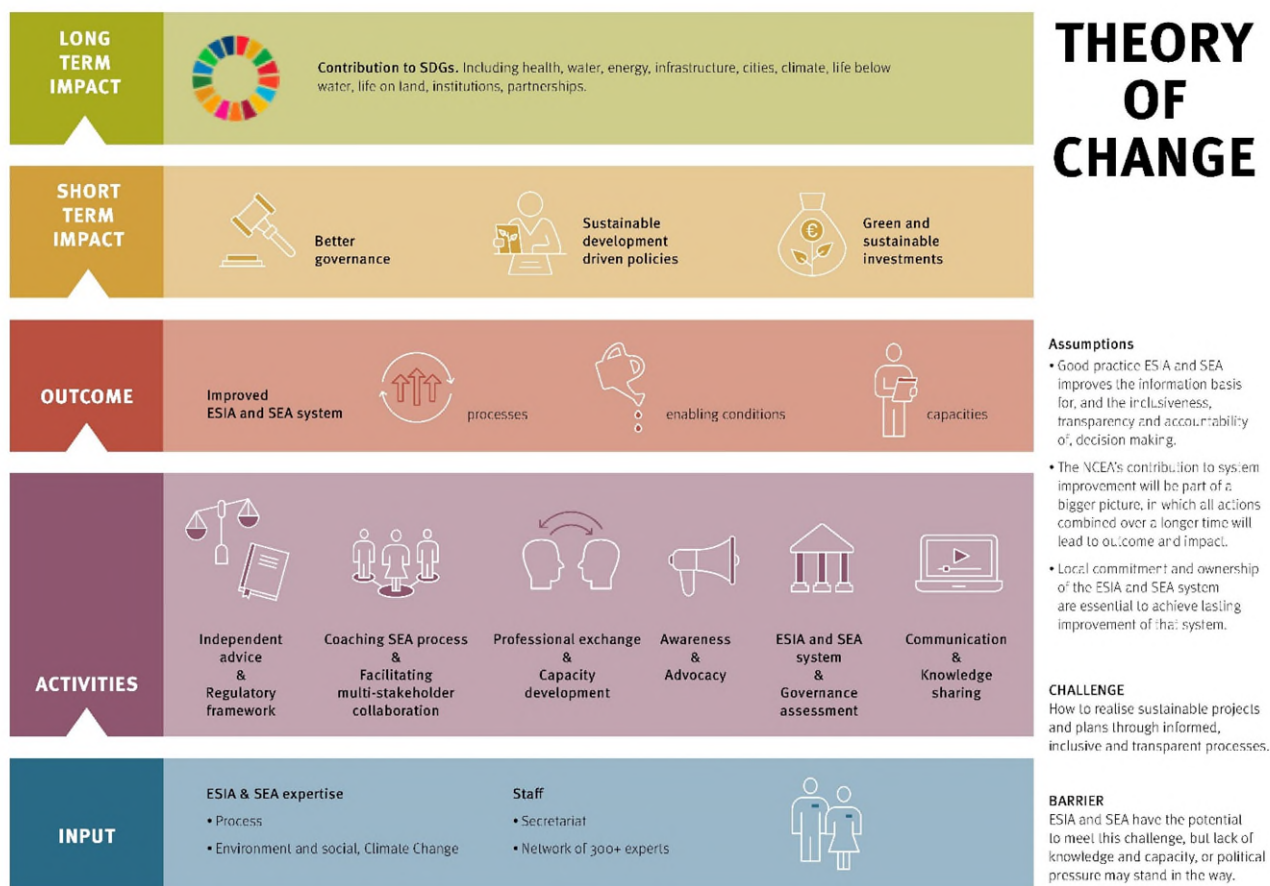




## Theory of Change

The NCEA and her partners work towards more sustainable development through improvement of the impact assessment systems. The activities that we undertake, contribute to the main components of these systems: the enabling conditions, the capacities of key actors, and ultimately, the processes undertaken to support development planning at project and strategic levels. It is our assumption that these outcomes lead to more sustainable projects and plans, as well as improved governance: the short-term impact of the NCEA's collaborations. Collectively, and over time, this short-term impact contributes towards achievement of the SDGs.



## Long-term Impact

### Contribution to the SDGs

Impact assessment is applied in all sectors and at both project and strategic level and thus can contribute to almost all of the SDGs. By extension, also the NCEA's activities can contribute to most of the SDGs depending on where our support is requested. For example, by greening project investments ESIA contributes to SDG 1 (no poverty), SDG 2 (zero hunger), SDG 3 (good health and well-being) and SDG 8 (decent work and economic growth). More transparent and inclusive decision making contributes to SDG 5 (gender equality) and SDG 10 (reduced inequalities). Application of ESIA and SEA for projects and plans in the water, energy and infrastructure sectors contributes to SDGs 6 (clean water and sanitation), 7 (affordable and clean energy), 9 (industry, innovation and infrastructure) and 11 (sustainable cities and communities). Climate and biodiversity issues are always an essential part of impact assessments, thus contributing to SDG 13 (climate action), 14 (life below water) and 15 (life on land). Strengthened governance of institutions applying impact assessment contributes to SDG 16 (peace, justice and strong institutions). Which SDGs our partners will be working on with us, will depend on the sustainability challenges in each country or region, and the policy and project decisions that are on the political agenda. For example, in the Eastern African region, we expect to focus on green infrastructure planning, while in the Middle East climate resilient investment is currently a priority.

## Short-term Impact

### Better policies, investments and governance

- **Impact assessment helps to come to more sustainable investments and policies**

We help to ensure that plans, policies and programmes are more sustainable development driven. Good quality SEAs ensure that adequate information is available on the environmental, social and climate consequences of new policies and plans and on alternative options to deal with these consequences. For example, the land use plan that was developed for the Tana River Delta in Kenya made use of SEA to find a spatial arrangement that would reduce conflict between farmers and explored opportunities for upcoming large scale agricultural initiatives. Objective was to find a balance between these different livelihoods, that can be maintained as the climate changes. Both flooding in the wet season and water shortages in the low season are expected to increase. The SEA also provided for a consultative process that included widespread engagement of the different communities that will have a role in the implementation of the plan.

- **We help to establish green project investments and enhance their contribution to sustainable development**

ESIA encourages project initiators, both public and private sector, to optimise the sustainability of their projects, as well as build a lasting relationship with the communities that they will impact. In Jordan, for example, a select group of practitioners is currently looking at how ESIA can be utilised to climate-proof wastewater treatment projects. With good practice ESIA application, climate vulnerabilities can be designed out of the project. Also, the carbon footprint of projects can be reduced with energy efficiency measures and re-use of waste material. Successful re-use will require collaboration with the end users of those waste products, which can be established within the ESIA process.

- **Our work also contributes to improving the quality of governance of the institutions involved in impact assessment**

Good practice impact assessment can improve the quality of governance as it is inclusive, transparent and participatory, and approaches sustainability challenges in an integrated way. In many of the countries where we work, decision-making is often single-sector or single-interest led, and decision-makers do not necessarily expect to be accountable to the communities affected by projects and plans. Impact assessment processes, even when not completed, can contribute to improved governance by:

- *Better dialogue and collaboration*

Impact assessment processes bring together sector agencies, environment authorities, private sector investors, civil society and affected stakeholders. The process provides opportunities to establish a shared information base, to understand each other's interest, and to find collaborative arrangements for project and plan implementation. The engagement with stakeholders in impact assessment will often lead to new development alternatives that meet a broader range of goals, as well as implementation agreements that better co-ordinate different government mandates, and directly involve affected communities. Such multi stakeholder approaches can be stimulated within the context of impact assessment, and subsequently radiate outwards to other levels and areas of governance.

- *Transparency, accountability and access to information*

Transparency and access to information are two universally recognised pillars of good impact assessment practice. Stakeholders need to have access to the information on the environmental and social consequences of planning and project proposals, and on how these can be addressed. There also needs to be a clear relationship between the assessment of options, and the final commitments made, and an explanation of how the environmental and social considerations factored into the formal decision. A successful experience in an impact assessment process can translate into more government disclosure and public accountability in other areas.

- *More government credibility and trust*

The increased transparency and accountability that impact assessment contributes to, helps to elevate the level of societal trust in government institutions. More open and evidence-based decision-making can lead to increased credibility. The NCEA acts as neutral, multi-actor process facilitator, and helps its partners to organise individual assessment processes in an inclusive and technically sound manner. Especially when this is not the norm, the NCEA can give the partners we work with more confidence that transparency will pay off: that it will manifest as improved support for their decisions, and as improved bankability of subsequent proposals for implementation.

## Outcome

### Better impact assessment

If impact assessment processes are to contribute to more sustainable policies, greener investments and better governance, they need to function well. Impact assessment processes need to meet good practice criteria, each actor with a crucial role needs to exercise its role and influence, and the enabling conditions need to be in place. These are the direct outcomes that the work of NCEA contributes to.

- **Better ESIA and SEA processes**

A good ESIA or SEA provides a robust basis for evidence-based decision-making and facilitates the development of sustainable solutions to meet the project or plan objective, in consultation with relevant governmental and societal parties. It also presents a path towards implementation of those solutions in follow-up.

- **Adequate actor capacities for ESIA and SEA**

It is essential for the effectiveness of an impact assessment that the actors who have a role in the system have the capacity to perform their role. This applies both to governmental organisations with formal roles in the system, and to non-government organisations that have more informal roles, such as NGOs or academic institutions. For example: civil society organisations need to know how they can engage in the impact assessment process and an environmental authority needs to be equipped to review the quality and completeness of information provided.

- **Enabling conditions for ESIA and SEA in place**

We have identified six enabling conditions that need to be in place in a jurisdiction for an effective impact assessment process. These include a regulatory framework to guide impact assessments, supported by guidance material. Other enabling conditions are a high level of awareness of the role of impact assessment, agreement on an agenda for the use of impact assessment, and commitment to provide the resources to do it well. Opportunities for professionals to build their skill base and exchange with others are also needed, as well as a place to go to get practical information on requirements and practice. Finally, to enable learning it is important to have a mechanism that provides oversight of how well impact assessment is being implemented country-wide.

## Activities and Output

### Independent advice

The NCEA advises on both the process and the content of impact assessments. We provide all those with a stake in the environmental and social impacts of the project or plan with an independent opinion on the adequacy of the assessment. We also give concrete advice on how to address any shortcomings. The NCEA mobilizes experts from a broad international network of practitioners to undertake the reviews and publishes the conclusions on its website.

### Coaching SEA process & facilitation of multi-stakeholder processes

SEA practice is generally newer than ESIA practice, and often partners are still getting to know this process. The NCEA coaches SEA processes by acting as a sounding board throughout the process and providing targeted workshops for specific aspects of SEA. For example, on developing an action plan

for the SEA or on organizing engagement with stakeholders. The objective is to come to a more influential SEA, but also to maximise learning for the benefit of future practice.

### **ESIA & SEA system & governance analysis**

The activities that the NCEA undertakes with its partners need to be based on a sound and shared understanding of the current situation. In our system analysis work, we make use of methodologies that we have developed on the basis of our practical experience with impact assessment. For example, we facilitate participative mapping of the ESIA system with the ESY-map tool. In the case of SEA, a governance assessment may be necessary to better understand the decision-making context. These system analyses help partners develop an agenda for change and serve to identify priorities for collaboration.

### **Regulatory framework**

The NCEA is often asked to advise on specific components of the regulatory framework for impact assessment in a country. Such a framework sets the minimum standard for impact assessment and allocates roles to different parties. Guidance for practice is an important element of the framework. We advise on draft regulation or guidance in much the same way as our independent advice on impact assessment: the NCEA organises the expertise needed in an expert group and discloses the advice to the different parties involved. But our work often extends to facilitation of technical drafting sessions and consultation on regulation. We may also be involved in raising commitment for the implementation of new requirements.

### **Capacity development & professional exchange**

The NCEA supports the development of capacity across the full range of actors that have a role in impact assessment. The activities in this category vary, because they are always tailored to the needs of the partners. For example, the NCEA may support a learning process that brings different parties together around a certain theme, such as a series of workshops on how to address climate change in impact assessment. The purpose is both to build skills and knowledge on the 'how-to', but also for the participants to come to a collective understanding on the level of good practice they should be expecting on this issue in the coming years.

### **Awareness & Advocacy**

Another set of activities centres on raising awareness of the added value of impact assessment, and on how it can better deliver on its potential. These activities build commitment for impact assessment, especially when it is less known or less popular. The NCEA's contribution is usually in helping partners frame impact assessment for a new audience, and in helping actors in different fields identify how they can enhance each other's work. We share international trends and compelling case material that we think will motivate people to do more with impact assessment.

### **Communication & Knowledge sharing**

The NCEA consolidates the lessons it draws from practice and shares these widely. We develop our own knowledge products, but also collaborate with others on joint products. Our website provides access to these products, but we also actively offer our experience at networking meetings.

## Input

We work with a team of 16 staff members at the secretariat in Utrecht and a pool of 300+ (international) experts. Our expertise concerns the environmental and social assessment process, (environmental) governance and - through our experts - in-depth knowledge on all relevant and related topics for impact assessments. According to involved authorities, CSO's, international donors and experts, distinctive and important qualities of the NCEA are neutrality and professionalism (source: Impact Evaluation of NCEA Advisory Services at RVO<sup>1</sup> (2009-2019) and NCEA Activities in Mozambique (2002 and 2019)).

## Challenges

The impact assessment process does not always deliver. ESIA and SEA requirements can be bypassed, key environmental or social consequences overlooked or underestimated, stakeholders barred from participation, and political pressures may block the investigation of more sustainable options. It requires sustained effort to ensure that impact assessment is effective.

## Assumptions

1. Good practice ESIA/SEA improves the information basis, inclusiveness, transparency & accountability of decision making
2. NCEA contribution to system improvement will be part of a bigger picture, in which all actions combined over a longer time period will lead to outcome and impact.
3. Commitment to and ownership of the ESIA/SEA system are essential to achieve lasting improvement of that system.

The NCEA's Theory of Change is predicated on the assumption that good practice ESIA and SEA processes lead to better decisions on plans and project-level investments. We are basing this assumption on a large body of research and practice, but need to test this statement regularly, specifically in the context of the countries where we work. Should impact assessment seem to lose its utility in practice, or be overtaken by other instruments, we would need to revisit this assumption.

In addition, we need to be mindful that the NCEA's interventions are relatively limited in scale and scope. For sustained improvements to materialise in the ESIA or SEA systems in the countries or throughout the regions where we are active, a varied range of actors needs to work towards this goal, over a longer period of time.

Particularly important is the commitment of the actors that have a key role in the day-to-day practice of impact assessment in the countries where we work. These are the agents of change that we want to support. Our assumption is that a demand-driven approach, stressing local ownership, is more effective than a more standardized supply-driven way of working. Our guiding principle is that commitment and support of relevant stakeholders is key for achieving sustainable results in the long term.

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<sup>1</sup> Dutch Enterprise Agency