# **URUGUAY**

## BASIC FACTS ABOUT PEI URUGUAY

Timescale: Preparatory Phase (2009). Phase I (2010–2013). The programme was successfully completed in 2013.

Partners: Planning and Budget Office; Ministry of Housing, Land Use Planning and the Environment; Ministry of Social Development; Municipality of Montevideo.

Focus: increased efficiency of public policies by mainstreaming environment into development planning and poverty reduction, strengthen institutional capacities to effectively mainstream the environment into development planning, budgets, sector plans and poverty reduction activities.

#### MAINSTREAMING CONTEXT

Uruguay is primarily an urban society. More than 90% of the population live in urban areas and 40% live in the capital, Montevideo. In 2010 one out of every five Uruguayans was poor. Pressure on natural resources and environmental goods and services will continue to increase; this pressure, combined with climate change, will increase uncertainties and risks for the population. National development planning has been regularly dissociated with integration of poverty and environment linkages as a way to increase the impact of social policy.

## MAIN ACTIVITIES

Determine key poverty-environment synergies in policy making with emphasis on the interface between health, environmental quality, income levels and waste management.

Design and implement awareness-raising campaigns on poverty-environment issues in key urban and rural sectors to build national consensus and commitment around them.

Build local technical and institutional capacities in partner institutions of government to mainstream poverty-environment linkages into development plans and poverty reduction strategies.

Facilitate the mainstreaming of poverty-environment linkages into key sectoral plans and then the submission of mainstreamed poverty-environment plans into the five-year national budget and its annual reviews by the respective government partners.

## ACHIEVEMENTS

The Ministry of Social Development applied a six-fold budget increase to support the integration of poverty-environment linkages into development policies for poverty, environment and waste management initiatives over five years; from US\$350,000 in 2010 to US\$ 2.15 million in 2014.

The Office of Planning and Budget (OPP) redesigned the mission and structure of its Development Strategies and Investment Policies Area to ensure the wider integration of environmental sustainability in poverty reduction programmes and institutional mandates.

The recent change of Uruguay's waste management systems, the so-called Packaging Law, has improved social inclusion. For the first time, waste recyclers in Uruguay are recognized by national law - giving them the right to decent working conditions, stable salaries and social protection. It has facilitated the establishment of cooperatives of recyclers and so far has achieved a 17% recovery rate of solid waste.

In coordination with this work at the policy level, informal recyclers from the Ave Fénix recycling cooperative are now able to have formal jobs, avoid exposure to dangerous waste, and have increased incomes and access social security. The capital city of Montevideo, where almost 30,000 people work in the informal waste collection live in chronic poverty, is implementing the Packaging Law, thus scaling up this positive experience. The Packaging Law has also set the pace in the design phase of the Solid Waste Law which also will have social inclusion as one of its main pillars.

As result of the positive progress made so far, the National Secretariat of Planning and Development in Ecuador and the Office of Planning and Budget of Uruguay developed an implementation work plan under a bilateral framework agreement to promote the exchange of experiences and expertise to strengthen institutional capacity for poverty-environment mainstreaming.

The support that PEI has provided to the OPP/AEDPI/ASEG is recognized as innovative and strategic, attaining the institutionalization of the environment variable in the process of evaluation of the national projects included in the SNIP.

SNIP team capacities have been improved and environmental criteria, indicators and monitoring system included into the public projects investment selection system.

## LESSONS LEARNED

The PEI programmatic approach should be carried out with flexibility and in response to local needs; this is particularly important during the scoping and preparatory phases.

To create incidence into public policies projects should work both at the technical level and political levels. This has been achieved in Uruguay while working with the Packaging Law.

Political changes and legislative reforms must be taken into account while planning as political transitions and changes can have important impacts in project activities.

#### WAY FORWARD

The project ended in 2013 with positive results and PEI has capitalized the experiences learned from this project. South-South exchanges and triangular cooperation on this basis are being promoted. For example, the Peru PEI project benefited from these lessons and experiences by incorporating them into both its design and implementation processes.