



Mainstreaming Environment for Poverty Reduction and Pro-poor Growth

Proposal for Scaling-up the Poverty-Environment Initiative

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The Poverty-Environment Initiative

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FOREWORD

Meeting the Environmental Mainstreaming Challenge

At the 2005 World Summit, over 160 Heads of State reaffirmed the centrality of the Millennium Development Goals (MDGs) to the international development agenda. At this event, the Poverty-Environment Partnership (PEP) convened a High-Level Policy Dialogue on *Environment for the MDGs*. The conclusions from the dialogue pointed to the need for the PEP to move into a more operational phase – continuing to focus on the need to mainstream environment into national policy and planning processes, but devoting greater attention and resources to addressing the capacity and implementation gaps that exist within countries that have begun to recognize the contribution of environment to poverty reduction and pro-poor growth. In parallel, the UN Reform process is moving toward a “One UN” approach to delivering country support. A key vehicle for this is the MDG Support initiative, a UN system-wide effort led by UNDP to help countries accelerate their efforts to achieve the MDGs.

Within this broader context, UNDP and UNEP recognize the unique and immediate challenge of joint action by the UN, in partnership with key donor agencies and other organizations, to deliver effective operational support to countries to mainstream environment into national development planning and implementation processes.

The Poverty-Environment Initiative (PEI) has been a successful partnership between UNDP and UNEP to operationalize country-level poverty-environment mainstreaming. PEI has been directly supported by a number of PEP member agencies and has created opportunities for collaboration or joint funding at the country level. By building on this platform and harnessing the momentum of the MDG Support initiative, we believe there is now a unique opportunity to strengthen the PEI partnership and to scale-up support to help countries meet the environmental mainstreaming challenge. We therefore are seeking to widen our collaboration with PEP members and other key practitioner and knowledge organizations, and to use the best that UN delivery mechanisms can offer to respond to the environmental mainstreaming needs of developing countries, and to improve the coherence and effectiveness of external support.

In this proposal, we describe the experience gained and lessons learned through the PEI partnership, our strategy for a scaled-up PEI, and the key implementation mechanisms. Our overall aim is to support a significantly larger number of countries to prepare and implement sustained country-led environmental mainstreaming processes, and to tackle the institutional and capacity development challenges of maximizing the contribution of environment to poverty reduction, growth and achievement of the MDGs.

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Executive Summary

UNDP and UNEP support for environmental mainstreaming focuses on expanding knowledge and understanding of how sound and equitable environmental management contributes to poverty reduction and pro-poor growth, and strengthening capacity and institutional processes within government and the wider stakeholder community to integrate the environmental priorities of poor and vulnerable groups into national development planning and budget processes, sector strategies and policies, and local-level implementation.

SCALING-UP THE POVERTY-ENVIRONMENT INITIATIVE – KEY MESSAGES

- Sound environmental management is crucial for poverty reduction, pro-poor growth and achieving the MDGs.
- Poor and vulnerable groups – especially women – often bear the highest costs of environmental degradation, but also can be powerful agents of change owing to their roles as natural resource managers.
- Developing country governments face an urgent challenge – to mainstream the vital contribution of environment to poverty reduction and growth into national planning processes, budget decision-making, sector strategies and local-level implementation.
- To meet this challenge, countries need help in developing their capacity to make environmental mainstreaming operational, and to tackle key implementation and longer-term investment challenges.
- Mainstreaming is a means not an end – success will result in increased investment for the environment, greater access by poor men and women to natural resources, and environmental outcomes that support poverty reduction and pro-poor growth.
- PEI is a proven programme that provides capacity building to governments to enable them to mainstream environment effectively.
- PEI targets key entry points in development planning and implementation processes, such as MDG-based national development strategies – taking account of the political and governance factors that underlie capacity development needs and priorities.
- PEI facilitates and supports governments in their efforts to follow a programmatic approach to environmental mainstreaming – from diagnosis and analysis to developing policy options and meeting the challenge of financing and implementation.
- PEI also creates opportunities for other development partners to invest in environmentally sustainable programmes – made possible by the successful mainstreaming effort.
- Building on an established partnership between UNDP and UNEP – which embodies the ‘One UN’ approach – PEI aims to expand this partnership to include key donors and practitioner organizations.





- Through this expanded partnership, PEI intends to scale-up the delivery of environmental mainstreaming capacity development support to more countries in Africa, Asia and later in other regions.
- To support this expansion, UNDP and UNEP are strengthening their regional capacity to provide advice, support and resources to countries – taking full advantage of UNDP's country presence.
- The PEI will, where possible, work through the UNDP MDG Support programme and the One UN Pilot Country initiative to find well-supported entry points at the country level.
- PEI will also actively engage with the Poverty-Environment Partnership and ensure the continuing contribution of PEP members to scaling-up PEI delivery capacity.
- To support the scaling-up of PEI, UNDP and UNEP are establishing a Poverty-Environment Facility to provide global strategy, technical support, knowledge management, and resource mobilization services – and to become a hub for the contribution of a range of development partners.
- The time scale is 2007-2016 – this proposal covers the phase 2007-2011.

NEXT STEPS

Regional Operations

- Establish criteria for engaging with new candidate countries – e.g., existing demand, MDG Support roll-out, One UN Pilot countries.
- Consolidate financial support for taking existing country programmes to next phase.
- Identify regionally-based practitioner organizations to strengthen delivery capacity.
- Conduct regional workshops on environmental mainstreaming in 2007.

Poverty-Environment Facility

- Establish joint Facility in Nairobi – with posts contributed by UNDP and UNEP.
- Launch knowledge management programme – operational guidance and best practice; other knowledge products; knowledge-sharing website.
- Provide liaison to existing and interested donors.
- Initiate global partnerships with research and practitioner organizations.

Integration into UNDP MDG Support Initiative

- Continue collaboration with UNDP MDG Support Initiative to integrate environment into country-based needs assessment and investment costing approach.





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The Challenge of Mainstreaming Environment in Development

Environmental conditions and access to environmental assets are closely linked to the livelihoods, health and security of people living in poverty – particularly women and children. Greatly expanded public and private investment in the productivity of these environmental assets can generate strong returns for poverty reduction, contribute to pro-poor growth and accelerate progress towards attaining all of the Millennium Development Goals (Box 1). Yet, despite their critical importance, environmental assets continue to be degraded at an alarming rate. The Millennium Ecosystem Assessment found that 60% of ecosystem services are used unsustainably and concluded that “any progress achieved in addressing the goals of poverty and hunger eradication, improved health, and environmental protection is unlikely to be sustained if most of the ecosystem services on which humanity relies continue to be degraded.” Integrating poverty-environment concerns into the mainstream of development policy, planning and investment is an urgent priority.¹ Part 1 addresses the operational challenge of mainstreaming poverty-environment concerns into national development processes to achieve the MDGs, the role of the UNDP/UNEP Poverty-Environment Initiative (PEI) in supporting country-led efforts to meet this challenge, and key results and lessons learned to date.

LINKING POVERTY REDUCTION AND ENVIRONMENTAL MANAGEMENT

A growing body of practical experience reveals many effective approaches to reducing poverty and improving the environment – from successful community-level interventions to macro-level policy changes aimed at protecting and expanding the environmental assets of poor and vulnerable groups. But these are often isolated successes, and there are significant policy and institutional barriers to their wider application. These barriers are linked to broader issues of governance, power and politics that strongly influence how the environment is managed and how benefits and costs are distributed – and normally are beyond the control of environmental institutions. For environmental management to contribute more fully to poverty reduction, pro-poor growth and the MDGs, a fundamental shift is needed to more people-centered and gender-based approaches that build on poor men and women’s priorities and capabilities; that effectively engage all stakeholders in addressing the root causes of environmental degradation; and that empower poor and vulnerable groups with the assets, rights and entitlements they need to improve their lives through sound environmental management.

¹ IIED/IUCN/UNDP/UNEP/WRI (2005), *Sustaining the Environment to Fight Poverty and Achieve the MDGs: The Economic Case and Priorities for Action – A Message to the 2005 World Summit*; WRI (2005), *World Resources 2005: The Wealth of the Poor – Managing Ecosystems to Fight Poverty*; DFID/EC/UNDP/World Bank (2002), *Linking Poverty Reduction and Environmental Management: Policy Challenges and Opportunities*.





BOX 1. ENVIRONMENT AND THE MILLENNIUM DEVELOPMENT GOALS

GOALS	ENVIRONMENT LINKS
<p>Poverty</p> <p>1. Eradicate extreme poverty and hunger</p>	<ul style="list-style-type: none"> ■ Livelihood strategies and food security of poor households often depend directly on the health and productivity of natural ecosystems and the diversity of goods and ecological services that they provide. ■ Poor households often have insecure rights to land, water and biological resources, and inadequate access to information, markets and decision-making – limiting their capability to sustain the environment and improve their livelihoods and well-being. ■ Vulnerability to environmental shocks and stresses, such as natural disasters and climate change, undermines people’s livelihood opportunities and coping strategies – and hence their ability to lift themselves out of poverty or to avoid falling into poverty.
<p>Gender and Education</p> <p>2. Achieve universal primary education</p> <p>3. Promote gender equality and empower women</p>	<ul style="list-style-type: none"> ■ Environmental degradation contributes to the increasing burden on women and children (especially girls) of collecting water and fuelwood, reducing time for education or income-generating activities. ■ Women in particular often have unequal rights and insecure access to land and other natural resources, limiting their opportunities and ability to access other productive assets.
<p>Health</p> <p>4. Reduce child mortality</p> <p>5. Improve maternal health</p> <p>6. Combat major diseases</p>	<ul style="list-style-type: none"> ■ Water and sanitation-related diseases such as diarrhea, and acute respiratory infections primarily from indoor air pollution, are two of the leading causes of under-five child mortality. ■ Indoor air pollution and carrying heavy loads of water and fuelwood adversely affect women’s health, and can make women less fit for childbirth and at greater risk of complications during pregnancy. ■ Up to one-fifth of the burden of disease in developing countries is linked to environmental factors—primarily polluted air and water and lack of sanitation—and preventive environmental health measures are as important and at times more cost-effective than health treatment.





National poverty reduction strategies (PRSPs) provide a critical entry point for tackling these challenges and placing poverty-environment issues at the center of the national development agenda. PRSPs have emerged as the primary instrument in many countries for development planning, resource allocation and aid coordination. PRSPs are intended to address the larger national factors that cause poverty and to lay out a coherent set of poverty reduction policies and measures to generate 'pro-poor growth'. However, poverty-environment links, including vulnerability to climate change, often have been overlooked or received inadequate attention in poverty reduction assessment, planning and policy processes. Further, considerable work is needed to ensure that Medium-Term Expenditure Frameworks and sectoral plans, budgets and investment respond adequately to the poverty-environment concerns of poor and vulnerable groups, particularly women. In all these areas, countries are faced with significant capacity and resource constraints and there is strong demand for policy advice and capacity development support.

MAINSTREAMING ENVIRONMENT IN DEVELOPMENT PLANNING AND IMPLEMENTATION

Over the past 15 years or more, international donors have worked with many governments to promote mainstreaming environment into development planning. Among the variety of approaches adopted, donors supported the preparation of National Environmental Action Plans – designed to set priorities for investment in environmental planning and management. Subsequently, donors and government collaborated on National Strategies for Sustainable Development – with a greater emphasis on integrating with national development planning processes. However, the evidence suggests that these efforts have had limited enduring impact on national development priorities or public and private investment.

Over the past five or more years, the effort has been principally focused on mainstreaming poverty-environment linkages into the PRSP process. As countries took steps to prepare and revise PRSPs, donors have provided a range of support for environmental mainstreaming. Initially, these efforts have been small-scale, tactical activities designed to take advantage of a specific entry point – such as redrafting a PRSP. In the cases where these have had greatest success, they have enabled key actors at the country level to take on the longer-term challenge of mainstreaming and have opened up opportunities to influence policy. We believe there is significant demand at the country level to 'operationalize' environmental mainstreaming and to achieve a more sustained impact on the policy decisions and processes that matter for development.

Looking forward, the momentum for increased effort to achieve sustained mainstreaming is strong. At the 2005 World Summit, countries committed to turn their national development plans into sustainable MDG-based strategies (including implementation strategies for MDG7). The Summit agreement presents a breakthrough opportunity for UNDP, UN Country Teams and other development partners to help countries put the MDGs at the center of their national development and poverty reduction strategies. Currently, UNDP and UNEP are working together to build the environmental mainstreaming approach into the support offered to countries for preparing and implementing MDG-based national development strategies.

At UNEP's Governing Council Special Session/Global Ministerial Environment Forum in Dubai, February 2006, the G77 and others requested UNEP to increase the number of countries it was supporting on poverty and environment. In many countries, environment ministries are requesting support in making the case to planning or finance ministries and influencing planning processes and budget allocations. For example, in

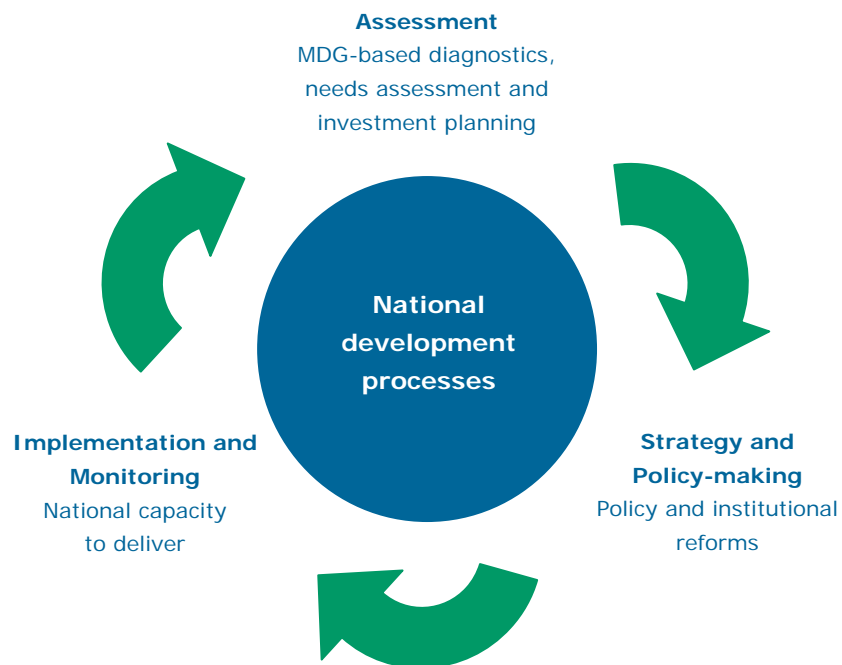




Africa, the Rwanda Environmental Management Authority (REMA) have made very detailed submissions to the finance ministry to have environment as both a cross-cutting and sectoral issue in their new PRSP. In Asia, up to 17 countries engaged in NSDS processes – effectively mainstreaming environment into national development plans – are requesting assistance from UNEP. Also, a regional PEI meeting in early 2005, convened by UNDP, revealed demand in several countries for PEI support.

It is, however, evident that government bodies and civil society actors who are motivated to achieve mainstreaming face real challenges – they have limited capacity, they have restricted access to key government decision making and they lack experience in the relevant implementation processes. They also have inadequate resources and often struggle to convince finance and planning ministries of their case for environmental investments. The challenge is to address these capacity gaps. Donors need to provide sustained and responsive capacity building to support country-led development planning and implementation processes. Donors need to work together to enable the key actors to be engaged at an operational level in policy decisions, budget allocations and programme development. Thus, they can help governments to analyze development needs, set development priorities, ensure that priorities are adequately funded, and strengthen national and local capacities to deliver. This encompasses the entire span of the national development planning and implementation cycle (see Figure 1), **and points to the need for a comprehensive programmatic approach to poverty-environment mainstreaming.**

FIGURE 1. NATIONAL DEVELOPMENT PLANNING AND IMPLEMENTATION CYCLE





LESSONS FROM THE POVERTY-ENVIRONMENT INITIATIVE

In 2005, UNDP and UNEP began the process of integrating their respective poverty and environment programmes to form the UNDP/UNEP Poverty-Environment Initiative (PEI), which currently operates in nine countries - in Africa (Kenya, Mali, Mauritania, Mozambique, Rwanda, Tanzania and Uganda), Asia (Viet Nam) and Central America (Nicaragua). In three countries – Kenya, Rwanda and Tanzania – UNDP and UNEP have joint country programmes with fully integrated workplans, pooled resources and shared staffing. Comprehensive country level capacity building programmes are in place in all UNDP/UNEP PEI countries, plus in separate UNDP and UNEP countries:

- UNDP/UNEP PEI countries: Kenya, Tanzania and Rwanda
- UNDP PEI countries: Vietnam and Nicaragua
- UNEP PEI countries implemented via UNDP country offices: Mauritania and Mali.
- UNEP PEI countries where UNDP country offices were not initially involved but moving towards joint programming: Mozambique and Uganda.

Experience to date is that poverty-environment linkages have been poorly integrated into PRSPs and, critically, have not been operationalized. The experiences of the UNDP and UNEP partnership show that there is still a general lack of understanding of how environment and poverty are linked and/or how to include environmental sustainability in national, sectoral and district development processes, including within environment ministries. But the larger challenge is to convince the planning, finance and key sectoral ministries, as they are responsible for plans, budgets and policy frameworks that strongly influence patterns of natural resource use and impacts on the environment. It is in the context of these two challenges that we have looked for the key operational lessons and appropriate programmatic model from our experience of building capacity to achieve environmental mainstreaming so far.

PEI PROGRAMMATIC APPROACH TO POVERTY-ENVIRONMENT MAINSTREAMING

The PEI has taken up the substantial challenge of supporting governments in their efforts to “operationalize” environmental mainstreaming at the country level – putting the intent to integrate poverty-environment linkages into operational reality over a sustained period of time. The aim is to achieve a sustained shift in the way governments and their partners tackle poverty-environment concerns, by making pro-poor environmental management part of the core business of government, overall national development and poverty reduction strategies, and sector planning and investment, as well as central to the activities of non-governmental actors. This implies:

- Understanding the political and institutional processes that shape national planning
- Looking beyond plans and strategies to implementation processes;
- Determining how environmental mainstreaming can be included in development targets and indicators;
- Linking (‘scaling-up’) successful local-level strategies and interventions to higher-level policy and planning processes;





- Addressing budgetary mechanisms and engaging with key finance/planning ministries to secure financial resources;
- Engaging with key sector ministries which have responsibility for policies and programmes to which poverty-environment linkages are relevant;
- Tackling the considerable capacity gaps over a realistic time period so that an enduring influence over policy and investment can be achieved;
- Developing financing mechanisms so that environment agencies and environmental investment have a long-term financial security;
- Establishing market-based policies that can stimulate increased private sector investment in sustainable, pro-poor environmental management.

In developing operational country programmes, the PEI has tested and demonstrated a programmatic model that is adapted to the particular country context. This model has three stages: country programme preparation; an initial country programme implementation phase (Phase 1) with a focus on more 'tactical' activities designed to take advantage of a specific entry point – such as redrafting a PRSP; and a longer country programme implementation phase (Phase 2) with a stronger focus on capacity development and policy implementation. The key elements of each phase are outlined below in Box 2.



BOX 2. PEI PROGRAMMATIC APPROACH

PREPARATION PHASE	IMPLEMENTATION – PHASE 1	IMPLEMENTATION – PHASE 2
<p>Focus: Formulation of country-led environmental mainstreaming agenda and establishment of programme management and implementation arrangements; preparation of Phase 1 work plan.</p>	<p>Focus: Integration of environment in key planning frameworks for poverty reduction, growth and national MDG targets; preparation of Phase 2 work plan building on Phase 1 results.</p>	<p>Focus: Longer-term capacity development to sustain and deepen environmental mainstreaming and address implementation ‘gaps’, including domestic financing mechanisms for the environment.</p>
<p>Key elements:</p> <ul style="list-style-type: none"> ■ Secure adequate preparatory funding (US\$75,000-\$100,000) and provision of UNDP/UNEP/Government staff time. ■ Conduct initial in-country discussions with Ministries of Environment/Natural Resources and Planning/Finance, other key national environment and development institutions, and the UNDP country office to establish interest in mainstreaming programme. ■ Fully engage the UNDP Country Office and establish clear administrative arrangements. ■ Prepare an assessment of local context: country economic and environmental status, policy and planning frameworks (NSSD, NEAP, UNDAF, etc.), prior and ongoing initiatives, political drivers, key institutions, governance processes and actors, donor interest in mainstreaming etc. (‘development intelligence’). 	<p>Key elements:</p> <ul style="list-style-type: none"> ■ Provision of appropriate technical assistance, e.g. project manager, technical advisor plus backup from UNDP-UNEP PEI. ■ Technical analysis to highlight how environmental management can contribute towards poverty reduction and economic growth – e.g. carrying out integrated ecosystem assessment (based on the Millennium Ecosystem Assessment methodology) and economic analyses to highlight in operational, country-specific terms the links between environment and development (e.g., reduced agricultural productivity, food production and incomes from land degradation; health costs from water and air pollution; and how environmental investments and policy reforms can enhance economic productivity and security, and bring wider benefits such as empowering women). 	<p>Key elements:</p> <ul style="list-style-type: none"> ■ Details of Phase 2 depend very much on characteristics and outcomes of Phase 1, hence fewer steps are detailed below. ■ Support for developing long-term capacity within government to: (1) identify links between environment and poverty; (2) include environmental sustainability in national development processes (for example, so Ministries of Environment have the capacity and tools to argue the case for environmental mainstreaming); (3) develop and implement pro-poor and gender-sensitive environmental policy reforms that can stimulate increased private investment in environmental management. ■ Support for developing mechanisms to sustainably finance investment in Environment and other sectors, so that they have the ability to build and maintain capacity and fund environmental





PREPARATION PHASE	IMPLEMENTATION – PHASE 1	IMPLEMENTATION – PHASE 2
<ul style="list-style-type: none"> ■ Gain a close understanding of policy and planning processes, including of the role and incentives applying to the key planning institutions and individuals that must be engaged in mainstreaming efforts. ■ Identifying the entry point(s) – e.g., revision of the PRSP, annual review, start-up of MDG implementation processes, etc. ■ Identify government, civil society, private sector, media and donor ‘champions’. ■ Identify focal points within government (provide appropriate incentives) in both environment and planning ministries. ■ Design effective implementation arrangements, e.g. establishment of an inter-departmental task team/steering committee/working groups that includes environment, planning/finance and key sectoral ministries. This should be linked to the overall national PRS process, e.g., through having cross representation on key committees. ■ Specify needs for success in relation to process and specific events, and in relation to knowledge and analysis (e.g., dates for critical inputs to the relevant development process and knowledge gaps such as on economic links between environment and poverty reduction). ■ Develop a detailed workplan to mainstream 	<ul style="list-style-type: none"> ■ Support analysis of sector and sub-national strategies and interventions that effectively link poverty reduction and environmental management. ■ Supporting specific activities to include environmental sustainability in national and sector development processes, such as preparation of justification papers and policy proposals to Government committees/working groups, preparing PRSP revision priorities, objectives and content, drafting of relevant sections of PRSPs, design of strategies for mainstreaming environment, input to donor-government coordinating mechanisms, etc. ■ CSO engagement, including activities to promote environmental mainstreaming, e.g. media events and campaigns, awareness raising, etc. ■ Build support within government, civil society and the private sector for longer-term effort, including by assurances of longer-term support. ■ Win support for environmental mainstreaming and the programme from donor coordination processes. ■ Gain improved donor coordination on environmental mainstreaming. ■ Put in place a monitoring and evaluation 	<ul style="list-style-type: none"> programmes (e.g., environmental fiscal reform, resource royalties, increased budgetary allocations, etc.). This may include the introduction of pro-poor, market-based policies to stimulate private investment in sustainable use of natural resources and environmental management. ■ Support for broadening and deepening environmental mainstreaming in all major government processes and in key sectors and also in districts (e.g., in government policy development and approval mechanisms). ■ Building coordinated donor support for longer-term capacity development and environmental mainstreaming. ■ Longer-term monitoring and reporting systems based on poverty-environment indicators.





PREPARATION PHASE	IMPLEMENTATION – PHASE 1	IMPLEMENTATION – PHASE 2
<p>environment with tactical flexibility (see Phase 1 for likely activities in workplan).</p> <ul style="list-style-type: none"> ■ In discussions, planning etc focus on finance, growth, poverty reduction, income generation, i.e. focus on the links between environmentally sustainable resource use and economic priorities in operational terms. ■ Develop operational cooperation with donor and government-donor coordination mechanisms. (e.g. have active input to key donor-government sector and cross-cutting working groups). ■ Linking to UN country programming systems (CCA/UNDAF) and ensuring coordination. ■ Identify key CSOs and potential for engagement. ■ Assess main capacity needs. <p>The above process should maximize country ownership and UNDP Country Office commitment.</p>	<p>component.</p> <ul style="list-style-type: none"> ■ More detailed assessment of capacity needs. ■ Preparation of work plan for longer-term Phase 2 programme designed to deepen mainstreaming in key sectors and potentially at district level, and to establish financing mechanisms for sustaining mainstreaming in the long term. 	



COUNTRY PROGRAMME RESULTS AND LESSONS FROM EXPERIENCE

The joint PEI has provided practical experience and lessons on how to mainstream environment into national development and poverty reduction strategy processes, and on how UNDP and UNEP can more effectively work together at the country, regional and global levels.

Country programme fact sheets are presented in Annex 1 – providing data on what activities have been implemented and what has been achieved, with specific lessons learned. Obviously some countries are more advanced than others. Tanzania is the most mature programme and Mauritania the one in the earliest stage of implementation. In terms of improved approaches and best practice, the UNDP/UNEP PEI has made considerable progress:

- We have developed the programmatic model (described above) based on experience of what did and did not work.
- We have deployed and tested a range of analytical tools designed to improve an understanding of poverty-environment linkages for example, integrated ecosystem assessments, economic studies and small pilot studies to demonstrate the links at a community level.
- We have launched Integrated Ecosystem Assessments at the country level to identify links between poverty and environment and to encourage governments to apply the methodology as part of the national development planning process.
- We have piloted an operational application of poverty-environment indicators to a completed PRSP (in Tanzania) to create an opportunity for monitoring implementation and outcomes.
- We have piloted environmental Public Expenditure Reviews with the aim of focusing on increased budget allocations.
- We have enabled exchanges of experience between PEI countries with considerable benefits in terms of capacity building by learning from other countries.

One of the achievements has been the leveraging or combining of funds. For example:

- Kenya: UNDP/Kenya (US\$320,500), UNDP/HQ (US\$50,000), Luxembourg (US\$100,000), DFID/Kenya (US\$250,000), UNEP (US\$150,000);
- Rwanda: UNEP (US\$460,000), UNDP/Rwanda (US\$100,000), UNDP/HQ (US\$50,000);
- Tanzania: UNDP/Tanzania (US\$1,100,400), UNDP/HQ (US\$200,000), UNDP/DDC (US\$75,000), UNEP (US\$475,000).

Drawing on recent attempts to identify lessons from mainstreaming², it is clear that there is a set of general lessons common to other types of country-led development assistance. We focus here on more specific

² DFID (2005), *Environmental Management For Poverty Reduction Through Country-led Approaches: Review of DFID Experience*; UNEP (2006), *Mid-term Evaluation of the Partnership between the Belgian Directorate-General for Development Cooperation and UNEP*.





lessons arising from the PEI country programmes relevant to the three major challenges mentioned earlier: (1) environmental mainstreaming to date has not succeeded in operational terms; (2) environmental mainstreaming requires changes in government priorities; and (3) we are operating in a multi-ministerial framework.

- **Very detailed mapping of government macro and sectoral policy, planning and decision-making processes (“machinery of government”), institutions and individuals relevant to the national development process is required.**

Questions include: does the Environment Ministry have the mandate to be involved in the development of policy with environmental implications initiated by other departments? Which government departments are on the national development process steering committee? How well is the national development process linked to sectoral planning processes? What are the key entry points in development processes for mainstreaming the environment? Understanding the interactions between the different government agencies in the national development processes are a key success factor.

What has worked:

As part of the Preparation Phase, we have addressed a number of questions: does the Environment Ministry have the mandate to be involved in the development of policy with environmental implications initiated by other departments? Which government departments are on the national development process steering committee? How well is the national development process linked to sectoral planning processes? What are the key entry points in development processes for mainstreaming the environment? For example, in a case where a separate agency was established for the PRSP and the PEI had to work with three key agencies – environment, planning and the PRSP agency.

What has not worked:

In the early stages of PEI country preparation and implementation, we did not carry out detailed mapping and as a result work plan design and implementation in some countries was delayed. This was because, *inter alia*, the most appropriate entry points and individuals were not identified initially.

- **The Planning/Finance ministry must be an equal or the prime focal ministry in the process from the very beginning.**

Thus a focal point from this Ministry must be agreed at the earliest stages and buy-in from the Ministry is vital. It may be necessary to get Ministerial level intervention – e.g. Environment Minister to get the Planning Minister to agree to ensure this. Buy-in is definitely assisted by having sufficient resources for a sustained programme and by coordinated donor support for environmental mainstreaming.





What has worked:

Ensuring sufficient interest in the PEI project by an appropriately senior Finance/Planning Ministry manager, who then ensures effective involvement. This is helped by describing the project in terms that relate to institutional priorities in the Finance/Planning Ministry and by assigning equal or prime focal point status to the Finance/Planning Ministry. Active support for substantive Finance/Planning Ministry involvement by the Environment Ministry is also most helpful.

What has not worked:

In one case, the Ministry of Planning/Finance did not allocate an appropriate focal point, – this official did not see the PEI as a priority, which meant that there was insufficient ‘buy-in’ from this Ministry, which is causing problems and is requiring a sustained effort to get sufficient Planning/Finance focus on environmental mainstreaming.

- **A realistic assessment of country commitment at different levels and in both environment and planning ministries is necessary.**

It is vital to gauge the level of commitment and incentives of relevant ministers, senior officials and those who would be responsible for developing and implementing the country mainstreaming programme. One must also recognize that potential “focal points” within government are likely to be poorly paid, overstretched and unprepared for the complexities of a mainstreaming programme. Careful attention to aligning the incentives of key individuals with mainstreaming is required. For example, some form of performance-related contract with focal points in key ministries is recommended, and strong support should be provided to the focal points by UNDP and UNEP.

What has worked:

Identifying the key individuals at different levels and assessing their incentives and commitment to the project. Aligning focal point and institutional incentives with the objectives of PEI and providing strong technical support from UNDP/UNEP PEI. This includes being very clear on desired results and aligning continuing programme support with delivery against agreed results – including by providing financial and other support for country focal points/co-coordinators. Regular programme monitoring and reporting are also necessary.

What has not worked:

Failing to ensure clear commitment at all necessary levels. In one country the Environment Minister was a strong supporter, but the permanent head of Environment did not support the mainstreaming project, for internal bureaucratic reasons. This created serious problems, until he was transferred.

- **Supporting a country-led environmental mainstreaming process has high transaction costs, because it is new, seeking to change government priorities, and involves a number of ministries.**

It takes a great deal of staff time and technical support at different levels – e.g., focal points in Environment and Planning Ministries, national coordinator, international technical advisor, specialist teams for e.g.





integrated ecosystem assessments, economic studies and preparation of mainstreaming guidelines – to succeed. Provision of this support is essential to address transaction costs and achieve mainstreaming.

What has worked:

Providing sustained technical support in-country plus back-up from PEI HQ staff. In addition, specialist support needs to be provided for specific activities, such as for integrated ecosystem assessments and economic studies. Providing national institutions with back-up support from international universities or other institutions is also important for some activities. Budgets need to provide for a technical advisor, national manager/coordinator, plus back-up from PEI HQ staff.

What has not worked:

Failing to provide sufficient technical support in-country and sustained back-up from UNDP/UNEP PEI staff. Failure to provide comprehensive guidance on work-plan development. Even if there is strong commitment to environmental mainstreaming in the environment agency, the relative lack of capacity in many such agencies means that without strong technical support and back-up, adequate progress is unlikely.

- **Detailed country-specific evidence on the links between environment, poverty reduction and pro-poor growth is needed to convince policy makers, economists and planners that investment in environment sustainability is worthwhile.**

This evidence should include the costs of environmental degradation, including climate change impacts, and the net benefits of investing in environmental sustainability. For example, data on how soil erosion reduces agricultural productivity or how water pollution damages human health, combined with estimates of the costs of environmental improvements. Such data can be used to measure the rates-of-return to alternative environmental interventions in various contexts, focusing on net benefits to poor women and men, and thus support arguments for increased public and private investment in environmental management.

What has worked:

Detailed analysis of specific examples of how environmental change influences economic productivity, human health and national development, and how environmental investments can be a cost-effective means of poverty reduction. For example, in one country, wetland degradation has reduced water flows into hydro-electric reservoirs and consequently reduced electric power generation. This has forced government to import generators and fossil fuels (adversely affecting the current account balance) and resulted in frequent electricity cuts. As another example, soil erosion due to poor land management reduces agricultural productivity by more than 20% in one country, with proportionate reductions in food production and incomes.

What has not worked:

Generalised statements that environment contributes to national development, including poverty reduction. Adopting a narrow environmental protection perspective, compared with a sustainable resource use perspective. Focusing on negative trends in environmental quality rather than positive opportunities to link environmental management with poverty reduction, supported by concrete examples and analysis.





- **The application of integrated economic and environment project, programme and policy appraisals needs to become a standard operating procedures for planning/finance and sectoral ministries.**

Unless the planning and key sectoral ministries apply such integrated appraisals as part of their strategy, policy, programme and project planning, then one cannot say that environment has been mainstreamed. For example, it is not sufficient for the environment agency to conduct an SEA – planning and sectoral ministries must internalize environmental mainstreaming into their standard operating procedures.

What has worked:

Experience indicates that the application of approaches that include an assessment of environmental costs and implications of policy, programme or project proposals in planning/finance and sectoral ministries in the early stages more effectively internalises (ie mainstreams) environmental issues in development processes. For example, in the energy sector, least-cost energy services planning, where least-cost includes environmental costs, is one example of an integrated economic and environmental approach. It is also important to include non-market costs and benefits – such as the disease implications of polluted water or fuel collection time increases caused by the degradation of forests. Use of economic analysis on the impacts of environmental degradation is important in convincing finance/planning and sectoral ministries to adopt integrated economic and environmental approaches. In addition, economic analysis can help to identify cost-effective investments and potential policy reforms to internalize environmental impacts in decision-making (both public and private). A focus on developing capacity to use these approaches is needed.

What has not worked:

Approaches that put the onus on the national environment agency alone to assess environmental implications of policies. This approach tends to be reactive and only highlights the negative effects. Tools such as SEA can however be effective if it occurs early in the relevant planning cycle, fully engages the finance/planning agency, and the environment agency has the power to enforce findings.

- **Developing a full partnership approach with key in-country donors is vital for long term success on several fronts:**

Long-term success depends on mainstreaming environment into key sector policies and planning, budgets and programmes – either as part of the PRSP process itself or during the subsequent implementation phase.

Identification and implementation of mechanisms to generate adequate and sustainable resources for environmental agencies and investment in environmental sustainability is vital – for example, through environment fiscal reform. Active support for environmental mainstreaming from in-country donors is needed. For example, support for environment in donor-government coordination mechanisms to increase the chances of environment being mainstreamed and financed over a sustained period in the development process. In the long run, sustainable financing of the environment will require wide mobilization and support from civil society organizations, the private sector and the general public.



**What has worked:**

Strong political support via government-donor-civil society coordination and national development process mechanisms for environmental mainstreaming. For example, key donor representatives lobbying for environment to be a priority issue in PRSP development or review. Long-term success in embedding environmental sustainability in national and sectoral development requires greater financial support than UNDP/UNEP PEI is likely to be able to provide – especially for longer-term capacity building. In addition, strong donor political and also financial support is required to help mainstream environment into sectoral plans and at the sub-national level. Donor support for developing and implementing sustainable financing for environmental investments, including operational costs of environmental agencies, is necessary, as this is likely to involve some significant changes to government practices. The ultimate target should be self-sustaining (self-financing) pro-poor environmental management, including effective mobilization of civil society, business and consumers.

What has not worked:

Inadequate co-ordination with existing donors who have environment and development activities. Inadequate donor policy support for environmental mainstreaming, which sends inappropriate signals to government on the importance of mainstreaming. Lack of donor financial support for longer-term capacity development and other elements needed to fully operationalize and embed environmental mainstreaming, including through sustainable financing.





2

Strategy for Supporting Country-led Environmental Mainstreaming

Mainstreaming environment into development is a core strategic priority for both UNDP and UNEP, with the Poverty-Environment Initiative providing a common operational platform for joint action. The PEI partnership brings together the technical capacity of UNEP with UNDP's operational capacity to support country-led processes via its global network of country offices. UNDP's Resident Coordinator role enables it to bring the UN Country Team together around poverty-environment issues. Through PEI, UNDP and UNEP have built a proven track record in working together to support country-led environmental mainstreaming programmes that aim to address the substantial capacity and implementation gaps described in Part 1. Scaling-up PEI will enable both agencies to bring their combined global, regional, national, normative and analytical capacities to the support of country environmental mainstreaming processes together with other development partners. Part 2 outlines the vision, strategic objectives and areas of focus for scaling-up country-level support for poverty-environment mainstreaming based on lessons learned through PEI and in response to country demand.

DEVELOPMENT GOAL AND EXPECTED OUTCOMES

The development goal of the scaled-up PEI is to contribute to improved livelihoods and well-being of poor and vulnerable groups by mainstreaming poverty-environment concerns into national development processes for poverty reduction and sustainable growth.

Over the initial period 2007-2011, major expected outcomes are that in a significantly increased number of countries compared with the current PEI portfolio:

- Environment is effectively integrated in MDG-based national development and poverty reduction strategies;
- Institutional capacity is strengthened to integrate environment in budget decision-making, sectoral strategies, plans and investment programmes – including at the local level;
- Opportunities are created for development partners to provide financial support for environmental management programmes aimed at poverty reduction and growth;
- Improved domestic resource mobilization for poverty-environment investments – especially at the local level;
- The poor, particularly women, have improved access to and control over their natural resources.





Our joint vision is to widen the successful PEI partnership between UNDP and UNEP to include key multilateral and bilateral donors and practitioner organizations; to mobilize the resources needed to scale-up support to countries to meet their particular operational mainstreaming needs; and to mobilize more effectively the technical and institutional strengths of the UN system to initiate, design and support a greater number of country-led programmes to mainstream environment into national development processes.

Through a partnership-based approach, a scaled-up PEI can provide an 'operational arm' to the Poverty-Environment Partnership, providing a means to support governments to put into action at the country level the joint analytical and advocacy work carried out under the PEP.

TABLE 1: PEI COUNTRY PROGRAMME TARGETS (1ST PHASE 2007-2011)

ACTIVITY	2007	2008	2009-2011
Country Preparation Phase	Africa 3 Asia 3 <u>Other 0</u> 6	Africa 3 Asia 3 <u>Other 2</u> 8	Africa 3 Asia 5 <u>Other 3</u> 11
Country Phase 1 Programmes	Africa 1 Asia 1 <u>Other 0</u> 2	Africa 3 Asia 2 <u>Other 0</u> 5	Africa 3 Asia 6 <u>Other 2</u> 11
Country Phase 2 Programmes – seed funds	Africa 3 Asia 0 <u>Other 0</u> 3	Africa 4 Asia 1 <u>Other 0</u> 5	Africa 3 Asia 3 <u>Other 3</u> 9

PARTNERSHIP APPROACH

■ Supporting a country-led approach to integrating environment in national development frameworks for poverty reduction and sustainable growth

The principal aim of the PEI approach is to help countries develop the capacity and address the implementation and resource mobilization challenges needed to mainstream environment successfully into national development planning processes. In so doing, PEI focuses on a flexible and demand-led approach to key entry points in relation to the national policy and implementation process. Typically, this has included drafting or revising PRSPs.





■ **Linking with the MDG Support initiative**

Looking forward, the MDG Support initiative – UNDP’s corporate, scaled-up response to help countries meet the commitments they made at the 2005 World Summit to turn their national development strategies into MDG-based strategies – will provide an invaluable opportunity for “opening doors” to opportunities for country-level support on environmental mainstreaming. The MDG Support initiative offers countries a menu of services that can be adapted to the development context and demands of each country, both nationally and locally, in three key areas: (1) MDG-based diagnostics, needs assessments and planning; (2) widening access to policy options; and (3) strengthening national capacity to deliver. These areas are closely aligned with the country poverty-environment mainstreaming programmes supported by PEI.

■ **Building a coalition with key donors**

The UNDP-UNEP PEI cannot and should not take on the challenge of scaling-up alone. The next key element of the strategy is to activate the existing network of donors within the PEP into an operational coalition of key partners to support this process and mobilize the technical and financial resources needed. This would be a continuation of the collaboration that UNDP and UNEP have already mobilized in several of the existing PEI country programmes – either building on the earlier work of donors to open up entry points or securing their technical and financial input once the preparatory stage has been completed successfully. This approach provides an opportunity for key donors to invest in environmentally sustainable programmes made possible by governments taking on the mainstreaming challenge with PEI support.

■ **Engaging with practitioner and knowledge organizations and CSOs**

We also are proposing to develop partnerships with leading practitioner and knowledge organizations to ensure that appropriate technical expertise and capacity can be channeled into the scaling-up process and successfully made available at the country level. This would include the international organizations involved in the PEP, such as IIED, IUCN, SEI and WRI – who may be able to contribute to knowledge management, synthesis of best practice and lesson learning. We would also develop partnerships with regional-based organizations – whether research or practitioner based – in order to make best use of regional analytical and delivery capacity and to build this capacity further. For example, we would identify and work with regional organizations with ecosystem assessment and economic appraisal capacity so that they can contribute to building government capacity. In addition, we would propose to explore relationships with the private sector to encourage their participation in mainstreaming efforts.

We also propose to facilitate engagement with regional and local CSOs, including the private sector, in the preparation and implementation of country-level environmental mainstreaming programmes – recognizing that their involvement is an essential element of raising awareness and ensuring informed debate, linking local-level experience with policy and planning processes, and holding governments accountable for their decisions.





MAIN AREAS OF ACTIVITY

At the core of our strategy is a coherent and programmatic approach to mainstreaming environment into national development processes for poverty reduction and pro-poor growth to achieve the MDGs. Our approach, based on the experience of the UNDP/UNEP PEI partnership to date (described in Section 1), is to support country-led mainstreaming at an operational level over a sustained time period. While individual cases do vary and the PEI will respond to specific needs, this programmatic approach typically follows three phases (see Figure 2):

- First, working with government and country based donors to assess the political, institutional and technical factors that will determine the potential success of mainstreaming;
- Second, to engage with government and CSOs to support country-led initiatives to mainstream environment into the specific national planning process;
- Third, to provide sustained capacity development support to government to tackle the implementation challenges and address the resource mobilization needs.

This programmatic approach can provide significant opportunities to other development partners to invest in environmentally sustainable programmes aimed at poverty reduction and improving people's livelihoods.

COUNTRY ENVIRONMENTAL MAINSTREAMING PROGRAMMES

Our vision is to expand the PEI to deliver capacity building and other support to an increased number of countries, adding to those already initiated in Africa and Asia, and later to expand into other regions.

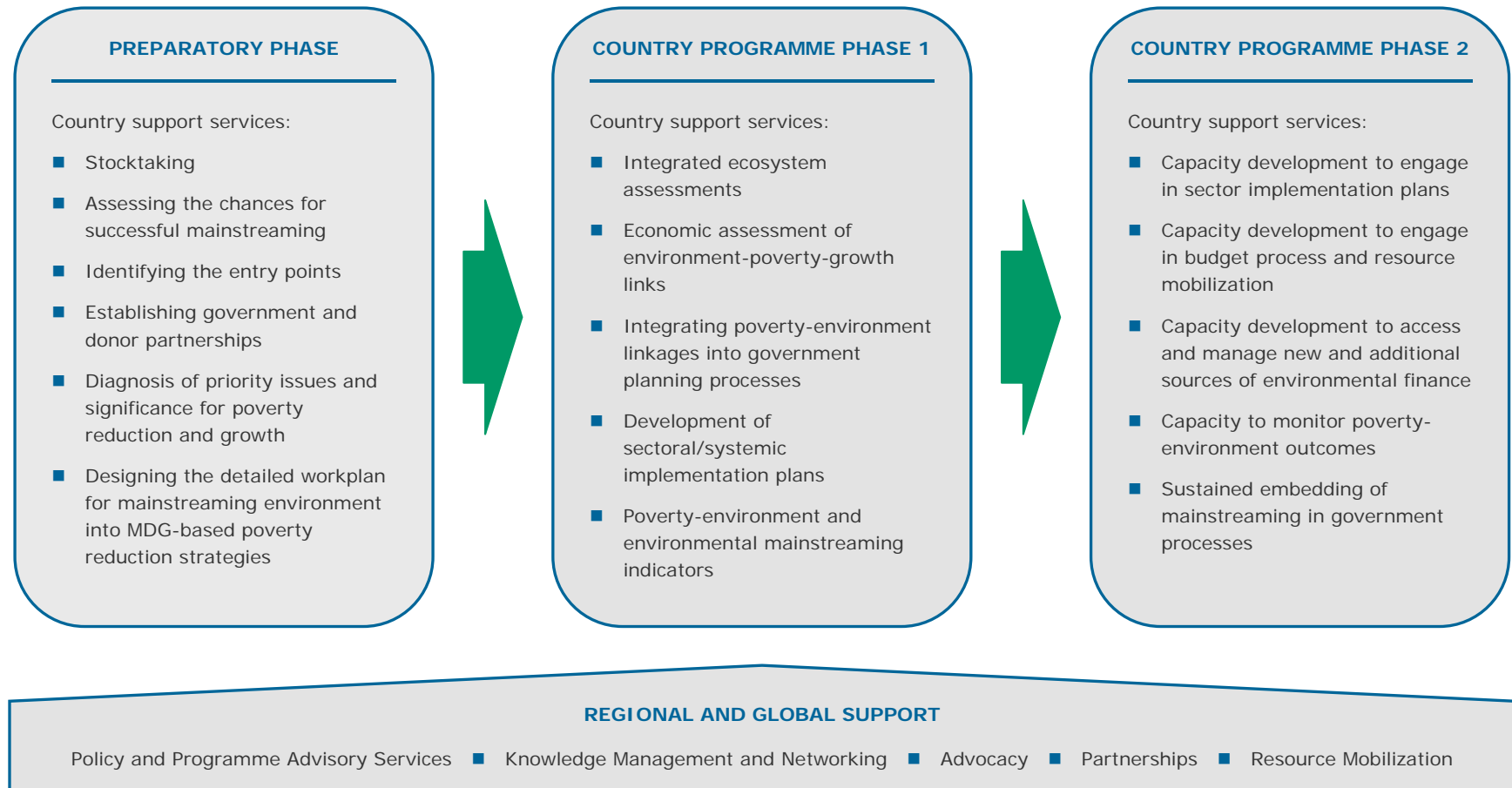
We aim to launch and support country-led environmental mainstreaming programmes in partnership with governments and country-based donors. At the country level, our work will be tailored to local needs and circumstances, in coordination with country-based donors, and will be focused principally on building capacity and providing support where that can be helpful. Our experience is that the effort usually needs to be sustained over a period of several years. While the programmatic approach described above provides a common framework, country programme workplans, partnership arrangements and implementation modalities will reflect country-specific needs and priorities. We shall strive to be flexible and responsive in providing support that:

- Is coherent and follows a clear programmatic approach;
- Provides knowledge support and sharing of experience with other countries;
- Is responsive to the priority needs of countries and builds upon extensive stakeholder engagement;
- Embodies a continuous lesson-learning process to improve delivery;
- Engages regionally-based centres of expertise to strengthen delivery capacity.

Major outputs/areas of activity include (see Figure 2):



FIGURE 2. PROGRAMMATIC APPROACH TO MAINSTREAMING ENVIRONMENT IN NATIONAL DEVELOPMENT PROCESSES





- **Poverty-environment analysis and capacity assessment** to improve the knowledge base on poverty-environment linkages and policy lessons from effective local-level interventions with potential for scaling-up, and to assess institutional capacity needs for poverty-environment mainstreaming. Analytic work will focus on examining poverty-environment linkages from the perspectives of vulnerable groups, including gender analysis, together with economic studies to make a stronger case for environmental investments. A significant new focus will be on supporting the use of integrated economic and ecosystem assessment tools and their application in policy and planning processes.
- **Poverty-environment integration in policy and planning processes** to 'operationalize' the results from analytic work on poverty-environment issues and assessment of capacity development needs into poverty reduction strategies, macro and sectoral policies and plans, and budgetary frameworks. This is likely to include policy and institutional reforms to stimulate more sustainable and pro-poor management of natural resources by the private sector.
- **Indicators and monitoring** to develop appropriate poverty-environment (and gender-sensitive) indicators for measuring how environmental conditions impact the livelihoods, health and vulnerability of the poor, and to strengthen capacity in monitoring and assessing poverty-environment policy outcomes. This work will be linked to ongoing efforts to strengthen national poverty monitoring and assessment systems.

Country environmental mainstreaming programmes will be supported based on principles of national ownership, capacity development and stakeholder participation. This will include a focused effort with governments and development partners to enhance aid coordination and management in support of environmental mainstreaming. It will include assistance to develop sustainable financing mechanisms for environmental mainstreaming and capacity development, so that such mainstreaming is not permanently dependent on outside donor support for core funding.

REGIONAL AND GLOBAL ADVISORY SERVICES AND SUPPORT

Country-level activities will be supported and leveraged through regional and global analysis, advocacy and knowledge networking activities, with an emphasis on South-South dialogue and experience exchange.

- **Regional communities of practice** will be supported, initially in Africa and Asia, on environmental mainstreaming in the context of supporting country strategies to achieve the MDGs. The regional communities of practice will have an operational orientation, with a focus on improving access of country stakeholders and UN Country Teams to environmental mainstreaming **advisory services and support**, and will provide a means for supporting the documentation and sharing of lessons, good practices and case studies. This will include dissemination of policy research, practical experiences and other knowledge resources. They will include special advisors retained by the PEI to supplement UNDP and UNEP capacity to deliver support at the country level.
- **Regional and global knowledge products and services** to produce different types of tools, methodologies, guidance and advisory notes, and training materials – and to document lessons learned and 'good-practices' – will be provided to support country-level environmental mainstreaming. This will





be carried out in partnership with UNDP and UNEP Regional Centres and Offices and thematic/technical units, and with external partners including other members of the Poverty-Environment Partnership. A web-based **knowledge network** will provide a platform for local-to-global and global-to-local exchange, facilitate the synthesis and dissemination of lessons from country experiences, and expand access to knowledge resources on poverty-environment and environmental mainstreaming issues.





3

Implementation Plan for Scaling-up Country Support

The challenge that the PEI must now respond to is to build on existing knowledge and experience and support environmental mainstreaming in significantly more countries. The scale-up of the PEI will be achieved by delivering support to countries through the existing UN system in partnership with other development agencies – resulting in country-owned programmes supported by UNDP Country Offices, the UN Country Team and country-based donors. Support will be delivered from UNDP-UNEP regional teams and a joint UNDP-UNEP Poverty-Environment Facility. Part 3 describes the plan for implementing the PEI scale-up strategy and bringing about the expanded partnership with key donors and practitioner organizations.

UN COUNTRY TEAMS AND REGIONAL SUPPORT

The United Nations global system is decentralized, with the capacity to deliver mainstreaming support in over 120 countries. Professional staff in the UNDP Country Offices are responsible for country-level operations. UNDP hosts the Resident Coordinator who is responsible for coordinating the UN Team. The recent report of the Secretary General's High-level Panel recommends the strengthening of the coordination system and better integration of the efforts of UN agencies to "deliver as one". The selection of "One UN" Pilot Countries has recently been announced, including several PEI countries.

One of the objectives of the scaled up PEI programme will be the better integration of environment in key UN processes such as CCA and UNDAF. In addition, successful implementation will require better coordination between UN country teams and in-country donor offices.

UNDP REGIONAL CENTRES AND UNEP REGIONAL OFFICES

UNDP provides support to UN Teams through its extensive knowledge network. Staff members of each thematic practice of UNDP are tasked with providing policy and technical advice to countries. Much of UNDP's advisory capacity is also decentralized, with regional centres playing an important role in supporting country-level operations. UNEP also has Regional Offices in each of the UN-defined regions of the world.

For example, in Asia/Pacific UNDP has established Regional Centres in Bangkok and Colombo to strengthen that presence for greater development impact. A main priority of the Regional Centres is to provide UNDP Country Offices with easy access to knowledge through high quality advisory services based on global applied research and UNDP lessons learned. The second priority is to build partnerships and promote regional capacity building initiatives, which allow UNDP, governments and other development partners to





identify, create and share knowledge relevant to solving urgent development challenges. The network of country offices in each region is supported through policy advisory and regional programme services, expert referrals, knowledge sharing between UNDP staff and development partners, including the identification and dissemination of comparative experiences and good practices.

The scaled-up PEI will be delivered through the existing system. UNDP Regional Centres and UNEP Regional Offices will collaborate to maximize their capacities to deliver environmental mainstreaming support to countries under the banner of the PEI. They will agree on programmes of regional support and their differentiated contributions to them. The mainstreaming support programmes will be aligned with country demand within each region. The Regional Support Programmes will:

- Serve as a formal window of strategic planning and feedback on environmental mainstreaming issues and services in the region;
- Define a set of priority environmental mainstreaming services for the region that are fully aligned with country and regional priorities and demand, and linked to regional MDG Support activities;
- Allocate funds for the country environmental mainstreaming programmes and provision of advisory services, and support for the regional communities of practice;
- Ensure that UNDP and UNEP operate in a region and countries within a well-coordinated framework, rather than on an initiative-by-initiative or unit-by-unit basis.

UNDP and UNEP's network of regional advisers, together with technical specialists at UNDP and UNEP headquarters, enhances the ability to respond to programme country requests for substantive support and to facilitate the sharing of lessons and good practices across regions. The regional policy advisers will take a lead role in establishing and building the regional communities of practice on environmental mainstreaming, including strategic linkages with external partners.

BOX 3. PEI IN THE ASIA-PACIFIC REGION

PEI Country Programme Launched in Vietnam

- Harmonizing Poverty Reduction and Environmental Goals in Policy and Planning for Sustainable Development: a four-year programme launched in 2005 in partnership with DFID, Danida, UNDP Country Office.

Ministerial Conference on Environment and Development

- Paper on poverty-environment mainstreaming and proposed regional programme presented at the 5th Ministerial Conference on Environment and Development in April 2005.

Support to National Sustainable Development Strategies

- UNEP Regional Office has provided support to a number of countries on National Sustainable Development Strategies – supporting government processes to integrate environment into national planning processes in dialogue with finance and planning ministries.





Regional Poverty-Environment Mapping

- Recent mapping of current poverty-environment related activities will serve to support future implementation of PEI country programmes.

Joint UNDP/UNEP Effort to Scale Up PEI in Asia-Pacific

- November 2006, UNDP and UNEP Regional Offices met together to agree joint action plan for scaling-up PEI and integrating environment into MDG Support in the region. Joint work has commenced in Bhutan.

UNDP-UNEP POVERTY-ENVIRONMENT FACILITY

The heads of UNDP and UNEP have agreed to move forward with establishment of a joint Poverty and Environment Facility in Nairobi, to support integrated delivery of environmental mainstreaming services to countries, including within the framework of MDG Support Services.

The core focus of the joint Facility will be scaling-up PEI as a platform for more widely supporting country-led efforts on environmental mainstreaming, particularly with respect to the formulation and implementation of MDG-based national development and poverty reduction strategies. The intention is not to build up a big new institution. Rather, the aim of the Facility is to more effectively mobilize and combine UNDP and UNEP resources in order to enhance our joint capacity to support the mainstreaming agenda, and to provide a hub for partnerships, especially with southern-based institutions.

KEY FUNCTIONS

A small UNDP-UNEP team will form the core of the joint Facility and will be responsible for the following key functions:

Technical support

- Develop Best Practice notes for PE Mainstreaming based on experience gained at country level: finding entry point; start-up phase, long term capacity building.
- Provide technical support to UNDP country offices via the UNDP Regional Centres and UNEP Regional Offices, principally focused on project preparation.
- Provide direct support to country offices, in consultation with Regional Centres and Offices, upon request, especially in Africa.
- Develop mechanisms for the Facility to respond to "client" requests from regions and countries.

Planning and strategic partnerships

- Overall strategy for UNDP/UNEP PE mainstreaming: including scaling-up PEI and integrating with MDG support project.





- Implementation plan: specifying roles of the Facility, UNDP regional support centres, UNEP Regional Offices and other relevant advisors.
- Facility operational plan – management, administration, operations.
- Identify and establish agreements with selected partner institutions to contribute to technical support and knowledge management and include key partners as members of the Technical Advisory Group (ensuring alignment with, e.g., UNEP strategic partnerships).

Donor relations

- Establish and maintain relations with key multilateral and bilateral donors to ensure they buy in to the Facility agenda (in addition to representation of TAG).
- Provide a platform for donors to harmonize their PE mainstreaming activities and put into operation the principles of the Poverty-Environment Partnership.
- Provide donors with opportunities to fund country and regional support programmes.

Resource mobilization and management

- Raise funds for PEI scale-up (including country programmes and regional/global support).
- Combine with regional support programme funds and other funds available at regional and country level.
- Seek funds for Facility operating costs and initiatives: e.g., knowledge management (UNEP and UNDP to contribute core funds for, e.g., core staff costs).
- Develop budgets for PEI components and supporting activities.
- Develop Facility operations budget.
- Provide financial management, project accounting and disbursement system.

Management and coordination

- Propose guidance to regional and country offices on achieving harmonized approach to poverty-environment mainstreaming.
- Overall monitoring and reporting back to donors on funds disbursed and results achieved.

Knowledge management

- Use knowledge management as the principal tool for providing support to countries and collecting analyzing and disseminating examples of best practice.
- Build on UNDP's existing knowledge management network and add to its value by linking UNEP to it.
- Identifying demand from countries and monitoring the global response;





- Collating knowledge on mainstreaming methodologies and tools;
- Gathering, collating and disseminating good practices;
- Facilitating input from the Poverty-Environment Partnership;
- Mobilizing donor support;
- Global-level programme and fund management;
- Delivering advisory support and coordination.
- Joint web site
- Joint publication series
- Annual global learning workshop involving all partners and other key actors

The primary customers for Facility support will be UNDP's and UNEP's regional entities. The Facility might provide direct support to countries e.g. in Africa, but only on request and within regional work plan requirements. The regional entities will continue to provide direct support to UN Country Teams. No extra layer of coordination or management will be created. The aim will be to stimulate and support country-level programmes that will be owned and managed nationally.

MANAGEMENT ARRANGEMENTS

Management Board: The PEI would be governed by a Board comprised of the head of UNDP's Environment and Energy Group and the Director of UNEP's Division for Regional Cooperation, with the option of external Board members to be considered. This Board would among other matters be responsible for financial oversight.

Technical Advisory Group: The Board would be assisted by a Technical Advisory Group (TAG) comprised of key donor partners and technical institutes (eg WRI, IIED, IUCN).

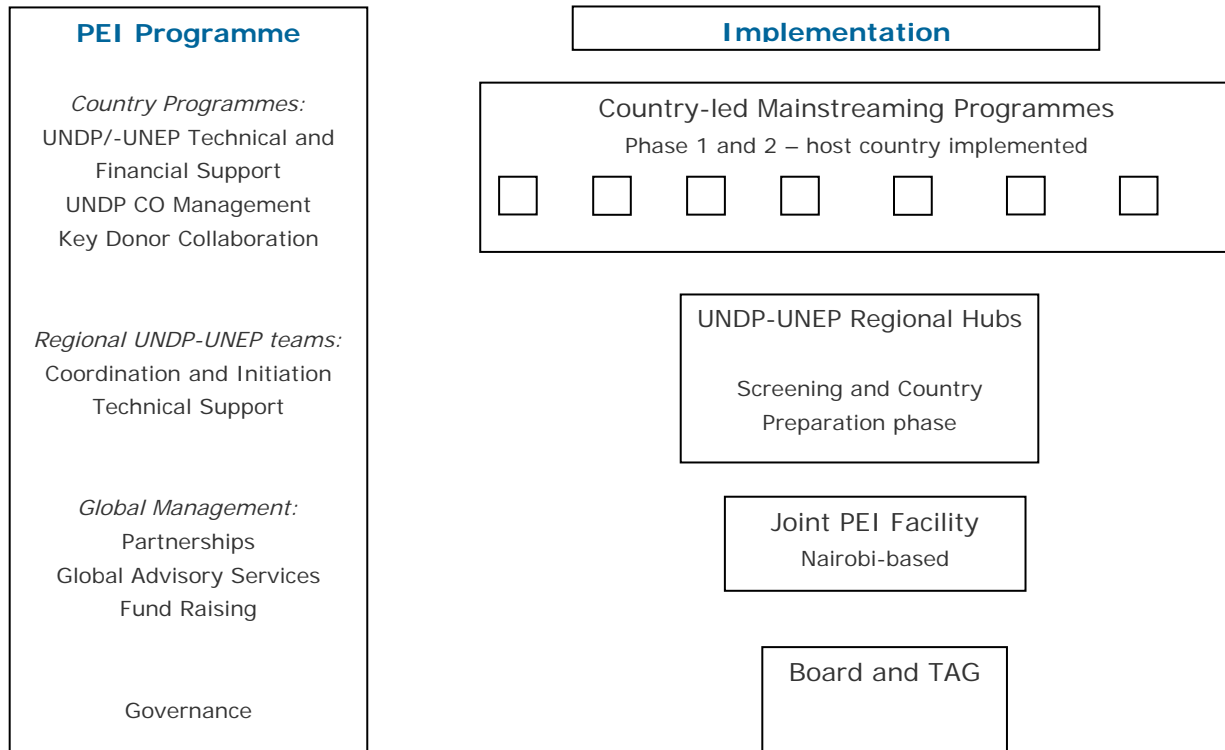
Joint Facility: The Facility would be managed by a Director who would report to the Board.

Management and implementation arrangements for PEI scale-up and the joint Facility will be in line with the UN Development Group Guidance on Joint Programming.





FIGURE 3. PEI MANAGEMENT ARRANGEMENTS



MONITORING, EVALUATION AND REPORTING

UNDP Country Offices will be responsible for monitoring and reporting on country-level activities and outputs. UNDP Regional Centres, in collaboration with UNEP Regional Offices, will monitor and report on regional-level activities and will assist in monitoring country activities. At the global level, UNDP and UNEP will jointly monitor and report on overall progress through the joint Facility in Nairobi and in coordination with headquarters units. The joint Facility will combine country-level reporting on results with regional and global interventions into a consolidated annual report. In addition to reporting on progress, the annual report will be used for disseminating information on lessons learned in programme countries and other outreach purposes.

WORKPLAN AND RESOURCE REQUIREMENTS (2007-2011)

WORKPLAN

An indicative Phased Action Plan is presented in Annex 3. This is based on: (1) continuation of work in existing PEI countries – e.g., progressing to Phase 2 in countries where current funding is limited to Phase





1; and (2) current work plans to collaborate with the MDG Support rollout process in Africa and Asia, expected to facilitate an entry-point for Preparation Phase work in priority countries within the coming 12 months and beyond; (3) plans to launch activities in Latin America/Caribbean and Central Europe/CIS regions in 2008.

Key next steps include:

Regional Operations

- Establish criteria for engaging with new candidate countries – existing country demand, MDG Support roll-out (including eligible countries under the Spain-UNDP MDG Achievement Fund), One UN Pilot countries.
- Consolidate financial support for taking existing countries to next phase.
- Identify regionally-based practitioner organizations to strengthen delivery capacity.
- Regional workshops on environmental mainstreaming in 2007.

Poverty-Environment Facility

- Establish Facility in Nairobi – with posts contributed by UNDP and UNEP.
- Launch knowledge management programme – guidance and best practice; website.
- Provide liaison to existing and interested donors.
- Initiate global partnerships with research and practitioner organizations.

Integration into UNDP MDG Support Initiative

- Continue collaboration with UNDP MDG Support Initiative to integrate environment into country-based needs assessment and investment costing approach.

BUDGET

The funds requested in this proposal would be allocated during the period 2007-2011 to the following:

- Responding to requests for technical support and services to “clients” at regional and country level – via UNDP and UNEP regional centres/offices;
- Strengthening UNDP-UNEP regional capacity;
- Regional support programmes that will include funding for country programme preparation, country programme Phase I activities and seed funding for Phase II country programmes;
- Global activities such as strategy, management, knowledge management, donor liaison;
- Start-up costs of the Facility;
- Operational costs of the Facility.





We stress that the intended outcome would be an increased number of Phase II country programmes – for which the bulk of the funding would come from UNDP country offices and willing donors. The expanded PEI would therefore continue to deliver a significant leveraging of funds by preparing and launching country-level programmes.

An indicative budget for the first five-year phase 2007-2011 is presented in Annex 3 and summarized below. The budget for the second phase would depend on progress during the first phase. A detailed results-based budget will be prepared following further consultations with donor partners and Regional Bureaux/Regional Offices within UNDP and UNEP. This indicative budget includes some recent commitments from specific donors (e.g., Denmark, Ireland) and where appropriate covers additional funding to subsequent phases in countries where PEI is currently active. We fully intend to maintain the programme into the next five year period and will be seeking funding at the appropriate time.

MAJOR OUTPUTS AND ACTIVITIES	US\$
<p>Country environmental mainstreaming programmes</p> <ul style="list-style-type: none"> ■ Preparatory phase activities: 25 countries x \$80,000/country ■ Phase 1 activities: 18 countries x \$750,000/country ■ Phase 2 seed funds: 17 countries x \$500,000/country <p>Sub-total</p>	<p>2,000,000</p> <p>13,500,000</p> <p>8,500,000</p> <p>24,000,000</p>
<p>Regional and global knowledge management, advocacy and networking</p> <ul style="list-style-type: none"> ■ Regional communities of practice: \$750,000/year x 5 years ■ Knowledge products and services: \$225,000/year x 5 years ■ Global coordination/advisory services ■ UNDP-UNEP Poverty-Environment Facility (2007-08) <p>Sub-total</p>	<p>3,750,000</p> <p>1,250,000</p> <p>1,250,000</p> <p>500,000</p> <p>6,750,000</p>
<p>General Management Support (7%)</p> <p>Total</p>	<p>2,314,516</p> <p>33,064,516</p>





ANNEX 1

PEI Country Programmes

- Kenya
- Mali
- Mauritania
- Mozambique
- Rwanda
- Tanzania
- Uganda
- Vietnam
- Bhutan





KENYA

BASIC FACTS

- After a lengthy project development phase ensuring full Government ownership, donor harmonisation and a rigorous programme of work, the project document was signed by all parties in August 2005.
- The programme of work was prepared jointly by the Government of Kenya (GoK), UNDP-Kenya, DFID and UNEP.
- Executed by GoK through national partner institutions, led by the Ministry of Planning and National Development (MPND).
- The main institutions involved are: the Ministry of Planning and National Development (MPND), the Ministry of Environment and Natural Resources (MENR), and the National Environment Management Authority (NEMA).
- Donors: DFID UK, European Commission, Government of Luxembourg, Government of Norway (through UNEP) and UNDP-Kenya. All funds are distributed through UNDP-Kenya.
- Programme implementation is supported by a PEI Secretariat comprising a national project manager, an international adviser, and an MPND-seconded programme officer.
- Approximately \$2.2 million are committed to the project until 2008.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- The Government of Kenya recognizes the importance of the environment in achieving its economic recovery and poverty reduction goals. The Economic Recovery Strategy for Wealth and Employment Creation 2003-2007 (ERS) states that *"economic recovery needs to be sustainable if the objectives of poverty reduction and wealth creation are to be achieved"*.
- Furthermore, the 9th National Development Plan (2002-2008) states *"the full integration of environmental concerns in development planning at all levels of decision making remains a challenge to the country"*. It further acknowledges, *"in view of the high incidence of poverty in the country, the need to integrate environmental concerns in development activities should be given high priority"*.
- The Environment and Development Sessional Paper (1999) constitutes the nearest equivalent of a national policy on the environment and its contribution to development objectives. It was submitted to Cabinet and Parliament along with the Environment Management Coordination Act (EMCA) Bill. While the EMCA was endorsed by Parliament, the Sessional Paper (1999) was not. Consequently, the MENR and the Government are operating in the absence of an endorsed overarching environmental policy.
- Updating the Environment and Development Sessional Paper (1999) serves as an opportunity to further give guidance on the mainstreaming of environment into development planning processes in light of current national and district planning frameworks coming to the end of their term (e.g. ERS in 2007 and NDP/DDP in 2008) and reflection on achievements is being undertaken to influence the re-planning process (e.g. ERS II post-2007).

MAIN ACTIVITIES (PHASE 1)

- Improving the understanding of poverty and environment linkages at the local level.





- Economic assessment of Kenya's natural resources focusing on key sectors.
- Strengthening Government capacity to deliver pro-poor environment policy, e.g. through support to MENR and the National Environment Council to lead a consultative process towards the revision of the Environment and Development Sessional Paper (1999) that reflects current environment and development priorities in Kenya and elaborating systems and procedures within the Environment Division/MENR and NEMA to support future environment policy review and formulation.
- Development of tools for integration of environment into development planning, e.g. environment mainstreaming guidelines and poverty-environment indicators.
- Supporting the development of District Environmental Action Plans (DEAPs) in three districts, including improving stakeholder participation in the DEAP formulation process and strengthening linkages with district development planning and monitoring processes.
- Technical advice to GoK (Poverty-Environment Mainstreaming Adviser).

RESULTS TO DATE

- **Improved knowledge base on poverty and environment linkages:** Two studies have been completed on, respectively, key poverty and environment challenges and opportunities at a community level in three selected districts and on the institutional framework governing the management of natural resources, including opportunities to strengthen the relationship between communities and governance institutions for better management of natural resources. An economic assessment of Kenya's natural resources and their contribution to economic growth and poverty reduction will commence in January 2007 and aim to provide data analysis and recommendations for increased budgetary allocations and financial incentives in favor of sound environment management supporting development.
- **Improved elaboration of District Environment Action Plans (DEAP):** In October 2005, PEI supported NEMA to finalise the draft Environmental Action Planning Manual that was being prepared for endorsement by the NEAP Committee³. Since May 2006, PEI has supported NEMA to lead on the preparation of DEAPs in three districts. This has included missions (by a cross-ministerial PEI team) to each district to review the draft DEAP for the district, its link with the broader development process in the district and agree on the best way forward for finalising the DEAPs, including ensuring adequate stakeholder consultation.
- **Development of an environment policy for Kenya underway:** PEI is providing support to this policy development process through technical advice and facilitating workshops. PEI has assisted in organizing two workshops of the Ministerial Steering Committee on Environment Policy Development ensuring that a road map for the policy development process with clear milestones is now agreed on. Starting from January 2007 PEI will be supporting the work of thematic task forces and stakeholder consultations at national and provincial level.
- **Cross-fertilization between PEI-Kenya and PEI-Tanzania:** As part of the South-South cooperation that PEI aims to facilitate, the Kenyan PEI team visited Tanzania in September 2006 to learn from the Tanzanian experience of mainstreaming environment. The key elements in the Tanzanian success in mainstreaming environment were identified and a list of follow-up actions for Kenya agreed on.

³ Cross-sectoral national committee, chaired by the PS for MPND, charged with the responsibility to prepare a national environment action plan, drawing from District and Provincial Environment Action Plans for consideration and approval by Parliament.





- **Improved Donor Coordination:** Clarity between donors on relationships and coordination modalities between technical assistance programmes working with MPND, MENR, NEMA and other institutions under the EMCA has been achieved. Preliminary modalities were elaborated between DFID, UNDP, UNEP, Danida/Sida and EC on coordination between their respective technical assistance programmes. PEI played a central role in achieving this, including facilitating a donor harmonisation workshop on the request of MENR. The Technical Advisors from the respective programmes are now in place and are working very closely together, including having weekly meetings. PEI and the Danida/Sida programme are working in tandem, particularly with regard to support to MENR, demonstrating how two programmes can supplement each other and achieve real synergies.

LESSONS LEARNED

- It is crucial to clearly demonstrate the links between poverty and environment at the national level in language familiar to planners and policy-makers.
- Restrained Government capacity needs to be planned for carefully when assisting in moving mainstreaming processes forward while ensuring full Government leadership and ownership of the process.
- Given limited financial and time resources, there is a need to have a clear programme focus and clearly prioritize activities. Linking to an ongoing policy and planning processes such as the elaboration of a policy is helpful in providing such a focus.

WAY FORWARD

- Sustained support to environmental mainstreaming, including creating links with the Public Service Reform programme and its mainstreaming agenda.
- Support harmonization between UNEP and UNDP procedures, in line with UN reform processes, to improve collaboration and project delivery.





MALI

BASIC FACTS

- Started in April 2005, Phase I ending in December 2006, Phase II to start in 2007.
- A joint initiative between UNEP, UNDP and the Government of Mali.
- Executed by the Government of Mali through national partner institutions, led by the Ministry of Environment and Sanitation (MES) through its National Directorate for Conservation of Nature (DNCN) and the Ministry of Economy and Finance (MEF).
- The project is implemented through DNCN, which leads the process and liaises closely with the other national partners in collaboration with UNDP-Mali.
- Donors: Norway. Funds distributed through UNDP-Mali.
- Total budget for 2005-2006: US\$200,000.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- The 1st PRSP (CSLP) was developed in 2002. The CSLP was the basis for the development of Regional Poverty Reduction Plans implemented at the district level.
- In the 1st CSLP, Sustainable Environmental Management was not highlighted as priority and was barely mentioned.
- In 2006, the second generation of CSLP was developed. It was adopted by the Government on 20/12/06. The PEI country project team has been involved in the CSLP 2 drafting process as one of the PEI national focal points is a representative of the MEF CSLP Unit.
- CSLP 2 recognizes Environment and sustainable management of natural resources as one of the priority areas of intervention for the country.

MAIN ACTIVITIES (PHASE 1)

- Engagements in the CSLP drafting process through participation in various workshops and consultations.
- Training of academics, policy makers, economists and CSOs to the techniques of integrated ecosystem assessment, which will lead to a better understanding of the links between poverty and the environment.
- Identification of the geographical areas where the linkages between Poverty and Environment are the most critical in Mali.

RESULTS TO DATE

- Recognition by GoM of the importance of environmental issues and their link to poverty.
- Increased awareness and improved knowledge base on the links between environment and human well-being through a training on integrated ecosystem assessment and the identification of priority interventions zones for PEI in Mali.





LESSONS LEARNED

- Importance to build up a strong Project Management Unit at country level to ensure a stronger impact on the national and local planning processes and stronger advocacy on national decision makers.
- Importance to develop and implement community-based demonstration projects for sustainable environmental management and improved livelihoods to strengthen advocacy for environmental mainstreaming into national and local development plans.

WAY FORWARD

- Assess the way environment was mainstreamed into CSLP 2 to develop specific recommendations for the annual CSLP review.
- Support the mainstreaming environment into sectoral strategies and the implementation of the CSLP 2.
- Conduct studies to highlight poverty and environment linkages in Mali and implement small community based pilot projects at district level to influence and advocate for environmental mainstreaming.





MAURITANIA

BASIC FACTS

- Started in October 2005, Phase 1 ended in December 2006, Phase 2 to start in 2007.
- A joint initiative between UNEP, UNDP and the Government of Mauritania.
- Executed by the Government of Mauritania through national partner institutions, led by the State Secretariat in charge of the Environment (SEE) and the Ministry of Economic Affairs and Development (MAED).
- The project is implemented through a national coordinator – under the supervision of SEE - who leads the process and liaises closely with the other national partners.
- Donors: Norway. Funds distributed through UNDP Mauritania which also contributes partly to the funding.
- Total budget for 2005-2006: US\$240,000 (UNEP-Norway: US\$200,000, UNDP-Mauritania: US\$40,000).

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- The 1st PRSP was developed in 2002. It was the basis for the development of the regional Plans for Poverty Reduction implemented at the district level.
- In 2004-2005, a National Environmental Action Plan (PANE) was developed which was approved and adopted in 2006.
- In 2006, the second generation of CSLP has been developed. The PEI country project team was involved in the development of CSLP 2 and made contributions towards mainstreaming the environment.
- CSLP 2 recognizes Environment and sustainable management of natural resources as a cross cutting issue through its National Integrated Strategy for Environmental Protection and Regeneration (SNIPER).

MAIN ACTIVITIES

- Engagement in the CSLP process by participation in various workshops and consultations.
- Training of academics, policy makers, economists and CSOs to techniques of integrated ecosystem assessment, which will lead to a better understanding of the links between poverty and the environment.

RESULTS TO DATE

- The development of the national environmental action plan (PANE) has been strongly supported by PEI.
- Recognition by GoM of the importance of environmental issues and their link to poverty.
- Increased awareness and improved knowledge base on the links between environment and human well-being through the training on integrated ecosystem assessment.





LESSONS LEARNED

- Importance to develop and implement community based demonstration projects - *for sustainable environmental management and the improvement living conditions* - to strengthen advocacy for environmental mainstreaming into national and local development plans.
- Importance of involving all relevant stakeholders in order to achieve better results by turning our objectives into the main priorities of the different Government bodies.
- There is a need for constant follow-up at country level to insure a fair implementation rate and keep our support from the relevant decision-makers.

WAY FORWARD

- Support environmental mainstreaming in sectoral strategies and the implementation of the CSLP 2.
- Conduct studies to highlight poverty and environment linkages in Mali and implement small community-based pilot projects at district level to influence and advocate for environmental mainstreaming into national and local development planning processes.





MOZAMBIQUE

BASIC FACTS

- Started in September 2005.
- The Government of Mozambique (GoM), through the Ministry for the Coordination of Environmental Affairs (MICOA) is responsible for programme implementation and coordination.
- The main national partners are: MICOA, the Ministry of Planning and Development (MPD), UNDP Mozambique and the NGO Terra Viva.
- Donors: Belgium and Norway. Funds are distributed through MICOA.
- Total budget for 2005-2007: US\$566,145. Phase 2 funding has been secured from Ireland.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- Mozambique's first PRSP, the National Action Plan for the Reduction of Absolute Poverty (PARPA), was completed in 2001. The PARPA II was completed in 2006 and is for the period 2006-2009. Environment is treated as a cross-cutting issue in the three pillars of PARPA II.
- In 2003, a civil society group supported by UNDP and other partners completed Agenda 2025, a strategic exercise of reflecti the future of Mozambique. Agenda 2025 includes a chapter on Rural development as well as a chapter 'Environment, Urban Development and Quality of Life'.
- In 2005 Mozambique published a national report on the Millennium Development Goals that highlighted the limited progress towards achievement of MDG7. The Government of Mozambique envisages that the use of natural resources has to fulfill the basic needs of the people and development of the nation in equilibrium with economic growth, technology development, environmental protection and social equity.
- Mozambique does not have a separate MDG implementation plan but considers PARPA II to be the country's MDG implementation plan.
- Every year the Government prepares an Economic and Social Plan (PES) to guide the implementation of the PARPA. PEI in Mozambique aims to build capacity of Government, especially at provincial and district level, to integrate environment in the development of the PES.

MAIN ACTIVITIES

- MICOA has coordinated the work of the PARPA reflection group. This group defined sectoral needs to address the environmental issues within PARPA and the Strategic Development Plans at Provincial Level. The reflection group includes civil society, Government, donors and private sector.
- A national consultant has developed indicators that have been used by MPD as input for the indicators that will monitor progress of the environmental goals of PARPA II.
- A national consultant has prepared a study that outlines relevant policies, projects, institutional arrangements related to poverty and environment and describing the importance of ecosystem services for human well-being in Mozambique.
- MICOA, MPD and UNDP have developed criteria and a scoring system for demonstration projects, highlighting the importance of the environment for human well-being at the local level. A number of





proposals have been positively reviewed by UNDP, MICOA and MPD. So far, four projects have received financial support.

- A Media workshop has been held in Nampula (Northern Mozambique). Purpose of this workshop was to increase journalists' knowledge on the linkages between poverty and environment, to discuss with them the role of the media in the raising of awareness on these issues and to come with ideas on how the media can be used to strengthen general awareness on the links between poverty and environment.
- Capacity-building on the links between poverty and environment and on the mainstreaming of environment into PARPA-implementation at the provincial level is an important component of the project. To that effect, capacity building workshops for provincial and district level Government and CSO representatives are being organized by a team of MICOA, MPD and Centro Terra Viva. So far these workshops have been held in six provinces. UNDP Mozambique will now also join the organizing teams. MPD is taking the lead in preparation of training materials for use at the provincial and district level (expected to be ready early 2007).

RESULTS TO DATE

- The so-called "reflection group" has been successful in bringing together all actors with an interest in mainstreaming environment in PARPA II.
- Following the capacity building workshop in the province Inhumbane, this province was able to include environmental aspects in their PES 2007 (note: Inhumbane was the first province where this workshop was being held).
- Indicators developed with support of PEI will help to monitor progress on the environmental targets of PARPA II.

LESSONS LEARNED

- The "reflection group" focused specifically on the integration of environment in the PARPA II. After the completion of PARPA II the "reflection group" lost momentum. The group is also seen as running the risk of being driven too much by MICOA, there's no real ownership of other members.
- Need for improved coordination and communication within Government institutions, especially MICOA;
- Important to mix policy-level activities with concrete activities (media, demonstration projects).

WAY FORWARD

- Work towards full integration of PEI, on-going UNDP DDC programme 'mainstreaming environment into national and local national development strategies' and (to be developed) UNDP-UNEP Environment and the MDGs programme.
- Provide additional support to and capacity building of the Government of Mozambique on environment and development.
- Build capacity of local government authorities to integrate environment into provincial and district development planning.





RWANDA

BASIC FACTS

- The PEI in Rwanda was introduced at a national workshop in February 2005.
- Rwanda PEI Phase 1 was, subsequently, developed jointly by the Government of Rwanda (GoR), UNEP and UNDP through a Task Team and in consultation with a range of other national stakeholders and international development partners.
- The Task Team includes members from the Ministry of Environment, Lands, Water, Forestry and Mines (MINITERE), Rwanda Environment Management Authority (REMA), Ministry of Finance and Economic Planning (MINECOFIN), Ministry of Local Governance (MINALOC), Ministry of Agriculture (MINAGRI) and Ministry of Infrastructure (MININFRA).
- Rwanda PEI has a two-phased approach. The main purpose of the first phase is to ensure the integration of environment into Rwanda's new PRSP, the Economic Development and Poverty Reduction Strategy (EDPRS). Phase 2 will be articulated around Rwanda's medium-term needs, namely capacity building for sound environmental management at the local, district, and national level, in collaboration with other ongoing initiatives to enable the implementation of the EDPRS and its expected environmental commitments.
- Started in December 2005, Phase 1 is designed to run parallel to the EDPRS process scheduled to end in May 2007.
- The project is executed by GoR through MINITERE and implemented by REMA with direct support from UNDP and UNEP. A Project Management Unit, composed of an International Technical Advisor and a National Project Manager, assists in the delivery of PEI activities under the overall guidance of the Director-General of REMA who acts as Project Coordinator.
- Donors: Belgium, DFID, European Commission, Norway, UNDP Rwanda. Funds are distributed through UNDP Rwanda.
- Total budget for Phase 1: US\$610,000. Phase 2 funding has been secured from Ireland.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- Rwanda's "Vision 2020" is the country's overarching national planning and policy framework into which other plans and policies should fit. Developed in 1999, the Vision 2020 document recognizes that the environment cannot be tackled in isolation. The document states that Rwanda will endeavor to "mainstream the environmental aspect in all policies and programmes of education, sensitization and development and in all the processes of decision-making".
- Rwanda's first PRSP, launched in 2002, did not adequately integrate environmental issues and their impact on the well-being of the poor, and consequently the planning process did not adequately address sustainable natural resource management. The Government of Rwanda requested assistance in mainstreaming environment into the second PRSP, the Economic Development and Poverty Reduction Strategy (EDPRS).
- REMA is chairing the Environment and Land Use Management Sector Working Group (SWG).





- PEI is heavily engaged in the EDPRS process and playing a crucial role in supporting the work of both the Environment and Land Use Management Sector Working Group (SWG) and the Cross-cutting Issues SWG.

MAIN ACTIVITIES

- Development of a knowledge base on poverty-environment linkages in Rwanda through an economic analysis of costs of environmental degradation, identification of poverty-environment-energy linkages, and a pilot integrated ecosystem assessment (IEA).
- Development of environmental mainstreaming tools for the EDPRS process: (1) Guidelines for mainstreaming of environment into the EDPRS and sectoral strategies; (2) Guidance brief for inclusion of poverty-environment indicators in EDPRS.
- Environment-for-development media events (mainly radio programmes) to sustain the visibility of the mainstreaming agenda and raise public awareness about poverty and environment linkages.
- Increase stakeholder participation, mainly through a Stakeholder Consultative Group comprising individuals from the private sector, academia and NGOs.
- Capacity building through training workshops in e.g. integrated ecosystem assessment, indicator development and on-the-job training and technical support by the PEI Technical Advisor and National Project Manager.

RESULTS TO DATE

- Establishment of a cross-ministerial Task Team and a Stakeholder Consultative Group ensuring effective stakeholder consultation and strong collaboration between GoR, UNEP and UNDP.
- Compelling advocacy papers and knowledge base on poverty and environment linkages produced:
 - Analysis of PRSP I and its integration of environment, including recommendations for PRSP II.
 - Poverty-Environment-Energy Concept Paper and Policy Brief.
 - Environmental checklists to guide integration of environment into sector strategies.
 - Guidelines for mainstreaming environment.
 - Economic Analysis of the cost of natural resource degradation.
 - Various briefing notes to MINECOFIN about the relevance of environment to national development objectives.
 - Guidance on poverty-environment indicators.
- Environment included as both a cross-cutting issue and an independent sector in the EDPRS. The evidence and lobbying activities provided by PEI was instrumental in achieving this.
- Pilot integrated ecosystem assessment conducted by a multi-disciplinary assessment team providing new information about ecosystem and human well-being links in Rwanda. The assessment results have already proven useful for advocacy work related to the new EDPRS.
- PEI ensured the participation of environment mainstreaming specialists in the logframe development process conducted by each sector further facilitating the integration of environment across all sectors.

LESSONS LEARNED

- Involvement of key stakeholders from the very start of programme development ensures broad ownership and improves the efficiency and effectiveness of project implementation.





- It is crucial to clearly demonstrate the links between poverty and environment at the national level in a language familiar to planners and policymakers. Assessments such as economic analysis of environmental degradation or IEA are essential in convincing policy-makers about the importance and benefits of sustainable natural resource management.
- It is necessary to provide sustained support over a longer period. PEI-Rwanda's strong and continuous engagement in the EDPRS development ensures better mainstreaming results by closely monitoring the process and responding to arising needs and specific questions from the different sectors as and when they occur.
- The production of tools such as mainstreaming guidelines, sector-specific environmental checklists and poverty-environment indicators provides concrete guidance to the sectors and relevant Ministries and facilitates the mainstreaming process.
- An adequately staffed PEI project management unit is crucial for the achievement of the goals.

WAY FORWARD

- Continuous support and monitoring of the EDPRS process for environmental mainstreaming until its finalization.
- Development of PEI Phase 2 to support the implementation of EDPRS and provide capacity building.





TANZANIA

BASIC FACTS

- Started in October 2003, Phase 1 ending in December 2006, Phase 2 to start in 2007.
- Prepared jointly by the Government of Tanzania (GoT) and UNDP; UNEP joined in the end of 2004.
- Executed by GoT through national partner institutions, led by the Vice-President's Office (VPO) / Department of Environment (DoE).
- The main national partners are: the Poverty Eradication Division (PED) of the Ministry of Planning, Economy and Empowerment, the National Environmental Management Council (NEMC), the National Bureau of Statistics (NBS) and the Prime Minister's Office/Regional Administration and Local Government (PMO-RALG).
- Donors: Belgium, Danida, DFID, European Commission, Norway, UNDP Tanzania. Funds are distributed through UNDP Tanzania.
- Total budget (for 2003-2006): US\$2,930,000.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- The first PRSP was developed in 2000. A national Poverty Monitoring System (PMS) was set up as an integral part of the strategy in order to facilitate the evaluation of progress towards poverty reduction. Environment was recognized in the paper as a cross-cutting issue, but the profound linkages between poverty and environment in the country were not adequately addressed.
- In 2001 the GoT/VPO initiated a process aimed at integrating environment into the PRS process, including the PMS and Medium-Term Expenditure Framework (MTEF). The PEI programme originated on a request by the VPO to UNDP for assistance in this process.

MAIN ACTIVITIES

- Engagement in the PRS review process, including: production of guidelines for mainstreaming of environment into the PRS process, budget guidelines, etc.; Public Expenditure Review on environment; organization and participation of various workshops and consultations.
- Establishment of the Environmental Working Group chaired by VPO with sectors, CSOs, private sector and development partners as members.
- Support to key stakeholders to enter the PRS process.
- Development of poverty-environment indicators.
- Development of mainstreaming guidelines for sectors and local authorities.
- Training of sector agencies, district planning officers and CSOs.
- Support to information dissemination and awareness raising activities.
- Technical advice to VPO (Poverty Environment Adviser).

RESULTS TO DATE





- Environmental concerns have been integrated into all three clusters of MKUKUTA: 16 out of 96 development targets are related to environment.
- Incorporation of ten poverty-environment indicators into the Poverty Monitoring System, comprising of 60 different indicators.
- The successful integration of environment into MKUKUTA and PMS paves the way for the implementation in different sectors and at the district level, because MKUKUTA will be the overarching framework in the national budget process as well as in sectoral and district level planning for next five years.
- In the process, the significance of environmental problems for poverty has been confirmed. Instead of framing the environmental issues as those of 'environmental protection', separate from other concerns, they are now expressed as relevant challenges to livelihoods, vulnerability, health and economic growth.
- The PEI programme enabled different environmental actors to engage in the PRS review process and work together, laying a foundation for future co-operation. The programme has also had a significant role in disseminating the MKUKUTA to civil society actors across the country.
- Increased awareness and improved knowledge base on poverty-environment linkages through a Public Expenditure Review on environment, development of poverty-environment indicators, and introduction of the integrated ecosystem assessment methodology.
- The PEI programme supported drafting of new environmental legislation: Environmental Management Act (EMA) was enacted in 2004. Further support was given to the implementation of EMA with a focus on dissemination and strengthening the capacity of key institutions.
- The PEI programme has been able to respond to capacity building needs of the national implementing agencies (VPO, NEMC, local government authorities). The fact that the programme was implemented with a minimum of extra human resources has necessitated effective incorporation of the activities into planning, decision-making and operational processes of the participating agencies.

LESSONS LEARNED

- Making the case for environment in the framework of wider challenges: Poverty reduction provided a focus to operationalize the discussion of the importance of environmental sustainability, making it practical, concrete and real rather than an abstract issue.
- Establishing an entry point: As national planning, decision making and consensus building tool, MKUKUTA provided the basis for getting agreement on the relevance of environmental issues for national development goals.
- Importance of involving different stakeholders and bringing them together.
- Support focused on government body responsible for PRS.
- Advantage of having poverty and environment policy under one roof: During the PRS review process, VPO hosted both the Poverty Eradication Division and the Division of Environment.
- Need to provide sustained support over relevant period.
- Focus on implementation mechanism: incorporation of poverty-environment indicators into the monitoring system.

WAY FORWARD

- Building capacity of local government authorities to integrate environment into district development planning.





- Moving from 'making general case' to 'committing to specific action': mainstreaming environment in sectoral programmes.
- Tackling under-investment in environmental assets: better economic analysis and business models for pro-poor environmental investments.





UGANDA

BASIC FACTS

- Started in March 2005. Phase 1 work plan completed, Phase 2 to start in 2007.
- The Government of Uganda (GoU), through the National Environment Management Authority (NEMA), is responsible for the implementation and coordination of the project.
- The main national partners are: NEMA, the Ministry of Finance, Planning and Economic Development (MFPED), Makerere University Institute of Environment and Natural Resources (MUIENR) and three NGOs: Advocate Coalition for Development and Environment (ACODE), Uganda Environment Education Foundation (UEEF) and Environment Alert.
- A multi-sectoral National Steering Committee was established. This Committee provides guidance to the implementation of the project. In addition a Technical Committee provides technical input and guidance to the implementation of the planned project activities. The Technical Committee has representatives from Government, civil society, the private sector and academia.
- Donors: Belgium and Norway. Funds are distributed through NEMA. Though not an official supporter to the project, UNDP Uganda is increasingly involved in the PEI in Uganda.
- Total budget (for 2005-2006): US\$220,401.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- The policy and legal framework for addressing environmental issues in Uganda has been evolving particularly after its National Environment Action Plan (NEAP) process (1990-1995).
- The first Poverty Eradication Action Plan (PEAP) was developed in 1997. It was reviewed in 2000 and again in 2004.
- The 2000 PEAP identified poverty reduction not just in terms of increasing incomes but also through broadening livelihood-related choices and including the quality of life for the poor.
- The 2004 PEAP offers a serious attempt to understand the role of the environment in terms of a fiscal contribution to the economy. The 2004 PEAP also includes environment related priority actions in all five pillars.
- Phase 2 of the PEI in Uganda will focus on environmental mainstreaming in implementation of the PEAP at national, district and sub-county levels.

MAIN ACTIVITIES

- Review of the existing poverty reduction policies, plans and programmes and projects for their adequacy in addressing environmental concerns, identifying gaps and suggesting recommendations for improved environmental mainstreaming.
- Training of civil society organizations on poverty-environment linkages.
- Country report on ecosystems, their services and linkages to human well-being.
- A number of key CSOs provide input to the project through training, advocacy and awareness-raising – including ACODE, Environmental Alert and the Uganda Environment Education Foundation (UEEF).





- A multidisciplinary team has been undertaking an integrated ecosystem assessment (using the Millennium Ecosystem Assessment methodology) in Lake Kyogo catchment.
- Three micro projects at the local level demonstrating the importance of poverty-environment linkages for poverty reduction and human well-being have been identified and supported: rainwater harvesting and conservation for crop and livestock watering during drought seasons; household promotion of energy-saving cookstove use; promotion of sustainable agriculture practices and fruit tree planting to improve food security and livelihoods.

RESULTS TO DATE

- Reviews done under the PEI helped to highlight the gap between mainstreaming of environment in policies and the lack of implementation, especially at the sub-national level.
- Increased public awareness on poverty-environment linkages through a number of activities, including a preliminary presentation of the integrated ecosystem assessment on national television during which the documentary prepared by CSOs provided background information.
- Commitments by 13 Districts to address environmental issues by developing and implementing district environmental ordinances and by-laws.
- Members of the Parliamentary Committee on Natural Resources have committed themselves to advocate for increase in budget allocation to the environment.

LESSONS LEARNED

- Risk of duplication of studies and activities. An impressive amount of information, analysis and guidelines is available but implementation lags behind.
- Importance of active support of several partners, including Ministry of Finance, Planning and Economic Development, CSOs and UNDP Uganda.
- Uganda has a reasonably good policy, legal and institutional framework for environmental mainstreaming, but to what extent is environment considered and budgeted for when PEAP is being implemented at the district and sub-county level?
- Given limited financial and time resources, need to focus and clearly prioritize.
- Link to ongoing processes – such as the PEAP review and the budget cycle – helps to provide focus.
- Need for the Government of Uganda to strengthen and harmonize the PEI with the activities of implementing institutions such that it does not look like an outside or additional activity but part of their day-to-day schedules.

WAY FORWARD

- Secure active staff support from MFPED and UNDP Uganda.
- Explore opportunities for additional financial support from other donors, possibly merging programmes.
- Develop a Phase 2 of the PEI that has a clear focus and a realistic time frame and which looks beyond the mere integration of environment in policies and plans but to implementation, budgetary allocations and making a difference on the ground.





BHUTAN

BASIC FACTS

- The country has so far done very well to maintain a generally intact environment while making significant socio-economic progress, but environmental conservation is becoming a challenge as the country opens up to meet new development needs of a growing and modernizing population.
- Project to introduce environmental mainstreaming concepts to line Ministries and other government agencies, through a programme of three activities focused primarily on awareness raising, capacity building and production of sectoral guidelines.
- The project will be implemented over a period of one year beginning in February 2007.
- This Project Document has been prepared in close consultation with the Ministry of Planning and Investment (MPI), key sector agencies, and a range of international development partners.
- The project will be executed under the National Execution (NEX) procedures with the National Environment Commission (NEC) serving as the lead executing agency. A Project Management Unit (PMU) at NEC will oversee the project.
- Donors: UNDP, Danida, with UNEP support.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- As with previous five year plans for the development of Bhutan, the overall thrust of the Tenth Five Year Plan is to improve the quality of life of the people through the development philosophy of Gross National Happiness (GNH).
- Section 2.1.2 ('overall goal and key strategies') in the "Guidelines for Preparation of the Tenth Plan (2007-2012)" prepared by the Planning Commission clearly states that "poverty reduction will be the main development priority for the Tenth Plan" with the goal to reduce the proportion of population living below the poverty line from 31.7% to 20%.
- Section 2.3.4 of the Guidelines which states that, "environment is a cross-cutting issue that is intimately intertwined with poverty reduction." Hence all "sectors, agencies, Dzongkhags and gewogs should mainstream environmental issues in all policies, plans, programmes and projects and build adequate mitigation measures to minimize any adverse impact on the environment."
- The National Environment Commission hosted workshops for line Ministries in July and September 2006 in conjunction with UNDP and the Planning Commission Secretariat to mainstream environment in national programmes.
- The September 2006 workshop recommended NEC and Planning Commission to take up issues raised during the workshop and seek financial assistance to support the environmental mainstreaming initiative.
- Agreed in December 2006 that the main instrument for collaboration should be the agreed framework of the UNDAF that was endorsed by the Royal Government of Bhutan on 27 November, and that the focus would be on the UNDAF period 2008-2012, but that activities and outputs would be identified for 2007.

MAIN ACTIVITIES (PHASE 1)





- Awareness-raising workshops and training for relevant Ministries/agencies to make environmental mainstreaming an integral part of the work of Ministry/Agencies/Dzongkhags and Gewogs when they develop new policy, plans, projects or programmes including Five Year Plans.
- Capacity building of relevant stakeholders involved in the mainstreaming programme through participation in tailor-made courses within the SEA region.
- Strengthening of environment mainstreaming tools by drafting and publishing sectoral environmental mainstreaming guidelines that would assist agencies to take account of environmental issues in developing plans, programmes and policies.





VIETNAM

BASIC FACTS

- Programme on strengthening Government capacity to integrate environment and poverty reduction goals into policy frameworks for sustainable development.
- Started in 2005 and will last a period of four years, terminating activities in 2009.
- Prepared in close consultation with the Ministry of Planning and Investment (MPI), key sector agencies, and a range of international development partners.
- Executed by the Ministry of Natural Resources and Environment (MONRE).
- The project is implemented through the Ministry of Natural Resources and Environment (MONRE).
- Donors: UNDP/DFID, PEI Global and Government, with in kind contributions from the Government of Viet Nam equaling US\$250,000.
- Total budget for 2005-2009: US\$3,700,000.

CONTEXT FOR POVERTY-ENVIRONMENT MAINSTREAMING

- Though the Government of Viet Nam has made considerable progress in establishing an overall strategic framework for sustainable development, including the *National Orientation Strategy on Sustainable Development* (National Agenda 21), the *National Strategy for Environmental Protection and Vision until 2020* (NSEP) and the *Comprehensive Poverty Reduction and Growth Strategy* (CPRGS), important policy and institutional gaps remain, and significant capacity constraints at all levels of society threaten to undermine strategy implementation and the achievement of sustainable development outcomes.
- These strategic frameworks need to be fully consistent with the *Socio-Economic Development Strategy* (SEDS) 2001-2010, and linkages between sector strategies need to be strengthened in, for example, the *Social Economic Development Plan 2006-2010*.
- Need to expand efforts to mainstream environmental and sustainable natural resource use concerns into sector strategies and sector development planning.
- Poverty reduction concerns need to be mainstreamed into environmental and natural resource management policies and activities.

MAIN ACTIVITIES (PHASE 1)

- Improving knowledge and awareness within government and civil society of barriers, capacities and opportunities for natural resource use and environmental protection to contribute to national goals, targets and strategies for poverty reduction and sustainable development.
- Strengthening institutional capacity to monitor and report on poverty-environment indicators and outcomes, and use those data effectively.
- Strengthening institutional mechanisms and capacity to integrate poverty and environmental concerns into development policy and planning frameworks – (i) across MONRE, MPI and sector Ministries; (ii) between MONRE and DONREs; and (iii) across Provincial departments.





- Strengthening capacity in MONRE to set strategic priorities and develop policy and legal instruments that encourage environmental protection and natural resource use and support poverty reduction and improved equality.
- Strengthening institutional capacity of MONRE to coordinate donor support within a programmatic framework, regarding natural resource use and environmental, and links to poverty reduction.

RESULTS TO DATE

- Integration of pro-poor principles into the environmental legal frameworks, including new Law on Environmental Protection (LEP) 2005, Biodiversity Law (under development), the Decree 67/TTg on the water charges by the Prime Minister.
- Contribution to integrate environmental goals and poverty reduction concerns into 5-year Socio Economic Development Plan (2006-2010) and into 5-year plan for the natural resources and environment (NRE) sector (2006-2010); Planning for integrating poverty reduction goals into and development of a sustainable development plan for NRE sector (NRE sectoral Agenda 21).
- Scoping and planning for analyzing existing information and best practices on poverty-environment linkages, identifying gaps in knowledge and policies, and developing model for piloting and up-scaling for investments and improvement of policies.
- Scoping and planning for analyzing existing information on monitoring and reporting on poverty-environment links and indenting gaps in order to develop a set of p-e indicators for incorporation into the system of national accounts (SNA)-indicators.
- Planning for developing a strategic roadmap for policy and legislative reform of the NRE sector.
- Successful in co-organization with UNDESA for an inter-regional workshop “Poverty-environment Nexus – Building Institutional Capacity” to share knowledge and experiences.

LESSONS LEARNED

- Dealing with two cross-cutting issues: poverty and environment is a challenging task for the government and sustainable development practioners. Poverty-environment links is new and hard to find good expertise on both subjects.
- Cross-sectoral collaboration and support is essential to promote poverty-environmental links. It has been difficult and challenging to keep interests and commitment of participating stakeholders.

WAY FORWARD

- Undertaking a comprehensive analysis of poverty-environment links and best practices in order to promote understanding. Development of poverty-environment models for replicating in pilot provinces.
- Promoting up-take of the best practices and implementing a policy roadmap reform to address policy gaps and mainstream poverty reduction and environmental goals into policy frameworks and development plans (sectoral and provincial).
- Developing poverty-environment indicators for improvement of monitoring and reporting on poverty reduction and environment status.
- Promoting economic instruments for environmental protection while ensuring pro-poor growth.



ANNEX 2

Results and Resources Framework (2007-2011)

Intended Outcome: Improved national capacity to integrate the environmental concerns of poor and vulnerable groups into national planning and policy frameworks and implementation plans for poverty reduction, pro-poor growth and achievement of the MDGs.

Partnership Strategy: At country level, poverty-environment programmes will provide a comprehensive framework for mobilizing stakeholders and catalyzing partnerships around a country-owned poverty-environment agenda, leading to improved harmonization and coordination of interventions and joint programming on priority poverty-environment issues. Regional and global analysis, advocacy and knowledge networking will engage a range of partners through formal agreements and collaborative activities – including governments, regional organizations, national and international NGOs, and other centers of excellence. The Poverty-Environment Partnership will provide a key entry point for interaction with bilateral and multilateral development agencies.





RESULTS	OUTPUTS	ACTIVITIES	PARTNERS
<p>Improved collaboration between environmental agencies, planning/finance agencies and key donors on identifying entry point for mainstreaming.</p> <p>Improved understanding of governance and capacity issues affecting potential to mainstream successfully.</p> <p>Agreements on key actions needed to mainstream environment into national development planning process.</p>	<p>Delivery of Country Level Preparation Phase:</p> <ul style="list-style-type: none"> ■ Africa: 9 ■ Asia: 11 ■ Other: 5 	<p>Joint UNDP-UNEP work to assess feasibility of country level mainstreaming programmes.</p> <p>Design and implement Preparation Phase in collaboration with government, UNDP CO and donor coordination mechanisms – resulting in agreed workplan for Phase 1.</p> <p><i>Typical cost: \$80,000/country</i></p>	<p>Government Planning/Finance Agencies</p> <p>Environment Agencies</p> <p>UNDP Country Offices</p> <p>Country Based Donors</p>
<p>Improved understanding of contribution of environment to poverty reduction and growth at country level.</p> <p>Improved awareness of poverty-environment linkages within planning/finance ministries.</p> <p>Improved representation of environmental stakeholders.</p> <p>Improved representation of environmental actors in key</p>	<p>Delivery of country-led Mainstreaming Programmes – Phase 1</p> <ul style="list-style-type: none"> ■ Africa: 7 ■ Asia: 9 ■ Other: 2 	<p>Joint UNDP-UNEP work to design and implement Country-led Mainstreaming Programme Phase 1 (in countries where Preparation Phase has been successfully completed) – in partnership with lead government agency, key donors and UNDP CO.</p> <p>Phase 1 – focus on successful mainstreaming of environment at selected entry point, e.g. preparation of PRSP or 5 year development plan and/or</p>	<p>Government Planning/Finance Agencies</p> <p>Environment Agencies</p> <p>UNDP Country Offices</p> <p>Country Based Donors</p>





RESULTS	OUTPUTS	ACTIVITIES	PARTNERS
<p>planning processes, e.g. PRSP.</p> <p>Inclusion of environmental issues in national development plans and budget allocations.</p> <p>More sustainable poverty reduction and growth targets and implementation strategies.</p>		<p>implementation/budget stages:</p> <ul style="list-style-type: none"> ■ Process definition; ■ Governance issues; ■ Technical and economic analysis; ■ Stakeholder involvement; ■ Mainstreaming mechanisms and tools; ■ Capacity constraints; ■ Phase 2 needs assessment. <p><i>Typical cost \$750,000/country</i></p>	
<p>Improved capacity for environmental mainstreaming at the country level – both environment and planning/finance and key sectoral agencies.</p> <p>Environment mainstreamed into sectoral implementation and budgeting processes.</p> <p>Increased environmental investment targets and improved financing strategy.</p>	<p>Launch of Country-led Mainstreaming Programmes – Phase 2</p> <ul style="list-style-type: none"> ■ Africa: 10 ■ Asia: 4 ■ Other: 3 	<p>Joint UNDP-UNEP work to design, provide seed funds, mobilize donor funds and support implementation of Country-led Mainstreaming Programme Phase 2 (in countries where Phase 1 has been successfully completed) – in partnership with lead government agencies, UNDP CO and key donors.</p> <p>Phase 2 – focus on sustained capacity building and implementation support following initial mainstreaming into key planning process:</p> <ul style="list-style-type: none"> ■ Capacity building and best practice; ■ Pilot projects; 	<p>Government Planning/Finance Agencies</p> <p>Environment Agencies</p> <p>UNDP Country Offices</p> <p>Country Based Donors</p>





RESULTS	OUTPUTS	ACTIVITIES	PARTNERS
		<ul style="list-style-type: none"> ■ Implementation mechanism; ■ Budget processes; ■ Sector programmes; ■ CSO involvement; ■ Indicators and monitoring; ■ Sustainable financing for development. <p><i>Typical PEI seed funding: \$500,000/country</i></p>	
<p>Alignment of MDG-S process with current or past environmental mainstreaming initiatives.</p> <p>Integration of environment into selecting priority interventions, targets and investment needs within Needs Assessment.</p> <p>Improved opportunities to identify mainstreaming entry points.</p>	<p>Integration of environmental mainstreaming into MDG-S country roll-outs.</p>	<p>Develop collaboration with UNDP MDG-S teams in regions to integrate environment into MDG-S country programmes:</p> <ul style="list-style-type: none"> ■ Joint missions to priority countries; ■ Joint effort to integrate environment into MDG-S Needs Assessment steps; ■ Joint effort to develop mainstreaming entry points in MDG-S priority countries. 	<p>Government Planning/Finance Agencies</p> <p>Environment Agencies</p>
<p>Effective partnership between UNDP-UNEP at regional level. Alignment with regional approach within UN.</p> <p>Greater capacity at regional level to support Preparation and Phase 1.</p> <p>Greater access to delivery capacity</p>	<p>Joint Regional Support Programmes in Africa and Asia.</p> <p>Strengthened Regional Communities of Practice in Africa and Asia.</p>	<p>Set up PEI Regional Support Programmes:</p> <ul style="list-style-type: none"> ■ Africa: combine existing UNEP team with proportion of UNDP environment advisors and planned MDG-S capacity; ■ Asia: combine UNEP ROAP staff with proportion of UNDP Regional Centre and MDG-S environmental staff; ■ Investigate potential in 	<p>Regional Knowledge and Practitioner organizations</p>





RESULTS	OUTPUTS	ACTIVITIES	PARTNERS
at the regional level.		Europe/CIS and LAC. Identify at the regional level other development, research and consulting institutions and establish mechanisms for partnerships.	
Effective collection, synthesis and distribution of good practice guidance and global delivery of technical assistance where appropriate.	Provision of global advisory services to regional support programmes and to countries. Knowledge management system established. Best practice tools developed.	Establish global advisory team, drawing on existing staff and experts within partner organizations. Collect and synthesize country level experience and information exchange mechanisms. Develop appropriate best practice guidance tailored to regional context.	Global knowledge and practitioner organizations
Closer cooperation with key donors and practitioners willing to support PEI leading to more comprehensive and coherent overall programme.	Partnership with key donors. Partnership with key practitioner organizations.	Establish and maintain partnership with key bilateral and multilateral donors to support and collaborate with Programme. Establish and maintain partnership with key practitioner organizations to inform and strengthen delivery capacity within Programme.	PEP members
Resources available for scaling up to enable more country programmes to be launched.	Funds mobilized.	Mobilize global funds from key donors; mobilize funds at regional level; develop strategy for country programme funding.	PEP members





RESULTS	OUTPUTS	ACTIVITIES	PARTNERS
<p>Concretization of UNDP-UNEP partnership with joint contribution of staff and resources to enable programme to be coordinated and managed.</p> <p>Service provision to regional "customers".</p> <p>Effective governance and representation on Technical Advisory Group.</p>	<p>Joint UNDP-UNEP global programme management and coordination established.</p> <p>Global programme governance established.</p>	<p>Set up joint UNDP-UNEP Poverty-Environment Facility in Nairobi – UNDP and UNEP to allocate staff and administrative support.</p> <p>Set up Board and Technical Advisory Group.</p>	





ANNEX 3

Phased Workplan and Budget (2007-2011)

PHASED WORKPLAN

ACTIVITY	2007	2008	2009-2011
Country Preparation Phase	<p>Africa: Identify candidate countries based on demand (from government and UNDP CO); entry point; roll-out of MDG-S; and “One country” pilot countries. Particular focus on priority MDG-S countries (3 countries).</p> <p>Asia: Identify candidate countries based on demand (from government and UNDP CO); entry point; roll-out of MDG-S; and “One country” pilot countries – priority countries identified at UNDP/UNEP/UNESCAP/ADB Regional Workshop, March 07 (2 countries).</p> <p>Other: n/a</p>	<p>Africa: Continue process of identifying candidate countries and launching preparation activities (3 countries).</p> <p>Asia: Continue process of identifying candidate countries and launching preparation activities (3 countries).</p> <p>Other: Identify candidate countries in LAC and Central Europe/CIS and launching preparation activities (2 countries).</p>	<p>Africa: Continue process of identifying candidate countries and launching preparation activities (3 countries @ 1 per year).</p> <p>Asia: Continue process of identifying candidate countries and launching preparation activities (5 countries over 3 years).</p> <p>Other: Continue process of identifying candidate countries and launching preparation activities (3 countries @ 1 per year).</p>
Country Phase 1	Africa: Based on outcomes of	Africa: Based on outcomes of	Africa: Based on outcomes of





ACTIVITY	2007	2008	2009-2011
Programmes	<p>preparation phase, launch Phase 1 country programmes on the basis of successful preparation phase (1 country).</p> <p>Asia: Based on outcomes of preparation phase, launch Phase 1 country programmes on the basis of successful preparation phase (1 country).</p> <p>Other: n/a</p>	<p>preparation phase, launch Phase 1 country programmes on the basis of successful preparation phase (3 countries).</p> <p>Asia: Based on outcomes of preparation phase, launch Phase 1 country programmes on the basis of successful preparation phase (2 countries).</p> <p>Other: n/a</p>	<p>preparation phase, launch Phase 1 country programmes on the basis of successful preparation phase (3 countries @ 1 per year).</p> <p>Asia: Based on outcomes of preparation phase, launch Phase 1 country programmes on the basis of successful preparation phase (5 countries over 3 years).</p> <p>Other: Based on outcomes of preparation phase, launch Phase 1 country programmes on the basis of successful preparation phase (3 countries @ 1 per year).</p>
Country Phase 2 Programmes – seed funds	<p>Africa: Based on successful completion of Phase 1 operations, provide seed funds for Phase 2 operations and mobilize funds from UNDP CO and key donors (3 countries).</p> <p>Asia: n/a</p>	<p>Africa: Based on successful completion of Phase 1 operations, provide seed funds for Phase 2 operations and mobilize funds from UNDP CO and key donors (4 countries).</p> <p>Asia: Based on successful completion of Phase 1 operations, provide seed funds for Phase 2 operations and mobilize funds from UNDP CO and key donors (1 country).</p>	<p>Africa: Based on successful completion of Phase 1 operations, provide seed funds for Phase 2 operations and mobilize funds from UNDP CO and key donors (3 countries).</p> <p>Asia: Based on successful completion of Phase 1 operations, provide seed funds for Phase 2 operations and mobilize funds from UNDP CO and key donors (3 countries).</p>





ACTIVITY	2007	2008	2009-2011
	Other: n/a	Other: n/a	Other: Based on successful completion of Phase 1 operations, provide seed funds for Phase 2 operations and mobilize funds from UNDP CO and key donors (3 countries).
Regional Communities of Practice	Provide support for establishing effective regional communities of practice, based on UNDP and UNEP regional staff plus regional sources of delivery expertise.		
Knowledge Management and Dissemination	Develop guidance, methods and best practice materials based on experience from wide range of sources to support countries at different stages of mainstreaming; develop effective dissemination mechanisms.		
Global Coordination and Advisory Services	Provide coordination at the global level (donors, partners, practitioners) and provide process and technical advisory support in response to demand from regions and countries for delivery of country programmes.		
Joint UNDP-UNEP Facility (set-up)	Establish Joint UNDP-UNEP Facility based in Nairobi in early 2007, with key staff contributed by UNDP and UNEP to provide support to regions and countries, and to coordinate resource mobilization, partnerships and knowledge management.		

Note: Work plan includes new commitments from donors to support launch of Phase 2 country operations in 2 countries in Africa, based on existing Phase 1 operations. Other commitments are under discussion for launching preparation phases in new African and Asian countries.





BUDGET

ACTIVITY	2007	2008	2009-2011	TOTAL
Country Preparation Phase - \$80,000/country	Africa 3 Asia 3 <u>Other 0</u> 480,000	Africa 3 Asia 3 <u>Other 2</u> 640,000	Africa 3 Asia 5 <u>Other 3</u> 880,000	2,000,000
Country Phase 1 Programmes - \$750,000/country	Africa 1 Asia 1 <u>Other 0</u> 1,500,000	Africa 3 Asia 2 <u>Other 0</u> 3,750,000	Africa 3 Asia 6 <u>Other 2</u> 8,250,000	13,500,000
Country Phase 2 Programmes (seed funds) - \$500,000/country	Africa 3 Asia 0 <u>Other 0</u> 1,500,000	Africa 4 Asia 1 <u>Other 0</u> 2,500,000	Africa 3 Asia 3 <u>Other 3</u> 4,500,000	8,500,000
Regional Communities of Practice - \$250,000/region	Africa Asia <u>Other</u> 750,000	Africa Asia <u>Other</u> 750,000	Africa Asia <u>Other</u> 2,250,000	3,750,000
Knowledge Management and Dissemination	250,000	250,000	750,000	1,250,000
Global Coordination and Advisory Services	250,000	250,000	750,000	1,250,000





ACTIVITY	2007	2008	2009-2011	TOTAL
Joint UNDP-UNEP PE Facility – set-up costs	250,000	250,000	0	500,000
Sub-Total	4,980,000	8,390,000	17,380,000	30,750,000
General Management Support (7%)	374,839	631,505	1,308,172	2,314,516
TOTAL	5,354,839	9,021,505	18,688,172	33,064,516

