

Energy and Biodiversity Initiative Partnership Update

Energy Companies and Conservation Groups Release Collaborative Recommendations To Integrate Biodiversity Protection into Oil & Gas Development

The Energy and Biodiversity Initiative (EBI), a partnership of four energy companies and five conservation organizations, released its collaborative report, “Energy and Biodiversity: Integrating Biodiversity Conservation into Oil and Gas Development” on August 25, 2003. This report contains recommendations and tools for integrating biodiversity conservation into oil and gas development, and is intended to be a practical manual for building biodiversity protection into the entire lifecycle of oil and gas operations, from exploration to decommissioning.

The report and supporting products, including guides, discussion papers and additional resources, address the following six questions:

1. What is the business case for integrating biodiversity conservation into oil and gas development?
2. How can companies integrate biodiversity considerations into their systems and operations?
3. What are the potential negative impacts on biodiversity from oil and gas development and what practices can companies adopt at their operational sites that will mitigate these impacts?
4. How can companies factor biodiversity criteria into decisions about where they will work?
5. How can a company measure a project’s impact on biodiversity and its company-wide performance in relation to biodiversity?
6. How can companies go beyond minimizing impacts and take advantage of opportunities to benefit biodiversity?

EBI Participants

The report and supporting products can be found online at www.TheEBI.org. Convened by the Center for Environmental Leadership in Business (CELB), a division of Conservation International, the EBI participants include BP, ChevronTexaco, Conservation International, Fauna & Flora International, Shell, Smithsonian Institution, Statoil, The Nature Conservancy, and IUCN - The World Conservation Union.

EBI Recommendations

To encourage progress in integrating biodiversity conservation into oil and gas exploration and production and gas processing activities, the Energy and Biodiversity Initiative report makes twelve recommendations including:

- Energy companies and conservation organizations work together in partnership to integrate biodiversity conservation into upstream oil and gas development.
- Companies recognize the integrity of protected areas. They understand that, while some governments may permit oil and gas development in certain protected areas, this can present significant risks to biodiversity. When operating in such areas, companies first take action to avoid impacts from their operations, and then mitigate or, where appropriate, offset any unavoidable impacts.
- Companies recognize that high biodiversity values exist both in and outside of protected areas. When con-

sidering whether to operate in such areas, companies evaluate alternate locations, routes and technical solutions. If they do choose to operate in areas of high biodiversity value, companies employ a comprehensive set of management actions, including mitigation, compensatory measures and investments in opportunities to benefit biodiversity conservation.

- Stakeholder engagement that includes biodiversity considerations begins as early as possible and continues throughout the project lifecycle. Engagement is particularly important during impact assessment, indicator development and evaluation of opportunities to benefit biodiversity conservation.
- Integrated environmental and social impact assessment (ESIA) processes are carried out for any new major development project. Potential impacts on biodiversity are fully assessed and analyzed when preliminary screening and scoping or subsequent review steps determine that the project may have significant impacts on biodiversity.

The EBI group seeks to influence a broad range of the oil and gas industry from major energy companies to state-owned and regional companies. While primarily targeting the energy industry, the report will also be useful for conservation organizations, governments, communities and others with an interest in ensuring the effective integration of biodiversity considerations into oil and gas development.

Next Steps

In order to begin testing and refining the report's recommendations, the EBI will be looking to join with others in both the energy industry and the conservation community to test and refine the products. The EBI report and products will be presented at an evening reception at the upcoming World Parks Congress in Durban, South Africa. Additionally, EBI will participate in the IUCN convened Working Group on Extractive Industries and Biodiversity and seek the guidance from experts in the NGO sector.

The EBI will also work closely with the Biodiversity Working Group established by the International Petroleum Industry Environmental Conservation Association (IPIECA) and the International Association of Oil and Gas Producers (OGP). The EBI will work with the working group to encourage the use, testing and refinement of the recommendations and products within the industry, and to further the goal of integrating biodiversity conservation into company decision-making, operations and management systems. Achieving this vision will require a collaborative effort among companies, conservation organizations, governments, communities and other stakeholders.

For the EBI companies, implementation of the recommendations is a work in progress. The EBI participants recognize that oil and gas companies each have a different set of values, principles and policies, and each is at a different point in terms of integrating biodiversity into its systems and operations. Companies also operate in different parts of the world and encounter a wide range of approaches to regulating the environmental impacts of oil and gas development. As such, each company will need to adapt its business procedures based on prioritization of needs and potential risks and benefits. Specific statements regarding each member organization's continuing commitment to the EBI process can be found online at www.TheEBI.org.

In August 2002, the Energy and Biodiversity Initiative was selected by the International Chamber of Commerce (ICC) and the United Nations Environment Program (UNEP) as one of the winners of the 2002 World Summit Business Awards for Sustainable Development Partnerships in Johannesburg, South Africa. The ICC/UNEP selection panel recognized the EBI as one of four partnerships that has made a global contribution to sustainable development.

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Contact:

Jason W. Anderson
Center for Environmental Leadership in Business
(202) 912-1464
j.anderson@celb.org