



## **UNDP – UNEP Poverty and Environment Initiative (PEI)**

### **Lessons learned on the mainstreaming of poverty and environment**

The status of implementation of the UNDP-UNEP PEI country projects varies widely. For information about the project achievements in terms of promoting mainstreaming of poverty and environment in different countries, see country profiles on <http://www.unpei.org/programmes/index.asp>

In a more general sense the UNDP-UNEP PEI has developed an operational model for mainstreaming environment into development strategies, based on a detailed understanding of why mainstreaming to date has not succeeded and on the in-country experience on what works and what does not to forward the achievement of mainstreaming.

Lessons learned from the country experiences are relevant to three major challenges:

- Environmental mainstreaming to date has not succeeded in operational terms;
- Promotion of environmental mainstreaming is tantamount to attempting to change government priorities;
- Operationalization of mainstreaming requires operating in a multi-ministerial framework;
- Linking local level experience and priorities with policy and planning processes.

#### **Lesson 1: Get to know the government machinery**

Very detailed mapping of government macro and sectoral policy, planning and decision-making processes, institutions and individuals relevant to the national development process is required.

Questions include: Does the Environment Ministry have the mandate to be involved in the development of policy with environmental implications initiated by other departments? Which government departments are on the national development process steering committee? How well is the national development process linked to sectoral planning processes? What are the key entry points in development processes for mainstreaming the environment? Understanding the interactions between the different government agencies in the national development processes are a key success factor.

#### **Lesson 2: Ensure buy-in from the Ministry of Finance and Planning**

The Planning/Finance Ministry must be an equal or the prime focal ministry in the process from the very beginning. Thus a focal point from this Ministry must be agreed at the earliest stages and buy-in from the Ministry is vital. It may be necessary to get ministerial level intervention – e.g. the Environment Minister to get the Planning Minister to agree to ensure this. Buy-in is definitely assisted by having substantive amounts of resources for a sustained programme and by donor support for environmental mainstreaming.

#### **Lesson 3: Assess country commitment realistically**

A realistic assessment of country commitment at different levels and in both environment and planning ministries is necessary. It is vital to gauge the level of commitment of relevant ministers, senior officials and those who would be responsible for developing and implementing the country mainstreaming programme.

One must also recognize that potential “focal points” within government are likely to be poorly paid, overstretched and unprepared for the complexities of a mainstreaming programme. The incentives applying to key individuals must be understood. Careful attention to aligning the incentives of key individuals with mainstreaming is required. For example, some form of performance related contract with

focal points in key ministries is recommended. And strong support should be provided to the focal points by UNDP and UNEP.

#### **Lesson 4: Prepare for high transaction costs**

Supporting a country-led environmental mainstreaming process has high transaction costs, because it is new, seeking to change government priorities and involves a number of ministries. It takes a great deal of staff time and substantive technical support at different levels – e.g. focal points in Environment and Planning Ministries, national coordinator, international technical advisor, specialist teams for integrated ecosystem assessments, economic studies and preparation of mainstreaming guidelines – to succeed. Provision of this support is essential to address transactions costs and achieve mainstreaming.

#### **Lesson 5: Provide concrete country-specific evidence**

Detailed, country-specific, concrete evidence on the links between environment, poverty reduction and pro-poor growth is needed to convince sceptical policy makers, economists and planners that investment in environment sustainability is worthwhile. This evidence should include the costs of environmental degradation and the benefits of investing in environmental sustainability, including analysis of successful local level interventions with potential for wider application. A number of these costs will be difficult to identify in conventional market terms, but this identification is very important. For example, data on how soil erosion reduces agricultural productivity and how water pollution imposes health and productivity costs.

#### **Lesson 6: Promote integrated policy appraisals**

The application of integrated economic and environment project, programme and policy appraisals needs to become a standard operating procedures for planning/finance and sectoral ministries. Unless the planning and key sectoral ministries apply such integrated appraisals as part of their strategy, policy, programme and project planning, then one cannot say that environment has been mainstreamed. There are a range of available tools that can be applied (e.g. comprehensive cost-benefit analysis that includes environmental costs and benefits) but there is inadequate knowledge or commitment to use them. For successful mainstreaming, it cannot be left to the environment agency to conduct EIA or SEA – planning and sectoral ministries must internalise environmental mainstreaming into their standard operating procedures.

#### **Lesson 7: Develop a donor partnership for environment in the country**

Developing a full partnership approach with key in-country donors is vital for long term success on several fronts:

- Active support for environmental mainstreaming from in-country donors, is needed. For example, support for environment in donor-government coordination mechanisms increases the chances of environment being mainstreamed in the development process.
- Longer term capacity building. UNDP and UNEP are unlikely to have the resources for long term capacity building.
- Identification and implementation of mechanisms to generate adequate and sustainable resources for environmental agencies and investment in environmental sustainability is vital. For example through environment fiscal reform.
- Long-term success depends on mainstreaming environment into key sector budgeting and programmes – either as part of the PRSP process itself or during the subsequent implementation phase.

## **The PEI Model**

The PEI has taken up the substantial challenge of operationalizing environmental mainstreaming at the country level – putting the intent to integrate poverty-environment linkages into operational reality over a sustained period of time. This implies:

- Looking beyond plans and strategies to implementation processes;
- Determining how mainstreaming can be included in development targets and indicators;
- Addressing budgetary mechanisms and engaging with key planning/finance ministries to secure financial resources;
- Engaging with key sector ministries which have responsibility for programmes to which poverty-environment linkages are relevant;
- Tackling the considerable capacity gaps over a realistic time period so that an enduring influence over policy can be achieved;
- Developing financing mechanisms so that environment agencies and environmental investment have a long term sustainable financial base.