

Case study

Conservation International Alliance



The Valdivian Coastal Reserve in Chile – BHP Billiton's partnership with The Nature Conservancy and Conservation International for the permanent conservation of areas of high ecosystemic value and biodiversity.

Through our conservation target, we seek to finance the conservation and continuing management of areas of high biodiversity and ecosystem value that are of national or international conservation significance. We continue to address our conservation target through a range of programs and relationships, including our alliance with Conservation International, formed more than five years ago to design and implement a portfolio of conservation projects around the world and to inform BHP Billiton's corporate requirements related to land and biodiversity management.

Why Conservation International and what is the objective?

Conservation International (CI) is a global non-government organisation (NGO) focused on the protection of nature for the wellbeing of humanity. CI has a track record of enabling long-term conservation outcomes and proven expertise collaborating with the extractive sector. On this basis CI was chosen as an Alliance partner.

The objective of the Alliance has been to design and implement a portfolio of conservation projects around the world and to inform BHP Billiton's corporate requirements related to land and biodiversity management.

The conservation projects and the outcomes

Through the Alliance, more than US\$30 million has been invested in conservation, contributing to the establishment of the Five Rivers Conservation Area in Tasmania, Australia with the Tasmanian Land Conservancy, and the Valdivian Coastal Reserve Project in Southern Chile with The Nature Conservancy. Together, these projects have:

- conserved more than 60,000 hectares of habitat for 16 globally threatened species;
- supported more than 50 direct jobs;
- generated nearly 900 gigalitres of high-quality fresh water;
- avoided the release of 75,000 tonnes of CO₂-e per annum.

In FY2016, a major milestone was achieved with the Valdivian Coastal Reserve in Chile, which is an area of rich biodiversity and one of the world's last temperate rainforests. An innovative global partnership between The Nature Conservancy, Conservation International and BHP Billiton has facilitated the conservation and ongoing management of 50,000 hectares of the Valdivian Coastal Reserve. Following the establishment of the reserve, in FY2016 BHP Billiton contributed US\$20 million to establish an endowment to provide for the long-term management costs of the Reserve.

A more recent facet of the Alliance has been in support of the REDD+ (Reducing Emissions from Deforestation and Forest Degradation) mechanism, which is a key element of our climate change mitigation efforts.

We have recently announced our investment in the Alto Mayo REDD+ project, managed by Conservation International Peru. The Alto Mayo Protected Forest in Peru is of global significance, home to Peru's three endangered primates and numerous endemic plant and bird species, as well as being a critical source of fresh water to a large portion of the downstream Peruvian Amazon population. The area is currently under threat due to unsustainable farming practices, leading to significant greenhouse emissions from deforestation, a loss of critical habitat and impacts to freshwater quality.

BHP Billiton will provide approximately US\$5 million to Conservation International Peru for the project over two years (commencing FY2017). This aims to contribute to alternative livelihood opportunities, including sustainable coffee growing and enhanced forest governance, and generate 800,000 tonnes of carbon credits. As well as being pivotal to our REDD+ strategy, this investment supports our current public conservation target.

Informing corporate requirements

As part of the Alliance, Conservation International provides technical expertise to BHP Billiton on responsible management and enhancement of land and biodiversity. This includes contributing to improvements in our corporate environmental requirements in the areas of compensatory actions and the definition of 'areas of influence'.

Together, we have also designed and piloted a Landscape Values Assessment Tool to support businesses in understanding the environmental, economic and social values of ecosystems in the landscape within and around our sites. This tool allows us to make more informed management decisions.

The Alliance provides a powerful example of how an environmental NGO and a resources company can effectively collaborate and work towards mutual goals and demonstrate positive outcomes for nature and people.
