Strategic Environmental Assessment

A Practice-Orientated Training for Policy Makers,
Administration Officials, Consultants and NGO Representatives

commissioned by
Federal Ministry
for Economic Cooperation
and Development

What is Strategic Environmental Assessment (SEA)?

What is SEA?

- Analytical and participatory approach
- that aims to integrate environmental considerations into policies, plans and programmes (P/P/P)
- and evaluates inter linkages with economic and social considerations.

Key international developments in SEA

- OECD/DAC Good Practice Guidance on SEA (2006) – endorsed by key donor agencies, and International Financial Institutions
- SEA Protocol to UNECE Convention on EIA in Transboundary Context (2003) – signed by 37 countries
- SEA Directive in EU (2001) – implemented in 25+ EU member states and accession countries.

SEA can

- Evaluate an existing P/P/P or the one that is about to be revised (to highlight its sustainability consequences which should be considered);

  or

- Provide inputs into developing a P/P/P (so that it addresses sustainability dimensions effectively).

Outcomes of SEA

SEA provides:

- Suggestions for optimising P/P/P (so that it effectively addresses key sustainability issues)
- SEA Report (for decision-makers and key stakeholders - to facilitate transparency of the whole process)

SEA may have different forms

It may:

- focus on environmental impacts or integrate all three dimensions of sustainability;
- engage a broad range of stakeholders or be limited to expert evaluation;
- be conducted in a short time frame or over a long period;

SEA is not necessarily….

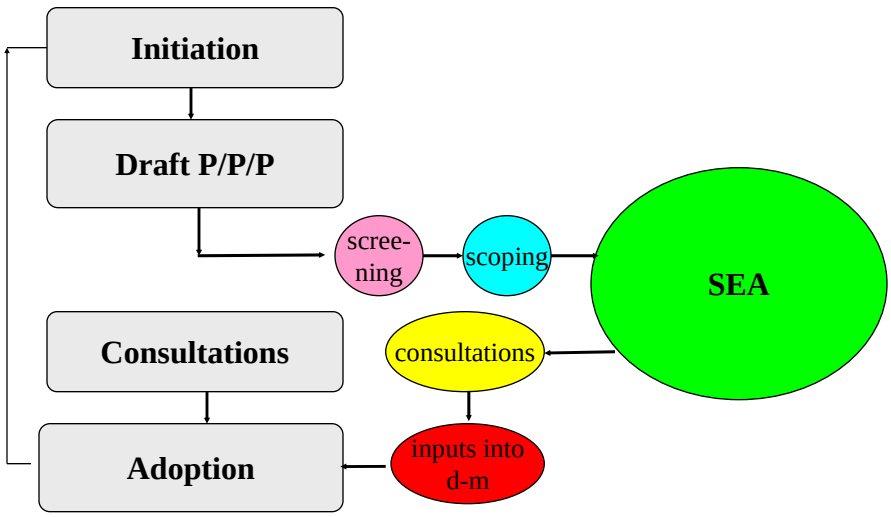
- a 'stand alone' procedure - it can be also carried out as part of the P/P/P formulation
- 'mega-EIA' - it also may be based on quick appraisal techniques

Key entry points for SEAs

Key entry points for SEA: Country level

- National-level overarching strategies, programmes and plans
- National Policy reforms and Budget support programmes
- National sectoral P/P/P, *e.g.* energy or health sector reform
- National and sub-national spatial development plans and programmes
- Trans-national plans and programmes (including multi country plans and investment programmes

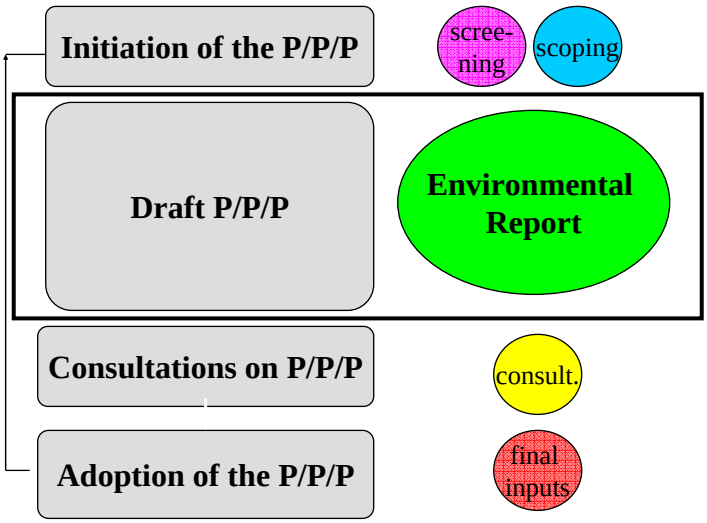
SEA once draft P/P/P is ready



SEA parallel to P/P/P elaboration

- SEA experts work separately but concurrently with the planners.
- Various assessments/inputs presented to the planning team during elaboration of P/P/P - briefing notes in the various stages of the P/P/P formulation
- Does not necessarily prolong elaboration of the P/P/P.
- Requires effective communication between planning team and SEA team (e.g. leader of the SEA participates as observer on the sessions of the planning team and vice versa).
- SEA report brings all this information together and summarizes key open issues for decision-making

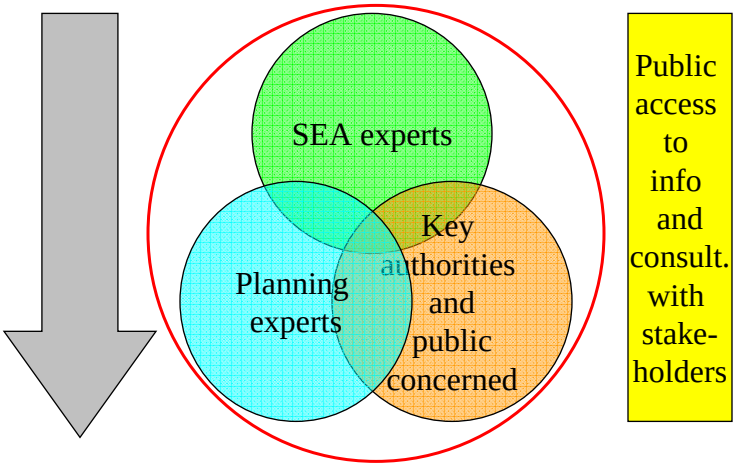
SEA parallel to P/P/P elaboration



SEA fully integrated into P/P/P formulation

- SEA expert are an integral part of the planning team.
- SEA experts draft key questions – they jointly carry out various assessments with planners
- Facilitates elaboration of the P/P/P
- Increases understanding of SEA among planners
- SEA experts need a clear mandate and role within P/P/P team
- Systems for review of conflicting views need to be in place
- Requires effective internal communication with the planning team.
- SEA report documents the entire assessment process

SEA fully integrated into P/P/P formulation



SEA is definitely not…

…a ‘blueprint approach‘

Why is SEA important,
what benefits it brings and
how much does it usually cost?

Why is SEA important

Many key decisions are no longer made on project level:

- Decision-makers increasingly cope with multiple and often closely interlined development interventions and projects
- Shrinking natural resources and sustainability challenges call for strategic management
- Strategic interventions and specific projects need to be coordinated

Benefits of SEA at glance

SEA can:

- support sustainability-based evidence to decision-making
- identify new opportunities and win-win options
- prevent costly mistakes
- build public engagement in decision-making
- facilitate trans-boundary co-operation

Costs of SEA

- Costs vary depending on the complexity of the P/P/P and the approach taken to SEA
- In Europe, SEA usually adds 3-15% to the total planning costs
- These costs are marginal when compared with benefits of SEA

Benefits of SEA: Examples

SEA helps to identify new opportunities and win-win options

Case: **SEA of the Ghana Poverty Reduction Strategy (GPRS) Revision**

- First GPRS reflected environment only as “add-on”. Problematic since many economic activities rely on utilisation of natural resources.
- Complex SEA process launched in 2003 parallel to GPRS revision.
- Involvement of many stakeholders and appliccation at two levels: national and district.
- Main outcome: Policy recommendations, alterations of national and district policy plans including budgeting.

SEA helps to prevent costly mistakes

Case: **Thermal Power Generation Policy, Pakistan**

- This policy provided incentives for investments in thermal power generation
- Investors were given the freedom to choose the site, the technology and the fuel -> many of these plants installed with EIA but no reflection of cumulative impacts. Many plants clustered around big city.
- Relocation of plants due to public pressure and lobbying at considerable cost.
- Ex-post SEA performed to demonstrate benefits of SEA. After that the Planning and Development Department requested SEA for major initiatives.

Tasks in SEA, its analytical, logic and critical issues for application

Basic stages in SEA (1)

(accord. OECD/DAC)

1. Establishing the context for the SEA
   - Screening
   - Setting objectives
   - Identifying stakeholders

2. Implementing the SEA
   - Scoping (in dialogue with stakeholders)
   - Collecting baseline data
   - Assessment
   - Identifying alternatives
   - Identifying how to enhance opportunities and mitigate impacts
   - Quality assurance
   - Reporting

Basic stages in SEA (2)

3. Informing and influencing decision-making
   - Making recommendations (in dialogue with stakeholders)

4. Monitoring and evaluating
   - Monitoring decisions taken on the P/P/P
   - Monitoring implementation of the P/P/P
   - Evaluation of both SEA and P/P/P

Corners of Idea

Corners of Idea

SEA should provide especially the following services:

1. Thoroughly analyse positive and negative environmental impacts (e.g. longer-term trends – impacts of individual actions, cumulative effects, etc...)?
2. Involve key stakeholders (e.g. env. authorities & public)?
3. Provide early and „user-friendly“ inputs into elaboration of the P/P/P (e.g. alternatives, mitigation measures, etc.)?
4. Comprehensive but perhaps less detailed overview of key environmental, economic and social implications (risks, opportunities) of proposed developments

Introduction to the training course

Target groups

In developing and transition countries:

- Administration officials and planners in environment, planning, sector ministries.
- National SEA consultants/experts
- NGO representatives

Within donor agencies:

- planners and consultants in environment, planning, and other sectors.

Training approach

- Based on the OECD Development Assistance Committee (DAC) “Good Practice Guidance for Development Co-operation: Applying Strategic Environmental Assessment”
- Uses Harvard Business Case Methodology
  - Focuses on practical ‘case work‘
  - Allows discussion on locally/regionally appropriate SEA approaches (based on insights brought forward by trainees)
  - Conclusions formulated through joint debate – rather than providing ‘ready-made’ teaching messages

Examples of Applications (I)

- **Tunisia:** Cumulative impact assessment regarding Infrastructure Programme
- **Benin:** Greening the Poverty Reduction Strategy Paper
- **Namibia:** Elaboration of regulations for the Environmental Management Bill
- **Mauritania:** National assessment approach on emerging extractive industry (gas sector)

Examples of Applications (II)

- **Indonesia**: Strategic advice on Tsunami-reconstruction measures, trainer pool for SEA; lessons learnt provide source for infrastructure programmes at national level
- **China:** Capacity development in the context of State Directive on SEA
- **Vietnam:** Integration of protecting interests of the National Park Tam Dao in District / Province-socioeconomic development planning; national road map

Train-the-trainers in Bonn 06/2006: Participants from South Africa, Vietnam, Indonesia, Tunisia, Morocco, Australia, Slovakia, Czech Republic, Germany

Examples of Applications (III)

- International Association for Impact Assessment (IAIA): Official training prior to annual conference 2007 in Seoul
- McGill University Canada : McGill-UNEP Intern. Master Programme in Environmental Assessment will use materials in Winter term 2007 and beyond
- African Development Bank: Mid-term objective: structured learning programme on SEA in order to internalise procedures
- Asian Development Bank: “Core Environment Program” in the greater Mekong Subregion (including transnational SEAs); joint Capacity development program in Vietnam;
- EASY-ECO 2005-2007: EU's Sixth Framework Programme for Research and Development - Marie Curie Actions, UNEP, University of Manchester, REC…and GTZ

Training elements

Most modules based on:

- Individual reading and preparation
- Short introductory lecture
- Case Work
- Wrap-up sessions to formulate conclusions
- Facilitated debate on “how does this relate to our context?“
- Games/Exercises (‘Action learning‘)

Modules of the training

Introduction to SEA

Case works

- Link P/P/P and SEA, design appropriate strategy for SEA
- Determine the right issues and scope of assessment
- Analyze the baseline trends (zero alternative)
- Assess proposed development objectives and elaborate their alternatives
- Assess proposed actions and consider their alternatives
- Use effective means of participation
- Ensure sufficient management and monitoring in implementation of the P/P/P
- Manage SEA efficiently within budgetary and time constraints

Evaluation and Follow-up of the GTZ/InWent SEA Training

+ Further inputs, resources and reading

Case materials

- Fictive country Ganama. Factsheet gives background information.
- Case work on SEA for formulation of the Transport Infrastructure Development Programme
- There is a 'chronology' in the case with new information and development coming in.
- New cases will be added in the future

Information on Ganama

Screenplay of the case

- MoT of Ganama will elaborate „Transport Infrastructure Programme for Ganama“.
- MoT decided to carry out pilot SEA for it.
- There are no legal requirements for SEA in the country.
- The MoT will be carried out parallel to the envisaged planning period of 10 months.
- You are hired by the MoT as a group of external advisors.

Steps undertaken so far

- You have elaborated a scheme to link the necessary tasks of the SEA with the envisaged planning procedure.
- You analysed the quite fragmented relevant data in the country and deducted a number of highly relevant environmental and social issues:

Results of scoping

Key issues of sustainable development in Ganama

- Increasing land pressure
- Increasing deforestation
- Increasing demographic pressure
- Increasing food insecurity resulting from population growth, degraded arable lands and mismanagement of water resources
- Air pollution in the industrial areas of the North.

Secret Code

You are entering the next step:

Analyzing the baseline trends (zero alternative)

Aim

- Describe the past trend (overall trend and key concerns) for all environmental/SD issue that SEA focuses on
- Outline the likely future evolution of this trend if the proposed P/P/P would not be implemented (i.e. consider impacts of already approved development initiatives)
- Identify any constrains and opportunities that these trends pose for the respective P/P/P
- Document any serious lack of information

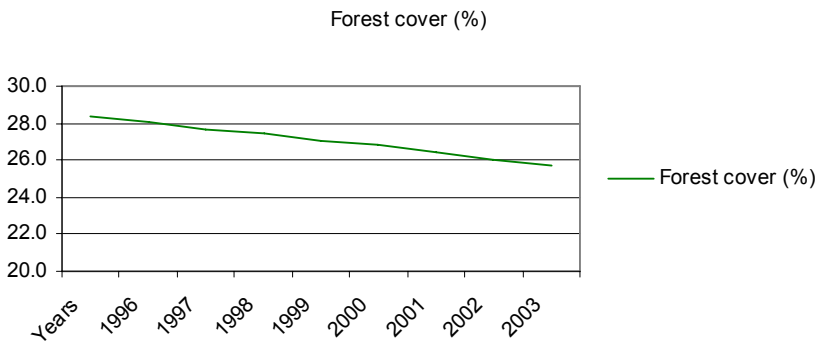
Why is it important

- Describes "zero alternative" (no P/P/P) outlining 'future environmental context' in which the P/P/P will operate
- Helps to determine whether certain environmental trends pose serious threats or opportunities
- Provides input for determination of key impacts on this "future environment" and helps to assess positive or negative impacts of proposals contained in the P/P/P
- Provides basis for assessment of cumulative impacts

Tools

- Quantitative data available – it is possible to analyze key trends and extrapolate them
- No quantitative data available – expert assessment of past and current trends (strengths and weaknesses) and explanation of key future issues (threats and opportunities) – this can be done by 'story line' for each issue or within the overall analysis of the development context (e.g. SWOT)

Issue no. 1: Deforestation and increasing pressure on land



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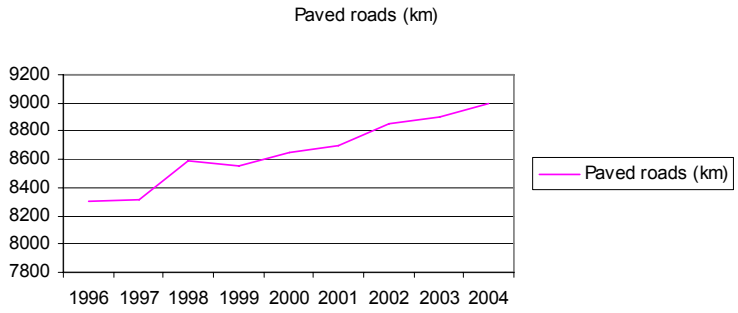
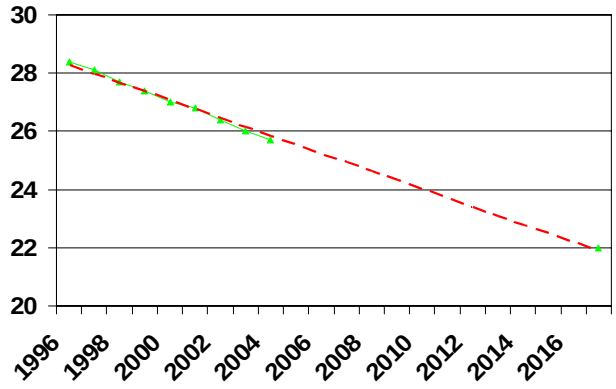


Result of linear extrapolation



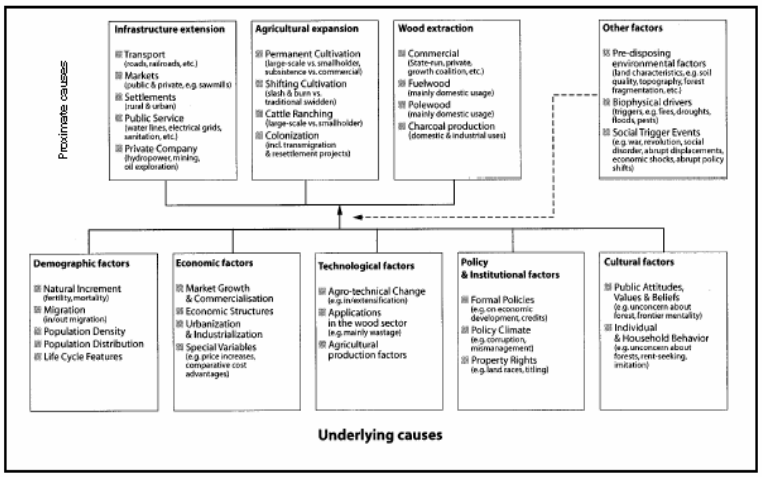
Discussion for the case work

- How would you flag the key concerns?
- Is projection accurate enough / is information sufficient for predictions?
- What conclusions would you draw?

Concluding remarks

- Analyzing future trends without the P/P/P is difficult but very important part of any strategic assessment
- SEA experts and planners can consider these threats/opportunities when (re)formulating objectives of the P/P/P or its actions
- It will provide how useful insights it gives and it will make your further tasks in the SEA easier
- Do not be afraid of uncertainties – just properly acknowledge them
- Where possible, review your baseline analyses with planning team and key stakeholders (authorities, academia, NGOs or even business) – they may provide very useful data or insights

Causes of forest decline



Case work 4

Assess proposed development objectives and their alternatives

Aim

- To analyze positive and negative impacts of proposed development objectives, priorities or scenarios on the main environmental trends
- To check whether opportunities are sufficiently used
- To check whether risks are properly understood

- Recommend how the proposed development objectives, priorities or general scenarios may be optimized

Why is it important

- Enables optimizing proposed development objectives or priorities of the P/P/P (through different approaches for achievement of objectives or suggestions for adaptation of objectives)

- When done concurrently with the P/P/P elaboration, it may recommend orientation or conditions for elaboration of future activities (i.e. conditions for further elaboration of the P/P/P)

! Not a formality – proposed objectives/priorities/ scenarios are important since they orient and influence future thinking about proposed activities

Situation for case work

- The programming process moved forward and the planning team has formulated overall objectives and proposed priorities for the Transport Infrastructure Programme.
- You are invited to review these.
- You have also been given an alternative proposal by a NGO that tries to participate in the SEA.

Instruction for the case work

- Outline environmental implications of generally formulated objectives and priorities of proposed alternatives of the Transport Infrastructure Programme. For simplicity, please use only the environmental issue of deforestation.
- If necessary, recommend changes to these strategic directions of the programme which were presented to you. Please try think creatively but also realistically – e.g. consider economic implications/limitations of proposals that you make.
- What additional analysis would you undertake to analyse these strategic impacts properly?

Tools

Impact matrices

	Relevant environmental issues/objectives				
Proposed objective, priorities, scenarios in the P/P/P	- -	-	N/A	+	++
	Key features of impact				
Impact features: Direct/indirect; Magnitude (local, regional, national); Severity (very negative – very positive), Duration (long-term, short-tem); Reversibility					

Practical suggestions

- In certain cases you might not use only symbols – try to explain main features of impacts
- Where possible involve:
  - planners (it may influence their future thinking in the formulation of the P/P/P) and
  - key stakeholders in this analysis (they may provide useful insights)
- Do not forget that the purpose of this analysis is to provide suggestions for optimizing development objectives and priorities

Wrap-up - questions

- Were the relevant environmental issues/objectives clear enough for an assessment?
- Was there enough scope for better alternatives?
- Did you find the technique in the case work appropriate – what would work better in your practice?

Transition of Training into day-to-day work

Questions for discussion

- Which restrictions do you expect in your working environment to get a ‚full-fledged SEA' accepted?
- Is the situation different if you have a legal requirement for SEA?
- Which responses do you see to combat restrictions against SEA?
- What do you consider indispensable elements of an ‚streamlined' SEA?

Concluding recommendations

- De-monsterize SEA! Search for the best way to influence decision-making even if it is not a ‚full-fledged SEA'
- In this respect cumulative impact assessment of relevant actions, tiering and cumulative monitoring might help
- Don't insist on ‚blue-print concepts' if it becomes clear that they will not be influential

Thank you very much!