

Kingdom of Saudi Arabia

# RECOMMENDATIONS & LESSONS LEARNED

1. Promote a more proactive approach. The overarching recommendation is that in order to maintain and enhance the credibility of UNDP’s role in the energy and environment field in Saudi Arabia, a more proactive approach will be required in the future. A coordinated effort engaging UNDP headquarters and the UNDP regional bureau for the Arab states should be made to strengthen the mobilisation of available technical resources, expert systems and knowledge networks. These are perceived as key assets which underlie the competitive advantage of UNDP over private sector services and should be deployed more effectively in Saudi Arabia if UNDP is to continue playing a significant advisory and policy support role in the energy and environment sector.
2. Increase UNDP investment in Saudi Arabia. In order to effectively promote UNDP’s role in Saudi Arabia, there is a need to invest in the development of new initiatives in the energy and environment sector, without relying on cost-sharing mechanisms as the exclusive source of funding and mode of operation. Seed funding would be critical in generating interest and furthering dialogue while promoting upstream advocacy activities in innovative areas. These important, low-cost activities would be used to respond to emerging issues in the energy and environment sector and UNDP would be perceived as making a more substantive contribution in furthering the national energy and environment agenda. Moreover, by investing relatively modest financial resources as seed funding, it is likely that considerable additional financial resources would be leveraged through cost sharing mechanisms. Saudi Arabia is in the process of committing a large amount of new funding to the energy and environment sector, including the recently announced $ 3 billion for research into climate change mitigation and clean energy technologies and a further $ 750 million for adaptation studies and solutions. If UNDP were to make full use of its competitive advantages it may be able to successfully up-scale its operations in Saudi Arabia while strengthening the role of the agency in the energy and environment sector.
3. A more cohesive vision of the outcome. The elaboration of the energy and environment outcome for Saudi Arabia appears to be largely a demand driven process, with a tendency to tailor outputs to the specific requirements of the different government departments involved. This has produced a rather segmented portfolio of discrete projects, often tenuously linked with each other. In order to address energy and environmental concerns in a more holistic manner and bring together UNDP’s partners across sectoral lines, the development of a more cohesive vision of the energy and environment agenda for Saudi Arabia is recommended. This would enhance the capacity to coordinate cross-sector initiatives, and benefit from the collective endorsement by all stakeholders sharing such a common vision. The present evaluation has found it useful to aggregate the various outputs foreseen in the current programming cycle under a few main themes, namely water resources, sustainable energy, climate change, biodiversity conservation and urban planning. During the period leading up to the elaboration of the new country programme, a new set of outputs could be developed according to this or a revised set of such key themes, while exploring strategic cross-sector linkages between them. In this respect, it would be appropriate to try and maintain a balanced portfolio of projects, with investments in all key sectors, and avoiding that any single theme is overshadowed by the rest. In the current programming cycle for example, 50% of funds were allocated to urban planning and only 2% to biodiversity conservation.
4. Strengthened economic analysis. An important tool that could assist in building a more cohesive vision and understanding of energy and environment issues in Saudi Arabia is the application of more rigorous economic analysis. Recent work has demonstrated that analysing the value of ecosystem services not only enhances the case for strong action to curb greenhouse gas emissions, but also highlights the inherent value of investing in natural capital to help both climate change mitigation and adaptation. [[1]](#footnote-1) The failure of markets to adequately consider the value of ecosystem services means that the benefits derived from these goods are usually neglected or undervalued in decision-making. A possible focus for the next UNDP programming cycle could be to launch a cross sector initiative with the aim of understanding and capturing the value of ecosystems and their services in Saudi Arabia as a means to improving decision making and management in the energy and environment sector. In collaboration with key partners and stakeholders, this may lead to the development of an environmental business plan for the country as a tool for mainstreaming and operationalising policy. A similar approach has been recently prioritized by the World Bank at the 10th CBD COP held in Nagoya in October 2010. A new global partnership has been launched to pilot an initiative known as green accounting which aims at valuing the flows of services from natural ecosystems, and making this information usable for finance and planning ministries in developing countries.
5. Strategic partnerships. Despite the narrow guidelines set out by government for UNDP interventions in the country, which greatly favour public over private partnerships, there is considerable scope in trying to improve UNDP’s partnerships strategy within the public sector. The agency could strengthen its facilitation role between different government sectors. For example, a key partnership which needs to be optimised is the one between the Ministry of Water and Electricity responsible for the national water strategy and the Ministry of Agriculture, overseeing irrigated agriculture, by far the most important consumer of the national water supply (85%). By catalysing a sector-wide initiative, and with the involvement of other UN agencies such as FAO working closely with the Ministry of Agriculture, UNDP could help in bringing together the two partners to collaboratively address the potentially conflicting demands of rationalising water use and the expanding needs of irrigated agriculture. This challenge becomes even more complex in view of the fragmentation of the water sector and the ongoing process of developing a shared water vision. Similarly, there would seem to be room for a stronger facilitation role by UNDP in catalysing a collaborative approach by key stakeholders in the area of biodiversity conservation. The Saudi Wildlife Commission (SWC) and the Presidency of Meteorology and Environment (PME) are both mandated, albeit with different roles, to oversee biodiversity conservation in Saudi Arabia. More substantive cooperation between these two institutions is urgent, particularly in the light of the intensifying national policy dialogue over the impact of climate change and the needs in terms of adaptation. Finally, in the area of sustainable energy, UNDP could intensify its soft assistance in facilitating the innovative partnership involving large government corporations and the recently established Saudi Energy Efficiency Centre in order to scale up the implementation of energy conservation policy across different sectors.

1. Regional and international cooperation. There is potential still to be tapped for regional and international cooperation in addressing interconnected issues and common problems in the field of energy and environment. Saudi Arabia is increasingly active in policy dialogue on such issues on the regional and international stage and is investing considerable funds in various forms of assistance. For example, through the ‘Energy for the poor’ initiative, Saudi Arabia has committed $ 1 billion to achieve Millennium Development Goals by expanding access to clean energy in Least Developed Countries. Together with partner institutions such as MOWE, PME, SEEC and SWC, UNDP should explore on a case-by-case basis, the possibility of capitalising and replicating at regional and international levels key results so far achieved by Saudi Arabia in the area of energy and environment. Potential areas of interest where UNDP could play a facilitating role may include transferring the Saudi experience in energy efficiency, the emerging results in clean energy technology, the production and use of desalinated water, captive breeding and reintroduction of species, and the research being initiated into climate change adaptation and mitigation solutions. Many of UNDP’s partners in the energy and environment programme appear receptive to the idea of disseminating best practices and lessons learned at the regional and international levels, while having a chance to benefit from technical exchanges, capacity building, training opportunities and international exposure for their own staff. A variety of factors make UNDP an attractive and suitable partner for this type of endeavour due to its perceived neutrality, transparency and professionalism. This could be further enhanced if UNDP were to independently invest technical and financial resources as a means of leveraging further funds from cost sharing mechanism and adding value to such regional and international cooperation initiatives for all partners and stakeholders involved.

1. TEEB – The Economics of Ecosystems and Biodiversity for National and International Policy Makers – Summary: Responding to the Value of Nature 2009. [↑](#footnote-ref-1)