To ensure that pro-poor economic growth and environmental sustainability are at the heart of our economic policies, planning systems and institutions in least developed countries, the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP) have joined hands to implement the Poverty-Environment Initiative (PEI). The PEI is a global UN programme that assists countries in Africa, Asia-Pacific, Latin America and Europe to integrate poverty-environment linkages into national and sub-national development planning, from policymaking to budgeting, implementation and monitoring.

In Africa, PEI is underway in Botswana, Burkina Faso, Kenya, Mali, Mauritania, Mozambique, Rwanda, Tanzania, Uganda and Malawi.

The contribution of Environment and Natural Resources to Development in Mozambique

In Mozambique a large proportion of the population is heavily dependent on the environment for their daily livelihoods. However, widespread environmental degradation is decreasing the social and economic benefits derived by the poor from land and other natural resources. Environmental degradation is thus leading to worsening environmental, social and economic conditions in rural as well as urban areas. The result is a steady decline in well-being among poor and vulnerable groups throughout Mozambique.

The contribution of the environment and natural resources is particularly important to such sectors as agriculture, mining, forestry, fisheries and tourism. The marine fisheries sector in Mozambique is very important, providing employment for between 75 000-80 000 people while an estimated 480 000 people are economically dependent on this sector. Collectively, fisheries produce catches of 100 000 and 120 000 tones per year, and contribute about 30-40% of the total export earnings for the country. The public revenues from natural resources (fisheries, forests, mining and agriculture land) stood at 30 M$ in 2003, according to the World Bank estimates it can exceed 200 M$ in 2015, provided that right reforms and stimulus are put in place.

Objectives of PEI Mozambique:

PEI Mozambique’s overall goal is to contribute to poverty reduction and improved wellbeing of poor and vulnerable groups through mainstreaming of poverty environment linkages into national development processes.

This goal is achieved by including environmental sustainability as a central objective in national development strategies – the Action Plan for Reducing Poverty (PARP), in the sector plans including at the district level and in the MDG implementation plans or equivalent. An increase of national budget allocations in support of pro-poor environmental outcomes is also aimed for, as well as building the long-term capacity of the government to integrate poverty-environment concerns into the design and implementation of development plans.

Main activities of PEI Mozambique

- Undertake analytical studies that draw upon existing available data to improve awareness about poverty-environment linkages.
- Assess key sector policy and planning frameworks and support integration of environment into national, sectoral and decentralised strategic and operational plans.
- Conduct training and develop capacity for local government staff and selected sectors and support sectors in applying simplified Strategic Environmental Assessment and integrated economic-environmental appraisals to ongoing policy and legislative processes.
- Develop capacity of Ministry of Coordination of Environmental Affairs and Ministry of Planning and Development involved in Medium-Term Expenditure Review and Public Expenditure Review in key sectors and develop a strategic plan for improved financing for environmental investments.
- Develop strategic plan for improved financing for environmental investments (e.g. user fees and royalties including donor support) and conduct a
The context of mainstreaming of environment in Mozambique

Mozambique’s second PRSP, the National Action Plan for the Reduction of Absolute Poverty was completed in 2006 and covers the period 2006-2009. Environment is a crosscutting issue. With the election in 2009 a new National Plan for Development is being prepared and is soon to be approved. Environment remains a cross cutting issue and PEI has been participating in giving input to the current plan. Every year the Government prepares an Economic and Social Plan (PES) to guide the implementation of the PARPA. PEI-Mozambique aims to build capacity of government, national, provincial and district level, to integrate environment in the preparation of the Economic and Social Plans.

Mozambique is one of the eight One UN pilot countries. The ‘UNDAF-Plus’ has incorporated a country programme output on mainstreaming of environment in development planning.

PEI assisting Ministry of Planning and Development in mainstreaming cross cutting issues

As part of the preparation of the new Development Plan (PARP) in Mozambique, PEI has been collaborating with the Ministry of Planning and Development (MPD) on a series of trainings on mainstreaming of the identified eight cross cutting issues (CCIs) and the introduction of the use of specific planning tools to facilitate mainstreaming of CCIs in the various entities’ plans and budgets. PEI has been requested by MPD to support these trainings and play a crucial role organising and undertaking trainings at both national and provincial level. Due to PEI’s role in the training, environment is being used as an example for how to mainstream a CCI across the sectors. The training is being used as an example for how to mainstream a CCI across the sectors. The training is

Results PEI Mozambique Seeks to Achieve/Way Forward

- Improve the capacity within 7 key sectors on poverty-environment linkages and environment as a cross-cutting issue.
- Build capacity of local government authorities to integrate environment into district Economic and Social Plans, including support for communities to implement projects promoting environmental sustainability and poverty reduction.
- Develop capacity of Ministry of Coordination of Environmental Affairs and Ministry of Planning and Development involved in Medium-Term Expenditure Review and Public Expenditure Review in key sectors and develop a strategic plan for improved financing for environmental investments.

Implementation arrangements

The project is implemented by UNDP Mozambique and executed by the Ministry for the Coordination of Environment Affairs (MICOA), under joint MICOA and Ministry of Planning and Development overall management. There is a project implementation team based in MICOA. The main national partners apart from MICOA and MPD are the Ministries of: Agriculture, Fisheries, Tourism, Energy, Health, Mineral Resources and Public Works.

The donors who funded PEI I included the Government of Belgium and the Government of Norway (through UNEP). The Government of Ireland (through UNEP) is providing all the funds for the second phase. The total budget is close to USD 3 million: USD 566,145 (2005 - 2008) and USD 2,428,000 (2008 - 2011).