

Social Impact Assessment for Oil and Gas & Power Sectors in Myanmar



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The Agenda

- What is Social Impact Assessment (SIA)
- A typical SIA process
- Stakeholder Engagement Process
- Key SIA issues for O&G and Power
- Discussions



What is an SIA

Social Impact Assessment includes the *processes of analysing, monitoring and managing* the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions.

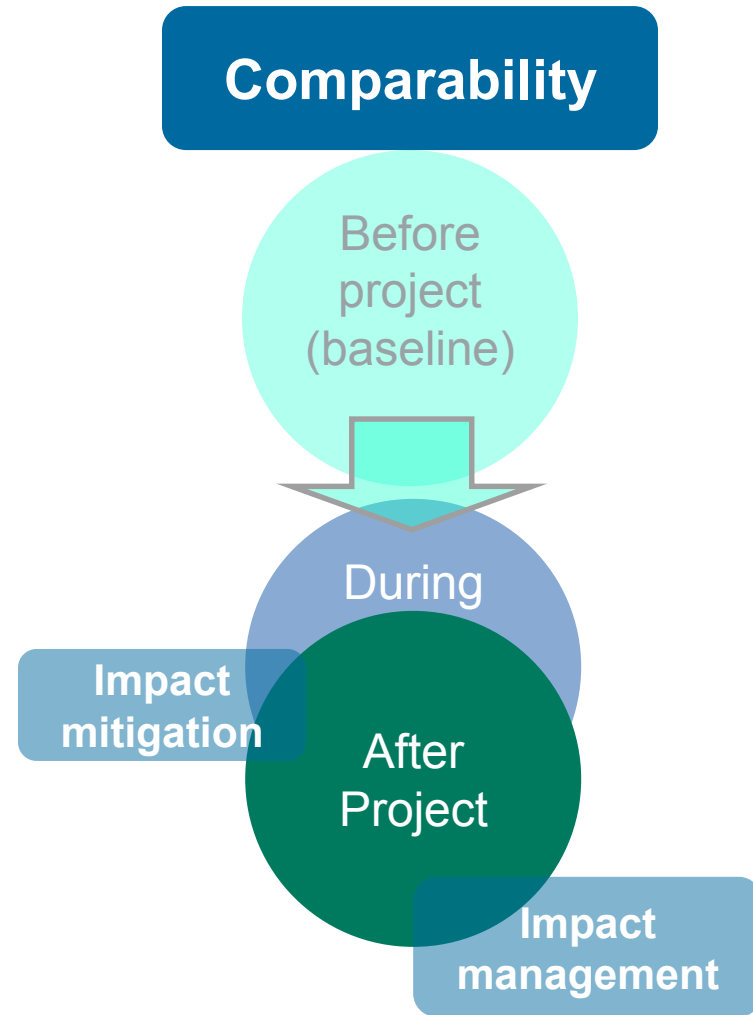
It is generally *a part of the EIA* for project approvals. In some regulatory regimes it is emerging as a *separate and stand alone requirement*

It is based on *secondary information, household and community surveys and stakeholder consultations*. It is increasingly seen as an important tool for the participation of projected persons in assessing impacts and defining mitigations and alternatives



Why do a Social Impact Assessment

- To document and define the existing conditions against which potential project impacts can be measured- baseline
- To systematically analyse potential project impacts on people and the environment
- To identify actions that, when implemented, can reduce the potential negative impacts of a project
- To benchmark 'acceptable levels' of impact, identify critical sensitivities
- To loop back to the decision-making process with timely, critical information, and influence project design to lower impacts (also potential costs, risks)



Social Impact Assessment

What Drives an SIA?

- Regulatory Requirements - EIA, Project Approvals
- Land Acquisition and Resettlement
- International Finance
- Civil Society



What gets covered under an SIA?

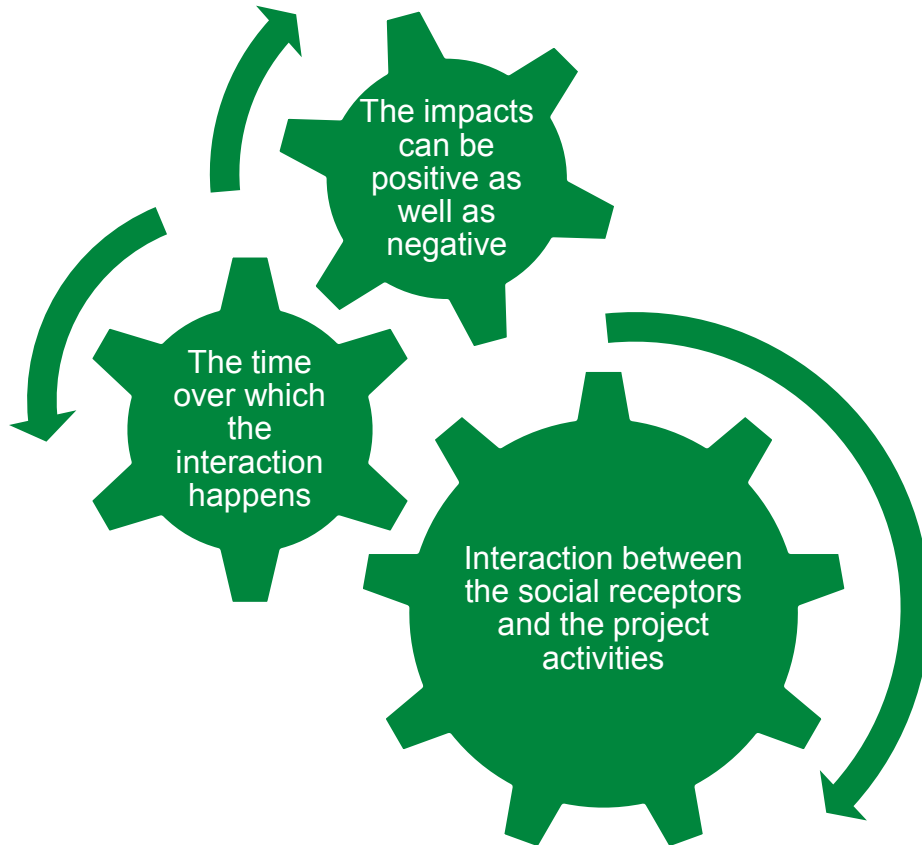
- Social
- Health
- Human Rights
- Indigenous People and other vulnerable Groups



Typical SIA Process

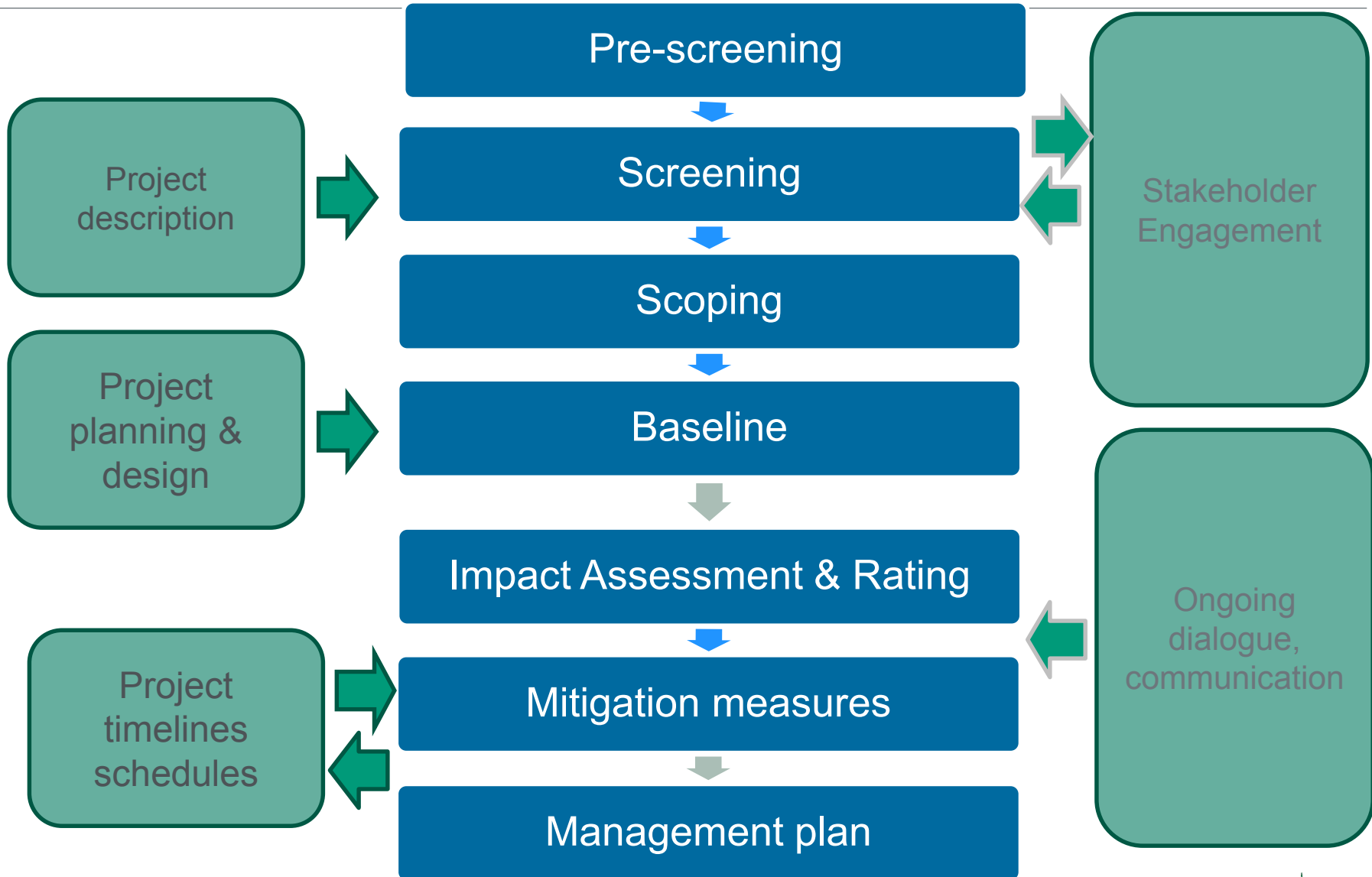


SIA Process



- Will be felt more significantly by vulnerable communities
- Can be direct as well as indirect impacts
- Can be influenced by external factors like a conflict in the area
- Some impacts are reversible and some irreversible
- A robust baseline and quality stakeholder consultation help in more accurate assessment of impacts.

SIA Process



Screening Stage

What should the Social Screening look for:

- Assess the **Project Impact Area** and look for both direct as well as indirect impacts
- **Applicability of laws** – what national and state laws get triggered. Do any of them make the **project unviable**?
- Check if there are significant impacts due to **land acquisition or resettlement** that has significant implications for the project.
- Review if there a **social context** that the project developer needs to be cognizant of – ethnic conflicts, legacy impacts from other development, human rights issues etc. Weave that into the scope of the SIA.
- Provide inputs for a **Go/No-Go decision** and major prc this stage.



Scoping Stage

- Understand the **various project components** and define the **Zone of Influence**. (discussed in more details later)
- **Scope of the SIA studies** to be decided:
 - what are to be covered, how many villages/towns to be covered
 - Who should be consulted?
 - Is there a need for primary surveys or is the secondary information adequate?
 - What additional specialist studies need to be conducted – Resettlement Studies, Livelihood studies, Indigenous People studies, ecosystem service studies etc
- **Categorisation** of the project (if there is a requirement) into High, Medium or Low Risk
- Time requirement
- Disclosure requirements
- Consent Requirements



The next steps

Where?
What?

- Define Project and its Zone of Influence
- Project will evolve, in part through input from ESHIA

Whom? How
much?

- Conduct Baseline Research to document existing conditions
- Conduct *Impact Assessment*: Evaluate Overall Significance Potential Impacts

When? Who?
How much?

- Mitigation and Management Plan for potential impacts
- On time delivery as per commitment; measure , monitor

Project Zone of Influence

Coverage

- The Project- all key project components
- Associated facilities which the Project controls (access road, disposal areas, construction camps etc.)
- Associated facilities not directly funded by the project but whose *viability and existence depend* exclusively on the project, or *whose goods or services are essential* for the operation of the project

Sensitive receptors

- Includes sensitive receptors that may be impacted even though they may not be in the immediate vicinity- wetlands, forests. Important determinants could be ecosystems on which there is significant livelihood dependence of the affected communities.

Project Zone of Influence

Cumulative Impacts

- Impacts from unplanned but predictable developments caused by the project that may occur later or at a different location.
- Other developments in the area that impacts the same receptors as the project- incremental impacts and third party impacts.

- Consider the role and capacity of third parties (local and national governments, contractors and suppliers)
- Consider supply chains where the resource is ecologically sensitive or where low labour cost is a factor in the competitiveness of the item supplied
- Consider transboundary effects
- Consider global impacts e.g. greenhouse gas emissions
- Address impacts commensurate with control and influence.

What gets covered under “Social”

- Settlements, dispersed communities, solitary dwellings and mobile / semi-mobile groups (including temporary and permanent human residents with both formal and informal tenure of land/structures);
- Social infrastructure including both tangible (i.e., schools, community centres, electricity lines, water pipes) and intangible items (i.e., meeting places, shaded areas);
- Individual and communally owned assets (i.e., farm animals and/or grazing land);
- Livelihoods, including formal and informal businesses;
- Community groups, including civil society groups;
- Employee and worker labour and working conditions;
- Community health and safety (including wellbeing); and
- Community security.

What could be kinds of Social Impacts

- Relocation:
 - Displacement from a location and resettlement in another location
 - Disruption of social networks
 - Loss of access to cultural and traditional areas.
- Loss of Livelihood
 - Loss of agricultural land or plantation
 - Loss of access to fishing and other common resources like grazing
 - Change in skill requirements making local people's traditional skills redundant
 - Unemployment – e.g. agricultural labourers
- Public health and safety risks from exposure to project activities
- Influx of people, straining local infrastructure
- Potential conflicts because of issue around eligibility and preferential treatment, local vs outsiders

What could be Social Benefits

Employment and local procurement (local content)

- Jobs and Income
- Skills
- Generation of small and medium business opportunities / contracts
- Economic and community development
 - Interaction between development and taxes/revenues
 - CSR programmes and investments
 - Benefit Sharing arrangements
- Institutional development
 - Enhanced organizational capacity of groups and governance institutions
 - Enhanced social capital (links and networks between people)
- Utilities, services and infrastructure
 - Upgrades to roads, electricity etc.

Social Baseline

Understanding *dependence (and its degree)* on local resources and *interconnectedness* of *activities* and *systems* is key to a reliable, useful baseline

This helps define livelihoods and *occupational dependencies* on resources to be potentially impacted and target mitigation and management plans; assess socio-economic impacts (separately for different groups, for women and men, individual and collective, based on periodicity and timeline- short term/long term, etc)



Baseline techniques and tools

Consultations

- Region
- City/Village
- Community
- Focus Group
- Households
- Individuals
- Other stakeholders- NGOs, CBOs, media

Surveys

- Household level of project affected people
- Subject related-economic activities like agriculture, fishing, local business
- Community dynamics and political systems

Other methods

- Secondary information reviews
- Participants Observation- walk around and informally observe
- Seek information from key informants who know the area well

Baseline data

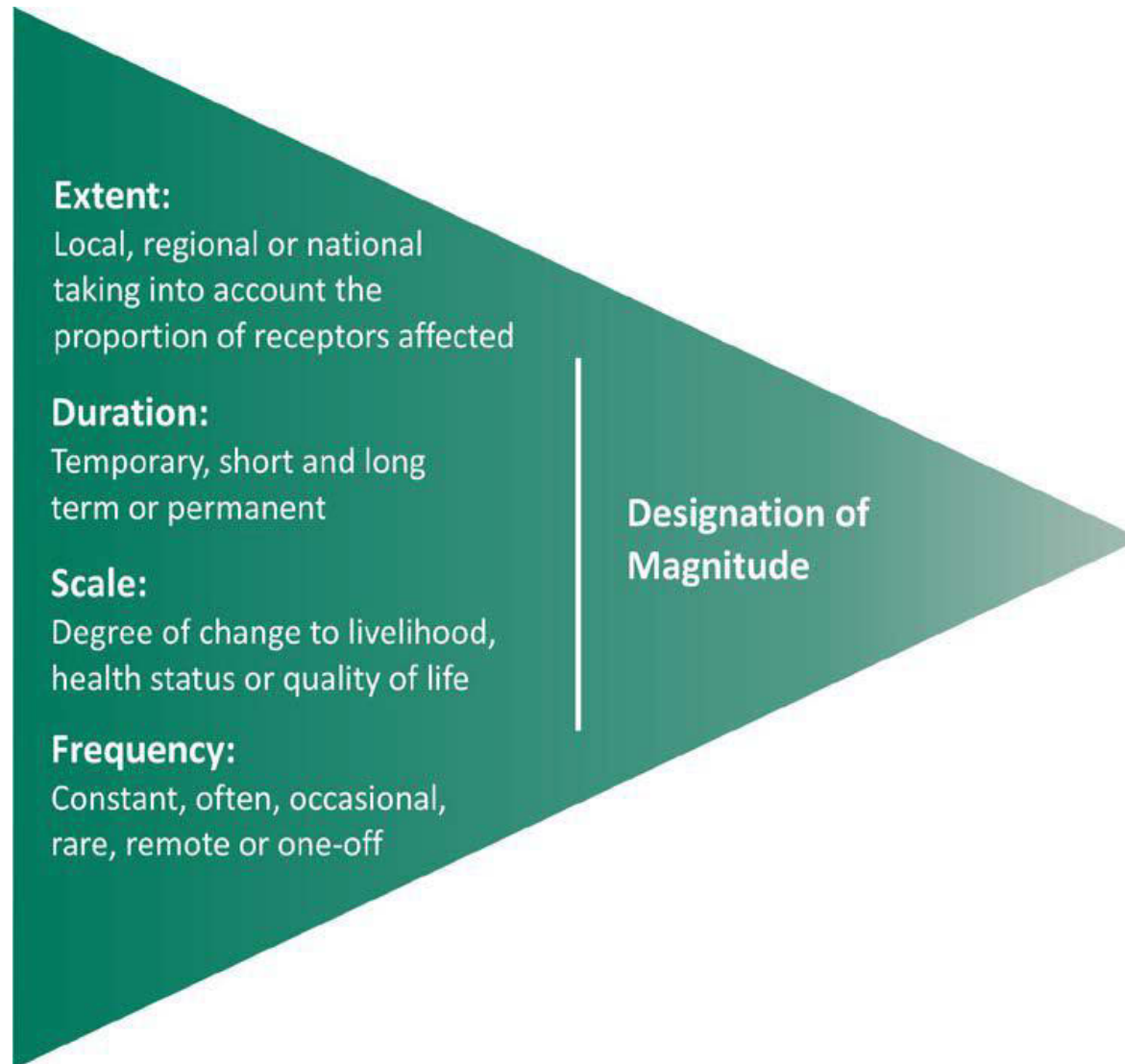
SHOULD

- ✓ Be scaled and fit for purpose.
- ✓ Be updated to reflect current realities
- ✓ Have participation of the affected person
- ✓ Have a broad buy in from authorities
- ✓ Try and understand the links between different social aspects
- ✓ Should be gathered with the final management and monitoring plans in mind

SHOULD NOT

- ✗ Be a dump for a lot of unnecessary information that is not relevant for the nature of impacts to be assessed
- ✗ Not be overly complex and theoretical
- ✗ Not duplicate information that exists.

Assessing Magnitude of Impacts



Looking through the vulnerability Lens

In the social and community health context, *vulnerability* is the accepted term for describing the sensitivity of the receiving environment (i.e., societies, communities and households) that will experience impacts.

A vulnerable individual or group is one that could experience adverse impacts more severely than others, based on his/her vulnerable or disadvantaged status.

Vulnerability is a pre-existing status that is independent of the project under consideration..

Mitigation of Impacts

MUST

- Be practical and implementable
- Be discussed with the affected groups
- Can show quantifiable as well as qualitative outcomes
- Minimize negative impacts and enhance positive impacts

SHOULD

- Fit into the project management systems
- Have clearly defined roles and responsibilities
- Address both immediate and long term impacts
- Involve the affected parties in implementation to the extent possible

SHOULD NOT

- Be actions that are beyond the control or influence of the project
- Aggravate hostilities or conflict by being insensitively conceived
- be unfocussed and confused- without clarity on what needs to be achieved

Stakeholder Engagement

It is broad, inclusive and continuous process between a company and those potentially impacted that encompasses a range of activities and approaches, and spans the entire life cycle of a project or product.

It covers a full range of an organization's efforts to understand and involve stakeholders in its activities and decisions

Stakeholders

Persons or groups who are directly or indirectly affected by a project or a company's activities, as well as those who may have interests in that project/company or have the ability to influence its outcomes- +vely or -vely



Identifying Your Stakeholders

Impact Based- Determine the area of influence and determine who would be directly impacted and who would be indirectly impacted (+, -)

Influence or Interest Based – May not be the most impacted but can create the maximum problems or impact business

Remember that:

- Stakeholder and their interests change over period
- Not all stakeholders in a group or sub-group will necessarily share the same concerns or have unified opinions
- Not all stakeholders need to be engaged at the same levels-
prioritize



Engagement During the ESIA

A four-step process



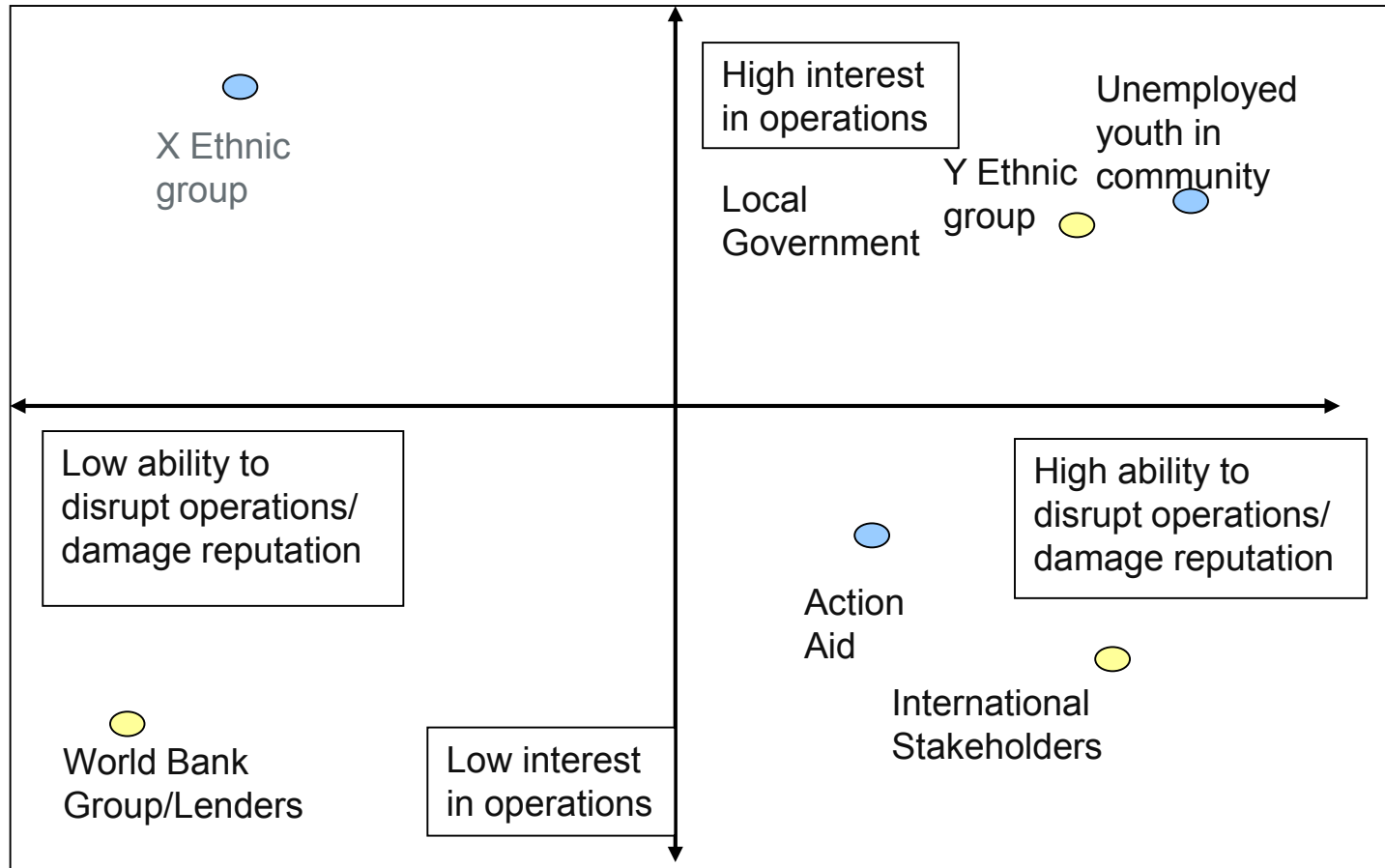
Step 1: Prepare – Identify stakeholders and prepare engagement plan

Step 2: Engage – Provide information about the project, seek input on defining project area of influence, mitigation measures etc – Analyse information and incorporate into project design/execution

Step 3: Inform – Disseminate findings, provide feedback (as appropriate)

Step 4: Review – Update plan and consultation process going forward

Mapping Stakeholders



Typical Issues in O & G and Power



Oil and Gas Sector

- Typically will impact fishing : Loss of fishing areas, obstruction in the movement of fishermen, Impacts on fishing resources impacting the livelihoods of the fishing community
- Livelihood loss and individual entitlements are very difficult to identify and quantify
- Seasonality coverage – have to capture the main fishing months
- Pipelines – linear impacts, many land plots and land owners to be dealt with.

Perception of lots of profits and hence demand for local development and benefit sharing

Community Risks – flares, explosions,



Typical issues in the Power Sector

- Large land area required- land acquisition and resettlement
- Several related components: coal transportation, ash pond, water pipelines, coal washeries,
- Health impacts due to emissions
- Impacts on local water sources
- Water pollution
- Ash pond and related risks – contamination of neighbouring fields
- Influx of outsiders – long construction period
- Transportation of coal – risks to the community





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