



**COUNCIL OF  
THE EUROPEAN UNION**



## **Council Conclusions on integrating environment in development cooperation**

*2953rd ENVIRONMENT Council meeting  
Luxembourg, 25 June 2009*

The Council adopted the following conclusions:

- "1. Sustainable management of natural resources and adaptation to climate change, as well as energy saving and promotion of renewable energy, are fundamental to ensure sustainable urban and rural development and progress in poverty eradication, in particular the achievement of the Millennium Development Goals (MDGs). External assistance should tackle these issues in a more rigorous and systematic way. The Council recalls that it has recently adopted conclusions on some of these areas<sup>1</sup>. Here it addresses the issue of integrating environment in development cooperation.
2. The Council notes that both the European Commission and Member States face very similar challenges with respect to addressing environment in their development assistance and that there is a need for acting in a better coordinated manner, building progressively joint approaches on the basis of existing strategies and tools, while respecting the Paris and Accra agendas on aid effectiveness.

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<sup>1</sup> Council Conclusions on Climate change (16 March 2009), DRR and Access to Sustainable Energy (18 May 2009).

**P R E S S**

3. The 2005 European Consensus on Development and other EU policy papers<sup>2</sup> consider environment and sustainable management of natural resources as one of the nine areas for Community action<sup>3</sup>. They further include commitments to environment mainstreaming as a cross-cutting issue, to assisting developing countries in environment policymaking and to helping them increase their capacity to sustainably manage environment and natural resources.

### **EU approach for supporting environment integration in developing countries**

4. The Council welcomes the Commission's Staff Working Document on improving the integration of environment in development cooperation and underlines its timeliness in view of up-coming Mid Term Review (MTR) of Country Strategy Papers (CSPs), Regional Strategy Papers (RSPs) and Thematic Strategies.
5. The Council underlines the importance of:
- Strengthening ownership in partner countries of environmental issues in all their dimensions and enhancing environment policy dialogue;
  - Supporting the integration of environment, both as a sector and as a cross-cutting policy issue, in national development strategies, in particular Poverty Reduction Strategy Papers (PRSPs), and in sector/programme/project planning and implementation, notably in EU supported programmes;
  - Harmonising and coordinating approaches towards environmental integration, in particular through better coordination between the Commission and Member States, as well as with other bilateral and multilateral donors, in line with the Paris declaration and Accra Agenda for Action;
  - Improving aid delivery with respect to environmental issues;
  - Promoting sustainable development and good environmental management;
  - Recognising that to achieve general development goals, the objectives of multilateral environmental agreements must be, as appropriate, taken into account in poverty reduction strategies and other development planning of partner countries;
  - Promoting low carbon development as a way to address climate change and as a potential opportunity for development.
6. The Council endorses the six key areas of ongoing work for improving environment integration, as they reflect the priorities of the 2005 European Consensus on Development<sup>4</sup> and other relevant EU commitments. The Council recommends specific actions in each of these areas as indicated in the Annex attached to these Conclusions.

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<sup>2</sup> Integrating the environment into EC economic and development cooperation, Commission Staff Working Paper SEC(2001) 609 of April 2001 and the [EU Strategy for Sustainable Development](#) (updated in June 2006 – Doc. 10117/06).

<sup>3</sup> i.e. those that can become focal sectors in country and regional programmes.

<sup>4</sup> OJEU C 46, 24.2.2006, p.1.

## Implementation priorities

7. In order to ensure a prompt and focused start of implementation, the following areas should be considered for immediate action:
  - Updating Country Environment Profiles (CEPs) to address environmental risks such as climate change, biodiversity loss, deforestation or desertification issues in a comprehensive way;
  - Integration of environment issues, including climate change and in particular adaptation, into EU's external action and promoting their inclusion in partners' development strategies. MTRs of CSPs and RSPs should be an entry point for full integration in the 2012 programming exercise;
  - Coherence, coordination and complementarity of EU support for climate change investments already identified and planned for in national frameworks;
  - Preparing a CEP (including climate change issues) jointly with UNEP/UNDP, World Bank and other selected partners as a pilot exercise, while ensuring country ownership.
8. The following areas should further be addressed as priority areas:
  - Strengthening the use of tools such as Strategic Environment Assessments (SEAs) in order to ensure mainstreaming of environment issues in key sector activities and explore the further use of these tools in new delivery modes, such as budget support;
  - Working with others in developing and applying tools to quantify the economic value of environmental resources, to promote more sustainable use, and inform more sustainable models, of economic growth;
  - Ensuring that the economic recovery programme makes the best possible use of investments to promote a resilient, sustainable and green recovery (low carbon development path).
9. While working on these priority areas, actors need to take into account the interconnectedness of environment risks, such as climate change, biodiversity loss, poor water management, deforestation or desertification, which demands the development of integrated measures for tackling these risks. These issues will be reviewed regularly, in particular with a view to support an integrated approach. The EU will encourage synergies between these issues and co-benefit approaches.

## Coordination and policy coherence

10. The EU approach for supporting environment integration in developing countries will be implemented in full respect of the Paris and Accra agendas on aid effectiveness. The Council also recognizes the necessity for the EU to work closely with other donors and stakeholders, including the UN, the Global Environment Facility, the World Bank and other Multilateral Development Banks, as well as civil society.
11. The Council underlines the need to ensure policy coordination and coherence with other major EU policy areas, in particular climate change adaptation and disaster risk reduction but also other areas, such as agriculture, fisheries and trade and transports, as well as with existing global efforts (e.g., the OECD/DAC EnviroNet Working Group and its recently adopted guidance on integrating climate change adaptation into development cooperation). In this regard, particular attention should be given to the initiative for a harmonized approach towards Country Level Environmental Analysis, as undertaken by the WB/EC/UNDP/UNEP in the context of the OECD-DAC EnviroNet. The EU also underlines the importance of gender mainstreaming into all its environment related development cooperation.

## **Mobilising Resources**

12. The Council notes the average yearly commitments by the Community of around €295 million for environment integration under the different cooperation instruments, including allocations in some CSP and RSPs, and in the thematic programme for environment/natural resources. The Council invites the Commission and Member States to efficiently use available and relevant instruments and, if necessary, to explore possibilities for mobilising adequate, predictable and sustainable resources, in the context of agreed commitments for Official Development Assistance (ODA) and in response to an increased “effective demand” by policy makers.

## **Follow up on the EU approach for integrating environment in development cooperation**

13. The Council invites the Commission to set up an appropriate framework, consisting of the Commission and Member States, to prepare and monitor the implementation of the EU approach to environment integration. During 2009, a work programme listing deliverables and responsibilities should be prepared. It should also allow sharing experiences and good practices with a view to helping inform the development of EU positions for relevant international fora when and where appropriate. Throughout this process, consultations with civil society actors should be ensured.
14. The Council invites the Commission to prepare an ambitious EU wide environment integration strategy, to be presented to the Council by late 2011. Such a strategy should take into account lessons learned and would i.a. feed into the main processes relevant to this subject, such as the next programming cycle for EU development cooperation, the stocktaking of the MDGs and the Conferences of the Parties of a number of key environmental conventions, such as United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Convention to Combat Desertification (UNCCD) and the United Nations Convention on Biological Diversity (UNCBD).

***Areas for intervention***

The Council endorses the six following areas of work for improving environment integration and recommends specific actions in each of them as following:

**With respect to expansion of the environmental knowledge base:**

- Including environmental integration in the policy dialogue at country and regional level.
- Including environment indicators, i.a. on policy quality and implementation, in aid allocation criteria.
- Identifying key needs related to environment and climate change or to cross-cutting issues and use of market-based instruments.
- Sharing and discussing the findings of environmental assessments and reports with partner countries and other interested stakeholders, including civil society.
- Strengthening the dissemination and use of research results.
- Organising regional-level reviews of environmental policy quality as a means for achieving better environmental integration.

**In order to improve tools for environmental integration and capacity building:**

- Enhancing the quality, relevance and use of environmental integration tools (CEPs, SEAs, Environmental Impact Assessments - EIAs and Climate Change Analysis – CCAs), taking into account the climate change dimension, and further developing these tools jointly with Member States and in coordination with key multilateral and global actors (e.g. UNEP, OECD), as well as with other bilateral donors.
- Encouraging effective application of tools, including by improving collaboration between implementation agencies, different environment helpdesks and/or similar support structures of the EU, as well as with civil society.
- Updating CEPs to address climate risks, *inter alia* in the context of the MTR of CSPs and RSPs.
- Promoting environment related capacity building in partner countries, including environment law-enforcement.

**With regard to mainstreaming of environment:**

- Better reflecting environment and natural resource management issues in the countries' governance profiles.
- Maintaining an (easily accessible) inventory of the environmental mainstreaming tools in collaboration with OECD.
- Better addressing health-environment issues, in particular those strongly affecting the poor.
- Exploiting synergies between natural resources management and conflict prevention policies.
- Supporting climate integration in development cooperation through the use of climate risk screening and assessment tools and by incorporating climate risks into SEA and EIA methodologies<sup>5</sup>.
- Ensuring that food security responses duly reflect long-term environmental sustainability.

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<sup>5</sup> Council Conclusions on Climate Change (16 March 2009) and on DRR (18 May 2009).

**With a view to integrating environment in budget support:**

- Including environmental integration in budget support dialogue.
- Increasing the use of SEAs to improve environment mainstreaming in budget support.
- Identifying key entry points for addressing environmental issues in budget support, including through environmental indicators, monitoring systems, and performance reviews.
- Promoting environmental fiscal reform as a component of general budget support and the inclusion of environmental issues in Public Expenditure Reviews (PERs).
- Strengthening local capacities to undertake SEAs, PERs and environmental fiscal reform.

**With respect to improving monitoring, evaluation and reporting on environmental issues:**

- Strengthening project monitoring systems to make them more results-oriented and suitable for internal and external reporting on progress made in environment integration, including identification of relevant indicators that contain consistent information for all the main sub-themes.
- Refining methodology and indicators to enable the monitoring of progress in environment integration.
- Working towards a more comprehensive and comparable environment reporting system that contains consistent information for all the main sub-themes.
- Collaborating with other actors, in particular within the OECD, with a view to agreeing on an environment reporting system to be applied by all the donors, including a climate change adaptation marker.

**In the area of coordination and division of labour in environment and natural resource management issues:**

- Developing EU positions on environment issues with a view to dialogue with partner countries and other stakeholders.
- Promoting regular exchanges between the Commission and Member States' agencies on environment integration focusing *inter alia* on:
  - joint use and peer review of mainstreaming tools (CEPs, SEAs, EIAs) as well as joint analytical work, in collaboration with other bilateral and multilateral donors, when and where appropriate;
  - joint training on environmental integration and on specific environmental themes, interlinking of websites, in collaboration with other bilateral and multilateral donors, when and where appropriate."