

**PAKISTAN'S NATIONAL  
CONSERVATION STRATEGY:  
RENEWING COMMITMENT  
TO ACTION**

**Report of the Mid-Term Review**

by

Arthur J. Hanson  
Stephen Bass  
Aziz Bouzaher  
Ghulam M. Samdani  
with the assistance of  
Maheen Zehra

November 2000

### **ABOUT THIS REPORT**

**This report was prepared by the External Review Team (ERT) and is based on findings of the Team, including other results from the Pakistan National Conservation Strategy Mid-term Review (MTR). The main period of work took place during 1999-2000. Comments were received between July-November 2000. This final version was completed in November 2000.**

# **Pakistan's National Conservation Strategy: Renewing Commitment to Action**

## **EXECUTIVE SUMMARY**

### **1. Background**

This report is the culmination of a one-year effort to undertake a Mid-term Review (MTR) of the achievements, impacts and prospects of Pakistan's National Conservation Strategy (NCS) since the beginning of its implementation in 1992. The report was prepared by an independent review team, based on materials and information developed through an intensive consultation and review process coordinated by the Government of Pakistan. The information gathered includes studies, various background documentation, plus the results of consultative meetings held throughout Pakistan and involving government, civil society, the private sector and international donor agencies. The key studies are available as separate reports.

Irrespective of the considerable methodological challenges attending the task of reviewing the outcomes of such a wide-ranging initiative as the NCS, with its 14 major objectives and some 68 programs, plus related local initiatives including provincial conservation strategies, the authors are confident that the overall conclusions and recommendations of this report will provide a strong basis for achieving enhanced outcomes during the next phase of the NCS. The review results are directed to each of the major sectors participating in the implementation of the NCS—federal, provincial and local governments, civil society organizations including major conservation bodies such as IUCN-Pakistan, and private sector bodies.

### **2. Key Broad Conclusions**

The main conclusions of the MTR can be summarized as follows:

- Achievements under the NCS have been primarily awareness raising and institution building rather than actual improvements in the quality and productivity of environment and natural resources.
- The NCS was not designed and is not adequately focused as a national sustainable development strategy.
- The NCS process has strengthened civil society institutions and their influence, and enhanced the capacity of public institutions.
- NCS implementation capacity requires much improvement.
- NCS continues to have a major catalytic role in furthering Pakistan's sustainable development agenda. However, it needs refocusing and closer link to achievable development outcomes; this should constitute the agenda of the next phase of NCS, here referred to as NCS-2.

If the NCS was both a process and a product, the product (i.e. the strategy document) rapidly took precedence over the process (i.e. the multistakeholder

participatory processes, etc.) Over time, the document was less relevant to new opportunities and constraints, and implementation became constrained by the discontinuation of many of the useful processes, or by the lack of any effort to get rid of the factors constraining them—factors which are largely related to government attitudes and procedures. The on-going crisis of governance within Pakistan has made it nearly impossible to properly foster the kinds of government-civil society relations that are needed to implement the NCS, forming a very basic and powerful underlying implementation constraint.

In addition to highlighting the governance issue, the MTR summarizes the constraints to NCS implementation as the lack of four fundamental ingredients:

- A clear enough implementation plan or ‘road map’.
- A monitoring system geared towards evaluating institutional change and environmental outcomes.
- A system of accountability for resource use and outcomes.
- A multistakeholder process for keeping an overview of the NCS, learning and enriching it.

The catalytic potential of the NCS continues but needs reinvigorating and refocusing. In the last ten years, general experience of development in Pakistan has brought about a greater understanding of the value of the component processes of the NCS (and provincial/district strategies), especially by demonstrating where there could be major benefits through more integrated management approaches and the longer-term consequences of not linking environment and development. In addition, a start has been made on persuading decision-makers that implementing sustainable development is an urgent matter. The problems of environment are affecting the economy, and are integral to tackling poverty. Many people are now aware of the potential and the need to act.

Although the NCS is not currently operating adequately as a national sustainable development strategy (i.e, going beyond conservation objectives, and focusing on achieving wider development outcomes), there is potential for NCS-2 to be such. It can do this by building on the above strengths and addressing the weaknesses, and filling the gaps—where necessary by integrating other initiatives, or learning from them. Ways to deal with governance constraints—and ways to improve governance *through* NCS action where possible—should be sought.

### **3. Recommendations**

These conclusions lead to six main recommendations briefly described here and considered in more detail in Chapter 7 of the report.

*What the MTR recommended:*

Under each of the six main MTR recommendations, there is a list of 2 to 6 major *actions* (see Box). These are addressed principally to government, but also to NGOs and the private sector, as the NCS can only succeed in the way that it originated—as a truly multistakeholder initiative. The focus on government is because government institutional structures and performance have been the biggest constraint to achieving NCS objectives to date, and because government is the acknowledged

organizer of the NCS. Finally, there are fourteen pages of suggested *tasks either for immediate attention or for attention within 18 months*, about 2 to 10 under each of these major actions.

In addition, Chapter 6 of the MTR also offers a further fourteen pages of *general guidelines* for the NCS, which have a strong bearing on how the recommendations should be implemented.

#### *Clarifying the recommendations:*

While people with time to analyse the MTR's extensive recommendations have shown considerable enthusiasm for them, it is apparent that a simpler framework may help understanding and debate by the many busy people who are concerned about sustainable development in Pakistan.

In this section, we therefore present the MTR's recommendations in a hierarchical framework that is intended to permit debate, the achievement of consensus, and give a better picture of the recommended institutional framework for sustainable development:<sup>1</sup>

- *Broad intentions* – should a strategic approach be continued, with what scope, and in what form?
- *Strategic principles* – what principles should be adopted that have been shown to work well?
- *Mechanisms* – what component processes and institutional roles are required?
- *Activities* – what options might be considered (whilst avoiding a 'shopping list' of projects)?

Each category is introduced below.

### **3.1 Broad intentions – Should a strategic approach be continued, with what scope, and in what form?**

#### **3.1.1 Should a strategic approach be continued?**

#### **RECOMMENDATIONS FROM THE MTR REPORT**

**RECOMMENDATION 1. Ensure that the NCS is fully owned by government, the key partners and stakeholders, and by building on the concerns and needs of the people of Pakistan.**

Revitalize and recommit to the NCS at the highest levels of the federal government with a focused, strategic approach that can lead to demonstrable environmental improvements in the coming year.

Ensure that overall planning for devolution and for NCS district-level initiatives proceed together, with recognition of the need to incorporate a sustainable development approach within local level governance. NCS should be the instrument of choice for mainstreaming the environment into local development planning.

---

<sup>1</sup> Each of the MTR's recommendations in Chapter 7 tend to be a mix of broad principles, suggestions on scope of coverage or goals, institutional roles and mechanisms, and detailed activities. Furthermore, the MTR makes other more specific but complementary recommendations in almost every chapter of the report, and presents many guidelines in Chapter 6 which need to be brought together.

Key NCS stakeholders should take stock of what they have individually and collectively accomplished under NCS and engage in a joint process to redefine and strengthen strategies that work.

Revitalize and expand strategies for individual and community-level awareness-building about NCS objectives.

Focus much greater attention on incorporating the views and needs of poor people and communities, and on their direct participation in sustainable development goal setting and implementation.

Establish a multi-stakeholder forum and strengthen partnerships among government, civil society, and the private sector.

**RECOMMENDATION 2. Switch the NCS from top-down and supply-driven to a bottom-up demand-driven approach.**

Draw upon the existing NCS and provincial experience with local level planning and projects for application to the government's devolution plans, and for application in future activities under the NCS and provincial conservation strategies. This bottom-up approach needs to be complemented by stronger abilities to deal with truly national and international issues. The NCS can help by fostering the development and strengthening of local institutions and the empowerment of user groups in ways that can help to build sustainability.

Refocus NCS processes towards a demand-driven approach, with appropriate changes in priorities and how they are set, and with acceptance of adaptive management.

**RECOMMENDATION 3. Prepare NCS-2 to serve as Pakistan's sustainable development strategy for 2002-2012, with a greater emphasis on poverty reduction and economic development in addition to environmental sustainability.**

Establish a transition team to design a revised National Conservation Strategy for sustainable development, reporting to the Chief Executive and Cabinet no more than 10 to 12 months after its establishment. The NCS should become one of the main instruments of development planning.

Gender integration should be given a much more prominent role within all NCS activities, with achievable objectives that can be monitored and reported on. While this is a matter that should be acted upon within activities already underway or planned under the NCS and other strategies, it is vitally important that gender integration be featured within NCS-2.

**RECOMMENDATION 4. Make government institutions work towards an "enabling framework" for sustainable development.**

Revamp the "macrostructure" for NCS administration and management to improve policy, planning and implementation capacity, to increase effectiveness in working with the provinces and special areas, and to facilitate activities not directly under the control of government.

Ensure that reforms planned for the civil service are well-instituted within the NCS management system, with particular attention to capacity development.

An effective framework for monitoring, reporting and evaluation (MRE) of the NCS should be put in place using the results of the MTR as a starting point. It should report to a Cabinet Committee, and be supported by a NCS steering committee in the MELGRD, comprising key stakeholders, with PEPA acting as its Secretariat since the NCS Unit has failed to perform this function. An adaptive MRE approach can start small and build credibility over time. In the early stages considerable effort should be devoted to establishing a baseline.

Clarify rights, responsibilities, relationships and accountability for results on the part of each agency charged with implementing components of the NCS.

**RECOMMENDATION 5. Expand the range and scale of financial mechanisms for meeting NCS objectives.**

Expand internal resource mobilization in support of the NCS and provincial conservation strategy initiatives.

Develop innovative sources for funding and investment in environment and sustainable development. These would have the added benefit of acting as economic incentives for sustainable development by all 'businesses' and by NGO and community organizations. A good start will be by removing environmentally perverse subsidies and by pricing environmental resources according to their scarcity value; promote strong linkages between user charges, cost recovery, and quality of service delivery.

**RECOMMENDATION 6. For donors, demonstrate commitment to a renewed NCS through consistent and coordinated support.**

The Government of Pakistan should take the lead in establishing a donor coordination forum for the NCS, covering the existing and proposed range of initiatives in environment, natural resource management, and sustainable development, and, as appropriate, linkages of these areas to other key donor themes, especially those for health and social action.

Donors should seek ways of assisting both government and non-government implementers of the NCS as they develop a demand-driven approach for NCS-2.

The MTR findings point towards the twin need for:

1. An '*umbrella*' national sustainable development strategy, to set a framework for, and keep an overview of policy and institutional development and programs aimed at fostering and contributing to sustainable development.
2. A continued, focused *environment strategy*, to complement poverty and economic growth strategies (and sector strategies), all operating within the context of an umbrella sustainable development strategy

The NCS provides lessons and precedents for *both* of the above. But the MTR chose to focus its recommendations on the first, more ambitious option; the one that is so far missing, namely a *national sustainable development strategy*. The MTR promotes the idea of 'NCS-2' as a national sustainable development strategy.

The need for a workable sustainable development strategy in Pakistan is stronger than ever. There is a continuing decline in human and ecological conditions, and an increase in poverty and the indebtedness of the country. . Furthermore, new issues have emerged, for example climate change, environment and security, and trade and sustainable development. And there is greater awareness of the need to handle important crosscutting issues that were not fully anticipated by the NCS, notably globalisation and gender concerns.

Circumstances of governance, the economy and social development have shifted. A strategic, learning approach is needed to gradually improve governance and multistakeholder relations. And many strategic initiatives with implications for policy and governance are emerging which require an overarching framework and coordination.

Section 2 (above) listed enough strengths to indicate that the NCS has the potential to be revised and revived to become Pakistan's national strategy for sustainable development. It would have to operate synergistically with other initiatives such as the SAP, PRSP, structural adjustment loans, Biodiversity Action Plan and future environmental action plans, providing umbrella principles and institutional mechanisms to integrate these.

The rest of this Summary is a prospectus carries on the theme of what a national sustainable development strategy might look like. It also uses the convenient term NCS-2 as a shorthand for it. This does not obviate the need for a focused environment strategy. Indeed, many of the suggested principles and institutional arrangements explained below also apply to it.

### **3.1.2 Scope of NCS-2 as a national sustainable development strategy**

*'Breadth' of coverage:* A successful sustainable development strategy must cover the essential environmental and natural resource conservation needs of Pakistan, just as the NCS has done. But much more attention needs to be given to sustainability in economic and social systems too, and their links to environmental sustainability. The NCS-2 will therefore have to focus on *three key goals*. It will have to mainstream the environment in a way that achieves widespread acceptance and brings conservation into traditional policy making areas:

- *Sustainable economic growth*, based particularly on industrial and agricultural development.
- *Quality of life and human development*, especially through environmental health and environmental education.
- *Poverty reduction*, notably by providing and safeguarding livelihood opportunities, especially for poor people, who are the most affected by lack of access to critical resources, poor environmental conditions and natural disasters

*'Depth' of coverage:* The NCS-2 should focus on *national-level concerns*, and *national institutional roles*, rather than covering everything right down to what should happen at the village level. But it will recognize, encourage and support provincial, district and other strategic approaches consonant with the devolution plan. Thus the scope includes:

#### **International Issues**



- Pakistan's position in relation to global environmental issues e.g. climate change and biodiversity conservation, and Pakistan's contribution to global environmental conventions.
- Sustainable development aspects of globalisation, to both protect vulnerable groups in Pakistan and realize opportunities.
- Regional issues such as river basins, shared protected areas, transboundary pollution, and marine pollution.

#### **National Issues**

- Expanding opportunities for a continuous improvement approach to sustainable development, especially through institutional strengthening.
- Continued guidelines for provincial and sectoral policies for "mainstreaming" sustainable development through policies, principles and criteria, standards, indicators and monitoring.
- Coordinating major national programs aimed at sustainable development.
- Promoting SD within macro-policy concerns, notably structural adjustment loans, poverty reduction, national environment and security issues.
- Assessing and monitoring sustainable development and environmental standards.
- Overall, addressing sustainable development in the context of improved governance.

#### **Provincial, Urban and District Issues**

- Supporting provincial sustainable development strategies and initiatives—especially so that local (urban, district and lower) institutions are able to 'drive' the whole strategy 'system' from the bottom up.
- Controls and incentives for increased private sector investment in sustainable development, and for responsible practice.
- Support for community driven development and empowerment of local institutions.

### **3.1.3 What form should NCS-2 take?**

NCS-2 cannot take the form of a document with an implementation 'master plan'—the case in the previous phase. Year by year, the document and plans became increasingly out of date, as there were no communication and decision-making systems to keep it alive to changing conditions, learning and needs. Indeed, even what was being achieved often went unnoticed due to the lack of a system of oversight.

Thus, NCS-2 should be *an integrated system of strategic functions for sustainable development governance*. This system should foster an adaptive approach, incorporating functions that have been limited so far: analysis, planning, experiment, coordination, communication, mainstream activities, monitoring, learning and review. These functions need not be strictly sequential, beginning with a 'planning phase' and proceeding to an 'implementation phase', as with the NCS. Nor should they be entirely 'top-down', starting in the national capitol and gradually moving into the provinces. Instead, many of the functions will be continuous, or happen regularly, e.g. yearly debate and monitoring. They will provide better communication between federal and provincial bodies, and between sectors and initiatives. As such, NCS-2 would not 'plan' everything, but would largely be a system to *guide* change—identifying, bringing together, and supporting the most promising ways forward.

The NCS-2 institutional 'system' should be developed and approved in 2001, to begin operation in 2002. The transition to NCS-2 presents an excellent opportunity for the switch to a demand-driven approach, linked to the national focus on devolution.

### **3.2 Strategic principles – What principles should be adopted that have been shown to work well?**

“There is a feeling that redefining the NCS in terms of *policy, principles, standards, and performance*—then developing a *system* of participation that invites and requires institutions and departments to develop their own responses, might be more effective than a centralized approach that is very difficult to coordinate.”

Three operating principles were originally established by the NCS: achieving greater public partnership in development and management; merging environment and economics in decision making; and focusing on durable improvements in the quality of life of the Pakistani people. Further to these, the MTR identified strong attributes of the NCS, which can explain its successful impacts over the past decade, and also certain weak attributes, which have constrained success (summarized in Section 2 above). This learning can be put together in the form of a draft set of *sixteen guiding concepts for NCS-2*:<sup>2</sup>

1. *Extensive participation of stakeholders* should drive all the strategy processes, requiring objective stakeholder identification, awareness-building and information exchange amongst stakeholders, adequate rights and resources to participate, and a clear understanding of benefits accruing to participants.
2. *Transparency and active communications* form the 'life-blood' of any strategic transition to sustainable development, and information should be accessible by all stakeholders, using languages and media that enable 'bottom-up' understanding and challenges.
3. *Regular and objective research, policy analysis and monitoring which focuses on sustainability* should be central to strategy processes, so that stakeholders understand changing contexts, future prospects, needs and responses, and develop a 'learning' approach.
4. *A shared vision of sustainable development* is essential for maintaining the concerted effort and commitment of individuals, civil society, government, and the development community, and strategy processes should aim to achieve this and keep it under frequent review.
5. *Innovation and experiment* should be encouraged for identifying and testing solutions that make sense in local or sectoral contexts, especially by creating enabling conditions for the private sector and amongst communities.
6. *Timeliness and demonstration activities*, that take account of political dynamics and stakeholder demands, are important strategy tactics, as they can produce

---

<sup>2</sup> The MTR recommended that the NCS-2 should provide a 'clear policy and basic principles', but did not present principles in this form. However, the MTR discussed various attributes that could be presented as principles, and offered recommendations for improvement, in many chapters. Here we use the word 'concept' rather than principles, since they would need to be further condensed into a manageable number of principles that could be readily grasped and remembered by those exposed to NCS-2.

highly tangible results over short periods, maintaining relevance and improving stakeholder understanding and interest.

7. *'Ownership' and leadership*: NCS-2 must be driven and 'owned' by many people at all levels in Pakistan, and must actively seek out and support leadership for sustainable development at many levels; but is especially dependent on strengthening senior-level government ownership.
8. *Decentralization and empowerment processes* are central to sustainable development; the strategy needs to be consistent with, and support, the devolution of power for the genuine empowerment of citizens; the decentralization of administrative authority; the deconcentration of professional functions; the diffusion of power for checks and balances to preclude autocracy; and the distribution of resources to the provincial and local level.
9. *Coordination, facilitation and partnerships* are critical for managing the broad scope of sustainable development, and the many stakeholders, especially at the government level; there is a need for developing partnerships between federal and provincial governments, NGOs and the private sector; utilizing independent groups such as IUCN as facilitators where necessary; special care in coordinating all major strategies and programs that aim to improve the policy and institutional conditions for sustainable development e.g. FSMP, BAP, PRSP.
10. *Stakeholder-driven priority-setting mechanisms* are essential for managing the broad scope; this also requires attention to only a few program areas at any one time, with an emphasis on crosscutting goals to assist many sectors.
11. *Gender integration* should receive special priority at two levels: the procedures and staffing of sustainable development institutions, and programmatic work, which should include both focused and integrated gender activities.
12. *Mainstreaming of environmental and social concerns into development initiatives and government procedures* is essential for improving the sustainability of ongoing investment, production and consumption patterns; and "*projectisation*" of NCS-2 activities *additional to* mainstream activities should be a lower priority.
13. *Financial flows* are central to the sustainability of development, and the NCS-2 needs both to influence mainstream mechanisms and to increase the number of special mechanisms available to invest in environmental and social priorities.
14. *Capacity strengthening* is central to a sustainable development strategy, especially in government management and monitoring, and should be developed through stakeholder involvement in strategy activities.
15. *The many principles for sustainable development that have become established in international law* and, increasingly, in Pakistan law or practice, should be employed, notably "cost recovery" and the "polluter pays" principle.
16. *A continuous improvement approach* can be achieved through adherence to the above principles, but is a useful principle in its own right – building on what has worked (notably NCS successes), tackling a few priority targets which people care most about, learning step-by-step, and gradually addressing ever-more ambitious goals; it implies that monitoring should always show some progress, even though the base may be low. A fixed 'ten-year agenda' should be avoided.

As this set of concepts is only a suggestion, it should be reviewed and refined. Indeed, early discussion of it could be the most useful first tactic to help to confirm the purpose and approach of NCS-2 amongst stakeholders.

It is interesting to note that these concepts can apply both to an umbrella national strategy for sustainable development (the recommendation for NCS-2) and to all of the strategic initiatives that should relate to it – environment, poverty reduction and sectoral strategies.

### **3.3 Mechanisms – What component processes and institutional roles are required?**

#### **3.3.1 The basic policy and institutional framework:**

The lack of a national sustainable development (SD) policy and institutional framework has hindered progress in implementing the NCS. A central recommendation is to develop and implement:

- A strong *federal policy* for SD, focused on the three key development aims, economic growth, quality of life, and poverty reduction, but not forgetting the non-anthropocentric purposes of nature conservation.
- *Policy guidelines* for the provinces consistent with the above.
- *Instruments for implementing the policy*—with a focus on enabling legislation, market-based instruments and incentives.
- A *system of networked institutions and component mechanisms* which enable a continuous-improvement approach to developing and implementing sustainable development policy, with clear responsibilities.

The last point is the critical one, as it is central to developing and implementing the first three.

#### **3.3.2 The national body – a commission for sustainable development, with linked thematic and provincial round tables**

- The *national body* could be a commission or steering group for sustainable development. It would oversee the strategy processes, maintaining oversight of progress in integrating environment and development involving key stakeholder groups. It would include thematic round tables that allow the various sectoral and cross-sectoral policy communities to come together—bringing together ‘champions of change’ and especially attracting private sector actors who will be creating environmental investments. It would be strongly linked to the provinces, through provincial SD round tables, and encourage the growth of strong local institutions, while (to a well-judged extent) working with international stakeholders. It would centre on a strengthened PEPC, involving the four PEP partners and better representation of mainstream ministries such as finance, trade and foreign affairs, the private sector and provincial partners. It would plan, review, learn and adapt, and must be constructed to encourage a demand-driven approach. A secretariat would be needed.

#### **3.3.3 Engagement and participation mechanisms**

The NCS-2 will have to be engaged with, and influence, the powerful actors and their networks that are driving the key agendas crucial for sustainable development of the country:

- Economic and trade liberalization networks, consisting almost exclusively of economists and business interests promoting market solutions.
- The poverty eradication network, which is united around community empowerment, development and institution building.
- The agriculture network of agronomists united by the green revolution's promise of dramatic yield increases.
- The energy network, united for a long time around the unrealised potential of hydropower.
- The urban agenda network, united almost exclusively by the vision of real estate development.
- The international NGOs and donor networks which combine a multitude of often competing visions, ranging from pure conservation, social transformation, development effectiveness, and opening up markets and business opportunities.

The approach would focus far more than in the past on identifying and incorporating the views and needs of *poor people and communities*, and on their direct participation in sustainable development goal setting and implementation. It would also place much greater emphasis on the involvement of the *private sector*, including small and medium-size firms, insurance and banks, and other organizations not yet influenced by the NCS—creating the conditions for responsible business to thrive and ‘closing doors’ to bad environmental/social practice. For all, participation would be structured to identify *practicable* priorities—that people really want and are prepared to pay for if necessary—and to avoid inflated, over-comprehensive agendas.

To develop the approach, it would be worth supporting information sharing on, and improvements to, the already promising participatory and analytical elements of district conservation strategies and community programs.

A principal need is for a feedback mechanism between district, provincial, and national strategies. Initially this should communicate the results and concerns of recent consultations and round tables. Thereafter a more structured set of communications among the different ‘tiers’ of participation would be helpful, so that the NCS builds from the bottom up, as well as in response to national and international affairs relevant to the NCS.

Participation *mechanisms* could include:

- Round Tables and focus groups, as used in the provincial strategies.
- Legally mandated activities such as EIA.
- Mechanisms used by the rural and urban support programs to emphasize the needs of local people, communities and businesses.
- A cross-sector, mixed government/civil society/private sector *NCS consultative forum* that might meet about twice a year to review issues and progress and thus inform the national SD body/commission.
- Use of electronic communications, perhaps via SDNP.
- Other proven, robust, transparent information gathering and dissemination mechanisms.

### **3.3.4 The communication, information and research system**

A strong communication and advocacy strategy would need to be designed to muster support from the key policy networks and communities, as well as from other stakeholders. It should commit to environment and sustainable development

education on a much greater scale than in the past, drawing upon the pilot experience at both national and provincial/special areas levels, and accessing both the public and private school system. All of this should be linked to a network of research institutions.

This communications/information/research system could include:

- A communications/information round table comprising stakeholders from the government, NGOs, and civil society should be formed to review and revise the existing awareness raising and advocacy strategies.
- A network of research institutions which, together, provide the multiple disciplines and information for identifying options, paths and progress towards sustainable development—centred around SDPI.
- A regularly issued state of environment report coupled with a national conference.
- An independent ‘watchdog’ (or report), perhaps built on the existing efforts of SDPI.
- Resource accounting: a ‘balance sheet’ of environmental assets, relating this to the costs of inaction.
- Regular ‘state of environmental stakeholders’ surveys of awareness, commitment and judgments of priority environmental issues.
- Macroeconomic scrutiny: assessing economic policy for its likely impacts on environmental assets (strategic environmental assessment).
- Although NCS-2 should be an on-going, dynamic process that continuously engages the people and institutions of Pakistan, some sort of short document is obviously required. And a website should be regularly updated to provide information on the process of development, and, later, on implementation.

### **3.3.5 Financial and investment mechanisms**

NCS-2 should not become an investment strategy, to avoid it becoming relegated to its old role of a convenient aggregation of projects designed to attract the attention of donors in particular. Rather, it should establish the types of investment that are promising and help to construct a broader range of approaches – especially to channel private sector investment positively towards sustainability and away from damaging practices. These approaches could include:

- Reallocating funding within government budgets to address current imbalances that exist among key priorities of the NCS; and ensure this matter is addressed in relation to NCS-2. This should be based on a transparent process of public expenditure reviews and prioritisations.  
*Also addressing constraints on the implementation of devolution and local sustainable development including on fiscal decentralization*
- Removing perverse economic incentives, and addressing inadequate incentives  
*(1) review of subsidies; (2) removal of trade barriers for the import of clean technologies, fuels, and pollution control equipment; (3) review pricing policy (energy, water), (4) review the process of importing pollution control equipment, (5) aim for efficiency gains (water use, privatising some municipal services, eco-efficiency in industry, switch to natural gas) (6) credit access and self-financing.*
- Developing innovative funding mechanisms  
*(1) industrial and toxic pollution charges; (2) input taxes on agro-chemicals; (3) user charges for environmental amenities and assessment services such*

as those related to trophy hunting and waste disposal; (4) cost recovery for service provision where there is willingness to pay (water, sanitation, solid waste management); (5) a variety of green payment schemes; (6) ways for communities to build financial capital to permit borrowing for environmental improvements (through micro-credit schemes, for which there are a number of well-established models); and (7) exploring 'green business' opportunities such as environmental control engineering manufacturing and installations, environmentally-certified products and businesses, energy conservation companies, and ecotourism.)

- Fully capturing the economic values of global environmental benefits provided by Pakistan to the international community  
*Employment of instruments like GEF, Montreal Protocol, Prototype Carbon Fund, in a way, which is compatible with sustainable development in broader respects—single-purpose global concerns could otherwise easily squeeze out local requirements.*
- Ensuring appropriate donor support, addressing equity issues and linked to innovation for sustainability.

Occasionally this will mean the NCS-2 system itself running a scheme, e.g. a sustainable development fund to provide start-up support to promising initiatives with expected high public environmental and social benefits.

### **3.3.6 Monitoring and accountability mechanisms**

By assessing what is going well, or badly, for sustainable development, *monitoring* can bring together many of the individual elements and strategies important for sustainable development. Thus it is important to develop an effective framework for monitoring, reporting and evaluation (MRE) of the NCS. This should cover both performance evaluation and advice, and early warning of problems.

The results of the MTR can be used as a starting point. The MTR offers both a baseline (the facts and opinions collected in the ten volumes) and some insights on process. Clearly, it should not take eight years again before the NCS is reviewed. The national body/commission on sustainable development would commission and receive MRE work, and develop revisions to NCS-2 as appropriate.

There will need to be dedicated monitoring staff (e.g. a Policy, Planning and Evaluation Unit in MELGRD and/or in the Environment Sections on P&D Divisions). But monitoring is not entirely an external affair. Rather it should focus around the internal procedures of all institutions involved in NCS-2 – helping self-learning and a continuous improvement approach.

A monitoring framework should relate directly to a clear framework for *accountability*. In part this means clarifying the rights, responsibilities, relationships and accountability for results on the part of each agency charged with NCS-2 functions and targets. It also entails a major investment in procedures for accountability, involving the judiciary, NGOs, the media, and open-access information systems. This will take some time.

### **3.3.7 Development assistance roles**

Donors should demonstrate commitment to an NCS-2, as a national strategy for sustainable development, through consistent and coordinated support. Support for individual thematic or sectoral strategies (PRSP, biodiversity action plan, national desertification action plan, etc.) should be consistent with an overall SD strategy, and be based on principles/guiding concepts such as those suggested at 3.2 above. This would help to avoid overlap, and undue ‘competition’ and gaps. Without such support, problems are likely to become worse within Pakistan, with longer-term repercussions not only for the country but also further afield.

The Government of Pakistan should take the lead in establishing a donor coordination forum for the NCS, covering the existing and proposed range of initiatives in environment, natural resource management, and sustainable development, and, as appropriate, linkages of these areas to other key donor themes, especially those for health and social action, economic growth and poverty reduction. The forum would relate strongly to the proposed national body/commission for sustainable development. It should promote the pursuit of principles (based on suggestions at 4.2) in all these initiatives<sup>3</sup>

## **4. Conclusion—Benefits of a Strategy for Sustainable Development (NCS-2)**

Building on the findings of NCS MTR it is suggested that a sustainable development strategy will:

1. Provide shared vision, but avoid over-complexity.
2. Promote sharing of information, ideas and learning among various stakeholders.
3. Facilitate establishment of mechanisms and institutions to deal with change and risk in a holistic manner in circumstances of limited resources.
4. Facilitate transitions from sectoral to integrated planning.
5. Include active communication/education to ‘drive’ it all.
6. Help determine how costs and benefits should be shared between stakeholders’ groups and levels (district to national), in order to set priorities.
7. Help to identify a road map towards sustainable economic growth and social development.
8. Clarify the major responsibilities and partnerships for implementation.
9. Provide signals to all those involved on how they will be held accountable.
10. Improve international relationships (in trade, obligations under multilateral environmental agreements, and access to international financial mechanisms paying for global environmental services.)
11. Increase the capacity to continually improve and practice effective strategic approaches.

The challenge of addressing the “triple bottom line” issues of sustainability is a major one for Pakistan, and for all other nations. The NCS laid the groundwork that permits us to view the challenge clearly and comprehensively. Now is the time for action to produce direct benefits for the people and communities of Pakistan.

---

<sup>3</sup> Government and donors should recognize the special role that civil society organizations and hybrid organizations such as IUCN-Pakistan (which includes both governmental and non-governmental bodies as members) have in management and capacity building for sustainable development. They require continuity in funding if they are going to be strong partners, no matter how difficult donor relationships with government may be at times.