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Thematic evaluation of the EU support to environment and climate change in third countries (2007-2013)

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Thematic global evaluation of the EU support to environment and climate change in third countries (2007-2013)

Final Report

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List of acronyms and abbreviations

AAU	Assigned Amount Units
ABS	Access and Benefit Sharing
ACP	African, Caribbean and Pacific countries
ALA	Latin America
ASIE	Asia
BASIC	Brazil, South Africa, India, China
BIOPAMA	Biodiversity and Protected Areas Management Programme
BIP	Biodiversity Indicators Partnership
BRIC	Brazil, Russia, India, China
CAP	Common Agricultural Policy
CBD	Convention on Biological Diversity
CC	Climate Change
CDM	Clean Development Mechanism
CEP	Country Environmental Profile
CEPF	Critical Ecosystem Partners Fund
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CMS	Convention on Migratory Species
COM	Communication of the European Commission
COP	Conference of Parties
CREMA	Community Resources Management Area
CRIS	Common RELEX Information System
CSO	Civil Society Organisation
CSP	Country Strategy Paper
DAC	Development Assistance Committee
DCI	Development Co-operation Instrument
DFID	Department for International Development UK
DG	EU Directorate-General
DG CLIMA	EU Directorate-General for Climate Action
DG DEVCO	EU Directorate-General for International Co-operation and Development
DG ENER	EU Directorate-General for Energy
DG ENV	EU Directorate-General for the Environment
DG RELEX	EU Directorate-General for External Relations
DOPA	Digital Observatory for Protected Areas
DRC	Democratic Republic of Congo
EaP	Eastern Partnership
EBRD	European Bank for Reconstruction and Development
EC	European Commission

ECD	European Consensus on Development
ECOFAC	EU Conservation and sustainable management of Central Africa's forests programme (Eco-systèmes Forestiers en Afrique Centrale)
EDF	European Development Fund
EEAS	European External Action Service
EG	Environmental Governance
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood Partnership Instrument
ENRTP	Thematic Programme for Environment and Sustainable Management of Natural Resources including Energy
ENVSEC	Environment and Security Initiative
EQ	Evaluation Question
EU	European Union
EUD	European Union Delegation
EUEI	EU Energy Initiative
EUR	Euro
EUROPOL	European Police Office
EUWI	EU Water Initiative
FAFA	Financial and Administrative Framework Agreement
FLEGT	Forest Law Enforcement, Governance and Trade
GBO	Global Biodiversity Outlook Report
GBS	General Budget Support
GCCA	Global Climate Change Alliance
GCF	Green Climate Fund
GDN	Green Diplomacy Network
GE	Green Economy
GEEREF	Global Energy Efficiency Renewable Energy Fund
GEF	Global Environment Facility
GEOSS	Global Earth Observation System of Systems
GEREEF	Global Energy Efficiency and Renewable Energy Fund
GHG	Greenhouse Gases
GIZ	Gesellschaft für Internationale Zusammenarbeit
GOB	Government of Belize
GOR	Government of Rwanda
GPP	Green Public Procurement
GREEN	Greening Economies in the Eastern Neighbourhood
HQ	Headquarters

ICAO	International Civil Aviation Organization
ICCWC	International Consortium on Combating Wildlife Crime
ICLEI	International Council for Local Environmental Initiatives (Local Governments for Sustainability)
IEG	International Environment Governance
IFI	International Financing Institution
IGO	Intergovernmental Organisations
InforMEA	United Nations Information Portal on Multilateral Environmental Agreements
INGO	International Non-Governmental Organisation
IPBES	International Platform on Biodiversity & Ecosystem Services
IPCC	Intergovernmental Panel on Climate Change
IRP	International Resource Panel
IUCN	International Union for Conservation of Nature
JRC	Joint Research Centre
JC	Judgement Criterion
LDCs	Least Developed Countries
LECB	Low Emission Capacity Development
LEDS	Low Emission Development Strategies
MAP	Mitigating Action Plan
MDG	Millennium Development Goal
MEA	Multilateral Environmental Agreement
MIKE	Monitoring Illegal Killing of Elephants
MRV	Measuring, Reporting and Verification
MTR	Mid-Term Review
MW	Megawatt
NAMA	Nationally-Appropriate Mitigating Action
NAPA	National Adaptation Plan of Action
NF	Network Facility
NGO	Non-Governmental Organisation
NIP	National Indicative Programme
NP	National Park
NREG	Natural Resource and Environmental Governance
NRM	Natural Resource Management
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OFAC	Central African Observatory on Forests
PACSBIO	Programa de Apoyo a la Conservación Sostenible de la Biodiversidad (Support Programme for Sustainable Biodiversity Conservation)
PADP	Protected Areas Development Project

PAGE	Partnership for Action on Green Economy
PEI	Poverty and Environment Initiative
PMR	Programme for Market Readiness
PPP	Public-Private Partnership
PSC	Policy Support Component
QSG	Quality Support Group
RAPAC	Network of Protected Areas of Central Africa
REAF	Renewable Energy Asia Fund
REDD	Reducing Emissions from Deforestation and Forest Degradation
REEDTE	Resource Efficiency and Eco-Innovation in Developing and Transition Economies
RF	Regional Fund
RFSF	Regional Funds Support Facility
RG	Reference Group (of the present evaluation)
ROM	Results Oriented Monitoring
SAARC	South Asian Association for Regional Co-operation
SBS	Sector Budget Support
SCA	Strategic Co-operation Agreement
SCP	Sustainable Consumption and Production
SEA	Strategic Environmental Assessment
SEED	Social and Environmental Entrepreneurship Development
SIDS	Small Island Developing States
SMART	Specific, Measurable, Achievable, Relevant, Time-bound
SME	Small and Medium-Sized Enterprise
SPSP	Sector Policy Support Programme
TA	Technical Assistance
TEEB	The Economics of Ecosystems and Biodiversity
ToR	Terms of Reference
UN	United Nations
UNCCD	UN Convention to Combat Desertification
UNCED	UN Conference on Environment and Development
UNCSD	UN Conference on Sustainable Development
UNDESA	UN Department of Economic and Social Affairs
UNDP	UN Development Programme
UNEA	UN Environment Assembly
UNECE	UN Economic Commission for Europe
UNEP	UN Environment Programme
UNFCCC	UN Framework Convention on Climate Change
UNHABITAT	UN Human Settlements Programme

USAID	United States Agency for International Development
USD	US Dollar
VPAs	Voluntary Partner Agreement
WB	World Bank
WCMC	World Conservation Monitoring Centre
WSSD	World Summit on Sustainable Development

Note: The Evaluation uses the common acronym “EC” to refer either to the “Commission of the European Union” (post-Lisbon Treaty) or to the “European Commission” (pre-Lisbon Treaty), as applicable.

Definitions

Low emission development	Low emission development aims at decoupling economic development from greenhouse gas emissions, so that economic growth is maintained, while emissions are reduced. The low emission development term is closely related to the green economy term.
MRV	Measuring, Reporting and Verification. MRVs are systems to track the progress in reducing greenhouse gas (GHG) emissions in relation to Low Emission Development Strategies (LEDS), Nationally-Appropriate Mitigating Actions (NAMAs) and Mitigation Action Plans (MAPs).
NAMA	Nationally-Appropriate Mitigating Action. NAMAs refer to any action that reduces emissions in developing countries, and are prepared under the umbrella of a national governmental initiative. They can be policies directed at transformational change within an economic sector, or actions across sectors for a broader national focus. NAMAs are supported and enabled by technology, financing, and capacity building, and are aimed at achieving a reduction in emissions relative to "business as usual" emissions in 2020. NAMAs are defined in two contexts: • At the National Level as a formal submission by parties declaring intent to mitigate GHG emissions in a manner commensurate with their capacity and in line with their national development goals; • At the Individual Action Level as detailed actions or groups of actions designed to help a country meet its mitigation objectives within the context of national development goals.
LEDS	Low Emission Development Strategies outline the intended overall economic, energy, and emissions trajectory for a country and help to identify trigger points for policy intervention (including identifying and prioritising NAMAs and ensuring coherence between NAMAs and national development goals). (http://lowemissiondevelopment.org/work-areas/namas-and-leds)
Climate change adaptation	Adaptation refers to adjustments in ecological, social, or economic systems in response to actual or expected climatic stimuli and their effects or impacts. It refers to changes in processes, practices, and structures to moderate potential damages or to benefit from opportunities associated with climate change. (http://unfccc.int/focus/adaptation/items/6999.php)
Climate change mitigation	The reduction of greenhouse gas emissions − e.g. from industrial processes, transport, energy consumption, agriculture, deforestation, or land use.
Sustainable energy development	Increasing the energy supply from renewable sources (e.g. solar, wind, hydro), increasing energy efficiency, reducing energy consumption.
Biodiversity	The variety in plant and animal life. High biodiversity refers to a high number of species. Loss of biodiversity refers to the extinction of species.
Green economy	There is not a single universal definition of green economy (see EQ5 in vol. 2). The United Nations Environment Programme (UNEP) Green Economy Initiative defines green economy as: the reshaping and refocusing of policies, investments and spending towards a range of sectors, such as clean technologies, renewable energies, water services, green transportation, waste management, green buildings and sustainable agriculture and forests. Elsewhere, UNEP further identifies a green economy as one "whose growth in income and employment is driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services". For the current evaluation, resource efficiency is the key element of a green economy addressed under EQ5. Low carbon development, energy efficiency and biodiversity are dealt with under other EQs.

Executive Summary

The evaluation's purpose, scope and background

The evaluation has three objectives:

- To assess EU support to environment and climate change in third countries through the Thematic Programme for Environment and Sustainable Management of Natural Resources including Energy (ENRTP)[1], and through the geographic instruments.
- To evaluate EU support to strengthening global environment and climate governance, provided under ENRTP and channelled mainly through international organisations.
- To assess EU support for mainstreaming environment and climate change issues into EU external aid programmes through the analysis of two key sectors: infrastructure (including energy) and agriculture/rural development.

The assessment focuses on outcomes and impacts of the EU actions in environment and climate change, identifies key lessons and best practices, and produces recommendations in order to improve the current and future EU strategies, policies and actions. The evaluation covers the period 2007-2013. The geographical scope includes all third regions and countries under the mandate of the EU Directorate-General for International Co-operation and Development (DG DEVCO) that are covered by the thematic programme ENRTP and by the Development Co-operation Instrument (DCI), European Development Fund (EDF) and European Neighbourhood Partnership Instrument (ENPI) geographic instruments. Also, interventions co-financed and managed by the EU Directorate-Generals for Environment (DG ENV), Energy (DG ENER) or Climate Action (DG CLIMA) are included if the funds are provided by DG DEVCO.

As such, this assessment replies to the Court of Auditor's recommendation of carrying out an overall evaluation of the Commission's development cooperation environmental assistance (interventions and mainstreaming).

[1] Refer to Box 2

Methodology

The evaluation is based on the methodological guidelines developed by the DG DEVCO Evaluation Unit. It was conducted in four main phases: inception, desk, field, and synthesis. The evaluation was managed by the Evaluation Unit, incorporating all relevant EU services in a Reference Group (RG) responsible for overseeing the process. The design chosen for the evaluation was a multiple case study design, based on the use of a mixed-methods approach. Ten Evaluation Questions (EQs) were formulated following a structured process based on an analysis of the EU policy framework and reconstruction of the EU's intended intervention logic related to environment and climate change support. An inventory of EU financial support for environment and climate change was prepared. Evaluation Questions, Judgement Criteria (JCs) and Indicators were defined to guide data collection and analysis. To achieve a reasonable balance between accumulating a rich evidence base and keeping the study to feasible proportions, it was decided (in consultation with the RG) to focus on a sample of 15 cases (11 countries and four global) during the desk phase. Eight countries were selected for field visits. The evaluation used a combination of tools and techniques for primary and secondary data collection, such as online surveys to 35 EU Delegations, analysis of all Regional and Country Strategy Papers to identify focal areas of support and an in-depth analysis for a selection of 35 Country Strategy Papers, literature review, meta-analysis of evaluations/audits, and interviews with stakeholders (around 260 persons were interviewed).

The evaluation was implemented between December 2013 and May 2015.

Overall assessment of EU support to environment and climate change

The support has been **relevant** at country, regional and global levels. The scale of the support to environment and climate change has been a rather modest percentage of the total EU development co-operation budget, but has nonetheless contributed significantly towards the achievement of EU and partner policy goals and targets.

The combination of thematic and geographic instruments has been reasonably **effective** in contributing towards the overarching policy goals. Significant results have been achieved in all the focus areas of support. Environment and climate change have been more effectively mainstreamed than in earlier periods, although there is still much improvement that can be made. For the sectors considered (infrastructure and agriculture and rural development), there was clearly an improvement in mainstreaming during the period from 2007 to 2013, as measured by the priority given by the EU Delegation (EUD) in policy dialogue on environment and climate change and the incorporation of environmental and climate change indicators in other sectors. Most of the support for global governance has been effective in strengthening country policy commitments and international mechanisms for implementing global conventions and agreements on environment and climate change. The EU support has significantly increased the capacity of the United Nations Environment Programme (UNEP) and the UN Framework Convention on Climate Change (UNFCCC) in particular, to operationalise their unique global mandates, although there is a still a long way to go in terms of implementation of international conventions and global commitments. Environment and climate change figure far more prominently in the new Sustainable Development Goals (SDGs) than in the previous MDGs, so future EU support for environment at national, regional and global levels will be an important contribution to ensure the achievement of the globally agreed goals for human and economic development.

There were significant **efficiency** improvements between the first and second phases of the thematic programme. The recommendations from the first phase review to simplify the structure of the ENRTP, to reduce the scattered nature of calls for proposals and to work more systematically through global governance bodies such as UNEP and UNFCCC have been implemented. They have resulted in consistent and predicable support to UNEP and UNFCCC, which has enabled them to carry out their tasks more efficiently than before, as it enables better planning of work and more long-term actions. Working through the global agencies has led to a greater economy of scale than would have been possible under EU-launched projects. However, EU visibility and the engagement of civil society have suffered, and regional organisations only received a very small proportion of the EU support for environment.

The EU support has been partner-led and demand-driven, and these longer-term and more difficult approaches adopted by both geographic instruments and the thematic programme are likely to enhance the **sustainability** of results.

Although there have been significant results, the scale and timescale of support has not been enough to lead to **impacts** in terms of reversing negative environmental and climate change trends. The decline is undoubtedly less than would have been the case without EU support, but more support is needed, as well as working closely with others and stimulating a higher prioritisation within developing countries themselves, before a long-lasting and tangible impact can be seen.

Although there is room for improvement, the EU support has been **coherent, co-ordinated and complementary** to assistance provided by Member States and other donors, as well as between the thematic and geographic instruments. There is particularly room for improvement in linking the support of the thematic and geographic instruments for implementing international conventions. The **added value** of the EU support has been in its scale, consistency and coherence with other support efforts. Opportunities to make better use of EU expertise and know-how, and to engage with EU business interests and promote an exchange of civil society, have not been fully exploited.

Analysis and main findings for each evaluation question

EU support to environment and climate change across different instruments (geographic and thematic) has contributed significantly to the EU's overall environment and climate change policy aims.

EU policies had ambitious targets for environment and climate change, and the funding provided was significant, although only comprising 6% of the total development co-operation budget. EU support provided through geographic instruments was well aligned with national priorities and needs, whereas ENRTP support was, to a large extent, guided by international Multilateral Environmental Agreements (MEAs) and EU policy priorities. The EU effectively engaged in policy dialogue to promote increased prioritisation of, and action on, environmental and climate change concerns. EU support also focused on strengthening global MEA processes that have influenced national policies, usually in a way that is in line with EU policy objectives. In this sense, a major policy aim has been achieved, and the EU support contributed to ensuring an increased prominence of environment and climate change in national development processes and to increasing the commitment of third countries to global environmental and climate change governance. The combination of ENRTP and geographic instruments enabled the EU to engage in a relevant and substantial manner at global, regional and country levels. However, the broader policy dialogue on development priorities has not always addressed environment and climate change issues to its full potential. EU environment and climate change policies are internally coherent, but they are also numerous, and there is not a single comprehensive policy that captures the EU's position and targets. This makes it more difficult for EUDs to understand and apply the policy guidance.

EU support (via the ENRTP and geographic instruments) has initiated processes that are likely to lead to developing countries being better prepared for low emissions development.

The EU has supported a number of leading global programmes aimed at preparing developing countries for low emission development. The support, aimed at developing Measuring, Reporting and Verification (MRV), Nationally-Appropriate Mitigating Action (NAMAs), Low Emission Development Strategies (LEDS) and market readiness, follows best practice. The approaches used take account of the fact that low emission development is a long-term aim where results are crucially dependent on ensuring early country-level commitment. Through a combination of the global support programmes, the EU has reached more than 35 countries. Notable results include:

- significant advancement of MRV systems in many of the selected countries (although it is too early to conclude that fully robust MRV systems have been developed);
- a considerable pipeline of NAMAs in a variety of different sectors (some are being developed in lesser developed countries such as Uganda, where six NAMAs are being supported);
- a number of LEDS that are well embedded in national plans and programmes, and are likely to be implemented (examples include LEDS in Moldova, Colombia and the Philippines, where authorities have credible plans to implement the strategies);
- the provision of a number of platforms and events for experience exchange and knowledge sharing between developing countries.

EU support (via the ENRTP and geographic instruments) has contributed to improving the enabling environment for investments in sustainable energy development.

Support was provided to the well-established EU Energy Initiative and ACP-EU Energy Facility, and to the Sustainable Energy for All initiative (SEA4ALL). The focus of this evaluation was on the Global Energy Efficiency and Renewable Energy Fund (GEEREF), the innovative risk capital-based fund of which the EU is the founder and lead donor. Notable results include:

- 1.6 million people accessing clear and sustainable energy, with the prospects of up to 9 million if current plans succeed;
- a high leverage with private and donor financed risk capital for renewable energy − although not for energy efficiency, which

was not found relevant for the risk capital approach;

- lower financial barriers and risk perception − through establishing a track record of investment returns in small-scale renewable energy in developing countries;
- significant environment, employment and capacity development benefits − although the opportunity to proactively target and involve Small and Medium-Sized Enterprises (SMEs) has not been fully exploited.

EU support (via the ENRTP and geographic instruments) has helped in improving the capacity of partner countries to prevent/reduce the loss of biodiversity, but not to an extent that can reverse the declining trend.

EU support − through a variety of interventions, ranging from policy dialogue to awareness-raising and concrete demonstration projects − has ensured that partner countries maintain a focus on biodiversity conservation, and thus is likely to have contributed to slowing down the loss of biodiversity. However, overall loss of biodiversity continues. Mainstreaming of biodiversity into non-sector interventions has gradually improved − for example, in the integrated water resources management, and in agriculture-rural development and forestry sectors. The EU has supported a large number of field interventions that contribute to achieving the biodiversity-related Aichi goals and targets in most partner countries – in particular, attempting to address the underlying causes of biodiversity loss. EU support to protected area management has been instrumental in developing, testing and applying innovative approaches to biodiversity conservation and protected areas management. Sub-governments and communities are now more aware of benefits of protected areas, and there is evidence of greater responsibility being taken for the protected area management and its wildlife.

The EU has supported processes that lead to sustainable and resource-efficient production and consumption policies and practices. However, it is too early to conclude that the supported countries have made the transition to a green economy development path.

The EU has a number of programmes that work directly to develop policy, strengthen capacity and spread good practice in sustainable consumption and production (SCP) and Green Economy (GE). Many of these began towards the end of the evaluation period. Most progress has been achieved where countries already have committed to SCP/GE. While most projects have engaged in policy development, the majority of grant money from EU-supported programmes has been used at the enterprise level. Many successful pilot projects, with a range of partners, have been established, but lack of access to affordable financing for eco-innovation remains a major challenge to scaling up. Overall, there is some good progress on implementation of interventions and transfer of good practice, both top-down and bottom-up, but it is too early to see signs that economies are becoming greener at the macro level.

The ENRTP has contributed to strengthening international environmental governance in relation to MEAs and UNEP-related processes, but there is still much work to be done in supporting concrete implementation.

The EU, through Strategic Co-operation Agreements, has strengthened UNEP and the MEA Secretariats. These agreements have strengthened UNEP and the Secretariats by:

- enhancing their ability to prepare strategic long-term planning of activities;
- developing synergies and co-ordination within and among UNEP sub-programmes and MEA Secretariats;
- supporting the developing countries' implementation of their MEA obligations;
- further developing UNEP and MEA Secretariats' roles as "venture catalysts" conceiving and mobilising resources for development of innovative solutions;
- improving their ability to provide updated and reliable data and information for decision making.

UNEP's mandate and role in providing global leadership on environment and biodiversity issues has been strengthened and, in this sense, the support has promoted and contributed to achieving EU goals and objectives concerning global environmental issues.

The ENRTP contributed to strengthening international climate governance through support to UNFCCC.

A core aim of the EU is to promote multilateralism as a critical tool to tackle global challeng-

es, such as climate change. The EU support has created an environment conducive to reaching global agreements, and for ensuring that developing countries can engage effectively in global negotiations and implement their commitments under UNFCCC. The capacity of the UNFCCC Secretariat to support UNFCCC processes has been strengthened. The EU has provided consistent and predictable support that has enabled developing countries to participate proactively in the UNFCCC negotiations. Through these actions, EU support has built a stronger knowledge base and development capacity to address climate change. Developing countries actively use the skills obtained to address climate change, and good progress has been made in the formulation of climate change policies, strategies and plans at country level.

The EU has developed an appropriate framework and an approach for environmental and climate change mainstreaming in its support to partner countries.

DG DEVCO has developed mainstreaming guidelines and tools, and has provided capacity building for EUDs. The EU mainstreaming guidelines are of good quality and promote important mainstreaming tools. However, the tools promoted do not fully take into consideration the economic opportunities and national systems. Nevertheless, the tools are highly appreciated, and the mainstreaming capacity in Delegations has increased significantly, with most Delegations having become significantly more active in mainstreaming. Although the tools are very useful, some Delegations noted that the QSG process and the procedures and demands of the programming documents, identification and action fiches were also crucial in ensuring attention to mainstreaming during design.

Environment and climate change have been mainstreamed considerably more than in previous periods throughout the programme and project cycle of EU support to; a) agriculture and rural development; and b) infrastructure.

The core mainstreaming tools have mostly been rigorously applied and followed up on. The EU requirements for the development of Country Environmental Profiles (CEPs) have been followed in most countries, with variation in quality and extent. Strategic Environmental Assessments (SEA) have been applied, but not to their full potential. Environmental Impact Assessments (EIA) have been carried out and monitored during project implementation. However, the degree of mainstreaming of environment and climate change is highly dependent on the level of awareness and commitment of national partners and decision makers. Where projects and programmes have, from the onset, incorporated specific outcomes and indicators clearly directed towards improvement of the environment and climate change situation, the evidence is that actual implementation corresponds with the intentions.

The EU has used its available instruments in a way that enhances complementarity in support of the overall EU goals of a healthy environment, sound natural resource management, and strong environmental and climate governance in developing countries.

ENRTP was established as a tool to provide support to global environmental governance processes and environmental innovations in line with EU's policy objectives − unlike geographic instruments, which have a geographically delineated scope and are based on the priorities of partner governments. Notable results include:

- ENRTP has enabled the EU to support global processes and innovations in order to address global environmental and climate change challenges in a coherent and strategic manner;
- synergies and benefits were obtained through a number of ENRTP and geographic actions, and through ENRTP and the actions of other donors – even if not to their full potential;
- synergies were mainly obtained when there was a shared thematic/topical focus of country programmes and ENRTP.

The ENRTP also enabled the EU to address environmental issues in countries, where the country strategies did not allow geographical instruments to do so. This also relates to a challenge identified in the 2009 Mid-Term Review of ENRTP, which found a common misconception in EUDs that ENRTP is an instrument for compensating for the absence of an environment focus in the country programmes, rather than as an instrument for supporting

innovation. This perception is notably less evident now than it was in 2009.

Main conclusions

Cluster 1 − Policy and strategic focus

Conclusion 1: EU policies and strategies for environment and climate change are appropriate, but fragmented and difficult to access.

EU policies and strategies for environment and climate change are appropriate, but fragmented and difficult for EUD staff and others to access. The EU has developed a series of policy statements and strategies that have been continuously adjusted and updated. They are highly appropriate and, in many respects, at the leading edge, but they are numerous and scattered across many different documents. There is no one document that summarises or provides an overview of the complex arena of environment and climate change. EUD staff, and especially others outside the EU staff, find it difficult to access, refer to and make use of the guidance provided.

Conclusion 2: The EU policy-level influence on environment and climate change has been considerable, but has not yet reached its full potential.

Through a combination of direct policy support actions, the use of indicators related to environment and climate change in budget and project support, and policy dialogue, the EU focus on sustainable development substantially increased in the period 2007 to 2013. However, the full potential has not been reached, and there is still considerable scope for increasing policy influence. Close to half of the Delegations surveyed report that environment and climate change still does not feature strongly in their interaction with national partners. Moreover, opportunities have not been fully exploited to make greater use of indicators in budget support and to strengthen the linkages between country-level and global dialogue.

Conclusion 3: By supporting environment and climate change, even where the initial response of national partners is weak, the EU support has been able in some countries to promote and build up a readiness to respond to change.

Even where the initial response of national partners has been weak and the context unfavourable, the EU support to environment and climate change policy has often had a constructive effect. By sending consistent messages on the importance of environment and climate change, supporting more informed decision-making through studies, promoting institutional reforms and building up a technical level of readiness and a capacity to respond, the EU has ensured that national partners are more likely to promote changes in the political and institutional context that are favourable to environment and climate change. Such support has also put the relevant institutions in a better position to respond when change does occur.

Cluster 2 − Results and impacts

Conclusion 4: EU support has led to results across the environment and climate change sector, but there is still a long way to go before this will lead to transformative change and to reversing declining trends.

The EU support has led to important results within biodiversity conservation, use of sustainable energy, mitigation of greenhouse gases, improved adaptation, management of natural resources, control of pollution, and the promotion of sustainable consumption and production. However, the scale of the support − even though the thematic EU support has been largely harmonised with global effort − has not been sufficient to reverse declining trends and to combat the strength of forces working against sustainable development.

Conclusion 5: Where the EU has promoted market-based approaches on a pilot basis there have been encouraging results, but access to finance has proved a major challenge for scaling-up.

Access to sustainable energy and the promotion of the green economy through sustainable consumption and production has been promising at the pilot level, and has, in some cases, also resulted in encouraging levels of replication. However, securing access to finance has proved a major challenge. The EU initiative to set up a risk capital facility for sustainable energy has led to significant results, which indi-

cates the benefit of promoting dedicated, market-based and innovative approaches.

Conclusion 6: The thematic and geographic instruments have been complementary and have created results, but advantage has not always been taken of opportunities for synergy.

The combination of ENRTP and geographic instruments enabled the EU to engage in a relevant and substantial manner at global, regional and country levels. This has led to promising results, and there are good examples of synergies between ENRTP and geographic instruments, but opportunities have not always been taken full advantage of due to a limited involvement of EUDs in the design and implementation of many ENRTP actions.

Cluster 3 – Environment and climate change governance

Conclusion 7: The scale and consistency of EU support to global governance of environment and climate change has strongly contributed to progress towards reaching global agreements, and strengthening the implementation of such agreements.

The consistent EU support for global environment and climate change governance has been an important contribution to strengthening the capacity of developing countries to participate effectively in the negotiations, and to implement their outcomes. The scale and consistency has meant that the international organisations assisting developing countries to take an active role in global governance have been able to plan on the basis of a longer-term and more consistent framework, which has contributed to creating cumulative capacity development.

Conclusion 8: EU support to UNEP and MEA Secretariats has led to greater effectiveness and coherence in the international efforts to support MEA implementation, but the results in terms of implementation of conventions at country level is still lagging, particularly for biodiversity.

The gradual increase in EU support to UNEP and MEA Secretariats has contributed to more effective implementation of their mandates and functions in order to achieve agreed international environmental goals and priorities. Furthermore, EU support has significantly contributed to achieving synergies and co-ordinated work between MEAs within the clusters of biodiversity and chemicals & wastes. However, the potential for synergies between global environmental governance support and country programmes has not been fully capitalised on in terms of ensuring that the enabling environment is in place at national level for the implementation of MEA provisions.

Conclusion 9: By working through international organisations, the EU has contributed to greater effectiveness and coherence in addressing global public goods and challenges in the field of environment and climate change – where the international organisations have a global mandate that is credible and a high level of performance.

The strategy of working through already established international programmes − such as those of UNEP, UNDP, the World Bank, OECD, the International Civil Aviation Organisation (ICAO) and Local Governments for Sustainability (ICLEI) − has led to greater coherence and has reduced the danger of proliferating different approaches than would probably have been the case with the alternative of setting up new EU-led projects. For example, developing countries are approached from all angles by support efforts for MRV, NAMA and LEDS, and there is an acute danger of confusing methodologies and incompatible databases and processes being set up. If not harmonised and -co-ordinated well, this could lead to duplication, waste of resources, and a lowering of capacity in the countries. Attempts to establish a global co-ordination have not yet met with success. However, the EU approach of working through global organisations has considerably helped in reducing the overlap, and in strengthening national-level co-ordination. A global approach to a global problem has shown itself to be more credible and more likely to lead to voluntary adoption of climate change mitigation and environmental targets. However, it is crucial that the global mandate of the relevant organisation is credible and its performance high. The findings indicate that monitoring of fulfilment of visibility requirements and performance levels are essential factors in working effectively through international organisations.

Cluster 4 - Mainstreaming

Conclusion 10: There has been significant progress in mainstreaming environment and climate change in EU support to sectors such as infrastructure and agriculture/rural development, especially where there is national ownership.

EU support has contributed to an increased focus on mainstreaming environment and climate change at national policy level in "environmentally sensitive sectors" in partner countries. However, there is still a gap between policy/ strategies and actual implementation.

Conclusion 11: The EU guidance and tools for mainstreaming are appropriate, but need updating.

EU mainstreaming guidelines and tools are appropriate and have significantly contributed to enhancing mainstreaming in EU actions in other sectors. But they do not fully take into consideration the economic opportunities and national systems, and ENRTP-supported specialist mainstreaming projects and approaches (PEI, TEEB/biodiversity mainstreaming) are not fully taken advantage of in the efforts to ensure mainstreaming in the EU's bilateral support.

Main recommendations

Cluster 1 − EU policy framework and actions

Recommendation 1: Develop a one-stop policy brief.

Prepare a one-stop policy brief of the current EU policy positions, in the form of a living document that is kept up-to-date.

Recommendation 2: Strengthen coherence between global and national policy dialogue.

Strengthen linkages between global, regional and national policy dialogue; mobilise EU member state embassies to help in establishing a link to Government in countries where EUDs do not have a substantial engagement in the environment/climate change sectors; provide extra resources for EUDs that do not have a substantial engagement in environment/climate change for mobilising short-term inputs for specific demarches; ensure demarches are timely, so that partner governments can consider EU positions before developing their own MEA positions.

Recommendation 3: Optimise indicators in budget and project support.

Increase the use of indicators related to environment and climate change in budget and project support operations in order to improve mainstreaming and strengthen the coherence with the new SDGs.

Cluster 2 − Implementation approach

Recommendation 4: Enhance co-ordination between geographic and thematic actions.

Enhance the involvement of EUDs in thematic programmes by ensuring that they are involved in the early decision-making on thematic priorities related to their country and are kept well informed, particularly on targeted actions.

Recommendation 5: Promote innovative finance.

Increase EU support for access to finance, especially by SMEs, so that they can participate in market-based approaches aimed at increasing the adoption of sustainable energy and transition to the green economy, thereby responding to SDG 12.

Recommendation 6: Work with multilateral institutions.

Continue to work through established multilateral institutions for global public environment and climate change goods. Place a greater emphasis on the engagement of EU and Member State actors, and on the transfer of technology and institutional and regulatory know-how.

Recommendation 7: Enhance synergies and strengthen mainstreaming in EU support across sectors by linking future thematic supported mainstreaming projects and non-environment/climate change interventions in country programmes.

Further integrate the approaches and capacities of global mainstreaming projects provided through thematic instruments with the implementation of non-environment/climate change interventions in country programmes − for example, by developing joint actions between

EUDs and the national interventions of the global thematic mainstreaming projects. Better mainstreaming is central for achieving the new SDGs, as they emphasise the interconnectedness of environmental sustainability, poverty reduction and sustained economic development.

Recommendation 8: Prioritise environment and climate change in development co-operation.

Promote and prioritise greater co-operation on environment and climate change through close co-ordination of the ongoing thematic programme on Global Public Goods and Challenges and through support provided via geographic instruments to contribute to the new SDGs – responding to the in-creasing importance of securing sustainable development in medium-income and lower-income countries, and in fragile and conflict affected situations.

1 Introduction

1.1 Mandate and scope of the evaluation

A broad evaluation scope covering a seven-year period of EU support in third countries, regions and through relevant instruments.

The mandate and scope of the evaluation are given in the Terms of Reference (ToR). The evaluation has three main specific research objectives:

- To assess the EU's support to environment and climate change in third countries through the Thematic Programme for Environment and Management of Natural Resources including Energy (ENRTP), and through the geographic instruments.
- To evaluate the support of the EU to strengthening global environment and climate governance, provided under ENRTP and channelled mainly through international organisations;
- To assess the EU support for mainstreaming environment and climate change issues into EU external aid programmes through the analysis of two key sectors: infrastructure (including energy) and agriculture/rural development.

The assessment should focus specifically on outcome and impacts of the EU actions in environment and climate change. Furthermore, the evaluation should identify key lessons and best practices, and produce recommendations in order to improve the current and future EU strategies, policies and actions

The evaluation covers aid implementation over the period 2007-2013. The geographical scope includes all third regions and countries under the mandate of DG DEVCO that are covered by the thematic programme ENRTP and by the DCI, EDF and ENPI geographic instruments. Also, interventions co-financed and managed by DG ENV, DG ENER or DG CLIMA are included if the funds are provided by DG DEVCO.

As such this assessment replies to the Court of auditor's recommendation of carrying out an overall evaluation of Commission's development cooperation environmental assistance (interventions and mainstreaming).

1.2 Structure of the report

The report, which aims to present a comprehensive analysis and understanding of EU support to issues related to environment and climate change in third countries and regions, is structured in four volumes:

Volume 1

Chapter 1 – Introduction: gives an overall introduction to this report.

Chapter 2 – Key methodological steps: introduces the main methodological elements. Annex 2 in Vol 3 details the approach adopted for the data collection and analysis.

Chapter 3 – Overall policy framework of the EU strategy in relation to environment and climate change. It provides a brief abstract of the international framework and relevant multilateral agreements.

Chapter 4 – Reconstruction of the intended intervention logic of the EU support to environment and climate change in third countries, based on an analysis of major normative documents.

Chapter 5 – Analysis of EU worldwide financial resources allocated to sectors related to environment and climate change in third countries in the period 2007-2013.

Chapter 6 – Findings related to each evaluation question.

Chapters 7, 8 and 9 – Overall Assessment, Conclusions based on the answers to the Evaluation Questions, and Recommendations based on the Conclusions.

Volume 2

Evaluation Question sheets, with a detailed overview on the information gathered during the exercise.

Volume 3

1. Terms of Reference.
2. Key methodological steps.
3. Overall policy framework on EU strategy in environment and climate change.
4. Analysis of EU strategy in environment and climate change in third regions.
5. Methodology for the elaboration of the worldwide Inventory of EU interventions relate to environment and climate change.
6. Inventory analysis.
7. Final evaluation matrix.
8. Inventory of EU financial interventions in issues related to environment and climate change in third countries in the period 2007-2013.
9. List of interventions considered by EQ.
10. Survey to EU Delegations.
11. List of People interviewed.
12. List of documents and sources of information.
13. RG meeting presentation synthesis phase.

Volume 4

Country Notes.

2 Key methodological steps

2.1 Overall methodological approach

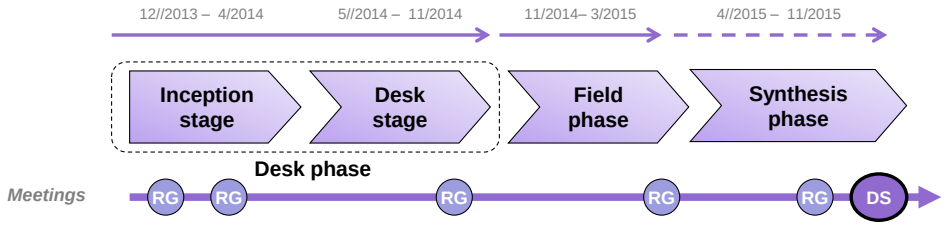
An approach in four phases.

The methodology applied for this evaluation is based on the methodological guidelines developed by the DG DEVCO Evaluation Unit. The guidelines give precise indication on the design of the study, structure of the evaluation process in several phases, and provide an array of tools that can be used for evaluations.

The evaluation was conducted in four main phases (as summarised in Figure 1) between December 2013 and August 2015. The organisation of a dissemination seminar in Brussels is also envisaged and expected to be held during the month of November.

It was managed and supervised by the DG DEVCO Evaluation Unit. Evaluation progress was closely followed by a Reference Group (RG), chaired by the Evaluation Unit, and consisting of members of various EU institutions: DG Climate, DG Environment, DG International Co-operation and Development, and the European External Action Service (EEAS). The figure also lists the main tasks in each phase, the RG meetings held, and the deliverables for each phase. In line with the ToR, each phase started after formal approval of the deliverables of the previous phase by the Evaluation Unit.

Figure 1 Key steps of the evaluation process



Main Tasks	**Overview of EU policies and strategies in environment and climate change** **Inventory** **Drafting intervention logics** **Developing EQs & JCs & Indicators** **Detailing methodology** **Drafting Inception Report**	**Interviews** (EEAS, EC HQ & other stakeholders) **Analysis of project and general documentation** (e.g. CSPs, ROM, CLEs) **EUD survey** **Drafting desk report** (preliminary answers to the EQs with hypothesis and gaps to be filled during field visits)	**Field visits** (observations, Interviews, group discussions, questionnaires) **Debriefing with the EU Delegations in the field visit countries**	**Drafting final report** (validation/ completion of answers to the evaluation questions) **Drafting conclusions & recommendations** **Drafting final report** **Dissemination seminar in Brussels**
Deliverables	**Slide Presentations** **Inception Report**	**Desk Report**	**Field reporting and synthesis note (presentations to the RG)**	**Final report** **Dissemination presentation** **Minutes of the seminar**

RG: Reference Group meeting; DS: Dissemination Seminar

The evaluation process adopted a systematic approach that used various building blocks to gradually construct an answer to the EQs, and to formulate conclusions and recommendations.

Given the purpose and conditions of the evaluation, the most appropriate design for the evaluation was considered to be a multiple case study, based on the use of a mixed-methods approach.

Annex 2 in Volume 3 presents the methodology in detail.

2.2 Challenges and limitations

There were challenges in obtaining the data and inconsistency in recording of, for example, DAC criteria − but, for the most part, these were overcome.

Overall, the various steps, techniques and tools utilised throughout the evaluation exercise were successfully followed and applied. The most important challenges and limitations were:

- With regard to the reconstruction of the worldwide inventory of EU ENV/CC interventions:
  - While the situation has improved for more recent entries, there are still many cases in which no Development Assistance Committee (DAC) sector code has been attributed to the interventions in the Current RELEX Information System (CRIS) database. This required the team to carry out a tedious, line-by-line review all entries in the database. Interventions have been distributed by sector, and then categorised on the basis of the (limited) information found in the CRIS database − supplemented, where relevant, through further Internet research on the interventions. This indicates that the team has made a number of choices in allocating the various interventions to the specific sectors.
  - Additional challenges emerged through the sometimes-inconsistent way in which data is entered in the system, leading to problems in the computer-based search for relevant contracts.
  - An inventory of interventions at the level of contracts was feasible only for the ENRTP. For other budget lines, it was technically impossible to establish a list of all contracts covering each contract within each financing decision (i.e. all contracts financed by DG DEVCO between 2007 and 2013), because there are simply too many entries in CRIS. It was agreed with the Reference Group that, for the purpose of this evaluation, the level of financing decisions was sufficient for the inventory of non-ENRTP interventions.
- The quantity, quality and relevance of the information available − from various sources, and in different ways − for collection and analysis of the indicators on the results and effects of EU support to areas related to Environment and Climate Change related areas appeared in some occasions limited. This is despite the sustained and diverse efforts made by the evaluation team, the Commission HQs, and/or other institutions' officials.
- Overall, the surveys and data collection provided a reasonable and representative overview of EU co-operation strategy, but encountered some limitations:
  - Not all EUDs provided comments or explanations on some issues.
  - With some few exceptions (only 13% replied), there was a lack of response on the part of National Counterparts.

3 Overall policy framework of the EU strategy in relation to environment and climate change[2]

The period considered by this evaluation covers major changes in the EC external development policy agenda.

To better understand these changes, it is necessary to recall the importance of previous international commitments, and of EU internal policies that set the basis for consideration of environment and climate change in external EC actions. Since the early 1990s, and especially during the last decade, relationships with the United Nations system have been strengthened as a result of the increased commitment to multilateralism. The 1992 UN Conference on Environment and Development (UNCED − also known as the Rio Summit) represents a major milestone in this framework. Sustainable development was identified as the main guiding concept for global development and poverty alleviation. Among the stated principles were the rights and obligations of states with regard to exploitation of natural resources and environmental protection, integration of environmental protection and development, giving priority to the needs of poor and vulnerable countries, international co-operation, and liability for environmental damage. The Rio Summit principles have been followed up since then by two main summits: the 2002 World Summit on Sustainable Development (WSSD − also known as Rio+10) and the 2012 UN Conference on Sustainable Development (UNCSD − also known as Rio+20). Furthermore, the Rio Summit agreed on establishing three main, legally-binding Conventions: the UN Framework Convention on Climate Change (UNFCCC), the UN Convention to Combat Desertification (UNCCD) and the UN Convention on Biological Diversity (UNCBD). Most EU support to issues related to environment and climate change focuses on these three Conventions.

Box 1 The 1992 Rio Summit conventions

UN Framework Convention on Climate Change (UNFCCC) became effective in 1994. Its objective is to "*stabilise greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system*". It does not itself contain any binding agreements and commitments, but provides the framework for negotiating international protocols with binding agreements on curbing GHG emissions. There are annual high-level meetings – Conferences of Parties (COPs) − at which commitments on curbing emissions, and on technical and financial assistance to developing countries, are negotiated.

UN Convention to Combat Desertification (UNCCD) became effective in 1996 and is signed by 195 countries. It is the only binding MEA linking environment and development to sustainable land management. The Convention addresses specifically the arid, semi-arid and dry sub-humid areas, known as the dry lands, and has a special focus on Africa. Its 10-Year Strategy for 2008-2018 further specifies the goal "*to forge a global partnership to reverse and prevent desertification/land degradation and to mitigate the effects of drought in affected areas in order to support poverty reduction and environmental sustainability".*

UN Convention on Biological Diversity (CBD) became effective in 1993 and is signed by 193 countries. Its objectives are *"the conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of the benefits arising out of the utilisation of genetic resources, including by appropriate access to genetic resources and by appropriate transfer of relevant technologies, taking into account all rights over those resources and to technologies, and by appropriate funding".*

[2] Refer to Vol 3, Annex 3 for a detailed analysis. Furthermore, Vol 3, Annex 4 presents a broad picture of the overall strategic co-operation frameworks with third regions and countries, and how the environment and climate change were integrated in such frameworks.

EU internal policies and their external dimension – incorporated in the EU's overall development policy − have been aligned to respond to multilateral commitments agreed on in international forums. EU development policy has thus been made coherent with MEAs, the MDGs, and with EU internal policies.

The inclusion of environmental concerns in all Community activities and policies has been stated since the Single European Act of 1986, and has been acknowledged in successive consolidated versions of the EC Treaty. Since 1997, it has been a requirement of the EC Treaty.

The Luxembourg European Council of December 1997 stressed its conviction that environmental protection requirements were to be integrated into the Community's policies and activities − in particular, with a view to promoting sustainable development. Since then, various means have been proposed and integrated into EU development policy, such as capacity strengthening to implement MEAs, and inclusion of environmental concerns into policy dialogue with developing countries and into EC co-operation programming and project cycle. In 2003, the EU established the Green Diplomacy Network (GDN), with the aim of integrating environment in external relations by promoting a European diplomacy on environment and sustainable development. Since the establishment of the EEAS, and in co-ordination with the EC, EU Climate Diplomacy has been strengthened, as shown by recent European Councils on Climate Diplomacy.

With the adoption of the Kyoto Protocol to the UNFCCC in 1997, and particularly since the Brussels European Council of 1999, climate change started to be integrated into EU development co-operation. The focus was put on traditional Official Development Assistance (ODA), but also on policy dialogue with developing countries, with the aim of scaling-up climate change on the political agenda of the countries. A comprehensive approach to climate change is recognised and developed in various documents, the goal being to strengthen attention to climate change by addressing the interlinked environmental concerns − such as loss of biodiversity, degradation of ecosystems, and desertification, as well as their social and human impact. Synergies between climate, energy and development policies were also prioritised. Greater coherence was sought between the internal (EU) and external dimension of the EU climate change policies

The CBD led to the adoption of the EU Biodiversity Strategy in 1998.

The EU Sustainable Development Strategy, elaborated as a preparatory input to the 2002 World Summit on Sustainable Development held in Johannesburg, enriches the Lisbon Strategy in that it adds a third dimension (the environmental one) to the existing economic and social ones. The global and external dimension of this new approach was rapidly introduced into EU development policy, and further enriched over the period evaluated. Of particular importance since 2002 are the EU Water Initiative (EUWI), the EU Energy Initiative (EUEI), and the Forest Law Enforcement, Governance and Trade (FLEGT). Of special importance for this evaluation is the establishment in 2006 of the ENRTP.

Box 2 The ENRTP

Due to lessons learned from past assistance, the EU decided to make all EU voluntary contributions through development cooperation instruments. In January 2006, the Communication on the *Thematic Programme for Environment and sustainable management of Natural Resources, including Energy*[3] proposed a new approach to the environmental dimension of development and other external policies and proposed promoting the EU's environmental, climate and energy policies abroad. The Communication stresses the importance of seeing environmental issues in a global context requiring concern for and active engagement in the sustainable development of the rest of the planet.

The programme priorities are:

- working to achieve Millennium Development Goal 7 (Ensure Environmental Sustainability), principally by building capacity to integrate the environment in developing countries, support civil society actors, monitoring and evaluation and the preparation of innovative solutions;
- promoting implementation of EU initiatives and commitments at international level, including in the areas of sustainable development, climate change, biodiversity, desertification, forests and their governance, marine resources, waste and chemical products, etc.;
- improving the integration by the EU of environmental questions, particularly as regards combating poverty, by expanding the EU's responsibilities and through cooperation and specialist aid;
- improving international governance as regards the environment and the EU's driving role, particularly by assisting regional and international environmental monitoring and assessment, aid for implementing multilateral agreements on the environment, and support for international organisations and processes concerned with the environment and energy;
- promoting options for renewable energy, particularly through institutional support and technical assistance, the creation of a legislative and administrative framework propitious for investment and business and encouragement for regional cooperation.

Consequently, a specific thematic programme on Environment and Natural Resources (including Energy) ENRTP, was included in the Development Cooperation Instrument (DCI)[4]. The ENRTP strategy (p.18) states that "*the overall objective of the ENRTP as set out in Article 13 of the DCI Regulation is 'to integrate environmental protection requirements and climate change action into the Community's development and other external policies as well as to help promote the Community's environmental, climate and energy policies abroad in the common interest of the Community and partner countries and regions'*".

The two ENRTP Strategic papers (2007-2010 and 2011-2013) operationalize the Communication and respectively allocate 537.8 and 517 € million. The first one adopts the COM's five priorities while the second one, following a mid-term evaluation conducted in 2009[5], further rationalises it and identifies three main clusters:

- Climate change and sustainable energy.

The overall objective is to assist developing countries in preparing for climate-resilient low-emissions development and to contribute to more fruitful policy dialogue and negotiations; as well as to promote increased access to sustainable and affordable energy services.

- Environment for development.

The overall objective is to assist developing countries in preventing environmental degradation, biodiversity loss and unsustainable use of natural resources while improving the resource efficiency of economic growth and reducing pollution.

[3] COM(2006)20final: Communication from the Commission to the Council and the European Parliament - External Action -Thematic programme for environment and sustainable management of natural resources including energy

[4] The Development Cooperation Instrument adopted on 18 December 2006 replaces, inter alia, the ALA regulation. The overall goal of the instrument is eradication of poverty in partner countries and regions in the context of sustainable development, including pursuit of the MDGs, as well as promotion of democracy, good governance and respect for human rights and the rule of law. In this framework, the cooperation aims at achieving the objectives already stated in the EC Treaty.

[5] Soges S.p.A (2009): Review of the ENRTP. Final Report.

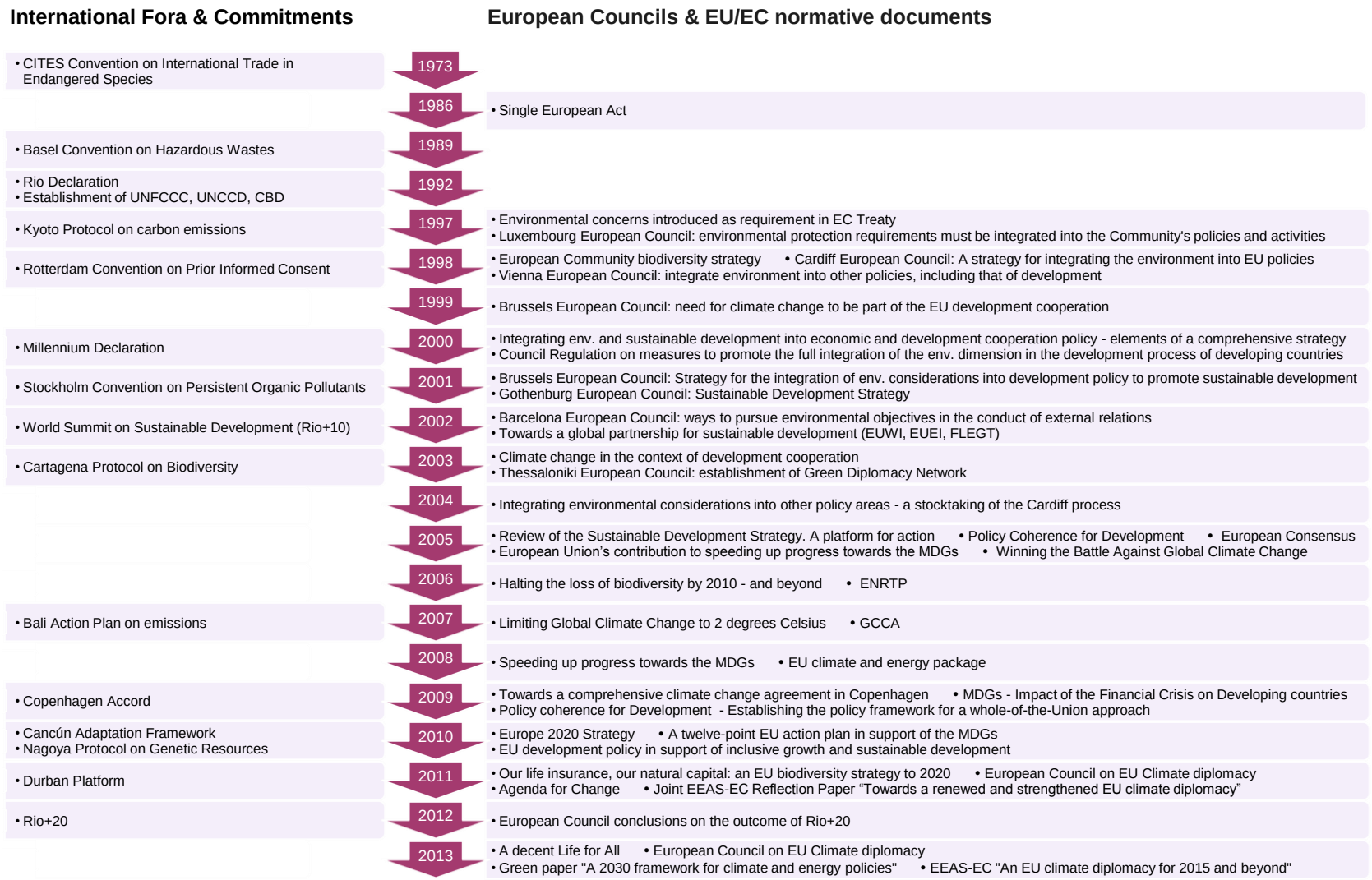
- Strengthening environment and climate governance.

The overall objective is better international environment and climate governance shaped by the external dimensions of the EU's environment and climate change policies and the provision of methodological and governance tools appropriate to developing countries, and to improve mainstreaming of environment as well as promote governance and transparency of natural resources management.

Achieving coherence between non-aid policies and development policy − particularly in relation to the MDGs − has been a central goal. Emphasis was given in this regard to the potential impact that EU environmental and energy policies − but also trade, agriculture, fisheries and transport policies − could have on the progress towards MDG 7 on environmental sustainability. Key objectives that have become part of EU development policy include: leading global efforts to curb unsustainable consumption and production patterns; assisting developing countries to implement the MEAs; helping developing countries to incorporate environmental concerns in development and promoting pro-poor environment-related initiatives. The 2013 EU Communication, "A Decent Life for All" goes further by including the sustainable management of natural resources as one of the five priority elements for the overarching framework of the post-2015 Sustainable Development Goals.

More recently, support towards economic growth that produces fewer GHG emissions and adaptation to climate change (green growth) has been introduced in EU development co-operation, and also in the framework of the external dimension of Europe 2020 targets and the Agenda for Change. It is also important to highlight the EU climate and energy package, with its "20-20-20" legally-binding targets on GHG emissions, renewable sources and energy efficiency, and the new EC Communication A 2030 framework for climate and energy policies, which goes further on the targets.

Figure 2 Chronology of International commitments and EU/EC normative documents



Source: Own elaboration

4 The *intended* Intervention logic of EU support to environment and climate change in third countries

The Intervention logic provides the basis for defining the evaluation questions.

The Evaluation Team reconstructed the intervention logic of the overall EU support to environment and climate change in third countries with a focus on the ENRTP. The objectives of producing the reconstructed Intervention Logic were:

- To help in clarifying the objectives of the EU support and translating them into a hierarchy of expected effects so that they can be evaluated.
- To propose evaluation questions to assess these effects.
- To help in assessing the internal coherence of the EC support.

4.1 The Intervention logic diagrams

The simplified diagram below outlines the "reconstructed intervention logic" of the EU development co-operation strategy in the areas of environment and climate change, with a focus on ENRTP but also considering all geographic instruments. The sources of the diagrams are the normative documents summarised in Chapter 3 and analysed in Volume 3, Annex 3.

4.2 The different levels of the reconstructed intervention logic

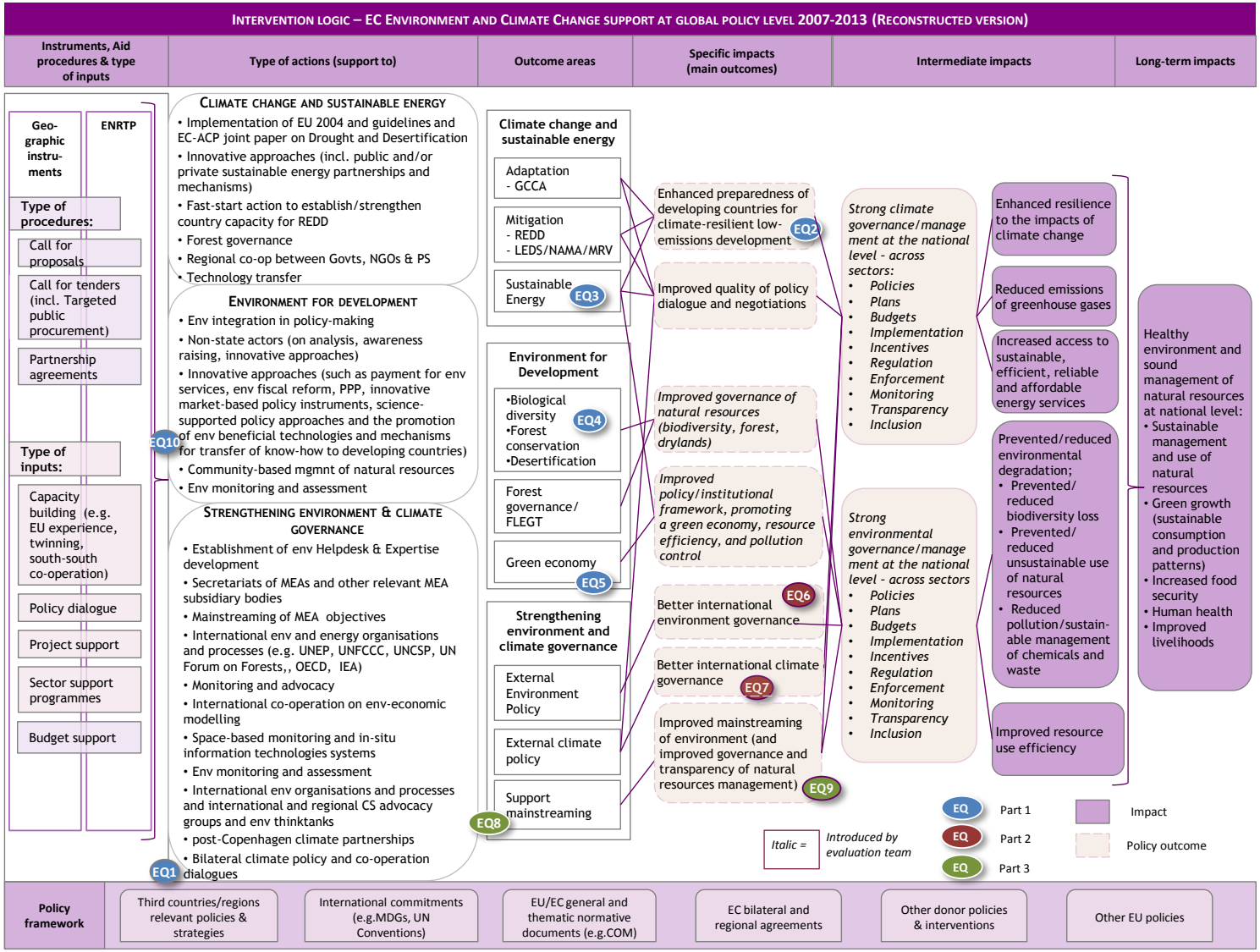
Three major strands or priority areas of EU policy: Climate change and sustainable energy, Environment for development and strengthening environment and climate governance.

Based on the policy documents, including the ENRTP Phase 2 strategy, three major strands or "priority areas" of EU policy were identified:

- Climate change and sustainable energy – comprised of three sub-priority areas: a) adaptation; b) mitigation; c) sustainable energy.

  Environment for development – comprised of three sub-priority areas: a) biodiversity, forest conservation and desertification; b) forest governance; c) green economy.
- Strengthening environment and climate governance – comprised of three sub-priority areas: a) external environment policy/international environment governance; b) external climate policy/international climate governance; c) mainstreaming of environment and climate change.

Figure 3 *Reconstructed intervention logic*



4.2.1 Long-term impacts

The ultimate impact: EU's partner countries to achieve a healthy environment and sound management of their natural resources.

The "European Consensus" on Development (ECD), specifies that EU intends to "*lead global efforts to curb unsustainable consumption and production patterns. We will assist developing countries in implementing the Multilateral Environmental Agreements and promote pro-poor environment-related initiatives. The EU reconfirms its determination to combat climate change."*

This would entail renewable natural resources being managed sustainably, so that their integrity is maintained, or even enhanced, in order to support economic activities and provide environmental services for future generations. It would also entail future economic growth being "green" – that is, resources (including energy, mineral and water resources) being used in an efficient manner that maximises their benefits and minimises the generation of waste and pollution, as well as significantly reducing the emission of GHGs from the combustion of fossil fuels. Sustainable management of natural resources and the green economy both necessitate the related economic activities being adapted, and hence resilient, to the impacts of climate change − thereby minimising the economic and human risks and losses associated with the increased extreme events and changed climate patterns of the future. As the *Agenda for Change* states, green economy "*that can generate growth, create jobs and help reduce poverty"* should be promoted by EU development policy.

The primary socio-economic benefits that this would lead to would be increased food security (e.g. due to better use of natural resources in agricultural activities), improved human health (e.g. due to reduced pollution), and improved livelihoods (e.g. due to new employment opportunities in the green economy and improved productivity of natural resources). Hence, EU support in the areas of environment and climate change contribute not only to MDG 7 (*ensure environmental sustainability*), but also to other MDGs, such as MDG 1 (*eradicate extreme poverty and hunger*), and MDGs 4 and 5 (*reduce child mortality, improve maternal health*). This is intended in the ECD: "*The primary and overarching objective of EU development co-operation is the eradication of poverty in the context of sustainable development, including pursuit of the Millennium Development Goals (MDGs*)". The 2009 Commission Staff working paper, *Millennium Development Goals − Impact of the Financial Crisis on Developing Countries"* emphasises that "*eradication of poverty in developing countries and tackling climate change are inextricably linked. The MDGs will not be achieved if climate change and environmental degradation are not tackled."*

4.2.2 Intermediate impacts

Enhanced climate change resilience, reduced emission of greenhouse gases, increased access to affordable and sustainable energy services, prevented/reduced environmental degradation, and improved resource use efficiency.

The intermediate impacts identified emanate from the dual nature of the support provided – that is, for environment and for climate change − and in particular from the identified priority areas and the related sub-priority areas of EU support. Two levels of intermediate impacts are identified:

- EU support is anticipated to contribute to tangible impacts on the ground. At a limited/local/modest scale, these impacts will directly arise from pilot actions and specifically-supported projects. The lessons/evidence gained from innovative pilot

actions are used to improve the policy and institutional framework at national level, in order to create the enabling environment for a broader uptake of the tested innovations. Hence, evidence of local-level impact primarily serves the purpose of informing the policy level in order to achieve a national level outcome, which in turn is anticipated to lead indirectly to wider/national-scale impacts;

- At a more general/national scale, EU support will contribute indirectly to the achievement of these tangible impacts through anticipated improvements in the environmental and climate governance at national level, which in turn is expected to translate into the anticipated impacts on the ground. Hence, the second level of intermediate impacts identified relates to improved governance, which are thus policy outcomes rather than actual impacts on the ground. It is generally beyond the scope of development interventions to directly achieve impacts on a national scale.

The primarily indirect intermediate impacts anticipated on a national scale are:

Enhanced resilience to the impacts of climate change. The unprecedented emissions of GHGs during the industrial era will inevitably lead to global and local climate change, even if emissions are effectively curbed in the future. Changes are already being seen, and the magnitude will increase in the coming decades. The impacts are numerous and will differ greatly in different parts of the world. At local level, the actual impacts are still uncertain. The main types of changes anticipated include: more erratic and unpredictable seasonal weather patterns; increased frequency and intensity of extreme weather related events (storms, floods, drought); more long-term shifts in the climate zones/belts. Hence, there is an increasing need to ensure that investments, economic activity and production systems are adapted to these new conditions and are able to respond to increased uncertainty. This would avoid the excessive damage to infrastructure and loss of productive assets and crops that would have detrimental effects on livelihoods, incomes, and food security. This cuts across all sectors, but some sectors are particularly vulnerable, such as agriculture and infrastructure.

Reduced emission of greenhouse gases. Research and the climate projections prepared by the Intergovernmental Panel on Climate Change (IPCC) indicate that unless the future GHG emission levels are significantly reduced, the magnitude of the climate change described above is likely to become so great that it becomes impossible to adapt to. The associated negative socio-economic impacts and risk may consequently be of such a magnitude that overall economic development − as well as the livelihoods, food security, and even lives of millions of people − will be threatened. Hence, there is a need to develop low-emission pathways to economic development across sectors. This entails reaching international agreements on emission reductions, and also ensuring the availability of, and access to, low-emission technologies/practices.

Increased access to affordable and sustainable energy services. This is related to the reduction of GHG emissions, but also to ensuring that basic energy needs are met to improve livelihoods and enable economic development, as well as reducing the current dependency on fossil fuel energy sources, which are diminishing and becoming increasingly difficult and expensive to extract. The 2005 Communication "*Policy Coherence for Development − Accelerating progress towards attaining the Millennium Development Goals",* specifies that the EU shall *"contribute to the special needs of developing countries by promoting access to sustainable energy sources"* because *"sustainable, high-quality, reliable and affordable access to adequate energy sources is essential, both for those currently without access to energy services, and for the future productivity increases and economic development needed to accommodate the forecast population growth and urbanisation in developing countries*".

Prevented/reduced environmental degradation. The environment and natural resources provide the basis for all economic activity and livelihoods, whether directly or indirectly. Millions of people depend on natural resources for their livelihoods, such as: soil and water for agricultural production; marine resources, forest and biodiversity (plants and animals) for food, materials, energy and income generation (e.g. fish, wood, medicinal plants); and clean water and air to maintain human health. Hence, environmental degradation − in the form of land degradation, overexploitation of natural resources, loss of biodiversity, and pollution − are threatening economic development and human wellbeing. There is, therefore, a need for access to sustainable options for natural resource management to maintain land productivity and ecosystem integrity, and to curb pollution.

Improved resource use efficiency. Seen in the light of population growth, economic development and increasing demands for products and services, there is a need to promote more resource-efficient technologies to maximise the benefits obtained from the resources used – for example, in industrial production − as well as to reduce the generation of waste. This would help in avoiding the depletion of important extractive resources (e.g. minerals), as well as the negative environmental impacts associated with their extraction and waste. Resource efficiency entails reducing the use of materials in industrial production, and enhancing the recycling of materials. The 2005 Communication "*Policy Coherence for Development − Accelerating progress towards attaining the Millennium Development Goals",* specifies that EU shall "*lead global efforts to curb unsustainable consumption and production patterns"*.

Policy outcomes supporting the achievement of the tangible intermediate impacts: a) strong climate governance at the national level – across sectors; b) strong environmental governance at national level – across sectors. A key element of EU support relates to building the capacity of partner countries to engage effectively in sustainable environmental and climate governance. It is particularly at national level that governance frameworks enable the achievement of sustainable development and climate resilience. International governance and agreements are supportive of this by creating awareness, facilitating binding commitments, addressing transboundary issues, and facilitating the creation of sufficient capacity. However, the environmental governance, which translates into tangible impacts, ultimately takes place at country level. Effective environmental governance relates to the establishment of conducive policies and tangible plans, allocation of the necessary budgetary resources for the implementation of policies and plans, establishing effective and operational frameworks for regulation (including effective enforcement and incentive mechanisms), as well as transparent and inclusive decision processes. A critical element of effective environmental governance is to ensure that environment and climate change – which cut across all sectors − are not dealt with in isolation, but are mainstreamed into the governance of all sectors. There is a critical conflict to consider in this regard: on one hand, the environment is the foundation upon which economic activity and human development across sectors is based; on the other hand, all human and economic activity affects the environment upon which it depends. This conflict also applies to climate change: human and economic activity across sectors is the driver of climate change, yet climate change impacts negatively on economic activities in several sectors.

4.2.3 Outcomes

The specific impacts identified correlate with the three priority areas, and also largely with the sub-priority areas. The impacts identified are:

Climate Change and Sustainable Energy: Enhanced preparedness of developing countries for climate-resilience, and improved quality of policy dialogue and negotiations.

Enhanced preparedness of developing countries for low emissions development. This relates to enhancing the capacity of partner countries to address climate change in relation to:

- Enhancing the resilience and reducing the vulnerability to the impacts of climate change (climate change adaptation), in particular in Least Developed Countries (LDCs), Small Island Developing States (SIDS) and Africa, as stated in the Copenhagen Accord. The ECD specifies that *"adaptation to the negative effects of climate change will be central in the Community's support to LDCs and small island development states".*
- Reducing the emission of greenhouse gases from land use, deforestation and degradation, as well as from combustion of fossil fuels and biomass, by increasing energy efficiency and enhancing the role of sustainable renewable energy sources in the energy mix. The 2008 Communication, "*The EU − a global partner for development, Speeding up progress towards the Millennium Development Goals"*[6]*, is* aimed at supporting a "*move towards economic growth that produces fewer greenhouse gas emissions and adapt to climate change".*

Improved quality of policy dialogue and negotiations. This especially relates to improving the policy dialogue at the national and local levels.

Environment for Development: Improved governance of natural resources, improved policy/institutional framework for green economy, resource efficiency and pollution control.

Improved governance of natural resources (biodiversity, forest, dry lands). This focuses on enabling partner countries to better assume their responsibilities with regard to MEAs, and building their capacity to prevent environmental degradation and loss of biodiversity (including desertification, forests and marine resources). According to the ECD, particular attention is to be given to "initiatives ensuring the sustainable management and preservation of natural resources, including as a source of income, and as a means to safeguard and develop jobs, rural livelihoods and environmental goods and services". COM(2010) 159 − A twelve-point EU action plan in support of the Millennium Development Goals − is aimed at "enhancing efforts to protect biodiversity in other countries".

Improved policy/institutional framework that promotes a green economy, resource efficiency, and pollution control. This aims to ensure that resources are used efficiently – for example, in industrial production − while reducing the related waste generation and pollution.

[6] COM(2008) 177

Strengthening environment and climate governance: better environmental and climate change governance, improved environmental mainstreaming.

Better international environment governance. This relates to reinforcing international systems for governance, such as strengthening international negotiations (increased and enhanced participation of developing countries, facilitating agreements that take into account developing countries' perspectives and priorities) and strengthening the international institutions and instruments. It also relates to ensuring EU leadership and effective implementation of the EU's external policies. Hence, this contributes directly to achieving MDG 8 (global partnership for development).

Improved mainstreaming of environment (and improved governance and transparency of natural resources management). This relates to ensuring that EU support provided to sectors other than environment adequately integrates environmental and climate change concerns, and so are supportive of EU external policies on environment and climate change, rather than working against them. This includes: a) ensuring that partner countries and governments are enabled to integrate environment and climate change in sector policies, planning and implementation; b) ensuring that EU supported interventions do not have unintended negative effects, and achieve the potential positive effects.

The two specific impacts under this priority area relate to the objective *to "assist developing countries in implementing the Multilateral Environmental Agreements (MEAs), and (…) to ensure that the capacities of developing countries are taken into account during MEA negotiations"*. This is specified in the 2005 Communication, "*Policy Coherence for Development − Accelerating progress towards attaining the Millennium Development Goals"*. The third specific impact relates to objectives in the communication with regard to addressing environmental concerns in other sectors, such as agriculture: "*CAP* [Common Agricultural Policy] *objectives include helping agriculture to fulfil its multifunctional role in society: producing safe and healthy food, contributing to sustainable development of rural areas, and protecting and enhancing the status of the farmed environment and its biodiversity".* In relation to transport, the EU will "*work and assert its influence in international organisations (such as the International Maritime Organisations and the International Civil Aviation Organisation) for effective and efficient air and maritime transport services, in a safe, secure and clean environment that supports sustainable development and regional trade"*.

Box 3 Outcome areas

EU support to environment and climate change is provided via numerous actions, through ENRTP and geographical instruments, as well as through policy dialogue. Hence, it is not possible to provide a comprehensive list of the numerous and diverse outcomes/results directly emanating from the EU's engagement. However, some typical effects have been identified as follows:

Climate change and sustainable energy:

a. Adaptation:

- Countries better able to adapt to consequences of climate change.
- Capacity of countries to benefit from CDM increased.
- Countries better prepared for climate-related natural disasters.
- Climate change integrated into development co-operation.
- Regional policy profile of climate change raised.
- Consensus for future climate negotiations built up.
- Common vision between developed/developing countries on climate vision.

b. Mitigation:

- Countries benefit from enabling legal frameworks, policies, strategies for REDD.
- Capacity developed for government, civil society, private sector to deliver REDD results.
- Forest carbon management integrated into forest management as a result of field-based innovative action.
- Countries adopt and implement LEDS/NAMAS.
- MRV standards improved and countries implement MRV.
- Low-carbon investments financed.
- Technology and capacity for low carbon transferred.
- Knowledge-sharing mechanisms developed.
- Technologies adapted to local circumstances.

c. Sustainable energy:

- Policies and appropriate framework conditions improved.
- Capacity for implementing sustainable energy in place.
- Technology transfer for promotion of sustainable energy.
- Business attracted to sustainable energy market.
- Regional co-operation improved between governments, non-state actors.
- Regional energy infrastructure better inter-connected.
- Access to finance for energy efficiency and renewable energy improved.

Environment for development:

d. Biodiversity, forest conservation and desertification:

- Countries enabled to implement MEAs, initiatives, strategic plans.
- Post-2010 Global Biodiversity Strategy commitments include targets for dry lands, forests, marine resources.
- Efforts to avert the loss of global biodiversity increased.
- Representative networks of marine protected areas.
- Sustainable and resilient dry land farming and increased incomes.
- Policies in the framework of international, regional and national strategies and action plans (e.g. UNCCD).
- Regional partnerships for scaling-up sustainable land and water management.
- Policies and best practices to tackle desertification, land degradation and drought communicated.
- Improved knowledge/data collection and sharing.
- Adoption of ecosystem approach to fisheries.

e. Forest governance (FLEGT):

- Strengthened forest governance.
- Voluntary Partnership Agreements (VPAs).
- Forest governance reforms enabled.
- Civil society and the private sector engaged in developing, implementing and monitoring VPAs.
- Innovative forest governance approaches on improved transparency and accountability, impact monitoring, and social safeguards.
- Enhanced demand for/EU import of certified wood products.

f. Green economy:

- Countries enabled to formulate resource-efficient policies.
- EU used as a source of standards and expertise.
- Dissemination of green economy policy.
- New green industries, jobs and technologies applied/created.
- Structural transition to green economy.
- Adoption of environmental policy and fiscal reforms.
- Safer handling of hazardous substances.

Strengthening environment and climate governance:

- External environment policy/international environment governance:
- Strengthened international environmental governance.
- Enhanced synergies between UNEP and MEAs on chemicals/waste and biodiversity
- Rio +20 followed up on at policy and institutional levels.
- Enhanced developing country engagement in negotiations.
- Negotiation processes for new instruments strengthened.
- Enhanced country capacities to implement MEAs.

- Strengthened debates on MEA compliance and financing.
- Strengthened global and regional environment monitoring and use of results in policy-making.
- International and regional environmental organisations, processes, civil society, think tanks strengthened

g. External climate policy/international climate governance:

- Enhanced developing country engagement in negotiations.
- Strengthened capacity of international policy organisations.
- Post-Copenhagen climate partnerships strengthened.
- Enhanced climate policy and co-operation dialogue.
- Enhanced country capacity with regard to policy formulation and implementation − e.g. on emissions trading and MRV.

h. Mainstreaming of environment and climate change:

- Evidence presented of poverty and environment linkages.
- Budget support takes environmental considerations into account.
- New approaches developed (e.g. environmental fiscal reform and innovative market-based policy instruments).
- Capacity of national institutions and civil society enhanced.
- Environment integrated into sector policies.
- Capacity for environmental integration in geographic co-operation enhanced.
- Water management for CC better linked to other sectors and their policies.
- Strengthened transboundary water management.

4.2.4 Instruments, aid procedures and types of support

A diversified set of instruments (thematic-ENRTP & geographic), providing policy dialogue, capacity development and financial support.

A variety of instruments, aid procedures and types of support are employed in the different outcome areas to lead to the intended impacts.

The main instruments are:

- ENRTP – a thematic instrument and a main focus of the evaluation.
- Geographic instruments – where the main instruments are the EDF, DCI, ENPI[7].

Under both the ENRTP and geographic instruments, the key support falls into one of three categories:

- Policy dialogue – engaging with government and other stakeholders to develop robust policies to better address environment and climate change opportunities and challenges. As outlined in chapter 2, this corresponds to one of the key objectives of EU support to environment and climate change, which is to promote EU policies in this area for mutual benefit. Mainstreaming of environment and climate change is one of the key points on the policy agenda;
- Capacity development – focusing on building up the capacity of government and other stakeholders so that they are in a position to implement their policies and strategies related to environment and climate change. This implies not just the capacity of environment and climate change authorities, but also the capacity to integrate environment and climate change into all relevant sectors.
- Funding – provision of financial support through a variety of modalities and using a variety of procedures.

Whereas the geographic instruments, in principle, use both budget support and project

[7] There is also the Instrument for Stability (IfS), which is a shorter-term instrument for use in fragile and conflict-affected situations. While it is not formally included under geographic instruments, it is considered important that the evaluation does look at environment and climate change in fragile states (at least for one example).

modalities, the ENRTP uses only project modalities – although in many cases the support is in the form of core support to an organisation, with relatively little earmarking.

Within the ENRTP project support, the following procedures are used:

- Targeted public procurement – used for implementing actions that can only, or best, be done by public entities.
- Call for tender – used for implementing a specific project defined by the EC or its partners.
- Call for proposals – used to enable the EU support to respond to bottom-up demand. Sometimes the call is managed by the EC itself (either at delegation or headquarters) and sometimes it is managed via a contracted services procedure such as. the Critical Ecosystem Partnership Fund (CEPF).
- Partner agreements – also called targeted initiatives, these can be used under the FAFA arrangement (usually UN or World Bank) or where the initiative is within the EU (e.g. GEEREF).

The geographic instruments, in particular, open up the possibility of mainstreaming environment and climate change in different sectors as they serve a variety of sectors. For this evaluation, two broad sectors have been chosen: a) agriculture and rural development, b) infrastructure.

5 The realised Intervention logic: Analysis of EU worldwide financial resources allocated to sectors related to environment and climate change in third countries in the period 2007-2013

This chapter presents the inventory and analysis of the resources allocated by the EU to environment and climate change in the period 2007-2013 in the countries covered by this evaluation[8]. The fact that the ENRTP represents an important part of the overall funding invites a more thorough analysis of this programme. Therefore, in addition to the **global inventory of all funding on decision level**, a second inventory has been created, taking into account all **ENRTP interventions at contract level**. This allows the analysis of some factors that cannot be addressed on a global level, and also facilitates the comparison between the global analysis (ENRTP and geographic budget lines) and the ENRTP analysis. The titles of all graphs and tables state explicitly if they refer to the global analysis or only to ENRTP interventions.

5.1 Methodological limits and challenges

A worldwide inventory reconstructed using a sound methodology, albeit with limitations.

The specific and systematic approach used for the identification, extraction and analysis of financial contributions is presented in Annex 5. Here, special attention is given solely to the limits and choices that needed to be made.

Box 4 Limits and key challenges

The main challenge for conducting the inventory is that, while the situation has improved for more recent entries, still in many cases no Development Assistance Committee (DAC) sector code has been attributed to the interventions. Mostly for this reason, the Commission, evaluators and others have recognised for years that strict logic alone is not enough when dealing with CRIS. A more subjective and innovative approach, such as that outlined below, is required, including tedious, line-by-line review of interventions.

As a response to this challenge, a distribution by sector and categorisation of interventions has been made according to the information found in the CRIS-Database and through the Internet about the programmes and projects in question. This implies that a number of choices were made by the team to allocate the various interventions to the specific sectors.

Additional challenges emerge through the partially inconsistent way in which data is entered in the system, leading to problems in the computer-based search for relevant contracts.

The inventory of interventions could be done at the level of contracts only for ENRTP interventions. The generation of the full contracts list within each financing decision for all budget lines (i.e. all contracts financed by DEVCO between 2007- 2013) was indeed technically not possible on CRIS as there are too many. It was agreed with the Reference Group that, for the purpose of this evaluation, the level of financing decisions was sufficient for the inventory of non-ENRTP interventions.

The global inventory is based on financing decisions over the period 2007-2013. However, there is occasionally a time difference between the financing decision and the actual contracting of funds. The inventory has thus been cross-checked and completed with additional interventions indicated by the RG members. This should enable all relevant interventions actually implemented during the evaluation period to be fully encompassed.

[8] ECHO and European Investment Bank's funds are not part of the inventory.

The first three limitations above explain the discrepancy between the ENV/CC relevant funding presented in this report and the funding reported in the Court of Auditor's special report 17/2013 on EU climate finance in the context of external aid[9].

5.2 Main findings

The main findings are set out in the box below.

Box 5 Key findings of the inventory

- The EU's support to environment and climate change amounted to around EUR 2.83 billion during the period 2007-2013[10].
- Out of this, EUR 1.1 billion was disbursed under the ENRTP.
- The main beneficiary regions of the EU support to environment were the ACP countries, receiving 45% of all funds. Ten ACP countries receive 53.4 % of all ACP countries' contracted amounts.
- The ACP countries are followed by ENP countries (9% for ENP East and 6% for ENP South), Asia (11%), Latin America (7%) and Central Asia (1%). The remaining funds (21%) were directed at all countries[11].
- Of the three main clusters of the EU intended intervention logic, Cluster 1 (Climate change and sustainable energy) receives almost half of all funds (47%). Cluster 2 (Environment for development) receives 37%, and Cluster 3 (Strengthening environment and climate governance) receives 15%.
- Most of the EU's support to environment and climate change during the period 2007-2013 was focused on the Energy sector, in which 30% of all funds were contracted. It is followed by the sectors Climate Change (18%) and Forest (11%), International Environmental Governance (7%), Water Resource Management (7%), and Biodiversity (6%);
- Aggregated sectorial allocations (several topics are presented both as sector and as sub-sectors − for example, Biodiversity appears as a sector, but also as a sub-sector under the sector "International environmental governance") provide interesting insights. Climate Change, representing 19% of all funding, remains the second-most funded sector. The Forest sector, now with 16%, remains the third-most funded. Biodiversity's share increases − with 8%, it is now the fourth-most funded sector;
- For interventions under the ENRTP, international organisations were the most-used channel (56%), followed by CSOs (16%).
- The Rio marker for Climate Change Adaptation rose between 2008 and 2012, but there was an important decrease in 2013.The remaining Rio markers show less clear patterns.

[9] See next footnote.

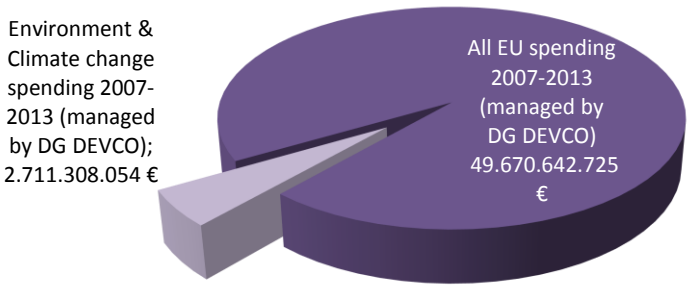
[10] As detailed in Chapter 5.3, this report estimates total environment and climate change funding at EUR 2.71 billion (5.7%) out of a total DEVCO-managed budget of EUR 49.67 billion. This figure is lower than the EUR 4.58 billion (8.1%) out of EUR 56.31 billion that is used in the Court of Auditor's special report. The Court of Auditor's audit report '*examines the provision of climate finance for developing countries by the EU. The report focuses on the following two questions: (a) Has the Commission managed climate-related support funded from the EU budget and the EDF well? (b) Has the Commission taken appropriate steps to promote coordination with EU Member States in respect of climate finance for developing countries; and has such coordination been adequate?'.*

[11] All third countries, without a specific geographical target.

5.3 Global overview of total environment and climate change versus all DG DEVCO allocations[12]

Environment and climate change funding in 2007-2013 made up 5.7% of all the EU's development co-operation contracted amounts.

Figure 4 *EU support to environment and climate change: Total contracted amount vs. total EU overall contracted funding*



Source: CRIS, Particip analysis

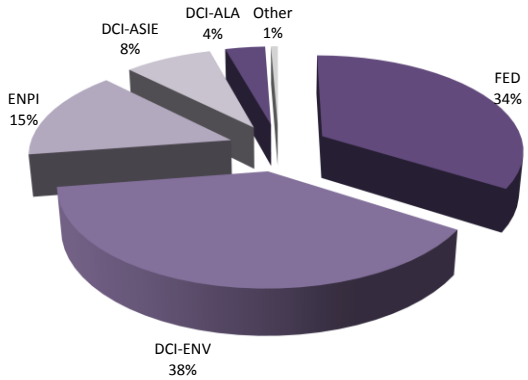
5.4 Global overview of total allocations

5.4.1 Allocations by instrument

Of the total of EUR 2.83 billion that has been contracted during the evaluation period, more than one-third (38%) has been financed by the ENRTP.

The EU's support to environment and climate change was funded by a variety of financing instruments, other than the ENRTP. A third (34%) of the support came from the EDF. The European Neighbourhood and Partnership Instrument (ENPI) covered 15% of the overall funding, while the DCI for Asia (DCI-ASIE) provided 8%, and the DCI for Latin America (DCI-ALA) 4% of the funding.

Figure 5 *EU support to environment and climate change: Total contracted amount by financing instrument in % (global analysis)*



Source: CRIS, Particip analysis

[12] Only funds that are managed by DG DEVCO. Funds managed by DG CLIMA and DG ENV (of a total value of EUR 119.4 million) are not included here. They are, however, included in the global analysis that follows.

5.4.2 Allocations over time

No clear paths over time.

The amounts contracted under the ENRTP programme do not fluctuate to a great extent, mainly moving between EUR 100 million and EUR 200 million per year. Only in 2009 can a small peak be observed, with almost EUR 250 million contracted[13]. In contrast, bigger fluctuations can be perceived for non-ENRTP interventions[14].

Table 1 EU support to environment and climate change: Contracted amounts by decision year (global analysis)

Decision year	ENRTP	non-ENRTP	Total
2007	120,679,777 €	160,005,834 €	280,685,611 €
2008	99,733,547 €	301,289,933 €	401,023,481 €
2009	242,401,431 €	227,729,083 €	470,130,514 €
2010	134,053,645 €	234,261,165 €	368,314,810 €
2011	194,642,393 €	191,585,977 €	386,228,370 €
2012	127,908,333 €	556,573,488 €	684,481,821 €
2013	173,020,467 €	66,811,454 €	239,831,921 €
Total	1,092,439,593 €	1,738,256,934 €	2,830,696,527 €

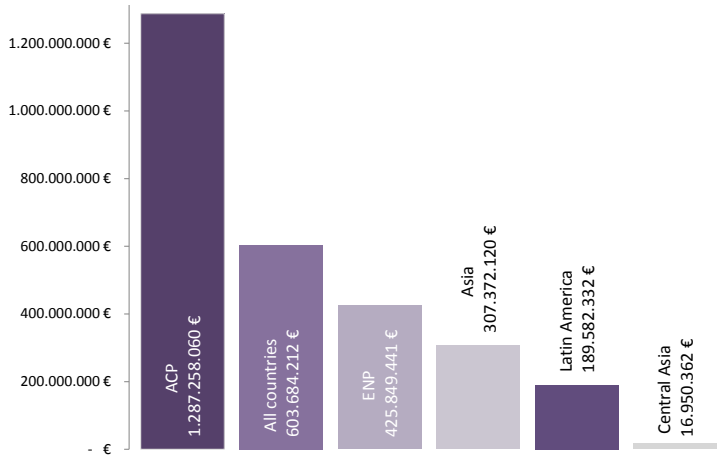
Source: CRIS, Particip analysis

5.4.3 Allocations by region

ACP countries receive almost half of all funding.

The graph below provides an overview of the geographical distribution of the EU's support to environment and climate change within the evaluation period.

Figure 6 EU support to environment and climate change: Geographical distribution of funds (global analysis)



Source: CRIS, Particip analysis

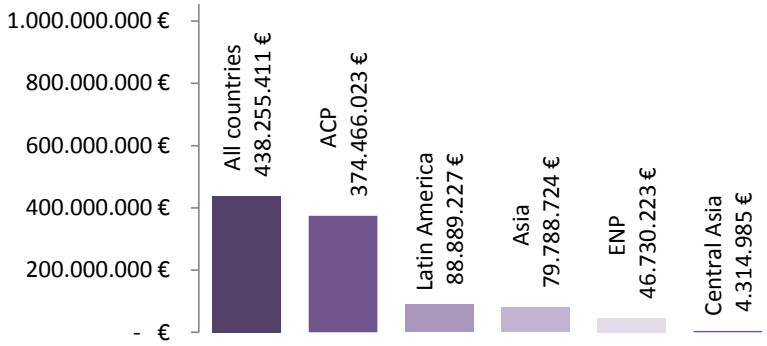
[13] Out of which EUR 30 million relates to the 2009 allocation for the GEEREF.

[14] The reason for the apparent sharp decline for the year 2013 can be attributed to the fact that, for decisions from 2013, many contracts had not yet been concluded at the time of data collection for this inventory. As the inventory does not show amounts allocated to a specific decision, but only the amounts that are already contracted, parts of the funds that were allocated to decisions from 2013 are consequently not shown in the inventory.

If only the ENRTP is considered, almost half of its funds are allocated to "All countries", confirming one of the ENRTP's added value aspects − the decision to address issues common to groups of countries that do not belong to a single region.

The graph below shows the geographical distribution of funds, taking into account only ENRTP funding. Here, almost half of the funding is directed to all countries (EUR 438.3 million − 42%). With EUR 374.4 million (36%), ACP is also clearly the region that receives most ENRTP funding. Latin America, Asia, ENP and Central Asia together receive only a mere fifth of all funds.

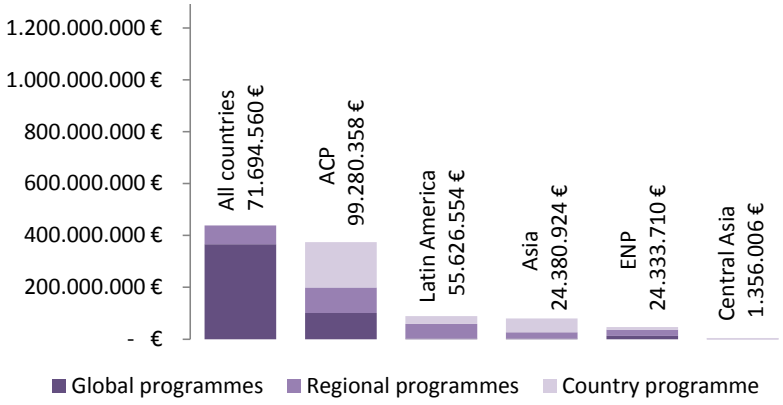
Figure 7 EU support to environment and climate change: Geographical distribution of funds (ENRTP)



Source: CRIS, Particip analysis

ENRTP funding is mostly allocated at global and regional level, except for the ACP region, which receives half of its funds from country programmes.

Figure 8 EU support to environment and climate change: Geographical distribution of funds by level of coverage (ENRTP)



Source: CRIS, Particip analysis

A further breakdown of the ENRTP interventions in global, regional and bilateral funds is shown in the following graph. While supra-regional ENRTP funding is, as expected, mostly financed by global programmes (84%), a big part of the funding in ACP countries relies on country programmes (47%).

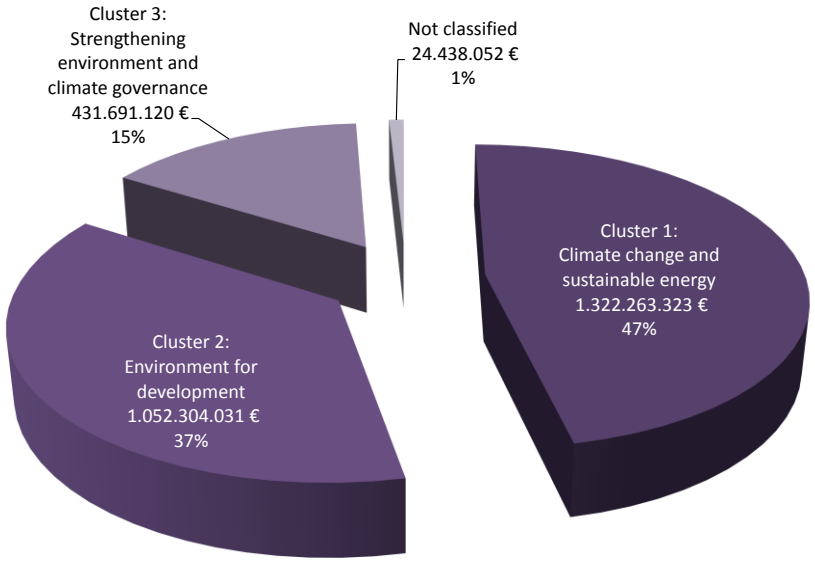
This is partly explained by Global Climate Change Alliance (GCCA) funding at country level (23% of all ACP country-level funding). Interventions in the ENP region are mostly funded by regional programmes (52%). The same is true for Latin America (63%), whereas in Central Asia and Asia the majority of interventions are country-based (69% and 67% respectively).

5.4.4 Allocations by sector[15]

If the three sectoral clusters of the intended EU intervention logic are considered, Cluster 1 (Climate change and sustainable energy) ranks first, with almost half of all funds.

Before presenting the breakdown into different sectors and sub-sectors of EU funding related to environment and climate change, the following figure presents the distribution of all funds towards the three clusters of the intended EU intervention logic (presented in Chapter 4). The figure shows that almost half of all funds (47%) are allocated to Cluster 1 (Climate change and sustainable energy). Another major part of all funding (37%) went into Cluster 2 (Environment for development), and 15% of funding was distributed within Cluster 3 (Strengthening environment and climate governance)[16]. In spite of this relatively low share, it should be noted that the interventions funded under Cluster 3 actually contribute, to a large extent, to reinforcing the other clusters.

Figure 9 *EU support to environment and climate change: Distribution of funds by intended Intervention Logic clusters (global analysis)*



Source: CRIS, Particip analysis

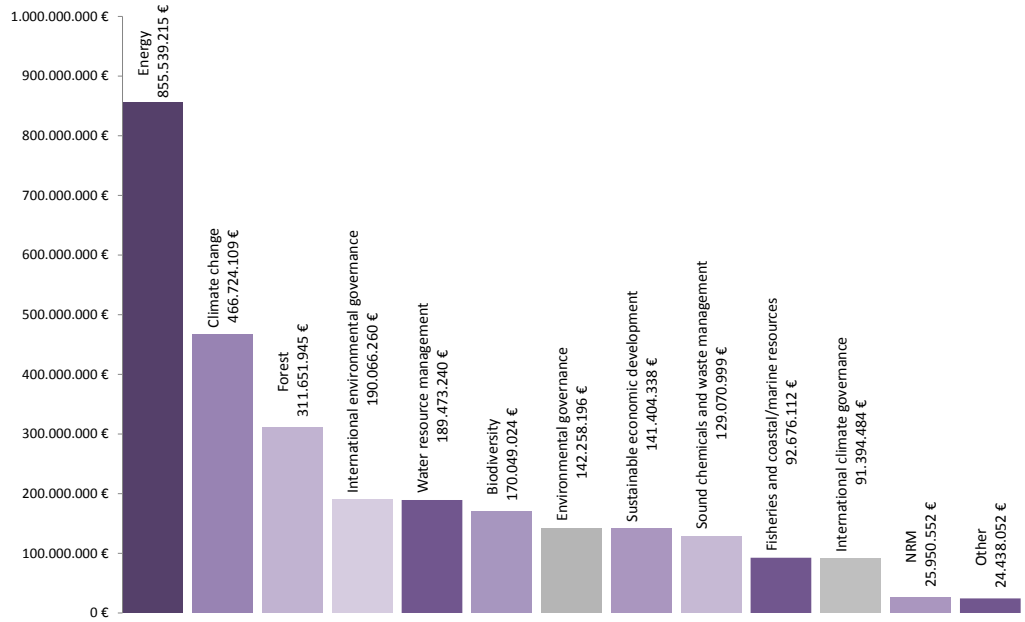
[15] Refer to Vol 3 Annex 5, section 5.4 for details on the sectoral classification of the worldwide inventory.

[16] The remaining 1% of interventions refers to those that have a relevant DAC sector code, but that cannot be allocated to any of the above-mentioned sectors, and also to dummy contracts, audits, evaluations and administrative provisions.

Energy, Climate change and Forest are the top three sectors of intervention, and International environmental governance is fourth.

The figure below shows a breakdown of the funding into the different sectors that were targeted. With EUR 885.5 million and 30.2% of all funding, the Energy sector is clearly the most targeted. It is followed by Climate Change (18.0%) and Forest (11.0%). These, together with International Environmental Governance (6.7%), Water Resource Management (6.7%) and Biodiversity (6.0%), receive more than three-quarters (78.6%) of all funding.

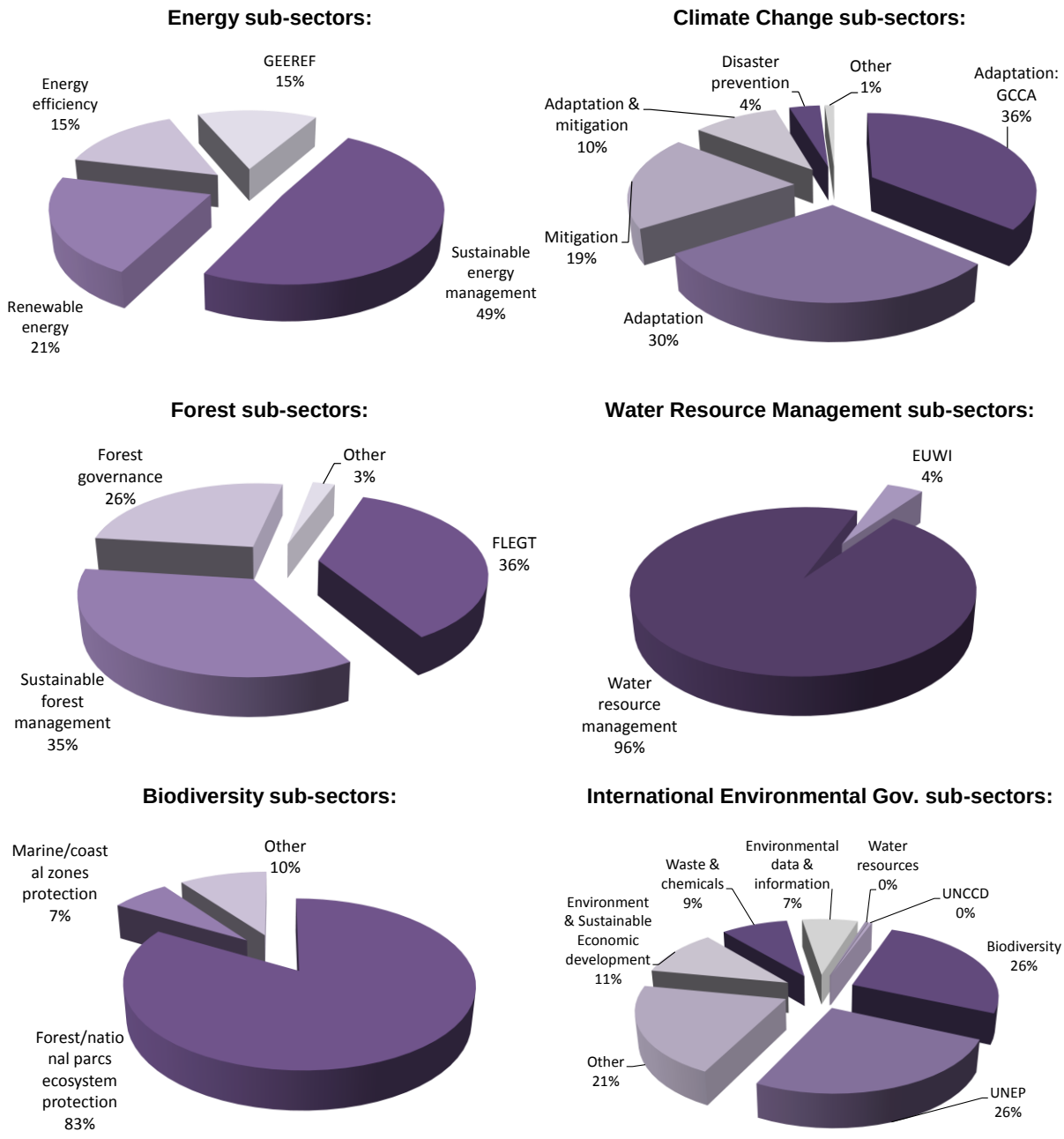
Figure 10 EU support to environment and climate change: Main sectors receiving funding (global analysis)



Source: CRIS, Particip analysis

The following figures show the repartition of the six biggest sectors into their respective sub-sectors.

Figure 11 *EU support to environment and climate change: Repartition of the funding in sub-sectors by contracted amount (global analysis)*



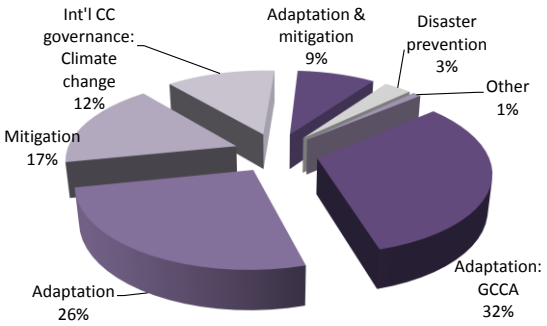
Source: CRIS, Particip analysis

Some areas can be found both at sector and at sub-sector level (i.e. "Biodiversity" exists as a sector, but some interventions under "International Environmental Governance" have "Biodiversity" as a sub-sector). Taking this aggregated approach into account, Climate Change remains the second most-funded sector, with 18.8% (EUR 532 million) of all funding.[17] The Forest sector, with 16.0% of all funding, remains the third most-funded sector. Also, the share of Biodiversity increases, and it is now the fourth most-funded sector (7.8%).

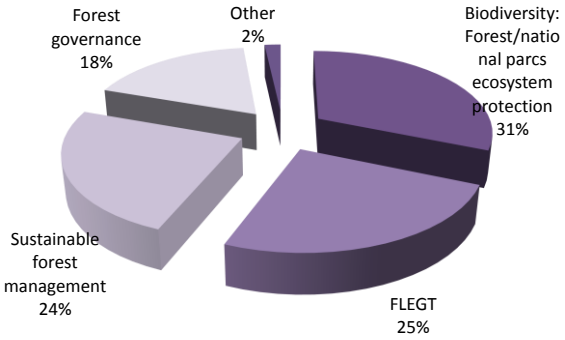
[17] Energy remains the most important sector.

Figure 12 *EU support to environment and climate change: Sectoral aggregated repartition of the funding by contracted amount (global analysis)*

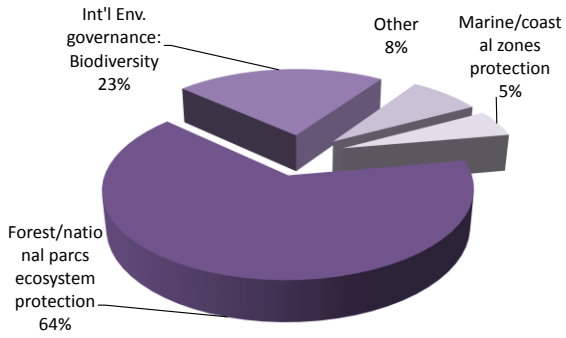
Climate Change aggregated sub-sectors:



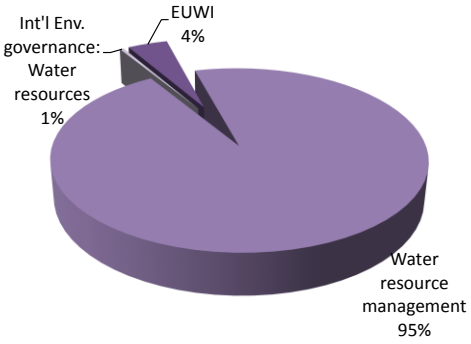
Forest aggregated sub-sectors:



Biodiversity aggregated sub-sectors:



Water Resource aggregated sub-sectors:



Source: CRIS, Particip analysis

5.4.5 Allocations by region and sector

For almost all sectors, ACP countries are the main recipients.

The following table shows the allocation of the EU's support to environment and climate change by region and sector. The biggest amount per sector is written in bold, illustrating that ACP countries are the main recipients throughout almost all sectors. The two exceptions are the Sustainable Economic Development sector, in which Asia (71% of all funds) is the main recipient[18], and the Sound Chemicals and Waste Management sector, in which most funds (80%) go to ENP South and East countries.

Table 2 EU support to environment and climate change: Allocation of funding by region and sector in EUR[19] (global analysis)

	ACP	ENP	Asia	Latin America	Central Asia	Total
Energy	**438,996,225**	190,090,714	42,826,085	4,166,868	5,159,323	681,239,215
Climate change	**206,815,082**	42,321,634	91,860,616	42,414,696	1,836,964	385,248,992
Forest	**109,969,424**	48,327,728	23,399,874	85,695,188		267,392,214
Biodiversity	**115,020,602**	9,568,517	9,923,051	34,033,513		168,545,683
Water resource management	**152,492,182**	4,220,900	841,099	8,227,855		165,782,036
Environmental governance	**59,382,317**	40,000,000	42,018,694	857,186		142,258,196
Sustainable economic development	38,334,623		**93,069,715**			131,404,338
Fisheries and coastal/marine resources	**78,543,236**	8,694,873		2,600,574		89,838,682
Sound chemicals and waste management	10,102,670	**71,829,083**	1,125,000	6,406,889		89,463,643
International environment governance	**54,828,481**	9,370,175		1,798,875	8,672,027	74,669,558
Natural Resource Management	**11,782,251**	1,353,663	2,199,859	2,832,731	1,282,048	19,450,552
Other	**10,870,969**	72,154	108,127	512,256		11,563,506
International climate governance	**120,000**			35,700		155,700
Total	**1,287,258,060**	**425,849,441**	**307,372,120**	**189,582,332**	**16,950,362**	**2,227,012,315**

Source: CRIS, Particip analysis

[18] This is explained by the allocations given to the SWITCH programme, aimed at promoting Sustainable Consumption and Production.

[19] Funds going to *"all countries"* were not considered.

5.4.6 Top 20 countries receiving EC support in environment and climate change

A diversified geographical coverage and a predominant sector in each country.

The following table shows the top 20 countries that received support during the period evaluated, as well as the sector that received the largest proportion of the funding in these countries. Together, they represent 18,5% of all country-level funding.

Table 3 EU support to environment and climate change: Top 20 countries receiving EU support (global analysis)

Country	Region	Total contracted amount	Main sector receiving support (%)
Ukraine	ENP	129,464,892 €	Energy (72%)
China	Asia	57,459,326 €	Environmental Governance (64%)
Honduras	Latin America	53,624,106 €	Forest (100%)
D. R. of Congo	ACP	49,137,734 €	Biodiversity (70%)
Jordan	ENP	38,641,812 €	Energy (100%)
Bangladesh	Asia	37,959,940 €	Climate Change (75%)
Senegal	ACP	33,769,220 €	Environmental Governance (84%)
Morocco	ENP	33,009,850 €	Forest (95%)
Egypt	ENP	29,000,000 €	Sound Chemicals and Waste Management (100%)
Uganda	ACP	26,923,282 €	Climate Change (41%)
Pakistan	Asia	25,368,175 €	Energy (95%)
Cameroon	ACP	21,368,394 €	Forest (47%)
Mozambique	ACP	21,202,550 €	Climate Change (84%)
Ethiopia	ACP	18,485,660 €	Forest (53%)
Bolivia	Latin America	17,380,300 €	Biodiversity (100%)
Brazil	Latin America	16,837,109 €	Forest (54%)
Chad	ACP	16,499,993 €	Environmental Governance (47%)
Republic of Moldova	ENP	15,511,357 €	Energy (100%)
Malawi	ACP	14,149,341 €	Climate Change (57%)
Tanzania	ACP	13,317,532 €	Other[20] (70%)

Source: CRIS, Particip analysis

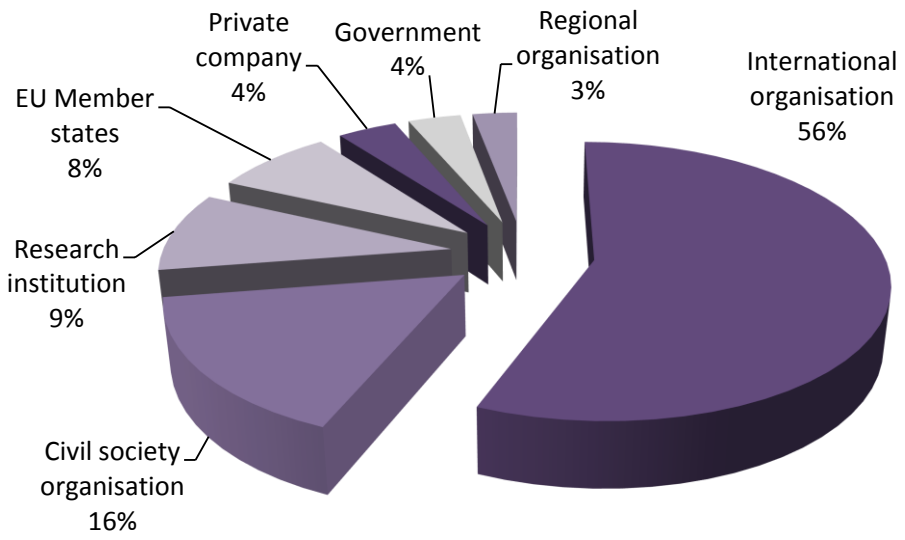
5.4.7 ENRTP funding: distribution of funds by channel

For most sectors, funding goes mainly through international organisations − UN agencies (27% of all contracted amounts,) international financing institutions (15%) and international NGOs (11.3%).

The following figure illustrates the channels used for interventions under the ENRTP. International organisations are the main channel (56% of all funds). Civil society organisations are the second most used channel (16%), followed by research institutions (9%) and EU member states (8%). Regional organisations, one the other hand, only received limited support.

[20] The 70% (EUR 9.27 million) of environment and climate change-related support to Tanzania that is categorised as *Other* refers to the Environment component of the *10th EDF Support to Non-State Actors Programme*.

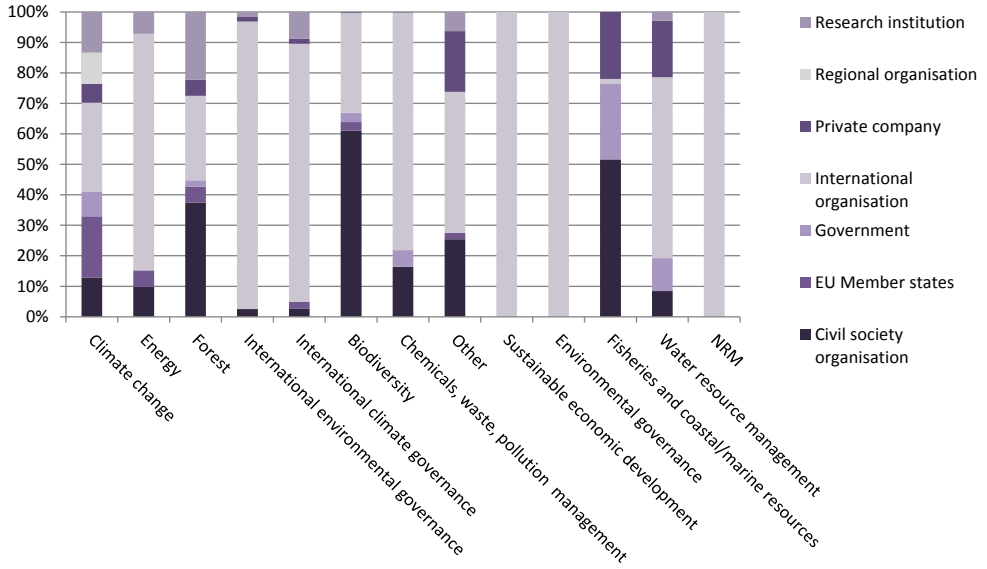
Figure 13 *EU support to environment and climate change. Distribution by channel (ENRTP)*



Source: CRIS, Particip analysis

When looking at the channels used in different sectors, the following picture shows that, for most sectors, funding goes mainly through international organisations. This is particularly the case in Sustainable Economic Development, (International) Environmental Governance and Natural Resource Management, where international organisations represent almost the only channel used.

Figure 14 *EU support to environment and climate change: Distribution by sector/channel (ENRTP)*



Source: CRIS, Particip analysis

Table 4 EU support to environment and climate change: Distribution by channel/sub-channel (ENRTP)

Channel/sub-channel	Total contracted amount	% of contracted amount	N° of contracts
International organisations	**518,138,744 €**	**50.18**	**175**
International Financing Institutions (IFIs)	155,137,982 €	15.03	21
Intergovernmental organisations (IGOs)	37,248,715 €	3.61	38
No information on contracting party available	45,350,000 €	4.39	3
UN agency	280,402,047 €	27.16	113
Civil society organisations	**150,349,500 €**	**14.56**	**135**
International NGO	116,705,910 €	11.30	94
National NGO	33,144,674 €	3.21	38
Research institution	498,916 €	0.05	3
No information on channel available	**112,920,300 €**	**10.94**	**42**
Research institutions	**85,247,469 €**	**8.26**	**44**
EU Member States	**70,818,723 €**	**6.86**	**17**
Private companies	**36,024,212 €**	**3.49**	**155**
Partner governments	**32,019,266 €**	**3.10**	**21**
Local government	3,998,667 €	0.39	4
National Government	23,020,599 €	2.23	16
No information on contracting party available	5,000,000 €	0.48	1
Regional organisations	**26,950,000 €**	**2.61**	**3**
Total	**1,032,468,214 €**	**100**	**592**

6 Answers to the Evaluation Questions

6.1 EQ1: Policy & instruments

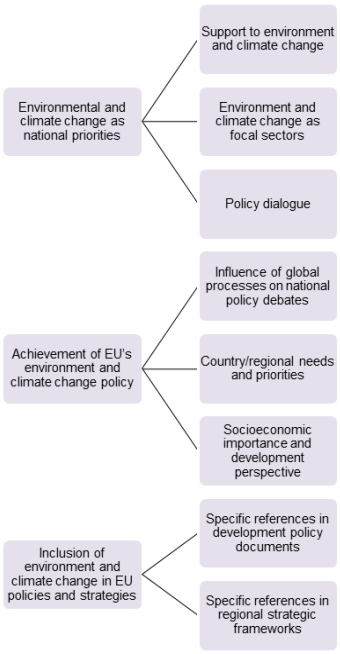
To what extent has EU support to environment and climate change across different instruments (geographic and thematic) contributed to the EU's overall environment and climate change policy aims?

Rationale and coverage of the question

This question evaluates, at an overall level, the extent of EU policy and actual support to environment and climate change, and seeks to understand if this support has been i) sufficient to achieve the EU policy aims, and ii) implemented using modalities and approaches that have increased the likelihood that EU policy objectives have been achieved.

This question is articulated through three judgement criteria and a number of indicators, as shown in the figure on the right, and with detailed reporting in Volume 2.

Judgement Criteria *Indicators*



Summary answer to the Evaluation Question

EU policies had ambitious targets for environment and climate change, and the funding provided was significant, although comprising only 6% of the total development co-operation budget. EU support provided through geographic instruments was well aligned with national priorities and needs, but 38% of the support for the sector was provided through ENRTP, which was guided, to a large extent, by international MEAs and EU policy priorities, rather than national priorities, and mainly funded global actions. The EU and EUDs have also engaged in policy dialogue at national, regional and global levels to promote increased prioritisation of, and action on, environmental and climate change concerns.

Key points:

- The EU has an ambitious policy framework, which clearly emphasises that addressing economic development and environment and climate change cannot be done in isolation from each other. This emphasis also led to a strong prominence of environment in the EU's regional policies and agreements. However, while the policy framework gives a strong and clear message with regard to the importance of integrating environment and climate change, there is no single comprehensive policy that encompasses the EU's position and targets.

On the contrary, the evaluation identified more than 40 policies issued in 2001-2013, each dealing with various aspects of environment and climate change.

- The EU implemented these policies and promoted EU positions through a combination of: a) policy dialogue at global and national levels; b) bilateral programme support to countries, based on the national priorities of partner countries; c) thematic funding for environment under ENRTP, based on MEAs and EU policy aspirations. This combination approach enabled the EU to influence national priorities towards a gradually increased emphasis on environment and climate change (even if it is still somewhat low in many countries). The evidence of this is: a) environment, and especially climate change, features more prominently in the NIPs for 2014-2017 than it did in the CSPs for 2007-2013; b) environmental spending under the geographic instruments increased during the 2007-2013 period.
- The EU influenced the global agenda through: a) presenting its views and positions in international negotiations (in particular in relation to climate change); b) through financial support from ENRTP to strengthen the global process itself (in relation to the latter, the EU did not impose its views upon other parties, but aimed to create global ownership and a conducive environment for reaching global agreements). This helped to ensure an active participation of developing countries, which in turn also influenced their national policies. This often supported EU policies, as many developing countries developed positions and views that were in line with those of EU. The EU also aimed at linking the global policy dialogue with country-level dialogue, but with mixed success due to co-ordination challenges between EU HQ and EUDs.
- Policy dialogue and programming at national level was mutually reinforcing, as the programmatic presence and funding facilitated situations where the partner governments would lend an ear to EU positions. However, the flipside was that sector dialogue in a number of countries focused on programme implementation rather than strategic issues. Moreover, the broader policy dialogue on development priorities did not always address environment and climate change issues to its full potential.
- Overall, the combination of policy dialogue, ENRTP and geographic instruments enabled the EU to engage in a relevant and substantial manner at global, regional and country levels, which enhanced the achievement of the EU's environmental and climate change policy.
- EU support has focused on strengthening MEA processes and the participation of developing countries, rather than directly promoting EU positions. Global MEA processes have influenced national policies, often in a way that is in line with EU policy objectives.
- Overall, the combination of ENRTP and geographic instruments enabled the EU to engage in a relevant and substantial manner at the global, regional and country levels.

6.1.1 EU Environmental and Climate change policy and strategy have contributed to a gradually increasing national partner prioritisation of environment and climate change, even if this prioritisation is still low (JC11)

The EU provided significant funding for environment and climate change, but its proportion of total EU development funding remained low.

EU policies are ambitious in their targets for promoting environmental sustainability, significant GHG reductions, and resilience to climate change impacts. A major tool for putting weight behind these aspirations and translating them into action is the provision of financial resources to developing countries for tangible action. In 2007-2013, EU funding for the environment and climate change sectors amounted to EUR 2.8 billion, constituting 6% of the total EU funding for development assistance[21]. (I-111)

[21] Out of the EUR 3.3 billion, EUR 1.3 million relates to Energy-related funding. Under this heading, there are several sub-sectors for which it is not possible to state that they are 100% relevant for the current exercise and, as such, over-inflate the figures. If these are disregarded, the total amount would be EUR 2.8 billion − or 5.7% of the total EU funding for development assistance.

A significant proportion of EU funding allocation was based on the EU's own prioritisation, rather than those of developing countries.

38% of the environment and climate change funding was provided through the ENRTP thematic programme earmarked by the EU for that purpose. Only 5.6% of total EU spending on development assistance under geographic instruments was provided for environment and climate change, indicating that environment and climate change remain a relatively low priority for partner countries. (I-111)

EU contributed to an increased prominence of environment and climate in national processes, but implementation lags behind.

While the priority given to environment and climate change appears to have been modest, the funding provided by EU under its geographic instruments increased significantly from 2011 to 2012. The choice of sectors for cooperation during the 2007-2013 programming cycle also shows an interest in addressing environment and climate change issues. While only 22% of all partner countries had selected environment and climate change as a focal sector in their CSPs, 71% of all CSPs were at least to some extent addressing environment and climate change issues. This was done either by having programmes on environment or climate change outside their focal sectors, or by the issues within other focal sectors − for example, in Rwanda and Kenya, where environment and climate change adaptation figured prominently in the agriculture/rural development focal sector. The latter is an indication of an understanding that environment and climate change are cross-cutting issues that cannot fully be addressed in isolation. In the new NIPs (2014-2017) for the case study countries visited, environment and especially climate change figure more prominently than in the previous CSP, even if not a focal sector (e.g. Rwanda, Kenya, Egypt).

National development strategies in partner countries are increasingly addressing ENV/CC issues, but while environmental policies are improving, their implementation is often weak, indicating that the level of prioritisation is still modest. (e.g. Kenya, Ghana, Ukraine). (I-111, I-112)

The EU has, through a combination of funding and dialogue, contributed to a gradually increasing prominence of environment and climate change in the national development processes of partner countries, and this resonates well with the EU's policy goals. But the priority generally appears to remain modest, as illustrated by the comparatively low share of EU funding going to the environment and climate change sector, and the continuing severe environmental degradation taking place.

Dialogue and programming were mutually reinforcing – but with a tendency to discuss programmatic issues, rather than strategic issues.

Policy dialogue and programming are generally linked, and programmes and projects are reinforcing and informing policy dialogue. They generate lessons and evidence of available options, and the EU "brings something to the table". Several programmes and projects are specifically aimed at informing and supporting policy dialogue, especially in China, where EU programmes and approaches have informed a number of policies. It appears that the ability to achieve policy results is highly dependent on the local context. However, when policy dialogue is closely linked to a programme, there is a danger that the dialogue focuses on the programme, rather than the broader issues. This is seen in the dialogue in the Natural Resources and Environment Sector Working Group dialogue in Ghana, as well as dialogue in China and Brazil, which have focused on sharing know-how. (I-113)

The above indicates that the policy dialogue in the environment sector tends not to focus as much on whether governments should increase the priority given to environment and climate change (the "why" question). Instead, the policy dialogues focus on specific areas of collaboration, and environment

sector dialogue appears to have focused on programme progress (the "how" question) rather than larger national priorities. The focus on the "how" rather than the "why" is not surprising, given that the environment sector by nature is prioritising itself. (I-113)

Environment and climate change was not always brought into the broader dialogue on development priorities to its full potential.

Environment and climate change rarely appear to figure prominently in policy dialogue in relation to overall national development priorities. Ghana and Rwanda are examples of this, and it seems in these cases to be linked to the absence of environmental indicators for general budget support. On the other hand, there are some examples of dialogue on prioritising environment, such as in Egypt, where an early discussion with the Ministry of Planning indicated that "the Government of Egypt considers poverty eradication, deep democracy and environment as priority broad policy areas to be addressed".

At sector level, environment and climate change figure quite often in policy dialogue in the agriculture/rural development (land degradation, climate change adaptation) and energy (renewable energy, energy efficiency) sectors, but to a much lesser extent in the transport sector. Overall, the prominence in sector dialogue has increased significantly from 2007/8 to 2013. (I-113)

The EU actively sought to link national and global level dialogues, but the co-ordination was insufficient to ensure an effective link.

Policy dialogue to enhance national prioritisation of environment and climate change does not take place only at country level. International governance forums are important policy dialogue events that provide opportunities to engage high-level policy-makers in discussion on environment and climate change from a broader development perspective. In this context, démarches taken by the headquarters and the EU's Green Diplomacy Network (GDN) play a role in linking national and global dialogue carried out by the EU and Delegations. However, the effectiveness is sometimes constrained by EUDs not always having a working relation with the relevant ministries (e.g. Rwanda), EU HQ outreach missions coming too late in the year to influence Government positions (e.g. Kenya), or outreach missions being insufficiently coordinated with EUDs. This indicates that the HQ-initiated dialogue is most effective in countries where environment and climate change is also a focal sector in the country programme. Awareness of the GDN was generally low among the EUDs visited. Moreover, a number of global thematic interventions under ENRTP engage in policy dialogue in order to bring global perspectives to the national level. (I-113)

An early finding of the FLEGT evaluation (ongoing at the time of this report) is: "*Over the years, FLEGT objectives have been included in bilateral dialogues, as part of a broader political agenda including trade and environment, with both consumer countries (Japan, USA) and BRICS (Brazil, Russia, India, China and South Africa). While these dialogues are reported to be constructive, tangible results and impact are yet to materialise."*

6.1.2 ENRTP and geographic instruments enabled the EU to engage in environment and climate change in a relevant manner at country, regional and global levels, and enhanced the achievement of the EU's environmental and climate change policy (JC12)

Actions under geographic instruments were aligned with, and supportive of, national priorities and needs.

In line with the Paris Declaration, the EU is committed to align with, and support the implementation of, national policy priorities in developing countries. In terms of the geographic instruments, alignment with national priorities is a key principle, and the programming is based on national development plans and a close dialogue with the recipient government. A uniform finding in the countries visited was that Government priorities, national development/poverty reduction strategies and/or donor co-ordination were the main factors determining the choice of focal sectors programmes. This was also the case for specific actions in relation to environment and climate change in the case countries. At the same time, EU programming was sometimes ahead of current priorities and stimulated change – e.g. in relation to resource efficiency in Egypt and sustainable service delivery in Bolivia. (I-122)

ENRTP actions were often aligned with global MEAs, rather than national priorities.

ENRTP as a thematic programme was intended to be complementary to the geographic instruments and focus on global challenges and the EU's priorities and goals. Hence, ENRTP mainly worked on global environmental and climate change concerns and had international organisations as the primary implementing partners, rather than national governments. The majority of actions were global actions, and hence the alignment of these with national priorities appears to have been less important than alignment with international agreements, with which ENRTP actions were well aligned. Nonetheless, a number of ENRTP actions were implemented at regional or national levels, and even a number of global programmes had country-level activities. The alignment of these with national priorities was mixed. Some actions were closely aligned with national priorities and needs − for example, actions related to GCCA, Partnership for Action on Green Economy (PAGE), Low Emission Capacity Development (LECB) and FLEGT − and ENRTP actions in China reinforced national climate change mitigation plans. But ENRTP projects were often of an innovative nature and tackled topics that had not yet made it to the national policies and priorities. Moreover, since there can be a lack of awareness of the impact of environmental degradation on economic development and the economic value of environmental services, environment was not always a priority on the national agenda. Hence, ENRTP as a thematic programme played a role in creating awareness and enabling national governments to address emerging issues. So while ENRTP may not always have been fully in line with the Paris Declaration, the preference given to MEAs and innovation, rather than national strategies, was justified. Nonetheless, this sometimes meant that ENRTP was perceived as top-down and with insufficient stakeholder consultation and consideration of national priorities, and the involvement of EUDs was usually limited. (I-122)

Global MEA processes have influenced national policies – often, but not always, in a way that supported EU policy positions.

MEAs are an important influence on national policy debates, since they commit countries to implementing environment and climate change policies and actions. The UNFCCC to a greater extent than the MEAs influences national debates, given the high level of political attention that climate change receives in the public discourse, whereas biodiversity and other environmental issues generally are far less visible in the public debates (e.g. in Ghana and Kenya). As described under EQ6 and EQ7, the EU has, through ENRTP, provided significant support for strengthening global MEA processes. Stakeholders consider EU support instrumental in strengthening the de-

livery capacity of MEA secretariats, and thereby the entire MEA processes.

As described in more detail under EQ6 and EQ7, EU support has contributed to strengthening the capacity of developing countries to: a) engage in MEA negotiations; b) translate international commitments into national policies and plans.

Countries such as Ghana and Kenya engage proactively in the UNFCCC process, and they often share the views of EU (e.g. on the need for binding agreements). The participation in UNFCCC has also influenced their domestic policies and priority-setting, with new policies and institutional mandates. However, other countries have pursued policy goals that are not in line with EU policy, such as Ukraine's advocacy for retaining its rights to sell Assigned Amount Units (AAUs) to other Annex 1 countries. (I-121)

EU support focused on strengthening MEA processes and participation rather than forcing EU positions on partner countries.

The EU has deliberately kept a low profile in its support for MEA processes, so as not to be seen as forcing EU positions on other countries through funding. Therefore, support has mainly been channelled through the UN system, as it represents all countries and plays a role as a "neutral broker" and facilitator of the MEA processes. Considering the aspiration to enhance the participation and voice of developing countries, this approach appears to be results-oriented and prudent. (I-121)

ENRTP and geographic instruments enabled EU to engage in a substantial manner but the influence on policies varied.

Several EU-funded actions, under both geographic instruments and ENRTP, were aimed at influencing and strengthening national policies and plans, and a number of projects included a policy dialogue element (see I-113). However, while many actions did indeed aim specifically at influencing national policies, the results appear mixed. Some projects were successful in their endeavours to influence policies, but others were not fully so. It appears that the ability to achieve policy results was highly dependent on the local context, in terms of government buy-in, institutional set-up and capacity, and understanding of the project. A review in 2013 of grants provided under ENRTP's grant scheme found that most projects tended to have an influence on policy, and that, in some cases, policies were changed or adapted as a result of ENRTP support. The most significant areas of influence were biodiversity, FLEGT and climate change.

Geographic instruments also influenced policy. For example, in Ghana, the EU co-funded NREG sector budget support programme enabled the formulation of national policies on climate change and environment and the establishment of the Akoben compliance system; and the PADP (Protected Areas Development Programme) enabled the development and roll-out of the CREMA (Community Resources Management Area) community-based approach to biodiversity conservation outside protected areas. On the other hand, the Europe-China Energy Clean Centre (EC2) had not achieved its objectives of enhancing the policy-making and implementing/enforcement capacity in China. Indeed, the capacity to actually implement and enforce otherwise good policies remains a major issue in many countries. (I-123)

6.1.3 Environment and climate change figured prominently in EU policies and strategies with third countries and regions, but in regional agreements, there was a stronger focus on emerging economies than LDCs (JC13)

EU policies are ambitious and emphasise the need to address environmental issues within the context of economic development.

Overall, EU policies related to environment and climate change in development assistance and international governance are ambitious. The policies are supportive of MEAs and cover a comprehensive range of environmental issues, which are always framed in the context of sustainable economic development and poverty alleviation. EU policies have consistently promoted the integration/mainstreaming of environment and, later on, also climate change into other sectors, as well as broader poverty reduction and economic development strategies and EU-partner policy dialogue (see also I-811).

EU policies in relation to the MDGs have emphasised the need to address environmental issues, within the context of economic development and the role that environmental services play in this regard. (I-131)

EU polices are coherent, but there is no single policy that encompasses the EU's position and targets.

Although there are several policies on environment and climate change, they appear coherent. However, there is no single coherent and comprehensive policy for environment and climate change in development assistance. Relevant policy positions are currently scattered over several communications, and lack detail on how the EU will implement the policies. This situation makes it difficult for EUDs to get a clear overview of EU policy positions and priorities on environment and climate change. The coherence with policies for the agriculture, energy and water sectors is generally seen by EUDs as being good, but not for the fisheries, trade and transport sectors. (I-131)

The EU was an early mover in relation to embracing sustainable consumption and production.

EU policies have demonstrated an early focus on sustainable consumption and production. The EU thus appears to have been an early mover by embracing the green economy concept before it became a prominent concept in international discourse. (I-131)

The focus on climate change increased significantly over time and is now a particularly high priority in EU policies.

In the beginning, the emphasis of EU policies was mainly on environment, but the focus on climate change increased significantly over time, UNFCCC is given high priority and significant attention in EU policies, with a focus on the linkage between climate change and economic development, and therefore mainstreaming of climate change. Policies have evolved from focusing primarily on curbing emissions to increasingly addressing adaptation in vulnerable countries. Climate financing has been prominent on the agenda since 2009, reflecting the priorities of developing countries. From 2011, the focus has also been on facilitating the reach of a globally-binding agreement in 2015, by stepping up the EU's climate diplomacy efforts. (I-131)

Other MEA conventions received less attention than UNFCCC in EU policies.

The significantly increased focus on climate change has perhaps, to some extent, been at the expense of attention given to other major environmental issues (e.g. land degradation/desertification and invasive species), although EU policies emphasise the linkage between climate change and other environmental issues.

Biodiversity and sustainable management of natural resources were given priority throughout the period evaluated. However, UNCBD is receiving less attention than the UNFCCC, although the EU has developed and updated biodiversity strategies, and biodiversity is also mentioned in several other policy documents.

UNCCD is the Rio Convention aspect receiving the least attention. The EU has not adopted any specific policies in relation to UNCCD, but desertification and land degradation are mentioned in a number of policies. The situation is similar for other non-Rio Convention MEAs. (I-131)

Environment became increasingly important in EU regional and bilateral agreements with developing countries.

While environment has been on the agenda of regional agreements since before the 1990s, the prominence of environment and the level of detail has grown over the years, especially since around 2005. The range of environmental themes covered is very broad, but climate change and energy have become increasingly prominent themes. (I-132)

EU regional and strategic bilateral agreements focused on emerging economies, rather than LDCs.

Although the ACP region is receiving more development assistance from the EU than Asia and Latin America, the number of regional agreements, dialogues and policies for Asia, Latin America and ENPI South is larger than for ACP. ENPI East has only few regional agreements, but the EU has bilateral agreements with all the countries in the region − unlike for ACP. There is a similar tendency for bilateral agreements and partnerships, with bilateral agreements on economic/strategic partnerships, trade and dialogues tending to focus on bigger countries/economies and mid-income countries − i.e. the BRIC (Brazil, Russia, India, China) and BASIC (Brazil, South Africa, India, China) countries, especially China, and the wealthier countries in Latin America. The exception is South Asia, where bilateral agreements are signed with five SAARC (South Asian Association for Regional Co-operation) countries in the absence of a regional/sub-regional agreement. Hence, the regional and bilateral agreements and policy dialogues have focused more on regions and countries where: a) there are significant economic and trade relations; b) where environmental issues are linked to economic growth; c) countries that have a significant influence on international negotiations. (I-132)

6.2 EQ2: Low emission

To what extent has EU support (via the ENRTP and geographic instruments) contributed towards developing countries being better prepared for low emissions development?

Rationale and coverage of the question

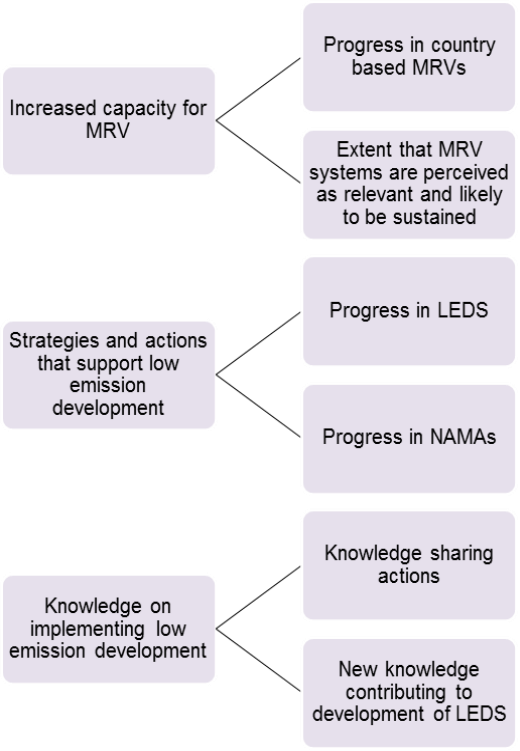
The evaluation question assesses progress towards climate change mitigation, which is one of the key priorities of the wider EU policy on environment and climate change towards third regions and countries. Mitigation of GHGs and the adoption of low-emission development is a core thrust of the ENRTP, and it also links well to the envisaged successor programme on global public goods.

Within the priority area of climate change and sustainable energy, the climate adaptation sub-priority is already being evaluated by another evaluation (of GCCA,) and the energy sub-priority is the subject of another evaluation question.

The five main projects supported by the EU during the period evaluated that contribute to low-emission development are: EU-UNDP LECB[22]; the World Bank-led Partnership for Market Readiness (PMR)[23]; the Urban-LEDS through UNHabitat[24]; the EU MRVCB implemented by GIZ; and support to international aviation through the ICAO.

This question is articulated through three judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.

Judgement Criteria *Indicators*



[22] The LECB is a project implemented by the UNDP aiming to build capacity for MRV/NAMA and LEDS. The EU contribution is Euro 18 million and the total project cost is Euro 32 million. The project focuses on 8 countries in Africa, 8 in Asia, 12 in Latin America and Caribbean and 7 in the Middle East and North Africa.

[23] The PMR is a project implemented by the WB and aiming to foster a market readiness for adopting low carbon technology and mitigation. The EU contribution is Euro 5 million in a first tranche and the total project cost is USD 110 million. The project focuses on South Africa, China, India, Indonesia, Thailand, Vietnam, Brazil, Chile, Columbia, Costa Rica, Mexico, Peru, Jordan, Morocco, Turkey and Ukraine.

[24] The Urban –LEDS project is implemented by UNHABITAT and aims to develop NAMAS and LEDS at the city level. The EU finances the entire project cost of Euro 6.7 million. The project focuses on cities in South Africa, India, Indonesia and Brazil.

Summary answer to the Evaluation Question

EU development co-operation has channelled support through a number of leading international partnerships and processes engaged in preparing developing countries for low-emissions development. The support, aimed at developing MRV, NAMAs, LEDS and market readiness, follows best practice, and the approaches followed take account of the fact that low-emission development is a long-term aim where results are crucially dependent on ensuring early country-level commitment. The EU, through these global programmes, is supporting some 35 countries.

The strategy of working through already established leading international programmes, such as those of the UNDP, WB, ICAO and ICLEI, has led to greater efficiency and reduced the danger of proliferating different approaches than would probably have been the case with the alternative of setting up new EU-led projects. The EU takes a global approach to a global problem, which is credible and more likely to lead to voluntary adoption of mitigation targets. However, the visibility of the EU has potentially suffered, and the opportunity to make use of the experience of EU member states has probably been less than would have been the case with new EU-led projects.

Key points:

- EU support has led to significant advancement of MRV systems in many of the selected countries, although it is too early to conclude that fully robust MRV systems have been developed, as this is a long-term effort.
- EU-supported projects ensure that MRV is embedded in national priorities and is demand-led.
- The EU approach has increased the coherence of capacity and technical support to MRV.
- Although no NAMAs have yet been fully completed, EU-supported interventions are developing a considerable pipeline of NAMAs in different sectors and countries that will considerably add to the global registry and credibility of the NAMA concept. In contrast to other efforts, the EU support has led to NAMAs being established in lesser-developed countries such as Uganda, where six NAMAs are being supported.
- The LEDS that are being developed through the EU-supported projects and programmes take their departure in national development plans and processes, and, although taking longer, it makes them more likely to be implemented. The crucial success factor for LEDS has been the level of in-country demand and the presence of a favourable institutional and political environment.
- The methodologies and approaches to knowledge-sharing are state of the art, and use a variety of mediums and means of reaching out to stakeholders. Particularly important has been the peer–to-peer knowledge exchange.
- EU-supported interventions in increasing knowledge and developing capacity appear to be genuinely partner-owned and demand-led, and they are thus likely to lead to capacities that are made use of in practice.
- Although documentation of knowledge-sharing events is generally very good, there is not a systematic measurement or presentation of capacity-related results or a monitoring and reporting of their influence on low emission strategies. This makes it difficult for the programmes to learn and to adjust their approach to allow constant improvement.

6.2.1 The capacity to monitor, verify and report on GHGs has increased, thus creating an important prerequisite for global reporting and systematic mitigation action (JC21)

The EU support to MRV systems is a highly-strategic action for advancing mitigation.

Increasing the capacity to establish, operate and maintain credible MRV systems is a crucial and highly-strategic task for implementing EU policies on mitigating climate change. MRV systems are well-embedded in the international framework created under the UNFCCC, and are a critical part of the global efforts to establish collective and long-term action to combat climate change. The EU support to projects and programmes that aim to increase

the awareness of, commitment to and capacity of MRV systems are thus well conceived because they assist in internalising accountability mechanisms for implementing policy. (I-221, I212)

The approach of working through well-established international partners that have a global reach and credibility is well conceived.

The EU has selected − and, in some cases, helped establish − a number of international projects and programmes aimed at increasing the capacity of MRV systems. The alternative of setting up EU projects would have added to the danger of proliferation of support efforts that are not co-ordinated, and which would have had to build internal delivery capacity from scratch, rather than relying on already-established capacity of partners such as UNDP, WB, ICAO and ICLEI. The EU's global approach to a global problem is more credible and likely to have greater success than attempting an EU-led effort – especially where the programme is led by an agency that is under international governance, and where the countries being advised are also part of the governance structure of the agency.

Working both with the UNFCCC on mitigation issues from a governance stance (examined under EQ7) and with selected international partners from an implementation stance has proved fruitful. By choosing to work with international partners, the EU support has been able to address awareness, commitment and capacity gaps outside the highly politically-charged negotiation environment of the UNFCCC. A conscious de-linking of the support from the negotiation politics has been one of the features that have enabled both technical and political progress to be made. The downside of working through international partners is the potential loss of direct visibility. However, for most of the projects and programmes, the EU visibility is respected, and in some cases (e.g. the UNDP LECB project) is actively promoted and seen as bringing additional credibility to the project. (I-211, I-212)

Progress looks promising, but it is still too early to measure the success in developing MRV systems.

Although there have been some notable successes, it is generally too early to measure the success of the EU capacity development through the establishment of improved MRV systems. Most countries are still at a very early stage in MRV development, and there is not a strong baseline against which to measure progress. It is a slow process and, for the most part, progress has been in terms of identifying the relevant stakeholders, introducing what the different projects can offer, holding workshops for peer exchange, and encouraging the countries to make plans for support. (I-211)

The demand- led approach is slow, but is starting to show results.

The demand-led approach is being rigorously adopted and, although slow at first, is starting to show concrete capacity development results that are likely to be sustained. MRV is voluntary for the non-annex I countries, and thus it is important that advances are fully embedded in national processes, and that the support process, while pointing forward, does not at any stage get too far ahead of national commitment levels. An example of adopting the demand-led approach is that both the LECB and Urban-LEDS projects have changed the selection of countries whenever it became obvious that the country commitment was not in place and was unlikely to change in the near future.

There has been significant progress in initiating and strengthening MRV processes. In some cases, such as Lebanon, concrete progress has been made in officialising MRV. There are also concrete examples in Chile, where MRV systems led by the private sector are being adopted. The support to building capacity in the public and private sectors is evident in the LECB and PMR initiatives.

The evidence is that the EU-financed support efforts:

- Are following a demand-led approach;
- Have set ambitious, but realistic, objectives that are tested at country level;
- Have customised interventions to the country-level situation− and, in the case of the Urban-LEDS project, to the city-level situation;
- Have selected countries that represent a mix of those that are highly committed and can showcase progress (e.g. Mexico) and those that have huge potential to contribute internationally but are still lagging (e.g. Indonesia);
- Are targeting partners that have the mandate and influence to make a difference.

The results already reached suggest that following this approach will ultimately yield the expected results. (I-212)

Co-ordination of capacity and technical support to MRV is still a crucial issue.

Developing countries are approached from all angles by support efforts for MRV, NAMA and LEDS, and there is an acute danger of confusing methodologies and incompatible databases and processes being set up. If not harmonised and effectively co-ordinated, this could lead to duplication, waste of resources, and a lowering of capacity in the countries. Attempts to establish global co-ordination have not yet met with success.

The successful in-country co-ordination in the Philippines − noted in ROM reports − and the co-ordination of MRV efforts noted in the Kenya, Egypt and other field missions point to the benefit of placing more attention on building systems and capacity for local co-ordination. (I-212)

6.2.2 Strategies and actions such as NAMAs and LEDs strategies are available to support low-emissions development (JC22)

The EU has supported a range of strategies and actions, with an emphasis on NAMAs and LEDS.

The approach of focusing on NAMAs and LEDS to support low-emission development is in line with international guidance and best practice. The Urban-LEDS project has experimented with vertical NAMAs, which is an approach applicable at sub-national or city level. The PMR programme focuses more on establishing market readiness and developing advanced market-based tools such as Emission Trading Systems, as well as NAMAs. The support to aviation focuses on a particular sector that has a global rather than country scope. Overall, the range of approaches adopted by the EU-supported interventions is appropriate and is guided by best practice, as well as being innovative and experimental. (I-221, I-222)

Although no NAMAs have yet been finalised and funded, there are many under preparation through EU supported interventions.

NAMAs are a relatively new concept, and a universal definition is not yet in place. The UNFCCC NAMA registry prototype records 51 NAMAs worldwide. The LECB project alone is working on over 70. Even if only half of these become registered, it will make a significant contribution. The scale of the NAMA support being provided by the EU is thus considerable. A critical factor for NAMAs is to make them bankable and ensure that they can be financed. This crucial aspect has not yet been tested by the EU-supported projects. (I-221)

NAMAs are being supported in many sectors and also within least developed countries.

In contrast to the NAMAs recorded in the UNFCCC NAMA registry prototype, which focus on medium-income countries, the NAMAs being supported by the EU through a variety of programmes and projects also provide support to least developed countries, such as DR Congo and Uganda. In Uganda, it is notable that six NAMAs are being supported at concept stage. With additional EU support, the LECB project has recently established a NAMAnet, which is a constellation of consortiums that act as centres of excellence to provide dedicated support to countries (including least developed countries) in developing NAMAs. This "outsourced" approach is likely to speed up progress, but could also, if not well managed, lead to capacity being developed within the consortiums, rather than within the country structures. (I-221)

A bottom up strategy for developing LEDS has been adopted meaning the LEDS are behind NAMAs in terms of progress.

The EU projects and programmes support around 35 countries, in most of which there is preference for developing LEDS through a bottom-up process that pilots MRV systems and NAMAs as the basis for developing an initial LEDS − which can then provide an overall strategy for prioritising MRV and NAMAs. A consequence of this is that progress in LEDS is lagging. Nevertheless, there are a number of promising developments. At the city level, for example, the Urban-LEDS project has catalysed a municipal-level LEDS process in Recife, Brazil. At the country level, examples include: Chile, where a LEDS proposal has been submitted to the Ministry of Finance; Colombia, where active support is being provided to a Low Carbon Development Strategy; and the Philippines, where two sectorial mitigation road maps are being prepared with EU support. (I-222)

The LEDS that are being developed are well-embedded in national development plans, making them more likely to be implemented.

The ROM reports and testimonials from reporting on PMR and Urban-LEDs show that the efforts to develop and support LEDS have not been isolated within project structures. The LEDS under preparation all show signs of being well-embedded in national plans and processes. This is illustrated by examples such as the approach of:

- Support to ongoing processes, rather than trying to start new ones − e.g. supporting the elaboration of an already-approved LEDS in Colombia.
- Working through well-established institutional sets up − e.g. in the Philippines, through the Climate Change Commission, and in Uganda, through the Climate Change Unit.
- Working with respected international bodies, such as the International Civil Aviation Organisation, that are global bodies that have a direct link to the central implementation processes at country level. (I-221)

For MRV, the level of in-country demand and the institutional and political environment determines the pace of progress.

The approach of the EU-supported projects and programmes is to respond to demand. To a large extent, the support focuses on actions and strategies that are "no or low regret", which makes it easier to generate demand. With an initial grant to help formulate plans, the larger multi-country projects and programmes, such as the LECB and PMR, rely on countries to self-determine the most relevant actions and, in general, only co-finance and support rather than substitute national action. The importance of a favourable political environment is evident in Egypt, where national commitment to climate mitigation and development of LEDS has risen remarkably since the Arab Spring democratic uprisings in 2011.

In some cases, there is evidence of highly catalytic action − such as in Recife, Brazil, and in Lebanon, where a relatively small but strategic intervention leads on to significant internal action.

It is not always clear from desk studies and interviews to what extent there are project actions that deliberately generate demand for LEDS. The multi-country workshops and peer-to-peer exchanges certainly raise awareness. The convening power of the partners chosen by the EU has also meant that high-level officials (e.g. in the Ministry of Finance, City Mayors) that are outside the more narrow climate change fraternity are involved. Some of the countries selected, such as Indonesia, are also examples of where one of the main challenges is to stimulate demand and broaden political support. The EU green diplomacy network did not appear to have been engaged in support of the projects. (I-221, I-222)

6.2.3 Knowledge on implementing low-emissions development has increased (JC23)

The EU supported programmes have introduced innovative knowledge sharing practices.

Knowledge sharing is at the heart of the large multi-country projects and programmes, such as the LECB, the PMR and the Urban-LEDS. Both south-south and north-south knowledge sharing is encouraged. The EU-supported projects strongly promote peer exchange events, and these are judged as being one of the most effective mechanism of capacity development as they encourage the formation of formal and informal networks that can potentially continue even after external support is withdrawn.

The peer exchange is also highly practical, as the demonstration effect of what can be achieved by other countries that experience the same types of constraints and are at the same level of economic and social development is compelling. (I-231)

The knowledge-sharing has engaged both technical and political levels.

The knowledge and capacity development interventions address a number of actions across the knowledge management cycle, from knowledge generation to awareness-raising, and from training through to dissemination and piloting. The EU-supported projects use a variety of mediums and means of reaching out to stakeholders. There are actions aimed at building individual capacity as well as organisation capacity, and the aspects of the enabling environment are also addressed.

It is impressive that the EU-supported projects and programmes have deliberately and successfully engaged with both the technical and political levels (e.g. in Lebanon, the NAMA and LEDS concept was explained to the country's highest inter-ministerial decision-making body, the Council of Ministers). There has been less conspicuous success in engaging with civil society and the private sector, and it is not easy to determine their level of engagement.

As the PMR programme advances from preparation of plans towards implementing market readiness measures, it is likely that a significant acceleration in engagement of the private sector will take place through the emphasis on market mechanisms that will attract profit-seeking private enterprises. (I-231)

The EU-supported interventions are partner-owned and demand-led.

In the case of MRV and NAMAs, the projects and programmes are based on plans that are developed by the countries themselves and largely under the institutional supervision and control of permanent national bodies, rather than project-specific implementation units – although, for practical implementation, such units are in some cases set up in a supportive role. There are, however, cases of project-specific implementation units, such as in Egypt, where − for institutional and other reasons − there is no better alternative.

There is also evidence of significant partner contribution and co-financing, which tends to indicate that continued involvement is genuine and not just

being attended because the training and knowledge-sharing is free. It is not clear from the evidence available to which extent knowledge (apart from being available on the internet) is deliberately disseminated in-country − for example, via environment and climate desks in different ministries. Mainstreaming of low-emission strategies into sector and national development plans is crucial, but opportunities for doing so are limited and there does not seem to be a deliberate or systematic strategy yet set out for how to achieve this. (I-231, I-232)

Although knowledge-sharing events are well-documented, capacity development is not monitored.

Summaries and detailed information, for most if not all events, are easily accessible on the Internet and of high quality. There are a number of informative information sheets, particularly from the LECB and Urban-LEDs projects. There is an abundance of evidence of knowledge-related and capacity-building activities taking place (I-231), and also a considerable body of anecdotal evidence of the impact on development of low-emission strategies. (I-232) For example, knowledge and capacity development are having an influence on development of low-emission strategies − as seen in the cases of Costa Rica and Philippines, where current emission strategies are being supported, or Lebanon, where the legal framework for low-emission development is being initiated and already having significant results (e.g. 200 companies applying for green certification status). However, there is not a systematic identification of a baseline, the results to be achieved or measurement of progress towards capacity development results. As a result, the programmes are not as accountable as they might otherwise be, and lessons on what works and what does not cannot be as clearly identified. (I-231, I-232)

6.3 EQ3: Sustainable energy

To what extent has EU support (via the ENRTP and geographic instruments) contributed to improving the enabling environment for investments in sustainable energy development?

Rationale and coverage of the question

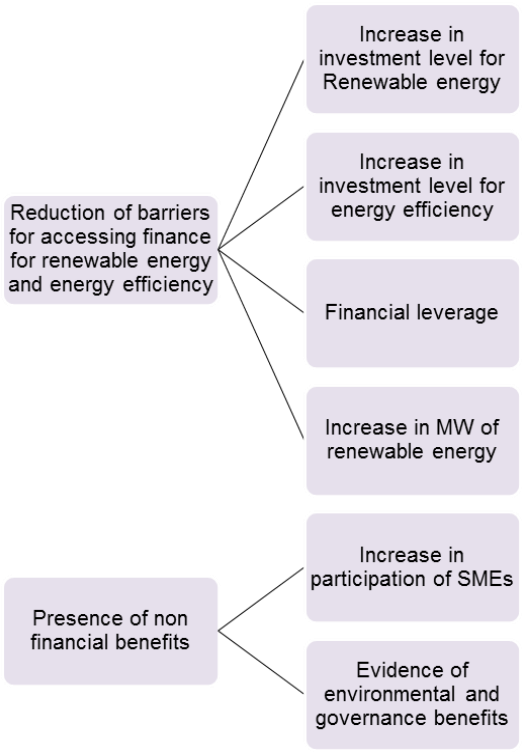
The evaluation question assesses the contribution of EU support towards improving the enabling environment for investments in sustainable energy, with a focus on the reduction of the financial barriers for renewable and energy efficiency investments in developing countries. The EU support to the energy sector is extensive and covers a variety of areas. Three major international initiatives were supported during the period:

- Global Energy Efficiency and Renewable Energy Fund (GEEREF) (EUR 125 million)
- EUEI and ACP-EU Energy Facility (EUR 178 million)[25]
- SEA4All (EUR 400 million)[26]

GEEREF was selected for in-depth evaluation as it: i) directly addresses access to finance as one of the main barriers to scaling up investments in sustainable energy development; ii) represents a flagship initiative of the ENRTP; iii) is a new and innovative EU-led initiative dedicated to energy efficiency and renewable energy.

This question is articulated through two judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.

Judgement Criteria *Indicators*



[25] The ACP-EU Energy Facility aims to alleviate poverty by incrementing access to adequate, affordable and sustainable energy services to the poor in economically and socially disadvantaged areas. For more information, refer to: https://ec.europa.eu/europeaid/sites/devco/files/publication-acp-eu-energy-facility-ec-2009_en.pdf

[26] A global initiative with three interlinked objectives:
1. providing universal access to modern energy services;
2. doubling the global rate of improvement in energy efficiency; and
3. doubling the share of renewable energy in the global energy mix.

For more information refer to: http://www.se4all.org/

Summary answer to the Evaluation Question

The EU, as founder and lead donor of the Global Energy Efficiency and Renewable Energy Fund (GEEREF), has contributed to improving the enabling environment for investments in sustainable energy. Through the EU's innovative action in developing GEEREF as a flagship initiative of the ENRTP, significant investment leverage has been achieved for renewable energy, but not for energy efficiency. By establishing a solid track record of investment returns on small-scale renewable energy in developing countries, a contribution has been made to reducing financing barriers, especially in lessening the perception of risk. The investments in renewable energy have improved access to energy, and have also led to employment, skill enrichment and, in the case of some of the projects, longer-term income generation for marginalised communities.

Key points:

- The EU, as a founder and lead donor, has played an important role in developing an original and highly innovative concept that mobilises the private sector.
- GEEREF investments in renewable energy are rapidly increasing and have achieved a high leverage of private and other donor finance (a total EU contribution of EUR 125 million is likely to lead to over EUR 11 billion of investment).
- Investment in energy efficiency has been low due to insufficient demand and the complexities of using the GEEREF risk capital model for energy efficiency.
- There is evidence that GEEREF is contributing towards creating a new asset class[27] for small-scale renewable energy in emerging markets, which in turn could unlock significant private sector risk capital in the future.
- With EU support through GEEREF, a contribution has been made to lessening the number of persistent financial barriers, especially through reducing the perception of risk (by establishing a track record of investment returns in small-scale renewable energy in developing countries).
- For the few cases that are documented, there are indications of significant non-financial benefits to the GEEREF involvement in renewable energy, mainly in relation to environment, employment and capacity development.
- Already within current investments, about 1.6 million people are benefiting from improved energy access, and if the investments continue as expected, this will rise to over 9 million.
- There have not been any special or systematic measures to reduce the barriers for involvement of SMEs in renewable energy[28], which has potentially led to missed opportunities to broaden the non-financial benefits.

6.3.1 Barriers have been reduced for accessing finance for renewable energy, but not for energy efficiency (JC31)

GEEREF has led to a significant leverage in investment in renewable energy.

To date, EUR 72 million have been committed by GEEREF to seven different regional funds (box 1), which, due to a very high leverage and multiplier effect (close to 50 by some calculations), is likely to lead to a final investment volume of over EUR11 billion, if all goes to plan. This implies a very significant leverage After a slow start, due to the need to ensure a solid prospec-

[27] According to GEREEF, there are some prospects of a new asset class emerging after GEREEF dissolves and the fund is divested. If it is confirmed that a return of between 15& and 25% was made, then this information could contribute to setting up a track record for returns in small-scale renewable energy. This in turn could encourage the creation of a new investment asset class that targets small-scale renewable energy. Given the relatively attractive returns (partially as a result of poor information on, and ungrounded fear of, small-scale renewable energy), external investors could find small-scale renewable energy sufficiently attractive to warrant the creation of investment funds dedicated to this purpose.

[28] This observation refers to the GEEREF, but it must be noted that this is an area where support has been provided under the EU Technical Assistance Facility for the SE4All Initiative.

tus and a proper screening of regional funds, there is a sharply increasing rate of mobilisation of funding. From three regional funds being operational in 2011, there were seven regional funds operational in 2013. In 2011, six due diligence checks on potential funds were carried per year, and this has now doubled to 12. The GEEREF commitment to seven regional funds is roughly equal and distributed among Africa, Asia, Latin America and Eastern Europe. About 18 projects were started by the two first funds (Evolution 1 and REAF) in three countries, and in total it is estimated that these will result in close to 400 megawatts (MW) of additional renewable energy capacity being installed. (I-311)

Box 6 Regional funds

Regional Funds (RFs) are GEEREF's investment targets and, as a result, each RF must have a focus on investing in Beneficiary Projects. The geographical focus of an RF may include a continent, a few countries or a single country, or even a part of a single country, provided that a portion of the RFs' investments (as determined by GEEREF Investment Committee) are located within the Target Market. The geographical focus of the RF is subject to variables, such as the size of the RF and its investment objectives and policy.

RFs may be structured in different ways, depending on the specific market conditions and opportunities. Examples of structures in which GEEREF would consider investing include, but are not limited to:

1. Investment funds for renewable energy projects and/or energy efficiency.
2. Private equity funds for SMEs or specialised financial institutions for the renewable energy and/or energy efficiency sector.
3. Special purpose vehicles specifically created for a number of smaller Beneficiary Projects (clustering).
4. Entities with a business model geared for replication and scaling-up of rural off-grid electrification schemes.
5. Financing schemes with financial intermediaries such as banks, microfinance institutions and leasing companies for SME finance and end user finance focused on renewable energy and/or energy efficiency.
6. Any combination of the above.

Regional Funds may be structured in different ways depending on the specific market conditions and opportunities. Examples of structures in which GEEREF would consider investing include but are not limited to:

RFs shall be established, with a view to providing Risk Capital financing to Beneficiary Projects. However, in exceptional cases, the RFs might provide debt finance for bridging finance purposes or other applicable cases.

Source: GEEREF Prospectus, February 2011

The GEEREF risk capital model has not led to significant investment in energy efficiency.

Only two of the seven regional funds include energy efficiency in their portfolio, and both are in Latin America[29]. Unlike renewable energy projects, energy efficiency projects are not clearly linked to an underlying asset that can be valued and sold. Although energy efficiency investments generate a stream of income (energy costs saved), they normally arise from services provided they have a finite end. Energy efficiency models usually require robust gov-

[29] Same as in previous footnote.

ernance and a regulatory and measurement framework, which is often missing in developing countries. This also partially explains why the initiatives that have taken off are in relatively well-developed Latin American countries, such as Mexico. (I-312)

EU support could potentially lead to the emergence of a new asset class for small-scale renewable energy in developing countries.

As GEEREF establishes a solid track record of returns from renewable energy in developing countries, it will reduce the perception of risk, crowd in private sector finance and lessen financial barriers. It would be fair to say that GEEREF has come to be regarded as one of the world's most specialised risk capital funds in renewable energy and has, in effect, created a new asset class[30]. Already now, it appears likely that private investors, protected by preferential returns, will match the public investment of EUR 112 million. There might even be scope for reducing the degree of preferential returns for a second phase, once GEEREF is divested and final returns become apparent. Currently, it is estimated by GEEREF that the final returns might be between 15% and 25%, although it is too early for these figures to be confirmed.[31] (I-314)

A contribution has been made to reducing a number of persistent financial barriers.

The financial barriers that have been lessened through GEEREF include:

- The perception of risk in investing in small-scale renewable energy in emerging markets, with their high upfront costs and long payback periods. Because of successful GEEREF practice, the perception of risk is now less, as illustrated by private sector response to the GEEREF prospectus. The response has been encouraging, and is based on the investors' evaluation of the track record to date.
- The over-reliance on subsidies, which have encouraged low-quality investment. By practising high-quality investment, GEEREF and the RFs have demonstrated that renewable energy can, in the right setting, compete on an equal footing with conventional energy.
- The tendency for funding to be skewed away from developing countries − especially for smaller investments, where the transaction costs are high. GEEREF has demonstrated that returns can be made in developing countries, and has also strengthened the operational management of regional funds so that they now attract considerable funds to a new portfolio of projects. (I-314)

The EU role has been pivotal in developing an original and highly innovative concept.

The EU's role has been to develop the concept and bring together other funders (Germany and Norway), foreseeing a need for technical assistance for emerging regional funds. The EU has also had a role in nurturing the institutional establishment of GEEREF, which has led to an effective and highly professional management of the fund. Nevertheless, there does seem to be a potential governance contradiction in having the funders on the board and also on the investment committee. While this has not yet caused major problems, there is a need to resolve the issue if a later phase is envisaged. (I-311)

[30] ROM report MR-140822.02 2012.
[31] GEEREF management.

6.3.2 There have been significant non-financial benefits of GEEREF involvement in renewable energy, including skill enrichment, community development and mitigation of greenhouse gases (JC32)

For some projects significant non-financial benefits have been documented.

One of the funds (Evolution One, based in South Africa) has documented considerable benefits in terms of employment (permanent and temporary), skill enrichment, and capacity building. The fund has also documented how a future stream of income from trust fund arrangements related to the renewable energy facilities will benefit local communities. The level of effort and the documentation on non-financial benefits are related to the legal and institutional emphasis given to empowerment of disadvantaged groups in South Africa. The projects examined have adopted stringent environmental and social provisions, and have demonstrated, where relevant, compliance with legal provisions on environment and labour. With existing investments, it is estimated that about 1.6 million people are benefiting from improved access to energy. If GEEREF investments continue as expected, it is likely that over 9 million people will benefit from greater access to energy, and over 4 million tons of CO_2 emissions will be avoided. (-I.22)

SME involvement has not been activity promoted.

There have not been any special or systematic measures to involve SMEs, such as screening procurement procedures to be SME-friendly or alerting national chambers of SMEs at an early stage on the opportunities. While the maximum size of the funding (EUR 10 million) allows project leadership by medium-sized companies, there is no particular guarantee that this maximum will encourage greater SME involvement.

GEEREF has not undertaken, or imposed on the RFs, any deliberate SME promotion aims − other than the maximum size of investment. GEEREF provides only a small proportion of the funds, with the major risk being taken by the RFs, whose first duty is to safeguard their investors and ensure that they stay within all legal regulations. There is some evidence for some affirmative action in support of SMEs for one of the projects of the Evolution One regional fund: Red Cap Kouga wind farm.

It should also be noted that simply bringing electricity through a local grid to areas that did not have it before, or where existing energy supply is not reliable, can provide a strong boost to SMEs as inadequate power is the top priority of SMEs, according to the World Bank's Doing Business report (WB, 2013). (I-321)

The GEEREF set up is not well suited for reaching out to the poorest areas with micro-scale solutions.

The RFSF has been especially useful for exploring opportunities to reach out to the poorest areas with household and micro-scale solutions, but in general the conclusion has been that such solutions are not well suited to the GEEREF set up. Bottom-of-the-pyramid actions (e.g. on solar lamps) are too demanding in terms of timescale and transaction costs for larger, relatively high-cost funds such as GEEREF, where the intention is to attract considerable private sector investment. The RFSF has, however, assisted with technical assistance and operational support for a number of funds dedicated to small-scale action during critical establishment and growing phases. Without the further involvement of GEEREF, some of these funds have gone on to provide significant benefits. For example, the Barefoot fund has provided solar lamps for 300,000 households, and has trained nearly 2,000 micro-entrepreneurs especially on the Indian sub-continent. (I-321)

By introducing better procurement and feasibility study practices, GEEREF is potentially having a wider impact.

By using highly-qualified design and construction services, the fund's approach has led to improvements in the quality of investments through introducing better procurement and feasibility study practices. In India, some of the renewable energy facilities that have been implemented to date have been driven by distortive subsidies, meaning that high-quality installations were not necessary to make the scheme viable and sufficient effort was not put into site selection and design. These schemes tend not to function optimally, even if they provide a short-term return to the investors. GEEREF, as it assesses the feasibility using levelised costs, in effect strips out the benefit of any subsidy, and this obliges it to invest only in highly-feasible sites and to ensure that all infrastructure investment is highly cost-effective. This benefits the investors, but it also ensures a wider and more sustainable economic benefit to the nation. Ultimately, if the sector as a whole adopts improved feasibility assessment and implementation practices, there would be widespread replication of higher-quality investment that would yield social, economic and environmental benefits. Higher-quality investment practices would also tend to lessen dependence on subsidies, which in many countries are unstable. (I-322)

The EU has contributed by insisting on reporting of non-financial benefits.

The EU and their other donor partners (Germany and Norway) use their position on the board of GEEREF to bring attention to the need to ensure that the projects benefit more stakeholders than just the risk capital investors. The board has, for instance, been behind the insistence on developing a system of indicators that also measure non-financial benefits, although the values of the indicators − as mentioned earlier − are still not yet available (2013). The other area of contribution has been the RFSF, where funds have been used to seek out and support emerging funds and institutions that have a high degree of social responsibility. (I-322)

6.4 EQ4: Biodiversity

To what extent has EU support (via the ENRTP and geographic instruments) helped improving the capacity of partner countries to prevent/reduce the loss of biodiversity?

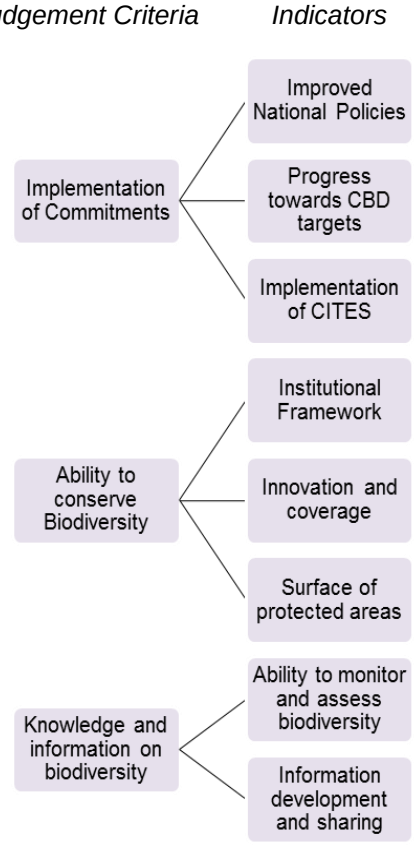
Rationale and coverage of the question

The evaluation question assesses the contribution of EU support towards preventing the loss of biodiversity.

The EU support to biodiversity conservation is extensive and covers a variety of areas. The EQ focuses on EU assistance provided through the ENRTP, as well as geographic instruments at country or regional level and aimed at:

- Promoting implementation of EU initiatives and helping developing countries to meet internationally-agreed environmental commitments.
- Assisting developing countries in preventing environmental degradation, biodiversity loss and unsustainable use of natural resources, while improving resource efficiency of economic growth and reducing pollution.

This question is articulated through three judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.



Summary answer to the Evaluation Question

Building on the outcome of the 2010 UN Biodiversity Conference in Nagoya, Japan, the EU has increasingly focused on integrating biodiversity and ecosystem services into every sector of development co-operation. This is illustrated by a number of country annual action plans aimed at mainstreaming biodiversity into country policy and institutional frameworks yet to be fully implemented. In particular, the EU has promoted mainstreaming of biodiversity into sectors such as forestry, water resources management, agriculture and rural development.

EU support to improvement of national biodiversity policies and strategies, as well as capacity-building for MEA implementation, have mainly been channelled through UNEP and the MEA Secretariat, which is covered in EQ6.

Key points:

- The EU has supported a large number of field interventions that contribute to achieving the Aichi goals and targets[32] in most partner countries. This has enabled the partner countries to advance towards achieving their CBD targets related to the coverage of protected areas − in particular, in relation to advances in legally-established protected areas at sub-national levels (Aichi target 11).
- In almost all study countries, the EU has supported improvement of protected area management, which has assisted the countries in preventing environmental degradation and loss of biodiversity, and which has, in some of the study countries (e.g. DRC, Bolivia), paid for the operational costs of the protected areas systems. The support has thus contributed to reducing the speed of national biodiversity loss (especially at the individual protected area level), but biodiversity is still being lost overall at an alarming rate. This is due to factors related to poverty, economic interests, and often limited political priority given to biodiversity conservation. In general, most developing countries are faced with other more immediate needs, and biodiversity conservation, in terms of protected area management, ranks very low on the priority list in national budgets.
- National capacity for habitat/ecosystem management in-situ has been improved through support from the EU. Innovative approaches and tools have been developed and applied with assistance from EU – for example, for community-based ecosystem management and benefit sharing; payment for ecosystem services; protected areas as an economically competitive land-use category in terms of income generation; and public-private partnership for biodiversity conservation. These approaches have gained the support and commitment from sub-national governments and communities now taking more responsibility for protected areas and their wildlife.
- So far, another innovative tool − the assessment of the economic value of biodiversity (TEEB), which seeks to address the underlying causes of biodiversity loss (Aichi goal A) − has not been widely distributed and made known to all relevant stakeholders, although applying this tool could assist governments mainstreaming biodiversity conservation at policy level.
- Mainstreaming of biodiversity into environmentally-sensitive EU sector interventions has gradually improved − for example, in the integrated water resources management, agriculture/rural development, and forestry sectors.
- Illegal trade in endangered species has become more challenging as national capacities and legal enforcement have been strengthened − through the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) - with EU support. This has been achieved through extensive international cross-sectoral co-operation efforts within the EU and globally, as well as improved monitoring systems of biodiversity, including wildlife − for example, Monitoring Illegal Killing of Elephants (MIKE), Biodiversity and Protected Areas Management Programme (BIOPAMA)/ Digital Observatory for Protected Areas (DOPA).
- Access to and availability of reliable data, information and knowledge on the importance of ecosystems and biodiversity for human economic development has improved. All EU funded projects, programmes and research activities develop and disseminate information, data and knowledge gathered through implementation. This has contributed to raise general awareness as well as ease the work of producing the required national MEA reports, strategies and plans.

[32] https://www.cbd.int/sp/targets/

6.4.1 Implementation of commitments to the MEAs is still far from reaching CBD/post-2010 targets, despite of the EU's important support (JC41)

The EU support contributed to reducing the speed of biodiversity loss, even though overall progress remains inadequate.

At national level, the EU has supported the implementation of MEAs by providing 90% of the EU overall funding for biodiversity conservation to strengthening national capacity for habitat/ecosystem management of specific protected areas in-situ, including marine/coastal zone protection. This support has contributed to advancing the partner countries' UNCBD commitments − in particular, the targets for maintaining and improving protected area management.

The global coverage of protected areas has increased, in part, as a result of EU support, with more areas being legally established. However, designation alone, without effective management, has not guaranteed conservation of biodiversity. (I-411)

Despite EU efforts and support, overall progress towards implementation of commitments to biodiversity targets established by the CBD and post-2010 Global Biodiversity Strategy (GBS) remains inadequate, although awareness − as well as delivering required COP reports and national strategies − have progressed. (I-411)

Furthermore, the EU support has helped in improving the management of established protected areas, and may thus have contributed to reducing/halting the speed of biodiversity loss. (I-411)

In spite of EU support, national level frameworks for biodiversity protection remain technically and financially weak.

A large part of EU support to biodiversity at national level included elements directed at policy level for implementation of the MEA commitments (e.g. support to institutional reforms, the finalisation and approval of law on protected areas, development of other legal instruments, and on the sustainable financing of biodiversity conservation). However, national-level capacity for improved planning and management of biodiversity conservation activities is still very weak in most countries, due mainly to lack of political priority.

In addition, lack of sustainable financing for management of protected areas systems is seen as one of the main obstacles for improving conservation management. Even though international financing has increased, national commitments and financing are still very limited, despite the fact that all partner countries are signatories to the MEAs. More than 80% of CBD Parties concede that limited biodiversity mainstreaming, fragmented decision-making and/or limited communication among government ministries or sectors, as well as very limited national budgets, are a challenge in trying to meet meeting the goals of the Convention. However, resources provided by the international community (mainly WB/GEF, EU, and bilateral donors) allow only the minimum means to manage part of the protected areas systems. In part, this is due to financial capacity constraints on the partner country side, but is also due to the lack of priority given to the sector in many countries. (I-411)

EU has helped maintain national focus on biodiversity conservation, despite limited priority by the national government.

By supporting the sector, EU has contributed to maintaining the partner countries' focus on the biodiversity sector and their MEA commitments, which otherwise would receive very little attention and priority in the national plans and budgets. In some case study countries, EU support maintained operational costs of the National Protected Area Services (e.g. in Bolivia).

Despite limited national priority for CBD MEA implementation in most countries, the EU support has contributed to a positive trend at sub-national levels (provincial/municipal/territorial, local and urban levels), with evidence

now of much more involvement in, and demanding for, the establishment and proper management of sub-national protected areas. It is a trend that also has enjoyed broad support by the public. The EU has thus contributed to the development of more robust and more self-contained protected area and biodiversity conservation systems emphasising decentralised management and the involvement of local communities. (I-411)

The EU has been instrumental in bringing the underlying causes of biodiversity loss to the national and international co-operation agenda.

Increasing support has been provided by the EU for the mainstreaming of biodiversity into all development co-operation sectors, and the EU is committed to achieving the post-2010 Global Strategic Plan for Biodiversity, including the Aichi targets. From 2007-2013, the EU increasingly emphasised mainstreaming of environment − including biodiversity − in sectors such as forestry, water resources management; infrastructure (energy, water, and transport), agriculture and rural development, as illustrated by the EUD survey.

In order to further support this process, the EU has supported the development of a set of risk and impact assessment tools (2013) to "biodiversity-proof" every step of the project cycle. Also, a tool to assess the economic value of biodiversity (TEEB) has been developed to provide governments and private sectors with insight into the problem of biodiversity loss in economic terms.

The EU has acted as a driving force for maintaining a focus on biodiversity mainstreaming at the COP meetings. At national level, the EU has, where possible, assisted in steering policies and plans in this direction − most successfully so far with the development of the Integrated Plan for Environment and Water in Bolivia. (I-412)

Control of illegal trade in endangered species has improved.

Annually, international trade in endangered species is estimated to be worth billions of dollars and to include hundreds of millions of plant and animal specimens. Illegal trade of species is regarded as the third largest illegal business, behind only drugs and weapons.

The EU support to preventing illegal trade of endangered species amounted to only EUR 3.6 million in the 2007-2013 period, and has mainly been channelled through the CITES secretariat for strengthening the partner countries' capacity to implement CITES. This programme has successfully established a well-attended virtual college that provides tools, guides and training on prevention of illegal wildlife trade for police, customs and wildlife officers. (I-413)

In addition, the EU support to CITES for the establishment of the International Consortium on Combating Wildlife Crime (ICCWC) in 2010 has strengthened co-ordinated support to the national wildlife law enforcement agencies, and to the sub-regional and regional networks that, on a daily basis, act in defence of natural resources. So far, the ICCWC has successfully carried out global operations focusing on key species that are subject to illegal trade. Police, customs and wildlife officers from a number of "hot spot" countries have participated in the operations after receiving training by the ICCWC. (I-413)

Equally important is that national law enforcement agencies in the EU − with EUROPOL support − have played a crucial role in the efficient enforcement of the EU Wildlife Trade Regulations combating illegal wildlife trade into the EU, as well as assisting the countries where trade begins through capacity development.

Assisting the above work improved biodiversity monitoring systems, including on wildlife (e.g. MIKE, BIOPAMA/DOPA), thus providing valuable information for enforcement actions. (JC62)

6.4.2 The ability to conserve biodiversity has improved in-situ at sub-national levels, as well as at the level of communities (JC42)

EU support to decentralised protected areas management and sustainable resource use has contributed to saving ecosystems.

EU support has focused on strengthening national capacity for conservation and management of habitats/ecosystems at territorial levels. The support has concentrated on establishing sound in-situ management, and has promoted a deconcentration (or decentralisation) of the management framework. Staff engaged at area level has been trained, and local communities (or dwellers) in and around the protected areas have been involved and incorporated in the management of the areas.

In particular, in most of the interventions analysed, communities have been involved in defining and implementing actions to protect their biological resources. By also developing income-generating activities that encourage the sustainable use of biodiversity, EU support has contributed to demonstrating that biodiversity conservation also can provide direct economic benefits. (I-421)

The EU has promoted new innovative approaches that have gained commitment of sub-national governments and communities.

EU support has initiated innovative approaches to preserve ecosystems and their services, aimed at leveraging development funding and testing new financial mechanisms, such as Payment for Ecosystem Services, Markets for Green Products, Public Private Partnerships, and Access Benefit Sharing (I-422):

- Marketing ecosystem services have proved to be a successful way of attracting financial resources, by making protected areas a more financially viable land use.
- The incorporation of protected areas as a land-use category interlinked with marketing ecosystem services, as part of the decentralised departmental and/or municipal development planning in dialogue with communities, has proved successful in securing the long-term protection and sustainable use and management of the areas – for example, as the experience from Bolivia shows.

Establishment of Public-Private Partnerships has also proved successful in achieving biodiversity conservation. Some governments have recognised their limited ability to finance and manage their parks, and have delegated the management of protected areas to private agencies or NGOs. A management mandate from the Government enables the private partner to establish the necessary mechanisms for managing the park sustainably. Furthermore, the private partner may optimise the income-generating potential of the park, and has sometimes been able to mobilise large amounts of private funding from a number of institutions and individuals through fund leveraging, tourism activities, and charities (e.g. Zakhouma National Park in Chad, and Virunga National Park in DRC). (I-422)

6.4.3 There has been a significant improvement in access to, and availability of, reliable data, knowledge and information on biodiversity due to the EU support (JC43)

Reliable data and information have been generated, and contributed to the development of national plans and strategies.

The EU has contributed in various ways to improving the availability and access to information on biodiversity (habitat/ecosystems). One of the most important initiatives is BIOPAMA, a four-year initiative (2012-2016) jointly implemented by IUCN and the EU Joint Research Centre (JRC) and including the establishment of DOPA. Also, an access and benefit sharing (ABS) component has been included. The Central Africa BIOPAMA observatory was launched in 2014, in co-operation with the regional Observatory for Central African Forests (OFAC). In Bolivia, the design of DOPA was still being discussed in early 2015, at the time of the field visit. (I-431).

Through its co-operation with UNEP, the EU has contributed to the development of knowledge and tools, and has strengthened the science-policy interface for biodiversity and ecosystem services (EQ6). All of this has eased the development of plans and strategies, as well as decision-making, particularly at EU-funded project levels.

In addition to hard copy documents, brochures and tools, all EU-financed projects or programmes have been required to establish a website for the exchange and sharing of relevant information, studies, data and ”lessons learned” gathered during the implementation of the interventions and made available to all (who have access) through the internet. (I-432)

Complementing the funding from ENRTP and geographic instruments, the EU has, under the 7th Framework (2007-2013) for Research, provided funding for several successful initiatives that provide new information and knowledge on the ecosystem assessment and management in developing countries. Thus, scientists from developed and developing countries have been brought together to test and further develop the approach, and to create the possibility of complementarity between the EU-supported activities in developing countries. (I-431)

EU support has contributed considerably to improving national capacity in the field of ecosystems assessment and management.

National capacity for eco-system assessment and management has been supported through all the in-situ activities supported by EU (e.g. PADP in Ghana, PACSBIO in Bolivia, regional programmes such as ECOFAC and RAPAC in Central Africa). Likewise, BIOPAMA (through IUCN) and MIKE (through CITES) essentially provided training/capacity development for the regional and national institutions in charge of protected areas assessment and management. (I-431)

Progress in the field of ecosystems assessment and management has gradually improved. Furthermore, ecosystems assessment has been made available at global scale, mainly through the internet − including the reporting on some “success stories” at national level.

However, national capacity to further develop, maintain and update information on national databases is still limited, as is the capacity for analysis of the data and information. (I-431)

6.5 EQ5: Green economy

To what extent has the EU support enhanced sustainable and resource-efficient production and consumption policies and practices[33], and therefore contributed to the greening of the economy of supported countries?

Rationale and coverage of the question

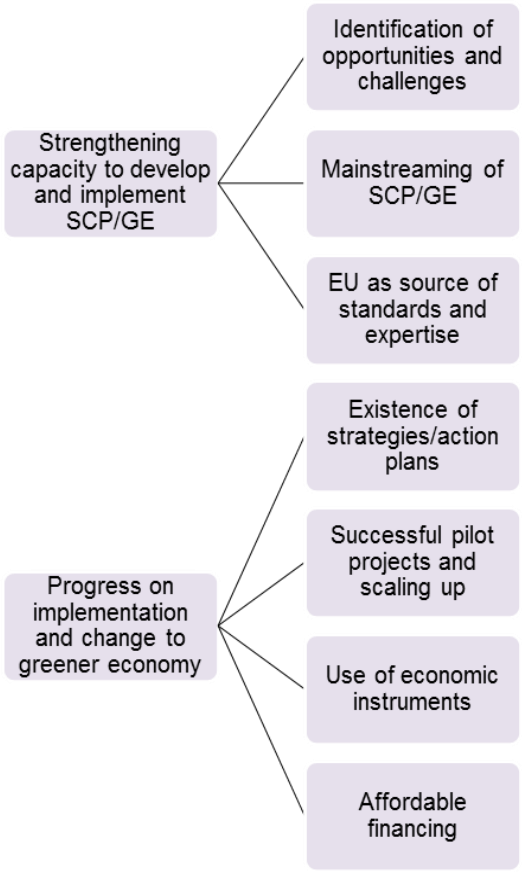
Greening of economies is a relatively new policy priority. However, the broad umbrella of green economy includes more established priorities for external assistance, including improved resource efficiency and sustainable production and consumption.

This evaluation question assesses EU support, focusing on policies and interventions contributing to these policy priorities. GE is a highly catalytic concept[34], which lends itself to ENRTP interventions. Considered programmes with EU contribution include:

- Switch Asia (EUR 148 million), Switch Africa (EUR 22 million) and Switch Med (EUR 23 million) programmes focusing on SCP.
- EaP Green (EUR 12.5 million), providing assistance on greening of economies and mainstreaming in ENP countries.
- Green Economy and Social and Environmental Entrepreneurship in Africa Programme (EUR 3.8 million).
- PAGE (USD 21.3 million) on assistance in green economy transitions in committed countries worldwide;
- Resource Efficiency and Eco-innovation in Developing and Transition Economies − REEDTE (EUR 4.4 million) on assistance on eco-innovation.

This question is articulated through two judgement criteria and a number of indicators as shown in the figure on the right with detailed reporting in volume 2.

Judgement Criteria *Indicators*



[33] SCP interventions are the main scope. Natural resources management interventions are not considered.

[34] There is not a single universal definition of green economy (see EQ5 in vol. 2). The United Nations Environment Programme (UNEP) Green Economy Initiative defines green economy as: the reshaping and refocusing of policies, investments and spending towards a range of sectors, such as clean technologies, renewable energies, water services, green transportation, waste management, green buildings and sustainable agriculture and forests. Elsewhere, UNEP further identifies a green economy as one "whose growth in income and employment is driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services".

For the current evaluation, resource efficiency is the key element of a green economy addressed under EQ5. Low carbon development, energy efficiency and biodiversity are dealt with under other EQs.

Summary answer to the Evaluation Question

The EU has supported a range of programmes aimed at developing policy, strengthening capacity and replicating good practice in SCP/GE. Many of these began towards the end of the period evaluated, and although there is progress on capacity-building and support of pilot projects, interventions have yet to result in adoption of cross-cutting SCP/GE Policy.

Key points:

- EU-supported programmes have recognised that development, adoption and implementation of cross-cutting SCP/green economy strategies and action plans requires time to build up capacity, awareness and consensus among key stakeholders. The EU-supported programmes under evaluation have not had time to achieve adoption of such strategies to date. However, a number of SCP action plans around the world have been adopted, with indirect EU-assistance via UNDP/UNEP.
- Success of capacity-building programmes depends to a large extent on achieving buy-in at ministerial level. Where this has been achieved, the countries themselves have in some cases carried momentum forward. In other countries, awareness of SCP/GE and its potential environmental and economic benefits remains low, despite capacity-building efforts.
- Adoption, and in particular implementation, of SCP/GE strategies requires a ministry or other governmental body with strong inter-ministerial powers to be in place in the receiving country. In countries without such structures, EU-supported efforts on policy development have wisely focused on assistance in sectoral SCP-related policy.
- SCP/GE is less clearly defined than other environment/climate change support themes, and what is perceived as lying within the theme differs strongly from country to country. This has allowed programmes to be responsive to country needs at the stage of development they are in. However, lack of clear definitions has also been a barrier for capacity-building − for example, in eco-innovation.
- There is mixed evidence on the degree of mainstreaming of SCP/GE into sector policies, and on the adoption of mainstreaming tools such as SEA. Mainstreaming is behind in many countries and sectors, but there are also examples of mainstreaming − such as in the Energy sector in Egypt, Ukraine and Kenya, and the Transport sector in Bolivia.
- In addition to policy development assistance, EU-supported programmes have also engaged to a large extent at the practical level via supporting pilot projects within a range of sectors and themes, and supporting SMEs. In addition to achieving concrete results, pilot projects have also led to increased awareness among the many stakeholders involved in the projects, and a transfer of EU practice and standards via EU partners.
- For pilot projects to make a difference at the macro-economic level, the scaling up and spreading of the model to other sectors, municipalities and companies − including SMEs − is required. EU support includes activities in this area. However, continuing actual and perceived lack of access to affordable finance continues to be a challenge to wider adoption of otherwise successful models. It is also inhibiting continuation of pilot projects once EU-support has ceased. However, problems with securing affordable finance for eco-innovation investments are a major challenge to scaling up. Financing solutions seem to be available, but a number of barriers prevent SMEs from finding and accessing these.
- The Green Economy and Social and Environmental Entrepreneurship in Africa programme has stimulated the activities of green businesses via Social and Environmental Entrepreneurship Development (SEED) Awards for green and social enterprises. Organising exchange events between winning SMEs, and between them and organisations such as banks, has proved instrumental in spreading good practice.

- There is some evidence of use of economic instruments to promote SCP/GE and cleaner technologies, though not as a result of EU-supported programmes. In countries where it is difficult to collect taxes effectively, voluntary instruments are often preferred. Environmentally harmful subsidies often far outweigh beneficial instruments.

6.5.1 EU support has had some impact on increasing the capacity of policy-makers, business groups and civil society to develop and implement actions in Green Economy, SCP and resource-efficiency (JC51)

Developing capacity as a precursor for SCP/GE policy development has been a catalyst for some of the country-led activities.

Capacity-building has been a central element of the Green Economy and Social and Environmental Entrepreneurship in Africa Programme and the PAGE programme, which both aim to assist countries in the development of green economy policy. Both programmes deliberately take an approach where those countries that are most advanced in their commitment to green economy transformations are engaged first. Positive results have been seen in Kenya, South Africa, Ghana, Burkina Faso and Egypt. Subsequent developments in some of these countries demonstrate that the ball that was set rolling by the capacity-building and scoping activities funded by the programme have gathered momentum and resulted in significant activities, led in some cases by the countries themselves. South Africa, for example, established a National Green Fund and included a green economy chapter in its Sustainable Development Strategy following capacity-building activities.

The EaP Green programme (total budget EUR 12.5 million – EU contribution EUR 10 million) also began with a series of country-level launch events aimed at informing and consulting with key stakeholders on specific high-priority green economy issues. Evidence from Ukraine suggests that capacity-building activities there had little impact on the very low awareness of green economy issues, but this may be the result of a silo approach to policymaking, which is not so problematic in other Eastern Partnership countries such as Belarus and Moldova. The lack of success of capacity-building to act as a catalyst is also a risk for programmes such as EaP Green, which don't require commitment from the receiving country as criteria for engagement.

The approach of the SWITCH-Asia Policy Support Component (EUR 15 million), being carried out in the Philippines, Malaysia, Thailand and Indonesia, has been to move straight into the development of national baseline studies identifying the status of SCP, policy needs and policy gaps. The wide difference in the resulting focus of national programmes in the four countries demonstrates that the needs and wishes of national government and stakeholders have strongly been taken into account. (I-511)

What is perceived as lying within SCP/GE differs strongly from country to country.

There are large differences in what was perceived as SCP/GE. In some cases, this mostly comprised cleaner production and energy efficiency. In others, it included more fundamental principles about living within the Earth's limits. The same differences can be found in the European debate. A case in point is the area of eco-innovation. UNEP officers working with the EU-supported REEDTE found that the concept of eco-innovation is still not mature even at EU level, and is treated as an emerging topic in the UN. Therefore, it is not just a case of gathering regional stakeholders and helping them identify the main challenges for the region, based on tried and tested definitions of eco-innovation. The programme managers found a lack of an extensive global body of knowledge and experts on eco-innovation on which to draw. This was tackled via engaging consultants at the forefront of development in Eco-Innovation definition (I-511, I-521)

EU supported pilot projects have raised awareness of challenges and opportunities within SCP.

Pilot projects have been supported by a number of EU support programmes, which play a particularly central role in the SWITCH programmes. For example, the more than 80 grant pilot projects funded by SWITCH-Asia (EUR 130 million of EU money and 10%-20% financing from project partners) represent the major part of the SWITCH Asia budget. A similar focus can be found in the budget of SWITCH Med and SWITCH Africa Green. Such pilot projects have the effect of raising practical awareness on the potential format and benefits of SCP actions among the local partners who have been directly involved in the projects, including local government, businesses, branch organisations. This is particularly useful within a field such as SCP, which can be hard to define concretely in policy documents. The SWITCH-Asia Network Facility was established to spread this awareness to similar organisations that were not involved directly in any grant project. It is not known how successful this has been to date. (I-511)

Activities under EaP Green to strengthen SEA in Eastern Neighbourhood countries have had mixed success.

Progress is being made on strengthening and establishing the first strategic objective of the EU's EaP GREEN programme, which is to promote the use of Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) as essential planning tools for an environmentally sustainable economic development. The UN Economic Commission for Europe (UNECE) is responsible for this element of the mainly EU-funded programme, and has initiated the work through carrying out reviews of SEA related legislation and procedures in Belarus and Moldova. Some elements of SEA were found in legislation, and recommendations were given on how to strengthen and add to these so that countries comply with provisions of the SEA Protocol and the EU's SEA Directive. The governments of Belarus and Moldova are now taking these forward. In Ukraine, however, SEA legislation developed under a twinning project with Austria has been before Parliament for more than two years without progress. Expertise on how to comply with SEA and EIA requirements is also being addressed by EaP Green with national-level training workshops carried out in Ukraine and Armenia. However, these workshops seem to have had no effect in promoting SEA in Ukraine. No evidence of the use of SEA was found. (I-512)

A transfer of good practice and standards from the EU has taken place, especially where countries have neighbourhood agreements.

Transfer of SCP/ policy and standards is occurring most strongly in neighbouring countries to the EU via commitments in neighbourhood agreements to translate EU Directives into legislation. Twinning projects have been essential in assisting with this transfer. Although not at anything like the same scale, there are also examples of SWITCH-Asia Grant projects that have made use of EU experiences and standards. The transfer of good practices from the EU to Asia is enabled in SWITCH-Asia via the requirement that at least one partner in each Grant project is an EU-based organisation − often an environmental consultant, NGO or government organisations with direct EU experience relevant to the project. In China, it was found that demonstration of European competences and practices within SCP, via SWITCH and other instruments, has contributed significantly to development of policies, regulation and pilots. However, little evidence was found of direct transfer of EU standards and policy, via EU-assistance programmes, into African countries visited, nor in additional countries that answered the EUD country survey (Tunisia). However, North African countries that border the Mediterranean expect significant transfer of policy instruments and standards via the SWITCH-Med programme in coming years. (I-513)

6.5.2 There is some progress on transfer of good practice from Europe via support programmes, but it is too early to see signs that the economy is changing to a greener one at the macro level (JC52)

Most of the considered programmes assist SCP/Green economy strategies but it is too early to achieve final adoption.

There is evidence of the increasing adoption of cross-cutting national development strategies and plans that focus on or include green economy/SCP and resource efficiency. For example, a large part of the EaP GREEN project budget, EUR 12.5 million, is set aside for activities focused on mainstreaming SCP into national development plans and regulatory frameworks. The Green Economy and Social and Environmental Entrepreneurship in Africa, and the more recent PAGE programmes, aim to assist in mainstreaming green economy goals into national development policies. The SWITCH programmes all include a Policy Support Component (PSC) with the aim of strengthening the formulation and implementation of SCP policies. However, for green economy and SCP strategies to have a real effect on a country's subsequent development, they need to be the result of cross-ministerial and stakeholder consultation to achieve broad "buy-in" to the goals and activities of the plan. Such a process takes time, and most of the evaluated programmes began towards the end of the period evaluated. SCP action plans and similar which were adopted during the period evaluated, have been the result of non-evaluated processes − such as the Marrakesh Task Forces and UNEP/UNDESA assistance programmes. For example, SCP Action Plans adopted in Ghana and Rwanda were developed with the assistance of UNEP. As identified in JC51, the perceptions of what SCP/GE entails differs widely between countries, and this is reflected in strategies. For many, it concerns cleaner production and energy efficiency; in others, it concerns stronger principles, such as living within the Earth's limits (Bolivia). (I-521)

SCP/ GE activities adjust to local conditions when deciding on horizontally integrating strategies or single sector policies.

The policy support activities of all programmes take into account local conditions and engage stakeholders to secure broad ownership of future policy. The existence of a suitable government structure has defined whether or not programmes work towards horizontally integrating action plans or on single issues. An example is the SWITCH-Asia Policy Support programme, which has differed in focus between recipient countries. In the Philippines, where there is no government agency with the mandate or strength to co-ordinate inter-ministerial co-operation, activities are focused on assisting individual ministries in implementing existing SCP-related policy over which they have sole mandate – for example, Green Procurement and Eco-labelling programmes. In Malaysia, which has a strong central implementing agency, the programme has focused on developing a cross-cutting strategy on SCP. Meanwhile, the first year of the EaP GREEN activities focused on engaging stakeholders via regional policy dialogue meetings, awareness-raising, and capacity building. This process is essential to achieve buy-in from stakeholders for eventual cross-cutting strategies and action plans. (I-521)

EU support is very active in supporting concrete SCP pilot projects, but a lack of affordable finance is a challenge to scaling up.

EU-supported programmes are very active in supporting concrete SCP pilot projects, including a wide range of partners. The initiation and support of pilot projects comprises the central pillar of the SWITCH programmes, representing EUR 130 million of the SWITCH-Asia budget, EUR 17.5 million of the SWITCH-Med budget, and EUR 16 million of the SWITCH-Africa Green budget. SWITCH-Asia is funding 86 grant projects in 15 Asian countries. Most of the projects that have been evaluated have been found to be successful in achieving SCP objectives during the support period. The EaP GREEN Program also includes some activities on supporting SMEs in a

green transition. One of EaP Green's three components concerns demonstration projects within resource efficiency and cleaner production, GPP and organic agriculture. The Green Economy and Social and Environmental Entrepreneurship in Africa Programme has stimulated the activities of green businesses via SEED Awards since 2008. Winners are subsequently supported with expertise in business and financial planning, administrative and management matters, and access to networks.

However, while the projects supported by the EU programmes have been successful while receiving support, the long-term prospects are generally not as positive. Evidence from 20 SEED projects in Ghana suggests that it can be difficult to attract funding for scaling up otherwise successful pilot projects, and for some entities it is difficult to compete with large multinationals − for example, in the area of innovative concepts for waste management. Long-term prospects for SWITCH Asia projects continuing once support is finished are also mixed, in part due to issues with access to finance. To tackle similar issues in Eastern Europe, the EaP Green programme is assisting in addressing lack of affordable finance for green technology and eco-innovation investments for SMEs. EBRD is also working on this issue and aims to provide guarantees for Ukrainian banks to issue loans for green innovation. (I-522, I-524)

There is some evidence of economic instruments having been put in place, but not as a direct result of EU support.

Many countries make use of economic instruments to encourage, for example, resource and fuel efficiency. There is not much evidence − from country visits, the EUD survey or other sources − that EU support has been key in the adoption of already adopted instruments. However, a number of EU programmes are working on economic instruments. They feature in the four national Policy Support Component projects of SWITCH-Asia. Baseline studies in Indonesia and Malaysia identified that economic instruments exist, but that SMEs do not take advantage of support mechanisms, due to the heavy administrative burdens they imply. China has for quite some years had a range of economic instruments supporting technological and environmental/climate change upgrading in a number of key industries. Economic instruments in renewable energy are also reasonably common elsewhere. Examples from country visits include Ukraine's feed-in tariffs for renewables, Rwandan subsidies for SMEs selling solar lamps, and tax exemptions for solar panels in Kenya.

In general, economic instruments are less well developed in Africa than other regions. The reason may be that a prerequisite of economic instruments being an effective tool is that charges and taxes are effectively collected, and "free riding" is monitored and punished. This can be a challenge in some least developed countries, which lack capacity to administrate such instruments effectively. As a result, voluntary agreements and information-based instruments tend to be more commonly used than economic instruments, despite less evidence of their impact. Environmentally-harmful subsidies remain significant in many countries and face strong resistance to removal. For example, government attempts in Bolivia to withdraw fuel subsidies and increase prices in 2010 met with civic unrest and were withdrawn. In Ukraine, huge coal subsidies to support the industry and its many jobs in the east of the country are too politically sensitive to remove. Such subsidies often far outweigh environmentally-favourable economic instruments. (I-523)

Access to financing continues to be one of the most significant challenges for the creation and growth of eco-innovative SMEs.

Financing solutions seem to be available, but a number of barriers prevent SMEs from finding and accessing these. Barriers to good matching between funds and businesses include:

- A lack of financial literacy among SMEs (e.g. poor understanding of the conditions and requirements of loans, in part due to poor marketing and communication by banks).
- Services of financing institutions being perceived as too costly by SMEs, and a lack of collateral among SMEs.
- A perception from banks that lending to SMEs is not profitable.
- A lack of effective channels for communication between credit providers for funding purposes.

The SWITCH-Asia Network Facility, established in 2009 with a budget of EUR 3.5 million, has been paying particular attention to improving access to finance for businesses in Asia, but no information could be found on whether the facility has been successful in this area so far. Certainly, access to finance for SCP-related improvements in SMEs continues to be identified as a problem for SWITCH Asia grant projects. EaP GREEN has also been active in attempting to improve access to finance. However, since the programme began only in summer 2013, progress has been limited to date. In early 2015, an international consultant began preparing an inventory of existing environment-related credit lines in the EaP countries. This analysis is intended to be used as a basis to identify specific credit lines for further in-depth analysis. (I-524)

6.6 EQ6: Environmental governance

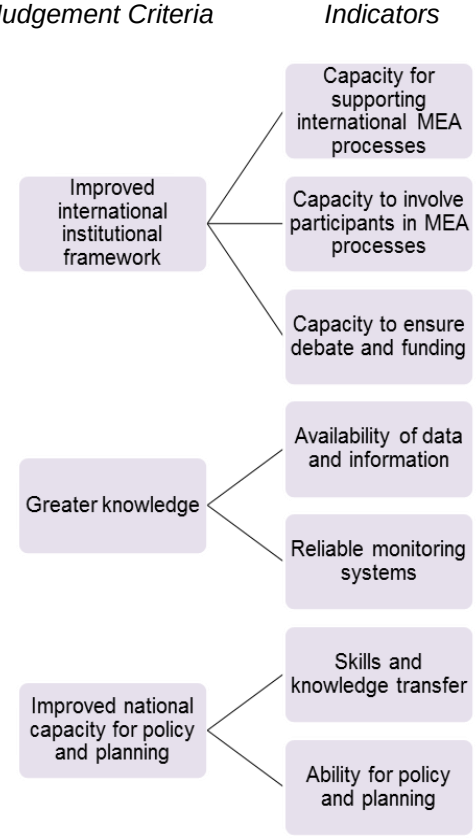
To what extent has ENRTP contributed to strengthening international environmental governance in relation to multilateral environmental agreements (MEAs) and UNEP-related processes?

Rationale and coverage of the question

This question evaluates an important element of the wider EU policy on environment − support provided through ENRTP (and managed by DG ENV) for International Environmental Governance, with a particular focus on biodiversity and on enhancing synergies between MEAs[35], in particular on chemicals and waste. Within this, EQ6 focuses exclusively on ENRTP interventions implemented by UNEP and MEA Secretariats hosted by UNEP. In particular, this EQ assesses:

- Interventions aimed at enhancing the ability of UNEP and MEA Secretariats to support and facilitate international MEA processes and the effective participation of developing countries in those processes.
- Interventions aimed at enhancing the ability of UNEP and MEA Secretariats to provide tools and guidelines for effective implementation of global commitments at national level.

This question is articulated through three judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.



Summary answer to the Evaluation Question

Specific attention has been given to support provided to UNEP, CBD and CITES Secretariats. Attention has also been given to the support provided for co-ordination of the conventions related to chemicals & waste (Basel, Rotterdam and Stockholm Conventions, the Montreal Protocol, and the Minamata Convention). The direct support to UNEP and MEA Secretariats amounted to EUR 72.4 million (2.5% of total environment/climate change funding).

The gradual increase in EU support to UNEP and MEA Secretariats has enhanced their capacity to fulfil their mandates, including their ability to contribute to more effective definition and achievement of commonly-agreed international environmental goals and priorities in biodiversity conservation. Furthermore, it has significantly contributed to achieving synergies between MEAs within the clusters of biodiversity and chemicals & wastes. However, the EU support through UNEP and MEA Secretariats has only to a limited extent resulted in more effective national implementation of MEAs, as this is also affected by other constraints and barriers.

[35] Please refer to Box 1.

Key points:

- Support from the ENRTP has helped UNEP and MEA Secretariats to:
  - Improve their ability to plan and prioritise their activities funded from voluntary/extra-budgetary contributions on a longer term.
  - Develop synergies and co-ordination within and among UNEP sub-programmes and MEA Secretariats.
  - Further strengthen the developing countries' active participation and implementation of decisions from COPs and subsidiary bodies' meetings of MEAs.
  - Further develop UNEP and MEA Secretariats' roles as "venture catalysts" conceiving and mobilising resources and knowledge for development of innovative solutions.
  - Improve their ability to provide and facilitate access to up-to-date and reliable data and information for decision-making.
- The Strategic Co-operation Agreements (SCAs) provide the institutions with better financial security for implementation of longer-term strategic plans. This has helped in strengthening UNEP's capacity to provide global leadership in environment and biodiversity, has also globally promoted EU policies, goals and objectives of common concern (such as sustainable consumption and production, climate change, water, sound chemicals & waste management, environmental monitoring and assessment, strong environmental governance at global, regional and national levels).
- National capacity for implementation of MEAs has been strengthened. However, it has only to a limited extent resulted in national implementation of MEA commitments, since UNEP's global and regional approach to capacity-building alone cannot enable government interventions on the ground, as it does not solve financial constraints, institutional barriers, and constraints related to the political economy − issues that lie outside the mandate of UNEP to address.

6.6.1 UNEP and MEA Secretariats are better organised and equipped to create an enabling environment and capacity for international environment governance (JC61)

With EU support the international environmental governance institutional framework has improved.

The EU ENRTP support has contributed to the implementation of an institutional reform process aimed at reforming UNEP and facilitating in cross-sectoral work. The reform process has: a) instituted and implemented results-based planning and management of projects; b) enhanced the ability of UNEP and the MEA Secretariats to carry out strategic long-term planning of activities. (I-611)

In the aftermath of the 2012 Rio+20 conference on sustainable development, UNEP's efforts to lead implementation of the environmental dimension of the "Future We Want" were recognised by the UN General Assembly and the newly-created UN Environmental Assembly (UNEA). The UN General Assembly in 2013 also approved increased funding for UNEP from the UN Regular Budget by 2014 – underlining increased confidence in UNEP's ability to deliver on the environmental dimension of sustainable development. (I-611)

In June 2014, recognising the global environment leadership position of UNEP, the EU renewed its Memorandum of Understanding with the organisation to enable more structured co-operation on current and future global priorities in areas such as climate change, green economy, and biodiversity. Over the next seven years, the EU plans to continue to support UNEP's work on strengthening International Environmental Governance. (I-611)

Greater coherence and co-ordination of MEAs has emerged with support from EU.

UNEP is administering several MEA Secretariats, including those for CBD, CITES, CMS, Basel-Rotterdam-Stockholm, the Ozone Secretariat (Vienna Convention/Montreal Protocol) and the Minamata Convention. MEA Secretariats often have limited capacity to support parties in implementing their commitments, and some MEAs do not have any funding mechanism in place. (I-611)

With EU support, UNEP has been able to promote synergies between the different MEAs and has assisted the MEA Secretariats in their efforts to strengthen the ability of parties to engage in implementing decisions of the COPs. Equally important, the EU support has given UNEP the possibility (due to the flexibility and long-term commitment of the SCAs) to further develop its role as a ”venture catalyst” conceiving and mobilising resources for the development of innovative solutions.

EU support has contributed to an enhanced role of developing countries in MEA negotiations.

MEA secretariats assist with the additional funding provided by EU and other donors in organising and facilitating inter-sessionals and MEA negotiations/COP processes. They also provide capacity development support and financial support to ensure the participation of developing countries. In general, these support activities are appreciated and found to be very useful by participants in the case study countries, and are used (applying skills), especially when resources are also available for implementing related actions. In recent years, developing countries' delegates and experts have increasingly expressed, and advocated, their agendas and priorities in meetings of MEAs – for example, in relation to implementation of UNCBD post-2010, the REDD mechanism, and climate change. (I-612)

Developing countries' delegates and experts have, over time, become better organised (e.g. Group 77+China) and are now effectively engaging in the COP negotiations and decisions. This is illustrated by their ability to more firmly make well-informed demands at COP meetings (e.g. Bolivia, Egypt, Kenya, Ukraine, Rwanda, Ghana, DRC), and in some cases present viewpoints that are supported by the UNEP and the EU. (I-612, I-613)

Commitments to MEA implementation from North to South have been more forthcoming.

The EU has been, and continues to be, a major contributor to the UNEP and MEA Secretariats' voluntary budgets. In particular, the EU and its member states have been (and will continue to be so, according to commitments made at UNCBD COP12) the main contributors to the implementation of the CBD Post-2010 targets. Transfers for implementation of the Aichi targets from North to South have been promised since 2010 and been reaffirmed, but are yet to materialise. (I-613)

EU policies, goals and objectives on environment and biodiversity have been promoted internationally through strengthening the role of UNEP and MEA secretariats.

Thanks to EU support to a number of preparatory actions, UNEP succeeded at the Rio+20 Conference in 2012 in placing Green Economy − including Sustainable Consumption and Production − firmly on the global agenda. Green Economy is a shared goal of the EU. (I-611)

UNEP facilitated the process of the negotiations for the Minamata Convention on Mercury, which was agreed upon by parties in 2013. This process received instrumental EU funding support through the ENRTP. (I-611)

The CBD Secretariat has the role of facilitating the CBD COPs. In this context, the CBD Secretariat also provided support to the development and adoption by the of the Aichi targets of the Nagoya Protocol on genetic resources, by facilitating the background analysis informing the process. The Aichi targets are also EU policy goals. (I-611)

This has been achieved through enabling the participation of LDC and SIDS delegates, as well as the various groupings of civil society in COP-related meetings (e.g. the preparation for the Rio+20 conferences on sustainable development), technical working groups, workshops and through the provision of training − particularly in relation to implementing decisions. All of this has been supported under the SCAs. (I-612)

6.6.2 UNEP and MEA Secretariats are increasingly recognised as centres of excellence on environmental and biodiversity conservation matters (JC62)

Reliable and updated environmental information and knowledge for informed decision-making is increasingly available.

The EU has contributed to enhancing the ability of UNEP and the MEA Secretariats to provide up-to-date and reliable environmental information, in accordance with the COP agendas, and to act as information clearing houses, thus contributing to informed decision-making. (I-621)

Contributing to this are the various (and innovative, in that they introduce something new or different in response to new requirements) EU-funded programmes generating new knowledge, data, methodologies and tools, guidelines, best practice information and training materials. These are organised and instigated by UNEP and MEA Secretariats – for example, IPBES, BIP, IRP, TEEB (Reflecting the Value of Ecosystems and Biodiversity in Policy-making), InforMEA Web-Portal, BIOPAMA/DOPA (IUCN-UNEP/WCMC-JRC). (I-621)

New data is continuously added and analysed, and complex scientific results are made available in an easily understandable form to a broad audience, not only to the scientific world. Much of this information is organised through the Group of Earth Observations and is made accessible through the Global Earth Observation System of Systems (GEOSS), supported by EU. (I-621) (Monitoring of biodiversity and ecosystems is discussed in EQ4).

UNEP's improved capacity for providing technical quality assurance of interventions (being the "think tanks" of environmental, biodiversity and climate change issues) has placed it in a position where it can greatly reduce the distance between science and policy change by putting real-time information in the hands of governments, corporations and civil society. (I-621)

Information, guidelines and manuals produced by UNEP and MEA Secretariats are generally found to be very useful by scholars and national MEA implementation authorities or focal points. (I-621)

6.6.3 Developing countries are increasingly able to address implementation of MEAs, but they do not have the will or means to do so (JC63)

National capacity development has raised awareness, but only to a limited extent has it influenced national implementation of MEAs.

One of the main objectives of EU support to environmental governance through UNEP and MEA Secretariats is to enhance the capacity of developing countries to implement the various conventions they have agreed on.

Judging by the amount of activities and evaluations of the workshops and seminars by the participants, the UNEP and MEA Secretariats have, with support from ENRTP, fulfilled their mandates in terms of providing capacity-building, training programmes, and dissemination of knowledge, data and information. In addition, by applying the "training of trainers" concept, they have the potential to reach much larger national audiences, besides those directly participating in the activities. (I-631)

For example, there is strong evidence in Ukraine that the skills imparted by UNEP or CBD to officials and stakeholders (UNEP-MEA guidelines and ac-

tivities) have directly been applied in the development of national policy, regulations, and national plans/programmes. The State Programme and the legal requirement for the development of a National Ecological Network have resulted directly from co-operation with UNEP-MEA-Council of Europe. (I-632)

Through these capacity-development activities, awareness has been raised, and environmental concerns feature more prominently in national debates − particularly where countries are facing significant impacts of climate change. Nevertheless, judging by the general lack of national implementation of MEAs (EQ4) and the general very low priority given to environment and biodiversity conservation in national budgets (all countries visited), the important economic and social value of natural resources and biodiversity has still not been fully recognised at political levels. (I-632)

The real impact of the capacity-development activities supported by EU through UNEP and MEA Secretariats is, therefore, difficult to measure, in as much as the use of skill and knowledge gained is highly dependent on national priorities. Furthermore, UNEP and MEA Secretariats have seldom established a clear baseline and outcome indicators in terms of application and/or dissemination of the knowledge gained through the training sessions, workshops and seminars. (I-631)

Countries on the path to mainstreaming biodiversity.

A number of countries (Bolivia, DRC, Ukraine, Rwanda, Egypt), have developed and approved (or are in the process of developing) policies, plans and strategies for productive sectors such as agriculture, fisheries, forestry, tourism, energy, and for the major extractive industries of oil and gas, where mainstreaming of biodiversity conservation and climate change is expected to feature more prominently. Examples of this include the development of the Integrated Plan for Environment and Water (in Bolivia), the National Constitution (in Kenya and Bolivia), the national strategy for REDD (in DRC), and key sector policies (in Ukraine). All these initiatives have been supported by the EU, and are expected to be reflected in the next generation of CSPs. By doing so, they address the Aichi Strategic Goal to address the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society. (I-632)

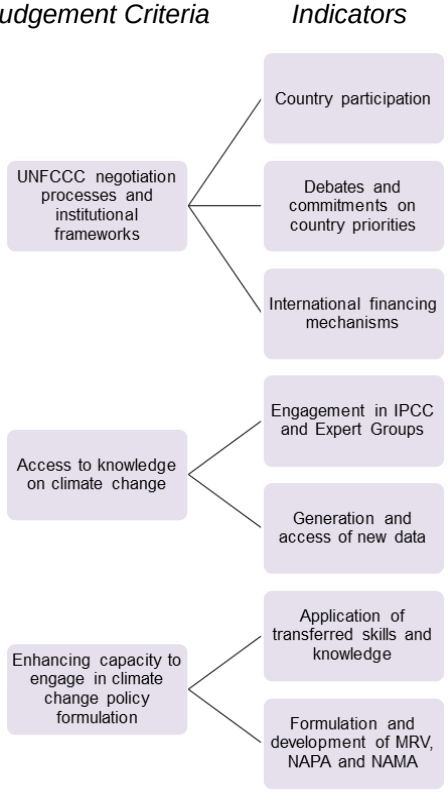
6.7 EQ7: Climate governance

To what extent has ENRTP contributed to strengthening international climate governance?

Rationale and coverage of the question

This question evaluates an important element of the wider EU policy on climate change − support provided through ENRTP for international climate governance/external climate policy, focusing mainly on the support for the UNFCCC Secretariat[36], but also looking at specific questions related to support for the IPCC[37] and other institutions.

This question is articulated through three judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.



Summary answer to the Evaluation Question

The EU is committed to multilateralism as a critical tool to tackle global challenges, such as climate change. It is thus a priority for the EU that globally-binding agreements in GHG emissions are reached to curb the effects of climate change, and that the capacity of vulnerable countries is increased so they can adapt to the effects that are inevitable. The EU and its Member States advocate their positions at international negotiations. But EU also provides financial support to strengthen the global climate governance mechanisms and processes, in order to: a) create a conducive environment for reaching global agreements; b) to ensure that developing countries have the capacity to engage effectively in global negotiations and to translate their commitments into tangible action. The main partner for the EU's support to global climate governance has thus been the UNFCCC Secretariat, but other international entities − especially UN agencies such as UNEP and UNDP − have also been partners in relation to capacity-building.

[36] Please refer to Box 1.

[37] The IPCC assesses the scientific, technical and socio-economic information relevant for the understanding of the risk of human-induced climate change. For more information please refer to: http://www.ipcc.ch/

Key points:

- The EU has been a critical partner for the UNFCCC Secretariat and has strengthened its capacity to plan and support UNFCCC processes in order to facilitate agreements. EU support has thus been important for the creation of an enabling environment for reaching ambitious climate agreements in the future.
- EU support has contributed to creating an increased recognition of the needs and positions of developing countries in UNFCCC negotiations.
- EU support has played an important role in facilitating the establishment of climate financing mechanisms, which contributed to the increased prominence of this topic in the UNFCCC negotiations and debates − a key priority for developing countries.
- EU support has contributed considerably to building a stronger knowledge base on climate change in developing countries, and tools and approaches to address climate change, and has implemented UNFCCC commitments, which informed decision-making at global and national levels.
- Developing countries actively use the skills obtained to address climate change at national level, and good progress has been made in the formulation of climate change policies, strategies and plans. EU support has been an important contribution to this development.

6.7.1 ENRTP support significantly strengthened UNFCCC-related negotiation processes and institutional frameworks in view of developing country participation (JC71)

EU support centred on making UNFCCC negotiation processes conducive to reaching international agreements.

The support provided through ENRTP focused on:

1. Achieving binding agreements on GHG emissions reductions.
2. Ensuring that the international community agrees on assistance to developing countries in adapting to climate change.
3. Ensuring that international agreements are globally owned, and that the priorities and concerns of LDCs and SIDS are adequately reflected and addressed in international agreements.
4. Enabling developing countries to plan and implement their obligations under UNFCCC.

The UNFCCC Secretariat was the principal partner for the EU in this regard, as it plays a central role in the preparation and facilitation of the UNFCCC COP, inter-sessional meetings, and the activities of working groups established under UNFCCC − and thereby in creating a conducive environment for a strengthened debate and for achieving tangible commitments by the parties (countries). The EU was an important contributor to the Secretariat's budget. (I-712) This support comprised two main elements, which were interrelated and mutually reinforcing:

- Ensuring that all LDCs and SIDS parties are represented and included in the UNFCCC negotiations and process at COPs, inter-sessionals, and meetings (funding for travel costs). (I-711)
- Strengthening the capacity of the UNFCCC Secretariat to plan and support UNFCCC processes in order to facilitate agreements (funding for workshops, capacity-building and process facilitation). (I-712 and I-713)
- Other organisations have also been supported to engage in UNFCCC-related policy dialogue, with a view to strengthening the dialogue and involvement in the UNFCCC process. For example, this support

contributed to strengthening the participation of local governments, and to high-level policy dialogue to facilitate the process and build consensus. (I-712)

EU support helped in ensuring that developing countries could participate proactively in the UNFCCC negotiations and processes.

The EU proportion of the total funding for participation of developing country delegates in UNFCCC COPs and meetings was significant − with a peak in 2013, when 40.9% of the contributions to the Trust Fund for Participation (covering travel costs for LDC and SIDS delegates to the COPs and intersessional meetings) was provided by the EU. Moreover, EU support contributed to ensuring that LDC and SIDS delegations had the capacity to engage proactively in UNFCCC negotiations and advocate their priorities, through support for capacity-building and improved access to knowledge. It is thus clear that the support has enabled an increased degree of participation by LDCs and SIDS through UNFCCC's Trust Fund for Participation, as well as through various workshops, meetings and events. The EU also supported the active participation of LDC and SIDS stakeholders outside central governments (ie, local governments, and civil society organisations), which brought perspectives from the local level into the process. (I-711, I-712)

Stakeholder interviews indicate that developing countries have, over the years, become more vocal and influential in the UNFCCC negotiations as a result of an increased capacity and through co-ordination and co-operation, where developing countries now often "*speak with one voice*". The agreement to establish climate-financing mechanisms, such as the Green Climate Fund (GCF), is an indicator of the increased influence of developing countries on the negotiation process. (I-711)

The EU has been an important partner for the UNFCCC Secretariat, and strengthened its capacity to plan and support UNFCCC processes.

While the EU's support covered only 7.4% of the total funding for the UNFCCC Secretariat in 2007-2013, its support for participation of developing countries and for capacity-building grew significantly during the period, and especially after 2011. The EU proportion of the total funding for these areas became significant. Another important feature of EU support was that it was provided consistently every year, which facilitated the planning and implementation of technical work. It is thus fair to conclude that EU support played an instrumental role, which strengthened the UNFCCC Secretariat's capacity to facilitate the UNFCCC process and create a conducive negotiation environment. (I-711, I-712)

EU support facilitated the establishment of climate financing mechanisms.

In relation to providing climate change funding for LDCs, important progress has been made with the Copenhagen Accord, including the provision of fast-track funding in 2010-2012 and an ambitious long-term commitment to raise USD 100 billion per year by 2020. The establishment of the GCF, launched in Durban in 2011, is another important result. Also, significant commitments have been made in terms of REDD financing. The progress illustrates that this high priority for developing countries has gained increased prominence in UNFCCC negotiations and debates. The EU provided financial support for the activities of the Standing Committee on Finance to establish the GCF, and to provide funding for the Interim REDD+ Partnership Secretariat. The ENRTP support in this area was reinforced by the EU commitment to provide EUR 150 million in Fast Start Financing for developing countries. However, the European Court of Auditors' *Special Report No 17/2013, "EU climate finance in the context of external aid"* found that while both the EC and the EU member states have made contributions to the GCF and to the 100 bn USD climate finance target, this was not done as a joint act, and the large number

of climate funding mechanisms (the EU and its member states use 22 multilateral channels for climate funding) posed a challenge to co-ordination, and can reduce overall effectiveness. (I-713)

EU support was important for the creation of an environment conducive to reaching ambitious climate agreements in the future.

The progress in UNFCCC negotiations is influenced by several factors other than EU support − including the global financial crisis, as well as national political agendas and varying degrees of economic dependency on the use of fossil energy. The progress made and the results achieved in the international negotiation process during 2007-2013 are mixed. Efforts to enter into a binding post-Kyoto agreement on emission reductions have so far not been successful. The Kyoto Protocol was extended in 2012, with emission reduction targets for 2012-2020, but this extension has not yet been ratified, and some countries have not committed themselves to new targets. Nonetheless, it was agreed at the Durban climate change conference in 2011 to develop a new treaty, to be adopted in 2015 and implemented in 2020. According to stakeholders close to the negotiation process, there is now a stronger will to reach a political agreement than previously. The good progress in establishing financing, compared with the challenges related to binding emissions reduction commitments, probably lie in the fact that climate financing does not demand the same deep structural changes in the developed countries as does the transition towards a low-carbon economy. (I-712)

It is difficult to attribute changes in the climate debates, negotiations and commitments made by countries to curb emissions and provide funding for increased climate resilience. However, the EU support has been important in terms of the ability of the UNFCCC Secretariat to create an environment conducive to reaching ambitious climate agreements. Without ENRTP support, many activities would not have been implemented. The ENRTP Priority 4 evaluation report (2012) notes that EU desk officers are convinced that ENRTP-supported international climate governance activities play a significant role in the progress made in the international climate change negotiations, and that discontinuing this support would have a disastrous impact on the future possibility of reaching a globally-binding agreement. [38] This impression is confirmed by interviews with EC and UNFCCC Secretariat staff. (I-712, I-722)

EU support has contributed to creating increased recognition of the needs of developing countries in UNFCCC negotiations.

The progress in global establishing climate financing mechanisms, and pledges made by developed countries to provide funding for these, is a good indicator of increased recognition of developing countries' specific developing needs and demands, even if the root cause has not yet been addressed with binding emission reduction targets. It is thus fair to assume that the EU support, through ENRTP, has strengthened the UNFCCC negotiation process, and especially in terms of the participation of developing countries.

[38] Evaluation of ENRTP 2007-2010 Actions under Priority 4: Strengthening of International Environmental Governance, June 2012.

6.7.2 Developing country stakeholders' access to knowledge on climate change has improved (JC72)

EU support has contributed to strengthening technical work under, and developing country participation in, UNFCCC and IPCC.

The Intergovernmental Panel on Climate Change (IPCC) is the leading international body for the assessment of climate change, and its periodic Assessment Reports are a cornerstone for the global climate change negotiations. It is therefore critical to ensure the active participation of scientists from developing countries in the IPCC, in order to ensure that knowledge is available for the international climate policy processes, as well as for the national strategy and policy-making in developing countries. (I-721)

EU support has strengthened the ability of the IPCC and UNFCCC ad hoc working groups, committees, and technical groups to carry out their work, and thereby deliver important inputs to the UNFCCC process and flesh out modalities for the implementation of agreements, by funding their activities − such as the review process for GHG inventories. In 2013, 21.4% of the funding for the UNFCCC Supplementary Trust Fund (covering capacity-building and activities of working groups) came from the EU. Developing country participation in the IPCC was also supported through the contribution for the IPCC Trust Fund. (I-721, I-722, I-712)

EU support to the IPCC and UNFCCC enabled the development of online tools that support developing countries in fulfilling their obligations under UNFCCC – for example, in relation to the preparation of NAMAs and NAPs. (I-721, I-722) Moreover, the EU support has also enabled experts from developing countries to engage in the work of the IPCC, contributing to enhancing the credibility and broad ownership of its findings, and thus enhancing the value of its inputs to the UNFCCC process. (I-721) Technical work under the UNFCCC has also been strengthened – for example, the review process for GHG inventories. (I-721)

EU support has contributed to a stronger knowledge base in developing countries and approaches to address climate change.

There is still a need for more knowledge to inform policies and agreements. Knowledge gaps are particularly pertinent in relation to the impacts, as well as opportunities, in developing countries. Developing countries also highlight the need for access to appropriate technologies, methodologies and tools to address climate change and implement the commitments made at UNFCCC. (I-722)

Numerous EU-funded actions (including research and science-based interventions) at global, regional and national levels through both ENRTP and geographical instruments have generated new knowledge, lessons and approaches. The EU has played an important role in improving the access of developing countries to climate knowledge. This is not only due to the volume of support to climate change actions, and the wide geographical and thematic scope of its support, but also to the strategic support provided for knowledge generation, the development of tools, and to enabling active participation of developing countries in key international mechanisms. (I-722)

The workshops and knowledge products have contributed by providing increased knowledge to delegates and experts, especially those from developing countries. The guidelines and tools provided by the UNFCCC Secretariat are considered by national stakeholders to be very useful and of a good quality. Stakeholders indicate a positive trend towards increased scientific capacity and availability of climate information and data in developing countries. (I-721, I-722)

6.7.3 EU support to international entities enhanced developing countries' capacity to engage effectively in climate change policy formulation and planning to meet their commitments in relation to UNFCCC and new initiatives, and/or responding to EU climate initiatives (JC73)

Developing countries use skills obtained to address climate change, and good progress has been made in the formulation of policies.

While the international agreements made under UNFCCC provide direction for, and commitments by, the parties/countries, it is at national level that political and financial decisions are made that determine the framework for emission reductions and adaptation, and where the implementation of tangible interventions to curb emissions and enhance resilience is done. Hence, the main challenge for developing countries is how to apply the Convention in national policies, plans, regulations and investments, and the NAPs, NAMAs and other plans/tools to be prepared by developing countries under the Convention aim at supporting this. (I-731, I-732) In many countries, there are still capacity constraints, in terms of addressing climate change and the related uncertainty in policies, plans, and budgets. (I-731) Nonetheless, good progress has been made by many developing countries, which now have national climate change policies and strategies in place. In the case of NAPA development, the status is very clear: by end 2014, 50 developing countries had submitted their NAPAs, and 38 of these were submitted during the period under evaluation. Developing countries are still working on their NAPs, NAMAs and MRV systems, and 15 countries have submitted a total of 50 NAMAs. (I-732)

The EU has, through ENRTP, supported developing countries in the preparation of key planning documents under UNFCCC − such as NAPs, NAPAs, NAMA and MRV systems. The support has helped in building the capacity of national policy-makers and experts to engage in national climate policy-making and planning, as illustrated by the progress on the MRV process (EQ2). Much of the support has been provided through the UNFCCC Secretariat and UNFCCC expert groups, strengthening the capacity-building and advice they have provided to developing countries in relation to adaptation (NAPAs, NAPs) and mitigation (NAMAs, MRV), as well as to the formulation of technical guidelines for the development of these key national UNFCCC planning documents. (I-731, I-732) In addition to the UNFCCC Secretariat, a number of organisations were provided with funding to engage in capacity-building − including UNDP, UNEP and GIZ, local governments, and civil society organisations. UNDP has, for example, received significant support for the Low Emission Capacity Building Programme (LECBP), which assists 25 countries in NAMA and MRV development, and has contributed to significant progress on the MRV processes − although it is still too early to measure the results of the MRV process. Currently, UNDP provides support for the development of 70 NAMAs. (I-732, EQ2)

Multiple actors have provided significant resources and inputs to building the capacity of developing countries with regard to climate change policy formulation and planning, mitigation and adaptation. Among these, the EU is an important actor, not only through the support provided via ENRTP for strengthening international climate governance, but also through other ENRTP priority areas related to climate change (e.g. support for GCCA), as well as through its geographical instruments. The combined efforts by all these actors were found to be mutually reinforcing, in the sense that they all contribute to enhanced capacities and broad coverage of a range of climate change issues. (I-731)

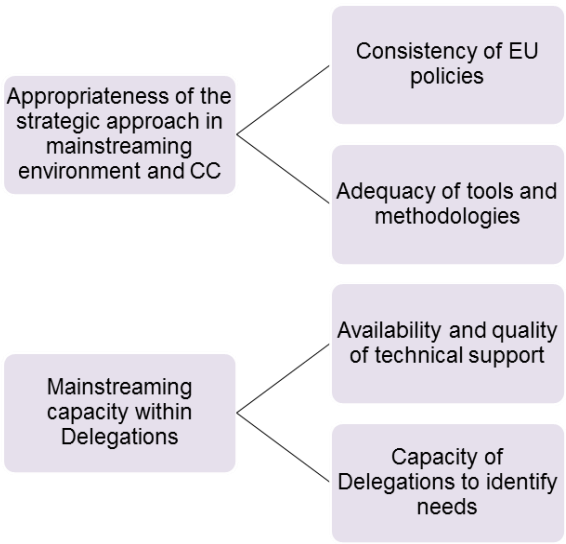
6.8 EQ8: Mainstreaming approach

To what extent has the EU developed both an appropriate framework and an approach for environmental and climate change mainstreaming in its support to partner countries?

Rationale and coverage of the question

This question evaluates an important element of the intention of the EU to integrate/mainstream environmental sustainability and climate change resilience in EU external aid. It thus focuses on whether the approach, modalities, tools and institutional capacity are appropriate and sufficient to enable EU staff to promote mainstreaming, with a focus on Delegation staff.

This question is articulated through two judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.



Summary answer to the Evaluation Question

The EU has a longstanding commitment to addressing environmental concerns in its external aid, as part of a wider commitment to sustainable development, and has a comprehensive policy framework promoting mainstreaming. Prior to 2007, the mainstreaming of environment in EU support was limited, and the use of mainstreaming tools was unsystematic, due to capacity constraints and ambiguities in relation to EU requirements and the roles and responsibilities of staff. In response to this situation, DG DEVCO established an Environmental Helpdesk, and developed in 2007 a set of mainstreaming guidelines, which were revised in 2009. Moreover, the use of Country Environment Profiles was heavily promoted for the development of CSPs for the period 2007-2013, to help identify mainstreaming provisions and key environmental issues to address, and options available. By the end of 2009, the situation had changed, with a far more extensive use of mainstreaming tools and a much stronger reflection of environment in programming. After the Helpdesk closed in 2009, DG DEVCO has continued to provide mainstreaming training and support, albeit at a lower level. The capacity of EUDs to engage in mainstreaming has significantly increased during the period under evaluation, as has their engagement in environmental integration.

Key points:

- EU policies are ambitious and demand that environment and climate change considerations are addressed in all its development assistance across sectors. As such, the framework is highly conducive to mainstreaming, but with several policies and the lack of a single overview policy, it is difficult for EU staff to get a clear overview of EU positions and requirements.

- Guidelines, tools, capacity-building and technical support provided to EUDs are appropriate and have led to a significant step forward in the mainstreaming of environment and climate change, with a significantly increased EUD capacity and proactive engagement in mainstreaming. However, there is still room for further improvement. Mainstreaming capacity building is not always reaching the intended non-environmental staff target audience, and the access to capacity-building for national counterparts _ who have the ultimate responsibility for mainstreaming in their national systems and programmes − has declined, and is now limited.
- Moreover, an opportunity is being missed in terms of taking the economic opportunities and the national systems fully into consideration. These are critical aspects for ensuring sufficient national ownership and capacity to adopt mainstreaming. ENRTP has funded leading mainstreaming initiatives (PEI, TEEB), which have developed approaches that specifically deal with enhancing the ownership and capacity of national systems, but these have not been fully adopted in EU bilateral support.

6.8.1 The EU has developed an appropriate strategic approach and related guidelines and tools to deal with environmental and climate change mainstreaming, but it is not fully benefiting from the approaches and capacities developed by dedicated mainstreaming programmes funded under ENRTP (JC81)

EU policies are conducive to, and explicitly demand, mainstreaming – but they numerous, and thus make it difficult to establish current positions.

The EU has a longstanding commitment to addressing environmental concerns in its external aid, as part of a wider commitment to sustainable development. EU policies have evolved over the years, and have gradually moved from general statements on mainstreaming towards increasingly detailed reflections on how integration relates to EU development assistance. Article 6 of the Amsterdam Treaty stipulates that *"environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities (…) with a view to promoting sustainable development"*. The 1999 European Council in Brussels called for integration of climate change mitigation and adaption across sectors. Consequently, the EU's Development Policy of 24 April 2000 identified the environment as a key cross-cutting issue to be mainstreamed in all priority themes. In May 2001, the European Council endorsed the strategy for "*Integrating the Environment into EC Economic and Development Co-operation*", with practical steps and indicators. The mainstreaming intention was subsequently reinforced in the *EU Action Plan on Climate Change* and the communication "*Climate Change in the Context of Development Co-operation, Communication from the Commission to the Council and the European Parliament"* − both from 2003. The 2005 European Consensus on Development (ECD) states that it is a major aim to "*integrate environmental protection requirements and climate change action into the Community's development and other external policies as well as to help promote the Community's environmental climate and energy policies abroad in the common interest of the Community and partner countries and regions".* The 2007 Communication *"Building a global climate change alliance between the European Union and poor developing countries most vulnerable to climate change"* has as one of its five priority areas the integration of climate change into poverty reduction strategies and programmes.

In recent years, the growing emphasis on pursuing the transition to a green economy and climate change resilience has further underscored the importance given to mainstreaming in EU policies. A green economy is promoted in the "*Millennium Development Goals – Impact of the Financial Crisis on Developing countries"* (SEC (2009) 0445), which calls for "*support to*

countries to integrate climate resilience and low car-bon strategies into their development plans through assistance for adaptation, clean energy and technology". "*Increasing the impact of EU Development Policy: an Agenda for Change"* (COM (2011) 637) explicitly calls for EU support for the development of a green economy.

EU policies thus emphasise the need to ensure that mainstreaming is done within the framework of national priorities and policies, but also emphasise that the EU should consider environment and climate change in all its development co-operation − including policy dialogue, strategic programming, and implementation. The policies are consistent and coherent in their promotion of mainstreaming. EU policies are not only conducive to mainstreaming, they explicitly require/demand mainstreaming in order to meet EU development policy goals and objectives.

EU HQ staff, EUD staff and consultants interviewed found that the EU policies on mainstreaming environment and climate change were consistent, appropriate and clear – but that the large number of policies and communications can make it difficult to establish the required positions and information. The evaluation identified 20 policies and communications, from 2001-2011, that deal with mainstreaming. The EUD survey revealed that the level of familiarity with some of the key policies was low.

EU mainstreaming guidelines are of good quality – but there is more focus on formulation than on implementation.

Since 2007, the EU has had guidelines for the mainstreaming of environment in development co-operation. These were updated in 2009, and again in 2011, which enhanced the coverage of climate change. However, the 2011 guidelines were not formally adopted until 2014, and are still not publicly available in a final form. In 2009, the guidelines became part of the core set of guidelines for EU programming and implementation, but this version was issued too late to inform the programming for 2007-2013.

The guidelines are found to be of a good quality. They provide an easy-to-access reference, promote relevant and important mainstreaming tools (e.g. CEPs, SEAs, EIAs), and take into account that the mainstreaming options and relevant tools differ for the various aid modalities. However, while the guidelines provide quite detailed guidance on the tools to be applied during the identification and formulation stages, the guidance for the implementation and evaluation stages is brief and generic.

Box 7 Key mainstreaming tools promoted

Country Environment Profile (CEP): Profile identifying the key environmental context in a country and the challenges in different sectors, and opportunities for EUDs to address these in the country programme.

Strategic Environmental Assessment (SEA): Assessment of the environmental implications at sector level − for example, of sector policies, plans and sector programmes − and analysis of different options to mitigate negative environmental impacts and harness opportunities for improving the environmental status.

Environmental Impact Assessment (EIA): Assessment of the environmental impacts of planned projects (e.g. infrastructure), and provision of recommendations to avoid or mitigate negative environmental impacts.

The tools do not fully consider economic opportunities and national systems, although ENRTP supported approaches to this.

The tools promoted focus on identification, assessment and mitigation of the negative environmental impacts of economic activity, but there is less focus on other important aspects. These include demonstrating how improved environmental management can contribute positively to sector performance and economic growth, and promoting the mainstreaming of environment and climate change into in sector policies, planning, budgets, investment and governance, taking the political economy and vested interests into consideration. Some ENRTP-funded initiatives (PEI, TEEB, GCCA) already address these elements and have developed tools, concepts and approaches for mainstreaming, but these tools have not been fully adopted in the EU's own mainstreaming approach. Therefore, an opportunity in this regard has so far been missed. (I-812)

However, current EU mainstreaming courses take departure in the EU guidelines, but also use approaches from PEI, GCCA, and TEEB. Hence, while the EU's mainstreaming guidelines have not adopted the approaches developed by the UN mainstreaming programmes funded under ENRTP, the training made available to Delegations does introduce current mainstreaming thinking. Moreover, governance and the political economy are now being addressed in the training. (I-821)

The guidelines resulted in a significant step forward for the mainstreaming of environment and climate change.

Prior to 2007, the implementation of mainstreaming was limited, and the use of mainstreaming tools unsystematic. The guidelines resulted in a significant step forward. The EUDs' awareness of the guidelines is much higher than the awareness of the earlier Communications promoting mainstreaming, and the EUDs survey shows a much higher use of the guidelines than of previous mainstreaming guidance.

6.8.2 The capacity of EU Delegations and key beneficiaries in partner countries to mainstream environment and climate change in their operations has increased significantly (JC82)

The capacity- building and support increased Delegation capacity, and ensured enhanced mainstreaming in programming.

While the policies have for many years been conducive to mainstreaming, the actual implementation of mainstreaming was a struggle, with limited and unsystematic use of key tools such as CEPs, SEAs, and EIAs. Therefore, during 2004-2009, significant mainstreaming support and capacity-building was provided for Delegations, through a Helpdesk with long-term consultants. This support comprised technical advice on request, training courses, and the production and dissemination of materials (including the guidelines, sector scripts, and case studies). Current regional training courses on mainstreaming provided to Commission and Delegation staff are also introducing participants to the above-mentioned approaches from PEI, GCCA and TEEB. In general, the training plays a significant role in promoting mainstreaming. Following the training, the Delegations and EC staff are more active and become drivers of the application of mainstreaming tools. One interviewee said that SEAs or CEPs were almost always initiated and driven by someone who had been motivated by training. EUDs were generally satisfied with the support provided throughout the period evaluated. (I-821, I-822)

Mainstreaming support was more comprehensive before 2010 than after.

Several training courses were carried out annually, and a total of 737 people were trained from 2008-2009. Training was provided not only to EU Delegation and HQ staff, but also to a significant number of national stakeholders (41% of the people trained). After the Helpdesk closed in 2009, the support became less intensive and more irregular, but two regional training courses

on mainstreaming are still provided to EC and Delegation staff − a general course on environmental mainstreaming tools and methodologies, and a course specifically on country-led environment and climate change integration.

It seems that the attention given to mainstreaming guidelines, tools and training declined after the closure of the Helpdesk. As described in JC81, the 2011 draft guidelines were only formally adopted in 2014, and the sector script revision has been ongoing since 2012. This seemingly reduced prominence appears to be a result of: a) internal staff movement and restructuring in DG DEVCO, which has caused a lack of continuity and, periodically, an unclear allocation of the responsibility for mainstreaming; b) the political attention to climate change peaked in 2009 up to COP-15 in Copenhagen, and is now not as prominent in the political agendas; c) environment and climate change is now better captured in the general guidance given to Delegations on the broad priorities for programming. However, the declining trend has been reversed in 2014-2015: a) with the launch in late 2014 of a new Helpdesk, and in 2015 with a tender process being carried out in this regard for "technical assistance for the mainstreaming of environmental sustainability, including biodiversity, climate change and disaster risk reduction"; b) with the first new sector script (agriculture and rural development) finalised and published in spring 2015. (I-821)

Mainstreaming capacity-building often reached only environment staff, rather than non-environment staff as intended.

While the intention was to reach outside the environment sector and train national partners from finance/planning and from sector ministries, the majority of national participants came from the environment sector. One positive trend is that some participants now also come from ministries of finance/planning and other sectors. Similarly, there has been a tendency for EUD environmental staff, rather than non-environment staff, to participate in the training. (I-821, I-822)

The capacity-building for national counterparts has declined.

National partners comprised 41% of participants in Helpdesk training. In the post-Helpdesk, country-led mainstreaming course was originally implemented as a series of regional seminars under GCCA, specifically for national counterparts/partners. Since 2013, this regional training has been provided mainly for Delegation staff, and the participation of national counterparts has been limited to participants from the host country, due to funding constraints. The more limited participation of national counterparts appears to have left a gap, when considering the focus of the training on *country-led mainstreaming*, and since national stakeholders have the ultimate responsibility for ensuring that environment and climate change issues are adequately addressed. (I-821)

The mainstreaming capacity in Delegations has increased significantly, and they have become more active in mainstreaming.

Prior to 2007, mainstreaming was limited, but this situation had changed by the end of 2009, with a far more extensive use of CEPs, SEAs, EIAs and environmental screenings, and a much stronger reflection of environment in CSPs, SPSPs and project designs. These changes are evidence of an increased Delegation capacity and prioritisation of environmental integration, and thus demonstrate that the Helpdesk had been successful in enhancing Delegation capacity and had kick-started the actual implementation of EU mainstreaming aspirations. Commission staff and consultants interviewed are of the opinion that environment and climate change issues are now significantly better covered in programming than previously, and this was also confirmed by the field visits, which revealed that several EUDs finance ac-

tions promoting mainstreaming. Hence, the discontinuation of the Helpdesk appears justified in the light of: a) the decreasing demand for training and support; b) the increased technical capacity of Delegations; c) an increased in-house technical capacity in DG DEVCO, DG Environment and DG CLIMA to provide support to Delegations (even if affected by staff and time constraints). (I-822)

There are still some challenges in relation to the ownership and quality of mainstreaming.

In 2009, there were still significant challenges related to the adequacy and quality of environmental integration – for example, in relation to the coverage of climate change in CSPs or the incorporation of SEA findings in SPSPs. Some tools in the 2009 Guidelines on Mainstreaming are reportedly used only to a limited extent, such as the sector scripts on climate change integration. Moreover, the use of SEAs (and, for the 2007-2013 programming cycle, also CEPs) is primarily driven by a demand from the HQ. While some SEAs are done on the initiative of Delegations (e.g. in Rwanda and Kenya), they are still not used systematically − reportedly due to limited awareness of how to use them. Therefore, a capacity constraint appears to remain in terms of ensuring that Delegations more broadly understand the use and value of mainstreaming tools, so that they assume ownership and apply them in a manner that benefits the programming, rather than as a mechanical application because it is a requirement.

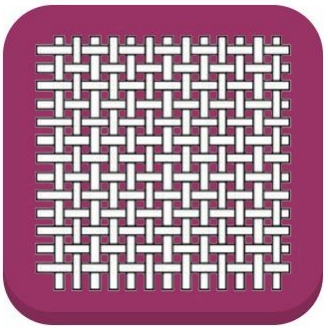
A related challenge is that partner governments often see them as an EU requirement for the provision of funding support, since they are not part of the national legal framework. As a result, the national ownership of SEA findings, and the implementation of the recommendations, remain low. However, the situation appears to be improving.: In Rwanda, there is a strong level of national ownership of SEAs, and SEA is now a legal requirement in Ghana and Rwanda, and likely to become so in Kenya.

EUD staff members interviewed indicate that: a) it can be difficult to bring in mainstreaming if it is not an explicit objective of the country programme; b) there is not a buy-in to the mainstreaming agenda from all DG DEVCO and EUD staff members; c) there is a tendency to refer all environmental issues to the EUD environment teams, which is not conducive to mainstreaming.

Nonetheless, the understanding of environmental issues among Delegation staff has increased over time. This was confirmed by the fact that all EUDs visited by the evaluation team demonstrated a good understanding of the importance of mainstreaming. It seems that the extent to which Delegations engage in mainstreaming still depends on: a) the presence of champions, who take an interest in mainstreaming; b) whether the Head of Delegation is supportive of mainstreaming. (I-822)

6.9 EQ9: Mainstreaming practice

To what extent has environment and climate change been mainstreamed throughout the programme and project cycle of EU support to a) agriculture and rural development, and b) infrastructure?

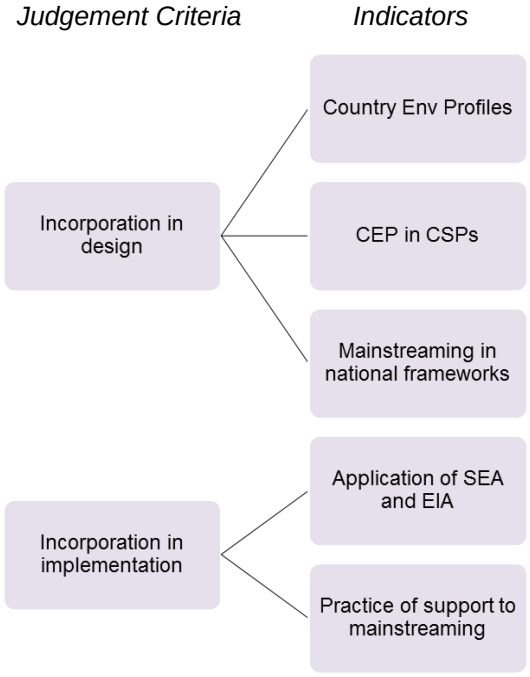


Rationale and coverage of the question

This evaluation question assesses the extent to which programmes and projects supported by the EU have helped in mainstreaming environment and climate change in sector policy, planning and implementation by national governments, the private sector and civil society. Two environmentally-sensitive sectors have been selected for this assessment: agriculture and rural development, and infrastructure (transport, water and energy). These two sectors are highly relevant because they are prioritised in the Agenda for Change, especially agriculture and energy.

This EQ focuses entirely on mainstreaming practices used under the geographic instruments and policy dialogue.

This question is articulated through two judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.



Summary answer to the Evaluation Question

Mainstreaming is an essential approach for the EU to reach its policy goals, as well as international commitments on biodiversity conservation, climate change, environment and sustainable development. That is because these goals and commitments cannot be reached through dedicated environmental and climate change sector projects alone. Country Environmental Profiles (CEPs) were introduced to help identify mainstreaming provisions for all phases, with a focus on the programming phase. Where the provisions were clearly made, they have been addressed in the Country Strategy Papers (CSPs) and Government Agreements. Other key tools employed by the EU are Strategic Environmental Assessments (SEAs) at sector support level, and Environmental Impact Assessment (EIAs) at project level[39]. SEAs have only recently started to gain influence in the programming phases, whereas EIAs are applied at the project level. There is also a potential to use other tools and approaches, such as the assessment of the value of biodiversity "The Economics of Ecosystems and Biodiversity" (TEEB (2010), providing added insight into the problem of biodiversity loss in economic terms. This mainstreaming tool that has not yet been fully exploited.

The EU has promoted mainstreaming of environment and climate change in all activities it supports. However, success is highly dependent on the commitment of national partners and decision-makers.

[39] CEP and SEA were introduced with: COM (2001) 264 final: A sustainable Europe for a better world: A European strategy for Sustainable Development

Key points:

- At project level, EU support has applied an approach in which environmental considerations are already analysed and addressed in the design phases.
- SEAs have contributed to ensuring mainstreaming at design level, and to a lesser extent at implementation level, but their use have not been widespread and consistent across the sectors. Analysis shows that it is a useful tool, and in some countries it has (or will be) a legal requirement (Rwanda, Kenya, Ghana).
- EIAs are applied to EU interventions where relevant. Most of the sample countries require EIAs of development projects by law. In general, the EIAs − especially those funded through the EU in the case study countries − are judged to be of good quality in the design of environmental mitigation measures.
- EIA mitigation measures are followed and monitored during implementation of interventions, including independent audits. However, once the projects are finalised, the monitoring of compliance becomes solely the responsibility of national authorities.
- Where projects and programmes in environmentally-sensitive sectors have incorporated, from the onset, specific outcomes and SMART indicators clearly directed towards improvement of the environmental situation, the actual implementation is more likely to correspond with the intentions than if just outlined in, for example, project purposes.
- The degree of success in mainstreaming efforts varies considerably from country to country, and is much dependent on the underlying political and institutional commitment to environment and climate change. Programmes and projects supported under the modality of project support have addressed the environmental and climate change issues at project level, but seem not to have prompted wider mainstreaming of environment and climate change into sector policy. By providing SBS (to agriculture/rural development in Bolivia, Ukraine, Egypt, Rwanda) the EU has been instrumental − through policy dialogue and promotion of the inclusion of environmental and climate change targets and performance criteria – in advancing the mainstreaming of environment and climate change.

6.9.1 Incorporation of existing mainstreaming provisions in the design of support has improved, but lacks clear and measurable indicators (JC91)

CEPs have been developed, but have failed to show a clear path to mainstreaming within the sectors.

CEPs have been used to integrate an environmental dimension into the CSPs. However, the quality varies, with many CEPs having room for improvement in terms of providing in-depth analysis of inter-linkages between environment and poverty, as well as impact analysis of different development alternatives within the infrastructure and the agriculture and rural development sectors. (I-911)

Out of 49 projects submitted to the EU Environmental Helpdesk in 2008 (on agriculture and rural development, food security, energy; transport, and water supply and sanitation), 25% showed insufficient and inadequate attention to integrating the environmental dimension. (I-921)

Many of the CEPs did not adequately cover biodiversity and climate change issues. In some cases, recommendations on how to address mainstreaming in environmentally-sensitive sectors were missing or not operational. Indicators to monitor mainstreaming efforts are usually lacking. (I-911)

In most of the CSPs analysed, the intentions on the part of EU for mainstreaming environment and climate change are outlined and follow the mandates provided through EU policies and strategies. In most of the case study countries, the CSP has placed increased focus on environment or related NRM sectors. In part, this can be attributed to the CEPs, but other factors

also influence the EU choices. These include increased focus on climate change impacts; general increase in awareness of the dependency on well-functioning ecosystems; and/or simply because it makes economic sense, in the long term, to focus on contributing towards restoring a balance between human activities and the ecosystems we depend on. Compared with climate change and biodiversity, environment concerns have, to a greater extent, been incorporated in the CSPs. (I-911)

SEAs have not been used to their full potential.

Use of SEAs has not been widespread, with only 17 during the period 2005-2009 − despite 25 CSPs for the 10th EDF envisaging the development of SEAs. In many cases, the quality of the SEAs that have been funded is high, and they were useful for raising awareness (the process of developing the SEAs) for programming (e.g. the SEAs for agriculture, 2012), and for energy (2014) in Rwanda and the sugar sector in Kenya. As a result of its experience with the agriculture SEA, the Government of Rwanda is now promoting the use of SEA on all policies and programmes. (I-912)

However, several SEA processes were initiated when the programming phases were already in progress, and even nearing completion, so these SEAs, although found useful, may not have influenced changes in the actual programmes. Better co-ordination between the PPP design and SEA would have helped to address this common shortcoming. (I-912)

Most of the SEAs reviewed focused strongly on the biophysical issues and impacts and proposed environmental safeguards. Only few embraced deeper consideration of socio-economic linkages and the role of environment in contributing towards goals of poverty reduction and economic growth. The Ghana SEA was one of those that did highlight poverty and livelihoods issues. While it came too late to influence the actual programming, it still influenced the preparation of the Road Sector Medium-Term Development Plan for 2014-2017. (I-912)

EU-supported projects and programmes are applying EIAs in accordance with international practice.

In most countries, EIAs are mandatory for environmentally-sensitive sectors, and EU-supported interventions are applying EIAs in those sectors. (I-912)

As in the case of infrastructure financed through the blending instrument in Egypt, the EIA is often of a very high quality. This might in part be attributed to the EU's requirements to have the EIA recommendations implemented and the provision of accompanying funding of for carrying out the recommended activities, for which government funds often are still too scarce.

To a large extent, EU-supported sector programmes in rural development and agricultural development integrate environmental results and indicators at an early stage of their design. Whereas for infrastructure the formal requirement is usually on the use of EIAs post-design, most EU support went beyond this and made efforts to address environmental considerations during their design phase.

Although the mitigating measures and conditions of the EIA are monitored by the Delegations during implementation (see below), the long-term monitoring of environmental adherence once support has ended is dependent on the national authorities, which in some cases are weak − particularly in relation to the indirect environmental impacts of infrastructure projects. Sustainability provisions in that regard have in most cases not been made, thus increasing the risk of damages in the medium and long term.

Integration during the design of support is on the right track.

By integrating an environmental and climate change dimension into the design of SPSPs, the EU has promoted mainstreaming of environment and climate change in environmentally-sensitive sectors. However, corresponding and clearly defined environment and climate change indicators and programme budget items are not as visible, clearly defined and integrated into the sector support as they could be (e.g. Bolivia, Ghana). In Egypt, mainstreaming has taken place through: provision of TA (e.g. developing EIA guidelines in the Ministry of Transport); supervision of indicators; provision of budget support that ensures resources are in place to be mainstreamed (e.g. within infrastructure − purchase of laboratory equipment for the water sector); policy dialogue aimed at supporting important reforms that have an environmental and climate change effect (e.g. electricity tariff reform). However, specific environmental and climate change indicators (e.g. reduction of CO_2) have not been included.(I-913)

6.9.2 Mainstreaming of environment at policy and strategy level has taken place, but there is room for improvement (JC92)

Policy dialogue, especially in the framework of SBS in environmentally-sensitive sectors, has proved useful.

Over the period under evaluation, the EU has increasingly promoted mainstreaming of environment and climate change into environmentally-sensitive sectors, and thus has been following the mandates provided through EU policies and strategies (I-921).

With regard to mainstreaming in environmentally-sensitive sectors, policy dialogue has been successfully used by the EU in the context of SBS support, by promoting and/or requesting the inclusion of environment indicators in the targets and performance criteria for the support. (I-922)

In addition, SEAs to inform sector policy reforms and strategies have been introduced, although still limited in number. Applying SEAs has, however, proved difficult at PPP level and in the field, in as much as these tools are not fully integrated and mainstreamed into the programming process at national policy level, and less so at corresponding institutional levels. Policy dialogue, supported by national environmental legislation, has certainly leveraged the incorporation of EIA in nearly all development activities within the two sectors. (I- 922)

Where mainstreaming was already addressed in the design phases, it was more likely to be implemented.

Actual implementation of intentions has often been found to be lacking or lagging behind where environmental concerns have been included as add-ons to the core purposes of projects and programmes. For example, it is the obligation of the contractors for road construction (e.g. in Transport Sector Support Programme in Ghana) to develop and implement an Environmental Management Plan (EMP) to govern the work in the field, but expertise was lacking, or in place very late in the process. The EMP was presented only after being requested by several interim audits. (I-922)

Monitoring of EIA mitigation measures are stated clearly as intentions in infrastructure projects. A limitation for appropriate monitoring is that contractors are responsible for most of the monitoring and implementation of activities, including the implementation of environmental mitigation measures at project level. For example, while Ghana's biannual audits of the Tarkwa-Bogoso-Ayamfuri road construction indicate that previous recommendations are followed up upon, a Monitoring Report in 2013 found that good environmental practices were not shown in the construction of a road, and that the mitigation plan was not fully operational. In the agriculture and rural devel-

opment sector, indicators are related to the programme results, rather than monitoring compliance with EIA mitigation measures, and thus part of the outputs of the projects. (I-922)

Once support is completed, it is the responsibility of the national authorities to ensure that the project continues to comply with requirements. (I-922)

Sector Budget Support only partially paved the way for mainstreaming.

Overall, EU policy dialogue accompanying SBS (Bolivia, Ukraine, Egypt, Rwanda) has yielded mixed results in terms of enhancing the inclusion, into policy matrices, of (measurable) environmental and climate change indicators reinforcing the government's intentions for mainstreaming environment and climate change into all policy areas. In Bolivia, the Government has been positive towards incorporation of environmental targets and performance criteria, but has some difficulties in meeting the targets concerning human resources for implementation. In Egypt, policy dialogue and TA have been successful in supporting the country to implement many far-reaching reforms. In Ukraine, the objectives have not been achieved, and mainstreaming remains weak. In Rwanda, the PEI provided an important contribution to the Government's mainstreaming agenda.

The level of awareness and priority given to mainstreaming environment and climate in the two selected sectors seems to vary a great deal, depending on how the national decision-makers actually integrate the concerns raised and supported by the EU. The case of Egypt shows that promoting the mainstreaming of environment and climate change even where national authorities are not highly supportive at the political level can produce results, as it increases the technical capacity and state of readiness for situations where windows of opportunities might arise – for example, favourable policy shifts. (I-923)

SEA processes were useful for awareness raising and commitment.

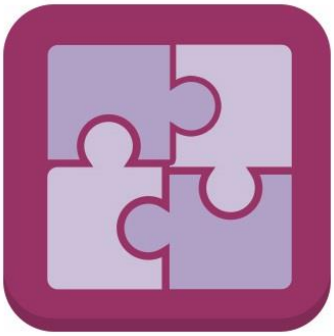
From various reviews and evaluations of the implementation of programmes and projects, it is evident that mainstreaming requires much greater effort and national commitment and, in particular, mechanisms in order to overcome sectoral barriers between agencies (e.g. Ukraine and Kenya).

Analysis of SEAs developed in the sample countries (Ghana, Rwanda, Kenya, Egypt) shows that the process of developing the SEA in general has raised awareness among decision-makers and the public. In particular, the SEA process in Rwanda identified environmental safeguards in broad consultation with stakeholders, and was able to secure financing for their implementation.

The level of awareness and priority given to mainstreaming environment and climate into the two selected sectors seems, however, to vary a great deal, depending on how the national decision-makers actually integrate the concerns raised and supported by the EU. (I-923)

6.10 EQ10: Complementarity

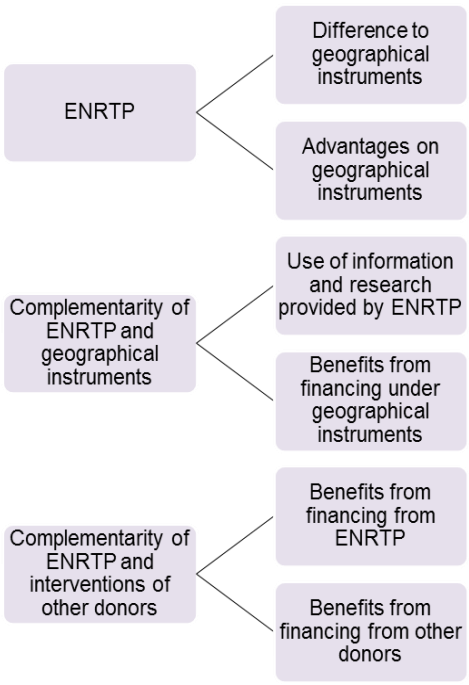
To what extent has EU used its available instruments in a way that enhances complementarity in support of the overall EU goals of a healthy environment, sound natural resource management and strong environmental and climate governance in developing countries?



Rationale and coverage of the question

This question evaluates the extent to which there has been a synergy and complementarity between environment support funded under geographic instruments (usually where environment/climate change is a focal sector) and the ENRTP. It also considers synergy and complementarity between EU support and that of other donors, including EU member states.

This question is articulated through three judgement criteria and a number of indicators, as shown in the figure on the right, with detailed reporting in Volume 2.



Summary answer to the Evaluation Question

The original intention of the ENRTP was to deal with important environment and climate change issues that could not be adequately covered by geographic instruments, due to their global dimension and the fact that the priority given to environment by governments is often not very high. ENRTP was thus established as a complementary tool to the geographic instruments, which provided support to global environmental governance processes and to international organisations (such as UNEP), in line with the EU's policy objectives − unlike geographic instruments, which have a geographically delineated scope. Other distinct features of ENRTP was that it supported civil society organisations, engaged in emerging environmental themes and tested innovative approaches that were not necessarily defined as support areas under the country programmes, which mainly focus on supporting partner governments and take into account in their national priorities.

Key points:

- ENRTP provided the EU with an instrument to engage in global environment and climate change issues in a coherent and comprehensive manner. This could not have been done with geographic instruments alone, as they are not adequately suited to tackling issues at the global level, For example, ENRTP enabled the strategic funding for global processes and global programmes, which geographic instruments could only have funded in a fragmented manner, if at all.

- ENRTP funded regional and national level actions – some of which allowed the testing of innovations that would have been difficult to cover under geographic instruments. Content-wise, other actions could in principle have been financed through the geographic instruments – if the country strategy provided the necessary provisions for engagement in such environmental actions, which was not always the case. Synergies and benefits were obtained between a number of ENRTP and geographic actions, and between ENRTP and the actions of other donors, but there were also a number of examples of potential synergies not being fully taken advantage of. Synergies were mainly obtained when: a) EUDs were actively involved in the actions (e.g. GCCA, FLEGT); b) when there was a shared thematic/topical focus of country programmes and ENRTP. On the other hand, limited involvement of the EUDs often posed a limitation to ensuring synergies with both geographic programmes and the interventions of other donors.
- ENRTP enabled the EU to address environmental issues in countries where the country strategies did not make provisions for geographical instruments to do so − albeit at a significantly lower scale than would have been possible had environment been a focal sector. This use was not in line with the objectives of ENRTP, which were to support innovation and global processes, but not to function as a stop-gap for country programmes;
- Limited involvement of Delegations in ENRTP restricted the ability to achieve synergies and complementarity between ENRTP and geographic instruments, as well as actions of other donors.
- Given the often global or innovative nature of many ENRTP actions, ENRTP more often provided benefits for geographic actions or actions of other donors than vice-versa.

6.10.1 ENRTP enabled the EU to address environment and climate change issues, which could not have been fully addressed through its geographical instruments, or which were outside the scope of the Country Strategies for some countries (JC101)

ENRTP enabled the EU to address challenges in coherent and strategic manner.

The rationale for having a thematic programme on environment and climate change is that it enables the EU to respond to issues that cannot be responded to through the geographic instruments − which are the primary funding mechanisms and backbone of EU development assistance. The justification and need for a thematic programme is that environment and climate change are global issues, with impacts reaching beyond the boundaries of national states. This was reflected to a large extent in the actions financed through ENRTP, which differed from the funding provided through geographic instruments in a number of ways.

The key implementing partners were international entities, especially UN agencies, but also the World Bank, international NGOs and other international institutions. The primary partners for the geographical instruments are national governments. (I-1011)

Of the ENRTP funding allocations, 54% were directed towards global level initiatives, 17% to regional initiatives, and only 29% allocated to national-level actions. Under the geographic instruments, most environmental funding is allocated to the national level. (I-1011) Many actions under ENRTP fell outside the scope of the geographic instruments, with support for:

- International environment and climate governance, especially strengthening MEA processes.
- Multilateral global thematic programmes (e.g. UNEP).
- EU-initiated global and regional thematic initiatives (including GCCA, GEEREF, EUWI).
- Development of new approaches and innovations (e.g. FLEGT labelling and tracking of legal tropical timber for export to the EU market).

These actions could not have been financed through geographic instruments, or could at the very best have been only partially funded in a fragmented manner on a country-by-country or regional basis, without support for global elements and functions. Hence, ENRTP has enabled the EU to provide coherent support for global thematic actions. It has also provided the flexibility to respond to emerging issues and changing circumstances. (I-1011)

At regional level, ENRTP funding has engaged in actions where the benefits reach beyond the region of implementation, such as climate change and biodiversity actions in the ENP region. (I-1011)

Some ENRTP actions enabled innovative approaches; geographic instruments could have financed others.

The extent to which ENRTP financed interventions at the regional and country levels differ from those that can be implemented under geographic instrument appears mixed. (I-1011) Content-wise, a number of country-level actions could have been funded by geographic instruments (e.g. GCCA support for land regularisation in Rwanda). And the 2009 MTR of ENRTP found that there was a common perception of ENRTP as an instrument for compensating for the absence of environmental focus in geographic programmes. The review suggested that this perception should be changed in order to achieve a better subsidiarity between ENRTP and geographic instruments. Similarly, regional environmental actions were funded both through ENRTP and geographic instruments, seemingly without a clear definition of when a given instrument should be used. Nonetheless, ENRTP funding also enabled the testing of innovative approaches − for example, in relation to testing systems for payment for environmental services in Bolivia. (I-1011)

ENRTP enabled the EU to address environment in countries where country strategies did not allow geographical instruments to do so.

With only 22% of the partner countries having environment as a focal sector, in practical terms it was not, or only to a limited extent, possible in many countries to finance environment actions under the geographic instruments, given that the ability to provide support to a sector in a country is determined by EU's country strategy. In these countries, ENRTP allowed for the engagement in environment projects, which would otherwise not have been possible, although budget limitation did not allow for ENRTP to fully make up for the lack of geographical funding. Therefore, the complementarity in this regard was only partial – on average, the ENRTP support per receiving country was EUR 3.8 million, whereas countries receiving environmental support from geographic instruments on average received EUR 17.6 million. The use of ENRTP to substitute geographic funding raised the dilemma of to what extent ENRTP should focus on tackling global issues or on responding to local needs. (I-1012)

ENRTP calls for proposal enabled support for local projects implemented by non-state actors, and thereby provided access to EU funds for local stakeholders with otherwise poor access to EU funds – for example, where the support was mainly provided as budget support for government, or where actions addressed issues that were not prioritised by governments. (I-1011)

6.10.2 Environment and climate change interventions financed by ENRTP and geographic instruments have benefited from/complemented each other, but not always to the full potential (JC102)

Limited Delegation involvement in ENRTP restricted the potential to achieve synergies between ENRTP and geographic instruments.

In general, the involvement of EUDs in ENRTP was limited. This is not surprising, considering the global nature/focus of the majority of ENRTP actions and the extensive use of international agencies. The active involvement of EUDs in ENRTP was mainly related to: a) FLEGT; b) GCCA; c) calls for proposals (Ghana, Kenya, Rwanda). While EUDs were involved in the project selection under the ENRTP calls for proposals, synergies with the country programme were not among the assessment/selection criteria. Some EUDs reported that this meant that actions that would have strengthened the delivery of the country programme were not selected for support (Kenya, Ghana). (I-1022)

The often low level of awareness among EUDs and implementers at country level of the EU contribution through ENRTP to a given global programme (e.g. PEI) also posed limitations to exploring opportunities for synergies. (I-1022) One example of potential synergies not being fully utilised is the support ENRTP provided to UNEP and UNEP-administered MEA secretariats for the implementation of global or regional training: Participants in workshops or trained related to, for example, UNFCCC or CITES would sometimes return to institutions that do not have adequate capacity to provide an enabling environment for the trained person to put the skills obtained into practice. In such situations, national-level institutional capacity-building through geographic instruments could have helped alleviate this bottleneck.

Synergies between ENRTP and geographic actions were mainly obtained where there was a shared thematic/topical focus.

The EUDs consulted had mixed opinions on the influence of ENRTP on geographic actions. This confirms the tendency observed from the field visits that the contribution of ENRTP varied significantly from country to country. In many countries, the scope for complementarity was limited due to different thematic focuses of ENRTP and the country programme (in countries where environment is not an EC focal nor a non-focal sector). Moreover, the direct presence of ENRTP-funded actions is limited in a number of countries. Synergies were more widely obtained in countries where the country programme had a focus on environment (e.g. Bolivia, DRC). (I-1022)

Synergies and benefits were obtained between a number of ENRTP and geographic actions – even if not to the full potential.

The evaluation team did identify a number of actions where synergies were achieved between ENRTP and geographic instruments. The most prominent example of strategic use of ENRTP and geographic instruments to achieve synergies and mutual strengthening is the FLEGT programme. In this programme, ENRTP-funded actions focused on the global level, capacity building, support for civil society involvement and transparency, whereas geographic instruments have been used to finance support to partner governments for the preparation and implementation of voluntary partner agreements (VPAs) at national level. An early finding from the desk phase of the FLEGT evaluation is that "*Two* [ENRTP-funded] *FLEGT support programmes implemented by EFI and FAO provide valuable technical and financial support in a complementary manner, responding to EC needs…"*. There are also a number of other examples of geographic actions benefiting from ENRTP actions, including NGO projects implemented under the ENRTP calls for proposals informing country programmes (Bolivia), or GCCA-funded actions complementing and reinforcing sector support (Rwanda). (I-2021, I-2022)

Examples of ENRTP actions benefiting from geographic actions are fewer,

which is not surprising because ENRTP as a thematic instrument has a focus on global actions and testing new approaches and innovations. However, one example of benefits is the SWITCH programme, where the experience and approaches of SWITCH-Asia on sustainable consumption and production (DCI-ASIE funded) are now replicated in SWITCH-Africa Green (ENRTP-funded and UNEP-implemented). (I-1022)

While not intentional, the country programme in Rwanda and the ENRTP-funded PEI achieved synergies in relation to the mainstreaming of environment in the agricultural sectors – for example, in relation to the EU-funded SEA. (I-1021)

Overall, the evaluation's findings are in line with DG DEVCO's annual activity report for 2013, which recognises that complementarity between thematic and geographic programmes is difficult to implement in practice. They are also in line with the 2000-2013 ROM Results Study, which found that thematic and geographic programmes should be more complementary. (I-1021, I-1022)

Programme documents and the related reporting was too generic and provided only limited guidance in relation to complementarity.

Information regarding complementarity and how ENRTP and geographic actions benefit each other is not captured systematically in the programme documentation. Information on synergies is often absent or limited to general statements about complementarity, without a description of the nature of the synergies, and even more rarely of how well collaboration worked and the results emanating from complementarity with other actions. This seems in part to relate to the structure of the available reporting formats, which ask the partners to describe how the action builds on previous grants to the partner, but not about the wider complementarity with other actions.

6.10.3 Environment and climate change interventions financed by ENRTP and those financed by EU Member States or other donors have to some extent benefited from/complemented each other (JC103)

Limited involvement of Delegations in ENRTP restricted complementarity of ENRTP actions with actions of other donors.

The above-mentioned limited involvement of EUDs in ENRTP has also affected the extent to which ENRTP achieved synergies with other donors at country level − but not necessarily at global level, where both ENRTP and other donors support international institutions. The 2009 MTR of ENRTP found that the representation and involvement of EUDs in environment donor co-ordination groups would be a key factor to ensure co-ordination of ENRTP with other donors at national level. However, Delegations were found not to be − or only to a limited extent − involved in or informed about global and regional ENRTP actions. This is still the case. (I-1021, I-1031)

Complementarity with other donors' actions was achieved by ENRTP in relation to some actions – even if not to the full potential.

Complementarity with actions funded by other donors has been achieved in some cases − even if not always systematically. One obvious synergy between ENRTP and actions by other donors is that many ENRTP actions are not only funded by EU, but also receive significant financing from other donors, which reduces transaction costs, enhances the delivery and capacity of the funded programmes, and generates knowledge and approaches for wider application.

There are also examples of complementarity where ENRTP actions benefit from actions funded by other donors, and vice versa:

A particularly important area where ENRTP support is contributing to laying the foundation on which the interventions of other donors can benefit is

international environment and climate governance, as described under EQ6 and EQ7. For example, the support for strengthening the UNFCCC processes has laid the foundation for climate actions at country level by generating knowledge, developing approaches and tools, and facilitating global agreements and priorities on which donor engagement at country level is based. (I-1031)

At project level, FLEGT processes in Ghana and Liberia are supported by actions funded by EU, as well as by other donors, in a co-ordinated manner, thereby creating significant synergies. Hence, the FLEGT experience with complementarity appears to be best practice in terms of joint and co-ordinated approaches, and worthwhile replicating in other actions and industries. Moreover, an early finding from the FLEGT evaluation is that *"FLEGT and REDD+ approaches have, despite their different objectives, been converging and are increasingly seen as complementary and mutually reinforcing. The FLEGT Action Plan has clearly added value to the initiatives of individual MS by providing a basis for action on forest governance and management globally."* However, the FLEGT evaluation also finds that there is still a need for more co-ordination across initiatives, and improved collaboration between the EC and member states. (I-1032)

PEI in Tajikistan and Bhutan benefited from using programme structures funded by EU member states (DFID and Danida) for delivery of PEI activities − thereby capitalising on their infrastructure and relations with governments, while at the same time enriching these bilateral programmes with environmental mainstreaming. The linking of smaller thematic actions to larger programmes can be an effective leverage for the smaller thematic project, as well as its larger host programme. (I-1031)

The recent global evaluation of GCCA found that its country actions in general achieved significant synergies with actions of other donors. GCCA often brought in new perspectives, and in return benefited from the project structures and outreach established by other donors. (I-1031, I-1032)

There are also examples of other donors building on, and continuing, ENRTP results, such as: a) USAID support for coastal forests in Ghana taking account of the CREMA community-based conservation approach developed under the ENRTP-funded Protected Areas Development Project (PADP); b) the USAID-funded, UNDP/EC-led project in Kenya, which will be a continuation of the ENRTP-funded UNDP LECB project.

Overall, there are a number of examples of complementarity between ENRTP and geographic instruments, as well as actions funded by other donors. However, complementarity has not always been ensured in a strategic and systematic manner, and opportunities for synergies have not always been fully capitalised on − as illustrated by the mixed degree of contribution from ENRTP registered by EUDs.

7 Overall assessment

Ten major observations can be made.

The support has been relevant at country, regional and global levels, and has paved the way for increased prioritisation of environment and climate change in current programming.

The overall goal of the EU's support to environment and climate change is that EU's partner countries achieve a healthy environment and sound management of their natural resources. The "European Consensus" on Development calls for the EU to "*lead global efforts to curb unsustainable consumption and production patterns. We will assist developing countries in implementing the Multilateral Environmental Agreements and promote pro-poor environment-related initiatives. The EU reconfirms its determination to combat climate change."* This would entail renewable natural resources being managed sustainably, so that their integrity is maintained or even enhanced so they can support economic activities and provide environmental services for future generations.− and that future economic growth is "green".

The policies designed to support this goal are ambitious, with highly relevant targets aimed at enhancing sustainable development. The support provided through the thematic programme and geographic instruments has contributed towards achieving those policy goals and targets. The involvement of EU support is highly appropriate as the EU has much to offer in terms of know-how, technology transfer, citizen engagement, and the adoption of regulatory frameworks and support initiatives that increase the incentives for sustainable development. The scale of the support to environment and climate change has been a rather modest 6% of the total development co-operation budget. However, the period 2007-2013 has seen an increase generally in priority given to environment and climate change – and this is, in part, due to the advocacy and actions of the EU. The NIPs for 2014-2017, for example, put considerably more emphasis on environment and climate change than the CSPs for 2007-2013.

Box 8 Elements of success: Country-led prioritisation of environment and climate change – Egypt

Context: Egypt is a major recipient of EU development assistance, with the co-operation related to infrastructure (energy, water, transport) and, to a lesser extent, agriculture and rural development. This enables a thorough evaluation to be made of the success of mainstreaming of environment and climate change. The co-operation in Egypt has also used budget support and project approach modalities, especially in the water and energy sectors. Egypt is involved in a number of relevant regional environmental and climate change projects, and also has elements of a fragile and conflict-affected state.

Elements of success: Progress in making the difficult environmentally-related reforms implied by the association agreement with Egypt and the NIP was disappointingly slow for many years, and came to a halt during the Arab spring democracy uprising of 2011. However, during the following years, and especially after in the subsequent revolutions, the new political system recognised the gravity of the impending water and energy crisis. It started to prioritise environment and climate change, and to introduce fundamental reforms that were necessary to enable a transition to a green economy − for example, revision of electricity tariffs. These changes have led to significant advances in mainstreaming environment and climate change in the support provided for the energy, water and transport sectors. At the same time, Egypt has also been contributing more to global environmental and climate change governance.

Support from the EU and other countries combined to create a state of readiness that allowed the Egyptian institutions − such as the Electricity Regulatory Authority and the Egyptian Environmental Affairs Agency − to respond in a timely and competent way to the new political prioritisation for environment and climate change. This was in sharp contrast to the earlier experi-

ence, in which changes in political prioritization of environment and climate change were often wasted because the operational Egyptian institutions on the ground were not ready, and their response was often too slow or not sufficiently well considered to take advantage of the political change.

Egyptian partners point to key elements in developing the required readiness to respond to the new opportunities: the persistent messages on environment and climate change raised at policy dialogue meetings; the introduction and follow-up of environmental and climate change indicators in budget support operations; the provision of significant additional resources through the budget support; and, in particular, the provision of highly-competent technical assistance.

Geographic instruments − using both budget and project support, as well as blending operations and regional projects and support through the ENRTP − have all contributed to increasing readiness and ability to react to the new political prioritisation for environment and climate change.

The combination of thematic and geographic instruments has been reasonably effective in reaching the overarching policy goals.

Significant results have been achieved in all the focus areas of support. Within climate change adaptation, the GCCA flagship initiative has built considerable capacity in some of the world's most vulnerable countries. Within climate change mitigation, the progress has been slower as it is an evolving area of work and highly dependent on voluntary co-operation at country level. Nevertheless, a strong foundation has been laid for future results. Within sustainable energy, the GEREEF has led to concrete results, with 1.9 million people now accessing clean and sustainable energy through a highly-leveraged and market-based mechanism. Biodiversity has been mainstreamed into many sector operations, such as agriculture and rural development, and initiatives have been taken to test and demonstrate innovative approaches in conservation and protected areas management. The green economy support initiatives started relatively late and, although promising, have not yet reached a stage where results are visible. Although the thematic support has strengthened UNEP, there is still much to be done in implementing conventions at country level. Co-ordination with geographic instruments in this respect has not been optimal. Moreover, the support provided for regional organisations and for actions at the regional level was limited under ENRTP. Considering that some major environmental issues are of a regional/transboundary nature and can be sensitive issues, such as the sharing of transboundary water resources in water scarce contexts (e.g. the Nile Basin and the major rivers in Central Asia), it is rational that the EU has chosen to increase the support for regional organisations.

The added value of the EU support has been in its scale, consistency and coherence with other support efforts. This has been particularly important support for the global governance of environment and climate change where EU support has contributed strongly to the credibility of these efforts because of the reputational value of EU support and because the support has been sufficient to create tangible benefits and demonstrated results. However, opportunities to make better use of EU expertise and knowhow, and to engage with EU business interests and promote an exchange of civil society, have not been fully exploited.

Mainstreaming has been more effective than in earlier periods, but there is still much improvement that can be made.

For the sectors considered (infrastructure, and agriculture and rural development), there has clearly been an improvement in mainstreaming during the period from 2007 to 2013, as measured by the priority (at the 2007 and the 2014 programming periods) given by the EUD to policy dialogue on environment and climate change, and the in-

corporation of environmental and climate change indicators in other sectors. One of the main factors in improving mainstreaming is the incorporation of mainstreaming into the quality support group agenda on the project fiche templates. ENRTP funded leading mainstreaming initiatives (e.g. PEI), but their approaches have not been adopted in the EU bilateral support.

Box 9 Elements of success: Partner-led mainstreaming – Rwanda

Context: EU development co-operation with Rwanda focuses on agriculture and rural development, infrastructure (mainly transport in 2008-2013, and mainly energy in 2014-2020), governance, and general budget support (2008-2013 only). While environment was not specified as a focal sector, one of the objectives in 2008-2013 for the agriculture and rural development focal sector was related to environmental sustainability. Climate change was not addressed in the CSP, but climate change adaptation was an element of the actions implemented under the Strategic Plan for Agricultural Transformation (SPAT), the Sector-Wider Approach for which the EU provided budget support. The co-operation in Rwanda has used both budget support and project approach modalities, and the country is also involved in a number of global and regional environmental and climate change projects − some of which are funded by ENRTP.

Elements of success: Compared with other countries, Rwanda has consistently given high priority to environmental sustainability and climate change adaptation, as illustrated by the requirement for integrating environment and climate change in sector and district development plans, with costed measures. However, while the political commitment is high, there are capacity gaps in relation to implementing the environmental aspirations and balancing environmental sustainability with socio-economic priorities − such as increasing agricultural production and incomes in a densely-populated country with little land and a fragile, hilly environment.

The support of the EU and other donors has contributed to the improved environmental governance framework, and to enhancing the capacity to implement these aspirations. Particularly notable contributions from the EU include support for PEI, which has: a) contributed to the development and implementation of the Government of Rwanda's agenda for mainstreaming environment across sectors; b) demonstrated the value of carrying out SEAs in connection with policy and planning processes. The EU initiated and funded the first SEA in Rwanda and, based on this experience, the Government has now made SEA a requirement for sector policy and planning. Moreover, the EU, together with other donors, has supported the land regularisation process. Early evidence suggests that the improved tenure security has led to farmers investing more in maintaining the natural resource base and land productivity.

Geographic instruments − using a mix of general budget support, sector budget support, and project support − regional projects and support through the ENRTP have all contributed to increasing the readiness and ability of the Government to implement its ambitious commitment to achieving sustainable development and green growth. While not pursued in a systematic manner, the environmental objective of the support for the agricultural sector and the ENRTP support for the PEI reinforced each other in terms of promoting environmental integration and mainstreaming in the agriculture sector.

Global governance actions have been effective and have strengthened country commitments, but they need to be complemented by concrete country-level projects.

The EU support has significantly increased the capacity of UNEP and UNFCCC to operationalise their unique global mandates for supporting countries to implement global

conventions and agreements on environment and climate change. However, support through global mechanisms cannot replace country-level, project-based support. The training at high policy level and the capacity development needs to be complemented − particularly in the poorer countries − by concrete projects in areas such as protecting biodiversity.

The partner-centric approaches adopted are slow, but promote ownership and sustainability.

Geographic instruments and the thematic programme have both adopted approaches that are likely to enhance sustainability. Efforts to promote mitigation of greenhouse gases have been grounded in country priorities. They have taken the longer, slower route of securing country ownership and embedding low-emission development strategies in current policy and strategy processes, rather than take a quicker but less sustainable route of publishing consultant-driven strategies. This strategic approach is prevalent in virtually all the actions taken to advance environment and climate change. This approach has been supported through exchange of best practices and sharing of lessons learnt that involve and are driven by partners which tends to internalise the learning and awareness raising.

Results have been achieved, but more is needed over a long time span to create impact.

Although there have been significant results, the scale and timescale of support has not been enough to lead to impacts in terms of reversing negative trends**.** An example is in the area of biodiversity, where new approaches have been piloted and particular protected areas have been better conserved, but not to the extent that the overall loss of biodiversity (habitats/ecosystems and species) has been reversed or even significantly slowed down. The decline is undoubtedly less than would have been the case without EU support, but before a tangible and long-lasting impact can be seen more support is needed − working closely with others − to stimulate a higher prioritisation within developing countries themselves.

The coherence of the thematic programme has improved from phase 1 to phase 2.

The coherence of the thematic programme significantly improved in moving from phase 1 to phase 2. The thematic programme itself is now easier to understand and manage. The fragmentation of projects has reduced, and longer-term efforts have been launched that are more likely to have a sustainable impact. Key areas – including mitigation, sustainable energy, biodiversity, and forestry − are supported through a combination of improvements in global governance, thematic projects based at regional and country levels, and country-based projects funded under geographic instruments.

The efficiency of the thematic programme efficiency has improved from phase 1 and 2.

The recommendations from the first phase review − to simplify the structure of the ENRTP, to reduce the scattered calls for proposals, and to work more systematically through global governance bodies such as UNEP and UNFCCC − have been implemented. They have resulted in consistent and predictable support to UNEP and UNFCCC, which has enabled them to carry out their tasks more efficiently. Working through the global agencies has led to a greater economy of scale than would have

been possible under EU-launched projects. Given the global governance nature of the interventions working through the global agencies, this shift has also been appropriate. A drawback has been that the engagement of civil society and NGOs has been less, and the EU visibility is also reduced. Within sustainable energy, the high leverage achieved with other sources of finance − development finance and private sector finance through GEREEF − has been highly efficient, and it seems likely that the full EU contribution will be returned (or returnable) with interest.

The EU's aim of linking the global policy dialogue with country-level dialogue has had mixed success, due to co-ordination challenges between EU HQ and EUDs, where initiatives are sometimes issued late and come at a time where the Governments have already developed their positions (e.g. in relation to UNFCCC COPs). In countries where the EU bilateral support does not target the environment sector, it has been difficult for EUDs to engage the relevant Government representatives, due to the lack of an existing working relation. In some cases where the policy dialogue was closely linked to a programme, there was a tendency for the dialogue to focus on the programme, rather than on the broader issues. Awareness of the GDN was generally low among the EUDs visited, and the GDN did not appear to have been engaged in support of the projects, which reduced the efficiency of the thematic programme across the entire EU scope of action. However, there have also been significant improvements, especially in terms of the mainstreaming of environment and climate change across the sectors examined (infrastructure, and agriculture/rural development). The EUDs' awareness of the guidelines is much higher than the awareness of the earlier Communications promoting mainstreaming, and the survey of EUDs shows a much higher use of the guidelines than of previous mainstreaming guidance.

The support has been co-ordinated well, and is complementary to support from Member States and other donors.

Although there is room for improvement, the EU support has been co-ordinated well and is complementary to support from Member States and other donors, as well as between the thematic and geographic instruments. For example, many of the blending projects within infrastructure financed under loans through EU Member State institutions have been complemented by EU grants that have been used for undertaking improvements related to environment and climate change. However, the full potential of co-ordination between thematic and geographic support has not been exploited. Many EUDs are unaware of the thematic projects being undertaken in their country − especially those that are regional in nature.

The EU support to environment and climate change has evolved during 2007-2013 and has formed a strong basis for responding to the opportunities and challenges of a new development co-operation context.

The development co-operation landscape changed over the period 2007-2013, and is continuing to change. Many developing countries are moving from being defined as lesser developed to being medium-income countries. At the same, there is also an increasing number of fragile and conflict-affected states. In 2011, the EU − as the world's largest donor − targeted 40% of its co-operation assistance to fragile states, and in 2013 this figure reached 60%. The contexts of the developing countries are thus highly differentiated. In some countries, such as the medium-income countries, current and future development co-operation focuses increasingly on global public goods and on promoting private sector and market-led development. In others, such as those that are fragile and/or in conflicted-affected situations, current and future development co-

operation focuses on developing resilience both to natural shocks and those that are caused or exacerbated by humans − such as droughts and floods. In both cases, prioritising environment and climate change in development co-operation will contribute to addressing the new opportunities and challenges.

In the medium-income countries, the focus will be on mitigation of GHGs, and engagement of the private sector in sustainable consumption and production and the green economy. In fragile states, the focus will be on developing natural resource management and conservation practices that can build resilience to climate change and natural disasters, and on the governance of access to natural resources as a means to reduce the underlying causes of conflict.

The EU support to environment and climate change during 2007-2013 has provided a wealth of information and experience that can be used to respond to these new opportunities and challenges. Moreover, EU support has contributed significantly to the strengthening of international environmental governance processes − and thereby contributed to enhancing the ability of the international community to tackle global and cross-boundary environmental issues and the drivers of environmental degradation. The Sustainable Development Goals (SDGs) that will replace the Millennium Development Goals (MDGs) emphasise the role of environment and climate change, and the need to respond in a differentiated manner. Goal 2 emphasises sustainable agriculture; Goal 3 points to the need for a healthy environment (free from pollution); Goal 6 focuses on availability of water and access to sanitation; Goal 7 aims at ensuring energy for all; Goal 11 focuses on creating sustainable urban environments; Goal 12 promotes sustainable consumption and production; Goal 13 focuses on action to combat climate change and its impacts; Goals 14 and 15 aim to conserve the world's oceans and ecosystems, forestry and biodiversity; and Goal 17 aims to strengthen global partnerships for sustainable development. More than half the SDGs are directly related to environment and climate change, whereas only one of the previous MDGs was directly related to environment (MDG 7).

Summary of 10 suggestions, reflections and lessons learned that inform the main conclusions and recommendations:

- Funding global approaches − such as the Poverty Environment Initiative and the Economics of Ecosystems and Bio-Diversity − is a valuable contribution, but greater EU visibility and incorporation into EU programming should take place to exploit fully and make use of the advances.
- Support to international conventions at global level is important, but more focus is needed on country-level implementation. EU project-level support should be more systematically used to complement global efforts and to consolidate advances in implementing international conventions.
- A longer-term approach that focuses on developing ownership, increasing country-led prioritisation of environment and climate change, is valuable and necessary for combating climate change, reducing the loss of bio-diversity, and ensuring economic and social development that is sustainable. At the same time, and even if country-level prioritisation is not evident, it is worthwhile promoting a technical and operational readiness for political shifts that are favourable to environment and climate change.
- Increasing the focus on environment and climate change in development co-operation will respond well to the new context and development co-operation landscape.
- Geographic and thematic interventions at country, regional and global levels are valuable, but they need a very high degree of communication and exchange of information if the inherent synergies are to be exploited. Active involvement of EUDs in the planning and oversight of thematic interventions has proved critical in ensuring that full advantage is taken of potential synergies.
- A simpler thematic programme, as was the case for phase 2 of the ENTRP (compared to phase 1), is much easier to understand and implement, and is likely to have more visible results. The recently launched thematic programme on global public goods and challenges, based on the findings of this evaluation, is highly appropriate and relevant. Support through a thematic programme should be combined with mainstreaming environment and climate change into all EU development cooperation where the priorities are decided in a dialogue with the partners.
- A combination of global governance interventions on environment and climate change, regional and country actions, blending with international finance institutions and the promotion of mainstreaming, as well as emphasising environment in policy dialogue, will serve to further the achievement of the SDGs. These various elements are mutually reinforcing, when planned in an integrated manner.
- Working through international organisations has many advantages, provided that EU visibility is respected, the international organisations are used where they have a genuinely unique role or mandate, and the EU engages in active monitoring of performance. Ensuring that support for international organisations is well co-ordinated with the EU's bilateral assistance – for example, where bilateral support assists countries in implementing agreements, approaches and skills obtained from international processes − will further enhance the benefits of supporting international organisations.
- A combination of updated and reader-friendly guidelines, training (both delegations and partners), and the use of templates and the Quality Support Group processes are effective in the mainstreaming of environment and climate change.
- There is scope in the new development landscape to integrate environment and climate change into current and new instruments, such as the EU Trust Fund, blending, Private Sector Development, and the Partnership Instrument.

8 Conclusions

Four clusters of conclusions.

For analytical clarity, we have grouped the conclusions into four clusters:

- Policy and strategic focus: conclusions 1 to 3.
- Results and impacts: conclusions 4 to 6.
- Governance: conclusions 7 to 9.
- Mainstreaming: conclusions 10 to 11.

While this evaluation covered the period 2007 to 2013, it should be noted that the Multiannual financial framework for 2014-2020 provided a significantly increased focus on coherence and complementarity of thematic and geographic instruments.

8.1 Policy framework and strategic focus

8.1.1 Conclusion 1: EU policies and strategies for environment and climate change are appropriate, but fragmented and difficult to access

EU policies and strategies for environment and climate change are appropriate, but fragmented and difficult for EUD staff and others to access. The EU has developed a series of policy statements and strategies that have been continuously adjusted and updated. They are highly appropriate and, in many respects, at the leading edge, but they are numerous and scattered across many different documents. There is no one document that summarises or provides an overview of the complex arena of environment and climate change. EUD staff, and especially others outside the EU staff, find it difficult to access, refer to and make use of the guidance provided.

This conclusion is based mainly on EQs 1, 5 and 8

The EU has a comprehensive and appropriate policy framework in relation to environment and climate change that has evolved over time and is, in many respects, at the forefront of international practice. The policy framework has gradually become more ambitious and more specific in its guidance. EU policies, for example, addressed sustainable consumption and production issues before the SCP concept became prominent. On the other hand, what comprises SCP and green economy is less clearly defined than for other environment/climate change support themes. This has led to different interpretations and applications in assisted countries, although these variations also reflect responsiveness to different country needs and stages of development.

EU policies not only promote environmental mainstreaming at sector level, they also explicitly demand that environmental considerations are integrated and addressed in all sectors. EU policies are also supportive of MEAs and of MDG 7 on environment. The focus on climate change in EU policies has significantly increased over time.

However, these policies are numerous. Policy analysis revealed that, in the period 2001-2013, more than 40 policies, Council Conclusions and Commission Communications addressing a range of environmental issues and/or climate change were issued. A clear overview of the EU's environment and climate change policy positions is lacking, not least since there is not a single policy that comprehensively captures the EU's position on all environmental aspects. Climate and environment are institutionally cross-cutting, and the policy framework is not communicated clearly enough to ensure coherence across the various different entities involved at head office and in the field.

8.1.2 Conclusion 2: The EU policy-level influence on environment and climate change has been considerable, but has not yet reached its full potential

Through a combination of direct policy support actions, the use of indicators related to environment and climate change in budget and project support, and policy dialogue, the EU focus on sustainable development substantially increased in the period 2007 to 2013. However, the full potential has not been reached, and there is still considerable scope for increasing policy influence. Close to half of the Delegations surveyed[40] report that environment and climate change still does not feature strongly in their interaction with national partners. Moreover, opportunities have not been fully exploited to make greater use of indicators in budget support and to strengthen the linkages between country-level and global dialogue.

This conclusion is based mainly on EQs 1, 2, 4 and 9

The EU support to third countries increasingly recognises the importance of sustainable development in achieving economic growth and poverty reduction, as well as promoting peace and security. This position has, over time, translated into an increasingly strong policy dialogue on environment and climate change – as illustrated, for example, by survey responses from Delegations on the evolution from 2007 to 2013. Of the total respondents, 31% indicated that the policy dialogue on environment and climate change was of a good quality in 2007, whereas 69% indicated that this was the case in 2013. Moreover, 55% of the Delegations indicated that the EU had made a high contribution to ensuring that environment was covered in national development strategies through policy dialogue and programme support, whereas 45% indicated a low contribution. Delegations also report a significantly increased presence of environment and climate change in non-environment sector policy dialogues. With regard to the agriculture, rural development, infrastructure (energy, water) sectors, more than 50% of the responding Delegations reported a high level of integration of environment and climate change in the sector dialogue in 2013. However, the above figures also show that, in almost half of the partner countries, there is scope for enhancing the dialogue and policy-related support in relation to environment. Moreover, the majority of Delegations still report that environment and climate change do not figure significantly in the dialogue related to transport infrastructure. In the case study countries examined, environmental indicators were systematically included and reported on in relation to sector budget support. The EU engages in environment policy dialogue processes at both national and global levels (e.g. in relation to global agreements), and it attempts to link the two levels with, for example, demarches for Delegations to gather information about national positions, present EU positions to partner governments, and find shared positions. However, in practice, the co-ordination is not sufficiently strong to ensure an effective link. For example, it is often very difficult for Delegations to engage government institutions responsible for environmental governance, if these are not the Delegations' normal country programme partners.

8.1.3 Conclusion 3: By supporting environment and climate change, even where the initial response of national partners is weak, the EU support has been able in some countries to promote and build up a readiness to respond to change

Even where the initial response of national partners has been weak and the context unfavourable, the EU support to environment and climate change policy has often had a constructive effect. By sending consistent messages on the importance of environment and climate change, supporting more informed decision-making through studies, promoting institutional reforms and building up a technical level of readiness and a capacity to respond, the EU has ensured that national partners are more likely to promote changes in the political and institutional context that are favourable to environment and climate change. Such support has also put the relevant institutions in a better position to respond when change does occur.

This conclusion is based mainly on EQs 1, 2, 4, 6, 7 and 9

[40] 30 out of 35 EUDs targeted by the survey replied

Where the policy and political environment for integrating environment and climate change into development is unfavourable, it is difficult for the EU to promote and support such integration. Ironically, it is often in such situations that support is most needed.

Where, despite unfavourable circumstances, the EU working with other donors has continued to provide consistent assistance, the support has helped to trigger change. Even where the support itself has not been a prime driver of change, it has served to create a technical and policy readiness to respond to political change. In Egypt, for example, environment and especially climate change were not high on the national agenda at the start of the 2007-2013 period. However, due to the energy and water crisis and to the desire of the new government to engage in international governance, there was a sudden change in political willingness. Information from studies, awareness-raising, capacity-building and systems built up through the EU support in the energy and water sectors in Egypt meant that these sectors were well placed to take advantage of the new opportunities and political signals. In Bolivia, a highly-fragmented institutional set-up threatened long-term support to Integrated Water Resources Management. However, the EU did not withdraw from supporting the important concept of integration, and this investment was later rewarded when the government undertook institutional reforms, formed a coherent ministry to deal with water and environment issues, and promoted a territorial approach to watershed management. Although the evaluation found this effect most strongly in a medium income country (Egypt), there is still as the case of Bolivia shows a potential for the same effect in lesser developed countries.

There is, of course, no guarantee that changes will occur. Where the right policies are in place, but only lip service is paid to implementing them, the task of promoting environment and climate change is often even more difficult − as the case of Ghana and Kenya to some extent shows. However, there are an encouraging number of cases where the EU's consistent and coherent support for sustainable development policies and practices has been able to create a readiness to respond when the political situation becomes more favourable.

8.2 Results and impacts

8.2.1 Conclusion 4: EU support has led to results across the environment and climate change sector, but there is still a long way to go before this will lead to transformative change and to reversing declining trends

The EU support has led to important results within biodiversity conservation, use of sustainable energy, mitigation of greenhouse gases, improved adaptation, management of natural resources, control of pollution, and the promotion of sustainable consumption and production. However, the scale of the support − even though the thematic EU support has been largely harmonised with global effort − has not been sufficient to reverse declining trends and to combat the strength of forces working against sustainable development.

This conclusion is based mainly on EQ2, 3, 4 and 5

EU support has made a very significant contribution to dialogue on environment and climate change, including exchanges on good practice between countries, regions and the EU. In most cases, the grants provided fulfilled a useful purpose in promoting and supporting policy debate on environment and climate change, and in a number of instances they have helped raise the priority of environment and climate change on the political agenda.

Despite the important contribution and results arising from the EU support, the recently released Global Biodiversity Outlook 4 Report (GBO 4) confirms that efforts in all fields are still insufficient to reach sustainable development and reverse the trends of degradation of natural resources.

The main impact has been created at localised levels, involving the local authorities and communities, but all these efforts have failed to lead to measurable transformative change at national and global levels. One of the main reasons for this is the failure − despite attempts being made − to address adequately the underlying causes of environmental degradation: population pressure, inequity, poverty, consumption and production patterns, market failure, and corresponding institutional weaknesses.

8.2.2 Conclusion 5: Where the EU has promoted market-based approaches on a pilot basis there have been encouraging results, but access to finance has proved a major challenge for scaling-up

Access to sustainable energy and the promotion of the green economy through sustainable consumption and production has been promising at the pilot level, and has, in some cases, also resulted in encouraging levels of replication. However, securing access to finance has proved a major challenge. The EU initiative to set up a risk capital facility for sustainable energy has led to significant results, which indicates the benefit of promoting dedicated, market-based and innovative approaches.

This conclusion is based mainly on EQ3 and 5

Grants for the establishment of pilot projects have been a central element of a number of EU support programmes in the areas of renewable energy and sustainable consumption and production. These have complemented assistance at policy level by providing concrete examples of how SCP and renewable energy projects can work in practice. Such pilot projects have the effect of raising practical awareness of the potential format and benefits of green economy and renewable energy actions among the local partners who have been directly involved in the projects. They have been particularly useful in demonstrating what SCP/GE entails in concrete terms, and the projects have tested and demonstrated a wide range of applications. However, survival of supported projects following end of funding, and the scaling-up and spreading of successful concepts to other businesses, has been hampered by a continuing lack of access to affordable finance. Within the field of renewable energy, lack of access to funding for small-scale projects is caused by a perception of high investment risk. This is partially a result of the high upfront costs and long payback periods, but also because of an over-reliance on subsidies, which have encouraged low-quality investment. The GEEREF project has reduced this risk by robustly demonstrating that returns can be made in small renewables in developing countries if innovative approaches to development and investment are adopted.

8.2.3 Conclusion 6: The thematic and geographic instruments have been complementary and have created results, but advantage has not always been taken of opportunities for synergy

The combination of ENRTP and geographic instruments enabled the EU to engage in a relevant and substantial manner at global, regional and country levels. This has led to results, but full advantage of opportunities has not always been taken, due to a limited involvement of EUDs in the design and implementation of many ENRTP actions.

This conclusion is based mainly on EQs 9 and 10

ENRTP provided significant support to global programmes and international entities (especially UN agencies), which enabled the EU to engage systematically in global and trans-boundary environmental issues, such as climate change, in a coherent and strategic manner. This has also promoted inter-regional and cross-country learning. Geographic instruments, in turn, enabled nationally-owned and comprehensive engagement at national and regional levels, particularly when environment and/or climate change were a focal sector.

The evaluation came across a number of examples of synergies between actions funded by ENRTP and those funded geographic instruments. The most notable example of comprehensive synergies and mutual strengthening obtained in a structured manner is the FLEGT process. In this, the combination of geographic instruments finance support for governments and the ENRTP funding of global capacity support and support for civil society constituted a comprehensive approach to forest governance. In other cases, opportunities for synergies were not fully or systematically taken advantage of, although the Unified Action Document Template requires that potential synergies are considered and described in the programme design. For example, ENRTP funded the UNDP-UNEP Poverty-Environment Initiative (PEI), which is a leader on environmental mainstreaming, but PEI country projects are often not connected to EU country programmes − even if these try to promote mainstreaming. The low involvement of EUDs in ENRTP poses a limitation for the systematic pursuit of synergies.

For example, Delegations are not always fully aware of which programmes ENRTP supports in their country – and most of the strongest examples of synergies are related to those actions where Delegations play an active role in the design and implementation, such as FLEGT and GCCA.

8.3 Environment and climate change governance

Environment and climate change governance was one of the main focus areas for this evaluation. These conclusions point to the extent to which results have been achieved in this area.

8.3.1 Conclusion 7: The scale and consistency of EU support to global governance of environment and climate change has strongly contributed to progress towards reaching global agreements, and strengthening the implementation of such agreements

The consistent EU support for global environment and climate change governance has been an important contribution to strengthening the capacity of developing countries to participate effectively in the negotiations, and to implement their outcomes. The scale and consistency has meant that the international organisations assisting developing countries to take an active role in global governance have been able to plan on the basis of a longer-term and more consistent framework, which has contributed to creating cumulative capacity development.

This conclusion is based mainly on EQs 2, 6, 7 and 10

The EU is strongly committed to multilateralism and reaching strong international environmental and climate related agreements − and, not least, ensuring that these agreements are implemented. Thus, the EU has prioritised supporting the multilateral institution established for international environmental and climate change governance. In this light, it is not surprising that the EU has been a particularly important partner for enabling international institutions, with a central role in relation to global environmental and climate change governance to implement effectively their mandates. Most notably, this applies to UNEP as the key normative multilateral environmental agency, as well as MEA secretariats for the most important MEAs (e.g. the UNFCCC Secretariat, the CBD Secretariat, and the Secretariat for the Basel, Rotterdam and Stockholm Conventions), but also for other international entities, such as UNDP. This, in turn, has led to significant capacity development results – for example, developing countries such as Egypt are taking a more active role in leading regional groups in climate change negotiations. The reason that these global institutions view the EU as a key partner that enhanced their ability to implement their global mandates is explained by: a) the scale of support, where the EU is usually one of the biggest, if not the biggest, of the donors; b) the consistency and reliability of EU support, which allows for planning and engagement in actions and processes that run over a number of years. Due to these factors, EU support has been a major contributor to facilitating/strengthening global governance processes, not least because the support accompanied a proactive engagement and ambitious commitments of EU in global negotiations. This applies, for example, in relation to promoting binding agreements and commitments in terms of: a) reducing the EU's GHG emissions; b) doubling its support for biodiversity conservation.

8.3.2 Conclusion 8: EU support to UNEP and MEA Secretariats has led to greater effectiveness and coherence in the international efforts to support MEA implementation, but the results in terms of implementation of conventions at country level is still lagging, particularly for biodiversity

The gradual increase in EU support to UNEP and MEA Secretariats has contributed to more effective implementation of their mandates and functions in order to achieve agreed international environmental goals and priorities. Furthermore, EU support has significantly contributed to achieving synergies and co-ordinated work between MEAs within the clusters of biodiversity and chemicals & wastes. However, the potential for synergies between global environmental governance support and country programmes has not been fully capitalised on in terms of ensuring that the enabling environment is in place at national level for the implementation of MEA provisions.

This conclusion is based mainly on EQs 4 and 6

EU support for UNEP and MEA Secretariats has strengthened their ability to fulfil their mandates, as defined by the UN General Assembly and the COPs. Moreover, EU support has contributed to improvements in their efficiency by supporting the introduction of result-based planning and monitoring of activities. Nonetheless, implementation of MEAs at national levels is very limited, despite extensive training and capacity development activities provided through UNEP and MEA Secretariats. Many of the sample countries have said that the lack of follow-up interventions (lack of funding) at national level is one of the key limitations for being able to transform knowledge and capacity into actions. Addressing these constraints is beyond the reach and mandates of UNEP and the MEA Secretariats, and hinges on support provide through other channels. However, the link and co-ordination between actions under geographic instruments and the global or regional training programmes provided by UNEP and UNEP administered MEA secretariats is very limited. Therefore, potential synergies that could enhance MEA implementation have not been fully utilised. People trained by UNEP or MEA Secretariats would sometimes return to institutions that do not have adequate capacity to provide an enabling environment for the newly-acquired skills to be put into practice. National-level institutional capacity-building through geographic instruments has not helped to alleviate this bottleneck.

8.3.3 Conclusion 9: By working through international organisations, the EU has contributed to greater effectiveness and coherence in addressing global public goods and challenges in the field of environment and climate change – where the international organisations have a global mandate that is credible and a high level of performance.

The strategy of working through already established international programmes − such as those of UNEP, UNDP, the World Bank, OECD, the International Civil Aviation Organisation (ICAO) and Local Governments for Sustainability (ICLEI) − has led to greater coherence and has reduced the danger of proliferating different approaches than would probably have been the case with the alternative of setting up new EU-led projects. For example, developing countries are approached from all angles by support efforts for MRV, NAMA and LEDS, and there is an acute danger of confusing methodologies and incompatible databases and processes being set up. If not harmonised and -co-ordinated well, this could lead to duplication, waste of resources, and a lowering of capacity in the countries. Attempts to establish a global co-ordination have not yet met with success. However, the EU approach of working through global organisations has considerably helped in reducing the overlap, and in strengthening national-level co-ordination. A global approach to a global problem has shown itself to be more credible and more likely to lead to voluntary adoption of climate change mitigation and environmental targets. However, it is crucial that the global mandate of the relevant organisation is credible and its performance high. The findings indicate that monitoring of fulfilment of visibility requirements and performance levels are essential factors in working effectively through international organisations.

This conclusion is based mainly on EQs 2, 6, 7 and 10

Environment and climate change are often placed in a highly-fragmented institutional setting, which makes it difficult to provide coherent support. Most actions aimed at improving environment and climate change are also long-term, which calls for consistent and cumulative support. With many donors interested in supporting environment and climate change, there is a tendency for highly piecemeal assistance that has little prospect of leading to consolidated results. Many minor projects are also time-consuming, overlap and increase the transactions costs of the recipient countries. By harmonising its support through international agencies, the EU has significantly reduced the transaction costs, and has increased coherence of its support efforts.

By working through agencies that have a global governance mechanism, but which are not involved directly in international negotiations, the EU support to potentially sensitive areas − such as mitigating GHG emissions and sharing data − has gained credibility and a reputation for neutrality. Working through such agencies has delinked technical support and capacity-building from the more politically-charged negotiation forums, and has allowed a considerable degree of expertise to build up to allow well-informed national decisions.

In some cases, working through international agencies has reduced the visibility of the EU assistance, even if all visibility rules were followed. There is also a drawback that the link to potentially useful and transformative EU policies, systems and technology know-how has not been optimised because the international agencies are not familiar with what the EU and Member States can offer.

8.4 Mainstreaming

8.4.1 Conclusion 10: There has been significant progress in mainstreaming environment and climate change in EU support to sectors such as infrastructure and agriculture/rural development, especially where there is national ownership

EU support has contributed to an increased focus on mainstreaming environment and climate change at national policy level in "environmentally sensitive sectors" in partner countries. However, there is still a gap between policy/ strategies and actual implementation.

This conclusion is based mainly on EQs 5, 8, 9 and 10

In line with its policy objectives related to mainstreaming of environment and climate change in its development co-operation, and to promoting a green economy, the EU has significantly increased its capacity and developed solid approaches to ensure that environmental considerations are addressed. As a result, EUDs have increasingly engaged in mainstreaming in the agriculture/rural development sector and in the infrastructure sector − although more strategically so in relation to energy than to the transport infrastructure. An example of this change is the increased and more strategic use of SEAs – such as in Rwanda, where an SEA of the agriculture sector inspired the government to make it a legal requirement. An SEA is an important input for the future support for Rwanda's energy sector, which will focus specifically on sustainable energy. Moreover, mainstreaming is, in general, figuring more prominently in the new NIPs for 2014-2020, compared to the CSPs for 2007-2013.

Partner country policies and strategies generally lack clear mainstreaming related outcome indicators and budgetary breakdowns by which progress could be measured. The EU is supporting work on the establishment of such indicators, and seeks − through dialogue with the governments − to get these incorporated as national sector performance indicators. The modality of providing SBS support seems to facilitate this dialogue and a broader dialogue on environmental mainstreaming in sector policies and development plans (e.g. Bolivia, Rwanda and Egypt), to a larger extent than project support (e.g. Kenya). However, it is also evident that mainstreaming has been most successful where there is a strong national ownership of the mainstreaming agenda. In countries, where this ownership is strong (e.g. Rwanda), the results are more convincing than in countries with less buy-in. However, EU support has also contributed to build such national ownership – for example, through ENRTP, which has supported the UNEP-UNDP PEI that has focused on building national mainstreaming awareness and capacity. The PEI has played an important role in building the mainstreaming capacity in several countries – and, in the case of Rwanda, this has also been of benefit to the country programme.

Moreover, ENRTP has been an important instrument for the EU to engage in promoting sustainable consumption and production to achieve a green economy.

8.4.2 Conclusion 11: The EU guidance and tools for mainstreaming are appropriate, but need updating

EU mainstreaming guidelines and tools are appropriate and have significantly contributed to enhancing mainstreaming in EU actions in other sectors. But they do not fully take into consideration the economic opportunities and national systems, and ENRTP-supported specialist mainstreaming projects and approaches (PEI, TEEB/biodiversity mainstreaming) are not fully taken advantage of in the efforts to ensure mainstreaming in the EU's bilateral support.

This conclusion is based mainly on EQs 4, 8 and 10

The EU's mainstreaming guidelines are found to be of a good quality, and provide an easy-to-access reference. The tools they promote are relevant and important for mainstreaming. There has been a strong increase in the use of mainstreaming tools by Delegations in programming during the period under evaluation, as illustrated by the increased use of SEAs in relation to sector support − such as the recent energy SEA in Rwanda, which is feeding into the detailed programming of EU support to the energy sector. This increase appears to be a result of a combination of: a) the availability of the mainstreaming guidelines; b) mainstreaming capacity-building and support provided by DG DEVCO to Delegations; c) a general global increase in awareness and capacity. However, the mainstreaming guidelines currently available to Delegations focus on mitigation of the negative environmental impacts of economic activity, but have too little focus on how improved environmental management can contribute positively to sector performance and economic growth as well as the importance of taking the political economy into consideration. In addition, the SEAs have not been used to their full potential to steer the EU to support and address the underlying causes of degradation and present different development scenarios where the positive and negative long-term direct and indirect impacts of sustainable development are presented. The ENRTP-funded initiatives PEI and TEEB have developed tools, concepts and approaches for mainstreaming, but these tools have not been fully integrated in the EU's own mainstreaming approach. Moreover, the linkage between EU country programmes and PEI country projects is usually limited, so the mainstreaming capacity that PEI has built with EU support has not benefited EU country programmes to the full potential (see conclusion 6).

9 Recommendations

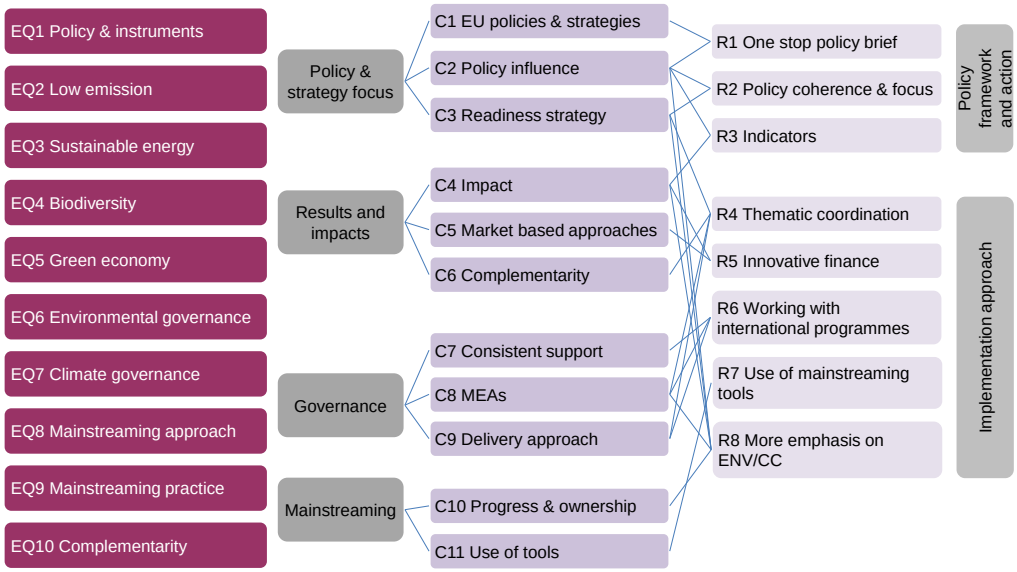
Two sets of recommendations to strengthen EU support.

The following key recommendations emerge from the conclusions. The recommendations are presented in two clusters:

- EU policy framework and actions − recommendations 1 to 3.
- Implementation approach − recommendations 4 to 8.

The linkages between EQs (findings), conclusions and recommendations are illustrated in the following figure.

Figure 15 Major links between EQs, conclusions and recommendations



Prioritising recommendations.

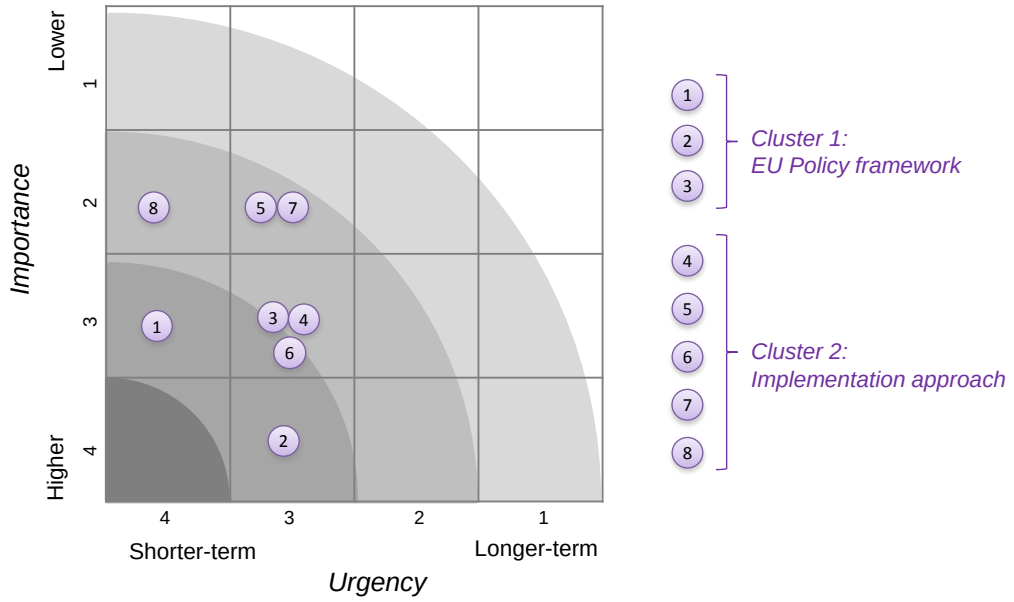
The table below provides an overview of the level of priority in terms of importance of the recommendations and the urgency (agenda) of their realisation. This information is also provided schematically in the figure below. Addressing these priorities requires actions by different actors. Therefore, each recommendation includes suggestions for operational steps to put it into practice, and proposes implementation responsibilities.

Table 5 Prioritisation of recommendations

No.	Issue	Importance*	Urgency*
1	Develop a one-stop policy brief	3	4
2	Strengthen coherence between global and national policy dialogue	4	3
3	Optimise indicators in budget support	3	3
4	Enhance co-ordination between geographic and thematic actions	3	3
5	Promote innovative finance	2	3
6	Work with international programmes	3	3
7	Use mainstreaming tools	2	3
8	Promote greater co-operation on environment and climate change	2	4

** 1 = low, 4 = high*

Figure 16 Prioritisation of recommendations, schematic overview



9.1 Policy framework

9.1.1 Recommendation 1: Develop a one-stop policy brief

Prepare a one-stop policy brief of the current EU policy positions, in the form of a living document that is kept up-to-date.

This recommendation is linked to:

- **Conclusion 1 on policies and strategies,** which indicates the absence of a single document to summarise and point to the key policy statements. This absence makes it difficult for EUD staff and others to follow and adhere to policy.
- **Conclusion 2 on policy influence,** which indicates that the linkages and coherence between global policy positions and the actions taken by EUDs in policy dialogue need strengthening.

Main implementation responsibility: DG DEVCO, DG ENV, DG CLIMA, EEAS

The recommendation could be implemented by establishing a cross-department working group that will:

- Review current policies and strategies.
- Review the policies of other aid agencies for inspiration on what works well.
- Interview users at EUD level to confirm needs and to shape the potential response.
- Develop a summary and overview that can easily be updated.
- Consider if a new communication or staff working paper is needed.

9.1.2 Recommendation 2: Strengthen coherence between global and national policy dialogue

Strengthen linkages between global, regional and national policy dialogue; mobilise EU member state embassies to help in establishing a link to Government in countries where EUDs do not have a substantial engagement in the environment/climate change sectors; provide extra resources for EUDs that do not have a substantial engagement in environment/climate change for mobilising short-term inputs for specific demarches; ensure demarches are timely, so that partner governments can consider EU positions before developing their own MEA positions.

This recommendation is linked to:

- **Conclusion 2 on policy influence,** which indicates that the linkages and coherence between global policy positions and the actions taken by EUDs in policy dialogue need strengthening.
- **Conclusion 3 on readiness strategy,** which indicates that policy dialogue, knowledge and awareness-raising can influence policies in a positive way – underlining the importance of establishing a clear link between national and global levels.

Main implementation responsibility: DG DEVCO, DG ENV, DG CLIMA, EEAS

The recommendation could be implemented by:

- Targeting follow-up by developing a list of key delegations where: a) policy influence on MEAs is crucial to the EU; b) environment and/or climate change is a significant component of the country programme; c) national government partner ministries/agencies correspond to those with a lead role in MEA processes (with a thematic disaggregation).
- Continuing the efforts already made during the 2014-2020 Multiannual Financial Framework to ensure coherence between national, regional and thematic programmes
- Instituting a procedure for developing demarches well in advance (7-12 months) of key MEA events and decision points.
- Using GDN, as well as Sector Working Groups, as channels to engage EU member state embassies with a strong position in relation to the environment sectors in the delivery of demarches.
- Instituting a procedure for developing demarches well in advance (7-12 months) of key MEA events and decision points

9.1.3 Recommendation 3: Optimise indicators in budget and project support

Increase the use of indicators related to environment and climate change in budget and project support operations in order to improve mainstreaming and strengthen the coherence with the new SDGs.

This recommendation is linked to:

- **Conclusion 2 on policy influence,** which indicates that the linkages and coherence between global policy positions and the actions taken by EUDs in policy dialogue need strengthening.
- **Conclusion 4 on impact and conclusion 9 on mainstreaming,** which indicate that indicators on budget support are highly influential in creating environment and climate change results and change.

Main implementation responsibility: DG DEVCO, EUDs, EEAS

The recommendation could be implemented by:

- Further sensitising the QSG group on the need to include environment and climate change indicators.
- Sensitising senior staff in EUDs on the need to include and follow up on environment and climate change indicators.
- Ensuring that programme officers have undertaken environment and climate change training.
- Vigorously following up − as indicated in the new programming guidelines − on the monitoring of attainment of indicators that are already part of current programmes.

9.2 Implementation approach

9.2.1 Recommendation 4: Enhance co-ordination between geographic and thematic actions

Enhance the involvement of EUDs in thematic programmes by ensuring that they are involved in the early decision-making on thematic priorities related to their country and are kept well informed, particularly on targeted actions.

This recommendation is linked to:

- **Conclusion 3 on readiness strategy,** which indicates that policy dialogue, knowledge and awareness-raising can influence policies in a positive way – underlining the importance of establishing a clear link between geographic and thematic actions.
- **Conclusion 6 on complementarity,** which indicates that the opportunity for synergies in a given country between global ENRTP actions and country-level geographic actions is not always utilised.
- **Conclusion 8 on support for MEAs,** which indicates that potential synergies between EU support for global environmental and climate governance and country programme support for environment and climate change action are not fully exploited.
- **Conclusion 9 on delivery approach,** which indicates that ENRTP support to international entities is enhancing coherence in an otherwise fragmented context.

Main implementation responsibility: DG DEVCO, EUDs/EEAS

The recommendation could be implemented by:

- Ensuring that there are selection criteria for thematic actions that favour those that are mutually supportive of country operations.
- Communicating to EUDs that thematic instruments for environment and climate change are meant to support innovation − and not to compensate for a lack of environment priority in the country strategy – and screening proposed actions to validate they are of an innovative nature and outside the scope of what geographic instruments can fund, even in cases where environment is a focal sector.
- Developing a website for the thematic programmes that provides an easy-to-access overview of country-by-country actions.
- Requesting international agency partners to engage EUDs in the planning and design of actions/activities at country level – and submitting progress reports to these.
- Engaging international agency partners in a discussion on how the technical capacity and structures put in place can support the country programmes.

9.2.2 Recommendation 5: Promote innovative finance

Increase EU support for access to finance, especially by SMEs, so that they can participate in market-based approaches aimed at increasing the adoption of sustainable energy and transition to the green economy, thereby responding to SDG 12.

This recommendation is linked to:

- **Conclusion 4 on impact,** which indicates the importance of transformative change in creating long-term impact, where removing market barriers for environmental goods and services are a key element of change.
- **Conclusion 5 on finance,** which indicates that access to finance, especially for SMEs, is a major barrier to adopting and scaling-up promising market-based approaches.

Main implementation responsibility: DG DEVCO, EUDs/EEAS

The recommendation could be implemented by:

- Developing a next phase of the risk capital facility for renewable energy (GEEREF) to encourage the leverage of more non-development finance sources, and continuing to emphasise non-financial benefits.
- Placing equal emphasis on strengthening access to affordable finance − to allow pilot projects to continue and expand − as on seeding pilot projects in the first place.

Continuing, and consider expanding, the resources made available for blending that targets, or at least includes, SMEs and green economy.

9.2.3 Recommendation 6: Work with multilateral institutions

Continue to work through established multilateral institutions for global public environment and climate change goods. Place a greater emphasis on the engagement of EU and Member State actors, and on the transfer of technology and institutional and regulatory know-how.

This recommendation is linked to:

- **Conclusion 7 on consistent support,** which notes the benefit of long-term predictable support to international governance bodies.
- **Conclusion 8 on support for MEAs,** which indicates that the link between support for global environment and climate governance and EU bilateral support at country level could be strengthened.
- **Conclusion 9 on delivery approach,** which indicates the benefit of working through international governance bodies that have neutrality and global credibility.

Main implementation responsibility: DG DEVCO, EUDs/EEAS, DG CLIMA, DG ENV

The recommendation could be implemented by:

- Summarising the areas where the EU and Member States have relevant knowledge, know-how and green technology, and making this information available to implementing agencies.
- Adding the use and transfer of EU institutional, regulatory and technology knowledge to the dialogue with implementing agencies.
- Organising knowledge exchange events between relevant parties, which will also increase the visibility of EU support.
- Undertaking monitoring of the fulfilment of visibility obligations and the continued improvement in performance of the projects and actions implemented through international organisations, using a rigorous, results-based framework.

9.2.4 Recommendation 7: Enhance synergies and strengthen mainstreaming in EU support across sectors by linking future thematic supported mainstreaming projects and non-environment/climate change interventions in country programmes

Further integrate the approaches and capacities of global mainstreaming projects provided through thematic instruments with the implementation of non-environment/climate change interventions in country programmes − for example, by developing joint actions between EUDs and the national interventions of the global thematic mainstreaming projects. Better mainstreaming is central for achieving the new SDGs, as they emphasise the interconnectedness of environmental sustainability, poverty reduction and sustained economic development.

This recommendation is linked to:

- **Conclusion 11 on tools,** which indicates that global ENRTP actions have developed leading approaches, tools, technical capacity, and in-country structures for mainstreaming.

Main implementation responsibility: DG DEVCO, EUDs/EEAS

The recommendation could be implemented by:

- Requesting future global-funded mainstreaming programmes (e.g. PEI, TEEB) to review the EU's own mainstreaming toolbox and materials, and provide recommendations.
- Including, in support for mainstreaming programmes, provisions for calling upon their expertise – for example, to provide advice on how to include mainstreaming provisions in actions under the country programmes.
- Identifying at country level the opportunities for synergies and collaboration between future thematic support funded mainstreaming programmes.
- Integrating the TEEB approach in the EU's mainstreaming guidelines.
- Further prioritising training in mainstreaming environment and climate change for EUDs, and also their national partners.
- Enhancing the potential for thematic programmes to provide leadership in environment and climate change that country programmes could then build on and complement when appropriate – that is, EUDs to look at results of thematic programmes when they elaborate the country programming.
- Ensuring that thematic programmes on environment and climate change are not seen as a substitute for allocating geographic funding to environment and climate change.

9.2.5 Recommendation 8: Prioritise environment and climate change in development co-operation

Promote and prioritise greater co-operation on environment and climate change through close co-ordination of the ongoing thematic programme on Global Public Goods and Challenges and through support provided via geographic instruments to contribute to the new SDGs – responding to the increasing importance of securing sustainable development in medium-income and lower-income countries, and in fragile and conflict affected situations.

This recommendation is linked to:

- **Conclusion 2 and 3 on policy influence and building readiness for change,** which indicates that EU influence on policy − through a combination of thematic and geographic instruments and the budget support and project modalities − can be considerable even where the political and economic environment is not favourable.
- **Conclusion 4 on results,** which indicates that significant, concrete results can be achieved through support to environment and climate change.
- **Conclusion 8 on support for MEAs,** which indicates that the link between support for global

environment and climate governance and EU bilateral support at the country level could be strengthened.

- **Conclusion 10 on ownership and progress**, which indicates the importance of country ownership for ensuring progress in mainstreaming environment and climate change.

Main implementation responsibility: DG DEVCO, EUDs/EEAS

The recommendation could be implemented by:

- Better mapping for EUD staff and country partners of the EU comparative advantage for supporting environment and climate change.
- Ensuring that EUDs are fully briefed at least once a year on the Global Public Goods and Challenges thematic support in their countries.
- Preparing policy dialogue agendas and approaches for promoting the prioritisation of environment and climate change.
- Scaling-up the non-focal sector support to environment and climate change.
- Briefing top management on the need for, and benefits of, environment and climate change co-operation.