7 February 2013
Washington, DC

Biodiversity Baselines for International Finance: Requirements, Constraints, and Recommendations

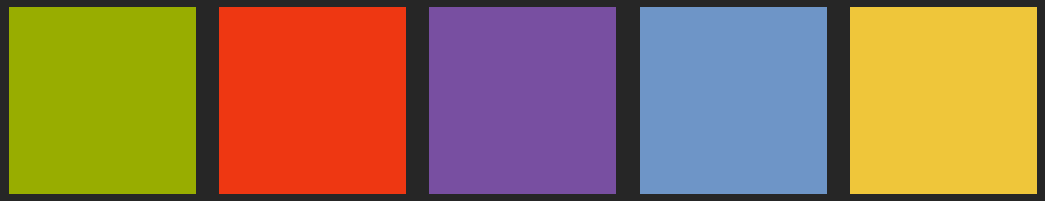
Robert P. Langstroth, Ph.D.
ENVIRON International, Washington, DC

ENVIRON

Introduction

Key themes:

- Lender Requirements
- Project Sponsor Realities
- External Factors
- Recommendations



Lender Requirements

Inter-American Development Bank

- Environmental and Safeguards Compliance Policy
- Directive B.5: Environmental Assessment Requirements
- Directive B.9: Natural Habitats and Cultural Sites
- Forthcoming guidance notes and manual on biodiversity baselines, impact assessments, and action plans

Directive B.5: Environmental Assessment Requirements

- General requirements for baselines and impact assessment for projects under consideration by the IDB
- Requires “using adequate baseline data as necessary”
- No guidance on scope or methodologies

Directive B.9: Natural Habitats and Cultural Sites

- Natural Habitat
  - "…biological communities formed largely by native plant and animal species"
  - Ecosystem functions "not essentially modified" by human activities
- Critical Natural Habitat
  - Protected Areas
  - Unprotected Areas of Known High Conservation Value
    - Areas highly suitable for conservation
    - Crucial for CR, EN, VU, or NT species listed by IUCN
    - Critical for viability of migratory corridors
- Significant Conversion or Degradation

Upcoming IDB Guidance Notes

- Scoping
  - Key Biodiversity Features
  - Priority Ecosystem Services
  - Identification of Questions to be addressed by Impact Assessment
  - Terms of Reference for Field Studies
- Examination of Critical Natural Habitat Criteria
- Ecosystem Services
- Identification of Indicators for Monitoring
- Offsets

International Finance Corporation: Performance Standard 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

- Modified vs. Natural Habitats
- Critical Habitats
- Legally Protected and Internationally Recognized Areas (Ramsar Sites, IBAs, KBAs, AZE Sites, etc.)
- Ecosystem Services
- Invasive Species

IFC PS6

- Does not provide specifics on baseline requirements, methodologies, etc.
- Landscape and ecosystem focus
  - "Spatial Unit of Analysis" for Critical Habitat assessments
- Identification of Modified, Natural, and Critical Habitats to determine applicable requirements
  - EN/CR spp.; endemic/restricted-range spp., migratory/congregatory spp., threatened/unique ecosystems; key evolutionary processes
- Provide sufficient information to address whether projects can comply with the requirements
- Offsets and Biodiversity Action Plans
- Ecosystem Services

Common Limitations of Lender Reviews

- Timing Constraints of Bank Processes and Project Schedules
- Projects arrive too late in Project Cycle (baselines may be “retrospective”)
- Screening Tools Limitations
- Staffing and Budget Limitations
- Consultant Limitations
- Lack of Consistency among Reviewers and Projects
- Pushback from Clients

Project Sponsor Realities

ENVIRON

Project Sponsor Realities

- Limited time and budget for baseline studies (cost-based consultant selection, need to optimize use of resources, no free money)
- Limited biodiversity expertise/capacity of project managers and consultants
- “Will” and resources to go beyond local requirements
- Reluctance to consult and disclose
- Mistrust of “environmentalists”
- Fear of “Critical Habitat” requirements
- Studies seen as a cost and not an investment
- Availability of lenders with less stringent requirements

External Constraints

ENVIRON

External Factors

- Moving targets – changing project design and footprints, changing project teams
- Data limitations and uncertainties
- Lack of qualified consultants to perform studies
- Logistics, permitting, “social license” (hinder collections and fieldwork)
- Weak local requirements and capacity for biodiversity review and assessment
- Minimal independent expert oversight and review of ESIAs : Little or no incentive for quality studies
- Apathy towards biodiversity beyond charismatic megafauna, ecotourism, or as means to achieve other demands
- Weak integration of physical, biological, and social baselines

Recommendations

Recommendations

- Single, clear standard among lenders for Biodiversity Inclusive ESIA and Monitoring
  - Require Scoping Studies; How much is enough? Do we need to look at terrestrial invertebrates and non-vascular plants? Appropriate and acceptable methodologies? More focus on ecology, processes, and existing threats; Application of precautionary principle; Integrate physical, biological, and social data
- More timely screening, scoping, baselines and impact assessment in Project Cycle
- Improved consultation, disclosure, and collaboration with stakeholders (government, civil society, NGOs, scientific community)
- Certification and training of biodiversity consultants
- Independent Critical Habitats Review Panel
- Centralized (free!) data warehouses and portals