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Poverty-Environment Initiative

Meeting on Poverty-Environment Action for Sustainable Development Goals

Ecosystems Meeting Room, Nairobi, 8-9 March 2018

Report of the Meeting

Prepared by the Poverty-Environment Facility

1. The Meeting on Poverty-Environment Action for Sustainable Development Goals was held from 8 to 9 March 2018 in Nairobi. The meeting was attended by Poverty-Environment Initiative staff members from the Poverty-Environment Facility and the Poverty-Environment Initiative Regional teams covering Africa and the Asia and the Pacific Region, where the new programme will operate, including the UNDP Regional Service Centre for Africa and Bangkok Regional Hub; and partners to the future programme from the UN Environment Regional Office for Africa, Economy, Ecosystems, Law and Science divisions, Finance Initiative, Private Sector Unit and the SWITCH Africa Green Programme.
2. Ms. Mette Wilkie, Ecosystems Division Director, UN Environment, and member, Joint Management Board, Poverty-Environment Initiative, welcomed the participants and delivered opening remarks. She highlighted the need to look at how we can mainstream Poverty-Environment Initiative tools and best practices across UN Environment and UNDP's other programmes and partners.
3. Ms. Isabell Kempf, UN Environment, and Ms. Anne Juepner, UNDP, the Poverty-Environment Initiative Co-directors, introduced the main objectives of the meeting:
 - Common understanding and agreement reached on the main new focus areas of the new programme, Poverty-Environment Action for Sustainable Development Goals (2018-2022): use of an integrated approach for Sustainable Development Goal implementation based on Poverty-Environment Initiative experience, pro-poor, green investments, private sector engagement and rights based/gender/poverty approach.
 - Common understanding reached on the modality for technical assistance and update on relevant partner programmes to create synergies and avoid duplication, and

integration/links with umbrella programmes at country level.

- Information sharing on guidance for new country programmes, resource mobilization and Poverty-Environment Action for Sustainable Development Goals branding.
4. Ms. Kempf and Ms. Juepner presented the new project Poverty-Environment Action for Sustainable Development Goals (2018-2022) and its four focus areas and updated the timeline for the start of the four-year project. Of the total estimated donor funded project budget of 20 million USD for the project, 8.8 million euros (11 million USD) had been pledged by the European Union (EU), albeit with certain restrictions on where and how the funds could be spent. Austria had pledged 600,000 euros. Norway and Sweden had pledged through their respective pooled funds to UN Environment an additional 4 million USD. UNDP in kind staff and TRAC and UN Environment in kind staff contributions had each pledged an additional 6 million USD.
 5. Negotiations were underway between UNDP and the European Commission for more flexible arrangements under EU Pagoda version 2, which potentially might ease some restrictions encountered under Pagoda 1.
 6. The programme would operate in eight Least Developed Countries – four each in Africa and Asia and the Pacific – which are currently being served by the Initiative, with the intention of deepening their engagement in the mainstreaming of the Poverty-Environment Nexus. Additionally, technical assistance would be offered to both current and new countries, broadening the lessons learnt through advisory services and South-South exchange, cooperation and learning. The focus of the new programme will be on quality investments going beyond the current mainstreaming of poverty-environment nexus into plans, policies and budgets to meet the implementation gap.

Action item:

- UNDP through the Brussels Office will pursue increased flexibility from EU partners under Pagoda 2.0 to support Poverty-Environment Action country programmes.
7. The meeting participants discussed each new focus area in turn. Under focus area 1. *The use of an integrated approach for Sustainable Development Goals, implementation based on Poverty-Environment Initiative lessons learnt*, the meeting discussed the experience of Mainstreaming, Acceleration and Policy Support (MAPS) assessments. It agreed that Poverty-Environment Action country teams should make use of existing MAPS assessments, especially where longer-term country engagement is envisaged, and that work be undertaken to strengthen institutional coordination and social dialogue and inclusive gender and human rights-based approaches to Sustainable Development Goals implementation. It was thought useful to also share Development Finance Assessments, which examine in depth the opportunities for public, private and development finance.

Action item:

- UNDP Regional Service Center for Africa will share relevant MAPS Development Finance Assessments on the future Poverty-Environment Action countries in the region.
8. Under focus area 2. Pro poor green investments, as a strategy, programmes should seek to realign public and overseas development assistance (ODA) finance toward pro poor, pro-environment priorities, and catalyze private investment into Sustainable Development Goals implementation through blended finance. The meeting explored potential links with Asian

Development Bank and the China *Belt and Road Initiative*. One participant suggested that the programme reach out to the UN Environment—China Green Technology Centre, Nairobi, to identify green finance opportunities, especially to mitigate risks for loans to small and medium enterprises and smallholder farmers through blended finance. It was thought useful to promote National Sustainable Financing Frameworks for Sustainable Development Goals through partnering with National Sustainable Finance fora.

9. Under focus area 3. *Legislation and regulations with regard to Poverty-Environment (including private investment)*, it was agreed to strengthen safeguards and regulations to promote pro poor investment, learning from Asia and the Pacific Regional's work on strengthening the legal framework for climate finance and Foreign Direct Investment. Programmes could work on enforcement of safeguards at country level, or at provincial, district or local level.
10. Under focus area 4. Gender/poverty and rights based approach, Ms. Victoria Luque, Programme Management Officer, Poverty-Environment Facility, UN Environment, presented on the promotion of gender equality in the existing programme through studies, indicators, ownership and participation, capacity development and SDGs implementation. She recommended that the new programme build on Poverty-Environment Initiative experience and lessons i.e. through strategic partnerships to deliver local solutions; better targeted gender and poverty diagnostics; strengthening a rights-based approach for stakeholder participation and accountability; and ensuring that gender and poverty were integral to Poverty-Environment Action indicators.

Action items:

- Allocate 15% of total Poverty-Environment Action budget to strengthen delivery on equity/gender issues more consistently across all key deliverables

11. On Partnerships with other programmes, the meeting was presented with information on opportunities to work with Partnership for Action on Green Economy (PAGE), SWITCH Green Africa and UN Environment Finance Initiative, and on post conflict work in Haiti and South Sudan. It was agreed that these partnerships, including also with Biodiversity Finance Initiative (BIOFIN), were of great value to the programme, also in light of the lessening of staff capacity at global and regional level. Poverty-Environment Action will pursue bilateral discussions on the way forward with UN Environment Finance Initiative, in particular, on Positive impact /Sustainable Development Goal financing, and work on a paper regarding synergies and complementarities with Finance Initiative, PAGE and SWITCH to be led by Mr. Dirk Wagener, Sub-programme coordinator, Resource Efficiency, UN Environment.

Action items:

- Poverty-Environment Action will work on a paper regarding synergies and complementarities with Finance Initiative, PAGE and SWITCH to be led by Mr. Dirk Wagener, Sub-programme coordinator, Resource Efficiency, UN Environment

12. Ms. Kayla Keenan, Programme Management Specialist, Poverty-Environment Facility, UNDP, presented guidance on country outputs, and opened the discussion of Technical Assistance modalities under the new programme. She emphasized the importance of developing synergies and the Poverty-Environment Action niche, through integration/links to umbrella projects at country level. Some participants suggested that the programme facilitate exchanges of lessons learned across regions to improve their cross-fertilization. The programme could also explore engagement via Technical assistance and/or South-South exchange with Haiti and the Dominican Republic. It was suggested that the project board discuss criteria for Technical Assistance projects, either thematically, regionally or by country

in their first project board meeting, once we have a clearer idea how much money is available for technical assistance. UNDP strongly advised to ensure that in principle activities are embedded in a larger country level project. However, certain countries had requested that Poverty-Environment Action programme be established as a standalone project and were budgeting TRAC funding on this assumption.

Action items:

- Establish the amount of funds available for technical assistance prior to the first PEAS board meeting.
- Schedule joint calls with Laos PDR, Mauritania and Rwanda which have said they would like to have standalone Poverty-Environment Action agreements, to understand the rationale and what is required.

13. Ms. Victoria Luque presented on Resource Mobilization and Poverty-Environment Action branding. She informed the participants that donor profiles had been prepared for each of the eight countries where full country programmes would operate. She recommended that a list of indicative activities or services—analytical, coordination, financial, legal/regulatory, gender and human rights-based, monitoring and evaluation, capacity development—be developed and offered to countries. It was suggested that the UNDP Istanbul International Center for Private Sector in Development (IICPSD) could provide possible partnership opportunities with the private sector.

Action items:

- Develop a one-page infographic on Poverty-Environment Action for Sustainable Development Goals to be used for outreach to potential donors.
- Enquire with Sweden whether there is interest in supporting Poverty-Environment Action South-South exchanges on gender mainstreaming, public environment and climate expenditure and institutional reviews, and other institutional aspects of Sustainable Development Goals implementation.
- Explore ways to diversify the donor base; invite World Bank, African Development Bank, Asian Development Bank, and others (Australia, Ireland, Korea, Japan, Luxembourg, and United Arab Emirates) to meet and discuss investment advice. Extend invitations to each to attend the 23rd meeting of the Poverty-Environment Partnership in Nairobi, 25-27 June 2018.

14. Table I presents the main points discussed by the project output indicators and indicative activities drawn from the Results and Resource Framework of the draft project document.

15. Annex I provides the List of Participants in the meeting.

Table I. Main points of discussion per project outputs and indicative activities

Joint Project Outputs	Joint Project Output Indicators ¹ , Baselines ² and Targets	Indicative activities for each output	Comment
<p>Output 1³: Policies, plans and regulation processes better integrate the Poverty Environment Nexus (PEN)</p>	<p>Level that poverty-environment nexus is integrated into policies, plans, legislations and regulations</p>	<p>Deliverable 1.1: Socio-economic and environmental evidence is used to influence development planning, policies and strategies</p>	<p>Strengthen poverty analytics at national, sector and district level to assess Poverty-Environment and Natural Resource (ENR) linkages in a disaggregated manner.</p>
	<p>Number of inter-sectoral coordination mechanisms that provide the inclusion of a rights and gender based approach to development planning and SDG implementation mechanisms.</p>	<p>Deliverable 1.2: Participatory processes in development planning and SDG implementation empowered through awareness and advocacy</p>	<p>Allocate 15% of total Poverty-Environment Action budget to strengthen delivery on equity/gender issues more consistently across all key deliverables</p>
	<p>Number of government-led inter-sectoral coordination</p>	<p>Deliverable 1.3: Coordination mechanisms promote alignment and coherence of plans and policies to ensure poverty-environment linkages at national and subnational levels</p>	<p>Promote National Sustainable Financing Frameworks for Sustainable Development Goals through partnering with National Sustainable Finance Forums.</p> <p>Build on Poverty-Environment Initiative’s expertise using an integrated approach</p>

¹ Poverty-Environment Action for Sustainable Development Goals has developed an indicator definition sheet for each indicator to measure implementation of gender and rights-based approaches in relation to relevant deliverables across the three outputs.

² Country level assessments will include gender disaggregated data to determine relevant baselines and indicated in the indicator definition sheets

³ The 15% gender budget allocation will be applied and tracked in country level outputs

	<p>mechanisms that promote policy alignment and coherence of policies, plans, legislation and regulations</p> <p>Level of effectiveness of coordination mechanisms in promoting alignment and coherence of policies, plans, legislations and regulations</p> <p>Number of policies, plans, legislations and regulations that prioritize the PEN</p> <p>Level of PEN data collected, analyzed and reported through national integrated monitoring systems</p>	<p>Deliverable 1.4: National development plan and SDG monitoring, evaluation and reporting systems integrate and use poverty-environment indicators</p>	<p>Support capacity building for Planning/Finance on application of poverty assessment tools and poverty reduction targeting, and use of disaggregated data on poverty and gender.</p>
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<p>Output 2⁴: Quality investment systems⁵</p>	<p>Number of annual sector budget processes that prioritise quality investments</p>	<p>Deliverable 2.1: Budget prioritization and allocation processes for environmental and natural resource sustainability, climate</p>	<p>Organize follow-up meeting with Dirk Wagener, Sub-programme coordinator, Resource Efficiency, UN Environment on updating the Poverty-Environment, SWITCH Africa Green and PAGE</p> <p>Make better use of ODA incl. Climate Finance coordination & linkages to poverty</p>
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⁴ The 15% gender budget allocation will be applied and tracked in country level outputs

⁵ Please refer to the definition of the quality investment

strengthened to engender environmental sustainability, climate resilience, gender equality and livelihoods	Number of subnational budget processes that prioritise quality investments	resilience, gender equality and livelihoods influenced at national, subnational and sectoral levels	reduction As a strategy, seek to realign public and ODA finance toward pro poor, pro-environment priorities, to catalyse private investment into Sustainable Development Goals implementation through targeted incentives.
	Number of fiscal instruments (tax, incentives, subsidies) adopted in policies and regulations that prioritise quality investments	Deliverable 2.2: Economic incentive mechanisms, fiscal reform to enable increased investments for environmental and natural resource sustainability, climate resilience, gender equality and livelihoods	Reach out to the UN Environment—China Green Technology Centre, Nairobi, to identify green finance opportunities, esp. to mitigate risks for loans to small and medium enterprises and smallholder farmers, and to promote green fiscal policies at country level.
	Number of tools for investment management systems that facilitate or prioritise quality investments Existence of coherence coordination mechanisms that influence decision making to promote quality investments Alignment of capacities to influence decision making that promotes quality investments	Deliverable 2.3: Investment management systems promote environmental and natural resource sustainability, climate resilience, gender equality and livelihoods investments (policy, regulation, guidelines for screening, contracting, prioritization, data management on investments, etc.)	Mobilize and guide private finance through appropriate policies and regulatory frameworks <ul style="list-style-type: none"> - Poverty-Environment Initiative Foreign Direct Investment (FDI) investment guidelines - Environmental, Social and Governance reporting; - National Sustainable Finance Forums - Training financial, regulatory staff etc. Incorporate poverty-environment mainstreaming tools to promote pro poor investment, as in Asia and the Pacific Regional’s work on strengthening the legal environment for climate finance Working with Law Division, examine scaling-up for ASEAN countries the Environmental Governance project to improve pollution in the investments zones in Myanmar.

<p>Output 3: Innovative approaches and tools adopted by regional and global institutions in support of poverty-environment nexus for SDG implementation</p>	<p>Number of global and regional institutions that promote multidimensional poverty-environment measurement</p>	<p>Deliverable 3.1: Development and application of a green Multidimensional Poverty measurements</p>	<p>Support to Statistics agencies to better monitor poverty in a multi-dimensional, gender disaggregated manner</p> <p>Piloting of the green Multidimensional Poverty Index in Mozambique and Rwanda</p>
	<p>Number of PEAS knowledge products and tools referenced by regional and global networks</p> <p>Number of countries adopting PEAS approaches resulting from South-South knowledge collaborations</p>	<p>Deliverable 3.2: Knowledge management to facilitate poverty-environment mainstreaming by other institutions, including through South-South collaboration.</p>	<p>Facilitate exchanges of lessons learned between Poverty-Environment Action Regional country programmes annually to improve their cross-fertilization.</p> <p>Explore engagement via Technical assistance and/or South-South exchange with Haiti, Dominican Rep. and South Sudan</p> <p>Explore the possibility to move the Knowledge Management post to the UNDP Regional Hub in Asia-Pacific</p>
	<p>Number of regional and global PEAS partner programmes and agencies that promote an integrated mainstreaming approach</p>	<p>Deliverable 3.3: Application of a gender and human rights based approach in support of poverty-environment objectives.</p>	<p>Use MAPS assessments, esp. where longer-term country engagement is envisaged, and work to strengthen institutional coordination and social dialogue and inclusive gender and human rights-based approaches to SDGs implementation.</p> <p>Promote Gender Work through studies, indicators, ownership and participation, capacity development & SDGs implementation</p> <p>Build on Poverty-Environment Initiative experience and lessons i.e.:</p> <ul style="list-style-type: none"> - Strategic partnerships to deliver local solutions - Better targeted gender and poverty diagnostics - Strengthening a rights-based approach for stakeholder participation and accountability, - Gender and poverty integral to Poverty-Environment Action indicators <p>Enquire with Sweden whether there is interest in supporting Poverty-Environment Action</p>

			South-South exchanges on gender mainstreaming, public environment and climate expenditure and institutional reviews, and other institutional aspects of Sustainable Development Goals implementation?
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Annex I. List of Participants

Mr. Oli Brown, Disasters and Conflicts subprogramme, UN Environment, Nairobi
Ms. Lud Coppens, Science Division, UN Environment, Nairobi
Ms. Charlotte Dequell, Private Sector Unit, UN Environment, Nairobi
Mr. Jonathan Gilman, Poverty-Environment Initiative, UN Environment Asia and Pacific Office, Bangkok
Ms. Anne Juepner, Poverty-Environment Initiative, Nairobi
Ms. Kayla Keenan, Poverty-Environment Initiative, Nairobi
Ms. Isabell Kempf, Poverty-Environment Initiative, Nairobi
Ms. Victoria Luque, Poverty-Environment Initiative, Nairobi
Mr. Mansour Ndiaye, UNDP Regional Service Centre for Africa, Addis Ababa
Ms. Jacinta Okwaro, Poverty-Environment Initiative, Regional Office for Africa, Nairobi
Ms. Michaela Prokop, Sustainable Development Goals, UNDP Regional Hub, Bangkok
Ms. Lori Rees, Ecosystems Division, UN Environment, Nairobi
Mr. David Smith, Poverty-Environment Initiative, Regional Office for Africa, Nairobi
Mr. Michael Stanley-Jones, Poverty-Environment Initiative, Nairobi
Ms. Shitaye Temam, Poverty-Environment Initiative, Nairobi
Ms. Bianca Thiglia, Poverty-Environment Initiative, Nairobi
Mr. Frank Turyatunga, Regional Office for Africa, UN Environment, Nairobi
Ms. Rhoda Wachira, SWITCH Africa Green Programme, UN Environment, Nairobi
Ms. Mette Wilkie, Ecosystems Division, UN Environment, Nairobi
Ms. Yuki Yasui, Finance Initiative, UN Environment
Ms. Cristina Zucca, Environmental Governance subprogramme, UN environment, Nairobi