

Integrating Environmental Concerns into Development Planning: A Case Study of Bhutan

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Abstract

Bhutan has an effective and efficient environmental impact assessment and development approval system. However, as is the case in most countries, the focus of environmental protection is predominantly on "safeguarding". For sustainability goals to be reached, efforts need to go beyond compliance with standards and mitigation of adverse impacts, to identifying environmental sustainability as an objective of the development process. This realization became clear to the Royal Government of Bhutan in 2006, when it included a strong "environmental mainstreaming" requirement in the preparation guidelines for the 10th Five Year Plan. Since that time, the concept of environmental mainstreaming has quickly taken hold, and is a significant component of donor assistance to capacity development at different levels of government. However, policy innovation in this area has not followed a smooth path. This paper describes recent progress made in high-level environmental mainstreaming in Bhutan, and reflects on lessons learned. It also aims to provide ideas and guidance for other developing countries that are in a similar situation.

Keywords: Bhutan, environmental mainstreaming, SEA.

Introduction

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This realization became clear to the Royal Government of Bhutan in 2006, when it included a strong "environmental mainstreaming" requirement in the preparation guidelines for the 10th Five Year Plan. Since that time, the concept of environmental mainstreaming has quickly taken hold, and is a significant component of donor assistance to capacity development at different levels of government.

However, policy innovation in this area has not followed a smooth path. This paper describes recent progress made in high-level environmental mainstreaming in Bhutan, and reflects on lessons learned. It also aims to provide ideas and guidance for other developing countries that are in a similar situation.

Context

In 2002, Bhutan introduced a wide-ranging SEA regulation¹, which sits beneath the Environmental Assessment Act 2000. The SEA regulation requires that:

¹ Royal Government of Bhutan. *Regulation on Strategic Environmental Assessment 2002*

“any agency that formulates, renews, modifies, or implements a policy, plan or program including Five Year Development Plans which may have a significant effect on the environment, shall perform a SEA in accordance with this regulation, before the proposal is adopted or submitted to the Royal Government of Bhutan”.

This regulation appears to give a strong mandate to whichever government agency is charged with implementing a SEA system. However, Bhutanese bureaucratic politics prevented the implementation of this regulation. A major stumbling block was the reluctance of powerful development Ministers to have their policies, plans, or programs (PPPs) subject to a perceived new “regulatory hurdle”. In addition, and perhaps consequently, the National Environment Commission (NEC), which became the default “owner” of the SEA regulation, was reluctant to push for its implementation. Some NEC officers considered that responsibility for SEA should be assumed by a planning agency with a remit to consider overall sustainability.

Until late 2006, the SEA regulation had not been implemented in any genuine fashion, although in 2003 the World Bank had attempted to “kick start” interest in SEA in association with the Five Year national development planning process. At that time, a solution became available in the form of guidelines being drafted by the Planning Commission (now the Gross National Happiness Commission) to assist government sectoral agencies in the preparation of a 10th Five Year Plan. Given their scope, national development plans represent a potential opportunity to incorporate environmental and sustainability issues into the planning process, balancing traditional economic and social goals.

The Environment Minister at that time wanted to go beyond the sector-level, project approval/safeguarding approach to environmental protection. He had a strong interest in line Ministries taking responsibility for the environmental consequences of their programs. He saw an opportunity in the 10th Five Year Plan guidelines, and pushed for the inclusion of the following requirement:

“environment is a cross-cutting issue that is intimately intertwined with poverty reduction. Therefore, all sector, agencies, dzongkhags and gewogs² should mainstream environmental issues in all their policies, plans, programs and projects and build adequate mitigation measures to minimize any adverse impact on the environment”.

This opened up the opportunity to further promote ex-ante SEA thinking as it became politically possible to shift the focus to environmental mainstreaming in the making of high-level plans in Bhutan.

Environmental Mainstreaming Activity in Bhutan

Formal environmental mainstreaming activity was initiated by the NEC in 2006, and focused mainly on capacity building in central (i.e. national) Government agencies with responsibility for chapter writing in the 10th Five Year Plan. The NEC quickly developed a training programme to attempt to influence the writers of sector chapters in the 10th Plan. Unfortunately, many Ministries had begun drafting chapters already when the NEC training started, and they were reluctant to take on a new concept without adequate time for learning and deliberation. Nonetheless, the resulting 10th Five Year Plan does make limited attempts to recognize the environmental mainstreaming concept. For example, Section 5.5 of Volume 1 recognizes environmental issues as a “cross-cutting development theme”. In addition, a section dealing with “conservation of the environment (3.3.2) explicitly states that:

² “Dzongkhags” and “gewogs” are administrative regions in Bhutan, at different levels of scale.

“The Royal Government will promote mainstreaming environmental issues into the development planning process through the national spatial planning framework and through awareness and capacity building of relevant sectors”.³

Other positive outcomes of the early NEC training included general awareness raising in line Ministries that were not traditionally used to thinking about environmental concerns, and a specific requirement during the training for participants to rewrite sector objectives, targets and indicators as originally provided to them in the 10th Plan guidelines. This activity had the added benefit of forcing participants to think about alternative sector development paths and attracting the interest of donors.

In early 2007, UNDP in Bhutan, assisted by UNEP, made environmental mainstreaming a significant part of the UN Development Assistance Framework (UNDAF) for 2008-2012, and AusAID also agreed to participate in the mainstreaming activity through a Public Sector Linkages grant. During 2007 and 2008 donor activity focused on preparation of policy guidelines; organization of awareness raising workshops for key government officials; short-term placements of Bhutanese officers in Australian government agencies; workshops on how environmental mainstreaming could be implemented in the line Ministries, and applying the “Environmental Overview”⁴ to a new industrial policy being formulated by the Ministry of Economic Affairs.

Mainstreaming activity continued in 2009, with the publishing of environmental mainstreaming guidelines, and the development of a new 4-year joint Danida and UNDP/UNEP Poverty and Environment Initiative programme focused on introducing the environmental mainstreaming concept to regional governments and local authorities.

Observations and Lessons Learned

Bhutan has seen three years of quite intensive donor-funded work on environmental mainstreaming, and this is likely to be continued and expanded until at least 2012. Preliminary conclusions can be drawn from the experience that might perhaps assist with ongoing work in Bhutan, but may also be of benefit to other countries considering whether mainstreaming may improve the sustainability of national and sector planning.

First, experience in Bhutan, combined with literature outlining mainstreaming approaches already undertaken in other developed and developing countries, suggests that mainstreaming should be supported by a set of guiding Environmental Mainstreaming Principles such as those presented in Box 1⁵. It is possible that these principles can be generalized across countries.

³ Gross National Happiness Commission, Royal Government of Bhutan, 2008. Tenth Five Year Plan (2008 – 2013). Volume 1: Main Document

⁴ The term “Environmental Overview” refers to a process developed by UNDP in the 1990s as an interdisciplinary, in-country, participatory, structured process where a group examines a development programme proposal against a set of environmental and social systems, identifies potential environmental and social opportunities as well as alternative, options and modifications to enhance the sustainable development outcomes (Brown, A.L. (1999) The Environmental Overview in development project formulation. *Impact Assessment*, 15 (1), 73-88.

⁵ These principles were first discussed in: Brown, A.L. and Tomerini, Deanna, A framework for mainstreaming environment in policy and planning in developing countries, *Proceedings of the International Association of Impact Assessment Conference, Ghana, May 2009*.

Box 1: Environmental Mainstreaming Principles

- The need for commitment to environmental mainstreaming practice at the highest level of government.
- Take up and eventual ownership of this environmental mainstreaming commitment:
 - by authorities with central co-ordinating, planning and budgeting responsibilities; and
 - by all sectors with development responsibilities.
- Development, *within* each of these bodies/sectors, of:
 - an understanding that proactive mainstreaming of environment must complement existing (reactive) environmental safeguarding activities, no matter how well the latter are practiced;
 - the application of environmental mainstreaming practice:
 - to all strategic planning and policy-making activities; and
 - to all studies and negotiations that are components of these activities; together with
 - considered integration of environment, as a dimension of sustainability, in these activities from their earliest planning stages.
- The need for environmental mainstreaming practice *within each sector* to be based on a systems understanding of:
 - the linkage between the sector's development activities and the environment; and
 - the reliance of existing development activities in that sector on environmental resources and services (ecosystem services).
- A search for environmental opportunities not just environmental constraints.
- Translation of mainstreaming practice into action plans and budget lines to implement the outcomes of the environmental mainstreaming processes - both within the sectors and the co-ordinating authorities.
- That the focus be on mainstreaming environment must be into government's *own* structures and processes of policy and plan making.
- That mainstreaming looks to integrate environment *within* these existing structures and processes rather than invoking, in the first instance, new and endogenous tools to achieve the environmental mainstreaming.

Second, it is clear that both sectoral policy-making and plan-making, and central coordination of sectoral planning, is conducted by professionals who generally have had no environmental training, experience or exposure. This is quite as one would expect. But what is surprising is that this has escaped observation in any of the mainstreaming literature to date. It needs to be recognised that initial sectoral decisions to undertaking environmental mainstreaming, most of the parameters of any mainstreaming activity, and the utilisation of mainstreaming outcomes, will largely be determined by professionals with no prior environmental experience. This is a key factor to be considered in mainstreaming capacity building, the preparation of mainstreaming guidelines, and the adoption of mainstreaming approaches. It also suggests that highly specialised and cooperative engagement will need to be developed between the environmental sector and any sector attempting to implement mainstreaming - and environmental sectors generally have little experience with such engagement.

A third observation is that the majority of environmental activity within government, both within the environmental sector and within the line ministries, is currently involved in meeting environmental safeguarding requirements. This consumes the available time, human and other resources, leaving none for mainstreaming activities, leading to resistance to take on additional environmental responsibilities through mainstreaming, even amongst staff in the environmental sector. One might expect that strong institutional involvement in environmental safeguarding would be a sound launching pad for environmental mainstreaming, but in practice the conflict/confusion between safeguarding and mainstreaming (to some, environmental mainstreaming simply meant ensuring that environmental safeguarding activities were performed appropriately) is an impediment to moving towards mainstreaming implementation.

Fourth, despite high level government support and documentation that environment was a cross-cutting issue, this was never recognised at any practical level within central agencies and line ministries. In fact, the existence of government agencies with responsibility for environment and for conservation meant that no other line ministry saw any need or potential role for them in environment and conservation. In the words of one central planning officer, "... when an environmental matter comes across my desk, I despatch it either to (environment) or to (conservation)... I have never thought that responsibilities for these matter might involve another sector". Within the non-environmental sectors, officers are not required, or encouraged, to see the whole system in which their sectoral activities will operate. While they are committed to the idea of sustainable development (encouraged by the goals and policy statements of their ministries regarding sustainability) they have little concept of the links between the mainstream activities of their sector and the environment, other than those involving safeguarding. Shifting sole "ownership" of SEA/environmental mainstreaming activity from environment agencies to include ownership by cross-Government planning agencies is a crucial step in the move towards genuine sustainable development planning.

Finally, in major exercises such as the preparation of five-year plans, various planning methodologies are utilised within all line ministries - situational analysis or results-based planning for example - that drive the plan preparation process. But when it comes to the practicalities in applying such planning methodology, cross-cutting issues of environment are not incorporated in their use, even though there is nothing inherent in such methodologies that prevent their inclusion. It is within these very methodologies that environmental mainstreaming can and must occur – an integration of environment into the mainstream of the existing policy and plan making system. The mainstream is what the planners currently do and the tools they currently use.

Conclusion

The increasing focus on environmental mainstreaming is a strategic response to the limitations of environmental safeguarding activities in moving development towards environmentally sustainability outcomes. Replacing the notion of environment as a separate sector by that of environment as a cross-cutting issue to be incorporated in policy and plan-making across all sectors, is the essence, and challenge, of environmental mainstreaming. Experience in Bhutan has shown that, with determined and coordinated donor assistance, substantial progress is possible. However, the extent and magnitude of the effort required to embed an environmental mainstreaming framework within policy and planning development processes of any country should not be underestimated. The framework requires sustained capacity building; introducing new insights, concepts and skills to staff in all sectors, including the environmental sectors. Mainstreaming is fundamentally a task of changing attitudes, the culture of organisations and professional disciplines, and a change in power relationships between different parts of government.