

A.I.D.
Policy Determination

Environmental and Natural Resource Aspects of Development Assistance

I. Introduction

It is A.I.D. policy:

To assist the less developed countries (LDCs): (1) in building the institutional and scientific capacity required for identifying, assessing and solving their critical environmental and natural resources problems; and (2) with establishing programs to address natural resource management problems.

To ensure the environmental soundness and long term sustainability of A.I.D. assistance programs and projects.

To promote environmentally sound development projects funded by multilateral and bilateral development assistance organizations.

This policy reflects A.I.D.'s recognition that the achievement of long-term benefits to the world's poor, whether they be in urban or rural settings, must be based on environmentally sound planning and on a clear understanding of a country's natural resource potentials and limitations. The natural resources of LDCs are today subject to stresses of unprecedented magnitude. These pressures are brought about in large part by rapid population growth which results in increasing numbers of poor people struggling for food, fuel and other necessities of life. Because the health, nutrition, and general well-being of these people is directly dependent on the integrity and productivity of their natural resources, the capability of governments and of the people themselves to manage their resources effectively over the long term is of paramount importance. The effectiveness of the Agency's policy and strategy in support of family planning activities in developing countries is critical to the achievement of the Agency's goal in this area as well.

II. Setting

Developing country leaders and institutions are becoming increasingly aware that economic development must build upon a sound and sustainable natural resource base. Assistance in this and any other area, however is often a delicate task because of sensitivity to external efforts to influence their national development, differing priorities, stages of development and cultural, social and environmental values. Despite these potential constraints, provision of U.S. bilateral assistance involves decisions by A.I.D. which must be taken with full cognizance of all associated costs and benefits, including environmental considerations.

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Quality-of -life. improvements in the developing world can be realized and sustained only by acceptance of the principle that environmental planning must be an integral component of national development plans and programs. Fundamental is the recognition of the cross-cutting nature of environmental and natural resource concerns and a shared commitment by all Agency components to address these concerns in pursuing development goals. The continuing reduction of tropical forest cover, the exhaustion of crop lands, the decline and depletion of fisheries and wildlife, the advance of desert frontiers, the increasing conflicts over use of water, the adverse consequences of indiscriminate use of pesticides, and the lack of effective industrial and urban pollution control are problems that are synergistic and thus lead to multiple impacts on developing countries.

III. Policy Determination

Environmental Analysis Policy

Section 118 of the Foreign Assistance Act, requires A.I.D. to ensure the environmental soundness of its development programs through the preparation of environmental assessments of its major actions, whether effects are localized in an aid recipient country or extend to the United States or to the global environment. These assessments look at the long and short-term effects of A.I.D. activities on the people who are to benefit from the programs and are prepared, to the fullest extent possible, in cooperation with the host country. The current procedures followed in ensuring the environmental soundness of development assistance are found at 22 CFR Part 216. The procedures, updated from those issued in 1976, were adapted from improved regulations of the Council on Environmental Quality issued under the National Environmental Policy Act and Executive Order 12114, concerning the environmental effects abroad of major federal actions. The current procedures contain an appropriate level of flexibility in the environmental evaluation process and reduce the potential for delays in program approval. Eliminated from AID's requirement of environmental review are categories of projects with little or no likelihood of environmental impact. Conversely, projects which are most likely to result in significant adverse impact and which will always need further detailed environmental study are identified. For these latter activities, A.I.D. is committed to a process of working with the host country to define, at an early stage, the likely areas of significant adverse impact to be fully evaluated and mitigated to the extent possible during subsequent stages of project preparation. In assessing routine activities with predictable impacts or requiring a straightforward environmental review, AID will utilize a number of design criteria prepared for this purpose. To the extent practicable, A.I.D. will seek the participation of local or host government expertise in this process as a means of strengthening their capabilities.

Environment and Natural Resource Initiatives

It is A.I.D. policy to assist countries to improve their national policies and strengthen their institutional and scientific capability through means such as the preparation of follow-on country environmental profiles and natural resource assessments intended to help with the understanding of natural resource constraints to development, national and regional training programs, and provision of technical assistance. It is A.I.D. policy to provide new environmental agencies with carefully targeted technical assistance for developing their own national environmental policies which will contribute to sustainable economic development.

A.I.D. will provide assistance to conservation groups in LDCs which have organized in response to the continued degradation of their country's environment and natural resources. These groups can carry out national awareness campaigns, establish local chapters, and sponsor various grass roots activities. By providing assistance to these and appropriate United States based organizations working in developing countries, A.I.D. can enhance their effectiveness in promoting public participation in the formulation of national environmental policy. Wherever appropriate, A.I.D. will attempt to influence national development policies or environmental legislation through its loan or grant programs.

It is also A.I.D. policy to assist governments in the examination and implementation, through projects, of alternative means of natural resource management. Many natural resource use practices and management systems which at one time may have been viable, have now become completely inoperative to the point of being destructive to the environment and sustainable development. Bio-physical and socioeconomic circumstances, including population increases, evolve and change to the point that alternative natural resource use and management practices are essential for continued economic growth. A.I.D. will therefore offer assist- in overcoming practices which result in problems such as: desertification and range degradation; declining soil productivity; fuelwood shortages; and increases in environmental diseases such schistosomiasis, malaria, and trypanosomiasis due to alteration of habitats by human endeavor. These and similar problems can best be addressed through appropriate natural resource management. A.I.D. will give full consideration to programs such as, those addressing watershed protection, soil stabilization, social forestry, establishment or enhancement of natural areas or reserves, coastal zone management, and identification of plant and animal species in remote areas designated for development. A.I.D. will support research and the transfer of appropriate technologies which will contribute to the solution of these and other management issues including those of man made pollution.

Cooperation with International Bodies and Other Donors

A.I.D. is committed to working with other development agencies to seek consistency of policies and procedures which address the complex interactions in the management of environment and natural resources for sustainable economic growth. It is A.I.D.'s policy to provide other donor or international organizations with examples of environmental activities and information such as environmental profiles, guidelines and environmental assessments. Emphasis will be placed on cooperating with international and regional organizations and other donors on training and the exchange of training materials and technical experts. Whenever A.I.D. is involved in multiple donor-financed projects, special efforts will be taken to ensure that responsibility for oversight of environmental concerns rests with a specific hostcountry technical organization, donor, or a joint technical committee. This will provide assurance that environmental concerns are addressed throughout project design and implementation stages and that all necessary monitoring and evaluation activities are properly included in project planning to optimally guide the development activity. Professional staff, trained in the environmental sciences, are located in select missions abroad to work closely with country officials and other donors in examining development problems from an environmental perspective and evaluating alternative means of achieving development goals.

M. Peter McPherson
Administrator

Original signed on

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Date