

Effective Governance for Sustainable Development in Developing Countries

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Effective Governance

1 INTRODUCTION

- ‘Governance’ is a broadly defined concept, and generally relates to how decisions are made, the power and authority exercised to make decisions and to what extent various stakeholders (including citizens) can actively participate in the decision-making process
- Good governance aims for inclusive participation, effective government, responsible and accountable power structures and a respect for the rule of law and international law principles

Effective Governance

1 INTRODUCTION

- Increased stakeholder participation is important for environmental governance as different actors can contribute new ideas for environmental management
- The community can possess traditional knowledge to inform decision-making; civil society can act as a watchdog and demand accountability.



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Environmental Governance

INTERNATIONAL, NATIONAL AND SUB-
NATIONAL LEVELS

2 INTERNATIONAL GOVERNANCE

- Over the last two decades, there has been a rapid development in an international environmental governance system which is expressed through over 900 multilateral environmental agreements to date
- However, due to a deficit in implementation of obligations at a national level, environmental degradation continues
- International environmental governance is highly fragmented, there are many organisations and actors which makes coordination of resources difficult

2 INTERNATIONAL GOVERNANCE

- Concerns that existing funding arrangements simply maintain governance structures, rather than actually improving environmental outcomes (Najam et al, 2006)
- High dependence on voluntary funding
- High 'projectification': translating MEA obligations into actions often in the form of projects, rather than long-term strategic plans

3 NATIONAL GOVERNANCE

- Typically, environmental authorities in developing countries remain weak
- Environmental authorities in developing countries obtain a significant proportion of their income and resources from external sources, including foreign aid agencies
- As a result, a disproportionate amount of resources is spent in negotiating and managing these revenue streams rather than dedicating resources to core functions, such as monitoring, control and supervision of domestic environmental laws.

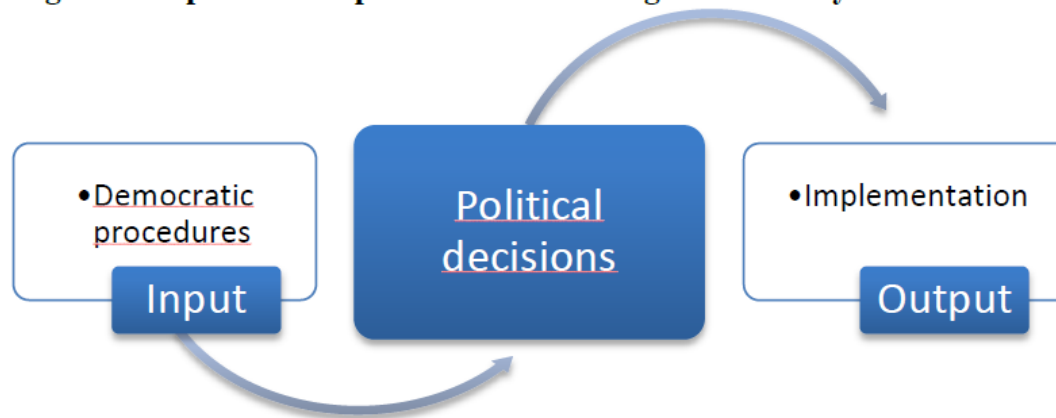
3 NATIONAL GOVERNANCE

- Poor domestic implementation is also due to a poor alignment between external environmental projects, and domestic political and economic objectives
- E.g. national government may prioritise food security, but external projects may prioritise greenhouse gas emissions
- Domestic political goals are also strongly influenced by what outcomes remain visible to their constituencies: environmental outcomes are long term gains, but tax cuts and economic growth has immediate impact

3 NATIONAL GOVERNANCE

- Effective implementation to generate positive environmental outcomes is the result of good governance which can attribute to better decision-making (Winqvist et al, 2012, p 26)

Figure 5. Input and output side of national governance systems



4 SUB-NATIONAL GOVERNANCE

- Sub-national and local governments typically have low representation in environmental decision-making
- Often constrained to implement environmental law in developing countries due to:
 - Financial and resource capacity constraints
 - Lack of well-defined property rights
 - Inability to coordinate resources where shared resource management is in place



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Governance and the Environment

THE LINKAGES

5 ACCOUNTABILITY

- Individuals, agencies and organisations are held responsible for the executing their powers properly
- Accountability can be direct or indirect (i.e. through a third party)
- In environmental governance, international development agencies have a significant impact on accountability.
- Traditionally, governments are accountable to their constituency. However, the revenue generated by aid partners to environmental agencies may result in these agencies reporting to (i.e. accountable) aid partners rather than their constituency

6 TRANSPARENCY

- Ability to examine records and information from environmental agencies to enable detection of wrong-doing
- Often resource-rich developing countries lack sufficient transparency regarding the exploitation of natural resources, resulting in the ‘resource curse’
- Budget transparency is vital as non-transparent budgets makes it difficult to scrutinize budget allocation and implementation of environmental obligations

7 PARTICIPATION

- Various actors, including the community, companies, civil society and academia can effectively contribute and influence policy and decision making
- Citizens must have the opportunity to participate, as well as the capacity to process information and act on it (e.g. be well informed)
- Increased local participation has a positive effect on service delivery. As most environmental services are implemented at the local level, communities and citizens can monitor its effectiveness and provide feedback to improve service delivery
- Who participates is important: careful stakeholder analysis is vital to determine whether participation from certain actors create a ‘false-balance’ of perspectives

8 INTEGRITY

- Concept that refers to the adherence of moral or ethical principles, such as impartiality, legality, public accountability and transparency
- Integrity breeds trust. Public trust in institutions is vital given that a core function of environmental agencies is to issue permits to exploit resources, and have a direct impact in the balance between private gains and public wealth
- Corruption has a detrimental effect on environmental outcomes. Core activities such as monitoring, effective allocation of resources etc. can be compromised by corruption. Principles including transparency assist in preventing corruption.

Governance Issues

RISKS AND OPPORTUNITIES INTO THE
FUTURE

9 MULTILATERAL/BILATERAL DEVELOPMENT COOPERATION

- Many developed country environmental agencies are engaged in capacity building projects to improve environmental governance in developing countries
- Generally, capacity building is pushed through three levels:
 - Enabling environment – are there laws to enable authorities to act in a certain way? Is there sufficient inter-agency cooperation to reduce duplication and promote coverage?
 - Organisational level – is there institutional monitoring and evaluation within environmental agencies to improve performance?
 - Individual level – What technical skills to staff possess to identify and address environmental concerns? Is training or professional development necessary?

9 MULTILATERAL/BILATERAL DEVELOPMENT COOPERATION

- Capacity building partners also adopt a two step process in designing environmental programs:
 - Will the program be *effective*?
 - Will the program be *efficient*?
- Country ownership is vital in determining the effectiveness of an environmental program
- Understanding the political and institutional context is vital in determining efficiencies in implementing a program. Utilising existing processes to improve participation, integrity, accountability and transparency can be the most efficient method

10 INTERNATIONAL ENVIRONMENTAL AGREEMENTS

- Improving governance of MEAs to improve implementation and environmental outcomes can be achieved by:
 - Aligning obligations with existing national contexts, including planning cycles, definitions etc.
 - Recognition and increased integration with domestic development priorities
 - Who is participating? Is there capacity to promote participation from additional agencies to foster inter-agency collaboration?

11 CONCLUSION

- Governance aspects need to be considered when aiming to improve implementation of environmental legislation or other environmental matters
- Good governance is needed to manage large flows of environmental and climate change finance
- Fragmented international governance are badly suited for addressing the implementation deficit
- Factors related to corruption, impartiality and government effectiveness are influential to reach positive environmental outcomes

11 CONCLUSION

- Environmental governance is cross cutting, relates to international, national and sub-national levels and involves many stakeholders
- Context specific analysis is needed to identify key governance bottlenecks and priority interventions for environmental management
- Environmental authorities in OECD countries can help raise attention to broader governance issues for better environmental outcomes.

