

UNDP-UNEP Poverty and Environment Initiative (PEI)

Overall goal: *To contribute to poverty reduction and improved well-being of poor and vulnerable groups through mainstreaming of poverty-environment linkages into national development processes.*

Objectives at country level:

- *Inclusion of environmental sustainability as a central objective in national development strategies, such as poverty reduction strategy papers (PRSPs), MDG implementation plans or equivalents;*
- *Increasing national budget allocations in support of pro-poor environmental outcomes;*
- *Building the long-term capacity of the government to integrate poverty-environment concerns into the design and implementation of development plans.*

Basic facts of the PEI in Uruguay

- A Phase 1 Project Document for PEI activities in Uruguay was approved in December 2009. It will be implemented over a period of 18 months, beginning in early February 2010.
- The immediate objective of the PEI in Uruguay is to promote greater impact of public social spending, by mainstreaming the environmental dimension into planning processes, and harmonizing sector and national development and poverty reduction policies.
- Key government institutions involved are the Planning and Budget Office (OPP), the Ministry of Housing, Land Use Planning and the Environment (MVOTMA), the Ministry of Social Development (MIDES) and the Municipality of Montevideo (IMM).
- The project's total budget is of US\$876,136.00 and it will be partly funded by MIDES, MVOTMA, OPP and One UN, which together will provide an additional US\$68,914.00 to the pool of funds.
- PEI's implementation will provide an opportunity to further develop policies and the capacity to expand the reach of the "One UN" Programme in Uruguay, in the areas of vulnerability and environmental sustainability.

The context of mainstreaming environment in Uruguay

- Uruguay is primarily an urban society: 92% of Uruguayans live in urban areas and 40% of the country's population lives in the capital, Montevideo. The country also has a relatively low population growth rate compared to the rest of the region, with a 2.4% increase in population between 1998 and 2004.
- One out of every five Uruguayans is poor. Efforts made to mitigate the impacts of the economic crisis and reduce the vulnerability of the poorest sectors have not been sufficient.
- In Uruguay there are clear linkages between the deterioration of the environment and its effect on the poorest sectors. The GEO Uruguay examines how the environment affects both negatively and positively the human well-being.
- There is no clear vision about the role of the environment in regard to development planning as an instrument to prevent vulnerable households from falling into poverty and the poor households from getting poorer.

- Main environmental challenges facing the country include the growth of the forestry industry, soil degradation and urban environmental problems such as pollution and waste management.
- The demand for natural resources and environmental goods and services will continue to grow. This will have an impact on both rural areas (e.g. decreased availability of land for agricultural use, loss of biodiversity) and urban areas (e.g. peripheral growth of cities and associated environmental problems).
- The capacity of the Government units in charge of centralized planning is weak. It is necessary to strengthen these Government units so as to ensure sustainable and inclusive development for those who live in conditions of poverty and vulnerability.
- The planning process in Uruguay is largely sector-focused. Development planning is generally carried out sectorally through ministries such as MVOTMA and MIDES in conjunction with the OPP.
- Uruguay has a centralized planning office (OPP) with constitutional authority to influence policy formulation, coordination and planning. The OPP has been identified as a key institution for the implementation of the PEI in Uruguay.
- The most important platform for short-to-medium-term planning is the five-year national budget and annual review process.

Main activities of the PEI in Uruguay

- Determine and quantify the poverty-environment (p-e) synergies in both the urban and rural sector, with initial emphasis on the interface between health, environmental quality, income levels, waste management and marginalized population depending to a great extent on natural resources.
- Assess the degree to which the synergies mentioned above have been mainstreamed into development plans and poverty reduction strategies.
- Estimate the cost-benefit of mainstreaming p-e linkages into development and poverty reduction strategies.
- Design and implement an awareness-raising campaign on p-e topics in key urban and rural sectors, in order to build national consensus and commitment around the issue. Activities may include institutional dialogues on the benefits derived from p-e mainstreaming; field visits; exchange programs, among many others.
- Identify the specific needs in terms of institutional and capacity strengthening of key p-e sectors and areas (e.g., IMM, OPP, MVOTMA and MIDES); and engage with these institutions in capacity building activities in order to ensure environmental mainstreaming into development plans and poverty reduction strategies.
- Establish working mechanisms that can be sustained in the long term.
- Conduct targeted assessments on poverty-environment linkages aimed at influencing policy processes.

Key documents for PEI Uruguay

- Project Document for Phase 1
- Institutional Analysis
- UNDP: Uruguay Human Development Report 2008
- UNEP: GEO Uruguay 2008
- United Nations in Uruguay