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Poverty Environment Initiative (PEI) Asia Pacific Regional Meeting
13-14 June, 2009, Bangkok, Thailand

Final Report on Poverty Environment Initiative (PEI) Asia Pacific Regional Meeting



I. Summary

The Poverty Environment Initiative (PEI) Asia Pacific Regional Meeting was held in Bangkok, Thailand on 13-15 June, 2009. The meeting was attended by around 70 participants representing finance, planning, local government and environment government agencies across the region and UNDP Country Offices, UNEP Regional Office for Asia and the Pacific, UNDP Regional Centre in Bangkok and the UNDP/UNEP Poverty Environment Facility in Nairobi. Participants could share PEI experiences at the country level with focus on emerging issues of decentralization, private investment and climate change and practical mainstreaming tools such as participatory and spatial planning, economic analysis and environmental assessment. The workshop concluded with countries envisioning their next steps for poverty-environment mainstreaming.

II. Workshop Objectives

The objectives of this PEI regional meeting were to:

- Exchange ideas and experiences in poverty-environment mainstreaming with a focus on emerging issues such as decentralization, private investment and climate change
- Examine existing and potential partnerships with development agencies and UN agencies, the problems encountered and ideas for better coordination between donors
- Build on past experiences and the tools gained from this workshop to envision next steps for poverty-environment mainstreaming with PEI support

III. Participants and Organisers

Participants from various government agencies involved in development planning, finance and environmental management in Bangladesh, Bhutan, Lao PDR, Nepal, Papua New Guinea, Thailand, Timor-Leste and Viet Nam attended the meeting. UN staff who were present at the workshop belonged to the UNDP Country Offices of Afghanistan, Bangladesh, Bhutan, Cambodia, China, Kyrgyzstan, Lao PDR, Pakistan, Papua New Guinea, Philippines, Sri Lanka, Tajikistan, Thailand, the UNDP Regional Centre in Bangkok, the UNEP Regional Office for Asia and the Pacific, UNDP Pacific Centre and the UNDP/UNEP Poverty Environment Facility in Nairobi. Altogether, 70 participants attended the workshop. The names and contact details of the participants are provided in Annex I. The workshop was organized by the UNDP/UNEP Regional PEI Team in Bangkok.

IV. Background

PEI Asia-Pacific is part of the global PEI coordinated by the UN Poverty Environment Facility (PEF) in Nairobi. It links with wider UN reform and donor harmonization through the multi-donor Poverty Environment Partnership (PEP). The PEI approach focuses on improving the livelihoods of poor people dependent on natural resources and making them less vulnerable to climate change through integrating environmental concerns into national, sectoral and sub-national economic decision-making and planning processes. PEI works closely with planning and finance ministries targeting government processes for planning, budgeting, sector implementation and local level implementation and provides sustained operational support for country-led poverty-environment mainstreaming programmes. PEI complements UN Country programmes in supporting the national government. The PEI regional team in Bangkok provides technical and in some cases financial support to activities underway in Bangladesh, Bhutan, Cambodia, Lao PDR, Nepal, Pakistan, Philippines, Papua New Guinea, Thailand, Timor-Leste and Viet Nam.

V. Agenda

A detailed workshop agenda is provided in Annex II.

VI. Workshop Proceedings

Session 1: Overview of Poverty Environment Initiative in Asia-Pacific and Meeting Objectives

Mr. Young-Woo Park, Regional Director of UNEP Regional Office for Asia and the Pacific, opened the workshop stressing the importance of national ownership in combating poverty through environmental sustainability and called for effective partnerships among countries and development partners. He conveyed the urgency for reversing the degradation of ecosystem services which are vital for economic growth and livelihoods of the poor in the region.

Mr. Sanath Ranawana, joint manager of the PEI Asia-Pacific Programme, introduced the PEI programme and the status of PEI implementation in the region. The PEI programme promotes technical and financial support to countries to integrate pro-poor environmental considerations in planning and economic decision making processes. Natural resources and environmental assets make up a significant part of the national wealth of developing countries in this region and poor people depend more on natural resources in terms of livelihood. A World Bank study in 2005 showed that natural assets in low income countries constituted 26% of total wealth versus 2% in industrialized nations. Moreover, if the indirect benefits of the environment are taken into account, the contribution of natural capital to GDP is even higher. Despite this, investment in environmental protection often accounts for less than 1% of public expenditure

in the region. The programmatic approach of PEI assess the key environmental issues affecting the poor and makes the case for policy makers for why the environment is important for poverty reduction by creating awareness, building partnerships and using technical expertise and tools to support mainstreaming and institutional capacity building. The emerging entry points from implementing PEI in this region are local governments, private investment, and climate change through linking with ongoing programmes.

Session 2: Local Government and Poverty Environment Mainstreaming

Panel Presentations

Mr. Dandu Raj Ghimmire, Under Secretary, Ministry of Local Government, Nepal, described the decentralized planning practices in place since 1999 which include a three tier local governing body system at the village, municipal and district levels. The central government is a facilitator and provides resources and guidelines for local authorities to follow. Local governing bodies are elected and have to plan, implement and monitor their own initiatives. They are required to make annual and biannual plans and report regularly to the central level on a quarterly and biannual basis. These bodies can mobilize their own resources through international assistance, local communities and private enterprises. National policies in Nepal typically address poverty reduction and environmental protection separately.

Mr. Phuntsho Wangyel, Gross National Happiness Commission (GNHC), Bhutan, stressed the importance of environmental conservation to Bhutan, and that the constitution states that 60% of land must be under forest cover at all times. 23% of the population lives in poverty and of that, 98% is rural based. Furthermore, 78% of the total population depends on agriculture for subsistence. There are environmental institutions at both the central ministerial level and the local level, and from now on, the government will dedicate 30% of the central budget to local governments. The GNHC is planning to implement environment mainstreaming guidelines. One of the problems faced is that all environmental concerns are directed to environmental agencies as other agencies feel it is not in their mandate to address such issues. Bhutan was the first country where the PEI country programme was developed. PEI supported participatory poverty assessment in ten villages identified in the Rural Economic Advancement Programme. Current efforts are underway to develop a template for Village Development Plans that address poverty and environment issues in an integrated way.

Khun Suchada Wattana, Ministry of Interior (Mol), Thailand, explained the existing governance system and planning system in Thailand. In terms of governance, there are 21 central ministries, deconcentration to provinces and districts and decentralization with various form of local administrations. In terms of planning, Thailand has a five-year national planning system, a new provincial level planning system, a provincial cluster planning system and a local planning system. It is the role of the Mol to regulate, promote and enhance the local administration and community development to integrate with national strategies, good local governance and address local needs. The Mol also has a role in international arena such as in the ASEAN Ministerial Meeting on Rural Development and Poverty Eradication, the Mol proposed a Project of Grassroots Economic Development and Poverty Alleviation in order to share the experience of grassroots economic development strategy in Thailand among member states. This project comprises of 3 elements: Village and Urban Community Fund (VUCF), Sufficiency Economy Fund (SEF) and the One Tambon One Product Project (OTOP). Mol can facilitate voices of local people on national concerns, and promote international cooperation and south-south learning on good local governance and self-reliance community development. So the Mol could be considered an appropriate entry point for PEI into Thailand.

Discussion

The following issues were highlighted as key elements for local development planning: revenue sharing and revenue maximization for local government and communities; community

awareness raising and participation; guidelines and performance indicators as well as evidence and scientific assessments to ensure the integration of environmental considerations into local planning.

In Nepal, local governments have the right to mobilize national and international resources as stipulated in the Local Government Act. Local means of resources include natural resources, local taxes, excise duties, fees and service taxes. There also exists a resource sharing system whereby revenue from natural resources is collected by the central government and distributed to local bodies and local bodies are bound by law to follow centrally issued guidelines when using those resources. In Thailand, the policy of local and community development includes the mainstreaming of poverty reduction and environmental management. The criteria of some grassroots economic development funds, such as the Sufficiency Economy Fund, are defined to direct funding to specific projects that link poverty reduction to sustainable environmental management. Priya Shyamsundar, Director of SANDEE, commented on the need to devise win-win solutions through revenue at the local level. Local revenue generation through natural resources should be maximized while integrating sustainability and conservation criteria.

The need for guidelines encouraging community and stakeholder participation in planning processes was highlighted. The role of central bodies in providing policy guidance, resources and policy initiatives to local bodies as well as devising measures to ensure environmental protection receives adequate funds at the local level was stressed. In Bangladesh, local communities have been mobilized through local user groups, NGO's and Public-Private Partnerships (PPP) while in Bhutan district environment committees have raised awareness. The challenge of coordination across line ministries at the local level was noted.

Session 3: Private Investment and Poverty Environment Mainstreaming

Panel Presentations

The chair, Mr. Rui Hanjam, Vice Minister, Ministry of Finance, Timor-Leste, described PEI as a multi-stakeholder initiative and noted the important role of the private sector in the poverty environment mainstreaming process.

Mr. Manothong Vongsay, Deputy Director General, Investment Promotion Department, Ministry of Planning and Investment (MPI), Lao PDR, explained that his department promoted investment, approved investment projects including investment concession agreements, especially in the area of natural resources such as agriculture and hydropower. In the course of appraisals and negotiations, there is no systematic approach for incorporating the environment and it is currently done on a case-by-case basis. The PEI programme will help develop a systematic and consistent mechanism for incorporating the pro-poor environment criteria into the private investment appraisal, approval and monitoring processes.

Mr. John Tuaim, Department of Treasury, Papua New Guinea (PNG), mentioned that PNG is highly dependant on non-renewable resources, particularly mining, oil and gas. Most of these industries are located in rural areas, where majority of the population is poor. PNG has recently entered into an agreement on constructing an LNG plant, and it is projected the GDP will double when the project is underway. The country now needs to decide how the money will be allocated. It is important to include land owners in the planning process as almost 90% of the land is owned by private land owners and the state only owns about 3%. The government is taking the next step to mainstream poverty and environment so that the resources can be used effectively to tackle these issues. Mr. Vargini Badiri, Department of National Planning and Monitoring, highlighted that the national policy to mainstream environment into the public and private sector uses a sector-wide approach, and that the environment has been incorporated into the budget. Mr. Michael Bongro, Department of

Environment and Conservation, said that the department is improving the use of Environmental Impact Assessments (EIAs) to address environmental impacts of private sector development.

Mr. Guo Yinfeng, UNDP China Country Office, stressed that the Chinese government has learnt from external foreign investment is that it can be energy intensive and polluting unless properly regulated. As a result of the most recent discussions, China will limit the introduction of foreign investment in energy intensive industries. In terms of its own overseas Chinese investment, following the National State Congress Initiative, the Ministry of Environmental Protection is preparing regulatory measures to reduce the environmental impact of outward Chinese investment. This will be achieved by upholding international standards, reviewing all environmental impacts before a project is implemented and providing compensation for environmental degradation at the local level. In order for these measures to be successful, there is a need for implementation measures and institutional capacity to review investments.

Discussion

The discussions highlighted the importance of preventing and minimizing environmental impacts of private investment through EIA process and incentives and environmental stewardship for responsible investment. Revenue generated from private investment needs to be also allocated to social and environmental purposes and rehabilitation and compensation need to be included as follow-up measures to monitoring. In PNG, different development activities require different levels of environmental impact studies, but all investors have to develop resettlement and compensation plans for affected communities. The development of international standards in the mining and hydropower sectors in Lao PDR has allowed for more responsible investment, but they are lacking in sectors such as agricultural plantations. Participants noted the difficulty governments have in monitoring and enforcing plans submitted by the private sector and China's example of compensating local governments for environmental degradation was highlighted as an effective enforcement method. To ensure future compliance of laws, 30 large-scale projects that were implemented without undergoing proper EIA processes in China were stopped.

Session 4: Climate and Poverty Mainstreaming

Panel Presentations

Mr. Fakrul Ahsan, Chief, General Economic Division, Planning Commission, Bangladesh, emphasized that Bangladesh is likely to be one of the worst victims of climate change: Bangladesh is only 4 meters above sea level and houses 150 million people. 40% of the population are poor, down from 58% in 1991-1992. Bangladesh is currently implementing its 3rd PRSP, of which the first priority is poverty reduction and also important is environmental management. All public projects addressing these issues are implemented under the Annual Development Plan. At the grassroots level, environmental committees exist at the district, sub-district and union (consisting of five-six villages) levels that oversee all private and public sector projects in that area. A national committee oversees national climate and environment issues. Last year's budget dedicated about \$45 million of government funds to address climate change, but implementation remains a challenge.

Mr. Cristiano de Costa, Vice Minister, Ministry of Economy and Development, Timor-Leste, emphasized Timor-Leste's strong international political commitment towards environmental issues seen by its Millennium Development Goals, the ratification of the Kyoto Protocol in 2008 and three Multilateral Environment Agreements. At the domestic level, bilateral and trilateral corporations have been established in partnership with the UN and bilateral donors. The ministry is in the preparatory, mapping and planning phases of integrating the rural sector with the management of the environment sector. The government's long term plan is to

develop an Integrated Master Plan of which one of the ten areas is an Integrated Rural Development Plan.

Mr. Dao Xuan Lai, UNDP Viet Nam Country Office, commended Viet Nam's achievement in reducing poverty from 58% in the 1990's to 20% recently. Viet Nam is predicted to be among the worst affected countries by the rise in sea level and this is now receiving high level political priority. It was one of the first countries to benefit from the Poverty Environment Project which is due to end in 2009. In Viet Nam, the Ministry of Environment as PEI focal point has certain limits to ensuring effective inter-sectoral coordination.

Discussion

The discussions covered the following key issues: institutional arrangement for inter-sectoral coordination; climate change mitigation opportunities for poverty-environment mainstreaming; local ownership; co-relation between poverty, environment, and climate change; and adaptation mainstreaming cases. Climate was successfully mainstreamed in Malawi by having the Ministry of Economic Planning and Development as the lead agency. UNDP Viet Nam is developing environmental priorities for the MPI to include in their next ten year plan. Climate change is being integrated in the agricultural and forestry sectors, which were deemed important by the National Development Plan in Cambodia. An Office of Climate Change and a National Executive Council has been established in PNG to coordinate with development partners and line-agencies. In Bangladesh, local Risk Reduction Funds support local communities and Community Adaptation Strategies have been adopted by many villages that have engaged in innovative practices such as using floating agriculture in water-logged areas.

Session 5: Tools and Approaches for Mainstreaming: What Works and Why?

There were three break-out groups led by the following individuals:

1. Participatory and Spatial Planning

Nicola Crosta, UNCDF; Phansiri Winichagoon, UNDP Thailand; Sanath Ranawana, UNEP

2. Economic Analysis and Fiscal Reform

Priya Shyamsundar, SANDEE; Orapan Nabangchang, EEPSEA; Paul Steele, UNDP

3. Environment Assessment

Anna-Maria Stabrawa and Seon-Mi Choi, UNEP; Henrieta Martonakova, UNDP Bratislava

Session 6: Report Back of Break-Out Groups and Knowledge Management

Panel Presentations

Group 1 – Participatory and Spatial Planning

The group stressed that decentralization is required because there is a need for more coherence between policies and territories and amongst policies for cross-cutting objectives to be addressed. These processes are easier at the local level. Decentralization is a process of de-concentration, delegation and devolution. In Cambodia, funds are used as incentives for resource management, and communities receive national support to deal with illegal activities outside the scope of local authorities such as illegal logging. There needs to be both a top-down and bottom-up approach to planning to ensure community participation as well as facilitation and the communication of national priorities. It needs to be ensured that agendas are not donor driven.

Group 2 – Economic Analysis and Fiscal Reform

The group was given a presentation on public expenditure reviews and environmental fiscal reform during the break-out session. The report back session highlighted that in most developing countries, there is a mechanism for ploughing the revenue generated from the use of natural resources back towards environmental improvement, however, the mechanism is ineffective due to management failure, lack of enforcement, top-down planning without the support of communities or political indifference. Environmental fiscal reforms can be used to provide revenue to local governments and to create incentives for households to sustain their own natural resources.

Group 3-Environment Assessment

The group discussed Integrated Environmental Assessment, Strategic Environmental Assessment and the Environmental Impact Assessment. Successes in environmental assessment include dedicating appropriate funds to undertake, review and monitor adequate types of environmental assessments. EIAs have been legislatively mandated in most countries but the enforcement and monitoring of EIAs has been ineffective in most countries due to the lack of human and financial enforcement capacity, transparency and coordination, and the low awareness and priority given to them. There is a need to align environmental and poverty assessments during the planning stage to identify the most appropriate agency to lead environmental assessment and to change mindsets.

Knowledge Management

Ms. Sophie DeConnick, Poverty Environment Facility, introduced a set of different knowledge products produced by PEF on the PEF website www.unpei.org including the Handbook for Practitioners, which offers step-by-step guidance for finding entry points, making the case, mainstreaming linkages into policy processes and meeting implementation challenges; the Economic Primer, which uses specific economic evidence from developing countries to make the case; and templates of programme documents, terms of references and past studies. Primers on private sector investment, environmental law, and natural resource law in the context of poverty reduction as well as a database of experts who have good credentials with supporting PEI country efforts are being developed. A moderated mailing list, pei-net@groups.undp.org, is available to respond to queries and share experience. Learning opportunities include training of poverty-environment mainstreaming 'champions'.

Session 7: Learning From Other Types of Mainstreaming

Panel Presentations

Ms. Roohi Metcalfe, UNDP Gender and Governance Specialist, UNDP Regional Centre in Bangkok, discussed mainstreaming tools to achieve gender equality in the political, technical and cultural spheres. In the political domain, it is difficult to convince governments to generate resources, and there is a need to get firm commitments from stakeholders. In the technical sphere, there is a need to build an evidence base and develop a baseline so stakeholders understand why certain steps are being taken. This is more difficult in gender mainstreaming as it attempts to change attitudes and cultural sensitivity is needed.

Mr. Gabor Vereczi, Regional Technical Advisor for climate change adaptation, UNDP Pacific Centre, noted that enabling activities under the UN Climate Change Convention, such as National Adaptation Plan of Action (NAPA) and National Communications are possible entry points for integrating climate change into planning processes as they should guide governments in policy planning and build capacity to assess vulnerabilities. Institutions are being created with high level political control, such as the Climate Change Office in PNG that reports to the Prime Minister. Many line ministries need to be involved since climate change is a cross-cutting issue, but there needs to be central coordination. Donors are increasingly

trying to mainstream climate in their portfolios and but there is a need for coordination, such as Action Plan for the Pacific Islands Framework for Action on Climate change (2006-2015), that aligns all interventions in that region.

Ms. Sisavanh Didaravong Ministry of Planning and Investment, Lao PDR, highlighted that the 7th National Social and Economic Development Plan (NSEDP) is looking at how climate change and poverty-environment issues can be mainstreamed. A National Steering Committee on Climate Change has been established under the Office of the Prime Minister involving the MPI, and the first step to mainstreaming is for planners to understand what is occurring. Environmental indicators in the NSEDP are weak compared to economic and social indicators and need to be developed. There is also the need for participatory planning to strengthen local capacity and include communities in environmental planning. Furthermore, the NSEDP aims to achieve gender equality according to the MDGs by 2015 and increase the number of women in the National Assembly.

Discussion

The challenge of translating internationally driven development and environmental agenda into nationally and locally owned strategies and actions was raised. Gender mainstreaming experiences proved to be successful in this regard due to the use of sound analysis, evidence and funding to convince the government and the publication 'Gender and Climate Change' was mentioned as a useful tool for gender and climate change mainstreaming.

Session 8: Measuring Outcomes and Indicators for Mainstreaming

Panel Presentations

The chair, Mr Philip Dobie, Director, Poverty Environment Facility, emphasized the need for accountability for funds to donors. The challenge of accountability is to improve the baseline and indicators to monitor progress. To succeed, progress should be monitored on a regular basis, and evaluations should be used as learning processes.

Mr. Nguyen Trung Thang, Ministry of Environment and Natural Resources and project manager of PEP, Viet Nam, explained that they had developed indicators of the spatial dimension of poverty-environment based on the location of the "environmental poor" or people whose poverty is linked to environmental factors eg coastal, uplands, drylands, urban etc. Information regarding Viet Nam's process of determining indicators is available on the PEP Viet Nam website. The section titled 'Lessons Learnt' in the PEI scale-up document also includes useful recommendations.

Mr. David Smith, Manager, PEI Africa team, presented what has been accomplished and what lessons can be drawn from the PEI Africa experience. An evaluation of the PEI Africa programme has been conducted and the PEI global scale-up will have a mid-term evaluation next year. PEI Africa countries are Kenya, Uganda, Tanzania, Rwanda, Mozambique, Mali and Mauritania. New PEI country programmes are being launched in Burkina Faso, Malawi and Botswana. The achievements of the Africa programme are a significantly improved understanding of how sustainability can help achieve development goals, the inclusion of environmental sustainability in national development plans and increased budgetary allocations for environmental sustainability. He noted that results varied by country and there is a lack of evidence of significant investments in pro-poor sustainable economic development. Key lessons include the need for ownership of programmes by the ministry responsible for planning or finance and donor engagement from the beginning. Economic analysis is an important tool to show how environmentally sustainable natural resources can improve economic and social development and support key sector policy and budgetary development processes.

Discussion

The discussion focused on the inadequate existing capacity for measurement and monitoring practices to develop a greater understanding amongst planning officials of poverty-environment linkages. The baseline developed for GEF projects was found limited for PEI because it is a project-baseline whereas a mainstreaming baseline to show policy progress is needed for PEI. Resources during the preparatory phase of PEI should be directed towards establishing a baseline. It was suggested that new indicators could be piloted and proposed to national governments to be officially enforced. In Viet Nam, greater understanding of poverty-environment linkages was developed by conducting training for planning officials at the national, provincial and sectoral levels.

Session 9: Links to UNDP Practices (poverty, governance, environment and energy, GEF) and UNEP projects

Panel Presentations

The chair, Mr Martin Krause, Environment Practice Team Leader, UNDP RCB, emphasized the need for better information sharing tools, designing programmes that address multiple practice areas and implementing joint programmes with other agencies.

Ms. Linda Norgrove, UNDP Lao PDR Country Office, highlighted that PEI is led by the Ministry of Planning and Investment (MPI) and is being developed in four areas: mainstreaming environment in the NSEDP, private investment, environment and social impact assessment and working with the National Assembly to build technical capacity to revise the legislative framework and environmental laws. PEI is being used as a framework to mainstream the environment within UNDP's own portfolio and other UN programmes, and link up with other donors such as ADB/IFAD project on natural resource management.

Mr. Aminul Islam, UNDP Bangladesh Country Office, explained that a UNDP and World Bank project on strengthening local government projects at the national level was found as a potential entry point for poverty-environment mainstreaming. At the central level, climate change issues have been shared with parliament members, who are willing to support these issues while local governments implement relevant projects. The Disaster Management Programme within the UNDP, with a budget of \$50 million, is another possible entry point, and is trying to mainstream climate change issues through ten ministries. The lack of coordination between ministries has been the most prominent constraint in successfully implementing environmental mainstreaming.

Mr. Simon Alexis Finley, UNDP Governance Team, UNDP Regional Centre in Bangkok, presented the key issues regarding governance and water management. The governance team supports democratic governments through decentralization based on two fundamental principles: participation and representation of local communities in decision making and achieving sectoral decentralization.

Ms. Wanhua Yang, Legal Officer, UNEP, emphasized that the important support UNEP can provide to countries is a sound scientific basis for decision makers. Current UNEP initiatives in environmental law development and enforcement include revision of the environmental law in the Maldives, revision of environmental protection law in Mongolia, working with a wide range of stakeholders to mainstream environmental provisions in national constitutions and strengthening the capacity of the judiciary through training judges and stakeholders in the implementation and compliance of environmental law.

Mr. Jinhua Zhang, Programme Officer, UNEP, stressed that the objective of an environmental assessment is to provide scientific critical data to support decision making. Equally important is the awareness and participation of the public and civil access to information. The assessment process involves compilation and updating data sets and baselines and developing benchmarks for environmental management. Over the last few years, UNEP has worked at both a national and local level in various countries in the Asia-Pacific region. The UNDP country office is in a good position to support the process of assessment to ensure that the participation of line-ministries leads to their substantive contribution follow up.

Discussion

Mr. Philip Dobie commented that while integrating PEI in existing programmes is desirable, thought must be given to the compatibility of different programmes in terms of structure and management. Participants noted that there is an evident lack of coordination between UN agencies as well as between the UN and other development partners and better communication is required to develop a common approaches and methodologies. Donor harmonization is important and benefits the government, but too often agencies have different focuses that can confuse the government. It is recommended to have approaches combining policy level support through PEI, with funds for testing pilot approaches through GEF and an emphasis on upscaling innovative projects.

Session 10: Fund Management and ATLAS Financial System

Panel Presentations

Ms. Panida Charotok, UNDP Regional Centre in Bangkok, took the participants through the technical aspects of ATLAS financing system. PEI is set up as a global direct execution award (award ID 45896) on ATLAS with multiple country projects under BDP/EEG's Department (09401). Due to its set up as a joint programme, General Management Support (GMS) is applied to pooled resources at the global level and cannot be applied at the country level. Direct costs, however, can be factored in the country project budgets.

Discussion

A consolidated list of questions was compiled and has been forwarded to the Poverty Environment Facility in Nairobi for further clarification. Below are the main questions from UNDP Country Offices: Timor-Leste commented that the PEI preparatory phase has funds from the PEI, UNV, and TRAC. UNV funds are channeled through the CO via a COA, which is the same approach as that of the PEI. UNDP Bhutan raised a question on how to reflect resource mobilization under Country Office delivery. On reporting, the Country Office currently has quarterly HACT report and also requests for reports from the government in the same manner. However, guidance on reporting at the regional level is needed. UNDP Lao PDR asked who maintains the sound project management on ATLAS i.e. risk logs, lessons learnt? UNDP Bratislava asked, in case of PEI's implementation through existing Country Office projects, will the Country Office need to prepare a project document for approval? PEF agreed to send a consolidated response to these questions.

Session 11: Partnerships with UN agencies and other development agencies

Panel Presentations

The session chaired by Mr. Nicholas Rosellini, Deputy Regional, UNDP Bureau for Asia and the Pacific highlighted the importance of donor collaboration and to delivery as One UN.

Mr. Karma Rapten, UNDP Bhutan Country Office, explained that DANIDA, Bhutan's biggest partner in the environmental sector, has discussed the formulation and appraisal mission for the next stage of activities. PEI Phase II fits into DANIDA's next stage of support, in which capacity development will be aimed at complementing programmatic assistance, with a budget of about \$4 million. Other partners include the World Bank (working on a Sustainable Land Management project that has received \$7 million through the GEF trust fund), the EU (assisting the agricultural and natural resource sector), IFAD (discussions to design a mission for rural and agricultural development), and AusAid (involved through UNEP initiative at mainstreaming in the Ministry of Environment). The Local Government Support Programme (LGSP) is a good entry point for PEI. Challenges include coordinating different time frames and synchronizing the requirements of different donors.

Mr. Lay Khim, UNDP Cambodia stressed that UNDP Cambodia, the single partner in climate change between 1999 and 2008, is now a small donor compared to other international donors, and needs to reposition itself to maintain its leadership role in this area. The 2nd National Communication project is being used to build partnerships, and through regular development partners' meetings, coordination with other development partners has been enhanced. Limitations of recent initiatives include the fact that vulnerability assessments of climate change have not focused on socio-economic impacts, and the National Adaptation Plan of Action (NAPA) does not have a programmatic approach. UNDP Cambodia plan to engage itself in the following key areas of work: a joint work plan with DANIDA (on how to support capacity development of the Climate Change Office), a programmatic framework with the World Bank, co-financing agreements to support existing and new UNDP initiatives, joint implementation agreements, mutual accountabilities and integrating climate change concerns in sectoral plans.

Ms. Wanying Wang, ADB Environment Operations Centre for the Greater Mekong Sub-region, commented that there is very limited coordination between the many ongoing environmental programmes in the Asia-Pacific region, such as ecosystem management initiatives and the development of protected areas. The ADB is currently working on a Biodiversity Conservation Initiative to re-establish connectivity between different protected areas in each country, as well as tackle issues of overpopulation and over-extraction of resources.

Discussion

The discussion focused on the process of forming partnerships, and existing methods of tracking impacts and outcomes of investments. The UN system needs to develop closer relationships with multilateral financial institutions, such as the World Bank and ADB (MFIs) as UN supported technical work can support such investments funded by MFIs.

Session 12: Next Steps and Plan of Action

The chair, Ms. Dechen Tsering, Deputy Regional Director, UNEP, thanked all participants as well as colleagues from the Poverty Environment Facility in Nairobi and the PEI Africa programme. She then invited each of the countries to present ideas they have for the next steps based on the discussion during the workshop:

Afghanistan: the joint Spanish funded programme between UNEP, UNDP and FAO on environmental mainstreaming will benefit from the PEI approach. The PRSP states that environmental and natural resource management is vital for sustainable development and poverty reduction, which is a potential entry point. Technical support from the PEI team will be requested in the future.

Bangladesh: PEI country programme is being approved for implementation.

Bhutan: PEI Phase 1 is coming to an end and Phase 2 is being designed. Next steps include developing indicators to measure the outcomes of PEI, based on the approach in Viet Nam, especially regarding spatial poverty-environment indicators, initiating donor collaboration for mainstreaming and developing internal mainstreaming guidelines that can be adopted for all types of mainstreaming.

Cambodia: PEI funded technical inputs will provide support to the ongoing Second National Communication process focusing on economic analysis to strengthen cooperation between the Ministry of Natural Resources and Environment and the Ministry of Economy and Finance on climate mainstreaming.

China: There is a potential for collaboration in China with PEI in the area of regional lesson sharing for private investment management. Further discussions will be made between the regional PEI team and UNDP China colleagues.

Lao PDR: Implementation is underway through the PEI framework, and close collaboration with ADB, IFAD and other development agencies will be made. Specific activities as agreed in the Annual Work Plans are being started.

Nepal: Potential entry points for PEI will be further identified with focus on investment and planning through the decentralisation process.

PNG: PEI type activities are underway and the government will try to increase the integration environmental issues in key agencies, particularly the planning and treasury departments. UNDP will play a more active role in the MDG 7 committee of the Planning department and review some of the MGD 7 indicators to focus on environment for poverty reduction.

Pakistan: PEI is currently at a conceptual stage.

Philippines: PEI scoping mission will be undertaken to increase coherence between fragmented activities in the area of poverty reduction, governance and environmental protection.

Thailand: PEI is under preparation and potential entry points for PEI include the integrated provincial planning system.

Timor-Leste: PEI programme is under preparation and as rural development is a national priority, PEI can assist the government to plan and budget for improving pro-poor environmental management in rural areas.

In their closing remarks, Paul Steele and Sanath Ranawana concluded that the major achievement of this workshop is the engagement of non-environmental Ministries responsible for Finance, Planning and Local government in the discussion of environment and climate change issues with a focus on poverty reduction. The lessons learnt from this workshop include the need for a strong evidence base, assessment and analysis to make the economic and social case for why environmental mainstreaming is necessary as well as the importance of sharing practical experience between different countries and agencies.

Ms. Dechen Tsering closed the workshop by thanking all participants for their rich discussion.

A workshop evaluation summary is provided in Annex III.

ANNEX I

LIST OF PARTICIPANTS

**Poverty Environment Initiative (PEI) Asia Pacific Regional Meeting
12-15 June 2009, Bangkok, Grand Millennium Sukhumvit Hotel**

ID	Full Name	Job Title	Agency / Organization	Email address
GOVERNMENT OFFICIALS				
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LAO PDR				
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Annex II

AGENDA

Poverty Environment Initiative (PEI) Asia Pacific Regional Meeting 12-15 June 2009, Bangkok, Grand Millennium Sukhumvit Hotel

DAY 1/Friday 12 June: Arrival and Introductions

6.00pm Light Dinner (Tapas y Vino Restaurant, 2nd Floor, Grand Millennium Sukhumvit Hotel)

DAY 2/Saturday 13 June: Mainstreaming Environment for Poverty Reduction: What have we learned?

8.15 Registration, 4th Floor, Ballroom

8.30am **Overview of Poverty Environment Initiative in Asia Pacific & Meeting objectives**

Chair: UNEP (Young-Woo Park, Regional Director, UNEP ROAP)
Introductions: UNEP (Sanath Ranawana) and UNDP (Paul Steele)

9.30am **Local government and poverty environment mainstreaming**

Chair: Thailand (Phansiri Winichagoon, Environment Programme Manager, UNDP)

Panelists:

- Nepal (Dandu Raj Ghimmire, Under Secretary, Ministry of Local Government)
- Bhutan (Phuntsho Wangyel, Gross National Happiness Commission)
- Thailand (Suchada Wattana, Ministry of Interior)

10.40am Group photo

10.45am Coffee/tea

11.00am **Private investment and poverty environment mainstreaming**

Chair: Timor-Leste (Rui Hanjam, Vice Minister, Ministry of Finance)

Panelists:

- Lao PDR (Manothong Vongsay, Ministry of Planning and Investment)
- PNG (Michael Bongro, Department of Environment and Conservation; John Tuaim, Department of Treasury; Varigini Badiri, Department of National Planning & Monitoring)
- China (Guo Yinfeng, UNDP)

12.30am Lunch

1.30pm **Climate and poverty mainstreaming:**

Chair: SANDEE (Priya Shyamsundar, Director, SANDEE)

Panelists:

- Bangladesh (Fakrul Ahsan, Chief, General Economic Division, Planning Commission)
- Viet Nam (Dao Xuan Lai, UNDP)
- Timor-Leste (Cristiano de Costa, Vice Minister, Economy and Development)

- 3.00pm Coffee/tea
- 3.30pm **Tools and Approaches for Mainstreaming: What works and why?**
Break-out groups:
- A. **Participatory and Spatial Planning** (Nicola Crosta, UNCDF; Phansiri Winichagoon, UNDP Thailand; and Sanath Ranawana, UNEP)
 - B. **Economic analysis and fiscal reform** (Priya Shyamsundar, SANDEE; Orapan Nabangchang, EEPSEA; and Paul Steele, UNDP)
 - C. **Environment assessment** (Anna-Maria Stabrawa and Seon-Mi Choi, UNEP ROAP; and Henrieta Martonakova, UNDP Bratislava)

5.00pm Close

DAY 3/Sunday 14 June: Operationalising Programmatic Approach to Mainstreaming

- 8.30am **Report back of break-out groups and knowledge management**
Chair: UNDP (Tharuka Dissanaiké, UNDP Sri Lanka)
Break out groups
Sophie DeConinck (Poverty Environment Facility)
Angelica Shamerina (UNDP)
- 9.15am **Learning from other types of mainstreaming: gender, climate etc**
Chair: UNDP (Tharuka Dissanaiké, UNDP Sri Lanka)
Panelists:
 - Gender (Roohi Metcalfe, Gender team, UNDP)
 - Climate (Gabo Vereczi, Climate team, Pacific, UNDP)
 - Lao PDR (Sisavanh Didaravong, Ministry of Planning and Investment)
- 10.00am **Measuring outcomes and indicators for mainstreaming**
Chair: UNDP (Philip Dobie, Poverty Environment Facility, Director)
Panelists:
 - Viet Nam (Nguyen Trung Thang, Environment and Natural Resources)
 - Africa PEI team (David Smith, UNEP)
- 10.45am Coffee/tea
- 11.00am **Links to UNDP practices (poverty, governance, environment and energy, GEF) and UNEP programmes**
Chair: UNDP (Martin Krause, Environment Practice Team Leader, UNDP RCB)
Panelists:
 - Lao PDR (Linda Norgrove, UNDP Lao PDR),
 - Bangladesh (Aminul Islam, UNDP Bangladesh),
 - UNDP Governance team (Simon Alexis Finley, UNDP),
 - UNEP ROAP (Wanhua Yang, Jinhua Zhang)
- 12.30pm Lunch, Function Room 5th Floor (to share sub-regional experience: South Asia, South East Asia, Pacific)
- 1.30pm **Fund management and ATLAS financial system**
Chair: Timor-Leste (Joana de Mesquita Lima, UNDP)
Panida Charotok (UNDP)

2.30pm
agencies

Partnerships with other UN agencies and other development

Chair: UNDP (Nicholas Rosellini, Deputy Assistant Administrator & Deputy Regional Director, Regional Bureau for Asia and the Pacific)

Panelists:

- Bhutan (Karma Raptan, UNDP Bhutan)
- Cambodia (Lay Khim, UNDP Cambodia)
- ADB (Wanying Wang, Environment Operations Centre, Greater Mekong Subregion)

3.30pm

Next steps and plan of action

Chair: UNEP (Dechen Tsering)

UNEP (Sanath Ranawana) and UNDP (Paul Steele)

4.00pm

Close

4.20pm

Meet for field trip in lobby

4.30pm

mangroves trip)

Depart for field trip (Dinner at Samut Songkram Province with

Workshop Guidance

Guidance for Chairs

The main role is to keep the session to time and facilitate discussion with all the participants

Guidance for Panelists

Please make a 5 minute introduction of your involvement with the topic and then be prepared to respond in the discussion (No formal PowerPoints will be required)

ANNEX III

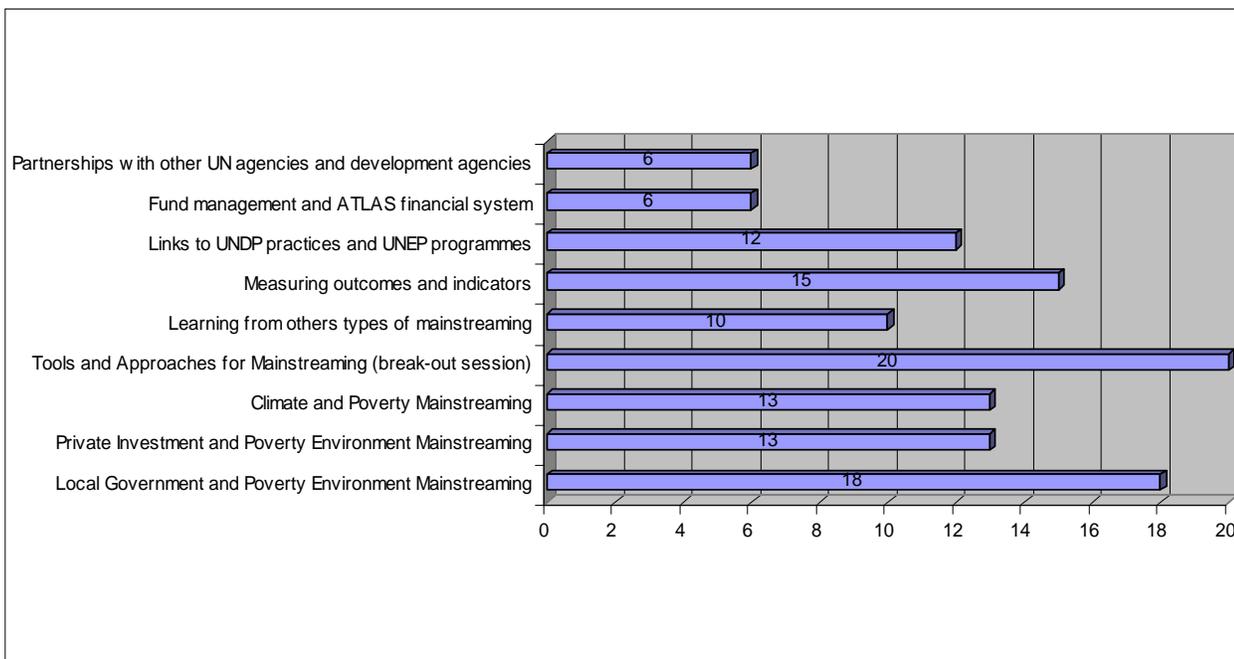
EVALUATION

Poverty Environment Initiative (PEI) Regional Meeting, 13-14 June 2009

Overall satisfaction of the workshop was very good. Participants found three sessions the most useful: (1) Tools and Approaches for Mainstreaming (Break-out session), (2) Local Government and Poverty Environment Mainstreaming, and (3) Measuring Outcomes and Indicators.

After the workshop, participants planned to share with their colleagues and bring the experience and tools from other PEI supported countries to influence the on-going development planning processes. Presented below are the aggregated results of the workshop evaluation made by participants.

Q1. Which session(s) did you find MOST useful?



Additional comments about the sessions you thought were MOST useful:

1. The workshop should have presented more concrete examples for each presentation
2. The workshop should have presented more on the specific practices of each country on PEI and private investment
3. These sessions provided various inputs, experiences, and best practices for others to digest and analyse how they can be applied in their country context.

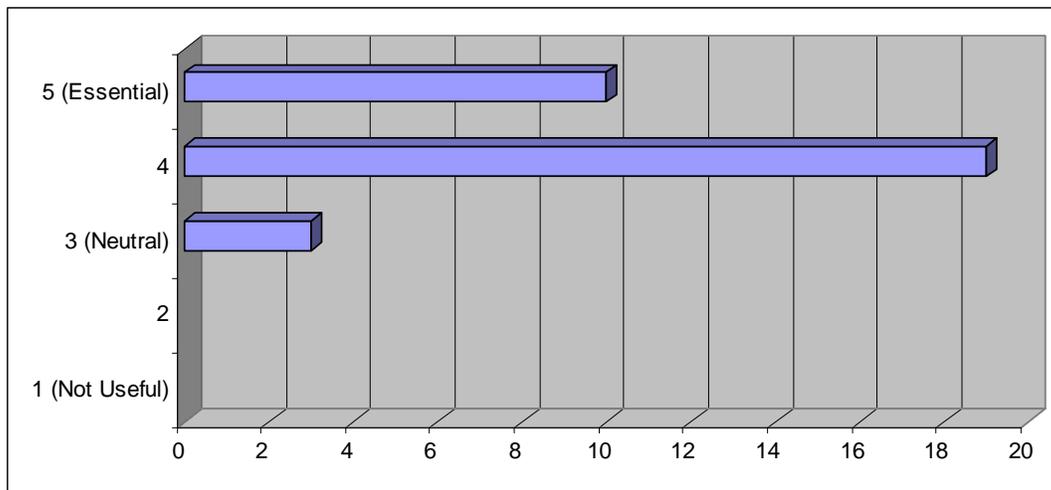
Q2. Are there any topics you would have liked to have heard about what were not discussed?

1. Learning more from concrete work and local case studies in other regions including results, issues, and mistakes
2. How to do different things with different approaches from the conventional development programme
3. How have countries addressed governance issues in PEI apart from policy amendments?
4. Linkages between Environment and Disaster Reduction
5. Funding opportunities for non-funded countries

Q3. How will you use what you have learnt once you are back in the office? What will you do differently?

1. Share learning sessions from the workshop with colleagues, senior management, and government counterparts and identify implementation gaps of PEI
2. Bring the experience from other PEI implementing countries, tools, and techniques to transform on-going/existing process.
3. Prepare concepts and identify entry points based on regional experiences.

Q4. What was your overall experience of the workshop?



Any further Feedbacks, Discussion:

1. Some sessions became very generic from the initial scope. Should have more provocative issues that will inspire and motivate creativity from the audience.
2. Too short for the number of topics covered. Not enough time for Q&A.
3. Should have more break-out sessions.
4. There should be strong technical support to member country through UNDP country office in initial stage