SEA for oil and gas development in Southern Africa – is it effective?

Bryony Walmsley
Southern African Institute for Environmental Assessment
Outline

• Key environmental and social issues
• Current interest in offshore oil and gas
• Legislative framework
• Current SEA practice
• What more needs to be done?
Ocean currents are key ecosystem and economic drivers

Warm Agulhas current flows south down East coast of Africa.

Cold Benguela current flows up West coast of Africa.
Social and economic issues

- WIO supports the world’s largest prawn fishery
- Major tuna and pelagic fishing industry
- Tourism:
  - Beach-based
  - Sport fishing
  - Eco-tourism activities
  - Adventure sports
- Diamond mining
- Shipping
- Area includes some of the poorest and most aid-dependent countries in the world e.g. Tanzania, Madagascar and some middle-income countries e.g. South Africa, Seychelles and Mauritius
- Chronic energy poverty in many countries:
  - Hampers economic development
  - Increases aid-dependency
  - Increased reliance on environmentally damaging energy sources such as charcoal and wood
  - Slow uptake of renewable energy solutions
- High HIV prevalence and new infection rates
New infections in 2012 in sub-Saharan Africa

- 4,231 new infections in SSA per day in 2012, 24% of which were in SA.
- 3,170 deaths per day
Petroleum exploration & production
Current oil and gas situation

- Global reliance on oil and gas will continue to drive emerging economies
- Southern Africa is strategically placed and politically relatively stable
- Political support
- Offshore oil and gas
- Onshore: shale gas
- Angola is 3rd largest producer of oil in Africa
- Mozambique is largest producer of natural gas – 4 of the 5 biggest oil and gas discoveries were off the Mozambican coast in 2012
Legal framework

• International laws:
  • UNCLOS and MARPOL provide the legal basis for developing international rules for the prevention of pollution from offshore activities and regarding liability and compensation in the case of accidents
  • No such regime has been established yet
  • Do not provide a comprehensive vision for environmental management and protection
  • No international convention sets standards under which States can issue drilling and production permits

• Regional laws and initiatives:
  • 1996 SADC Protocol on Energy
  • UNEP Seas Programme (1974)
  • 1992 UN-GEF International Waters programme
    • Benguela Current Large Marine Ecosystem  SEA Scoping
  • Abidjan (Atlantic) and Nairobi (Indian Ocean) Conventions
## National SEA requirements

<table>
<thead>
<tr>
<th>Country</th>
<th>SEA required</th>
<th>EMF</th>
<th>EA of PPPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Angola</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Namibia</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Africa</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Mozambique</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tanzania</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mauritius</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seychelles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Madagascar</td>
<td></td>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>
## Current SEA practice

<table>
<thead>
<tr>
<th>Country</th>
<th>SEAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>DRC</td>
<td>None</td>
</tr>
<tr>
<td>Angola</td>
<td>BCLME scoping study</td>
</tr>
<tr>
<td>Namibia</td>
<td>BCLME scoping study</td>
</tr>
<tr>
<td>South Africa</td>
<td>BCLME scoping study</td>
</tr>
<tr>
<td>Mozambique</td>
<td>SEA for coastal development</td>
</tr>
<tr>
<td>Tanzania</td>
<td>SEA of oil and gas sub-sector (ToR 2012)</td>
</tr>
<tr>
<td>Mauritius</td>
<td>?</td>
</tr>
<tr>
<td>Seychelles</td>
<td>None</td>
</tr>
<tr>
<td>Madagascar</td>
<td>None</td>
</tr>
</tbody>
</table>
BCLME SEA scoping

• Initial understanding of drivers, pressures, and response options (basic scenarios)

• Understand relevant strategic frameworks (vision, laws) rapidly assess alignment – i.e. opportunities/ constraints

• Initial public consultation – Identify key I&APs, preliminary understanding of their issues, concerns and expectations

• Identify linkages to be studied in more detail in the SEA

• Identification of possible risks and/or fatal flaws

• Clarify scope of work for SEA (geographic boundaries, time horizons, budget, methodology, reporting, sequencing, etc)

• Identify expertise needed on the SEA Team
Key drivers

- Oil and gas exploration and production
- Seabed mining: diamonds, phosphate?
- Industrialisation
- Coastal mining
- Shipping, ports and trade
- Fishing
- Catchment development
- Coastal towns and resorts
- Coastal and marine tourism
- Mariculture
- Climate change
SEA and SEMP inputs and expected pathways to influence PPP & Projects

BCLME SEA

Various TDAs

Global guidance

Country policies, plans and programmes

Expert and public knowledge

Other SEAs

Other Literature & D-Bases

Knowledge base

BCLME SEMP

Development Node SEMPs / EMPs/mgt plans

Congo/Cabinda

Luanda-Quanza

Walvis-Henties

Saldahna, etc

Conservation Hotspot SEMPs/EMPs/mgt plans

estuaries

islands

Ramsar sites

etc

etc

Sector Guidance

Offshore mining

Ports

Towns

etc
Conclusions

• International, regional and national environmental regulatory frameworks are weak
• Inadequate institutional capacity
• Increased risk of corruption due to scale of revenues – “resource curse”
• Offshore developments cannot be viewed in isolation – there are significant associated downstream developments
• Individual EIAs fail to grasp the “big picture”
• SEA provides decision-makers with a more holistic view of the direct, indirect, cumulative, synergistic and antagonistic effects of developments – *within and across sectors*
• **SEAs are not used enough yet to be effective**
• **Is the scope of a typical SEA too great to be useful?**
Recommendations

• To improve environmental governance:
  • Formulate and implement *international* standards
  • Promote *regional* integration, cooperation and harmonisation of laws and standards
  • Revise/improve *national* environmental legislation to include SEA
  • Scale up SEA capacity building programmes for all role players:
    • Regulatory authorities
    • Consultants
    • R&D institutions
  • Develop sector or area management plans (‘hub’) based on SEAs to:
    • Protect critical habitats and high value conservation areas and important ecosystem services;
    • Establish “no go” areas to protect other economically important sectors and environments;
    • Understand trans-boundary impacts;
    • To promote sustainable development within sector or area (hub)
THANK YOU

www.saiea.com
bwa@saiea.co.za