

MOZAMBIQUE

BASIC FACTS ABOUT PEI MOZAMBIQUE

Timescale: Phase I-II 2005-2013, Phase III: 2014-2017.

Partners: Ministry of Finance and Economy and Ministry of Land, Environment and Rural Development (former MICOA) and various sector ministries including women and social affairs and mining as well as UNDP Country Office.

Focus: Enhance the implementation of pro-poor sustainability through national development and budget frameworks to ensure that sustainable and effective management of natural resources benefit all people in Mozambique, in particular the most vulnerable.

MAINSTREAMING CONTEXT

In Mozambique a large proportion of the population is dependent on the environment for their daily livelihoods. However, widespread environmental degradation is decreasing the social and economic benefits derived by the poor from land and other natural resources. The result is a steady decline in well-being among vulnerable groups throughout Mozambique and delays in achieving national development goals.

MAIN ACTIVITIES

Support integration of poverty-environment linkages into national and sector plans and in particular the five year government programme 2015-2019 and sector annual social economic plans. Review the application of the cross-cutting matrix which includes guidance on environment and gender mainstreaming to identify areas of improvement for further mainstreaming efforts.

Support the capacity building of the Ministry of Finance to better be able to integrate and monitor poverty-environment and natural resource objectives in budget frameworks and increase the revenue potential from more sustainable natural resource management for poverty reduction (including gender).

Support mechanisms for poverty-environment sector coordination including support to sector environmental units and focal points

Undertake analytical studies to improve awareness about the poverty-environment nexus and assess key sector policy and planning frameworks to identify poverty-environment linkages, gaps and institutional capacity to address these.

ACHIEVEMENTS

Integration of poverty-environment objectives in Mozambique's Poverty Reduction Strategy, the Five-Year Government Programme 2010-2014 and the UNDAF resulting from successful demonstration of the links between national development, poverty reduction and sustainability through various PEI supported studies.

9 sector annual and social economic plans include poverty-environment objectives resulting from PEI support to MICOA's environment unit meetings and capacity building of sector environment focal points. This has further led to increased funding for implementation of pro-poor environmental objectives for several sector ministries (Mining, Women and Social Affairs, Energy, Health, Tourism, Fisheries).

Improved levels of coordination and dialogue between key institutions for example Ministries of Planning and Environment provide uniform guidance to sectors regarding the importance and processes for mainstreaming cross-cutting issues through the use of a 'Mainstreaming Matrix'. The environment unit meetings have further become an established routine procedures for MICOA to ensure that sectors take pro-poor environmental sustainability into account in their planning and budget processes.

The total amount of public funds spent on environment has significantly increased between 2008 and 2014 (from MTZ 312,405 million to MTZ 787,629) while the environment expenditure in relation to the total government spending has remained between 0.2-0.5 %.

Following recommendations from the PEI supported Public Environment Expenditure Review, the Ministry of Finance opened up a new budget classification code related to climate change and MICOA decided to test the feasibility to use a wider range of the available budget codes, including those related to land management and physical and environment planning in 2013. By using the climate change budget code MICOA's recorded expenditure on climate change has according to a preliminary analysis been recorded to MZN 26,439.56 million equivalents to \$857,038.34 in 2014

Danida commits US\$2.75 million for environmental and climate change activities at the national and subnational level. The Government of Mozambique allocates matching funds for the integration of poverty-environment issues in provincial social and economic annual plans and the UNDP Africa Adaptation Programme joins forces with the Ministry of Environment to upscale the work to 11 provinces.

Local natural resource management committees have gained enhanced capacity to influence the development of local climate change mitigation and adaptation actions with particular attention to women's role in climate and natural resource management which have helped to strengthen community resilience towards environment and climate change.

Riverbank erosion and related community relocations have been prevented in Zambezia and increased agriculture production and incomes (+318,200MT/Annually) for farmers in Gaza province have been obtained as a result of PEI supported demonstration projects

LESSONS LEARNED

In order to achieve sustainable poverty-environment mainstreaming results it is crucial to work through ministries of planning and finance and improve the coordination and communication within and between government institutions and develop their long-term capacities.

Poverty-environment mainstreaming is a long term process and to ensure implementation of such objectives in national development plans enhanced attention to budgetary processes is required.

WAY FORWARD

Continue with a full country PEI programme in 2014-2017 led for the first time by the Ministry of Finance and Economy with an enhanced focus on budget and planning processes as well as poverty and gender aspects of poverty-environment mainstreaming. The PEI project component has been fully integrated into the UN Mozambique framework 'Sustainable management of Natural resources for Resilient and Equitable development' (SUNRED).