

Aga Khan Foundation Canada – Policy for Environmental Sustainability

Tool at a glance

Title: Policy for Environmental Sustainability

Addresses: Integrating environmental sustainability into programming

Pertains to greening: Programming and policy



**AGA KHAN FOUNDATION
CANADA**

Overview

[Aga Khan Foundation Canada](#) (AKFC) is an international development organization and registered charity. AKFC partners with communities, businesses and governments across Africa and Asia to find innovative, lasting solutions to promote inclusive development. The Foundation invests in institutions and systems that anchor progress over the long term, with a focus on health and nutrition, education, economic opportunity, agriculture and food security and early childhood development. All of this work promotes gender equality, an active civil society, and environmental sustainability—using approaches based in evidence and research. In Canada, AKFC mobilizes funding and expertise and promotes awareness of global issues. AKFC is an agency of the Aga Khan Development Network, one of the world’s most comprehensive development organizations. Since 1980, AKFC has helped millions of women and men to unlock their own potential to build a better life. AKFC often acts as an executing agency working closely with independent national partner organizations (NPOs) who design and implement the projects. AKFC is responsible for grant management and, ultimately, for project results, mobilizing resources and providing NPOs with technical assistance in monitoring, evaluation and capacity development. This helps ensure that all AKFC-supported programs meet high standards for best practices and due diligence, including those related to environmental sustainability.

AKFC has long recognized the relationship between poverty reduction and environmental sustainability. In 2005, it adopted a Policy for Environmental Sustainability (PES), which included environmental assessment processes and sector-specific environmental guidelines. The PES applies to all AKFC programming—both in Canada and overseas. Policy implementation is supported through AKFC and partner staff trainings, training-of-trainers, monitoring and technical assistance. The PES was reviewed and updated extensively in 2015.

Integrating environmental sustainability into programming

The need for an updated policy

While the PES is an AKFC organizational policy, it is implemented in the spirit of partnership and collective learning that is part of all AKFC collaboration with its NPOs. AKFC recognizes that climate change and environmental degradation threaten progress towards achieving the goals of poverty alleviation and improved quality of life in the countries where it works. The agency is committed to integrating environmental sustainability into its programming, using established environmental screening and assessment tools.

A new policy with environmental sustainability integration tools

The new AKFC Policy for Environmental Sustainability (PES 2015) covers the period 2015 to 2024. It includes an Environmental Integration Process and tools and templates that can be updated as needed. The PES 2015 is based on the results of a policy review and capacity assessment done in early 2015 to identify: successes and lessons learned since 2005, the changing environmental policy context and emerging organizational priorities. Through the policy updates and addition of tools, AKFC remains dedicated to working with its partners, NPOs, and all partner countries to ensure their initiatives are environmentally sustainable, while following guiding principles.

AKFC employs three implementation strategies to achieve the PES 2015 goals and objectives:

1. Environmental Integration Process—*Discussed in detail below.*
2. Organizational and Administrative Systems—*Ensuring that organizational and administrative systems support PES implementation, systematically monitors and evaluates PES implementation, and demonstrates*

organizational leadership in environmental sustainability within the AKDN and globally.

3. Capacity Development—AKFC provides technical assistance and environmental learning activities to strengthen AKFC and NPO staff capacity for environmental integration.

AKFC Environmental Integration Process – Environmental Integration Toolkit

The core implementation strategy for the PES is the AKFC Environmental Integration Process, which includes four tools for environmental screening, assessment and monitoring for various stages of the project cycle. Each tool is accompanied by guidance for project staff, templates and a follow-up and monitoring checklist.

Tool #1: Environmental Integration Screening Tool

The environmental integration screening tool is used to screen a proposed initiative at the design stage to identify if an environmental assessment is required, and if so, the type and depth of assessment. More specifically, the tool determines the risk level of a proposed initiative according to the four categories below. Based on the potential environmental risks and opportunities associated with a proposed initiative, given the sector(s), scale, and location(s) involved, the categories include:

- Category A: proposed initiatives with potentially high environmental risk
- Category B: proposed initiatives with potentially low to moderate environmental risk or opportunity
- Category C: proposed initiatives with negligible environmental risk or opportunity
- Category D: proposed initiatives undertaken in response to an emergency

The screening indicates whether an environmental assessment is required, and if so, the appropriate environmental assessment tool, and depth and scope of analysis required.¹

Tool #2: Strategic Environmental Assessment

A Strategic Environmental Assessment (SEA) is a comprehensive, high-level assessment used early in project design to analyze the environmental implications of a major initiative that may involve multiple components, regions and/or countries. It includes a proposed project Environmental Management Strategy. AKFC and its partners typically use this assessment as an analytical tool to integrate environmental sustainability into project design and implementation. An SEA will generally be conducted for a proposed project that is long-term (e.g., three to five years) and broad in scope such as through involvement of multiple components, sectors, regions and/or countries, and has potentially significant environmental risk and/or opportunities, as determined by the Environmental Integration Screening Tool (Tool #1).

Tool #3: Environmental Assessment (site specific)

An environmental assessment is a systematic review of a proposed initiative in a specific location (usually done at the component or activity level of an AKFC project) to identify:

- possible significant negative environmental impacts and how to mitigate them;
- possible positive environmental impacts (benefits) and how to enhance them; and
- possible impacts of the environment and climate change on the project and how to manage, monitor and/or adapt to them.

Tool #4: Class Environmental Assessment

A Class Environmental Assessment (CEA) is an environmental assessment that is done for a group of identical or similar project components or activities that are:

- generally small-scale, and with limited, localized impacts;
- likely have fairly predictable and manageable environmental effects; and
- proposed within a region/area with similar biophysical and socio-economic characteristics.

¹ Categories A and B require an environmental assessment, while categories C and D do not. NPOs will often be able to use the EA Form to conduct an EA for a Category B activity but may wish to engage an external expert to prepare an EA Report for a Category A activity

GREENING CANADA'S INTERNATIONAL COOPERATION SECTOR

A CEA identifies mitigation and enhancement measures to be applied to the entire group of activities and must include ways to consider the specific environmental setting for each activity. The decision to conduct a CEA for activities within an AKFC-supported project is determined on a case-by-case basis by AKFC, in consultation with the NPO.

Follow-up and monitoring are done for each type of assessment (with the SEA using the Environmental Management Strategy and the CEA using the Follow-up and Monitoring Checklist and/or an Environmental Management Plan), as part of routine project monitoring and evaluation. The purpose is to:

- assess the degree to which mitigation measures are being implemented, and their effectiveness;
- determine whether planned environmental benefits are occurring;
- identify any changes or refinements to the project that have environmental implications that should be addressed;
- identify whether new environmental or climate change factors are affecting the project; and
- recommend actions to address any of the above, if required.

Results

- The PES is applied to all Canadian-funded projects through the NPOs and has been adopted by a number of NPOs as an institutional policy to be applied to projects and programs. In 2019, 59% of NPOs had an Environmental Focal Point tasked with overseeing PES implementation in their countries of operation.
- While AKFC continues to support field-based implementation of the PES, some NPOs have limited resources and experience to implement the policy. AKFC, through its program staff, supports this process by encouraging field-based Environmental Focal Points to build capacity in a tailored manner that suits their organizational needs and priorities.
- AKFC supports by training field-based staff, as required, to develop the knowledge and skills required to implement the PES. In 2020, AKFC has held a number of sessions for AKFC Project Leads, who are tasked with passing on this knowledge to field-based staff for each of their projects.

Anticipated Next Steps

The PES will be reviewed and revised as required in 2024.

Insights and Lessons Learned

- **Staff turnover:** Periodic staff turnover is common at both AKFC and NPO offices, due in part to the project-driven nature of AKFC-supported initiatives. This can contribute to declines over time in AKFC and NPO capacity to implement the PES, as knowledge and skills acquired through training and experience are lost through staff attrition. To address this, staff environmental learning will be reinforced through organizational capacity-building, including activities to institutionalize environmental sustainability. AKFC, through its project staff, including the AKFC Environmental Focal Point, are working with NPOs to ensure that appropriate financial and training resources are allocated for PES-related activities in project budgets. AKFC also intends to develop a blended-learning course to supplement face-to-face and virtual PES training, which will enable project staff to further support NPO staff in PES implementation.
- **Implementation:** While environmental sustainability is important, it is not always the highest priority for NPOs for a variety of reasons, including budget or time constraints. Through the trainings mentioned above, AKFC is addressing gaps in PES implementation with project staff in order to improve capacity and ensure that priority environmental sustainability activities are accounted for in budgets and project timelines. AKFC also uses these opportunities to engage with staff to emphasize project timelines, as well as timely follow-up, monitoring and evaluation.

Sources

- [AKFC Policy for Environmental Sustainability \(PES\) and PES Flow Chart for Program Staff and Environmental Focal Points](#)