Profiles of Tools and Tactics for Environmental Mainstreaming

No. 2

STRATEGI ENVIRONMENTAL ASSESSMENT (SEA)

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STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA)

Note: We are grateful for review comments provided by Peter Nelson (Land Use Consultants, Bristol, UK)

What is SEA for?		
Policy development	√	Assesses potential impacts
Planning	√	Guides good decisions
Field work	√	For data collection
Investment	√	Often required for major infrastructure approval
Assessment	√	Main focus
Monitoring	√	Indicates what to monitor
Campaigning	√	eg by NGOs to support campaigns

What issues does an SEA focus on?		
Environmental	√√ (sometimes dominant)	
Social	√	
Economic	√	
Institutional	√ (sometimes)	

Purpose

SEA is an umbrella term for analytical and participatory approaches applied at the very earliest stages of decision-making to integrate environmental considerations and evaluate the inter linkages with economic and social considerations. It thus helps to formulate policies, plans and programmes and assess their potential development effectiveness and sustainability.

An SEA can be initiated due to administrative or legal requirement in a country, or following a request from donor agency or initiative on part of government champion. In donor agencies, the stimulus can be an administrative or policy requirement or an initiative of environmental specialist, country or strategy manager.

Background facts

SEA is a rapidly evolving field that emerged in the 1990s in several developed countries as a separate process from EIA which is usually focuses on specific projects but is less easily and less effectively applied to policies, plans and programmes. It is now the subject of an immense literature and framed and guided by widely supported principles and performance criteria [1].

Currently, SEA systems are in place in many countries and jurisdictions (including all 25 EU member states) with an increasing number of developing countries gaining experience of the tool. Their scope of application collectively encompasses policy, legislation, plans, programmes and other strategies across a range of different sectors. But SEA is still most commonly applied to plans and programmes, with a particular focus on the energy, transport, waste and water sectors, and on spatial or land use plans. Recently multilateral and bilateral development agencies and other international organisations have emphasised the use of SEA (most notably the World Bank), particularly as aid modalities focus less on projects and more on budget and sector support and poverty reduction. The OECD Development Assistance Committee recently published guidance on SEA application in development cooperation [2].

SEA is also now formalised in several international legal instruments, most notably the EC Directive 2001/42/EC which entered into force in July 2004 and applies to plans and programme. It has been transposed into national legislation in EU member states. Non-EU countries are also seeking to align

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[1] For principles, see, for example, Dalal-Clayton & Sadler (2005, Chapter 2, p15) – available at www.iied.org/Gov/spa. For performance criteria, see IAIA (2002) – available at www.iaia.org
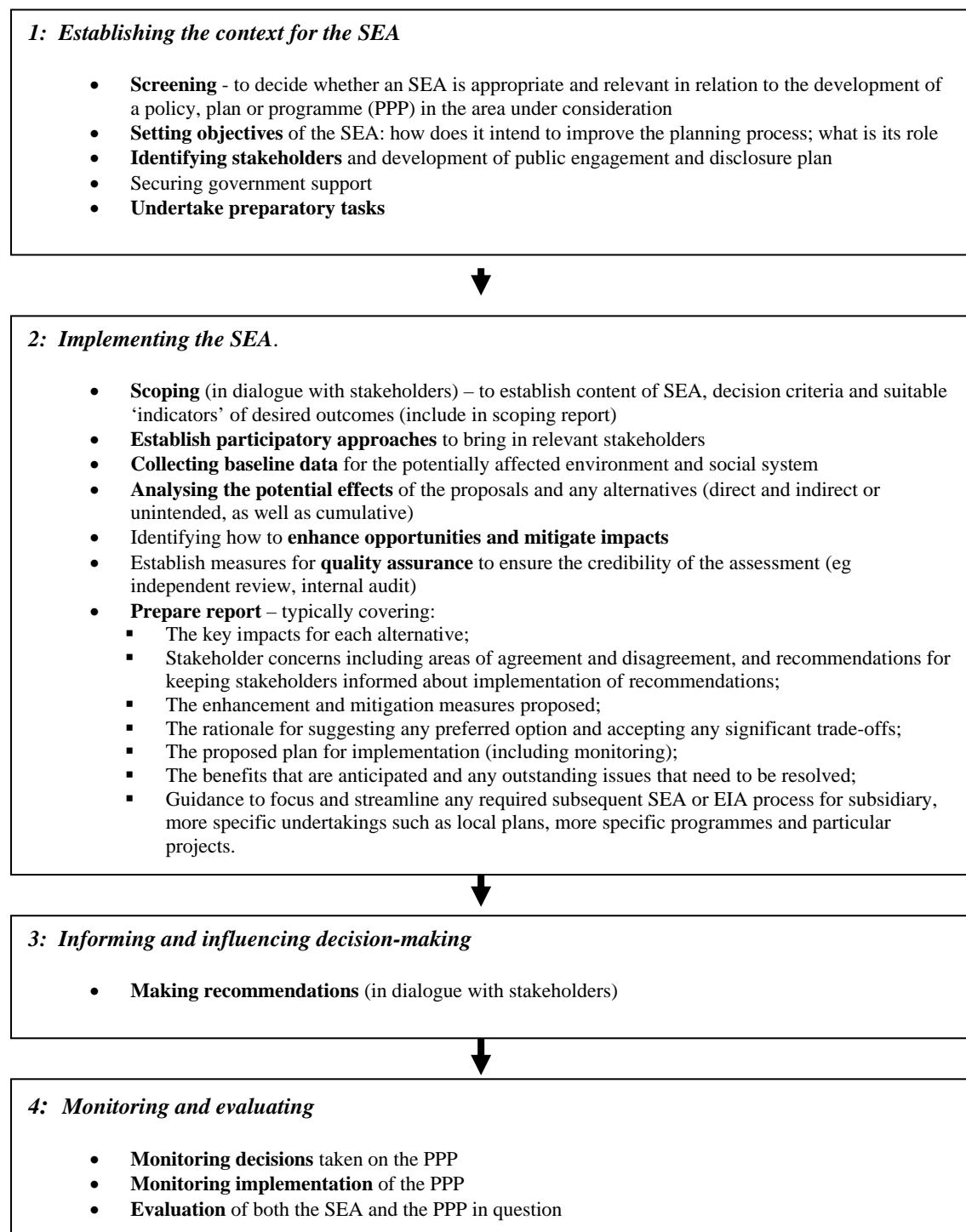
[2] See OECD DAC (2006) - available at: www.seataskteam.net

their SEA arrangements with the EU framework. The Directive also influenced the SEA Protocol to the UNECE Convention on EIA in a Transboundary Context adopted in 2003 which, once ratified, will be legally binding on signatories with regard to plans and programmes, and discretionary regarding policy and legislation.

Brief description of the main steps involved in application of the tool:

There is no prescriptive, 'one size fits all' approach to SEA. It needs to be adapted and tailor-made to the context in which it is applied. But at the plan and programme level, good practice SEA usually involves the four stages shown in Figure 1, adapted from the characteristics of EIA. In policy-making, usually this will not be possible, because of the complex, non-linear character of this process.

Figure 1: Basic stages in SEA

1: Establishing the context for the SEA

- **Screening** - to decide whether an SEA is appropriate and relevant in relation to the development of a policy, plan or programme (PPP) in the area under consideration
- **Setting objectives** of the SEA: how does it intend to improve the planning process; what is its role
- **Identifying stakeholders** and development of public engagement and disclosure plan
- Securing government support
- **Undertake preparatory tasks**

2: Implementing the SEA.

- **Scoping** (in dialogue with stakeholders) – to establish content of SEA, decision criteria and suitable 'indicators' of desired outcomes (include in scoping report)
- **Establish participatory approaches** to bring in relevant stakeholders
- **Collecting baseline data** for the potentially affected environment and social system
- **Analysing the potential effects** of the proposals and any alternatives (direct and indirect or unintended, as well as cumulative)
- Identifying how to **enhance opportunities and mitigate impacts**
- Establish measures for **quality assurance** to ensure the credibility of the assessment (eg independent review, internal audit)
- **Prepare report** – typically covering:
  - The key impacts for each alternative;
  - Stakeholder concerns including areas of agreement and disagreement, and recommendations for keeping stakeholders informed about implementation of recommendations;
  - The enhancement and mitigation measures proposed;
  - The rationale for suggesting any preferred option and accepting any significant trade-offs;
  - The proposed plan for implementation (including monitoring);
  - The benefits that are anticipated and any outstanding issues that need to be resolved;
  - Guidance to focus and streamline any required subsequent SEA or EIA process for subsidiary, more specific undertakings such as local plans, more specific programmes and particular projects.

3: Informing and influencing decision-making

- **Making recommendations** (in dialogue with stakeholders)

4: Monitoring and evaluating

- **Monitoring decisions** taken on the PPP
- **Monitoring implementation** of the PPP
- **Evaluation** of both the SEA and the PPP in question

Effective SEA also depends on an adaptive and continuous process focused on strengthening institutions and governance rather than just a simple, linear, technical approach, as is often found in EIA. This is a significant challenge.

Expected outputs

Perhaps the most important outcome of a good quality SEA is that it has significantly influenced the achievement of positive development results and has helped to enhance the effectiveness of development. But development involves complex processes and it is not easy to isolate those outcomes that are solely due to the application of SEA. Equally, it is not possible to be certain that unsustainable outcomes of a PPP would have been avoided by undertaking an SEA. In most SEA systems there is a requirement that decision-makers should confirm how the SEA has affected the outcome of their deliberations. This step is often omitted but is an important indicator of the value of the process

Basic requirements

Understanding the Political Economy: Unlike EIA, most SEAs deal with broad concepts and relationships between different PPP components and the actors who are involved in developing and implementing policies, plans and programmes. This calls for detailed knowledge and understanding of the roles and interests of the players and an ability to engage them all in the SEA process.

Data needs. SEA needs to be based on a thorough understanding of the potentially affected environment and social system. This must involve more than a mere inventory, e.g. listing flora, fauna, landscape and urban environments. Particular attention should be paid to important ecological systems and services, their resilience and vulnerability, and significance for human well-being. Existing environmental protection measures and/or objectives set out in international, national or regional legislative instruments should also be reviewed.

The baseline data should reflect the objectives and indicators identified in the 'scoping report'. For spatial plans, the baseline can usefully include the stock of natural assets, including sensitive areas, critical habitats and valued ecosystem components. For sector plans, the baseline will depend on the main type of environmental impacts anticipated, and appropriate indicators can be selected (e.g. emissions-based air quality indicators for energy and transport strategies). In all cases, the counterfactual (or no-change scenario) should be specified in terms of the chosen indicators.

Cost: the cost of an SEA is difficult to estimate and will vary due to the length of the process and the complexity of chosen design: from as little as US$ 20,000 to US$2 million. Comprehensive SEAs typically average around US$ 200,000-300,000.

Skills and capacity: Effective SEA application faces two key challenges:
- lack of knowledge amongst decision-makers and relevant administrations regarding the potential value of SEA to development effectiveness;
- lack of institutional experience of using systematic decision-making tools such as SEA.

A growing number of SEA training workshops are now offered, eg at the annual meeting of the International Association for Impact Assessment (IAIA) (see www.iaia.org) and by various donors (see www.seataskteam.net).

Flexibility

SEA is a flexible tool – the approach adopted should be customised so that it dovetails with and supports the particular relevant strategic decision-making or planning process relevant. It is intended as a fully participatory and transparent process

Pros (main advantages) and Cons (main constraints in use and results)

SEA can:
- provide the environmental evidence to support more informed decision-making,

- identify new opportunities by encouraging a systematic and thorough examination of development options,
- prevent costly mistakes, by alerting decision-makers to potentially unsustainable development options at an early stage in the decision-making process,
- build stakeholder engagement in decision-making for improved governance,
- safeguard the environmental assets for sustainable development with poverty reduction,
- facilitate trans-boundary co-operation and contribute to conflict prevention

But there is:
- still limited interest in many government agencies in subjecting policy and planning proposals to assessment, reinforced by fear of losing control, power and influence by opening up such processes;
- limited appreciation of the potential utility of upstream assessment among senior staff (in both governments and donor agencies), and doubts about the robustness of results;
- a perception that SEA will add significant costs and increase work loads;
- concern that SEA will increase the time frame for decision-making or delay development
- an absence of a single, 'recipe' approach
- unclear lines of accountability and responsibility for undertaking SEA
- a lack of practitioners with expertise in SEA approaches

Box 1: Case example: SEA of Ghana's Poverty Reduction Strategy processes

Background and objectives

Ghana's Poverty Reduction Strategy (GPRS), published in February 2002, identified environmental degradation as a contributory cause of poverty. However, overall, the GPRS treated the environment as a sectoral or "add on" matter rather than as a cross-cutting issue. This presented major problems as many of the policies relied on utilisation of the country's rich natural resources whose future yield was threatened by significant negative environmental impacts resulting from implementation of the policies themselves.

Ghana's Government decided to carry out an SEA so that environmental issues could be mainstreamed in a revised GPRS. The SEA aimed to assess the environmental risks and opportunities represented by the policies encompassed by the GPRS, and to identify appropriate management/mitigation measures to ensure that sound environmental management contributed towards pro-poor sustainable growth and poverty reduction in Ghana.

Approach

The SEA was led by the National Development Planning Commission and Environmental Protection Agency (EPA) and undertaken in collaboration with the Netherlands Embassy in Accra with technical advice from the UK Department of Foreign Investment (DFID) and the Netherlands Commission for EIA. The full SEA commenced in May 2003 and comprised two distinct elements: a top-down assessment of the impact of the policies contributed by 23 Ministries to the GPRS and a bottom-up exploration of the issues raised by implementation of policies at district and regional levels. The SEA focused on:
- Reviewing the extent to which environmental opportunities and risks were recognized and addressed under the five linked GPRS themes of macro-economy, production and gainful employment, human resource development, the vulnerable and excluded and governance;
- Detailed analysis and discussion on each policy leading to recommendations for revision, replacement and addition;
- Examination of the sustainability of district level plans - the principal vehicles for implementing the GPRS.

Outcomes

All the key ministries were exposed to SEA processes and guided on how to incorporate environment in policy formulation. Benefits of SEA included refinements to development policy, alterations of

district level plans and revision to planning guidelines to include environmental considerations in planning at Sector and District levels. National planning guidelines are now formally required as part of policy formulation and budgeting in the GPRS process. Active participation of stakeholders (including politicians, the finance sector and NGOs) and use of SEA at all levels of decision-making has led to greater emphasis on the role of SEA in improving the processes whereby the policies themselves are translated into budgets, programmes and activities. This harmonised development objectives, including alignment with the MDGs and other regional and national strategies. SEA also changed of attitudes of officials responsible for planning and budgeting, seeking win-win opportunities in integrating environment in PPPs. The 2006-2009 GPRS was drafted with direct inputs from the SEA team.

Source: OECD DAC (2006)

Key sources of further information and useful web-links

Dalal-Clayton D.B. and Sadler B. (2005): *Strategic Environmental Assessment: A Sourcebook and Reference Guide to International Experience.* International Institute for Environment and Development, London, OECD and UNEP in association with Earthscan Publications.

OECD DAC (2006) *Good Practice Guidance on Applying Strategic Environmental Assessment in Development Co-operation.* Organisation for Economic Cooperation and Development, Paris.

Therivel R. (2004) *Strategic Environmental Assessment in Action*, Earthscan, London

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OECD DAC Task Team website: (www.seataskteam.net). Provides information on working groups, resources, tools, biographies and includes provision for on-line discussions.

CIDA: Various publications on SEA and environmental assessment are available at www.acdi-cida.gc.ca/ea (click on publications).

*European Union***:** http://europa.eu.int/comm/environment/eia/home.htm. Provides information on environmental assessment and the European SEA Directive, policies, integration, funding, resources, news and development.

International Association for Impact Assessment (www.iaia.org) – provides information on the IAIA, resources, publications and reference materials (including SEA performance criteria and key citations for EA topics), and training.

Netherlands Commission for Environmental Impact Assessment (NCEIA): is developing an SEA database which will provide a broad array of easily accessible information (www.eia.nl).

Regional Environment Centre for Central and Eastern Europe (REC): provides services for national SEA capacity building and assists in implementation of pilot SEAs in countries in Central and Eastern Europe. (www.rec.org/REC/programs/environmentalassessment)

Transport Research Laboratory (TRL), UK: The SEA Information Service website (www.sea-info.net), provides a gateway to information on Strategic Environmental Assessment (SEA) and Sustainability Appraisal (SA).

UNECE: Information on EIA and SEA in the context of the Espoo Convention of Environmental Impact assessment in a Transboundary Context and its Protocol on SEA can be found at www.unece.org/env/eia.

UN University: www.onlinelearning.unu.edu provides a link to an SEA Course developed for the UN University, describing range of SEA-tools and providing case materials and other valuable information.

World Bank: (www.worldbank.org/sea/) – provides in formation on: SEA structured learning programme; understanding SEA; SEA guidance, general reference documents, and country and sector specific documents; external SEA links; news and events; and questions and requests.

Acknowledgements