The need for SE(S)A of the Belt and Road Initiative

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Acknowledgement

- **Waheed, Adbul**.; Fischer, T. B. and Khan, I. 2021. Climate change policy coherence across policies, plans and strategies in Pakistan – implications for the China-Pakistan Economic Corridor Plan, *Under review*.
- **Aung, Thiri S**. & Fischer, T. B. 2020. Quality of Environmental Impact Assessment Systems and Economic Growth in Countries Participating in the Belt and Road Initiative, *Impact Assessment and Project Appraisal,*
- **Aung, Thiri S**.; Fischer, T. B. & Luan, S. 2020. Evaluating Environmental Impact Assessment (EIA) in the countries along the Belt and Road Initiatives: System Effectiveness and the Compatibility with the Chinese EIA, *Environmental Impact Assessment Review,* 81: 106361, https://doi.org/10.1016/j.eiar.2019.106361
- **Huang, Yanying**; Fischer, T. B. & Xu, H. 2017. The stakeholder analysis of Chinese Foreign Direct Investment SEA: the case of OBOR in Pakistan, *Impact Assessment and Project Appraisal*, 35(2): 158-171

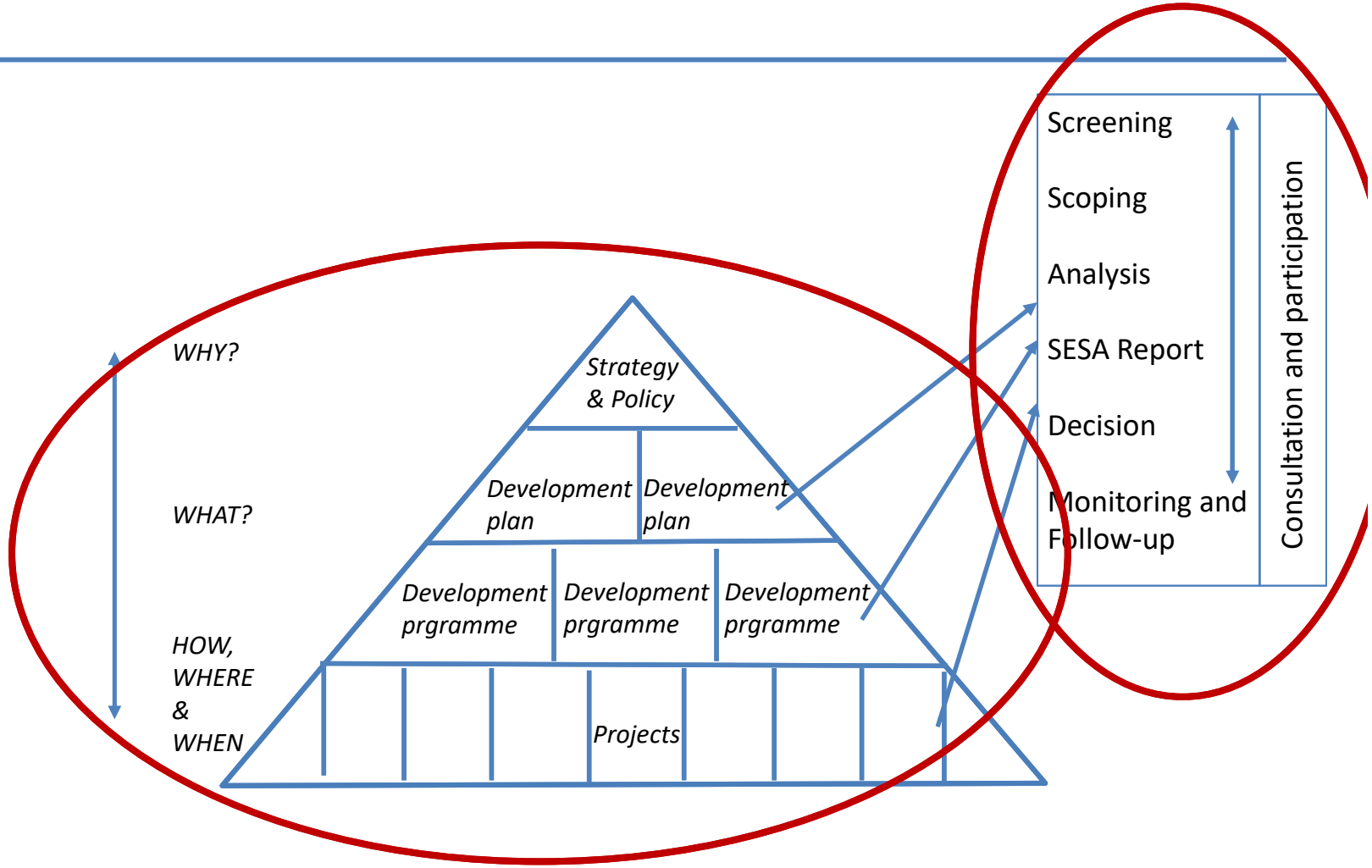
Introduction to BRI and SESA

- *BRI value of over US$8 trillion by 2049 in potentially over 70 countries*

Aung, Thiri S. & Fischer, T. B. 2020. Quality of Environmental Impact Assessment Systems and Economic Growth in Countries Participating in the Belt and Road Initiative, Impact Assessment and Project Appraisal:

- Of 65 BRI countries, formal (legal) provisions for **SE(S)A** were present in 14 countries, including in Asia China, Indonesia, Vietnam, Bhutan; as well as in Europe in Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Lithuania, Poland, Romania, Slovakia and Slovenia (mainly based on the EU SEA Directive and the SEA protocol to the Espoo Convention)
- There were other countries with e.g. SEA guidelines or requirements in regions/provinces, including Pakistan, Laos and Thailand
- **No SESA of the initiative overall**

SESA?


WHY?
WHAT?
HOW, WHERE & WHEN
Strategy & Policy
Development plan
Development plan
Development prgramme
Development prgramme
Development prgramme
Projects
Screening
Scoping
Analysis
SESA Report
Decision
Monitoring and Follow-up
Consultation and participation

Example: Pakistan – some facts…

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Based on Waheed, A; Fischer, T. B. and Khan, I. 2021. Climate change policy coherence across policies, plans and strategies in Pakistan – implications for the China-Pakistan Economic Corridor Plan

- Pakistan is highly vulnerable to climate change (water!) and has very high levels of air pollution
- Pakistan's costs of environmental degradation in 2015 was 9% of GDP equivalent (up from 6% of GDP in 2006).
- Pakistan intends to reduce its expected GHG emissions by up to 20 % by 2030 (requiring investment of about US$ 40B)
- Climate adaptation costs are projected to be US$ 7-14B/annum
- The energy sector is the main contributor to GHG emissions (50%), followed by agriculture (39%), industrial processes (6%) and other activities (5%)

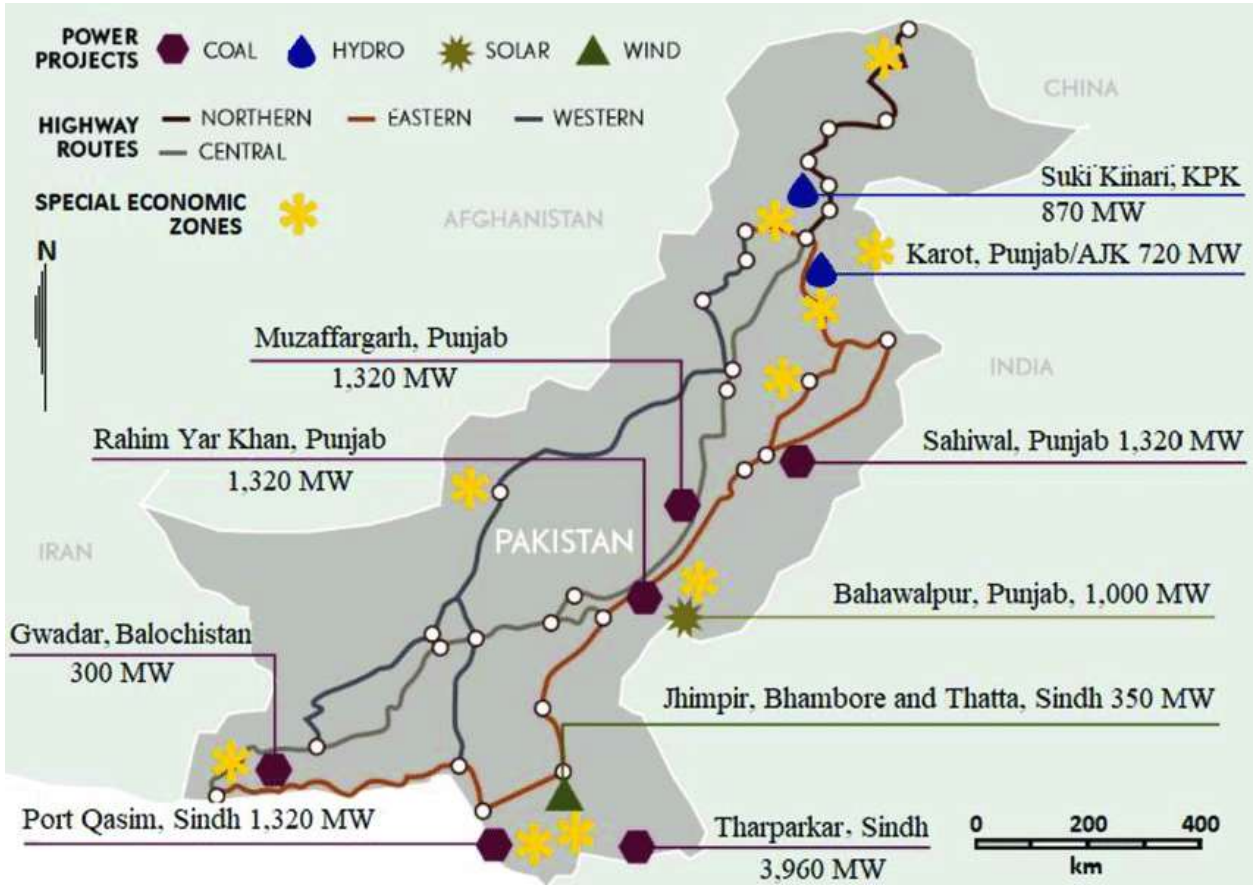
China-Pakistan Economic Corridor

- EIA was made mandatory in 1994 since and there is good EA capacity in Pakistan (supported between 2010 and 2015 through the National Impact Assessment Programme – NIAP; see https://core.ac.uk/download/pdf/80778083.pdf)
- SEA has legal backing and is a formal requirement in Khyber Pakhtunkhwa; there are some requirements in Gilgit-Baltistan
- Pakistan's National Sustainable Development Strategy is based on the three substantive pillars of sustainable development (economic, social and environmental) and sets 17 sustainable development goals with strategic objectives and targets; it commits to integrating CC and the environment into national and provincial sectoral polices, plans and strategies

China-Pakistan Economic Corridor

- A development plan (2017-30) worth US $62B under the BRI (making Pakistan the largest BRI recipient).
- 70% of total investment as Foreign Direct Investment (FDI) to Pakistan
- CPEC's monetary value is greater than the accumulated FDI to Pakistan since 1970
- Main investment will be in energy and infrastructure projects

China-Pakistan Economic Corridor



Major CPEC Projects (Farooqui and Aftab, 2018)

China-Pakistan Economic Corridor

- The government's alternative energy policy (2019) commits to 30% of energy mix being from renewable sources by 2030
- CPEC projects are expected to result in an increase in GHG emission of 371 MTCO2 by the year 2030, which is equivalent to over 23 % of the total projected GHG emissions in Pakistan, up from 405 MTCO2 in 2018
- Most energy projects of CPEC are coal based…
- Northern Pakistan, a gateway to CPEC has highly vulnerable and sensitive ecosystems that are threatened, in particular by CPEC funded highways
- CPEC is expected to lead to a transition from rural to urban economies. Currently, water demands of urban lifestyles are much higher than those of rural settings

China-Pakistan Economic Corridor

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What needs to happen

- Conduct a SESA of the BRI initiative
- Conduct national policy coherence assessment (BRI projects and national policies)
- Conduct SESAs of national implementation plans and programmes
- Enforcement

Thank you!