

# Aid and the environment — building resilience, sustaining growth

AN ENVIRONMENT STRATEGY FOR AUSTRALIAN AID

**SUMMARY AUGUST 2007** 



### **ENVIRONMENT STRATEGY SUMMARY**

The countries of the Asia-Pacific region are facing urgent environmental pressures that are threatening the cornerstones of development – economic growth and poverty reduction. Governments throughout the region are strengthening their environmental management responses but significant challenges remain. Managing the adverse impacts of development and the escalating demand for natural resources are foremost among these.

Australia is a major player in environmental management in the region and has played an important role over many years in assisting partner countries to address key challenges. However, the 2006 white paper on Australian aid noted the growing importance of environmental issues and advocated a more

strategic approach that takes greater account of the links between economic growth, poverty and environmental threats.

This environment strategy for Australian aid signals a significant increase in Australia's environment-related support in the Asia-Pacific region. Its goal is to:

sustain economic growth and reduce poverty in the Asia-Pacific region by improving the management of natural resources, increasing community resilience and better conserving natural heritage.

The strategy will guide a portfolio of activities that directly target environmental challenges and will support a stronger commitment to environmental management across all sectors of development.



The environmental pressures confronting the region are wide-ranging and escalating. Many are longstanding but require substantially larger and better managed investments (safe water, for example). Others are more recent or have grown in urgency and become global in extent (climate change, for example). Australia's resources must be directed to priority areas in which Australia can contribute knowledge and expertise to achieve the greatest possible impact and effectiveness.

The white paper identified three themes as the main focus for Australian environment-related support in the Asia-Pacific region:

- > climate change
- > water
- > environmental governance.

Together, these themes provide scope for Australia to continue to support traditional areas of action (such as water supply and sanitation) but also to increase assistance for emerging priorities (for example, adapting to climate change and reducing emissions).

The challenges faced by Pacific islands are very different from those confronting the large, industrialising economies of Asia. Actions under the strategy must take account of these differences.

### **CLIMATE CHANGE**

The Asia-Pacific region already experiences high climate variability and frequent floods, droughts and tropical cyclones. These will intensify over time under predicted climate change trends.

Australia will continue to support Pacific nations to better understand local vulnerabilities but will also include an increased focus on building adaptive capacities.

There will be a substantial increase in Australian support for climate change mitigation, both for individual countries and in the region more generally.

The climate change objectives are:

- to build knowledge of regional climate systems and support adaptive planning and adaptive measures (focusing primarily on the Pacific)
- to reduce greenhouse gas emissions in significant emitting countries through energy efficiency and clean energy technologies (focusing primarily on Asia), and
- > to reduce greenhouse gas emissions through reforestation and avoided deforestation (focusing on countries where deforestation is an issue).



# WATER

The geography of the Asia-Pacific region is highly diverse and water-related pressures vary greatly from place to place. But the key challenges tend to be common across the region.

Australia will continue to support investments and capacity building to improve water supply and sanitation in the region. There will be greater emphasis on integrated approaches to managing water resources, drawing on extensive Australian experience and strengthening partnerships with Asia-Pacific nations in water governance.

The water objectives are:

- > to improve access to safe water and sanitation (especially in the Pacific and South-East Asia), and
- to strengthen integrated water resources management, particularly through planning and allocation processes (in key river basins and islands).



# **ENVIRONMENTAL GOVERNANCE**

The environmental threats in the region demand strong responses from governments. Key challenges lie in building institutional capacities in environmental governance and implementing measures to encourage and compel better management of the environment.

The environmental governance objectives are:

- > to strengthen institutional capacities for environmental management, and
- to improve enabling mechanisms forp environmental management.

# ADAPTIVE LEARNING AND MANAGEMENT

Progress towards the objectives and outcomes of this strategy will be monitored and evaluated at program and activity levels using a specific monitoring and evaluation framework.

Monitoring will include tracking environmental outcomes and checking that processes to enhance these outcomes across the aid program are in place and working effectively.

More information about AusAID is available online at www.ausaid.gov.au Australian Agency for International Development GPO Box 887 Canberra ACT 2601 Australia A woman planting rice near Bakou village, Kendal Stoeung District, Cambodia.