoration of fragile and vulnerable land/or marine ecosystems	# of ecosystems attended # of hectares related to conservation and restoration initiatives	
	Promote the valorization of biological resources and the ecosystem services that they provide, as an incentive for conservation	Promote initiatives for the establishment of marine value chains and ecosystem services, based on the generation of scientific information that allows for the valorization of the oceans		# of studies generated # of value chains strengthened
			Promote initiatives to value ecotourism in Latin America as an effective mechanisms for the conservation of ecosystems and the generation of local development	# of ecotourism destinations identified and strengthened # of related hectares # of value chains strengthened
		Establish knowledge bases so that countries recognize and include natural capital in the national accounts, adopting accepted techniques and methodologies		# of countries that commence strategies to define natural capital # of countries that include natural capital in their national accounts
			Implement actions and investments for the valorization of resources through intellectual property, patents, certifications, and ecosystem services	# of studies generated # of investments made
Foster sustainable practices to decrease the pressure placed on natural habitats	Draft guidelines and implement analytical tools for management, mitigation, and compensation plans that directly affect the mitigation of the environmental impacts caused by the performance of infrastructure mega-projects by CAF clients	# of infrastructure projects that apply guidelines developed		



Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target
<b>Promote sustainable businesses based on biodiversity</b>	Implement cooperation mechanisms that foster good sustainability practices in productive activities	Scale the lessons learned on bio-trade during the performance of the Regional Andean BioTrade Project	# of good practices documents published # of workshops held for dissemination and transfer of knowledge
		Lead the Latin American cocoa initiative to improve benefits in the region's value chains	# of documents drafted/works-hops held # of products developed based on research and innovation % variation of economic benefit (price-cost) in participants
		Use strategic alliances and the exchange of information and experiences between countries to generate tools for the implementation of sustainable practices in the scope of key thematic areas, e.g., economy of the oceans, ecotourism, cocoa, biotrade	# of workshops, meetings, and/or documents for experience exchange
	Promote the application of tools and access to available sources of financing for capacity-building in MSMEs	Build the capacities of SMEs and microenterprises to increase their access to available sources of financing, through the application of tools	# of companies applying new tools for access to financing # of companies accessing financing
		Channel financing for the technical assistance of stakeholders throughout the value chain, e.g., capacity-building, certifications, fairs, etc.	# of initiatives with technical assistance # of value chains supported
	Strengthen access to markets through the creation of added value	Support national sustainability certifications associated with ecosystems and value chains, with recognition by the main international markets	# of certifications promoted for ecosystems or value chains
Create inclusive business models in which certification processes and access to markets permit a regional scope in key ecosystems (for example, intervention in Amazonian ecosystems, the Chaco, etc.)		# of businesses with regional scope promoted	



Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target
<b>Promote practices of fair and equitable distribution of benefits</b>	Foster practices for the distribution of benefits within the sustainable business models promoted by the DACC	Establish knowledge bases for direct influence on the application of practices for equitable distribution in all of the DACC's projects involving local communities	# of documents drafted # of projects that apply the benefit distribution guidelines
	Support the implementation of the Nagoya Protocol in CAF member countries	Facilitate the adoption and/or implementation of the Nagoya Protocol in CAF member companies through the creation of a capacity-building action plan for the application of the protocol	# of documents drafted / workshops held # of countries that ratify and/or implement the Nagoya Protocol with the assistance of CAF
	Foster social inclusion through the support of community-based business models	Collaborate on the strengthening of community-based business models for SMEs and associations, based on local vocations and productive processes, as well as traditional knowledge and practices	# of local undertakings supported # of persons benefited

Action Priorities	Strategic Objectives	Actions for 2015-2020	Aichi Target
<b>Generate technical and management capacities for the conservation and sustainable use of biological resources</b>	Promote the institutionalization of matters tied to biological resources through support for the generation and/or application of policies and laws	Provide technical assistance to countries to improve the institutionalization of biodiversity in their public policies, with impacts on the removal of regulatory barriers and the creation of conservation incentives	# of countries that include matters related to biodiversity in their laws and public policies, based on the support provided by CAF
		Provide technical assistance to private companies for the inclusion of biodiversity conservation as part of their corporate governance mechanisms	# of companies supported # of companies that adopt biodiversity conservation practices as part of their business management
	Promotion of inter-institutional and intersectoral synergies, fostering strategic alliances for the generation of initiatives for innovation in conservation and the sustainable use of biological resources	Strengthen the formation of clusters related to value chains for products of biodiversity, which promote innovation and intersectoral and inter-institutional collaboration, fostering good practices for conservation and sustainable use in the territories	# of clusters identified and supported # of organizations supported and participating in the cluster
	Produce and disseminate information on biodiversity management to promote the exchange of experiences and increased awareness among society	Support the preparation of studies and publications related to the creation of the biodiversity barometer by the Union for Ethical BioTrade (UEBT)	# of barometer editions supported
		Create and disseminate publications on biodiversity management experiences	# of publications made
		Implement an observatory for information, discussion, and promotion of the use and conservation of biodiversity in member countries	# of partners linked to the network # of access channels to the platform







Prologue



Introduction



Background



Current State of Biodiversity in Latin America



2015-2020 Strategic Plan on Biodiversity



Relationship of AICHI Targets to the Action Plan



Guidelines for Follow-up and Monitoring



The CAF Commitment



## The CAF commitment

This strategy is an invitation from CAF to the different stakeholders of the member countries, public and private entities, and civil society to create initiatives that foster conservation and sustainable use, based on ethical parameters, in order to make use of a comparative advantage through productive transformation, in dialogue with a competitive advantage, rooted in the great wealth of biodiversity boasted by the region.

This productive transformation is basically knowledge, experience, and work, which we want to see as part of positive agenda for the development and growth of the countries, to the benefit of local populations committed to natural capital.

This CAF initiative proposes actions to respond to short-, medium-, and long-term national agendas on biodiversity. We invite all initiatives, plans, projects, and activities to share this path with CAF, so that our children will have the chance to get to know all of the species we have in today's world, as a bonding exercise that will serve as the basis for sustainable development.

## Photography

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*Pag: 14, 33: CAF • Pag. 31: Cabaña San isidro • Cover, Pages. 8, 4 - 5, 8 - 9, 10 - 11, 12 - 13, 19, 20 - 21, 23, 26 - 27, 29, 31, 32, 33, 36 - 37, 38 - 39, 40 41, 43, 47, 49, 52 - 53, 56, 58, 61, 63, 64 - 65, back cover. Walter H. Wurst.*

