

## EXECUTIVE SUMMARY

# MAPPING THE OIL AND GAS INDUSTRY TO THE SUSTAINABLE DEVELOPMENT GOALS: AN ATLAS

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The Sustainable Development Goals (SDGs) form part of 'Transforming our world: the 2030 Agenda for Sustainable Development' adopted in September 2015 by the 193 United Nations Member States. The SDGs represent the world's comprehensive plan of action for social inclusion, environmental sustainability and economic development.

Achieving the SDGs by the target of 2030 will require unprecedented cooperation and collaboration among governments, non-governmental organizations, development partners, the private sector and communities. While governments have the primary responsibility to prioritize and implement approaches to meeting the SDGs, the private sector and civil society will play a critical role in the implementation of national plans. Indeed, governments are likely to rely to a high degree on businesses and investors in support of delivery.

The oil and gas sector is an important global industry and, as this Atlas demonstrates, it can have both positive and negative impacts on a range of areas covered by the SDGs. The Atlas is intended to facilitate conversation on, and greater awareness of, the ways in which oil and gas companies, working both individually and collaboratively with governments, communities, civil society and other partners, can help to achieve the SDGs.

The Atlas offers a broad overview of opportunities and challenges, in order to demonstrate the actual and potential contributions of every part of the oil and gas sector to the achievement of the SDGs—from exploration and production through to pipelines, refining, transportation and retail. The Atlas outlines the typical roles and responsibilities of key stakeholders in enhancing the industry's contribution to sustainable development. It presents examples of good practice in the industry, alongside existing knowledge and resources on sustainable development that could help the industry make useful contributions to the SDGs.

The Atlas presents the SDGs goal by goal, focusing on the contribution the oil and gas industry can make to each goal by integrating it into core business operations and by identifying opportunities for oil and gas companies to collaborate with other stakeholders and leverage experiences and resources in support of the goal. Each chapter also includes case studies of innovative and sustained efforts by companies, often working collaboratively.

Companies will see initiatives they are already implementing or in which they are already participating, but will also discover new links between their existing activities and the SDGs. Some may find inspiration to try something completely new. Civil society and communities may uncover approaches in the Atlas that help them to support new partnerships or initiatives. National and local governments may see opportunities to link policies, regulatory activity and funding to the SDGs. The Atlas aims to facilitate three outcomes:

- Enhanced understanding of the relationship between the SDGs and the oil and gas industry.
- Increased awareness of the opportunities and challenges that the SDGs pose for the oil and gas industry and its stakeholders, and the ways in which the industry might address them.
- Multi-stakeholder dialogue and collaboration towards enhancing the contribution of the oil and gas sector to the achievement of the SDGs.

Some overall conclusions from the Atlas that can guide action and stimulate further debate and research include:

## **The oil and gas industry has the potential to contribute to all 17 SDGs.**

With careful planning and implementation, the oil and gas industry has the opportunity to contribute across all SDGs, either by enhancing its positive contributions or by avoiding or mitigating negative impacts. Throughout the Atlas, both baseline improvements as well as mitigating steps are considered to be contributions to the SDGs. Overall, oil and gas production can foster economic and social development by providing access to affordable energy, opportunities for decent employment, business and skills development, increased fiscal revenues, and improved infrastructure. However, oil and gas development has historically contributed to some of the challenges that the SDGs seek to address—climate change and environmental degradation, population displacement, economic and social inequality, armed conflicts, gender-based

violence, tax evasion and corruption, increased risk of certain health problems, and the violation of human rights. In recent decades, the industry has made advances in avoiding, mitigating and managing such impacts and risks and the Atlas points to such good practices and examples.

## **The scope and nature of typical oil and gas activities point to some SDGs where there are particularly strong opportunities to contribute.**

The overarching aim for businesses in the context of sustainable development should be to do business responsibly—to contribute to society, minimize risks and to do no harm. As companies embark on aligning with and addressing the SDGs, each will need to do its own individual analysis to understand how its business can make an impact. A company's specific roles and contributions will depend on the local social, political and economic context, the resource itself, the phase of oil and gas activities (exploration, development, production, shut down or decommissioning), and the input received from local communities and other stakeholders through formal dialogue and engagement.

Nevertheless, for companies seeking to align their operations with, and enhance contributions to, the SDGs, the goals relating to affordable and reliable energy (SDG7); climate action and life on land and in water (SDGs 13, 14 and 15); economic development and innovation (SDGs 8 and 9); and health and access to clean water (SDGs 3 and 6) are areas where the industry typically can make important contributions.

## **There are opportunities to integrate SDGs into core business activities of oil and gas companies.**

The Atlas highlights opportunities to integrate contributions to the SDGs into a company's core business. Integration requires a shared understanding by all stakeholders of how the SDGs can create value and align with the business goals of the company. Companies can operationalize the SDGs in their core business practices by incorporating them into corporate systems, policies, standards and processes.

Companies will find, through their own experiences and through others' case studies in this Atlas, that integrating the SDGs into their business can bring greater efficiencies, cost savings and competitiveness, and can enhance the oil and gas industry's social licence to operate.

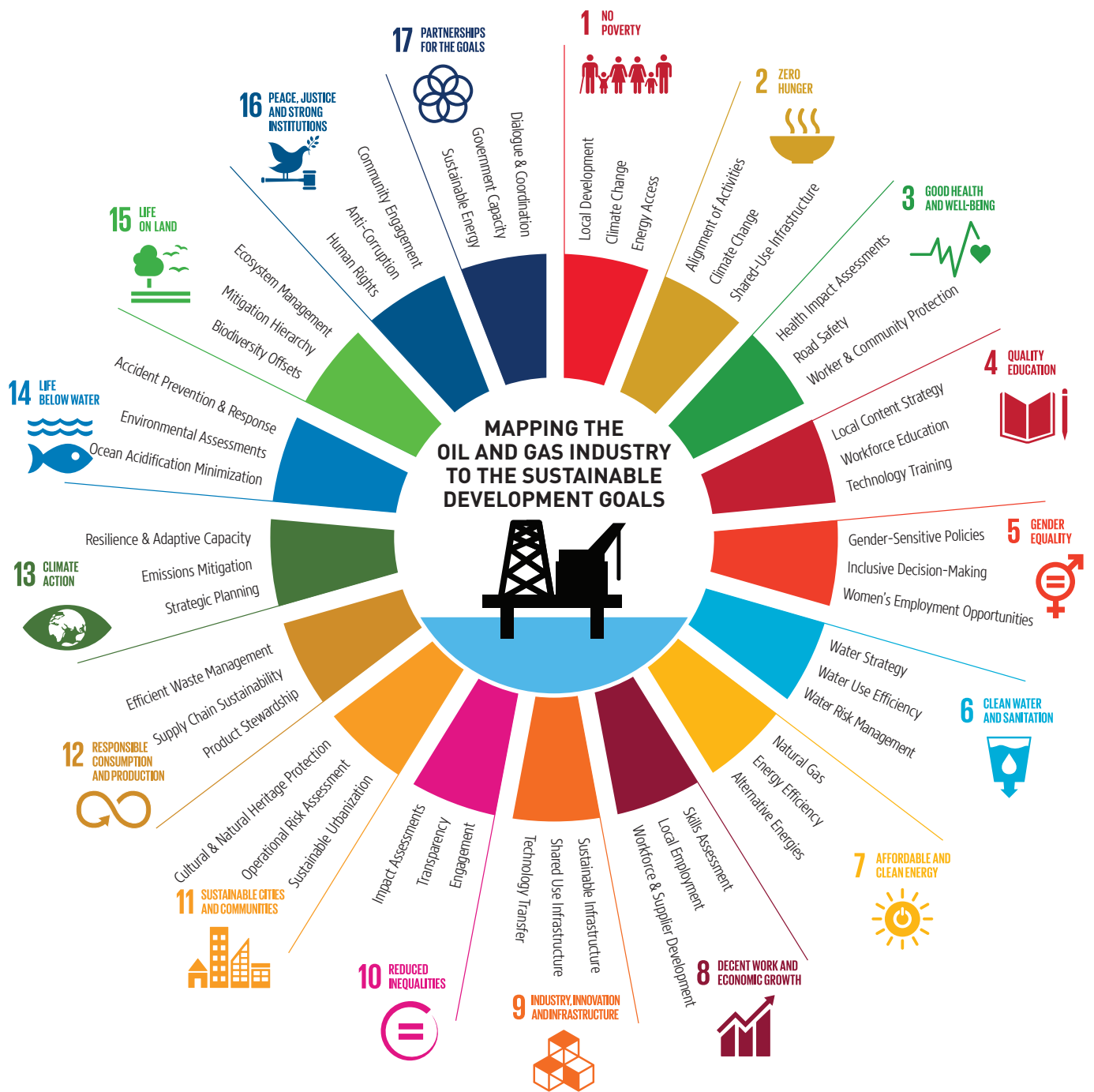
## **Oil and gas companies can benefit from collaborating with stakeholders to broaden their impact and enhance their ability to leverage additional resources to achieve the SDGs.**

Achieving sustainable development requires multi-sectoral and multi-disciplinary approaches and many of the challenges the SDGs address are beyond an individual company's capabilities or control. To realize the full potential to contribute to the achievement of the goals, oil and gas companies should engage in meaningful multi-stakeholder dialogue with relevant actors locally and nationally to identify joint SDG priorities and collectively define potential coordinated responses to the SDGs in the local context.

## **The SDGs are frequently interlinked and indivisible, requiring approaches that ensure synergies and manage trade-offs.**

The 17 SDGs are closely interlinked and many of the examples of integration into core business, collaboration or leverage that are presented in the Atlas will impact multiple goals. The Atlas highlights the need for companies to proactively consider taking an integrated approach to the SDGs, by examining how interventions in one area may also bring synergies or trade-offs in other areas.

The oil and gas industry is working to be part of the solution, helping to ensure benefits both for today and for future generations, while supporting efforts to reduce negative impacts. The industry's vast global footprint presents an opportunity to have a meaningful and sustainable impact on the attainment of the SDGs, while playing an important role in providing the energy that is essential for the growth of strong economies.



## KEY ISSUE AREAS FOR OIL AND GAS MAPPED TO THE SDGs



## GOAL 1 End poverty in all its forms everywhere

### INTEGRATE INTO CORE BUSINESS

- Increase access to energy
- Contribute to fiscal sustainability
- Address climate change
- Invest in local development

### COLLABORATE AND LEVERAGE

- Community development agreements
- Reduce gender inequality



## GOAL 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture

### INTEGRATE INTO CORE BUSINESS

- Align co-located agricultural and oil and gas development activities
- Shared-use infrastructure to enhance agricultural productive capacity
- Address climate change

### COLLABORATE AND LEVERAGE

- Increase efficiency in oil and gas-based agricultural products



## GOAL 3 Ensure healthy lives and promote well-being for all at all ages

### INTEGRATE INTO CORE BUSINESS

- Conduct health impact assessments to strengthen capacity to manage health risks
- Reduce occupational risks
- Address mental health and substance abuse
- Design benefits programmes
- Protect workers and community members against infectious diseases
- Protect workers and community members against non-communicable diseases
- Prevent and mitigate the health impacts of air emissions and effluent discharges
- Improve road safety

### COLLABORATE AND LEVERAGE

- Strengthen public health systems' response to potential health risks and epidemics





## **GOAL 4** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

### **INTEGRATE INTO CORE BUSINESS**

- Establish a company strategy for local content to promote sustainable development
- Invest in workforce education, training and technical programmes
- Invest in education and training in responsible energy use and new technologies

### **COLLABORATE AND LEVERAGE**

- Support in-country education and skills development efforts



## **GOAL 5** Achieve gender equality and empower all women and girls

### **INTEGRATE INTO CORE BUSINESS**

- Develop gender-sensitive local content policies
- Support full and effective participation of women at all levels of decision-making
- Increase employment opportunities for women and female representation in management

### **COLLABORATE AND LEVERAGE**

- Address negative social impacts including all forms of violence
- Enhance the use of STEM—science, technology, engineering and maths—education to empower women in the oil and gas industry



## **GOAL 6** Ensure availability and sustainable management of water and sanitation for all

### **INTEGRATE INTO CORE BUSINESS**

- Develop a company water strategy
- Understand water scarcity risk management
- Substantially increase water use efficiency
- Manage produced water and wastewater

### **COLLABORATE AND LEVERAGE**

- Improve understanding of the water-energy nexus
- Participatory approach to water management
- Shared-use water infrastructure

**7** AFFORDABLE AND  
CLEAN ENERGY



**GOAL 7** Ensure access to affordable, reliable, sustainable and modern energy for all

**INTEGRATE INTO CORE BUSINESS**

- Improve access to energy services through shared infrastructure
- Grow the share of natural gas in the energy mix
- Increase the share of alternative energies and technologies in the global energy mix
- Improve energy efficiency in operation and production

**COLLABORATE AND LEVERAGE**

- An integrated, multi-stakeholder approach to energy poverty

**8** DECENT WORK AND  
ECONOMIC GROWTH



**GOAL 8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

**INTEGRATE INTO CORE BUSINESS**

- Conduct skills assessment and communicate reasonable expectations
- Foster full and productive local employment and workforce development
- Encourage local procurement and supplier development

**COLLABORATE AND LEVERAGE**

- Support economic diversification to achieve higher levels of economic productivity
- Multi-stakeholder dialogue to promote development-orientated policies

**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



**GOAL 9** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

**INTEGRATE INTO CORE BUSINESS**

- Upgrade infrastructure and technology to make them sustainable
- Evaluate potential opportunities for shared use infrastructure

**COLLABORATE AND LEVERAGE**

- Enhance technological capabilities and knowledge transfer
- Expand off-grid energy access



## GOAL 10 Reduce inequality within and among countries

### INTEGRATE INTO CORE BUSINESS

- Ensure full and transparent tax payments
- Assess inequality impacts in project planning
- Set expectations and communicate with local communities
- Mitigate the impacts of climate change
- Provide access to energy

### COLLABORATE AND LEVERAGE

- Enhance revenue management and improve local governance



## GOAL 11 Make cities and human settlements inclusive, safe, resilient and sustainable

### INTEGRATE INTO CORE BUSINESS

- Protect and safeguard the world's cultural and natural heritage
- Address risks related to operations in urban environments
- Support inclusive and sustainable urbanization in communities near operations

### COLLABORATE AND LEVERAGE

- Coordinate planning for urban and regional development



## GOAL 12 Responsible consumption and production—ensure sustainable consumption and production patterns

### INTEGRATE INTO CORE BUSINESS

- Integrate product stewardship approach
- Introduce environmentally-sound and efficient chemical and waste management
- Improve supply chain sustainability

### COLLABORATE AND LEVERAGE

- Coordinate approaches to sustainability



## GOAL 13 Take urgent action to combat climate change and its impacts

### INTEGRATE INTO CORE BUSINESS

- Plan strategically for a net-zero emissions future
- Self-assess carbon resiliency
- Strengthen resilience and adaptive capacity to climate change impacts
- Mitigate emissions within oil and gas operations

### COLLABORATE AND LEVERAGE

- Partner in research and development and education outreach
- Support effective policy measures
- Help consumers lower their emissions



## GOAL 14 Conserve and sustainably use the oceans, seas and marine resources for sustainable development

### INTEGRATE INTO CORE BUSINESS

- Incorporate environmental assessments into management plans
- Minimize and address the rate of ocean acidification
- Accident prevention, preparedness and response

### COLLABORATE AND LEVERAGE

- Transfer and share marine technology
- Coordinate biodiversity research



## GOAL 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

### INTEGRATE INTO CORE BUSINESS

- Effective biodiversity and ecosystem management
- Implement the mitigation hierarchy
- Minimize impacts through new technologies
- Biodiversity offsets

### COLLABORATE AND LEVERAGE

- Multi-stakeholder knowledge sharing
- A landscape-wide conservation approach



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**GOAL 16** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

**INTEGRATE INTO CORE BUSINESS**

- Integrate human rights perspective in impact assessments
- Community engagement and consent
- Integrate anti-corruption systems

**COLLABORATE AND LEVERAGE**

- Improve institutions through NOCs
- Increase effective, accountable and transparent institutions



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**GOAL 17** Strengthen the means of implementation and revitalize the global partnership for sustainable development

**INTEGRATE INTO CORE BUSINESS**

- Build government capacity
- Develop and disseminate sustainable energy technologies

**COLLABORATE AND LEVERAGE**

- Participate in dialogue
- Strengthen coordination between initiatives
- Incorporate SDGs into policies
- Apply the SDG indicators

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## About UNDP

UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in more than 170 countries and territories, we offer global perspective and local insight to help empower lives and build resilient nations.

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## About IPIECA

IPIECA is the global oil and gas industry association for environmental and social issues. It develops, shares and promotes good practices and knowledge to help the industry improve its environmental and social performance, and is the industry's principal channel of communication with the United Nations. Through its member-led working groups and executive leadership, IPIECA brings together the collective expertise of oil and gas companies and associations. Its unique position within the industry enables its members to respond effectively to key environmental and social issues.

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