Forging effective partnerships with Oil & Gas companies for effective protected area management

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Looking for the limits of responsibility

Obligations
Or
Mutual opportunities?

How should we use this to get the best outcome?

Oil and Gas operations bring about changes

These changes effect people and environment

The changes occur at many different levels

Primary and secondary impacts

Activities can have effects far beyond their immediate area

With large activities the effects will go further and deeper

The further from the source the harder these effects are to predict and manage – but that doesn’t make them less real
Claiming the knock-on benefits
If you read many corporate brochures it is clear that companies are fully aware of the knock on effect of their activities ....

There is often not only reference to the operation itself and its direct benefits such as oil produced and jobs created

but credit is also claimed for the knock on benefits it brings – the benefits of the use of the energy, the economic development of the communities, the region and the country, improved health, education, transport, etc etc

Accepting the Knock on Impacts

• It has however taken longer to get acceptance that the other side of the coin – the knock on impacts from in-migration, infrastructural developments, changing life styles, increased water consumption etc etc are therefore a consequence of the operation

• However over the last few years we have seen the leadership oil & gas companies ( and regulators ! ) accept that the secondary impacts are frequently more damaging than primary impacts and will need more skill to predict and manage

• However there are still companies that don’t.....

• Tertiary impacts are of course even more complex

What are the consequences of this ?
This greater acceptance of the changes brought about has implications at :-

The site level – the activities to predict, avoid, reduce or offset are now broader

The company level as one of the drivers for an increased focus on Corporate Social Responsibility

Leadership companies will aspire to net benefits

Different realms of complexity

However once you get away from just looking at direct impacts and responsibility we are into different realms of complexity

Not only are these broader impacts harder to predict and manage but their interpretation comes down to perspectives
Society is complex….

Different stakeholders have differing needs - and differing perceptions.

Society has a growing appreciation of the importance of not compromising the future for short term profits through environmental damage BUT

People need energy; they need to be able to feed, look after and educate their families – and people have very legitimate aspirations to see their livelihood improve in a richer and more equitable world.

How do we reconcile these?

However when the costs and benefits include value judgements, use incomparable measurement scales, and the costs may be borne by one group, but the benefits accrue to another, how can these weighted against each other and decisions made that will satisfy all?

Integrated Social & Environmental Impact Assessments help clarify issues.

Oil and Gas Developments

Due to the significant opportunities for economic and social development, but with consequent environmental change, consideration of an oil and gas operation causes these differences to be brought out into the open as tough decisions on how to reconcile these differences have to be openly made.

The role of government

Governments have the task of reconciling the differing needs and make the equitable decision and only issue licences when they are happy that the costs and benefits are positively balanced.

We expect companies to operate within the laws of the land…

Therefore decisions of how to reconcile differences are not for the company to make – on their own, in bi-lateral negotiations with communities – or with NGOs

They are regulated decisions.
Participation and Transparency

Participation and transparency are crucial in this

In governments planning on land use, including Protected Areas - and concessions

In a company’s discussions with communities, government and NGOs

Get an agreement as part of the licenced package…

The earlier that discussion starts the better - increased prediction, better understanding of key areas, better avoidance and mitigation, investments into priority areas

AND it can be contracted

But this CLEARLY needs government support

Will companies go beyond legal obligations?

In certain circumstances, where it does not compromise the needs of other stakeholders companies may be willing to go beyond their obligations

Beyond obligation and legal responsibility we are into the realm of partnership and recognising mutual opportunities

Partnerships - Understanding the views of others

In any form of partnership getting to understand the your partner, their objectives, drivers, needs and perspectives are crucial

Although you can gather background information

It really comes through dialogue, respect, time and trust

But that doesn’t mean you have to compromise your perspectives….
How to engage....
Timing – as early as possible – help shape the overall plan
Working at Scale – dialogue may be needed at Group, National and Site Level
Emphasise that you are after Partnership not compensation
Be clear and realistic in your expectations
Go for genuine engagement not just sponsorship - people's time as well as financial resources
PA skill needs are expanding beyond recognition – in many of these areas oil & gas companies have the skills

What are the drivers beyond regulation?
Risk Management
  Environmental risk
  Social risk
  Operational risk
  Financial risk
Relationships
Reputation

What are your access points?
What will be your arguments?
Not just your need...
What is the business case?
How can you help them identify risks?
How can you help them reduce those risks?
How would the project help them in their relationship management?
What are the reputational issues
Are you a reliable and cost effective solution?

Be business orientated ...
Clear Justification
Aims, SMART Objectives, Plan
Outcomes & Benefits
Leveraging funds
Sustainability strategy
Sound Management – cost effective
Monitoring, evaluation & Reporting
Participation
QA
Health & Safety
Communications