

Agenda item 7.7

## **Wetlands and extractive industries**

**Action requested:** The Standing Committee is invited to consider the attached working draft of a COP10 Resolution on this matter, and to determine how best to take this forward for COP10 consideration.

### **Note by the Ramsar Secretariat**

1. The emerging issue of the impacts of current and future extractive industry activities on wetlands, including Ramsar sites, was discussed at the 36<sup>th</sup> meeting of the Standing Committee (SC36) in the light of the Scientific and Technical Review Panel's (STRP's) recognition of the increasing importance of this matter. In Decision SC36-25 the Standing Committee "affirmed the need for a COP10 draft Resolution on wetlands and extractive industries but recognized that the STRP is not presently in a position to take on additional tasks. The Committee expressed its interest in employing the mechanism of bringing an 'emerging issues DR' directly to the COP; it recognized the STRP and its Chair for their rapid response on this issue and invited the STRP Chair to prepare an outline of a DR for SC37 consideration".
2. In the discussions during SC36, the STRP Chair felt that it might not be possible, given current capacity, to prepare such a draft by the time of SC37, so that a COP10 DR might need to be developed afterwards and submitted to the COP10 Conference Committee under the emerging issues mechanism. However, the STRP Chair Heather MacKay has in fact been able, with input from some other STRP members, to develop a working draft of a possible COP10 Resolution on this topic.
3. This working draft is attached. The Standing Committee is invited to consider whether this DR is now sufficiently developed to permit its finalization following SC37 and to be included as a full DR in the first mailing of COP10 documents, rather than bringing it later to COP10. There would be merit in this approach, if the Standing Committee considers it appropriate, since it would give all Parties the maximum time to consider and consult on the approach to this important matter prior to COP10.
4. The draft currently places emphasis on the importance of using Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) mechanisms in addressing extractive industry issues. In addition, the Standing Committee may wish to consider adding reference, and encouragement, to the private sector to apply the tools available in the Corporate Ecosystem Services Review (ESR) framework which has recently been prepared by the World Resources Institute (WRI), the World Business Council for Sustainable Development (WBCSD), and the Meridian Institute. This seeks to assist private sector companies in identifying and addressing ecosystem-based risks, opportunities and strategies in their businesses.

5. The ESR speaks to the problem that companies often fail to make the connection between the health of ecosystems and the business bottom line, and that many companies are not fully aware of the extent of their dependence and impact on ecosystems and the possible ramifications of that. Likewise, environmental management systems and environmental due diligence tools are often not fully attuned to the risks and opportunities arising from the degradation and use of ecosystem services. For instance, many tools are more suited to handle “traditional” issues of pollution and natural resource consumption. Most focus on environmental impacts, not dependence. Furthermore, they typically focus on risks, not business opportunities. As a result, companies may be caught unprepared or miss new sources of revenue associated with ecosystem change.
6. In an effort to draw attention to the potential of this ESR framework and tools, the Standing Committee may therefore wish to consider adding a preambular paragraph such as:

“CONCERNED that private sector companies are not always aware of the extent of their dependence and impact on ecosystems, including wetlands, and that both ecosystem-related risks and opportunities are not well recognized;”

and an operative paragraph such as:

“ENCOURAGES the private sector involved with extractive industries to utilize the 2008 Corporate Ecosystem Services Review (ESR) framework prepared by the World Resources Institute (WRI), the World Business Council for Sustainable Development (WBCSD), and the Meridian Institute, and other tools as appropriate, in order to better assess and understand both the risks and the opportunities for their business associated with wetland ecosystems and change to these systems;”.

## **Draft Resolution X.00**

### **Wetlands and extractive industries**

#### **Working draft Resolution for COP10**

[prepared by the Scientific & Technical Review Panel]

1. CONSCIOUS of the need, in implementing policies for the wise use of all wetlands, to balance economic development with maintenance and protection of the ecological character of wetlands;
2. RECOGNIZING the increasing global demand for resources, including oil and gas, precious and base metals, coal, sand and gravel, industrial minerals and peat, and the resulting industrial activities related to exploration for, and extraction of, these resources including through artisanal, small-scale and large-scale projects;

3. AWARE of the potential for certain activities related to extractive industries to directly and indirectly impact negatively on the ecological character of wetlands, including Ramsar sites, if not appropriately managed and regulated;
4. ALSO AWARE that recent global and regional initiatives, including those by the United Nations Environment Programme (UNEP) and IUCN, to improve corporate social responsibility and governance in the extractive industries sector offer opportunities to optimize the economic benefits associated with the development of extractive industries, while still protecting and maintaining the ecological character of wetlands;
5. RECOGNIZING the value of Strategic Environmental Assessment (SEA) approaches in supporting decision-making processes that reflect the wise use of wetlands, and NOTING that SEA approaches can be particularly helpful for planning and prioritization of wetland inventory and baseline information collection efforts;
6. ALSO RECOGNIZING the importance of adequate wetland inventory and baseline information in supporting decision-making and permitting processes related to extractive industries, and EMPHASIZING the importance of early notification of proposed exploration and extraction activities in providing sufficient time for collection of wetland inventory and baseline information in areas potentially affected by these proposed activities;
7. FURTHER RECOGNIZING the importance in decision-making of valuation of the full range of ecosystem services provided by wetlands, and RECALLING that guidance on valuation of wetland ecosystem services is provided in Ramsar Technical Report 3 (2006); and
8. NOTING with appreciation the briefing paper on *Economic trends in the mining sector and the implications for protection and wise use of wetlands*, prepared through the STRP and considered by the Africa regional meeting of Contracting Parties in Yaounde, Cameroon, in November 2007;

#### THE CONFERENCE OF CONTRACTING PARTIES

9. URGES Contracting Parties to emphasise the importance of Strategic Environmental Assessment, particularly in relation to the extractive industries sector, and to apply the SEA guidance [adopted in COP10 DRx (DOC. SC37-22)], adapting this guidance as appropriate in order to address specific issues associated with the potential direct and indirect impacts of extractive industries on wetlands;
10. ENCOURAGES Contracting Parties to apply the guidance on Environmental Impact Assessment, as [adopted in COP10 DRx (DOC. SC37-22)], adapting the EIA guidance where appropriate in order to ensure that it adequately addresses direct and indirect impacts on wetlands of the exploration, development, operation, closure and post-closure phases of extractive industrial activities;
11. ALSO ENCOURAGES Contracting Parties to undertake valuation of wetland ecosystem services in order to ensure that the full range of those services are considered in cost-benefit analyses related to all phases of extractive industrial activities, with particular attention to the post-closure phase of such activities;

12. ENCOURAGES Contracting Parties to undertake appropriate CEPA activities in order to ensure that all relevant public and private sector bodies associated with extractive industries are aware of obligations under the Ramsar Convention regarding the wise use of wetlands and the maintenance of their ecological character;
13. URGES Contracting Parties to review, and where necessary revise, regulatory and permitting procedures related to all phases of extractive industrial activities, in order to ensure that wetland ecosystems and their ecosystem services are addressed in such procedures, in ways that allow sufficient time for collection of wetland inventory and baseline information to support effective Environmental Impact Assessment, permitting and oversight of extractive industries, and particularly to ensure that local and indigenous communities have appropriate opportunities to participate in regulatory and permitting procedures, applying as needed the guidance adopted in Resolution VII.8 *Guidelines for establishing and strengthening local communities' and indigenous peoples' participation in the management of wetlands*;
14. ALSO URGES Contracting Parties to complete national wetland inventories in order to strengthen and support SEA and EIA processes;
15. FURTHER URGES Contracting Parties to ensure that, as a matter of urgency, the boundaries of all designated Ramsar sites within their territories are accurately delineated and mapped, and that this information is freely available and easily accessible to all relevant regulatory agencies and ministries, private sector bodies with interests in existing or new extractive industrial development projects, civil society and stakeholders, including through provision of these boundaries in digital format to the Ramsar Secretariat and the Ramsar Sites Information Service;
16. ENCOURAGES Contracting Parties to engage with the private sector at international, national and local levels and to establish and/or strengthen corporate social responsibility programmes related to extractive industries, paying particular attention in such programmes to actions that avoid or minimize the direct and indirect impacts of extractive industries on wetlands;
17. ENCOURAGES Parties to identify capacity and expertise needed for addressing the specific issues and potential impacts of extractive industries on wetlands, and to implement, where necessary through partnerships with appropriate public, private and NGO sector groups or organizations, training and capacity building programmes to strengthen SEA, EIA and regulatory oversight of extractive industrial activities; and
18. REQUESTS the STRP, working with UNEP, IUCN, and other relevant organizations, to review available technical guidance on assessing, avoiding, minimizing and mitigating the direct and indirect impacts of extractive industries on wetlands in the exploration, development, operation, closure and post-closure phases, taking into account the potential for adoption of new or emerging extraction technologies and paying particular attention to restoration options, and on the basis of this review, to make recommendations regarding the suitability of available technical guidance and the need, if any, for development of new technical guidance.