

SEA and the Ghana Poverty Reduction Strategy

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INTRODUCTION

Strategic Environmental Assessment (SEA) is increasingly being used as a process for analysing and refining policies, plans and programmes where the key stakeholders and decision-makers include national governments and international donors. One of the most recent examples is the application of SEA to the Ghana Poverty Reduction Strategy (GPRS). This paper explores some of the methodological issues that need to be considered when SEA is applied to policies and high-level fiscal programmes of this nature.

BACKGROUND TO THE GPRS

In 1996, the World Bank and International Monetary Fund introduced the HIPC (Heavily Indebted Poor Country) Initiative. This scheme is designed to provide debt relief to countries experiencing high levels of poverty who are unable to repay interest charges on accrued debt. A condition of the HIPC Initiative is that recipient governments will introduce and implement a Poverty Reduction Strategy (PRS), which is designed to build a foundation for sustainable economic growth, while tackling poverty at source.

The Government of Ghana decided to apply for HIPC support in February 2001, in the light of a worsening exchange rate and improved terms for debt relief. Under the agreement reached in May 2001, Ghana will receive relief to the value of US\$ 3,700 Million from all its creditors. Debt relief is conditional on achieving and continuing to meet certain performance targets¹.

PRs are intended to be flexible documents, which are revised with changing circumstances. The first draft of the Ghana PRS was criticised by the Ghanaian Environmental Protection Agency and international donors, including the Royal Netherlands Embassy and the UK Department for International Development (DFID), for giving insufficient weight to environmental issues. This was seen as a serious shortcoming because historical patterns of economic development in Ghana including mining, logging and agricultural intensification have resulted in significant environmental degradation. This in turn has serious repercussions for the poor who are most dependent on natural resources for survival. Failure to give proper attention to the environment is also a serious threat to achievement of sustainable economic growth because the country relies on its natural resources for almost half of its Gross Domestic Product.

Content of the GPRS

Five main themes for poverty reduction are described in the GPRS. These cover:

- The Macro-Economy
- Production and Gainful Employment

- Human Resource Development & Basic Services
- Vulnerability and the Excluded, and
- Governance.

Policies and outline programmes have been developed under each theme by the respective ministries and government agencies (MDA's).

SETTING UP A FRAMEWORK FOR SEA OF THE GPRS

The first proposal to subject the GPRS to SEA was put forward by the Ghana Environmental Protection Agency (EPA) in late 2001, and a scoping mission was undertaken by a delegation from the Netherlands EIA Commission in June 2002. The Commission prepared draft guidelines, and a pilot phase of the SEA was undertaken between January and March 2003, financed by the Royal Netherlands Embassy which has a strong brief for the environment in Ghana.

A programme was subsequently agreed for the full SEA which is being undertaken over a twelve month period from 1st May 2003-30th April 2004. The work is being carried out by a team of six staff members from the Ghanaian Environmental Protection Agency and National Development Planning Commission, supported by local and international consultants.

How is poverty defined for the purposes of the SEA?

Non-existent or low levels of income, inadequate nutrition, lack of water, poor health, illiteracy and insecurity all contribute to poverty and its debilitating impact on human well-being may result from any one or a combination of these factors. The Ghana Living Standards Survey (GLSS) (prepared by the Ghana Statistical Service with support from the World Bank) measures a number of core poverty indicators. Fifty two percent of Ghana's people were classified as poor in 1992, and this number had fallen to 40% in 1999, but conditions vary greatly across the country, with the areas of greatest hardship lying in the three northern regions.

The fact that poverty is distributed irregularly between regions but also between and within rural and urban areas makes it more difficult to assess the overall effect of given policies, and this has to be borne in mind in making value judgements about particular national initiatives.

What are the links between poverty and the environment?

A substantial amount of work has been undertaken over the last five years in exploring links between poverty and the environment². Activities of poor people can contribute to environmental degradation (through over-exploitation of soil reserves, destruction of woodland for charcoal, killing of animals for bush-meat and pollution of water courses) but levels of consumption and production of the poor are much closer to sustainable thresholds than are those of the rich. Over-exploitation of natural resources is invariably caused by those with money and technological support who can afford to ignore natural constraints. Most of the damage caused to the environment of Ghana has resulted from small groups of

individuals, companies and institutions, often supported by international investment.

The SEA of the GPRS has adopted the classification of environmental conditions most directly linked with poverty in terms of:

Livelihoods – ‘the poor are the most severely affected when the environment is degraded or their access to natural resources is otherwise limited or denied’,

Health – ‘poor people suffer most when water, land and air are polluted’;

Vulnerability – ‘the poor are most often exposed to environmental hazards and environment-related conflict, and are least capable of coping when they occur.

These groupings of environmental issues, together with a fourth covering institutional constraints and opportunities, have been used in matrices designed to assess policy performance.

SCOPE OF THE SEA

The Ghana SEA is the first of its kind to tackle the subject of poverty reduction, and there were therefore no precedents to follow in setting up the framework and timetable. A key stakeholders meeting was held at Ho in March 2003, at which the basis principles of SEA were presented, drawing on the Commission’s advisory note and guidelines from South Africa (CSIR 2000³) and IAIA (2002)⁴.

The international concept of SEA was broadly accepted but with a number of additional conditions relating specifically to Ghana’s situation. These include:

- A wide definition of ‘environment’ (‘Environment’ is used in the context of Ghanaian law in the broadest sense to include social, cultural and micro-economic conditions and the institutional environment in which decisions are made).
- Attachment of equal weight to national, regional and district-level implications of the GPRS.

DESCRIPTION OF THE SEA

The SEA is being applied to sectoral studies at national level and to the programmes and budgets contained within District Medium Term Development Plans. A key aim is to achieve greater integration between national policy goals and practical delivery on the ground of sustainable development. This should also help to strengthen the process of decentralising government and enhancing local decision-making.

National Objectives of the SEA

All policies, plans and programmes (PPPs) contained in the current GPRS are being reviewed by the staff of the originating ministries, departments and agencies (MDAs), supported by members of the SEA team. The aim

of each review is to modify and improve PPPs so that they work with, rather than against, environmental aims and objectives.

The individual sectoral reviews were initially programmed to be completed by October 2003 in time to influence revisions to the GPRS budget (scheduled to be complete by March 2004). Unfortunately constraints on funding delayed the programme by three months so this element of the work was not completed until January 2004.

Other work at national level includes preparation of SEA guidelines, a manual, training materials, and capacity building amongst staff in all relevant MDAs.

District Level Objectives of the SEA

The SEA is also being used to review and improve the sustainability of district development plans. District authorities produce these plans in accordance with guidelines prepared by NDPC. A key output from the SEA will be a set of revised Development Plan Guidelines, which build on the experience of undertaking the SEA, and incorporate environmental considerations as a core element of the development plan process.

The SEA process has involved briefing district planning officers (and other selected district staff) through a series of regional meetings on how to carry out sustainability appraisals of their programmes and budgets using SEA principles. Each review has been undertaken within a period of 2-3 months. The results have subsequently been communicated through visits by members of the core team to individual districts and attendance of key personnel at a series of regional review meetings.

SEA Method

The basic steps of the SEA process are set out below

Step 1	Understanding the Context
Step 2	Determining Objectives and Targets
Step 3	Defining the baseline conditions
Step 4	Evaluating the Existing PPP
Step 6	Developing Indicators
Step 7	Considering Alternatives
Step 8	Considering the Scope for Mitigation
Step 9	Monitoring and Evaluation

Outputs of the SEA

The aim of this ambitious programme is to introduce SEA principles and techniques to staff at all levels of government in Ghana. It should result in significant revisions to PPPs in the GPRS that will stimulate growth to the benefit of the poor without prejudicing the environment. It should also help to refine Development Plans at district level.

KEY METHODOLOGICAL ISSUES

The SEA of the GPRS has been confronted with a number of practical, technical and methodological challenges, not least of which is the fact that

the process is being applied within a twelve month timescale to a cross section of Government policies that have a total budget in excess of US\$ 5 Billion (to be committed over a period of up to ten years).

The Scope of the Work

Two contrasting approaches to the potential role of the SEA were considered at the outset of the process. The first approach proposed a series of pilot studies, which would explore relevant environment/poverty linkages for specific sectors (e.g. energy; forestry or roads) and parallel studies taking place on a select number of districts. It was anticipated that these case studies would provide clear examples illustrating the value of SEA to sceptical government officials and politicians and opening up acceptance to wider use of the SEA process over time. The approach would have built on EIA methodology, expanded to cover the strategic nature of the task.

The second approach, adopted by the Ghanaian steering group on the recommendation of the SEA team and consultants, favoured a broader analysis. It was proposed that the SEA should address the majority of the policies contained within the GPRS, with the aim of identifying priority issues for each sector, and simultaneous contact with all 110 district assemblies in the country. It was argued that this approach would provide a clearer understanding about how the GPRS was actually being translated from national policy to detailed implementation on the ground. This strategy was recognised as being ambitious but was felt to be more likely to give a strategic overview of the likely effects of the GPRS.

National Level Review

The first target for the SEA was to seek to influence the annual budget reviews of leading ministries in the light of revisions to policies contained in the GPRS. The annual budget cycle to prepare Medium Term Expenditure Forecasts (MTEFs) begins in June and involves progressive revisions within each sector until a final statement for each Ministry, Department or Agency (MDA) is reached in October. Thereafter financial adjustments are made to government spending targets through the cabinet and parliamentary processes until an approved budget is issued in March.

Early discussions with a number of key ministries have been influential in modifying some policy statements and related programmes. For example a policy relating to the development of non-timber forestry products by harvesting underutilised bamboo and rattan was identified as potentially damaging to the environment. These species grow mainly along watercourses, and their uncontrolled harvesting could increase soil erosion and damage aquatic habitats. The response of the Ministry for Lands and Forestry was to modify the policy to encourage replanting of bamboo and rattan and the establishment of plant nurseries. This programme has already been put into effect.

Although successful interventions can be pointed to in terms of policy revision it is difficult to quantify the effectiveness of the SEA in changing

programmes and budgetary allocations in the short term. More than thirty senior government managers have been engaged in detailed discussion on the need to take environmental considerations into account in revising policies and drawing up budgets, and 18 senior officers have participated in a one week SEA training course provided in Ghana by Riki Therivel on behalf of Oxford Brookes University. These officers are applying lessons learnt through the SEA to their daily work, but the opportunity to apply whole scale revisions to the budgetary programmes has been missed through lack of project funding in the critical development phase. The SEA team remains confident that these shortcomings will have been addressed before the present programme ends in April 2004.

Revisions to the policies themselves are being explored through the systematic review of the GPRS. The SEA team has completed a search of the full document using 80 key words to identify policies with links to the environment.

Sentences containing key words have been classified to differentiate between those which:

- Express statements of fact,
- Contain policy commitments,
- Detail programmes or other actions,
- Identify direct budgetary implications.

This analysis has revealed that the nature of the links between poverty, sustainable development and environment are reasonably well covered, but the document is much weaker in identifying solutions, or committing to specific remedies.

The SEA team is now working with representatives of 25 MDAs to prioritise those policies and programmes that have the greatest potential to reduce poverty while enhancing (or at least, minimising) environmental effects. Policy analysis was completed in February 2004, and the results will be fed into the update of the GPRS which is designed to cover the period 2005-2009.

Policy evaluation has relied heavily on matrices to identify internal inconsistencies and incompatibility between policies. Simple scoring processes were used to identify negative, positive and uncertain interactions. One of the main concerns of external reviewers of the process relates to the potential superficiality of the analysis. This risk is recognised and it is considered essential that the underlying assumptions leading to scoring are recorded and explained to assist in future interpretation of the SEA findings.

A related methodological issue concerns the way in which the disparate criteria representing biophysical, social, cultural, and local economic conditions are integrated within the SEA.

A composite matrix is being used which groups criteria under the key components of Livelihoods, Vulnerability, Institutional Context, Social and Cultural and Local Economic conditions.

No attempt is used to weight the relative importance of these components, and the analysis focuses on identifying the relative performance of each policy under each of the components in turn.

The findings of the national level reviews have been developed and discussed through extensive working sessions involving MDA officers, representatives from NGOs and Civil Society and a small number of district officers. Although some element of participation was planned from the outset of the SEA, this proved difficult to arrange in the early stages of the work. However, in the closing stages of the present phase of the SEA much greater involvement of a wider range of interests has been possible.

District Level Review

The Government of Ghana is actively encouraging decentralisation and is promoting the development of local government by strengthening the role of district assemblies. These assemblies have a majority of locally elected members with the balance comprising government appointees.

Each District Assembly has been developing its own Medium Term Development Plan, following guidelines issued by the National Development Planning Commission. Existing plans focus on policies, plans, programmes and activities that are designed to meet the Ghana Poverty Reduction Strategy objectives. As such, many of the plans will already address some of the principles of sustainable development. However, pilot studies undertaken in two districts (Tema and Suhum) revealed that many programmes and budgets are put together without cross-referencing the effects of one policy on another. For example plans to build houses or schools do not take account of schemes for creating new feeder roads. The location of housing is clearly an important factor in terms of road building and vice versa.

In considering the way in which national policies are put into effect it is easy to overlook the gulf that exists between working conditions in government ministries in the capital, Accra, and those of a typical rural district. Most districts have only a small cadre of professional staff with very limited resources in terms of communications, secretarial and administrative support. Rapid turnover of staff occurs, and it is difficult to retain expertise given the low levels of pay in local government. Notwithstanding these restrictions, the SEA team has been impressed by the enthusiastic way in which the concepts of SEA and sustainability appraisal have been embraced by district staff across Ghana.

Having decided to approach all districts in the country, a training programme was initiated for the ten regional directors from EPA and their counterpart economic planning officers from NDPC. These 20 individuals participated in a three-day induction course on the SEA. The trainees then worked together in pairs, accompanied by three members of the core SEA team, to brief up to four district officers from each of the districts in their own region. Each region typically has 10-15 districts within it. Using this approach 460 officers were introduced over the period of a month to the principles of SEA and its application to District Medium Term Development Plans.

An SEA Handbook⁵ was prepared and published in advance, for distribution to all participants, which set out specific requirements for the sustainability appraisal of policies plans and programmes contained within the District Plans. A simple technique called the 'Sustainability Test' formed the backbone of the appraisal method. This test was developed initially by Land Use Consultants⁶ in connection with the SEA of the Strategic Defence Review in the UK and the pilot study of the SEA on the Mhlathuze Water Catchment in South Africa⁷. The criteria for assessment were modified slightly for use in Ghana.

A standard reporting format was set out in the Handbook with the following contents list:

- Conduct of the Sustainability Appraisal,
- Baseline Conditions,
- Summary of Relevant PPP's,
- Key areas of concern for poverty reduction,
- Performance of Individual PPPs,
- Measures taken to improve performance,
- The way forward.

Each section of the District Sustainability Appraisal was described in the following terms:

1 *Conduct of the Sustainability Appraisal (half page)*

This section should describe the process used to carry out the appraisal covering:

- names and roles of officers,
- number and timing of meetings,
- names of individuals participating in Sustainability tests,
- status of the District Development Plan.

2 *Baseline Conditions (One page)*

This section should describe the source and reliability of any information/ data used in the appraisal, including status of information on:

- distribution of population,
- number of people classified as poor,
- water distribution and supply,
- waste disposal,
- health problems in the district,
- education needs.

The statements should indicate how reliable the information is, when it was collected, and by whom.

3 *Summary of Relevant PPP's*

Policies, Programmes, Activities and Budget Allocations covered by the Sustainability Appraisal should be listed in a table (categorised under the five GPRS themes).

4 *Key areas of concern for poverty reduction (One Page)*

A brief statement should be provided on areas of priority for actions that will assist poverty reduction. Other measures that are also considered important, but are not amongst the highest priorities should be listed separately.

5 *Performance of Individual PPPs (3-5 pages of text)*

This is the main section of the report. For each PPP subjected to the Sustainability Test, it should describe, in summary, how well the existing policy, plan or programme, performed against the sustainability criteria. (The individual appraisal sheets should be included in an Appendix).

6 *Measures taken to improve performance (1-2 pages of text)*

This section should describe what changes to individual policies, plans and programmes are proposed in the light of the sustainability appraisal.

7 *The way forward (1-2pages of text)*

This section should set out ideas on ways of improving the environmental sustainability of future editions of the District Development Plan. It could cover:

- sources of information,
- proposals for introducing and monitoring local poverty indicators,
- further improvements to PPP's and budgets,
- opportunities for introducing new economic activities to promote growth and reduce poverty,
- ways of engaging local people and communities in future sustainability appraisals,
- comments on the interactions between District Planning and policies of regional or national offices of MDAs in terms of optimising sustainable development.

Outputs from the District Appraisals

At the time of writing, 90 of the 107 District Appraisals had been analysed. The standard varies, as might be expected given the very different circumstances existing across the country, but the individual appraisals provide valuable information about the performance of the individual district plans, as seen through the eyes of the district officers themselves. Sections dealing with future refinement and development of PPPs are particularly interesting.

The SEA team (which has received training in use of Geographic Information Systems) is now translating the findings of the individual reports with the help of the Centre for Remote Sensing and GIS (CERSGIS) to a national map which it is hoped will give a visual impression of conditions across the country.

PLANNING PHASE 3 OF THE SEA

Part of the remit for the current SEA is to develop an action plan for a third phase of the SEA. Discussions have already taken place within the Steering Group and SEA Team about the potential scope of this work. There is a wide range of initiatives that could be taken forward, and the final decision about which elements will be tackled will be strongly influenced by the level of external funding that is likely to be available.

Components of Phase 3 are likely to include individual elements from the outline programme below.

Table 1 Potential Programme Elements for Phase 3 of the SEA

PROGRAMME ELEMENTS	Activities
GPRS Document	
Policy Development	Work with the NDPC GPRS Update Committee to incorporate SEA recommendations throughout the document
Monitoring of SEA Objectives	Set up a new monitoring system to record progress in implementing selected SEA supported policies
SEA Manual	Prepare a manual giving guidance on how to carry out the SEA at National, Regional and Local level
SECTOR SEAs	
Water Sector	Establish a national or regionally based SEA of the water sector, with direct links to sanitation and health
Transport Sector	Establish a national or regionally based SEA of the roads programme
Other Programmes	Consider establishing SEAs in the following sectors: Energy / Agriculture / Forestry / Natural Resources
NATIONAL / MDA LEVEL	
Refining Planning /MTEF procedures	Promote the SEA Guidelines to all MDAs
SEA Committee	Set up an SEA Committee engaging all MDAs to check progress and act as a Peer Review Group for the SEA/MTEF process.
National Data Review	Develop the spatial planning database for contributing to and tracking delivery of SEA objectives at National and District level.

DISTRICT LEVEL

Pilot District Level SEAs in 5 Districts	Urban: (Tema / Accra / Takoradi / Kumasi) Rural: 1 in the north, 1 central and 1 in the south
District Guidelines	Promote the SEA Handbook and new district guidelines to all districts as a routine (annual) exercise.
INSTITUTIONAL REFORM	
Legislation	Carry out a review of the most effective way of developing SEA more broadly in Ghana (ie to cover PPPs other than Poverty) using guidelines, existing legislation and potentially new primary legislation.
CAPACITY BUILDING	
Tertiary Education Level	Train selected University lecturers to teach SEA principles through short courses, to civil servants, local authority staff, industry and NGOs.
In-Work Training	Develop programme of SEA short courses for national and local government.
Staff Training	Sponsor staff on the above short courses
PARLIAMENT / CIVIL SOCIETY / NGOS	
Parliament	Expand awareness of Parliamentarians about the role and functions of SEA through liaison with relevant committees
Civil Society/ Professions	Establish a debate about the findings and role of the SEA in relation to the Poverty Reduction Programme.
Role of NGOs	Engage selected NGOs in the SEA pilot studies at both national and district level.
Publicity through Media / Journals	Disseminate findings of the SEA on the GPRS to increase public and professional awareness in the Country.

SUMMARY AND CONCLUSIONS

As the findings of the national level studies and district appraisals are scrutinised in more detail the aim is to use the results to guide further refinement of PPPs in the Ghana Poverty Reduction Strategy to make them more sustainable, to ensure that the environment is mainstreamed in all relevant policy areas and to help shape future budgets at both national and district level.

The current SEA is not as an end in itself, but is a forerunner to a continuous process of appraisal which will mainstream environment within the GPRS and potentially other government policy documents.

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