CSBI: Biodiversity and the Extractives Sector

Inter-American Development Bank,
Washington DC USA

Nick Owens, CSBI Chairman

14 November 2017

Cross Sector Biodiversity Initiative

IPIECA

ICMM
International Council on Mining & Metals

CSBI overview

CSBI is a **member led** initiative that brings together the collective expertise of the oil & gas, mining & metals and broader finance sector.

We are a forum to **provide leadership** in **developing** and **sharing good practice** related to biodiversity and ecosystem services in the extractive industry.

Cross Sector Biodiversity Initiative

ICMM International Council on Mining & Metals

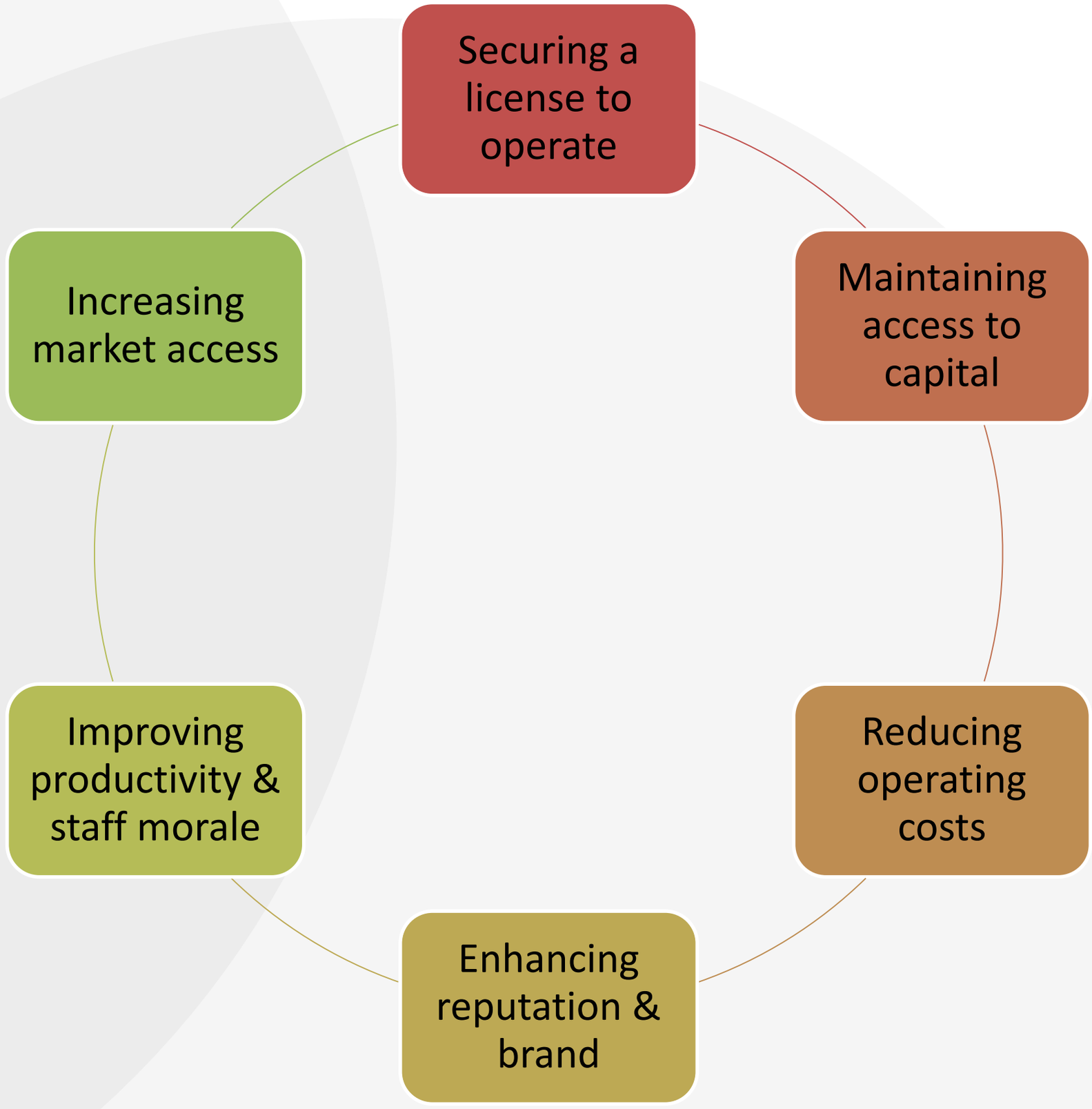
IPIECA

EQUATOR PRINCIPLES

2017 workplan overview

Work stream	Activities	Timeline
Knowledge-sharing – members to share learnings on key concepts/approaches, CSBI to seek information from external sources etc.	Webinars on key topics throughout the year.	1-2 webinars per quarter
Emerging issues and opportunities – CSBI to engage externally to identify future risks and opportunities and to seek further information on key topics of interest to members.	Briefing papers on key topics to be delivered throughout the year. Regular engagement with the NGO community.	1 x presentation and paper delivered for the June meeting. 2 x webinar and paper delivered ~Sept and ~Nov. Engagement to take place throughout the year.
Industry-wide engagement – CSBI to reach out beyond members to wider industry to learn and share information.	Outreach	Continuous
Communications – CSBI to improve the website and outreach to members.	Website redevelopment New email, mailing list, newsletter and webinar communications.	Website to be completed over the summer. Continuous.

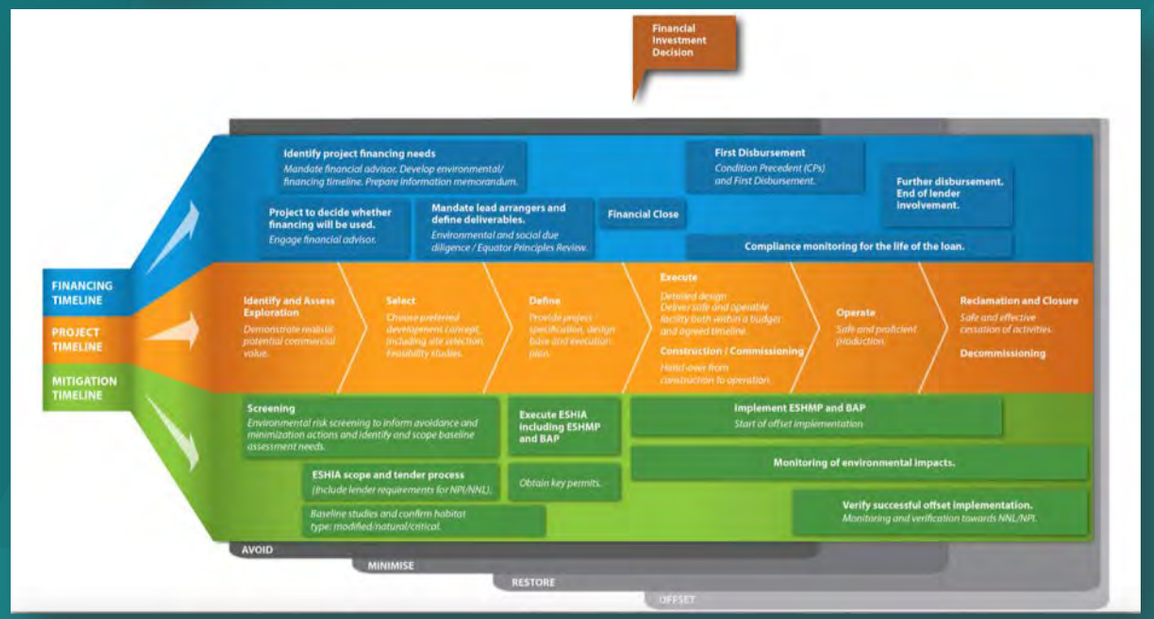
Good practice risk management creates many positive opportunities



After IFC's biodiversity business risks

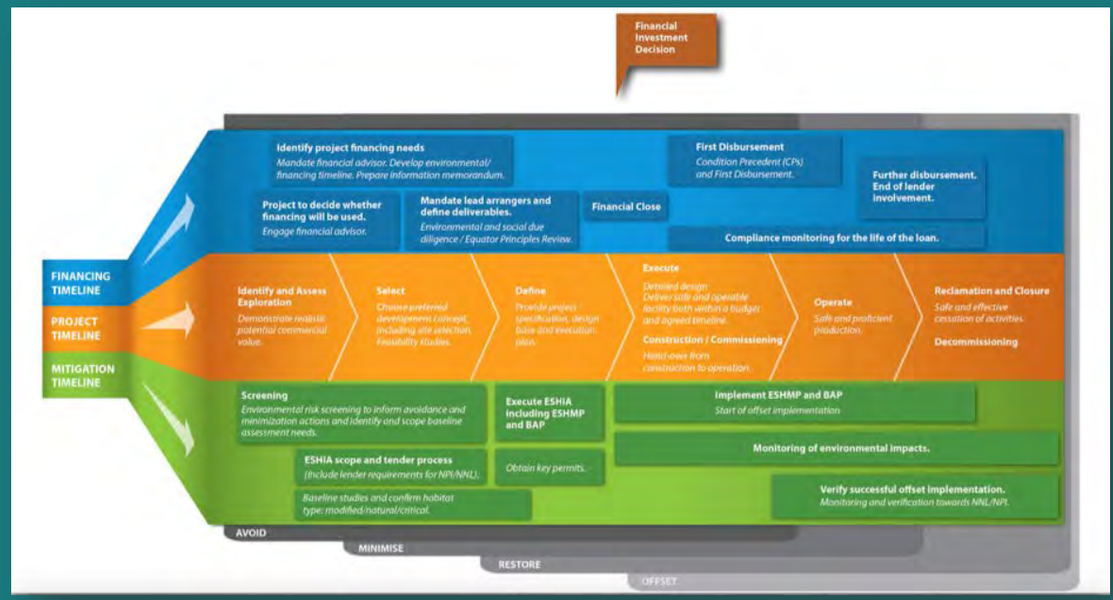
CSBI tools and guidance

- Three clear, comprehensive resources for managing biodiversity and ecosystem services risk
- Together and separately enable management of biodiversity and ecosystem services and the associated reduction in projects costs & delays

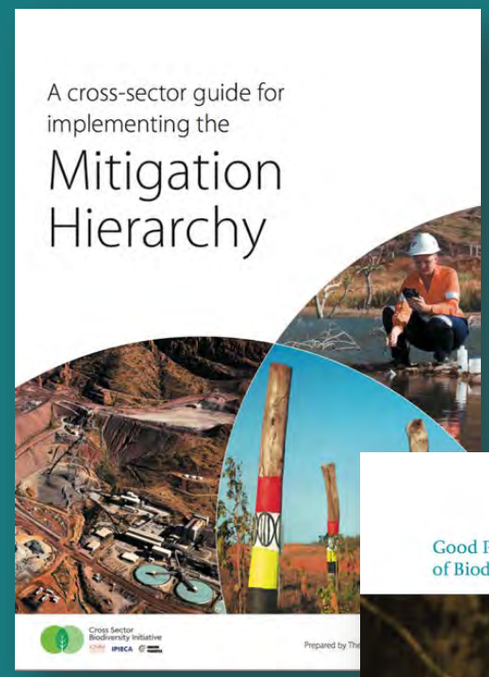


csbi.org.uk

- **The Timeline Tool:** assists professionals in coordinating project development calendars, biodiversity impact assessment and management schedules, and financial timelines and milestones.



- **A cross-sector guide for implementing the Mitigation Hierarchy:** guides users through each step in the Mitigation Hierarchy, both at the initial design and planning stages of a project and throughout the project's lifespan.



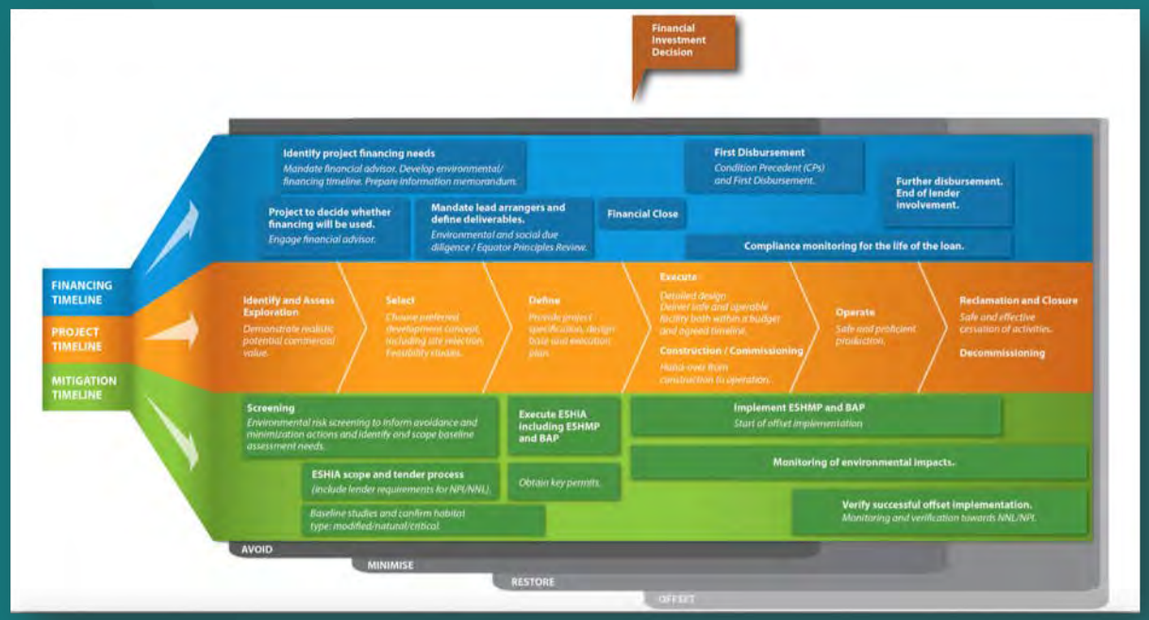
- **Good Practice for the Collection of Biodiversity Baseline Data:** used at the beginning of project planning when considering & trying to understand biodiversity & ecosystem services risk.

csbi.org.uk

What is the Timeline Tool?

A roadmap to help identify key milestones and interdependencies between:

- **financing**
- **project execution**
- **biodiversity management**



Identify project financing needs

Mandate financial advisor. Develop environmental/ financing timeline. Prepare information memorandum.

Project to decide whether financing will be used.

Engage financial advisor.

Mandate lead arrangers and define deliverables.

Environmental and social due diligence / Equator Principles Review.

Financial Close

First Disbursement

Condition Precedent (CPs) and First Disbursement.

Further di
End of len
involveme

Compliance monitoring for the life of the l

Identify and Assess Exploration

Demonstrate realistic potential commercial value.

Select

Choose preferred development concept, including site selection. Feasibility studies.

Define

Provide project specification, design base and execution plan.

Execute

Detailed design
Deliver safe and operable facility both within a budget and agreed timeline.

Construction / Commissioning

Hand-over from construction to operation.

Operate

Safe and proficient production.

Screening

Environmental risk screening to inform avoidance and minimization actions and identify and scope baseline assessment needs.

ESHIA scope and tender process

(include lender requirements for NPI/NNL).

Baseline studies and confirm habitat type: modified/natural/critical.

Execute ESHIA including ESHMP and BAP

Obtain key permits.

Implement ESHMP and BAP

Start of offset implementation

Monitoring of environmental impac

Verify successful offse

Monitoring and verificat

AVOID

MINIMISE

RESTORE

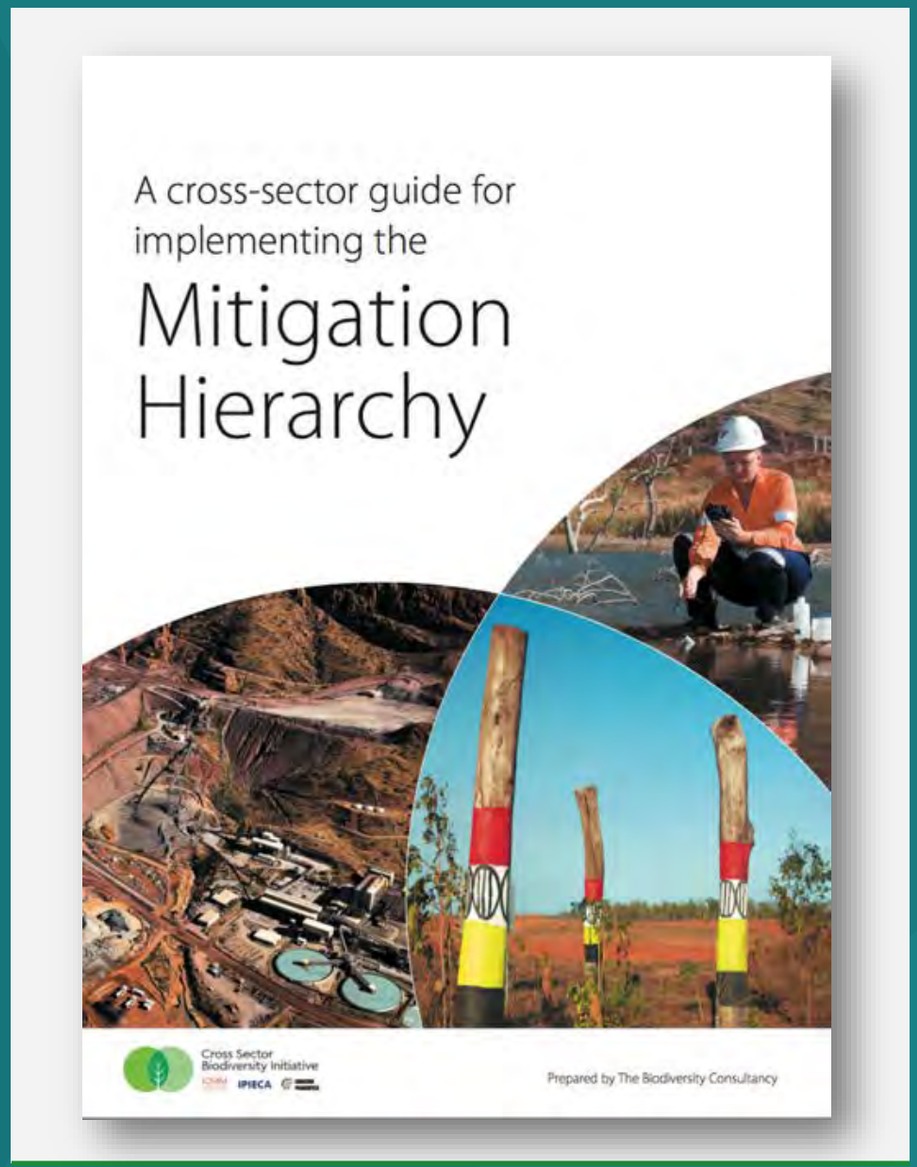
OFFSET

When & where to use the Timeline Tool?

The Timeline Tool assists professionals planning extractive projects in coordinating project development calendars, biodiversity impact assessment and management schedules, and financial timelines and milestones.

What is the Mitigation Hierarchy guidance?

Provides practical guidance to support implementation of the Mitigation Hierarchy.



ENVIRONMENT AND SOCIAL AVOIDANCE PROTOCOL

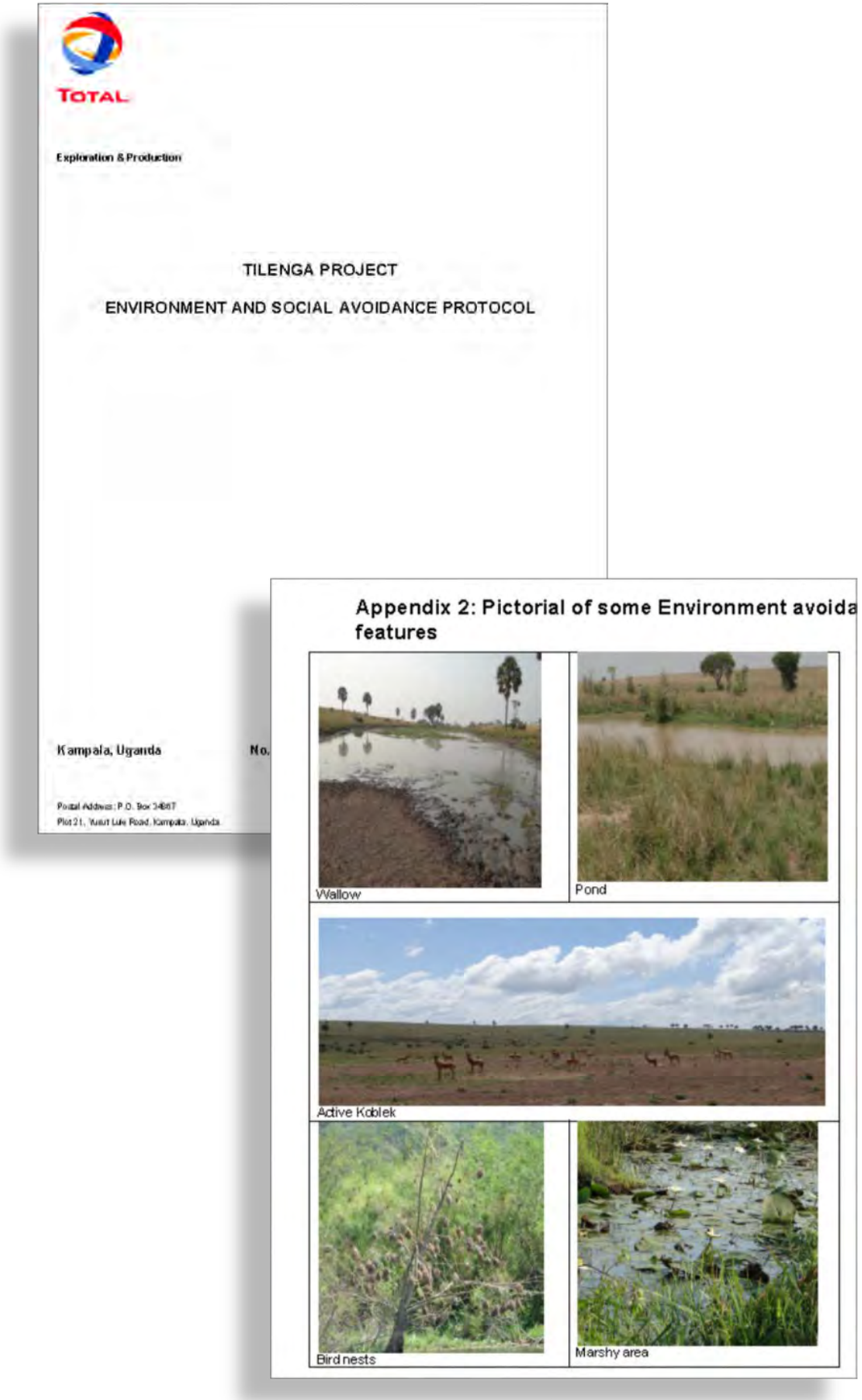
TILENGA PROJECT,
Uganda

CONTEXT REMINDER OF THE TELINGA PROJECT

- Sensitive Setting**:**
  - located partially over **biodiversity sensitive** areas (Murchison Falls National Park IUCN Cat II and Nile Delta Ramsar area)
  - **Total E&P Uganda and partners committed** to apply IFC Performance Standards
  - Project “Area of Impact” contains **Critical Habitat** (IFC PS6 criteria)
  - **Historically significant** pre-project biodiversity values loss
- Project creates a further risk but also an **opportunity for biodiversity Net Gain**
- **Applying the Mitigation Hierarchy, underpins** the Net Gain target, starting with AVOIDANCE

AVOIDANCE PROTOCOL AIM

- Formalises the Environment and Social (E&S) avoidance protocol
- Guides the project team and provides the framework when assessing alternatives, in light of their respective risks and opportunities
- Implemented in close collaboration between E&S experts and project engineers
- Particularly relevant during early phases, i,e, **Pre-Project and Front Engineered End Design (FEED) Phases, where most opportunities for physical/seasonal avoidance arise**



AVOIDANCE PROTOCOL SCOPE

- **Macro-avoidance** :
  - aims at avoiding key ecosystems (macro-habitat features) / social features within the landscape
  - informed by landscape level studies such as Critical Habitat Assessment, land use, vegetation/habitat mapping and habitat suitability assessments
  - the more alternative locations for a project component, the more efficient the avoidance
- **Micro-avoidance** :
  - Optimizes Project components siting in consideration of sensitive features
  - involves avoiding micro-habitats (i.e. small sensitive features) that maintain integrity of an ecosystem and socio-economic components

Constraints key:
- Severe = To avoid. Other impact mitigation hardly achievable.
- Medium = Constraint should be avoided. Other mitigation might be appropriate.
- Low or Negligible = Constraint should be avoided. Other impact mitigation measures are feasible.

5.1.1 Macro-Avoidance

For macro-avoidance purposes and in line with IFC PS 6 requirements, the following habitats are to be avoided as much as practicable and as a priority.

Feature	Constraint Level / Ranking	Buffer Wellpads	Buffer flowlines and pipelines	Buffer Access roads
Critical Habitat	1	100m	50m	100m
Threatened ecosystems	2	100m	50m	100m
Natural Habitat	3	100m	50m	100m

Table 1: Environment features, constraints and buffer – macro-avoidance priority 1

5.1.2 Micro-Avoidance

Micro-avoidance shall be implemented for all project components with specific buffers to be respected.

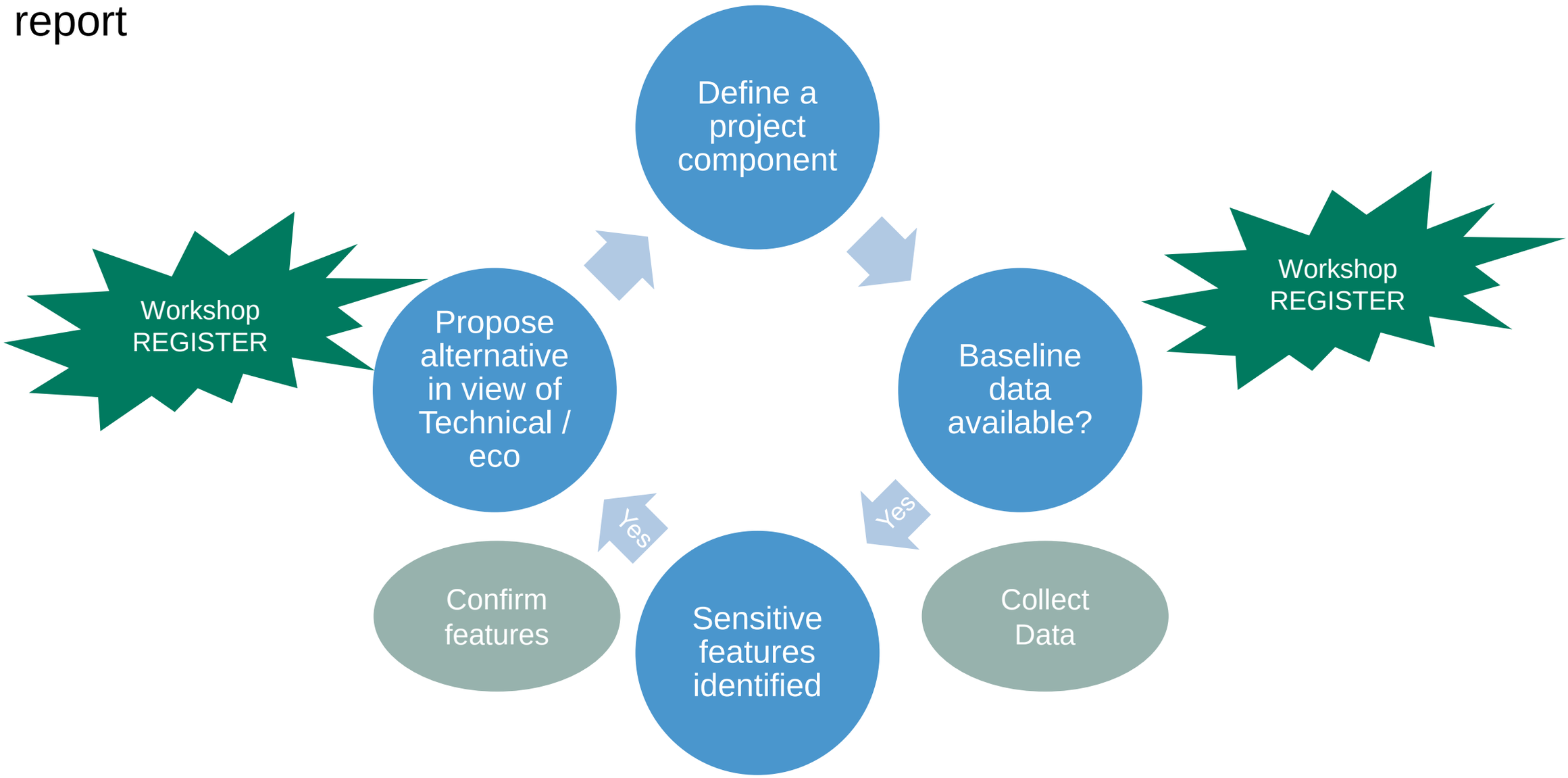
Feature	Constraint Level / Ranking	Buffer Wellpads	Buffer flowlines and pipelines	Buffer Access roads
Kobleks	1	100m	100m	50m
Hyena Dens (active)*	2	50m	50m	50m
Marsh/ponds/other swamp	3	50m	50m	30m
NFA reserved tree species	4	Edge	Edge	Edge
Streams (small rivers) and Wetlands	5	30m	30m	30m
Vulture nests[1]	6	50m	50m	50m
Significant Animal routes to the Victoria Nile	7	50m	50m	50m
Wallow	1	50m	50m	30m

Macro-avoidance should reduce need for micro-avoidance

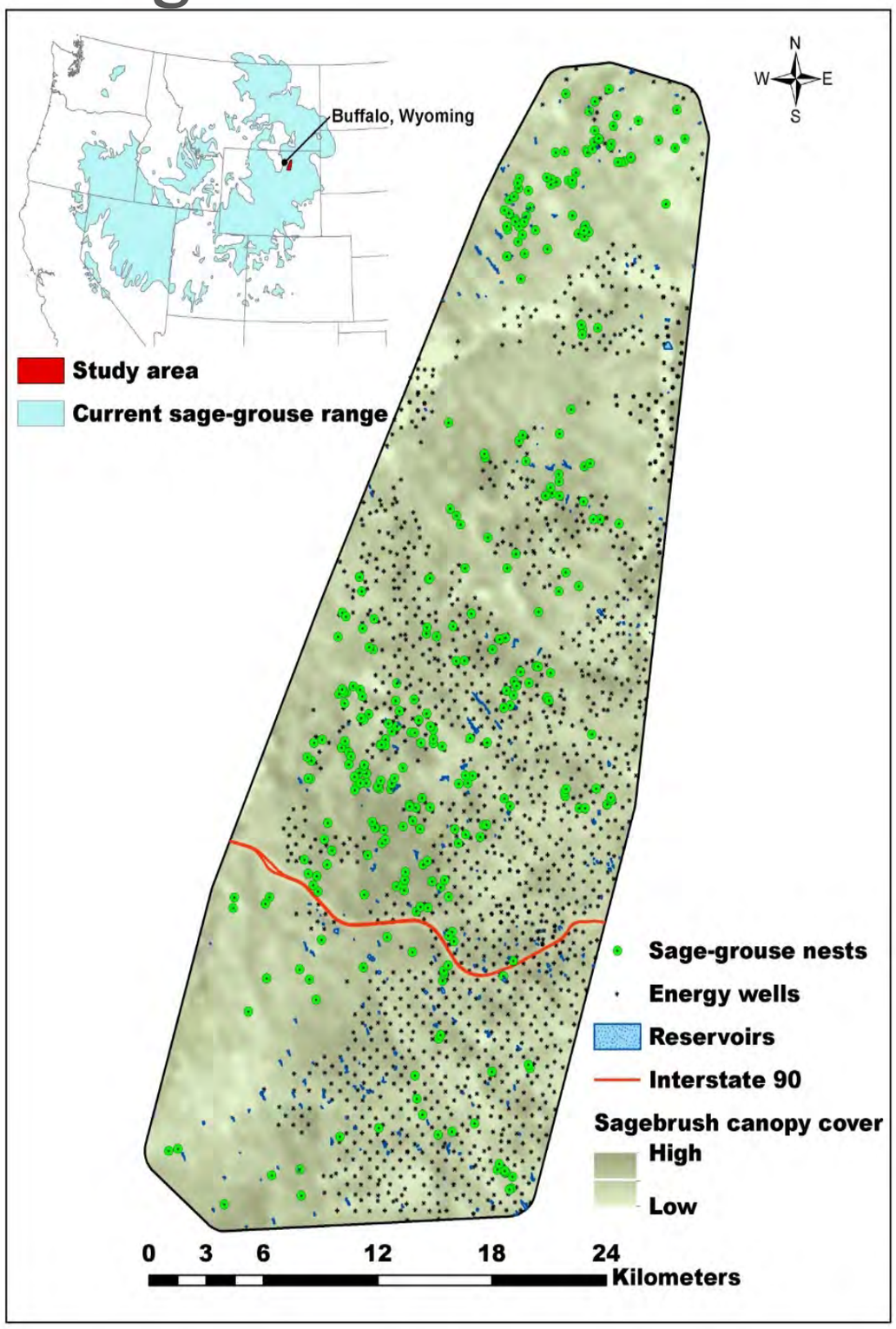
Physical avoidance should reduce need for seasonal avoidance

IMPLEMENTATION

Process: Identify sensitive environmental & social & cultural, features, set buffers, consider seasonality, integrate to project design and ESIA, report



Example of avoidance and minimization through project design: North America



In this case significant impacts on biodiversity were avoided through the project infrastructure design process. Burying power lines, limiting reservoirs and traffic, and lowering disturbance.

A study published by USGS demonstrated minimization of sage-grouse impacts while maximizing resource extraction.

Anadarko Petroleum Corporation

What is the Biodiversity Baseline Data guidance?

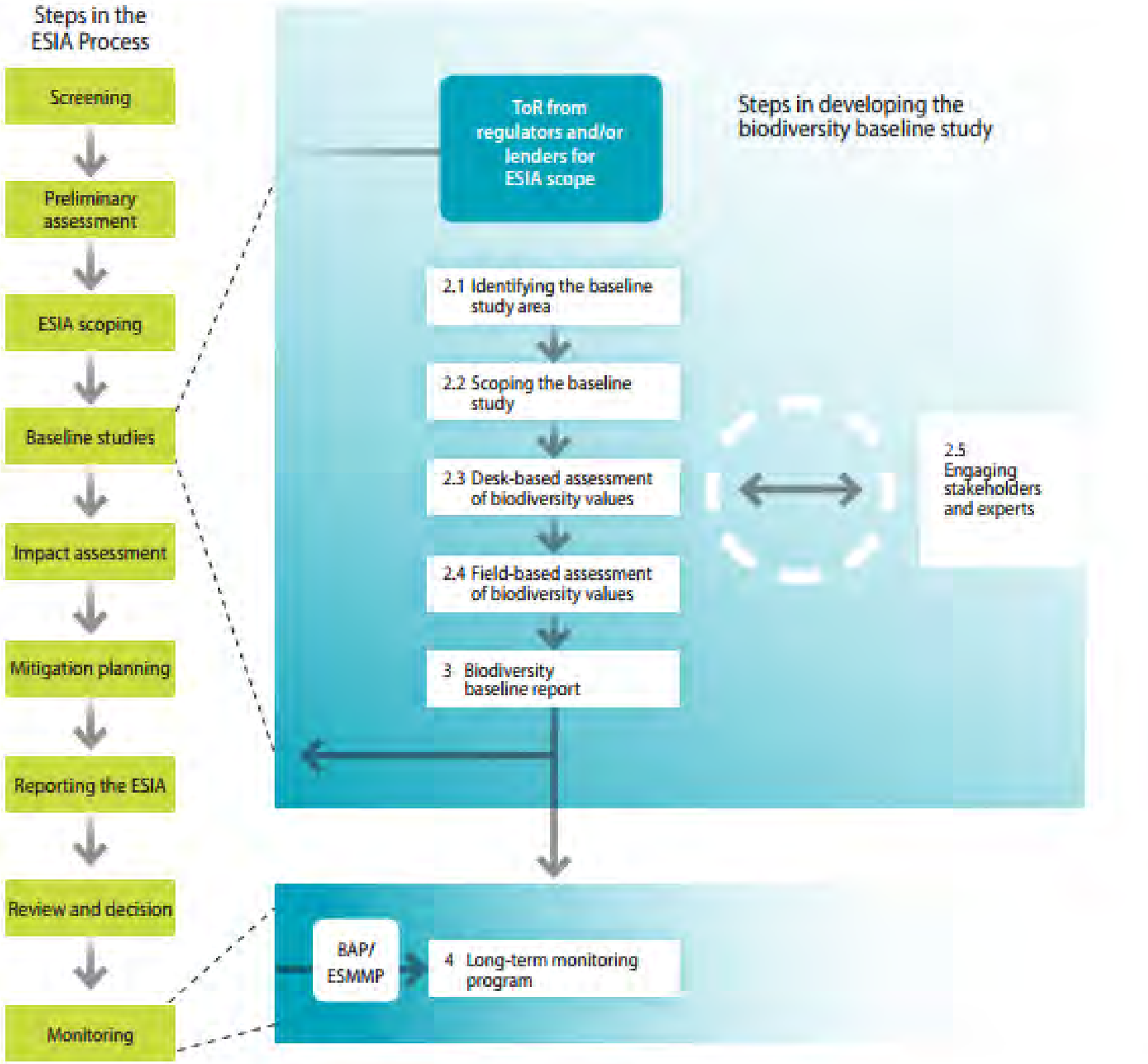
It summarizes **good practices** for **biodiversity baseline studies**. Sound baseline studies are essential for biodiversity to be included effectively & fully in impact assessment and related management plans.

Who is it for?

This document is produced for corporations, lenders, regulators, and others involved in conducting Environmental and Social Impact Assessments (ESIAs).

It helps practitioners to:

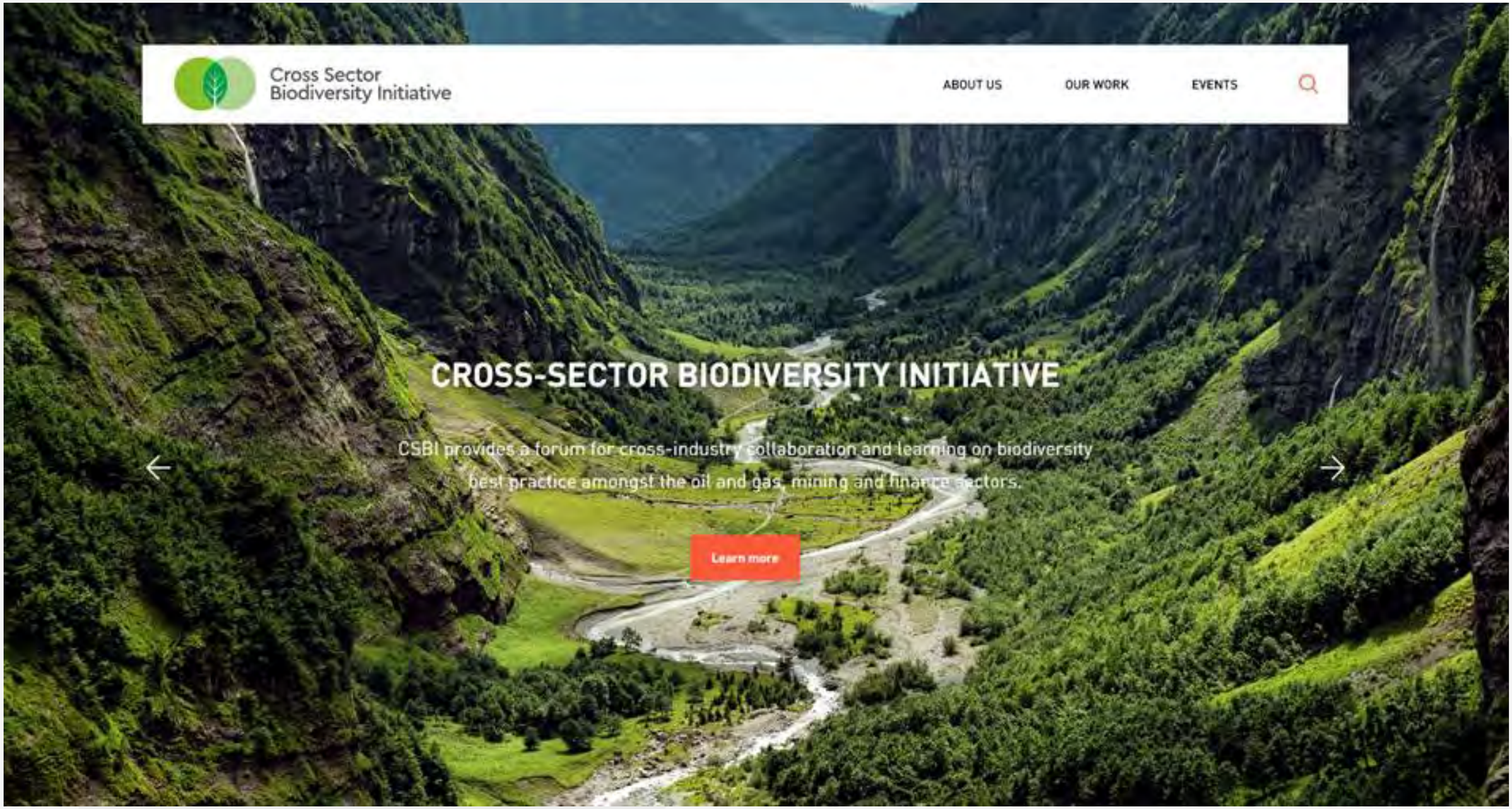
1. **Understand** the technical concepts underpinning biodiversity baseline studies,
2. **Specify** the required studies/analyses to be undertaken,
3. **Identify** the specialized skills required to undertake them,
4. **Deal** with **common problems** and **data management**, and
5. **Interpret** the results.


Steps in the ESIA Process
Screening
Preliminary assessment
ESIA scoping
Baseline studies
Impact assessment
Mitigation planning
Reporting the ESIA
Review and decision
Monitoring
ToR from regulators and/or lenders for ESIA scope
Steps in developing the biodiversity baseline study
2.1 Identifying the baseline study area
2.2 Scoping the baseline study
2.3 Desk-based assessment of biodiversity values
2.4 Field-based assessment of biodiversity values
3 Biodiversity baseline report
2.5 Engaging stakeholders and experts
BAP/ ESMMP
4 Long-term monitoring program

When and where to use this guide?

This guide should be used at the beginning of project planning when considering & trying to understand biodiversity & ecosystem services risk.

Go to the CSBI website for further information – www.csbi.org.uk



Cross Sector Biodiversity Initiative

IPIECA

ICMM
International Council on Mining & Metals

For further information:
Web: www.csbi.org.uk
Email: info@csbi.org.uk

Follow CSBI on LinkedIn