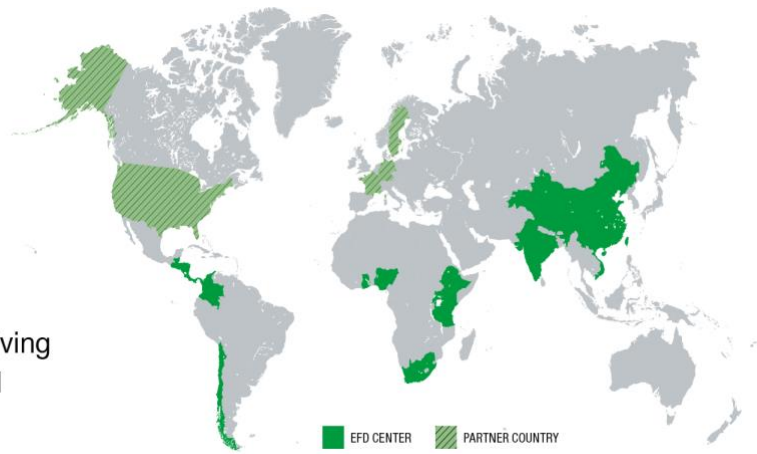


# Environment for Development

A global network of research centers solving the world's most pressing environmental and development challenges.



## EfD Strategic Plan 2021-2025

December 6, 2020

### EfD in 2025

EfD is tackling the world's most challenging problems at the intersection of poverty, the environment, and climate change. Its ultimate aim is *inclusive* and *sustainable* economic development, in which everyone has the chance to participate and benefit from advancements. EfD's specific intervention is to build **local capacity**, by developing a vibrant community of scholars in the Global South who devote their careers to solving central sustainability challenges in their societies. EfD's scholars are equipped to create knowledge with high-quality research, educate future generations, and advise policy leaders on the evidence-based management solutions needed to get development right, so that it both reduces poverty and is environmentally sustainable.

EfD's focus on policy-relevant research, at the intersection between the environment and development, is energetic, networked, engaged, and optimistic. The ambition for 2021-2025 is to further develop EfD as a dynamic and impactful international organization that fills critical societal gaps in 1) human capital (i.e. capacity), 2) research, 3) meaningful communication with policy actors, and 4) institutional development. Contributions to filling these four gaps make up the **four pillars of EfD's program**. Each pillar's specific 5-year strategic goals are as follows:

**Pillar 1: Capacity development:** Efd creates the necessary conditions for highly skilled economists to have a thriving, internationally-connected, and impactful careers in Efd countries, thus helping reverse the “brain drain” by which many highly trained individuals emigrate for careers in the North. In addition to continuing to foster the global community of environmental economists in developing countries, Efd will further develop the human capital necessary to carry out high-level analysis and implementation of evidence-based policies on the environment, natural resources, and climate change in the Global South. Efd centers will establish on-the-job training programs for policy actors, MSc programs, and Ph.D. programs, all of which are collaborative across centers. These programs will combine digital learning platforms with in-person learning and highly trained instructors. Crucially, these programs will educate the current and future leaders needed to create environmentally sustainable, resilient, gender-responsive, and economically just policy solutions, emanating from within the countries themselves. Graduates will bridge the science-policy interface and will be specifically equipped to provide technical advice to governments and other leaders.

**Pillar 2: Policy-relevant research:** Each Efd center will be recognized as a top source of expertise in environmental economics in its home country and as a high-quality research partner. Efd research will be used in evidence-based policies for poverty reduction, environmental management, climate change impacts, and equality including gender equality. Efd will also be recognized internationally for its significant contribution of high-quality, policy-relevant research in the application of environmental economics to inclusive sustainable development in the Global South. This will be achieved with strong South-South and South-North research collaborations, supported by a research fund backed by multiple donors.

**Pillar 3: Policy engagement:** Efd will have strong relationships with policy communities and major relevant domestic stakeholders. Efd centers will be a central voice in policy dialogues regarding how environmental economics capacity and research can aid in poverty reduction, gender equality, and smart management of the environment and climate change impacts in the Global South. At the international level, Efd will actively contribute to policy-relevant knowledge and participate in high-level commissions to become a globally esteemed partner with other organizations working at research-policy interfaces, in the realm of inclusive sustainable development.

**Pillar 4: Institutional development:** Efd will consist of vibrant and productive centers, working on capacity building, policy research, and positive policy change for poverty alleviation and environmental management in the Global South. Centers will have strong and stable backing from domestic host institutions (often universities). Each Efd center will have the capacity to run graduate academic programs, implement policy research, and foster engagement with key policy actors. Academic institutions in the North will increasingly contribute as partners both to center-specific and network-wide activities.

Efd’s ultimate aim is to have lessened the capacity, knowledge, policy communication, and institutional gaps in Efd countries. Most importantly, Efd will have thus contributed to enlightened policies that reduce poverty for millions of people in the Global South, improve the management of the environment, and contributed significantly to more sustainable development. In particular, Efd will have helped advance Agenda 2030, the Paris Agreement, the Convention on Biological Diversity mandate, and the Sendai framework on disaster risk reduction. This includes policies to speed up transitions towards decarbonized economies and sustainable food systems needed to achieve the SDGs by 2030.

# 1 The Knowledge Challenge for Sustainable Development

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When EfD was founded in 2007, it challenged the belief that conservation of natural resources should be viewed as a hindrance to economic development. Instead, the name EfD, “Environment for Development”, promotes the notion that the environment and natural resources are the basis for inclusive green development, provided that evidence-based policies are put in place to manage these resources effectively, for the long-term greater societal good.

When the concept of sustainable development was popularized in 1987, environmental economics was singled out as a promising discipline to support this vision.<sup>1</sup> The relevance of environmental economics has increased ever since and is the foundation for current “green growth” strategies in many countries, which aim to promote growth while sustainably using resources.

The essence of environmental economics is to uncover the forces behind environmental degradation and to analyze the links between economic growth (and poverty) and impacts on the environment. It also analyzes the value of environmental and resource endowments for economic and social development, so that societal trade-offs can be made wisely. Environmental economics is also dedicated to the design of policy instruments to produce outcomes that are sustainable environmentally, economically, and socially.

To produce sound policy advice, the analyses need to be undertaken by people who have advanced skills in environmental economics; who know how to frame choices and solutions in a manner that is relevant in the local context; and whose presence and engagement helped shape the national discourse. The rhetoric of sustainability will not be converted into reality unless this capacity exists “on the ground” so to speak, at the country level. This requires appropriate training, institutional positioning, research facilities, access to research funding, and platforms for international collaboration. EfD delivers on all of these elements and, by doing so, also acts as a positive role model in the host institutions of its centers.

Five major policy areas that have received growing attention by world leaders over the last five years are: biodiversity conservation (under the Convention on Biological Diversity, or CBD); climate change (under the United Nations Framework Convention on Climate Change, or UNFCCC); sustainable development (under the UN 2030 Agenda on Sustainable Development, and its 17 SDG); disaster risk reduction (under the Sendai Framework on Disaster Risk Reduction, or UNDRR), and the Beijing Declaration and Platform for Action for the advancement of gender equality. EfD’s work contributes systematically to the goals laid out in these conventions and frameworks. But is it enough?

While EfD was created to address many of these challenges, there is still a daunting issue of scale and urgency. The transitions needed for sustainable development are formidable in scope and they become harder to accomplish the longer we wait. To create meaningful change, EfD needs both to grow in scale and become more efficient at reaching policy impact. This kind of lasting impact ultimately depends on local, regional, and international political processes that are both complicated – with multiple stakeholders and cross-sectorial – and time-consuming.

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<sup>1</sup> WCED (World Commission on Environment and Development) (Brundtland Commission) (1987), ‘Our common future’, (‘Brundtland Report’), Oxford: Oxford University Press.

## 2 The Efd Intervention

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Efd's intervention is based on the tenet that relevant knowledge and sustainable policy solutions must arise from within countries themselves, developed in large part by people with an intimate understanding of the local setting and a real stake in the outcomes. Building on this premise requires a multifaceted approach that addresses the four identified gaps simultaneously since just one gap is enough to impede the use of capacity development and research for effective policy. Thus, to catalyze inputs of evidence-based knowledge into national and regional policy processes, Efd engages simultaneously in:

- **Capacity development:** by 1) strengthening domestic graduate programs that develop skills to carry out the necessary analyses on poverty, gender, environmental, resource, and climate challenges, 2) conducting on-the-job training for policy actors to successfully implement evidence-based policies and programs, and 3) creating conditions for highly skilled and trained economists to have thriving, internationally-connected, and impactful careers in Efd countries (thus helping reverse the “brain drain” by which many highly trained individuals emigrate).
- **High-quality and relevant research:** by identifying policy-relevant research priorities, developing and screening research proposals, funding and implementing of research, fostering South-South and South-North collaborations, collecting and curating data, and disseminating research. All of these elements of the research process are conducted in close cooperation with domestic stakeholders.
- **Policy engagement:** by improving and, when it does not exist, creating the interface between research and policy actors within and between countries. This two-way interaction between experts and policy actors ensures well-targeted capacity development, the relevance of applied research, and ultimately, policy impact.
- **Institutional development:** by establishing and supporting vibrant, productive, and well-respected research centers at leading academic institutions in Efd countries. With Efd's help, institutions, where Efd centers are housed, can run graduate academic programs, implement high-quality policy research, and foster interaction with key stakeholders and policymakers.

While Efd's pillars are identified as distinct for practical purposes of planning, priority setting, and evaluation they are all intimately connected and mutually reinforcing. This is a hallmark of Efd: the emphasis on holistic and integrated approaches. Just as it is folly to treat the environment and the economy as wholly separate domains, or the interests of the Global South as somehow completely distinct from those of the North, institutional development, capacity in the form of human capital, knowledge creation through relevant research, and policy engagement must be addressed together.

By addressing the critical gaps in a coordinated and strategic fashion, Efd cultivates a positive dynamic that serves as an engine for long-term success. Moreover, by connecting local centers to the international academic and policy communities, Efd promotes a two-way exchange that simultaneously improves local conditions and advances the global sustainability agenda by adjusting it into local contexts.

This model guides Efd's investments as it leverages the commitment, drive, and creativity of talented people from the Global South by providing them with the tools and training needed to promote poverty reduction and the efficient management of the environment, natural resources, and climate change impacts, and to share their knowledge with the global community. In this way, the centers and the network as a whole become much more than

the sum of their parts.

The EfD model has been scrutinized, tested, and improved over the past decade. It has provided policymakers with key information important for contributing to inclusive sustainable development. EfD is thereby supporting a new generation of intellectual leaders by developing, sustaining, strengthening, and expanding a vibrant community of engaged scholars based in the Global South. Examples of EfD's impact are posted on EfD's website:

<https://www.efdinitiative.org/>

### **3 EfD's Place in the Global Sustainable Development Landscape**

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Reducing poverty while respecting planetary boundaries, thus developing sustainably, will require major policy and investment interventions. Currently, a window of opportunity is arising from parallel global processes, including the Post-2020 Global Biodiversity Framework, the Paris Agreement, the UN 2030 Agenda on Sustainable Development, and the Sendai Framework for Disaster Risk Reduction. At the same time, an increasing number of lower-income countries see the merits of a "green", less carbon-intensive development path and sustainable use of natural resources. International funding mechanisms such as the Green Climate fund are being developed, and numerous countries, from China to Sweden, are making large-scale pledges to support climate change mitigation and adaptation.

All of this comprises progress, but there is an unfortunate catch. National processes are the fundamental drivers of national plans and policies, but domestic capacity in the Global South is often insufficient to design, negotiate, and implement the evidence-based policies and investments required for sustainable and inclusive growth. Human capital needs to grow so that the Global South can be in a better position to analyze the challenges, create policies tailored to local circumstances, evaluate their impact, and exploit opportunities as they arise. This type of capacity is scarce and takes a long time to develop. EfD is in a unique position to continue building on three decades of such capacity development and to make the best use of it by supporting vibrant academic and policy-interface environments, and by increasing knowledge-sharing between countries.

To capture the potential of environmental economics to alleviate poverty and develop sustainably, we aim to build on the ongoing successes of the EfD initiative. EfD addresses four gaps – in human capital, knowledge, communications, and institutions – that preclude evidence-based policymaking in the global South. As such, this strategy document has outlined the interventions planned for the four pillars of EfD: (i) capacity development; (ii) policy-relevant research; (iii) policy engagement; and (iv) institutional development.