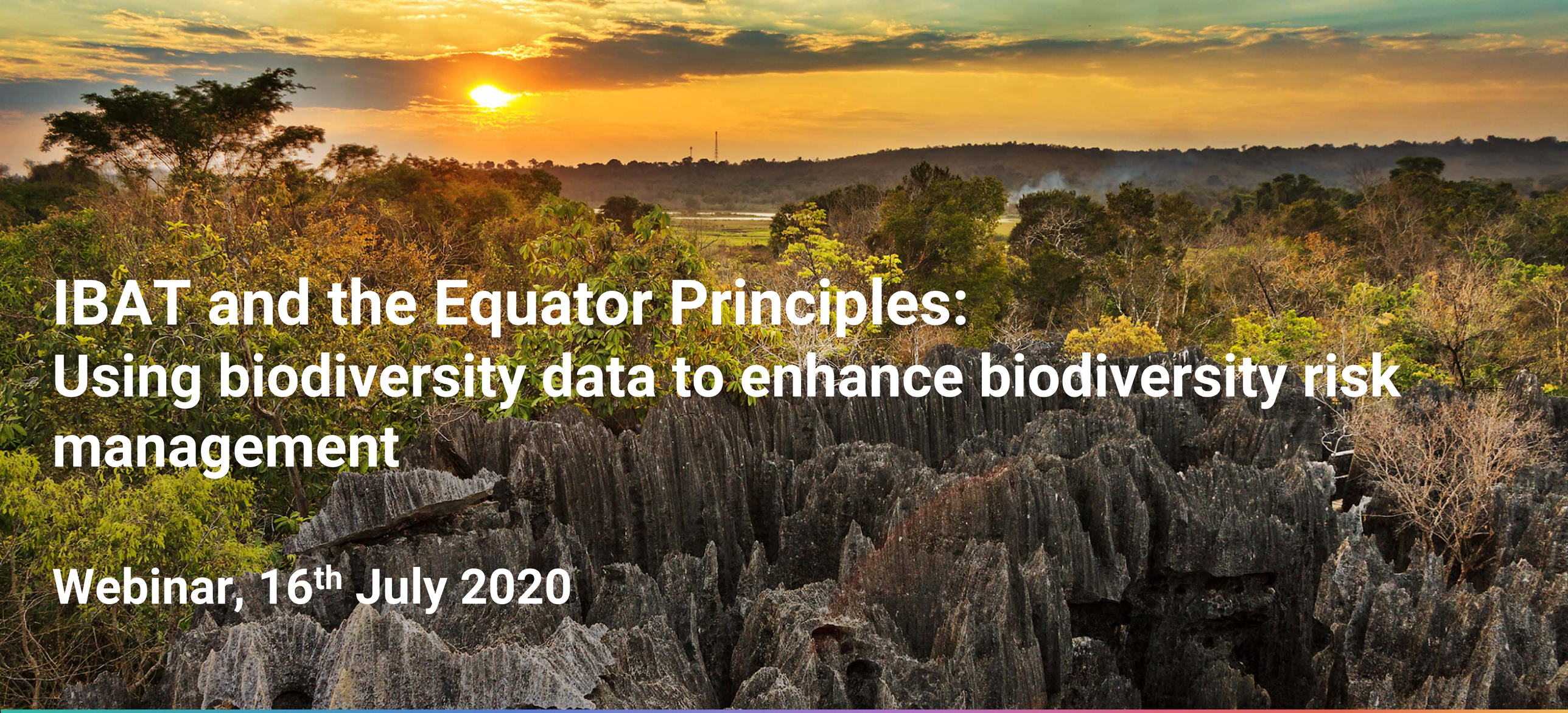

IBAT and the Equator Principles: Using biodiversity data to enhance biodiversity risk management

Webinar, 16th July 2020

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EQUATOR PRINCIPLES

IBAT

Tsingy de Bemaraha Strict Nature Reserve
Madagascar

World Database on Protected Areas

Jessica Smith (EP)

Frazer Lanier (CITI/EP)

Tim Hirsh (GBIF)

Jan-Willem van Bochove
The Biodiversity Consultancy

Olivia White
ESG Risk Advisor

Giulia Guidi
ESG Risk Advisor

Ben Jobson (IBAT)

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IBAT

What is the Integrated Biodiversity Assessment Tool?

- A web-based map & reporting tool that provides fast, easy & integrated access to critical biodiversity information
- An alliance between: BirdLife INTERNATIONAL, CONSERVATION INTERNATIONAL, IUCN, UN environment programme WCMC
- The source of the most globally authoritative biodiversity data:

  - The World Database on Protected Areas
  - The World Database of Key Biodiversity Areas
  - The IUCN Red List of Threatened Species

- A link between the private sector and biodiversity conservation

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IBAT

Context

- We are at a crisis point: 1 million species threatened by extinction (IPBES global assessment)
- There is “greater awareness of the impact that human activities can have on nature, and of the connection between human health, and biodiversity”. Elizabeth Mrema
- Link between business and biodiversity is becoming increasingly clear- The World Economic Forum continues to list biodiversity loss as one of the top 5 global risks in terms of impact and likelihood
- 2020 ‘super year’ for biodiversity (post2020.unep-wcmc.org)
- The challenge will be to mainstream biodiversity considerations into relevant economic sectors

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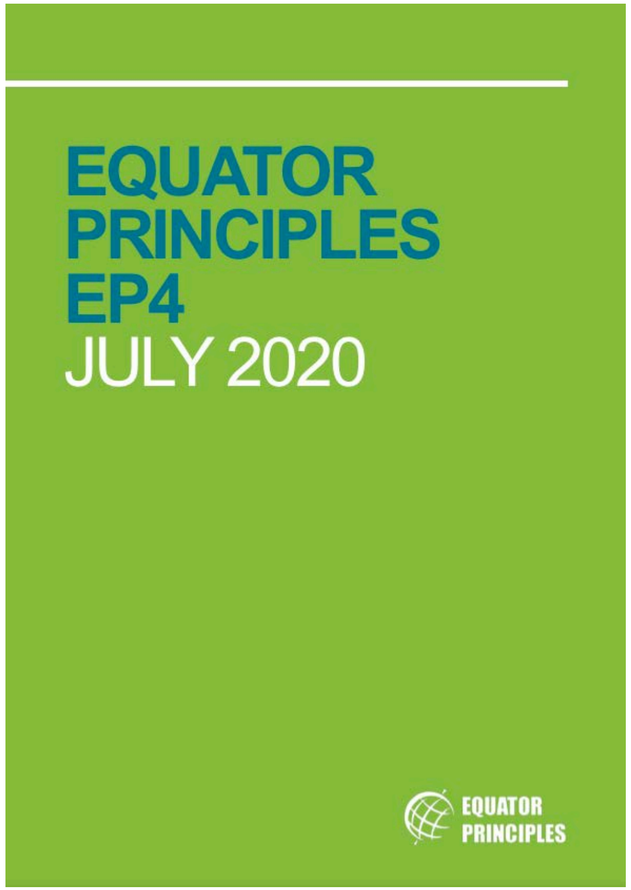


EP4 & BIODIVERSITY DATA SHARING

EPA Biodiversity Working Group, 16 July 2020

BIODIVERSITY DATA SHARING

NEW EP4 COMMITMENT

“The EPFI will encourage the client to share commercially non-sensitive Project-specific biodiversity data with the Global Biodiversity Information Facility (GBIF) and relevant national and global data repositories, using formats and conditions to enable such data to be accessed and re-used in future decisions and research applications.”

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

PURPOSE AND INTENT

To encourage EPFI clients to share biological data in a methodical and consistent way

To support conservation by enhancing the evidence base for research and decisions relating to biodiversity

To ensure the topic of biodiversity, including species of conservation concern and sensitive ecosystems, is duly considered in project-related risk assessments

To seek new best practice opportunities in alignment with PS6

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

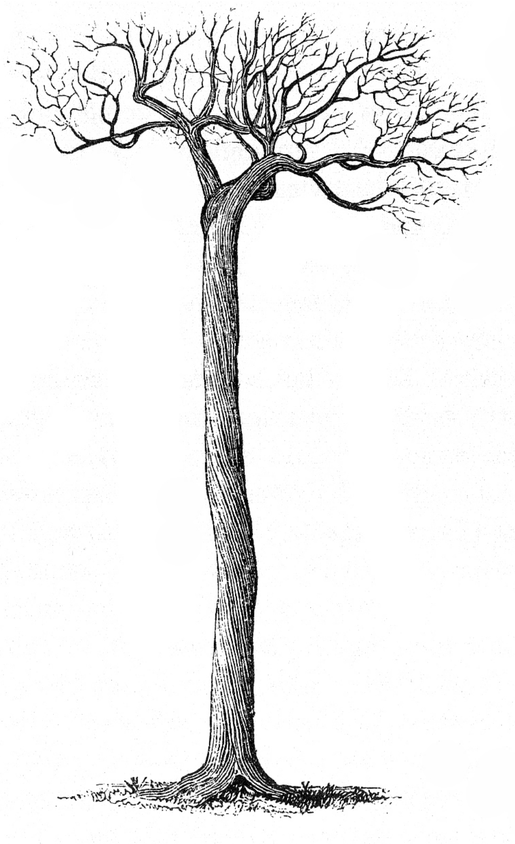
WHY CARE? EPFIs AND EPFI CLIENTS

- As global environmental pressures increase, so to does the attention of regulators and citizens on business impacts on biodiversity and ecosystems
- Increasingly, external stakeholders are calling for enhanced transparency, accountability and disclosure by FI's (e.g. proposed 'TCFD for Nature' / TNFD)
- Biodiversity Data Sharing represents a low-cost leadership opportunity with high impact potential and cost savings potential
- Contributes to clients' social license to operate and a positive profile with the conservation community
- Wider and better data availability will overall streamline the ESIA process
- Biodiversity data feeds into evidence-based for attainment of other issues in the SDG agenda such as agriculture and food security, human health, and zoonotic disease management

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

GUIDANCE NOTE HIGHLIGHTS



- Two distinct Biodiversity Guidance Notes have been created – available soon
  - Guidance for EPFIs
  - Guidance for EPFI Clients

When to use the Guidance Notes

- Ideally, all Project Finance and Project-Related Corporate Loan opportunities where biodiversity data will be collected
- Minimally, when there is a PS6 trigger

Supports:

- Example email in Guidance Notes
- EPA Biodiversity Working Group Members

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

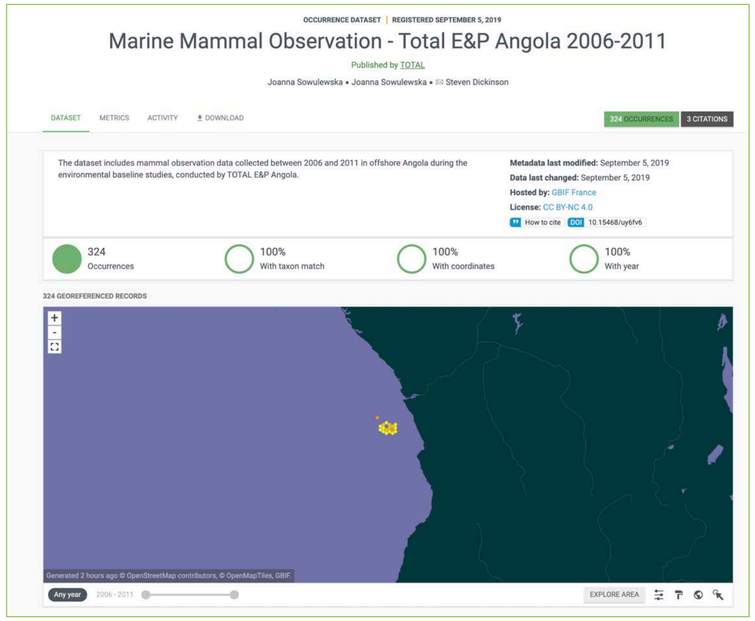
GLOBAL BIODIVERSITY INFORMATION FACILITY (GBIF)

- Aim of GBIF is to produce economic and social benefits and enable sustainable development by providing sound scientific evidence on biodiversity
- International database aimed at providing open access to data about all types of life on earth
- Uses an evolving community-based standard which enables compiling of biodiversity data from a variety of sources
- Chosen in consultation with subject-matter experts across sectors and organizations

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

BENEFITS



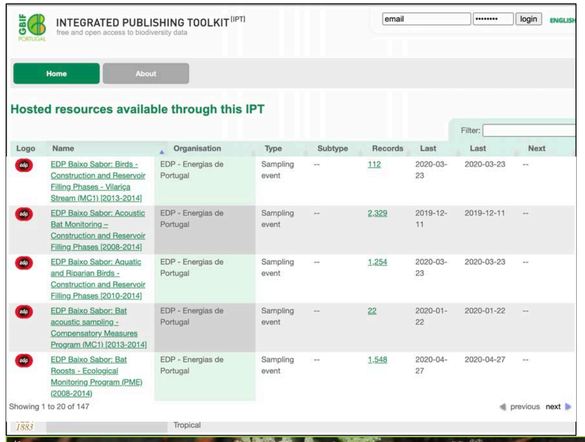
- Open-access data can be re-used for research/policy applications
- Reputational benefit: contribute to Sustainable Development Goals through knowledge support to conservation, climate change, food security, human health
- Fill data gaps in poorly-sampled regions
- Save long-term costs through providing baseline data for future EIAs
- Demonstrate contribution to science/policy through data citations linked to clients
- Improve transparency/robustness of EIAs

GBIF Global Biodiversity Information Facility

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

HOW TO PUBLISH DATA THROUGH GBIF



- Client or consultant registers as a publishing organization via https://www.gbif.org/become-a-publisher
- Biodiversity team formats data using accepted terms to describe e.g. which species observed where, when, how, in what quantity
- Formatted datasets entered into GBIF Integrated Publishing Toolkit (IPT), harvested by GBIF.org and national/thematic portals
- Datasets may be hosted on local server or third-party facility (e.g. GBIF national ‘node’, cloud service)
- Client retains full control of datasets, may be withdrawn at any time
- Helpdesk services available from helpdesk@gbif.org, GBIF nodes (operational focal points)

See https://www.gbif.org/publishing-data for a detailed description of data publication

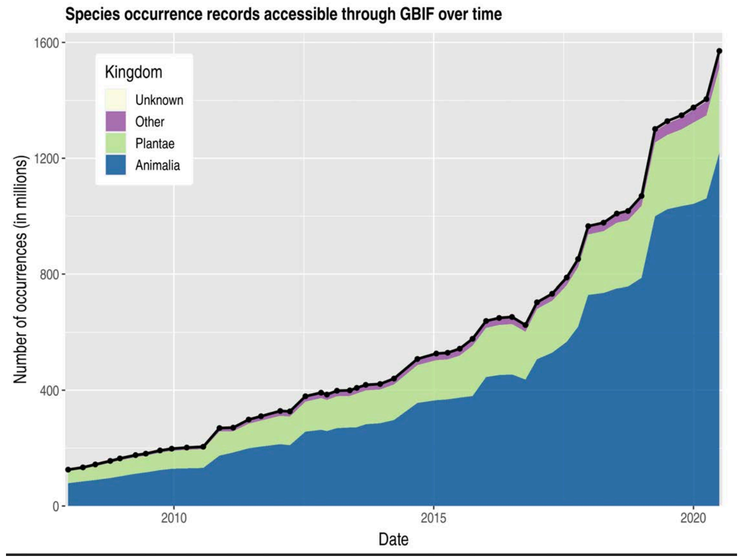
GBIF Global Biodiversity Information Facility

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

CONCERNS AND RESPONSES

Target 19:
By 2020, knowledge, the science base and technologies relating to biodiversity, its values, functioning, status and trends, and the consequences of its loss, are improved, widely shared and transferred, and applied.



Concern	Response
Precise data on occurrence of sensitive species (e.g. endangered, high-value) could lead to poaching or piracy	Geographic coordinates can be generalized, information withheld in published data version
Commercial sensitivity of data during licensing period	Data publication can be delayed until project approval
Reputational risk if e.g. biodiversity is damaged	Reputational dividend expected from transparency, other issues managed through Action Plan
Government approval and buy-in	CBD guidelines encourage open data sharing, GBIF data mobilization indicator of progress towards Aichi Biodiversity Target 19
Additional cost/effort of monitoring/sharing	Monitoring costs should already be considered in project budget, publication is free of charge, long-term savings

GBIF Global Biodiversity Information Facility

EQUATOR PRINCIPLES

BIODIVERSITY DATA SHARING

IN SUMMARY

EPFIs…

- Please encourage your clients to share their biological data!

EPFI Clients…

- Please consider sharing your biological data!

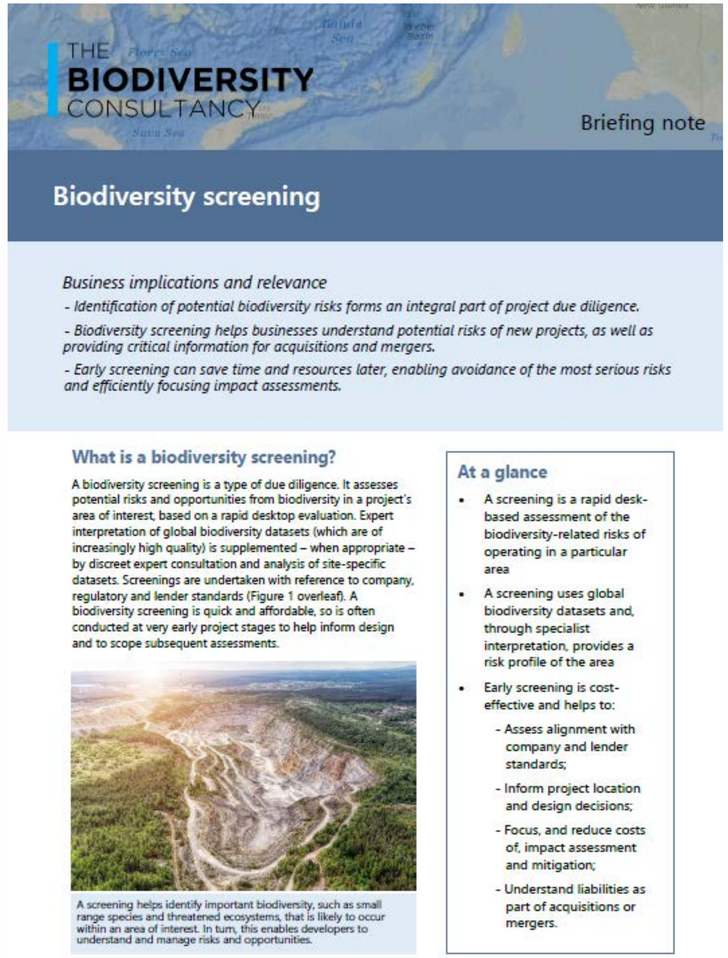
ALL…

- Please share your thoughts and feedback with the EP Biodiversity Working Group
  - Clarisse Thornton (Cthornton@edc.ca), frazer.lanier@citi.com, Carla.chizmar@cifi.com

EQUATOR PRINCIPLES

Biodiversity Risk Screening: What & Why?

- A rapid, desk-based assessment of the potential biodiversity-related risks of a given area.
- Can help understand the potential risks of investing in a particular project or asset, and inform investment decisions.
- Risks may stem from significant impacts to sensitive and sensitive ecosystems.
- At a minimum, uses global biodiversity datasets available through IBAT. Supported by field data (e.g. GBIF)



THE BIODIVERSITY CONSULTANCY

Briefing note

Biodiversity screening

Business implications and relevance

- Identification of potential biodiversity risks forms an integral part of project due diligence.

- Biodiversity screening helps businesses understand potential risks of new projects, as well as providing critical information for acquisitions and mergers.

- Early screening can save time and resources later, enabling avoidance of the most serious risks and efficiently focusing impact assessments.

What is a biodiversity screening?

A biodiversity screening is a type of due diligence. It assesses potential risks and opportunities from biodiversity in a project's area of interest, based on a rapid desktop evaluation. Expert interpretation of global biodiversity datasets (which are of increasingly high quality) is supplemented – when appropriate – by discreet expert consultation and analysis of site-specific datasets. Screenings are undertaken with reference to company, regulatory and lender standards (Figure 1 overleaf). A biodiversity screening is quick and affordable, so is often conducted at very early project stages to help inform design and to scope subsequent assessments.

A screening helps identify important biodiversity, such as small range species and threatened ecosystems, that is likely to occur within an area of interest. In turn, this enables developers to understand and manage risks and opportunities.

At a glance

- A screening is a rapid desk-based assessment of the biodiversity-related risks of operating in a particular area
- A screening uses global biodiversity datasets and, through specialist interpretation, provides a risk profile of the area
- Early screening is cost-effective and helps to:
  - Assess alignment with company and lender standards;
  - Inform project location and design decisions;
  - Focus, and reduce costs of, impact assessment and mitigation;
  - Understand liabilities as part of acquisitions or mergers.

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Using IBAT data for site-based risk assessment

Use the main data layers to evaluate the presence of biodiversity features which may present a risk

Ideally early in investment process –even before any field work on the ground.

IBAT data can tell you what might be present, and if an area is important for nature conservation. These are essential components of IFC Performance Standard 6

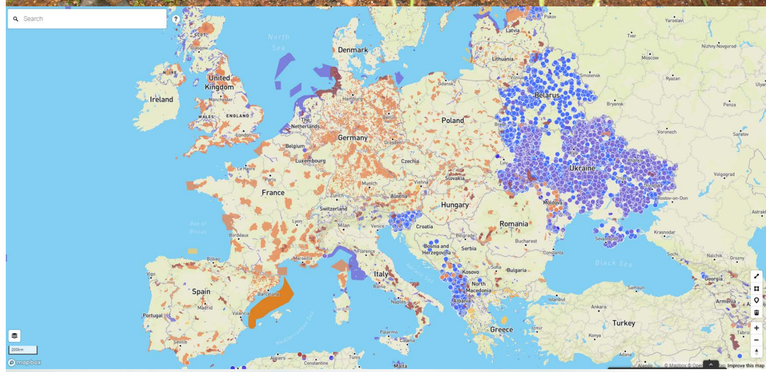
THE BIODIVERSITY CONSULTANCY

Using IBAT data for site-based risk assessment

Red List
- Globally threatened species.
- *but note, not all have been assessed*

Protected Planet
- National protected areas, World Heritage Sites, Ramsar
- *but note, not all nations contribute data*

Key Biodiversity Areas
- a global suit of sites evaluated against standard objective criteria
- *but note, not all areas have been thoroughly evaluated*



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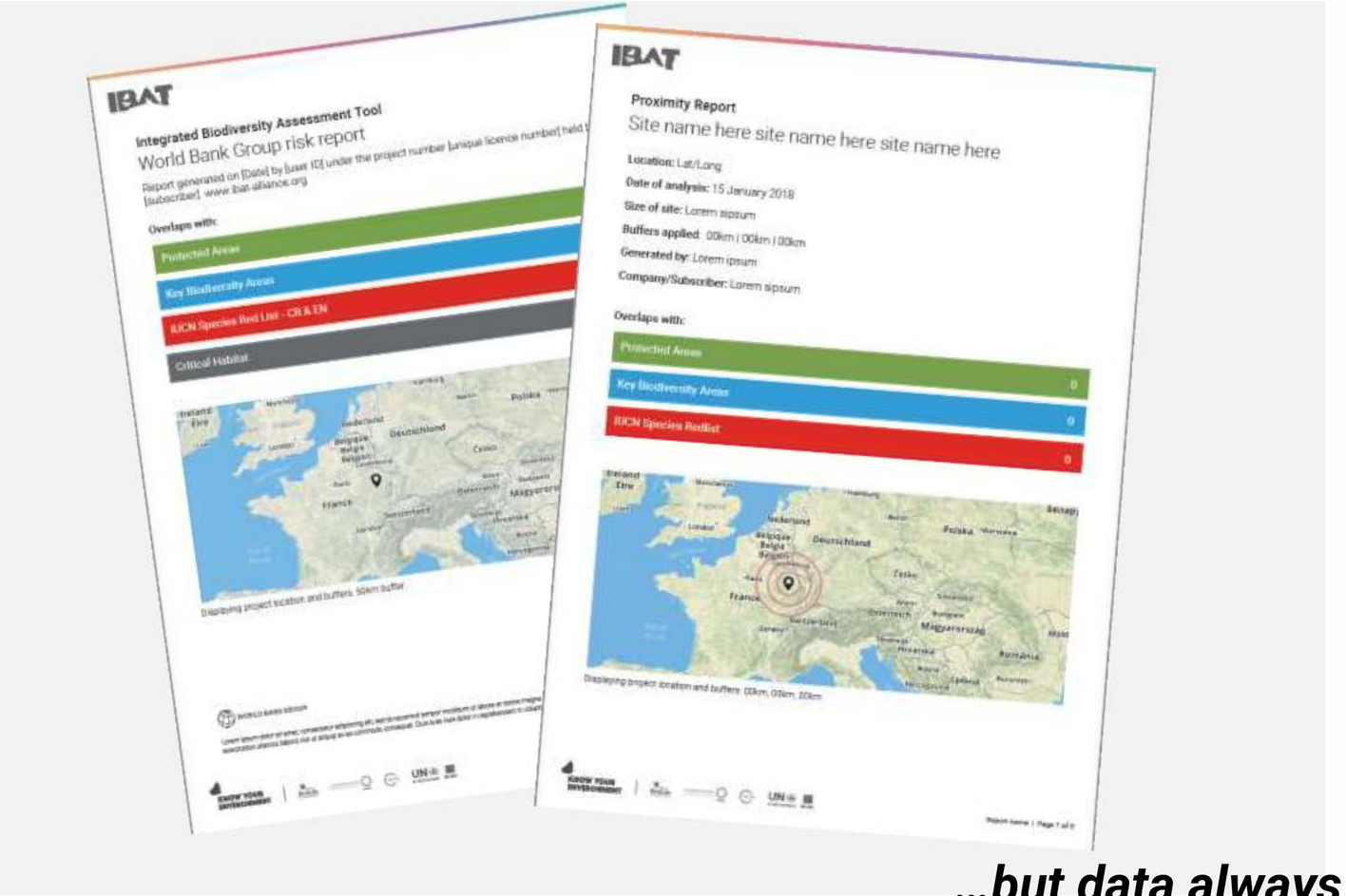
IBAT provides a variety of reports that help understand risk at sites



...but data always requires interpretation

Using IBAT to support E&S due diligence

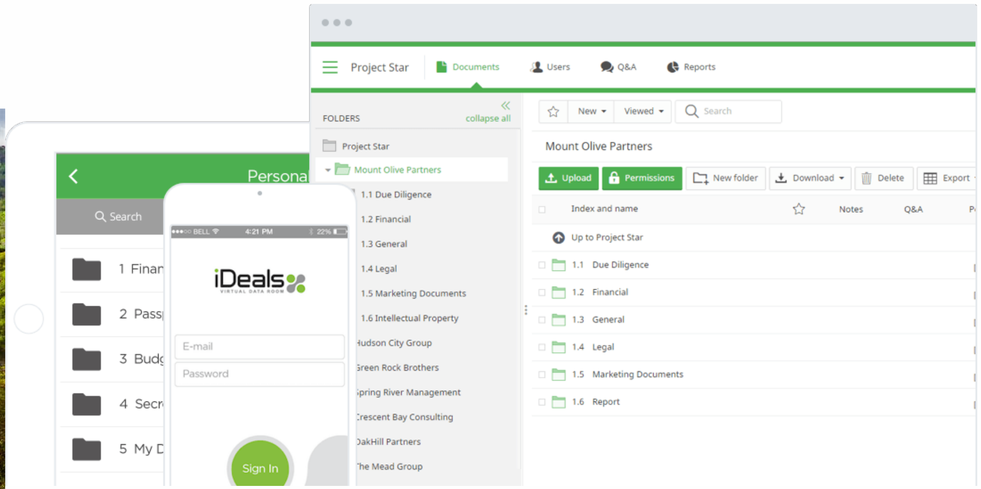
Example transaction:
Your bank has been invited by a mid-cap mining client to join a loan syndicate (ticket size ~$150M) for a:

- A major expansion for an open pit gold mine in Sumatra (doubling of output)
- Includes new ancillary facilities and new connecting road

Current information

- You have data room access and have a precise location of the mine and access road
- You've reviewed the ESIA which has not identified any biodiversity challenges
- A newspaper article suggests low level community opposition regarding potential impact to the Sumatra orangutan associated with the current mine

So how can you better understand local biodiversity?



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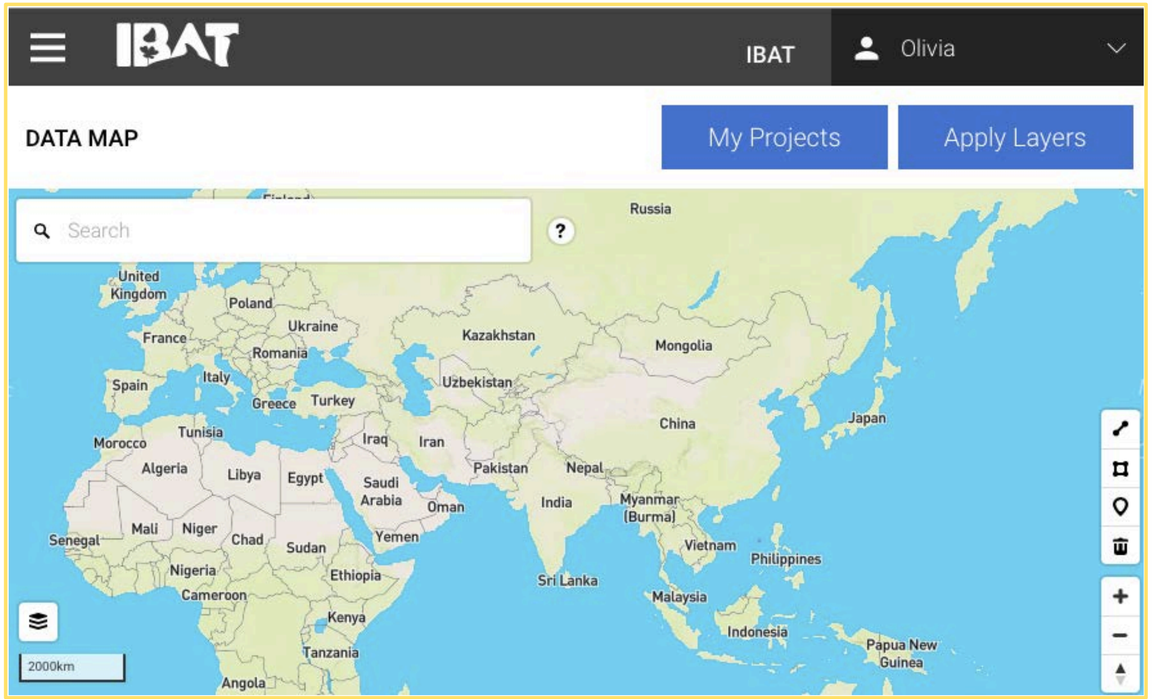
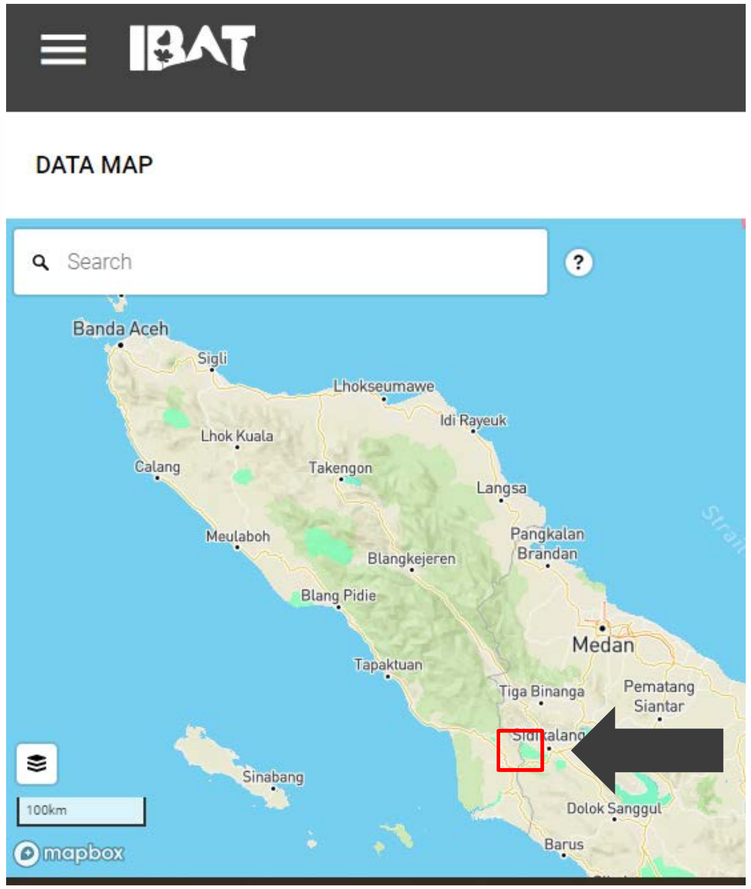
IBAT shows critical biodiversity….

Globally…



…and locally.



Mine site

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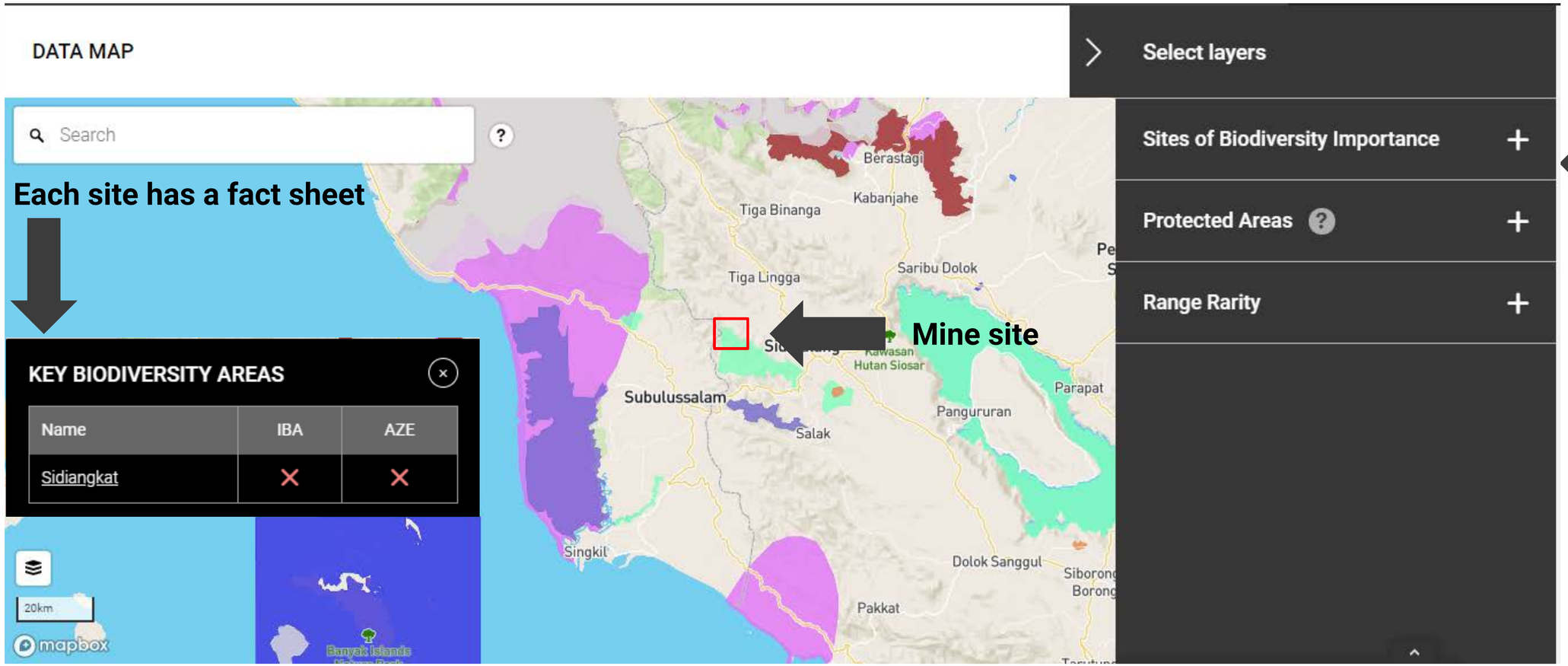
IBAT indicates critical biodiversity around a project location



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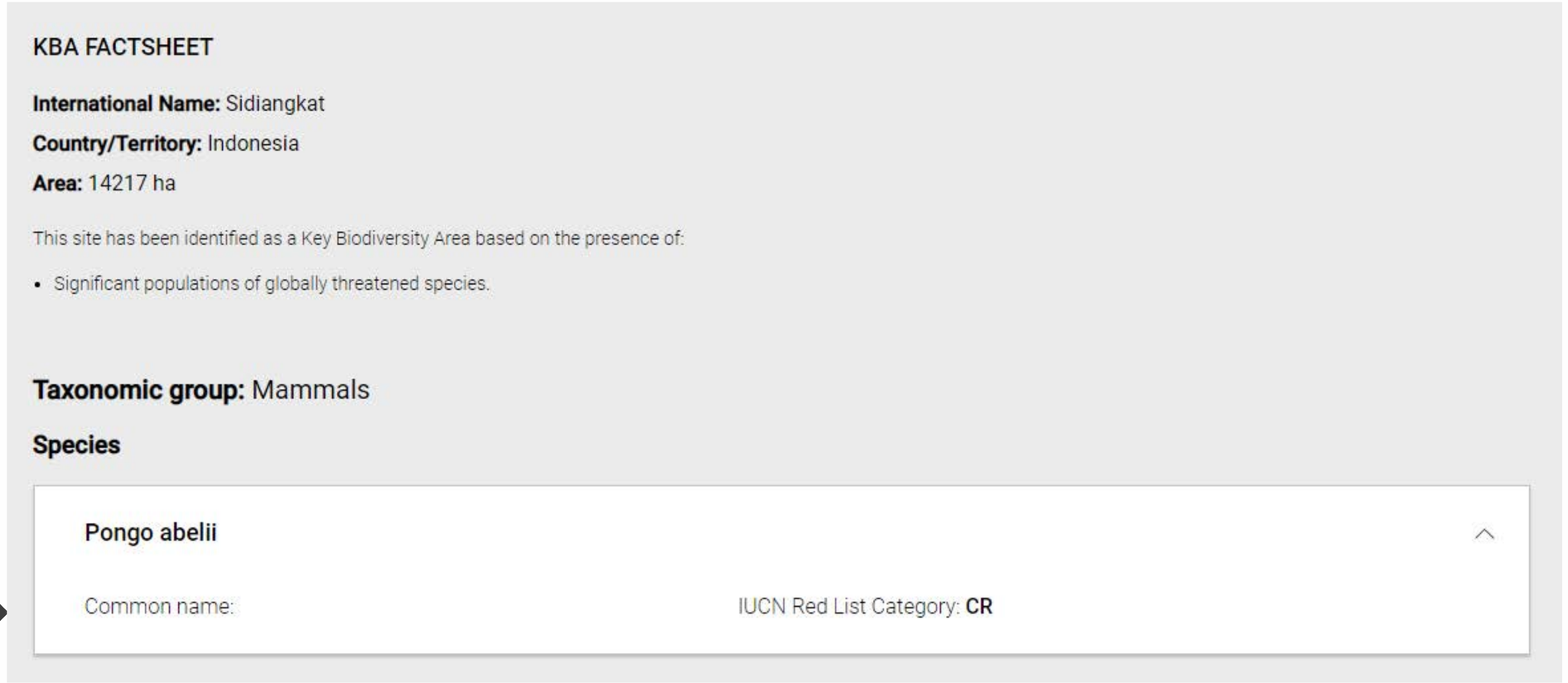
IBAT

Each site has a Fact Sheet detailing which species are present



Sumatran orangutan

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Tailored Site Reports can be download

IBAT

Integrated Biodiversity Assessment Tool

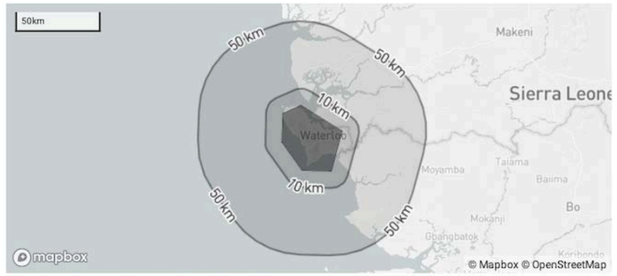
WORLD BANK GROUP BIODIVERSITY RISK SCREEN

Report generated on 13/07/2020 (GMT) by Ben Jobson under the project number 4449-10281 held by IBAT. www.ibat-alliance.org

- **Project Name:** Freetown
- **Country:** Sierra Leone
- **Location:** [8.3, -13.2]

Overlaps with:

Protected Areas	9
Key Biodiversity Areas	3
IUCN Red List	55
Critical Habitat	Likely



Displaying project location and buffers: 10.0 km, 50.0 km

IBAT

Priority Species

Habitat of significant importance to priority species will trigger critical habitat status (See PS6: para 16). IBAT provides a preliminary list of priority species that could occur within the 50km buffer. This list is drawn from the IUCN Red List of Threatened Species (IUCN RL). This list should be used to guide any further assessment, with the aim of confirming knownor likely occurrence of these species within the project area. It is also possible that further assessment may confirm occurrence of additional priority species not listed here. It is strongly encouraged that any new species information collected by the project be shared with species experts and/or IUCN wherever possible in order to improve IUCN datasets.

IUCN Red List of Threatened Species - CR & EN

The following species are potentially found within 50km of the area of interest.
For the full IUCN Red List please refer to the associated csv in the report folder.

Species name	Common name	IUCN Category	Group
Mecistops cataphractus	Slender-snouted Crocodile	CR	REPTILIA
Eretmochelys imbricata	Hawksbill Turtle	CR	REPTILIA
Pristis pectinata	Smalltooth Sawfish	CR	CHONDRICHTHYES
Sousa teuszii	Atlantic Humpback Dolphin	CR	MAMMALIA
Carcharhinus longimanus	Oceanic Whitetip Shark	CR	CHONDRICHTHYES
Sphyrna lewini	Scalloped Hammerhead	CR	CHONDRICHTHYES
Sphyrna mokarran	Great Hammerhead	CR	CHONDRICHTHYES
Rhynchobatus luebberti	African Wedgefish	CR	CHONDRICHTHYES
Squatina aculeata	Sawback Angelshark	CR	CHONDRICHTHYES
Squatina oculata	Smoothback Angelshark	CR	CHONDRICHTHYES
Pseudagrion mascagnii		CR	INSECTA

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Helps support evidence-based decisions during diligence

- IBAT enables a rapid visual screening for critical biodiversity
- Flags that further diligence potentially needs to be conducted
- Helps future diligence (e.g. any new baseline assessments or independent E&S reviews) be correctly scoped so that impacts can be accurately understood (e.g. through comprehensive baseline surveys) and mitigated (via the Mitigation Hierarchy, ESAP, BAPs etc.)
- Reducing project risk for the client and potential credit and reputation risk for banks
- Increased likelihood of meeting PS6 requirements

Finance Sector – Biodiversity Screening Briefing Note

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QUESTIONS?

Contact

Ben Jobson

ben.jobson@ibat-alliance.org

ibat-alliance.org

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