Frequently Asked Questions



The Energy & Biodiversity Initiative

Energy and Biodiversity Initiative (EBI) Basics

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EBI Basics

Q. What is "biodiversity?"

A. Biological diversity, or biodiversity, is very broadly defined as being the variety of life on earth at the genetic, species, and ecosystem levels of biological organization. It also includes the processes that link these levels together and enable them to function.

Q. What is the EBI?

A. Started in 2001, EBI has brought together leading energy companies and conservation organizations to develop and promote best practices for integrating biodiversity conservation into oil and gas development.

Q. Why was the EBI started?

A. The EBI grew out of a need by the energy industry and conservation organizations to consider what impacts the energy industry has on biodiversity and how these impacts can be measured and reduced. The process has sought involvement from progressive players within the energy industry that recognize the importance of biodiversity and want to contribute to the development of solutions.

Q. What were the main objectives of this Initiative?

A. The main objectives of the Initiative have been to develop and promote best practices for integrating biodiversity conservation into oil and gas development. The Initiative seeks to be a positive force for biodiversity conservation by bringing together leading energy companies and conservation organizations to share experiences and build on intellectual capital to create value and influence key audiences. The questions that have been addressed by the Initiative are:

- 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?

Q. Who are the EBI member organizations?

A. The EBI participants1 include BP, ChevronTexaco, Conservation International, Fauna & Flora International, Shell, The Smithsonian Institution, Statoil, The Nature Conservancy, and IUCN - The World Conservation Union.

The EBI Report and Products

- Q. What has the Initiative produced?
- **A.** The EBI has produced a collaborative report, Integrating Biodiversity Conservation into Oil & Gas Development, containing guidelines and recommendations for integrating biodiversity conservation into oil and gas development. The report is intended to be a practical guide for building biodiversity protection into the entire spectrum of oil and gas operations, from exploration to decommissioning.
- Q. Where can these products be found?
- **A.** Electronic copies of the EBI report and supporting products can be downloaded at www.TheEBI.org. For printed copies of the EBI report, please contact:

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- **Q.** What is happening with the Initiative now that the products have been released?
- **A.** EBI will have a presence at the upcoming World Parks Congress in Durban, South Africa (September 8 to 17, 2003); at this venue and others in the coming months, we will be actively consulting with the broader conservation and development community to gain further feedback on the EBI products and process. Additionally, we 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 be working closely with the Biodiversity Working Group jointly established by two global industry trade associations—the International Petroleum Industry Environmental Conservation Association (IPIECA) and the International Association of Oil and Gas Producers (OGP)—in order to begin the process of testing and refining the guidelines and recommendations outlined in the report.

In addition to presenting the results to the industry at large, each EBI company member will work internally to determine how they can apply the recommendations to their own operations. Each EBI conservation organization will continue to work with companies to test and refine the EBI products, looking for opportunities to promote the integration of biodiversity conservation into corporate decision–making, operations and management systems, and identifying ways to contribute to conservation outcomes.

Q. Will the organizations involved stand by the recommendations made by the Initiative?

A. 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 ongoing 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 existing business procedures, based on a process of prioritization of needs and potential risks and benefits.

This includes the EBI companies, for whom this is also a work in progress. Each is starting from a different point in developing its internal biodiversity policies and programs. As such, each company has different needs and priorities for addressing individual elements of the EBI recommendations, and none is necessarily likely to fully implement them all. Furthermore, while energy companies can contribute expertise, influence and resources to biodiversity conservation, they cannot and should not be expected to resolve the challenges discussed above on their own. Rather, integrating biodiversity into oil and gas development will require a collaborative effort among companies, conservation organizations, governments, communities and other stakeholders.

The EBI member energy companies and conservation organizations have all stated their commitment to work to integrate the EBI products into their individual organizations. Specific statements regarding each member organization's continuing commitment to the EBI process can be found online at www.TheEBI.org.

Q. Why have you not addressed the contribution of the use of fossil fuels to global climate change?

A. One of the most significant aspects of continued growth in the use of oil and gas products is the contribution to global climate change. While the direct footprint of energy development on biodiversity can be significant in specific ecosystems, the long-term effects of oil and gas use have wider implications for the global environment as a whole. EBI recognizes the importance of the issue of climate change, including its potential implications for biodiversity, but does not directly address it, as it was considered beyond the scope of this project and is being addressed in other forums.

Q. Were there any other issues the EBI decided not to address?

A. EBI recognized the potential risks of establishment of invasive aquatic species as a result of ballast water transfer in tankers. However, this issue was not addressed because the focus of the effort was on activities related to oil and gas exploration and production, and because tanker ballast water transfer is regulated under international treaty.

EBI also recognized the relationship between biodiversity conservation and social and economic factors, including those involving indigenous people. These are extremely broad issues that were largely beyond our scope; however, they were addressed wherever possible and appropriate within the EBI products.

EBI Governance and Participation

- **Q.** What has been the governing structure of the Initiative?
- **A.** The Initiative has been convened, facilitated and managed by the Center for Environmental Leadership in Business at Conservation International. However, its objectives, structure and products have been shaped and developed equally by all participants. The Initiative has been a dynamic dialogue, actively and equally involving all participants. The specific work of the Initiative was designed such that each key issue was addressed by a working group jointly led by representatives of one energy company and one conservation organization. Over a two and a half year period, the group held nine full group meetings, and held regular communications during interim periods to further develop the EBI products.
- Q. How did you choose which companies and organizations should be involved in EBI?
- **A.** Initially, Conservation International approached companies that had expressed an interest in making a commitment to biodiversity conservation in their operations and NGOs that had prior field experience working jointly with industry to improve the environmental performance of the energy sector. The current participants represent companies and organizations that responded positively to this initial approach.
- Q. Why was the group limited in the number of participating companies and conservation organizations?
- **A.** Planning the overall design and structure of the Initiative took more than two years prior to the official launch of the EBI in January 2001. The process has sought involvement from progressive players within the energy industry were interested in contributing to the development of solutions that integrate biodiversity considerations into oil and gas development.

It was intended that participation in the Initiative be balanced and limited, in order to ensure that the process was manageable and objectives and products were achievable. At the first meeting of the Initiative, it was decided that restricting core participation to the organizations present would enable the process to more effectively achieve its objectives. Each organization or company committed two senior personnel for the duration of the Initiative.

- **Q.** Why were there no governments, local community/indigenous groups, or southern-based organizations involved in this Initiative?
- **A.** The Initiative participants acknowledge that there are many important issues surrounding energy development and its social impacts, including the rights of indigenous people, the dependence of local communities on biodiversity, overlaps between lands set aside for legal protection and lands customarily owned or used by indigenous people, and the role of governments. The EBI recognizes that biodiversity cannot and should not be considered in isolation, but can only be managed properly if it is considered in conjunction with other sustainable development issues and potential areas of impact. Therefore, the Initiative was designed with a global focus and, as such, the participants are organizations and companies that have a global presence in their operations and activities. In particular, the involvement of IUCN The World Conservation Union is significant, as the organization has 78 governments, more than 110 government agencies and more than 730 NGOs affiliated with it worldwide. It is recognized, however, that the organizations taking part in this Initiative all have headquarters in the northern hemisphere.

Q. How has the Initiative consulted with other concerned parties?

A. The Initiative participants developed an engagement and communication plan to disseminate information about their activities and consult relevant parties at appropriate times during the process. The first major consultation took place at a workshop held on January 23, 2002, in order to seek feedback on the overall aims of the EBI from experts interested in integrating biodiversity conservation into oil and gas development. Held at the offices of Conservation International, the workshop was attended by over 70 representatives of the oil and gas industry, mining companies, the financial community, NGOs, and community groups. The work-to-date of the EBI was presented at the workshop and discussed in break-out sessions. A public website containing some of the draft EBI products presented at the workshop and minutes from the workshop was launched in March 2002.

The EBI has also given several public presentations of its work at the following venues:

- The Sixth Society of Petroleum Engineers (SPE) International Conference on Health, Safety & Environment in Oil and Gas Exploration and Production (HSE); Kula Lumpur, Malaysia (March 2002)
- · Global Biodiversity Forum 16; The Hague, The Netherlands (April 2002)
- Sixth Ordinary Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP-6); The Hague, The Netherlands (April 2002)
- IPIECA Annual General Meeting; United Kingdom (April 2002)
- Fourth Annual Population, Energy, and Environment (PEA) Tripartite Conference; Cuzco, Peru (May 2002)
- · World Petroleum Congress; Rio de Janeiro, Brazil (September 2002)
- · Business for Social Responsibility (BSR); Miami, Florida, United States (November 2002)
- IPIECA/OGP Biodiversity Working Group workshop; Kew, United Kingdom (June 2003)

Notes

¹ Until December 2001, Enron was also a member of the Initiative.