

# Mainstreaming and innovative Governance of Biodiversity in Latin America and the Caribbean: Challenges and opportunities for sustainability in development planning and Agriculture

Report of virtual dialogue – Private Sector  
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## 1. Background

Achieving environmental commitments requires structural changes in our economies, especially in production methods and development planning (Harris et al., 2023). The current dominant way of producing food is unsustainable, contributing up to a third of greenhouse gas emissions, causing up to 80% of biodiversity loss, and using up to 70% of fresh water (UNSDG, 2023). Additionally, the constant demand for more food products without environmentally and socially responsible production leads to expanding cultivation areas, intensifying the use of agrochemicals, over-exploiting water, increasing soil erosion, decreasing pollinators and other native species, fragmenting and reducing ecosystems, among other loss and degradation processes (IPBES, 2019; SCDB, 2022; FAO, 2020; Yamaguchi et al., 2021). This is of vital importance in Latin America and the Caribbean (LAC), which is one of the most biodiverse regions in the world and home to mega-diverse countries such as Bolivia, Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Peru, and Venezuela. However, LAC also displays some of the highest inequalities and social exclusion worldwide (ECLAC, 2022). These internal asymmetries within each country must be corrected to improve the quality of life of the population and build more cohesive societies, preventing socioeconomic, political, and institutional fractures. In this context, ILPES and ECLAC propose a framework for the design, implementation, and evaluation of planning and public policies based on four axes: intersectorality, participation of multiple actors, articulation between levels of government, and intertemporality (Martínez, González, and Williner, 2023).

Likewise, the new Kunming-Montreal Global Biodiversity Framework (KM-GBF) is also committed to achieving transformative changes in society by re-coupling the three dimensions of sustainable development. Therefore, strategic approaches to mainstreaming and governance for transformative change in favor of biodiversity are necessary to achieve the long-term objectives adopted by countries in the Kunming-Montreal Global Biodiversity Framework (KM-GBF). It is also necessary to propose solutions based on intersectoral, multi-level, and multi-scale reasoning to achieve the implementation of biodiversity integration with integrative, inclusive, informed, and adaptive governance. We are at a crucial moment for joint action by all of society, for which it is essential to open neutral spaces for dialogue and debate among multiple actors.

## 2. Objectives

The organization of the three regional virtual dialogues with social actors (indigenous peoples and local communities, women, youth, academia), private sector actors (companies of different sizes, cooperatives, financial sector actors), academia; national and subnational governments, and technical-scientific advisors from governments addressed the mainstreaming and innovative governance of biodiversity in Latin America and the Caribbean. The aim was to promote the coherent and systemic changes necessary to advance sustainable development in the region, strengthening its three dimensions.

## 2.1 Specific Objectives

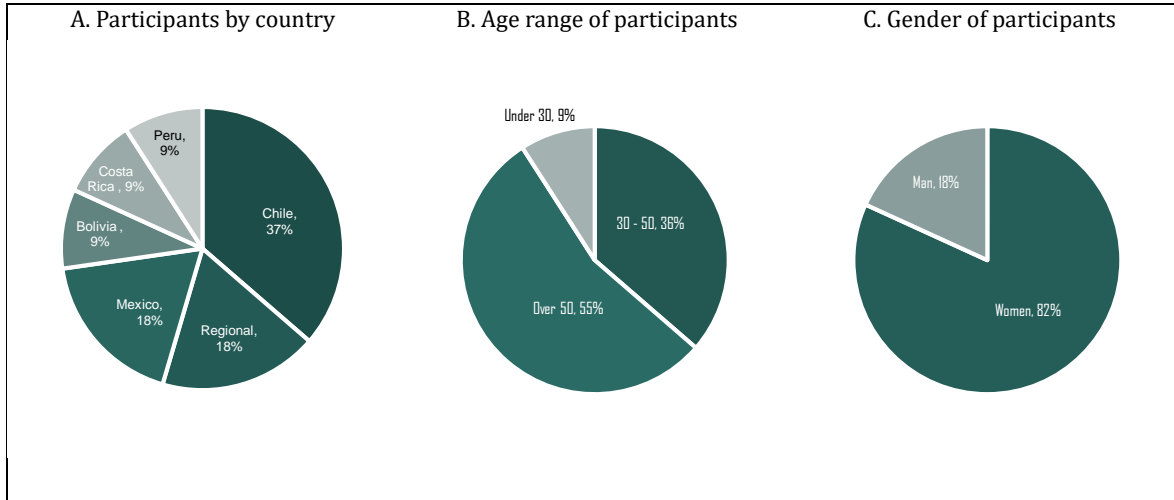
- Engage new actors in the discussion and reflection process, creating an informal and neutral space for dialogue on the transformative changes and just transitions needed to reintegrate the three dimensions of sustainable development in Latin America and the Caribbean.
- Reflect on and debate how the KM-GBF can contribute to the promotion of sustainable food systems, taking into account the strengths and weaknesses of the region and the key factors as well as key factors for promoting coherent and systemic changes.
- Enhance the catalytic role of development planning from the governance framework, policies and monitoring for the implementation of instruments and/or actions that drive the transformative changes proposed by the KM-GBF.
- Identify and debate the main challenges, needs, best practices and opportunities for broad multi-actor early implementation of the KM-GBF, including biodiversity mainstreaming and innovative governance as tools for sustainable management of terrestrial and marine resources.
- Collect and generate key data and information for the development of future tools on biodiversity mainstreaming in development policies and innovative governance, promoting a regional vision on key issues and processes for the implementation of the KM-GBF under a "whole-of-government" and "whole-of-society" approach.

## 3. Participants

The informal virtual dialogue on “Mainstreaming and innovative governance of biodiversity in Latin America and the Caribbean: Challenges and opportunities for sustainability and development planning and agriculture” took place on Tuesday, July 4th, 2023. Eleven stakeholders from five countries in the region participated, including Mexico, Peru, Chile, Bolivia, and Costa Rica, as well as regional representation. This ensured participation in small groups from all actors, capturing the perspectives and needs of stakeholders from various private sector organizations related to agriculture, fisheries, forestry, finance, and experts in planning and governance. However, Caribbean and Anglophone participation was limited. 55% of the participants were over 50 years old, 36% were between 30 and 50 years old, and 9% were under 30. This could indicate an interest and commitment from experienced individuals in the private sector; the event attracted a diverse group of participants, enriching the discussions. Moreover, 82% were women and 18% were men (Figure 1). The higher number of women might suggest a greater degree of women's participation in topics related to biodiversity

management and acknowledges the importance of addressing and including women in these matters.

Figure 1. Information of the participants of the virtual dialogue



## 4. Results of the preliminary questionnaire

In order to gather reflections from participants on the topics to be discussed during the dialogue, a brief questionnaire was conducted to assess the knowledge of stakeholders and their concrete participation in biodiversity integration initiatives and in biodiversity management from a perspective of participatory, informed, adaptive, and integrated governance. A high percentage (64%) of participants are aware of what biodiversity integration means and participate in related initiatives, 27% understand the concept, and 9% do not know what the concept entails. Regarding governance, the majority of stakeholders (64%) know what participatory biodiversity management means, and 36% participate in initiatives related to promoting improved governance mechanisms. Finally, regarding the KM-GBF, 55% of stakeholders are familiar with the framework and 27% have heard of the agreement but do not know it in detail. These results suggest that there is a significant degree of knowledge and awareness in the private sector of the region on issues related to biodiversity and biodiversity governance. This is positive for addressing environmental and sustainability challenges in Latin America and the

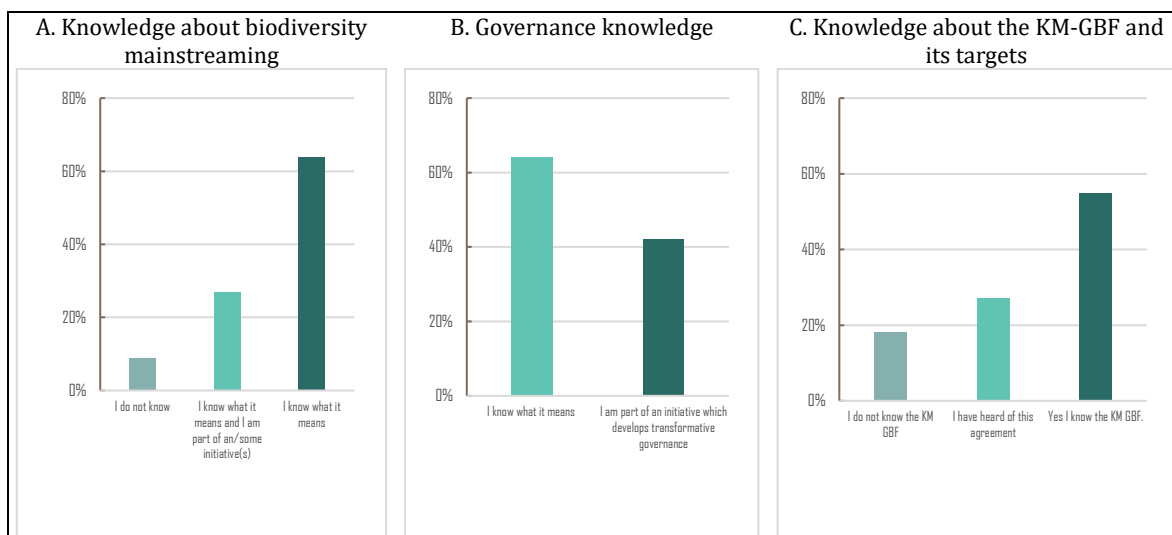


Caribbean, as well as for meeting the international commitments of the KM-GBF. The results are shown in Figure 2.

Below are the biodiversity mainstreaming and management initiatives communicated by the respondents:

- Supporting governments in integrating the private sector into their national biodiversity strategies and action plans - GEF Business Action and Advocacy for the Planet Project.
- Conscious Chile Origin (Chile Origen Consciente).
- Global Partnership for Business & Biodiversity.
- Mesoamerican Biodiversity Alliance (Alianza Mesoamericana por la Biodiversidad).
- Financial cooperation supports the PROINFOR project, aimed at community forest management in Mexico.

Figure 2. Preliminary questionnaire results



## 5. Results of the round of discussions

### 5.1 First round of discussions: The new global biodiversity framework and its link with the agriculture sector

#### 5.1.1 KM-GBF Targets of the agriculture sector

The first question of the dialogues was posed with the Target of obtaining information about the importance of the KM-GBF Targets in speeding up the transition of the

agriculture sector to the necessary sustainability in Latin America and the Caribbean. The question asked was: "Which are the three most relevant KM-GBF targets to accelerate the transition of the agriculture sector towards sustainability?" The results obtained were as follows (See Figure 3):

- The Target selected with the most potential to strengthen processes and public policies, driving the transition of the agriculture sector towards sustainability, is Target 10, with 16% of the choice. It was the most voted due to the emphasis it places on the transformative changes required in the agriculture sector.
- With a selection of 11%, in second place, is Target 1 (participative integrated spatial planning). This approach implies the participation of multiple stakeholders in planning and managing land use, which can be essential to avoid environmental degradation and promote sustainable agricultural practices.
- Similarly, the third place was registered with the same number of votes for Targets 18 and 19 with 9%. Participants believe that reforming the harmful incentives and increasing financial resources are crucial to achieve a transition towards the sustainability of the agriculture sector.

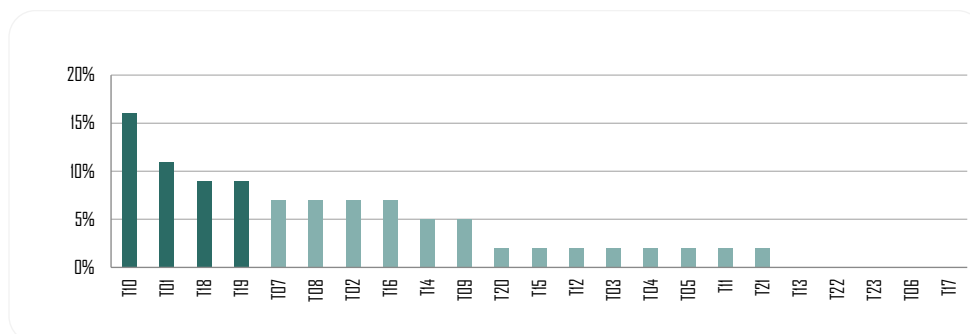
Regarding Target 10, it is explicitly related to agriculture. About Target 1, stakeholders believe that territorial planning is important, as it will address habitat fragmentation. Moreover, the productive sectors are constantly growing and exert external pressures on ecosystems and local communities, but there are no exact measures of the impacts being generated. Although, from their perspective, planning processes usually don't lead to objectives; and in the execution stage, authorities may engage in acts of corruption or misuse information. They also notice a lack of coordination with the ministries during the planning and execution processes, which means these processes happen very slowly. From the viewpoint of some stakeholders, Target 1 and Target 18 are closely linked, as investments in sustainable areas occur when they are planned, and the negative impacts of ecosystems evaluated. They also consider that the negative impacts of agrochemicals on ecosystems should be integrated into territorial plans.

Stakeholders continued discussing their choice for Target 18 and commented on the importance of reformulating subsidies and monitoring their impacts as a mandatory basis to make the required changes. It's crucial to offer incentives to achieve sustainable transformation and, at the same time, have other instruments that penalize harmful actions. In the region's countries, there are some subsidies that conflict with conservation and promote agricultural expansion over lands with other land uses. They also highlighted the importance of monitoring actions and periodic evaluations to adjust the implementation. Target 18 is a way to translate the language of the business sector with conservation goals. Regarding Target 19, they mentioned that financing must be accompanied by control processes. Stakeholders also mentioned that the



implementation of the targets must be carried out holistically and integrally, as they are interrelated, and for proper implementation, it must be cross-cutting.

Figure 3. Percentage of selection of each KM-GBF target by the total number of participants in each dialogue, taking into account the relevance to expedite the transition of the agriculture sector towards sustainability in Latin America and the Caribbean



### 5.1.2 Opportunities for advocacy by social and private actors for the implementation of the framework and the transition of the agricultural sector

The second question of the dialogues aimed to gather information on the impact of social and private actors in accelerating the transition of the agriculture sector towards the necessary sustainability in Latin America and the Caribbean. The question was posed: "Which of the following social and private actors has the greatest opportunity to influence the acceleration of the KM-GBF implementation and the transition of the agriculture sector?" The results obtained were as follows (See Figure 4):

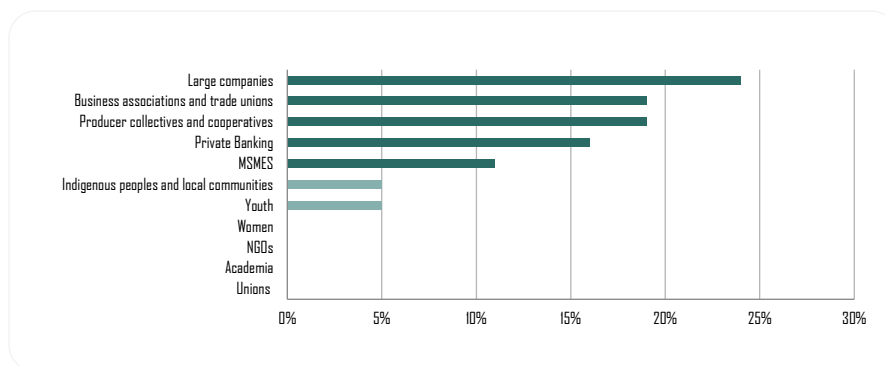
- Taking the lead with 24% of the total votes are large companies. This may be due to their ability to influence the supply chain, invest in technology, and adopt sustainable practices on a large scale.
- With 19% of the selection, in a tie for second place, are Business associations and trade unions, as well as collectives and cooperatives. The first of them can represent the interests and concerns of farmers and have an influence on policy formulation. Producer collectives and cooperatives, on the other hand, can promote sustainable agricultural practices at the community level and provide mutual support among farmers.
- In third place with 16% are Private banks, holding a key role by providing financing and resources for sustainable agricultural projects aligned with the KM-GBF targets.

Large companies are perceived as those who can trigger changes more rapidly. This is the first time that the CBD recognizes such a distinct role, which wasn't present in the Aichi Targets. Companies have the most significant impact, and many of their value chains are composed of SMEs. This actor hasn't been given its due weight, and it's a

crucial moment leading up to COP16 where these players should approach governments to discuss the actions they will take. Producer collectives are also very relevant actors, as are banks to provide guarantees and lower interest rates since without them, this transition is hard to ensure. Regarding private banks, risk analysts need to adjust their evaluations to incorporate biodiversity and create incentives for sustainable projects while disincentivizing those that generate negative impacts. This leads projects and new generations to plan based on sustainability. Furthermore, large companies often rely on SMEs, and if banks can reward these sustainability-focused SMEs, it can speed up the transition. However, other actors expressed that private banks aren't deeply involved in sustainability and biodiversity targets, indicating the need for an approach involving academic actors, for instance, to introduce these banks to these topics.

Stakeholders believe that credits, the use of insurance, and mechanisms are essential aspects for sector transformation. For instance, from a climate change perspective, there are experiences of second-tier banks offering agricultural insurance or incentives when certain adaptation conditions in projects are met. All the mechanisms of this sector are crucial for transformation, emphasizing the importance of involving private banks in this endeavor.

Figure 4. Percentage of selection of which of the following social and private actors has the greatest opportunity to influence to accelerate the implementation of the KM-GBF and the transition of the agricultural sector



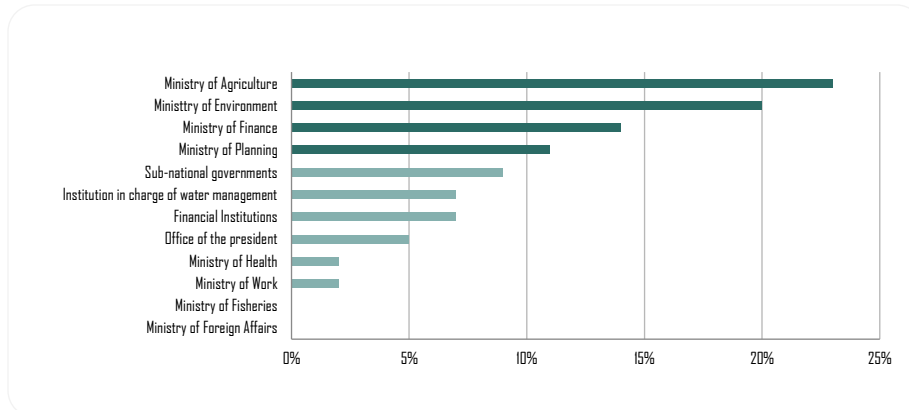
### 5.1.3 Advocacy opportunities for government actors for the implementation of the framework and the transition of the agriculture sector

The third question of the dialogues aimed to gather information on the influence of governmental actors in accelerating the transition of the agriculture sector towards the necessary sustainability in Latin America and the Caribbean. The question was posed: "Which of the following governmental actors has the greatest opportunity to influence the acceleration of the KM-GBF implementation and the transition of the agriculture sector?" The results obtained were as follows (See Figure 5):

- In first place, with 25% of the votes, the Ministry of Agriculture was chosen. It was identified as the governmental actor with the greatest opportunity for influence. This is understandable, as this ministry often plays a central role in formulating agricultural policies and regulating the sector.
- In second place with 15% of the votes is the Ministry of the Environment, directly related to the fulfillment of environmental commitments.
- In third place is the Ministry of Planning, with 14% of the votes, suggesting that participants believe this ministry has a significant opportunity to influence at the level of planning and resource allocation.

According to discussions surrounding the results, the Ministry of Agriculture is a very relevant actor. This sector is generally impacted by the negative effects caused by large polluting companies. At times, this Ministry may have intersectoral issues with the Ministry of the Environment. Meanwhile, the Ministry of the Environment is the expert and accesses international development funds for projects, but it needs to coordinate with other Ministries, like the Ministry of Health, since public health is related to the environment. Some actors did not choose the Ministry of Planning, as in many LAC countries this institution doesn't exist, and planning is often done by another entity. They also mentioned that subnational governments are essential for biodiversity conservation since they operate at a local level.

Figure 5. Percentage of selection of which of the following government actors has the greatest opportunity to influence to accelerate the implementation of the KM-GBF and the transition of the agricultural sector



## 5.2 Second round of discussions: The challenges of comprehensive development planning and its link with biodiversity and agriculture in LAC

### 5.2.1 KM-GBF targets, sustainable planning processes and public policies for the transition of the agricultural sector

The first question from the second block of the dialogues aimed to gather information on the importance of Targets to support sustainable planning processes and public policies to accelerate the transition of the agricultural sector towards the necessary sustainability in Latin America and the Caribbean. The question was posed: "Which are the three most relevant KM-GBF Targets to support sustainable planning processes and public policies to drive the transition of the agriculture sector towards sustainability?" The results obtained were as follows (See Figure 6):

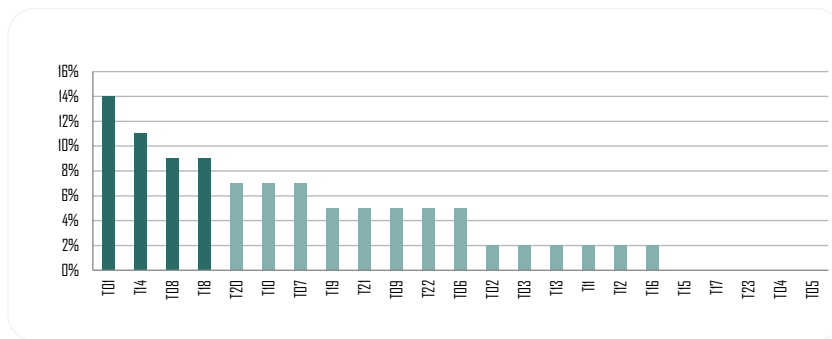
- In first place, with 17% of the votes, is Target 1. This indicates that participants believe that integrated participatory spatial planning is essential because it incorporates biodiversity and promotes more effective management practices in agricultural areas.
- In second place, with 11% of the votes, is Target 14. Participants believe that the integration of biodiversity into policies, regulations, and planning processes is crucial to drive the transition to sustainability in the agricultural sector.
- Tied for third place, with 9% of the votes each, are Targets 8 and 18. Both the reduction of climate change effects and the phase-out or reform of harmful incentives are important Targets, as they address the mitigation of environmental threats.

In the discussion, the following reasons were highlighted for the choice of Targets: For Target 1, territorial planning, and the approach from public policy with a landscape focus is relevant and indispensable, but it often takes a lot of time in political negotiations. However, during the execution process of planning, there are often economic pressures from the private sector that prevail, making it essential to have an ethical conversation with the private sector. Another challenge around planning is its limitation due to a lack of capabilities, from bureaucracy to funding. Target 8 was chosen by the actors because it is related to sustainable production. There is also an awareness of the relationship between climate change and biodiversity and agriculture's dependence on them. So, they also mentioned the need to align the sector's incentives, have good control systems, integrate indicators, and include people directly affected by the effects caused by climate change.

Target 10 was chosen because it's believed that large plantation owners in some countries in the region are those who want to drive change and believe in sustainable development. However, the market often penalizes the producer because very few reward the responsible producer. Thus, it isn't always profitable for them to make the necessary investment for sustainable production. For Target 20, it was detailed that it

was chosen because cooperation and innovation to generate a necessary cultural change and capacity strengthening are key, as is having the necessary data. Furthermore, they mentioned that there's a fundamental risk that companies are unaware of their dependencies on biodiversity, but it's also an opportunity to mitigate future risks. They also highlighted those indicators which don't contemplate the environment and even promote the destruction of nature, need reform, as these data are used by decision-makers.

Figure 6. Percentage of selection of which are the three most relevant Targets to support sustainable planning processes and public policies to accelerate the implementation of the KM-GBF and the transition of the agricultural sector



## 5.2.2 Governance mechanism and effective implementation of the global framework

The second question from the second block of the dialogues aimed to gather information on the choice of which governance mechanism is most effective for implementation. The question was posed: From the perspective of development planning mentioned in the plenary by ILPES (multi-sectoral/multi-actor/multi-scalar/inter-temporal), which governance mechanism do you consider the most appropriate for effective implementation? The results obtained were as follows (See Figure 6):

- In first place, with a significant majority of 47% of votes, participants chose a National or subnational inter-ministerial committee led by several ministries. Participants value the collaboration and coordination between multiple ministries in planning and implementing sustainable development policies in the agricultural sector.
- With 26% of the votes, in second place, they selected a National or subnational inter-ministerial committee led by a single ministry. Some participants might believe that more centralized leadership can be effective in implementing sustainability policies in the agricultural sector, though not as widely supported as the multi-disciplinary approach.

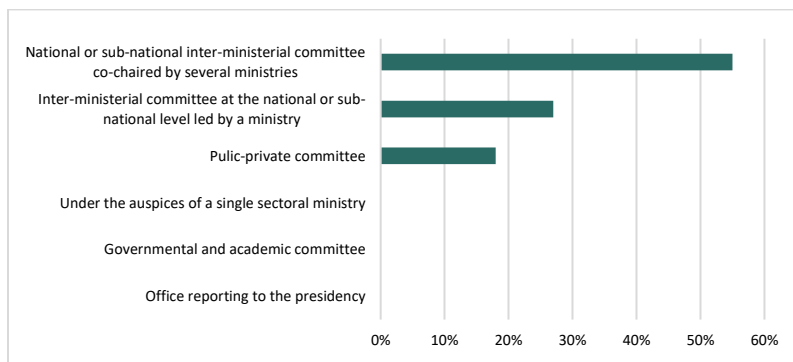
The participants discussed the reasons behind their choices, noting that public-private committees might not be applicable in most Latin American and Caribbean countries,

although it's an important governance mechanism since it allows for a better understanding and improved ways to dimension the problem. Perhaps the Inter-ministerial Committee could promote more efficient coordination to achieve Targets and implement objectives. The downside is that coordinating all actors is more challenging and results in discontinuous ideas. A governance mechanism must be operational, involving ministries that don't facilitate processes, being rotational, and with power distribution.

Regarding committees, representation isn't the problem, but rather everything related to the final agreement, which is sometimes viewed as imposed. It's necessary to have an external role facilitating so that everyone feels included in the joint vision, otherwise, the end result lacks validation, impacting implementation. There are various governance mechanisms to explore; however, it's crucial to find governance that is functional and equitable for different groups. In some regional countries, commissions formed by law have worked, giving them specific weight. Challenges mentioned include that committees might become homogeneous over the long term, so maintaining heterogeneity in decision-making becomes essential. Another challenge is incorporating decisions into operational groups and ensuring they're binding. The lack of technical expertise of some officials responsible for executing planning was also identified as a hurdle.

Regarding leadership in planning, it will depend on each country and its executing institutions. It's essential that the leading Ministry communicates at the subnational level. The public-private committee is necessary for dialogue and for reflecting the responsibilities of each party. If included from the planning phase, it creates a sense of belonging to prevent it from being seen as a government imposition. It's necessary to include social actors within these mechanisms.

Figure 7. Percentage of selection of which governance mechanism you consider the most appropriate for effective implementation.





## 7. Conclusions and recommendations

- The KM-GBF Targets are fundamental to drive the shift towards sustainable agriculture in Latin America and the Caribbean, especially Targets 10, 1, 18, and 19, which are viewed as the most relevant for this transition.
- Private actors seen as having the most significant influence on the implementation of the KM-GBF and in the shift of agriculture towards sustainability are: large companies, associations, trade unions, collectives, and private banking, with the primary governmental actor being the Ministry of Agriculture.
- Governance is essential for effective implementation. Inter-ministerial committees, whether led by multiple ministries or one, are considered the most suitable for this task.
- Strengthening collaboration between different stakeholders is crucial to achieve an effective transition towards sustainable agriculture. It's also vital to invest in training and strengthening the capacities of all players for effective policy planning and execution.
- It's essential to provide appropriate incentives to farmers and businesses that adopt sustainable practices and penalize those causing environmental harm.
- Governments at the local and regional levels must be actively involved in planning and executing policies related to biodiversity and agriculture.
- Governance mechanisms must be inclusive and equitable, giving voice to all relevant actors and ensuring that the decisions made are binding and effective.

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