National Environmental Strategies: Learning from Experience

Environmental strategies are living documents that need to change as new problems arise and our understanding of the links between the economy and natural ecosystems grow. To identify good practice and draw lessons from experience, the Bank conducted a detailed review of over 30 recently completed National Environmental Action Plans (NEAPs). The principal results of this survey are summarized below.

The Need for National Environmental Strategies

Industrialized and developing countries can pay a large price for damage done to their environment and for a decline in their natural resources. In some cases the total cost of soil erosion and urban pollution and congestion amounts to more than five percent of national income. Many countries, concerned about the magnitude of such costs and the need to address environmental problems in a cost-effective way, have prepared strategic environmental plans to guide policy and investment decisions.

Since the mid-1980s international donors and nongovernmental organizations (NGOs) have been helping countries prepare national environmental strategies and action plans. In 1990, donors of the International Development Association (IDA), a World Bank affiliate that provides low interest loans to the world’s poorest countries, urged IDA borrowers to complete National Environmental Action Plans (NEAPs). Most IDA borrowers and some higher income countries have now prepared NEAPs or equivalent plans and many of these are now being implemented. Key lessons emerging from the experience with NEAPs and other types of environmental strategies are summarized below and highlighted in Box 1 on the next page.

Elements of an Environmental Strategy

The diversity of national environmental problems requires that each country tailor its environmental strategy to reflect national...
Key Lessons for Policymakers

Taking into account the lessons learned from a variety of environmental management initiatives can help ensure more effective strategies and plans in the future. The following lessons are based on experience in preparing and implementing Tropical Forestry Action Plans, National Conservation Strategies, and NEAPs.

1. **Set priorities.** Strategies cannot be effectively implemented unless they define priority actions. Priority-setting requires clearly defined criteria and agreement among key stakeholders. In choosing priority actions, each stakeholder group needs to understand what will be gained and lost in meeting environmental objectives and be committed to its role in implementing the strategy.

2. **Balance analysis and participation.** Analysis and participation are both critical for effective priority-setting. Achieving the right balance between the findings of economic and technical analyses on the one hand, and stakeholder concerns and preferences on the other, is the overriding challenge.

3. **Involve the right actors.** A plan is more likely to be effectively implemented when those responsible for economic as well as environmental decisionmaking participate in its preparation. An environmental document has more political influence when ministries involved with the environment work closely with those responsible for overall national resource allocation.

4. **Clarify the objectives.** Misconceptions about the purpose of an environmental strategy can lead to disappointment and ultimate abandonment of the strategy. The public needs to be aware that strategies are not funding instruments and investments will not necessarily follow. Likewise donors cannot expect their investments to solve problems unless the necessary policy reforms and intersectoral coordination are undertaken.

5. **Ensure quick victories.** Local populations need evidence of positive change to build and sustain their commitment to environmental management. The implementation of pilot programs or demonstration projects can show the importance of environmental strategies in improving the quality of life.

6. **Insist on donor coordination.** Successful implementation of environmental strategies and action plans will depend on coordinating the investments of the external actors involved in environmental management to reduce duplication and inconsistencies.

7. **Monitor the results.** In the earliest stages of environmental strategy making, particular attention needs to be given to expanding and updating the information base. In addition, the resulting strategy or plan needs to include arrangements for monitoring, evaluation, and updating to incorporate learning from experience and ensure appropriate adjustments to ongoing programs and investments.

conditions and capacities. However, the following three elements of a successful strategy are crucial. Each of these elements requires a balance between rigorous quantitative analysis and involvement by key stakeholders (Figure 1).

**Step 1: Identifying Priority Problems**

Experience has shown that an essential step for effective environmental management is identifying priority problems. Because resources are scarce, the range of problems to be addressed needs to be restricted. Consensus on the most critical environmental problems confronting a country should be sought among the people affected by environmental degradation, the major polluters and natural resource users, experts in relevant environmental fields, nongovernmental organizations, and relevant government agencies. Identifying these problems involves: using transparent selection criteria, especially impacts on human health, economic productivity, ecological functions and ecosystem integrity, and amenity; giving weight to expert opinion; and, listening to the priority concerns of the general public. In Nicaragua, for example, the team coordinating preparation of the NEAP conducted extensive municipal workshops in parallel with
technical and economic analyses by national experts. Similarly successful approaches were followed in countries as diverse as Bangladesh, The Gambia, Madagascar, and Nepal.

**Step 2: Defining Priority Actions**

Setting priorities for action involves selecting instruments to achieve the greatest gain relative to given objectives and available resources. This requires:

- **Diagnosing underlying causes.** Understanding the causes of environmental damage is critical for designing appropriate solutions. Most environmental problems stem from a combination of two broad sets of variables: "pressure" factors such as population growth, human and economic activity, and poverty; and "enabling" factors, including market, government, and institutional failures that make it possible for the pressures to cause harm. Diagnosing these causes, and targeting policies and investments towards them is key to successful action. Only a few existing environmental plans, however, have systematically followed this approach. One exception is the strategy for Egypt, where proposed actions are explicitly tied to clearly identified causes. A similar approach was applied in Yemen and Central and Eastern Europe.

- **Finding cost-effective, feasible solutions.** In an ideal world the analyst would compare the social benefits and costs of alternative actions to address priority environmental problems. Several interesting exercises have been carried out to determine priority actions within broad categories of environmental problems, such as air pollution in Poland. Recognizing the importance of this type of analysis, but lacking monetary estimates for many values, the Sierra Leone NEAP produced a "non-monetary" analysis whereby costs and benefits were ranked by various experts. More common is the use of cost-effectiveness analysis; the Environmental Action Programme for Central and Eastern Europe adopted this approach. Choosing the most appropriate instruments also requires an assessment of their administrative and financial feasibility. Deciding on the most urgent actions; however, is ultimately a political process influenced by such factors as resource availability, political visibility, and the balance of regional and sectoral investments.

**Step 3: Ensuring Effective Implementation**

Experience indicates the critical need to build government commitment and institutional capacity to ensure effective implementation of environmental strategies. Strategy preparation, therefore, needs to make provision for five additional factors:

- **Integrating environmental with broader development objectives.** Sustainable development requires that environmental objectives be integrated with broader development goals and conform to the social and cultural values of the country. Treating the environment as a separate "sector," divorced from the overall economy, is often counterproductive. Greater knowledge is also needed to fully understand the effects of macroeconomic policies on the environment.

- **Involving key stakeholders.** National environmental strategies are more likely to be successful if key stakeholders participate in their preparation. A participatory approach will have embedded within a broader base of knowledge, understanding, and commitment from the groups involved. In The Gambia and Guinea,
for example, the strategy-making process involved government officials and representatives of NGOs, communities, donor agencies, and the private sector.

- **Improving institutional performance.** Well-functioning institutions are one of the most important prerequisites for effectively implementing a national environmental agenda. Without a clear legislative framework and capable institutions, well-conceived policies cannot be translated into practice, as has been demonstrated in such countries as Egypt, Chile, and Lesotho. Enhancing institutional performance normally involves: assigning clear institutional responsibilities; establishing consistent and transparent legislation; and ensuring effective implementation capacity.

- **Mobilizing financial resources.** Environmental improvements may often be achieved at little or no financial cost simply by removing existing policy distortions such as energy subsidies. These “win-win” opportunities should be pursued as a first priority. Financial support for the national environmental strategy can be mobilized through internal and external sources. Countries such as China, Indonesia, Japan, Korea, and Poland have established national environmental funds to channel revenues from pollution charges, taxes, and other sources for environmental improvement purposes. Externally funded projects are supporting environmental plan implementation in other countries, including Madagascar, Mauritius, Ghana, and Sri Lanka.

- **Monitoring and evaluation.** Effective implementation requires monitoring what is happening to understand what works and what does not. As strategies are implemented, new priorities may emerge in response to new information or changing environmental and institutional conditions. In all of these cases, it is important to learn from experience. Performance indicators are one way to meet the need for information on the pace and direction of environmental change.

**Future Agenda**

In both developed and developing countries, environmental strategy making is a dynamic process. Effective policymaking will require environmental strategies to be updated on a regular basis as well as recently occurred in Bulgaria. Much has been learned to date with respect to national environmental management and this is now being applied to the next generation of environmental strategies. Two lessons, in particular, stand out: the need for rigorous analysis and the importance of public participation.

Rigorous analysis of both environmental impacts and their economic consequences helps governments address the most important problems in a cost-effective manner. Increasingly, analysts are able to identify the costs and benefits of alternative policies and help governments and the public make the hard choices necessary for environmental improvement. The importance of public involvement, both in identifying problems and feasible solutions and in creating political will for change, is increasingly recognized: Public awareness of environmental problems helps put these issues on government agendas and creates the political climate to support needed action.

The future of national environmental strategies lies in incorporating environmental concerns into the broader process of decisionmaking for sustainable development. This will require increased attention to monitoring implementation, revising existing national strategies, and improving coordination within countries and among donors and other international organizations. Particularly important challenges are the need to develop environmental strategies at both the subnational and international levels, and to incorporate global concerns in national environmental priority-setting.