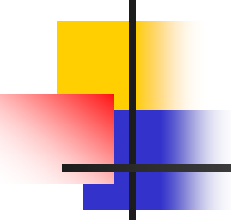
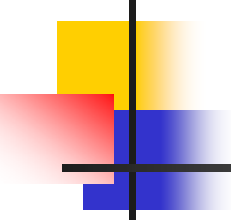


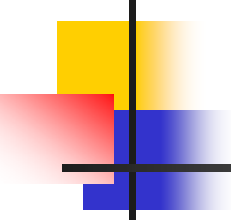


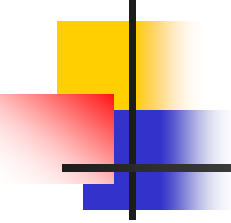
SUSTAINABILITY IMPACT ASSESSMENT – IDEA, ESSENCE, PROCEDURE

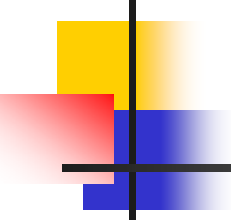
Katinka Mihova

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- **Various types of impact assessment** exist:
 - Environmental Impact Assessment (EIA),
 - Strategic Environmental Assessment (SEA),
 - Social Impact Assessment (SIA),
 - Sustainability Impact Assessment
 - Health Impact Assessment (HIA)
 - Visual Impact Assessment

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- **Assessment** has been defined as
 - “a combination of procedures, methods and tools by which a policy, programme or project may be judged as to its potential effects on the health of a population, and the distribution of these effects within the population”.

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- **Environmental Impact Assessment and Strategic Environmental Assessment**
 - *History and development of EIA and SEA*
 - In the USA, the National Environmental Policy Act (NEPA), introduced in 1969-1970,
 - required elaboration of an Environmental Impact Statement (EIS) of “any major
 - federal action significantly affecting the quality of the environment”. The Council on
 - Environmental Quality interpreted this statement as applying to policies, plans and
 - programmes, in addition to projects. Thus, in principle, if not in practice, NEPA made
 - provision for both EIA and SEA.

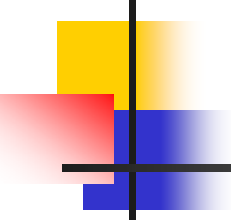
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- Project-level EIA developed more quickly, however, than strategic-level SEA, and
 - gained worldwide application. In the early years of EIA, attention focused primarily on
 - assessing impacts of individual projects; later on, the limitations of EIA began to be
 - realized, for example, its inability to assess cumulative impacts, or to consider a range
 - of alternatives to project proposals under consideration.
 - Consequently, more attention was given to the concept of SEA. In general SEA lags
 - around 15 years behind EIA; this trend is also observed in Europe; for example, the
 - European Union EIA Directive was passed in 1985, whereas its SEA Directive has only
 - recently been approved.

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- Dr Cherp outlined the key differences between EIA and SEA. For example, EIA tends
 - to focus on mitigation, while SEA focuses on environmental objectives and alternatives
 - for policies and aims to best achieve them. Thus, EIA attempts to evaluate
 - environmental impacts in order to reduce negative changes in the environment, while
 - SEA attempts to influence development that is designed in accordance with environmental
 - policy objectives.



- **Social Impact Assessment**

- NEPA was signed, the US Bureau of Land Management submitted a short Environmental Impact Statement (EIS) to accompany the application for the Trans-Alaska pipeline, but the permit was denied on the grounds that biophysical aspects were inadequately addressed.
- Three years later the permit was issued; more work had gone into the process and it included impacts on biophysical environment. One Inuit Chief then made the comment "...now that we have dealt with the problem of the permafrost and the caribou and what to do with hot oil, what about changes in the customs and ways of my people". Thus, the concept of "**Social Impact Assessment**" was introduced. Guidelines and Principles for SIA were developed for US Federal agencies in 1994, under revision for publication in December 2001. The World Bank is again considering SIA guidelines and
- IAIA has established a working committee on International Guidelines and Principles for SIA.

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- **Health in the Context of Sustainable Development**
 - The process of HIA requires broad participation of all stakeholders involved in order to
 - adequately identify the potential health impacts. Concerned also with the distribution of
 - impacts within the population, HIA is a means of addressing inequities in health.
 - While existing systems for EIA vary from country to country, indications are that health
 - issues are normally given little attention or are assessed only superficially in EIA frameworks.
 - Health issues, when considered, tend to focus mainly on the physical aspects of
 - environment and on pollution-related health hazards or communicable diseases, but often
 - fail to address the broader determinants of health.



- **Health Impact Assessment (HIA)**

- HIA in EIA

- • Modification of existing procedures and institutions

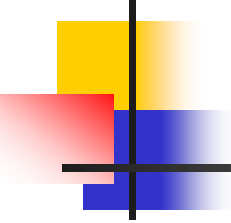
- • Consulting health stakeholders at different procedural stages

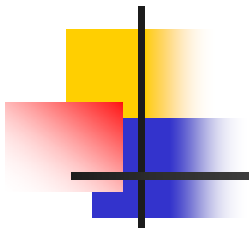
- • Analysing health implications of negative environmental impacts

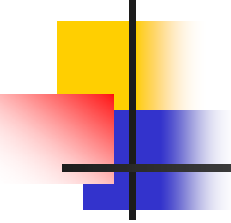
- HIA in SEA

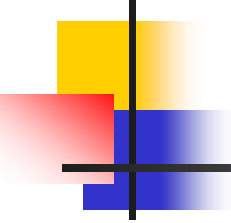
- • Shaping emerging procedures and institutions

- • Incorporating health considerations into, and consulting health stakeholders, during the process of strategic decision-making

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- **Sustainability Impact Assessment (Appraisal)**
 - Dr Cherp (CEU) introduced the concept of Sustainability Impact Assessment (Appraisal).
 - A *distinction* was made between “**integrated assessment**” and “**sustainability assessment**”; which are often used interchangeably.
 - **Integrated assessment** simply means, “a structured process of dealing with complex issues, using knowledge from various scientific disciplines and/or stakeholders, such that integrated insights are made available to decision-makers”. Other definitions and interpretations circulate as well.

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- The sustainability appraisal is intended to become an integral component of the process of developing any strategy. It has been defined as:
 - *“A systematic and iterative process undertaken during the preparation of a plan or strategy which identifies and reports on the extent to which the implementation of the plan or strategy would achieve the **environmental, economic and social objectives** by which sustainable development can be defined in order that the performance of the strategy and policies is improved”*

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- Sustainability assessment is a process to enable policy makers to integrate their decision making on projects, plans, policies and programs so that they are consistent with sustainability principles.
 - It is characterised by:
 - a proactive approach to improving social and economic, as well as environmental, outcomes
 - greater transparency, as social and economic issues need to be identified alongside environmental issues

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- Generally speaking, the **process of sustainability** appraisal is intended to encourage development of policies linked to clear objectives and in this sense it is used to:
 - • **Make better strategies by improving policy making;**
 - • **Assess and compare alternative policy options;**
 - • **Mitigate the potential negative impacts of policies;**
 - • **Enhance identified beneficial impacts.**
 - **Sustainability appraisal is a process that continues throughout the strategy life-cycle** and thus should not be considered as an end in itself.



- **Key steps in the sustainability appraisal process**

- • Assess the sustainable development objectives of the strategy
- • Scope the strategy
- • Appraise the options
- • Appraise the policies
- • Check policy compatibility
- • Set indicators and targets
- • Set up monitoring and evaluation
- • Record and report findings



- **An Example of Sustainability Impact Appraisal**

- An example of Sustainability Impact Appraisal, presented at the 2001 Annual Conference of
- the International Association for Impact Assessment (IAIA), is the assessment of the
- European Union position at World Trade Organization (WTO) negotiations; this is a typical
- example of where sustainability appraisal may be applied, that is to say at an extremely
- strategic decision-making level. The University of Manchester in UK was commissioned to
- conduct this assessment. They used nine indicators (three economic indicators, three social
- indicators, and three environmental indicators); and with these they created three
- scenarios:



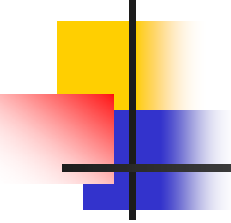
Indicators and criteria in sustainable impact appraisal
of the European Union position at the WTO negotiations:

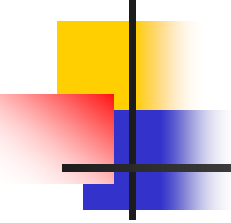
Nine indicators

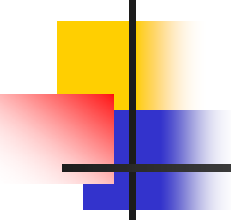
- Average real income; net fixed capital information; employment
- Equity and poverty; health and education; gender inequalities
- Environmental quality (air, water, land)

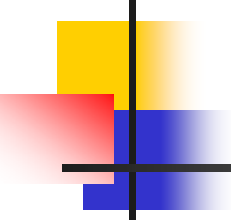
Significance criteria

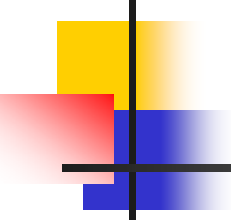
- Extent of existing economic, social and environmental stress in affected areas
- Direction of changes to base-line conditions
- Nature, order of magnitude, geographic extent and duration of changes

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- **Tools for sustainability assessment** include:
 - **Sustainability principles** to guide planning and decision making processes
 - a Sustainability Code of Practice
 - **checklists**, scorecard approaches,
 - **multicriteria analysis** for assessing Cabinet submissions and impacts of policies, plans or projects
 - **triple bottom line assessments** for complex and strategic projects.
 - Sustainability assessment will be accompanied by the evolution from environmental reporting to sustainability reporting, which will cover priority social and economic issues as well as environmental issues.

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- The Bellagio Principles for Assessment
 - **1. GUIDING VISION AND GOALS**
 - **2. HOLISTIC PERSPECTIVE**
 - **3. ESSENTIAL ELEMENTS**
 - **4. ADEQUATE SCOPE**
 - **5. PRACTICAL FOCUS**
 - **6. OPENNESS**
 - **7. EFFECTIVE COMMUNICATION**
 - **8. BROAD PARTICIPATION**
 - **9. ONGOING ASSESSMENT**
 - **10. INSTITUTIONAL CAPACITY**

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- The SIA methodology includes **two complementary elements**:
 - - ***Economic, environmental and social assessments*** as such, using
 - analytical tools and rational causal chain analysis. The **quality** of the assessment
 - determines the **credibility** and the **relevance** of the SIA results as input in the
 - negotiation process. It is therefore vital that this element is undertaken in a clear,
 - scientific and objective manner;
 - - ***A consultation process*** whereby **consultation and dissemination** of
 - results among stakeholders and trading partners is undertaken. The quality of this
 - process is key to ensure **ownership** of the process by European and third party
 - societies, **legitimacy** in the use of SIA results and a **quality checks** for the
 - assessment results.

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- Both elements - assessment and process - are **equally important** and are mutually
 - supportive for the implementation of the SIA.
 - The **assessment part** of the SIA methodology has **four main stages**, each of which
 - places emphasis on consultation with outside experts and the public. It uses a core
 - group of sustainability indicators to identify the impact that further liberalisation and
 - changes in trade rules might have on sustainability.
 - These indicators are balanced between economic, environmental and social:
 - average real income; employment; net fixed capital formation; equity and poverty;
 - health and education; gender inequality; environmental quality of air, water and land;
 - biological diversity and other natural resource stocks.

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- I. The **first stage** is a *screening exercise* to determine which measures require SIA because they are likely to have significant impacts inside and outside the EU.
 - II. The **next stage** is *scoping* to establish the appropriate coverage of each SIA, taking each of the measures identified in the screening exercise and identifying which components of those measures are likely to give rise to significant impacts. Ideally, this is carried out through a *preliminary SIA* to identify potential significant effects, positive and negative, on sustainable development.
 - III. **Subsequently**, detailed SIAs are carried out for each individual trade measures.
 - IV. **Finally**, the methodology includes a full synthesis of impacts assessed in previous phases and *mitigation and enhancement analysis* to suggest types of improvements or flanking measures that may enhance the overall impact on sustainable development of the proposal.



■ **Institutionalization**

- As to Sustainability Impact Assessment, there is a lack of standard/defined terminology in this area. It consists of social, environmental and economic assessments.
- Sustainability Impact Assessment or appraisal lags behind SEA and
- it is institutionalized in very few jurisdictions. The EIA community is making efforts to
- institutionalize it. However, in many cases, there is a lack of political will to do so.
- Sustainability impact assessment is not institutionalized partially because there are a number
- of unresolved issues. The only institutionalization of sustainable impact assessment is
- “Sustainability Appraisal” in the UK which is applied to land use and regional
- planning (however, it is not mandatory). The UK government’s position regarding sustainable