

Streamlining Poverty-Environment Linkages in the European Community's Development Assistance

- **Organisation:**
World Wide Fund for Nature
European Policy Office (WWF
EPO)
- **Partners:**
WWF Macroeconomics
Program Office
- **Contact:**
Hervé Lefeuve
- **Start Date:**
July 2004
- **End Date:**
December 2005
- **Value:**
€160,000
- **Countries/ Regions Covered:**
Tanzania, Madagascar, Kenya,
Vietnam, Papua New Guinea

Background and Objectives of the Research

The European Community's Development Policy's (2000) principle aim is to "refocus its activities to combat poverty" where the "environment...will play an important role supporting the main objective", while the Cotonou Agreement (2000) similarly states that activities "...shall be centred on the objective of reducing and eventually eradicating poverty consistent with the objectives of sustainable development..."

Despite these commitments, several reviews and studies indicates that EC development assistance inadequately addresses environmental issues, especially with regard to the critical role that natural resource assets play in alleviating poverty.

This research seeks to provide to the European Commission and its partner developing countries recommendations to address poverty-environmental weaknesses in current Country Strategy Papers (CSPs) and to improve environmental streamlining in EC development strategies through its six focus areas.

Most recent work on poverty/ environment dependencies have focused on ways that the poor at the local level interact with natural resources as part of their strategies to maintain livelihoods. Few have focussed on linkages made to specific policy and institutional factors at meso and macro levels. This kind of "bottom up" analytical perspective is important for analysis of the poverty-environment impacts of EC development aid and Country Strategies.

This research evaluates the effects of development strategies on local poverty-environment dynamics through: reviewing 2 CSPs (Tanzania and Rwanda) on anticipated environmental impacts of EC thematic aid sectors in various countries; conducting multi-level evaluations in Tanzania and Rwanda to determine structural impediments and strategic intervention areas to address poverty-environment weaknesses; and identifying institutional and policy opportunities to strengthen environmental integration in future CSP design.

Research Findings

- Institutional
 - few specific guidelines to fully integrate environment as a cross cutting issue
 - ambiguity as to whether environmental integration is mandatory
 - lack of clarity on responsibility and accountability
 - insufficient emphasis on environment-poverty links central to EC development assistance
 - insufficient recognition of role played by natural resource management in sustaining economies and alleviating poverty
- Country level
 - lack of awareness of existing Commission environmental guidelines
 - Neither of the CSP country case studies included a CEP or SEA
 - Lack of environmental baseline data is an obstacle to integration

In cooperation with



- CSP investment may be associated with various environment/livelihood concerns ranging from wetland degradation, over-fishing, conflict over resources and displacement
- EC requirements for EIAs are not necessarily mandatory in partner countries
- EIAs not easily accessible
- Social impact assessments are not required by EC but clearly relevant to EC development objectives
- Strengthen environment-poverty integration through update of Commission manual
- Awareness of need for environmental integration should target all actors involved in CSP process
- Environmental helpdesk training
- Support given to benefit sharing schemes in natural resource-based sectors
- Support to development of EIA legislation and implementation

End Note: Only two countries were studied and evaluations were restricted to four out of six EC development assistance focal areas. Both Tanzania and Rwanda have been giving extra attention to making the poverty and environment links in their national strategies (this is not common to all ACP countries)

Studies were conducted before and during the Commission exercise of updating the environmental integration manual. The Commission and Member States are currently (December 05) revising the guidelines for CSPs and RSPs.

Policy Recommendations

- Institutional
 - Environmental integration in EC country strategies should be mandatory
 - Clear accountability
- Country level
 - Environment capacity in Commission delegations
 - Improve environment-poverty streaming in PRSPs through funding for environmental management capacity and environmental governance in partner countries
 - Selection and identification of relevant performance indicators to provide entry point for environmental-poverty integration in CSP design
 - Use of SEAs prior to funding through budget support

For further information on this research project, please visit:

EC-PREP website: www.ec-prep.org

University of Sussex website: www.panda.org/epo

Or contact us at the address below:

Emerging Markets Group (EMG) Ltd.
 180 Strand
 London WC2R 1BL
 United Kingdom
 Tel: +44 (0)20 7303 2206
 Fax: +44 (0)20 7303 3125
www.emergingmarketsgroup.com

EC-PREP is supported by the UK Department for International Development (DFID). In 2001, DFID, in collaboration with the European Commission, launched the European Community's Poverty Reduction Effectiveness Programme (EC-PREP). The main objective of this research initiative is to produce findings and policy recommendations that support and contribute to improving the European Community's effectiveness in attaining poverty reduction targets via its external assistance programmes. The programme has funded 13 Research Projects and 10 Commissioned Studies, which relate to one or more of the six focal areas of EC's development policy. More information about the research funded by EC-PREP can be found on www.ec-prep.org.