#### Asia 2015 – Promoting Growth, Ending Poverty NGO and civil society perspectives in summary

#### **Our challenge: growth with equity**

In the discussion on poverty reduction there is an assumption that macro-economic growth (as characterised in many Asian economies) automatically benefits everyone by "trickle-down". We need to challenge this. There is ample evidence to show that the neo-liberal approach to development has had a positive impact on the economies of developing countries. But this approach has often widened the divide between rich and poor. In such cases economic growth has not only had little positive impact on the poorest men and women in society. It has actually been detrimental.

In a press release a year ago Gareth Thomas (UK's Minister of State for International Development) said: 'Aid agencies and civil society groups in the UK and internationally have a vital role in eliminating poverty and promoting development. ...our (the UK Government's) support shows our confidence in their ability to make a difference to the lives of the poorest people.' This was an endorsement for Non-Government Organisations' (NGOs) important role in ensuring that poverty alleviation strategies help the poorest and most excluded members of their societies.

Asia is full of examples of influential NGOs operating actively with governments to achieve development targets. But NGOs have another value: they are independent enough to reflect alternative, critical perspectives and to be forces for positive change within society and sources of constructive pressure on government for change.

BOND is a network of UK-registered NGOs who work for international development. BOND members who work in Asia have come together with the aim of providing a civil society perspective on the issues to be discussed in London on 6 and 7 March. They present these views in three papers that are themed around the topics of sessions 2, 3 and 4 of the conference.

These papers are summarised here:

### **Session 2 "Discussion of the challenges and responses, including future partnerships"** (from the paper of 22/02/06 by Jo Phillips, Royal Society for the Protection of Birds & Co-Chair of Development and Environment Group of BOND)

Contributions focussed on Parallel Group 2A: "Making the best use of resources and energy, and the environmental impact of rapid growth"

DFID's environment discussion paper is welcomed and has identified many key environmental issues that Asia has to grapple with to sustain economic growth. Economic growth is having an environmental cost, now recognised as a serious threat to long-term prosperity and security, especially to the poorest in society.

Overarching issues essential to achieving sustainable development:

- The developed world must change its production and consumption patterns
- The need for international cooperation and solidarity
- Developed and rapidly industrialising countries and groups should not increase their wealth at the expense of more vulnerable countries or people.
- The need to preserve and value Asian diversity

We would like to highlight and support the outcomes of the 5th Asian Ministerial Conference on Environment and Development (2005) and stress the significance of delivering the Regional Implementation Plan for Sustainable Development in Asia and the Pacific 2006-2010.

The three parallel sessions to be addressed under Session Two (Future Scenarios)are closely related. Ensuring environmental sustainability requires environmental concerns and opportunities to be integrated into other policy areas, including those related to the private sector and investment. "Closing the infrastructure gap" in an environmentally sensitive and smart way will be essential to moving towards sustainable development.

To this end the governance and institutional changes highlighted in the DFID briefing paper deserve particular consideration:

- Improve poor people's access and rights to natural resources
- Develop information, analysis and political capabilities to challenge those sectors that affect the environment most, including [independent] watchdogs
- Empower poor people and local organisations to lead action on the ground
- Form institutions and partnerships that link development and environment more closely in debate, in planning, in accounting, and in investment.

Building on this, we would like to highlight the following priority issues for discussion at the conference as necessary to make growth environmentally sustainable - so that it can continue to serve human needs, while conserving natural assets and ecosystems services that make economic and social wellbeing possible:

#### 1. The need to move towards 'Green Growth'

This conference needs to articulate a new vision for economic growth and poverty eradication that places environmental sustainability at its heart; participants needs to identify the policies, tools and systems necessary to achieve this and commit to enacting them<sup>1</sup>.

#### 2. Addressing climate change

Conference participants need to recognise climate change as happening now and a serious challenge to sustainable economic growth and poverty eradication in Asia (and globally). There must be increased commitment and urgency to create a low carbon future, as well actions to help the most vulnerable countries adapt to withstand increasing climate-related risks.

#### 3. Using natural assets wisely

The conference needs to emphasise that pro-poor environmental management, conservation and sustainable use of natural resources, as well as the restoration of degraded habitats and ecosystems is an urgent need in Asia and should be a priority for sustainable development and poverty eradication.

#### 4. Managing and resourcing decentralization

The Asia 2015 Conference should accentuate the need for decentralization efforts to be adequately funded and technically supported by governments and donors (for example through sub-national budget support) if they are to promote sustainable development in the long-term.

#### 5. Increasing the assets of the poor

The conference needs to commit to pro-poor growth through governance and institutional changes that improve poor people's access and rights to natural resources and empower people in decisions making that affects them.

<sup>&</sup>lt;sup>1</sup> Refer to Ibid 2005 specifically 'Improving Environmental Sustainability'.

#### 6. Leapfrogging unsustainable stages of development

The conference needs to support innovative thinking and suggestions to enable Asia (and other regions) to leapfrog unsustainable stages of development. Donor funding and investment should be used to support best practicable options for sustainable development.

#### 7. Education, capacity building and empowerment

The conference needs to support education for sustainable development, capacity building and empowerment to improve governance, increase accountability and opportunities for the poor, as well as to promote and encourage the adoption of ecologically efficient ways of producing and consuming.

#### 8. Gender and ensuring environmental sustainability

The conference outcome must stress that women need to be enabled to play an active role in environmental protection and risk reduction measures to ensure future environmental sustainability.

#### 9. Addressing disaster risk reduction

The conference needs to recognise the critical cross-cutting role of disaster mitigation and preparedness in the context of sustainable development, climate change adaptation and poverty reduction in Asia. In doing so, participants should engage fully with the UN International Strategy for Disaster Reduction and champion integrated approaches to building disaster-resilient Asian nations, following the specific 'Priority Areas for Action' as recommended by the Hyogo Framework for Action 2005-2015<sup>2</sup>

#### 10. Free and open information exchange

Conference participants need to encourage open and transparent information exchange linked to issues of public interest and support an independent and investigative media to help communicate these to the public, including the poor.

#### 11. Creating markets for sustainability and the role of the private sector

The conference should acknowledge the vital role the private sector needs to play in delivering sustainable development, the role governments need to play in facilitating this, and the vital importance of ensuring good corporate social responsibility and accountability.

#### 12. Addressing increasing consumption and its side effects

The Conference should call on Asian business leaders and other key stakeholders to engage in urgent reflection with political leaders on the medium- and long-term policies needed for sustainability and propose ambitious government and business responses to address the problems of increasing consumption and its side effects in the region.

#### 13. The challenge of rapid urbanisation

The conference needs to acknowledge that ad hoc approaches will not lead to the development of sustainable and liveable cities. Urbanization needs to be recognised an integral part of development and strategic priority needs to be given to policies for the urban sector, addressing evolving mega cities and the poor trapped in slum environments.

#### 14. Peace, security and natural resources

The Conference should support opportunities for peace building through the sustainable use of natural resources and stronger role for civil society in natural resource planning and management.

<sup>2</sup> The Hyogo Framework for Action 2005-2015 was adopted by 168 governments at the World Conference on Disaster Reduction, held 18-22 January 2005 in Kobe, Hyogo, Japan. To read the report in full, visit: www.isdr.org

#### Session 3 "Unleashing the Potential for poverty reduction"

(from the paper of 24/02/06 by Sarah Hall, VSO)

The focus of the conference session on poverty reduction is articulated by DFID as follows:

Combating poverty in changing Asia. Structural change and uneven development are creating new forms of poverty and there are new challenges in human development and obstacles that undermine the effectiveness of state institutions. How can stakeholders work together to tackle them?

We welcome the focus on the challenges of uneven development. Whilst income poverty reduced in Asia during the 1990s from 34% to 25% (UNESCAP), there are stark variations between and within countries. Economic growth has tended to advantage the already better off. Gini-coefficient figures (source: UNESCAP)show that inequality within countries has been increasing across Asia:

	1980s	Late 1990s
India	0.293	0.378
Pakistan	0.350	0.410
Kazakhstan	0.257	0.354
Philippines	0.409	0.412
China	0.315	0.403

Economic growth does not automatically lead to poverty reduction. Poverty is multi-dimensional, and not only encompasses income levels, but also access to entitlements and political participation, not only deprivation but also vulnerability.

In fact, significant progress towards MDGs could be made without affecting large numbers of poor and marginalised people.

We would stress the importance of responding to the specific country context and political systems, including the ability of different sized and positioned economies to take advantage of globalisation.

**3.1 Regional disparities, poverty and exclusion:** Some regions are growing less rapidly and are geographically isolated with a concentration of the chronically poor. Migration creates new groups of poor in cities. How can stakeholders respond?

We recommend:

- Wider consideration of causes and effects of exclusion and the factors that perpetuate exclusion, including people excluded and discriminated against on the grounds of caste, ethnicity, gender, language, disability and culture.
- Consideration of the causes and not just the effects of rural-urban migration and of voluntary and involuntary cross-border migration
- Consideration of the effects of conflict and internal displacement on the economy and on poverty reduction
- Recognition of the complexities and challenges of effective service delivery in fragile states.
- Consideration of processes to involve the urban poor in decision-making, including working with poor communities to generate better, locally rooted information for planning, negotiating and monitoring.
- Consideration of the potential social and economic effects of the HIV&AIDS pandemic on Asia

**3.2** Targets, voice and choice – new models for service delivery for human development. Innovative approaches to service delivery such as decentralising service provision and involving non-state actors provide useful new models. What are the options for financing health and education?

We welcome the transition from seeing service users as 'clients' to 'citizens' with rights and entitlements that governments have a duty to meet.

We recommend:

- Issues of voice and choice should be treated as different, though interrelated.
- Civil Society is acknowledged as having an important role to play in opening up 'political spaces' for engagement between people and state (voice)
- mproved access to information, improved awareness of rights/entitlements and the creation of mechanisms for redress.
- Stressing the continued importance of the commitment to public sector basic service delivery. Government has a role as a 'duty-bearer' especially to marginalised people.
- Private sector engagement in the delivery of basic services should be viewed through the lens of impact on the poorest and most excluded.
- Improving responsiveness of basic services by investing in services that include excluded groups such as adult literacy in local languages.
- Support to governments on revenue generation and pro-poor tax reform.
- Looking at ways to implement fully the Core Labour Standards and provide decent work for decent wages for all Asian workers, including public sector workers.

**3** Asian-led strategies for improving governance and the effectiveness of state institutions - Achieving improvements in state institutions can be difficult but Asian government strategies that address financial management and capacity for service delivery have made progress. What is recent experience in Asia telling us?

- Governance and effectiveness are not just about financial management and capacity for service delivery but also about responsiveness, transparency and accountability
- Civil society can play an important role in both advocating for and capacity building on efficient local government financial management systems and other aspects of service delivery management.
- Decentralisation processes have potential for increased voice of, and responsiveness to, disadvantaged groups.

#### Session 4 "Where next? Setting the agenda for partnerships to 2015"

(from the paper of 24/02/06 by Robin Greenwood, Christian Aid)

The key to making the breakthroughs targeted for 2015 are development partnerships that actively involve poor people.

Poor men and women are not the passive objects of economic development. Instead they take an active role in poverty reduction.

The involvement of ordinary men and women from all sectors of society is vital to ensure that benefits of economic development reach all sectors.

Organisations with their roots in Asian civil society or with roots in global civil society and close ties with Asian civil society have a big part to play:

- Acting as voices of Asian civil society
- Delivering basic services and implementing innovative programmes
- Being first to the scene in crises and sticking by communities through thick and thin
- Holding to account those who have duties towards Asian communities

We show the value of NGOs as credible, legitimate, but also constructively challenging partners for governments and businesses in fighting poverty: forces for change within society and sources of pressure for change on government.

NGOs working at a grass-roots level have a wealth of knowledge to share of the impact of government policies on the poor, and of effective strategies for supporting the social and economic development of the poorest members of society. There is scope for Asian governments to develop partnerships that will enable more open discussions with NGOs, to share ideas in order to address the needs of the poorest members of society and utilize learning to tackle regional differences.

UK-based NGOs who work in and on Asia bring in funds from public and private donors, innovate and multiply. Most work in close partnership with local Asian organisations who come out of Asian society.

UK NGOs welcome the new impetus that DFID is giving to ending poverty in Asia by 2015. We also welcome the shift in thinking that prompts the international community to embrace the vast potential of the private sector.

We want to persuade the international community to see NGOs as an essential third pillar of the partnership. We aim here to show how NGOs have built on their traditional "third sector" role and demonstrated their value as development partners for government and businesses.

Our more detailed paper shows (with the examples mentioned in *italics*):

- Southern and northern NGOs as legitimate representatives of civil society
- Civil Society mobilisation in Afghanistan
- NGOs eradicating poverty "at the edges"

At their best NGOs reach where governments cannot and businesses will not. Here is how:

- NGOs fill gaps in mainstream service provision
- Combating preventable disease in Cambodia
- NGOs work on the front line in disaster preparedness and response
- Tsunami relief and reconstruction work in Sri Lanka
- NGOs as pioneers opening access to the first rung of economic activity above subsistence level
- Microcredit in the Philippines
- NGOs carry out their own projects in fragile states or areas of states:
- pre-2001 Afghanistan

How NGOs mobilise communities to claim the rights they are due as citizens and hold duty bearers to account:

- Inclusion of people with multiple disabilities in India
- NGOs as development partners

Partnerships between governments and/or the private sector on the one hand and NGOs (BOND members and our NGO partners in Asia) on the other that are reducing poverty and helping to meet Millennium Development Goals:

- *Relocation of slum dwellers*
- Older people claiming entitlements
- Education monitoring
- *Regional networking on climate change*
- Specialist health care
- Budget monitoring
- Women's political representation
- *extending community health coverage*

Produced for BOND by Robin Greenwood, Christian Aid 26/02/06

#### DFID's Conference 'ASIA 2015 – promoting Growth, Ending Poverty'

#### DRAFT Development and Environment Group (NGO) position on Future Scenarios: Prospects and Challenges for Asian Development – 'ensuring environmental sustainability'

"The Asia-Pacific region has huge disparities in adherence to sustainable development. Despite high economic growth, the extent of poverty in many countries remains a matter of great concern...The region is experiencing serious and increasing ecological imbalances resulting in higher levels of air and water pollution, forest and coastal ecosystem degradation, soil erosion, fresh water flow alterations, and problems in solid waste management. If we fail to act now, the price we pay tomorrow will be extremely serious." Executive Secretary of UNESCAP Mr. Kim Hak-Su, 18 January 2006.

#### **Background:**

The Asia 2015 conference programme highlights that "Economic growth has led to very considerable progress in reducing poverty in Asia, but there is no room for complacency. How can this level of economic growth be sustained? And if growth can be sustained in the region as a whole, how can the benefits be extended to marginalised groups and parts of Asia that are lagging behind?"

This conference theme (Future Scenarios: Prospects and Challenges for Asian Development) will identify risks to growth in Asia and look at ways to tackle future challenges. The programme recognises environmental sustainability as a future challenge, this response aims to ensure this is addressed as a prority concern but also as an opportunity for Asia to lead in sustainable development.

#### NGO response and recommendations:

We welcomed and commend the DFID's discussion paper, *Asia 2015: Managing the environment for development and to sustain pro-poor growth* (Bass and Steele, 2006), which has identified many key environmental issues that Asia has to grapple with to sustain economic growth. While many countries in the region have made significant progress in terms of economic growth and social development that should be applauded, the benefits have been far from equitable and impacts of the environment are costly and increasing. Deforestation, biodiversity loss, soil degradation, and air and water pollution are a few well documented problems linked to economic growth, which disproportionately affect the poor who benefit least from activities that cause them<sup>3</sup>. This is now being recognised as a serious problem - jeopardising long-term prosperity and security, as well as particularly affecting the poorest in society.

We would like to highlight and support the outcomes of the 5th Asian Ministerial Conference on Environment and Development (2005) and stress the significance of delivering the Regional **Implementation Plan for Sustainable Development in Asia and the Pacific 2006-2010**. This would set Asia on a path to becoming the global leader in "green growth". This needs to be clearly reflected in the outcomes of the ASIA 2015 conference, with action agreed on taking it forward with support committed from the International community. It is also important to note that useful scenarios predicting different futures linked to different development paths have been carried out, for example by UNEP's GEO programme<sup>4</sup>. Conference participants could valuably draw these.

This international conference, in addressing promoting growth and ending poverty in Asia, needs to consider the following overarching issues as essential to achieving sustainable development:

<sup>&</sup>lt;sup>3</sup> United Nations Environmental Programme (UNEP). 2005. Global Environment Outlook (GEO) Year Book. 2004/2005: An

Overview of Our Changing Environment. Division of Early Warning and Assessment (DEWA) Nairobi, Kenya

<sup>&</sup>lt;sup>4</sup> UNEP, 2003, GEO-3, Outlook 2002-2032, <u>http://www.unep.org/geo/geo3/english/515.htm</u>

- 1. *The role of the developed world* the per capita consumption of resources and energy in industrialised countries are above any sustainable level<sup>5</sup>. Future generations in the developed world, and current generations in developing countries, will not be able to copy such current patterns of resource use without degrading ecosystems and, ultimately, worsening poverty. The developed world must dramatically change its consumption and production patterns and must create space for and support others to enjoy the sustainable consumption and production patterns we must adopt. This was highlighted by Hilary Benn, UK Secretary of State for International Development, highlighted in a recent speech about growth and jobs<sup>6</sup>:
- 2. *The need for international cooperation and solidarity* We face two global imperatives eradicating poverty and protecting the natural environment on which we all ultimately depend. We share one planet and need to work towards a more equitable future to ensure sustainability. Global patterns of resource use are reducing the earth's regenerative capacity and the services nature provides<sup>7</sup>. The 'Asian Drivers<sup>8</sup>', as rapidly industrialising countries, can begin to take common but differentiated responsibility for global issues such as climate change and unsustainable use of natural resources to help create a sustainable future for present and future generations.
- 3. *Impacts on least developed countries and the marginalised in society* developed and rapidly industrialising countries should not increase their wealth at the expense of more vulnerable countries or people. As domestic natural resources decline or social and environmental standards or legislation improve, less developed countries and communities need to be assisted to develop in a way that their own social and natural capital is not exploited unjustly or unsustainably by others.
- 4. *Valuing Asian diversity* Asia is culturally, geographically and environmentally rich and diverse. This provides both challenges and opportunities to delivering sustainable development. Embracing principles of good governance (for example participation and transparency) and supporting environmental governance (including equitable and transparent decision making over access, use and management of natural resources) can help ensure that development both values and protects diversity and benefits all.

We believe that the three parallel sessions to be addressed under Session Two (Future Scenarios are closely related. Ensuring environmental sustainability requires environmental concerns and opportunities to be integrated into other policy areas, including those related to the private sector and investment. "Closing the infrastructure gap" in an environmentally sensitive and smart way will be essential to moving towards sustainable development.

'If poverty and environmental problems persist it is, in large part, because poor people and environmental concerns remain marginalized by - and from - sources of power<sup>9</sup>. To this end, the governance and institutional changes highlighted by Bass and Steele (2006) deserve particular consideration by conference participants, particularly to address power imbalances:

• Improve poor people's access and rights to natural resources

<sup>8</sup> Principally considered to be China and India, but descriptions can also include Thailand and Vietnam.

<sup>&</sup>lt;sup>5</sup> The Living Planet Index, WWF, 2004.

<sup>&</sup>lt;sup>6</sup>Hilary Benn (first White Paper Speech), Growth and poverty reduction - creating more and better jobs in poor countries, 19 January 2006: "the relationship between growth and sustainability is above all about equity and fairness. We know developing countries need to grow their economies. But we also know that all six billion of us can't consume at the same unsustainable rate as those of us in the developed world.... And the implication [is] clear: if developing countries are to develop sustainably, then part of the deal has to be that we in the industrialised world reduce our carbon emissions and other unsustainable use of resources, if we are to stay within globally sustainable limits."

<sup>&</sup>lt;sup>7</sup> The global populations' demand on the world's resources is rapidly increasing, estimates suggesting a 2 to 5 fold demand in 50 years when developing countries achieve levels of wealth similar to industrialised countries today (Sustainable use and management of natural resources, EEA, 2005).

<sup>&</sup>lt;sup>9</sup> Bass, Reid, Satterthwaite and Steele (Eds.) 2005, Reducing Poverty and Sustaining the Environment – the politics of local engagement, IIED & DFID, EarthScan.

- Develop information, analysis and political capabilities to challenge those sectors that affect the environment most, including [independent] watchdogs
- Empower poor people and local organisations to lead action on the ground
- Form institutions and partnerships that link development and environment more closely in debate, in planning, in accounting, and in investment.

Building on this, we would like to highlight the following priority issues for discussion at the conference as necessary to make growth environmentally sustainable - so that it can continue to serve human needs, while conserving natural assets and ecosystems services that make economic and social wellbeing possible:

#### 1. The need to move towards 'Green Growth'

The Executive Secretary of UNESCAP, Mr. Kim Hak-Su, recently said "*We need to change to environmentally sustainable economic growth if we want to continue the economic growth necessary for poverty eradication*"<sup>10</sup>. For many developing countries in Asia, economic growth is the 'macro' objective of development. It is assumed that sustainable poverty reduction will take place through a trickle-down effect and by sustaining the tempo of economic growth. This approach - usually measured by Gross Domestic Product (GDP) – needs to be challenged and changed as many environmental and social costs and benefits go unaccounted. There is a real need to distinguish between economic growth - as measured in GDP terms - and poverty reduction. The two are not necessarily synonymous.

The primary focus of the Regional Implementation Plan for Sustainable Development in Asia and the Pacific is to provide a guiding framework for promoting environmentally sustainable economic growth or "green growth". In green growth approaches to economic development, economic growth does not place undue pressure on environmental sustainability and environmental protection is recognized as an opportunity for sustainable economic growth rather than a burden.<sup>11</sup>

The World Bank's recent publication (2005) "Where is the Wealth of Nations?" clearly demonstrates this. All of a country's assets (including human capital, manmade capital and natural capital) need to be measured, accounted for and reinvested in to ensure sustainable pro-poor growth. **This conference needs to articulate a new vision for economic growth and poverty eradication that places environmental sustainability at its heart; participants needs to identify the policies, tools and systems necessary to achieve this and commit to enacting them<sup>12</sup>.** 

<u>Case study from Lead International (Pakistan):</u> The role and value of environmental services provided by biodiversity and natural resources need to be explicitly recognised and valued in decision making. For example, the role of rivers in marinating the Indus Delta in the south is ignored while optimizing the use of the rivers in the north. Policy makers often consider the flow of water into the sea through deltas as wastage of water resources. If the environmental services of rivers like the Indus are not accounted for, the Indus Delta eco region with its economic benefits to people and protection against natural disasters will suffer in future. In extreme cases, the human settlements dependent upon the environmental services provided by rivers will migrate, accelerating problems of urbanisation.

#### 2. Addressing climate change

Climate change is arguably the largest challenge humanity faces in the 21<sup>st</sup> Century and it is already happening faster than previously expected. It should already be a matter of concern to Asia's

<sup>&</sup>lt;sup>10</sup> Report of 5th Asian Ministerial Conference on Environment and Development, Seoul 2005

<sup>&</sup>lt;sup>11</sup> Regional Implementation Plan for Sustainable Development in Asia and the Pacific 2006-2010, Programme Areas, including Improving Environmental Sustainability, E/ESCAP/MCED(05)/Rep.

including Improving Environmental Sustainability, E/ESCAP/MCED(05)/Rep. <sup>12</sup> Refer to Ibid 2005 specifically 'Improving Environmental Sustainability'.

development partners and governments, that "Asia already suffers 90% of all climate-related disasters, and that this will increase with climate change".<sup>13</sup>

Scientific evidence indicates that we have but a few years left to change our ways, but we can still avoid catastrophic impacts through concerted global effort<sup>14</sup>. The benefits of limiting climate change will far outweigh the costs of mitigation actions and we urgently need to motivate all international partners to implement effective policies against climate change as well as to develop mechanisms to help those more seriously affected by its impacts.

Case study from Tearfund: Poor communities are already experiencing climatic change. Many of Tearfund's local partners in Asia have reported that the rains are changing, and floods and droughts are becoming more and more unpredictable.<sup>15</sup> These changes are having a devastating effect: drinking water is less available, crop yields are declining, and disease and migration are increasing. Disasters are becoming more prevalent and the poor are suffering most.

As a key component of climate adaptation, the climate change policy 'community' should support and help to strengthen established public policy processes and activities in disaster management and reduction, working more closely with the disaster management community to advance both fields and avoid duplication of activities.

Climate change needs to be addressed as a cross-cutting issue that affects all aspects of policy-making (energy, chemicals, agriculture, waste, forestry, foreign policy, etc) – with unprecedented need for both mitigation and adaptation.

Conference participants need to recognise climate change as happening now and a serious challenge to sustainable economic growth and poverty eradication in Asia (and globally). There must be increased commitment and urgency to create a low carbon future, as well actions to help the most vulnerable countries adapt to withstand increasing climate-related risks.

#### 3. Using natural assets wisely

Natural resource extraction and use has been the major driver of economic growth in many part of Asia, particularly China – exploiting both local resources but also, as this resource base is depleted, importing raw materials from other developing countries. There are already strong indicators showing that Asia has overshot ecological limits in relation to some resources and waste sinks<sup>16</sup> The World Bank estimates that the region's costs from environmental degradation are above five percent of annual GDP – in China this may be as high as 10 percent<sup>17</sup>. The cost of poor air quality in 11 Chinese cities is estimated at one fifth of the cities' income<sup>1</sup>

The Millennium Ecosystem Assessment (UN, 2005), the most recent and severe warning that global sustainability is under threat suggests that two thirds of the ecosystem services on which humans depend are in decline. A key objective for all nations is to: "Safeguard the earth's capacity to support life in all its diversity, respect the limits of the planet's natural resources and ensure a high level of protection and improvement of the quality of the environment". We would also like to highlight and

<sup>16</sup> Asian Development Bank. 2005. Asian Environmental Outlook2005 - Making profits, protecting our planet: corporate responsibility for environmental performance in Asia and the Pacific. Manila: ADB. http://www.adb.org/Documents/Speeches/1997/ms1997042.asp

<sup>17</sup> World Bank. East Asia and Pacific Region Environment and Social Development Sector .

<sup>&</sup>lt;sup>13</sup> Ibid. p.1

<sup>&</sup>lt;sup>14</sup> UK Conference, 2005

<sup>15</sup> Tearfund's report, Dried Up, drowned out (June 2005), describes the impacts of changing climate from the perspectives of communities from 13 countries across Africa, Asia and Latin America. To read the report, go to www.tearfund.org/policy

<sup>&</sup>lt;<u>http://wbln0018.worldbank.org/eap/eap.nsf/0/3eab0240b93a32de852567ed00581c45?OpenDocument</u>>
<sup>18</sup> World Bank *Opt. cit.* 

support the conclusion reached by the 5th Asian Ministerial Conference on Environment and Development (2005) that "*long-term effective poverty reduction requires that the natural environment be protected*".<sup>19</sup> This needs to be clearly reflected in the outcomes of the ASIA 2015 conference, with processes agreed on how to deliver it.

UNDP (2005) has highlighted that failure to integrate environmental policy into national development strategies seriously undermines developing countries' ability to meet Millennium Development Goals, particularly the goal of halving extreme poverty. The donor community should assist poorer countries in this challenge, providing resources, technical support and capacity building in environmental ministries and other departments – including to support effective engagement in strategic planning and to meet existing targets and commitments such as those agreed at the World Summit on Sustainable Development and through regional and multilateral environmental agreements. The conference needs to emphasise that pro-poor environmental management, conservation and sustainable use of natural resources, as well as the restoration of degraded habitats and ecosystems is an urgent need in Asia and should be a priority for sustainable development and poverty eradication.

#### 4. Managing and resourcing decentralization

Decentralization has been highlighted as an example of the way in which Asian governments are promoting better care of the environment. The last two decades have indeed witnessed an important paradigm shift in natural resources management in Asia, from costly and often inefficient state control towards systems in which local people play a much more active role.

<u>Case study from BirdLife International</u>: In tropical forest-rich countries such as Indonesia, it was expected that decentralization of authority would enhance local participation in decision making processes and lessen the administrative burden for local authorities, giving them more opportunity to concentrate on strategic issues and capacity building. However, the unprecedented pressure and lack of resources from the state have not allowed local governments the opportunity to strengthen themselves. This has resulted in further depletion of natural resources, including forests, on a massive scale<sup>20</sup>.

## The Asia 2015 Conference should accentuate the need for decentralization efforts to be adequately funded and technically supported by governments and donors (for example through sub-national budget support) if they are to promote sustainable development in the long-term.

#### 5. Increasing the assets of the poor

Poor, state centred regulatory mechanisms are one of the root causes of natural resource degradation – often through the tragedy of the commons.

#### Case studies from Lead International (Pakistan):

(a) Many laws and policies are a continuity of the colonial rule, such as the forestry act in Pakistan, and need to be changed to recognise rights, access and local ownership. Rules and regulations should enable local people, particularly the poor, to benefit from the management and utilization of natural resources, including through improved access to land and natural capital.

(b)Participation of local people in conservation of natural resources has provided some useful lessons. In Northern Pakistan, a successful participatory conservation process (DFID and WWF – UK Partnership) evolved the concept of Community Managed Protected Areas whereby the local people take charge of management of natural resources and demonstrate responsibility for sustainable

<sup>19 5</sup>th Asian Ministerial Conference on Environment and Development, Seoul 2005

<sup>&</sup>lt;sup>20</sup> This is supported by extensive research, for example, Mery, G., R. Alfaro, M. Kanninen, M. Lobovikov. (eds.) 2005. Forests in the Global Balance – Changing Paradigms. IUFRO World Series Volume 17. Helsinki. 318p

resource use practices. The state has initially offered 80% of the revenues from resource use, but the approach still has to be recognized through constitutional and legal cover.

(c) There is a need to address resource inequality – for example, in Pakistan (largely an agrarian feudal society) almost 80% of the resources are owned by 20 % population, leaving 80% of the population dependent upon the remaining 20% resources. This disparity between the two 'classes' has led the economy towards a situation of inequality in distribution of wealth and poverty of resources especially in rural areas (where almost 75% population lives). If the situation is not addressed the gap between poor and rich will be widened in the years to come as the agricultural land is further fragmented as a resulted of population increase which is 2.9% per annum in Pakistan.

Pro-poor growth requires governance and institutional reform, particularly linked to securing access, benefits and rights for the poor to natural resources. This should help increase the poor's assets and the flow of income from these assets. This should also help the poor to invest in their own future – but to do this they require secure tenure and access to credit. The conference needs to commit to pro-poor growth through governance and institutional changes that improve poor people's access and rights to natural resources and empower people in decision making that affects them.

#### 6. Leapfrogging unsustainable stages of development

Asia, supported by its international development partners, needs to move beyond, or in some instances to try to leapfrog, unsustainable use of natural resources and to use opportunities to create economic growth and prosperity through different means including:

- The expansion of secondary and tertiary sectors India has provided examples through insourcing call centres.
- Innovative finance mechanism to protect and conserve globally important environmental assets such as tropical forests. For example, whereby the developed world should pay for opportunities forgone in the global interest (e.g. Papua New Guinea's recently tabled proposal for avoided deforestation under the UNFCCC).
- Creating economic growth through investments in clean technologies: eco-efficiency; recycling; cleaner production; energy efficiency; and investments in new technology. Proactive corporations and investors that adopt emerging sustainability tools will be in a good position to turn what have been previously considered environmental constrains, into profitable outcomes.

<u>Case study from BirdLife International</u>: An RSPB/BirdLife coalition has been campaigning for three years to save lowland tropical forests in Sumatra (Indonesia). Lowland tropical forests in Sumatra have decreased from 16 million ha in 1900 to 500-600000 ha today - many converted to oil palm and paper pulp plantations, with much of the remaining earmarked for conversion. The BirdLife coalition has successfully encouraged the Indonesian Ministry of Forestry to declare that production forests may be managed for conservation and restoration (June 2004). This has enabled an area of 100,000 ha, identified by BirdLife, to be set aside by the government as the country's first restoration forest. The BirdLife coalition has submitted a bid for the management rights that draws upon its extensive study of the area and its consultations with local communities including the indigenous people living in the forest, and is waiting to hear if this has been successful. BirdLife is looking to set up a Trust fund to support ongoing revenue costs for ecosystem restoration and management as well as to support sustainable development in the concession.

The conference needs to support innovative thinking and suggestions to enable Asia (and other regions) to leapfrog unsustainable stages of development. Donor funding and investment should be used to support best practicable options for sustainable development.

#### 7. Education, capacity building and empowerment

Education, capacity building and empowerment are vital to improve governance, increase accountability and to enable people to participate in and benefit from new economic opportunities that sustainable development and globalisation can offer.

There is need to support education for sustainable development (noting the present UNESCO led Decade for Education For Sustainable Development (DESD)<sup>21</sup>). The overall goal of the DESD is to integrate the principles, values, and practices of sustainable development into all aspects of education and learning. This educational effort will encourage changes in behaviour that will create a more sustainable future in terms of environmental integrity, economic viability, and a just society for present and future generations. As recognised by ESCAP<sup>22</sup>: "In any society, once a lifestyle is established, it is quite difficult to change it later. Thus, it is all the more important for a country to adopt an ecologically efficient way of producing and consuming early in the course of its economic growth".

<u>Case study from BirdLife</u>: A Learning for Sustainable Development Programme has been established in Maharashtra, India with support from local corporate donors and the State Government. This has been developed through a partnership with NGOs, Government, education institutions and teachers. The partnership has worked locally to identify the country's environmental and development priorities, to develop relevant teaching materials for schools linked to national curricula and to help supply these. Phase 2 involves a training programme for teachers linked to the materials. The programme will investigate the implementation of similar projects in Delhi and other States.

# The conference needs to support education for sustainable development, capacity building and empowerment to improve governance, increase accountability and opportunities for the poor, as well as to promote and encourage the adoption of ecologically efficient ways of producing and consuming.

<u>Case study from Lead International (Pakistan)</u>: Pakistan is becoming a gateway between China and Europe through Gawadar port and the Karakoram Highway. The people in the south and north need to be supported in building their capacity to shift from traditional livelihood practices to new economic opportunities like trade and commerce, whilst managing the negative effects on environmental services such as pressure on fisheries in the south and environmental pollution in the north that could degrade quality of life and exacerbate poverty.

#### 8. Gender and ensuring environmental sustainability

Women in poor communities are particularly bound to the natural environment and their families closely affected by environmental issues. Since women are usually charged with providing wood and water for daily use, the depletion of environmental resources means longer collection times which usually translate to less time to prepare food, care for young children, and help with agricultural activities. In low-income households, this can translate into poorer nutritional status and can harm general household welfare<sup>23</sup>. They also bear the brunt of the effects of environmental destruction and instability.

<sup>&</sup>lt;sup>21</sup> The primary goal for the Decade of Education for Sustainable Development (DESD) is laid out in the UN General Assembly resolution 59/237: "encourages Governments to consider the inclusion ... of measures to implement the Decade in their respective education systems and strategies and, where appropriate, national development plans". <sup>22</sup> Theme Paper – Achieving Environmentally Sustainable Economic Growth in Asia and the Pacific,

<sup>&</sup>lt;sup>22</sup> Theme Paper – Achieving Environmentally Sustainable Economic Growth in Asia and the Pac E/ESCAP/SO/MCED(05)/7 3 March 2005

<sup>&</sup>lt;sup>23</sup> World Resources Institute (WRI) in Collaboration with United Nations Development Programme, United Nations Environment Programme, and World Bank. 2005. *The Wealth of the Poor – Managing Ecosystems to Fight Poverty*. Washington D.C. WRI

<u>Case study from WOMANKIND</u>: The onslaught of natural disasters in Asia takes its biggest toll on women. The earthquake in Pakistan and the tsunami has produced clear evidence of how poor women suffer the most from such disasters, but are then subsequently overlooked or sidelined in relief and rehabilitation that is predominantly targeted to men. Indeed, in the devastating tsunami that hit South Asia in December 2004, it is estimated that 65.3% of deaths were women, and approximately 25% were girls under 10 years old<sup>24</sup> There are many notable examples in Asia, and particularly India, of how grassroots women have come together to protect their forests and lands for their families and communities.

The conference outcome must stress that women need to be enabled to play an active role in environmental protection and risk reduction measures to ensure future environmental sustainability.

#### 9. Addressing disaster risk reduction

Disaster risk reduction, as a key component of adaptation to climate change, can be highly cost effective and needs to be mainstreamed into all development policies and programmes. Governments, donors and civil society need to work together to fulfil the commitments made at the World Summit on Sustainable Development (2002) and the World Conference on Disaster Reduction (2005) to this end – specifically, the Priority Areas for Action outlined in the Hyogo Framework for Action 2015-2015.

<u>Cost benefit analysis study from TEARFUND</u>: Cost benefit analysis was applied to local disaster mitigation and preparedness (DMP) measures in the Indian states of Andhra Pradesh and Bihar, to research the economics of pro-active DMP interventions. The research findings highlighted a strong economic argument in favour of investing in DMP activities: For every Rupee invested in DMP activities in Bihar there was a return of Rupees 3.8; for every Rupee invested in DMP activities in Andhra Pradesh there was a return of Rupees 13.4. There were also other benefits, such as a new income revenue created by the hiring out of rescue boats, improved infrastructure and community empowerment.

DMP assistance, provided through the Discipleship Centre (a Tearfund Partner), included material provisions as well as training to flood-prone communities. Volunteers were trained in early warning, first aid and evacuation procedures, as well as building raised embankments to connect villages to the main road and ensure an escape route during flood season. Culverts were constructed and wells with raised hand pumps.

Community-based approaches should be at the heart of effective risk reduction; but scaling up disaster risk reduction requires a strong political focus and higher levels of investment. Donor institutions and governments should ensure that every development and poverty reduction policy decision and programme proposal in a disaster-prone area takes account of disaster risks and seeks to minimise them. Measures to reduce future disaster risks should also be incorporated into all relief, reconstruction and rehabilitation programmes.

The European Commission in particular needs to make faster progress with mainstreaming disaster risk reduction into its development planning and programming in Asia – and with supporting Asian governments to address risk reduction in their poverty reduction and sectoral planning. The decision by DFID to allocate at least 10% of their humanitarian assistance budgets to disaster risk reduction is to be commended – such measures now need to be translated into integrated relief and development

<sup>24</sup> Field research from Professor Ursula Oswald Spring of CRIM/UNAM (National University of Mexico)

programmes at the country level. *Tearfund is calling upon all donor governments to allocate at least 10 per cent of their humanitarian assistance budgets to reducing disaster risks.* 

Vulnerability is due to unsustainable patterns of development: preventing disasters depends in part upon our ability to build just and equitable social, economic and political structures and processes. There are tried and tested, simple ways to reduce vulnerability: The science, tools and methods needed to predict disasters and reduce their impact are readily available.

The conference needs to recognise the critical cross-cutting role of disaster mitigation and preparedness in the context of sustainable development, climate change adaptation and poverty reduction in Asia. In doing so, participants should engage fully with the UN International Strategy for Disaster Reduction and champion integrated approaches to building disaster-resilient Asian nations, following the specific 'Priority Areas for Action' as recommended by the Hyogo Framework for Action 2005-2015<sup>25</sup>

#### **10. Free and open information exchange**

The stringent controls on the flow of information in some Asian countries such as China need to be highlighted as a key concern and issue that could undermine sustainable economic growth and environmental sustainability in the region.

<u>Case study from UNEP<sup>26</sup> and international media<sup>27</sup></u>: In November 2005 the Government of China tried for days to keep secret the threat posed to the nearly four million people of the city of Harbin by a chemical explosion and benzene leak that has made the water supply from the Songhua River unusable. The benzene spill also threatened water supplies in Russian towns further down the river

Pandemics such as avian Bird Flu and SARs, which have blighted Asian countries in recent years, are more likely be controlled if there is free flow of reliable and honest information. China leaders tried to conceal the outbreak of the SARS epidemic in 2002 and was condemned around the world as SARS spread<sup>28</sup>. Information is the key to transformation.

## Conference participants need to encourage open and transparent information exchange linked to issues of public interest and support an independent and investigative media to help communicate these to the public, including the poor.

#### 11. Creating markets for sustainability and the role of the private sector

The rapid rise of several Asian countries needs to been as an opportunity to achieve global sustainability rather than a threat. Developed countries and the international investment community need to provide the support necessary to ensure this. Market forces will have to be utilised to encourage the shifts in economic activity that are imperative for a sustainable future. Particular support needs to be afforded to SMEs and cooperatives, including small farmers, to engage with and benefit from green growth. Two important means to improve market forces are public procurement and ecolabelling. There is a significant awareness in China about ecolabels, and the official China Environmental Labelling Scheme is one of the most advanced ecolabel schemes amongst developing countries, however better co-operation is needed amongst national schemes to increase the market share of such products.

<sup>25</sup> The Hyogo Framework for Action 2005-2015 was adopted by 168 governments at the World Conference on Disaster Reduction, held 18-22 January 2005 in Kobe, Hyogo, Japan. To read the report in full, visit: www.isdr.org <sup>26</sup> Geo Yearbook 2006, UNEP

<sup>&</sup>lt;sup>27</sup> Yardley, J. 'China tries to keep benzene spill secret' International Herald Tribune - Asia-Pacific (25/11/05). <<u>http://www.iht.com/articles/2005/11/25/news/beijing.php</u> > and BBC News, Toxic leak threat to Chinese city (23/11/2005) <<u>http://news.bbc.co.uk/1/hi/world/asia-pacific/4462760.stm</u>>

<sup>&</sup>lt;sup>28</sup> Yardley, J. 2005. *Opt cit.* 

As set out in the ESCAP Theme Paper (2005), Governments need to provide ground rules for the private sector and the public through clear, credible and transparent policies to deliver the concept and system changes necessary to move to green growth. They should not include environmental regulation in deregulation packages; review public policies for environmental sustainability; improve environmental performance; employ a wide range of tools (such as pollution charges, environmental taxes, tradable permits and environmental incentives); and introduce environmental innovation in a away that encourages innovation and acceptance.

The private sector needs to be an innovator for sustainability; be an agent for the promotion of the integration of the environment and the economy and the creation of synergy between them; and be a responsible caretaker of the environment and a promoter of environmental marketing. All companies (with support to SMEs) should report against a comprehensive set of key social, environmental and economic indicators. With a standardised approach comes the ability to measure companies' operations and performance and compare them with other businesses. Good corporate social responsibility and accountability need to become mainstream.

<u>Case studies from UK NGO CORE coalition</u><sup>29</sup>: CORE is a major NGO campaign with some 130 members. They are calling on the UK Government to enact laws that will ensure making profits is done within the context of businesses responsibilities to its stakeholders and their obligation to ensure their businesses are sustainable long term. CORE believes the voluntary approach to corporate accountability has failed and the only way corporate accountability will become a reality is through new laws that make companies value people and the planet, as much as profit. CORE is campaigning for new laws in 3 key areas: mandatory sustainability reporting; directors' duties, and access to justice

Trade can foster sustainable development and it can detract from sustainable development. There is real need for government and trading blocks to commit to reform their commercial policies in order to stimulate trade that helps meet global challenges and to reform international trade rules in order to reduce the externalities of trade. China and India, as growing and important voices in the World Trade Organisation and important voices in Asia, could help foster this and hold developed countries to account over it.

Foreign direct investment (FDI) has to contribute to national and regional sustainable development objectives and globally agreed development goals. FDI can contribute to the promotion of sustainable development principles, environmental and social standards, clean technology and sustainable natural resource management. National governments should be responsible for providing, through dialogue with FDI-receiving countries, a regulatory framework which is conducive to such investments by national companies, including the financial sector.

## The conference should acknowledge the vital role the private sector needs to play in delivering sustainable development; the role governments need to play in facilitating this, and the vital importance of ensuring good corporate social responsibility and accountability.

#### 12. Addressing increasing consumption and its side effects

There is need for all 'high-volume' consumers (in developed and developing countries) to understand and care about the impacts of their choices on people and the environment both locally and further

<sup>&</sup>lt;sup>29</sup> The Corporate Responsibility (CORE) Coalition set up in 2001, represents over 130 charities and campaigning organisations, faith-based groups, community organisations, unions such as AMICUS, GMB, UNISON and TGWU, businesses and elected representatives. (http://www.corporate-responsibility.org/)

away (linked to the full life cycle of the good they choose). This includes issues of inequality, waste, pollution, natural resource exploitation, unfair trade and abuses of human rights etc.

As the EU has recognised in its Sustainable Development Strategy, one of the most powerful methods to promote change is to ensure that markets send the right signals ("getting prices right"), thus providing a powerful incentive for people to change their behaviour and shape the market place accordingly. This means building the cost imposed on others in society by "polluters" into the price of the product, as some Member States have already done (for example, through charges or green taxes). In this way, producers have an incentive to produce and consumers an incentive to consume more environmentally-friendly goods and services.

The challenge then is to translate that awareness into more sustainable behaviour. Putting the right economic and legal incentives in place and governments leading by example are essential to this. Education and communication are important but only really effective when the appropriate legal and financial framework is in place to steer relevant choices and decisions consistently in the same direction. When prices for more sustainably produced alternatives are always higher or when cleaner alternatives are hard to find, communicating that these should be chosen will remain an uphill battle.

The Conference should call on Asian business leaders and other key stakeholders to engage in urgent reflection with political leaders on the medium- and long-term policies needed for sustainability and propose ambitious government and business responses to address the problems of increasing consumption and its side effects in the region.

#### 13. The challenge of rapid urbanisation

Increased economic development has led to rapid urbanization in the Asia and Pacific countries. The region now holds about 58 percent of total world population and 45 per cent of the world's urban population. Between 1980 and 2002, the region's urban population more than doubled from 646 million to 1 333 million. Urbanization in West Asia has also proceeded very rapidly, presenting massive challenges to future prosperity and the fight to achieve the MDGs. It's total population in the region went up from 16 million in 1970 to 118 million in 2005<sup>30</sup>. Rural to urban migration could in part be curbed by better rural investment – this needs to be part of addressing urbanization.

Among the problems or urbanization are the sheer physical scale of growth, the massive infrastructure needs, the plight of the urban poor, pollution and degradation of the environment, including coastal areas. The concentration of population in urban areas has also resulted in increased air pollution, inadequate solid waste collection and disposal, toxic and hazardous waste problems, and poor or non-existent sanitation facilities<sup>31</sup>.

One important aspect of urbanization in Asia today is the emergence of community-based organizations in poor areas that develop effective local responses to environmental degradation. These organizations are often supported by networks of NGOs that extend their practices to other cities. City governments need to learn to work with such groups.<sup>32</sup>

The conference needs to acknowledge that ad hoc approaches will not lead to the development of sustainable and liveable cities. Addressing the challenges of urbanization needs to be given more strategic priority in development - tackling causes such as rural deprivation, as well as significantly improving the lives of slum dwellers and managing urban growth sustainably.

<sup>&</sup>lt;sup>30</sup> GEO Data Portal based on United Nations 2005b

<sup>&</sup>lt;sup>31</sup> UNEP 2003, World Bank 2005, UNDP 2006.

<sup>&</sup>lt;sup>32</sup> Terry McGee, University of British Columbia, Vancouver, Canada (www.prb.org)

#### 14. Peace, security and natural resources

The environment offers useful and unique qualities that lends itself to building peace and transforming conflict - environmental challenges ignore political boundaries, require a long-term perspective, encourage local and non-governmental participation, and extend community building beyond polarizing economic linkages. It can also bridge religious and ideological divides.

Natural resources have been causes of conflict – and unsustainable use can cause or exacerbate this. However, there are opportunities for environmental cooperation, particularly linked to water for example through integrated water resource management and transboundary river basin initiatives. These should be encouraged, with strong roles for civil society - much of the peacemaking potential around environmental problems lies in better dialogue directly among civil society groups and resource users across borders. This requiring more effective mechanisms for stakeholder participation at all levels. Such mechanisms can also help reduce corruption, such as governments or other powerful actors profiteering from natural resource extraction or using international river-basin agreements to pave the way for international funding to unsustainably dam, drain, and divert rivers.

<u>Case study from Lead International (Pakistan)</u>: Asian countries share the largest mountain range in the world, this is a fragile ecosystem that provides the world with vital sources of biodiversity and seed banks. Although most post cold war issues have been settled, the mountains in south and central Asia are still under the influence of a post cold war geopolitical scenario. There is a need to adopt a strategy to conserve the mountain ecosystem, securing benefits to the mountain people. Establishing peace parks and protected areas among Pakistan, China, India, Afghanistan, Nepal, Bhutan and Central Asian States could protect the fragile mountain system and increase benefits to the people who are poorest and some of the most vulnerable in Asia

The Conference should support opportunities for peace building through the sustainable use of natural resources and stronger role for civil society in natural resource planning and management.

This report was prepared on behalf of the Development and Environment Group (DEG) of BOND with input from DEG members and their Asian partners. http://www.bond.org.uk/wgroups/environment/

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#### Session 2A: the rising demand for resources and environmental impact

#### <u>Asia 2015: Promoting growth, ending poverty</u> NGO consultation meeting, BOND 23 February 2006

Session II, Q3: How can the international community best contribute to Asia's environmental agenda?

Disasters in Asia have presented a new political driver for sustainable development practices: the challenge is learn from these and build a better future. There are new opportunities for tackling environmental issues and for developing different ways of working effectively in partnership.

International strategies for Asia need to support:

- 1. Asian countries to 'leap frog' to cleaner more sustainable development approaches (with developed countries taking responsibility for the financial and ecological costs for their own industrialisation that has and is affected others)
- 2. Countries in disaster-prone areas to prepare, adapt, mitigate and reduce the risks of existing environmental 'threats', natural and man-made (including climate change).
- 3. Local, national and international education for sustainable development, both through national curricula and awareness raising and training opportunities for all (for example linked to the UNESCO's Decade of Education for Sustainable Development).
- 4. Emphasise the need for Industrialised nations' to show real commitment to reducing their own greenhouse gases emissions and addressing their own unsustainable patterns of consumption and production.

Environmental sustainability will only come about through holistic policies and practices that seek to combine public, private and civil society efforts and work together to achieve maximum awareness of the severity of the environmental threats posed.

Effective partnerships are needed at all levels: between environment and development I/NGOs, within and between donor government ministries/departments, and with international institutions and the public/private sector. Special attention should be paid to build the institutional capacity (technical and financial) within developing country governments to do the same.

International partnerships should promote informed decision-making and sustainable development, by:

- Providing financial and technical support to strengthen and ensure disaster-resilient infrastructure and environmental planning as part of humanitarian relief efforts for example in the major reconstruction programmes currently being undertaken by governments in the tsunami-affected countries and to address health and environment linkages.
- Seeing sustainable energy as a prerequisite for growth, promoting bottom-up approaches that 'leap frog' into clean energy practices, harness a new skills-base at the community level; and thus promote a pro-poor economy.
- Supporting and promoting existing national or regional sustainable development strategies from Asia, especially those that seek to strengthen collaboration, learning and innovation (for example, the UN ESCAP Regional Implementation Plan for Sustainable Development in Asia and the Pacific, 2006-2010).

- Supporting the capacity, skills and resources in Asian countries necessary to address environmental opportunities and risks in development aid interventions and country or regional strategies, ensuring comprehensive environmental assessments and long term cost benefit analysis takes place at the earliest possible stage. Donors and governments alike should cooperate to support globally consistent data collection and forecasting on natural hazards, vulnerabilities and risks / disasters impacts
- Ensuring all donors mainstream disaster risk reduction into all of their development policies and programmes in Asia, with explicit reference to the priority actions as outlined in the Hyogo Framework for Action 2005-2015. This needs to include the rapidly increasing implications of climate change and land use changes.
- Encouraging open, transparent and participatory decision making, including clear processes for civil society engagement and ensuring governmental accountability. This needs to include suitable support, processes and timeframes to properly involve the poor and marginalised in society.
- Addressing the growing problems and opportunities of urbanisation 95% of global population growth over the next 25 years is projected to take place in urban centers in low and middle income countries, and many of the major challenges and opportunities in achieving the MDGs and addressing sustainability will require co-ordinated involvement of key institutions and civil society organisations in cities.
- Better use of national indicators for many countries, economic growth is their 'macro' objective. There is a real need to distinguish between economic growth usually measured by Gross Domestic Product (GDP) and wellbeing. Better macro indicators are needed and should be widely communicated. They need to account for environmental and social costs and benefits, which GDP is not designed to consider. All of a country's assets (including human capital, manmade capital and natural capital) need to be measured, accounted for and reinvested in to ensure sustainable development.

## In all this, there is a real need for the International community (including donor governments, public and private sector, international institutions and INGOs) to 'get its own house in order' as a pressing priority.

It is vital that governments provide ground rules for the private sector and the public through clear, credible and transparent policies to deliver the concept and system changes necessary for sustainable development (and to ensure 'green growth'). There is a need for corporate regulation to create a level playing field for investment and development that does not benefit polluting or exploitative practices over those that are sustainable and ethical. Support needs to be given to small producers to enable them to compete effectively and fairly.

There is real need for better corporate social responsibility and reporting to encourage environmental and ethical trade practices. There is a need to create corporate and consumer awareness about the 'real' costs of production and consumption on the environmental and local people.

There is need for all 'high-volume' consumers (in developed and developing countries) to understand and care about the impacts of their choices on people and the environment both locally and further away (linked to the full life cycle of the goods they choose). This includes issues of inequality, waste, pollution, natural resource exploitation, unfair trade and abuses of human rights etc.

Governments should adopt bold, coherent – and if necessary unpopular – policy decisions to ensure long-term sustainability, rather than being driven by short-term political 'wins' or pressures. This must address the immediate needs for poverty reduction now, but also ensure investment is wisely spent for lasting benefit - so that today's successes don't become tomorrows failure's.

#### Asia 2015 - Promoting Growth, Ending Poverty

#### UK NGO response to 'Unleashing the Potential for Poverty Reduction' (conference session 3)

Combating poverty in changing Asia. Structural change and uneven development are creating new forms of poverty and there are new challenges in human development and obstacles that undermine the effectiveness of state institutions. How can stakeholders work together to tackle them?

We welcome the focus on the challenges of uneven development. Whilst income poverty reduced in Asia during the 1990s from 34% to 25% (UNESCAP), there are stark variations between and within countries. Economic growth has tended to advantage the already better off. Gini-coefficient figures show that inequality within countries has been increasing across Asia:

#### *Gini-coefficients (UNESCAP)*

	1980s	Late 1990s
India	0.293	0.378
Pakistan	0.350	0.410
Kazakhstan	0.257	0.354
Philippines	0.409	0.412
China	0.315	0.403

**Economic growth does not automatically lead to poverty reduction.** Poverty is multi-dimensional, and not only encompasses income levels, but also access to entitlements and political participation, not only deprivation but also vulnerability.

Significant progress towards MDGs could be made without touching large numbers of poor and marginalised people. DFID and others are committed to **pro-poor growth.** We urge participants to focus on ensuring the excluded poorest are progressing, both in relative and absolute terms.

We stress the importance of responding to the **specific country context** and political systems, including the aability of different sized and positioned economies to take advantage of globalisation. China and India have been characterised as the emerging powerhouses in Asia and this appears to be both a function of policy orientation and size. Many other Asian countries, particular fragile states and those affected by conflict, remain vulnerable.

<u>1. Regional disparities, poverty and exclusion:</u> Some regions are growing less rapidly and are geographically isolated with a concentration of the chronically poor. Migration creates new groups of poor in cities. How can stakeholders respond?</u>

1.1 We recommend wider consideration of causes and effects of exclusion, and the factors perpetuation exclusion, including people marginalized and discriminated on the grounds of ethnicity, caste, gender, language, health status, disability and culture. Continued social exclusion and power structures which perpetuate exclusion are likely to lead to continued economic exclusion. The poor and excluded are more likely to suffer from ill health due to poor nutrition, poor access to clean water and poor access to quality health and education services. There is a higher opportunity cost of sending children to school.

1.2 We recommend **consideration of the causes and not just the effects of rural-urban migration and of voluntary and involuntary cross-border migration.** Much migration is driven by exclusion and lack of access to services.

1.3 We recommend **consideration of the effects of conflict and internal displacement on the economy and on poverty reduction.** There are many causal factors, including the relationship between inequality in accessing benefits of economic growth and internal conflict e.g. 'economic injustice' sparking conflict in parts of Indonesia, Nepal etc. Civil society, in partnership with other actors, can play an important role in peace building initiatives and conflict sensitive development.

#### Case study – 'Depoliticisation' of aid in post-tsunami reconstruction, Sri Lanka

Sri Lanka was one of the countries worst hit by the Asian tsunami in 2004. Official figures estimate that 30,959 people were killed and another 562,601 displaced. What the tsunami also brought into sharp relief were the wide regional economic disparities in the country and levels of deprivation and poverty that existed in the North and East as a result of the two decade long conflict. Following the tsunami, there were growing concerns that the needs of those displaced by the conflict (some 600,000 people) were being neglected in favour of tsunami-displaced people. In order to respond to this concern, civil society groups as well as local and international aid agencies, under the umbrella of the **Consortium of Humanitarian Aid Agencies (CHA)**, came together to challenge the Government of Sri Lanka on the issue. The agencies advocated that the response should be broadened to include 'tsunami-affected districts' rather than tsunami-affected 'people', to ensure that the needs of all communities were addressed without discrimination.

#### Case study – Conflict resolution and sustainable livelihoods, Mindanao, Philippines.

The **VSO PEACE Mindanao programme** is a civil society capacity building programme that aims to foster better understanding between Muslims, Christians and indigenous peoples and thereby increase the ability of displaced and at-risk communities to make a viable and secure living in conflict-affected areas of Mindanao. The key factors that fuel the resurgence of intensive armed conflict have included:

- Disputes over access to and control over land and other natural resources;
- Age-old biases and distrust between Muslims and Christians;
- A culture of conflict.

To address these underlying causes, civil society organizations have played a major role in facilitating: co-management of natural resources on which people's livelihoods are based; institutionalization of annual 'Week of Peace' activities in several of the conflict affected areas; Culture of Peace trainings with key peace building partners including local government units, media and youth organizations; and institutionalization of community based conflict resolution. As a result, hundred of local CBO members from both Muslim and Christian communities have worked together to increase their incomes; women have expanded their self-employment activities, their control and ownership of

assets, and their membership in peace building councils and processes; and long term food security is now viewed as a realistic expectation. In addition, refugees from a war-inducted evacuation in 2000 have shed their feelings of fear and insecurity and have transformed their homes into a sustainable resettlement area enjoying a sense of stability. The entire community is actively involved in planning and prioritizing identified problems in the community.

1.4 We recommend recognition of the complexities and challenges of effective service delivery in fragile states, and the need for alternative relationships between donors, governments, communities and NGOs. Nine countries in Asia with a population of some 364 million people are categorized as fragile states and are home to some of poorest and most marginalized communities.

**1.5 We recommend consideration of the potential social and economic effects of the HIV&AIDS pandemic on Asia.** Many countries in Asia have high vulnerability to HIV&AIDS, exacerbated by exclusion and stigma. All indications are that HIV prevalence will increase exponentially and, increasing the vulnerability of the poor.

**1.6 We recommend consideration of processes to involve the urban poor in decision-making,** including working with poor communities to generate better, locally rooted information for planning, negotiating and monitoring. The process of generating locally based information, as well as the information itself, can play a major role in developing effective, well targeted policies and implementing them in practice.

**1.7 We recommend the development and harnessing of new forms of capital financing for urban development.** Forms of 'Community Development Funds' enable communities, local government and other stakeholders to jointly raise resources, prioritise initiatives, determine resource allocation and work in partnership to deliver infrastructure and services.

<u>2. Targets, voice and choice</u> – *new models for service delivery for human development. Innovative approaches to service delivery such as decentralising service provision and involving non-state actors provide useful new models. What are the options for financing health and education?* 

**2.1 We welcome the transition from seeing service users as 'clients' to 'citizens' with rights and entitlements that governments have a duty to meet.** This rights-based shift moves away from people being simply users or choosers of public service policies to 'makers and shapers'.

**2.2 We recommend that the issues of voice and choice should be treated as different, though interrelated.** As the DFID supported Chars Livelihood programme in Bangladesh found 'choice recognizes that poor people are not a homogenous group [but] for the extreme poor the concept of choice with no regard to voice is empty rhetoric'. It is therefore important that we view choice as 'the diversity of channels through which voice can be articulated and responses made by service providers'.

**2.3 Civil Society has an important role to play** in opening up (and encouraging institutionalizing of) 'political spaces' for engagement between people and state (**voice**) – by increasing access to information by excluded groups and promoting information and communication strategies that increase poor people's knowledge of their basic entitlements through awareness-raising, mobilisation, facilitating engagement, lobbying and monitoring policy implementation. We recommend

**improving responsiveness of basic services by investing in services that include excluded groups**, such as adult literacy in local languages.

### Case study: Society for Comprehensive Rural Health Projects (SCRHP), Jamkhed, Maharashtra, India.

**Tearfund partner SCRHP** trains women as 'barefoot doctors' to be responsible for the health of their community. As well as improving health, this has led to the empowerment of women as change-agents; organized and informed communities take responsibility for their own health as well as holding government accountable to deliver basic health services. SCRHP also trains Indian administrative officers (often the duty bearers) in community health and development – an example of government/civil society partnership.

2.4 We recommend emphasizing the continued importance of the commitment to public sector service delivery in basic services and support to governments on revenue generation and propor tax reform. Government has a role as a 'duty-bearers' especially to marginalised people (this includes ensuring services aren't denied to people discriminated against, for example because of their HIV status or because of leprosy), and the poor should not be subjected to market forces. The involvement of non-state actors (especially the private sector) in financing basic service delivery brings the danger of creating a two tier system of quality and access where 'choice' is in fact dependent on ability to pay. Whilst in theory public/ private partnerships can work to benefit the poor, in practice most experience to date shows that the poor do not benefit; the most disadvantaged don't have the choice because they don't have a voice (see above). Private sector engagement in the delivery of basic services should be viewed through the lens of impact on the poorest and most excluded.

#### Case study: Innovations in primary health care – ASHA, Delhi, India

**Tearfund partner Asha** provides an excellent example of the partnership potential between civil society, government and private health service providers. Asha works in partnership with the Delhi authorities in the provision of urban primary health care services. The authorities give Asha buildings for slum clinics and a polyclinic, and Asha equips and staffs them. At the community level, Asha works with women to help raise awareness of their rights and the confidence to claim them (e.g. for access to water, sanitation, land rights, safe environment, schooling). Asha also partners with hospitals to enable slum communities to access services. The results have been incredible in terms of improvement to health (particularly maternal and child health, and tuberculosis control), community empowerment (including for children, especially girls) and the urban environment and. Moreover, Asha, along with the communities, have built a good rapport with government, linking communities into government programmes such as the TB DOTS programme and departments responsible for water, sanitation and infrastructure development.

**2.5 We recommend looking at ways to implement fully the Core Labour Standards** and provide decent work for decent wages for all Asian workers, including public sector workers. Labour rights are a critical issue for Asian's development, with cheap labour costs providing the driver for much of the economic growth in the region. There can be real gains in income for those employed, but at the cost in terms of health, exploitation and basic rights. Women in particular have been affected by the growth of repetitive factory work involving long shifts with minimal breaks, with threats of redundancy for those who become pregnant or who need to care for children. Workers are often some of the very poorest people in Asia, and support for trade unions and organised labour is also an important component of sustainable development.

#### Case study: the ASEAN Social Charter

The ASEAN Social Charter is the product of collaboration between labour unions, government, NGOs and the private sector to set a benchmark that obliges governments and non-state social actors to

protect workers' rights to decent work, bringing together existing rights frameworks (e.g. UDHR, ILO core labour standards) into a single charter in an Asian context.

#### Case study: Free Trade Union, Cambodia

**One World Action partner the Free Trade Union (FTU)** is Cambodia's only independent trade union, working for the rights of 50,000 garment workers, 90% of whom are women, for improved conditions and decent wages, and challenging exploitation and abuse in garment factories. The FTU manages to operate and achieve some successes despite facing constant harassment and threats, most graphically demonstrated by the assassination of its President, Chea Vichea, shot dead in 2004.

#### 3. Asian led strategies for improving governance and the effectiveness of state institutions. Achieving improvements in state institutions can be difficult but Asian government strategies that address financial management and capacity for service delivery have made progress. What is recent experience in Asia telling us?

3.1 Governance and effectiveness is not just about financial management and capacity for service delivery but also about **responsiveness, transparency and accountability.** 

### **3.2 Decentralisation processes have potential for increased voice of, and responsiveness to, disadvantaged groups,** we note that the experience of decentralization has been mixed across Asia.

**3.3** Civil society can play an important role in both advocating for and capacity building on financial management systems and other aspects of service delivery management including the capacity to plan, resource, manage and monitor the provision of basic services in ways that are participatory/inclusive, transparent, accountable, gender-sensitive and pro-poor.

#### Case study: Involvement of consumers in power sector reforms in Rajasthan, India

**CUTS International** is supporting a project which aims to involve consumers in power sector reforms in Rajasthan. Following reforms to the power sector in the late 1990s this project brings together consumer groups and NGOs to monitor the impact of the reforms in Rajasthan and to advocate their concerns to government, regulatory bodies and power companies.

#### Session 3a: Regional Disparities, Poverty and Exclusion BOND recommendations

Aid Modalities which support local processes (message to all international development agencies plus Asian governments plus Development organisations)
 active engagement with excluded groups/working partnerships (participants take steps to understand & communicate)

2. Analyses of non-economic factors to exclusion (gender, ethnicity, caste, etc)

3. How you ensure that the benefits of regional co-operation (at different levels) are harassed for the purposes of poverty reduction.

#### Asia 2015: Promoting Growth, Ending Poverty NGO consultation meeting, BOND, 23 February 2006

#### Session 3, Parallel Group 3B Targets, Voice and Choice - Effective Service Delivery for Human Development

To meet the challenge of ensuring effective service delivery and equitable access, particularly for the poor and marginalized, governments, donors and the private sector should prioritize the following key issues:

#### 1. ACCOUNTABILITY

- Importance of access to information for community development
- Role of NGOs and civil society in building capacity of the poor to recognize their rights and influence decision-making, and of service providers to respond to their needs
- Investment in free inclusive education for the poor, including isolated communities and excluded groups. Prominence should be given to the Education for All targets of the Dakar Framework for Action adopted at the World Education Forum in 2000.

#### 2. EFFECTIVE MECHANISMS FOR DELIVERY (& ACCOUNTABILITY)

- Need for synergy between donors, governments, private sector regarding financing and regulation to ensure quality, equity and transparency
- Predictable funding and long-term commitment
- Support for a range of instruments to deliver services in fragile states (not limited to budget support) such as direct funding to community-level institutions and scaling-up of effective NGO models at micro-level
- Creation of evidence-base by poor and excluded groups to better inform pro-poor service delivery and policy

#### 3. UNPACKING "PRIVATE SECTOR" DELIVERY & EFFECT ON POOR

The "private sector" encompasses a diverse range of service providers such as NGOs, religious schools, traditional practitioners and corporate bodies. There is a need for greater information-gathering and sharing to identify the impact of various levels of private sector delivery on the poor.

#### 3B human development summary BOND recommendations

The recommendations from this group are to all governments and donor agencies participating in the conference, not just for DFID.

#### **Recommendation 1:**

With most donors now supporting government poverty alleviation policies (PRSPs) through budget and sector wide support, there is concern that local communities may be left out of the development process. It is imperative therefore to ensure that there is active engagement between government, civil society and donors and that this is strengthened thorough the establishment of strong working partnerships. Mechanisms must exist which allow for local input into government policy making. The overall recommendation is that:

• Aid modalities must support local processes of consultation.

#### **Recommendation 2:**

Despite some gaps, information is available on the factors leading to poverty and exclusion. However, there seems to be a lack of analysis and understanding of the real reasons for exclusion. The recommendation is that:

• Participants take steps to understand and communicate the analysis of the of noneconomic factors to exclusion, i.e. gender, ethnicity, caste, etc.

#### **Recommendation3:**

It was felt that, especially in South Asia, there was very little regional cooperation. It was noted that SAARC had yet to play an effective role in strengthening regional cooperation. It was felt that increased regional cooperation through regular exchanges would be beneficial for the development of the region as long as the focus of cooperation was on reducing poverty. The recommendation is:

• To ensure the benefits of regional co-operation at all levels are harassed for the purposes of poverty reduction.

#### Asia 2015 – Promoting Growth, Ending Poverty

#### SESSION 4 WHERE NEXT? SETTING THE AGENDA FOR PARTNERSHIPS TO 2015

#### Ideas paper prepared for British Overseas NGOs for Development (BOND) by Robin Greenwood, Christian Aid 24/02/06

The key to making the breakthroughs targeted for 2015 are development partnerships that actively involve poor people.

Poor men and women are not the passive objects of economic development. Instead they take an active role in poverty reduction. They do this by their own economic activity, being the grass roots of the private sector as producers, consumers, traders and investors.

Day after day poor men and women are taking decisions on how to invest the resources (economic, human, social and natural) that they have access to. They are the experts on their own situation.

#### Where civil society fits in

The involvement of ordinary men and women from all sectors of society is vital to ensure that benefits of economic development reach all sectors.

This is where organisations with their roots in Asian civil society or with roots in global civil society and close ties with Asian civil society have a big part to play.

#### UK Non-government organisations (NGOs)

UK-based NGOs who work in and on Asia bring in funds from public and private donors, innovate and multiply. Most work in close partnership with local Asian organisations who come out of Asian society.

UK NGOs welcome the new impetus that DFID is giving to ending poverty in Asia by 2015. We also welcome the shift in thinking that prompts the international community to embrace the vast potential of the private sector.

We want to persuade the international community to see NGOs as an essential third pillar of the partnership. We aim here to show how NGOs have built on their traditional "third sector" role and demonstrated their value as development partners for government and businesses.

We will give examples of how NGOs:

- Act as voices of Asian civil society
- Deliver basic services and implement innovative programmes
- Hold to account those who have duties towards Asian communities

We will go on to show the value of NGOs as credible, legitimate, but also constructively challenging partners for governments and businesses in fighting poverty.

#### Southern and northern NGOs as legitimate representatives of civil society

### Examples from the past and the present to legitimise NGOs (southern and northern) as representatives from and of civil society in Asia.

Among the best examples of northern support for civil society are when we give assistance and advice on building processes. This might relate to the right for a particular socio-economic group to be consulted by policy-makers, for example in a poverty reduction strategy; it might be financial assistance for a partner organisation to become established and to operate; it could be defending the right of free speech and association in a particular country. In terms of campaigning, the biggest support that a northern NGO can offer to grassroots movements, in addition to 'process' support, is through lobbying within its own society/political space, as well as at the international level, to get support for a change in policy.

#### *Case study – Civil Society mobilisation in Afghanistan*

In Afghanistan, A broad coalition of Afghan and local NGOs is working together to encourage the participation of local civil society in the current Afghanistan National Development Strategy (ANDS). to raise citizens' awareness of their roles and responsibilities in relation to national economic, political and social processes, encouraging citizens to obey laws and regulations, while endeavouring to change those that are unfair and inefficient, striving for the participation of women in all walks of life, and exhorting all citizens to participate actively in the reconstruction and development process in Afghanistan and to play their part in making Afghanistan a peaceful country. As part of this process **Christian Aid** has given advocacy training to the ANDS participant the **Afghan Women's Network** (a coalition of Afghan NGOs and campaign groups working on women's rights). Christian Aid has also backed the inclusion of a number of other civil society groups on the NGO/civil society advisory board for the ANDS, including the newly-created Afghan Civil Society Forum and an association of handicraft workers. Civil society input to the ANDS will increase the accountability of this process. Furthermore, as a result of dialogue between the government and NGOs, the former can learn about the considerable experience which NGOs have gained as a result of their work in the field on health, livelihoods and emergency relief during the past 20 years of conflict.

Northern NGOs also act as channels of funds from northern civil society (and government) to southern civil society.

#### Establishing NGO credentials - NGOs eradicating poverty "at the edges"

At their best NGOs reach where governments cannot and businesses will not. Here we can see how:

#### NGOs fill gaps in mainstream service provision

#### Case study - Improving health services and giving voice to the marginalised in Cambodia

Cambodia's health service faces severe challenges. Cambodians suffer high rates of preventable illness including one of the highest rates of HIV/AIDS in Asia. Poor health is also the principal cause of high levels of disability, particularly among indigenous minorities. **Health Unlimited** in Ratanakiri is securing access to and improving the quality of primary health services for indigenous people, but is also assisting them to pressure the government into supporting development of a health system that is responsive to their specific needs. They are positively engaging with government officials to ensure that the health needs of the most disadvantaged groups are met. This is one of the first attempts to give indigenous people a direct voice in the development of their own health care services. In addition to work in Ratanakiri, the management of health services has been contracted out to Health Unlimited in the conflict-affected province of Preah Vihear. This is part of an Asian Development Bank/DFID-assisted Health Sector Support Project which aims to support Provincial Health Departments to implement the Ministry of Health 5-year Strategic Plan.

#### NGOs work on the front line in disaster preparedness and response

Case study - Tsunami relief and reconstruction work in Sri Lanka

Some of the first assistance to arrive on the scene in Tsunami-hit areas of Indonesia, Thailand, Sri Lanka and India came from local NGOs who were supported, trained and funded by UK NGO partners. Many of these had already been assisted by UK NGOs to work with local people to ensure that disaster-hit communities could cope in the crucial first 48 hours after a disaster: the period before international assistance gets through. Community members, prepared for disaster situations by local NGOs, were the ones who saved lives, recovered bodies, removed debris and gave first aid.

Hundreds of thousands of people lost their homes in the tsunami so building houses is a priority for local NGOs. However they are keen not to just build as many permanent homes as possible, but to also build the best homes that they can. **Practical Action** has designed and built nine best-practice homes in the Matara disctrict which will help protect people from future disasters. Many more of these houses are planned.

#### NGOs as pioneers – opening access to the first rung of economic activity above subsistence level

Microcredit schemes aim to create wealth and income by providing capital for livelihood activities. There is clear evidence that microcredit can help the poor - if not necessarily the very poorest - to generate income, and therefore contribute to strengthening the local economy. Such schemes show that the local economy has the capacity to reinvest and finance its own development - through using the community's savings as loan capital and through reinvestment of profits by individual entrepreneurs. Both control over finance and access to credit for investment in income-generating activities are important means of strengthening local lives and livelihoods, but in many societies it is difficult for poor and marginalized people to access credit

#### Case study – microcredit in the Philippines

**Samasama Credit Co-operative** came together with the primary purpose of enabling members to save towards the eventual purchase of the house site land on which they are currently squatters. At the same time, Samasama saw value in encouraging savings in general and in establishing a financial institution over which members would have control. Within two years the Co-operative had 1,000 members, 95% of whom were women. Loans may be for 'providential' or consumption purposes, or for business/investment - for a sari sari store, for example, or to finance petty vending. However, the co-operative's lending policy is very cautious. In addition to the regular savings required of members they are also encouraged to pay a small amount into a community insurance fund to be available to those who find themselves in particular difficulties.

#### NGOs carry out their own projects in fragile states or areas of states:

Nine countries<sup>33</sup> in Asia with a population of some 364 million people are categorised as fragile states and are home to the continent's poorest and most marginalised communities. Governments in these fragile states are unable because of conflict, lack of human and financial capacity, or lack of political consensus, to provide the essential services, good governance and security necessary for a full and decent life for their citizens.

Particular recognition needs to be given to the complexities and challenges of effective service delivery in fragile states (or Low Income Countries Under Stress), and the need for alternative relationships between donors, governments, communities and NGOs, particularly in cases where a state is not recognised internationally. If services are not provided in these states the overall MDG goal of poverty reduction and the specific health and education goals will not be reached.

#### Case study – pre-2001 Afghanistan

The international community's reliance on international and local NGOs in the context of 1980s and 1990s Afghanistan was not a conscious policy of undermining the state but rather a response to a particularly acute emergency, where the state's capacity to function had broken down in large parts of the country. As the Afghan state is now strengthened, it will hopefully take over much of this service

<sup>&</sup>lt;sup>33</sup> Afghanistan, Burma, Cambodia, Indonesia, Laos, Timor Leste, Nepal, Tajikistan, Uzbekistan. Taken from Proxy List of fragile states in: *Why we need to work more effectively in fragile states* – DFID 2005

delivery and social protection role. How much it leaves for the private sector is ultimately for the Afghan people to decide and their elected representatives, not for donors and the aid community.

### Confirming our credentials - NGOs mobilise communities to claim the rights they are due as citizens and hold duty bearers to account:

In addition to calling on governments to provide of improve basic services (see below), this should also include calling for government regulation of business and enterprise to promote responsible economic development and for governments to stimulate economic activity where private sector is weak

#### Case study – Inclusion of people with multiple disabilities in India

Of the 3.5bn people living in Asia, around 1.4 million are deafblind, among whom 200,000 are children. Yet fewer than two or three thousand deafblind people in the whole of Asia receive any support. Macro-economic growth definitely does not benefit everyone. On the whole, governments across Asia simply do not include multiply-disabled people in their plans, definitions etc. Their voices are not heard within government. Without NGOs advocating and representing their needs no-one would be aware of their situations which would remain unchanged.

**Sense International** has been on many committees of the Rehabilitation Council of India, Ministry of Health and Ministry of Social Justice & Empowerment and has been successful in sensitizing the Government authorities by presenting a paper on "Inclusion of Multiple Disabilities" in the draft national policy at the Rehabilitation Council of India; participating in the Drafting committee meeting of the National Policy on Special Education wherein it was agreed to include Multiple Disability in the National Policy; and by participating in the expert group meeting for preparing a course curriculum for training of Master Trainers and Health Professionals sponsored by WHO and Govt. of India.

#### NGOs as development partners

Here are some examples of partnerships between governments and/or the private sector on the one hand and NGOs (BOND members and our NGO partners in Asia) on the other that are reducing poverty or meeting MDGs:

#### Case study - relocation of slum dwellers in India

In India, there are numerous examples of innovative partnerships which benefit vulnerable slum dwellers at the same time as supporting pro-poor city development as a whole. The Indian Alliance of SPARC (a Mumbai-based NGO) and two community-based networks (Mahila Milan and the National Slum Dwellers Federation) have worked with city and state authorities in Mumbai to relocate more than 20,000 families from dangerous locations alongside railway lines to safe, affordable housing and settlements.<sup>34</sup> The Indian Alliance helped communities organise themselves, and plan relocation; city and state governments helped identify and facilitate land and housing development options; Homeless International (a UK-based NGO) provided grants, guarantees and bridge finance to help engage banks in financing housing developments designed and managed by communities; banks lent money to finance housing; private landowners began to release land in exchange for tradable development rights; and the World Bank provided funds for relocation as part of the Mumbai Urban Transport Project. In addition to enabling hundreds of thousands of poor people to obtain decent affordable places to live, the project meant that the railway's efficiency improved dramatically and further improvements in the city's transport infrastructure became possible. A similar partnership approach is now being used to improve the city's road transport networks. Such processes are multiplying, currently involving more than 25 towns and cities across India with many more exploring similar arrangements.<sup>35</sup>

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(www.sparcindia.org/docs/sparc0405AR.pdf) and publications about CLIFF (www.homeless-international.org/cliff).
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 <sup>&</sup>lt;sup>34</sup> For more information see Homeless International's CLIFF Annual Review (<u>www.homeless-international.org/cliff</u>) or a case study by SPARC in the *Environment & Urbanisation* Journal, Vol 17, No 1, April 2005 (downloadable at <u>www.sparcindia.org/docs/sbupgrading.pdf</u>).
 <sup>35</sup> For descriptions of this work see case study produced by SPARC in the *Environment & Urbanisation* Journal, Vol 15, No 21, October 2003 (downloadable at <u>www.sparcindia.org/docs/spsdtksan.pdf</u>), SPARC Annual Review 2004/05

#### Case study -older people claim entitlements in Bangladesh

Demographic trends in Asia make it an imperative that development policy and practice address the needs and rights of an ageing population. Marginalised from decision making processes, older people are consistently overlooked in development planning. HelpAge International partner, RIC (Resource Integration Centre) in Bangladesh is one of very few national NGOs in the country that specifically raises awareness about ageing and that works with poor older people to support the realisation of their rights. RIC is managing an older citizens' monitoring (OCM) pilot project which aims to increase older people's access to two government services that are intended to alleviate poverty - the old-age allowance and the vulnerable group development programme. The DfID-financed project involves working at village level with older people to form groups that identify priorities (food security, low income, a lack of assets and the absence of government health services) and methods of citizen monitoring of entitlements. Each government policy is reviewed and relevant indicators agreed on to monitor how they were being implemented over time. Findings are collected, analysed and discussed with local, district and national stakeholders, including government officials, in order to improve implementation. Partly due to national-level advocacy by the project during 2005, the old-age allowance in Bangladesh has increased from US\$2.5 to 2.6 per month, and has been extended from 1 million to 1.32 million people over the past year.

#### Case study – education monitoring in India

**Save the Children** has scaled up the use of child-led indicators as a means of community monitoring to 175 schools in Orissa and Andhra Pradesh. In 2005, a joint review mission of DFID and World Bank has appreciated the model and recommended up scaling of this model to the entire State. Venkata Reddy, a child from Ongole, tells of the experience: "When I was small, I took care of the cattle, worked in the fields, and took care of the little ones. When a night school started in our neighbourhood, my parents refused to send me. Nevertheless, I went to the school on the sly. Once when my father received a letter, I read it for him. He was overjoyed and I told him the truth. They now encourage me to go to school."

#### Case study – regional networking on climate change

NGOs and civil society groups in Asia are at the forefront of developing practical community based solutions and sharing recommendations addressing the problems and causes of Climate Change with wider networks. Among these are the **Asia-Pacific Seminar on Climate Change**, which the Japanese Ministry of the Environment has been convening since the early 1990s in support of regional efforts to address climate change. The seminar has been steadily growing in significance as a regional forum to promote awareness and exchange experiences on many issues of common interest to Asia-Pacific countries. The objective of the Asia-Pacific Seminar is to provide a forum for the countries of the Asia-Pacific region, as well as international organizations working in the region, to share information and build relationships in an informal working environment.

#### Case study – specialist health care

Specialist NGOs already work closely with Asian Governments to provide highly specialized technical support. eg **The Leprosy Mission** take an active role in national Leprosy Control Programmes and its technical support teams provide advice to government run primary health clinics and train medical staff from the government sector in leprosy diagnosis and treatment. It is vital that these partnerships continue. If Asian Governments are looking for cost effective ways of providing health care, then an effective strategy would be to support specialist NGO hospitals to act as much more effective referral centres By investing in the expansion of the facilities of NGO hospitals (in a similar model to PFI or PPP, or by developing partnerships similar to the DFID PPA model) Asian Governments could provide improved health services for those in most need for far less outlay than developing new government facilities in these areas would cost..

#### Case study – budget monitoring in India

Budget monitoring in India has greatly increased the accountability of governments at local level and in many states has provided a positive way in which civil society and governments can work together to ensure that both money and services reach the poorest communities. The **International Budget Project** was formed within the Centre on Budget and Policy Priorities in 1997 to nurture the growth of

civil society capacity to analyze and influence government budget processes, institutions and outcomes. They are interested particularly in working with those organizations that focus on the impact of the budget on poor and low-income people in developing countries or new democracies. The overarching aim of the project is to make budget systems more responsive to the needs of society and, accordingly, to make these systems more transparent and accountable to the public.

#### Case study – women's political representation in India and Afghanistan

Specifically, **Womankind's** work in both India and Afghanistan are examples of successful partnerships between government (DFID) and Northern NGOs and their southern partners in furthering women's civil and political participation – a key element of addressing gender inequality and poverty. In India through DFID's support, thousands of poor and low-caste women have been equipped with the knowledge, skills and confidence to utilise the Indian Constitution's reservation of 33% of local council seats for women. In Afghanistan, again with DFID's support, Afghan women, have been able to start playing their rightful role in the reconstruction of their country. Through programmes of civic education and awareness-raising by local women's organisations, Afghan women have begun to lay the foundations for their full and equal participation in a democratic Afghanistan. They have done so by voting, standing for election and tackling issues of peace and security and helping build an Afghan civil society that reflects both men and women's needs.

#### Case study – extending community health coverage in India

**SCHRP** is a **Tearfund** partner which has had an enormous impact on health within rural India, through its community health programmes in 175 villages.

The SCHRP model trains women up as 'barefoot doctors'. As health workers they have improved the health of their communities, as empowered women they have brought other positive changes within remote villages: organized and informed communities take responsibility for their own well-being and hold government officials accountable for the sustainability of basic services.

Tearfund partners with SCRHP in its training institute for grassroots development workers from all over India (and the world). But crucially SCHRP is now trains local government officials in community health and development. This is an example how government–NGO partnerships extend impacts well beyond the direct target area.

#### **Challenge:** growth with equity

The examples show what can be done to bring improvements for the poorest men and women and reduce inequality. This is important as in the discussion on poverty reduction we need to challenge the orthodoxy that macro-economic growth (as characterised in many Asian economies) automatically benefits everyone by trickle-down. There is ample evidence to show that the neo-liberal approach to development has had a positive impact on the economies of developing countries. However, this approach has often resulted in a growth in the divide between rich and poor; a change that not only has had little positive impact on the poorest in society, but has sometimes been detrimental.

In a press release in February 2005 the UK's Minister of State for International Development, Gareth Thomas said: 'Aid agencies and civil society groups in the UK and internationally have a vital role in eliminating poverty and promoting development. This very significant increase in our support shows our confidence in their ability to make a difference to the lives of the poorest people.' Gareth Thomas recognised here the important role of NGO's in ensuring that poverty alleviation strategies help the poorest members of society including those who are socially excluded.

Asia is full of examples of influential national NGOs operating broadly within government approved strategies to achieve development targets. **BRAC** in Bangladesh runs tens of thousands of schools in villages throughout the country. In Sri Lanka, **Sarvodaya** is another very large NGO working in development in hundreds of villages. But if the role of NGOs in the development of civil society is to be meaningful, they need to be more than contractors to government; they need to be independent enough to reflect alternative, critical perspectives and to be forces for change within society and sources of pressure for change on government. 24/02/06