



The Convention on Biological Diversity

A guide for the oil and gas industry



IPIECA

International Petroleum Industry Environmental Conservation Association
5th Floor, 209–215 Blackfriars Road, London, SE1 8NL, United Kingdom
Telephone: +44 (0)20 7633 2388 Facsimile: +44 (0)20 7633 2389
E-mail: info@ipieca.org Internet: www.ipieca.org

OGP

International Association of Oil & Gas Producers

London office

5th Floor, 209–215 Blackfriars Road, London SE1 8NL, United Kingdom
Telephone: +44 (0)20 7633 0272 Facsimile: +44 (0)20 7633 2350
E-mail: reception@ogp.org.uk Internet: www.ogp.org.uk

Brussels office

Boulevard du Souverain 165, 4th Floor, B-1160 Brussels, Belgium
Telephone: +32 (0)2 566 9150 Facsimile: +32 (0)2 566 9159
E-mail: reception@ogp.org.uk Internet: www.ogp.org.uk



This guide has been prepared by IPIECA/OGP through the joint Biodiversity Working Group coordinated by Steven de Bie (Shell), Erica Dholoo (IPIECA) and Tessa Macnair (IPIECA).

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A guide for the oil and gas industry

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Introduction

by Ahmed Djoghlaif, CBD Executive Secretary



Business has a crucial role to play in all aspects of sustainable development, including biodiversity conservation. This was recognized in Chapter 30 of Agenda 21, adopted at the Rio de Janeiro 'Earth Summit' in June 1992; by the call of the United

Nations Secretary-General, in 1999, to establish a 'Global Compact' to support universal environmental and social principles; and again at the 2002 World Summit on Sustainable Development in Johannesburg.

In 2002, Parties to the Convention on Biological Diversity (CBD) adopted a Strategic Plan, including the target to achieve, by 2010, a significant reduction in the rate of biodiversity loss. The Plan acknowledges the importance of engaging key actors and stakeholders, including the business community, in the implementation of the Convention.

As mentioned by the Millennium Ecosystem Assessment (MA)—the most comprehensive analysis on the state of health of the planet's ecosystems to date—the need for addressing biodiversity loss has never been so urgent. In its business and industry synthesis report, the MA indicates that if current trends continue, the ecosystem goods and services that businesses depend on for their productivity and profitability will soon become unavailable or more costly. Not only will this have direct impacts on business practices, but it will influence consumer and shareholder expectations, the availability of finance and insurance, and the regulatory framework within which business operates. Recognizing the need to minimize their impacts on biodiversity for their sustainability, and the emerging opportunities for new business, some companies are taking steps to implement and promote good biodiversity practice. A clear business case for biodiversity is thus emerging but has yet to reach most companies.

If we are to address the biodiversity challenge, businesses must be better engaged in the implementation of the Convention. With this in mind, Parties to the Convention adopted, at their eighth meeting in March 2006, the first decision to focus exclusively on business engagement. Amongst other things, this landmark decision encourages representatives from business to participate in Convention meetings, including meetings of the Conference of the Parties (COP) and the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA).

The COP noted in its decision that contributions from business towards the implementation of the Convention and its 2010 target could be facilitated by further work under the Convention to develop, amongst other things, a guide to the Convention. As a result and for the first time, the Secretariat has a designated full time staff member to act as focal point with business.

In light of this, the Secretariat welcomes the initiative by the IPIECA/OGP Biodiversity Working Group to explain the Convention to its members in the oil and gas industry. I believe that this should help companies better understand Convention processes and, ultimately, help the implementation of the Convention on the ground.

The Secretariat looks forward to an increased participation from the oil and gas sector at upcoming meetings of the Convention, to the engagement of the business community in the enhanced phase of the implementation of the three objectives of the Convention (see page 4), and to its distinct contribution in achieving the 2010 biodiversity target.

(October 2007)

Background

IPIECA/OGP and the CBD

The importance of environmental conservation in planning and operational management in the oil and gas sector has been growing significantly over the past 20 years. In areas of the world where they exist, environmental regulations are the key drivers for industry action, whereas in other areas, a balance of public, shareholder and government expectations regarding economics and environmental protection form the basis for decision making. With the emergence of international conventions, there is an increasing trend for countries to develop or adapt environmental conservation legislation that allows them to implement relevant commitments.

The most important of the international conventions governing biological diversity (more commonly known as 'biodiversity') is the Convention on Biological Diversity (CBD). Decisions reached in the CBD not only flow into national legislation, but they also influence the expectations of investors, non-governmental organizations (NGOs) and other stakeholders when working with the business sector.

IPIECA and OGP hold formal United Nations NGO status. The Associations represent the views of their members in public fora and provide an interface between the petroleum industry and the United Nations agencies.

It is important that IPIECA/OGP and their member companies monitor decisions made by the Conference of the Parties (COP) (the governing body of the Convention—see page 5) and engage in information gathering and discussion underpinning those decisions. The Convention recognizes the importance of business and industry cooperation and support in delivering effective biodiversity conservation. A number of routes are available to facilitate engagement between the CBD and business, which can be used by IPIECA/OGP and their member companies (see page 15). The CBD Secretariat now includes a specific focal point for business engagement, which will provide advice and guidance throughout the process of engagement.



Biological diversity ...

Biological diversity (commonly known as 'biodiversity') is the variability among living organisms from all sources including, among others, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems. (Definition from Article 2 of the Convention on Biological Diversity—Use of Terms.)



Background ...



An introduction to the CBD

During the 1970s, biological diversity was an issue of growing importance and many international legal instruments were adopted. However, during the 1980s, it became apparent that, despite international treaties such as the Bonn Convention on Migratory Species and the Ramsar Convention on Wetlands, the rate of biodiversity loss was still increasing. In May 1988 the United Nations Environment Programme (UNEP) started a process to establish a legally binding instrument for the conservation and sustainable use of biological diversity. This process culminated in more than 150 governments signing the CBD at the United Nations Conference on Environment and Development (the 'Earth Summit') held in Rio de Janeiro, Brazil in June 1992. Since then, nearly 200 countries have ratified the agreement and become Parties to the Convention.

Parties ...

Parties are governments and regional economic integration organizations, such as the European Union, that have ratified the Convention.

Although the CBD identifies problems, sets overall goals, policies and general obligations, and organizes technical and financial cooperation to support their achievements, the responsibility for achieving the goals of the CBD rests largely with the Parties. Their commitments under the CBD are outlined in the Articles of the Convention (see: www.cbd.int/convention/convention.shtml).

A full list of current Parties can be found at: www.cbd.int/world/parties.asp.

Parties are committed to implementing measures—such as regulations and policies—aimed at achieving the three objectives, or goals, of the Convention, i.e.:

- the conservation of biodiversity;
- sustainable use of the components of biodiversity; and
- sharing the benefits arising from the commercial and other utilization of genetic resources in a fair and equitable way.

The framework for action taken under the Convention is the 'ecosystem approach'. This is a strategy for the integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way.

The CBD was an important landmark because it:

- demonstrated a global, political will to tackle biodiversity loss;
- recognized that halting the loss of biological diversity requires efforts to be coordinated within an international forum and at a global scale; and
- moved the focus of efforts away from high profile and charismatic species and towards addressing the fragmentation, degradation and outright loss of forests, wetlands, coral reefs and other ecosystems, all of which represent much larger threats to biodiversity.



Principal components of the CBD

The Conference of the Parties (COP), which is held about every two years, is the Convention's formal decision-making body. Decisions are then passed to the Secretariat, which provides advice, guidance, support and financing to enable Parties to implement the decisions. The COP and Secretariat are assisted by a number of other Convention bodies, which include:

- the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA);
- open-ended working groups; and
- ad hoc technical expert group (AHTEG) meetings.

Other organizations and stakeholders—including those drawn from the business sector—also play a vital role.

Alongside the COP, other meetings are used to identify and focus attention on key and emerging issues. These include:

- side events; and
- high-level segments.

The role of each of these elements of the CBD is examined below.

The Conference of the Parties (COP)

The COP is the governing body of the Convention and is held every two years. Its main function is to steer the development of the Convention through 'decisions' that are made at its meetings during the final Plenary session. Its other functions relate to the budget, consideration of national reports, adoption of protocols and development of guidance for the provision of financial resources to developing country Parties.

Meetings of the COP are open to Parties of the Convention and—unless at least one-third of the Parties present at the meeting object—to observers from other organizations and stakeholders (for example intergovernmental organizations and non-governmental organizations, including the business sector).

The Secretariat

The Secretariat, which is based in Montreal, is the administrative centre for the Convention. Its principal function is to arrange and service the meetings of the Conference of the Parties as well as other subsidiary bodies. It provides the administrative support and documentation required for these meetings. The Secretariat has six divisions, which cover:

- social, economic and legal matters;
- scientific, technical and technological matters;
- biosafety (see page 9);
- implementation and technical support; and
- resource management and conference services.



Ahmed Djoghlaif, CBD Executive Secretary meets with Ban Ki Moon, UN Secretary General, in May 2007.



Principal components of the CBD ...



Fifth meeting of the Access and Benefit-Sharing (ABS) Working Group of the CBD, held in Montreal, Canada on 8 October 2007.

The Secretariat also liaises with other Conventions and key external groups. The importance of engaging the business community for the implementation of the Convention has long been recognized, in the Convention text itself and in decisions adopted by Parties over the years. In March 2006, Parties adopted the first decision to focus exclusively on business engagement (Decision VIII/17). The Secretariat has appointed a member of staff to liaise with the business community.

Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA)

SBSTTA is an intergovernmental scientific advisory body comprising government representatives with relevant expertise. It is open to all Parties and to other organizations and stakeholders (as observers).

SBSTTA's priorities and schedules are set by the COP. As is clear from its name, its main function is to provide the COP with advice and recommendations on scientific, technical and technological matters relevant to the Convention. Although policy implications are normally left to the COP, many SBSTTA recommendations are endorsed without amendment. Specific functions include: providing assessments of the status of biodiversity; review of the implementation of work programmes; and responding to specific questions from the COP.

Open-ended working groups

These are long-term working groups set up by the COP, which contain panels of experts to tackle clearly-defined issues. There are currently four working groups, responsible for each of the following issues:

- protected areas;
- access to genetic resources and benefit sharing;
- traditional knowledge, innovation and practices; and
- review of implementation.

Parties and relevant organizations are invited to comment on the issues that are brought up at a working group meeting.

Ad Hoc Technical Expert Groups (AHTEG)

Meetings of groups of technical experts on specific priority issues relating to SBSTTA's current programmes of work are held on an ad hoc basis. Such groups are limited in number and duration. One example of an AHTEG is the 2005 group dealing with 'Gaps and Inconsistencies in the International Regulatory Framework in relation to Invasive Alien Species'. The Secretariat maintains a roster of experts which it draws on to form the AHTEGs. Parties nominate representatives; observers from other organizations and stakeholders are then selected with prior agreement from the Secretariat.



SBSTTA draws up the terms of reference and the working group will address a specified issue over a pre-determined period of time. Like SBSTTA, the AHTEGs should, as a general rule, produce reports for peer review. Recommendations of the AHTEGs are then submitted to SBSTTA.

National Focal Points (NFPs)

NFPs are nominated by Parties and non-Party observer governments. NFPs can include individuals (for example, ministers, ambassadors and government officials) and government institutions (often the Ministry of the Environment or equivalent). Each NFP plays a key role in coordinating implementation of the Convention in their country and in then reporting on implementation to the COP.

Based on the obligations, requests and recommendations arising from the Convention Articles and COP decisions, the NFP will—through appropriate consultation—assess which activities are relevant, which have already been completed or are already under way, and for the outstanding activities, review relative priorities and resource allocation and identify what further assistance is required (and from whom). A full list of National Focal Points can be found at: www.cbd.int/doc/lists/nfp-cbd.pdf.

Other organizations and stakeholders

Although formal decisions in the CBD are made by the Parties, other organizations and stakeholders such as the business community, international environmental organizations, organizations representing indigenous peoples, other civil society organizations, academic institutions and international agencies can play an important role in providing information and advice that can inform the decisions made at meetings of the COP.

Although industry participation in the Convention's activities has been relatively minor to date, this is changing and both industry and the CBD are deriving benefits from an increasing level of industry engagement.

Inputs from other organizations and stakeholders can include the following:

- Dialogue with, or written comments to, Parties as they prepare for CBD meetings. Many governments and regional groups now go through formal dialogues as they prepare.
- Submitting candidates for consideration as experts in relevant AHTEG meetings.
- Participation in open-ended working groups, SBSTTA and the COP. Business associations, such as IPIECA and OGP, and individual companies can register and attend as observers and make presentations.

It is important to recognize that as discussions approach a final decision, it becomes correspondingly harder for anyone apart from government delegations to speak in formal sessions. Therefore, early input to discussions on the part of business is



Fifth meeting of the CBD Working Group on Article 8(j) and Related Provisions (WG8J-05), held in Montreal, Canada on 15 October 2007.

Participants from indigenous and local communities, at the WG8J-05 meeting in 2007.



Principal components of the CBD ...



Steinar Eldøy (Statoil), Steven de Bie (Shell), Nick Bertrand (CBD Secretariat), Jeff McNeely (IUCN) and Annelisa Grigg (Fauna and Flora International, not pictured) presenting at an IPIECA side event at COP-8 in Curitiba, Brazil in March 2006.

preferable. This may be best accomplished via IPIECA/OGP and/or a government delegation. Speaking directly in a working group can be facilitated by speaking to the meeting chair in advance.

Side events

Alongside the formal processes, informal processes at CBD meetings are becoming increasingly important. Of particular significance are the side events. These are officially-arranged and publicized events held by both Parties and other organizations and stakeholders, which give an opportunity for presentations and discussion. Many NGOs, agencies, sector associations and companies use side events to discuss their current activities and future plans. These events provide an important linkage between formal and informal discussion at the COPs. Side events can also present an excellent opportunity to spot early trends for a wide range of issues: frequently what is discussed at side events at one meeting is on the formal CBD agenda at the next.

High Level Segment

CBD meetings present a rare opportunity for Ministers from most of the Parties to come together. To take advantage, the host government organizes a 'High Level Segment' in which the Ministers and invited others meet in parallel to the COP to formulate a response to current and emerging key issues. Their deliberations do not feed directly into the CBD process but can strongly influence both national and international policy development. Business leaders, especially from the host country, may be invited to either part or the whole of the meeting. Attendance may be as an observer or to speak on a specific topic.

In 2006, Brazil and the UK co-hosted the Business and Biodiversity Breakfast on the margins of the high-Level Segment at COP-8. The event convened 300 guests including ministers, heads of delegations and business leaders.

Notifications

Official invitations and announcements from the Secretariat are issued via Notifications. These are sent to National Focal Points, and to other groups and organizations when relevant. The list of latest Notifications is posted on the website at: www.cbd.int/notifications.



Work programmes

Themes

Based on guidance from the open-ended working groups and SBSTTA, the COP has to date developed seven thematic work programmes:

- Marine and coastal biodiversity;
- Agricultural biodiversity;
- Forest biodiversity;
- Island biodiversity;
- The biodiversity of inland waters;
- Dry and sub-humid lands; and
- Mountain biodiversity

Each thematic programme is guided by basic principles and sets out key issues for consideration, identifies potential outputs, and suggests a timetable and the means for delivering them. Parties, the Secretariat, relevant intergovernmental and other organizations and stakeholders all contribute to work programme implementation, which is regularly reviewed by the COP and SBSTTA.

Cross-cutting issues (see box on right) bring cohesion to the work of the Convention as they provide the links between the thematic programmes. They are addressed by other CBD initiatives, which may directly support work under the thematic programmes or develop discrete products.

The Cartagena Protocol on Biosafety

Biosafety is the subject of a supplementary agreement to the Convention known as the Cartagena Protocol on Biosafety (see: www.cbd.int/biosafety/default.aspx), the objectives of which are to promote biosafety by establishing rules and procedures for the safe transfer, handling and use of living modified organisms (LMOs) with specific focus on transboundary movements.

At first sight biosafety appears to be of little relevance to the oil and gas industry. However, as production of biomass-based energy within the sector increases, the debate about LMOs will become of greater interest to companies.

The Protocol features a set of procedures including one for LMOs that are intentionally introduced into the environment and one for LMOs that are intended to be used directly as food or feed, or for processing.

Cross-cutting issues ...

Cross-cutting issues are issues that are common to two or more of the seven thematic work programmes. They include:

- 2010 biodiversity target;
- Access to genetic resources and benefit-sharing;
- Traditional knowledge, innovation and practices;
- Biological diversity and tourism;
- Climate change and biological diversity;
- Economics, trade and incentive measures;
- Ecosystem approach;
- Global strategy for plant conservation;
- Global taxonomy initiative;
- Impact assessment;
- Indicators;
- Invasive alien species;
- Liability and redress;
- Protected areas;
- Public education and awareness;
- Sustainable use of biodiversity;
- Technology transfer and cooperation.

The cross-cutting issues being worked on during any specific period may vary and will not include all of the above. Progress on specific issues is typically reported in the documents prepared for meetings of the COP.

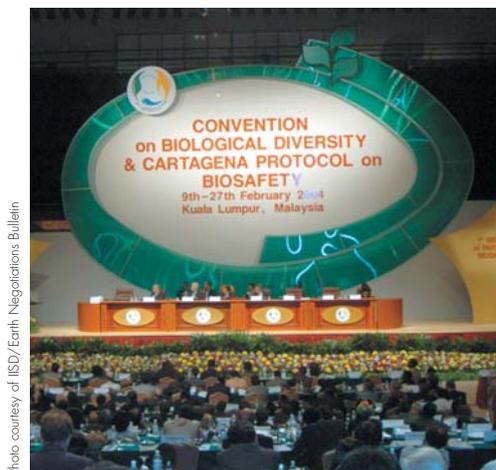


Photo courtesy of IISD/Earth Negotiations Bulletin

Work programmes ...

Living modified organisms ...

Living modified organisms (LMOs) are living organisms which have a novel set of genes obtained through the use of modern technology. Unlike selective breeding, these organisms may well have genes not naturally found in the species, or related species. Fuel ethanol produced for gasoline may be a product of LMOs.

Parties to the Protocol must ensure that LMOs are handled, packaged and transported safely. The transboundary movement of LMOs must be accompanied by appropriate documentation. These procedures are designed to provide importing Parties with the necessary information needed for making informed decisions about whether to accept LMO imports from the exporter and for handling them in a safe manner based on scientifically sound risk assessments. In case of insufficient information and knowledge, the importing Party should use 'precaution' in making their decisions. Parties may also take into account socio-economic considerations, consistent with their international obligations, in reaching decisions on import of LMOs. Parties must also adopt measures for managing any risks identified by the risk assessment and they must take necessary steps in the event of accidental release of LMOs.

Access to genetic resources and benefit sharing/ traditional knowledge

The third objective of the CBD relates to the fair and equitable sharing of benefits from the use of genetic resources, taking into account all rights over those resources. To help implement this objective an Ad Hoc Open-ended Working Group was established with an evolving mandate between 2000 and 2007. Part of the working group's mandate was to develop the 'Bonn guidelines' adopted by COP-6 to assist Parties with the implementation of the access and benefit-sharing provisions of the Convention. These are voluntary guidelines for governments to use when establishing legislative, administrative or policy measures on access and benefit sharing. Work is currently under way to move from these voluntary guidelines to an international regime.

The preservation of, and respect for, traditional knowledge, innovations and practices is covered by Article 8(j) of the Convention. There is a specific working group within the CBD Secretariat responsible for this article (WG8J) and there is a close association between what is established in this area and the outcomes of work on access and benefit sharing.

Traditional knowledge may have been used in recent years by industry to develop new products and techniques without the involvement and full consent of the holders of such knowledge, who may also have received little of the resulting benefits.

One of the traditional knowledge issues that has been hotly debated is the use of Genetic Use Restriction Technologies (GURTs), which are biotechnologies designed to stop people using biological material such as seeds in an unauthorized manner. The technology prevents people from producing viable seed from plants (where those plants have been grown from seeds with specific desirable characteristics developed by a third-party company). If farmers could simply propagate their future plants with the desired characteristics from seed, then the companies that initially developed the seeds would lose revenue.



Relevance of the CBD to IPIECA/OGP and their Members

Companies are subject to the regulations and policies set by the governments where they operate. As such, an international convention such as the CBD can seem remote or irrelevant. However, the decisions and actions of the CBD do affect the business sector in many ways:

Laws and standards-related

- The CBD makes decisions that governments then implement through national laws and policies.
- The CBD sets targets and reporting requirements—this is increasing and is likely to speed up the implementation of decisions.
- CBD decisions are taken as the international standards or expectations for biodiversity.
- CBD identifies opportunities and priorities for the business sector to improve its practices and support agreed priorities.
- The CBD has a role in influencing other conventions.

Stakeholder-related

- CBD influences public opinion.
- CBD provides a forum for multi-stakeholder dialogue during the setting of international policy.

Investment-related

- CBD decisions influence investment policies.
- CBD decisions influence the policies for development assistance.

Decisions that relate to the seven thematic work programmes mentioned on page 9 may directly affect companies that operate in those natural environments. All seven of the work programmes are directly relevant to the oil and gas sector—even agricultural biodiversity is now becoming germane as companies seek to meet mandated targets for biofuels. Consequently, IPIECA/OGP and their member companies need to be aware of how decisions made by the CBD are being interpreted and implemented at national and local levels. It is also important to understand that the CBD is constantly evolving—consequently, engagement with the CBD decision-making process requires a long-term commitment of effort and resources.



Payment for Ecosystem Services (PES) is being considered by the CBD as an innovative financial mechanism for the implementation of environmental objectives.



Relevance of the CBD to IPIECA/OGP and their Members ...



Several cross-cutting and other issues of particular relevance to the oil and gas sector

- **Liability and redress** considers the definition of ‘acceptable’ thresholds of damage when licensing developments, how to value any damage, and how to balance restoration with compensation. Transposition of the CBD’s decisions into national regulations and guidelines is of direct relevance to companies in the oil and gas sector. Further information is available at: www.cbd.int/programmes/socio-eco/liability
- Guidelines have been developed on how biodiversity, and participation and prior informed consent, should be built into regulations covering **Environmental Impact Assessment (EIA)** and **Strategic Environmental Assessment (SEA)**. While these guidelines remain voluntary, a CBD decision has urged their adoption by Parties. Inclusion of specific references to biodiversity and prior informed consent would significantly alter the EIA process in many countries where IPIECA/OGP members operate. The voluntary guidelines can be downloaded from the CBD website, at: www.cbd.int/programmes/cross-cutting/impact/guidelines.shtml
- **The ecosystem approach** requires regulators to take an integrated approach to the management of land, water and living resources. This could be of significance to IPIECA/OGP member companies if it drives regulators to give greater consideration to indirect and cumulative impacts. See: www.cbd.int/programmes/cross-cutting/ecosystem
- The work on **invasive alien species** has direct relevance to any IPIECA/OGP member company that moves, or enables the movement of, potentially damaging alien species outside their range, whether deliberately or accidentally (e.g. the transfer of tanker ballast water from one region to another). Further information is available at: www.cbd.int/programmes/cross-cutting/alien
- The work on **biodiversity and climate change** recognizes that climate change and, potentially, the various options for mitigating or adapting to climate change, pose one of the most significant threats to biodiversity. This work is therefore of direct and significant relevance to oil and gas companies. Further information on the CBD’s work on biodiversity and climate change (including links with the United Nations Framework Convention on Climate Change) is available at: www.cbd.int/climate
- Guidance on the national development of both positive and negative **incentive measures** to support achievement of the CBD will have a direct impact on IPIECA/OGP members. At present there is a clear move towards the use of fiscal incentives to support conservation, which may include a role for oil and gas companies as potential funders of conservation activities at local, national and even global levels. Incentive measures are considered in more detail at: www.cbd.int/programmes/socio-eco/incentives

- IPIECA/OGP member companies may be able to align their current biodiversity-related activities with the work of the CBD through the CBD's **Clearing-House Mechanism**, which seeks to promote and facilitate technical and scientific cooperation, within and between countries; develop a global mechanism for exchanging and integrating information on biodiversity and develop the necessary human and technological network. The Clearing-House Mechanism can be accessed at: www.cbd.int/chm/default.aspx
- Although work on **communication, education and public awareness (CEPA)** has had a lower profile than direct conservation activities in the CBD to date, there is a growing awareness that this needs to change to facilitate the significant societal changes necessary to meet CBD targets. This represents an opportunity for IPIECA/OGP and their member companies to support capacity building in educational and awareness initiatives, and to contribute to the wider debate on assessing energy demand and biodiversity conservation across different energy supply scenarios. For further information, see: www.cbd.int/cepa



Decision VIII/17: Private-Sector Engagement

At COP-8 in 2006, it was noted that the private sector is arguably the least engaged of all stakeholders in the implementation of the Convention, yet the daily activities of business and industry have major impacts on biodiversity. Decision VIII/17 was passed at the final plenary session, welcoming ongoing and new initiatives to engage businesses in furthering the objectives of the Convention, and noting tools and mechanisms that may be of use in facilitating contributions from business and industry towards Convention implementation and achievement of the 2010 target. The Decision text can be found at:

www.cbd.int/decisions/default.aspx?m=COP-08&id=11031&lg=0



Relevance of the CBD to IPIECA/OGP and their Members ...



Business and biodiversity initiatives

Two multi-stakeholder meetings, organized by the CBD Secretariat and others (among them IPIECA) in London and São Paulo in 2005, examined ways to strengthen business engagement in the implementation of the Convention. These considered the following sectors: industries with a 'direct footprint' on biodiversity; industries which impact biodiversity primarily through their supply chains; the financial services sector; and industries dealing with issues related to access and benefit sharing. The reports of these meetings are available on the CBD website.

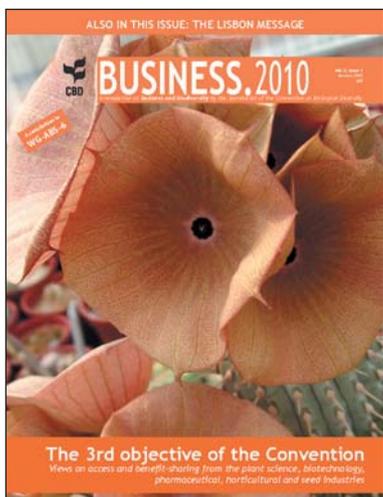
Several business and biodiversity initiatives are currently under way, in a number of sectors and markets. It is planned that progress on many of these efforts will be showcased at the next meeting of the Conference of the Parties (COP-9 in Bonn, Germany, May 2008).

At the time of writing, the CBD Secretariat is compiling (1) information on the 'business case' for biodiversity and (2) examples of good biodiversity practice in different sectors, for posting on the Clearing House Mechanism. At COP-9, Parties will consider 'further ways and means to promote business engagement in the implementation of the Convention, with a particular emphasis on the Convention's role in facilitating such engagement' (Decision VIII/17, paragraph 8).

Business.2010 newsletter

To accompany the implementation of Decision VIII/17 on business engagement, the Secretariat publishes *Business.2010*, a newsletter on business and biodiversity. Each issue has a different main theme, and contributions are invited from Parties, companies, business associations, business schools and others. The newsletter includes useful information on business and biodiversity publications, and events for different sectors. See: www.cbd.int/business/newsletter.shtml.

Business.2010 is a newsletter on business and biodiversity, published by the Secretariat of the CBD.



Decision making and engagement with the CBD

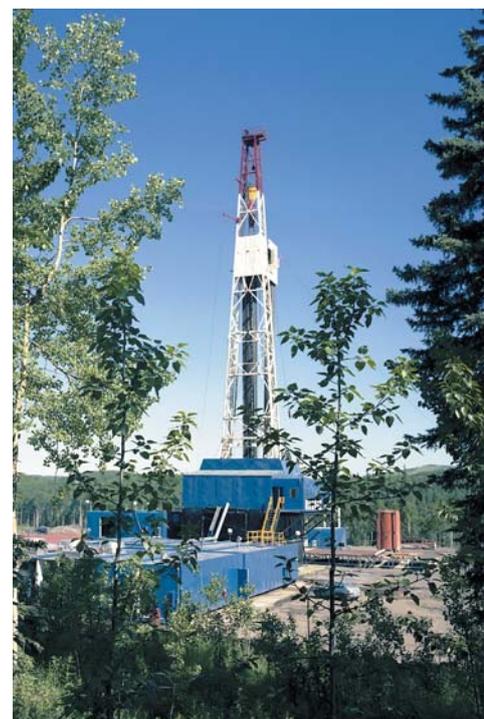
This section identifies the key opportunities for IPIECA/OGP and their member companies to engage with the CBD decision-making processes (which are summarized in the diagram in Annex B). In many cases, it will be more appropriate and effective for companies to ‘funnel’ their input through IPIECA or OGP, as this approach may carry more weight and increase the opportunity to influence the decision-making process. However, as the table on pages 16–17 outlines, there are also multiple opportunities for member companies to engage directly with the CBD decision-making process.

It has traditionally been difficult for companies to engage effectively with the protracted, and government-orientated, CBD decision-making processes. However, the CBD now realizes the importance of business participation if it is to achieve its objectives, and so is reaching out for improved engagement with business and industry.

The most valued type of participation by business and industry is long-term engagement around the range of sustainable development objectives of the CBD most closely related to business and industrial interests. For companies with limited resources, this type of long-term engagement is often more easily achieved through representative bodies, such as IPIECA and OGP, than directly by the companies which often may have the greatest interest in only one or a few such issues. Attempts at engagement around a single issue by a company is less likely to be successful.



Where IPIECA/OGP members see an issue as high priority to their business and wish to participate in related policy development outside an industry organization, this can be accomplished through host government CBD focal points. In such cases, it is advisable to work proactively and expect to engage in tracking and input over a substantial period—often a number of years. Once the COP decides that the CBD will work on an issue, the process for the technical input through a Working Group is followed by consideration of the policy and political implications, and then careful negotiation over wording, before consensus can be achieved amongst the Parties. Most of this will have been completed before the COP, so the extensive process preceding the COP, rather than the meeting itself, will be the focus of successful engagement.



Decision making and engagement with the CBD ...

How to engage with the CBD decision making process (see diagram in Annex B for a summary of this process)

Step	CBD decision making process	How can IPIECA/OGP members engage?
1	<p>At the COP, working groups meet to discuss agreed issues and recommendations, and try to agree a finalized text to go before the final Plenary for a COP decision. The group carries on until wording is agreed or they decide this is not possible whereby final wording is passed on for plenary to resolve. The Plenary session is when the Parties meet to vote on the recommendations made. If approved, these are then adopted as CBD decisions.</p>	<p>Planning: Speaking directly to government delegations in advance of the meeting, or outside the formal sessions can be easier—though many governments will have positions agreed in advance with little flexibility, and others will come to regional agreements. Companies and IPIECA/OGP should therefore be aware of significant issues in advance and ideally have engaged with national governments and working groups at an early stage. Individual member companies have a role in influencing their national CBD focal points and working with their national delegations.</p> <p>Involvement: IPIECA/OGP and their member companies can participate at the COP as observers unless at least one-third of the Parties present object. Observers can normally speak in the working groups, though priority is given to Parties, but they are less likely to be called to speak in Plenary and are not entitled to vote. All papers and reports are made available to observers. However, as priority is given to Parties there may be little time to read late amendments. The CBD Secretariat has a dedicated business liaison officer who is available at the COP meeting. Party delegates and Secretariat staff are very busy, and arranging formal meetings can be difficult. However, as well as the formal sessions, much business is done in the corridors. Although government delegations, the Secretariat and key NGOs will be extremely busy, short informal meetings over coffee, breakfast, dinner etc. can normally be arranged.</p>
2	<p>The 'decisions' are passed to the Secretariat</p>	<p>Keeping up-to-date: After the COP ends, the text of the decisions is made available on the CBD website</p>
3	<p>When further input is required, the Secretariat passes these decisions to SBSTTA and/or to other relevant working groups.</p>	<p>Planning: Papers for SBSTTA are available in advance.</p> <p>Planning: Meetings can be arranged with Parties or NGOs who will be attending to discuss significant issues in advance.</p>
4	<p>SBSTTA starts with a Formal Plenary, covering procedural, administrative, and diplomatic issues, together with the presentation of reports from the Secretariat and Groups. Working groups are then established to review the programmes of work from previous COP meetings, and formulate draft recommendations that can be passed onto the next COP.</p>	<p>Planning: When planning to attend a SBSTTA meeting, it is advisable to register formally in advance.</p> <p>Involvement: IPIECA/OGP and their member companies can participate at SBSTTA meetings as observers unless at least one-third of the Parties present object. Observers can speak in the working groups, though priority is given to parties—they are less likely to be called to speak in Plenary. Papers and news reports are fully available to observers. Although IPIECA/OGP and individual member companies are able to participate in meetings, they are not entitled to vote.</p>
5	<p>SBSTTA may request the Secretariat to set up AHTEGs to produce information and advice on particular decisions. These will have very specific terms of reference.</p>	<p>Planning: From the decisions, it will be known which AHTEGs are being set up. This will give IPIECA/OGP and their member companies an opportunity to identify which, if any, of the AHTEGs are relevant and which appropriate experts should be nominated (via the Secretariat) as a member of a specific group (where these experts would add value).</p>

Step	CBD decision making process	How can IPIECA/OGP members engage?
6	AHTEGs meet to discuss specific issues within their terms of reference. These meetings can be in parallel with SBSTTA meetings.	Planning: Papers for these meetings can be obtained in advance. Involvement: Comments can be sent either via the Secretariat in advance, or through the attendance of successfully nominated members of a specific group.
7	Draft reports from the AHTEG will be available for peer review.	Involvement: Comments can be passed to the Secretariat; and/or passed back to the AHTEG or brought up by observers at the appropriate SBSTTA dealing with that particular decision.
8	The AHTEG will pass the finalized report to the appropriate SBSTTA meeting.	N/A
9	This SBSTTA meeting will generate recommendations for the next COP. See Step 4 above for SBSTTA process.	See Step 4 above for participation at SBSTTA meetings.
10	The other expert working groups will pass on reports for peer review and consultation.	See Steps 5 and 6 above for engagement with working groups. Comments from IPIECA would be welcomed on issues of relevance to the sector.
11	The draft recommendations produced by the SBSTTA are available for peer review by Parties and other organizations and stakeholders at regional and sub-regional meetings.	Involvement: Comments can be passed back to the SBSTTA or to people who will be participating at the relevant regional or sub-regional meeting. Observers can normally, but not always, participate in these meetings. If attendance as an observer is not possible, comments can instead be passed to the Secretariat.
12	The draft recommendations go back to the Secretariat.	Involvement: Comments from other organizations and stakeholders can also be passed onto the Secretariat who can then pass the comments back to the working groups.
13	The Secretariat will pass these recommendations onto the COP for discussion in the working groups and finally in the Plenary.	Involvement: Other organizations and stakeholders can also pass comments to Parties.
14	At the COP, Parties attend the working groups and discuss the recommendations from SBSTTA and the working groups along with comments on these recommendations given to them from other organizations and stakeholders. Other organizations and stakeholders have the opportunity to be observers at these meetings.	Planning: Many governments will hold formal consultations in-country before COP to discuss/explain positions. Bilateral meetings can also be requested on key issues, or industry groups could meet to discuss issues. Keeping up-to-date: Issues identified can be tracked and worked on through the COP.
15	The working groups then make recommendations to the Plenary where they are voted on by the representatives of the Parties.	See Step 1 above.
1 (next cycle)	Decisions are generated for future COPs to review.	See Step 1 above.

Annex A: Glossary

Additional glossary terms can be found at: www.cbd.int/doc/reviews/tour-glossary-en.doc. An index of key terms is also available in the CBD Handbook (3rd Edition): see www.cbd.int/handbook/default.shtml. The CBD website, www.cbd.int, is the principal online source of detailed information relating to all aspects of the Convention.

Ad Hoc Technical Expert Groups (AHTEGs) are limited in number and duration and work on specific priority issues relating to SBSTTA's current programmes of work.

Biological diversity means the variability among living organisms from all sources including, *inter alia*, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems.

Biological resources includes genetic resources, organisms or parts thereof, populations, or any other biotic component of ecosystems with actual or potential use or value for humanity.

The Conference of the Parties (COP) is the governing body of the Convention. Held every two years, its main function is to steer the development of the Convention through 'decisions' that are made at its meetings.

Ecosystem means a dynamic complex of plants, animals and micro-organism communities and their non-living environment interacting as a functional unit (as stated in Article 2 of the Convention on Biological Diversity—Use of Terms).

Genetic material means any material of plant, animal, microbial or other origin containing functional units of heredity.

Genetic resources means genetic material of actual or potential value.

Habitat means the place or type of site where an organism or population naturally occurs.

High Level Segment offers an opportunity for Ministers from most of the Parties to come together and—in parallel to the COP—formulate a response to current and emerging key issues. Their deliberations do not feed directly into the CBD process but can strongly influence both national and international policy development.

National Focal Points (NFPs) play a key role in coordinating implementation of the Convention in their country and in then reporting on implementation to the COP.

Open-ended working groups are longer-term working groups set up by the COP containing panels of experts to tackle clearly defined issues. Parties and relevant organizations are invited to comment on the issues that are brought up at a working group meeting.

Parties are governments and regional economic integration organizations, such as the European Union, that have ratified the Convention.

Prior informed consent (PIC) is the consent of the relevant competent national authority/authorities in the provider country granted for the research and utilization of genetic resources. The consent of relevant stakeholders, such as indigenous and local communities, should also be obtained, as required by individual situations and subject to domestic law. The current CBD definition of PIC is controversial as it places greater emphasis on the national authority than the affected communities themselves.

Protected area means a geographically defined area which is designated or regulated and managed to achieve specific conservation objectives.

The Secretariat is the administrative centre for the Convention. Its principal function is to arrange and service the meetings of the COP and other subsidiary bodies. It provides the administrative support and documentation required for these meetings and also liaises with other conventions and key external groups.

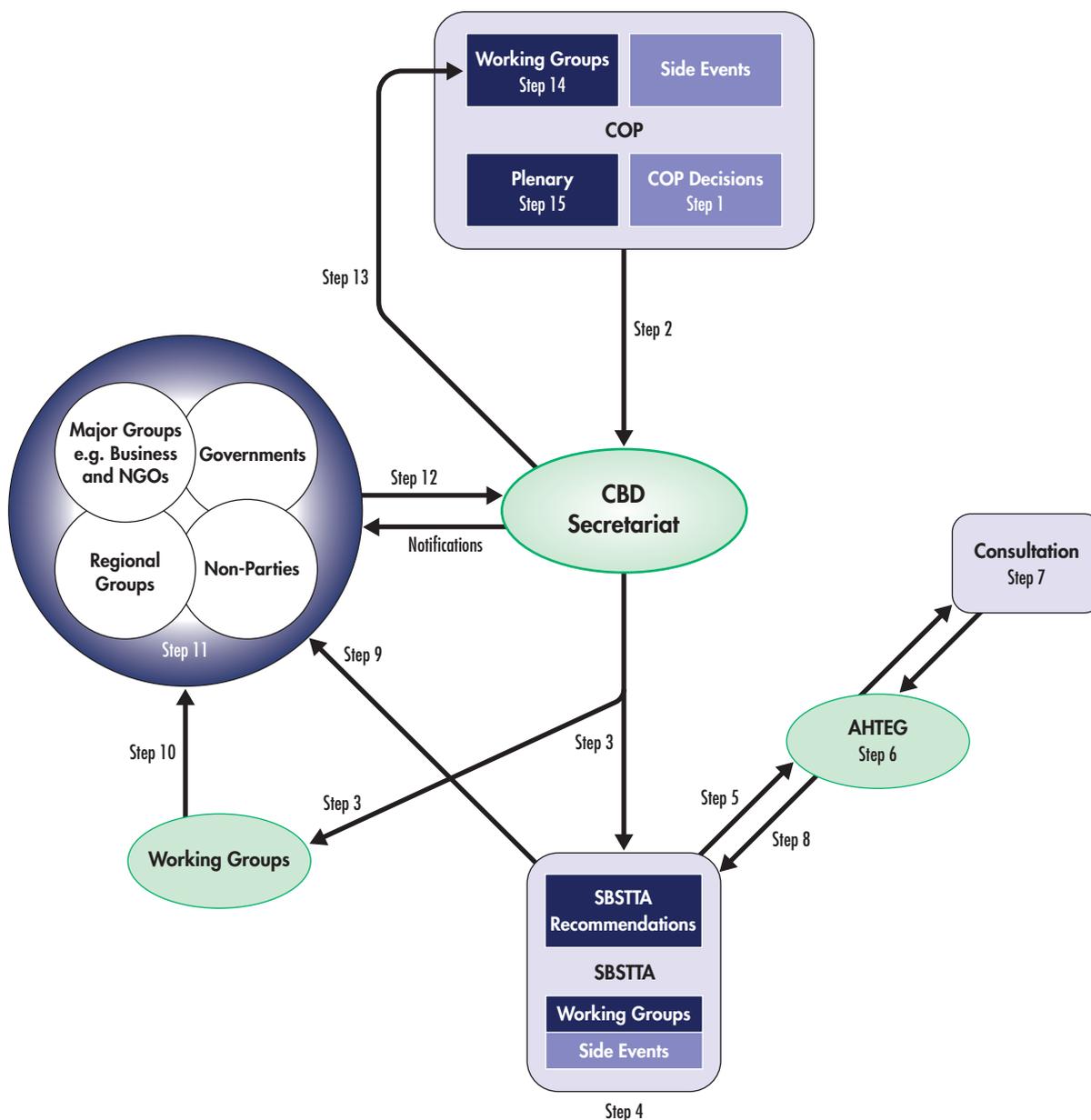
Side events are officially arranged and publicized events held by both Parties and other organizations and stakeholders, which give an opportunity for presentations and discussion. Many NGOs, agencies, sector associations and companies use side events to discuss their current activities and future plans.

Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) is an intergovernmental scientific advisory body that provides COP with advice and recommendations on scientific, technical and technological matters relevant to the Convention.

Sustainable use means the use of components of biological diversity in a way and at a rate that does not lead to the long-term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations.

Annex B: How to engage with the decision making process

The figure below summarises the process detailed in the table on pages 16–17.



Annex C: Useful websites



CBD timeline

www.cbd.int/doc/publications/CBD-the-first-years.pdf

CBD business page

www.cbd.int/business

Work programmes and cross-cutting issues

www.cbd.int/programmes/default.shtml

Information on past COPs

www.cbd.int/convention/cops.shtml

CBD at Global Level

http://biodiversity-chm.eea.europa.eu/convention/cbd_global

CBD at Pan-European and Regional Level

http://biodiversity-chm.eea.europa.eu/convention/cbd_regional

CBD at National Level

http://biodiversity-chm.eea.europa.eu/convention/cbd_national

CBD Implementation Assessment (contains information on the role of National Focal Points)

www.unep-wcmc.org/cbd/assessment/manual_2.pdf

Annex D: Previous CBD COPs

Further information on previous COPs can be found at: www.cbd.int/convention/cops.shtml

COP 1: Nassau, Bahamas, 28 November–9 December 1994

Delegates set the general framework for the Convention's implementation, the Clearing-House Mechanism, and the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA). The meeting also designated the Global Environment Facility (GEF) as the interim financial mechanism for supporting implementation, agreed guidance to the financial mechanism and established the medium-term programme of work.

COP 2: Jakarta, Indonesia, 6–17 November 1995

Delegates adopted a decision on marine and coastal biodiversity (the Jakarta Mandate) and established the Open-ended Ad Hoc Working Group on Biosafety (BSWG) to elaborate a protocol on 'biosafety, specifically focusing on transboundary movement of any living modified organism (LMO) that may have an adverse effect on biological diversity'. Specific attention was paid to the conservation of marine and coastal biodiversity, access to genetic resources, the sustainable use of biological diversity, and biosafety.

COP 3: Buenos Aires, Argentina, 4–15 November 1996

Adopted work programmes on agricultural and forest biodiversity, as well as a Memorandum of Understanding with the GEF, and called for an inter-sessional workshop on Article 8(j) on traditional knowledge and related provisions. Specific attention was paid to agricultural biodiversity, financial resources and mechanisms, identification, monitoring and assessment, and intellectual property rights.

COP 4: Bratislava, Slovakia, 4–14 May 1998

Established a panel of experts on access and benefit sharing, and adopted a work programme on marine and coastal biodiversity. Decisions were taken on inland waters, agricultural and forest biodiversity, Article 8 (j); and cooperation with other agreements.

COP 5: Nairobi, Kenya, 15–26 May 2000

Reviewed the work programme on agricultural biodiversity, and adopted a work programme on dry and sub-humid lands, and took decisions on access and benefit sharing, Article 8 (j), the ecosystem approach, sustainable use, biodiversity and tourism, alien species, incentive measures and the Global Taxonomy Initiative (GTI).

COP 6: The Hague, Netherlands, 7–19 April 2002

Adopted the Convention's Strategic Plan, including the target to reduce significantly the rate of biodiversity loss by 2010. The meeting also adopted an expanded work programme on forest biodiversity, the Bonn Guidelines on access and benefit sharing, guiding principles for invasive alien species, and decisions on the Global Strategy for Plant Conservation, the GTI, Incentive Measures and Article 8(j).

COP 7: Kuala Lumpur, Malaysia, 9–20 February 2004

Adopted work programmes on mountain biodiversity, protected areas, and technology transfer and cooperation, and mandated the Working Group on access and benefit sharing to initiate negotiations on an international regime. The COP also adopted: a decision, including targets and indicators, to review implementation of the Convention, its Strategic Plan and progress towards achieving the 2010 target; the Akwé: Kon guidelines for the conduct of cultural, environmental and social impact assessments; the Addis Ababa principles and guidelines for sustainable use; and decisions on CEPA, incentive measures, inland waters, and marine and coastal biodiversity.

COP 8: Curitiba, Brazil, 20–31 March 2006

COP 8 adopted 36 decisions on a range of priority issues, including: island biodiversity; biodiversity of dry and subhumid lands; the Global Taxonomy Initiative; access and benefit sharing; Article 8(j) and related provisions (traditional knowledge); and communication, education and public awareness. Participants also addressed strategic issues for evaluating progress or supporting implementation, including: progress towards implementation of the Convention and its Strategic Plan; implications of the findings of the Millennium Ecosystem Assessment (MA); review of the effectiveness and impacts of the Convention bodies, processes and mechanisms; scientific and technical cooperation and the Clearing-House Mechanism (CHM); technology transfer and cooperation; and cooperation with other conventions and private sector engagement. The meeting attracted the largest number of participants in the history of the Convention, with record participation of stakeholders, most notably the private sector.

The OGP/IIPECA Membership

Company members

ADNOC
AgipKCO
Anadarko Petroleum Corporation
BG Group
BHP Billiton
BP
Cairn Energy
Chevron
CNOOC
ConocoPhillips
Devon Energy
Dolphin Energy
DONG
ENI
ExxonMobil
Gaz de France
GNPOC
Hess
Hocol
Hunt Oil Company
Japan Oil, Gas & Metals National Corporation
Kuwait Oil Company
Kuwait Petroleum Corporation
Mærsk Oilie og Gas
Marathon Oil
MOL plc
Nexen
NOC Libya
OMV
ONGC
OXY
Papuan Oil Search Ltd
Perenco Holdings Ltd
Persian LNG
PetroCanada
Petrobras
Petropars Ltd
Petronas
Petrotrin
Premier Oil
PTT EP
Qatar Petroleum
RasGas
Repsol YPF
Saudi Aramco
Shell International Exploration & Production
SNH Cameroon
StatoilHydro
Talisman
TNK-BP Management
TOTAL
Tullow Oil
Wintershall
Woodside Energy
Yemen LNG

Association and Associate members

Australian Institute of Petroleum
American Petroleum Institute
ARPEL
ASSOMINERARIA
Baker Hughes
Canadian Association of Petroleum Producers
Canadian Petroleum Products Institute
CONCAWE
Energy Institute
European Petroleum Industry Association
Halliburton
IADC
IAGC
IOOA
M-I SWACO
NOGEP
Oil & Gas UK
OLF
PAJ
Schlumberger
South African Petroleum Industry Association
WEG
World Petroleum Council

International Association of Oil & Gas Producers (OGP)

OGP represents the upstream oil and gas industry before international organizations including the International Maritime Organization, the United Nations Environment Programme (UNEP) Regional Seas Conventions and other groups under the UN umbrella. At the regional level, OGP is the industry representative to the European Commission and Parliament and the OSPAR Commission for the North East Atlantic. Equally important is OGP's role in promulgating best practices, particularly in the areas of health, safety, the environment and social responsibility.

International Petroleum Industry Environmental Conservation Association (IIPECA)

The International Petroleum Industry Environmental Conservation Association was founded in 1974 following the establishment of the United Nations Environment Programme (UNEP). IIPECA provides one of the industry's principal channels of communication with the United Nations.

IIPECA is the single global association representing both the upstream and downstream oil and gas industry on key global environmental and social issues. IIPECA's programme takes full account of international developments in these issues, serving as a forum for discussion and cooperation involving industry and international organizations.

IIPECA's aims are to develop and promote scientifically-sound, cost-effective, practical, socially and economically acceptable solutions to global environmental and social issues pertaining to the oil and gas industry. IIPECA is not a lobbying organization, but provides a forum for encouraging continuous improvement of industry performance.

