



Report on EIA twinning project between Lao PDR and Japan, Sri Lanka and Japan

TA 7566-REG: Strengthening and Use of Country
Safeguards System:

Sub-project: EIA Clearinghouse and Capacity
Strengthening through Twinning

Capacity Development Workshop in Japan June 2014

Implementing Agency:

Asian Environmental Compliance and Enforcement Network (AECEN)
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1. Introduction

The Asian Environmental Compliance and Enforcement Network (AECEN) is a regional practitioner network dedicated to sharing improved policies and practices in compliance and enforcement in Asia. The network was launched at ADB's headquarters in Manila in 2005, with assistance from the United States Agency for International Development (USAID) and ADB, in partnership with 13 Asian countries (16 countries and 19 member agencies as of December 2013). In 2009, member agencies agreed that the Institute for Global Environmental Strategies (IGES) would become the permanent secretariat of AECEN. ADB and IGES recently signed a Memorandum of Understanding (MOU) on a range of cooperative activities, including AECEN.

In July 2010, the ADB Board of Directors approved Technical Assistance (TA) 7566-REG for \$5,000,000. In September 2011 the ADB approved an increased TA amount to \$8,000,000. TA 7566-REG has three components: (i) subproject implementation, (ii) knowledge management and dissemination, and (iii) coordination among development agencies. Through Component 1, Subproject Implementation, ADB is providing systematic, timely support for a series of subprojects tailored to the needs of specific Developing Member Countries (DMCs) for strengthening and effective implementation of their respective country safeguard systems.

A subproject of the TA is being implemented by AECEN through its Secretariat managed by the IGES regional center in Bangkok, Thailand. The subproject has two main components: (i) an EIA clearinghouse that aims to facilitate knowledge capture and dissemination of information on international best practices in EIA implementation, and (ii) south-south twinning between Lao PDR and Japan, and Sri Lanka and Japan. Through these components, the subproject aims to improve information sharing and knowledge management in EIA among all DMCs through the EIA clearinghouse and to enhance capacity of beneficiary countries by improved understanding of EIA best practices of the mentor country through south-south twinning.

The first component, the EIA clearinghouse, was developed and successfully launched on AECEN's website in March 2013 (<http://www.aecen.org/eia-compendium>). The clearinghouse provides EIA laws and regulations, useful EIA references, guidelines and manuals, case studies of EIAs that could serve as models for future EIAs in the same sector, news articles and court cases involving implementation issues surrounding EIAs, and hot-links to national websites of EIA-related agencies.

The second component, two EIA twinning projects, is being conducted between Lao PDR and Japan, and Sri Lanka and Japan. In both cases, the Japan Association of Environment Assessment (JEAS) acts as the mentoring organization to the project, delegated by the Ministry of Environment, Japan (MOEJ). The Sri Lanka twinning project is implemented with the partnership with the Central Environmental Authority (CEA) and the Lao PDR twinning project with the Department of Environmental and Social Impact Assessment (DESIA), the Ministry of Natural Resources and Environmental (MoNRE).

This report presents a summary of the Capacity Development Workshop in Yokohama, Japan in June 2014 as part of the EIA twinning project between Lao PDR and Japan, and Sri Lanka and Japan.

2. Overview of the EIA twinning project

2.1 AECEN's twinning projects

Twinning is a key feature of AECEN's capacity development mechanism between members and its effectiveness has been proven in numerous projects. Twinning activities can include peer review of policies and operations, technical assistance in developing and implementing improved policies and practices, specialized on-the-job training and information exchange. Key elements of twinning are summarized below:

Counterpart Exchange: Twinning partnerships facilitate direct exchange between practitioners in sharing information on improved policies and practices;

Reciprocal Benefits: Both twinning partners receive benefits from the partnerships in strengthening their policies, practices and capabilities;

Demand Driven: Twinning partnerships respond to an agency's priority needs, which are matched with another agency's proven approaches and capabilities;

Results Focused: Twinning partners develop MOUs and work plans that identify specific commitments, activities, resources, timelines and outcomes. Twinning partnerships result in the adoption of improved policies and practices as well as increased capacity, leading to measurable improvements and tangible outcomes;

Replication: Twinning partnerships aim to replicate proven policies and practices across Asia; and

Cost Sharing: All partner agencies support twinning activities on a cost-share basis, providing in-kind and direct funding support. Development partners facilitate and co-fund twinning activities as needed.

2.2 Rationale for the EIA twinning project

Minimizing adverse environmental impacts of economic development accompanied by rapid urbanization and industrial growth as well as conserving natural environments remain significant challenges for Asia. While many governments have developed legal and institutional frameworks for environmental safeguards, implementation and enforcement of environmental laws and regulations remain weak due to technical, financial, and human capacity limitations.

In the region, application of EIA requirements has been consistently identified as a priority concern of environmental compliance and enforcement. Yet, effective implementation of the EIA laws in Asia remains patchy, especially in relation to compliance and enforcement of environmental management and monitoring plans (EMMPs) which identify measures to be taken in order to reduce adverse environmental and social impacts to acceptable levels or offset them in an appropriate manner. Therefore, EIA implementation needs to be enhanced through further capacity strengthening.

2.3 Objective of the EIA twinning project

The objective of the project is to develop the implementing capacity of EIA in Sri Lanka and Lao PDR through the bilateral twinning arrangement with Japan as a mentoring country. The twinning arrangement provides mutual hands-on learning opportunities among the government officials in charge of EIA and experts in the field and delivers tangible outputs that are beneficial to the mentee countries.

2.4 Overall activities envisioned for EIA twinning project

The following sequential activities were envisioned to be undertaken for the twinning project to implement effective partnerships between mentor and mentee countries (Sri Lanka, and Lao PDR):

- (i) Drafting plan and schedule for key activities in close consultation with Japan and Sri Lanka/Lao PDR for ADB review and approval;
- (ii) Signing of Memorandum of Understanding (MOU) between partners;
- (iii) Organizing workshops to launch the twinning program;
- (iv) Reviewing EIA and SEA application in Sri Lanka/Lao PDR to ascertain training requirements;
- (v) Coordinating study tour and site visits to Japan;
- (vi) Revising Sri Lanka's/Lao PDR's existing EIA guidelines and/or developing new ones;
- (vii) Drafting training and user manuals for amended and/or additional EIA guidelines; and
- (viii) Organizing a training program to introduce amended and/or new EIA guidelines and manuals.

3. Lao PDR-Japan and Sri Lanka-Japan EIA twinning project

3.1 Organizational arrangements

Japan (mentor)

JEAS acts as a mentoring organization of the project and implements the project on behalf of MOEJ. JEAS is a public association, comprising approximately 140 environmental assessment business companies (as of June 2014), established in 1978 and operated under the supervision of ministries of environment; agriculture, forestry and fisheries; economy, trade and industry; and land, infrastructure, transport and tourism (<http://www.jeas.org/english.cts>).

As JEAS has limited staff in its secretariat, it appointed Japanese experts from Environmental Resources Management (ERM) in Japan for the project implementation. ERM is a leading global provider of environmental, health, safety, risk, social consulting services and sustainability related services. ERM has over 140 offices in 39 countries and territories employing more than 5,000 people (<http://www.erm.com/en/>).

Mr. Manabu Sakaguchi, Partner, ERM Japan, leads the project. He is an environmental and social safeguards specialist with extensive experience in the field from various projects implemented overseas. Ms. Naoko Maruyama and Mr. Yohei Suzuki, Consultant, ERM Japan, assist in implementing the project as team members. They are environmental and social safeguards specialists and have extensive experience in the field. Other ERM staff provide *pro bono* assistance.

Lao PDR (mentee)

The Department of Environmental and Social Impact Assessment (DESIA) under MoNRE is responsible for overseeing the implementation of the EIA process in Lao PDR. MoNRE is responsible for issuing environmental quality standards in cooperation with the line ministries, and for issuing general EIA guidelines specifying procedures and standards to evaluate and mitigate environmental impacts caused by development projects.

Mr. Lamphoukeo Kettavong, Deputy Head of Planning and Administration Division, DESIA leads the project on behalf of the Government of Lao PDR.

Sri Lanka (mentee)

The Central Environmental Authority (CEA) acts as the implementing organization of the project in Sri Lanka. The CEA was established in August 1981 under the provision of the National Environmental Act No: 47 of 1980. The Ministry of Environment and Natural Resources (ME&NR) which was established in December 2001 has the overall responsibility in the affairs of the CEA with the objective of integrating environmental considerations in the development process of the country. The CEA was given wider regulatory powers under the National Environment (Amendment) Acts No: 56 of 1988 and No: 53 of 2000 (<http://www.cea.lk/>).

Ms. Kanthi de Silva, Director, the CEA leads the project on behalf of the Government of Sri Lanka.

AECEN (project secretariat)

Dr. Peter King, Head of AECEN Secretariat, Ms. Panjit Tansom, AECEN Programme Manager, Mr. Chandkachorn John Chandarat, Website and Database Manager, IGES Regional Centre, and Dr. Daisuke Sano, Director, IGES Regional Centre, assist in implementing the project and liaise with ADB. Dr. Daisuke Sano will act as a focal point for IGES.

3.2 Capacity Development Workshop

Overview

The Capacity Development Workshop for the twinning partnership on EIA between Lao PDR and Japan, and Sri Lanka and Japan was held on 25-27 June 2014 at Landmark Tower, Yokohama, Japan. The Workshop was organized by MOEJ, JEAS, ERM Japan and AECEN Secretariat with support from the ADB.

The Capacity Development Workshop followed up the prior consultation workshops where priority areas for assistance were identified. This workshop invited the government officials in charge of EIA implementation from both CEA and DESIA and brought together partners and experts from Japan to provide participants from the mentee countries with the opportunity to learn good practices and lessons in the priority areas from the mentor country. The 3-day workshop aimed to provide an on-site hands-on learning venue that would allow interactive sessions with officials and experts in the field in Japan in addition to in-house lectures. Prior to the Workshop, hosting organizations in Japan (JEAS and ERM) and AECEN Secretariat had a preparation meeting a day before.

Summary of the Capacity Development Workshop

On 25 June 2014, approximately 24 representatives from DESIA, CEA, MOEJ, JEAS, ERM Japan, Kawasaki-city, Pacific Consultants and AECEN Secretariat gathered to share their knowledge and experience regarding EIA implementation. Simultaneous interpreters facilitated the communication in both English and Japanese.

The workshop started with welcome remarks by Mr. Takaaki Ito, Deputy Director of the Environmental Impact Assessment Division, Ministry of the Environment of Japan, the host organization of the workshop. Mr. Takaaki Ito welcomed all participants and gave an overview of MOEJ and expressed MOEJ's hope that the experience in Japan will support their country in the future.

The first day of the workshop was a lecture (with Q&A) session which opened up the opportunity for mentor and mentee countries to openly share their experience, and discuss and identify the mentee's needs, for which the mentor country can provide appropriate support.

The second day of the workshop provided field trips which were divided into two groups to visit a coal-fired power plant operated by J Power in Yokohama and Kawasaki City Environmental Research Institute in the morning and then re-combine as a group in the afternoon to visit a monorail system. These field visits were based on priorities expressed by the two mentee countries in the earlier consultation workshops.

The last day of the workshop was a wrap-up and planning session in which all participants had an opportunity to share their experience from the past two days, including a detailed discussion on the training plan which will be arranged by each mentee country.

Session I: Overview of EIA implementation

In session I, the first presentation made by Dr. Daisuke Sano, Regional Director of IGES-BRC presented and wrapped-up each of the prior consultation workshops. He indicated (i) the internal information and discussion shared in each workshop which raised mutual understanding of the issues constraining effective implementation of EIAs in Lao PDR and Sri Lanka; (ii) made the link to the present workshop which is intended to fulfill the priority needs expressed earlier; and (iii) presented the intention to gain a better understanding of EIA implementation processes in Japan. He also mentioned a few key issues to consider for moving forward including introducing strategic environmental assessment (SEA) and transboundary assessment and climate change and regional economic integration that may bring about external factors.

The second presentation was made by Mr. Takaaki Ito, Deputy Director MOEJ on an overview of EIA Implementation in Japan. He presented the EIA current situation in Japan covering: (i) action related to Environmental Impact Assessment Law; and (ii) streamlining EIA procedures. His presentation showed the history of EIA law, procedures and implementation status of EIA in Japan. He also highlighted the Japan's efforts to halve the EIA processing period related to (ii) above.

Based on the presentations, several questions were raised. In response to a question about the number of EIA cases that were submitted before and after the EIA law came into effect in 1999 it is difficult for MOEJ to count the number of the cases that are submitted as it is beyond the officers' capacity. There were a lot of cases submitted and only limited staff, which is an ongoing challenge on reviewing the EIAs.

The second question related to multiple phases of projects that are designed to avoid EIAs by being sized just below the limit mandating an EIA. For example, for wind power projects, which can be quite modular in design, MOEJ needs to anticipate the ultimate intention. If a project has to be extended the project redesign which can be accepted as a minor change is 10-20%. Anyhow, the final output has to fit to requirement and each stage of assessment has to be done based on the rules regarding re-assessment for each sector/department. Trust from civil society is a key function in the EIA procedure in Japan; the project owner has to have a good trust from local people. In this connection, a Sri Lankan participant mentioned road construction projects where the road was designed initially with two lanes, and later expanded to four lanes.

A Lao PDR participant questioned about when to conduct monitoring, how to address monitoring problems, and what solutions are available, especially for financial support on monitoring. In Japan, the investor has to show a detailed action plan, including how the project proponent will address the impacts from the project. They have to follow the procedure with civil society providing independent third party monitoring. For financial contribution to monitoring, the investor has to support everything from the project financing.

However, the Laos side explained that before the Government allows the investor to construct they have to do the monitoring. They have 3 levels of monitoring: twice a year for national level, quarterly monitoring for provincial level, and every day monitoring for local level. They used the

example of the Nam Theun II dam project which has a good monitoring system which is supported by the investor. They also intend to use the model of this project's monitoring system to apply to other project in the future.

The Sri Lankan participants also mentioned that their EIA implementation has 2 levels – EIA approval, followed by an environmental protection license. But this still has problems during implementation, especially because they have to provide point source and ambient monitoring, while lacking staff capacity to work on it. In the construction stage, the investor has to provide a quarterly report but the CEA officers have to do the monitoring themselves, supported financially by the investor.

Dr. King asked a question about the membership fee for companies wanting to belong to JEAS. They answered that they charge JPY 300,000 per year for company membership. Moreover, JEAS conducts environmental assessor qualification in Japan. Presently, 450 people have been certified as assessors.

The last presentation on JEAS' contribution to EIA in Japan was made by Mr. Tadahisa Matsunaga, JEAS committee member. He presented an overview on the structure and activities of JEAS. As of March 2014 JEAS has 140 company members and several activities which include various seminars, education and training courses.

Session II: EIA from the practitioners' point of view

In session II, the first presentation started with EIA implementation in Japan and overseas by Mr. Suzuki Manabu from ERM Japan, who presented the technical guidelines of JICA/JBIC, stakeholder engagement, evaluation, licenses and conditions, and environmental management plans.

After the presentation, Dr. King asked which level of government decides on each project and license conditions. In Japan, permission is given by each province which has the right to authorize the project in their area. The provinces have to incorporate planning and designing the project. Also, the provincial level must consider the comments from each relevant ministry.

A Lao participant mentioned the linkage to IFC performance standards but Japan doesn't use this performance or SEA like EU countries do. They have their own guideline. However, as Laos questioned about SEA and IFC performance then Dr. King gave a short clarification on this.

Moreover, Laos and Sri Lanka participants shared their experience and asked questions related to regulation and performance which were answered by the Japan side and AECEN secretariat.

The second presentation on EIA framework in Kawasaki City was delivered by Mr. Suzuki Manabu from ERM Japan. He presented An Outline of Environmental Impact Assessment Program which showcased Kawasaki city's experience.

The final presentation of this session was presented by Mr. Testsuro Imanaga from Pacific Consultants Co. Ltd. on EIA in the transport sector which showed participants the procedure of EIA related to monorail projects and potential solutions to the impacts identified to date.

The discussion started with a question from a Lao participant on whether Japan needs to set aside a buffer zone, as road projects in Lao PDR are required to set aside a 50 meter buffer. In relation to monorail projects, one reason that this form of transport is selected is because it can be constructed in urban areas where space is at a premium. It would be impossibly expensive to set aside a 50 meter buffer zone almost anywhere in Japan.

Session III: Mutual learning from the twinning project

The session started with Sri Lanka representative to present their training plan which will be arranged on 5 August 2014 at CEA, Colombo, Sri Lanka. The plan is divided into 3 sectors: Power Sector, Transport Sector and Municipal Solid Waste and outlined their training needs (details in Annex 4.3).

After that, the Lao PDR representatives presented their training plan and strongly emphasized their need for capacity building at the provincial level (see annex 4.4).

In response to the needs and interests expressed by speakers from Sri Lanka and Lao PDR, Mr. Tatsuhiko Kato from JEAS suggested that the focus be made more on capacity development of procedural aspect of EIA process such as EIA review process and coordinated work with line ministries that are mandated to EIA divisions rather than dealing with highly-detailed technical requirements specific to sectors. Participants from Sri Lanka and Lao PDR agreed with this proposal and further discussions on Day 3.

Day 2 – Onsite interactive learning workshops

The second day of the workshop provided field trips which were divided into two groups to visit a coal-fired power plant operated by J Power in Yokohama and Kawasaki City Environmental Research Institute in the morning and re-combining as a group in the afternoon to visit the now operational monorail system. These field visits were based on priorities expressed by the two mentee countries in the earlier consultation workshops.

The group visiting the coal-fired power plant in Yokohama learned about the power plant system and its EIA assessment and environmental management and monitoring plans, a topic which the Sri Lanka participants in particular were interested in, as they are currently preparing for their second coal-fired power plant. The participants asked many questions on technical details and learned that J Power has a plan to build another coal-fired power plant in a different location in Japan. J Power has a good practice on recycling the energy from the plant to use in cement production, and capturing the sulphur dioxide to manufacture sulphuric acid.

The participants in the other group visited Kawasaki City Environmental Research Institute (KERI) to learn about monitoring air and water pollution control. KERI is located in the city's industrial zone and conducts regular pollution monitoring/inspection and analyses mandated by the city. KERI also promotes international cooperation to share the city's lessons from pollution and its recovery from the past highly polluted state. The participants visited laboratories in the Institute where various chemical and biological analyses are conducted. The challenges of pollution control and differences in law enforcement in three countries were discussed.

In the afternoon, all participants visited the monorail system by travelling on the monorail and surveying the actual operation system in one of the monorail stations.

Day 3 – Wrap up and planning session

The last day of the workshop was devoted to a wrap-up and planning session where participants had an opportunity to share and discuss their experience from the past two days. This session included considering and discussing their individual training plans to ensure that subsequent support is harmonized with their needs.

After a long discussion, Sri Lanka confirmed the workshop date on 5 August 2014 at CEA, Colombo, Sri Lanka. However, they need some internal discussion on how many days for the workshop and confirm back to AECEN Secretariat. As suggested by ERM, ERM and Sri Lanka agreed that training will conduct a hands-on exercise on EIAs for coal-fired power plants as a future mock case going through necessary procedures.

Lao PDR participants agreed on the topic of hydropower plant EIAs for the next training in Vientiane to which ERM will provide a hands-on exercise similar to that for Sri Lanka. They need additional internal discussion for the date and venue including the period of time and will inform AECEN Secretariat shortly.

All presentations are made available to other members through AECEN's website.

<http://www.aecen.org/events/capacity-development-workshop-twinning-partnerships-eia-lao-pdr-japan-and-sri-lanka-japan>

3.3 Follow-up activities

- Sri Lanka will arrange the “EIA on coal-fired power plants” workshop at CEA, Colombo, Sri Lanka on 5 August 2014;
- Lao PDR will arrange the “EIA on hydropower projects” workshop before September 2014;
- Sri Lanka and Lao PDR will submit the report of the Japan trip to their headquarters and share their needs to JEAS and ERM to sustain the relationship and support their ongoing EIA processes; and
- Sri Lanka will share information on SEAs for development plans with AECEN for additional assistance.

3.4 Evaluation

1) Expectations:

- To learn about strength of Japan in relation to EIA process
- To visit a coal-fired power plant operating in good conditions
- Making a network and exploring training opportunities for the future
- To understand and gain the knowledge of key elements in EIA implementation practiced in Japan (MOEJ)
- To share experiences on EIA implementation of Laos with MOEJ and experts

- To learn the best practice of Japanese case studies
- To discuss the draft training outline for EIA process for MONRE/DESIA

2) The main points that participants are taking home from the meeting:

- The level of pollution control and housekeeping in thermal power plants that run on coal in Japan suggests that coal need not be a “dirty” fuel;
- Good practices and more understanding on Japanese EIA system and process of Japan in national and provincial level i.e. thermal power plant and Kawasaki city case study etc.
- The importance of online real-time reporting on monitoring data
- Training outline of EIA process for MONRE/DESIA
- Higher requirement in compliance monitoring
- Importance of integrity in development activities

3) Contents of the meeting:

89% of participants thought the contents of the meeting were “very useful”. There were some topics that participants thought “somewhat useful” i.e. opening session and EIA in transport sector. Moreover, 97% of participants thought the meeting structure was good.

4) Logistics:

All participants thought the logistics of the workshop which included the organizer’s assistance prior and during the workshop were good. The meeting packages provided to participants was good and helpful.

5) Future activities:

- Training needed in the next step
 - EIA monitoring and evaluation process in provincial and local level
 - Knowledge on air quality and water quality monitoring
 - Aquatic topic in case of operation of dam project
- Capacity development activities/workshop that participants are interested to participate in the future
 - SEA implementation, guideline and technology training i.e. on power and transport sector
 - Environment management in thermal power projects
 - EIA workshop
 - Mitigation to be adopted at construction stage of road and power sector projects
 - Tools and methodology in compliance monitoring of development activities