Climate & Development Knowledge Network

POLICY BRIEF

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Planning climate compatible development: lessons from experience

Key messages

- A key challenge for climate compatible development is how to balance external and domestic accountability in planning processes.
- Different types of country-scale action planning provide lessons on meeting external requirements while addressing country priorities.
- Multi-stakeholder engagement, effective communications, evidence-based planning, outcome-oriented monitoring and evaluation, and integrated planning can help deliver effective climate compatible development plans.

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Effective planning can both help make development resilient to the impacts of climate change and help policymakers identify opportunities to harness development benefits from lowering emissions. In developing countries, such planning requires the support of international finance, technology transfer and capacity building. Identifying national priorities for climate compatible development that combines adaptation and low emissions development objectives, while meeting the requirements of international support frameworks, involves balancing upward and downward accountability. This briefing examines lessons learnt from different country-scale action planning under such dual accountability frameworks.

Climate compatible development (CCD) is essential if developing countries are to address the impacts of climate change, while continuing to develop. Planning CCD requires these countries to identify, implement and monitor and evaluate country-scale adaptation and low emissions development (LED) objectives. This planning process will be supported by international climate finance, technology transfer and capacity building under the UN Framework Convention on Climate Change (UNFCCC).

Such planning processes at the interface of national and international governance frameworks must cater to dual accountability frameworks. CCD planning must be driven by domestic adaptation and LED objectives and be aligned with domestic institutions, legislations and budget systems. At the same time, it will also need to respond to the requirements of international support frameworks such as reporting against results achieved, or ensuring better management of the support received. Experience indicates that such planning is often skewed toward external accountability, resulting in ineffective domestic outcomes.

To achieve balanced accountability, this paper considers lessons learnt from different country-scale action planning. These include the three 'Rio Conventions' — the UNFCCC, the UN Convention on Biological Diversity (UNCBD) and the UN Convention to Combat Desertification (UNCCD) — as well as the Poverty Reduction Strategy (PRS) process spearheaded in 1999 by the World Bank and the International Monetary Fund.

For CCD, developing countries are likely to plan and access international finance and technology transfer for adaptation and LED using tools such as National Adaptation Programmes of Action (NAPAs), Technology Needs Assessment Strategies and Low Emission Development Strategies.

Such plans will provide the basis for several aspects of CCD. For example, some countries, such as Vanuatu, are exploring ways to integrate priorities identified during the NAPA process into newly proposed government strategies and investments[1].

Policymakers planning to secure international funds for CCD are likely to continue experiencing tensions between external requirements and domestic priorities. But they can build on examples of good practice. Key lessons learnt through years of experience in broader national planning are set out below.

"Plans must be built on realistic analyses and understanding of the drivers of climate change induced vulnerability"

Engage multiple stakeholders

Engaging multiple stakeholders in planning helps achieve local and national ownership of the plans, ensures they address domestic needs and helps guarantee integrated solutions to climate change impacts, which often affect multiple sectors.

But effective participation is difficult to achieve and international guidance is unclear. For example, guidelines for preparing NAPAs suggest engaging multiple stakeholders and including local knowledge but fail to provide information on how to achieve this. This has led to some NAPAs using a consultative, rather than participative, approach.[1] Even if multi-stakeholder engagement is achieved, it is often not institutionalised. In many cases, forums such as multi-stakeholder expert groups are disbanded after the national document is prepared, marking a missed opportunity for iterative and future decision making and monitoring.[2]

India's NBSAP preparation process provides an example of emerging good practice in engaging local stakeholders (see Box 1). But the approach did not garner political support and uptake because it did not adequately engage government officials or the private sector at the national level.

Box 1: Local participation in India

In 2000, the Indian Ministry of Environment and Forests used a decentralised approach to develop the country's National Biodiversity Strategy and Action Plan (NBSAP). The ministry commissioned an NGO to design the NBSAP based on more than 70 participatory sub-national plans across various sites and themes. The plans were prepared by groups of both government and NGO stakeholders.

Many tools were used to engage local people, including state biodiversity festivals, radio dramas, school biodiversity registers and local capacity building programmes. These were either tailored to specific scales or clustered strategically to ensure locally sensitive but maximum inclusion. Several thousand people were involved in developing the sub-national plans.[2] Five states have committed to taking the action plans forward — for example, in Madhya Pradesh, a State Biodiversity Board has been established and this has taken on board several of the plan's recommendations.

The participatory planning process was seen as an important output of the NBSAP in its own right and led to a high level of local ownership of sub-national plans. But the process did not adequately engage with high-level political interests and private sector actors. As a result, the NBSAP was not approved by the relevant ministry.

A key lesson for CCD planning is that bottom-up planning can effectively reveal local demands but must also coordinate with national level government and other powerful stakeholders to ensure eventual political support and uptake.

Experience from PRS processes suggests that decentralised frameworks and parliamentary involvement can effectively institutionalise multi-stakeholder engagement in planning processes. For example in Rwanda, the *Ubudehe* programme under the Ministry of Local Government has transformed the nature of Participatory Poverty Assessments by moving from consultative approaches to participatory ones in preparing PRS papers[3]. Based on these assessments, local communities prepared participatory poverty and social maps and identified solutions to reduce poverty. These maps were used as performance measures to hold national government and relevant ministries accountable to their commitments.

This positive experience has influenced the design and shape of the Common Development Fund, which aims to engage citizens actively in planning, budgeting, using and monitoring state and donor resources in providing public goods. In Mozambique, the Parliament's annual reviews of the PRSP have increased the plan's domestic accountability[3].

Ensure plans are evidence-based

If national planning is effectively to address domestic CCD priorities and cater to external accountability to access international finance, it must be evidence-based. Plans must be built on realistic analyses and understanding of the drivers of both poverty and climate change induced vulnerability. Such analyses also provide a baseline for measuring increases in adaptive capacity or benefits of low emission development investments.

Yet too often national plans developed under the Rio Conventions and initial PRS have simply articulated a 'wish-list' of projects that do not address real problems.[2] For example, UNCCD National Action Plans rarely acknowledge the politicised nature of land degradation and a number of NAPAs have been criticised for having articulated 'development as usual' adaptation priorities[4].

Tools such as climate change scenario planning, root-cause analysis — that assesses a problem to find its underlying causes — and poverty and social impact analysis, which identifies the winners and losers of a proposed strategy, can inform evidence-based planning. Cross-cutting assessment frameworks can help set evidence-based targets in the PRS process. For example, gender mainstreaming in the Bangladesh PRS has led to gender sensitive budgeting. Similarly, World Bank guidelines on integrating environment into PRS processes[5] improve the links between poverty and environment and lead to more holistic poverty assessments and target setting.

Communicate widely

Communication strategies are important to raise awareness of the need for CCD, and can help establish dialogue between national and local policymakers to ensure that plans are developed in good time and that policies address domestic priorities.

Effective communication channels can have other benefits too, such as helping to identify what strategies are working on the ground and informing subsequent monitoring and evaluation strategies. A lack of communication can damage participatory and evidence-based planning. In India, the strong emphasis on rolling out a public communication strategy to raise awareness on biodiversity issues ensured widespread, meaningful participation in the NBSAP process. But similar attention was not paid to engaging government and private sector officials, so the eventual plan lacked political support.

Climate compatible development planning can be achieved more effectively by governments that understand the criteria used by financing bodies. The Kyoto Protocol Adaptation Fund Board has developed specific guidelines for national implementing entities to communicate funding requirements and help them access adaptation finance and develop projects. Going one step further to use information from project reviews undertaken by the board would help countries better understand how and why projects are selected for funding, and increase the transparency of the selection process.

Box 2: Building links in Bolivia

In 2001, Bolivia set up national and local groups of civil society representatives to monitor and evaluate its PRS process, the Estrategia Boliviana de Reducción de la Pobreza (EBRP). These 'scrutiny committees' were also made responsible for monitoring relevant municipal government finances.

But these initial efforts at enabling 'bottom-up' M&E were problematic, partly due to a lack of capacity to analyse budgets and poverty indicators. In response, the Grupo Nacional de Trabajo para la Participación (National Working Group for Participation, GNTP) — a network and learning community of NGOs and professionals specialised in participatory methods, equity and justice — was set up to strengthen networks and participatory practices. The GNTP:

- built local capacity to monitor and evaluate the EBRP through training workshops;
- increased political commitment to and understanding of participatory M&E by working with municipal governments to create more transparency and accountability; and
- encouraged mutual and meaningful dialogue between national and local stakeholders by creating a community of learning.

Bolivia's approach to PRS M&E is interesting for CCD in several ways. It built links between local and national institutions, it ensured a participatory approach that engaged both national and local needs, it gained political support, and it stimulated evidence-based planning. CCD planning must be rooted in local needs and achieve national policy outcomes — cross-scale scrutiny can help this to happen.

Ensure integrated planning

Integrated planning is key in CCD. This means integrating domestic and international climate change objectives into country-wide development planning processes. It also means integrating planning across sectors — this can help secure diverse external funds for different sectors and improve linkages between adaptation and LED objectives. Integrating plans over time can help match short- and long-term goals, while integrating plans across administrative scales can help match local, regional and national objectives.

Experience from the Rio Conventions indicates that planning processes have been ineffective in integrating identified objectives into country planning frameworks[1,2]. Planning exercises have been carried out in parallel and often in isolation to domestic planning processes such as national development plans and annual sector plans. This has resulted only in documenting a list of projects targeted at international financing. Such fragmented approaches have found little domestic ownership and are unlikely to address biodiversity loss, desertification or climate change effectively.

Emerging guidance under all three Rio Conventions aims to address this problem. For example, the UNCBD and UNCCD call for integrating biodiversity, desertification and adaptation priorities within national and sectoral planning processes to ensure projects are strategically aligned with other national priorities and to avoid stand-alone, fragmented projects.

Experience from the PRS process suggests that budgetary frameworks can also help integrate identified priorities into planning processes. Using common arrangements such as sector-wide approaches and programme-based approaches to deliver aid has also been recognised as good practice in terms of increasing domestic accountability.[6]

Bolivia's approach to building links between local and national institutions to ensure cross-scale scrutiny of the PRS process provides interesting lessons for climate compatible development planning (Box 2).

Implement effective monitoring and evaluation

Ensuring climate compatible development is built on strategies that work equally well across different localities and for different stakeholders requires continuous assessment and effective monitoring and evaluation (M&E). A relevant and meaningful M&E framework can help secure international funding, shape political goals and share knowledge and learning on whether and how a programme has worked.[1]

M&E is an important reporting requirement of external funders although frameworks with appropriate targets, indicators, and timescales, are frequently left out of national plans. For example, just half the NBSAPs include measurable targets, and only 40 per cent provide indicators for success.[7] Fewer than 10 per cent of the PRS processes reviewed by the OECD in 2008 had sound M&E frameworks to monitor and assess development results. And PRS papers have struggled to analyse collected data and correlate input indicators with outcomes.

Developing M&E frameworks for adaptation presents additional challenges. There are no straightforward and agreed indicators to estimate increases in adaptive capacity and most M&E of adaptation initiatives is based on narrow, project-oriented frameworks.

Some cases of good practice for results-based management are emerging. For example, in both Tanzania and Uganda, public funds are allocated according to how well projects target PRS objectives, and reviews of evidence on performance. Joint analytical exercises with donors, including Public Expenditure Reviews and poverty and social impact analysis, are also proving effective M&E strategies[3].

Recommendations

- CCD strategies must not be designed to meet international support requirements at the expense of tackling domestic needs.
- Planning exercises should engage multiple stakeholders at all scales. This can be facilitated by capacity building and policy and institutional reform, and enhanced through effective communication.
- CCD planning should be built on evidence-based policies that link low emissions trajectories and climate adaptation outcomes. Tools such as climate change scenario planning, root-cause analysis and poverty and social impact analysis can help policymakers understand the complexity involved in making decisions in the face of uncertainty and change.
- Key CCD objectives should be integrated into country-wide planning frameworks. Linking budgetary frameworks to planning processes and using common frameworks to provide international support can help ensure integrated planning.
- Effective monitoring and evaluation is critical to ensure outcome-based management.

Notes

1. IIED & COWI 2009. *Joint evaluation of the operation of the Least Developed Countries Fund for adaptation to climate change*. Ministry of Foreign Affairs of Denmark. http://www.evaluation.dk
2. Sharma, A. 2009. *Planning to deliver: Making the Rio Conventions more effective on the ground*. GTZ: Eschborn, Germany
3. World Bank/IMF 2005. *2005 Review of the PRS Approach: Balancing Accountabilities and Scaling Up Results*. Washington DC: World Bank.
4. Nicol, A. and Kaur, N. 2008. Climate change: Getting adaptation right. *ODI Opinion* 116.
5. See *Mainstreaming Environment through Poverty Assessments* http://go.worldbank.org/GGUAZY5RI0
6. OECD 2008. *2008 Survey on Monitoring the Paris Declaration*. Paris: OECD. http://browse.oecdbookshop.org/oecd/pdfs/browseit/4308131E.PDF
7. Carter, E. 2007. *National Biodiversity Strategies and Action Plans. Pacific Regional Review*. Commonwealth Secretariat/SPREP.

How can CDKN help developing countries?

The Climate and Development Knowledge Network (CDKN) aims to help decision-makers in developing countries design and deliver climate compatible development. We do this by providing demand-led research and technical assistance, and channelling the best available knowledge on climate change and development to support policy processes at the country level.

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