

**DAC Working Party on
Development Co-operation and Environment**

National Strategies for Sustainable Development

**Donor - Developing Country Scoping Workshop
Detailed Report of the Workshop Proceedings**

**Note submitted by
The Delegation of the United Kingdom**

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**DONOR - DEVELOPING COUNTRY SCOPING WORKSHOP ON
NATIONAL STRATEGIES FOR SUSTAINABLE DEVELOPMENT,
SUNNINGDALE, UK, 18-19 NOVEMBER 1998**

**DETAILED REPORT OF THE WORKSHOP PROCEEDINGS
(DFID/IIED)**

In 1996, the OECD Development Assistance Committee put forward its strategy for the first part of the next century in 'Shaping the 21st Century: the Contribution of Development Cooperation. A key environmental goal in the Strategy was that national strategies for sustainable development (nssds) should be in the process of implementation in all countries by 2005. In response to this goal, the DAC Working Party on Development Cooperation and Environment (WP/ENV) has decided to elaborate 'good practices for donors in assisting developing countries with the formulation and implementation of nssds', as part of its 1998-2000 Work Programme. A Task Force on nssds, led by the UK and the EC, has been established for this purpose. The work will be undertaken in partnership with developing countries.

In November 1998, a Scoping Workshop was held involving 17 representatives from the WP/ENV Task Force and 15 from developing countries (government and NGO), to help define the broad directions for this work. The workshop discussed key themes in developing and implementing nssds to identify priorities for further work. It also discussed possible activities for the DAC Task Force on nssds. It was agreed that the Scoping Workshop should be followed by a process of informal dialoguing in developing countries to examine the role of donors in supporting nssds, and that an international workshop should then be held to discuss the findings and recommendations with representatives from developing countries.

This Detailed Report of the Scoping Workshop focuses on the nssd themes discussed at the Scoping Workshop. It complements the DAC's official report of the workshop, which focuses on the main conclusions and proposals for further work. Together with the workshop papers, it is intended to act as a reference document for those involved in the Task Force's work on nssds.

The Scoping Workshop focused on four key themes: the characteristics of nssds, integrating sustainable development into economic, social and private sector planning, stakeholder participation, and capacity strengthening. Many of the issues raised were already well known to nssd practitioners, and it was evident that progress is being made in some countries. However, it was also clear that considerable challenges remain.

Expectations for the Workshop

During the first session, participants put forward their expectations for the workshop:

1. To share experience from across the world with implementing national strategies, and learn from successful practice.
2. To explore strategic issues, such as how to:
 - push sustainable development out of the environment corner; integrate economics and environment; set priorities in nssds; involve political parties; and link nssds with good governance;
 - scale up successful local level sustainable development experiences;
 - define an nssds
3. To better understand issues of donor assistance, such as how to improve donor co-ordination at the country level.
4. To forge sustainable donor-developing country partnerships
5. To discuss and plan future work, including the in-country dialogues.

Donor participants expressed an interest in hearing the views of developing country participants on the DAC's 21st Century Strategy; while developing country participants were interested in gaining a better understanding of how the DAC works.

Identifying Key Challenges and Dilemmas

Most participants prepared short papers reviewing nssd experience in their country or region for the workshop. These provide a rich resource for identifying key challenges in developing and implementing nssds. Koy Thomson (IIED) highlighted some of the issues arising from the papers, drawing mainly from those by developing country participants:

- Capacity strengthening is one of the most valuable outputs of strategies, and requires greater attention.
- The capacity to act strategically is more important than the formal process of producing a strategy document. This necessitates quick reflexes for decision-making, and flexible donor support, characteristics which are not facilitated by current planning frameworks and mentalities.
- There is a risk that the proliferation of planning processes, in response to international conventions, will divert resources into planning and so reduce capacity for action. In each country, a number of planning processes are promoted by different players, often with little coordination or coherence. Developing countries should take the lead in coordination, and donors should support the activities prioritised as a result.
- Participatory strategies should create opportunities for negotiation between stakeholders, and confront sensitive issues of inequalities in power, financial resources and land.
- It is often difficult to engage the private sector in nssds, and there can be high suspicion between the different stakeholders.
- There is a need to strengthen the involvement of political actors and parties in nssds.
- Cross-sectoral integration is often hindered by the tendency of government departments to protect their sectoral 'turf'.

Theme A: Characteristics of nssds

An nssd should be holistic; integrating different sectoral objectives, including economic, environmental and social objectives. An nssd should provide a means of identifying compromise solutions between these objectives where win-win solutions cannot be found. Indeed, an nssd should perhaps be thought of as the umbrella for all the environmental, social and economic issues and strategies a country undertakes.¹ It should be a *process* of social mobilisation at all levels, rather than just a document. Nssds require leadership, political commitment and endorsement, and should be translated into legislation. Capacity building and empowerment are critical components of nssd processes. Stakeholder participation and commitment are also critical at all stages and levels, particularly at the grassroots level.

Nssds should be cyclical processes, involving the following key steps:

- Communication, consultation and stakeholder participation.
- Developing a vision and identifying long-term goals.
- Identifying and analysing problems.
- Priority setting and planning.
- Negotiation and building consensus between stakeholders.
- Carrying out activities.
- Monitoring, evaluation and readjustment

Nssds are emergent processes that are context specific and not easily defined. They are about developing a vision for sustainable development and identifying priorities to implement the vision. But they are also about building capacity to think and act strategically, to seize opportunities as they arise and to use political cunning (see official DAC report of the workshop for more detail).

The discussion recognised that many nssds have had little impact in the past because they have focused mainly on the production of a document as an end-product. Although the importance of the document as a tool for communicating the process was recognised, participants stressed the need to ensure that future work on nssds (notably in response to the DAC and UN targets) does not result in a proliferation of documents, but in the mobilisation of enduring nssd processes.

Theme B: Integrating sustainable development into economic, social and private sector planning

Ferdinand Tay (Development Planning Department, Ghana) presented Ghana's experience with developing and implementing Vision 2020, effectively an nssd, covering all development sectors. Cross-sectoral groups were established to address the key themes in Vision 2020: human development, economic growth, rural development, urban development, and the enabling environment. Ghana has introduced a very decentralised, participatory planning system which combines top-down with bottom-up approaches. Central government issues policy guidelines, on the basis of which the Districts departments prepare district plans, which are then synthesised into a national development plan. This system was used to

¹ This concept has firm grounding in the international policy arena and is particularly outlined in the text of Agenda 21

develop a national plan in response to Vision 2020. Emphasis was placed on ‘social sustainability’, where people at the grassroots are involved in planning to encourage them to plan for their development in future. This experience has shown that different sectors work together more readily at local level, and that local involvement in the development process is essential for sustainability.

It was clear from the discussion that the integration of economic, social and environmental concerns remains a critical challenge for nssds. The following issues were highlighted:

Strengthening the involvement of economic and political actors

- Governments, banks and economists pay little attention to environmental issues (growth first, everything else later). The environment is a latecomer with a weak lobby, and often an add-on in terms of expenditure.
- There is a need to strengthen the involvement of economic planners, the private sector (who can be major agents of environmental degradation) and politicians, including the whole political spectrum to ensure continuity when a government changes.
- Governments tend to lack the capacity to engage the private sector, while the private sector often lack the capacity to get involved in planning e.g. in the Pacific.

The importance of good governance

- Poor governance, corruption and lack of compliance (inability to raise revenue, collect taxes, enforce rules and regulations) can hinder nssd processes.
- Democracy, free press and a strong civil society are important enabling conditions for nssd processes. In many countries, there is a need to strengthen the political influence and rights of civil society.
- Solidarity between levels is important: international, national and local values must be upheld

Cross-sectoral integration in government

- Governments have a critical role to play in providing the policy and legal framework in which the private sector and civil society operate. There is a need to review macroeconomic and sectoral policies in terms of their environmental impact and to develop a longer term vision which integrates sectoral concerns.
- Different sectoral departments in government should take responsibility for the impact of their actions on other departments and cooperate more. The tendency of government departments to claim and defend their territories acts as an obstacle to integration. Changing the basis on which funds are allocated to different sectoral departments could help to enhance cooperation between them.
- Some countries have green budgets (e.g. Norway) or Environmental Liaison Units in sectoral ministries. In the UK there is a green minister for each sector, a Government Round Table on sustainable development, and an Environmental Audit Committee.
- Some countries have multi-stakeholder Councils for Sustainable Development
- Ministries should have more rotation at the top level of staff (movement between ministries) to encourage cross-sectoral cooperation and integration.

Decentralising development planning

- The planning process must be dealt with at all levels, and links between central and local government strengthened, but there is often tension between levels despite discussion of top-down and bottom-up.
- There is a need to ensure ownership and responsibility at the grass roots level; and to promote human-centered approaches.
- Land tenure and land management issues should be addressed. Land information systems tend to be weak.

Information dissemination and awareness raising

- There is a need to facilitate the flow of information between different communities and sectors, and to convey a sense of urgency.
- There is also a need to counter pessimistic attitudes to the environment, to highlight environmental opportunities rather than limitations, to explain complex issues in simple terms, and to make environmental issues more relevant to people's everyday lives.

Quantifying social and environmental costs and benefits:

There is a need to develop methods for quantifying the value of environmental goods and services, in order to:

- take these values into account in economic planning;
- help to prioritise environmental issues, according to their social, economic and environmental significance (e.g. transboundary impacts and irreversibility),
- better articulate the economic or financial benefit of sustainable development investment, and
- make sustainability a business and reinvest in the areas from which resources are taken.

Tools for integrating environmental and economic objectives:

- Governments (e.g. in Ghana) lack capacity for policy analysis and formulation, including for analysis of tools for integrating economic and environmental objectives.
- There is a need to increase the application of new market, fiscal and voluntary incentives, (e.g. green taxes, voluntary agreements, eco-labelling), but win-win solutions can be difficult to find.
- Governments should encourage companies to report on their sustainable development performance (on a voluntary basis).
- Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA) can be important tools for integrating environmental concerns into the development process, e.g. in the transport sector. However, many sectors are often very defensive of the use of SEA. Another tool is "action impact matrix", which is being developed by the World Bank, and involves roundtable stakeholder analysis.
- The role of SEA as a tool for integration at policy level should be examined further in the **dialoguing process**. Economic planners and private sector should be very strongly involved in the dialogues.

Harnessing investment for sustainable development:

- There is a need to devolve finance and engage banks (including development banks) in nssd processes.
- Major international investors, e.g. IMF & World Bank, tend to give strong priority to economic objectives in the allocation of resources, and national Finance Ministries support their priorities. There is a need for a more balanced approach to the allocation of international financial resources, which takes greater account of social and environmental considerations. OECD countries have an important role to play in influencing the practices of multilateral financial institutions.
- Countries can be faced with the possibility of losing foreign investment to competitor countries if they upgrade environmental regulations. There is a need for greater cooperation between such countries to develop a platform of common standards. This is desirable since raising environmental standards can give Southern producers unprecedented access to green consumer markets in the North.
- Co-ordinated planning of donor and national resources can improve facilitate the appropriate assistance.

Consumption patterns and poverty

- There is a need to identify the links between environmental impacts in the South and consumption patterns in the North, and to make people in the North aware of the impact of their lifestyles or 'footprint' on the South. For example, fishmeal factories have serious health impacts in urban areas in Peru, whilst their demand is driven by customers in the North.
- The poor do not have the option of changing their lifestyle. Poverty makes finding win-win solutions very difficult because of the necessity to fulfil immediate needs. The short-term view that the poor often have to take is an unfortunate but necessary reality.
- There is a need to further examine what sustainable development means in poor as opposed to rich countries

Theme C: Stakeholder Participation

Saleemul Huq, from the Bangladesh Centre for Advanced Studies (BCAS), presented Bangladesh's experience with developing a National Environment Management Action Plan (NEMAP). This demonstrated that it is possible to develop a national-level plan with comprehensive local participation.

The NEMAP was criticised by NGOs for a lack of ownership by the people of Bangladesh. This prompted the Ministry of Environment to set up a committee consisting of a wide range of stakeholders to brainstorm on how to achieve participation in a country of 120 million people. A participatory process was launched in each agroecological zone, involving a 2 day workshop for 60-80 stakeholders, hosted by a local NGO, with facilitators who spoke the local dialect. Government officials attended as participants.

To prevent certain stakeholders from dominating the discussion, homogenous stakeholder groups were established (e.g. by gender and occupation). Each group was asked to prioritise the 10 most important environmental problems, and to define solutions at 3 levels: what the government should do, what the community should do, and what individuals should do at home. The more 'educated' groups identified activities for the government, but felt there was

little that they themselves could do, whereas the grass roots groups identified activities for themselves, and not for government (whose role they did not fully understand). Contentious issues arose, such as shrimp farming which has negative social and environmental impacts. These issues were not resolved at the workshops, but were addressed at a later stage, through a questionnaire opinion survey.

A synthesis group made up of NGOs and government officials pulled together the results of the participatory processes into a draft report which was then presented back to the people through 6-7 regional workshops. Many people were concerned because the language had changed and they were no longer able to recognise some of the issues. The report was therefore revised so that local people could relate to it better. Problems were assigned to the relevant government or regional department.

There is no plan in Bangladesh to monitor the effect of the environmental plan on other aspects of sustainable development, although pilot activities linking environment with other issues are planned, and many of the issues identified locally were in fact development issues. There will be a danger of fatigue if the government is now required to develop an nssd.

The Bangladeshi experience highlights the importance of using national funds, as well as external funding, to strengthen internal ownership. The NEMAP cost a few 100 000 US dollars to prepare, and about half of this came from national resources. The case also shows that donors are not always needed for strategy development and implementation. In Bangladesh, many large local NGOs already have sufficient resources, largely from donors, and capacity, and do not want to wait for donors to initiate particular activities. Furthermore, it highlights the importance of involving NGOs. If NGOs had not been involved to keep the momentum going, the process could very easily have stalled after the change in government.

The Workshop discussion highlighted some of the key features and practical challenges of participation.

Key features of participation:

- Participation is essential from the very beginning of strategy development and at every stage of the process to identify problems, conduct studies, formulate plans, carry out activities, and monitor and evaluate progress.
- The key features of participation are: communication, collaboration, co-operation, empowerment, negotiation, consensus and concrete results (i.e. achievements).
- There is a difference between consultation and participation, and between involvement and commitment. Those directly affected tend to have greatest commitment.
- Full participation will mean different things in different societies and at different levels. It is never perfect, but should aim to involve all stakeholders, wherever possible.
- There is a need for sectoral and territorial participation, including representation for those not yet born, and participation of different levels (local, provincial, national and international) and different socio-economic groups. There can be many conflicts between these groups and within them. Conflicts often emerge when different stakeholders are brought together to discuss sustainable development objectives and these should be addressed early on.
- Participation can reveal expectations and needs; provide a forum for those who do not traditionally have voice; raise the profile of key issues; elevate local issues to the national level; help to overcome government inefficiencies; and reawaken and expand democratic processes.

Approaches to participation

- Participation does not just mean interviewing people - workshops, roundtables, and working groups are also important. But participation must be tailored to the context and organisation of society.
- The starting points for participation can be legislative or non-legislative: e.g. SEA or EIA procedures, round tables, and groups with a shared vision.
- Participation can be difficult when it is not an established practice - some governments may find it difficult to open up a process and allow others to have an influence over it; while other stakeholders may not be accustomed to participating.
- Existing groups can be formalised, e.g. church, youth and women's groups. It is important to build on those features that already work, rather than inventing new bodies and approaches that are not needed, or using outside consultants if local expertise can be used. People can feel threatened if new approaches are introduced. It is best to start with unthreatening/apolitical groups (e.g. academic groups), raise the profile of the debate and then branch.
- Participation is required in two directions: from the top-down and from the bottom-up. The nexus of the two approaches involves key activities of an nssds process for example, joint planning and joint evaluation (sandwich analogy). However, there are difficulties in bringing high levels of government and the grass roots level together, and for the two reach common understanding.

Stakeholder motivation and commitment

- There is a cost of participation to stakeholders: participation can be boring and cause delay in normal daily work. There should be at least one activity that generates quick results to build people's interest and confidence. The momentum must be maintained through facilitation and continued results (even small incentives and success stories). Motivation is often enhanced when stakeholders have a clear role to play. One way of motivating people to participate is to give them the opportunity to travel (e.g. to visit a project).
- If a strategy is developed and run by a donor or external organisation, it is unlikely to be sustainable. To foster ownership by the local population, external moderators should work with local/traditional groups as much as possible and inform local people that resources are being given to them to take forward the process.
- Particularly active individuals may become 'champions' of participation, acting as catalysts for participation at national or local levels. These 'champions' often develop over time.
- A strong political process is important: engaging people, exploring their strengths and weaknesses and using contacts.
- It is important to have transparent procedures, to avoid hidden agendas and protagonism. The facilitator should be an 'octopus' not a 'giraffe' - ie. should keep a low profile, but reach out to all the participants.
- Participation can raise expectations of stakeholders with different agendas, and lead to one group dominating and hijacking process. It is important to use power-equalising mechanisms (eg. homogenous groups) to encourage participation by those with low socio-economic status.

- Multiple ‘truths’ can emerge because he who has the money has the truth. In some cases (eg. in Tanzania), local people have identified their priorities on the basis of what others have identified in previous interventions.

Theme D: Capacity strengthening and utilisation

Presentation on the Cities for Life Network for capacity building in urban environmental management in Peru (Liliana Miranda).

Cities for Life began its work by visiting urban areas to search for experiences with addressing local environmental problems. It found that community groups, local government, NGOs, press, religious groups, etc, were all doing similar things but were isolated, working alone. Cities for Life acts as a link - different groups visit each other’s projects and share experience.

Very few institutions in Peru are able to undertake technical activities - institutions are very weak, with few resources, technologies and knowledge. There is a need to raise awareness about links between poverty and environment, to form links between isolated projects and to facilitate joint activities. In 1995, Cities for Life ran a competition with cash prizes, and found that the recognition given to the 5 winners greatly stimulated morale. It has also prepared a common proposal which became a ‘strategy’ for urban development. It is now a network with a vision, a mission and an action plan. Clear direction is its strength.

Cities for Life operates mostly without political or financial support from government or donors, using its own resources and volunteers. The Peruvian government maintains officially that economic growth must come before all other issues, which creates a difficult political environment in which to operate. The initiative also has to battle against negative press coverage, which deters local businesses from getting involved and co-operating with its activities and projects. Environmentalists are compared to water melons: green on the outside and red on the inside.

‘Capacity’ is the ability to do something. For example, action to prevent pollution from a fishmeal factory in Peru required the identification of international links with fishmeal consumers in the North, and of key actors and resources required to bring about positive change.

The workshop discussion highlighted the following issues and priorities for capacity-strengthening:

- Capacity-building and participation are interrelated: capacity is required to enable stakeholders to participate and their participation strengthens their capacity.
- There is a need to strengthen capacity for analysis, for identifying and prioritising problems, and for examining their underlying causes. Over-centralised planning can destroy ability to analyse local problems (eg. in China). There is also a need to increase the availability of data and technology, and to share information (eg. on long term trends).
- Lack of democracy, governance problems and a lack of secure land tenure can lead to a capacity gap.
- Sometimes people lack capacity because, although they understand what is required, they cannot express this in the conventional way, or because they are not in the ‘loop’ and nobody is listening to their message.

- NGOs have been involved in developing capacity but often lack capacity themselves. Universities are important resources for strengthening knowledge and skills.
- In order to strengthen capacity, there is a need to assess the level of existing capacity, and base action on this benchmark.
- Without capacity-building, a strategy may be unsustainable. For example, it could come to an end after a donor leaves due to lack of technical or financial resources. Capacity itself must also be sustained.
- Capacity may already exist but may not be accessed or used effectively. There is a need to maximise the use of available resources (human, financial and technical). Not all projects require donor funds.
- There is a need to change mind-sets in the North - donors should support the priorities identified in developing country programmes.

OECD/Development Assistance Committee (DAC) - What is it?

(Remi Paris, DAC Secretariat)

The DAC consists of 29 Members (22 donors plus observers). It explores areas of common interest, is self-critical, and regularly undertakes peer reviews of donor programmes. Each year, 2 Members and the DAC Secretariat examine selected DAC donor organisations and offer a critique on their policies and programmes. Peer pressure is used to enforce voluntary agreements between Members. Examples of 'work in progress' include work on untying aid, and on programme aid.

“Shaping the 21st Century: the Contribution of Development Cooperation” was agreed by DAC Ministers in May 1996. This strategy document attempted to synthesise work in the field, consolidate a vision, and reaffirm the partnership principle. It also set targets for:

- Economic well-being (from Copenhagen summit and other international fora)
- Social development
- Environmental protection: nssds should be in the process of implementation by 2005 in order that the trend of environmental degradation is reversed by 2015

The DAC Working Party on Development Co-operation and Environment was charged with taking forward the third target.

Report back from UNDP Capacity 21 meeting, London, November 1998

(Phillip Dobie, UNDP)

Capacity 21 was established to help developing countries implement Agenda 21, based on a recognition that the main impediment to putting Agenda 21 into practice is a lack of capacity. It is now established in just over 50 countries, and works at both the strategic and operational levels. It has become a network of activities, and has recently been reviewed by an independent team, which included Saleemul Huq (BCAS, Bangladesh). A meeting in London in November 1998 brought together donors and developing countries to review experience with Capacity 21 activities and discuss future work. Participants recognised that the spirit of Agenda 21 is still alive in developing countries and discussed interesting donor experience with making funding lines more flexible.