

PARTNERSHIPS

nurturing biodiversity

British American Tobacco has teamed up with four conservation organizations to protect the richness of the natural world. In addition to funding conservation work, the British American Tobacco Biodiversity Partnership seeks to integrate biodiversity into the company's operations

When most people think of British American Tobacco, they tend to think of cigarettes in packets, not tobacco plants in a field. But behind the brands lies a huge leaf sourcing operation in 22 countries, where around 629,00 acres (254,000 ha) of tobacco is grown for the company – an area about the size of the principality of Luxembourg. British American Tobacco does not own all this land, but as the regular customer for the more than £750million (\$1.3bn) of tobacco grown on it each year, has considerable influence over how it is managed.

That's why, in 2000, four conservation organizations – Royal Botanic Gardens Kew, Earthwatch Europe, Fauna & Flora International and the Tropical Biology Association – came together with the FTSE 100 company to create the British American Tobacco Biodiversity Partnership, which has two objectives: to conserve biodiversity – the natural world's rich diversity of living things and habitats – within the countries where the partners operate, and to ensure that the company's diversity impacts are managed and minimized.

'It was BAT's role both as an owner and manager of land, including forestry, that made us particularly interested in working with them,' says Per Bogstad, manager of corporate programmes for Royal Botanic Gardens Kew. 'Our mission is to build a knowledge and understanding of plants to enable their better management and conservation. Working with British American Tobacco furthers those goals and helps to build a better understanding of biodiversity inside the company.'

Annelisa Grigg, director of corporate affairs for Fauna & Flora International, has seen similar benefits. 'The focus of the partnership to date has been on building trust between the partners, providing direct resource to conservation priorities identified by the NGO partners and identifying how best to integrate biodiversity into the company's management systems,' she says. 'For us, this integration is key – and was a condition of the NGOs' partnering with British American Tobacco. Our work is about ensuring that environmental, health and safety systems, leaf operations and global procurement and supply systems take account of

the company

British American Tobacco is the world's second largest tobacco company. It had a gross turnover in 2004 of £34.3billion (\$61.8bn), employs more than 90,000 people (including associate companies) and makes around 853 billion cigarettes a year. It:

- increased water recycling and re-use across the group by 90 per cent from 2003 to 2004
- has used diversity policies to ensure that 43 per cent of management trainees are now women (figures as of the end of 2004)
- is a founding member of the Eliminating Child Labour in Tobacco Growing Foundation, a sector-wide initiative to tackle child labour in the supply chain
- was ranked fourth in a United Nations Environment Programme study of the top 50 global CSR reporters

the background

At the current rate of extinction, the Earth will have lost 25 per cent of its species by 2050. Roughly 50,000 species vanish every year

the initiative is helping small farmers that supply tobacco leaf to become less reliant on pesticides

biodiversity. As a tobacco manufacturer, the company doesn't have this expertise in-house – which is where the partners come in.'

The practical effect of all this is that managers throughout the business are now beginning to consider biodiversity as a routine part of their work. In Sri Lanka, for example, work is under way to determine how eucalyptus plantations no longer needed for fuel wood to cure tobacco can be returned to native forest. As part of the partnership's work, Fauna & Flora International, with the University of Peridanaya, showed this was the best option for these areas of redundant eucalyptus, both in biodiversity and economic terms. The land is held on a long lease by Ceylon Tobacco Company, one of the group's operations.

Elsewhere, the partnership has been working with companies in the group to cut the amount of fertilizers and pesticides used on tobacco farms. In the Arua region of north-west Uganda, two biology postgraduates from Makerere University have begun assessing, in conjunction with BAT Uganda and the Tropical Biology Association, how fertilizers used on tobacco farms affect flowers and plants. Meanwhile, BAT Bangladesh is helping small farmers to become less reliant on synthetic pesticides by showing them how to extract a natural pest-killer from the leaves of the neem tree for crop spraying, with technical advice



■ small farmers in developing countries will be among those who reap the benefits of the partnership's work

and finance being provided by the partnership. Outside company operations, the partners are working on over 20 biodiversity projects in countries where they operate. Arguably the most important is the work with Royal Botanic Gardens Kew on the Millennium Seed Bank, a huge project that aims to have collected and safely stored the seed of ten per cent of the world's flowering plant species by 2009. In its role as a partner, British American Tobacco is putting up the money to support the bank's work in Burkina Faso, Malawi, Mali and South Africa.

Many of the conservation projects focus on strengthening local networks whose work is often unsung in the West. The partnership has now trained more than 150 conservationists from nearly a dozen countries, including Brazil, China, Madagascar and Vietnam. In Kenya it has given new life to the East African Wildlife Society, which was experiencing severe management difficulties, helping it to build membership and recruit staff. The society now has branches in Tanzania and Uganda.

Shabanji Opukah, British American Tobacco's corporate social accountability manager, says: 'One of the things we have learned from the partnership is that capacity building is incredibly important for conservation work in developing countries, and we are also able to build awareness in British American Tobacco through a fellowship programme that sees staff regularly joining Earthwatch International scientists as field assistants.' In 2002, company staff from Armenia, Dubai, Mexico and Switzerland volunteered to count hippos in Ghana using global positioning satellite technology.

What do shareholders think of all this? Their money, after all, is funding the partnership. The first five years have cost the company £5m and the next five will cost it a further £1.5m annually. Opukah says: 'Our shareholders appreciate that the company is concerned about its supply chain and the sustainability of its inputs across the board. This

partnership is part of our work to address the sustainability of our business in a wider context. The Group's strategy has three core elements: growth, productivity and responsibility, and, for us, you can't have one without the other.'

And the NGOs? Aren't they afraid of corporate capture by a tobacco company that concedes its products pose serious risks to health? Not according to Bogstad. 'Royal Botanic Gardens Kew exists to build knowledge and understanding of plants so they can be better managed and used for the benefit of people. British American Tobacco has demonstrated it wants to do those things. So the NGO partners have really got into the DNA of this company. We're now having meetings with the leaf management people, environment, health and safety and other business departments. Biodiversity is becoming an essential component of its business management.'

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Maintaining the planet's biodiversity is very important for future generations. Nonetheless, the coming together of Royal Botanic Gardens Kew, Earthwatch, Fauna & Flora International, and the Tropical Biology Association in partnership with a company such as British American Tobacco is possibly unique. It will be interesting to see how they can use their influence and resources to positively promote biodiversity in a number of countries.

features of note include:

- the wider effect that this programme now has as it ripples across to other countries
- the continual building of capacity through the training of locally based conservationists
- the company involvement and recognition of the importance of biodiversity throughout all its operations

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