



**GUIDELINES ON POLICY ANALYSIS FOR INTEGRATED ENVIRONMENTAL  
ASSESSMENT AND REPORTING**

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**October 2004**

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AEO

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**List of acronyms**

AEO	African Environment Outlook
AMCEN	African Ministerial Conference on Environment
AU	African Union
CBD	Convention on Biological Diversity
CCP	Company-Community Partnerships
CSR	Corporate Social Responsibility
DPSIR	Driving Force, Pressures, State, Impact, Response
EAC	East African Community
ECOWAS	Economic Community of West African States
EIA	Environmental Impact Assessment
GMO	Genetically Modified Organisms
IOC	Indian Ocean Commission
MDGs	Millennium Development Goals
MEA	Multilateral Environmental Agreements
NEPAD	New Partnership for Africa's Development
NEO	National Environment Outlook
RVF	Rift Valley Fever
SADC	Southern African Development Community
SEA	Strategic Environmental Assessment
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
WEHAB	Water, Energy, Health, Agriculture, Biodiversity
WSSD	World Summit on Sustainable Development

The logo for the African Environment Outlook (AEO) is located in the lower right quadrant of the page. It consists of a light green map of the African continent centered on a white background. A large, thin purple oval encircles the map. The letters 'AEO' are printed in a large, purple, serif font across the right side of the oval, partially overlapping the map.

## Acknowledgements

Special gratitude is extended to Munyaradzi Chenje and Charles Sebukeyera of UNEP's Division of Early Warning and Assessment (DEWA) for the productive discussions and the true spirit of partnership that enabled us to make this modest contribution to the AEO process. Our efforts would have been in vain had it not been for the excellent cooperation we received from the stakeholders whom we consulted in the countries where we conducted field missions in preparation for the Guidelines. Similarly, we are grateful to the AEO practitioners from the 13 Pilot Countries for the African Environmental Information Network who together with UNEP and IGAD colleagues provided us with very constructive feedback on the Guidelines during the validation workshop in Nairobi. In the same vein, we would like to extend gratitude to Edwin Mitchell and Laurent Rudasingwa in UNDP Rwanda for the valuable feedback on the draft Guidelines. Participants in the sub-regional AEO training workshops also provided useful comments of the practicality of applying some of the worksheets, Tables and matrices in the Guidelines. The errors of omission and commission are solely ours.



## Chapter 1: Introduction

### 1.1 Background.

Africa remains challenged by environmental degradation, increasing social and economic inequality, the impact of globalization and environmental changes, especially climate change. In order to deal effectively with these challenges, Africa needs to confront the underlying causes and manage the inter-relationships between these challenges particularly those between environmental degradation, poverty and governance. Knowledge of these issues should guide the production and application of information to the integration of environmental considerations in the mainstream of national, sub-regional and regional decision-making.

That was the context within which African Ministerial Conference on Environment (AMCEN) was established in 1985 as the supreme continental forum to authoritatively articulate the perspectives on Africa's environment and its place in the global arena. AMCEN continues to tackle the issues of harmonizing sub-regional and regional environmental concerns to ensure that they receive adequate attention at these levels; translating global environmental concerns into practical, feasible and achievable programmes of action at national, sub-regional and regional levels; promoting AMCEN within the framework of new and emerging issues at regional and global levels; enhancing its advocacy role in the new global economic order and, in particular, voicing Africa's concerns in the inter-governmental organizations that are progressively placing environmental considerations very high in their decision-making processes; and ensuring that environmental concerns receive priority attention in national development processes.

A milestone in this regard was AMCEN's decision at the July 2002 session in Kampala, Uganda, to adopt the Africa Environment Outlook (AEO) reporting mechanism as a means of enabling AMCEN to periodically take stock of its policy performance and effectiveness, look into the future and adopt necessary policy options for consideration at the national, sub-regional and regional levels. The AEO, therefore, is AMCEN's policy and advocacy tool for promoting sustainable development through championing strategic conservation and sustainable use of natural resources and the enhancement of adaptive capacity to ameliorate the impact of environmental and macro-economic changes on the livelihoods of the people of Africa.

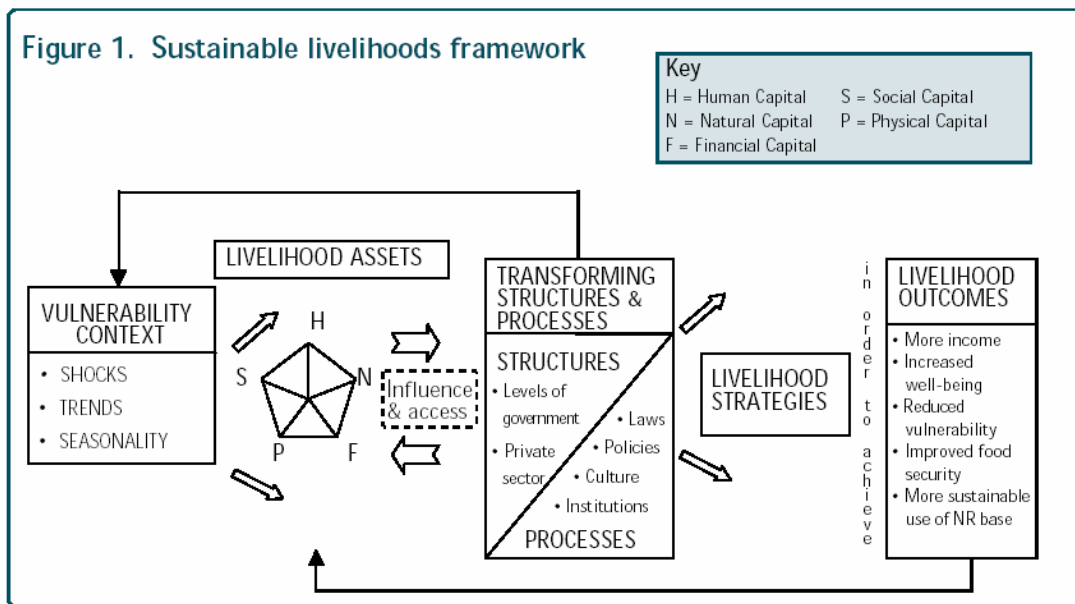
The second cycle of the AEO process (hereafter referred to as AEO2), builds upon Agenda 21 to focus on sustainable livelihoods with the view to illustrating how Africa's environmental resources can be used to support national development and people's livelihoods; and hence the need for adequate investment in sustainable use and management of the natural capital. It is in this light that AEO2 pays particular attention to adding value to available environmental resources; promoting efficient utilization of available resources in order to enable Africa reap the maximum benefits from them; mitigating the negative constraints to resource-use; maximizing the total value of

Africa’s natural asset; and safeguarding the remaining natural asset and improving upon them in order to promote both people’s livelihoods and national development.

AEO2 combines the focus on sustainable livelihoods with that on integrated approach to assessment and reporting. It strategically couples the provision of evidence-based (science-driven) environmental information with environmental policy making. Combining the integrated assessment framework with the sustainable livelihoods one enables the assessment and reporting process to deal with the interplay between economic, social and environmental dimensions of sustainable development, drawing upon both local knowledge and modern science, while factoring in the influences of domestic and external policies. Figure 1 below illustrates the sustainable livelihoods frame work that informs the AEO process. The framework presents the main factors that affect people’s livelihoods and the typical relationships between them.

The framework enables the AEO assessment process to be alert to the vulnerabilities and the impacts of structures (e.g. laws and policies) on people’s livelihood strategies in managing available assets to meet the basic livelihood needs. It also directs attention on the likely challenges in seizing opportunities to enable environment make substantial contributions to both national development and people’s livelihoods.

**Figure 1: Sustainable Livelihoods Framework**



Source: DFID (1999) Framework. Sustainable Livelihoods Guidance Sheets. London: DFID.

## **1.2 The purpose of these guidelines**

The primary purpose of these guidelines is to assist those involved in the production of the AEO to deal adequately with policy issues that are pertinent to enabling Africa use its natural asset effectively in promoting sustainable development and livelihoods. The secondary purpose of the guidelines is to assist the environmental and other development agencies at the national and sub-regional levels with the task of integrating environment into policies and programmes.

## **1.3 Process of developing the guidelines and status**

Six main steps were followed in developing the guidelines. First, meetings were held with the UNEP staff backstopping the AEO process to agree on the nature of the Guidelines. Second, a desk review was undertaken to identify the main issues and perspectives to consider. Third, field missions were conducted in Uganda, Mauritius, Zambia and Ghana where stakeholder consultations enabled the refinement of the list of issues and the formatting of the Guidelines. Fourth, the draft guidelines were produced and subjected to some peer review. Fifth, the draft was presented to AEO practitioners at a validation workshop. And sixth, the draft was revised, taking due account of comments received from both the peers and the practitioners. This revised version, nonetheless, does not purport to have any mandatory force in the AEO process as yet. Its successful application during AEO2 will determine its future application for the AEO and the National Environment Outlook (NEO) processes.

## **1.4 Target audience**

The primary audience for these guidelines are the practitioners at the national and sub-regional levels involved in the AEO process who have expressed the need for guidance to enable them strengthen policy analysis in the AEO assessment and reporting process. It is assumed that this primary audience can bring its considerable experience in issues of environmental management at the national, sub-regional and regional levels to bear on the application of the Guidelines. A secondary audience are the development and policy practitioners interested in integrating environment with development.

## **1.5 Using the guidelines**

### **1.5.1 Organization of the guidelines**

The guidelines are organized in 6 Chapters. Chapter 1 introduces the guidelines. Chapter 2 deals with the key concepts contained in the guidelines, with some examples of how they are applied. Chapter 3 deals with principles that underpin the application of the guidelines to enable a more systematic and adequate integrated assessment of policy issues in the AEO. Chapter 4 provides guidance on how to discern policy issues in the chapters preceding that on policy responses, including the application of Strategic Environmental Assessment (SEA) to the review of policies, plans and programmes. Chapter 5 provides guidance on how the policy issues and questions raised in the first four chapters of the AEO2 can be elaborated and synthesized into policy responses and actions, within a coupled information-policy framework, to contribute to AMCEN's

fulfilment of its policy dialogue and advocacy mandate. Chapter 6 provides the summary, conclusion and recommendations.

### **1.5.2 Complementary tools**

Those applying the guidelines can benefit from information in two separate documents that accompany these guidelines. These are the literature review on integrated policy analysis<sup>1</sup> and the case studies on Uganda and Kenya that document the performance of the water and forest sector policies<sup>2</sup>. Lessons learnt from the Kenyan and Ugandan case studies are expected to enlighten the review of the performance of environmental policies in the other AMCEN member countries. A Handbook on Policy Analysis for Integrated Environmental Assessment and Reporting that is to be produced to accompany the guidelines will facilitate the application of the guidelines.

### **1.5.3 Work tables**

The guidelines provide work tables that enable users to structure retrospective and proactive reviews of environmental and non-environmental policies that impact on sustainable development and livelihoods at the national, sub-regional and regional levels. Two of the tables, for instance, enable users to deliberate on the positive and negative impacts of various policies on the utilization of the natural asset and on people's livelihoods, indicating those who benefit and those who lose from the implementation of the policies.

### **1.5.4 Summary sheets**

It is essential that users of the guidelines generate and maintain summary sheets as they discern policy-related issues and questions in the course of developing the chapters on people and livelihoods, the state of environment and opportunities for development, emerging issues, and the outlook. The information in these summary sheets is the building block for the chapter on policy responses and actions that should logically follow from the assessments and analyses in the preceding chapters.

### **1.5.5 Guidance and use of text boxes**

Specific guidance is provided in various sections of guidelines to enable users to focus on pertinent policy questions and policy issues in the AEO assessment and reporting process. Practical steps in effective the guidance will be elaborated in the aforementioned Handbook.

### **1.5.6 Use of text boxes**

The guidelines recommend that users adopt the practice of developing text boxes to illustrate lessons learnt and good practices that emerge from the policy analysis.

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<sup>1</sup> Joseph Opio-Odongo (2004) "Environmental Policy Process and Analysis: Literature Review." Report on the desk review in preparation for the field missions and drafting of the Guidelines.

<sup>2</sup> Telly Muramira (2004) "Review of the Forest and Water Policies in Uganda." Case Study presented at the Regional Workshop on Policy Analysis for Integrated Environmental Assessment. Nairobi 8-10 June 2004; Benson Ochieng "Review of the Forest and Water Policies in Kenya." Case Study presented at the Regional Workshop on Policy Analysis for Integrated Environmental Assessment. Nairobi 8-10 June 2004

## Chapter 2: Concepts and examples of application

The primary purpose of this chapter is to provide a common vocabulary for purposes of ensuring more effective communication during the AEO assessment and reporting process. A secondary purpose is to illustrate the application of the concepts in discerning policy issues and questions at the various stages of the assessment process.

### 2.1 Policies

These are decisions taken by those with the mandate to do so on particular issues or resources, with indications of the strategies and means of implementing the decisions. Those decisions usually are expressed in official statements and codified in formal documents. They are executed by the relevant arm (s) of government bureaucracy that bears the mandate.<sup>3</sup>

Note that there are instances where policies are neither enunciated formally nor codified in formal documents, but can be inferred from the manner in which public officials conduct business, for instance, the business of protecting and managing the environment and natural resources.

### 2.2 Policy context

Circumstances that prompt and mould policy formulation and pronouncement can vary between countries and over time. They constitute the policy context. The context is either urgent or reactive when the policy maker is prompted to take policy actions outside the normal or routine policy-making process, such as would be the case when an environmental emergency occurs. The context is routine when the policy is made as a matter of course following laid-down procedures, which may include extensive consultations with stakeholders. It can also be considered to fall in the grey zone when the situation prompting policy-making is neither urgent nor routine. Grey contexts are usually associated with high-profile policies. The policy context is also fluid because of the dynamisms of the domestic and global economic and environmental situations.

#### Guidance 1

***During the assessment, an understanding of the policy context can shed light on (a) some slippages that occur in the effort to ensure that policy-making is evidence based; and (b) policy implementation difficulties and the undesirable policy outcomes. An illustration of the impact of the context on the nature and outcomes of policies can be highlighted in a text box.***

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<sup>3</sup> James Keeley and Ian Scoones (2003) *Understanding Environmental Policy Processes: Cases from Africa*. London, Earthscan.

## 2.3 Policy tools

These are policy makers' instruments in evoking desired changes in the behaviour of resource-users, consumers, industrialists, traders, and so on. The tools can reflect policy makers' "world views" on development. Examples of these include:

**Incentives:** These are behaviour-moulding actions of government that serve as either carrots (e.g. subsidies) or sticks (e.g. taxes and penalties) applied to evoke policy compliance. Although under quite reasonable conditions different incentives can produce the same desirable outcomes, the distributional effects of those outcomes can be different. For example, a *tax on pollution* and a *subsidy to reduce pollution* may result in the same final pollution level, yet polluters will be better off with the subsidy and may lose from the tax. This situation is illustrated using the hypothetical example in Table 1 below.

**Table 1: Illustrating application of incentives as a policy tool**

Lbs of coal	Value of energy (US \$)	Value per pound of coal (US\$)	Damage from pollution (US\$)	Pollution damage per unit of coal (US\$)	Social surplus (US\$)
1	15	15	10	10	05
2	30	15	20	10	05
6	66	11	30	05	06
10	100	10	50	05	05

Source: Adapted from UNDP Draft VDA Training Module on Environment.

In Table1, both the damage from pollution arising from burning coal and the value of energy associated with it are measured in US dollars to quantify the impact of home-heating with coal on human and environmental health. If the policy intent is the maximization of the benefit per pound of coal consumption minus the pollution damage per unit of coal, that outcome occurs when a 6-pound package of coal is consumed. This is because the resultant social surplus (6) is greater than that from any of the other amounts of coal used for home heating. However, left to their own volition, consumers are likely to opt for the 10 pound-packages of coal, since that is beneficial to them if they choose to ignore the attendant pollution damage.

If the government desires to encourage the consumption of the 6-pound package of coal, it must set a per-pound tax that matches the average damage from pollution. That tax is US\$ 5 per pound for 10 pounds of coal, 5 for 6 pounds, 10 for 2 pounds and 10 for 1 pound (see column 5). The rationale is to force consumers to pay for the cost of pollution that their consumption produces. If the consumers do comply with the use of 6-pound package, the tax revenue to government is US\$ 30 per consumer.

The same outcome can also be achieved through a subsidy. In this case the government has to subsidize producers by paying them enough to make it worth their while not to provide the 10-pound package of coal. This, of course, is only possible if no

other costs are incurred by producers in providing the preferred package. What the producer receives is, therefore, the value of the product. Inevitably, government has to transfer US\$ 34 to subsidize each producer<sup>4</sup> in order to motivate the supply of the 6-pound package of coal instead of the 10-pound one.

The distributional effects of the tax and subsidy options are, of course, different. In the producer subsidy, coal miners gain and the government loses tax revenue. In the tax case, the government gains revenue but consumers are hurt.

Direct controls. These entail policy makers ordering members of society to conduct certain activities in fulfilment of the policy objectives. Examples include: (a) establishing target levels that have to be complied with and dictating certain activities that must be performed; and (b) establishing targets that must be adhered to by certain categories of people, e.g. threshold levels of pollution by manufacturers.

Curiously, although pollution taxes are usually considered to be more efficient tools, most environmental legislations tend to use direct controls. Producers, indeed, prefer direct controls that enable them to make more profits. They find themselves in a market advantage when government mandates that they reduce production in order to minimize pollution. The advantage to them is the higher prices resulting from reduced supply of the goods being produced.

Establishing property rights and trading. The purpose of this tool is to enable the emergence of a market in a situation where it had been foreclosed by badly defined property rights that prevented individuals from trading. Accordingly, government, through its policy-makers, establishes criteria, enforces property rights, and allows trading.

Promotion of education, information and communication. This policy tool is intended to evoke behaviour change. The assumption underlying its application is that the undesirable behaviour patterns result from lack of information. People, who are aware of the consequences of activities such as smoking or unprotected sex, it is assumed, are likely to modify their behaviours. It is believed that by serving to inform the agents of the consequences of their activities, education contributes to behaviour change. Farmers, for instance, can modify waste management practices if they discover that these practices are likely to result in contamination of the lake that they use for either recreational activities or for fishing. Similarly, they can change soil conservation or pest management activities if extension programmes promote more effective and inexpensive alternatives. The right education programmes, it is believed, can induce people to appreciate the environment, value the preservation of natural resources, and adopt environmentally-friendly behaviour.

Policy makers or environmental groups can also provide information about activities of certain groups in society to generate negative publicity that can lead to a change in their behaviour. Naming and shaming is the name of the game. This can include publishing a list or establishing a website with the names of firms that generate the most pollution

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<sup>4</sup> This is the difference in the value of energy between the 10-pound package and the 6-pound one.

with the hope that negative publicity can induce some of these firms to change their practices; because this information damages their image and can reduce the demand for their products.

All these are fine so long as it is remembered that education, information and communication are necessary but insufficient conditions for behavioural change.

Improving governance. The application of this policy tool is based on growing international evidence that weak governance is often at the root of environmental problems. A simple example is where the inability of a government to enforce existing laws and policies enables the more-powerful non-poor in society to degrade the environment with impunity. Another is where a government remains insensitive to the malfunctions of the existing land-tenure regime, which continues to compel more poor people to strive to make a living from ecologically fragile ecosystems, thereby fuelling land degradation. If the government opts not to reckon with such structural causes of land degradation and instead indulges in blaming the victim (the poor) for land degradation, a case can be made particularly of moral failure<sup>5</sup> and generally of weak governance.

Powerful vested interest groups in society can also pervert democratic and legislative processes and impair the institutionalization of the principles of participatory democracy, efficiency, transparency, accountability and the rule of law. They, therefore, can reduce the ability of governments to respond efficiently and effectively to problems that affect the poor and the environment. Unless countervailing power emerges and is applied to counteract such negative vested interests, desired policy outcomes may be sabotaged – e.g. through policy capture.

Empowerment of civil society is a well-recognized means of improving governance. The role of civil society in encouraging responsiveness of government to environmental issues is growing in Africa. Through well-conducted lobbying and advocacy, civil society can compel governments to become more responsive to environmental concerns. An example in this regard is the advocacy played by the Green Belt Movement in Kenya that made the Kenyan Government to become more responsive to the problem of deforestation in Kenya. The Green Belt Movement was founded by the 2004 Nobel Prize winner for the environment, Professor Mangari Maathai.<sup>6</sup> Indeed, Civil Society can also use publications as an advocacy tool for policy reform. A classical example is civil society's use of Rachel Carson's seminal publication, the *Silent Spring*, to trigger and support the formulation of a pesticide policy in the United States of America.

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<sup>5</sup> This is when government, as the obligation holder, fails to protect those who become vulnerable to the negative consequences of policy actions by government.

<sup>6</sup> Professor Maathai is currently an Assistant Minister for Environment in Kenya.

## **Guidance 2**

***The AEO assessment can benefit from an understanding of the extent to which civil society engagement in policy-making is contributing to improved governance and hence better management of the natural assets. Challenges that face civil society organization in the sub-region in playing this role and the manner in which the challenges can be resolved should be indicated. Use can be made of text boxes to highlight success cases where AMCEN is partnering with Civil Society Organizations in pursuit of sustainable development in Africa.***

However, the formulation of new laws and policies can contribute to improving governance only if the management systems for enforcing them can creatively couple the modern resource-management regimes with the traditional one thereby avoiding the dangers of the “one-size-fits-all” syndrome. Lessons from programmes on water governance in Asia and South-East Asia, for instance, indicate that while in some situations centralized management regimes work best, in others success is readily achieved through decentralized management regimes. Such lessons deserve careful consideration given the urgent need for adequate water governance in Africa. Indeed, Africa has 50 international river basins, each of which is shared by two or more countries. Furthermore, the entire territory of 14 African countries is within these basins. Experiences so far gained from the management of the river basins in Africa should be captured by the AEO assessment.

## **Guidance 3**

***The AEO assessment should discern the variety of policy tools in use in the sub-regions and the attendant consequences (positive or negative) of their application for livelihoods and the management of the natural assets such as forests and river basins. Experiences with forests and water management in particular would be useful in discerning the extent to which Africa’s desires for collective self-reliance and good governance for sustainable development are being translated into policy and legal frameworks, especially at the sub-regional level, for more effective utilization and conservation of the natural resources. In the case of water, the AEO assessment should distil policy implications following from the experiences gained by the riparian countries in the management of the river basins for purposes of defining appropriate actions for enhanced water governance in Africa.***

## **2.4 Policy outcomes**

A policy outcome is the anticipated change that a given policy is expected to engender. Examples of these include:

- Behaviour modification, which entails changes in either production or consumption behaviour. The expected behaviour change could also be related to reducing risky behaviour such as non-use of protective wear when applying insecticides. Adoption of environmentally-friendly technologies is an outcome that reflects long-term behaviour change that can be ascribed to a specific policy or to the emergence of a generally favourable macro-economic policy environment. Adoption of soil conservation measures is a case in point.

- Resource reallocation, which entails changes, for instance, in income distribution or in the allocation of land or other resources. Diverting water from low-value to high-value crops with similar demands for water in situations where communities or countries are experiencing scarcity of irrigation water is a good example of a reallocation outcome. So is the a change in the proportion of water apportioned to competing end uses such as agriculture, industry and ecological services prompted by water scarcity. Another example that has been witnessed in some African countries is the reallocation of land from coffee to banana production or from cotton to simsim production in light of a change in the relative profitability of the crops arising from changed macro-economic situations.
- Resource and capital augmentation, which relates to the expansion of economic opportunities arising from the policy measure. An example here is where environmental policies intended to reduce pollution improve environmental quality and thus enhance natural capital. Similarly, a policy supporting increased expenditure on public-sector extension service can enable the public health workers to promote educational efforts to improve water-use efficiency and water-health measures, both of which enhance human capital.

#### **Guidance 4**

***The AEO assessment and reporting process should specify the policy outcomes pursued in a sub-region in respect of dominant types of resource-use and the observed outcomes. Examples of adverse outcomes should be highlighted building on stipulated benchmarks and monitoring indicators, if any. In the section on the state of the environment and opportunities, expected outcomes of policy proposals for the seizure of opportunities should be defined with clear benchmarks and monitoring indicators...***

## **2.5 Vulnerability**

This is “the degree to which a system unit is likely to experience harm due to exposure to perturbations or stress.”<sup>7</sup> Entitlements, diversity in coping capacity, and resilience determine the system’s degree of sensitivity to perturbations or stressors. Entitlements are forms of assets that a system would qualify for in accordance with the right that is enshrined in legal or customary codes that define the right holders and the responsibilities of the obligation holders in protecting the vulnerable groups. Coping capacity simply means the capability of managing the perturbations. Indeed, social units have “different coping capacities, which enable them to respond to the registered harm and hazard.”<sup>8</sup>

<sup>7</sup> Belfer Centre for Science and International Affairs (2001) Vulnerability and Resilience for Coupled Human-Environment Systems: Report of the Research and Assessment Systems for Sustainability Programmes. Environment and Natural Resources Program. John F. Kennedy School of Government. Harvard University.

<sup>8</sup> B.L. Turner II et al. (2003) “A Framework for Vulnerability Analysis in Sustainable Science.” *PNAS* 100 (14): 8074-8079.

Resilience characterizes a “system’s ability to bounce back to a reference state after disturbance and the capacity of a system to maintain certain structures and functions despite disturbance”<sup>9</sup>. In understanding a system’s vulnerability, one has to determine its degree of exposure, sensitivity and adaptive capacity. Because these three aspects of vulnerability can be impacted upon by policies, vulnerability can also be considered as an unanticipated policy outcome. Enhanced coping and resilience capacities are possible positive outcomes that can be expected from a well-implemented disaster prevention and management policy.

### **Guidance 5**

*Given the growing vulnerability of African countries to natural disasters such as flush floods, cyclones and drought as a result of, for instance, climate change and style of development management, the AEO assessment can establish the extent to which the policy environments either minimize or exacerbate vulnerability. Use can be made of specific cases to highlight instances where (a) the policy void tended to either exacerbate vulnerability and/or foreclose capacity development for effective response; and (b) good policies enabled the strengthening of coping capacity and resilience. At the sub-regional level, the assessment can aim at discerning the extent to which collective actions through institutional innovations such as the Indian Ocean Commission (IOC) are contributing to enhanced adaptive capacity.*

## **2.6 Policy Development**

This is the development of effective and acceptable course of action in dealing with issues on the policy agenda.<sup>10</sup> Effective formulation is achieved when the policy proposal is deemed valid, efficient and generally acceptable for handling the problem(s) at hand. The acceptability of a policy proposal rests on the endorsement and sanctioning of the proposed course of action by the decision-makers in particular and the stakeholders in general. Policy formulation, therefore, has both the analytical and political dimensions. The analytical dimension is about conceiving and clearly articulating effective policy alternatives that are based on sound analysis. The political dimension is about endorsing and authorizing one of the alternative policy actions in accordance with laid-down procedures. Formulation, therefore, equals **analysis plus authorization**. The political dimension of policy development can be a challenge in situation where a sub-regional or regional policy is needed for the better management of resources shared by countries with different ideological inclinations or development strategies. This is critical especially in the case of strategic resources such as water, forests and petroleum.

### **Guidance 6**

*The AEO assessment should establish the extent to which conflicting perceptions of the relevance (salience), scientific plausibility (credibility) and fairness (legitimacy) of the information used in the previous assessment were responsible for observed slow application of the AEO1 policy recommendations. It should also provide cases of*

<sup>9</sup> B.L. Turner II, et al (2003) *Ibid*.

<sup>10</sup> Wayne Hayes (2002) Defining policy formulation. <http://www.geocities.com/prowork/pp/formulate/define.html>.

***successful policy development at the sub-regional level, highlighting the success factors. Evolving mechanisms for sub-regional or regional policy development and the challenges experienced in applying the mechanism should be highlighted in text boxes.***

## 2.7 Policy analysis

Policy analysis has both the narrower and broader definition. Narrowly defined, it is the “process of applying a defined set of procedures and tools, largely drawn from economics and related disciplines, to public policy problems.”<sup>11</sup> Broadly defined, it is a “client-oriented advice relevant to public decision and informed by values.”<sup>12</sup> Policy analysis is intended to provide answers to five basic questions:

- What is the nature of the problem(s)? The answer to which helps to define the policy problem (s).
- What present and past policies have been established to address the problem(s), and what are their outcomes? The answers to which reveal the policy outcomes.
- How valuable are those outcomes in solving the problem(s) at hand? The answer to which establishes policy performance
- What policy alternatives are available to address the problem(s), and what are their likely future outcomes? The answers to which reflects policy futures.
- What are the preferred alternative courses of actions for solving the problem(s) at hand? The answer to which pertains to policy response and policy actions.

Effective policy analysis must be quick, crisp and timely for opportunity to influence policy decision depends heavily on timing in the flow of events. The formulation of policy options is often limited in time. It is hard to sustain an issue on the policy agenda for an extended period of time. And because not all policy makers may be conversant with the technical jargons often used by policy analysts, it is therefore imperative that the analyst organizes and communicates complicated technical analysis simply, honestly, fairly, quickly and clearly.

In the particular case of the AEO, it is essential that the policy analysts pay particular attention to the quality and quantity of data; available analytical capacity within the sub-region and the need to carefully balance considerations of hard-science with those of soft-science and the stakeholder interests. Choice of media and style of communication can make or break the AEO process. The channels and style of communication should be very carefully attuned to the character of the audience and the expected effects on that particular audience. Figure 2 below depicts the various ways in which the policy analyst could strategically apply the available types of information to make the AEO process to generate impact on stakeholders.

<sup>11</sup> Amanda Wolf (1999) Building Advice: The craft of the Policy Professional. State Service Commission, Te Komihana O Nga. Tari Kawanatanga.

<sup>12</sup> David Weimer and Aidan Vining (1999) Policy Analysis: Concepts and Practice, 2<sup>nd</sup> edition. Englewood Cliffs, N.J. : Prentice Hall.

**Figure 2: Information use by the policy-analyst**

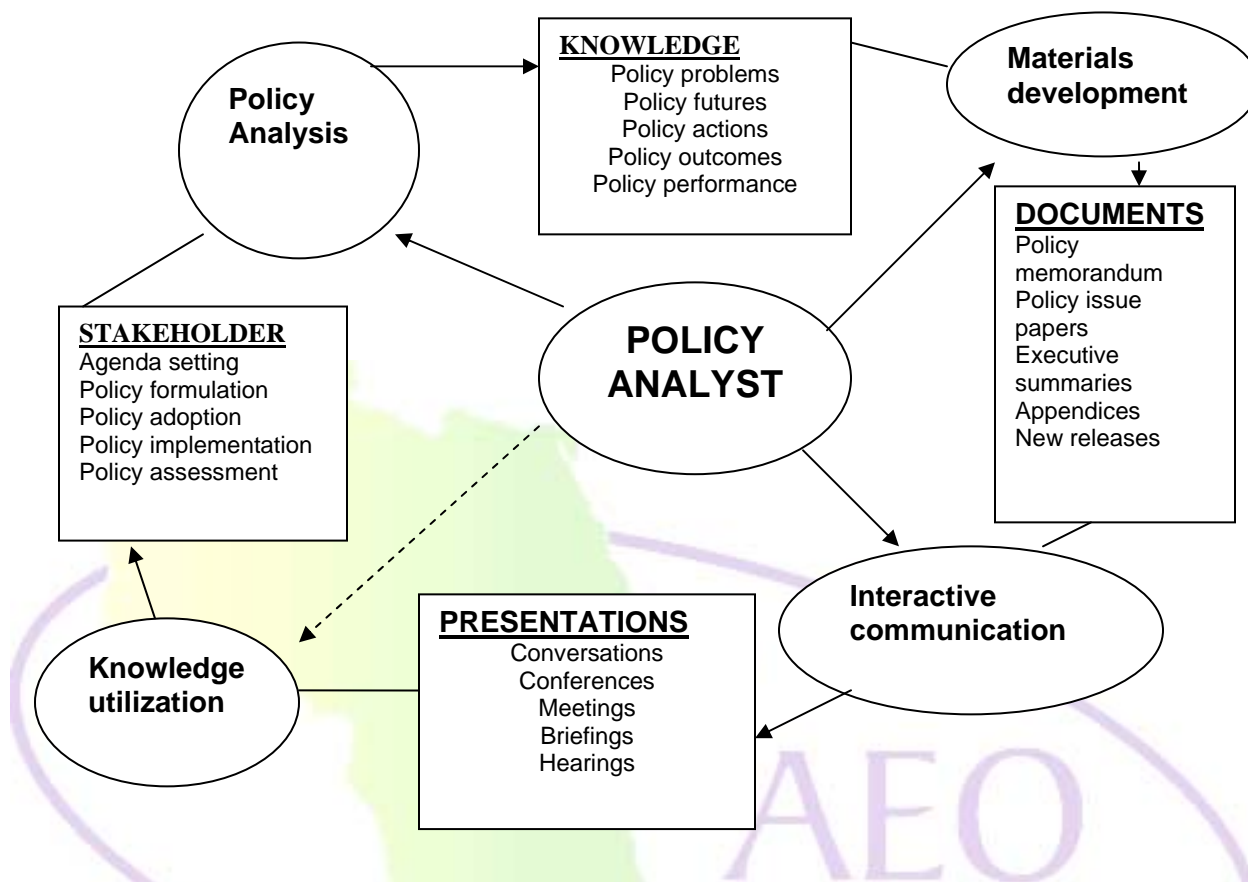


Table 2 below provides the categories of tools used in policy analysis and the purposes that they serve. For each phase of policy-making, there are specific procedures to be followed in policy analysis in order to provide the desired type of information for decision-making.

**Table 2: Categories of policy analytical tools are purposes served**

Category of tool	Purpose
Process Analysis	Understanding the dynamics of policy-making
Evaluation or impact analysis	Determining the consequences of policy application
Outcome analysis	Assessing the extent to which the expected outcomes have been achieved and the types of unanticipated outcomes yielded by the policy
Monitoring or implementation research	Determining how the policy is performing in staying the course towards the expected outcomes

Table 3 below summarizes the links between the phases in policy-making and the pertinent analytical procedures.

**Table 3: Policy Analytical Procedures and their Purposes**

<b>Procedure</b>	<b>Intended purpose</b>	<b>Phase of policy-making</b>
<b>Problem structuring (definition)</b>	Yielding policy-relevant knowledge that challenges the assumptions underlying the definition of the problems reaching the policy-making through agenda-setting. It can assist in discovering hidden assumptions, diagnosing cause, mapping possible objectives, synthesizing conflicting views, and designing new policy options	<b>Agenda-setting</b>
<b>Forecasting (prediction)</b>	Supplying policy-relevant knowledge about future states of affairs which are likely to occur as a consequence of adopting alternatives, including doing nothing, that are under consideration during policy formulation. It can examine plausible, potential, and normatively valued futures, estimate the consequences of existing and proposed policies, specify probable future constraints on achievement of objectives, and estimate the political feasibility of different options	<b>Policy formulation</b>
<b>Recommendation (prescription)</b>	Providing policy-relevant knowledge about benefits and costs of alternatives the future consequences of which have been estimated through forecasting, thus aiding policymakers in policy adoption phase. It helps to estimate levels of risk and uncertainty, identify externalities and spillovers, specify criteria for making choices, and assign administrative responsibility for implementing policies.	<b>Policy adoption</b>
<b>Monitoring (description)</b>	Provides policy-relevant knowledge about the consequences of previously adopted policies, thus assisting policy-makers in the policy implementation phase. It helps to assess the degree of compliance, discover unintended consequences of policies and programmes, identify implementation obstacles and constraints, and locate sources of responsibility for departures from policies.	<b>Policy implementation</b>
<b>Evaluation (evaluation)</b>	Evaluation yields policy-relevant knowledge about discrepancies between expected and actual policy performance, thus assisting policy-makers in the policy-assessment phase of policy-making process. It not only results in conclusions about the extent to which problems have been alleviated; it also may contribute to the clarification and critique of values driving a policy, aid in the adjustment or reformulation of policies, and establishes a basis for restructuring problems.	<b>Policy assessment</b>

### **Guidance 7**

***In the course of the AEO assessment, relevant analytical tools should be used to address policy issues and questions, drawing upon relevant expertise within the sub-region. Tools for monitoring and evaluation are particularly useful in enabling the AEO process to propose strategic actions for consideration by AMCEN. However, those involved in the assessment should refrain from undue quest for analytical sophistication, which could become unproductive and make the assessment and analysis processes ineffective because of the likely insensitivity to issues which tend to discredit assessment: failure to a) appreciate the context, b) address the needs of potential users, c) treat assessment as a communication process, d) connect global and local level (issues). The AEO Policy Analysis Working Group can provide the necessary technical backstopping here. Additionally, the assessment must apply a communication strategy that conveys the essential messages simply, clearly but powerfully.***

## 2.8 Policy failure

A policy failure occurs when “public policies required to correct for market failure either over-correct or under-correct for the problem. It also occurs when government decisions or policies - in areas where there are no market failures – are themselves responsible for excessive environmental degradation.”<sup>13</sup>

**Table 4: Economic Policies and Potential Environmental Impacts**

<b>Macro</b>	Fiscal	<b>Government expenditure</b>	Publicly funded agencies can protect biologically unique areas; public infrastructure (roads and dams) may encourage land uses that degrade fragile areas
		<b>Tax/subsidy</b>	Multi-sector instruments can alter general demand conditions and thus use of resources; e.g. income tax breaks may encourage speculation in land and/or unnecessary conversion of natural resources; ‘polluter pays’ taxes and user fees can reduce waste and air/water pollution.
	Monetary		Ties credit analogues to subsidies; credit rationing and interest rate hikes may reduce demand, but can also discourage conservation investment
	International	<b>Exchange rate</b>	Devaluation increases prices of imported inputs (e.g. pesticides, logging equipment), while increasing profitability of exports (e.g. crops and timber); environmental impacts will depend on the nature of the resources and product affected.
		<b>Trade</b>	Import/export taxes and quotas have effects similar to devaluation but on selected commodities only; may alter relative returns to environmentally destructive versus benign products
		<b>Capital controls</b>	When used to prop up over-valued currency, similar to revaluation of exchange rate.
<b>Sectoral</b>		<b>Price controls</b>	May stimulate or retard environmentally damaging production; depends on nature of resource and products affected
		<b>Tax/subsidies</b>	Usually indirect impact via changes in demand, but may alter choices of inputs/outputs; e.g. incentive subsidies to livestock production may promote deforestation; fertilizer subsidies may retard the appropriate policy responses or may increase negative health effects of agro-chemical runoff, etc.

Source: Bishop, Aylward and Barbier (1991) *Guidelines for Applying Environmental Economics in Developing Countries*. Gatekeeper Series Paper no. 91-92. London: Environmental Economics Centre.

It also refers to a situation where a “range of regulatory instruments, fiscal, exchange rate, monetary, price, income and other policies (including environmental policy) --- distort the private cost of environmental resource use so as to make it privately rational to damage the social heritage.”<sup>14</sup> These include: a) policies in sectors other than environment and natural resources which take insufficient account of ecological or environmental considerations; and b) environmental and natural resource policies that inadequately address the social and ecological repercussions of economic activity within, for instance, a forest or a wetland. Table 4 above provides some illustrative examples of potential environmental impacts associated with certain economic policies.

<sup>13</sup> Edward Barber, Joshua Bishop, Bruce Aylward and Joanne Burgess (1992) “Economic Policy and Sustainable Natural Resource Management.” In Johan Holmberg (ed.) *Policies for a Small Planet*. London: Earthscan.

<sup>14</sup> Organization for Economic Co-operation and Development (OECD) [1994] *Managing the Environment: The Role of Economic Instruments*. Paris: OECD.

## **Guidance 8**

***The AEO assessment could target specific sub-regional policies such as those under SADC and examine their performance with the view to highlighting cases of policy failure. The assessment could also specify the types of resources and population groups most adversely affected and the nature of lost opportunities, if any.***

### **2.9 Market failure**

Market failure is the failure by the market as an institution to allocate resources in the best interest of society. It exists when markets fail to reflect fully environmental values. "The presence of open-access resource exploitation, public environment goods, externalities, incomplete information and markets, and imperfect competition all contribute to market failure."<sup>15</sup> Two forms of market failure are possible. First is the failure of markets to emerge, particularly for the environmental effects of economic activities. Second is the failure of the existing markets to operate efficiently. The second form can have both an internal and external dimension. When the failure is linked to the nature of the goods exchanged, the structure of supply, the dynamics of the market and lack of information, it is described as internal market failure. Alternatively, when it is linked to externalities, even in the absence of internal failure, it is described as external market failure.

The concept of market failure can be used as both a normative and a diagnostic tool. When applied as a diagnostic tool, market failure can easily result in ill-advised policy recommendations. Because of this, it is essential that its application as a diagnostic tool ensures clear identification of "both the precise type of the problem that gives rise to the market failure and the different types of non-market failures (bureaucratic malfunctions) likely to occur if public officials attempt a cure."<sup>16</sup> Others have imposed the stringent requirement that if government must intervene in order to correct for market failure, it must satisfy the following five pre-conditions:<sup>17</sup>

1. A market failure must be correctly identified.
2. Some way must be found to constrain the regulatory or intervention process to intervene *only* in corrective ways when a market failure has been identified.
3. Some way must be found to *prevent* intervention (or make it sufficiently unlikely that its costs are low) when there is *not* a market failure.
4. Some way must be found to prevent or at least reduce the likelihood of intervention when the cost of intervention itself are as large or larger than any gains to be derived from the intervention or regulation.

<sup>15</sup> Edward Barber, Joshua Bishop, Bruce Aylward and Joanne Burgess (1992) Ibid.

<sup>16</sup> Richard Zerbe Jr. and Howard McCurdy (n. d.) "The end of market failure." **Regulation** 23 (2): 10-14.

<sup>17</sup> Rob Bass (nod.) "Market Failure and Public Choice." <http://personal.bgsu.edu/~roberth>.

5. Some reason needs to be given for thinking that the intervention is more cost-effective at preventing or reducing the impact of the market failure than endogenous changes in the market, such as the emergence of new competitors, or in society more broadly, such as the application of boycotts.

### **Guidance 9**

*Given the increasing application of market liberalization policies in Africa, the AEO assessment should focus on at least two countries with similar resource base but with one implementing a mature liberalization programmes and the other reluctantly embracing liberalization. A comparative analysis of their environmental performance could yield interesting lessons on the merits and challenges of market liberalization as a tool for natural resources management. Leads in this respect are already provided by the UNEP Round II Country Projects on the Integrated Assessment of Trade and Trade Related Policies, which covered Senegal, Nigeria, and Zimbabwe.*

### **2.10 Administrative failure**

This refers to a range of problems within the organization of government at the various levels, which lead to inadequate policy implementation. Examples include, rigidity due to entrenched traditional division of labour within administrative organizations (very often along sectoral lines), insufficient integration between agencies and departments, lack of instruments or mandates sufficiently strong to achieve policy objectives, lack of instruments or powers to ensure policy implementation within the economic processes. Failure to harmonize environmental strategies and plans by agencies responsible for environmental management is a common example of administrative failure in Africa.

### **Guidance 10**

*The AEO assessment, especially in Chapter 2, should establish the extent to which administrative failures have impaired the implementation of environmental policies in the sub-region. Illustrative examples of how uncorrected administrative failures have impaired the abilities of governments to implement existing policies and to seize emerging opportunities to use the natural asset to promote trade and development. Additionally, the assessment could focus on sub-regional organizations (e.g. EAC, SADC, and ECOWAS) with the view to examining their sustainable development agenda and the structural and managerial arrangements for mission accomplishment. That review can enable a distillation of lessons related to administrative failure, if any. The results of the analysis may yield useful lessons for the repositioning of the organizations for more effective support to AMCEN on promoting sustainable development.*

### **2.11 Policy capture**

A policy capture is a situation where the intentions of the policy may be compromised by the diversionary tendencies of certain interest groups. The capture can take three forms. First, the resources intended for particular groups or regions may be intercepted by powerful and/or well-placed actors. Second, policies and rights may be structured in ways that contradict the interests of the environment, the poor and the underprivileged in society. Third, powerful external interests that are likely to lose from the policy can endeavour to make the policy ineffectual. A likely outcome of capture is either little or no

impact or negative impact manifesting itself in the denial of rights of access, use of or control over resources that are essential to meeting livelihood needs. The risk of a policy capture should be considered at policy design and in the crafting of policy implementation strategy and action plan.

### **Guidance 11**

*In Chapter 2, the AEO assessment should pay special attention to opportunities where pertinent policies for their seizure are vulnerable to capture with the view to proposing strategic actions to avert capture. In the particular case of the forest sector, the AEO could additionally document nature of observed policy capture and its impacts on different categories of stakeholders and the country's trade and investment portfolios. In the event that there are countries within a sub-region that have elaborated national policies for the implementation of the provisions of the Convention on Biological Diversity (CBD), the assessment can also provide illustrations on how policy implementation has been up against capture, particularly in respect of benefit sharing.*

## **2.12 Sustainable development**

This is development which meets the needs of the present generation without compromising the ability of the future generation to meet their own needs. It entails the integration of economic, social and environmental objectives, while conferring on society the obligation to uphold both the intra-generational and inter-generational equity in pursuit of development needs. The MDGs are the roadmap to sustainable development and hence the need to carefully anchor the AEO assessment on them to enabling the monitoring of progress, especially towards MDG7, paying special attention to the goals of the NEPAD Environment Initiative and the sustainable development challenges of the Small Islands Developing States. Section 3.1 provides guidance on factoring sustainable development concerns in the assessment.

## **2.13 Strategic Environmental Assessment**

Strategic Environmental Assessment is an assessment tool that deals with policies and programmes. It is basically intended to contribute to decisions related to both environmental protection and sustainable development. It does that by: a) providing broader environmental vision; b) considering the effects of proposed strategic actions (policy, programme and plan); c) identifying the best practicable environmental option; d) providing early warning of cumulative effects and large-scale changes; and e) contributing to integrated policy-making and planning.

Six features of the SEA make it important. These are: i) helping to incorporate sustainability principles in the policy making process; ii) helping to influence and improve decision making in ways that ensures integration and sustainability of the environment; iii) enabling the tiering of environmental sustainability and ensuring an integrated approach to policy, planning and programming; iv) providing better context for assessment of cumulative effects; v) providing the context for screening for lower level environmental assessment through the EIA; and vi) enabling the anticipation of impacts that can occur at project level, thereby helping to strengthen the attendant EIA.

Bram Noble's article<sup>18</sup> that appeared in the June 2000 issue of the *Journal of Environmental Assessment Policy and Management* identifies the characteristics of SEA that make it strategic and therefore different from other forms of impact assessment. Borrowing from Koontz *et al*<sup>19</sup> and Therivel *et al*<sup>20</sup>, he defines a strategic approach as the "one in which the determination of the basic long-term objectives and the adoption of course of action and allocation of resources necessary to achieve these goals are developed." Precisely, the strategic nature of an assessment reflects "the set of principles and objectives that shape the visions and development intentions incorporated in a set of alternatives, policy, plan, or programs."<sup>21</sup> Table 5 below depicts Noble's distinction between EIA and SEA.

**Table 5: Defining characteristics of EIA and SEA**

<b>EIA</b>	<b>SEA</b>
<i>Represents an end</i> and therefore brings closure to an issue or undertaking	<i>Leads to a strategy for action</i> and therefore is a means to an end
<i>Goals and objectives are predetermined</i> – it therefore predicts the potential outcomes of an already pre-determined option	<i>Set in context of broader vision, goals and objectives</i> – it therefore examines strategies to accomplish particular goals and objectives
<i>Asks "what are the impacts of our option?"</i>	<i>Asks "what is the preferred option?"</i>
<i>Forecasts</i> in the sense that it predicts and assesses the likely outcomes of a specific undertaking	<i>Back casts, then forecasts</i> in the sense that it determines a range of options based on a vision, and then forecasts the likely outcomes of each option
<i>Reactive</i>	<i>Proactive</i>
<i>Project specific</i>	<i>Not project-specific</i>
<i>Narrow focus and highly detailed</i>	<i>Broad focus and low level of detail</i>

Source: Extracted from Bram F. Noble (2000) "Strategic Environmental Assessment: What is it? & what makes it strategic?" *Journal of Environmental Assessment Policy and Management* 2 (2), pp. 204-205.

Noble also uses Figure 3 below to schematically demonstrate the strategic nature of the SEA in comparison to the EIA.

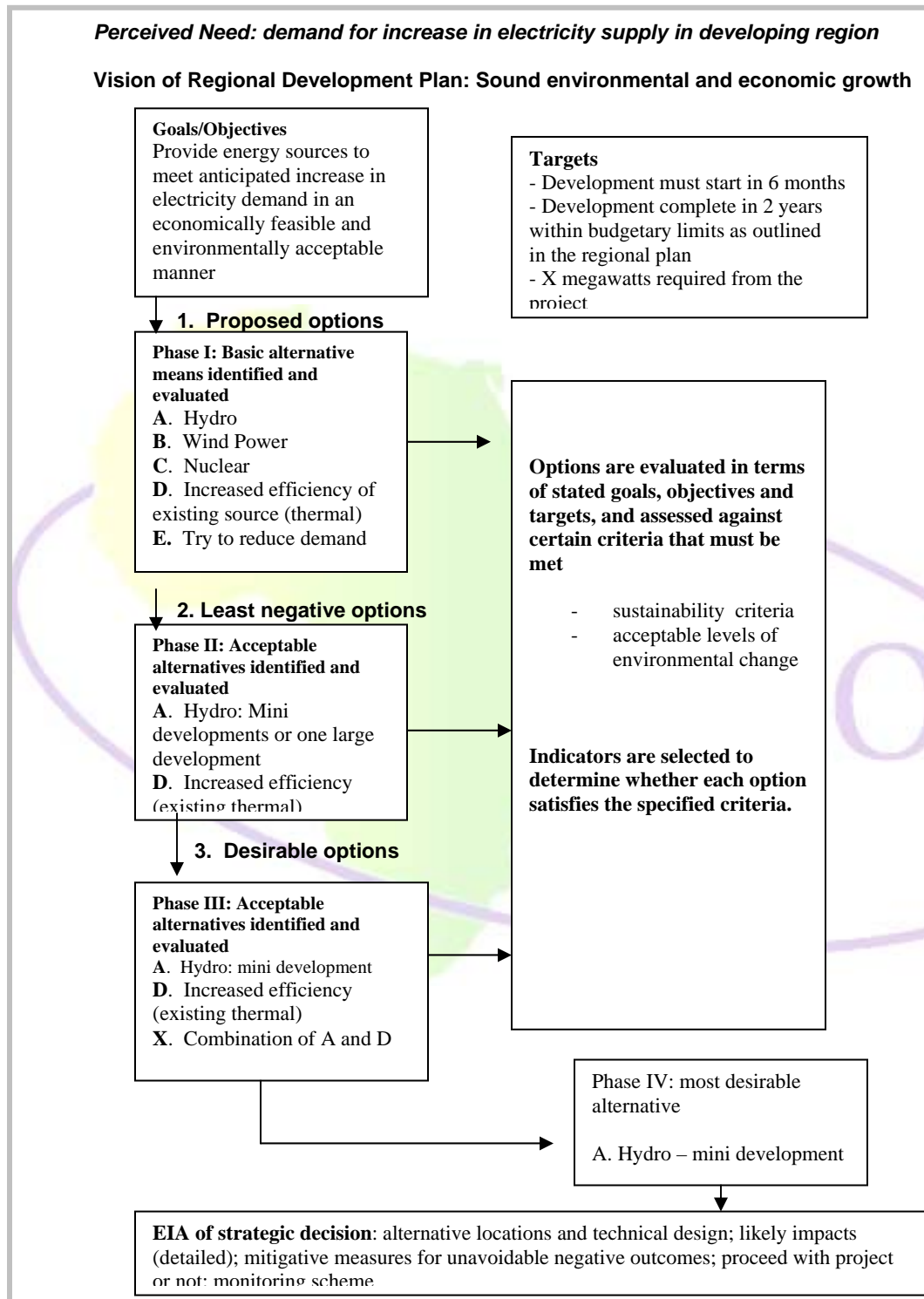
<sup>18</sup> Bram F. Noble (2000) "Strategic Environmental Assessment: What is it? & What makes it strategic?" *Journal of Environmental Assessment Policy and Management* 2 (2): 203-224

<sup>19</sup> H. Koontz, C. O'Donnell and H. Wehrich (1976) *Management*, 7<sup>th</sup> edition. New York: McGraw Hill.

<sup>20</sup> R. Therivel, E. Wilson, S> Thompson, D. Heaney and D. Oritchard (1992) *Strategic Environmental Assessment*. London: Earthscan.

<sup>21</sup> Bram F. Noble (2000) *Ibid*.

**Figure 3: Application of SEA and EIA Assessment Tools**



**Source:** Extracted from Bram F. Noble (2000) "Strategic Environmental Assessment: What is it? & what makes it strategic?" *Journal of Environmental Assessment Policy and Management* 2 (2), p. 209.

A noteworthy distinction to make in interpreting the figure is that as one moves from the bottom half of the figure upwards, the issues to deal with become more strategic. Additionally, once the SEA has established the most desirable form of development, it is logical that the choice be subjected to an EIA. The SEA and EIA, therefore play complementary roles in the assessment process.

Among the benefits of SEA, nine are noteworthy: 1) systematic review; 2) refinement of the strategic concepts in policy, planning and programming; 3) achievement of better understanding of the potential environmental effects of the options being considered; 4) the enhancement of the contribution of the policy or plan or programme to the attainment of environmental sustainability; 5) the attainment of a better balance between the three main dimensions of sustainable development; 6) simplification of environmental assessment in ways that also accelerates decision making; 7) enhancement of transparency, thus winning of public support for the preferred options or strategies; 8) the development of better guidance on the mitigation of likely negative environmental effects of the preferred options; and 9) better definition of the environmental issues and targets that must be monitored.

In order to yield good results, the application should: a) focus on examining rather than justifying the policy in question; b) identify and rigorously assess the different options; c) be part of the policy making process from the very outset; d) apply simple but strategic assessment methods such as sustainability assessment; e) involve the public and ensure that the views of the stakeholders are considered; and f) effectively communicate with the stakeholders so that all are aligned behind the SEA process and product. A number of techniques can be used in SEA application these include: i) scenario and simulations; ii) forecasting; iii) input-output models; iv) land suitability analysis; v) geographical information systems; vi) systems modelling; vii) multi-criteria analysis; viii) goal achievement matrices; ix) planning balance sheets; x) cost-minimization techniques; and xi) sensitivity analysis.

### **Guidance 12**

***The AEO assessment should highlight successful SEA application in Africa with examples of emerging lessons and best practices. Examples of sub-regional policy initiatives that can benefit from SEA application should be identified for closer follow-up and possible showcasing in the next issue of the AEO and/or development of a Policy Analysis Case Study on SEA in support of the AEO.***

## Chapter 3: Discerning and reviewing policy issues

The purpose of this chapter is to provide guidance on discerning the policy issues during assessment. It focuses on five rules of thumb to assist the AEO assessment in identifying and elaborating the policy issues that underpin the use of natural capital to enhance sustainable development and livelihoods in Africa. The five rules of thumb are:

### 3.1 Understand the links between the sustainability ethos and policy-making

From the UN Conference on the Human Environment in Stockholm (1972) through the World Conservation Strategy (1980), the World Commission on Environment and Development (1987), the United Nations Conference on Environment and Development (1992), the other subsequent UN Conferences and to the more recent World Summit on Sustainable Development (2002), the concept of sustainable development has become a vision for many countries. A derivative of this concept is the principle of sustainability, which explicitly recognizes the interrelationships between society, environment and economy in the endeavours to promote livelihoods and development.

Weak and strong forms of sustainability outcomes follow from this principle. Weak sustainability outcomes can be the consequences of upholding the conviction that sustainable development “can be assured through the conservation of aggregate capital alone.” The argument being that “although natural capital is being depleted, it is being replaced with even more valuable human-made and the remaining natural capital is increasing over time in terms of its ability to maintain or enhance human welfare.”<sup>22</sup>

Figure 4 below, which is often applied to illustrate the sustainable development concept, depicts weak sustainability. Its point of intersection (also known as triple bottom line) represents the rare situation of harmonious relationships among the three dimensions of sustainable development. Areas where the three dimensions interface represent some trade-offs between any two of the three dimensions of sustainable development.

The environment-economy interface is indicative of the environment’s provision of natural resources, ecosystem services and other benefits to the economy. It also represents the pressure that economic activities exert on habitats and natural resources, which may result in adverse effects on environmental quality and ecosystem services, or access to and availability of those resources.

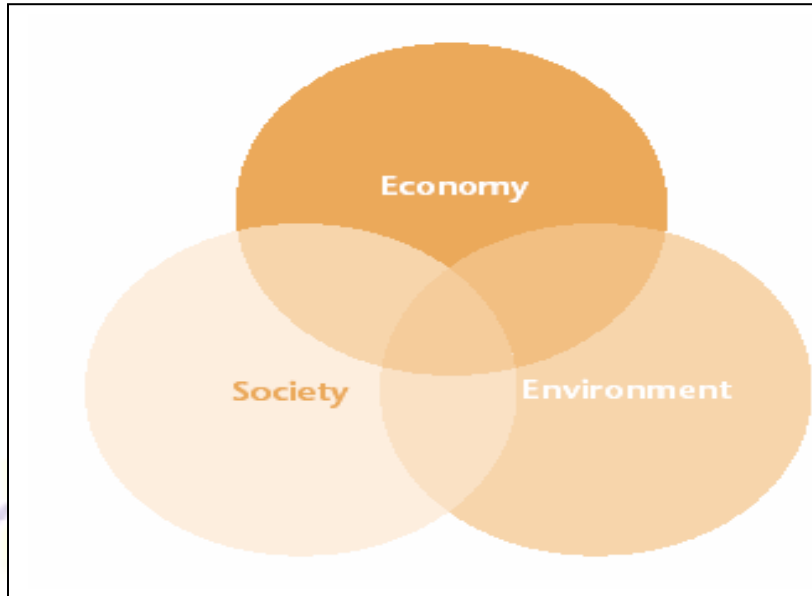
The environment-society one is indicative of environment’s provision of life-supporting resources and ecosystem, quality of life conditions, and amenities that are valued by people. It also represents society’s consumption of the products and services provided

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<sup>22</sup> Edward B. Barbier, Joanne Burgess and Carl Folke (1997) *Paradise Lost? The Ecological Economics of Biodiversity*. London: Earthscan Publications Ltd.

by environmental resources, and the generation of wastes that are disposed of in the environment.

**Figure 4: Weak sustainability**



Source: Parliamentary Commission for the Environment (n.d.), Creating *Our Future: Sustainable Development for New Zealand* Te Kaitiaki a Te Whare Paremata.

The economy-society interface is indicative of how economic conditions determine employment opportunities, living standards and income distribution. It, among other things, also reflects how social conditions influence the quantity and quality of the labour force, including skills, knowledge and creativity, and the choices and opportunities available to individuals and groups within society.

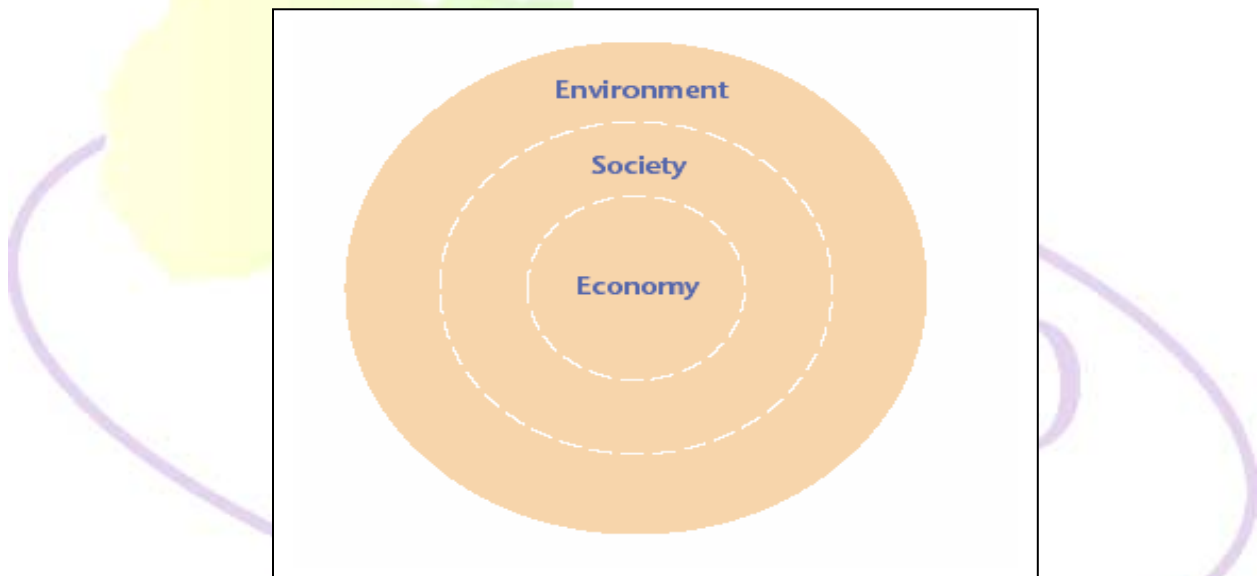
Weak sustainability, however, is underpinned by the tenuous assumption that environmental and social problems can always be solved if the economy is sound. Accordingly, development policies and strategies inspired by this understanding of sustainability follow the economic logic of the Environmental Kuznets Curve, which, simply put, proposes that the initial costs that economic growth exacts on the environment is compensated for later by environmental investments enabled by the vibrancy of the economy.<sup>23</sup>

<sup>23</sup> For a critical review of the Environmental Kuznets Curve, especially its application to biodiversity and sustainability, see Renate Schubert and Simaon Dietz (2001), Environmental Kuznets Curve, Biodiversity and Sustainability. ZEF Bonn, Centre for Development Research Discussion Paper No. 40. Also see Johan Salem and Alvaro Umana (2003) on the related Beckerman and Porter Hypotheses in UNDP's **Development Policy Journal** 3: 53-70.

Fundamentally, considerations of the health of the economy usually override others in policy-making. Inevitably, environmental and gender considerations are marginalized in development policy and planning. At best, proposed growth-based anti-poverty strategies and programmes are subjected to Environmental Impact Assessment (EIA) in order to appease environmental and gender interest groups or other minority groups.

Figure 5 below depicts strong sustainability, characterised by the interdependence of the three systems that contribute to sustainable development. Essentially, it illustrates the point that economic activities are driven by societal needs whose satisfaction is dependent on the biophysical system. This form of sustainability treats the economy as a subset of society that also pursues livelihood interests other than the economic.

**Figure 5: Strong Sustainability**



Source: Parliamentary Commission for the Environment (n.d.), Creating *Our Future: Sustainable Development for New Zealand* Te Kaitiaki a Te Whare Paremata.

The strong sustainability outcome can be a consequence of pursuing sustainable development with the conviction that “given the limits to substitution between some natural capital and other economic assets (such as reproducible capital), as well as the problems of irreversibility, uncertainty of threshold effects and the potential scale of social costs associated with loss of certain environmental assets, sustainable development cannot be assured without imposing some conditions on the depletion of natural capital.” That imposition is essential in situations where “some minimum level of biodiversity is essential for ecosystem functioning and resilience” thereby requiring the

prevention of biodiversity loss that threatens this minimum threshold level” in the interest of preserving the economic opportunities available to future generations.<sup>24</sup>

Fundamentally, a development strategy inspired by a strong sustainability ethos recognizes that the natural systems of the planet impose constraints on pursuit of human and economic activities intended to meet people’s livelihood needs. Accordingly, while the economy may expand or contract, and society’s expectations and values may change over time, any attempts to exceed the capacity of the biosphere to provide for and absorb effects of human activities would result in a negative backlash on society.

However, the real-world situation falls along a continuum from the weak to the strong sustainability. Simple sustainability tests can be conducted to determine how countries is a sub-region, judged by the quality of their policies, are located on the weak-strong sustainability continuum. Use can be made of Matrix 1 below to perform the test.

**Matrix 1: Sustainability test of policy, plan or programme**

	1) Economic criteria			2) Social criteria			3) Environmental criteria		
	A	B	C	D	E	F	G	H	I
<b>Policy 1</b>									
<b>Policy 2</b>									
<b>Policy 3</b>									
<b>Policy 4</b>									
<b>Policy 5</b>									
<b>Policy 6</b>									

Source: Adapted from National Development Planning Authority/Environmental Protection Agency (2004) Handbook Development Plan Sustainability Appraisal. Accra; NPDC/EPA

Within each sub-region, a decision has to be made on a short list of indicator of the three dimensions of sustainability. The criteria should be about maintaining ecosystem integrity, reducing poverty, enhancing the quality of life and improving social and cultural assets. The rating for each criterion under the three dimensions can be on a scale from 0 -5, where:

- 0 stands for “irrelevant”
- 1 stands for “works strongly against the aim of sustainability”
- 2 stands for “works against the aim of sustainability”
- 3 stand for “being neutral”
- 4 stands for “supports the aim of sustainability”
- 5 stand for “strongly supports the aim of sustainability.”

<sup>24</sup> Edward B. Barbier, Joanne Burgess and Carl Folke (199?) ) *Ibid.*

A general consensus has to be reached by those involved in the assessment on the relative weighting of each of the sustainability criteria. Use of simple averages can meet the purpose of providing an impression on how the country or sub-region stands on sustainability. Jan Bojo of the World Bank has similarly used simple averages in gauging the extent to which PRSPs integrate environment<sup>25</sup>. If and when the data situation and the analytical capacity warrant, more rigorous assessment of sustainability based on the sustainability index<sup>26</sup> can be performed.

### **Guidance 13**

***The AEO assessment and reporting process should attempt to establish which forms of sustainability have underpinned pursuit of sustainable development in a country or sub-region. Similarly, it should establish the existence and implementation records of the National Sustainable Development Strategies, especially in relation to the national policy framework for poverty reduction. Additionally, the AEO should establish the extent to which policy changes in any given sector have impacted on the performance of policies and programmes in other sectors and the extent to which the coherence between sector policies has been deliberately promoted and with what degree of success. The relative standing of each policy in promoting sustainability can be assessed as well. Trade-offs between economic, social and environmental considerations and the manner in which they have been managed can also be established.***

Models for quantifying trade-offs exist and can be usefully applied if the expertise and facilities exist in the country or the sub-region.<sup>27</sup>

### **3.2 Understanding the linkages between AEO, the MDG and the NEPAD Environment Initiative**

If the AEO is to serve effectively as both an advocacy tool and a means of monitoring the implementing the NEPAD Environment Initiative, it should be properly anchored on both that initiative and the Millennium Development Goals (MDGs). It is also in that light that it should reckon with the WEHAB<sup>28</sup> elaboration of the MDGs during the WSSD summit as well as the WSSD Plan of Implementation, which implores governments in Sub-Saharan Africa to, among other things, launch programmes to enable the achievement of MDG7 and to exercise social and environmental responsibility in promoting productive activities aimed at economic growth and poverty reduction.

<sup>25</sup> Jan Boj  and Rama Chandra Reddy (2002) *Poverty Reduction Strategies and Environment: A Review of 40 Interim and Full Poverty Reduction Strategy Papers. Environmental Economics Series Paper No. 86.* Washington, D.C.: The World Bank.

<sup>26</sup> A sustainability index has been developed by the Global Leaders of Tomorrow Task Force of the World Economic Forum. See, *2002 Environmental Sustainability Index.* Centre for Environmental Law and Policy and Centre International Earth Science Information Network. Columbia University.

<sup>27</sup> See for example, J.M. Antle, J.J. Stoorvogel, C.C. Crissman and W.T. Bowen (1993) "Tradeoff analysis as a quantitative approach to agricultural /environmental policy analysis. Proceedings – The Third International Symposium on Systems Approaches for Agricultural Development.

<sup>28</sup> WEHAB stands for Water, Energy, Agriculture, Health and Biodiversity.

Table 6 below provides an illustration on the links between the AEO themes, the programme areas of the NEPAD Environment Initiatives and MDG7 targets. The AEO assessment needs to keep that link constantly in perspective.

**Table 6: Examples of the linkages between the AEO themes, the NEPAD Environment Initiative and MDG7 Targets**

AEO Theme	Examples of related Programme Area (PA) under the NEPAD Environment Initiative	Related MDG7 Targets
Land	Combating land degradation, drought and desertification	Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources  Halve by 2025 the proportion of people without sustainable access to safe drinking water  By 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers
Atmosphere	Combating climate change in Africa	
Biodiversity	Cross-border conservation and management of natural resources	
Freshwater	The African Regional Programme of Action on freshwater	
Coastal and Marine Environment	Conservation and sustainable use of coastal and marine resources	
Energy	Assist African countries to benefit from the implementation of the G8 initiative on promoting renewable energy	
Human Settlement	Cross-cutting issue of health and environment and poverty and environment	

A seminal DFID/EC/UNDP/World Bank publication<sup>29</sup> in the run up to the WSSD discusses policy challenges and opportunities regarding the links between poverty reduction and environmental management. Table 7 below depicts such linkages, especially those between environment and the MDGs, providing useful leads to policy issues that should be considered at the national and sub-regional level during the AEO assessment

<sup>29</sup> DFID/EC/UNDP/World Bank (2002), **Linking Poverty Reduction and Environmental Management: Policy Challenges and Opportunities**. Washington: The World Bank.

**Table 7: Key links between the environment and the MDGs**

<b>Millennium Development Goals</b>	<b>Examples of Links to the Environment</b>
1. Eradicate extreme poverty and hunger	Livelihood strategies and food security of the poor often depend directly on healthy ecosystems and the diversity of goods and ecological services they provide.
2. Achieve universal primary education	Time spent collecting water and fuelwood by children, especially girls, can reduce time at school.
3. Promote gender equality and empower women	Poor women are especially exposed to indoor air pollution and the burden of collecting water and fuelwood, and have unequal access to land and other natural resources.
4. Reduce child mortality	Water-related diseases such as diarrhoea and cholera kill an estimated 3 million people a year in developing countries, the majority of which are children under the age of five.
5. Improve maternal health	Indoor air pollution and carrying heavy loads of water and fuelwood adversely affect women's health and can make women less fit for childbirth and at greater risk of complications during pregnancy.
6. Combat major diseases	Up to one-fifth of the total burden of diseases in developing may be associated with environmental risk factors – and preventive environmental health measures are as important and at times more cost-effective than health treatments
7. Ensure environmental sustainability	Current trends in environmental degradation must be reversed in order to sustain the health and productivity of the world's ecosystem

**Source:** DFID/EC/UNDP/World Bank (2002), **Linking Poverty Reduction and Environmental Management: Policy Challenges and Opportunities**. Washington: The World Bank, p.11.

The kinds of policy changes that benefit both the poor and the environment are of interest in the AEO assessment, more so in respect of the pursuit of both the MDGs and the goals of the NEPAD Environment Initiative. Table 8 below provides some pointers in that regard. In the specific case of water, given (a) that all major African river basins are shared by two or more countries, (b) the need for increased investments in water resources, and (c) the usefulness of the application of the ecosystem approach in the management of this strategic resource; it is useful to consider policies that relate to water governance, water financing and water management

Table 8: Strategic Actions to benefit both the environment and the poor

Types of policy and institutional change			
Improving Governance	Enhancing the assets of the poor	Improving the quality of growth	Reforming international and industrial country policies
1. Integrate poverty-environment issues into national development frameworks	1. Strengthen the resource rights of the poor	1. Integrate poverty-environment issues into economic policy reforms	1. Improve international and industrial country trade policies
2. Strengthen decentralization for environmental management	2. Enhance the Poor's capacity to manage the environment	2. Increase the use of environmental valuation	2. Make foreign direct investments more pro-poor and pro-environment
3. Empower civil society, in particular poor and marginalized groups	3. Expand access to environmentally sound and locally appropriate technology	3. Encourage appropriate private sector involvement	3. Enhance the contribution of Multilateral Environmental Agreements (MEAs) to poverty reduction
4. Address gender dimensions of poverty-environment issues	4. Reduce the environmental vulnerability of the poor	4. Implement pro-poor environmental fiscal reforms	4. Encourage sustainable consumption and production
5. Strengthen anti-corruption efforts to protect the environment and the poor			5. Enhance the effectiveness of development cooperation and debt relief
6. Reduce environment-related conflicts			
7. Improve poverty-environment related monitoring and assessment			

Source: Extracted from DFID/EC/UNDP/World Bank (2002), **Linking Poverty Reduction and Environmental Management: Policy Challenges and Opportunities**. Washington: The World Bank.

### **Guidance 13**

***In the light of environment-MDG links illustrated above, it is useful for the AEO assessment process to examine the extent to which:***

- ***Knowledge of the poverty-environment linkages has informed the policies and strategies on income and food security, sustainable energy and other sustainable development issues in a sub-region.***
- ***Knowledge of the gender-environmental linkages has influenced the policies on sustainable energy and water development in the sub-region.***
- ***Knowledge of environment-health linkages has influenced public health policies and how the implementation of those policies has impacted on morbidity and mortality among children and women. The impact of the policies on irrigated agriculture and wetland management can be assessed in the same vein.***

Although energy is not part of the MDGs, the UNDP Energy and Environment practice, in follow-up to the WEHAB initiative, elaborated useful energy-MDGs links that can be considered during the AEO assessment and reporting process. Those links are depicted in Table 9 below.

### **Guidance 15**

*The AEO assessment can, among other things, establish:*

- *The extent to which the energy policies in the sub-region have enhanced economic empowerment, especially for women, and helped to reduce the dependence on fuelwood as the major sources of energy for the poor.*
- *The extent to which the cleaner energy systems are promoted in the sub-region and what types of policy environment is the most favourable.*
- *The forms of partnerships that have evolved in the provision of energy services and how the policy environment facilitated them.*
- *The manner in which the liberalization of the energy sector has impacted on the accessibility of energy by the poor.*
- *The policy and programme appraisal methodologies used in making strategic decisions on energy development or expansion in the sub-region.*
- *The extent to which land-use and other types of conflicts have impaired the optimum utilization of hydro-electric power potentials in sub-regions that are watered by common water bodies such as the River Nile. Highlights can be provided on pertinent water governance challenges and the nature of the limitations inherent in the existing water-use policies in dealing with those challenges.*
- *The extent to which the exploitation of non-renewable energy resources, such as petroleum, is being guided by policies that safeguard environmental interests and the macro-economic stability of the countries with such resources.*

**Table 9: Key links between energy and the MDGs**

	<b>MDG Target</b>	<b>Energy linkages</b>
1	<b>Eradicate extreme poverty and hunger</b>	<ul style="list-style-type: none"> <li>■ Energy inputs such as electricity and fuels are essential to generate jobs, industrial activities, transportation, commerce, micro-enterprises and agriculture outputs.</li> <li>■ Almost all staple foods must be cooked, requiring heat and fuels, to be compatible with human nutritional needs.</li> </ul>
2	<b>Achieve universal primary education</b>	<ul style="list-style-type: none"> <li>■ To attract teachers to rural areas electricity is needed for homes and schools. After dusk study require illumination. Many children, especially girls, do not attend primary schools in order to carry wood and water to meet family subsistence needs.</li> </ul>
3	<b>Promote gender equality and empower women</b>	<ul style="list-style-type: none"> <li>■ Adult women are responsible for the majority of household cooking and water boiling activities. This takes time away from other productive activities. Without modern fuels and stoves and mechanical power for food processing and transportation women often remain in drudgery due to lack of energy services.</li> </ul>
4	<b>Reduce child mortality</b>	<ul style="list-style-type: none"> <li>■ Disease caused by lack of clean boiled water, and respiratory illness caused by the effects of indoor air pollution from traditional fuels and stoves, directly contribute to infant and child disease and mortality.</li> </ul>
5	<b>Improve maternal health</b>	<ul style="list-style-type: none"> <li>■ Lack of electricity in health clinics, illumination for nighttime deliveries, and the daily drudgery and physical burden of fuel collection and transport all contribute to poor maternal health conditions, especially in rural areas.</li> </ul>
6	<b>Combat HIV/AIDS, malaria and other diseases</b>	<ul style="list-style-type: none"> <li>■ Electricity for communication such as radio and television can spread important public health information to combat deadly diseases. Health care facilities, doctors and nurses, all require electricity and the services that it provides (illumination, refrigeration, sterilization etc) to deliver effective health services.</li> </ul>
7	<b>Ensure environmental sustainability</b>	<ul style="list-style-type: none"> <li>■ Energy production, distribution and consumption has many adverse effects on the local, regional and global environment including indoor air pollution, local particulates, land degradation, acid rain, and global warming. Cleaner energy systems are needed to address all of these to contribution to environmental sustainability.</li> </ul>
8	<b>Develop a global partnership for development</b>	<ul style="list-style-type: none"> <li>■ The World Summit for Sustainable Development (WSSD) called for partnerships between public entities, development agencies, civil society and the private sector to support sustainable development, including the delivery of affordable reliable and environmentally sustainable energy services.</li> </ul>

Source: UNDP Environment and Energy Practice internal communication, 2004.

The linkages between water and the other MDGs are depicted in Table 9 above. Those linkages can be built upon by the AEO assessment process in identifying and elaborating on policy issues and strategic actions that should be considered at the national and sub-regional levels in using water to enhance both environmental and human health. Because water is becoming increasingly scarce, water security is fundamental to achieving the MDGs and attaining the water-related goals of the NEPAD Environment initiative. There are economic<sup>30</sup>, social<sup>31</sup> and ecological<sup>32</sup> challenges

<sup>30</sup> The maximization of social and economic benefits from available water resources while ensuring that basic human needs are met and the environment is protected.

associated with water management. Effective water management requires a favourable policy and legislative environment.

**Table 10: Links between water and the MDGs**

<b>Development Goal [MDG]</b>	<b>Link to water and sanitation</b>
Eradication of poverty and hunger	A lack of water resource management, unsafe drinking water and lack of sanitation are key links in the cycle of food insecurity, poor growth, disease, malnutrition and poverty. Irrigated agriculture provides a large proportion of the world's food and irrigation comprises over 70% of overall water use.
Universal primary education	Diarrhoeal diseases and parasites reduce attendance and attention  Girls often stay away from school unless there are females-only toilets. Time spent collecting water takes precedence over school attendance and this burden falls on girls. Teachers are unwilling to live in areas without adequate water and sanitation.
Promotion of gender equality	Women bear the brunt of poor health and the security risks from lack of private sanitation or washing facilities, and the burden of carrying water.  Increasing women's role in decision-making to match their responsibilities, and bringing about a more equitable division of labour are known to help improve water supply, sanitation and hygiene. Demonstrating this can help to improve women's status in other ways.
Reduced child mortality	Diarrhoea causes 2 million deaths per year mostly among children
Improved maternal health	A healthy pregnancy and hygienic labour practices reduce the risk of maternal illness. Hand washing is simple, yet effective.
Combating disease (HIV, malaria and others)	Of the global burden of disease, 23% is a result of poor environmental health, 75% of which is attributable to diarrhoea. HIV treatment is more effective where clean water and food are available.  HIV infected mothers require clean water to make formula milk. Water management reduces opportunities for malaria mosquito breeding sites. Clean water and hygiene are important in reducing a range of parasites including trachoma and guinea worm.
Environmental sustainability	Water resource management is key to environmental sustainability  Water resources are under stress.  Public health improvements can address the environmental degradation resulting from urbanization.
Global partnership for development	Public, private and civil society partnerships help deliver water and sanitation to the poor.

Source: Department for International Development [DFID] (2004) Water Action Plan. London: DFID.

<sup>31</sup> Ensuring equity in access to safe water while reducing the vulnerability of the poor to health hazards associated with water pollution.

<sup>32</sup> Ensuring sustainable use and the protection of the resource base both in terms of quantity and quality in order to meet the needs of future generation.

## **Guidance 16**

*In the AEO assessment process, it is useful to establish, among other things:*

- *The manner in which existing water policies have encouraged effective water management. In this regard, particular attention can be given to how the application of user-fees, in the wake of liberalization, has influenced the efficiency of water-use and accessibility of clean water and sanitation to the poor.*
- *How the decentralization policy has influenced the delivery of water services to the poor and the expansion of piped water in rural areas.*
- *The extent to which basing water governance on the catchments area approach has been adopted in the sub-region and with what impact on water quality, accessibility of clean water by the poor.*

### **3.3 Understanding the hierarchical linkages of policies**

Seizing opportunities to enable environment contribute more to development and sustainable livelihoods is not only governed by national policy and legislative frameworks. Regional and global policy and legislative frameworks come into play as well. Additionally, the effective application of such agreements may require that they be translated into national policies and laws to facilitate enforcement. There could also be some compatibility problems between the agreements both at the same level of jurisdiction or between levels. Chances are that the implementation of some of these agreements and norms serve as pressures on the environment. These types of relationships, therefore, have to be understood in assessing Africa's prospects in adequately seizing identified opportunities for more innovative use of environment for meeting sustainable development goals.

## **Guidance 17**

*The AEO assessment should be cognizant of the nested nature of national, regional and global polices when determining policy impacts on environment and livelihoods. The prospects of seizing opportunities and the likelihood of the proposed policy actions to yield the desired outcomes should be examined. Possibilities of the incompatibilities among the policies within the hierarchy rendering the AEO policy recommendations impossible to implement should be considered. The extent to which deficiencies or gaps in national policy and legal frameworks may foreclose the invocation of a given MEA or other international agreements for purposes of seizing opportunity for trade and development should also be considered.*

### **3.4 Making strategic choices**

Dealing with polices during the AEO assessment is about making strategic choices in how best to improve policy performance and enable more effective seizure of opportunities. As already mentioned SEA is one of the tools that can be applied in that respect. One of the strengths of SEA is that it can assist in the identification of hidden impacts of policies, plans and programmes. It is also a tool for testing the compatibility between policies that have potential impacts on both the environment and livelihoods. Guidance to this effect is provided below.

Ghana and Tanzania are the lead countries in Sub-Saharan Africa in the application of SEA to the greening of poverty reduction strategies. In the specific case of Ghana<sup>33</sup>, the SEA framework in enabling:

- Assessment of the extent to which environment has been incorporated in the discussion and analysis of policies contained in the Ghana Poverty Reduction Strategy.
- Examining the environmental opportunities and risks presented by individual policies.
- Identifying and strengthening those priority policy actions that benefit both the poor and the environment.
- Increasing the understanding about the spatial dimensions of policies at the international, national, regional and district level.
- Initiating analysis of the effectiveness of policies in terms of ease of implementation, timescale and costs and hence the ability of the policies to yield rapid benefits to both the environment and the poor.

The Ghana experience with the application of the matrices in undertaking policy assessment is noteworthy. Similar matrices can be applied by the AEO2 working groups in assessing policy compatibility and the environmental opportunities and risks presented by various policies. The benefits of this application are: a) identification of opportunities to be seized; b) identification of policies with environmental risks to be averted; and c) identification of policy areas needing adjustment by the relevant jurisdiction.

Matrix 2 below gives a sample of the matrix for gauging the extent of compatibilities or conflicts between policies that interact with each other.

**Matrix 2: Assessing policy compatibility**

	Policy 1	Policy 2	Policy 3	Policy 4	Policy 5	Policy 6
Policy 1						
Policy 2						
Policy 3						
Policy 4						
Policy 5						
Policy 6						

Source: Adapted from National Development Planning Authority/Environmental Protection Agency (2004) Handbook Development Plan Sustainability Appraisal. Accra; NPDC/EPA.

<sup>33</sup> See National Development Planning Commission (2004) SEA of the GPRS, Vols. 1, 2, 3: Accra; National Development Planning Commission and the Environment Protection Agency.

The relevant AEO working group can use the matrix in reviewing the interactions between policies that have potential impacts on both livelihoods and the environment. The review should identify and elaborate on instances:

- Where two policies are mutually supportive of each other (+)
- Where two policies have the potential for conflict with each other (-)
- Where no significant interaction, positive or negative exists (o)

Additionally, Matrix 3 below can be used to review environmental opportunities and risks associated with various policies. Use can be made of criteria relevant to each policy theme in specifying the nature of the opportunities and risks. For each policy, the likely consequences of the policy action are assessed for each criterion in turn and the environmental opportunities and risks are identified using the rating scale below. The rating is completed when the summary score is assigned. The decision by Ghanaian environmental stakeholders to use the “precautionary principle” in adopting the highest opportunity or risk score for each policy theme instead of the average score (weighted or not) is pragmatic and useful.

<b>Opportunity</b>	<i>Score</i>	<b>Risks</b>	<i>Score</i>
No opportunity	0	No risk	0
Slight opportunity	1	Slight risk	1
Substantial Opportunity	2	Substantial risk	2
Great opportunity	3	Great risk	3

**Matrix 3: Assessment of policies for risks and environmental opportunities**

POLICY	Policy Area1			Policy area 2			Policy area 3			Policy area 4			Policy area 5		
	Policy theme			Policy theme			Policy theme			Policy theme			Policy theme		
	Criterion 1	Criterion 2	Criterion 3	Criterion 1	Criterion 2	Action 3	Criterion 1	Criterion 2	Action 3	Criterion 1	Criterion 2	Action 3	Criterion 1	Criterion 2	Action 3
<b>Policy 1</b>															
Opportunity															
Risk															
<b>Summary</b> score for opportunity															
<b>Summary</b> score for risks															
<b>New policy or policy reform</b>															
<b>Policy 2</b>															

Source: Adapted from National Development Planning Commission (2004) SEA of the GPRS, Vol. 3: Accra; National Development Planning Commission and the Environment Protection Agency.

The AEO should also be properly anchored on the trade-environment-sustainable development linkages in line with the eight principles of the Abuja declaration. These principles are: 1) Trade and investment policy must be a means towards sustainable development; 2) Equity is at the core of the trade, investment and sustainable development relationship; 3) Developing countries must be provided market access and fair terms of trade; 4) Policy coherence is essential; 5) Space for innovative sustainable development policy must be safeguarded; 6) Innovation must be promoted; 7) An enabling environment must be fostered; and 8) Empowerment and inclusiveness are essential.<sup>34</sup> UNEP's Integrated Assessment of Trade Liberalization and Trade-Related Policies in Nigeria (crop sector), Senegal (fisheries) and Tanzania (forestry) is instructive and provides comparative experiences from Argentina (fisheries), China (cotton) and Ecuador (banana). The assessment examines the product, technology, scale, structural and regulatory environmental impacts of the trade policy reforms.<sup>35</sup>

In reviewing the extent to which trade and investment have impacted on sustainable development in the sub-region, cognizance should be taken of the growing fear among environmental stakeholders that the WTO can become an obstacle to environmental policy making and the argument by some trade policy experts that there is no real problem in the trade-environment interface.

### **Guidance 18**

***The AEO assessment and reporting process should:***

- ***Determine the success made in each of the sub-regions in reforming land and land-use policies to improve on access rights and the efficiency of land-use.***
- ***Ascertain the extent to which the decentralization of environmental management has empowered resource users and enhanced better management of environmental resources rather than being a recipe for environmental problems.***
- ***Establish the extent to which the application of the Integrated Conservation and Development approach has enhanced the derivation of both conservation and livelihood benefits in protected areas.***
- ***Determine the extent to which the debt dividends accruing to HIPC countries have been utilized to support environmental management.***
- ***Ascertain the difficulties encountered and the successes achieved in valuation of the natural capital as a means of improving the integration of environment into planning and budgeting.***
- ***In the sub-region where the SEA methodology has been applied, establish (a) the levels of success achieved in "greening" the poverty reduction strategies by some of the countries implementing that strategy; (b) the progress made in ensuring that trade and investment liberalization are impacting on environment, especially in terms of minimizing and managing environmental risks.***

<sup>34</sup> UNDP Roundtable on Trade and Investment for Sustainable Development, Abuja, Nigeria, 18-19 July 2002.

<sup>35</sup> Hussein Abaza and Veena Jha (2002) **Integrated Assessment of Trade Liberalization and Trade Related Policies**. UNEP Country Projects – Round II. A Synthesis Report. Geneva: UNEP.

### 3.5 Understand the institutional and capacity development and utilization issues related to policy implementation

As observed in AEO1, although Africa has never been short of policy documents, the implementation record of existing policies has not been impressive. The ineffectiveness of policies related to human vulnerability to environmental change was particularly noted. Absence of adequate implementation plans, weak implementation capacity, conflicts between agencies with related environmental mandates, and failure to seize on the synergies that exist among various sector policies and between such policies and the Multilateral Environmental Agreements (MEAs) are some of the implementation difficulties that deserve careful consideration during the AEO assessment process.

#### **Guidance 19**

*The AEO assessment process should establish the extent to which (a) appropriate implementation plans have been used in the application of policies; (b) relevant legal instruments have been enacted to facilitate policy implementation; (c) efforts have been made to adopt a synergistic approach in the implementation of closely related national policies that are anchored on the MEAs, especially the three Rio Conventions in order to optimise on use of limited human resource capacity; and (d) upstream-downstream synergies are proactively supported to enhance policy design and implementation.*



## Chapter 4: Discerning key issues for policy responses

The purpose of this chapter is to provide guidance on how the assessment process in the chapters preceding that on policy responses can adequately raise and provide information on key policy issues. The information so derived will feed into the elaboration of the chapter dealing with policy responses and policy actions.

### 4.1 People and Livelihoods

This chapter should address the following issues:

#### **Guidance 20**

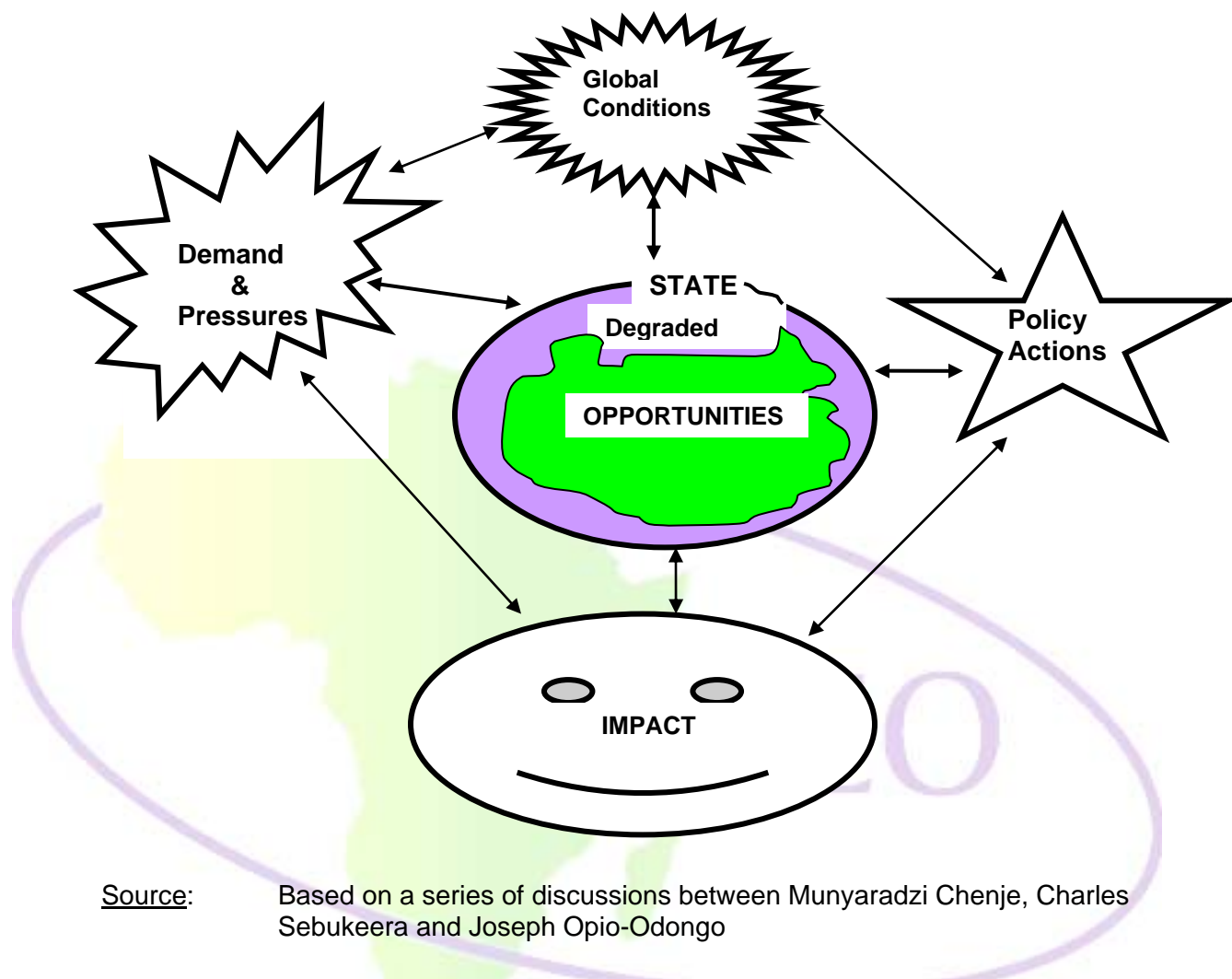
The assessment of people's livelihood situation can benefit from a focus on the following with the view to distilling emerging lessons and good practices:

- *What kinds of environmental and non-environmental policies at the national and sub-regional levels have tended to undermine people's livelihoods and how?*
- *How has local knowledge/technology, especially of indigenous people, been safeguarded and strategically used to ensure that programmes promoting sound environmental management also protect the livelihoods of the people affected?*
- *What national and sub-regional policies exist on indigenous people and how do those policies safeguard both environmental and livelihood interests?*
- *With increasing globalization and links between national and supra-national environmental policy-making, what are the complementarities and conflicts between national and trans-national norms in safeguarding people's livelihoods in the sub-regions?*

### 4.2 The state of the environment and opportunities for development

While AEO2 assessment retains elements of the DPSIR framework, it applies an opportunities framework as is depicted in Figure 6 below. The emphasis is on how Africa can seize the opportunities for development drawing upon the available environmental resources. The main task for the assessment is to clearly define and determine the scope of the available opportunities (environmental values) for trade and development. There are bound to be challenges in translating the opportunities into tangible trade and development benefits. While some of the challenges are domestic, others are external. Nonetheless, the assessment must grapple with them and also specify the kinds of requisite policy and institutional reforms and capacity development that will enable Africa to effectively seize the opportunities in the light of the evolving globalization process.

Figure 5: The Opportunities Framework



Additionally, the assessment will also discern the ongoing pressures on the natural assets and the extent to which anthropogenic activities are altering the state of the environment and the possibilities of such alterations adversely affecting the prospects of seizing the identified opportunities. Recommendation for appropriate measures to curtail undue alterations would follow from the assessment.

### **Guidance 21**

**In the application of the opportunities framework, the assessment should answer the following questions:**

- **What are the values of the available resources at the sub-regional and regional levels?**

- **What types of opportunities exist in using these resources to promote poverty reduction and sustainable development?**
- **What are the main challenges that face Africa in seizing the opportunities to utilize the resources as identified?**
- **What policy and institutional actions should be taken in order to facilitate seizure of the opportunities?**
- **What would be the consequences of Africa's success or failure in seizing the opportunities?**
- **How might Africa's various forms of vulnerability be affected by the failures to seize the opportunities and effectively curb ongoing environmental degradation?**
- **If the opportunities are seized, how could the local population be made to benefit from accrued revenues?**

While being forward looking, the assessment should, nonetheless, discern the extent to which existing policies are impacting on the conservation and sustainable use of resources and the risks that unabated degradation pose to the prospects of transforming the opportunities into trade and development benefits for the sub-region.

### **Guidance 22**

***The AEO assessment should carefully establish the nature of the impacts made by various policies and how people's livelihoods are differentially impacted upon. If there are clear cases of existing policies serving as a fetter to seizing trade and development opportunities through use of natural assets, these should be discussed and highlighted in text boxes***

Table 11 below provides the framework that can be used by working groups at the national and sub-regional levels to assess and report on the nature of policy impacts. It is important that adequate descriptions and explanations of impacts are provided.

**Table 11: Establishing impacts of policies**

Policies			ITK		Land		Forest and woodlands		Atmosphere		Freshwater		Bio-diversity		Coastal and marine		Human settlements	
			+	-	+	-	+	-	+	-	+	-	+	-	+	-	+	-
Macro-econ	Fiscal	Gov. Expenditure																
		Tax/ Subsidy																
	Monetary	Monetary																
	Inter-national	Exch. rate																
		Trade																
		Capital Controls																
		Other																
Sectoral		Price controls																
		Tax/ Subsidy																
	Investment																	
	Industrial																	
	Housing																	
	Transport																	
Environ	Water (pricing, etc.)																	
	Energy (tariffs, etc.)																	
	Agric. (price controls																	
	Land-use/tenure																	
	Waste management																	
Vulnerability	Disaster management																	

**Guidance 23**

*In the case of negative impacts on both the environment and people, it is useful for the AEO assessment and reporting process to determine the categories of people whose livelihoods depend on the natural asset that have become most vulnerable to the negative impacts of certain policies. It is also useful to identify the categories of people that are most favoured by such policies and how the benefits have accrued to them. Use can be made of the framework provided in Table 12 below to meet this need. Specific examples of policy conflicts in resource use, policy failures and policy capture can be provided. The assessment should also point to the kinds of policy changes that may be necessary to realize the goals of the NEPAD Environmental Initiative...*

**Table 12: Losers and beneficiaries<sup>36</sup> of policy measures**

Negative policy Impacts	Youth	Women	Elderly	Farmers	Industrialists	Indigenous people	Consumers
1							
2							
3							
4							
5							
Categories reaping benefits	Nature of benefits (quantitative and qualitative)						
1	•						
2	•						
3	•						
4	•						
5	•						

Africa is witnessing growing interest in the application of various forms of Corporate Social Responsibility (CSR)<sup>37</sup> that are influencing the management and performance of the natural resource sectors. The implementation of the different forms of CSR has been facilitated by the creative reforms of forest and wildlife policies and laws. The wildlife sectors in Kenya, South Africa, Zimbabwe, Botswana and Namibia, for instance, are being impacted by a form of the CSR that targets tourism development through the conservancies. In the forest sector, Ghana, Cameroon and South Africa are leading in the application of the Company-Community Forestry Partnerships (CCPs), which are forms of CSR. These CCPs in the forestry and wildlife sectors provide examples of how opportunities are being seized, ostensibly to harness community participation and commitment in promoting sustainable use and management of the natural resources.

However, a review of 23 examples of Company-Community Forestry Partnerships in 23 countries including South Africa, Guinea, Ghana and Zimbabwe revealed that the partnerships had not yet yielded equitable, efficient and sustainable systems that were returning benefits to company, community and forests on a long-term basis<sup>38</sup>. A review of the Namibian CCP experience with tourism development through the conservancies also yielded mixed results; while some of the communities were experiencing improvements in levels of incomes, others were victims to weak contracting arrangements that predisposed them to labour and human rights abuse by partner companies.<sup>39</sup>

<sup>36</sup> The list of beneficiaries in this table is indicative.

<sup>37</sup> Corporate Social Responsibility (CSR) refers to the initiatives that companies undertake in partnership with communities in their areas of operation in order to demonstrate the companies' commitment to operate their businesses in socially and environmentally responsible manner.

<sup>38</sup> See James Mayers and Sonja Vermeulen (2002) *Company-Community Forestry Partnerships: From raw deal to mutual gains*. Nottingham, U.K. Christine Bass Print. (Under the auspices of the EU, DFID and the IIED.

<sup>39</sup> Dilys Roe, Maryanne Greig-Gran and Wouter Schalken (2001) *Getting the Lion's Share from Tourism: Private Sector Community Partnerships in Namibia*. Poverty, Inequality and Environment Series No. 1. London: IIED in association with NACOBTA



### 4.3 Emerging issues

Environmental and macro-economic changes produce new issues and rekindle old ones in new forms. These emerging issues are likely to impact on both the environment and people's livelihoods. Extreme weather events are a case in point. Such events have been shown to result in health and economic consequences. The emergence of the Rift Valley Fever (RVF) in the Horn of Africa, for instance, was linked to the anomalous weather in the 1990s.<sup>40</sup> Some of the extreme weather events can cause considerable damage to both the environment and people's livelihoods especially in situations where decades of environmental degradation have weakened the natural resilience and buffering capacities of the ecosystems. That indeed was the experience with Hurricane Mitch in Central America.

The health and environmental risks associated with use of Genetically Modified Organisms (GMOs) as means of bolstering Africa's food security is another emerging issue of interest. The other is the resurgence of Malaria and its occurrence in areas historically known for being free from Malaria. As AMCEN's advocacy and monitoring tool, the AEO should keep abreast of these and other emerging issues. It is therefore essential that such issues are accurately and adequately assessed to provide AMCEN with credible the policy positions for lobbying, advocacy and negotiations. Table 14 provides a general framework for that assessment.

Table 14 is intended to guide the working groups in deriving the appropriate policy responses to these issues. It is important that the character of the emerging issue and the level of decision-making at which it must be dealt with are appropriately defined. So must the nature of the potential or ongoing impact of the issue, with clear indication of whether it is the environment or livelihood or both that is most impacted upon by the issue. Specification of the most vulnerable groups in society or ecosystem is useful. Given variations in the development of the environment information systems and policy analysis capacity in Africa, it is important that proposed responses to the issues take due account of this situation and consider carefully the need for capacity development. Use of Guidance 25 below can enable the assessment to sharpen its policy focus.

#### **Guidance 25**

***The policy focus of the assessment of emerging issues can be sharpened by:***

- ***Establishing the importance of the issues to Africa and their likely impacts on environment and development.***
- ***Establishing the manner in which the inter-play between domestic and global policies has contributed to either the emergence of the new issue or the re-emergence of an old one.***
- ***Determining how the data/information system and the analytical capacity for anticipating some of the issues can be enhanced to enable a more proactive policy response.***

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<sup>40</sup> Centre for Health and the Global Environment (1999) Extreme Weather Events: The Health and Economic Consequences of the 1997/98 El Niño and La Niña. Boston: Harvard Medical School.

- *Determining how resource-use policies have fomented conflicts and how other non-environmental policies have exacerbated such conflicts*
- *Determining the relative contributions of (i) lack of policy framework(s), (ii) existence of defective policies, and (iii) the incapacity to enforce existing disaster management policies to increasing human vulnerability to extreme environmental events and natural disasters.*

**Table 14: Working towards policy responses to emerging issues**

Emerging issues	Character and level of import	Impact		Appropriate response				
		Nature	Target		Raise awareness	Get adequate data and information	Do solid policy analysis	Lobby/ advocate for new policy or policy reform
			Environment	Livelihoods				
<i>Conflict and environment</i>								
<i>Human vulnerability to extreme environmental events and natural disasters</i>								
<i>Vulnerability of small islands</i>								
<i>Genetically modified organism</i>								
<i>Changing demography</i>								
<i>Non-timber forest products</i>								
<i>Emergence of new and re-emergence of old diseases</i>								
<i>Trade and environment</i>								
<i>Effects of non-environmental agreements on environmental issues</i>								
<i>Trans-boundary resource use, especially water</i>								
<i>HIV and AIDS</i>								

#### 4.4 The outlook

A number of African countries were supported by the UNDP-funded Africa Features project to elaborate their National Visions. In countries such as Uganda, the National Vision (*Harmonious Nation, Prosperous People and Beautiful Country*) has partly influenced the formulation of the Poverty Eradication Action Plan, which government believes is its sustainable development strategy – hence ongoing efforts to ensure that it is sufficiently “greened.” Uganda’s Poverty Eradication Action Plan serves as the framework for pursuing the MDGs. Other African countries have the National Strategy for Sustainable Development in addition to the National Vision and the Poverty Reduction Strategy.”

Countries that elaborated national visions had to select one from a number of scenarios for consideration. In producing the chapter on outlook, it is essential that the AEO assessment focuses on one or two countries within the sub-region that have elaborated national vision to examine the extent to which scenario development and visioning contributed to better strategies for dealing with the challenges of sustainable development.

#### **Guidance 26**

*In developing the outlook, the AEO assessment within each sub-region can examine:*

- *How the scenario on which a given national vision was based has so far influenced the thrust and contents of the environmental and non-environmental policies in the country.*
- *Where sector scenarios were developed, the alignment between sector scenarios (e.g. energy, health and biodiversity) and the one on which the national vision is anchored and the consequence of that the alignment, or lack of it, has had for the thrust and content of sector policies.*
- *The alignment between the scenario on which the national vision of the selected country was anchored, the preferred AEO1 scenario and how that alignment has influenced the response by the country to the AEO1 policy responses and actions.*
- *The scenarios developed in Africa 2025 against those in AEO1 with the view to selecting those to propose in AEO2, bearing in mind the continental and global forces that influences the future of Africa.*

## Chapter 5: Strengthening implementation and policy

The purpose of this chapter is to provide guidance on (a) strengthening the implementation of the AEO policy responses and actions; and (b) supporting actors at the national level in building on the AEO assessment to improve on environmental policy making and implementation, including the implementation of the Multilateral Environmental Agreements (MEAs).

### 5.1 Strengthening implementation of AEO recommendations

Three major issues must engage the minds of the AEO working groups on the issue of strengthening implementation. First is the manner in which the policy recommendations were derived - their logical flow from the assessment and their review and validation by the AMCEN members and other key stakeholders. Stakeholder ownership is critical in the eventual implementation of policy. Second is the safeguards taken to ensure the acceptability of the recommended policy responses. And third is the strategy for translating the proposed policy responses into concrete actions at the sub-regional and national levels.

#### 5.1.1 Derivation policy recommendations

It is essential that the recommended policy responses in this chapter follow logically from the assessment in the preceding chapters. The Guidance below can enable the practitioners achieve this.

##### Guidance 27

- ***Build on the proposal in the guidelines to maintain summary sheets on policy issues emerging from the assessment in the preceding chapters as a basis of ensuring that recommendations on policy responses are anchored on the issues in the summary sheets.***
- ***Adopt specific criteria for selecting a limited number of policy actions for implementation - e.g. urgency of problem, relevance to MDGs and the NEPAD agenda, crucial in enhancing adaptive capacity and response to emerging issues.***
- ***Consider the merit of instituting a mechanism at the sub-regional level that allows for stakeholder opinion on proposed policy responses***
- ***Consider the merit of sub-regional policy roundtables at which the implications of the AEO policy responses can be considered and concrete action plans adopted.***

#### 5.1.2 The acceptability of the recommended policy responses

The success of the AEO can be measured by the extent to which its recommendations have been adopted and implemented by the AMCEN member countries. Acceptability can be enhanced by ensuring that while data analysis is done with sufficient rigour within the quality limitations of available data and information, presentations are based mainly on formats that facilitate internalization of the key messages from the analysis by

the stakeholders. Trend analysis that depicts how the environmental situation has so far evolved and is likely to become can capture the attention and interest of stakeholders. Captivating scenarios that depict the costs and benefits of responding in one way or the other, including a “no change” option, is useful, especially if linked to specific case studies from a country or number of countries within the sub-region. In the sub-regions where resource valuation studies have been done to demonstrate the links between environment, poverty and growth as a means of communicating to policy makers why those links matter, those results should be drawn upon to reinforce the policy message.<sup>41</sup> Useful information from the poverty-environment mapping within the region can also be brought to bear.

Results of available country-specific or comparative evaluative case studies can be gainfully apply in reinforcing the policy messages or policy lessons. The comparative analysis of the effects of democratic decentralization on natural resources management that was done by Jesse Ribot in 2002, which included Cameroon, South Africa, Zimbabwe, Mali and Uganda is instructive. In instances where policy reforms are proposed, it is essential that the proposals are adequately anchored on solid country experiences, especially when the contexts are similar. Confounding factors are usually a problem when it comes to attributing the impact of a particular policy on either environment or livelihoods. However, lessons from previous studies based on econometric or quasi-experimental models that have assessed the impact of the same policy elsewhere can be drawn upon in making more realistic statements on the likely outcome or impact of the proposed policy or policy reform.

### **Guidance 28**

*AEO should adopt analytical and communication strategies that enhance the acceptability of the proposed policy responses and actions. Strategic use can be made of trend analysis, scenarios, case studies and relevant types of evaluative studies to convey the policy message or lessons. It is however important that when a number of methods are used to meet this need, their abilities to add value to the story line are carefully considered. Adequate care needs to be given to the fallacy of attribution when articulating expected policy outcomes or impact.*

### **5.1.3 Translating recommended policy responses into concrete actions**

Besides the use of AEO assessment to enable lobbying, advocacy and collaborative programming at the sub-regional and regional level, it is imperative that support is provided to enable the implementation of pertinent policy responses at the national level. AEO1 had already made a good beginning by defining key implementation actors and the timeframe for action. What is not clear from the available information is the commitment that had been solicited and obtained from the identified partners. This aspect of the implementation strategy requires careful consideration in order to ensure partner commitment in taking actions that support the proposed AEO policy responses.

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<sup>41</sup> A good example of this in East Africa exemplified by Lucy Emerton, Francis Karanja and Sam Gichere ( 2001) “Environment, Poverty and Economic Growth in Kenya: What are the links, and why do they matter?” IUCN Policy Note No. 2. Nairobi: IUCN

Strategic actions that must be taken for each of the policy response should also be clearly specified with possible targets and monitoring indicators. This will align them better with the targets for the MDGs and the NEPA Environment Initiative.

### **Guidance 29**

*The relevant AEO working group for Chapter 5 should build on the leads provided in AEO 1 to elaborate an implementation plan that clearly defines the strategic actions, related activities by designated partners and the targets to be achieved within a defined time frame. The AEO working group can also use the Table 15 below to review the extent to which the AEO1 policy recommendations with immediate and medium-term implementation timeframe were acted upon. In this regard, the working group could ascertain:*

- *How the proposed policy responses reinforced national policies and the MEAs being implemented.*
- *What difficulties have been faced in implementing which immediate policy action?*
- *The types of partnerships built in pursuit of the recommended policy actions and with what results.*

**Table 15: Implementation status of immediate and medium-term AEO1 policy recommendations**

<b><i>AEO1 policy actions with immediate and medium-term timeframe</i></b>	<b><i>Actions taken by national actors</i></b>				
	<b><i>Action</i></b>	<b><i>Agency</i></b>	<b><i>Time frame</i></b>	<b><i>Source of support</i></b>	<b><i>Lessons learnt so far</i></b>
<b><i>1 Enhancing capacity to climate change</i></b>					
<b><i>2 Promotion of environmental education</i></b>					
<b><i>3. Focus on policy failure</i></b>					
<b><i>4. Compliance and enforcement</i></b>					
<b><i>5. Greening of development strategies</i></b>					
<b><i>6 Promoting greater involvement of NGOs in environmental management</i></b>					
<b><i>7 Improving environmental information systems</i></b>					
<b><i>8 Mobilization of domestic financial resources for environmental management</i></b>					

## 5.2 Supporting actors at the national level

African countries are at different stages in promoting the integration of environment with development. There is also considerable variation in the institutional arrangements for promoting environmental protection and management. The countries also vary in the extent to which they have opened spaces to civil society and the private sector to participate in policy-making. These differences must be taken into account in whatever strategy is adopted to provide support to national-level counterparts and sub-regional inter-governmental organizations for purposes of strengthening the implementation of the AEO policy recommendations.

The following are some of the possible actions in that regard: a) strengthening data and information systems to allow for a better assessment of the situation to be addressed by the policy response; b) strengthening capacity for policy analysis, policy dialogue and advocacy, especially in countries and sub-regions with good data and information systems; c) strengthening the technical skills needed to use the available information to get the policy issue on the budget frameworks of AMCEN member countries and the inter-governmental organization within the region and to ensure reasonable budgetary allocations for implementing pertinent policy actions.

### **Guidance 30**

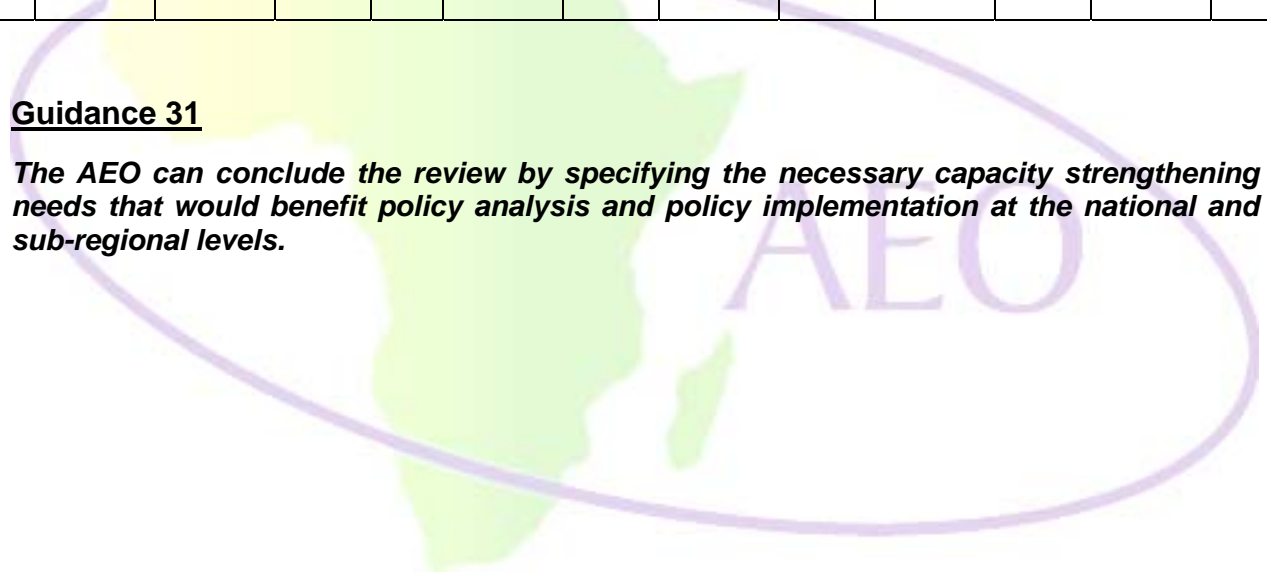
***The AEO working group can use the table below to facilitate a review of the situation within a given sub-region. In the case of analytical capacity, if the review suggests that strong policy analysis capacity exists, it is useful to further specify whether it is across the board or mainly within a particular discipline. Similarly, if the review suggests that the quality of the data and information systems is high, it is useful to feature the elements used to reach that judgement.***

**Table 16: Reviewing information, institutional and analytical capacity**

Country	Main agency responsible for environment		Quality of data/information system		Capacity							
	Sectoral	Multi-sectoral	High	Low	Policy analysis		Policy dialogue		Advocacy		Budget negotiations	
					Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												

**Guidance 31**

*The AEO can conclude the review by specifying the necessary capacity strengthening needs that would benefit policy analysis and policy implementation at the national and sub-regional levels.*



## **Chapter 6: Summary, Conclusion and Recommendations**

### **6.1 Summary**

These Guidelines are developed in response to the need by AEO practitioners for guidance on how to deal adequately with: a) policy issues that are pertinent to enabling Africa use its natural asset in promoting sustainable development and livelihoods; and) analyze the impact of policies on both the environment and people's livelihoods. However, given the growing interest in Africa in integrating environment with development, it was considered prudent to take that interest into account as well.

The Guidelines are targeted at the AEO practitioners with the intention of offering specific guidance on how to strengthen policy analysis in the various sections of the AEO. The guidance is based on the assumption that the Guidelines will be used by practitioners with considerable experience in environmental management issues, at least within their own countries. The practical details of achieving this are to be provided by the Handbook on Policy Analysis for Integrated Environmental Assessment and Reporting that accompanies the Guidelines. However, a number of worksheets, worktables and matrices are introduced to facilitate deliberations in the working groups participating in the AEO process. The guidelines are also expected to enable practitioners identify knowledge gaps to be filled through commissioned policy analysis case studies.

For purposes of enabling the analysis and communication of results to be based on a common vocabulary, The Guidelines provides definitions and examples of application of the key policy analysis concepts (Chapter 2). This is followed by an outline of the five rules of thumb in enabling the practitioners to deal adequately with policy issues that underpin the use of natural resources to enhance development and sustainable livelihoods (Chapter 3). The rules of thumb are about understanding a) how the sustainability ethos influences approach to policy-making; b) the linkages between the AEO themes, the NEPAD Environment Initiative and the MDGs that are fundamental in understanding the relevance and robustness of policy proposals and the critical policy gaps; c) the hierarchical relationships between policies and their implications for policy performance and policy impact; d) the need to make strategic choices through application of tools that enable the identification of hidden impacts of policies and testing of the compatibility between policies; and e) the institutional and capacity development issues that affect the implementation of the AEO policy recommendations.

In order to ensure that policy issues are captured in the course of elaborating each of the AEO chapters, a variety of guidance is provided in Chapter 4 to that effect. A number of worksheets are provided in the chapter to guide deliberations in the working groups. It is hoped that this guidance can enable the AEO practitioners to distil the main policy issues that would be synthesized into strategic policy recommendations and actions in the final chapter of the AEO. This is followed by considerations of what is needed to strengthen capacity for implementing the AEO policy recommendations.

## 6.2 Conclusion

The main conclusion that can be drawn from the development of the Guidelines is that the strength of the AEO chapter on policy recommendations and actions will largely depend on how well the policy issues in the preceding chapters are dealt with. In order to achieve this, the AEO practitioners have to bring their wealth of experience in environmental management to bear on the assessment process. The AEO Policy Analysis Working Group, composed of those with expertise in policy analysis, will play a complementary role in enhancing the capacity for more effective application of the Guidelines.

Although many of the issues and examples provided in the Guidelines are couched at the national level, the variety of guidance in the various chapters is generally applicable at the sub-regional and regional level. While couching the Guidelines at the national level seems to be betraying the regional outlook of the AEO, if they succeed in improving the quality of and capacity for policy analysis at that level, then the price would have been worth paying. A strong regional capacity for integrated assessment anchored on weak national capacities in meeting the same need is like building a posh house on sand.

## 6.3 Recommendations

Three recommendations follow from the experiences in developing the Guidelines. First, the Guidelines should be seen as work in progress that should be subjected to rigorous revision based on experiences gained from its application. Second, given that a good number of the AEO practitioners who validated the draft guidelines dealt little with policy at the national and sub-regional levels, it is advisable that this revised draft be shared with a number of policy-makers in the AMCEN member countries for validation. Additionally, the subsequent revision of the Guidelines should benefit from active engagement of policy makers within and outside the environment ministry. Third while the stakeholder consultations at the national level were useful, the subsequent revision of the Guidelines should benefit from consultations with sub-regional organizations such as SADC, ECOWAS and the EAC as well as the relevant arms of the AU. That would facilitate the identification of priority sub-regional and regional issues for consideration. Involvement of academic and professional policy analysis organizations would also be beneficial.