



Australian Government

Department of Foreign Affairs and Trade

Environment Protection Policy for the Aid Program



Presenters:



Kate Thelander



Wendy Emerton

CAN YOU HEAR US?

This webinar is through the computer so you don't need to ring up, just check your computer settings to correct the volume. If you still can't hear us then type a message online and we may ask everyone to phone in, but please stay online to view the presentation.



Overall aim of the presentation

Introduce you to ***DFAT's Environment Protection Policy***

Explain DFAT's approach to:

- applying good practice in environmental management in Australia's aid program
- complying with Australian, partner government and international legal obligations
- identifying and screening aid investments for environmental risks

Explain DFAT's obligations and partner responsibilities

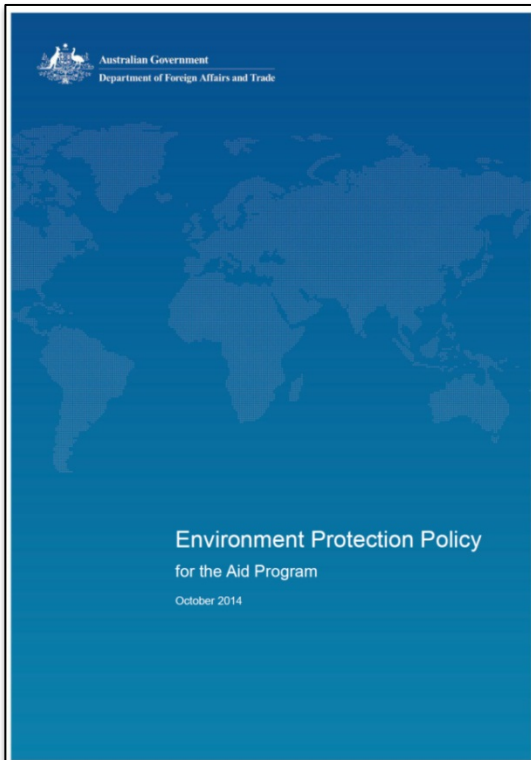
Explain where to get information or assistance





Documents

Environment Protection Policy



Operational Procedures



Operational Procedures for DFAT's Environment Protection Policy

November 2014

Table of Contents

Background.....	2
Purpose of Operational Procedures.....	2
Environment Protection and the Aid Management Cycle	2
Concept Phase	4
1. Screening.....	4
2. Risk Categorisation.....	6
3. Considering the likelihood of a significant impact.....	7
Design Phase.....	9
Referral of projects likely to have significant impacts on the environment	10
Implementation Phase.....	10
DFAT-led Design.....	11
Partner-led Design.....	12
Co-financing with another donor or a multilateral organisation	13
Financing unspecified activities.....	13
Monitoring Compliance.....	14
Where can I get further help?.....	15
General queries.....	15
Contracting external expertise.....	15

Good Practice Notes

Environment Protection Principle 1: do no harm

This Good Practice Note is for DFAT staff, delivery partners and environment specialists involved in delivering Australia's aid program. It is one of a series of notes which explains the principles of the aid program's *Environment Protection Policy* and how they should be addressed. The notes complement the *Operational Procedures of the Environment Protection Policy*. This Good Practice Note should be read in conjunction with the Department of Environment publication: *Actions on or Incidental upon Commonwealth land and waters by Commonwealth agencies significant insect guidelines 1.2*.

1.1 How to conserve biodiversity and keep productive ecosystems healthy

1. Why is it important to preserve biodiversity and ecosystems?

Biodiversity and ecosystems are the engines of all primary production on the planet. Millions of people depend directly or indirectly on healthy, functioning ecosystems for their livelihoods and essential services (food, fibre, fresh air, clean water and energy). Everyone depends on these services indirectly.

Loss of biodiversity and breakdown of ecosystem functions can result in economic, health and social costs, which need to be considered in any development proposal. Managed well, these resources will support sustained economic growth and good living standards for future generations.

2. What are the legal obligations?

All activities implemented under the aid program are subject to a range of environmental laws and [multilateral agreements](#) including:

1. Partner country laws;
2. [The Environment Protection and Biodiversity Conservation Act 1999](#) (EPBC Act);
3. [The Convention on Biological Diversity 1992](#):
 - Under the convention on Biological Diversity, the Contracting Parties, **conscious** of the intrinsic value of biological diversity and of the ecological, genetic, social, economic, scientific, educational, cultural, recreational and aesthetic values, are **determined** to conserve and sustainable use biological diversity for the benefit of present and future generations.
4. [The Convention on Wetlands of International Importance 1971](#) (Ramsar Convention);
5. [The Convention Concerning Protection of World Cultural and Natural Heritage 1972](#); and
6. [The \(Bonn\) Convention on the Conservation of Migratory Species of Wild Animals 1979](#).

To help meet these obligations, the potential impacts of aid activities on the environment, including biodiversity and ecosystems, need to be assessed and managed.

¹ How to conserve biodiversity and keep productive ecosystems healthy



Australia's aid program promotes prosperity, reduces poverty and enhances stability



Building a road between Auki and Malu'u, Solomon Islands (credit: DFAT).



Infrastructure projects in Vietnam are providing access to local markets and improving livelihoods of people living in the Mekong Delta region. Photo: Bui Huy Phuong/TAJ Media





DFAT's mandatory safeguard policies

- Child protection
- Displacement and resettlement
- Environment protection



Children enjoying a clean water connection in Indonesia. Photo: DFAT



Safeguards – what are they?

Policies and practices that:

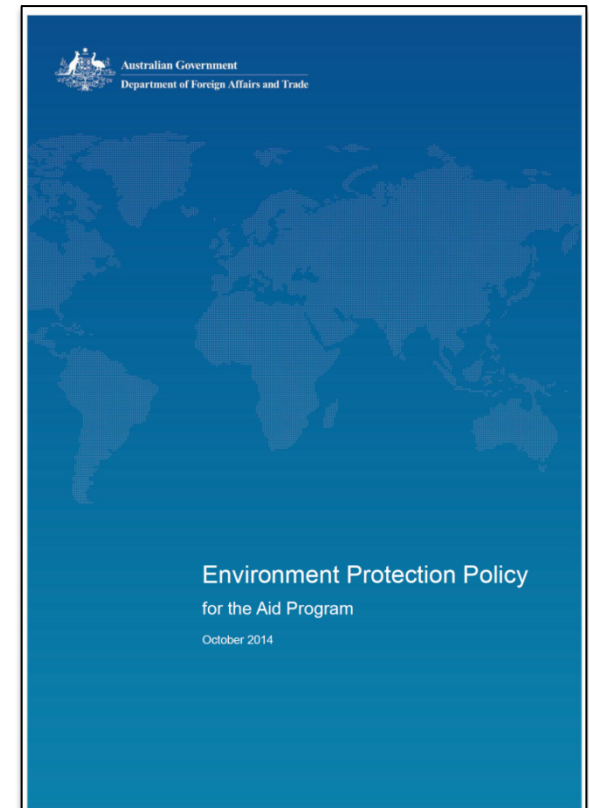
- seek to **avoid, minimise, or mitigate risks** and **adverse impacts** on the environment and people
- integrate sustainable development principles
- balancing economic, social and environmental interests
- originally based on country and international laws





DFAT's Environment Protection Policy for the Aid Program

- Clearer guidance on how to protect the environment
- Harmonised with our investment partners
- Aligned with our partner country environmental laws
- Compliant with the EPBC Act



The Policy applies to all aid investments



Why must we protect the environment?

1. Legal obligation
2. Integral to development and poverty reduction
3. Ensures our investments deliver sustainable results
4. Manage reputational risks



Shallot farmers in East Nusa Tenggara, Indonesia. Photo: DFAT



1. The environment is protected by law

- Partner country laws
- Australia's *Environment Protection and Biodiversity Conservation Act 1999*
- Multilateral environment agreements (MEAs)





Some MEAs to which Australia is a signatory

- Convention on Biological Diversity
- Convention Concerning the Protection of the World Cultural and Natural Heritage
- The Ramsar Convention on Wetlands of International Importance
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- Vienna Convention for the Protection of the Ozone Layer and Montreal Protocol
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)....



2. Environment is integral to development and poverty reduction

Poverty, illness, heavy workloads, poor nutrition stemming from environmental challenges reduces economic growth.

By 2030 emerging economies will need:

- 50% more food
- 45% more energy
- 30% more water





3. Ensures our investments deliver sustainable results

- Integrating environmental considerations into development:
 - improves the long term benefits and sustainability of development outcomes
 - promotes sustainable economic growth
 - promotes equity



4. Reputational Risks

NEWS • ASIA • INDONESIA

Indonesia's Banda Aceh, 10 years on, is clear of tsunami debris, but environmental hazards may remain

Mountains of debris left in Banda Aceh by 2004 disaster are now mostly just a bad memory, but some worry of further environmental damage

Associated Press in Banda Aceh

PUBLISHED : Sunday, 21 December, 2014, 9:47pm
UPDATED : Tuesday, 23 December, 2014, 2:40pm



The grounds of Banda Aceh's Baiturrahman mosque were strewn with debris 10 years ago, but a massive international effort cleaned it up, with some trash used to build roads. Photos: AFP

SHARE

5

Like Share

24

Tweet reddit

0

in Share g+1

0

Comments

Email Print

Boxing Day tsunami: asbestos used in rebuilding effort funded by AusAid

Schools, midwifery academy and more than 90 village halls were built with cancer-causing material despite contract explicitly banning its use



AusAid provided \$36.4m to help the province of Aceh recover from the disaster. Photograph: Roni Bintang/AAP

Dozens of buildings – including schools and local government offices – constructed in Indonesia after the Indian Ocean tsunami with Australian aid money were riddled with asbestos, Guardian Australia can reveal.

AusAid provided \$36.4m for the construction of 170 public buildings as part of its assistance to the province of Aceh after the devastating tsunami of 2004.

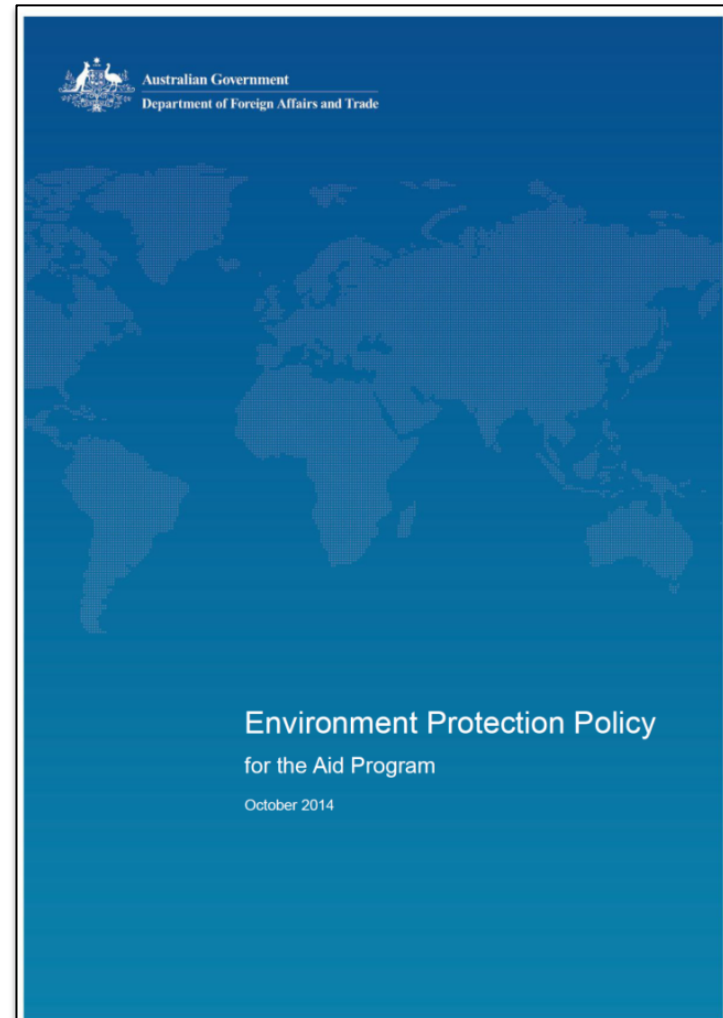
But documents seen by Guardian Australia show the carcinogenic building materials were used in three schools, a midwifery academy, a pharmaceutical warehouse and more than 90 local village halls used by government officials across Aceh.

Construction of the buildings began in April 2005 but it was not until more than two years later, in June 2007, that asbestos was identified in the ceilings, dividing walls and external eaves.



Australian Government
Department of Foreign Affairs and Trade

DFAT's Environment Protection Policy for the Aid Program





Principle 1: Do no harm

- Protect or maintain the health, diversity and productivity of natural habitats
- Protect the health, welfare, and livelihoods of people including women and vulnerable groups
- Apply pollution prevention and control technologies
- Provide safe and healthy working conditions
- Protect and conserve natural and cultural heritage.





Principle 2: assess and manage environmental risks

- Conduct an assessment and undertake due diligence reviews
- Ensure environmental risks are identified early
- Avoid, or where avoidance is not possible, minimise, mitigate, or as a last resort, offset negative environmental impacts



Principle 2: assess and manage environmental risks - cont'd

- Monitor and report
- Conduct strategic environmental assessments of policies, programs, and plans when appropriate
- Seek advice from the Department of the Environment on any activities likely to have a significant environmental impact



Principle 3: disclose information transparently

- Apply international and any relevant Australian Government transparency principles
- Provide important documents on the DFAT website
- Provide information in an accessible form
- Provide a contact point for comments

Australia Indonesia Partnership
Kemitraan Australia Indonesia

SNVT PEMBANGUNAN JALAN DAN JEMBATAN PROPINSI SULAWESI SELATAN

The following works under the Eastern Indonesia National Roads Improvement Project (EINRIP) are funded by a loan from the Australian Government and managed by the Ministry of Public Works (MPW), Directorate General of Highways.

EINRIP PROJECT ESS-04 BULUKUMBA - TONDONG
(Road Length : 20,737 Km, KM Mks 154+000 - Km Mks 174,737)

PROJECT DATA	
Contractor	: PT. BUMI KARSA PT. NINDYA KARYA JO
Contract Amount	: Rp. 95.317.801.184,06
Time for Completion	: 640 days
Commencement Date	: 28/06/2011
Supervision Engineer	: Egis BCEOM

PROGRESS STATUS	(September, 5 th 2013)
Physical Progress	: 29,059 %
Financial Progress	: 2% (29.044.205.200,00)

PUBLIC MEETING (Proposed)

Complaints may be submitted by post, telephone, fax or email to either the MPW Directorate of Planning (PMU) or the MPW Inspectorate General. Anonymous complaints are permitted.

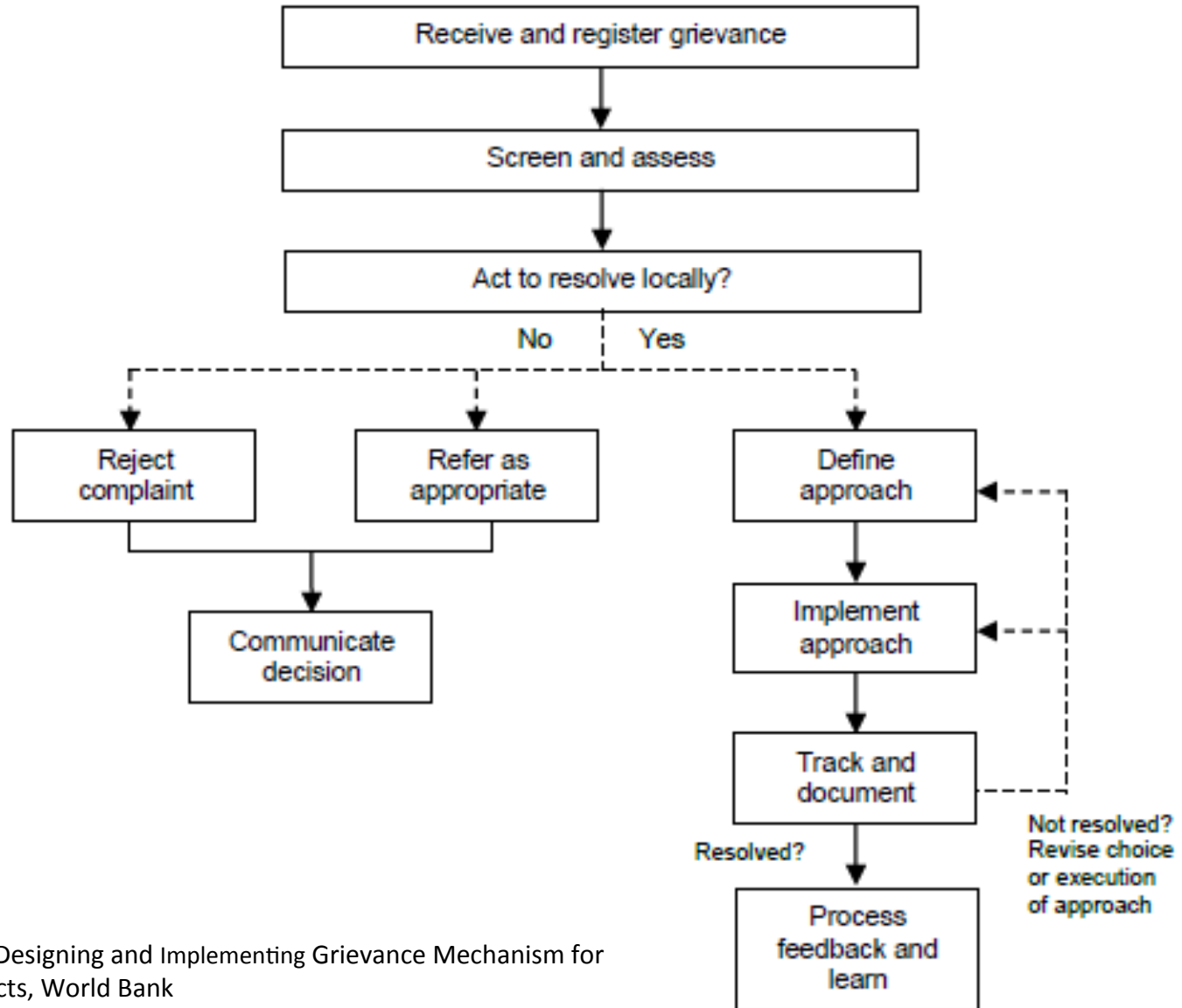
EINRIP PMU Phone/Fax No. : 021-7394631 email : pmu.einrip@yahoo.com
MPW Inspectorate General Phone : 021-7251539 Fax : 021-7397792
Information can be obtained from : EINRIP website : <http://www.pmueinrip-binamarga.com>



Principle 4: consult stakeholders

- Conduct meaningful consultation with affected parties
- Establish a grievance redress mechanism







Principle 4: consult stakeholders - cont'd

You are following good practice if you:

- Begin early
- Adjust to the level of risk
- Engage specialist expertise
- Make information accessible
- Include stakeholders in decision-making
- Build local capacity
- Be socially inclusive
- Provide avenues for complaint and redress



Principle 5: work with partners

Comply with partner government laws, standards and/or policies, MEAs

Where to find out about partner country legal requirements:

- Partner country environment agencies
- Partner country environment staff
- DFAT local staff
- ADB and WDB country environment analysis
- Other donors



Principle 5: work with partners - cont'd

- **Build the capacity** of partners to develop and implement environmental governance frameworks
- **Harmonise with international development partner environmental safeguard policy principles**
 - Consult with and inform partners
 - Conduct due diligence reviews
 - Provide support for our specific compliance requirements



Principle 6: promote improved environmental outcomes

- Improve aid activities by integrating environmental, social and economic considerations
- Promote the principles of ecologically sustainable development (as outlined in the EPBC Act)





Principle 6: You are following good practice if an activity:

- Considers positive environmental outcomes
- Incorporates measures that promote economic development and sustainability
- Includes indicators of positive environmental outcomes in the monitoring and reporting frameworks
- Builds capacity in local environment agencies and civil society groups to identify and foster win wins for economic development and the environment.



Principle 6: Examples of measures that promote economic development and sustainability

- Energy efficiency
- Cost-effective clean energy
- Natural resource use efficiency
- Demand side resource management to reduce waste
- Alternatives to harmful substances
- Technology to maintain and build productivity





BREAK

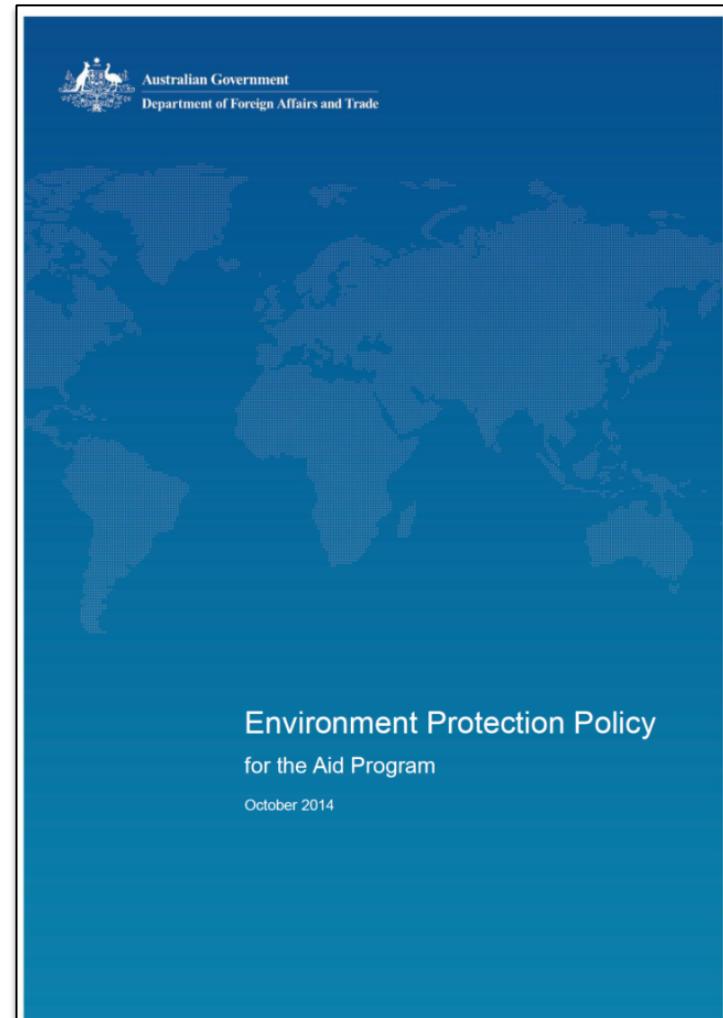


Federated States of Micronesia landscape, July 2011. Photo: Erin Magee / DFAT



Australian Government
Department of Foreign Affairs and Trade

DFAT's Environment Protection Policy for the Aid Program





DFAT's basic obligation under the EPBC Act

*Before a Commonwealth agency or employee of the Commonwealth gives an authorisation (however described) of an **action** described in subsection (2), the agency or employee **must obtain and consider advice from the Minister [for the Environment]***

*.....(a) the entry by the Commonwealth, under Australia's foreign aid program, into a contract, agreement or arrangement for the implementation of a project that has, **will have** or **is likely to have** a **significant impact on the environment** anywhere in the world. [EPBC Act 1999, Section 160(2)]*



The 'Environment' (EPBC Act)

- a. **ecosystems** and their constituent parts, including **people and communities**
- b. natural and physical **resources**
- c. qualities and characteristics of **locations, places and areas**
- d. **heritage values** of places
- e. **social, economic and cultural aspects** of a thing mentioned in a, b, c or d.



What is defined as an **action**?

- a **project**
- a **development**
- an **undertaking**
- an **activity**/ series of activities
- **alteration** to any of the above



Engineers work on the construction of a hanging footbridge as part of an ASEAN disaster response exercise in Sapang Bato, Philippines (credit: DFAT).



Other matters of national environmental significance under the EPBC Act

- [Ramsar Wetlands](#)
- UNESCO [World Heritage sites](#)
- [listed threatened species and ecological communities](#)
- [migratory species](#) protected under international agreements





What is an impact on the environment?

- Any **direct** or **indirect change** to the environment,
- whether negative or positive,
- **wholly or partly resulting** from one or more activities.



What is a 'significant impact' on the environment?

Under the Act, a **significant impact** is one that is **important, notable or of consequence**, depending on:

- the **sensitivity, value** and **quality** of the environment, and
- the **intensity, duration, magnitude** and **geographic extent** of the impact.

www.environment.gov.au/resource/significant-impact-guidelines-12-actions-or-impacting-upon-commonwealth-land-and-actions



What is ‘likely’ under Australian case law

To be likely, a significant impact ***does not*** need to be highly probable, or a greater than 50% chance. It just needs to be:

- ‘probable’
- ‘some possibility’
- ‘prone’

(Australian case law: Booth v Bosworth, 2001)



Remember: be consistent with the precautionary principle and not merely speculative.



DFAT's Environment Protection Policy Operational Procedures



Operational Procedures for DFAT's Environment Protection Policy

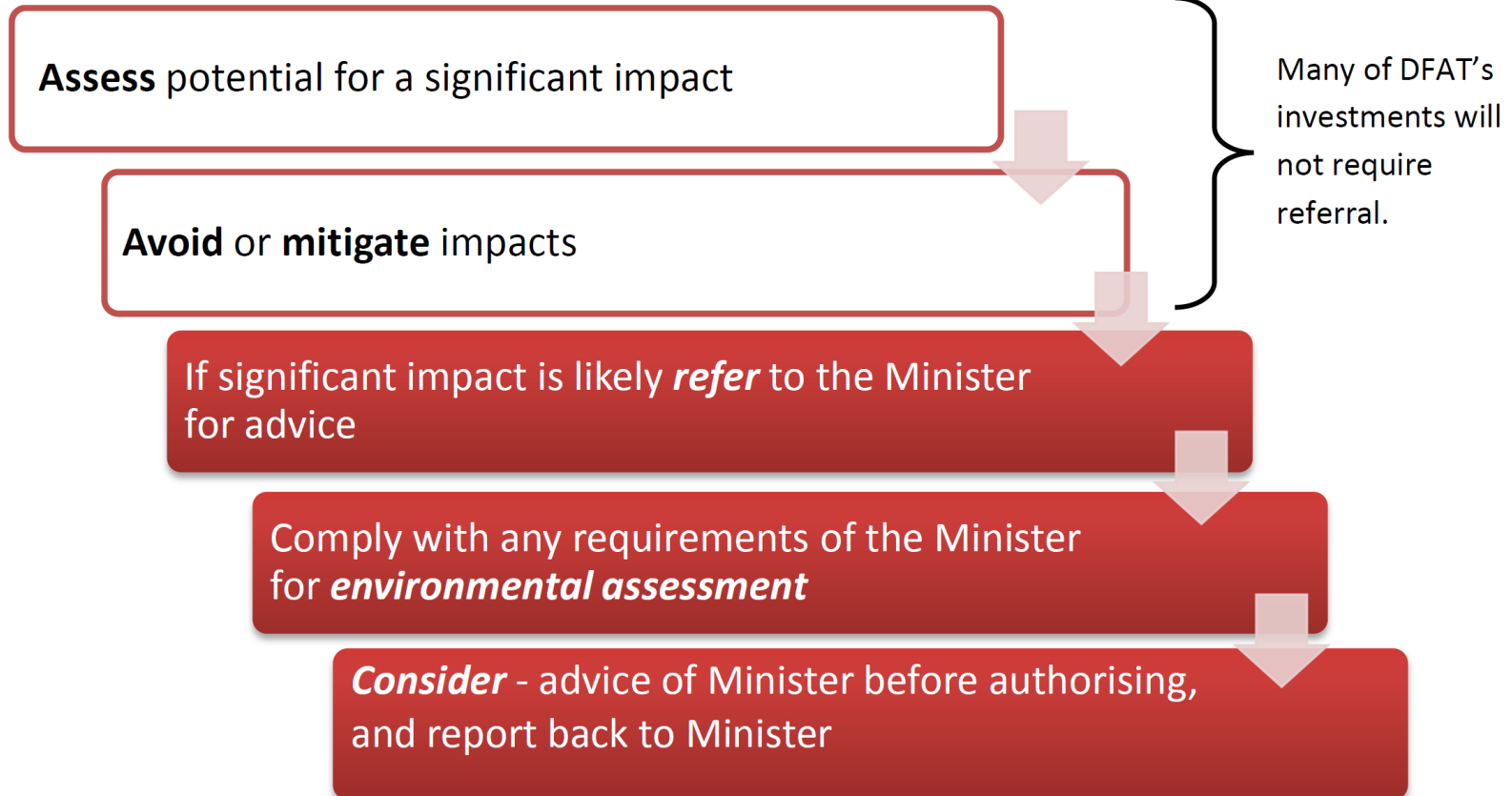
November 2014

Table of Contents

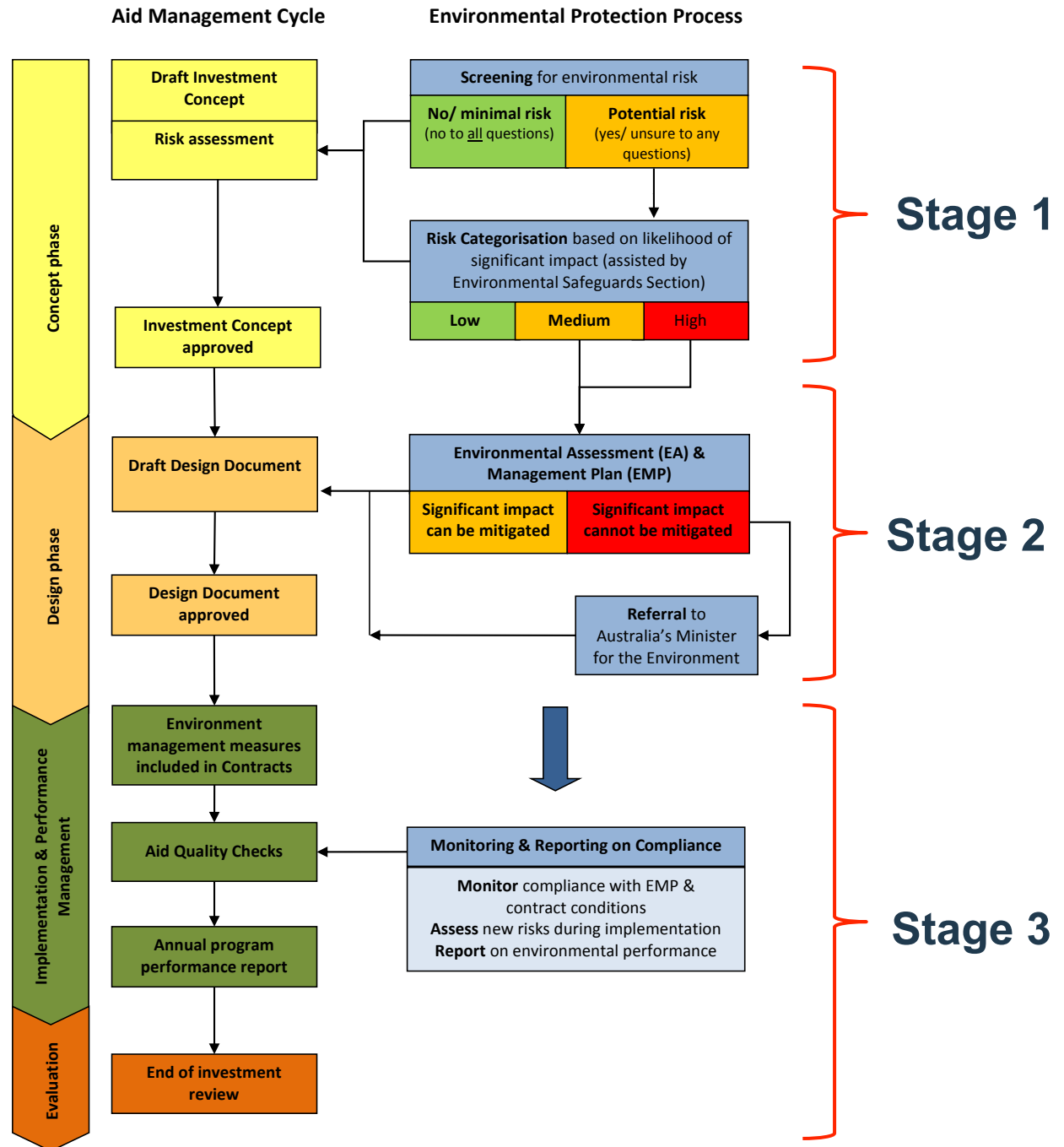
Background.....	2
Purpose of Operational Procedures.....	2
Environment Protection and the Aid Management Cycle	2
Concept Phase	4
1. Screening.....	4
2. Risk Categorisation.....	6
3. Considering the likelihood of a significant impact.....	7
Design Phase.....	9
Referral of projects likely to have significant impacts on the environment	10
Implementation Phase.....	10
DFAT-led Design.....	11
Partner-led Design	12
Co-financing with another donor or a multilateral organisation	13
Financing unspecified activities	13
Monitoring Compliance	14
Where can I get further help?.....	15
General queries	15
Contracting external expertise.....	15



Complying with the EPBC Act



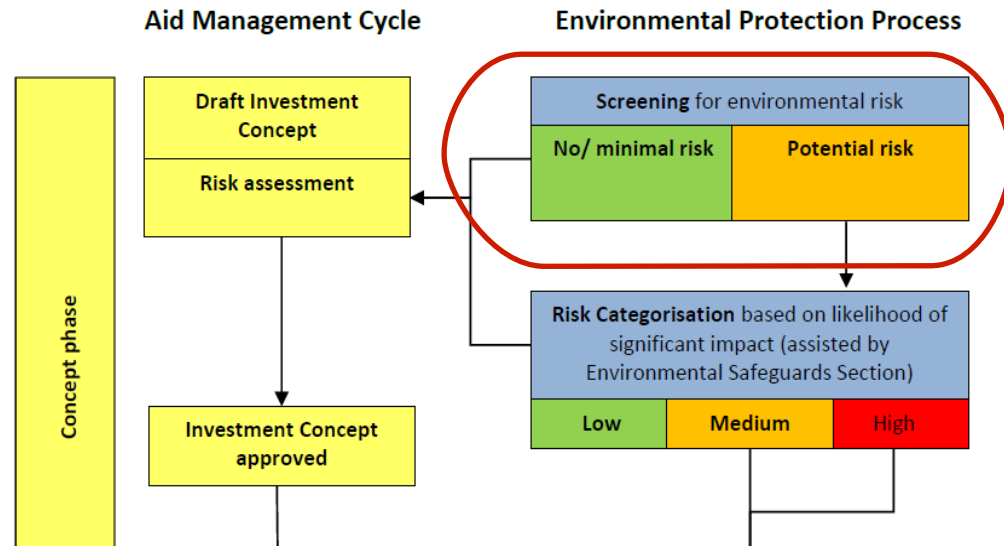
The EPP in the Aid Management Cycle





Screening

- Required for all investments
- usually undertaken during concept uses a set of questions to determine next steps
- Required for compliance with DFAT's environment safeguard



All aid activities must be screened for potential risks.



Environment Safeguard Screening

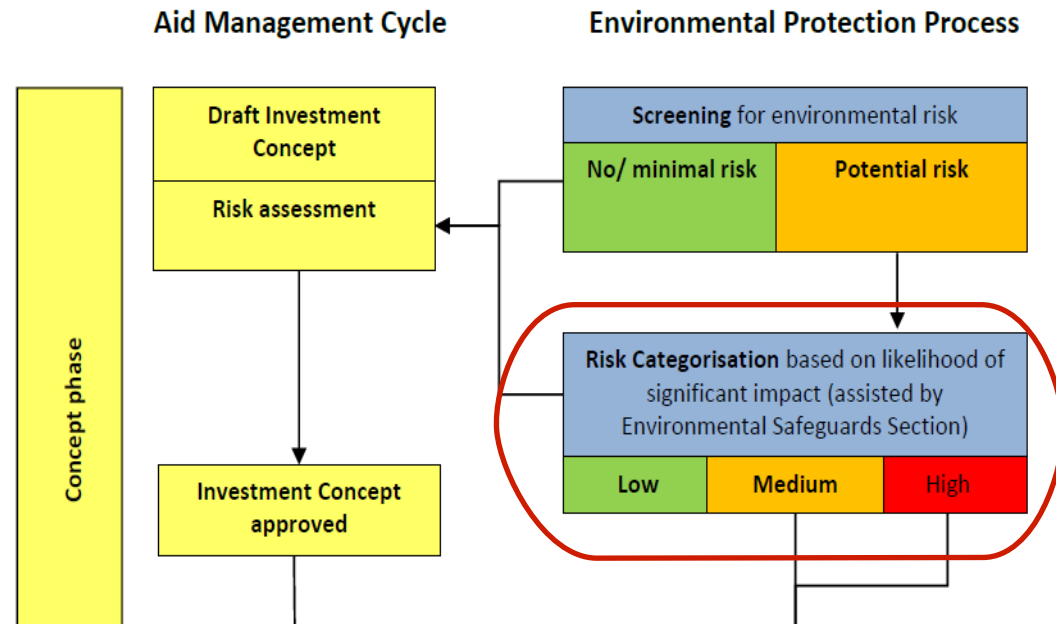
- Required for all investments
- usually undertaken during concept uses a set of questions to determine next steps
- Required for compliance with DFAT's environment safeguard

	Yes	No	Not Sure
Environment			
Q3.1 Will the investment support any of the following: <ul style="list-style-type: none"> • medium to <u>large-scale infrastructure such as roads, bridges, railways, ports, infrastructure for energy generation</u>; or • development of irrigation and drainage, diversion of water; or • land clearing, intensification of land use; or • hazardous materials and wastes; or • activity in mining, energy, forestry, fisheries, water supply, urban development, transport, tourism or manufacturing sectors? 	✔		
Q3.2 Will the investment support any of the following: <ul style="list-style-type: none"> • small to medium scale infrastructure such as localised water supply and/or sanitation infrastructure; irrigation and drainage; rural electrification, rural roads; or • construction/renovation/refurbishment/demolition of any building for example: schools, hospitals or public buildings; or • localised use of natural resources, including small-scale water diversion, agriculture, or other types of land-use change? 		✔	
Q3.3 Will the investment contribute to, directly or indirectly, or facilitate, activities such as those listed above, including through: <ul style="list-style-type: none"> • <u>trust funds, procurement facilities</u>; or • co-financing contributions; or • support for planning, change to regulatory frameworks, technical advice, training or; • applied research? 	✔		
Q3.4 Has an <u>environmental review</u> of the proposed investment already been, or will be completed by an implementing partner or donor?		✔	
Q3.5. Does this investment need to meet any <u>national environmental standards or requirements</u> ?	✔		



Risk categorisation

- Provides preliminary indication of risk for Investment Concept
- Informs whether further analysis is required/ and extent
- informs whether investment needs to be referred





Risk category	Description of risks
Low	Activity is considered to have minimal or no adverse impact on the environment. No further action required apart from routine monitoring
Medium	Activity might have a significant impact on the environment, particularly in the absence of mitigation measures. Impacts are typically local and short-term and are not in environmentally sensitive areas.
High	Activity considered likely to have a significant impact on the environment, even after taking into account mitigation measures. Impacts are typically affect a large or sensitive geographic area or have permanent and long-lasting effects.



DFAT's Environment Protection Policy Good Practice Notes

Environment Protection Principle 1: do no harm

This Good Practice Note is for DFAT staff, delivery partners and environment specialists involved in delivering Australia's aid program. It is one of a **series of notes** which explains the principles of the aid program's [Environment Protection Policy](#) and how they should be addressed. The notes complement the **Operational Procedures** of the Environment Protection Policy. This Good Practice Note should be read in conjunction with the Department of Environment publication: [Actions on or impacting upon Commonwealth land and actions by Commonwealth agencies significant impact guidelines 1.2](#).

1.1 How to conserve biodiversity and keep productive ecosystems healthy

1. Why is it important to preserve biodiversity and ecosystems?

Biodiversity and ecosystems are the engines of all primary production on the planet. Millions of people depend directly or indirectly on healthy, functioning ecosystems for their livelihoods and essential services (food, fibre, fresh air, clean water and energy). Everyone depends on these services indirectly.

Loss of biodiversity and breakdown of ecosystem functions can result in economic, health and social costs, which need to be considered in any development proposal. Managed well, these resources will support sustained economic growth and good living standards for future generations.

2. What are the legal obligations?

All activities implemented under the aid program are subject to a range of environmental laws and [multilateral agreements](#), including:

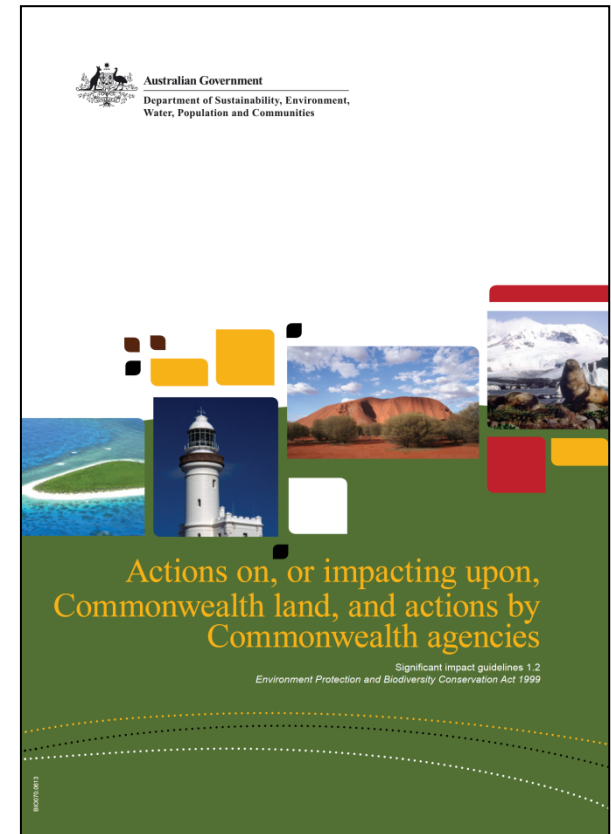
1. Partner country laws;
2. [The Environment Protection and Biodiversity Conservation Act 1999](#) (EPBC Act);
3. [The Convention on Biological Diversity 1992](#):
 - Under the convention on Biological Diversity, the Contracting Parties, **conscious** of the intrinsic value of biological diversity and of the ecological, genetic, social, economic, scientific, educational, cultural, recreational and aesthetic values, are **determined** to conserve and sustainable use biological diversity for the benefit of present and future generations.
4. [The Convention on Wetlands of International Importance 1971](#) (Ramsar Convention);
5. [The Convention Concerning Protection of World Cultural and Natural Heritage 1972](#); and
6. [The \(Bonn\) Convention on the Conservation of Migratory Species of Wild Animals 1979](#).

To help meet these obligations, the potential impacts of aid activities on the environment, including biodiversity and ecosystems, need to be assessed and managed.

¹ How to conserve biodiversity and keep productive ecosystems healthy



Assessing impacts on the environment





Significant impact - Indicative criteria (examples)

Impacts on people and communities

Is there a real chance or possibility that the action will:

- substantially increase demand for, or reduce the availability of, community services or infrastructure which have direct or indirect impacts on the environment, including water supply, power supply, roads, waste disposal, and housing
- affect the health, safety, welfare or quality of life of the members of a community, through factors such as noise, odours, fumes, smoke, or other pollutants
- cause physical dislocation of individuals or communities, or
- substantially change or diminish cultural identity, social organisation or community resources?

Impacts on heritage

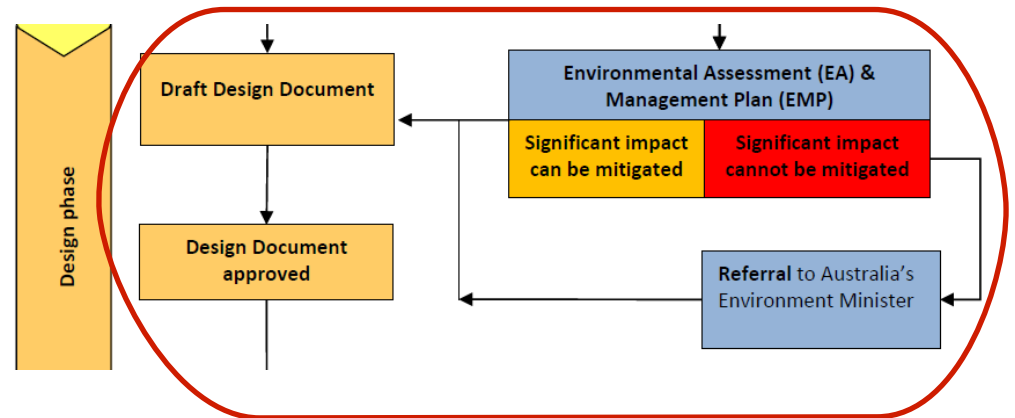
Is there a real chance or possibility that the action will:

- permanently destroy, remove or substantially alter the fabric (physical material including structural elements and other components, fixtures, contents, and objects) of a heritage place
- involve extension, renovation, or substantial alteration of a heritage place in a manner which is inconsistent with the heritage values of the place



Design Phase – key requirements for addressing risks

- Environment assessments commensurate with level of risk
- Environment Management Plans
- Referral, if required





Referral of Actions/investments

- **Contact DFAT**
 - They will assist you with the referral process according to Referral Protocol between DFAT & DOE
- **Notify your DFAT Program Manager**
 - Advice on timelines
- **More information**
 - Review and understand referral Good Practice Note 2.1

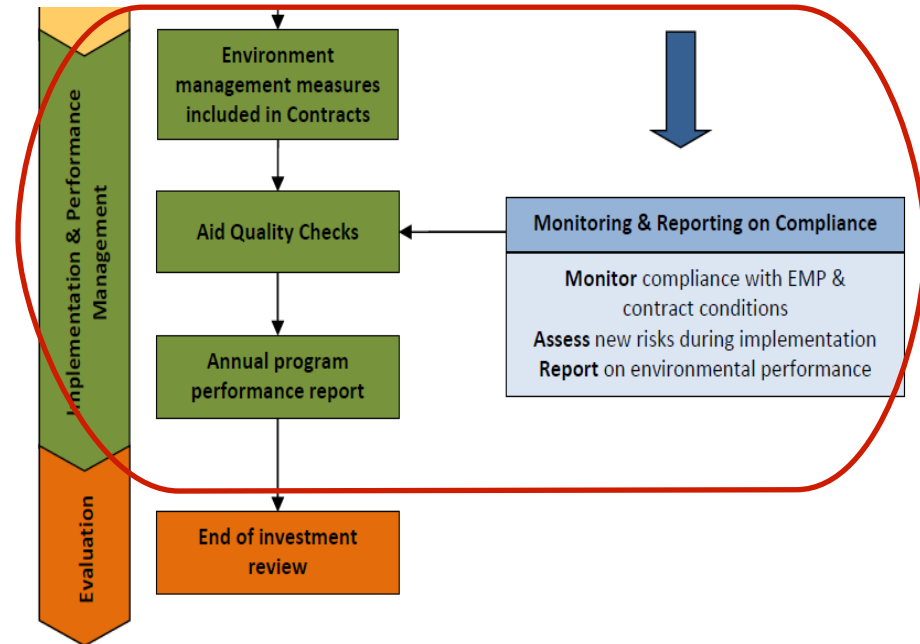




Phase 3 - Implementation

Actions at Implementation:

- Environment Management Plan implementation
- Monitoring & compliance
- Reporting on performance





Mudansa Klimatica iha Ambiente Seguru (MAKA'AS) – Climate change in a secure environment



Water ponds, Timor Leste. Photo: Tom Greenwood/ CARE



Implementation Support

Face-to-face

- Briefings & and training for staff and partners
- Safeguard reviews (existing projects)

Online tools

- Operational Procedures
- Good Practice Notes
- FAQs

Technical assistance

- Environment Hotline
- **+61 2 6178 5555**
- Environment Helpdesk
- environment@dfat.gov.au



Environment Protection Principle 2: assess and manage environmental risks and impacts

Australian Government
Department of Foreign Affairs and Trade

Operational Procedures for DFAT's Environment Protection Policy

November 2014

Table of Contents

Background	1
Purpose of Operational Procedures	2
Environment Protection and the Aid Management Cycle	2
Concept Phase	4
Screening	4
Risk Categorisation	6
Determining the likelihood of a significant impact	7
Design Phase	9
Referral of projects likely to have significant impacts on the environment	10
Implementation Phase	10
DFAT-led Design	11
Partner-led Design	12
Co-financing with another donor or a multilateral organisation	13
Financing unspecified activities	13
Monitoring Compliance	14
Where can I get further help?	15
General queries	15
Contracting external expertise	15

Background

Environment protection is one of the three mandatory safeguards of the Aid Policy (together with child protection and, resettlement and displacement). DFAT's Environment Protection Policy (the Policy) outlines the principles for protecting the environment while delivering development activities. Developing and implementing aid program activities in accordance with these principles will enable aid program officers meet their legal obligations under:

1



Australian Government

Department of Foreign Affairs and Trade

Thank you!

A feedback email will be sent to you after this course.
We would be happy for your suggestions and or improvements.



Government units, NGOs, academics and indigenous communities participate in a mapping workshop to identify threats to the forest and environment ecosystem (credit: DFAT).