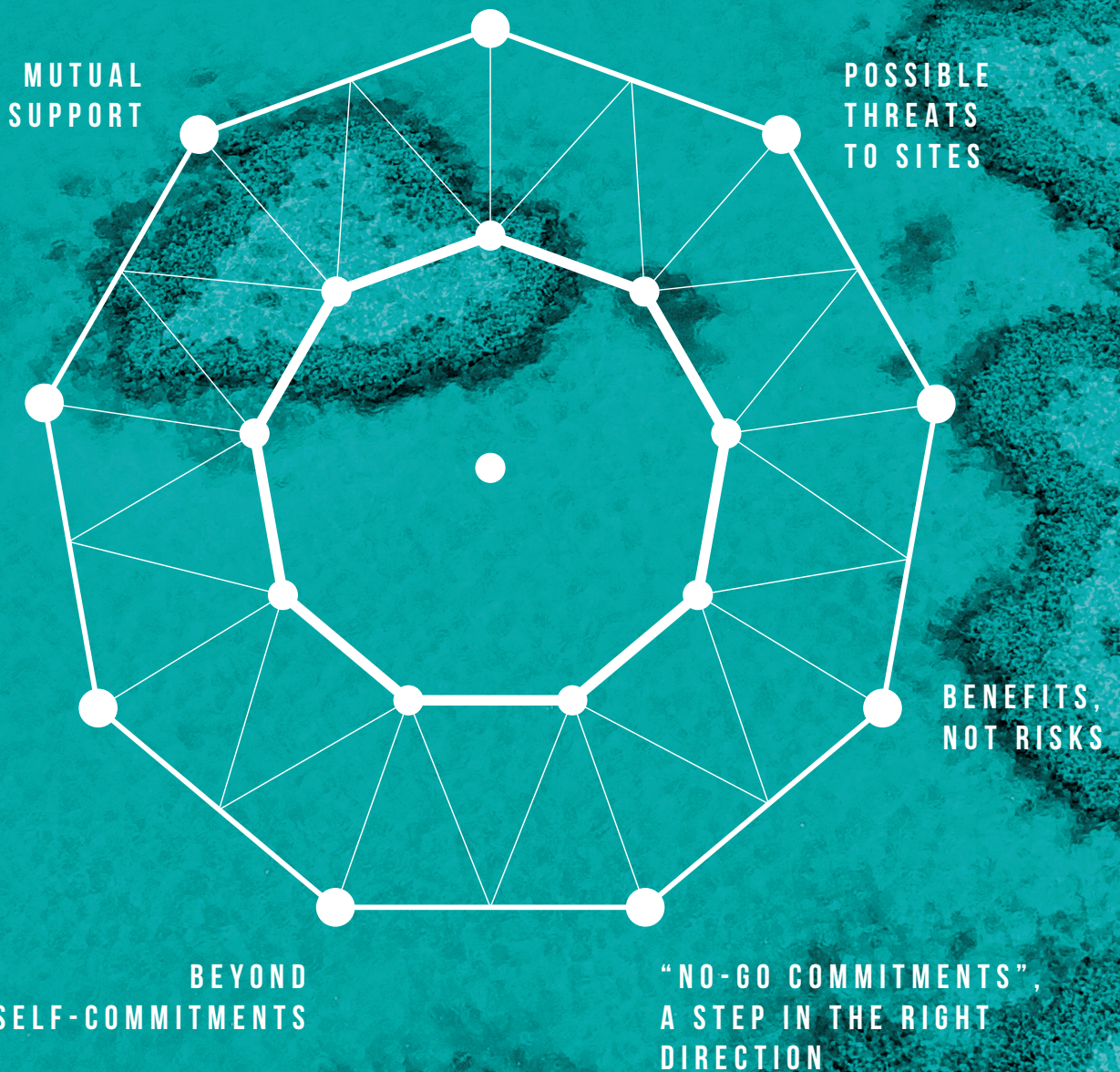
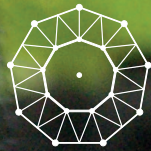


# RESPECTING WORLD HERITAGE SITES



MAINSTREAMING  
BIODIVERSITY —





## RESPECTING WORLD HERITAGE SITES

*In a world reliant on fossil fuels, the quest to extract oil and other resources has led companies to moving further afield, sometimes on or near Natural World Heritage Sites. Although not all follow conservation guidelines, increasingly mining firms are committing to respecting and maintaining biodiversity in these zones.*

Galapagos Islands, Yellowstone and the Great Barrier Reef – these are just some of the well-known Natural World Heritage Sites recognised as being of Outstanding Universal Value (OUV) to humanity. They include places that are often a last refuge for species threatened with extinction, such as the Mountain Gorilla or Giant Panda and are so extraordinary that the international community has clearly made a commitment through the UNESCO World Heritage Convention to protect and maintain them.

### POSSIBLE THREATS TO SITES

World Heritage Sites are designated in accordance with strict criteria. Within the decisions of the World Heritage Committee and in accordance with the expert advice of institutions such as IUCN<sup>1</sup>, mineral, oil and gas exploration and extraction is incompatible with World Heritage status and should not be permitted within these sites. The Committee also sets out that such foraging in the vicinity of World Heritage Sites should not, under any circumstances, negatively impact their OUV.

Of course it is recognised that the mining, oil and gas sector can make substantial contributions to economic development, if sustainably managed. Take the petroleum industry for example. It is one of the most prominent industries at global scale with fuel oil and petrol its largest volume products. Oil is also the raw material for many chemical products, including pharmaceuticals, fertilisers, pesticides, and plastics. Petroleum is vital to many industries, to the perpetuation of our industrial civilization, and is of paramount importance for many nations.

Since easily accessible oil and gas has already been found, nowadays exploration has extended to the most inhospitable and remote places on Earth, including protected areas and World Heritage Sites. Even if active exploitation within natural World Heritage Sites is not yet widespread, when new technologies are used to explore these remote places they are not completely risk free and spills, leakages or

shipping accidents can occur, posing serious threats to the surrounding environment, ecosystems and integrity of these conservation sites. While exploration and exploitation often bring the development of new infrastructure, which can help boost local economies and create jobs, these also have negative impacts on the environment (e.g. changes in land use, encroachment, increased incidences of poaching and illegal logging).

### BENEFITS, NOT RISKS

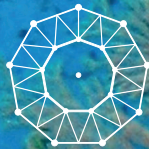
Beyond their obvious commitment to profitable operations, extractive industries build much of their strategy around risk management. It is not surprising that they give increasing recognition to environmental and social damage as a key risk that must be identified, assessed and addressed. Although how this risk is considered and managed varies from company to company, many of the extractive industries that might work in or near World Heritage properties are indisputably concerned about the reputational risk that negative impact on these areas might pose.

True personal commitment of many people in the private sector to sustainable operations is undeniable. Nevertheless, environmental sustainability departments in these companies do not have it easy; typically, they have to convince wary or sceptical colleagues and senior management that a commitment to conservation can enhance profit, improve reputation and reduce risk. Shell for instance has openly recognised that helping to protect biodiversity makes business sense. They have publicly acknowledged that they are obliged to meet legal and regulatory requirements and have recognised their behaviour also reduces operational and financial risks by ensuring that they get their projects right. This helps to build trust with regulators and third parties so projects can win approval and acceptance. It can make them the first choice for business partners and can attract and motivate staff.

### “NO-GO COMMITMENTS”, A STEP IN THE RIGHT DIRECTION

The International Council on Mining and Metals (ICMM) brings together major mining and metals companies around the world. In 2003, after several years of exchanges

<sup>1</sup> IUCN has an Advisory Body role and provides technical advice to help the UNESCO World Heritage Committee make informed decisions on natural heritage. [http://www.iucn.org/about/work/programmes/wcpa\\_worldheritage/advisory\\_body\\_role/](http://www.iucn.org/about/work/programmes/wcpa_worldheritage/advisory_body_role/)



## MAINSTREAMING BIODIVERSITY —

with IUCN and the World Heritage Centre, ICMM through its Position Statement committed its members to respect legally-designated protected areas and not to explore or mine in World Heritage properties. ICMM also committed to take all possible steps to ensure that existing and future operations in and adjacent to World Heritage Sites are compatible with their OUV and do not put their integrity at risk. The 2003 position statement is considered by some ICMM members as a turning point in the overall profile of the mining industry. As a result, ICMM enjoys reputational advantage thanks to its no-go commitments.

Following extensive assessment, Shell also made four commitments in 2003. First, it agreed not to forage for, or develop oil and gas resources in natural World Heritage Sites; second, committed to further improve the way it operates in [IUCN Category I-IV protected areas](#) and areas of high biodiversity value; third, will publicly report on all activities in IUCN Categories I-IV; and fourth, will work with IUCN and others to help safeguard protected areas.

More recently, public commitments from renowned oil companies have given the conservation community more breathing space. For instance Total has announced its pledge to refrain from prospecting or exploiting oil and gas in natural sites inscribed on the World Heritage List. Previous to its 2013 commitments, Total had already introduced an official Biodiversity Policy into its operations back in 2005.

This sets out to minimize the impact of its activities on biodiversity, integrating such issues into its environmental management system and paying special attention to regions whose biodiversity is particularly rich or vulnerable. It also pledges to take part in scientific research and help improve the company's knowledge of biodiversity.

The jewellery manufacture and retail sector has also taken steps in the same direction. Tiffany & Co. has committed to sourcing its precious metals, diamonds and other gemstones responsibly. Another of its core principles is that new mine development or expansion of existing mines should never occur in areas of high ecological or cultural value. Specifically, mines should never be developed in World Heritage Sites, protected areas categorized by IUCN as I-IV, [Alliance for Zero Extinction Sites or Key Biodiversity Areas](#). More of these positive examples by other companies are not only desirable but urgently needed.

## BEYOND SELF-COMMITMENTS

Besides possible self-motivation, extractive industries are bound to government regulations in the jurisdictions in which they operate. A clear and straightforward regulatory framework is conducive to better business practices and is generally accepted by these companies. In the same vein, the inscription of an area in the World Heritage List is generally considered part of that regulatory framework and companies mostly accept not to operate in those sites even if they have not made an explicit no-go commitment. On the other hand, companies dislike the uncertainty that arises when government regulations are unclear or bureaucratic, as investment decisions can be compromised.

Banks can have a strong influence on the performance of the extractive industries with regard to natural World Heritage Sites. They can attach conditions to their loans to mining, oil and gas companies. In 2014, HSBC released its "World Heritage Sites and Ramsar Wetlands Policy" stating that the bank does not support projects that could result in a site being inscribed on the List of World Heritage as 'in Danger', or as a Ramsar Wetland being threatened. It also advises the firm's global businesses to proceed cautiously where a change in the boundary of a site is proposed to accommodate a new project. JP Morgan and Deutsche Bank have also enforced similar directives.

## MUTUAL SUPPORT

The effectiveness of these commitments in terms of conservation is nevertheless compromised if only a few companies stick to them. Loopholes also exist where secondary oil and gas companies buy a concession but have not made such a commitment to conservation. Company commitments are therefore unlikely to be sustainable in the long term unless there is strong legislation set in law to prohibit mineral, oil and gas foraging in Natural World Heritage Sites and governments play their part in enforcing it.

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