



Recommendation of the Council on
Measures Required to Facilitate
the Environmental Assessment of
Development Assistance
Projects and Programmes

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Date(s)

Adopted on 23/10/1986

Background Information

The Recommendation on Measures Required to Facilitate the Environmental Assessment of Development Assistance Projects and Programmes was adopted by the OECD Council on 23 October 1986 on the proposal of the Environment Committee (now called Environment Policy Committee) and the Development Assistance Committee. With the aim of helping reduce the risk of costly and potentially adverse effects on the environment, the Recommendation advises Adherents to support the adoption of environmental assessment for their development assistance projects.

THE COUNCIL,

HAVING REGARD to Article 5 b) of the Convention of the Organisation for Economic Co-operation and Development of 14 December 1960;

HAVING REGARD to the Recommendation of the Council of 8 May 1979, on the Assessment of Projects with Significant Impact on the Environment [C(79)116];

HAVING REGARD to the Declaration on Anticipatory Environmental Policies of 8 May 1979, adopted by the Governments of OECD Member countries and of Yugoslavia at a meeting of the Environment Committee at Ministerial level [C(79)121, Annex];

HAVING REGARD to the Declaration on Environment: Resource for the Future of 20 June 1985, adopted by the Governments of OECD Member countries and of Yugoslavia at a meeting of the Environment Committee at Ministerial level [C(85)111];

RECALLING in particular paragraphs 1 and 11 of the latter Declaration, in which Governments of OECD Member countries and Yugoslavia declared that they will extend the use of environmental impact assessment and appropriate economic instruments, on the one hand, and strengthen their efforts to contribute to environmentally-sound development in developing countries, on the other hand;

HAVING REGARD to the Recommendation of the Council of 20 June 1985, on Environmental Assessment of Development Assistance Projects and Programmes [C(85)104];

MINDFUL of the need for Member countries to take into account the possible impacts of their activities on the environment and strive for closer co-operation with developing countries;

RECOGNISING that environmental assessment of development assistance projects and programmes can help reduce the risk of costly and potentially adverse effects on the environment;

RECOGNISING from the experience in Member countries that a successful environmental assessment process is dependent upon effective organisation, procedures and resources;

On the proposal of the Environment Committee and the Development Assistance Committee:

I. RECOMMENDS that Governments of Member countries:

- a) Actively support the formal adoption of an environmental assessment policy for their development assistance activities;
- b) Examine the adequacy of their present procedures and practices with respect to implementing such a policy;
- c) Develop, in the light of that examination and to the extent necessary, effective procedures for an environmental assessment process taking into account, as need be, the approach outlined in Annex I;
- d) Firmly establish the responsibility for applying such procedures within each office responsible for the planning and/or implementation of development assistance projects and programmes;
- e) Establish the responsibility for supervising and providing guidance on the environmental assessment process in a central office of their aid agencies;
- f) Ensure that adequate human and financial resources are provided to conduct the environmental assessment process in a timely and cost-effective way; and
- g) Ensure the provision of human and financial resources to developing countries wishing to improve their capability for conducting environmental assessment, taking into account all or part of the measures outlined in Annex II.

II. INVITES Member countries to exchange information on their progress in and experience with implementing environmental assessment on development assistance projects and programmes.

III. INVITES the Development Assistance Committee in co-operation with the Environment Committee to:

- a) Collect further information on the way in which aid agencies of Member countries conduct environmental assessment of their development assistance projects and programmes;
- b) Examine how risk assessment can be incorporated in assessing the environmental effects of certain development assistance activities;
- c) Prepare a report in three years' time on all measures which will have been taken to implement this Recommendation and on pertinent activities in other international organisations.

IV. INSTRUCTS the Secretary-General to transmit this Recommendation and its accompanying Report [ENV(85)27] to competent international organisations with a view toward fostering better environmental assessment of development assistance projects and programmes by all countries.

ANNEX I

SUGGESTED APPROACH IN ESTABLISHING AN ENVIRONMENTAL ASSESSMENT PROCESS FOR DEVELOPMENT ASSISTANCE ACTIVITIES

1. Whether a new process for assessing the environmental impacts of development assistance activities is created, or existing procedures are adapted to such a process, it is suggested that environmental assessment be co-ordinated with the host country government; integrated at an early stage of project and programme planning; reflected in the implementation of the activity and followed up by monitoring and post-audit evaluation.
2. The following elements of such a process have been found useful:
 - a) An initial screening process should be undertaken to determine whether or not a full environmental assessment is required;
 - b) An environmental assessment on a project or programme should begin at the pre-feasibility or project proposal stage and be integrated with cost-benefit and engineering feasibility studies;
 - c) The content of the assessment should be determined by a procedure designed to identify reasonable project/programme alternatives and the most significant environmental impacts associated with them. The reason for doing so is to ensure that the ensuing assessment is carried out in the most timely and cost-effective manner by addressing only the most important issues necessary for making a decision. The procedure should be implemented preferably with a group of individuals responsible for the project or programme coming together to discuss the issues and determine those to be addressed in the assessment. Host-government officials and, to the extent possible, the public affected by the activity and other interested parties should be included in the procedure as well;
 - d) After this, terms of reference should be drawn up for the assessment itself. Depending on the size, nature and location of the project-programme, the assessment can range from a one to two page analysis based on existing information and carried out by a single individual to a comprehensive environmental impact statement based on extensive field surveys and data gathering and carried out by an interdisciplinary team. Regardless of the extent of the assessment, it is necessary that it be carried out in conjunction with traditional investigations (e.g. engineering feasibility);
 - e) An assessment should not only point out the possible environmental consequences of a particular activity but also suggest mitigating (i.e. corrective) measures or alternative designs for limiting negative environmental impacts should the project/programme be implemented. In addition, attention should be given to the creation of appropriate institutional mechanisms in the host countries to ensure that mitigation measures are carried out;
 - f) The assessment process should continue beyond the point at which a decision is taken, to include monitoring of the activity during its construction and operation. Monitoring is necessary to ensure that the findings of the assessment (e.g. suggested mitigating measures) are implemented, and to test the accuracy of the predictions made (e.g. the actual impact of the project on air quality, water quality, human health, ecosystem stability). The results of monitoring can lead to project modification as well as improving the data base for implementing the procedure described in paragraph c) above in connection with future projects/programmes of a similar nature.

ANNEX II

SUGGESTED MEASURES BY MEMBER COUNTRIES FOR IMPROVING THE CAPABILITY OF DEVELOPING COUNTRIES TO CONDUCT ENVIRONMENTAL ASSESSMENT

1. The ultimate goal of an aid agency environmental assessment process should be to help developing countries themselves manage their own development in an environmentally sound way. The following measures are suggested as steps which could be taken by aid agencies in Member countries in transferring to the developing world and supporting in it an environmental assessment capability.
2. An immediate measure which can be taken would be to actively involve host-country officials in conducting environmental assessments for which aid agencies are responsible. That involvement could begin by including host government officials and others in the initial phase of the environmental assessment process and continue by engaging host-country nationals in conducting the assessment and in monitoring activities (see Annex I).
3. OECD Member countries' aid and environmental agencies could institute training courses in environmental assessment. The provision of training should be made to a number of target groups in the host countries including elected representatives and senior decision-makers in government and business, high level administrators, project managers, technical specialists, members of review bodies and representatives of environmental interest groups. The specific type of training to be undertaken would vary depending on the target group. For policy makers, for example, seminars should be conducted to demonstrate the negative effects which result from a failure to incorporate environmental elements in economic development planning and emphasize the benefits to be gained from environmentally sound planning. Training for project managers and technical specialists would emphasize procedures and methods for environmental assessment and their role and significance in environmental management.
4. OECD Member countries might consider direct support to developing countries by providing environmental advisers to work with national planning agencies for as long as requested. Such advisers would have the task of helping government officials assess the environmental impacts that might be expected to arise from projects, programmes or policies and to inform decision-makers and the public of reasonable alternatives which would mitigate negative environmental impacts and enhance the quality of the human environment in the affected area.
5. The lack of adequate baseline data and information on the state of the environment is a major constraint to successfully implementing environmental assessment in developing countries. OECD Member countries' aid and environmental agencies might consider providing information such as host-country "environmental profiles" and baseline studies on particularly sensitive areas. In addition, direct financial and technical assistance could be provided to host countries to carry out their own studies.

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