Environmental Impact Assessment Overview of Research Paper Kimberley Leach Office of the Auditor General of Canada, Commissioner of the Environment and Sustainable Development WGEA 17 Jakarta, Indonesia, 26 October 2016

Presentation Outline

- 1. Background EIA Research project
 - Purpose
 - Method
- 2. EIA Research Paper
 - Overview of 5 parts
- 3. Focus on Part 5: Auditing EIA
 - Issues in implementing EIA
 - Challenges in auditing EIA



EIA Research Project - Purpose

- Environmental impact assessment is a critical tool used to identify the environmental, social and economic impacts of a project prior to decision making.
- Over 100 countries have legislated policies, guidelines and programs and it is a key tool embraced by multilateral aid agencies such as the World Bank.
- EIA presents both opportunities and challenges for auditors
- Shared knowledge is key

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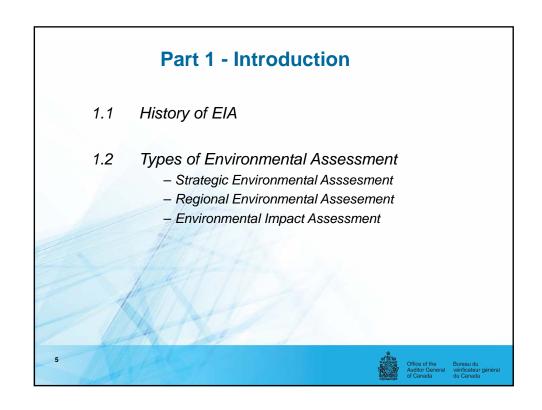
EIA Research Project

- Project was identified through the WGEA's 7th survey on environmental auditing;
- Project is linked to Goal 1 of WGEA 2014-2016 work plan
 - Update existing and develop new guidance materials available to SAIs, conduct research studies on emerging topics in environmental auditing
- Project was led by Canada with participation from Brazil and India.
- Surveys were undertaken

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EIA Research Paper - Overview 1. Introduction 2. Importance of EIA 3. Components of EIA 4. Implementation of EIA 5. Auditing EIA - Past audits - Challenges - Criteria 6. Appendices



Part 2: Importance of EIA

EIA is important:

- ✓ To facilitate deliberate scrutiny of the environment in planning and decision making;
- ✓ to allow for public to participate;
- ✓ to promote the best project, with minimal negative impacts, enhanced benefits, and;
- ✓ to promote environmentally sustainable decisions.
 - addressing issues affecting areas such as equity between generations, governance, socio-ecological integrity.

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Part 3: Components of EIA

EIA involves a succession of stages, from project proposal to analysis, public input, review, and ultimate decision making that will determine the project's fate:

- Describe the project
- · Describe the environment
- Evaluate the potential effects and consider mitigation
- Determine the residual effects (after mitigation)
- Report review (including views from the public)
- Decision to proceed (or not) with project
- Ensure mitigation is implemented
- Follow-up to measure appropriateness of mitigation

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Part 5: Auditing EIA

- A survey was conducted with SAIs to collect knowledge of challenges in implementing EIA in various countries;
 - Insufficient data and analysis;
 - Lack of monitoring and follow-up;
 - Proponents not complying with requirements
 - > Limited or no public participation
 - Inadequate coordination between sectors or governments
 - Unclear responsibilities

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Part 5: Auditing EIA

- SAIs were also asked to complete a survey to gauge their experiences with <u>auditing</u> EIA
- Main observations and challenges from mini-survey:
 - Documentation availability
 - Relevant information
 - Lack of regulations and Ministerial guidelines
 - Developing audit criteria
 - Examining case studies given the diversity of development projects (size and industry)
 - Determining an appropriate sample
 - Auditors lacking expertise to undertake EIA audits

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Part 5: Auditing EIA Audit criteria

- Most authoritative criteria sources are
 - national legislation, policies, standards;
 - international agreements and conventions;
 - specific requirements of financial institutions.
- Criteria may stem also from other sources:
 - professional standards and guidance from acknowledged organizations;
 - best practices, sound principles, Performance indicators;
 - expert advice, subject matter literature



Conclusion

- The research paper provides:
 - general aspects of EIA;
 - hints to best practice governance, resources, etc;
 - audit related work done in the field; and,
 - some options of audit criteria sources.
- Country Papers will emphasize and provide practical examples of the challenges and opportunities in audit and EIA

Thank you!

