

## BI Strategic Environmental Assessment in Poverty Reduction Strategies<sup>1</sup>

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Poverty Reduction Strategies (PRS), first called for at the 1995 World Summit for Social Development, have become a prominent strategic planning processes in development cooperation. Multilateral development banks, bilateral donor agencies, international organizations and many poor countries are using such strategies as the main framework for development assistance and as a pathway to sustainable development.

The Poverty Reduction Strategy Papers (PRSP) and process catalyzed international interest in national strategic plans for poverty reduction and has been an impetus for renewed and coordinated assistance for social development. PRSPs were intended as a participatory country owned process initiated by the IMF and the World Bank in 1999, to articulate comprehensive country-based strategies for poverty reduction to be linked to the United Nations' Millennium Development Goals (MDGs). These PRSPs, designed to be renewed every three years, provide the operational basis for Fund and Bank concessional lending and for debt relief under the Heavily Indebted Poor Countries (HIPC) Initiative. This has in some cases lead to a merge between the Poverty Reduction Strategies (PRS) and PRSP under a nationalized tag and process, such as Comprehensive Poverty and Growth Strategy (CPRGS) in Vietnam or PARPA in Mozambique, and having embraced broader scope for development under the auspices of poverty reduction through pro-poor growth; in other cases the aid flow mechanisms has been through the PRSP and operate alongside a PRS and sometimes a national development strategy. Very rarely in the successful PRSP, these interventions are becoming an integral part of the development framework. For example the Government of Vietnam's Ten-Year Socio-economic Development Strategy, Five-Year Socio-economic Development Plan and the related sectoral development plans include the CPRGS into an action plan for realizing economic growth and poverty reduction objectives In the next stage of PRSP development, the 10 year plan will integrate the CPRGS.

While PRS ostensibly provide new possibilities for environmental issues to be seriously considered by decision makers, in practice, environment has been inadequately addressed within these frameworks. Studies by the World Bank<sup>23</sup> and UNDP of Poverty Reduction Strategy Papers have shown that there has been an overall lack of consideration of environmental sustainability and poor reinforcement of poverty and environment linkages. Most integrate issues of water supply and sanitation. There has been some attention to natural hazards, land tenure, institutional capacity but significantly less attention to biodiversity, indoor air pollution, environment links and impacts of macro-economic policies.

As a basis for donor funding as well as national strategic development planning it is

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<sup>1</sup> Summary prepared by Tamara Levine

<sup>2</sup> World Bank Operations Evaluation Department, 2004. *[The Poverty Reduction Strategy Initiative: An Independent Evaluation of the World Bank's Support Through 2003](#)*

<sup>3</sup> Bojo, J and Reddy R.C, 2003. *[Poverty Reduction Strategies and the Millennium Development Goal on Environmental Sustainability: Opportunities for Alignment.](#)*

critical that poverty reduction strategies adequately integrate social, economic and environmental considerations and seek mutually reinforcing positive results in all three areas. Strategic Environmental Assessment may be a valuable tool to help overcome the neglect of environment and poverty linkages in PRS and to achieve other social benefits through broader stakeholder participation.

There are, however, fundamental questions about how SEA can provide useful analytical approaches, processes and results that enhance the quality of PRS and the integration of environmental considerations and social concerns in poverty alleviations programs. This session examined the emerging body of experience with the application of SEA to Poverty Reduction Strategies in order to address these questions.

### ***Focus and approach***

The session on SEA in Poverty Reduction Strategies was designed as a complement to the Development Cooperation Event and related Sessions. The session format consisted of a panel brief followed by a facilitated discussion on SEA in improving the quality of the Poverty Reduction Strategy process outcomes. Panel members each outlined the conclusions emerging from their experiences.

The session began with a brief discussion of a position paper prepared by Linda Ghanime on how SEAs could improve the PRS processes. This paper provided a set of questions that with the following three serving as key areas addressed by the panel.

How has SEA helped in refining outcomes of PRS and in contributing to improved pro-poor policies and actions?

How have SEA approaches been adapted to country and context-specific capacity development needs?

Have SEA processes been successful in bringing together various analytical processes and tools?

This was followed by three panel presentations:

#### **1. Experiences from the Poverty Reduction Strategy Papers Process:**

Ms. Laura Tlaiye, Sector Manager, Environment Department, World Bank

This presentation looked at World Bank experience in integrating environmental considerations into Poverty Reduction Strategy Papers (PRSPs) and Poverty Reduction Strategy Credit (PRSCs) a new tool introduced by the World Bank to support countries that are eligible for International Development Association loans to support policy and institutional forms necessary for poverty reduction.

The World Bank's Environmental Department completed an unofficial review of PRSP documents as they are submitted. A scoring system is used to ascribe ratings for the way in which the PRSP addresses a range of 17 environmental and other variables (0 for no mention and 3 for good practice) and an un-weighted average is calculated. Draft reviews are shared for comment with Bank country teams. By the end of 2004, 53 such reviews had been undertaken and they have shown considerable variation across countries with scores ranging from 0.3 to 2.4 with full PRSPs showing

significantly better integration of the environment over interim PRSPs.

The highest scoring PRSPs were Zambia, Ghana, Cambodia, Mozambique, Sri Lanka, Yemen, Honduras, Nicaragua, Bolivia and Azerbaijan.

Tlaiye's presentation especially highlighted Cambodia where there is significant attention to natural resource degradation, explicit recognition of poverty-environment linkages and vulnerability to natural hazards as well as emphasis on empowerment of communities for natural resource management. Cambodia has also developed a detailed program for investment in environmental management.

The World Bank has also reviewed 21 PRSCs with a loan range of \$18-250 million (average 90 million) using the same scale as was applied to PRSPs. The result was a wide range of scores between 0.7 and 2.7 with an average score for all countries of 1.4. Benin received the top score but it is too early to determine a trend in what works or who is doing well or if the credits are an improvement from PRSP. There was a specific mention of forestry, multi-donor support and attempts to include environment into the budget process. Specific monitoring activities were also identified. Overall there has been inadequate environmental integration in PRSP but it remains unclear whether there is value added in continuing ex-post environmental analysis of PRSP documents. In the World Bank context, there is no requirement for SEA of PRSP, and PRSPs have been replaced by interest in wider donor support processes such as the CPRGS of Vietnam.

The World Bank continues to believe that SEA can serve as a facilitator for mainstreaming environment into other area of development practice. To be a more effective tool for poverty reduction strategy development, the World Bank advocated for drawing on previous analytical work such as National Environment Actions Plans (NEAPs), focusing greater attention on integrating the MDGs particularly MDG 7, including the domestic environmental constituency and ensuring follow-up on PRSP and PRSC through regular monitoring and progress reports.

## **2. Experience of Ghana:**

Mr. Evans Darko-Mensah, Consultant to EPA Ghana

This presentation discussed experience from the Strategic Environmental Assessment of Ghana Poverty Reduction Strategy (GPRS) that was launched in May 2003 (after a three month pilot phase). The GPRS consisted of strategies - policies, programmes and priority projects aimed at promoting economic growth and achieving sustainable poverty reduction in the medium term.

The benefits of the SEA application included refinements to development policy, alterations of district level plans as well as revision to planning guidelines to include focus on environmental considerations in planning at Sector and District levels. SEA also resulted in changing attitudes of officials responsible for planning and budgeting to see the "win-win" opportunities in integrating environment in PPPs. Emphasis of SEA in Ghana is on the

processes. Accordingly, capacity building has mainly been through the “learn-by-doing” method of key stakeholders. Sustainability criteria include issues of Governance or Institutions.

The main advantage of the SEA has been in its utility in the process of mainstreaming Environment and sustainability in PPPs. at all levels. This required the engagement of a wide range of stakeholders and not just ‘experts’. The SEA process was endorsement by 27 MDAs, 107 District Assemblies, parliamentary representatives, civil society, NGOs, the Bank of Ghana and the Private Sector.

The analytical tools used in the SEA process in Ghana are based on simple matrices that can be understood and applied by a wide range of stakeholders. Some of the methods such as impact identification have been borrowed from the EIA approach. All the tools are similar to those used in other analytical processes - including the use of broad qualitative methods when dealing with policies (e.g. at sector level) whilst assessments of plans (e.g. at District level) use more quantitative methods.

The National Development Planning Commission (NDPC) will integrate the findings and recommendations in the next update of the GPRS (2006-2009) and the SEA process is being formally incorporated in Ghana’s planning system. The 2004 budget contains a commitment to funding part of the SEA development programme. This was given further endorsement in the President’s 2005 state of the nation address.

### **3. Success factors in integrating environment in Poverty Reduction Strategies:**

Mr. John Horberry, Consultant

The presentation was based on a review of recent and current programmes supported by DFID and the UNDP Poverty Environment Initiative to integrate environment into poverty reduction strategies processes in a sample of countries in Africa and Asia. The review collected comparative data on the individual initiatives – including the entry point, the type of activities (process or technical), the partner government institutions, the stakeholders involved, the stages in the process included, the degree of donor harmonization and the outcomes that have resulted. On the basis of this data, the review analyzed the key elements of the support, the challenges of implementation and the success factors that appear to have influenced the outcomes achieved. The analysis provides pointers for future programmes aimed at both the early stages in integrating environment in new PRS processes and also the need to implement the poverty environment priorities in the subsequent stages in budget allocation and programme implementation that follow PRS drafting and revision.

In particular the presentation emphasized that the DFID has been in the forefront of improving knowledge about poverty-environment linkages and their significance for country led poverty reduction strategy processes. Furthermore that the activities undertaken by DFID have been diverse and have aimed to achieve a wide range of specific objectives including critiquing

existing PRSP (or interim PRSP), influence the drafting of the text of PRSP, capacity building of government institutions, CSO's and other stakeholders, direct support to steps in the PRS process, support to the process of programme development budgeting, implementation or monitoring and donor harmonization. It was noted that projects aimed at a single narrow objective often expanded over time to achieve a broad range of objectives.

The review noted that factors that contributed to the success of SEA support varied on a case by case basis but included:

### ***Choice of government partner***

- **Entry point:** taking the initiative to identify and access an “entry-point” is the most universal success factor. What is the next key event and how to influence the actors involved?
- **Identifying a “champion”:** in many cases, working with a key champion either in government or among the local donor community was considered vital. Who among the relevant actors is motivated or in the right position to support a mainstreaming initiative?
- **Access to the drafting team:** in terms of achieving the objective of influencing the PRS document, a direct relationship with the drafting team has been vital.
- **Engagement of key sector agencies:** to achieve a result which can be sustained beyond the PRS document, it is crucial to influence the key sectors whose programmes important for P-E linkages.

### ***Integration into the budgetary process.***

- **Implementation follow-through:** it is widely recognised that influencing the PRS process must follow through to the programme development, budgeting and implementation phase and support activities need to recognise this.
- **Sustained support:** achieving success takes time and perseverance.

### ***Capacity Constraints***

- **Environment agency capacity:** many cases have shown that the capacity of the environment agency needs to be taken into account in deciding how best to focus the activity.
- **Donor harmonisation:** in many cases, effective donor harmonisation has been a key factor in ensuring a sustained and coherent effort with an emphasis on capacity building.
- **Country ownership:** the degree to which country ownership can be stimulated is vital for ensuring the sustainability of the mainstreaming effort. How best to achieve this is hard to prescribe, but influence and perseverance are key. .

### ***Effective participation***

- **Stakeholder participation:** the capacity of CSO's to engage in the consultation process effectively can be very significant – given the somewhat

different agenda of making the case for the contribution of environment to poverty reduction.

### **Evidence**

- **Support to generate evidence and “make the case”** for the relative priority of environmental management to poverty reduction: both in the context of creating the entry point and gaining wider support, it has been very important in some cases to help make the case through analytical work.

## **4. Other presentations**

Two intended panelists - Dorothy Rosenberg from the UNDP and Hussein Sosovele a consultant from Tanzania, were unable to attend the session. Nevertheless their presentations did inform the discussion and the follow up analysis.

### **Experiences in MDG based - poverty reduction strategies: Dorothy Rosenberg, Poverty Group UNDP**

Over the past few years, UNDP has worked to advocate and monitor the Millennium Development Goals (MDGs) in national development, which includes a series of mutually reinforcing development goals, targets and related indicators. An MDG-based development strategy is defined as a long-term vision consistent with the Millennium Declaration, based on nationally-determined priorities, that is supported by medium-term cross-sectoral strategies, which are measured against progress towards concrete MDG outcomes. Countries increasingly seek practical guidance on how to integrate the MDGs into existing poverty reduction and development strategies. Inclusive and integrated approaches are needed if the MDGs are to be achieved by 2015, a major milestone on the path to fulfilling the commitments undertaken in the Millennium Declaration. The presentation outlined how Outcome-based poverty reduction strategies supported by instruments, such as SEA, offer a means to improve poverty reduction and environmental sustainability and overall development effectiveness.

The need for MDG and Outcome-based poverty reduction strategies supported by SEA was reinforced by the World Summit 2005<sup>4</sup> in which resolution 22 reaffirmed the need for country owned national policies and sustainable development strategies “to achieve internationally agreed development goals and objectives, including the Millennium Development Goals” (22a). The UNDP is supporting these efforts including development “how-to” guide that aims to consolidate the analytical and methodological efforts of UN Country Teams (UNCTs) by presenting a step-by-step approach to support country counterparts in MDG-based national development strategies<sup>5</sup>.

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<sup>4</sup> <http://www.un.org/summit2005/documents.html>

<sup>5</sup> [http://mdg-guide.undp.org/?page=about\\_guide](http://mdg-guide.undp.org/?page=about_guide)

**Strategic Environmental Assessment and Poverty Reduction in Tanzania Hussein Sosovele, Consultant (University of Dar es Salaam).**

The paper reviews the development of SEA in Tanzania and its potential as a tool for sustainable development in the context of the country's new National Strategy for Growth and Reduction of Poverty (NSGRP). This is known by its Kiswahili acronym MJUUJUTA. It is outcome focused and had mainstreamed environment. It has identified the need to bring environment considerations into the mainstream and local level planning, and SEA is seen as one of the tools to achieve this. There have been several recent studies on SEA to determine its potential for poverty reduction, and most recently an SEA was undertaken on the World Bank's poverty reduction strategy credit (PRSC). The 2004 Environmental Management Act includes a section that makes it mandatory for all new government bills, plans, policies and programmes to be subject to SEA. However, the limited experience to date on the use of SEA presents challenges to the development of SEA regulations and guidelines. Awareness amongst many stakeholders is still limited with many only now starting to learn about the use of environmental impact assessment let alone SEA. Thus in the development of SEA, Tanzania faces challenges on awareness and capacity building and on the development of appropriate guidelines.

There has, however been efforts to mainstreaming environment into Tanzania's successor to the PRSP and a formal SEA of Tanzania's poverty reduction strategy credit.

The first PRS in Tanzania was developed in 2000 in response to HIPC and donors. It focused on education, health, agriculture, water, rural roads and judiciary but environment was not well addressed. In 2003 the Government of Tanzania decided to develop a second PRS focused on ownership, growth, mainstreaming and cross-cutting issues. It was prepared after extensive consultation with a name change to National Strategy for Growth and Reduction of Poverty (NSGRP) reflection national ownership, direction and focus. The NSGRP included a specific environmental goal "All men, women and children are able to access clean, affordable and safe water, sanitation, decent shelter and safe and sustainable environment, and thereby reducing vulnerability from environmental risk". In addition to this 14% of the targets were related to the environment.

The SEA of the PRSC has initiated by the Government of Tanzania and the World Bank. It was undertaken by a consultant in 2004 looking at the objectives, methods uses, barriers, outcomes achieved and the remaining challenges.

This presentation concluded that there need to be a holistic approach to integrate environment it can not just be environment on its own, that environmental integration takes time and must incorporate the voices of the people. In order to make the case for the environment there needs to be clear establishment of poverty-environment linkages, good analytical work including Program Expenditure Reviews and Poverty and Environment indicators, a focus on growth and poverty, and a broad understanding of

environment (beyond trees).

## **5. Discussion period**

Following the panel presentations there was a 25 minute discussion period in which the strengths and weaknesses of SEA practice in PRS as well as main contributing factors, the role and contribution of SEA to planning and poverty reduction and environmental outcomes were discussed.

The discussion focused around the key success factors and the remaining key challenges for SEA integration into poverty reduction strategies. Success in Ghana was attributed to finding the right entry point, the leadership role of the National Development Planning Commission (NDPC), the appropriate timing of the SEA so that results were available at the key moments, an good on the ground understanding of the planning process and who was in charge, a focus on win-win options rather than on problems, and conflicting issues. For example if the Ministry of Health wants to close ponds because of malaria risks, whilst the Ministry. of Agriculture. wants to have small dams for irrigation. A solution is now to seed the ponds with fish that eat mosquito larvae. Another critical area for success was how SEA was packaged for decision-makers. The Ghana SEA consists of an executive summary (for decision makers), a process report, a contents report, an SEA manual for national and district level, advisory notes and a CD-rom. There was also an SEA in pictures (small leaflet). There has also been capacity building for high level representatives. The most critical factor for success was deemed to be active champions (EPA/NDPC).

In light of this discussion IIED highlighted the paper Environment, Politics and Poverty<sup>6</sup> developed by the Institute of Development studies with funding from the GTZ, CIDA and IIED that highlights the process component on how environment was mainstreamed in PRSPs in Vietnam, Honduras, Ghana and Uganda.

Additional discussion focused on the role of the business sector in SEA process and on the EU Commission helpdesk for environmental integration: Questions were raised about who took the initiative to undertake the SEA and how did the results of the SEA influence the attitude of donors. It was concluded that the Netherlands Government, DfID and the EPA jointly took the initiative. The SEA facilitated easier access to credits, although there was no formal conditionality.

It was concluded that SEA is not something you do and finish. It is a matter of institutionalization. Government are the players and have their own policies. In light of this it was concluded that SEA needs to be undertaken on Sector Wide Approaches as well. The World Bank stated that they do support SEA but application to SWAp was still under development.

## **6. Main trends and issues**

There is a growing body of experience in applying SEA as a tool with which to assess the environmental risks and opportunities presented by the implementation of the

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[http://www.acdicida.gc.ca/INET/IMAGES.NSF/vLUIImages/Environment,%20Politics,%20and%20Poverty/\\$file/Synthesis%20Review%20EN%20-%20low%20res.pdf](http://www.acdicida.gc.ca/INET/IMAGES.NSF/vLUIImages/Environment,%20Politics,%20and%20Poverty/$file/Synthesis%20Review%20EN%20-%20low%20res.pdf)



policies, plans and programs associated with PRS and increasing efforts by donors to build capacity to support the application of SEA to PRS. In addition SEA application to PRS is an opportunity to identify appropriate mechanisms to ensure that sound environmental management contributes towards sustainable economic growth and lasting poverty reduction and to bring more attention to mainstream environmental considerations in subsequent revisions of the given PRS and other development planning initiatives in the country. The successful application of SEA to PRS development Ghana is a strong testament to the value-added.

There is an evolving multidimensional understanding of SEA in Poverty Reduction Strategies as a process, an analytical tool and a means to facilitate the sound management of environment as a mean to contribute to poverty reduction strategies.

SEA application to PRS is a **process** that encompasses a broad effort to recognize poverty and environment linkages in the PRS . Through this broad SEA process a number of objectives can be achieved including the empowerment of marginalized groups, capacity building, broad participation and greater cooperation and collaboration between groups. For example, in Ghana the SEA has also led to improved cross-ministry relationships and links, both the Ministry of Lands and Forestry and the Environmental Protection Agency have collaborated on the marketing of rattan and bamboo while also protecting the natural growth of bamboo along Ghana's river banks.

In the context of PRS SEA is also an **analytical tool** that provides a framework within which to systematically analyze relationship between poverty-environment linkages and growth. In many instances such analysis leads to creative and innovative solutions that not only resolve environmental problems but also contribute to economic growth. For example in the case of Ghana, influenced by the SEA and struggling to reduce pressure on natural forest resources, the Ministry of Lands and Forestry has adopted a novel plan of marketing rattan and bamboo. The emphasis here is on win win solutions.

Further more SEA is an **upstream policy development and planning tool**. The application of SEA to PRS facilitates early goal setting, refining outcomes and assisting with priority and target setting for environmental sustainability an upstream policy development process

Lastly SEA is a **precautionary assessment mechanism** that provides a means to systematically assess PRS or resulting budget allocations to predict and avoid harm. For example, Ghana's intention is to begin to implement the SEA recommendations in 2005 and to use the SEA to feed into the production of the next GPRS and through the SEA the GPSP has led to the development of environmental policies, legislation, and regulations that will prevent or mitigate future *environmental and poverty impacts of economic growth measures*.

To date, however there are still many fundamental barriers related to the application of SEA to poverty reduction strategies. These include a limited understanding of the value of SEAs in given countries and therefore experience with SEA application remains limited, making it difficult to find champions and lead departments. As a result there is limited capacity for SEA, progressively more but still limited experience to learn from, limited participation in the SEAs themselves and difficulties with formulating SEAs in language and formats that will effectively result in the integration of SEAs into decision making and ongoing implementation of PRS. Lastly many but not all of the SEAs that

have been developed have focused too much on technical solutions rather than comprehensive integrated solutions that challenge traditional ways of thinking. For example there should be far greater emphasis identifying and putting in place win-win solutions rather than critical problem formulation and managing conflict..

## **7. Profile of the status, quality and effectiveness of SEA Application to PRS**

The application of SEA to Poverty Reduction Strategies is becoming more prevalent, leading to greater effectiveness and resulting in more widespread knowledge and appreciation of the value added to poverty alleviation planning efforts through SEA processes. SEA is increasingly being recognized as an opportunity for stimulating sustained growth, developing pro-poor policies, plans and programmes, and balancing competing concerns relating to natural resources, social, cultural and micro-economic condition and the economy within PRS. Nevertheless, in some instances SEA is perceived to be too environment focused. In order to overcome this, it is increasingly important to look at poverty-environment linkages in PRS and to focus on benefits of SEA application related to innovative solutions, empowerment and improved communication and collaboration between stakeholders.

### How has SEA helped in refining outcomes of PRS and in contributing to improved pro-poor policies and actions?

SEA has significantly refined the outcomes of PRS and have aided in the better integration of environmental concerns into future PRS. For example in Ghana, the SEA was designed to overcome the Ghanaian Poverty Reduction Strategies (GPRS's) neglect of environment and poverty linkages. However, it also led to improved relations between the National Development Planning Commission and environmental agencies such as the Environmental Protection Agency. The oversights that were rectified by the SEA strengthened relations between Ministers and District Assemblies and the centralized core that produced the GPRS. The SEA has provided a means for strategically evaluating environmental issues and has ensured that environmental issues are reintroduced to government planning and policy-making. Its primary focus, however, was to "identify ministries, departments, and agencies that should be consulted during sector studies" and to "identify those that would be responsible for refining policies that would mainstream environment within the Poverty Reduction Strategy" (NDPC/EPA, 2004: 4). The results of the SEA have significantly impacted the development and formulation of next GPRS which has placed greater emphasis on decentralization and on the role of District Assemblies as well as explicitly integrated environmental concerns. In this sense, the SEA has significantly impacted the policy agenda as well as played a significant role in awareness raising among policy-makers.

### How have SEA approaches been adapted to country and context-specific capacity development needs?

In some instances SEA processes have been adapted to meet specific Country and Context-specific capacity development needs. Perhaps one of the best examples of this is in Ghana. In Ghana, SEA capacity building has been highly participatory with use of learn-by-doing" methods, broad stakeholder involvement in developing sustainability criteria, setting objectives, and evaluating PPPs. In particular, within the Ghanaian context, the sustainability criteria have been extended from the traditional three pillar approach to sustainability (social, economic, and environment) to include issues of

Governance and Institutions that relate to the decision-making processes - such as participation, human rights in what they term as a quadruple bottom line. This experience from Ghana provides a testament to the diversity of understanding of sustainability as well as the flexibility of SEA and the ability to modify the process to the local context. Nevertheless, greater experience is needed in context specific SEA development. It was further recognized within the discussion period of the session that SEA has specific capacity to be tailored to address specific issues such as climate change, HIV-AIDS and governance but to date, there was little experience with this.

#### Have SEA processes been successful in bringing together various analytical processes and tools?

SEA application to PRS, while it is increasingly flexible, continues to be perceived as a narrowly environmental tool. Poverty and Social Impact Assessment remains a critical assessment tool for PRS, which offers an untapped potential to cover environmental dimensions. Therefore it was clearly recognized that there is greater need for collaboration and cooperation between PSIA and SEA experts and merge the processes whenever feasible, to ensure greater overall sustainable development outcomes .

### **8. Key findings and lessons**

The session revealed that a number of challenges remain in efforts to apply SEA to PRS. In particular there are challenges related to local capacity to carry out an SEA and implement and enforce recommendations.

Each application of SEA to PRS is its own unique case and there is no single right approach. Nevertheless, a number of important considerations for the meaningful application of SEA to PRS include the following:

1. The Identification of **Key Entry Points** and the effective utilization of **windows of opportunity**. Finding the right time at which to apply the SEA to the PRS as well as the right entry point can significantly affect the willingness of local actors to engage.

2. The presence of **entrepreneurial leaders** referred to as champions with the political clout and skill to advocate for SEA as well as broker deals between key stakeholders and selecting respected stakeholders to take leading roles.

3. The **engagement of key sector agencies** to achieve a result that can be sustained beyond the PRS document, it is crucial to influence the key sectors whose programmes are important for poverty-environment linkages. In Ghana the engagement of the National Development Planning Commission was critical.

4. **Problem Formulation**. The challenge is to define problems in such a way as to overcome different ideologies of development, and conflicting material and political interests. Defining issues within SEA in terms of 'Livelihoods', 'Health' and 'Vulnerability' – which is the framework for poverty and environment links have helped overcome traditional fears of SEA as an environment focused process that fails to address participant concerns.

5. **Access to the PRS drafting team**. In terms of achieving the objective of influencing the PRS document, a direct relationship with the drafting team has been vital.

6. Overall administrative **capacity** related to the extent of donor coherence cooperation and collaboration, local ownership and capacity to effectively manage processes, environmental agency capacity and engagement with a lead agency is critical to meaningful country owned SEAs.

**7. Broad and Effective Participation** of all key stakeholders is critical to local ownership, the resolution of conflict and innovation in the SEA process. SEAs endeavour to ensure representation of issues, accountability and legitimacy of government and civil society organizations engaged in the SEA process.

**8. Evidence** must be reliable to convince decision-makers of the value-added benefit of SEA. Therefore the quality of analytical work and the adequate articulation of poverty-environmental linkages - in language meaningful to decision makers (particularly economic) will critically affect the value and applicability of SEA results. Evidence, however, must not only be based on remote technical information but rather incorporate local understandings and studies.

**9. Follow Through.** There is limited real impact without influencing program development and budget processes. The SEA itself, if well developed and disseminated may in and of itself achieve meaningful impacts on development and budget processes. There is also a vital role for ongoing citizen and civil society mobilization and monitoring of development and budgetary processes to ensure that the concerns they raised in the SEA are reflected in national and international action.

**10. Innovative Solutions:** There has been a tendency for SEAs of PRS to focus on technical solution and to exclude those that draw attention to politicized aspects of the environment. SEAs must seek to move beyond traditional discourses related to environment and development linkages to assess complex relationships and harness citizen innovation and creativity to find win-win solutions.

Evidence provided in the presentations have shown the value-added of using SEA, as well as a range of other tools in order to mainstream environment into country owned poverty reduction and national development strategies. Donors may play a critical role in promoting the mainstreaming of environment into PRS including promoting the use of SEA through capacity building, technical advice, financial support for the SEA itself. There are several cases where success has been greatly enhanced by sustained donor support over different stages in the cycle of preparing and revising the PRS. Furthermore the success of Ghana is a testament to the need for donor support to ensure translation of SEA findings and recommendations into ongoing development and budget processes.

## **9. Future directions**

There has been significant improvement in the application of SEA to PRS. Nevertheless there is still a need to better understand local planning processes, entry points and timing, how to address/resolve conflict and find win-win solutions, how to best communicate the findings of the SEA to decision makers and ensure they result in meaningful changes in long-term programming and budgetary processes. This will require coherent and cooperative programs between donors and developing country partners.

Strategies must increasingly be designed to fit to country circumstances and capacities, setting priorities and targets linked to monitoring and better data quality, though effective participation, partnerships with transparency and accountability and recognising an explicit role of sector and economic policies in poverty reduction. Strategic planning also involves moving from a comprehensive analytical base to one that is more explicit outcome and action based considering options, cost effectiveness and trade-offs and lead to an improved understanding of how development policies and programs most effectively result in poverty reduction. This means adopting evidence based planning

and transforming development plans into an iterative continuous learning process. In practice this involves efforts to synchronize planning time horizons of different instruments and decentralize at most effective level of governance.

Poverty and Social Impact Assessment (PSIA) is the main diagnostic tool used for assessing the results of poverty reduction strategies. While PSIA does take account of some long term distributional environmental impacts, environment and poverty linkages are not explicitly addressed. This therefore suggests a need for greater collaboration and cooperation between SEA and PSIA practitioners in future in the integration of environmental considerations into national poverty reduction strategies.

The World Summit 2005 was a testament to interest in MDG based national development strategies that integrate various plans and agreements including the MDGs and consider the realities of every locality. This suggests that in the future strategic poverty reduction initiatives are anticipated to be much more an integral part of national strategies that therefore incorporate social development and environmental sustainability called for in the MDGs in core development strategies and afferent budget processes. SEA can be a critical tool in the effective mainstreaming of the environment in these strategies.