



**TRAFFIC**

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# **BENEFITS AND BARRIERS TO ADOPTING GOOD PRACTICES**

**FOR PROMOTING BIODIVERSITY-FRIENDLY PRODUCTION  
IN SMALL AND MEDIUM ENTERPRISES (SMES)**

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# TRAFFIC REPORT

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On behalf of:



of the Federal Republic of Germany

# IMPACTS AND LESSONS LEARNED OF SELECTED INSTRUMENTS FOR PROMOTING BIODIVERSITY-FRIENDLY PRODUCTION IN SMALL AND MEDIUM ENTERPRISES (SMES)

## CONTENTS

01	Executive summary
02	Introduction
04	Methods
05	Why do SMEs engage with and implement biodiversity-friendly practices?
07	Is it feasible for SMEs to adopt biodiversity-friendly practices?
08	What are the barriers and benefits to SMEs adopting biodiversity-friendly practices?
10	What are the perceived impacts from implementing biodiversity-friendly practices?
14	Is it feasible to scale up biodiversity-friendly practices in SMEs?
14	What are the barriers to scaling up?
16	What factors would facilitate scaling up?
18	Recommendations
20	References
22	Annex 1: Interview questions
24	Annex 2: Workshop proceedings

## INSIGHTS AND ANALYSIS REPORT OF THE EXPERIENCES IN THE PRIVATE BUSINESS ACTION FOR BIODIVERSITY (PBAB) PROJECT OF GIZ

### EXECUTIVE SUMMARY

The vital role of the private sector, including SMEs, in promoting biodiversity-friendly practices has been recognised and explored by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), through the global 'Private Business Action for Biodiversity' (PBAB) project. This was on behalf of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), as part of the International Climate Initiative (IKI). The project has tested different mechanisms for improving biodiversity protection across supply chains involving SMEs in India (in relation to the trade in spices), in Brazil (for acai berries and carnauba wax), and in Mexico (for agave). In the partner countries, the project has involved a collaboration with long term international implementation partners, the Union for Ethical BioTrade (UEBT) and the Global Nature Fund (GNF). Given the importance of work in this area other schemes outside the activities of the PBAB project, like the FairWild Standard, have also been used to promote more biodiversity-friendly practices in private businesses. As a result, it was identified as crucial for the lessons learned through the PBAB project and other schemes, to be collected and shared with others interested in testing, implementing, or upscaling, biodiversity-friendly practices.

This report draws together learned lessons from individuals involved in the PBAB project and other schemes. Key recommendations for encouraging wider uptake of biodiversity-friendly practices from this study are split into three categories: reduce barriers, enhance benefits and increase demand.

This report suggests that a range of strategies could be employed to achieve wider uptake of biodiversity-friendly practices, including: (1) Facilitation of peer-to-peer learning; (2) Leadership from the downstream of supply chains, including through the globally significant importing countries; (3) Supporting market access, technological development, and capacity building. It is hoped that the insights and lessons learned outlined in this report will help practitioners develop future projects promoting biodiversity-friendly practices.

# 99%

of businesses in  
the EU are SMEs



*Figure 1: Locations of PBAB projects. Blue shading highlights the different countries PBAB project is involved in: India (Kerala), Brazil (Piauí and Ceará, and Amapá), Mexico (Oaxaca, Jalisco, Oaxaca, Jalisco, Estado de Mexico).*

## INTRODUCTION

Small and medium-sized enterprises (SMEs) are a crucial class of businesses. SMEs make up approximately 99% of businesses in the EU (by absolute number rather than the value of trade) and are estimated to account for 50% of net job creation (European Commission, 2018, Zaremba-Warnke & Seidel, 2019). Despite the high socio-economic benefits of SMEs, they can have a disproportionate environmental impact as they extract and deliver natural (biological) resources to the economy and are estimated to contribute 60-70% of pollution in Europe (Miller, 2011). Given the socio-economic importance and environmental footprint of SMEs, it is vital to understand how these businesses can be encouraged to implement sustainable strategies.

SMEs are a varied group of enterprises representing businesses from many different sectors. The definition of SMEs can vary significantly between countries, with the maximum number of employees ranging from 250 in the EU, to 500 in the US (Koirala, 2018). This report follows the definition provided by OECD (Koirala, 2018), which highlights the variation in the international definitions for SMEs and suggests that "SMEs are not a group of uniform stakeholders, but rather an eclectic mix of firms, each of whom exhibits different opportunities and challenges in achieving the green transition" (Koirala, 2018). The differences in scale, geography and sectors represented within SMEs mean that the challenges faced by these enterprises vary greatly, which in turn is a barrier to the development of coherent strategies to improve the sustainability of practices.

SMEs in the agricultural and forestry supply chains hold strong potential for transformative impact. Agriculture is estimated to have the most significant environmental footprint compared to other sectors, with particular effects on ecosystem integrity, land-use changes, and biodiversity (Schröter-Schlaack & Heinz, 2016). Persuading SMEs in this sector to become "eco-adopters" (adopters of ecologically-friendly practices) (see Koirala, 2019) should therefore be an early priority for those aiming to achieve change at the order of magnitude required.

SMEs tend to approach improving practice in a fragmented manner; looking at factors such as water and energy usage separately (Koirala, 2018). This means that tackling different areas of environmental management separately could resonate the most with SME target audiences.

It is important to ensure  
production is

**'biodiversity-  
friendly'**

In supply chains involving any natural ingredients and products, one important aspect of environmental management is ensuring production practices are 'biodiversity-friendly'. Biodiversity-friendly practices "should reinforce positive impacts on biodiversity and ecosystems and/or reduce negative ones", as defined by the Private Business Action for Biodiversity (PBAB) project. Under the PBAB project a range of practices have been piloted, which has provided the opportunity to understand barriers to progress, how best to scale-up results and what the motivations are for enterprises to adopt sustainable management practices is recognised.

There is currently no agreed conceptual framework for understanding the motivations for enterprises adopting sustainable management policies and practices (Ahinful et al., 2019). There is a range of prominent theories and models of behaviour change which can be drawn on including:

- The Legitimacy Theory – focuses on importance of social group in decision making with responses being made in response to societal expectation (Ahinful et al., 2019).
- The Stakeholder Theory – also focuses on importance of social group in decision making but suggests that different stakeholders' needs should be addressed within one social group (Ahinful et al., 2019).
- The SEM model - highlights the importance of considering other aspects of the decision-making environment and suggests there are concentric layers of influence that go from self to interpersonal connections, community and enabling environments (Bronfenbrenner, 1979).
- The NOA model – highlights the importance of considering other aspects of the decision-making environment but also recognizes that a range of factors interact to determine how decisions are made. This model suggests that the three key categories are "needs" (values and other intrinsic factors of the decisions maker like emotion), "opportunities" (opportunities to act in a particular way) and "ability" (environment e.g., legality of activity) (Gatersleben & Vlek, 1998).

While often overlooked,  
**the wild plant**  
**sector** has important  
 implications for ensuring  
 sustainability

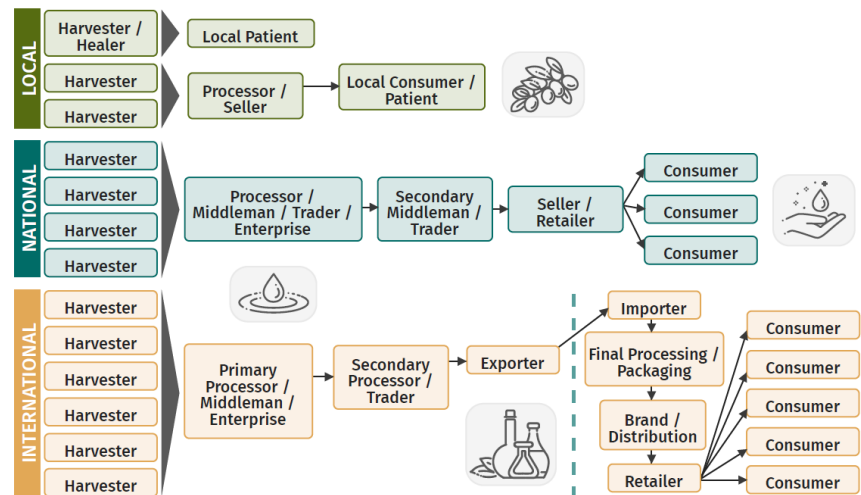
While there are still gaps in our understanding of the motivations and drivers of enterprises to adopting sustainable management policies and practices, these theories and models suggest that a wide range of drivers need to be considered, and that understanding of intrinsic drivers needs to be integrated with extrinsic factors to have a full understanding of the motivations of enterprises to adopting sustainable management policies.

One area which could particularly benefit from a deeper understanding of motivations to adopt biodiversity-friendly practices is the sector of natural ingredients and products for food and beverages, healthcare, personal care, and other industries. Within this sector, supply chains include those originating from cultivation and wild-sourcing. While the trade in wild-sourced plants is often overlooked in efforts to improve agricultural environmental sustainability (Jenkins et al., 2018), this sector has important implications for ensuring the sustainability of the harvested plant and of the surrounding ecosystem.

Wild plant supply chains frequently share unique elements (Timoshyna & Drinkwater, 2021) including:

- long and complex supply chains
- a large number of producers producing a small amount of raw materials, and
- lack of transparency in supply chains, meaning that companies further up the supply chains may be unaware that raw materials are wild-sourced.

See Figure 2 for an illustration of complex parallel value chains of wild plant ingredients and products. These hallmarks present specific challenges to improving SMEs practices along supply chains.



Findings will be  
**applicable to  
 SMEs in other  
 industries** and to  
 other areas of  
 environmental  
 management

*Figure 2. Parallel value chains of wild plants for local consumption and trade, national and international trade. Adapted from Booker, Johnston and Heinrich 2012, designed for Timoshyna & Drinkwater 2021*

Given the links between the hidden use of wild-harvested plant ingredients and products, the need for more biodiversity-friendly production methods amongst SMEs in agrobiodiversity sector, and the lack of studies into what enables and persuades such entities to engage in environmentally sustainable good practice, this report aims to summarise research into the motivations, drivers, and barriers experienced by SMEs with relevant ambition. The research underpinning this report focuses on the natural ingredients and products sector, although it is anticipated the findings will be applicable to SMEs in other industries and to other areas of environmental management.

## METHODS

For this report, a total of 14 people were interviewed through 13 semi-structured discussions. Thirteen interviewees had engaged with the PBAB project, with expertise across the four supply chains supported by PBAB (agaves, spices, carnauba, acai). These interviewees included individuals from NGOs (six interviewees), companies (five interviewees), and government agencies (two interviewees). The purpose of these interviews was not to evaluate the PBAB project, but rather to understand the barriers and opportunities to scaling-up the implementation of biodiversity-friendly practices among SMEs. The final interview was with a representative from the FairWild Foundation, which is managing the FairWild Standard; an international certification scheme aiming to ensure the sustainable harvest of wild plants. This interview was added as this initiative has similar aims to the PBAB

project and works on certification across various wild plant ingredients supply chains, offering additional insight.

All interviews were conducted virtually and the questions used are included in Annex 1. All but one interview was conducted in English, the remaining interview was conducted in Spanish via a translator. Results were collated and synthesised, and the findings are discussed in following sections. Information from these interviews has been anonymized, but quotes have been included to highlight particular points made.

It must be noted that as interviewees were selected for their involvement in the PBAB project, the sample may be positively biased in their perception of the importance of biodiversity-friendly practices. Despite this possible bias, the interviews still provide insights into the perceptions and motivations. Following the interviews, a workshop was held to allow partners and participants to discuss the findings and notes from the discussion and these are included in Annex 2.

## WHY DO SMES ENGAGE WITH AND IMPLEMENT BIODIVERSITY-FRIENDLY PRACTICES?

**Intrinsic and extrinsic** motivations are responsible for supporting biodiversity-friendly practices

Interview respondents indicated the implementation of biodiversity-friendly practices were very important (8 to 10 on the scale from 1 to 10) on both personal and professional levels. In understanding motivations for adopting biodiversity-friendly practices, a distinction can be made between intrinsic and extrinsic motivations (Table 1).

- Intrinsic motivation = "doing something because it is inherently interesting or enjoyable"
- Extrinsic motivation = "doing something in response to external pressures, or rewards" (Mills 2013).

Interviewees reported a range of intrinsic and extrinsic motivations for supporting biodiversity-friendly practices. These factors tended to be the same between personal and professional views, however when a distinction was drawn, extrinsic motivations were typically attributed to professional reasons, and intrinsic reasons to personal reasons.

*Table 1: Examples of motivators to adopt biodiversity-friendly practices (adapted from Mills 2013)*

Motivation	Examples of motivators to adopt biodiversity-friendly practices
Intrinsic	Sense of satisfaction for helping Sense of 'doing the right thing' Sadness over species decline
Extrinsic	Financial benefits of adopting practices Ecosystem health Opportunities for the company

On a personal level, respondents expressed a range of intrinsic motivations for engaging with/supporting biodiversity-friendly

## Human rights

**concerns** were  
apparent in many supply  
chains

## Biodiversity- friendly methods

improve working  
conditions for farmers and  
harvesters

practices. Several respondents expressed satisfaction from helping people, through improving farmers' or harvesters' livelihoods, or for increasing awareness about a crucial geographical/biophysical area. One respondent expressed motivation through religion due to their sense of gratitude for nature and the productivity of the environment. Others expressed a desire to keep the environment for future generations and "heartache" over species extinction. These views highlight that people can be motivated to work towards biodiversity-friendly practices by a feeling of altruism and adhering to one's own morals and sense of 'doing the right thing'.

On a professional level and to some extent joint professional and personal levels, respondents highlighted a range of extrinsic factors. One respondent highlighted how biodiversity-friendly methods improve working conditions for the farmers and harvesters. Another noted that adopting biodiversity-friendly practices was "very important to sustain the company" and essential for exporting to international markets. Others described the importance of maintaining biodiversity to keep ecosystems healthy, as it was "important to keep the chain [of biodiversity] interconnected". Extrinsic factors, both financial and environmental, were found to be important influences for already predisposed individuals pursuing biodiversity-friendly practices.

While all respondents agreed that biodiversity-friendly practices were necessary for the respective supply chains they operated or supported improvements in (for details of the range of practices explored under PBAB, see the footnote below<sup>1</sup>), several respondents highlighted nuanced relationships with biodiversity-friendly methods of production and related techniques. One respondent highlighted the challenge of improving biodiversity while also ensuring yield is not compromised, as "biodiversity competes with the crops [and you] have to reduce biodiversity for pest control". They recognised that while biodiversity was important, a balance was needed between agricultural production and biodiversity, reflecting the ongoing 'land-sparing, land-sharing' conservation debate (Fischer et al., 2014)<sup>2</sup>. Another respondent highlighted issues such as human rights concerns were apparent in many supply chains but suggested that best practice guidelines could be put in place to address both human rights and biodiversity-friendly production simultaneously. There is a precedent for this type of multifaceted approach of improving practices, such as the application of the UEBT Ethical BioTrade Standard to the carnauba wax supply chain. The Ethical BioTrade Standard combines principles of human rights with other elements including biodiversity. This highlights the importance of considering biodiversity-friendly production in the context of other supply chain issues.

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<sup>1</sup> [https://www.international-climate-initiative.com/en/details/project/private-business-action-for-biodiversity-16\\_IV\\_048-497](https://www.international-climate-initiative.com/en/details/project/private-business-action-for-biodiversity-16_IV_048-497)

<sup>2</sup> In this debate, some believe that "land sparing" by setting aside areas for nature and then intensively using the remaining agricultural areas is the best conservation strategy, while others believe that "land sharing" through using lower yield more biodiversity-friendly agricultural practices is the best conservation strategy (Fischer et al., 2014)

## IS IT FEASIBLE FOR SMES TO ADOPT BIODIVERSITY-FRIENDLY PRACTICES?

**Governance** needs to be approached in a supply chain-specific manner

When prompted, 10 out of 14 respondents suggested that it would be feasible for SMEs to adopt biodiversity-friendly practices. However, many respondents also highlighted that it was "very feasible but cannot happen by itself."

Three core enabling factors were identified by respondents as:

- (1) interest from and support for producers,
- (2) enabling governance, and
- (3) the need for buyers downstream of supply chains to place a value on products produced in a biodiversity-friendly way.

The support of producers for biodiversity-friendly practices is likely to vary significantly by supply chain. As one respondent explained, some commodities were already grown using methods that lend themselves to biodiversity-friendly production methods, while other types may be more challenging to adapt. Another respondent emphasised that producers have their own "niche way of doing things" so may be reluctant to change the methods they use. However, producers may be more willing to adopt straightforward, financially feasible practices, rather than expensive practices. Therefore, there needs to be an awareness of supply-chain specific and financial challenges to producer uptake of these methods, and that support and training need to be provided in an accessible way using the language of the producer.

Governance was another area that needed to be approached in a supply chain-specific manner, to ensure that biodiversity-friendly practice uptake was feasible. Several respondents highlighted that the government needed to take a more significant role in encouraging biodiversity-friendly practices in SMEs. It was suggested that government advice to SMEs needed to reflect a need for more biodiversity-friendly methods and that governments have an important role in incentivising biodiversity-friendly practices in SMEs. A second governance issue was raised over the third-party ownership of wild-harvesting areas. In some supply chains, the collectors or producers may not own the land containing the plant collection sites. As one respondent expressed, "processors do not own the land, collectors hire the field workers, and mostly collectors do not own the land." The third-party system of land ownership means that there is sometimes a question of governance over who is responsible for implementing more biodiversity-friendly practices. This highlights the need to consider issues of implementing biodiversity practices at the level of the supply chain, or even to explore the supply chain at a country or region-specific level.

**"Downstream demand"** for more biodiversity-friendly products was identified as vital to incentivising SMEs

"Downstream [or end-market] demand" for more biodiversity-friendly products was identified as vital to incentivising SMEs to adopt commensurate practices. Contributing to a wider discussion about this issue, research conducted in June and July 2021 with 30,000 consumers across 31 markets identified that only 53% of respondents found it easy to buy "healthy and sustainable" food. Among those that found it difficult, affordability (48%) and availability (36%) were identified as the biggest obstacles, and a quarter reported not knowing what healthy and sustainable food was<sup>3</sup>. Almost two-thirds of the

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<sup>3</sup> <https://globescan.com/2021/09/23/affordability-availability-biggest-challenges-to-healthy-sustainable-diets/>

**Working conditions** need to be met before exploring biodiversity improvement methods.

sample (64%) reported depletion of natural resources and water pollution to be their top-two “very serious” issues of concern, with 47% percent indicating they wanted to change their lifestyle “a great deal”, but only 23 percent claiming to have done so in the past year. Thirty-four percent claimed a lack of support from businesses as the main barrier<sup>4</sup>. This reinforces that ultimately there is a need for commitment from the consumer and through brands and intermediaries which purchase the products, as the financial incentives arising could encourage SME owners and Executives to invest the effort required to improve corporate practice.

Conversely, in supply chains, where there was no consumer demand for biodiversity-friendly production (such as carnauba wax, which constitutes an ingredient in multiple products but is not widely recognised by consumers as an ingredient), encouraging the implementation of relevant practice was recognised as challenging. It was noted that the downstream industry commitments, sectoral approaches, and government policies were necessary pathways for motivating change.

## WHAT ARE THE BARRIERS AND BENEFITS TO SMES ADOPTING BIODIVERSITY-FRIENDLY PRACTICES?

The perceived barriers and benefits to SMEs adopting more biodiversity-friendly practices are divided into the categories presented in Table 2.

The categories include “self”, or the individual in the SME who would make the decision to adopt more biodiversity-friendly practices; “staff”, which were the SME employees; “SME”, referring to the company overall; “society”; and [ecosystem-] “sustainability”.

*Table 2: Barriers and benefits to SMEs adopting more biodiversity-friendly practices*

Table 2: Barriers and benefits to SMEs adopting more biodiversity-friendly practices	
Barriers	Benefits
<b>Self</b> <ul style="list-style-type: none"> <li>Culturally developed chains which have been in place for decades</li> </ul>	<b>Self</b> <ul style="list-style-type: none"> <li>“Feel good factor” for different actors in the supply chain, including staff and consumers.</li> </ul>
<b>Staff</b> <ul style="list-style-type: none"> <li>Group “buy-in” from producers in setting long-term sustainability goals and working towards them collectively.</li> <li>Moving from simple management structures to more complex business management models.</li> <li>Workers’ conditions (food/childcare/income)</li> </ul>	<b>Staff</b> <ul style="list-style-type: none"> <li>Reduced health risks through reduced use of pesticides that could be harmful to workers.</li> <li>Better working conditions with development of best practices which are less physically demanding.</li> <li>Increased wages for employees.</li> </ul>

<sup>4</sup> <https://globescan.com/2021/10/25/despite-record-levels-environmental-concerns-large-gap-remains-between-aspiration-and-action-sustainable-living/>

**Table 2: Barriers and benefits to SMEs adopting more biodiversity-friendly practices**

Barriers	Benefits
<p>need to be met before exploring biodiversity improvement methods.</p> <ul style="list-style-type: none"> <li>• Lack of widely adopted best practices due to unstructured supply chains without organisation of producers</li> </ul> <p>SME</p> <ul style="list-style-type: none"> <li>• 'Translation' of sentimental feelings about species protection into concrete action and commitment from enterprises.</li> <li>• Supply chains involving wild-harvested plants may have higher logistical costs, given the remoteness of collection sites, meaning that accessing the areas to harvest, training delivery, and monitoring of biodiversity is costly and logistically challenging.</li> <li>• Lack of traceability systems.</li> <li>• High cost of traceability systems when profit margins are low.</li> <li>• Pressure from the market for small producers to increase and intensify production, which may come at an ecological cost.</li> <li>• Large producers with more largescale agricultural practices may outcompete small business holders with less intensive farming practices.</li> <li>• Costs of certification are too high for SMEs and may only be accessible to larger companies.</li> <li>• Lack of inspection and compliance along the whole chain of supply.</li> <li>• Lack of access to technology/machines/equipment/software which would help production.</li> <li>• Where land ownership for harvesting is not with collectors, there can be a lack of interest in improving the land for biodiversity.</li> </ul> <p>Society</p>	<ul style="list-style-type: none"> <li>• Better working conditions leading to better staff retention.</li> </ul> <p>SME</p> <ul style="list-style-type: none"> <li>• Added value from biodiversity-friendly production</li> <li>• Reduced imbalance in the value chain.</li> <li>• Increased productivity of an area and quality of goods.</li> <li>• Carbon sequestration from trees in systems where trees are maintained as part of more biodiversity-friendly management practices can mean farmers can meet carbon-neutral production goals, which can be used as a marketing tool.</li> <li>• Better market visibility of goods, mainly through schemes like certification, which may open other market opportunities.</li> <li>• Costs may be reduced through initiatives like greener use of waste products or reducing the use of insecticides.</li> <li>• Eco-tourism could be used to diversify SME incomes in areas where biodiversity is high.</li> </ul> <p>Society</p> <ul style="list-style-type: none"> <li>• Better traceability and control over resource base.</li> </ul> <p>Sustainability</p> <ul style="list-style-type: none"> <li>• If the trade is lucrative, then the land will be maintained for the collection/production of the species.</li> <li>• Plants in trade are protected from threats like invasive species which are eradicated as part of the management of this species in trade.</li> <li>• More sustainable soil maintained.</li> <li>• Benefits to local ecology.</li> </ul>

**Table 2: Barriers and benefits to SMEs adopting more biodiversity-friendly practices**

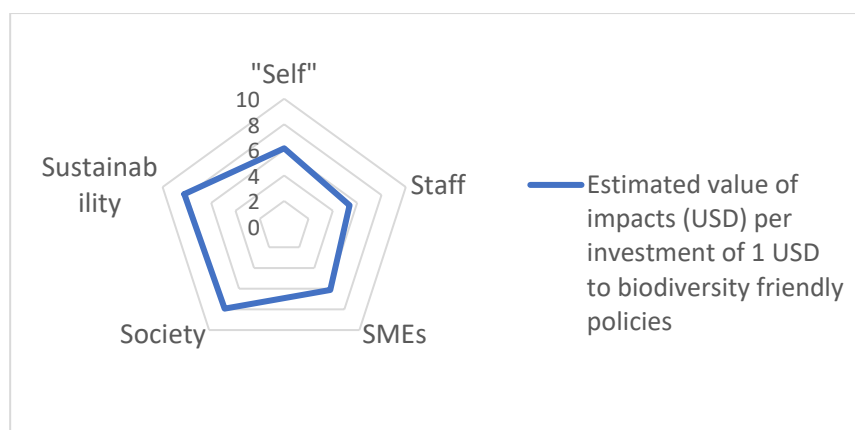
Barriers	Benefits
<ul style="list-style-type: none"> <li>• Difficulties in connecting SMEs to consumers who value more biodiversity-friendly production.</li> <li>• Lack of awareness among supply chain actors of what biodiversity is and the importance of ecological linkages in an ecological system.</li> </ul> <p>Sustainability</p> <ul style="list-style-type: none"> <li>• Lack of defined ways of measuring biodiversity in certain production systems.</li> <li>• Lack of awareness among consumers in the value of products from more diverse crops.</li> </ul>	

## WHAT ARE THE PERCEIVED IMPACTS FROM IMPLEMENTING BIODIVERSITY-FRIENDLY PRACTICES?

To assess the perceived impacts of investing in biodiversity-friendly practices, respondents were invited to answer the following question: "For every 1 USD, a small or medium-sized enterprise invested in pursuing more biodiversity-friendly practices, how much do you think the impact achieved in each of the areas below, is roughly worth (in dollars)?" Similar to the previous section, the categories included "self", "staff", "SME", "society" and "sustainability".

In total, eight individuals completed one spider diagram each, and a ninth completed two. The latter were developed as one respondent made a distinction between short and long-term impacts, perceiving benefits to implementers as longer term and less immediate, leading to the character of the diagram changing over time. The scores given by these respondents are not included in Figures 3 or 4.

**Individuals** are most likely to advocate for policies they believe are likely to benefit them



*Figure 3: Mean estimated value of impacts (USD) per investment of 1 USD to biodiversity-friendly practices*

Respondents were shown a diagram from 0-10 but could estimate a negative value or a value more than 10. Only one respondent suggested a value greater than 15, and this respondent estimated an impact of 100 USD for every dollar invested in areas of "sustainability" and "society". If these two outlier estimates are removed, the mean values of 1 USD invested in biodiversity-friendly practices was perceived as having an impact of 6.13 USD on "self," 5.38 USD on "staff," 6.13 USD on "SMEs", 7.93 USD on "society", and 8.21 USD on "sustainability". If the two outlier values were included, the average perceived impacts on "society" would be 19.44 USD, and "sustainability" would be 19.69 USD.

Respondents highlighted a range of reasons for the impact values ascribed to the different areas. For example, it was suggested that there could be a high-value benefit for staff from capacity building and training. These aspects are summarised in Table 3.

*Table 3: Reasons for values ascribed to each area per investment of 1 USD into biodiversity-friendly practices.*

Table 3: Reasons for values ascribed to each area per investment of 1 USD into biodiversity-friendly practices	
Impact area	Illustration of impact
Self	<p>The views on the impacts of adopting more biodiversity-friendly practices included:</p> <ul style="list-style-type: none"> <li>One respondent suggested that the monetary value would be USD 0 as it was "only a passion" rather than a financial choice.</li> <li>Conversely, another respondent suggested a range of benefits to the self, including recognition, brand image enhancement, reputational benefits, and acknowledgment from governments and stakeholders.</li> <li>Five respondents suggested that adopting more biodiversity-friendly practices could benefit the self particularly highly as respondents suggested individuals are most likely to advocate for policies they believe are likely to benefit them, they were likely to believe in a project to push it forward, or would gain reputational benefits.</li> </ul>

**Table 3: Reasons for values ascribed to each area per investment of 1 USD into biodiversity-friendly practices**

Impact area	Illustration of impact
	<ul style="list-style-type: none"> <li>In many cases, the respondents did not distinguish between self, staff, and the SMEs, as it was perceived that the value of investing 1 USD in biodiversity-friendly policies would have the same benefits across all these groups.</li> <li>It was also suggested that self, staff, and SMEs carried "the burden of doing the practices" and initially were the ones with the "harder part" to play in implementing these projects.</li> </ul>
Staff	<p>There were varying views on what the values of adopting more biodiversity-friendly practices would be to staff.</p> <ul style="list-style-type: none"> <li>Some respondents suggested that adopting biodiversity-friendly practices could benefit staff, as there would be opportunities for "capacity development" through staff training.</li> <li>Others suggested that there could be a benefit to staff as they would "feel positive" about the biodiversity-friendly programmes being implemented.</li> </ul>
SMEs	<p>There were differing views on what the values of adopting more biodiversity-friendly practices would be to SMEs. These included:</p> <ul style="list-style-type: none"> <li>SMEs and staff would be "reducing costs so much" by adopting biodiversity-friendly practices and reducing methods like reduced usage of costly insecticide.</li> <li>SMEs with more biodiversity practices would benefit from better access to markets.</li> </ul>
Society	<p>There were mixed views on what the impacts of adopting more biodiversity-friendly practices would be to society. These include:</p> <ul style="list-style-type: none"> <li>Society would benefit from a more biodiverse world.</li> <li>Some plants had a significant cultural value and range of culturally essential uses. Therefore, sustainable use of the plants would be necessary on a cultural level.</li> <li>There was also "a cost to society" as people would have to pay more for products.</li> <li>Several respondents suggested that there was a limit to the impact of the actions of one SME on society, but "if more SMEs did this the benefits to society would be better."</li> </ul>
Sustainability	<p>There were several different views on what the values of adopting more biodiversity-friendly practices would be to sustainability. These included:</p> <ul style="list-style-type: none"> <li>Overall, respondents rated the benefits to sustainability highly as it was suggested that the relationship between sustainability and more biodiversity-friendly practices were "directly related."</li> <li>However, it was highlighted that good communication about the wider goals and benefits of adopting more biodiversity-friendly</li> </ul>

Table 3: Reasons for values ascribed to each area per investment of 1 USD into biodiversity-friendly practices

Impact area	Illustration of impact
	practices is critical. Unless people on the ground understood it, it was "just paperwork."

## "Self" and "staff"

were perceived to benefit marginally higher from biodiversity-friendly practices in responses from an SME

Out of the eight respondents who completed the spider diagram, only one worked in/represented an SME. The spider diagram from this respondent (Figure 4) is different from the average values. "Self" and "staff" were perceived to benefit marginally higher from biodiversity-friendly practices due to reduced costs of e.g., alternative methods of pest control. In this case and given the structure of this SME, no distinction was made between the impact on "staff" and the "SME" overall, both scoring a 10. "Sustainability" and "society" perceived impacts were both valued at a nine. For "sustainability," this score was given as "before when they were using the normal insecticides, they would kill anything even the natural predator of the bug they were trying to kill," while the methods now used had much lower side-effects or harms. For society, on the other hand, the respondent struggled to put a value on it as "if more people did this the benefits to society would be better." The score of nine was suggested as a best-case scenario if there was more uptake.

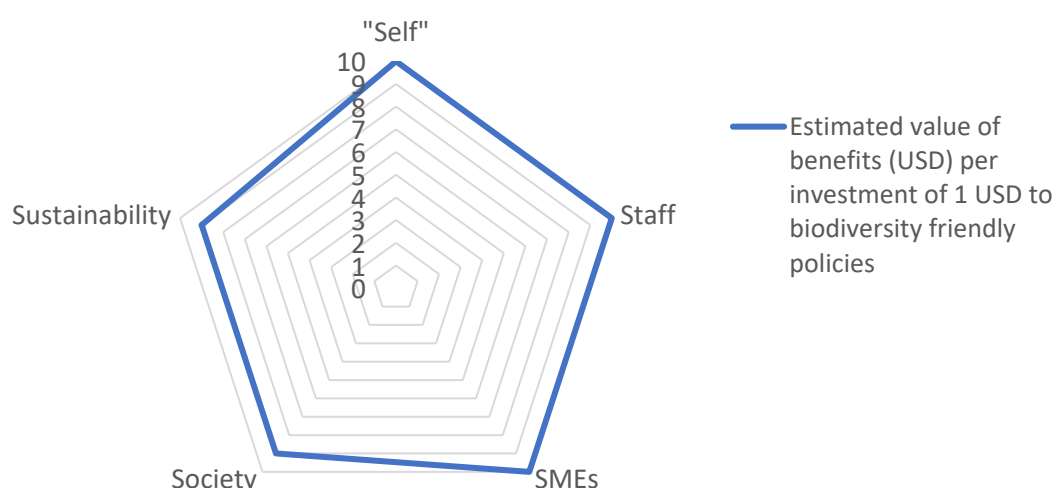


Figure 4: Estimated value of impacts (USD) per investment of 1 USD to biodiversity-friendly practices, as estimated by one decision-maker in an SME.

It must be noted that these scores represent the perspectives of one individual, so therefore may not be representative of wider views. However, despite the small sample size, these differences between the views of a respondent who worked in an SME and the average responses of the individuals working in other areas highlight the need for further work to understand the similarities and differences in the views of people working in SMEs and the views of people working with SMEs on implementing biodiversity-friendly practices.

## **“Education on the ground”**

was seen as key to scale up biodiversity friendly practices

Lacking capacity, funding, market awareness, detrimental lobbying, and weak governance are among **key barriers to scaling up**

## **All respondents**

predominantly answered that scaling up at least parts of these practices was feasible

## **IS IT FEASIBLE TO SCALE UP BIODIVERSITY-FRIENDLY PRACTICES IN SMES?**

All respondents predominantly answered that scaling up at least parts of these practices was feasible to some extent. The biodiversity-friendly practices varied widely from improved soil health, reduced pesticide use, improved sourcing practices, supply chain transparency, and staff training and working condition improvements. However, as one respondent highlighted, care should be taken to ensure the "right options were selected" as "some people are trying to survive," and were therefore not in a position to take risks on new methods, instead needing to prioritise essential well-being. Providing peer support, knowledge products, case studies and other resources, benchmark referencing, and encouraging engagement in experience exchange networks, are all tactics that may help address such challenges. Existing initiatives providing such support are delivered by the International Chambers of Commerce (ICC, 2021), UNCTAD (UNCTAD, 2021), OECD (OECD, 2018), the World Trade Organisation (WTO, 2021), IUCN's Business and Biodiversity Programme (IUCN, 2021), and the World Business Council for Sustainable Development (WBCSD, 2021).

Where practitioners may be receptive to adapting management practices to mitigate impacts on biodiversity, respondents reported that the "key is bringing awareness." "Education on the ground" was highlighted as important, as well as "collaboration between stakeholders, processors". Several interview participants also emphasised that in some cases it might not be possible to adopt all recommended methods of biodiversity-friendly production. However, it may be possible to make production "a bit more friendly" at first, and that even small steps adopted to improve practices (such as improving management practices, taking steps to improve soil health or providing training to harvesters), could be very feasible and essential. This is in line with behavioural science which supports that transformative change tends to happen more through a sustained series of small steps taken cumulatively over time, provided any barriers to take-up of the desired behaviour or practice are removed first.

## **WHAT ARE THE BARRIERS TO SCALING UP?**

This study covered a selection of supply chains. However, there were few cross-cutting challenges identified by many of the respondents. These included:

1. lack of capacity, information, tools and funding;
2. risk of detrimental lobbying from companies;
3. issues of weak governance; and
4. lack of market awareness.

Capacity (both in terms of skillsets and staff availability) was seen as an essential challenge on many levels, to scaling up biodiversity-friendly practices. For SMEs involved in primary production at the level of the collectors/harvesters, one respondent highlighted the issue of urban migration with traditional collectors moving into other jobs, which meant "people doing the harvest were lost and with them a loss of traditional knowledge." At the level of the programme implementation, one respondent highlighted the lack of personnel available to roll out the programme, and another highlighted a lack of a centralised way of finding consultants to help with auditing in the country. These

observations highlight the need for developing and maintaining capacity in these supply chains and interventions.

A lack of information and tools was also seen as a challenge to upscaling. In one case, it was suggested that a lack of local species-specific knowledge would be a barrier to SMEs adopting biodiversity-friendly practices, as "quite often companies implementing have to do work themselves." There was also a need for more tools to help implement traceability and facilitate community organisation and cooperative development. These factors are crucial but can be challenging to implement without sufficient funding.

Funding was seen as a critical challenge to scaling up. One respondent highlighted that the types of intervention that could be scaled-up were funding dependent, with cheaper interventions like education projects being very feasible, while larger projects like implementing traceability systems require substantially more resources. Another respondent suggested that rather than relying on grants, the interventions themselves needed to be "connected to economics" and the sustainable market pull to ensure the project's sustainability. These highlight a strong need for either external funding or a business model which ensures the implemented activities can be maintained financially in the long term.

The lobbying power of companies was also seen as a potential issue. In some cases, it was suggested that there could be an issue with larger companies having greater lobbying power, for example using their influence to lobby for regulatory frameworks which may not promote practices that are biodiversity-friendly, e.g., against practices that are beneficial for biodiversity but may reduce yield. This highlights a need for engagement with larger companies to encourage a collaborative sector-wide approach to change.

Inadequate governance was also named as a barrier. One respondent highlighted that governance issues were "easy if you have an organisation that takes responsibility, hard if don't have that." For example, for carnauba, the Initiative for Responsible Carnauba (IRC)<sup>5</sup> was founded in 2018 as part of the PBAB project and together with the Union for Ethical BioTrade (UEBT). The IRC provides an important governance role in the carnauba sector, and has membership from stakeholders from the government, carnauba producers, and civil society. This body works to improve the working conditions of carnauba producers and protect biodiversity in areas of carnauba production, as well as to improve the sourcing of carnauba wax by implementing the UEBT principles and biodiversity standards. Similarly, the National Sustainable Spice Programme (NSSP) provides a platform to bring together stakeholders to improve the sustainability of spice supply chains in India. These bodies can play an important role in driving change across a supply chain.

In addition, there is an issue of sustainable governance, as to ensure long-term implementation of biodiversity-friendly practices, the governance body needs to be able to commit for an extended time. A lack of sustained governance of biodiversity issues in SMEs could lead to biodiversity-friendly initiatives not being maintained.

Market awareness, both among communities that produced goods, and consumers, was seen as a challenge to upscaling biodiversity-friendly initiatives. It was suggested that there was an issue with a lack of consumer awareness. This lack of consumer awareness is a challenge,

## **Inadequate governance**

was seen as a barrier to scaling up biodiversity-friendly practices.

## **"If we're not able to get consumers**

to pay a bit more, the incentive is not there"

## **"One size does not fit all"**

as different approaches are needed for different SMEs

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<sup>5</sup> [Initiative for Responsible Carnauba — The Union for Ethical BioTrade](#)

## **“Demand needs to grow sustainably with the process”**

as consumers and intermediary buyers need to be aware of the practices to be motivated to pay a premium for products, as "if we're not able to get consumers to pay a bit more, the incentive is not there." Awareness among producer communities was also raised as important, as in one area, spill over effects of farmers not using biodiversity-friendly practices could affect farmers trying to pursue greener policies. Therefore, a holistic approach with all farmers and stakeholders in the same area was flagged as essential.

Overall, it was apparent that "one size does not fit all" and that individual action plans, biodiversity Corporate Social Responsibility (CSR) policies, or management approaches would be required for different SMEs. Despite the commonalities of some of the overarching challenges identified across supply chains, there were also challenges specific to some individual supply chains or even individual projects. Examples included factors like one individual in an organisation being a bottleneck or a particular supply chain issue linked to one country. It is therefore important that the barriers are explored on a case-by-case basis to ensure that the project-specific barriers are considered.

### **WHAT FACTORS WOULD FACILITATE SCALING UP?**

Several overarching solutions were identified by respondents. These included:

1. recognizing the importance of stimulating end-market (downstream / retailer and consumer) demand,
2. the need for government involvement in providing technical support and funding and taking legislative steps to require particular standards of supply chain sustainability,
3. the need to carefully market the project to other SMEs interested in adopting these practices, and
4. the need to have the right support available.

Respondents highly favoured efforts to stimulate market demand, to adequately incentivise efforts to scale-up biodiversity-friendly methods, "as demand needs to grow sustainably with the process". It was suggested that market demand could come from legislative steps to require certain standards of production, or from the buyers demanding certain standards of production. For increasing consumer demand, stimulus packages and social and behaviour change campaigns could be delivered to ensure consumer recognition of biodiversity-friendly production and to persuade their preferential purchase of such products. Awareness of issues of biodiversity loss was associated with this by respondents, although the 'Value-Action' gap between consumers' awareness of threats to nature and the negative consequences of their inaction, and how this influences their buying behaviour, is noted (Young et al., 2010).

One respondent suggested that one tool to engage consumers was highlighting the direct link between their actions and either losing or preserving biodiversity. Another highlighted the importance of educating consumers about the supply chains and the sourcing of their products. While this may be the perception among respondents of how best to stimulate larger markets for sustainable products, such message frames may only resonate with those already predisposed towards sustainable consumption choices. To resonate with the masses, evidence from social and behaviour change suggests efforts should focus on making the sustainable choice the most appealing; this

## **Need for more support, both technical and financial**

to facilitate scaling up.

could include by using messaging more aligned with broader, non-biodiversity focused, values (e.g., 'buy Vietnamese products' (Burgess & Zain, 2018). Once market demand had been generated, there also needed stability to ensure the long-term viability of adopting these practices for SMEs.

The need for government participation was one of the most commonly cited methods for facilitating the upscaling. Participants highlighted that "government has an important role to incentivise and challenge of companies to do at least basic things," as well as an essential role in providing advice and support. To achieve this, it was suggested that good integration is needed in between the policies at different levels of government to ensure the maximum impact. However, while in some cases, participants highlighted the role that governments were already playing in pushing for greener practices, some respondents highlighted a need for more government engagement with biodiversity issues as the advice given by government bodies to SMEs was not always perceived to be supportive of biodiversity-friendly practices. For example, it was suggested that the methods of pest control recommended by at least one government involved the use of high levels of pesticide use, and that there was little government support for more biodiversity-friendly methods of pest control like biological control. One respondent also suggested that in some cases, a policy may have been influenced by lobbying companies opposed to adopting practices that may have a biodiversity benefit but may be costly to a company. For example, lobbying companies may oppose setting aside a portion of a farming area for more nature-friendly management, if it is perceived to result in a financial loss for the company. Therefore, while in some cases governments are proactively taking steps to encourage more biodiversity-friendly practices in SMEs, in other cases, there is a need for government engagement on this issue to ensure the advice being given by governments to SMEs is better for local ecosystems.

For SMEs involved in production, there is a need to market biodiversity-friendly methods to other SMEs to encourage uptake. "If it is successful," spreading the information about the successes of the project via "word of mouth" between farmers was seen as one of the most effective ways of spreading the knowledge, as "farmers need to see a benefit to them." However, other methods like engaging with schools to educate children about biodiversity declines, or evaluating specific projects as case studies, were also suggested to encourage uptake of biodiversity-friendly practices in communities.

## **Government participation**

was one of the most commonly cited methods for facilitating the upscaling.

There was also a perceived need for more support, both technical and financial, to facilitate scaling up. A wide range of support needs was identified. For projects involving certification, suggestions included improved document systems "packaging what companies need in a streamlined way" in order to adopt biodiversity-friendly practices or engage with certification in a streamlined way and support to reduce costs of certification schemes. Other areas that were suggested as areas needing help included capacity building and support for managers aiming to implement more biodiversity-friendly practices and a need to support adapting biodiversity-friendly practices to locally appropriate methods.

## RECOMMENDATIONS

Based on the results of the interviews, this study provides a clearer sense of the benefits and barriers perceived by SMEs for biodiversity-friendly practices. There is full support to the need and feasibility of the scaling-up of the biodiversity-friendly practices in the sector of natural ingredients and products (and wider agricultural and forestry supply chains). Although this was a rapid assessment with a limited number of interviewees, and with the recognition that further studies would lead to a more robust, and perhaps geographically and sector-specific set of insights, the findings from this exercise lead to the following recommendations. The draft study was discussed at a virtual workshop, which drew together an additional set of recommendations, presented in the Annex 2.

## REMOVE BARRIERS

Leadership from  
**globally  
significant  
importing  
countries** through a  
set of regulatory and non-  
regulatory incentives

Respondents identified a range of barriers for SMEs in scaling-up biodiversity-friendly practices. These included the inadequate capacity, information, tools, and funding, the risk of detrimental lobbying from companies, issues of weak governance systems, and lack of market awareness and demand for biodiversity-friendly practices. To address these issues, it is essential to understand and segment the actors and the drivers to target actions in the right way, such as:

- Addressing the lack of funding, governments and donor agencies could consider providing further technical and financial support to initiatives that aim to produce in a biodiversity-friendly way, including through supporting market access, technological development, and capacity building.
- Tackling the difficulty of changing cultural practices developed over a long period of time, NGOs and/or governments can work with community leaders to develop new practices or to work towards social and behaviour change initiatives and communication campaigns.

## ENHANCE BENEFITS

Similar to removing barriers, respondents identified a range of benefits that were perceived to engage different actors in various ways. It is therefore important to develop an understanding of what these actors/parts of the production chain perceive as the most valuable/useful and develop interventions to enhance these aspects on a case-by-case basis. A selection of candidate approaches include:

1. Building on the recognition that for the SME decision-makers, a positive reputation from adopting the biodiversity-friendly practices was an important factor, it may be beneficial for NGOs or governments to invest in schemes that recognise or publicly reward such individuals or businesses.
2. The facilitation of peer-to-peer learning and marketing of the experiences between SMEs presents an opportunity to encourage the uptake of biodiversity-friendly practices.

3. Reduced production costs, a crucial benefit, could be enhanced by the provision of training focusing on the elements of biodiversity-friendly practices with cost-reduction potential, which could be delivered by companies themselves, NGOs or government agencies.
4. At a more strategic policy level, government agencies play an important role in enhancing these benefits by setting incentives enabling biodiversity-friendly practices, through a range of regulatory measures.

## STIMULATE DEMAND

The need to stimulate demand (downstream of supply chains) by governments, NGOs and businesses for products produced in a biodiversity-friendly way was widely identified as critical to the broad implementation of biodiversity-friendly practices, including:

- For the large-scale shifts in public behaviour and perception of products, there needs to be significant efforts to develop and promote social and behaviour change approaches.
- Sectoral initiatives appear to play an important role in strengthening the governance and joined-up effort of multiple SMEs and other stakeholders, which should be further supported and enabled.
- Leadership from the downstream of supply chains, including through the globally significant importing countries, could support the market recognition of biodiversity-friendly products and the scaling-up of good practices through a set of regulatory and non-regulatory incentives.

From a methodological perspective and considering the limitations of this report in the terms of selection of interviewees, it may be advised to undertake further studies with the main focus on SMEs.

As highlighted in these interviews, while there are themes and barriers to implementing and upscaling biodiversity-friendly practices which cut across the different geographies and sectors, many of the issues are unique to the supply chains and projects involved. It is therefore important that approaches are developed which are specific to individual supply chains in the context of their physical and political geographic space. These specific approaches will need to build a commercial rationale for action to encourage governments and donors to provide stimulus and technical support for SMEs to adopt more biodiversity-friendly production.

**The facilitation of peer-to-peer learning** presents an opportunity to encourage the uptake of biodiversity-friendly practices

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## **ANNEX 1: INTERVIEW QUESTIONS**

Confirming details:

1. Could you confirm your name / job title / organisation / scope of role and any countries/ territories / themes you usually work in?
2. Could you briefly describe the supply chains have you been working on under the PBAB project?

### **THEME 1: WHAT WAS IMPLEMENTED**

3. For each of the supply chains you have worked on under PBAB, could you describe the methods used and the project experiences of promoting biodiversity friendly production in Small and Medium Enterprises (should reinforce positive impacts on biodiversity and ecosystems and/or reduce negative ones)?

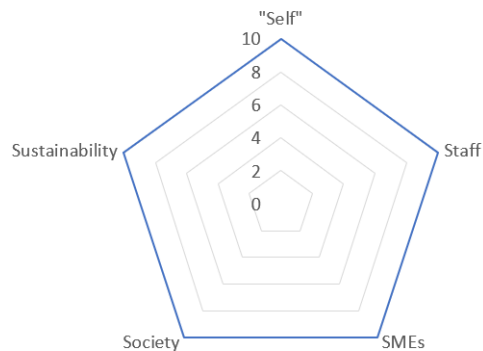
### **THEME 2: WHY WAS THERE ENGAGEMENT?**

4. On a scale of 1-10 do you think adopting biodiversity friendly practices is necessary?
5. Why would you give it that score? Both from personal and professional perspective?
6. How feasible do you think it is for Small and Medium Enterprises to adopt biodiversity friendly practices?
- 6.b. Was there any support provided by PBAB to support this?
7. Are there any challenges which would prevent Small and Medium Enterprises from adopting biodiversity friendly practices?
8. What would be the benefits for Small and Medium Enterprises adopting biodiversity friendly practices?

### **THEME 3: IMPACTS OF THE METHODS USED**

For this section I'm now going to bring up an exercise which looks at valuing different potential outcomes of biodiversity friendly practices:

For every \$1 a small or medium sized enterprise invested in pursuing more biodiversity friendly practices, how much do you think the impact achieved in each of the areas below, is roughly worth (in dollars)?



## THEME 4: SCALING UP METHODS

9. Do you think it would be possible to scale this/these methods up across a wider number of Small & Medium Enterprises?
10. What do you think the challenges would be to scaling up this/these method(s) across a wider number of Small & Medium Enterprises?
11. What factors would enable replication and scale-up of this/these method(s) across a wider number of Small & Medium Enterprises?

## WRAP UP AND NEXT STEPS:

So those are all the questions we have, do you have any final comments or reflections?

## ANNEX 2

### WORKSHOP PROCEEDINGS: BENEFITS AND BARRIERS TO ADOPTING GOOD PRACTICES: IMPACTS AND LESSONS LEARNED OF SELECTED INSTRUMENTS FOR PROMOTING BIODIVERSITY-FRIENDLY PRODUCTION IN SMALL AND MEDIUM ENTERPRISES

The virtual workshop “Benefits and barriers to adopting good practices: Impacts and lessons learned of selected instruments for promoting biodiversity-friendly production in small and medium enterprises” took place in English on the 8 October 2021, over 2.5 hours. There were 31 participants at the workshop: 16 participants represented GIZ, eight participants from TRAFFIC, two participants from the Union for Ethical BioTrade, one from BfN, one from Peermade Development Society, one from the FairWild Foundation, one from the Forest Stewardship Council (FSC) and one from EU Business and Biodiversity Platform / ICF.

The findings of interviews of the GIZ PBAB project partners and participants, and other relevant initiatives were presented, followed by the virtual breakout groups that focused on barriers and opportunities for scaling-up biodiversity-friendly practices and recommendations. The outcomes of breakout group discussions were presented to the plenary before the conclusion of the workshop. Following the workshop conclusion, the breakout group discussions were summarized under the headings below.

#### BARRIERS

Financial risk to SMEs. Risks included the risk of earning loss due to reduced yield or that customers would not be prepared to spend more on products that were more costly to produce. These risks were compounded as there were few resources available for change management and "risky changes."

Knowledge and skills gap. Seasonal and transient workers may not be trained or knowledgeable in sustainable collection practices. This lack of capacity at the producer level could be a serious barrier to implementing biodiversity-friendly practices.

Complexity of wild-harvesting supply chains. These supply chains are often characterized by large collection areas, dispersed and un-organized harvesters, multiple stakeholders with varied priorities, lack of transparency in supply chains and missing understanding by businesses and consumers of risks and opportunities.

The diversity of SMEs in terms of sizes, sectors and local conditions. It was highlighted that initiatives have many specificities so may not be simple to replicate, and that cultural practices may differ between locations. This includes the reluctance to adopt new biodiversity-friendly methods over ingrained culturally established practices. It is important, therefore, that the individual differences between SMEs are carefully considered when designing interventions.

**Financial risks  
were  
compounded** as  
there were few resources  
available for change  
management

A lack of sector-specific case studies and a business case or commercially defined rationale for SMEs to adopt biodiversity-friendly practices. It was highlighted that rational focus tended to be towards conservation (rather than commercial) reasons, which is an issue as "biodiversity" may be seen as a donor-driven term but not fully embraced by SMEs. A donor-driven uptake of biodiversity issues could lead to issues of longevity and long-term sustainability in standalone improvement projects, which could end when the project funding finishes.

Lack of good governance. It was suggested that a best-practices framework, as well as expert-backed legislation are important factors to support best practices. However, there were concerns that the lack of organisation among producers disables communication between government agencies and SMEs. There were also concerns that some policies, including perverse subsidies, support less biodiversity-friendly practices.

## FACILITATING SCALING UP

Raising awareness about the non-financial benefits of biodiversity among SMEs. However, it was noted that given the invisible nature of some of these benefits, the non-financial benefits of biodiversity could be hard to convey. One suggestion to overcome this was through breaking down the complex concept of biodiversity into concrete and measurable indicators (e.g., related to soil health).

Adding value to biodiversity-friendly practice. A variety of arrangements and tools could be explored to add value to biodiversity. A range of suggestions put forward included:

- Mixed-financing schemes which linked issues of biodiversity and climate change and rewarded carbon sequestration and sustainable use.
- Trading alliances between SMEs and farmers/harvesters to include biodiversity conservation as a value proposition in their business models.
- The judicious offering of fiscal support and incentive packages for SMEs, with adaptive management of incentives.
- Promoting goods made by biodiversity-friendly production to local and regional markets, in addition to the international markets.
- Setting the product apart by certification.
- Combining supply and demand side interventions, including provision of financial and non-financial incentives.

Regulations at national and international levels. Regulations like mandatory EU due diligence Directing (upcoming) could be effective at driving broad-scale change at the international level and across borders. These could effectively ensure there are minimum legal requirements for environmental due diligence adhered to by businesses.

Evidence of economic benefits. Increasing the evidence base on the benefits of biodiversity-friendly practices was important to assuring businesses that they will benefit from changing their practices. This could be developed through schemes like showing financial systematization of practices (costs per ha, per farmer) and promoting

## Evidence of economic benefits

was important to assuring businesses that they will benefit from changing their practices

**Increased  
consumer  
awareness** is key to  
driving change in demand  
for more biodiversity-  
friendly projects

collaboration between producers and suppliers to encourage shared values and risks.

Scaled implementation. Suggestions for this included developing small activities with managed expectations about initial impact and alignment with biodiversity action plans, promoting projects to get investment for biodiversity measures (matchmaking with existing funds) and considering sector-wide approaches.

## RECOMMENDATIONS:

Encourage the use of digital tools for peer-to-peer learning and relationship building. Using new digital tools for peer-to-peer training could allow case studies and evidence about biodiversity-friendly production to be shared between peers. As well as a learning tool, digital tools could also improve the producer-consumer relationship by facilitating direct communication between the two.

Support the provision of policy and legal advice to SMEs. Legal advice to SMEs regarding conservation agreements or "carbon contracts" could guarantee social standards and avoid dependencies, while policy advice could contribute to dealing with the challenge of perverse subsidies. Overall, providing policy and legal support for SMEs could revise and adjust the bureaucratic burden of incentives and regulations for environmentally friendly measures for small enterprises.

Engaging umbrella bodies, industry associations, and potentially Embassies or GIZ networks in different countries could help develop a groundswell of biodiversity-friendly practice amongst SMEs in their networks and communities. It was also suggested that as well as engaging umbrella projects, it would be valuable to have a pool of experts available to help mediate between SMEs and large bodies like banks when funding becomes available.

Increased consumer awareness about biodiversity issues in supply chains is key to driving change in demand for more biodiversity-friendly projects. This could be done by improving consumers' knowledge about producers through strategies like telling the stories of producers on the packet of the product or employing more in-depth behavior change approaches.

Increased awareness of investors and brands of biodiversity issues along whole value chains is vital to encouraging the brand or investor to adopt more biodiversity-friendly strategies. This could be done through industry associations and encourage brands to consider risk management strategies to mitigate the reputational threats from biodiversity issues in supply chains.

Link biodiversity issues to other areas of ecological importance. It could be valuable to integrate work promoting biodiversity with work promoting ecosystem services thinking or climate/carbon reduction work. By looking at these areas of ecological importance simultaneously, projects could develop integrated solutions to these critical environmental issues and have a broader supporter base.

Sector-wide approaches need to be supported. One method for doing that could include bringing together actors along the value chain (in a pre-competitive spirit) to understand the value chain and perspectives of other actors. Other methods could consist of non-regulatory measures through voluntary standards and certification schemes, or through mandatory regulation like the integration of biodiversity into regulatory frameworks like the EU due diligence regulations.

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WORKING TO ENSURE THE TRADE IN  
WILD PLANTS AND ANIMALS IS NOT  
A THREAT TO THE CONSERVATION  
OF NATURE

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