

# PEI Mali

## Theory of Change

### 2014-2017



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### Context and Problem Statement

In Mali, 70% of the population relies on environmental and natural resources (ENR) for their livelihoods; subsistence agriculture is the main activity and source of income for 80 % of the active population. Mali ranks 179 out of 187 on the Human Development Index (2015). Gender inequality is a significant contributing factor to this ranking. The country is particularly vulnerable to land degradation and climate change and variability. The cost of environmental degradation has been estimated at 21.3% of GDP. Furthermore, the political and security crisis since 2012 negatively impacted GDP growth, which was 0% in 2012 and 1.7% in 2013, and contributed to increasing poverty rates from 41.5% in 2011 to 46.9% in 2014. Following the 2015 peace agreement, the Government has prioritized inclusive economic growth throughout the country. However, there is insufficient coherence between national and sector policies, plans and budgets contributing to a "silo" approach that undermines the implementation of coordinated programmes at national and local levels.

### Barriers Analysis

The problem identified above is driven by three key gaps:

1. Lack of policy coherence and coordination mechanisms between government institutions responsible for pro-poor ENR management.
2. Weak governmental institutional capacity for sustainable and pro-poor ENR policy design and efficient implementation across government entities.
3. Inadequate or weak budget and financing (quantity, quality and prioritization) to promote pro-poor ENR use.

### Project Objective and Assumption

#### Objective

Improved implementation of development goals through better integration of P-E linkages in policies, plans and associated budgetary frameworks for better use of natural resources as a key component in the fight against poverty.

#### Assumptions

That inclusive and sustainable ENR management can be achieved if planning and budget processes better integrate P-E objectives and are better coordinated across sectors and if awareness and capacities at all levels to formulate and implement such policies are strengthened.

## PEI Interventions

In response to the identified gaps and lessons learnt from PEI's experience in Mali, PEI focuses on awareness raising and capacity building in two key areas:

Improved institutional capacities for integrating P-E nexus into national development policies and strategies in support of pro-poor environmental sustainability.

Improved budgetary planning and allocation mechanisms and public expenditure frameworks that integrated P-E-C-Gender are institutionalized.

## Progress

National Development Plans: CSRP (2012-2016) and CREDD (2016-2018) integrate pro-poor environmental sustainability and climate objectives.

Institutionalization of Strategic Environmental Assessment following completion of SEAs of the agriculture, mining and energy sectors.

Integration of climate into local policy, budgeting and monitoring processes in 20 districts.

Integration of P-E linkages in four sector (Water, Environment, Urbanization and State Land) medium-term budgeting process (MTEF) for 2015-2016.

## Remaining Interventions

Support the Ministry of Economy and Finance (MEF) to develop P-E-Gender-CC indicators to assist MEF to monitor the new development plan.

Support to the MESSD to review the national Environment Policy in order to improve the inclusion of P-E linkages.

Build capacities at national sectoral and selected local districts in integrating P-E-G-CC objectives in planning and budgets issues.

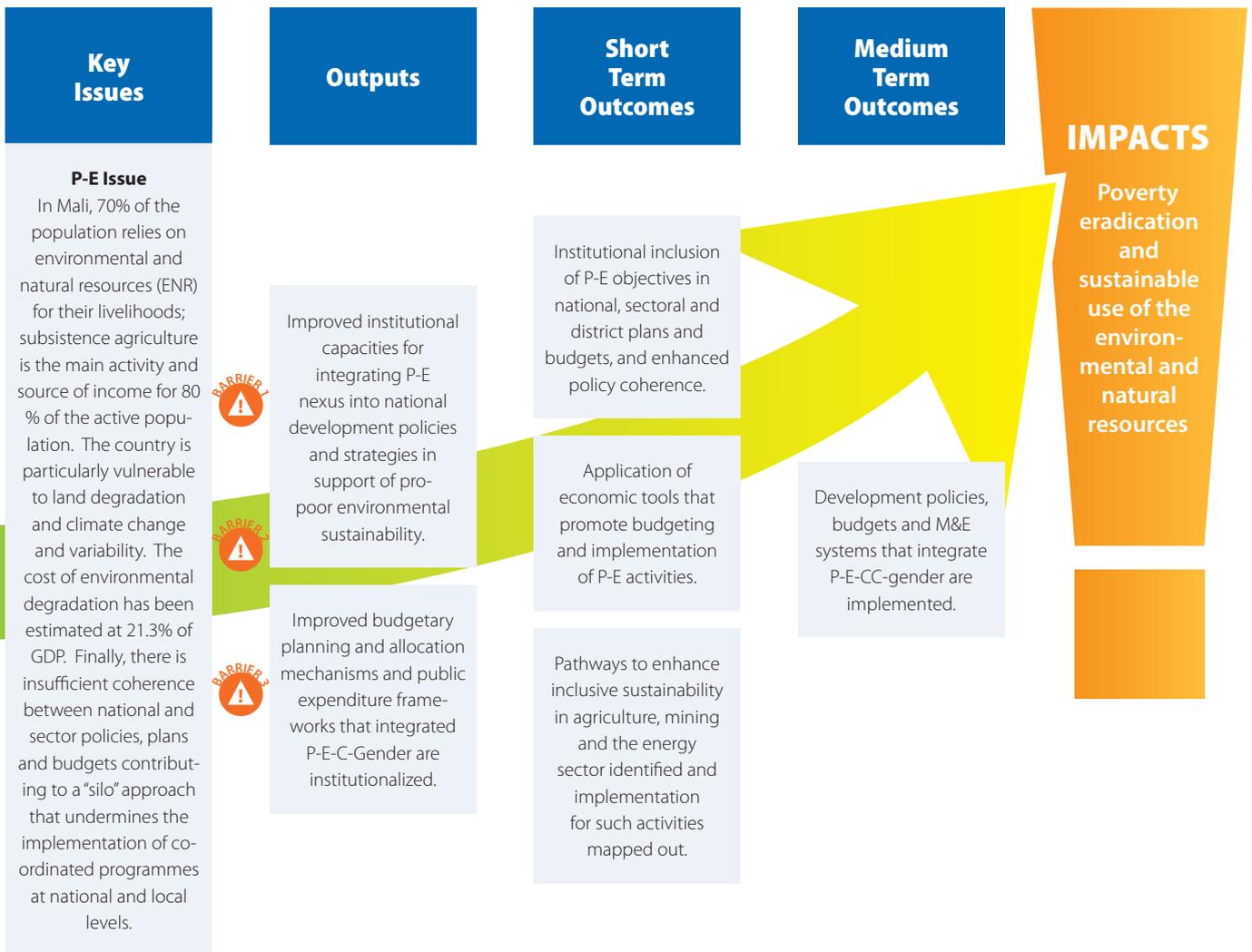
Continue to support the MEF in order to influence MTEFs of key ministries to increase pro-poor budget allocations.

Specifically target the agriculture, mining and extractives sector by examining the impact of the sectors on the P-E nexus and opportunities to increase revenues from more sustainable ENR use in a way that reduces poverty.

## Annex: ToC Diagram

### Assumptions

That inclusive and sustainable ENR management can be achieved if planning and budget processes better integrate P-E objectives and are better coordinated across sectors and if awareness and capacities at all levels to formulate and implement such policies are strengthened.



**Barriers:** 1) Policy coherence and coordination mechanisms 2) Institutional capacity for ENR policy design and implementation 3) Budget and financing (quantity, quality, and prioritization)