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# Position Brief on oil and gas development of the Arctic

## Background

The Arctic Circle encompasses roughly 6% of the earth's surface. Wetlands make up about 60% of the total Arctic land mass and are the predominant ecosystem, however they are not well defined or understood.

Arctic wetlands provide a wide range of ecosystem services such as the maintenance of permafrost, hydrology and water quality. Arctic wetlands have the highest biological productivity of any wetlands ecosystem. Marine and coastal wetlands are critical to the lifecycle of many populations of migrating birds, fish, marine mammals, as well as the livelihoods of many indigenous cultures. Besides the local value, their importance for biodiversity reaches very far through flyways, river basins and other migratory connections. Another global scale service of Arctic wetlands is that they store huge amounts of carbon and stabilise the carbon balance.

The Arctic harbours enormous oil and gas reserves. The growing global demand for energy and resources is increasing the pressure to industrialise these fragile ecosystems. A number of onshore areas in Canada, Russia and Alaska have already been explored. Nevertheless, most of the Arctic, especially offshore, is essentially undeveloped.

### **Our Position**

Wetlands International is very concerned by the rush for oil and gas exploration in the Arctic. Operations, both onshore and offshore, impact the functions, services and values of Arctic coastal wetlands. These activities pose significant risks to the environment, ecosystem services and livelihoods. The nature and scale of these risks have not been adequately assessed.

As long as internationally agreed standards for oil and gas operations and risks do not exist, and adequate management of these risks is not in place, we oppose exploration and production in the Arctic. We further support an immediate moratorium on oil and gas exploration in the most sensitive areas of the Arctic, including all categories of protected areas and areas of international importance.

In the case that operations do go ahead, we call for the strongest possible safeguards and emergency response mechanisms to be applied. These safeguards should take a precautionary approach based on the best available knowledge, derived from research and biological monitoring that is conducted by governments, independent agencies, NGOs and industry.

#### How we work

As a science-based organisation with expertise on wetlands, we work with many different partners, including the oil and gas sector, to improve environmental practices and achieve greater sustainability. We believe there is a value to collaborate with the oil and gas industry to improve their practices in the Arctic, in order to minimise the impacts on onshore and coastal wetlands. The decision to license oil and gas operations is made by the governments of Arctic countries, and these developments are taking place. In order to reduce negative impacts as much as possible, we collaborate directly with industry, with the aim of achieving sector-wide improvements.

The current science-base on Arctic wetlands is inadequate for effective land use planning, wetlands conservation and wise use, and ensuring the most important values are not jeopardised. Better practices and standards are needed in order to minimise impacts on the Arctic environment and the traditional lifestyles of indigenous people.

We contribute to the development of knowledge on the natural functions Arctic ecosystems and aim for better standards and best practices to avoid and mitigate impacts on wetlands, and to introduce compensation and restoration standards and technologies.

We promote wetlands conservation through the application of wise use principles based on the ecosystem approach.<sup>1</sup> We support the Ramsar Convention on Wetlands hierarchy for operations in wetlands, with a preference for avoiding, otherwise minimizing impacts; furthermore to mitigate those impacts and compensate for any resultant impacts.

We work to support:

- A 'net positive impact' policy for avoiding, mitigating and compensating the impacts of operations on biodiversity.
- A risk-based approach to operational planning and spill avoidance that includes the cost of lost ecosystem services in its decision-making.
- Opportunities to avoid, minimise, mitigate, compensate and restore impacts through the use of zoning and spatial planning; strategic environment assessments; improved impact assessment standards which include cumulative impacts; ecosystem-based operational standards that monitor the ecological baseline and impacts as a basis for adaptive management.

## Our activities

- We conduct research to improve the science-base and better understand the functions and sensitivities of Arctic wetlands.
- We develop tools, guidelines and best practices to avoid and mitigate impacts on wetlands, and introduce compensation and restoration standards and technologies. Currently, the focus is on the inland Arctic wetlands such as permafrost marshes.
- We influence policies and encourage governments and companies to agree on and apply higher standards for their operations in the Arctic through the global oil and gas industry association for environmental and social issues (<u>IPIECA</u>) as well as in public bodies such as the <u>Arctic Council</u>, <u>Ramsar Convention on Wetlands</u> and other conventions.

## **About Wetlands International**

Wetlands International is the only global not-for-profit organisation dedicated to the conservation and wise use of wetlands. Our vision is of a world where wetlands are treasured and nurtured for their beauty, the life they support and the resources they provide.

<sup>&</sup>lt;sup>1</sup> A clear elaboration of this approach and these principles has been developed and adopted by the Ramsar Convention on Wetlands.