



Community of Engagement with UN Global Compact

STATEMENT OF CONTINUED SUPPORT BY EXECUTIVE

IPIECA is the global oil and gas industry association for environmental and social issues. Through our member led Working Groups and executive leadership, we bring together the collective expertise of oil and gas companies and associations. Our membership covers over half of the world's oil and gas production. IPIECA is the industry's principal channel of communication with the United Nations

Formed in 1974 following the launch of the United Nations Environment Programme (UNEP), we remain the only global association involving both the upstream and downstream oil and gas industry on environmental, social and climate and energy issues.

IPIECA has supported the 10 principles of the UN Global Compact (UNGC) since 2000 and we show our continued participation in the activities of the UNGC by providing members with guidance and tools to respond effectively to environmental and social issues.

IPIECA's Communication of Engagement (COE) activities are included in the below.

Yours Sincerely,

Brian Sullivan

IPIECA Executive Director

DESCRIPTION OF ACTIONS

IPIECA's vision is for an oil and gas industry that successfully improves its operations and products to meet society's expectations for environmental and social performance.

IPIECA operates globally and seeks to achieve its vision by:

- Developing, sharing and promoting sound practices and solutions
- Enhancing and communicating knowledge and understanding
- Engaging members and others in the industry
- Working in partnership with key stakeholders

The below highlights some of the key activities that IPIECA has been involved in during the period 2010-2015 that support the UNGC 10 principles.

Climate and energy

- Organising international workshops, webinars and symposia to understand and assess relevant scientific, economic technological and policy issues. These enhance and communicate knowledge and understanding around scientific, economical, and technological and policy issues whilst also engaging members in dialogue and improving good practice. Recent workshops have included: Addressing adaptation in the oil and gas industry, October 2012, London, UK, Methane Workshop October 2015, Paris, France, Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report business engagement workshop September 2014, Washington, France.
- Promoting energy efficiency and greenhouse gas mitigation through a webinar series on topics including: *Guidelines for implementing ISO 50001*, *Preparing effective flare management plans* and *IPIECA-IOGPs Energy and greenhouse gas efficiency compendium*. IPIECA's *Saving energy in the oil and gas industry (2013)* document outlines why it is important for the oil and gas industry to save energy and describes key actions being taken such as improving efficiency of operations along the supply chain and eliminating unnecessary waste, as well as providing examples of energy management systems.
- Developing an industry reporting framework on climate change and greenhouse gas emissions.
- Engaging with the UNEP-led Partnership for Clean Fuels and Vehicles (PCFV) to eliminate lead from gasoline and reduce sulphur in diesel and to put in place vehicles emission standards.
- Enabling enhanced GHG emissions reporting. IPIECA and the American Petroleum Institute (API) developed the 2nd edition of the *Guidance Petroleum industry guidelines for reporting greenhouse gas emissions (2011)* to continue to promote credible, consistent and reliable GHG accounting and reporting practices from oil and gas operations.
- Supporting flare reduction efforts by petroleum producers and governments worldwide through a publication on *Preparing effective flare management plans* drawing on the experience and expertise of the industry, and the World Bank-led Global Gas Flaring Reduction Public-Private partnership (GGFR).
- Developing a new compendium of energy efficiency technologies and good practice. This online database provides an introduction to energy efficiency measures for oil and gas facilities, and aims to raise awareness and uptake of such technologies and practices across the industry.
- Developing *Guidelines for implementing ISO 5000 energy management systems in the oil and gas industry* to provide guidance from a more specific, oil and gas industry perspective, and including examples and case studies directly relevant to oil and gas organisations and operations.

- Providing technical background and specific calculation methods to determine uncertainties with targeted measurements and emission factors, and to determine how to aggregate these individual terms for entire GHG inventories at any given level – *Addressing uncertainty in oil and gas industry greenhouse gas inventories. Technical considerations and calculation methods*.
- Developing The Paris Puzzle, The pathway to a low-emissions future – IPIECA’s set of communications on the challenges and responses needed to address the risks of climate change, in light of the new global agreement at COP-21 in Paris 2015 under the UN Framework Convention on Climate Change.

Environment

- Encouraging the integration of BES management into oil and gas operations to enable companies to improve their performance and reduce impacts. 2014 saw the relaunch of *Managing Biodiversity & Ecosystem Services (BES) issues along the asset lifecycle in any environment: 10 tips for success in the oil and gas industry*. Originally published in 2010, the tips provide high level guidance on managing BES in the oil and gas industry. Each tip is supported by resources, many of which are IPIECA documents.
- Collaborating in the launch of UNEP-WCMC’s *Biodiversity A-Z* website. The site covers a number of themes including marine and acronyms for users. It provides concise and authoritative information about biodiversity-related themes in an accessible and simple manner.
- Developing and sharing good practices related to biodiversity and ecosystem services in the extractives industries through the Cross-Sector Biodiversity Initiative (CSBI); a partnership between IPIECA, the International Council on Mining and Metals (ICMM) and the Equator Principles Association. The partnership published a good practice guidance that focuses on managing biodiversity using the mitigation hierarchy, and aims to balance conservation needs with development priorities to assist sustainable management of living and natural resources.
- Helping oil and gas companies to map their water use and assess risks for their overall global portfolio of sites considering each part of the oil and gas value chain. The [IPIECA Global Water Tool for Oil and Gas](#) is a customized version of the [World Business Council for Sustainable Development \(WBCSD\) Global Water Tool](#). This follows the publication of two guidance documents titled: *Identifying and assessing water sources* (2014) and *Efficiency in Water Use* (2014). These documents are based on a number of guiding principles of water stewardship, integrated water resource management and risk assessment throughout operations.
- Working to raise industry’s awareness of water management issues by developing a [Water Management Framework](#). Adoption of this framework across the membership will help IPIECA achieve our goal of “*recognition by internal and external stakeholders that the oil and gas industry is proactively and collectively managing issues related to the impacts and risks of water use*”.
- Developing a *Good Practice guidelines for the development of shale oil and gas, jointly with the International Association of Oil and Gas Producers (IOGP)* which provides a general, global framework of principles for operations under which more detailed standards and/or practices may be developed to meet regional and local circumstances.
- Delivering practical information to on-the-ground staff at onshore and offshore projects and operations, helping them to identify key issues and solutions and to embed active consideration of alien invasive species (AIS) from the earliest stages of the project – through a document on *Alien invasive species and the oil and gas industry* document. It also provides a high level overview to environmental and project managers on why and how AIS should be managed.

- Developing a checklist around Biodiversity and Ecosystem services. The aim of the *Ecosystem services guidance: Biodiversity and ecosystem services* guide is provide a set of checklists to help identify the main ecosystem service dependencies and impacts of oil and gas developments and to highlight key associated risks and opportunities for oil and gas companies, and provides guidance on potential measures for managing them.
- Helping more effective waste management in petroleum refinery operations to minimise risk to people and the environment, enhance resource utilization and reduce costs in countries with less or no regulatory oversight and guidance – through the development a guide to improve existing waste management processes of refineries, IPIECA published the *Waste management in refineries* guide.
- Building capacity in several regions of the world (South East Asia, China, Caspian and Black Seas, and West and Central Africa) around developing national structures and capability for oil spill preparedness and response. This is achieved through the Global Initiative (GI), a partnership between IPIECA and the International Maritime Organization (IMO).
- Building on the lessons learned from the response effort to the Macondo blow-out incident through the Oil Spill Response Joint Industry Project (OSR-JIP). This provides an opportunity to inform and further strengthen future preparedness and response initiatives for exploration and production operations and the maritime (shipping) community with recently published documents including *Response strategy development using net environmental benefit analysis (NEBA): good practice guidelines for incident management and emergency response personnel*, the *Economic assessment and compensation for marine oil releases: good practice guidelines for incident management and emergency response personnel* that considers the effects of oil on the fisheries and tourism sectors, as well as other commercial activities, and *Dispersants: subsea application: good practice guidelines for incident management and emergency response personnel*.
- Developing a manual on Petroleum Refining Water/wastewater Use and Management which describes typical ‘best practices’ and strategies used in petroleum refineries to manage water, including ways to reduce water usage. Improved water management in a petroleum refinery can potentially reduce the volume and cost of raw water used in refinery operations.
- Promotion and certification of sustainable biofuels is complex and requires a well-coordinated, multi-faceted and credible approach, and includes compliance with government mandates, international standards and certification programmes, which will be instrumental in promoting the responsible production of sustainable biofuels. IPIECA’s *Chain of custody options for sustainable biofuels* guide provides an introduction to biofuels Chain of Custody (CoC) systems as well as providing information on the different types of CoC systems in use.
- Producing a Good Practice Guidance *Management and remediation of sites in the petroleum industry*. This supports decision-making associated with the management of impacts to soil, groundwater and soil vapour, including the presence of Non Aqueous Phase Liquid (NAPL), addressing potential exposures and risks, investigation techniques and readily available technologies from which a site- specific assessment and/or corrective action plan can be developed.
- Developing good practices and strategies used to manage mercury in the petroleum refining industry addressing issues around encompassing environmental controls, worker health and safety, process safety, product safety, waste management, and product stewardship – with IPIECA’s Guide *Mercury management in petroleum refining*

Social Responsibility

- Providing practical step-by-step guidance on how to plan and implement operational-level community grievance mechanisms (CGMs) and how to design and to manage corporate CGM frameworks through a Manual titled: *Community grievance mechanisms in the oil and*

gas industry. A manual for implementing operational-level grievance mechanisms and designing corporate frameworks (2015). The Manual reflects the industry's positive response to the United Nations Guiding Principles on Business and Human Rights (UNGPs), which promote the use, value and power of effective CGMs in facilitating access to remedy.

- IPIECA's Due Diligence Programme, as part of our Business and Human Rights Project focuses on the procedures and processes the oil and gas industry uses to identify, assess and manage potential human rights issues in projects and operations. Two guidance documents have been published: *Human rights due diligence process: a practical guide to implementation for companies* (2012) and *Integrating human rights into Environmental, Social and Health Impact Assessments* (2013)
- Publication on *Indigenous Peoples and the oil and gas industry: Context, issues and emerging good practice*. This provides an overview of Indigenous Peoples and the policy and regulatory context relevant to the sector's interaction with them, as well as a summary of some of the specific issues for oil and gas companies to consider when operating in areas with Indigenous Peoples (set around the three themes of consultation and engagement, key issues to manage, and benefits sharing).
- IPIECA's Human Rights Training Tool enables oil and gas companies to develop a better understanding of the corporate responsibility to respect human rights and key human rights issues relevant for the industry. It reinforces company expectations and requirements related to human rights and introduces resources to help manage potential human rights issues.

Cross-cutting

- Publishing the third edition of the IPIECA, American Petroleum Institute (API) and IOGP *Oil and gas industry guidance on voluntary sustainability reporting* (2015). This guidance provides direction on the content of a typical oil and gas industry sustainability report by covering a range of sustainability issues relevant to the oil and gas industry. The social and economic section have been aligned with the UN Guiding Principles for Business and Human Rights. We are intending to produce a mapping document from the guidance to the UN Global Compact Ten Principles at a later date.
- IPIECA has also contributed to an International Chamber of Commerce (ICC) and UN Global Compact publication, *Scaling Up Sustainability Collaboration: Contributions of Business Associations* (2015) and *Sector Initiatives to Sustainable Development* (2015). This focuses on how business associations across all sectors and regions, can and are, advancing sustainable development in line with the SDGs.