

Environmental and Social Impacts How to Integrate Them into Evaluations?

EPE Session

17 November 2020

UNEG ESI Working Group



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Today's session

- Stocktaking on policies and guidance in support of evaluation of social and environmental considerations (Juha Uitto, GEF)
- Coverage of environmental aspects in evaluations of economic development interventions – a sample from UNIDO (Johannes Dobinger, UNIDO)
- Review of UNEP's contributions to poverty reduction across environment-focused evaluands (Mike Spilsbury, UNEP)
- A systematic framework for mainstreaming environmental and social impact in all development evaluations (S. Nanthikesan, IFAD)
- Moderator: Shravanti Reddy (UN Women)



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2030 Agenda for People, Planet and Prosperity

The ESI Working Group

- Establish UN-wide approach, norms and standards for incorporating environmental and social considerations into all evaluations
- Develop guidance to evaluations for UNEG members

State-of-the-Art

- Stocktaking of policies and guidance of UN agencies in support of evaluation of environmental and social considerations
- Administered survey to all 42 Agency Evaluation Offices (39 Responded)
- Analyzed 40 UNEG Member Agencies' documents on evaluation policy and guidance



Survey Results with UNEG Members

Significance of Environmental & Social Considerations

- 70% feel their work is highly engaged with social aspects and 45% with the environment
- Almost 60% of agencies reported having environmental or social safeguard policies applied during the preparation of projects or programs
- Highly consistent perception that there is a need for additional guidance, particularly for environmental but also for social considerations

Overall Conclusions

- In existing guidance, social considerations are more widely covered than environmental, though social considerations are only partially covered
- Gender receives the strongest attention
- Human rights tend to be bundled with gender in documents and are often not addressed in as much detail
- Guidance on environmental considerations is extremely limited



Overall Conclusions (Cont'd)

Looking on the bright side...

- Agencies increasingly realize that their activities may have unanticipated environmental effects
- Heightened awareness of the interactions between social and environmental factors, driven in part by the SDGs
- UNEG advice on Gender and Human Rights has been widely consulted and used and is highly regarded



Coverage of environmental aspects in evaluations
of economic development interventions.

A sample from UNIDO



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Assessing environmental aspects in evaluations (where environment is not the evaluand)

- Where to consider it?
 - As an (unintended) impact
 - As a risk to sustainability
 - As an issue of (in) coherence
 - Separately as a “cross cutting issue”
- How to consider it?
 - Which environmental dimensions?
 - Adequate definition in the TOR?
 - additional time and budget to cover environmental aspects?
 - Evaluators’ competencies need to cover environmental aspects?

Where can evaluations cover the environmental dimension?

	impact	risk to sustainability	coherence	cross cutting
definitions	The extent to which the intervention has generated or is expected to generate significant positive or negative, intended or <u>unintended</u> , higher-level effects.	Includes an examination of the financial, economic, social, <u>environmental</u> , and institutional capacities of the systems needed to sustain net benefits over time	Policy coherence for sustainable development (PCSD; SDG 17) requires a close look at the interactions between economic, social and <u>environmental</u> dimensions.	Cross-cutting issues like the <u>environment</u> and gender equality are relevant to all aspects of development. Environment and development should be seen as one and the same thing. (OECD DAC)
issues found	Generally evaluations search for intended impact mainly as they follow the intended pathways (TOC). For non environmental projects, this leads to underreporting of environmental aspects.	For economic development projects the environmental dimension is often built into the design, e.g. by promoting sustainable business practices. But no coverage of other, broader environmental issues.	Coherence is yet a new criteria, not much can be said about how it covers coherence between social/economic and environmental aspects.	Cross cutting issues in evaluation nowadays often only cover gender and human rights; environmental issues were more prominent in the past.

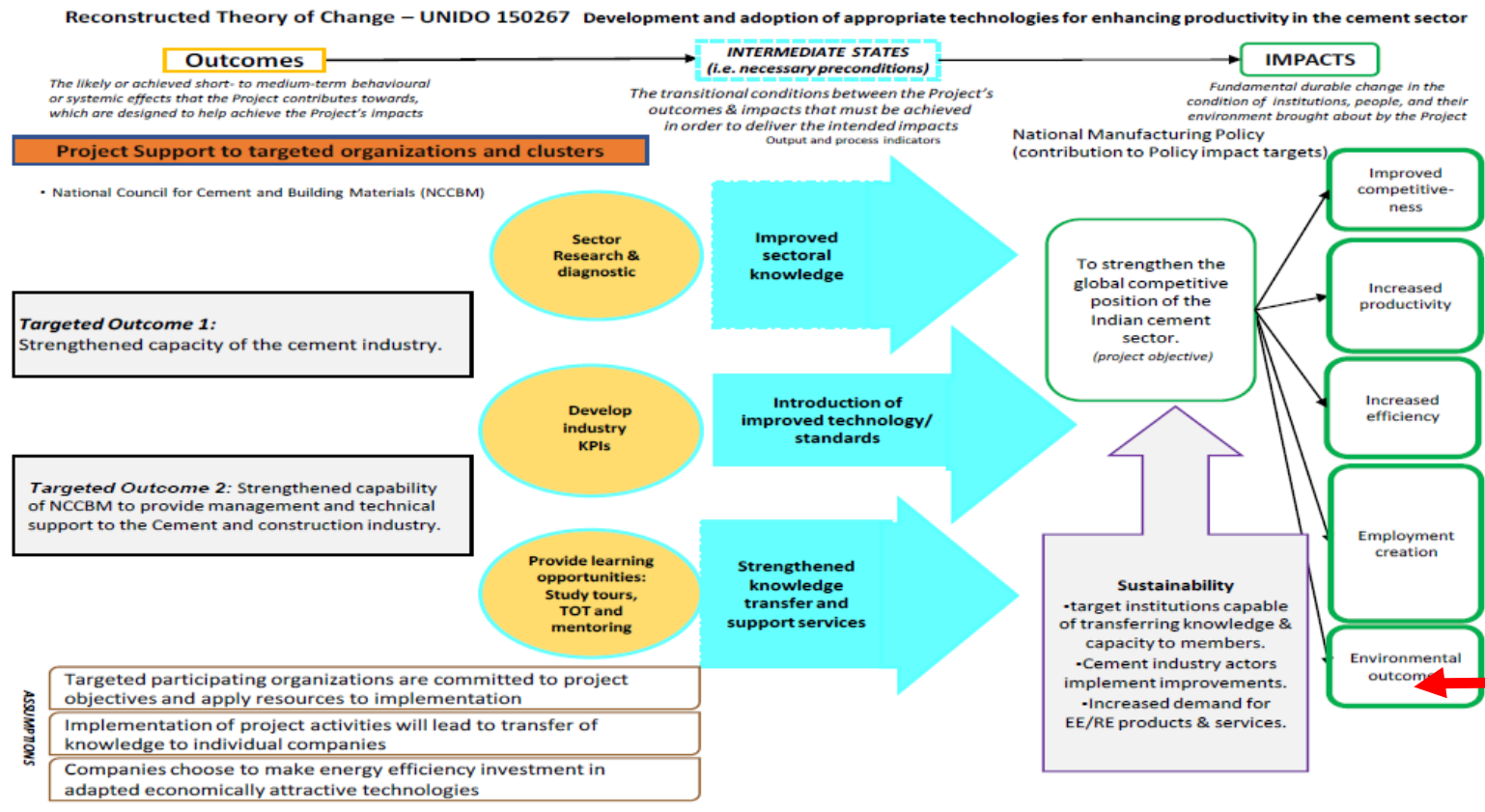


Environmental coverage in 10 UNIDO project evaluations

Project evaluated (2018 to 2020)	impact	risk to sustainability	coherence	cross cutting	TOR coverage
Production of generic pharmaceuticals in developing countries	no	no	no	no	generic
Smart Fish	no	yes	no	no	
TRAINING ACADEMY FOR HEAVY-DUTY INDUSTRY EQUIPMENT AND COMMERCIAL VEHICLES	no	no	no	no	generic
Improving competitiveness of export-oriented industries in Armenia	no	no	no	no	generic
National quality infrastructure project - Nigeria	no	no	no	no	generic
Strengthening the National Quality Infrastructure (NQI) for trade - Myanmar	no	no	no	no	generic
Development and adoption of appropriate technologies for enhancing productivity in the paper and pulp sector in India	yes	yes	no	no	generic
Development and adoption of appropriate technologies for enhancing productivity in the cement sector in India	no	yes	no	no	generic
Promoting community level job creation and income generating activities through the development of cost-effective building materials production in Kyrgyzstan	yes	no	no	no	generic
Cosmetic Sector Quality Programme	no	no	no	no	generic

Case: Cement sectoral Project in India – impact dimension

Figure 2 Reconstructed Theory of Change



Environmental dimension

Case: “Smartfish” fishery value chain Project in Indonesia – Risk dimension

- Sustainability risks:

Environmental risks are moderate

“The lack of zonation and allocation of seaweed parcels among seaweed farmers is likely to result in overcrowded conditions that can obstruct water flow and delivery of nutrients to the seaweed. This, in turn, would affect growth rates and seaweed quality. Seaweed processors have reported that in some areas water scarcity has been a factor containing production.”

Some conclusions

- Very poor coverage of unintended environmental effects despite coverage in TOR
- Where there is coverage it is purely qualitative, no quantitative assessment of impact as in projects where environment is the evaluand
- TOCs increasingly used to map this qualitative assessment
- Environment mostly mentioned in the context of risks to sustainability
- No coverage of coherence yet (not surprisingly)
- TOR usually ask for coverage of environmental aspects, but evaluation teams tend to exclusively focus on intended results



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Review of UNEP's Contributions to Poverty Reduction across Environment-focussed Evaluands

Mike Spilsbury



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15

SIDA support to UNEP

- **SIDA requested a review of the poverty reduction results and contributions to poverty-related Sustainable Development Goals (SDGs)**
- **R**egard natural capital, such as natural resources, ecosystems and their services and climate as the basis for human existence.
- Sida relates this directly with poverty, as people living in poverty are more directly dependent on natural resources and biodiversity, including forests, land and water.
- Vulnerable people are seen as suffering more than others from environmental degradation, exploitation, climate change and natural or man-made disasters and related risks.

UNEP Mandate and Characteristics

- Broad mandate **catalysing action among governments** in favour of the global environment - science informing environmental policy making and the science – policy ‘interface’
- Focus at policy level, including international agreements and their implementation also concerns norms and standard setting and development of guidelines for the enactment of policies and plans.
- Works with partners in developing countries in order to pilot the operationalization of policies, standards and guidelines and support their application at national and local levels.
- Fundamentally anthropocentric. An emphasis on human well-being highlights the position of UNEP regarding the conservation of nature considering it not as an aim in and of itself, but related to human use of natural resources for economic and social development, contributing to people’s livelihoods and their prosperity.

Draft Review Findings

- UNEP is primarily a normative agency, and typically, has no in-country presence. Consequently, where evaluations highlight poverty effects they are often:
 - ***broad*** (e.g. generally targeting Less Developed Countries),
 - ***implied*** (e.g. improving the environmental context and climate conditions) and / or
 - ***indirect*** (e.g. healthier ecosystems can support more families living at subsistence level or on the margins of ecological sustainability).



Draft Review Findings - UNEP Evaluands

- Many UNEP Initiatives and projects **do** include the interests and needs of poor and vulnerable groups
- Infrequent, participation of poor and vulnerable groups in project design (more common for GEF projects)
- Needs of poor and vulnerable groups NOT often informed by a more formal assessment on the multi-dimensional aspects of poverty
- Stakeholder needs not necessarily followed through in project implementation or in monitoring or in evaluation
- Very common that there is a lack of baselines (especially for parameters of relevance for poverty)



Review Findings – Intentionality viz poverty

- Higher level strategy documents e.g .POW 2018-2019, cover aspects of poverty and results related to poor and vulnerable groups are in some cases included in terms of the impact expected to be achieved by 2030

BUT

- There no explicit focus on how to achieve these changes through the present and upcoming Medium Term Strategy periods.
- Even at the project level, the relationship between environment-related objectives and poverty not made explicit
- Poverty related aspects are sometimes included in project TOCs as either assumptions or as drivers of change

Conclusions

In order to ensure that stronger poverty reduction effects are realised there is a need to:

- make the poverty issues and concerns explicit in intervention designs
- carry out poverty assessment
- identify suitable indicators,
- establish baselines, invest in robust monitoring

An increased evaluative focus on any aspect of an evaluand becomes more meaningful when the issue/aspect is explicitly embedded in the design and implementation of the evaluand

Expect there to be long lag times (e.g. as for Gender equity and H.R.)

A Framework for Mainstreaming Environmental and Social Impact in Evaluations

S. Nanthikesan

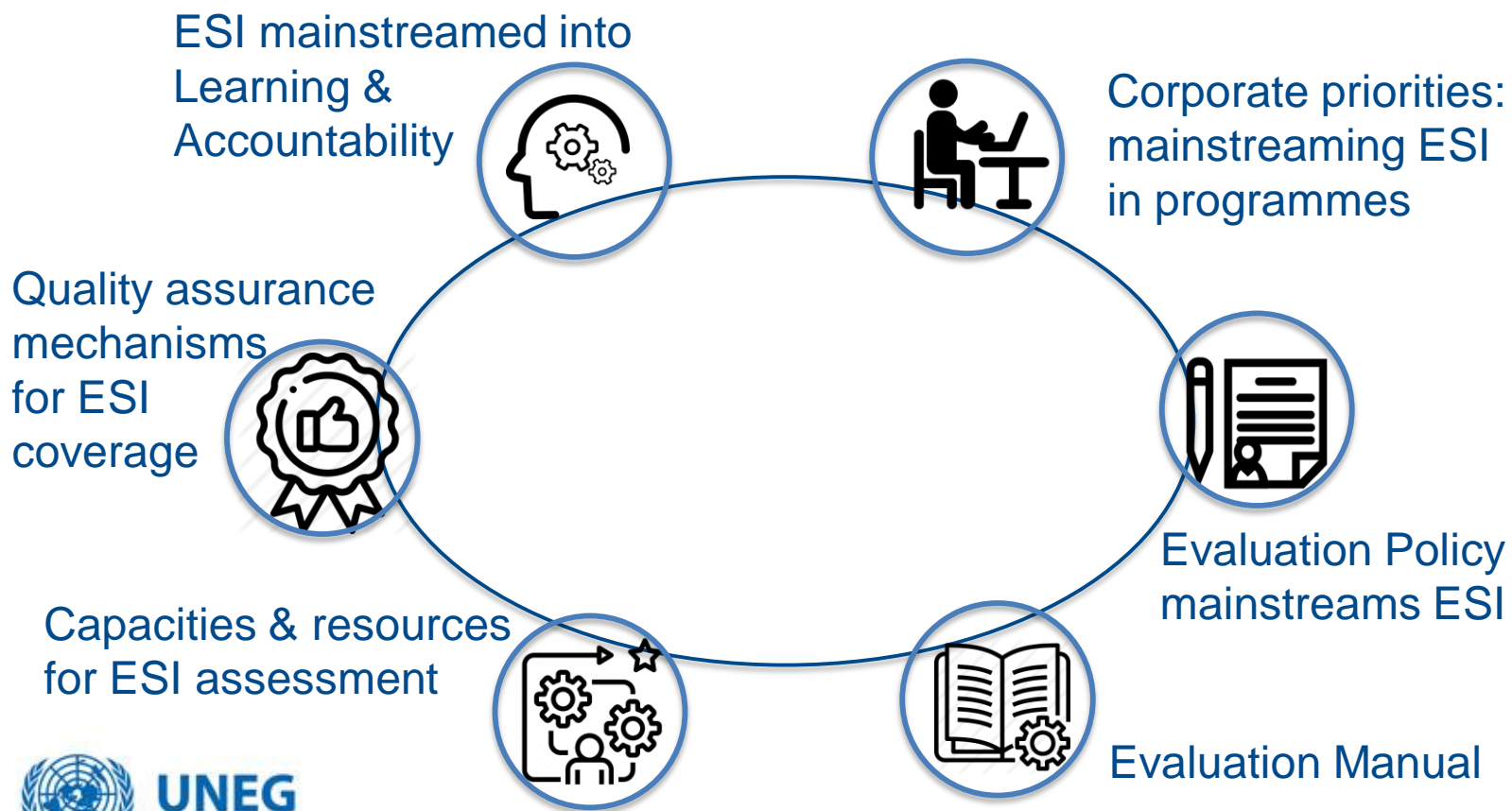


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A Framework for 'Mainstreaming' ESI

All evaluations assess the environmental and social impact (ESI)– Mainstreaming ESI



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IFAD Corporate Prioritization of Recognizing Environmental Impact of Programmes

	IFAD strategy 2007-10	IFAD strategy 2011-15	IFAD strategy 2016-25
Objective	<i>Poor rural men and women are able to sustainably and efficiently utilize and manage natural resources such as land and water</i>	<i>A strengthened natural resource and economic asset base for poor rural women and men that is more resilient to <u>climate change</u>, environmental degradation and market transformation</i>	<i>Strengthen the <u>environmental sustainability and climate resilience</u> of poor rural people's economic activities</i>
Nature of recognition of ENRM	Explicit focus on access to natural resources for productive activity. No mention of climate change in the objectives	Recognition in the context of climate change	Recognition in the context of climate change and resilience
Thematic focus	Not mentioned	Environment and climate change mentioned as thematic areas of focus	Environment and climate change mentioned as thematic areas of focus

Evaluation Policy & ESI in IFAD

EB 2011/102/R.7/Rev.3

- (v) IOE shall work with an evaluation manual⁸ that sets out the methodology and processes that the division will apply in the assessment of the results of IFAD policies, strategies and operations. The manual will be considered a "living document", and further developed as and when needed to capture any enhancements to IOE's evaluation methods and processes based on international good practices and state of the art thinking.
- (vi) The evaluation manual shall be the basis for the Annual Report on the Results and Impact of IFAD Operations (ARRI). This report shall present a consolidated picture of results and impact achievement, and a summary of cross-cutting issues and learning insights on the basis of evaluations undertaken in the previous year.
- (vii) An Agreement at Completion Point will be prepared for each corporate level and country programme evaluation done by IOE. The Agreement at Completion Point will contain a summary of the main evaluation findings and recommendations that IFAD management and the concerned government agree to adopt and implement within specific timeframes. IOE will facilitate the preparation of the Agreement at Completion Point⁹.

Partnership

IOE has numerous partners (e.g., the IFAD Management, the Executive Board and

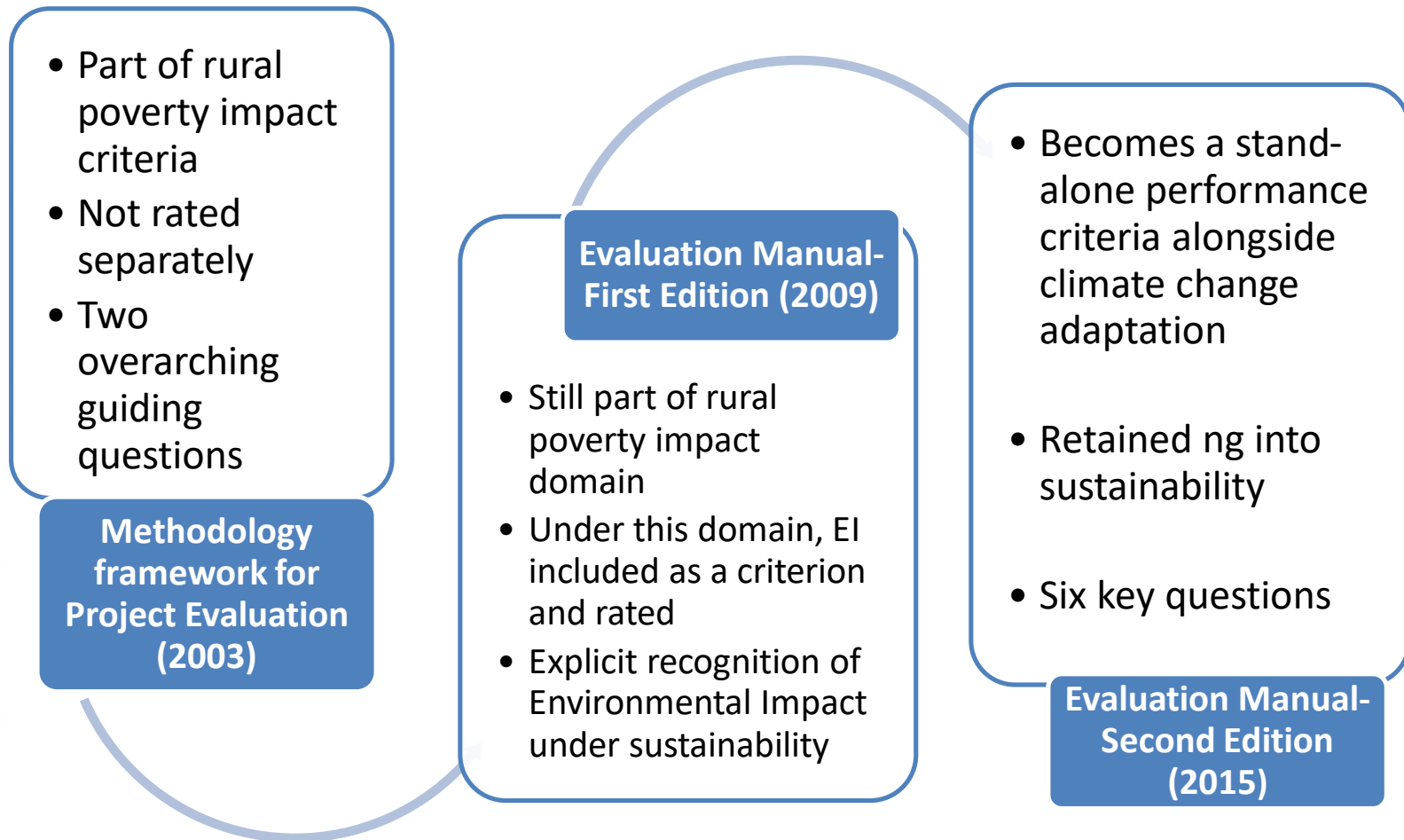


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IFAD Evaluation Manual

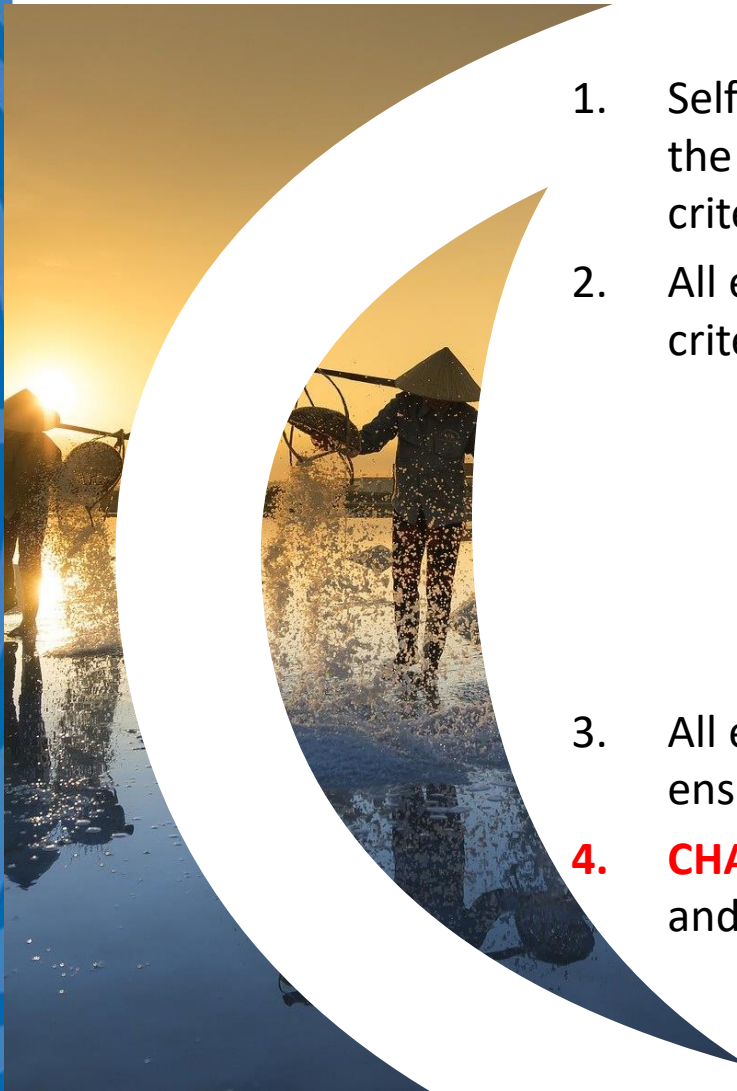
Evolution of Guidance for Assessing ESI



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Mechanisms to promote quality & Challenges



1. Self and Independent evaluations in IFAD follow the same guidance related to evaluation criteria*
2. All evaluations assess against additional ESI criteria (to the OECD DAC criteria)**:
 - gender equality and women's empowerment,
 - environment and natural resources management,
 - adaptation to climate change
3. All evaluations are subject to peer review to ensure quality
4. **CHALLENGES:** Availability of required resources and capacities to assess ESI in all evaluations.



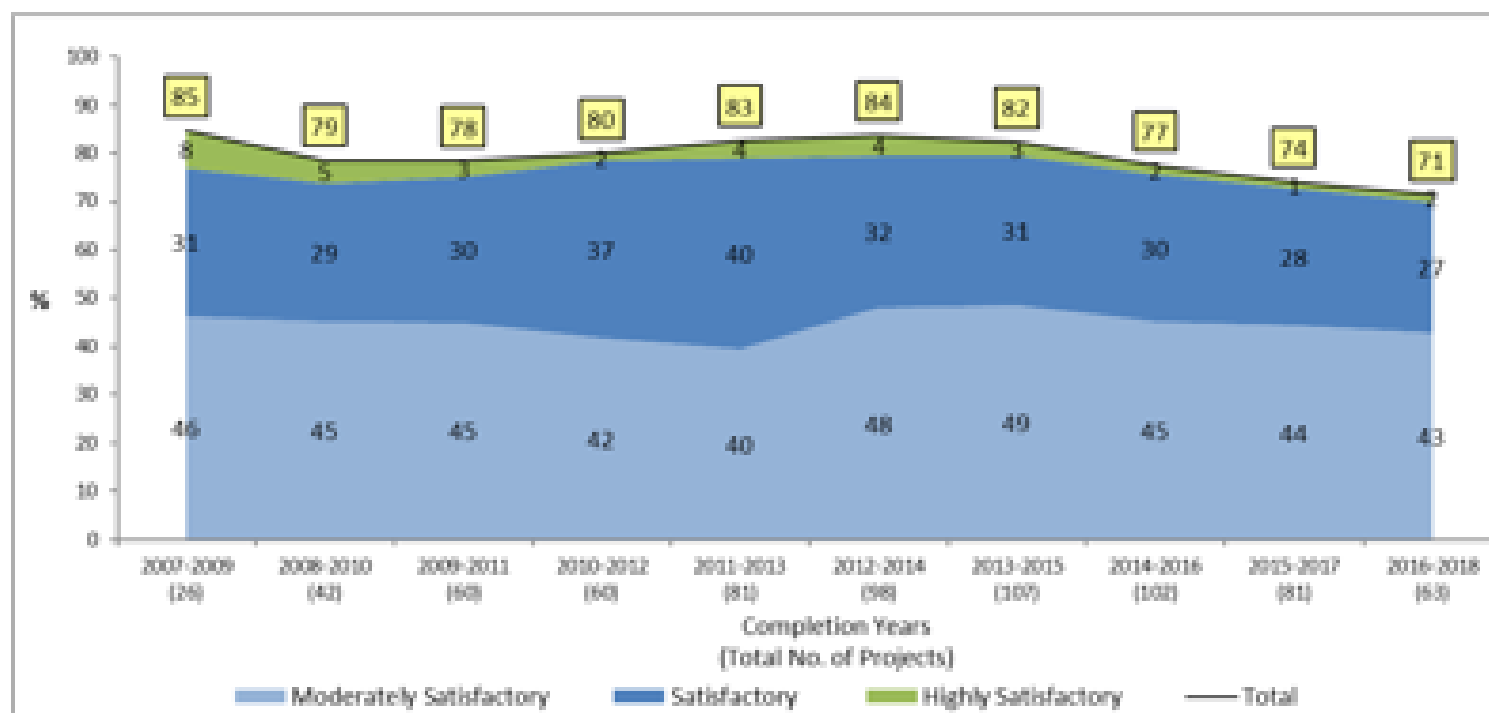
ESI: Accountability & Learning

Annual Report on Results and Impact (ARRI)

[Presented to the Board] on 3 ESI indicators: ENRM, GEWE, Climate Adaptation

GEWE (2007-2018)

Percentage of projects rated moderately satisfactory or better by three-year



Source: IOE evaluation database (PCR/V/PPE), April 2020.



Thank you



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