



Methodologies and tools for integrated assessment of inclusive green economy policies

The present policy brief is informed by an upcoming report of the Economic Commission for Africa (ECA) entitled “Integrated assessment tools and methodologies for an inclusive green economy in Africa”, whose preparation was prompted by a call at the United Nations Conference on Sustainable Development (Rio+20) for United Nations organizations and other international entities to support countries in adopting methodologies, toolboxes and models for evaluating and implementing inclusive green economy policies. Furthermore, the Africa Consensus Statement to Rio+20 calls for support to African countries in evaluating the costs and benefits associated with a green economy transition, and in formulating and implementing relevant policies. The outcome document of the Africa Regional Implementation Meeting for the post-Rio+20 follow-up calls on ECA and its partners to support the enhanced use and application of approaches and tools, including integrated assessments, to promote a balanced integration of the three dimensions of sustainable development. In that regard, the ECA report assesses methodologies and tools against a variety of criteria, including their capacity to support one or more stages of the integrated policymaking cycle with a focus on Africa’s specific context, to guide policy makers and technical experts in their selection. The present policy brief highlights the main findings of the report.

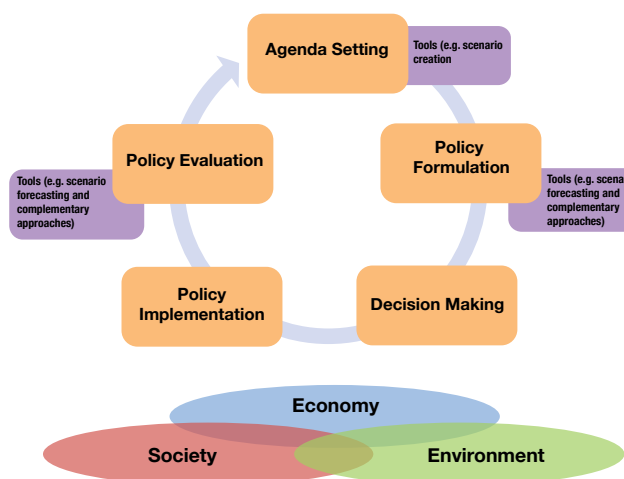
Significance of integrated methodologies and tools in inclusive green economy policy development and implementation

The analysis of inclusive green economy policies in African countries is guided by methodologies and analytical tools capable of projecting and evaluating the impacts of current consumption and production patterns on the economy, society and the environment, thereby facilitating the understanding of complex dynamics and the identification of possible alternative scenarios for a more sustainable future. While it is clear that new global challenges require concerted efforts, national realities remain central elements in the formulation of development policies. In this respect, inclusive green economy policy assessment methodologies and tools should be adaptable to the specificities of African countries, reflect national development visions and priorities, and contribute to tracking progress towards meeting the Sustainable Development Goals, other global commitments and sectoral targets.

A number of methodological frameworks and tools support policymakers in analysing these issues by assessing competing approaches and the outcomes of possible policy options, and facilitate the consideration of uncertainties related to external factors that could affect countries and assess how these could be managed. For effective support, methodologies and tools should be applicable to the various phases of an integrated and

inclusive policymaking cycle involving the following: the definition of issues (agenda setting); policy formulation; decision-making; implementation; and monitoring and evaluation. Methodologies and tools can be classified into either ex-ante or ex-post. Ex-ante tools and methods support planning and choices during agenda setting, formulation, decision-making and, to some extent, in the implementation phases of the policy cycle. Ex-post tools support assessment during policy evaluation to establish performance with respect to inclusive green economy outcomes and impacts.

Main steps of a policy cycle



No single methodological framework is explicitly designed to support decision-makers along an entire policy cycle. Depending on the specific goals of an assessment, decision-makers can either choose methodologies that address one specific sector in detail or employ those that allow for a more comprehensive assessment, which is often what is required in the case of an integrated assessment of inclusive green economy policy processes. Thus, a combination of suitable methodologies allows policymakers to gain the best from all methodologies, ensuring that social, economic and environmental dimensions are addressed simultaneously and, where possible, seamlessly.

Examples of methodologies and tools

Methodologies	Tools
Feasibility studies	Green Economy Indicators
Impact analysis	System of environmental economic accounting
Poverty and social impact analysis	Ecosystem services valuation
Strategic environmental assessment	Cost benefit analysis
Environmental impact assessment	Life cycle assessment
Environmental audits	Causal loop diagram
Decision support system	Delphi analysis
	Computable general equilibrium
	Nested models
	Integrated models

Tools are designed to support decision-makers in the assessment of policies, projects and investments against stated objectives and goals. Many are already being used in African countries for policy formulation and assessment activities, and they provide invaluable support towards integrated planning. Some of the tools allow for projecting the impacts of policies and investments in the short, medium and long-term. Other tools, such as policy/project assessment tools, provide a static representation of the system, indicating the impact of an external intervention on a set of indicators. In the context of an inclusive green economy assessment, a balance should be struck between these two approaches, ensuring that both immediate and longer-term outcomes of policy implementation are taken into account and assessed.

Suitability for the African context

The choice of methodologies and tools for inclusive green economy assessments in Africa should be informed by the problem/policy issue to be analysed, the context to be assessed and the preparedness of the team carrying out the study. In this regard, important considerations for African countries include the thematic focus; ease of customization and use; and data requirements and data availability.

Thematic focus: the sectoral/thematic focus of tools and methodologies is assessed against the widely recognized inclusive green economy definition, which varies according to national contexts. Tools that support an integrated, cross-sectoral analysis of inclusive green economy policies and plans are particularly relevant for Africa. This is consistent with the needs for policy making in Africa, where social development, economic growth and environmental quality are strongly interconnected. Sector-based tools can also be applied in assessments across the policy cycle to deepen sector-specific analysis (water, energy, tourism, agriculture and food security, waste management, biodiversity) at any stage of the cycle.

Ease of customization: African countries are confronted with various problems related to environmental conservation (e.g., land degradation, waste management, biodiversity loss), inclusive growth (e.g., sustainable structural transformation) and social wellbeing (e.g., poverty). Moreover, national development priorities depend largely on the political vision of Governments, and are strongly influenced by cultural, economic, social and environmental considerations across countries. Consequently, tools and methodologies should be easily adaptable to different country contexts to fully support decision-makers in analysing inclusive green economy policies. However, while the ease of customization might be an essential feature in some cases, in other situations decision-makers might be more interested in using a standardized methodology. In the African context, this choice might depend on a number of possible reasons, such as greater possibility to compare results (e.g., with other African countries or with developed countries); time needed to customize a tool, especially when decisions have to be made on tight deadlines or in response to a urgent crises; and required capacity-building and financial efforts for the development and use of a customized tool.

Data requirements and data availability: although data collection efforts have been intensified over the last years, the availability of reliable data on economic, social and, in particular, environmental indicators is often a concern for African countries. The same can be said for the assessment of governance, which is as crucial to designing and assessing policies as it is to evaluating the quality and coherence of the data used in assessments. For this reason, methodologies and tools that require extensive data collection efforts might be difficult to use in certain contexts.

The need for a combination of tools, and capacity implications

Given the definition of inclusive green economy and its policy ramifications, integrated models are the most adequate tools for inclusive green economy assessments in Africa. These tools match the cross-sectoral scope of national visions and development plans. However, these integrated models are data intensive and require cross-sectoral stakeholder involvement and interdisciplinary skills. Many of them are also not easily customizable to African country contexts and inclusive green economy policy assessment goals. It could therefore be useful to combine several tools, through the use of nested models, but these are even more data intensive and careful attention must be employed to ensure the coherence of methodologies and assumptions, and the complementarity of the models used. Common elements of these methods include the need for a multi-stakeholder approach and multi-disciplinary knowledge.

The current drive for developing and implementing inclusive green economy policies that contribute to sustainable development aspirations necessitates strengthening capacity for integrated analysis and approaches. This entails addressing the challenges of weak technical, institutional and statistical capacity, as well as data availability and quality issues to enhance the capability of African countries to develop, implement, monitor and evaluate inclusive green economy policies and strategies.

Recommendations

- (a) Knowledge on systems analysis should be enhanced and the necessary training should be provided to professionals in various disciplines and across stakeholder groups. Furthermore, the analytical capacity of policymakers should be strengthened. This would improve the understanding of both short and long-term impacts of inclusive green economy policies and the contextualization of analytical outcomes with regard to the specificities of African countries;
- (b) Improving the knowledge and skills of decision-makers should go hand in hand with the development of technical skills. Integrated analytical skills should be developed to ensure the effective selection and use of methodologies and tools at each stage of the policy cycle, and delivery of useful results to decision-makers;

- (c) Capacity-building should focus on the creation of integrated tools, the combination of different tools and the simultaneous analysis of outcomes across social, economic and environmental dimensions. In particular, the combination of qualitative and quantitative methods is key to gaining relevant insight on the context and expected impacts of green economy strategies. Capacity-building should address comprehensive elements, including strengthening systems and tools for measuring inclusive green economy, institutional capacity, resources and data infrastructures;
- (d) To effectively create multi-dimensional analysis, collaboration among experts across sectors should be enhanced through dedicated training on multi-stakeholder processes. In this context, the establishment of multi-actor institutional platforms and mechanisms should be set as a precondition for any integrated planning effort. Furthermore, collaboration among multiple actors is specifically required for the combined use of integrated assessment methodologies and tools.

ECA policy briefs are based on various analytical works and research on the social and economic development of Africa carried out at, or in collaboration with, the Commission. The mandate of ECA is to promote economic and social development in member States and foster regional integration in Africa.

For more information, please contact the Green Economy and Natural Resources Section (GENRS) of the Special Initiatives Division (SID), ECA, Addis Ababa, Ethiopia at +251-11-544-3089.