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should include all crosscutting issues**

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ENVIRONMENTAL ASSESSMENT OF DEVELOPMENT ASSISTANCE PROJECTS SHOULD INCLUDE ALL CROSSCUTTING ISSUES

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Introduction

This paper concerns international development assistance, or international cooperation, and the desire amongst countries and agencies providing this assistance to ensure that its outcomes are sustainable, that activities promoted by the assistance result in minimal environmental damage, preferably environmental improvement, that its benefits are fairly distributed, including across genders, and that it contributes to sustainable livelihoods in the recipient country. Within the headquarters of the major development assistance agencies, whether international or bilateral, these matters are likely to be official policy, and likewise there is staff in their country offices strongly committed to these policies. But equally there are a range of pressures within the country offices of these agencies to pay little more than lip service to these issues, and to “get on with the essential job of development” – the issues being seen as impediments, and peripheral, to the core activity of designing and implementing projects and programs.

This paper arises from experience of working with project and program appraisal across a wide range of countries and a wide range of projects. It represents an informed opinion – not based on specific data collection but instead on lessons taught by those working in-country designing, appraising and implementing development cooperation programs. The paper is not concerned directly with the well developed Environmental Impact Assessment procedures for large infrastructure projects (though much of it is relevant there too) but instead with the much greater range of soft development assistance projects which today constitute the vast majority of the activities of multilateral and bilateral donors.

In summary, this paper makes the following argument:

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- The complexity of modern government results in administrative compartmentalisation of activity, budgets and expertise, resulting in line agencies with well-defined areas of responsibility.
- Development assistance programs tend to mirror this model, with detailed program formulation, and implementation, handled at line agency level (though within the larger framework of a national development assistance program).

- There is a growing understanding that mainstreaming of crosscutting issues such as gender, environment, poverty, sustainability and sustainable livelihoods is impeded where program formulation is compartmentalised.
- Most countries already have considerable experience in appraisals of projects/programs on one crosscutting issue, environment, through their Environmental Assessment (EA) procedures.
- The dynamics of development assistance project/program formulation are such that there is no opportunity to have “several bites at the apple” in the form of different appraisal tools for different crosscutting issues.
- There is a conceptual leap required, but no methodological leap, to extend the current EA processes (EIA, SEA, etc) beyond “environmental issues” and to require them to consider the full range of crosscutting issues relevant to each particular development context.
- Such a conceptual leap is hardest for professionals steeped in western EA modalities and traditions; but quite natural, even anticipated, by those working at the coal face in development.

Compartmentalisation

The complexity of modern government results in administrative compartmentalisation of activity, budgets and expertise into line agencies with well defined areas of responsibility - agriculture, transport, education, health, industry, trade, and so on. Line agency activities are coordinated through national budgets and national development strategies by finance departments, planning departments, prime-minister’s departments, or similar, but only at the broad level of setting frameworks and budgets in which the individual line agencies operate. Development assistance programs tend to follow this model, with the detailed formulation of programs, and their implementation, being handled at line agency level within the larger framework of a national development assistance program. This is generally true, whether the development assistance is through a bilateral arrangement, through international organisations, or multilateral banks. Compartmentalisation in government ensures that the necessary disciplinary expertise and implementation skills are brought to bear on specific development activities. But it also restricts the range of perspectives and disciplinary skills that have the opportunity to contribute to the formulation of that particular development activity. Understanding the limitation that this imposes on project/program formulation is crucial to understanding how to address the problem.

Crosscutting Issues

All development assistance agencies - bilateral, international agency, and multilateral banks – now require that their programs address, not only economic development issues, but also a range of issues such as environment, sustainability, gender disparity, and perhaps poverty alleviation or sustainable livelihoods.

Environment. That environmental issues and development issues are inextricably linked through the interdependencies that exist between people and natural resources is familiar to all who work in the environmental field. Environmental change occurs through the application of development models, practices and lifestyles, and any modification of the natural and physical environment has important socio-economic consequences that effect the quality of life. Environmental issues span global,

national and local concerns. They include consideration of renewable use of natural resource such as water, forests and land, and use of non-renewable resources such as minerals and fossil fuels. They include the use of the environment as a sink for solid, liquid and gaseous wastes, and the assimilative capacity of oceans, airsheds, land and inland water bodies for these wastes. They also concern the maintenance of biological diversity through ensuring sustainable yield from natural resource use is not exceeded, and through conservation reserves and other forms of protection. Environmental issues cut across all development activities, and their successful management requires a wide range of actions. Equally their management requires an understanding of the functioning of the whole of the biophysical and socio-economic system in which development occurs, and of how these systems respond to the growth of populations and economies. Traditional practice in land husbandry, and traditional cultural and religious perspectives of land and environment, are important considerations.

Gender in Development. Women and men are inescapably linked to each other and their societies through relationships, attitudes, roles and responsibilities. It is through a full understanding of these linkages that we can identify dynamic and innovative ways of enhancing the development potential of women and men. All development initiatives are gendered: they will impact men and women differently. Gender mainstreaming means taking account of the social, cultural, economic and political differences between and among women and men in all programming activities. It comprises being informed of the gender characteristics of the population and setting, taking full account of this in the development of policy and programs, and appraising all programs in terms of potential gender disparities. Areas of focus for the advancement of women include fostering an enabling environment for the advancement of women, and the empowerment of women, in issues such as social and economic assets and resources, income generating activities, gender-sensitive legal and policy frameworks, and education and training.

Poverty and Sustainable Livelihoods. The concept of sustainable livelihoods has emerged in response to the challenges of development in today's world and to the need for new approaches that are integrative, can accommodate diverse realities, and do not attempt to be so all encompassing as to be vague and ineffective in leading to action. Sustainable livelihoods are people's capacity to access options and resources and use them to make a living in such a way as not to foreclose options for others to make a living, either now or in the future. Agenda 21 used the term "livelihoods" in the context of combating poverty, and its objectives include providing all persons urgently with the opportunities to earn sustainable livelihoods. Livelihoods of disadvantaged groups and resource-poor populations in both urban and rural areas need to be targeted for improvement. The approach to sustainable livelihoods requires building on aspects of communities' existing or potential livelihoods, adaptive strategies, knowledge, and natural resources base, understanding what these are through participatory learning and action research, and by investing in and building on these by development interventions in areas such as governance, policy, technology and capital availability. Sustainable livelihoods is an integrative construct which brings together all economic activities relevant to employment, as well as the social dimensions of sustainability and equity. The concept can, if well developed to

reflect the country-specific heterogeneity of livelihood types and aspirations, bring a new synthesis to the ecological and economic sides of human activity, while addressing equity as a central principle.

It is useful to collectively describe these issues as “crosscutting”. They manifest themselves in nearly all types of development activities and generally are not the planned outcomes of the particular development intervention. They cut across all government responsibilities as they are not the province of any single line agency, or at least not the province of any single line agency with any real power (Environment Departments, for example, are exceptionally weak in most governments). Implementation of a particular program may achieve its intended outcomes, but at the same time may result in unintended externalities, say, in adverse effects on income distribution or increases in environmental degradation or non-sustainable resource use. Development interventions may also appear to be beneficial when observed from the perspective of the proponent, but far less beneficial when observed from other perspectives. An employment generating program may produce more jobs, but achieve very little in terms of alleviating poverty or in overcoming existing gender disparity in access to sustainable livelihoods.

Mechanisms have to be developed to tackle crosscutting issues of this type in development programming. However, there is a growing understanding that these issues are not easily mainstreamed when faced with the compartmentalisation of program formulation and implementation as described above. Their appropriate consideration can only be achieved by appraising projects and programs using much wider skills and perspectives than those available in the narrower disciplinary positions dominant in implementing line agencies.

Crosscutting Issues and Environmental Assessment

Most countries already have experience, many considerable experience, at bringing these wider skills and perspectives to bear on development problems through their EA appraisals. However, historically, these perspectives have generally addressed only one set of crosscutting issues – the environmental ones.

Most of this experience has had a project-based focus, with EIA directed at the appraisal of hardware projects such as dams, roads, mines, and industrial developments. EIA appraisals have often tended to emphasise the biological and physical environmental effects of development, more so than the social effects.

Multi-national and bilateral aid agencies and banks have been particularly interested in the extension of EIA type approaches upstream from project-level activities to the strategic levels of planning and decision-making (The World Bank, 1993,1996). Increasingly, both developed and developing countries alike are giving consideration to extending EIA approaches upstream to provide crosscutting appraisals of *plans, policies and programs* through SEA (Strategic Environmental Assessment) (UNEP, 1996; Verheem, 1992; Partidario, 1996) though the appropriate form, or forms, of SEA appraisals are undergoing rapid evolution and are the subject of ongoing debate. Both EIA and SEA are examples of crosscutting appraisals, albeit confined at the moment to the range of issues normally considered in EIA.

Whereas aid in the past has often been in forms amenable to project-based EIA, most aid today is 'softer'. It is not project based. It may be programmatic - a range of inter-related activities under a single theme. It may provide wide-ranging support to a sector or sub-sector of government. Moreover, it is likely to focus primarily on in-country capacity building, both through human development and institution building, over a wide range of governmental and non governmental activities. Programs such as *developing the capacity to privatise state-run enterprises*, or *technical assistance to develop a fishing industry*, or *promotion of export growth*, or *capacity development for land use planning*, are common in development assistance. These types of aid projects deal with activities which occur upstream in the project cycle. They deal with whole programs, even whole government sectors. Often in their capacity-building focus they are part of policy development. Projects and programs like this need to be subject to EIA/SEA procedures as they can have large environmental consequences, and wide ranging consequences across the other crosscutting issues described above.

Extending EA to all crosscutting issues

Approaches which rely on a simple checklist are common in attempts to ensure development assistance considers crosscutting issues: '*Does the project have any effect on poverty?*' or '*Have women's issues been considered in formulating this project?*'. However simple box ticking like this is mere lip service. At best it achieves little. At worst it relieves individual and corporate consciences on these matters and creates the impression of concern and action. Checklist approaches cannot be effective. Roe, Dalal-Clayton and Hughes (1995) and other commentators note that there are many examples where crosscutting assessment of aid projects have turned into meaningless efforts only to satisfy procedural requirements.

There are no examples of tools, other than checklists, for the considerations of non-environmental crosscutting issues, which have the same widespread acceptance as EA tools, for project and program appraisal. Even with the sound development of such tools, the dynamics of project/program formulation in development assistance are such that there would be extreme reluctance to subject activities to a sequence of different appraisals. Despite the existence of central procedural requirements in most bilateral and international development agencies, at the level of field officers at the development interface, any such appraisals are seen to complicate and delay the processes of program formulation with counterpart line agencies.

If conventional EIA can mainstream the consideration of environmental issues in project-based appraisals, and SEA can do the same in policy and program appraisals, why can they not also be adapted to mainstream the consideration of, say, gender and poverty?

In fact there are at least three compelling reasons why EIA and SEA are suitable vehicles for doing so. Firstly, consideration of any crosscutting issue requires that there be a clear understanding of the biophysical and social systems in which the development will occur and the interlinkages between the different parts of the system. It has been the underlying strength of the EA process that it has encouraged its practitioners to think in this holistic manner. Secondly, in the EA process it is the norm to consider need and alternatives, positive and negative impacts, and mitigation strategies – all essential to proper consideration of crosscutting issues. EA is also starting to move beyond reactive assessment towards proactive consideration of opportunities within development proposals, and it is in finding opportunities that the greatest gains will be made in crosscutting issues. The distinction

between *positive impacts* and *opportunities* is a useful one. *Positive impacts* include those things that will happen deliberately as part of a program, say an increase in employment resulting from a development assistance program to increase the magnitude of the tourism sector in a country. *Opportunities*, on the other hand, are those additional things that could be incorporated into a program to achieve wider objectives. An example would be the potential, in the same tourism sector program, to include a gender equity component to ensure that both sexes benefited from the increased employment. Opportunities represent the chance for lateral thinking in development aid programming, and a search for ways to contribute creatively to program formulation.

Thirdly, in most development contexts, particularly amongst those who work at the coalface, the boundaries between environment, sustainable livelihoods, economic development, poverty, quality of life and gender are blurred. They all interact in most situations. This author's experience is that there is a far greater understanding of how each of these things is related than there is in the western context. The concepts and the absolute necessity of sustainability in development are paramount. In working with development professional in a wide range of countries, experience has been that their scoping of what needed to be considered in particular program appraisals, using group techniques in an EA context, encompassed all the crosscutting issues described above. One would have had to impose "western" limits on what is "properly" considered in EA to stop the group from considering all the elements in the system in which the development intervention was to occur.

There is a conceptual leap required, but no methodological leap, to extend the current EA processes (EIA, SEA, etc) beyond western defined "environmental issues" and to ensure they consider the full range of crosscutting issues relevant to each particular development context. Such a conceptual leap is hardest for professionals steeped in western EA modalities and traditions; but quite natural, even anticipated, by those working at the coal face in development.

An Example

Brown (1997a, 1997b, 1998) has described the application of a rapid appraisal tool, the *Environmental Overview* for use in environmental appraisal during the formulation stages of development assistance projects and programs. It is a coarse but effective appraisal tool, taking its basic philosophy from internationally accepted SEA concepts. The Environmental Overview centred on a participatory procedure involving development agency officers, counterpart officers from government, NGOs, and other stakeholders. The underlying philosophy was that a structured participatory activity at the earliest stages of program formulation was an efficient and effective means of tapping into the broad range of knowledge and perspectives required to ensure a program was environmentally sound.

While originally formulated as an environmental appraisal tool, the Environmental Overview tool has been modified in response to demands within the organisation in which it was developed to give equal weight to a range of development themes, not just to the "environmental" theme. Its modification has also harnessed the reality that development practitioners in the field found it essential to consider all components of the development system in subjecting practical development programs to environmental assessment. The original tool was easily extended to include the consideration of gender, poverty and sustainable livelihoods and has been renamed the *Strategic Overview*.

The *Strategic Overview* identifies the scope of environmental and social issues associated with the programs being formulated, recognises where there may be environmental and social opportunities, and forces the consideration of options, alternatives and modifications to the program design. The crosscutting themes of poverty, sustainable livelihoods and gender are now central to the overview analysis along with the theme of environment . Once the *Strategic Overview* has identified potential issues, one can then build their consideration into a reformulated program.

This *Strategic Overview* is a response to the need for holistic approaches to program formulation in the complex social and biophysical systems in which development interventions occur. In accord with growing experience in best practice in SEA, the *Strategic Overview* is not intended as a stand-alone assessment of an already formulated proposal, but as a planning tool to be integrated into the early stages of project and program formulation. Underpinning the *Strategic Overview* is the belief that most of the knowledge and skills essential at least *to recognise* (not necessarily *to solve*) potential gender, poverty, environmental and other crosscutting issues and opportunities in development proposals, reside in-country. But this is true only when a collective view is taken across a range of government line agencies, NGOs, the universities, community stakeholders, and international organisations. The *Strategic Overview* provides both structure and process by which this expertise can be harvested practically and efficiently in a participatory group process with the program formulators.

The *Strategic Overview* will work at all scales: at project-level, at program level, or at country level. It is applicable to soft projects such as capacity building and is even applicable to the assessment of policies. While the tool has evolved within the context of an international agency program, and its purpose was to meet requirements for crosscutting appraisal of development assistance programs, experience in developing country suggests that it will prove a versatile tool, and a model that governments themselves can adopt and adapt as appropriate to their own internal development planning procedures.

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Key Words:

environment, gender issues, poverty, livelihoods, sustainability, strategic environmental assessment, SEA, decision-making, capacity building, process and procedure, methods and techniques, aid, scoping, development, EIA, EIS report, integration.

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