



Netherlands Commission for
Environmental Assessment

Review of the Initial Environmental Evaluation (IEE) for the land reclamation at Vilufushi Island, Thaa Atol, Maldives

Memorandum by the NCEA

15 April 2005



Draft Advice of the Secretariat

To FMO
Attn Mr. A. van Elteren, Mr. Rodolphe v.d. Berg
CC
From Mr. Reinoud Post (Technical Secretary - Netherlands Commission for Environmental Impact Assessment)
Date 15 April 2005
Subject Review of the Initial Environmental Evaluation (IEE) for the land reclamation at Vilufushi Island, Thaa Atol, Maldives

By: Secretariat of the Netherlands Commission for EIA

Advice 2005-008

1. INTRODUCTION

A dredging Firm has submitted an application for an ORET grant for the dredging & land reclamation works related to a land reclamation project on the tsunami stricken Vilufushi Island at the Thaa atoll in the Maldives. In answer to the Maldives Environmental Legislation, Environmental Dredging Consultancy (EDC) has prepared an Initial Environmental Evaluation.

Seen the urgent need to reestablish Vilufushi's population, that was temporarily evacuated to Guraidhoo Island, ORET supports quick processing of the grant application. However, FMO feels that potential environmental (and social) impacts should be properly addressed and contacted the Commission for advice.

2. FMO'S QUESTIONS

FMO would like to have advice on the following steps required to ensure that environmental and social matters are taken into account satisfactorily. FMO hopes that in the advice the following questions can be answered.

quote

1. The IEE suggests that 'full' EIA is not necessary. Would you agree with that, looking at the Maldivian Guidelines for EIA? Would it not be advisable to execute the proposed elements (survey of existing situation - sensitive areas -, consultation of fishermen, development of management and monitoring plans) in the framework of an EIA procedure, so that it is clear what the consequences are when dredging and construction activities start? Of course such procedure should take into account the urgency of the project.

2. Should the EIA not also look into bathymetry and flow patterns that may change as a result of the dredging of the borrow area, but especially as a result of the enlargement of the island? Are there any risks of erosion at other islands, or erosion of sub-surface sensitive areas? Could there be any influence at the water quality inside the lagoon (altered replenishment)? It appears that this issue is only marginally addressed in the IEE. Would hydrological modelling be required?
3. Should the EIA not also look into the existing situation with respect to (hazardous) waste and other sources of pollution possibly dispersed by the tsunami, and the risk of covering up those pollutions by the reclamation works?
4. What would be the best way to work together with the World Bank Coral Reef Impact Assessment Programme and the World Bank Biodiversity Survey and Recovery Plans?
5. What would be the social impacts of the project? Any risk of disputes with respect to the execution of work by local inhabitants?
6. What would be the optimal timing of the EIA? Would it be feasible to have such EIA done and decided upon before the actual dredging and reclamation starts?

unquote

3. OBSERVATIONS ON THE IEE

The secretariat of the Commission has contacted the Ministry of Environment and Construction (MEC) of the Maldives, asking for a copy of the Environmental Protection and Preservation Act (EPPA, unofficial translation) and a copy of the EIA regulations. The latter not being available in English translation, the MEC has sent us a copy of the guidance document on EIA, stating that this document implicitly and fully addresses the regulation. In the contact, the MEC made clear that it was unaware of the initiative for which the IEE had been prepared and did not have a copy of the IEE.

The secretariat did not dispose of the technical documents underlying the IEE. FMO has indicated it would send the technical documentation ASAP.

The secretariat has also obtained a copy of the post tsunami National Recovery and Reconstruction Plan (NRRP) of the Maldives.

Based on the EPPA, the guidance document and the NRRP as reference documents, the secretariat has the following observations:

- Setting of the initiative: the initiative appears to be part of a broader project of strategic nature: The New Host Islands project. That project foresees:
 - The enlargement of five different islands in the Maldives;
 - Concentration of economic and social infrastructure (port facilities, housing, collective facilities, defence against rise of the sea water level) on these islands in order to make them economically viable and socially attractive;
 - Transmigration of populations of non viable islands (no basis for acceptable livelihood) to the enlarged island.

The secretariat of the Commissions holds the opinion that the initiative proposed to the FMO cannot be judged separately from the broader 'mother initiative'.

- The assumed ‘mother project’ is specifically suited to be formulated in combination with a Strategic Environmental Assessment. It is even not impossible that an SEA has been or is being prepared for this mother project, in which the choice of the islands that will be extended and the environmental, social and economic impacts have been addressed.
- In its request the FMO refers to the EIA guidelines of the Maldives as normative for answering the question whether a full fledged EIA is necessary for this initiative. The secretariat has some doubts whether the entity that submitted the present IEE to the FMO has formally engaged an EIA procedure in the Maldives. The guidance for EIA prescribes that MEC provides specific guidelines for an IEE. The present IEE does neither mention this fact, nor does it reproduce such guidelines. In addition, MEC indicated by telephone that it is not aware of any initiative for Vilufushi. Also, seen the contents of the guidance on EIA, it can safely be assumed that such guidelines would ask for social and economic impacts of the initiative, aspects not addressed in the present IEE.
- In addition to what has been stated in the previous point: according to the EIA guidance, it is not the IEE that concludes whether a full fledged EIA is necessary. The regulation attributes the competence on deciding whether an EIA is necessary to the licensing agency in concurrency with the MEC.
- Answering the possible question whether EIA would be required for this initiative on the basis of the World bank screening guidelines¹, the answer would probably be positive on the following grounds: The island is enlarged to app. four times its original size; the original inhabitants will be confronted with a considerable influx of populations, port facilities and coastal defence works will be established, dredging and land filling will take place in vulnerable coral area’s.
- From the secretariat in Utrecht it is impossible to give a credible answer to the technical questions put forward in the request of the FMO. The secretariat has insufficient technical background data on both the initiative and on the situation on the spot as to feel confident in answering such questions. An expert team site visit must be the basis for establishing guidelines for an EIA, if the government of the Maldives judges an EIA compulsory.
- Timing of an EIA: the guidance on EIA of the Maldives clearly states that the EIA process is engaged after conclusion of the bidding process. This has, however, the inconvenience that possible alterations of the initiative triggered by the EIA, cannot influence the bids. This, in practice, will result in unwillingness to accept any changes to the initiative and will greatly decrease the usefulness of EIA. In the views of the secretariat, EIA should be concluded and have had its influence on decision-making on the

¹ FMO usually applies World bank guidelines for screening, scoping and review of EIA’s

project and its design and implementation methodologies before any works are undertaken.

4. ADVICE

In view of the above, the secretariat advises the FMO:

- To verify with the relevant authorities in the Maldives:
 - who is the proponent of this initiative;
 - whether the initiative is indeed part of the New Host Islands Policy;
 - whether an EIA or SEA has already been done for the initiative or for the formulation of the New Host Islands policy.If an EIA or SEA has already been done, that EIA or SEA can be taken into consideration in judging the need to do also an EIA for the activity as proposed in the IEE.
- To verify with the entity that submitted the IEE whether this entity has formally engaged an EIA in the Maldives.

Depending on above verifications, two situations may prove to exist:

1. The entity that has submitted the IEE to the FMO has engaged a formal EIA in the Maldives, (but not included the specific guidelines in the IEE and not yet submitted the IEE to the MEC and the licensing agency for appraisal:
 - The secretariat advises to propose the entity that submitted the IEE to the FMO to also submit the IEE to the MEC and the licensing agency for appraisal and decision making on the need for full fledged EIA. If this initiative is part of a broader 'mother project' and an SEA for the mother project has been, or is being prepared, MEC and the licensing agency can take the fact into account in judging the need for an EIA for this initiative.
 2. No formal EIA process has been engaged:
 - The secretariat advises to consult the MEC and the licensing agency on its views with regard to the need to do full fledged EIA for this initiative. If this initiative is part of a broader 'mother project' and an SEA for the mother project has been, or is being prepared, this can be taken into account in judging the need for an EIA for this initiative.
- If FMO would like to apply World Bank standards for screening the need of full fledged EIA for making available ORET funding for this project, the secretariat advises to field an expert mission to perform that screening (and, in case of the need to do EIA, scoping).

Such screening should not neglect the visions of the licensing agency and the MEC. Therefore, the secretariat advises the proposed mission to hold consultations as mentioned under point 1 or 2.

- If full EIA is found to be compulsory and the proposed activity is part of a New Host Islands project and an EIA or SEA has not been done for that broader project, the mission could discuss with the competent authorities the relevance and use of going through an SEA that would cover all elements of the project.
- To visit the World Bank office in Male and collect information on possible World Bank initiatives in order to promote coherence and coordination.