



Netherlands Commission for
Environmental Assessment



ESIA helpdesk for the private sector

When investing in activities abroad, you may be required to do an Environmental and Social Impact Assessment (ESIA) to get the necessary project approvals. Practically every country in the world has ESIA legislation, but the requirements differ. It can be difficult to find your way around the regulations and institutions involved. The Netherlands Commission for Environmental Assessment (NCEA) provides advice on ESIA in many countries, and can help you on your way.

What is ESIA?

Environmental and Social Impact Assessment (ESIA) is a systematic process that ensures sufficient integration of environmental and socio-economic considerations into decision-making on projects. It includes analysis of effects of a planned project, assessment of alternatives and stakeholder consultation.

Most countries in the world have legislation on ESIA, but there are important differences between countries: on the types of projects for which ESIA is required, the ESIA procedural steps and who is responsible for what in each step.

International financing institutions, such as the IFC, also have requirements for ESIA in place.

Making ESIA work to your advantage

ESIA takes time and costs money. But done the right way, investing in ESIA can have important benefits for project developers and investors that easily outweigh cost and time requirements:

- **Managing risks:** Good-quality ESIA's help to identify environmental or social risks early, so that they can be

adequately addressed. This way costly mistakes and unnecessary delays can be avoided, and the bankability of a project improved.

- **Social license to operate:** Within ESIA, the project developer engages with stakeholders. Community concerns can be addressed, and developers can explain how environmental and social risks will be managed. This contributes to community support for a project, and helps protect the reputation of the investors.
- **Improving performance:** ESIA not only helps to avoid negative impacts of a project, it also identifies opportunities to enhance a project's environmental and social performance. Within the ESIA process, more sustainable options for activities are identified, and suitable impact management strategies developed.

The NCEA's ESIA helpdesk

The NCEA is an independent foundation that works both in The Netherlands and abroad. With funding from the Dutch Ministry of Foreign Affairs, we have supported ESIA application in low and middle income countries for over 20 years, and in more than 50 countries. Our large database of experts ensures access to knowledge on all disciplines relevant for ESIA.

The core of our international work is ESIA capacity development and independent advice to governments and financing institutions. In addition, the NCEA also hosts a helpdesk for Dutch organisations and companies involved in development activities overseas. Part of this helpdesk is a freely available online database, containing the ESIA regulation of over 40 countries, as well as ESIA guidance and good practice publications.

NCEA advisory services for Dutch investments under the PSD facilities

The Dutch government emphasises the need to focus international cooperation on a combination of aid and trade. As a result, more resources are allocated to facilities that finance (Dutch) private sector initiatives in developing countries and emerging markets. Resources are channelled through Private Sector Development (PSD) facilities such as: DRIVE, D2B, DGGF, FDW and FDOV.

The NCEA provides independent ESIA advice to these facilities. Since 2009 we have screened more than 200 proposals. We screen the projects against the ESIA country requirements, including a check on which IFC Performance Standards are triggered. We also advise on ESIA for projects under consideration for financing. This includes review of Terms of Reference and quality of ESIA reports, as well as advice on ESIA implementation in project development, on monitoring and on implementation of the ESIA/environmental and social management plan.

Why contact the NCEA?

- **Preventing procedural missteps:** The NCEA can provide information on a country's *ESIA legal requirements and practice*. We can inform you on the need for ESIA, and on the steps to be taken and information to be included in ESIA, according to country regulations.
- **Increasing support:** We can advise which parties should be involved in the ESIA procedure to fulfil legal obligations and to gain (in)formal support.
- **Access to good practice:** The NCEA can point you in the direction of useful ESIA guidance for your type of project.
- **Presentations and workshops:** We can provide presentations on ESIA requirements and practice in relevant meetings and platforms, to improve understanding of what is needed.

Contact

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Quick scan ESIA coastal infrastructure, Bhola Island

River bank erosion is a big problem for Bhola Island in Bangladesh. The dikes around the polders provide protection against 'normal' high water levels, but the height and strength of the dikes is often not sufficient to withstand the surges caused by cyclones. Therefore the Bangladesh Water Development Board initiated a coastal erosion rehabilitation project, which is co-funded by ORIO – a PSD facility (predecessor of DRIVE). In 2015, ORIO requested that the NCEA undertake a quick scan of the accompanying ESIA report. This would inform further appraisal of the project. The NCEA concluded firstly that the **ESIA report complied** with the ToR and guidelines provided by the Bangladeshi Department of Environment. Secondly, **the ESIA provided a comprehensive description** of nearly all relevant impacts. The NCEA's did note that the necessary mitigation measures needed to be further developed once the precise locations of the infrastructural works are known. As soon as these locations are determined, the ESIA needs to be updated, including the Resettlement Action Plan, and Environmental and Social Management Plan (ESMP).

Outcome: In February 2016, ORIO granted approval for the implementation phase, under condition that this update of the ESIA take place before the first payment is made.

"The NCEA: a constructive advisor"

Mr. Vintges, IMVO coordinator at RVO: 'We appreciate the NCEA because they judge the ESIA quality, but do not only criticise it. The staff and its experts have a very constructive attitude. In this way, they also contribute to capacity development of local actors, such as government staff or ESIA consultants. These actors will benefit more by hearing what they can improve instead of what they are doing wrong.'