

ENVSEC STRATEGIC WORKSHOP

1st July 2009

Geneva, International Environment House

Final Report

Executive Summary

Six years after the launch of the ENVSEC Initiative, a general strategic assessment of the Initiative was carried out by an external consultant at the request of the ENVSEC Management Board. The review is based on a desk study of all available and directly relevant documents, on interviews with key informants, on insights gained during ENVSEC Management Board and Donor meetings, and on visits to two ENVSEC regions (Southern Caucasus and South East Europe). The main findings and recommendations of the strategic review were discussed among the ENVSEC partner organisations, as well as partner and potential partner countries at a workshop organized in 1st July 2009. The findings and recommendations of the review will contribute to the process of reform, initiated with the 'Blueprint for strengthening the management of the Initiative', aimed at enabling ENVSEC to successfully grow and perform effectively at higher levels of impact and relevance.

The review concluded that the thematic focus of ENVSEC – the interaction between environmental degradation and conflict – remains highly relevant and is likely to gain in strategic importance in the years to come, and that ENVSEC remains unique as an innovative partnership of agencies offering an integrated response to environment and security challenges. The review pointed out that ENVSEC has faced typical challenges of growth at management and governance levels as the scope and complexity of its work expanded. The recommendations suggest a number of further measures to respond to some of the shortcomings revealed by the strategic review.

These measures have been discussed and commented upon by the ENVSEC Management Board whose chair issued a management response. While carrying the 'Blueprint' into effect will be the first step to implement the recommendations of the review, the rest of the recommendations endorsed by the Management Board will be executed in the order of their priority as defined by the ENVSEC partners and their stakeholders. The success of implementation of the 'Blueprint' will be jointly examined by the Management Board, the participating countries and the donor governments during the last quarter of 2010. Decisions on possible further reforms will be made at the same time.

It was concluded that the workshop was useful in doing the first selection and prioritization of the wealth of recommendations produced by the review. In the context of the workshop, the Initiative received sufficient pledging and commitments of support to implement the near future plans of the partnership.

Organization of the workshop has been made possible thanks to the financial support from the Federal Department of Foreign Affairs of Switzerland.

Introduction: presentation of the Strategic review report and the Management response

The workshop brought together 29 participants (*see Annex 1*) representing ENVSEC partner organisations, as well as partner and potential partner countries and institutions. Its objective was to present and discuss the findings of the Strategic review of the ENVSEC Initiative conducted by an external consultant between March and May 2009. Organization of the workshop has been made possible thanks to the financial support from the Federal Department of Foreign Affairs of Switzerland.

The purpose of the Strategic review was to identify lessons learnt and provide recommendations for guiding the future focus and activities of the Initiative and its regional work programmes. Matthias Stiefel, who conducted the Strategic review, presented the methodology and the main findings and recommendations of the review. The Strategic review report (June 2009) was circulated among the participants prior to the workshop. (*For the executive summary of the report, see Annex 2.*)

The review concluded that the thematic focus of ENVSEC – the interaction between environmental degradation and conflict – remains highly relevant and is likely to gain in strategic importance in the years to come, and that ENVSEC remains unique as an innovative partnership of agencies offering an integrated response to environment and security challenges. The review pointed out that ENVSEC has faced typical challenges of growth at management and governance levels as the scope and complexity of its work expanded. According to the review it is therefore important that the implementation of the ‘Blueprint for strengthening the management of the Initiative’, which was adopted by the Initiative’s Management Board in consultation with main donors, will be completed as soon as possible. The recommendations suggest a number of further measures to respond to some of the shortcomings revealed by the strategic review.

These measures have been discussed and commented upon by the ENVSEC Management Board whose chair issued a management response (*see Annex 3*). While carrying the ‘Blueprint’ into effect will be the first step to implement the recommendations of the review, the rest of the recommendations endorsed by the Management Board will be executed in the order of their priority as defined by the ENVSEC partners and their stakeholders. The success of implementation of the Blueprint will be jointly examined by the Management Board, the participating countries and the donor governments during the last quarter of 2010. Decisions on possible further reforms will be made at the same time.

The introductory session was followed by discussions at the plenary group and in working group sessions. The main points and conclusions of the different sessions of the workshop are summarised below.

Discussion on conclusions of the Strategic review and the Management response

During the plenary discussion, following questions were raised and comments made:

FINLAND, Matti Kääriäinen, Ambassador, Ministry for Foreign Affairs of Finland

- Synergies between ENVSEC activities and other transboundary water related programmes were underlined.
- In general Finland is fully supportive of ENVSEC and its approach which coincide with Finland’s priorities as part of its Wider Europe and Balkans initiatives. The Financial Agreement for cooperation under the Wider Europe Initiative (WEI) is to be finalized and discussions are ongoing for the South Eastern Europe (SEE) region.
- The outcomes of the Strategic review were welcomed.
- There is a need to find a way to improve national involvement and ownership over the Initiative, maybe through greater presence of ENVSEC in the countries, and a need to

strengthen management and governing structures, as well as Secretariat functions, as described in the Blueprint.

- Finland expressed its support to the establishment of a non-earmarked multi-donor Trust Fund administered by UNOPS in accordance with *Paris Declaration on Aid Effectiveness*.

Swedish EPA, Jan Olsson, Programme Coordinator, Swedish Environmental Protection Agency

- The Swedish EPA's support to ENVSEC is currently limited to the Eastern European region, where implemented projects have already reached substantial results.
- The ENVSEC Initiative has proved to be both useful and relevant and also well-functioning.
- Many of ENVSEC new challenges are dealt with in the Strategic Review, but some recommendations may not be feasible to implement due to limitations, and the Management response clearly identifies them (e.g.: extending the programme to new regions, making the management structure too heavy, providing funds to national focal points...)
- It is important to strengthen capacities in the field, as well as capacities for development and implementation of projects.
- The scope of existing projects and programmes could be widened, but the project portfolio should preferably not expand too much.
- It is important to maintain and develop ENVSEC's niche, it has e.g. turned out to be relevant for enhancing transboundary co-operation. Regarding the security mandate of the initiative, the Swedish EPA has no objections to the pragmatic approach suggested in the management response, but it is good that the initiative also uses check-lists and that there are continuous discussions with the management board to define the scope of the projects to be dealt with within the initiative, as it is the case today.
- Projects implemented by one single organization should perhaps be avoided and organizations should, if possible, strive to engage in partnerships in project implementation to fully use the added value of ENVSEC.
- New partners could be involved as a part of a wider network, but maybe not as a part of the management Board.
- According to the strategic review, the ENVSEC initiative has had a catalytical role and a "bridging" function and allowed projects to be picked up, funded and implemented by other co-operation agencies. This is an important achievement, which could possibly be further developed.
- Communication is an important element for ENVSEC and we note that some improvements have already been made. The newsletter for Eastern Europe is a good example of information to donors.

UNEP, David Jensen, Policy and Planning Coordinator, Post-Conflict and Disaster Management Branch, United Nations Environment Programme

- Had strongly encouraged ENVSEC to conduct an external review of lessons learned, and to document critical success factors in using the environment as a platform for cooperation. He also suggested the same consultant might be suitable for such an exercise.
- The review report accurately captured the main opportunities and challenges faced by ENVSEC and was an excellent product given the time constraints involved.
- Each recommendation needs to be carefully considered as ENVSEC moves forward.
- Did the Strategic review analyze the impacts of the Initiative on cooperation between countries and on country teams?
- The concept of "security" within the ENVSEC partnership and its project development needs to be more clearly defined.

SWITZERLAND, Thomas Heimgartner, Diplomatic Officer, Federal Department of Foreign Affairs of Switzerland

- The review provides a valuable input to understand the spirit of ENVSEC.

- There should be a basic definition of the term “security”, but due to the different mandates of each ENVSEC partner institution maybe the best approach is first to define what is not considered as relevant.
- The role of Regional Desk Officers (RDOs) and National Focal Points (NFPs) should be strengthened, but it is impossible to strengthen the Initiative on all the levels at the same time. The focus should be now on the central level.
- RDOs should not become employed directly as fully dedicated to ENVSEC since this situation would weaken the links they have with their organizations.
- Increasing national ownership is very important and it can be done through consultations, as well as through involvement of local donor representatives.

ADA, Sandra Wibmer, Advisor Environment and Natural Resources, Austrian Development Agency

- ADA provides support to ENVSEC from 2003 in the South Eastern Europe region, and cooperates with UNEP.
- The role of ENVSEC in attracting attention and action by various donors and agencies is very important and the partners should continue to make efforts in catalyzing further support to remediation of the environment and security hotspots
- European integration focus is missing in the review.
- Findings of the Strategic review on national ownership and involvement of national stakeholders are of great importance, and further work should be done on this aspect, together with activities for capacity building.
- The transboundary approach is one of key importance for ENVSEC.
- There is a need to clarify how the follow-up assessments should be carried out. They should also involve national stakeholders.
- Communication at all levels should be improved.
- ADA would be ready to channel its support to ENVSEC through UNOPS. Questions regarding the governance of the trust fund and donor’s representation still need to be further discussed.

ITALY, Massimo Cozzone, Senior Officer, Ministry for the Environment, Land and Sea of Italy

- Italy is not a current donor but provides strong political support to ENVSEC.
- The strategic review contains a good set of recommendations, but most of them are hard to put in practice, especially due to a lack of funding.
- Funds should be mainly directed to project implementation and not to administrative and organisational cooperation and management. The final product should not be jeopardized.
- Recommendation was given that RDOs should only be reference points and not “exclusivity” of host organizations; they should benefit from inputs from other organizations.
- Funding mechanism should be kept flexible as much as possible, not exclusively through a centralised Trust fund.

GERMANY, Matthias Schauer, Head of Economic Section, Permanent Mission of Germany to the United Nations and other international organizations in Geneva

- Coordination as overarching theme is very important, as well as consensus building and increased efficiency.

UNECE, Bo Libert, Regional Advisor on Environment, United Nations Economic Commission for Europe

- Under the ENVSEC Initiative, the focus is on project implementation, and participation of stakeholders on project level is usually strong and active.
- There are single-partner projects as well as projects with several partners; the decision on the involvement of partners results from discussions between the partner organizations, aiming at reaching the most efficient solution. Sometimes, it is most efficient that one partner implements a specific project.
- Regions where ENVSEC is working are very different, and decisions and activities need to be adapted to regional specificities.

BELGIUM, Pieter Leenknecht, First Secretary, Permanent Mission of Belgium to the United Nations in Geneva

- The Strategic review focuses on only two regions: was this reduction premeditated, or did it occur due to unforeseen circumstances?

Matthias Stiefel pointed out that visiting all regions would have required a lot of time, which was not available, but visited projects were the most representative for the region, and recommendations are based on their implementation.

REC, Marta Szigeti-Bonifert, Executive Director, Regional Director for South Eastern Europe, Regional Environmental Center for Central and Eastern Europe

- Visibility and communication should be further improved.
- The importance of Aarhus centers and capacity building of ministries responsible for implementation of Aarhus Convention and PRTR protocol were emphasized.
- There are obvious differences among regions that should be respected.
- In some areas, lack of money and mandate of ENVSEC is an issue that needs to be addressed.
- Projects are bases of ENVSEC work, visibility and acknowledgement is still in the growing stage.
- Ecosystem-based approach should be taken very seriously into consideration.
- For REC, the transfer of experience and knowledge among the ENVSEC partners is one of its main achievements.
- Interlinking of ENVSEC activities with EU processes, achieved in the SEE region, is of particular importance.

UNEP, Christophe Bouvier, Director, Regional Office for Europe, United Nations Environment Programme

- The importance of a well-managed and balanced approach to reach an efficient use of money, partners' ownership, homogeneous programs, cost efficiency and joint assessments was emphasized.
- There is a need to evaluate how much should/could be invested to improve national ownership and participation.
- The main challenge is to balance the different recommendations contained in the Strategic review with time and resource constraints to ensure ENVSEC progresses on a steady path.

OSCE, Mr. Marc Baltes, Senior Advisor, Economic and Environmental Activities, Organization for Security and Cooperation in Europe

- Given the complexity and variety of mandates of ENVSEC partners, flexibility is required to successfully implement ENVSEC's activities.
- As environmental issues tend to be less politicised, ENVSEC is an important tool in building dialogue and cooperation and serves as a confidence building measure.

NATO, Ms. Susanne Michaelis, Associate Programmed Director, Science for Peace and Security Section, North Atlantic Treaty Organization

- The Strategic review raises an important question: should ENVSEC become an organisation or should it be maintained as a partnership mechanism? For NATO, the second option is the most advantageous.
- There is a need to undertake actions for a stronger involvement of senior managers from partner organizations in the ENVSEC Initiative.
- Communication processes should be improved and important messages delivered to NATO's missions and delegations.

FINLAND, Mr. Kaj Barlund, Advisor to the Finnish Delegation, Ministry of Foreign Affairs of Finland

- Speaking with the experience from his previous position as a Director of Division in UNECE, Mr. Barlund reminded that environment and security were already outcomes of the Conference on Security and Cooperation in 1975. Among other things the UNECE Conventions on trans-boundary environmental issues have their roots in these discussions.
- It is really important to clearly define ENVSEC niche and its added value (what is “ENVSECable”) and to create an ENVSEC constituency at the field level.

EUROPEAN COMMISSION, Mr. André Mollard, UN Affairs Officer, Delegation of the European Commission in Geneva

- The EC provides political support to ENVSEC activities and is ready to discuss concrete proposals with ENVSEC.
- There is a need to more clearly define the selection process, goal and scope of ENVSEC projects. This should go hand in hand with a clarification of the notion of “security” used by the ENVSEC partnership, in order to give more visibility to its work.

The way forward

Future vision and focus of the initiative

The following issues were raised during the session.

ENVSEC partners together with national stakeholders and donors should, although this is not an easy task, continue discussions to arrive at a broad but more specific definition of security for the work of ENVSEC. This will help to identify a clear niche for ENVSEC projects.

The national ownership is imperative for ENVSEC projects but there has to be a balance as well, considering that the focus of ENVSEC work is transboundary. Proper forms for cooperation with donors also need to be developed.

When improving the coordination of the Initiative it is important to be aware of the need to keep the flexibility of operations.

The general consensus was that some recommendations of the Strategic Review could be implemented without delay while others needs further study and should be considered in due time. In this context the continuous capacity building of the ENVSEC organizations is a necessity.

Close attention needs to be paid to the outcomes of the UNFCCC CoP meeting in December 2009 that may help positioning ENVSEC both in terms of substance and access to financial resources.

Regular publications of the project results and the use of internet technologies should be promoted for improving external and internal ENVSEC communications.

The ENVSEC chair noted that the Initiative needs to continuously review lessons learnt and refocus activities accordingly.

One advice is to take into account the experience of International Strategy for Disaster Reduction (ISDR) in deciding on the way ENVSEC will evolve.

ENVSEC Chair and the Secretariat informed the participants about the results of internal brainstorming on climate change and security. The results included the identification of four areas of work where ENVSEC has an additional value. The executive summary of the workshop was distributed among the participants.

Presentation of the results and recommendations of the Working Groups

Working group 1: Methodology and performance at the field level

The outcomes of the discussion in the working group on ‘Methodology and performance at the field level’ were summarized as follows:

- Increasing national ownership:
 - Creation of National Advisory Groups
 - Build national capacities to develop ENVSEC proposals
 - Key role of expertise
 - Mainstreaming ENVSEC into national planning processes (e.g.:UNDAF)
 - Continuous consultation process with national stakeholders (bottom-up process)
- Strengthening field management:
 - Local assistants / decentralization of the Initiative
 - Participation of all ENVSEC partners in ENVSEC regional meetings
 - Designation of regional focal points in each organisation who would communicate with and be serviced by the Regional Desk Officer (1 regional focal point per organization for each region)
- Improving communication:
 - Budget for communicating project results – to increase ENVSEC visibility, but also to inform locals about issues concerning them directly - in each ENVSEC project
 - Design regional public relations (PR) initiatives
 - Maximum utilisation of Aarhus centres
- Evaluation and monitoring:
 - Apply a results based framework in project development
 - Follow-up reporting on completed projects to Management Board

Working group 2: Mandate, identity and selection criteria for ENVSEC projects

The outcomes of the discussion in the working group on ‘Mandate, identity and selection criteria for ENVSEC projects’ were summarized as follows:

- Promoting the ENVSEC specific identity:
 - ENVSEC brand is unique: complementary agencies that provide expertise and focus on cooperation
 - Create a network around the ENVSEC brand by involving other partners, like EBRD, that show an interest in ENVSEC work or specific activities (e.g.: multi-agencies assessment processes)
- Defining the ENVSEC mandate:
 - Narrow definition of “security” as absence of “tensions” –including violence- (conflict-related focus)
 - ENVSEC niche = prevent environmentally-induced risk, instability and conflict, and use environment to build bridges and promote cooperation in other (policy) areas
 - Possibility to use ENVSEC in post-conflict situations for specific follow-up activities if there is an obvious indication that complementary expertise of ENVSEC partners makes sense

- Focus on transboundary approaches
- Define what ENVSEC should not do (e.g.: humanitarian aid, climate change mitigation)
- Improving selection criteria for ENVSEC projects:
 - Simplify the project selection criteria
 - Different phases of projects carried out jointly by the partners
 - Strengthen the ownership of the beneficiary countries in the formulation of new projects

Working group 3: Governance, management and administration

The outcomes of the discussion in the working group on ‘Governance, management and administration’ were summarized as follows:

- Maintaining flexibility and increasing predictability:
 - ENVSEC as a dynamic initiative which needs flexibility in both management and governance
 - Increase predictability in terms of availability of funds and contents of the work programmes
- Reforming the management structure:
 - Implementation of the ‘Blueprint for strengthening the management of the Initiative’ as planned
- Coordination among donors and collaboration with the ENVSEC partners:
 - Possibly organise donor forum meetings twice a year, so that the first meeting focuses on reviewing the results of the previous year and the second one on discussing the plans for the following year. The second meeting of each year could also be a pledging conference.
 - Mirror the structure, contents and participation of the donor forum meetings with financial management arrangements.
 - Self-coordination of donors and self-governance system of representation.
- Multi-donor Trust Fund:
 - Establishment of a Multi-donor Trust Fund managed by UNOPS whose standard provision will be developed in consultation with the participating governments.

Conclusions and main findings: identification of key priorities for the reform

Christophe Bouvier stated that the workshop had been useful in doing the first selection and prioritization of the wealth of recommendations produced by the review. The ENVSEC partners will move forward with the recommendations of the review and start by efficiently carrying into effect the ‘Blueprint for strengthening the management of the Initiative’, which was considered as the best first step by the author of the review.

In the context of the workshop, the Initiative received sufficient pledging and commitments of support to implement the near future plans of the partnership. He noted that it will be the ENVSEC partners’ duty to broaden the donor base of the Initiative. With regard to the relationship between the ENVSEC partners and the donor community, an applicable approach could be the one of “trust and verify”, which is based on mutual collaboration and accountability. The building blocks for future work had been created during the previous Donor forum meetings and this workshop.

The Chair of the Initiative, Marco Keiner, summed up the achievements by saying that “while many issues of the process of reforming ENVSEC remain under construction the basement has now been built successfully”. The Chair reconfirmed that **carrying into effect the ‘Blueprint’** will be first step

to implement the recommendations of the review and the rest of the recommendations endorsed by the Management Board will be executed in the order of their priority as defined by the ENVSEC partners and their stakeholders. The success of implementation of the Blueprint, and to the extent possible other reforms along the line of the management response, will be jointly examined by the Management Board, the participating countries and the donor governments during the last quarter of 2010. Decisions on possible further reforms will be made at the same time.

With regard to next steps the Chair gave the following outline of issues requiring attention and action:

- **Clarifying the ENVSEC mandate** - The purpose statement and definition of the concept of 'security' will be further developed with the aim of finding a practical solution. The thematic focus areas of ENVSEC will be further defined based on the existing categorization of activities.
- **Strengthening national ownership** - The national ownership of the Initiative will be strengthened by implementing some of the recommendations of the review, such as establishment of the National Advisory Groups and developing capacities on a national level to implement projects.
- **Encouraging better coordination among the ENVSEC members and with other potential partners** – The coordination among the ENVSEC members will be further strengthened by encouraging, for instance, their participation in all ENVSEC regional meetings and by designated regional focal points in each organisation who would be in permanent contact with the Regional Desk Officer (RDO). ENVSEC should also welcome new partners on a more informal basis in order to enlarge the partnership in search of synergies.
- **Improving communication** – Internal and external communication will be improved. A budget should be dedicated to that purpose in each ENVSEC project, and senior managers of the ENVSEC partner organisations will be more involved in promoting the Initiative in various international fora.

Annex 1: List of participants

Mr. Marc BALTES, Senior Advisor, Economic and Environmental Activities, Organization for Security and Cooperation in Europe

Mr. Kaj BARLUND, Advisor to the Finnish Delegation, Ministry of Foreign Affairs of Finland

Mr. Christophe BOUVIER, Director, Regional Office for Europe, United Nations Environment Programme

Ms. Marianne CHAUMEL, Intern, ENVSEC Secretariat, United Nations Environment Programme

Mr. Massimo COZZONE, Senior Officer, Ministry for the Environment, Land and Sea of Italy

Mr. Harald EGERER, Head of Vienna Office, United Nations Environment Programme

Mr. Martti EIROLA, Deputy Director, Unit for European Union Enlargement and Western Balkans, Ministry for Foreign Affairs of Finland

Mr. Thomas HEIMGARTNER, Diplomatic Officer, Federal Department of Foreign Affairs of Switzerland

Mr. David JENSEN, Policy and Planning Coordinator, Post-Conflict and Disaster Management Branch, United Nations Environment Programme

Mr. Matti KAARIAINEN, Ambassador, Ministry for Foreign Affairs of Finland

Mr. Marco KEINER, Director Environment, Housing and Land Management Division / Chair of the ENVSEC Management Board, United Nations Economic Commission for Europe

Ms. Gordana KOZUHAROVA, Regional Director for South Eastern Europe, Regional Environmental Center for Central and Eastern Europe

Ms. Birgit KRASILOWSKY, Desk Officer, Ministry for Foreign Affairs of Finland

Mr. Pieter LEENKNEGT, Secretary, Permanent Mission of Belgium to the United Nations in Geneva

Mr. Bo LIBERT, Regional Advisor on Environment, United Nations Economic Commission for Europe

Ms. Susanne MICHAELIS, Associate Programmed Director, Science for Peace and Security Section, North Atlantic Treaty Organization

Mr. Frédéric MILLION, First Secretary, Environment Adviser, Permanent Mission of France to the United Nations in Geneva

Mr. André MOLLARD, UN Affairs Officer, Delegation of the European Commission in Geneva

Mr. Jan OLSSON, Programme Coordinator, Swedish Environmental Protection Agency

Ms. Marika PALOSAARI, ENVSEC Coordination Officer, United Nations Environment Programme

Mr. Ajiniyaz REIMOV, ENVSEC Regional Desk Officer for Central Asia, United Nations Development Programme

Mr. Matthias SCHAUER, Head of Economic Section, Permanent Mission of Germany to the United Nations and other international organizations in Geneva

Mr. Matthias STIEFEL, Founder and Vice-Chairman, International Peacebuilding Alliance

Mr. Goran SVILANOVIC, Coordinator, Economic and Environmental Activities, Organization for Security and Cooperation in Europe

Mr. David SWALLEY, ENVSEC Regional Desk Officer for the Southern Caucasus, Organization for Security and Cooperation in Europe

Ms. Marta SZIGETI-BONIFERT, Executive Director, Regional Director for South Eastern Europe, Regional Environmental Center for Central and Eastern Europe

Mr. Jaco TAVENIER, Programme Officer, United Nations Environment Programme

Mr. Jens WANDEL, Deputy Regional Director, United Nations Development Programme

Ms. Sandra WIBMER, Advisor Environment and Natural Resources, Austrian Development Agency

Annex 2: Executive summary of the Strategic review report (June 2009)

The present report represents the main findings and recommendations of a strategic review of the Environment and Security Initiative (ENVSEC) carried out between March and May 2009 at the request of the ENVSEC Management Board. It contributes to the Chairman's objectives for 2009 to review the vision and strategy of the Initiative. Its findings and recommendations should contribute to the process of reform, initiated with the "Blueprint document", aimed at enabling ENVSEC to successfully grow and perform effectively at higher levels of impact and relevance.

The review is based on a desk study of all available and directly relevant documents, on interviews with key informants, on insights gained during ENVSEC Management Board and Donor meetings, and on visits to two ENVSEC regions (Southern Caucasus and South East Europe) and four ENVSEC program countries: Armenia, Georgia, Macedonia and Serbia.

The Review offers a general strategic assessment of ENVSEC, six years after it was launched, of the relevance of its mission and of its impact. The reports also formulates recommendations in response to difficulties arising as ENVSEC applied its concept in the field, and in response to problems of growth encountered at the central level.

Main Findings and Recommendations:

1. The thematic focus of ENVSEC – the interaction between environmental degradation and conflict – remains highly relevant and is likely to gain in strategic importance as long-term trends and processes such as climate change, the decreasing natural resource base and competition over the control of energy gain in importance.
2. Responding to these complex environment/security challenges requires a multi-disciplinary approach that integrates environmental, technical, economic and political perspectives. It also requires close collaboration between the State and civil society, as well as international cooperation. In ENVSEC countries these difficulties are compounded by conditions proper to post-conflict and transition countries.
3. ENVSEC remains unique as an innovative partnership of agencies offering an integrated response to such challenges.
4. Since its launch in 2003, ENVSEC has successfully carried out initial assessments at country and regional levels and has set up national ENVSEC mechanisms in program countries. It has implemented numerous projects, often of a technical nature such as remedial and clean-up actions. ENVSEC has also been able to provide a framework for regional cooperation, allowing countries to cooperate in managing trans-boundary natural resources and responding to trans-boundary challenges. This has proven to be particularly important in areas of "frozen conflicts". Over the years ENVSEC has grown considerably, both in terms of number and budgets of projects under implementation.
5. The ENVSEC experience not only demonstrates the value and potential of the principles embodied in the Paris declaration on Aid effectiveness, it also constitutes an innovative model of multi-actor cooperation designed to respond to complex environment/security challenges in an integrated way.
6. As ENVSEC translated its innovative concept and approach into practice and applied its methodology in program countries, it encountered difficulties, mainly due to the special condition of post-conflict and transition countries. It was not able to build sufficiently strong national counterparts to ensure effective and lasting participation and national ownership. As a result ENVSEC activities tend to be donor-generated, project-based, with limited sustainability and limited capacity building components.

7. At the central level, ENVSEC has faced typical challenges of growth at management and governance levels as the scope and complexity of its work expanded. These were amplified by the innovative and experimental nature of ENVSEC's multi-agency approach. In consultation with main donors, the Initiative's Management Board has responded to the main problems by adopting a blueprint for reform which is at present under implementation.
8. The present report suggests a number of measures to deepen this program of reform and expand it to program countries, and thus to respond to some of the shortcomings revealed by this strategic review.
9. At the field level, the report suggests to build stronger national ENVSEC counterparts, and to greatly strengthen ENVSEC's capacity and presence at the country and regional level such as to be able to effectively train, accompany and resource them. It also recommends to move to a program based approach at both country and regional levels and to harmonize ENVSEC programs with national development strategies and national and regional donor strategies. The report recommends that more emphasis be given to local capacity building.
10. At the central level, the report commends ENVSEC's Management Board for the "Blueprint" of reforms, particularly its decision to separate governance and management functions and to set up a professional Secretariat as well a central fund management and administrative capacity. It underlines the importance of clearly defining and preserving the niche and central focus of ENVSEC's work and to continuously renew its vision and approach as it expands its partnership. The report suggests that ENVSEC start distilling its experience and lessons learned and contribute them to best practice and policy debates for the benefit of the wider development community. It suggests improving internal communication, to systematize and better structure fundraising and to explore new sources of funding. At the governance level, the report commends the Management Board for creating a Donors Forum and suggests ways to further clarify the role of donors in the governance of ENVSEC. It also recommends that a more prominent role be given to ENVSEC program countries, primarily at regional but also at central levels.
11. The report finally recalls four basic conditions for reforms to be successfully applied: the strong commitment of partner agencies, the quality of leadership and of staff, and the financial core support for the coming 3 to 4 years that is necessary to carry through these reforms.
12. The report concludes by challenging ENVSEC to successfully carry through the reforms over the coming years and thus to become a model of truly innovative and effective multi-actor cooperation. Expansion or replication of the ENVSEC Initiative in other parts of the world must then be explored.

Annex 3: Management Board response to the Strategic review report (June 2009)

The present document is a first consolidated response of the ENVSEC Management Board and Secretariat to the recommendations given in the Strategic Review of the ENVSEC Initiative by Matthias Stiefel. The draft version of the Strategic Review report was circulated among members of the Management Board and Regional Desk Officers of ENVSEC. Their reactions by e-mail as well as the outcomes of a telephone conference on 19 June have been merged with the draft managerial response of 12 June 2009 by the 2009 ENVSEC Chair.

The purpose of this response is to give a first feedback on the consultant's recommendations as well as to provide an input for following discussions in the meeting of the Management Board (30 June 2009) and the strategic workshop with the donors (1 July 2009).

Appraisal / Overall Comments

The ENVSEC MB thanks Mr. Matthias Stiefel for his analysis and recommendations and appreciates that in such a short time he was able to condense a snapshot of the ENVSEC initiative. Although it cannot be a detailed analysis (since we did not have in-depth market /national/regional/ analyses at our disposal), this external expert view still demonstrates well how the outer world may see the initiative. This draft response does not point on the shortcomings of the Strategic Review as this had to be undertaken in the framework of limited time and limited number of interviews. It is thus a “photograph” of ENVSEC at a certain moment in time. Therefore, the draft management response is not critical to the Strategic Review but positively deals with its recommendations.

The recommendations spelled out in the Strategic Review comprise a series of suggested reform measures, many of which are already included in the ‘Blueprint for strengthening the management of the Initiative’. Moreover, the reviewer underlines the unique role of ENVSEC and its niche, although both could be made clearer. The Strategic Review confirms that the Blueprint is an important step in improving the structure, governance, vision & strategy, and the visibility of ENVSEC. Basically, the Blueprint should be implemented as soon as possible without any further changes. All other recommendations of the Strategic Review, if considered by the Management Board, can be added-on at a later stage. Therefore, the recommendations provide a useful outlook for potential development beyond the blueprint.

The implementation of many of the recommendations will be dependent on whether the management board members of the respective organizations will be able to establish ENVSEC as a strategic component in their respective organizations.

1. Strengthening ENVSEC performance at the field level

Improving the visibility and impact of ENVSEC

The visibility of ENVSEC at national and regional level needs to be improved. Newsletters for all regions, regional websites in specific languages under the ENVSEC website and cross-linked with the websites of the partner organizations, could contribute to this end.

Also, improved ongoing networking with national and regional stakeholders, including the National Focal Points (NFPs), and their increased participation in ENVSEC events, such as regional meetings, workshops etc., as well as their active involvement in organizing, planning and implementing projects needs to be fostered.

Once again, the need for a clear communication strategy to be elaborated by the Senior Program Manager (SPM) becomes obvious.

The level of impact of ENVSEC is closely linked to the consideration of environmental issues on national agendas. If the awareness of environmental challenges in the political system of the countries is low, ENVSEC's importance will be limited. Next to enhancing ENVSEC's visibility, awareness creation needs to be strengthened. This can be done by capacity building (including project management) for selected key stakeholders (from all levels, including NFPs) through regional workshops and training seminars, linked to attractive flagship projects.

Based on basic training, networking with the trainees should be followed-up in national/regional, multi-stakeholder (Ex.: business, academia, local administration and civil society organizations representatives) and multi-level policy dialogue events (Ex.: workshops, meetings, conferences) emphasizing on ENVSEC projects and activities, in order to improve dialogue and cooperation, making the ENVSEC approach a model for transboundary multi-actor cooperation.

Multi-level approach, participation

The transboundary character of ENVSEC activities should be maintained and even strengthened. Future projects should better balance the actions taken at local, national and regional levels. To this end, a broad variety of stakeholders needs to be addressed, including NGOs (which may be difficult in some countries – but also the challenge to give life to the Aarhus Convention).

Improving the cooperation with countries / strengthening the regional approach

Next to more intense capacity building, countries should be stronger participating in identification, selection, implementation and if possible co-financing projects. The counterflow principle should be applied by which ENVSEC will become more demand-driven. NFPs should ensure that the national development agendas are fully taken into account.

The Strategic Review proposes several measures on how to strengthen the role of NFPs, for example, by creating political and operational NFPs, and also National Coordination Groups. That could strengthen the national ownership and contribute to improve the bottom-up approach. The MB will need to discuss and decide on these recommendations. In the case of approval MB should further discuss and decide on the questions of how to implement it and timing of implementation (along with the Blueprint or later?). This issue could be discussed further at the next Management Board meeting on 30 June.

In principle, it is a good recommendation to strengthen ENVSEC's work at the regional level, but if a layer will be built up to formalize programmes and projects we risk very much to lose our energy on bureaucracy that will contribute very little or even be negative to efforts on the ground. A high political profile on that level is further likely to hinder certain activities in most regions including Central Asia and South Caucasus. It may be possible to use the preparation of the three-year programme as a more developed dialogue and partner consultation process: Every third year assessments are revisited, open national and regional consultations held.

We could furthermore suggest a series of consultations during the second half of 2009, engaging our regional and local partners (all of them, not just singling out one or more groups) to encourage regional discussions with stakeholders about the paper, including the recommendations.

It is seen by Mr. Stiefel as something negative that the Regional Desk Officers (RDO) relate strongly to their own organizations instead of the larger unified ENVSEC identity'. This is not only negative but also a practical and positive outcome – there is a specific responsibility for the organization hosting the RDO to “make it work”. There is a risk that if the partnership would rebalance the cooperation

towards joint staffing by a “neutral” ENVSEC implementing agency this could dilute the engagement of the partnership organizations.

The “piecemeal” approach on the regional level as it is described is actually an “opportunity-driven approach”. It must be considered very positive that ENVSEC has the strength to identify opportunities and quickly move forwards. This is more a problem of ENVSEC not being able to package “clusters” for external communication properly.

Monitoring and assessment

Lessons learned should be better identified and documented, and fed into an overall monitoring and quality performance system. To this end, stakeholders from the regions including universities from the regions and CSOs could be contracted. The results could be communicated broadly and also be fed into further needs assessments. These latter should be undertaken all 2-3 years, in close cooperation with national/regional stakeholders (workshops). Clearly, not only environmental challenges should be assessed but also the political framework (local, national and regional actors and institutions in their capacity and competence to address the environmental challenges). This could result in more targeted capacity building and training events.

Programming

The coherence between overall, regional and national areas or clusters of ENVSEC priorities needs to be improved by applying the counterflow principle, i.e. setting top-down a clear framework and conditions (guidelines) for the selection of projects that is based on maintaining and improving ENVSEC’s niche and added value; at the same time encouraging bottom-up developed project proposals that fit into the overall framework.

Nevertheless, the ENVSEC partners agreed that there are different foci of partners, and different aid mechanisms in use for the four different regions; therefore this aspect, as well as the national ownership should be increasingly emphasized.

All ENVSEC projects should have defined benchmarks and the expected results should be monitored.

In order to improve the countries’ participation and support, as and when applicable, they could provide complementary (funding or) expertise, in the form of dedicated staff (that will be trained by ENVSEC and that will be part of the National Coordination Group).

To make ENVSEC projects more sustainable, monitoring and assessment are crucial. Based on assessments and evaluations, portfolio needs to be revisited and in parallel with starting up new projects, existing one could be deepened, broadened or followed-up.

2. Strengthening ENVSEC at the central level

Niche of ENVSEC

The niche and added value of ENVSEC needs to be further defined, applied and communicated. It will be along the lines of national, regional and transboundary, multi-level and multi-stakeholder cooperation on environment and security issues under the unique framework of a multi-organizational partnership.

Definition of “Security”

Within ENVSEC, the partners have different understandings of “security”. Up to now, there is also no common definition in academic circles and elsewhere. Either we will start a long discussion on how to define “security” for ENVSEC (in a broad or narrow sense) or we take a pragmatic approach. For the moment, we need to continue our work, thus should be pragmatic and try to find at least a formula (maybe the lowest common denominator) based on which the partner organizations can work together. Keep it simple, stupid: we all want to avoid conflicts (between societal and ethnic groups, nations and states) resulting from environmental challenges. That could be the way forward. Nevertheless, defining “security” will be an ongoing task in parallel that should be pursued.

ENVSEC’s thematic focus

Climate change should be maintained as a thematic focus, namely in its relation to security. Whether there should be individual “climate change and security” projects or if climate change issues should be mainstreamed throughout all future ENVSEC projects, needs to be further discussed, involving all partners and stakeholders, including beneficiary and donor communities, and decided. The recently held ENVSEC workshop on climate change will give some guidance on that question.

Many of ENVSEC MB members and RDOs have highlighted, to take an ecosystem approach, focus on areas that are naturally interlinked, and also to use this approach while addressing water basin management or mountainous areas etc. This would naturally give valid and solid geographical scopes, such as e.g. the Black Sea.

Enlarging ENVSEC’s geographic focus and adding partners

Regional enlargement is an option but not a must at the moment. ENVSEC could add on neighboring states to enlarge its regional cooperation or even become a global model. For that, other partners should be able to join (therefore the proposal to transform it into a network).

ENVSEC’s “core” could be complemented by a “Network” of interested organizations, potential future partners (such as EC, the World Bank, EBRD and Regional Development Banks, as well as CSOs, academia, foundations, donors, and others). That is what the Review called a “hybrid” partnership.

However, in order to keep the direction and to avoid steady discussions on the role and purpose of ENVSEC, an ENVSEC suitable document to reflect such cooperation (example Charta) could be worked out to which all new members would sign onto.

Improving cooperation among ENVSEC partners

ENVSEC should not become an organization of its own. A big deal of its added value lies in the fact that different international organizations are working together, using synergies and complementarities. Projects should be carried out more intensively in a joint way among partner organizations, including field missions, organization of workshops, reporting, etc. Such an approach would also improve the overall institutional cooperation beyond ENVSEC.

Cooperation with Donors / Donors Forum

The role of donors in the ENVSEC governance should be defined more. Donors should give longer-perspective funding approvals. The donor base should be broadened (including EC, EBRD and World Bank, etc.)

The Donors Forum proved to be an appropriate tool and should be maintained. However, the self-governance of donors in the Donor's Forum should become clearer as well as the relation of donors to the governance of ENVSEC, avoiding micro-management.

3. Recommendations from the Strategic Review that should not/cannot – at least partly – be pursued

Full-time Regional Desk Officers and National Focal Points with assisting staff and budget

The Strategic Review proposes to turn the NFP and RDO functions into full-time employees with assistants and operational budgets, RDO employed by a “neutral” agency such as UNOPS and accountable to ENVSEC (and not to the partner organizations). Of course, the reasons and advantages of such a solution are obvious. However, the concern is that by that ENVSEC would become more and more institutionalized, and would become an own organization over time. Also, there are contractual problems (staff needs to have contract with partner organization). Last but not least, more staff would mean a need for a drastically increased budget and funding. We doubt that the donors would agree with such an engagement in a long-term commitment of such size and magnitude, which would also change the character of ENVSEC completely. Moreover, adding much staff to the ENVSEC Initiative would require more taxpayer's money from the donor countries, which does not seem to be appropriate at this point in time.

The challenge is: how to put other recommendations and opportunities for improvements into practice, without “blowing up” the apparatus of ENVSEC? Or, the other way round: which of the given recommendations are feasible with the “Blueprint” structure of ENVSEC and the current budget line for personnel?

Co-funding by partner organizations and benefiting countries

Although it is true that ENVSEC offers potentials for the partner organizations to get projects funded that would not get funded otherwise, the potential of leverage with similar non-ENVSEC funded projects should also be taken into account.

ENVSEC partner organizations do not have budget lines that would allow contributing funds to ENVSEC initiatives and projects. Most funds of the partners stem from donor countries and are earmarked for specific projects of the respective organizations. These funds cannot be easily transferred to ENVSEC projects. The contribution by the partner organizations to ENVSEC projects is mainly in-kind by providing staff member time, expertise and logistical support (space, equipment...). What is very important is that the ENVSEC partners in addition to the formal ENVSEC projects manage a considerable volume of projects that may not be ENVSEC but is still affected by the Partnership cooperation in terms of coordination and sometimes formal cooperation between agencies.

Similarly, the countries that benefit from ENVSEC projects are already contributing time and expertise from NFP and other stakeholders.

Aligning the ENVSEC programming at UNDAF and GEF strategies

Whereas it makes sense to orient the programming of ENVSEC projects along national development plans, doing the same with UNDAF would be discriminatory to the non-UN ENVSEC partners.

On the other hand, it makes sense to take into account EU enlargement, neighborhood strategies and country-specific programmes in order to “open up” for EC participation and funding. However, all EU

member donors, together with the EC as a major donor, have clearly different approaches (and financial mechanisms) for the four ENVSEC regions.

As for GEF, getting GEF funding for ENVSEC activities seems to be far from reality due to the way the access to GEF funds is set up currently. Nevertheless, in the framework of the upcoming fundraising strategy, and related to projects on climate change, the Senior Programme Manager of ENVSEC should also develop access to GEF funding for future projects.