



Panama Canal Expansion Program Stakeholder Engagement

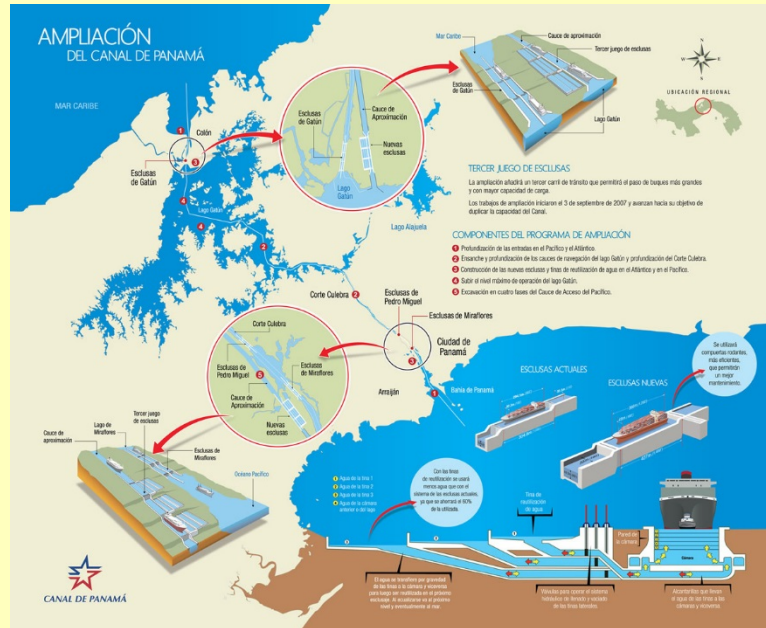
Pilar Clemente Fernández
Senior Environmental Scientist, CEnv

Sustainable Mega-Infrastructure and Impact Assessment
IAIA Special Symposium
Panama City, Panama
1-3 December 2015

Panama Canal Expansion Program

Canal – Inalienable Patrimony of Panamanian Nation

**Yes/No Referendum
(Law 28, 2006)**



TRIBUNAL ELECTORAL DE PANAMÁ REFERÉNDUM
22 DE OCTUBRE DE 2006

¿APRUEBA USTED LA PROPUESTA DE CONSTRUCCIÓN DEL TERCER JUEGO DE ESCLUSAS EN EL CANAL DE PANAMÁ?

PARA USO DOCENTE

SÍ

NO

Environmental & Social Studies (2006-2007)



PB Environmental and Social Studies

- The **Environmental Feasibility Report** (summary of the environmental and social studies performed between 1998 and 2006, the anticipated impacts of the Expansion Program, and the environmental viability of the project)
- A **GAP analysis** (identification of studies required for the completion of the EIA for the Expansion Program)
- An assessment of the **main effects during construction** (transportation network, land and water access, air pollution, noise and vibration)
- An analysis of the selection of the **disposal sites for the dredging** component of the project (their suitability, environmental effects, mitigation and monitoring programs)
- A **sediment sampling program** (provided a characterization of the nature and contaminant levels in sediments at the bottom of the Canal)
- **2 EIAs** for excavation work leveling the Cartagena Hill, and the dredging of the Pacific Approach Channel
- The predicted effects of the expansion on **global GHG emissions** due to changes in worldwide shipping patterns



1. Positive trends taken by ACP towards greater community participation

2. How the stakeholder engagement for the expansion program is being an ongoing process & key tool to ensure a 'social license' to operate

- Identification of best practice
- the role of the ESIA

3. How the Expansion Program has been a great opportunity to truly open the Canal to Panamanians, including open to taxi drivers!

Criteria for effective public participation

Based on UNEP lists of 4 interrelated components of effective public participation (Clark, 1994):

1. Early identification and implication of the **groups/individuals** affected by or interested/involved in the project — affected people and general civil society, institutions and government agencies, the developer, consulting firms.
2. Provision of accurate, understandable, pertinent and timely **information**
3. **Dialogue** between those responsible for the decisions and those affected by them
4. Assimilation of **feedback** from all members of the public

A new direction for Stakeholder Engagement

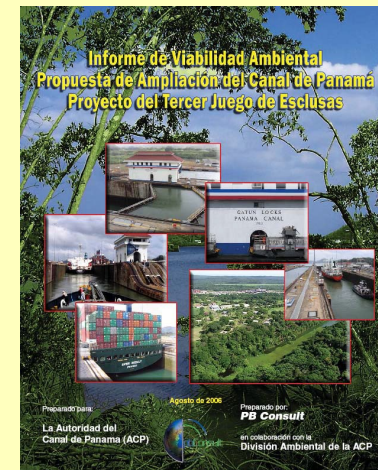
Pre-Referendum time

- Traditional decision-making: administrative discretion with limited public input
- 1998 – 2006, ACP moved toward greater public participation & information disclosure
 - ❖ 1999. ACP adopted internal environmental regulations, including **EIA regulations** for any canal activities
 - ❖ 2006. Another step forward– if people voted in favor of the **Referendum**, the Expansion Programme would comply with the **national EIA legislation** and approval by the Panamanian Environmental Authority (ANAM)
 - ❖ ACP **new** to the national EIA process and related public participation process

Leading up to the Referendum

Pre-Referendum time

- 1998-2006. More than 100 preliminary studies, including **environmental & social studies** for 30 alternatives
- Example of redesigning earlier alternatives to **address social concerns** (flooding of additional areas & physical displacement)
- The final design that was voted on was considered the best alternative and also addressed a major concern of stakeholders
- 5-month process to **disseminate information** to the general public, including dissemination of an Environmental feasibility report
- **First time** Panamanians were allowed to participate in Panama Canal decision-making



Leading up to the Referendum (Cont.)

Pre-Referendum time

- ACP trained 65 official speakers who travelled around the country to talk at meetings, on radio, TV and with the press

'we went all over the country talking about the canal, what it does, what it did then, what it is doing now, and what it could do with the expansion' (ACP CEO Jorge L. Quijano, Feb 2015)

- Reaching the traditionally less participative groups. Events at Indian villages with trained speakers describing & discussing the project along with traditional dances and meals.



Referendum – October 22, 2016

- The vote was in favor with **78% voting yes** to the question

‘Do you approve the proposal for the construction of a Third Set of Locks for the Panama Canal?’

- Demonstrated **national consent** for the project to go forward
- Key outcomes from the Referendum:
 - ❖ An Ad Hoc Committee of Citizens was formed
 - ❖ First time ANAM would approve or reject ESA instruments for canal projects
 - ❖ Other measures implemented as a result of Law 28 (2006): community relations program; public communication program; corporate social responsibility program



Fulfilling National E&S Requirements

Post-Referendum

- *November 2006 - July 2007. 4 ESIA*s for some initial works:
 - ❖ Excavation work leveling the Cartagena Hill, relocation of a roadway and high-voltage transmission line
 - ❖ Dredging of the Pacific Approach Channel
 - ❖ Rehabilitation of UXO T6 site
 - ❖ Road for the yachts' club in Gatun locks
- **Public Participation Plan** for each ESIA undertaken to comply with the national EIA legislation.
- Key for the public participation process as it was the **first time a Canal project** was subject to ANAM EIA legislation
 - ❖ workshops with ACP environmental & engineering teams
 - ❖ training to ANAM staff
 - ❖ site visits to the study area



Fulfilling National E&S Requirements

ESIA for the 'Third Set of Locks' Project (2007)

- A comprehensive **Public Participation Plan** within the ESIA
 - ❖ 680 **surveys** and interviews of interest groups (communities, organizations, and institutions) within the Socioeconomic Study Area
 - ❖ 2 **public consultations forums** held in August 2007 (Panama city and Colon)
 - ❖ **Community Relations Offices** were also established in Panama city and Colon.
 - ❖ Consultations with **38** national & regional organizations and institutions. **Types of organizations:** 4 religious groups, 3 governmental, 10 NGOs, 6 commercial, 5 business associations, 2 professional associations, and 8 labor organizations (*including taxi drivers*)
 - ❖ Results: *'it is most likely that the population will favor rather than oppose the Project's implementation, as was evidence by the Referendum'* (ESIA – Category III)

Public Participation Techniques

During and after the Referendum (2006-2007)

- more than 1,000 participative and informative programmes on television and radio
- nearly 2,100 meetings held in less formal venues, where information could be disseminated directly to approximately 236,000 Panamanians
- a free telephone line that people could call to get answers to their questions about the project. During the time this line was available, from 29 May to 20 October 2007, 21,268 calls were received
- ACP's Web site (www.pancanal.com), which was visited almost 5.2 million times between 25 April and 30 December 2007. More than 1 million messages related to the project were registered
- project e-mail address (ampliación@pancanal.com), from where 4,600 e-mail inquiries were answered
- 18 Information Centers were set up in various cities and towns
- 2 mobile units that visited the provinces of Chiriquí, Herrera, Veraguas, Colón, Darién, Coclé, Los Santos y Panamá
- Approximately 820,000 copies of national newspapers released with information about the project
- Thousands of leaflets, comics (designed for illiterate people), etc. distributed.
- Local access of project documentation (e.g. ESIA, other environmental studies, etc.): the Canal, 16 information centers established by ACP in each of the 9 provinces



ANAM approved the ESIA and Works on the Panama Canal Expansion began on September 2007

Stakeholder Engagement

A year later (2008)

- *'The communication and consultation process on the Canal expansion project are extensive and done in a manner consistent with IFC's Performance Standards'*
- 2007-2008. Some indicators:

- ❖ **34,500 people** visited the 16 ACP information and orientation centers
- ❖ **26,268 phone calls** were registered by the ACP Response Line
- ❖ **10,120 persons** attended the **mobile unit campaign** to disseminate information to rural areas (known as "the canal reaches you" Program)
- ❖ **Over 820,000 copies** of Canal and Canal expansion-related literature distributed
- ❖ Over **3.6 million visitor hits** at the 'www.panacanal.com' site
(information on press communications, the Panama Canal Information Centers, additional information dissemination, or regular publications, such as El Faro, covering canal expansion activities)

(IFC's E&S Review Summary, August 2008)

Other Elements of Stakeholder Engagement

ACP Grievance Mechanism

- **Internal grievance procedure** for its employees and **Code of ethics**
- **A general complaint system with an emergency toll free telephone number** to call and a way to express concerns about on-going operations. Questions or complaints can **also be sent via email** ampliacion@pancanal.com
- Mechanism to report complaints to an **independent inspector**
- **Protocols** established for people living near areas of construction activity, including a **conflict resolution procedures** developed within the ESIA's process

Community Development Projects

- ACP supports a range of **community-based social and environmental development projects**

Conclusions

To be done



Any questions?

