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Assessing ecosystem service impacts and dependencies in the extractive sector – African and Latin America examples

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Abstract:

Extractive companies operating in areas where local populations have a high dependency on natural resources (especially in developing countries) are increasingly realizing the importance of understanding ecosystem services. Direct and indirect impacts of proposed/existing developments have the potential to significantly impact on ecosystem benefits obtained by people living in and around company managed concessions. Without proper consideration, companies may reduce community access to natural resources and/or degrade ecosystems which act as service production areas. We believe that maintaining a social license to operate is linked to local community access to and use of natural resources and the broader ecosystem service function of the region.

This session will present Fauna & Flora International's (FFI) lessons learnt from undertaking ecosystem service assessments at various sites in Africa and Latin America. Firstly, we consider the drivers for extractive companies to undertake ecosystem service assessments including the business case and international lender standards. We will then outline different guidance tools that can be used for private sector field application, including our methodology based on the requirements of the World Resource Institute (WRI) and the International Finance Corporation (IFC) Performance Standards. With reference to FFI's work and other relevant assessments, we explore company and stakeholder ecosystem service impacts, dependencies and management observed at site level. Finally, we discuss lessons learnt, implications and limitations which are transferrable to the Asia Pacific region.