

*EVALUATION OF THE*  
**UNDP-UNEP POVERTY-ENVIRONMENT INITIATIVE**  
**(PEI)**

*PARTNERSHIP WITH NORWAY 2004-2008*

REPORT TO NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

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**International  
Institute for  
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Development**

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## KEY MESSAGES

The UNDP-UNEP Poverty Environment Initiative (PEI) aims to integrate environmentally sustainable natural resource use as a core objective in national development and poverty reduction planning and budgeting, and to build associated capacity. PEI began in 2004 with a pilot programme aimed at “increasing capacity at the national and local levels as a contribution to poverty alleviation and sustainable development in Africa”. This pilot phase has offered financial and technical assistance to seven African countries: Kenya, Mali, Mauritania, Mozambique, Rwanda, Tanzania, and Uganda.

This evaluation aims to assess the effectiveness, efficiency and sustainability of PEI implementation, as well as to consolidate learning about the PEI model (its design and implementation strategies). Its conclusions and recommendations are therefore targeted at primarily at PEI, UNDP and UNEP, but also at development partners currently or potentially involved in PEI and similar initiatives, as well as at the pilot countries and others engaged in environment mainstreaming processes of this nature. The following are our key messages:

- 1. PEI is playing a unique catalytic role in integrating poverty reduction and environmental objectives in-country** – a role which is increasingly relevant and in demand, given growing poverty-environment problems and increasingly political will to act. PEI engages with many actors in environment and poverty reduction, concentrating on government, and supports their interaction. While it is not always clear how PEI builds on previous initiatives to integrate environment and development, many of the most pertinent initiatives – national environmental action plans, etc – were active several years ago with little in the way of processes, information, or facilities on which to draw. *PEI should document its catalytic role and achievements more systematically and communicate them more powerfully.*
- 2. PEI has been careful to embed its in-country work in existing ‘mainstream’ development processes and institutions.** Where it has been able to work closely with finance or planning authorities and link them with relevant environmental interests, as in most of the PEI pilot countries, national plans and planning systems have been effectively influenced. However few national budgets have been influenced yet, although the signs are good in some countries. *PEI should increase its emphasis on national and sector budgeting process, by giving an even more central role to ministries responsible for finance and development, and by improving country access to high-level economic expertise and political champions for further progress.*
- 3. The PEI pilot project has been a learning and adaptive programme, shaped ultimately – if not immediately – to suit country needs.** In part because the seven

pilot countries were not significantly involved in initial PEI project design, PEI made strenuous efforts to match the pilot programme to country needs, with Norwegian encouragement. Key lessons include the need to focus country work on PEI's overall outcomes of influencing development plans and budgets (rather than be drawn into a multitude of projects). PEI has invested heavily in local 'champions', in national teams of well-networked individuals, and increasingly in the capacity of planners to handle poverty-environment issues. This improves 'ownership' but makes progress subject to a wider range of dynamics not under UNDP-UNEP's control. The PEI Manual and PEI's interventions in PEP, Environet, etc, have a lot of real country experience to offer but are only beginning to influence the international community. The regional approach, with technical exchanges and mutual learning activities, is key to the success of PEI. *Communicating lessons more widely would improve PEI's influence in e.g. ways to achieve the Accra Agenda and multiple MEAs together.*

**4. PEI has been a 'One UN' pioneer, demonstrating the benefits of and the requirements for a joint programming approach between UNDP and UNEP for environmental mainstreaming.** It has also become increasingly engaged in UNDAF review and planning. But communications and administrative difficulties have sapped energies from in-country national policy work, and have meant that PEI teams have missed key opportunities to influence ongoing mainstream processes. This is especially the case in Africa, and there is more encouraging collaboration in other regions, albeit for a lesser period to date. *PEI's achievements could be far greater if UNDP and UNEP heads: recognise PEI's role in fulfilling their mandates and the joint UNDP-UNEP MoU, and promote this to UNCOs; finalise the UN environmental mainstreaming policy, recognising PEI's leading experience; and ensure funding security for periods needed for the PEI country programmes – including for the duration of PRSP and UNDAF cycles.*

**5. The full integration of poverty reduction and environmental objectives in-country is a long-term (10-20 year) institutional change process.** Where little progress has been made at the outcome level, this often correlates with generic problems of the 'mainstream' government and societal processes with which PEI works, and over which PEI has little direct control. Consequently, PEI's catalytic role is likely to be needed at least for a few more years, with a widening of partnerships to involve better the private sector and civil society in tasks both 'upstream' and downstream' of the national plan and budget. *This will require funding security for PEI, but also catalysing others (notably UNDP) to play lead roles. PEI should focus on making progress in the existing pilot countries against agreed final outcomes at the level of 'improved enabling conditions', rather than 'improved environment and poverty impacts'. It is hoped that current commitments to expand into other countries will not dilute the effort in effective African pilot processes to date.*

**6. Key 'upstream' issues constrain implementation of the newly integrated plans resulting from PEI's work, such as macro-economic and tenure policy.** PEI has not yet catalysed policy debate on such 'bigger' issues that correspond to the underlying causes of poverty and environmental problems, and that render national plans impotent. *PEI should encourage in-country/regional champions to lead debate on issues such as 'pro-poor green economy', should ensure participation of poor groups on issues such as 'pro-poor green jobs' and environmental health, and should consider giving a greater role to leading academic and research institutions in countries.*

**7. PEI faces many dilemmas 'downstream' of the national development plan,** too, such as the best ways to engage sectors and decentralised authorities roles in meeting pro-poor environment needs and potentials. PEI's district and micro-project

work is resource-intensive but not always strategic. *Their aims might better be tackled through (respectively) policy work with ministries of local government, to set the enabling conditions for work in every district, and preparing catalogues of 'best-bet' project activities that are proven to work in-country – to inspire and mobilise investors. It should further catalyse links with donors and business for pro-poor, pro-environment investments.*

**8. We conclude that PEI's relevance is very high, its effectiveness is good, equity is satisfactory, and sustainability is satisfactory – but efficiency is highly variable (depending upon country).** The national teams are a relatively cost-effective means of achieving PEI's goals, but transaction costs within the government and UN are sometimes high. *PEI should review PEI country project management with a view to reducing transaction costs and time requirements. PEI should continue to concentrate on a few countries rather than spreading itself too thinly, making information freely available so that other countries, the UN and other donors are encouraged to support similar processes. If transaction costs are becoming too high for cost-effective achievement of PEI outcomes in a country, it may be necessary to consider ending the PEI country programme. The elements of a 'streamlined' PEI model are recommended in this report, based on learning to date, to enable both more effective management in existing countries, and easier take-up by new countries.*

**9. High-level UNDP and UNEP attention is essential to address some of the constraints to PEI progress, and there are clear roles for the PEI team and donors, too.**

- *The PEI Africa team should take a lead on developing PEI's communications strategy (1 and 3 above); focusing PEI's in-country work on budget processes and economics (2); and shaping the 'streamlined' PEI model to communicate and inform strategy more cost-effectively (8). It should work closely with the UNCO to develop in-country strategy for handling 'upstream' major policy issues (6), as well as strategy for handling sectors and decentralisation (7). Its regional role in support of networking and mutual learning should be maintained and strengthened (3).*
- *UNDP and UNEP heads should take the lead in recognising and promoting PEI's role to UNCOs; and finalising the UN environmental mainstreaming policy – perhaps through mobilising a working group based on the joint UNDP-UNEP MoU. In part this should aim at ensuring funding security for PEI (4 and 5).*
- *Donors should assess PEI in relation to outcomes at the level of 'enabling conditions' rather than 'improved environment and poverty impacts', acknowledging the long time horizons required to achieve institutional change within the 'mainstream' institutions targeted by PEI; and should fund PEI as a catalytic programme for periods at least congruent with the UNDAF (5).*

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**CONTENTS**

<b>Key messages</b>	2
<b>1. Introduction and background</b>	6
<b>2. Evaluation method</b>	7
<b>3. Analysis</b>	8
3.1 The PEI model	8
3.2 PEI performance	11
3.3 Summary assessment of PEI to date	18
<b>4. Conclusions and recommendations</b>	23
4.1 Relevance of PEI objectives in current and future contexts	23
4.2 Lessons from PEI on environmental mainstreaming	24
4.3 Strengths, weaknesses and potentials of PEI	26
4.4 Recommendations	29
<b>5. PEI-Africa Responses to the Evaluation</b>	35
<b>Annexes – separate document</b>	

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## MAIN REPORT

### ***1. Introduction and background***

The UNDP-UNEP Poverty Environment Initiative (PEI) aims to:

- include environmentally sustainable natural resource use as a core objective in development planning & budgeting, so that poverty reduction & other economic development objectives are not undermined by the unsustainable use of natural resources; and
- build capacity so that decision-makers know how environmental sustainability contributes to development; and how to include environmental sustainability in development planning & implementation.

PEI began in 2004 with a pilot programme funded by the Government of Norway, with additional support from the Government of Belgium, which requested that the original five countries (Mali, Mauritania, Mozambique, Rwanda, and Uganda) be expanded to seven, to build on existing UNDP projects in Kenya and Tanzania. As a pilot programme, it was also in part intended to produce learning and guidelines to support further attempts at mainstreaming. A PEI scale-up programme in further countries is already proceeding. This evaluation aims to consolidate learning about the PEI model (its design and implementation strategies), as well as to assess the effectiveness, efficiency and sustainability of its implementation from 2004 to 2008, in the context of seven different countries and UNDP-UNEP collaboration.

During the first phase of implementation, the original project design was found not to be fully appropriate in all countries. The original project document had the same work plan, timetable and budget for all seven countries. Substantial efforts were made to restructure them to suit in-country needs and opportunities with the main changes including:

- the project moved from what the Belgian evaluation called a 'top-down' standard model, to focus on national PEI programmes developed within the countries;
- the work plan and budget was refocused on supporting country programmes, with significant differences between countries;
- the role of the four international institutes that were included in the original project to help implement the project was phased out because their support was not found to be particularly relevant or cost-effective;
- the original logframe of 18 sets of activities and outputs at the global, regional, national level was reduced to five with a much clearer focus on national development processes;
- the project moved from being a separate UNEP project which was not co-ordinated with the existing UNDP Poverty and Environment Project to being a joint UNDP-UNEP Poverty and Environment Initiative

- a set of outcome-based indicators was introduced to keep each country programme on-target

This restructuring was done in consultation with Norway and Belgium and is referred to in the Belgian Partnership Mid-Term evaluation<sup>1</sup>, which should be read in conjunction with the present report.<sup>2</sup>

This evaluation aims to assess the effectiveness, efficiency and sustainability of PEI implementation, as well as to consolidate learning about the PEI model (its design and implementation strategies). Its conclusions and recommendations are therefore targeted at primarily at PEI, UNDP and UNEP, but also at development partners currently or potentially involved in PEI and similar initiatives, as well as at the pilot countries and others engaged in environment mainstreaming processes of this nature. IIED is very grateful to the many people interviewed (Annex 3).

## **2. Evaluation method**

The evaluation was undertaken by the International Institute for Environment and Development (IIED), with two team members sharing the following tasks:

- a) Development of an assessment framework covering: changing poverty-environment (p/e) outcomes in-country; role of PEI in contributing to outcomes; PEI management efficiency; effectiveness of partnerships; value added of UN collaboration; donor cooperation; lessons and best practices
- b) Visits and interviews in four countries based on the assessment framework (Rwanda, Mauritania, Mozambique, and Uganda), with stakeholder workshops held in two of these countries (Mozambique and Uganda)
- c) Telephone interviews and email contacts with a further three countries where separate evaluations had already been made, and review of the reports on these evaluations (Mali, Kenya and Tanzania)
- d) Interviews with in-country UN staff and donors, and in Nairobi and New York
- e) Extensive review of project planning documents, outputs and reports, as well as background country documentation
- f) Preparation of country evaluation notes according to the assessment framework, subsequently shared with country teams for comments, corrections and validation
- g) Analysis and formulation of overall conclusions and recommendations based on overall evaluation criteria (relevance, effectiveness, efficiency, equity and sustainability)
- h) Preparation of final report following discussions with Norwegian Government and PEI Africa Director in Oslo

One constraint has been the absence of a pre-PEI baseline of p/e integration in national policy/plans in most countries. A further constraint is the generic difficulty of attributing policy/plan changes to just one activity – in this case PEI – especially one that acts as a catalyst for others' action, and operates in an institutional environment

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<sup>1</sup> Horberry, John and Catrina Perch. 2006. Mid-term Evaluation of the Partnership between the Belgian Directorate General for Development Cooperation and UNEP. Evaluation and Oversight Unit, United Nations Environment Programme, Nairobi.

<sup>2</sup> In the Belgian evaluation, this project is referred to as 'Sub-project 1: Integration and Mainstreaming of Key Environmental Issues into PRSPs' of the Project 'Capacity Building Programme for the Integration and Institutionalisation of Environmental Management into National Poverty Reduction Programmes and Related Actions.' Norway used the Belgian evaluation in lieu of preparing a separate Norwegian mid-term evaluation and indicated satisfaction with it.

where there are many factors affecting failure and success.. Finally, the process to assess the PEI projects in countries that were not visited (Mali, Kenya and Tanzania) was not completely satisfactory, given that it was primarily reliant on in-country evaluations conducted against different ToR, and there was limited scope to speak directly with stakeholders.

### **3. Analysis**

#### **3.1 The PEI model**

*The PEI model is a conservative but demanding one. It is conservative in the sense that it works with existing government processes. It is premised on the hypothesis that integrating poverty-environment (p/e) issues into government development planning and budget processes will result in more effective poverty reduction and environmental management:*

- *Integration in national plan and budget:* PEI does not aim to do all that is potentially needed to address poverty-environment needs. It aims to ensure that the national plan (or poverty reduction strategy) and the government budget are better informed of p/e issues and include specific provisions and measures that create positive linkages between environment and poverty reduction. PEI reflects observations that such government processes are key drivers or catalysts of development paths in Africa, usually led by central planners and economists, but that these are inadequately informed about poverty-environment links. PEI believes that, if better informed, these government processes could be direct drivers of improved environment and poverty reduction. The contention is that government plans and budgets need to improve their p/e content. Government planners and economists need to improve their p/e awareness and capacity.
- *Emphasis on the Poverty Reduction Strategy:* PEI recognises that, among these national processes, the PRS (or its equivalent) is a particularly powerful point of entry, because it provides a stable instrument (even when the national political context is unstable), it is accepted (and actively promoted) as the main framework for development cooperation by all OECD members and developing country governments (Rome, Paris and Accra), and it includes mechanisms for accountability and review.
- *Influencing donors:* PEI is also aware that donors are committed both to PRSs and to reflecting p/e approaches and priorities in their programmes and investments. It also seeks to exert a leverage effect on donors in-country to support poverty-environment investments that become integrated into the PRS and that cannot be covered by the domestic budget. Hence PEI's agenda-setting work is not done with the purpose of 'growing' PEI itself but to influence key national and donor policy and investment, especially through the PRS.
- *Scope for decentralised and sector work:* The PEI model also recognises that decentralised and sector strategies can be highly significant in some countries, where key development decisions are devolved to these levels, and where key investments tend to be taking place with significant p/e implications. While the assumption is that these approaches will achieve systemic changes, strategic activities on the ground (micro-projects) are included where these can play a demonstration role, to speed progress.



- *Teams of nationals:* National plans tend to be ‘owned’ by the planning or finance ministry, but the environmental knowledge/normative role is centred on the environment ministry. PEI aims to bridge both by ensuring national PEI programmes are driven by country teams drawn from these authorities.
- *Involvement of non-government stakeholders:* The model also sees an important role for non-governmental stakeholders, particularly civil society organisations, the media and the private sector, albeit presently more as targets of advice, capacity-building and advocacy than as agents of policy change.
- *One UN thinking and working:* The model is also based on the belief that the mandates of UNDP for development and UNEP for environment can and should be effectively joined in order to support countries in addressing p/e issues, and that UNDP-UNEP collaboration in an initiative of this kind could lead to improved integration between their respective agendas towards p/e integration. PEI makes use of the comparative advantage of the UN system’s cooperation with governments (which is stronger than that of some external actors).
- *Region-wide UN support to national projects:* Given the need for economies of scale, and for learning between African countries, a Nairobi-based PEI Africa team involving UNEP and UNDP is considered necessary, primarily to support and connect these multiple national processes. The best approach to achieving PEI aims at national level is considered to be discrete projects managed cooperatively by UNDP, UNEP and the national government, having the structure of a typical UN-funded project (Steering Committee, senior government official as national head of project, project coordinator with appropriate staff), placed within UNDAF and with NEX execution modality (with the intention of building government ownership, building capacity and ensuring sustainability) whenever possible and applicable.
- *Outcome orientation:* While the model recognises that these national PEI projects must be tailored to local needs and conditions, they should result in a number of agreed outcomes and should therefore follow a number of steps. These steps are identified in the PEI Handbook as a set of important process targets. This helps to avoid the potential lack of focus that might arise from (comparatively rare) external support being made available to a large and needy field – environmental management.

*This PEI model is a good model, suited to the needs and conditions of the countries targeted, but it is also a demanding model because:*

- *Environment is an ‘externality’:* PEI is up against all the entrenched policy and institutional conditions that make ‘environment’ an externality. Understanding, information, resources, and capacities on environment in the development process are notoriously weak. Environment is excluded from many if not most plans, budgets, institutional mandates, and monitoring systems. Thus it is inherently an ‘uphill battle’ – or at very least a long-term process of awareness raising, institutional change and devising new political economy – to mainstream environment.
- *Many will therefore view PEI as an ‘environment sector’ project:* Because PEI is about cross-sectoral integration, which does not have a clear ‘niche’, it can easily be pulled towards a narrower environmental agenda. This trend may be reinforced when PEI projects are housed within environmental management

agencies – and where PEI funds many micro-projects – which is why efforts are now made to work more closely with ministries responsible for Finance.

- *Change will take a long time:* Institutional change is a long-term affair, and setbacks as well as surprising leaps forward can be expected in the life of any one 'project' such as PEI. Whilst PEI needs to demonstrate rapid p/e impact (for donors in particular), its integration into lengthy government processes means that its effectiveness will largely depend on the pace of these processes, over which it has no or little control within the life of one project.
- *PEI depends on existing 'mainstream' government processes from national to local to sectoral levels.* As such, it is critically dependent on the timing, resourcing and effectiveness of those processes. In being set up within the government 'machine', PEI has the challenging task of catalysing 'change from inside'. This position creates some opportunities, as long as one is able to spot them, but it also creates limitations in how far it can bring strong challenges or generate demands on government in order to encourage the transformative pro-p/e changes that are required. While working 'from inside', PEI can also potentially rely on other 'champions' on the outside to push for change. In practice, this is not always the case, either because there are few existing procedures to link in such players as NGOs and the media into mainstream processes, or because the PEI teams consider them too weak and marginal.
- *PEI also depends on existing 'mainstream' UN processes:* The potentials of a new UNEP-UNDP relationship have not yet been promoted by high-level UN officials, and tested in-country at policy and operational levels. Thus PEI is also challenged with forging these paths, as well as new paths throughout government. Some of the standard approaches and procedures of UN/government sponsored projects are not always compatible with the requirement of an iterative policy process such as PEI (rigid procurement procedures; some reliance on short-term consultants rather than long-term, flexible institutional partnerships).
- *All of these demands require much from a (necessarily small) PEI national team:* Intimate knowledge of how processes work both formally and informally in a given national context; access to the processes and people; adequate skills, time, resources and influence to engage; flexibility in programming in order to take advantage of opportunities when they arise; the ability, experience and credibility to make strategic (political) choices; and a clear 'offer' or value added that is in-demand. These requirements apply at both country level and within the UN.

Inherent in this model, and consequently in the design of individual PEI projects, are a set of critical *external opportunities and constraints*.

Opportunities	Constraints
<ul style="list-style-type: none"> <li>▪ Favourable national policy contexts, with preparation and/or revision of main plans or strategies (usually the PRS)</li> <li>▪ Significant efforts towards political and administrative decentralisation (present in most countries)</li> <li>▪ Favourable external policy and commitment of donors to support above (Paris Declaration)</li> <li>▪ Growing recognition of the need to engage civil society and private sector in development (Accra Agenda)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reliance on a process (PRS or equivalent) over which PEI has little direct control for overall direction/timing</li> <li>▪ Insertion of project and process into a government machinery that can be rigid, slow and fragmented, with limited opportunities for partnerships</li> <li>▪ Need for diverse and sophisticated skills, resources and powers within a necessarily small project team (especially at country level)</li> <li>▪ Difficulty to obtain reliable (3-4-year) core</li> </ul>

<ul style="list-style-type: none"> <li>▪ Increased local awareness of the importance of environmental issues and their relevance to development</li> <li>▪ Convergence of environmental management and economic development agendas</li> <li>▪ One-UN process and moves towards improved integration of UN agendas and programmes at country level</li> </ul>	<p>support and dependence on project funding, resulting in short time frames for project planning and staff recruitment</p> <ul style="list-style-type: none"> <li>▪ Remaining dominant perception of 'environment' as an obstacle to development, and of 'environmental management' as control and regulation, not as 'development potential'</li> <li>▪ Lack of information, monitoring and baseline on p/e links</li> </ul>
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### 3.2 PEI performance

*Given the demanding PEI model, the pilot programme has had some notable achievements at the output and outcome levels in p/e mainstreaming, although it is too early to expect substantial evidence of impacts on the ground resulting from this. We note here where achievements have been significant, limited, or absent at the national level, and offer illustrative examples from the countries.*

Our findings are broadly similar between countries, but there are exceptions in each case (see annexes 4-8 for more details on country projects and achievements):

*Significant in-country achievements:* Many of PEI's achievements are significant at the national level, where they have helped planning, awareness and some capacity in most countries:

- *Awareness and understanding:* In all countries, PEI has led to an increase in awareness of p/e issues amongst those who are in a position to make decisions – this is more significant in bureaucracies at national level rather than sub-national. Key actors are able to explain p/e issues (if not yet always the solutions – either in terms of preventing or minimising negative impacts, or in terms of optimising the contribution of the environment to poverty reduction). People interviewed for this evaluation say that PEI has catalysed – or sometimes reinvigorated – concern for p/e issues. Some of the projects have also aimed at increasing awareness of the general public and key groups, but the outcomes and ultimate impact of these activities is difficult to measure.
- *Planning processes:* National development planning processes have eventually been 'infiltrated' in all countries, to the extent that p/e 'experts' are being written into follow-up processes (although this is not yet the case in Mali). Key to PEI's success is country team members' strategic skills, contacts and luck with timing (or ability to delay or adjust PEI activities to coincide with timing). For example, the Uganda PEI team has become a firm fixture in the sector working groups of the National Development Plan process, as well as the donor environment group. It is not always clear how PEI builds on previous initiatives to integrate environment and development – national environmental action plans, national conservation strategies, sustainable development strategies, etc. Many of the most pertinent initiatives were active several years ago with little in the way of current mainstreaming processes, information, or facilities on which to draw at present. None the less, few of the national PEI programmes had not sought to trace the activities, results and players connected to these previous initiatives to build on them (or their lessons).

- *Plans*: National development plan/PRS documents in most countries have included p/e issues, sometimes at the level of principle, other times as discrete objectives and activities. In some cases, thanks to PEI, the environment has been treated both as a cross cutting issue and as a sector. Key to PEI's success is improved p/e information (studies), good guidance documents for planners on how to include p/e issues, development and provision of tools that meet planners' needs, and presence of PEI team/consultants on working groups. This is the process that was used in Rwanda, resulting in the EDPRS that gives significant consideration to environment, both as sector and cross-cutting issue. Success in Tanzania was so significant that the PEI team was asked to take a lead on all other cross-cutting issues such as gender and HIV-AIDS. In Mozambique and Uganda, this integration process has also been supported at the district level, and is significant enough at national level to suggest continued PEI work on both national and district plans will be warranted.
- *Policy*: In some countries, PEI has been able to influence the direction of key environment policy (e.g. Kenya's draft national environment policy, Tanzania's National Environmental Management Act, and the environmental policies of three districts in Uganda). This is an interesting complement to the focus on *development* plans (and it is noted that PEI has not yet changed *development* policy).
- *Capacity*: PEI's capacity development has tended to focus on training planners at both district and national level (if not yet reforming the planning framework or system itself), and on typical p/e principles and objectives to include in plans. It has also conducted a wide range of one-off campaigns and courses aimed at the media, students and teachers. But perhaps its most significant 'capacity' achievement is linking people from poverty and environment backgrounds, if not yet in formal networks.

In all these achievements, the *perceived value of PEI* among stakeholders is that it is unique, it has put on the policy table new issues and approaches that countries find highly relevant to their needs, and it is 'making the case' for an integration that is becoming increasingly urgent.

*In other areas, in-country achievements to date are more limited*: Achievements in influencing budgets and financial flows, poor people's engagement, high-level and wider societal debate, associated knowledge systems and the strategic communication of that knowledge – potentially PEI's real added value – are limited in most countries, but with good beginnings and a clear potential for capitalising on progress to achieve such outcomes:

- *Making the economic case for investing in key p/e outcomes*: While its studies have clearly succeeded in 'making the case' for mainstreaming in general, PEI's work is not yet always expressed in terms of how p/e investments can assist mainstream development aims such as economic growth, with appropriate measures of cost, benefit and risk. Considerable economic and political skill is needed to produce strong macro-economic or micro-economic arguments for adjusting the use of environmental assets, and the necessary capacity takes time to mobilise and develop. Several PEI country programmes are moving in this direction, with a good example being the study on the assessments of the costs of environmental degradation in Mauritania (although its results have not yet been disseminated).

- *Budgets:* There is so far limited success in increasing government budgets to address p/e issues either in the environment 'sector', or in decentralised and sector plans, with few public expenditure review (PER) exercises on environment yet done. However, Tanzania's PER shows how valuable this can be – it was critical in offering evidence to increase the government's environment budget for the subsequent year by over 400%. Uganda PEI's work at national level has not yet included a PER, but generic arguments apparently helped to more than double the environment budget. Its Budget Director is fully aware of needs and possibilities, even if action has not yet proceeded. Uganda's work in 3 districts has begun to raise district environment budgets, albeit from a very low base. The PEI team is aware of the need to strengthen work in PER, and environmental fiscal reform in order both to mobilise domestic investment and to reduce bad investments. However, significant high-level political and technical support will be needed given the pioneering nature of the work. In Rwanda, the conduct of the PER has been severely delayed by difficulties encountered in the procurement of consultants.
- *Partnerships:* Poverty issues and environment issues tend to be reflected in the mandates of very separate organisations, and so action on both types of issue together – to achieve synergies – is likely to require partnerships in planning, knowledge, investment, monitoring, etc. So far the main PEI partnerships have been restricted to environment and planning/finance authorities working together in p/e planning, and few PEI projects have been able to facilitate and support new institutional arrangements for coordination, even in those countries where there is already a recognised need for a permanent mechanism for horizontal and cross-sectoral collaboration. In most instances, PEI national projects have not articulated a vision of what these partnership arrangements should be, and partnerships are seen more as means than goals in themselves, with several instances of local resistance to developing strong partnerships with key sectors such as industry, agriculture and energy.
- *Participation of poor groups:* If p/e issues are to be tackled effectively, the voices of specific poor groups who have specific environmental deprivations, capabilities and needs should become a routine part of national planning systems. This does not mean that poor groups need to participate directly in all PEI activities, but mechanisms should be devised to ensure that their views, aspirations and commitments are reflected in the policy process (representation on selected working groups; consultations targeted at specific groups; use of pilot field projects to explore issues, perceptions and opportunities; etc.). While this was not an explicit component in PEI's original design, PEI has already improved such engagement in its district planning and micro-project work in Mozambique and Uganda. It should now consider how this could become an integral part of its national work in all countries, and how its capacity-building work could help national institutions in integrating this dimension.
- *High-level and society-wide debate on p/e issues:* Whilst PEI has had several successes in changing planning documents, these plans do not always support fundamental challenges to national systems for handling economy, society and environmental management. PEI has engaged with politicians and p/e champions, and has been invited into key debates, but in no country so far has PEI sought or been able to draw together a high-level discussion of e.g. the implications of current growth models, or what a pro-p/e economy might look like and how to get there. This is either because PEI did not reach very senior policy-makers or because it has not involved opinion leaders in all sectors of society.

While it may not be within the current ToR of the PEI project to support such debate, national PEI teams and the national institutions that host them could play a lead role in this regard. In Mozambique, for example, there was collaboration with a recent World Bank-French Cooperation study on national wealth accounting (which drew considerable policy attention) and adjustment of the PEI economics study to ensure synergy.

- *Local-level implementation:* PEI's focus on micro-projects is appreciated in terms of testing and promoting pro-p/e partnerships and institutions at the local level, on engaging with poor groups, on raising awareness (considered above) as well as on learning from local experience to inform policy formulation (what are the needs, what works best). Some micro-projects appear to have been tactical in terms of 'buying' high-level attention locally. However, few micro-projects have been truly strategic in their selection (in spite of the use of criteria), not always corresponding to key p/e needs, learning needs, proven p/e solutions, or scale-up potential.
- *National p/e information and learning:* PEI has supported some key studies on p/e links and how they are currently handled by policies and institutions and some countries, such as the analysis of the integration of the environment in public policy in Mauritania. But usually these (a) have been one-off consultancies rather than ways to engage and build up national knowledge institutions on a continuing basis, (b) have not built on – or been integrated into – a national knowledge system, (c) have not established an adequate baseline, and (d) have not proposed the critical p/e criteria and indicators that could be used to structure desirable changes.
- *Regional and global p/e information base and research capability:* Given the PEI model, it is not surprising that the focus of UNDP and UNEP efforts is on the PEI national teams. The Nairobi-based Africa Team is very much appreciated by national teams. The Africa team offers technical and management support and links to knowledge and learning opportunities, and communications with national teams are frequent and fruitful. There has been limited country-country learning (annual meetings in Nairobi and occasional study visits). Most teams would like more experience sharing, and greater access to leading expertise on key areas such as public expenditure, economics and governance. Francophone countries remark that it is often difficult for them to participate fully in the regional processes, and are suggesting the need for some additional arrangements for exchange among them (with these countries reporting positively on the recent experience of a study tour in Benin – a country which already has sophisticated institutional arrangements for handling p/e issues and a close working of the ministries of finance and environment). The PE Facility (and there is confusion in-country about what this is) is developing a knowledge management system. It has produced a useful PEI handbook; this bridges the gap between the country team focus of PEI and the possibility for wider global PEI influence without necessitating further PEI country programmes. It has been developed in part through country experience – and in this sense represents the only readily available 'learning product' of use both to pilot countries and to other players (other learning is buried in the project document for the PEI scale-up phase).
- *Strategic communication:* All national PEI projects are involved in communication, but often without a clear strategy that can maximise impacts. Only one project has a full-fledged communication strategy (very recent), and several PEI projects have valuable knowledge that has not been translated in a form suitable for

dissemination to primary targets. Communication – an essential component of policy reform – is not yet central to PEI; it is still perceived as a component in the final phases of the process, not as a critical ingredient in all phases (albeit in different forms depending on the stage of the process). This is a problem for a programme which aims at institutional change and therefore relies on many communications paths for mutual learning and influencing – and may be the most significant failing that is under the control of the PEI Africa team (many other problems are due to wider constraints connected to PEI's embedded nature in national governments and the UN system).

*In some areas, there are no direct in-country achievements to date (with a few exceptions in one or two countries):* There have been few achievements so far in the areas of governance and investment – two key 'mainstreaming' challenges for which PEI has not yet offered clear vision or plans in all countries, and in improving poverty and environment conditions – the ultimate (and legitimately far-off) test of PEI:

- *Governance and investment:* If environment mainstreaming is about making new, better decisions, reforming organisations and transforming institutional arrangements, then influencing governance and investment frameworks might rightly be viewed as the big 'prize' for PEI. Especially so that poor governance on p/e issues and low investment in p/e activities are usually the twin root causes of p/e problems. PEI is relying on all the above areas of achievement to become consolidated – notably national plans and budgets (and in some cases sector plans and budgets) – in order to create the enabling environment for governance and investment improvements. In common with most short-term programmes that are embedded in government planning systems, PEI has not yet directly contributed to fundamental changes in those systems, except perhaps in Tanzania where it was a partner in a major revision of the planning system. This will take much more time, and more continued and consistent input than the pilot project allows.

There are key strategic decisions that PEI national teams need to make once the PRS/NDP and associated budget has been influenced – 'what next for PEI?' 'How to tackle the more systemic governance issues?' Clear answers so far elude even the more successful PEI country programmes such as Tanzania and Rwanda: having done the business of altering the plan, the key 'causes of problems' and 'drivers' of development remain untackled, and the people connected to these issues (including business and civil society as well as top politicians who are able to shape macro-economic decisions) are not in the PEI loop. The focus remains too much on environmental degradation as a symptom of poverty, and too little on the environment as capital with significant potential for poverty reduction. More sharing of vision, experience and tactics between countries and with high-level international players may help – facilitated by the PEI-Africa team which is rapidly gaining good experience of such strategic decisions.

- *Direct improvements to poverty and environment conditions:* With the exception of very localised improvements in the vicinity of some micro-projects, there is no evidence of PEI impact at this level. This may be due, in part, to a lack of baseline and monitoring on p/e issues. However, it would be totally inappropriate to expect that the PEI 'pilot' project could deliver direct impacts on poverty and environment over this timescale, and PEI thus needs to clarify that it aims to change the *enabling environment* for improved 'mainstream' policies, plans, investments and capacities to which any such improvement might be more directly be attributed. Similarly, PEI partners and sponsors need to appreciate

that its role is not to deliver direct and short-term environmental management or poverty reduction outcomes. Revised logframes for the overall PEI programme and for individual national projects should take this into account

*There are some early achievements in improving the effectiveness and efficiency of UN, donor and other international roles:*

- *PEI is becoming a leading player in influencing international development policy and practice.* PEI's experience, lessons and principles are being shared through the active engagement of senior PEI staff with the multi-donor Poverty Environment Partnership (which recognises PEI as a pioneer in environmental mainstreaming) and the Environmental Capacity and Governance Task team of the OECD. PEI has also facilitated people from African PEI pilot countries to contribute to international lesson-learning. IIED has found that many of the most useful lessons concerning ways to make progress in poverty-environment issues arise from the PEI experience.<sup>3</sup> The PEI Handbook and economics primer are useful contributions, though too recent to have elicited significant reaction from the international development community – or from the pilot countries. PEI has potential to influence the environment community, too: currently there is interest from the Convention on Biodiversity Secretariat in working with PEI on mainstreaming biodiversity-poverty links.
- *PEI has contributed much to UNEP's work on One UN pilot country work in Mozambique, Rwanda and Tanzania – notably in UN-wide country reviews and planning such as UNDAF (also in Uganda, not a One UN country).* Indeed, PEI is perhaps UNEP's most significant contribution to One UN pilot country work given the general lack of flexibility in UNEP's PoW, and the lack of UNEP in-country knowledge and resources to enable One UN working. The PEI team is possibly the most operationally experienced team in environmental mainstreaming within the UN, and its experience should be sought in devising UN-wide mainstreaming programmes and policies.
- *Most PEI national teams have engaged with national donor coordination groups on environment, at times taking lead roles in discussing mainstream and poverty-environment issues.* However, national PEI programmes do not have explicit strategies on how to influence and support donors as critical target groups for p/e integration (a symptom of the lack of communication strategies, discussed above). In several cases, the teams have been able to leverage more donor funding for particular PEI studies (though not yet to a significant scale). But in Rwanda, the apparent disconnect between the UNDAF process and the community of bilateral donors has weakened the links between PEI and these donors. (This was a by-product of the One-UN process, where UN introspection caused it to become so focused on itself that it became somewhat disconnected from other donor coordination processes.) Norwegian missions, in the countries where they exist, tend to be aware of PEI and supportive, but not actively engaged in the programme, as it is not part of their bilateral portfolio. However, there is active cooperation with the Norwegian Embassy in Nairobi regarding PEI-Africa as a whole.
- *Intensive efforts by PEI-Africa to identify better practice and embed PEI effectively in the UN system are paying off.* PEI has influenced UNEP positively – in demonstrating effective means of country engagement, and in collaborating

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<sup>3</sup> Dalal-Clayton, B. and S. Bass. 2009. The challenges of environmental mainstreaming: an issues paper. IIED ([www.environmental-mainstreaming.org](http://www.environmental-mainstreaming.org))



with other UNEP programmes to assist them to define their in-country roles (Green Economy, REDD, ecosystem assessment) – but has not yet influenced UNEP or Regional Office strategy. PEI has also influenced UNDP – offering operational lessons for its ‘mainstreaming pillar’ and gaining an enthusiastic response from UNDP Regional Bureaux in other continents – but there is still a perception that PEI is a ‘UNEP’ activity and an ‘environment’ project.

- *Some good technical potentials have been realised through UNDP and UNEP collaboration, but more efforts are needed in that direction:* There is much mutual advice and respect between the PEI team and the poverty and environment units in the UNCO, a little involvement of country office technical UNDP staff in the PEI technical team, engagement of PEI by UNDP in reviewing and developing UNDAFs, as well as in other UNDP programmes e.g. GEF small grants and the MDG fund in Mauritania, and planned work on sustainable land management in Uganda. There remain however a number of obstacles to effective collaboration. PEI for example should be able to handle climate change but is internally accused of ‘turf invasion’. The UNDP-UNEP MoU has not been fully communicated to country offices, and there is not yet the envisaged Joint Working Group. And country office poverty and environment units are not always used to cooperation – the environment unit frequently being more than fully occupied with GEF projects and the poverty unit working on completely different activities. Perhaps the lack of environmental mainstreaming within and between UNDP and UNEP is the underlying hindrance. The bottom line is that it is critical for UNDP and UNEP – PEI’s institutional home – to demonstrate commitment to PEI’s ambitious outcomes and programme.
- *UN administration has often been too cumbersome and slow for the flexible, process needs of PEI:* Poor UN admin and associated staff confusion between systems has hindered in-country timeliness, delivery, partnership-building and continuity. It has sometimes sapped too much energy from the creative and high-profile tasks. The triangular relationship PEI national team – PEI Africa (based at UNEP) – UNDP country office is not always clear, and significant problems and delays are being experienced in some countries, particularly in Rwanda. Where administrative problems concern staff contracts, as in Uganda, this has led to demoralisation. Procurement procedures have meant the appointment of the cheapest consultant, rather than the best (e.g. this may explain the Kenya economics study being of little added value), or sometimes consultancies being appointed months late (as in Rwanda). These issues should receive priority attention, as was done in Mauritania, for example, where improved communications, clarification of respective roles, and a procedures manual have helped to smooth cooperation, thanks in large part to the efforts of the individuals involved. In order to improve integration, UNEP and UNDP have agreed that one plan and one report on PEI will suffice for both agencies (even if they use different templates). However, the Belgian financing is no longer secure for PEI but part of the UNEP Environment Fund, which has too short a time frame to confirm UNEP support alongside e.g. a 4-year UNDAF commitment by UNDP.
- *National teams welcome support from the PEI Africa team:* There has been good communication with the national PEI teams and a good ‘bouncing board’ role, the Africa team encouraging flexibility to embed PEI in national realities and not to ‘cut-and-paste’ approaches from other countries. LEAD ‘influence’ training was identified by all consulted as major contributions. The annual PEI Africa learning events in Nairobi were equally thought to be helpful and focused (though some felt they would have been better held in one country context – using the event as

a vehicle for communication and policy influencing in the host country, and reducing the ‘beauty contest’ risk of all ‘lining up in Nairobi’ – and for a longer period). However, the technical support has not always been of a level that can engage at senior levels on economics and development policy; and more use could be made of the PEI website (reducing file sizes) and the PEI e-network (which is now usefully helping with mutual requests for advice between country teams), as well as ‘south-south’ exchange. In countries, the PEI Africa team is often perceived as UNEP (especially in the pilot countries where PEI started as a UNEP programme) and the reality of UNDP-UNEP collaboration is not always understood by local partners.

### 3.3 Summary assessment of PEI to date

Although the ‘PEI model’ in part explains its achievements, from the above discussion it is clear that many aspects of PEI’s performance are country-specific (depending upon needs, opportunities and institutional constraints) and are also linked to the specific locus, composition and skills of the country team. It is, however, possible to identify common characteristics with respect to relevance, effectiveness, efficiency, equity and sustainability. The following summarises our evidence and offers a subjective overall measure.<sup>4</sup>

**Relevance – very high:** PEI is highly relevant to issues of sustainable development and to the agenda of poverty reduction and environmental management in the seven countries covered by this pilot, and in the African continent as a whole. By emphasising local ownership of project design and implementation, and by allowing such design to be tailored to local needs and demands, this relevance is further enhanced. Increased political commitment to p/e issues in countries is another indicator of that relevance. (See also 4.1)

**Effectiveness – good:** The model developed and employed by PEI is appropriate and effective. By aiming to deal with what otherwise would be separate agendas and separate actors – in poverty and environment – with the same process, PEI has already demonstrated effectiveness in terms of synergies (plans and budgets that serve both agendas). Most projects have achieved tangible results, notably with respect to the integration of environment in main national development strategies and plans, awareness-raising, policy reform and capacity-building. All national projects have produced information and documents – some of which are of high quality – that provide the basis for p/e mainstreaming. We do not know of a more effective activity in Africa addressing the challenging linked p/e agendas.

**Efficiency – variable:** Project performance in terms of efficiency is highly variable, with country context and UNCO administration being key the issues. Most of the projects have good and efficient national teams, and the support and guidance provided by the PEI Africa team are highly rated by all parties. The cost structure of national PEI projects is activity-heavy and overhead-light. The use of existing planning and participation processes is efficient in the sense that no parallel structures are being generated (although these existing processes themselves may not be efficient). There are however a number of factors that militate against efficient project implementation, and primary among these are the delays and obstacles encountered at the level of UN and some government administration (especially with respect to procurement). Some key elements for efficiency and timeliness are weak or lacking, especially with respect to communications and financing (and especially

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<sup>4</sup> Our summary assessments ‘good’, ‘satisfactory’, etc, do not necessarily correspond to the measures that might be used in any MFA, UN or other evaluation system

the security of funds as PEI projects now move into more ambitious phases). The management structures of some national PEI projects are not always efficient, particularly with respect to the Steering Committees, which in all instances do not fulfil their expected roles.

**Equity – satisfactory:** The focus on the environmental deprivations of poor people marks PEI out as being more concerned with equity than most environmental programmes. However, in none of the country programmes has the participation of poor groups been significant beyond some of the district planning and ecosystem assessment work. Neither have the specific attributes or needs of particular groups of the environmental poor (nor of e.g. women and migrants as ‘cross-cutting’ categories of people) been a particular focus, except in isolated cases such as the training activities targeted at women and youth in Rwanda. Issues of gender equity are addressed in the policy documents that PEI has contributed to, but there is little evidence that this is as a result of PEI's work except in Tanzania.

**Sustainability – satisfactory:** The sustainability of the p/e mainstreaming processes and arrangements promoted by PEI can only be discussed in the context of a long-term vision, with the understanding that effective changes can only occur within a 10-20 year time frame. Most of the approaches, strategies and tactics employed by PEI will lead to the sustainability of the interventions – given the long time spent mapping the context and choosing (generally effective) entry points into existing planning and budgeting systems. The main challenges reside in the location of the process within the government machinery (finance/planning versus environment), in the mobilisation and participation of non-state actors, in the effectiveness of p/e mainstreaming within the UN agencies at global and CO levels, and in the involvement of donors and their coordination groups.

At the country level, the following table summarises our assessment against four of these five criteria. With respect to equity, it is not possible to provide a country-specific assessment, for reasons noted above.

## Summary observations on PEI relevance, effectiveness, efficiency, and sustainability for country programmes

	<b>Kenya</b>	<b>Mali</b>	<b>Mauritania</b>	<b>Mozambique</b>	<b>Rwanda</b>	<b>Uganda</b>	<b>Tanzania</b>
<b>Relevance</b>	Integrating environment in national and district plans remains key, given enduring causes of p/e problems with roots in poor central decision-making and coordination	The project is fully consistent with public policy, and highly relevant to the CSCR revision process The p/e issues that the project is concerned with are highly relevant to the national development agenda	PEI project relevant, but in a difficult political context which constrains demand and limits opportunities for uptake The project is highly relevant to the CSLP process, especially thanks to its involvement in the current CSLP revision process	Very relevant given highest poverty in region, big environmental problems and huge potentials – plus increased political commitment to act on these	PEI project is highly relevant to issues and needs, and well inserted into national policy processes (including decentralisation)	Highly relevant where the majority are poor and dependent environmentally Government is aiming to make better use of environmental assets and PEI can show how	Directly relevant to implementing a p/e-integrated MKUKUTA, where sector and local govt plans are the main vehicle for delivery, and political will is high
<b>Effectiveness</b>	Collaborative project design More progress on influencing env policy than dev policy, plans and budget Useful synthesis but not yet effective in advocacy Underlying governance problems remain (not targeted by PEI)	Many of the project's planned activities have not been implemented or have been delayed (most conducted in 2008) Recent economic study of much higher quality than others, generating renewed interest	The project implements all its activities according to plans (within constraints created by political situation) Its organs (Steering Committee and Committee of Focal Points) are functioning, but the Steering Committee is	Effective catalyst has already integrated p/e into PARPA-2 national plan and two provincial annual plans. Has improved awareness at local levels However, some dispersion of activity from main focus on plans and budgets	Successful integration of environment, as a sector and as a cross-cutting issue, in EDPRS Challenges, “what’s next”, some dispersion with activities (pilot projects, public awareness) that may not be fully effective Project Steering Committee not	Effective p/e integration into draft NDP, some district DPs Team in demand for many sector planning processes Env budget doubled (but still low)	Very effective cross-cut analysis, network, planning and indicators process during p/e integration into the MKUKUTA plan Less evident efficiency in the subsequent difficult business of working with many sectors and localities in implementation

	<b>Kenya</b>	<b>Mali</b>	<b>Mauritania</b>	<b>Mozambique</b>	<b>Rwanda</b>	<b>Uganda</b>	<b>Tanzania</b>
		Project Steering Committee has met only once, and the Committee of experts/focal points has never met	not fully effective		performing a policy role		
<b>Efficiency</b>	In-country project governance weak Lack of projdoc GoK and UNDP delays and cumbersome procedures partly explain late delivery of many outputs 'Results-based approaches' to ministerial performance emphasise field projects rather than policy	Studies have been conducted, but their quality is not optimal, and there is no strategy to communicate results	The focus of work to date has been on the conduct of studies and on the provision of advice to the CSLP process. These tasks have been performed efficiently The project however lacks a clear communication strategy, and its products have not yet been translated into documents and instruments suitable for advocacy and policy influencing	Good team working within PEI-1 and PEI-2 teams But hiatus between two teams PEI-1 and PEI-2, with lack of handover Bureaucratic delays in NDP Weak prioritisation in work planning	Bureaucratic delays within UNDP, staffing issues and implementation arrangements (e.g. weak partnerships outside core group) impact negatively on efficiency	Good team working and planning Excellent links with donor group on many env issues, but links to UNCO and its poverty work weaker Patchy admin and procurement process in GoU hinders timely progress Consultancy/information not brought together in system	Useful to have full-time TA in Phase 1 planning team Useful to have embedded approach in implementation phase – but team too small for major tasks Many delays due to UNDP and GoT systems
<b>Sustainability</b>	Planning and devt ministry is a good locus, but rural devt dept not suited	The project has achieved too little to allow for sustainability	Too early to tell	Some functions embedded in MICOA and sector env contacts	Some of the functions and activities of PEI already integrated into	Strong emphasis on national solutions Some functions embedded in MinFin, NPA and SWGs	Embedded p/e indicators in MKUKUTA, budget and monitoring system

	<b>Kenya</b>	<b>Mali</b>	<b>Mauritania</b>	<b>Mozambique</b>	<b>Rwanda</b>	<b>Uganda</b>	<b>Tanzania</b>
	<p>to all PEI needs Key outcomes are not yet achieved, so sustainability difficult to establish Recent p/e indicators promising for system-wide influence</p>			<p>But not yet in budget process, provinces and MPD</p>	<p>REMA, priority is now to mobilize and support Ministry of Finance</p>	<p>Work in 3 districts not yet influenced nation- wide local govt policy</p>	<p>is key for sustainability So also were major env budget increases and exploration of EFR to sustain finances MKUKUTA review 2009 will be key for reasserting p/e principles</p>

## 4. Conclusions and recommendations

The end of the pilot phase affords us the opportunity to review the continuing relevance of PEI's objectives (4.1), learn lessons (4.2), consider the strengths and weaknesses of the PEI model (4.3), and suggest adjustments, complements and recommendations (4.4).

### 4.1 Relevance of PEI objectives in current and future contexts

*Given the pressing need to tackle worsening environment and poverty conditions in many countries – plus increasing political will to do this in some countries (in large part due to PEI's work to date) – PEI's objectives remain highly relevant. But they may need to be integrated not only in national plans and budgets, but also in national visions, policies, governance systems and actual investments. Whilst focusing on the plan and budget, PEI is in a good position to encourage or assist other players to take a lead in this 'upstream' and 'downstream' work.*

*PEI's objectives are outcome-focused and highly relevant:* As expressed by the PE Facility, these are: improved p/e integration in policy-making and planning, finance, institutions and capacities, and (ultimately) environmental sustainability and poverty reduction on the ground. However, many of the countries have already improved policies and plans through the PEI pilot or through other good policy processes). With these achievements, with increasing political will to act, and with pressing problems connected to (foreign) finance and governance, there is a need for PEI to move beyond general p/e planning to governance, finance (as is currently being done with work on expenditure reviews, links with Ministries of Finance and work on budgets), capacities (building on past and current work on capacity and policy analyses) and systems development for specific p/e issues – towards a higher level of outcomes.

*The key p/e outcomes (beyond changed plans and budgets) that are really needed are diverse in nature – within and between countries – and they are pressing. While the delivery of these outcomes is clearly beyond the scope of PEI, PEI's advocacy, capacity-building and networking activities should ultimately lead to such outcomes and promote related milestones. All PEI partners, especially within the UN and among bilateral donors, should embrace this broader mainstreaming agenda:*

- *Macro-economic changes:* A restructured national economy that values environmental assets and optimises their contribution to development, with a proper integration of the value and contribution of environment and natural resources in national accounting, and with regulations and incentives to sustain pro-poor use and conservation. There is an urgent need to effect these changes before assets are stripped e.g. by foreign/elite business activity.
- *Safety nets:* Access by poor groups to the local environmental assets on which their health and livelihood security depend e.g. clean water and shelter in slums; soils, water and forests in remote rural areas; along with management of environmental risks, pro-poor climate change adaptation and NR-based business opportunities. There is an urgent need to secure these to improve the resilience of poor people to future changes, as well as to access emerging international climate change funds.
- *Systems and tools:* Ways to link poverty and environment institutions (in government, civil society and the private sector) and their objectives to assure synergies. These systems should include: basic p/e criteria and indicators, accountability mechanisms, and incentives to meet p/e criteria in all relevant

areas of mainstream policy. Again, there is an urgent need to improve these in order to translate recent p/e policy initiatives into reality.

## 4.2 Lessons from PEI on environmental mainstreaming

A dozen lessons can be highlighted, most of which reflect experience in a majority of the country PEI pilot programmes. Many of them have already been identified by PEI in its 'Scale-Up' project document, and are being actively included in shaping the approach to new PEI country programmes, notably Malawi :

1. *The 'classic' PEI model is broadly relevant in Africa where government is the main development driver and donors are active supporters of government plans.* A focus on national planning authorities recognises the primacy of government-organised 5-year planning, budgeting and investment. The mechanisms that exist in-country to facilitate donor coordination are also particularly useful channels to promote the poverty-environment mainstreaming agenda.
2. *A key to success is to link with, and contribute to, a range of topical policy processes.* The comprehensive national planning process is a necessary but not sufficient entry point – it can help to bring together a range of good intentions that might otherwise be dispersed. But it is not always the main vehicle for decision-making on all drivers of change in p/e relations: notably key decisions on new international 'threats' and 'opportunities' such as biofuels; carbon financing; climate adaptation and associated migration; demographic pressures on natural resources; and the 'real' issues of fishing and forestry crises and poor environmental conditions in slums that concern poor people. However, pressure from UNDP, UNEP or donors to promote one of these topics over others should be avoided – key is country processes to sort out the priorities.
3. *When finance or planning authorities take the lead, this helps to focus the p/e agenda, and to resist the 'pull' towards environment-only issues.* Particularly when based in an environment authority, it is too easy for PEI to be perceived as an 'environment' programme, and treated as an extra-budgetary source of support for e.g. general environmental advocacy or training. Discipline is needed to keep it focused on p/e issues and to ensure the planning authority is an active *demandeur*. Alternatively, key developmental sector authorities, e.g. agriculture as in PEI Malawi, can help to create this demand for p/e issues
4. *Partnerships are needed with a wide range of mainstreaming champions and initiatives.* PEI is unique, and it is doing pioneering work in the sphere of public policy, but it is not alone in the search for p/e integration. A PEI process should work with: (a) policy initiatives handling topical p/e policies – above, (b) other countries that have conducted similar work on their own initiatives – as was done with the recent visit of francophone PEI teams to Benin, (c) community-based and civil society organisations as well as small grants programmes of donor agencies that have explored the relationship on the ground, (e) media players who can identify and express p/e issues in new and relevant ways, and (e) scholars and academic institutions that are conducting research and promoting debates on relevant topics. All of these can 'spark' a process that might become slow or too risk-averse if located (for good reasons) in government processes.
5. *Countries need to be assessed and selected carefully and collaboratively before investing in a PEI programme.* One should expect and encourage the PEI 'model' to be reinvented in each country. P/e integration is a complex societal process and not the result of a standardised linear, technical or bureaucratic process.



Several prerequisites need to be in place for a PEI process to be welcome – notably high-level government motivation in planning, finance or key sector authorities, but also a willingness for environment interests and donors to change. Mapping – and working with – ‘real-life’ decision processes is critical, to help identify who debates, decides and drafts the plans – and when, where and how. This will also highlight which existing mainstream planning and assessment processes to work with (and may suggest effective alternatives to the PRS).

6. *Country-specific data is critical to shift from a general awareness of the problems to specific issues and solutions.* Statistics and economic information in particular make it easier to plan, budget and influence. Case studies and examples of ‘what works’ in linking p/e, at all levels, are also particularly useful. Unfortunately, investments by donors and national governments in recent years in building research capacities and data collection and analysis systems have been insufficient. Special attention is needed to the micro- and macro-economics of environmental assets, risks and investments that involve poor people.
7. *P/e integration is a long-term, step-by-step process that is likely to involve significant changes to institutions and the political economy.* PEI can ‘lubricate’ this institutional change process, and make it more efficient and effective at the margins, but it cannot fast-track that change significantly. PEI’s strict ToR for integrating p/e issues into national development plans and budgets might be achieved in a 4 year project if it has adequate funding security over such a period; but its full aspirations to affect mainstream decisions and investment might more properly be thought of as a 10-20 year affair; this demands planning for leverage, exit and sustainability. It also requires some continuity of effort and engagement, as conditions and needs will undoubtedly change. In this sense, PEI needs to act as a catalyst for some kind of permanent p/e mechanism.
8. *Feeding government and decentralisation processes is not just about offering the right papers but about communications and engagement, too.* A personal presence in dialogue, analysis and policy generation is key. P/e issues are complex and need explaining, and actors are more likely to own and be committed to a decision or a plan if they are part of problem identification, planning and policy formulation. Timeliness, topicality and debate are key. Effective communications focus on ‘mainstream’ language and imperatives first and foremost, and ‘environment’ language and imperatives only secondarily (but not to their exclusion!).
9. *In a decentralised country, a decentralised approach to linking poverty and environmental concerns is the right way to go.* But it requires a focus on integrated planning, visible action, adequate resources and scale-up strategy – perhaps with PEI focusing on ways to get p/e criteria and incentives, and best-practice in implementation, embedded in the entire local government planning and review system, rather than multiple district-level plans and micro-projects.
10. *Micro-projects can be useful, but only if designed as pilot and learning projects* (identifying the implications for national policy and local plans), *and if linked to* (a) sharp debate and ideas generation on top issues, (b) identifying approaches that already work in the country, cataloguing them and subsequently promoting their scaling-up, and (c) a compelling ‘plan of action and investment’ in a key sector or locality. Micro-projects have revealed how communities can solve some of their own p/e needs (health, shelter, access to resources and jobs) if they are helped in diagnosing their situation and encouraged to develop their own low-cost solutions.

11. *Key to success in cross-cutting, multi-stakeholder projects is to ensure clarity in the roles of the various partners.* Difficulties in implementing such projects often arise from a lack of clarity, especially when project management finds itself in the middle (or on the fringe) of other relationships (such as Government, UNDP and UNEP, and all donors). Where roles are clear, PEI teams have been able to play a recognised role on a daily basis in many routine planning processes.
12. *All the above suggests that time and transaction costs for achieving PEI's outcomes will be significant, and should be allowed for.* A programmatic approach, in-country presence, and skills of adaptive programme management are all key requirements. A programme of this kind cannot succeed if it is not guided by good strategic thinking, adequate management skills and authority, and a proper understanding of the political and institutional context in which it operates.

### 4.3 Strengths, weaknesses and potentials of PEI

Strengths and weaknesses have been alluded to in the above discussion of the PEI model (3.1), PEI performance (3.2), and summary assessment of PEI relevance, effectiveness, efficiency, equity and sustainability (3.3), as well as lessons learned (4.2). Here, we tabulate these, as a resource for planning improvements, with the understanding that many of the identified improvements are already being undertaken or planned by PEI.

Strengths of PEI to date	Potentials for improvement (efficiency, effectiveness and sustainability)
<b><i>Focused and rigorous design :</i></b>	
a) Much time usefully spent assessing national context and finding entry points in planning system	Review PEI re global lessons of other mainstreaming models (NSDS, PRS, SEA, GEF). Continuously refine model and approach on the basis of lessons learned. Include capacity assessments and stakeholder analyses in initial assessments.
b) Aims at govt planning system and is welcomed within it	High-level p/e policy debate, too. Influence/engage other entry points/drivers of p/e change – national business and civil society; major poverty programmes; academics; media; international actors in hot topics like climate change adaptation, REDD, CDM, FDI in key NR sectors, etc. Engage with (UNEP) green economy initiative – which will need adjusting to help countries reflect on their own economic performance and potential
c) Focuses in particular on mainstreaming in PRS, seen as most powerful policy tool at national level	Ensure that environment is properly addressed in all PRSs (cross-cutting, sector, specific measures, sector strategies, indicators, monitoring systems and procedures, budgets).
d) Supports a bottom-up approach in decentralised countries through district and micro-project work	District plan approach scaled up nationwide through e.g. local govt performance indicators, advice on policy reform, and leveraging other donors – rather than PEI work in many districts. Engage directly with specific env-poor groups of people, beyond 'visualising PEI benefits to them'. Develop catalogs of in-country best practice to guide micro-projects (or substitute for them) based on lessons from wide range of actors/experiences.
e) Builds capacity and transfers critical skills	Provide specific mainstreaming tools. Target training towards most critical groups

	(national and local politicians, planners in various sectors).
<b>Effective networking and partnerships:</b>	
f) Links the main p/e players informally	Properly activate and mobilise PEI-Net. Link government service economists together. Catalyse action-oriented partnerships. Broaden partnerships with inclusion of other public institutions, civil society and private sector
g) Works strategically – some PEI teams have good political skills – helped by LEAD training, and much success is opportunistic/unplanned	Recognise the political nature of p/e integration; resource/govern PEI to suit; and encourage both flexibility and reporting on ‘unplanned’ success. Develop and follow a strategy of advocacy and communication.
h) Improves awareness in both env authorities and development authorities – and is welcome in both	Systems that link and serve both env and dev authorities – and help sectors; to include p/e criteria, indicators and accountability mechanisms.
<b>Active donor and UN involvement and support:</b>	
i) Donors are interested in PEI at HQ and global level (PEP encouraged its scale-up)	Ensure that country-based donors adopt p/e criteria and indicators and support PEI in-country.
j) Effective engagement of UNDP country office technical staff as member of PEI team	Ensure that UNDP country office as a whole adopts p/e criteria and indicators and supports PEI.
k) Supportive PEI Africa team in Nairobi focused on helping country teams achieve <i>outcomes</i>	More material in more languages, more learning and south/south exchange opportunities, better access to regional and global experts, more options to achieve outcomes Consider locating PEI Africa team within UNDP regional SURFs. Strengthen regional approaches in West Africa, with improved access to francophone expertise. Stronger links with “non-PEI” countries and processes that have relevant experiences (as was done with study tour to Benin)
l) Effective engagement with donor coordination groups on environment	Helping donor groups on environment to make good case for p/e integration within overall donor programmes and their harmonisation
<b>Focus on key governance / investment issues</b>	
m) Integrates pro-poor objectives in environment policy in some countries	Pro-environment objectives and measures/actions integrated in development policy. Pay greater attention to new and emerging issues and ensure they are captured by policy processes.
n) Improves information on p/e issues through studies and advocacy programmes	Systematic p/e information within key national databases and monitoring systems. Multi-way communication programmes to capture stakeholder perspectives and ideas. Concerted media engagement – encouraging investigative journalism on p/e issues. More participatory information generation/research.
o) Seeks to increase env budgets	Focus also on increasing env revenue if possible. Link funders to specific measures and actions in PRSs and other strategies. Target private sector for greater involvement in sectors that link NR/environment and business.
<b>Weaknesses of PEI to date</b>	<b>Options for improvement</b>
<b>Weak rationale for country choice:</b>	
a) External choice of country (by donors, UNDP or UNEP), without understanding country context or assessing demand – then requiring substantial time and resources in-country to sell/integrate PEI	More demand-driven in response to country needs and in support of government processes, with effective UNDP-UNEP promotion in UNDAF (where applicable) process and regional networks. Countries to do their own background work if possible (in part to generate ownership and demonstrate commitment) – or involve independents in this.

b) Growth in number of full PEI country programmes beyond pilot is stretching global PEI budget and UNDP/UNEP staff resources	Consolidate current country programmes before scaling up – requiring learning. Document the lessons and experiences from other countries where PEI-type processes have been undertaken (e.g. Benin) Strengthen knowledge management and help-desk facilities to enable and support spontaneous (or ‘franchised’) approaches by others. Resource mobilisation at national level.
<b>Comprehensive process nature:</b>	
c) All three ‘phases’ used by PEI to get p/e integrated in the govt machinery – but this is expensive of time and money	Clear country diagnostic of current p/e outcomes, needs, and associated policies/institutions to assess which components of PEI are really needed and what resources will be needed to support them.
d) Focus on challenging (comprehensive) PEI country programmes means PEI Africa team (or donors) may be too quick to write them off as ‘failures’	Utilise this evaluation’s stock-take of in-country progress to determine most cost-effective exit strategy/ follow-up/alternative tracks.
<b>Incomplete progress, with unclear scenario:</b>	
e) Unclear when and where PEI has completed its work - vision and statement of the desired end-situation is not clear (including distinction between functions that have to be built within national systems and those that can “end” with the project)	Participatory formulation of “post-PEI” vision. Strategic capacity-building to ensure that key functions are assumed by institutions. Development of systems and capacity to monitor p/e integration, not only statistics against indicators, but also “watchdog” function to prevent return of “business as usual”. Exit strategy based on clear definition of both p/e outcomes (vision) and associated roles for external and national agencies
f) Implementation response often limited to ‘knee-jerk’ tree-planting type of activity	Diverse activities and investments for specific p/e outcomes based on what works/pays
g) Information has in several instances been produced by one-off consultancies with often poor quality control, and at times with insufficient use	Establish expert peer review groups. Engage national and regional knowledge institutions for continuity and quality. Translate results of studies into products suitable for advocacy and policy advice.
h) Few countries have produced p/e indicators and have designed comprehensive data collection and monitoring systems	Ensure consistency between PEI’s country diagnostics, baseline establishment, p/e indicators and principles, PEI M&E, and the in-country info/M&E systems that PEI is building. Encourage donors and national governments to invest in research and monitoring capacity.
<b>PEI in-country governance not proactive:</b>	
i) PEI in-country governance at too low a level – steering committee focused on project management	Focus PEI on serving a ‘national p/e reform group’ (which could then be PEI steering committee, but also possibly responsible for other projects at the same time). Invest in mobilising senior officials to demonstrate importance and value of committees.
j) Self-contained national PEI processes	More African and global sharing and access to top expertise (economics, investment...). Establish knowledge management system within PEF, as planned.
k) Ministries of planning/finance have been engaged, but not always proactively	Ensure PEI is framed in part to address key national development priorities e.g. growth. Insert PEI at higher level in government structure (stronger and more effective Steering Committees).
l) PEI teams do not always have mandate or experience to make necessary big choices	Clarify the PEI model and options. More strategic advice from PEF.
<b>Hostage to government weaknesses:</b>	
m) PEI’s focus on govt means it suffers from LIC govt constraints: fragmentation, weak capacity, limited resources, inertia, power structures that demote env authorities, and	Learn from achievements and innovations to date under each PEI country programme. Engage with well-resourced govt initiatives (public sector reform, sector investments...).

slow or unpredictable timing...	Allow more time and flexibility for full outcomes to be achieved. Develop financial leverage strategy.
<b>Hostage to UN weaknesses:</b>	
n) Poor UN admin and associated staff confusion between systems has hindered in-country timeliness, delivery and continuity	Integration with UNDAF (as planned) or UN joint programmes through NEX. Third-party management organisations an option only <i>in extremis</i> . Strengthen UNCO p/e capacity and understanding, streamlined through roll-out of new UN env mainstreaming policy
o) The lack of p/e mainstreaming within UNDP and UNEP hinders PEI, and PEI has only just begun to influence UNDP/UNEP to improve. PEI should handle climate change but is internally accused of 'turf invasion'. PEI burdened with being 'lead UN EM' project	Some good p/e integration stories at national level need promoting by senior UN management. Form p/e partnership on CC issues for in-country processes. Complete Bass matrix of respective UNDP and UNEP env mainstreaming initiatives/potentials.
p) Not meeting country demand to draw on relevant UNEP resources	Better brokerage of relevant UNEP (and UNDP) advice and services by PEF, especially in ensuring national MEA implementation is pro-poor.
<b>Deficiencies in project design:</b>	
q) Low engagement with civil society and business, meaning that these remain weak on p/e; and PEI not informed of key potentials	Engage more with civil society and business on p/e issues proven to matter most to the public – thereby helping PEI to be rooted in realities and able to identify and promote concrete solutions. Develop and implement communication strategy that identifies all targets, messages and media to be used in each instance.
r) The p/e concept and 'branding' appears too conceptual and arbitrary	Focus on specific people or sectors. Continue efforts to broaden linkages with other sectors and to focus on concrete issues directly relevant to national development (budgeting, guidelines, etc.). Rebrand PEI in-country if a particular angle creates more interest – such as climate change.
s) Weak sense of ownership of project and processes among critically important sectors	See communication strategy above. Encourage national PEI teams to reach out to and build partnerships with key sectors. Use more participatory methods in activities, especially in studies and SEAs, for buy-in. Use project activities as instruments to build partnerships (e.g. academic institutions in research).

#### 4.4 Recommendations

*Perhaps the greatest challenge faced in p/e mainstreaming, but also the main opportunity offered by the PEI pilot, is that it is working towards a long-term process of political, institutional and behavioural change.* In this respect, progress made by PEI is mostly in the right direction – awareness, better information, plans and capacities. These are the prerequisites, early steps in an institutional evolution that should move soon to budgets, financial instruments, accountability mechanisms, changing underlying policy and governance problems, and direct p/e outcomes. Plans and budgets, though influenced by PEI, are inadequate on their own to change the real drivers of p/e problems and opportunities. Not all the people connected to p/e issues (notably business and civil society) are as yet in the PEI 'loop'. PEI has still not offered a high-level strategic vision on p/e that is capable of driving political choices. And PEI does not always express itself in terms of the issues – economic growth, attracting new environmental funds, the needs of particular groups of people, etc – that motivate people. Key governance elements now required are (a) p/e criteria, (b) incentives for meeting them, and (c) accountability mechanisms.

*A key issue to be faced by PEI, having concentrated on the national plan and budget, is to be clear when its short-term project objectives have been reached. The more advanced PEI country programmes, notably Tanzania and Rwanda, seem to have difficulty creating a solid 'post-PRS' strategy. The main follow-up choices would seem to be (a) to stay at the planning level and complement national work with sector and district plans, with capacity-building to support these, as presently done in Rwanda and Tanzania, (b) to move upstream, tackling systemic policy and governance issues that limit p/e achievement on the ground and engaging a wider range of policy-makers and opinion leaders, (c) to work downstream, improving investment flows and implementation, (d) to engage more with civil society and business actors to challenge the government system and promote action, or (e) to attempt several of these, bearing in mind the danger of dispersion and overload. Good discussion on this is needed soon in PEI countries, to determine PEI responses (e.g. develop complements to the PEI model vs. fine-tuning the model; strengthen UN 'SWAT Teams' and international expertise vs. country teams).*

*Tentative suggestions for PEI follow-up:* Current PEI country programmes vary in the extent to which they will be able to follow these suggestions in their closing phases. Outline plans at least should be made to address those issues that cannot immediately be addressed within the remaining time and resources currently available:

*a). Streamline the basic PEI model for use in further countries.* Experience to date confirms the basic PEI model, and suggests how it can be firmed up:

1. PEI should retain its primary aim of integrating p/e issues into the national development plan (or PRS) and budget.
2. PEI should be based in the ministry of finance, development or planning, where the key decisions are made and where the mainstreaming instruments are developed.
3. PEI should see environment authorities and interest groups as key players, but not lead players. In this way, PEI will not merely repeat previous national environmental Action plans, national conservation strategies, or other comprehensive environment strategies.
4. PEI national projects should be structured around a very detailed baseline of p/e issues, responsibilities and needs, including through consultation with poor groups (with more of a focus on poverty than to date).
5. This should 'map' p/e mainstreaming outcomes and gaps to date – as well as the institutional p/e responsibilities and processes associated with positive outcomes or with enduring obstacles.
6. A p/e outcome basis should guide the national work – with p/e criteria and targets (not just indicators) offering a framework for assessing and improving all relevant policies and plans (national, sector, local), and encourage the development of accountability mechanisms and fiscal and other incentives to meet these criteria in mainstream organisations.
7. PEI should do this, from its base in planning/finance, with the mapped existing institutions and processes, emphasising or adding public expenditure reviews and other economic and financial assessments (of the costs of inaction and the benefits of investment) to improve the economic case for integration, and perhaps also more of a future-search or scenarios orientation so that plans and budgets are not based only on current p/e information.
8. PEI's base in government should enable and encourage coordinated UNDP and UNEP support, which ideally will be reflected in the UNDAF or a UN Joint Programme.

9. PEI should continue to engage the donor community and should work very closely with donor coordination groups and with individual donors interested in supporting follow-up activities.
10. Throughout the process, PEI should also engage relevant sector and decentralised authorities and donors so that they are in a position to 'implement' the integrated solutions when PEI's work is finished. It would encourage activities led by relevant sector and decentralised authorities and by civil society, but not necessarily encompass these activities in the PEI programme. PEI might support this through establishing a cross-sector p/e forum (rather than a PEI steering committee).
11. The place and role of field projects in the overall strategy for p/e mainstreaming at national and decentralised levels should be clarified, to optimise the use of resources and the impact of these components; assessments and promotion of existing best practice may be more effective than the one-off pilots employed to date.
12. The process should include a clear country-specific 'exit strategy' for UNDP-UNEP PEI, so that it can be agreed where PEI has played its catalytic role and where other processes or organisations should take over. This could derive from the clearer baseline, criteria and forum described above. A few principles may also apply:
  - in the case of 'mature', well-advanced projects, as with Rwanda and Tanzania, a phase-out process should be negotiated between PEI and the country, and should be reflected in the project document. This phase-out process should be gradual and should include minimal conditions required (e.g. direct involvement of critical actors, especially the ministry responsible for Finance; integration of key functions and activities in the organograms, work programmes and budgets of national institutions; and commitments of other donors to support selected activities, such as sectoral implementation);
  - in the case of 'failing' projects, consideration should be given to discontinuing the project, but with the option of supporting future activities if conditions become more favourable;
  - in all instances, whether a PEI national project continues or not, the PEI Africa team – with adequate PEF support – should remain in close contact with the countries and provide them with technical and policy support whenever possible. Focal points within the ministries responsible for Finance and for the Environment should remain part of the 'PEI network' with opportunities to participate in regional activities.

*b). Catalyse 'upstream' in-country p/e governance change.* Whilst, in some countries, the PRS or national plan does indeed shape major policy decisions, there are always major political or economic decisions that are made 'upstream' of the plan. Some of these limit whether and how the provisions of the plan can be implemented – and in practice may be better 'targets' for mainstreaming than the plan itself. PEI should therefore encourage stakeholders to understand this, catalysing (if not leading):

- debate on big policy issues not covered by the PRS – many of which are around economic choices and climate change: economic restructuring to support pro-poor, pro-environment natural resource sectors, climate adaptation and associated pushing needs for planned migration, REDD, trans-boundary issues, etc.;
- public sector reform – notably redistribution of institutional roles, rights and responsibilities to support horizontal integration among sectors, and participation of all the main actors in government, business and civil society;

- promotion of high-level p/e country champions who can support the above, shifting attention upstream – such champions may be from outside government and from within, as well as donors. One of the ways in which this could be done in future PEI country programmes would be for PEI ‘Steering Committees’ to take on more of a ‘p/e reform’ role, rather than just managing the PEI project;
  - a stronger involvement and capacity of academic institutions, through their participation in PEI activities, notably research and facilitation of debate on the ‘big issues’ of p/e mainstreaming.
- c). *Catalyse downstream improved in-country p/e investment.* For PEI to achieve its immediate aims to improve national budgets (including environment sector budgets, and p/e cross-cutting lines in other sector and decentralised budgets) more technical support (which PEI-Africa could arrange) and more in-country political support will be required. To influence investment programmes supported by multilateral and bilateral partners will require greater recognition of the role of PEI in UNCOs and even more engagement with donor coordination groups. Further technical support will be required to help PEI pave the way for encouraging pro-poor, pro-environment enterprise. It will also require PEI teams to improve their own understanding of development and finance processes. Further ideas for a catalytic role for PEI include networking all government economists, and engaging high-level external p/e investment champions and experts.
- d). *Adopt scaling-up and strategic communications strategies.* As is evident from the above, communications is key for encouraging upstream and downstream action. Elements may include:
- for given countries: careful mapping of who makes and shapes key upstream and downstream decisions, both formal and informal, with an identification, for each group, of current perceptions and capacities, information/sensitisation needs, and effective pathways for communication;
  - global and regional knowledge sharing: updating ‘country fact sheets’ on p/e outcomes and PEI achievements, contributing to global guidance material (as planned with OECD and IIED), establishing staff exchanges between countries, networks of p/e practitioners, ‘catalogues’ of p/e best practices in sectors and spatial contexts, serving the francophone countries (even) better, brokering UN and other (PEP) agencies’ advice, and creating the facility for poor groups to exchange amongst themselves.
- e) *Introduce more non-state actors to national PEI processes, and participatory methods that enable their engagement.* While retaining a focus on formal government plan/budget processes, PEI should approach policy making as a broader, more nebulous and complex process in which non-state actors including local organisations play key roles (even in societies where they are weak). Participatory methods are needed for this – developing comprehensive communication strategies, making studies more participatory (as a way to build ownership and to reflect a wider range of expectations and opinions), using project activities as opportunities for partnerships and capacity building, and engaging with specific groups of poor people (at least representatives of different categories of the ‘environment-poor’). PEI might develop a p/e policy reform group that develops p/e policy and governance options, and only secondarily governs PEI (or encourage an existing group to do this).



- f) *Review PEI country project management and options for reducing transaction costs:* The national teams are a relatively cost-effective means of achieving PEI's goals, but they should be permitted more flexibility in project design and operation – as long as they can *clearly* demonstrate the likely achievement of PEI outcomes and avoid diversion into too many other (environmental) activities. If further phases are being contemplated, a review of country PEI management is recommended to address the question: how can we meet PEI goals with lower transactions costs? This is particularly important regarding UNDP and government administration, which have been weak in places. One reason to encourage ministries of finance to lead a national PEI project is that their leadership is often conducive to keeping a focus on PEI's desired outcomes, ensuring an efficient use of resources in circumstances where all kinds of other expenditure might otherwise occur. Even so, if transaction costs are becoming too high for cost-effective achievement of PEI outcomes in a country, it may be necessary to consider ending the PEI country programme.
- g) *Develop PEI's global growth and influence strategy:* The PEI Africa team now harbours the UN's most significant experience of in-country environmental mainstreaming. It is in a strong position to advise on ways to scale up the pilot experience. It should be encouraged to explore three main approaches for growing beyond current focal countries; with a logical sequence over time from the first to the third:
- *'Microsoft' PEI – PEI national projects:* As at present, a stand-alone PEI national project, that follows a broadly standard and comprehensive country process. This requires much time (more than at present) and resources in each country, but ensures fairly good control over the process. It could, however, be streamlined as at (a) above.
  - *'Intel Inside' PEI – PEI help-desk helps similar national projects in UNDAF:* The p/e idea is built into other UN (or identified donors') programmes in-country. Less PEI time and resources are required in-country, but the PE Facility would need to 'franchise' the idea, to offer help-desk functions, and to control quality. There would also preferably be a contact person within UNDP HQ – who might also be in charge of UNDP's environmental mainstreaming pillar. This is potentially more demand driven than the above option.
  - *'Open source' model – PEI knowledge available to all :* Information on p/e issues and outcomes, as well as multiple ways to achieve them are made freely available for others (who may be facing poverty reduction and/or environmental incentives) to develop their own programmes. This requires further investment in central knowledge management, M&E, learning and communication – as well as research and consultation in key areas such as integration in budget support models. Potentially it is yet more demand driven.
- i) *Improve the roles of UN organisations in PEI.* It is critical for UNDP and UNEP to demonstrate stronger commitment to PEI's ambitious outcomes and programme. Much of what is needed next requires initial action from UNDP and UNEP HQs – in large part to secure the political and financial support of both UNDP and UNEP at a level high enough (respective PEI lead policy responsibilities, and regional and country office heads) and enduring enough (3-4-year commitments) for PEI to play its role:
- *Mainstream p/e within UN COs.* Some of the problems experienced in the management and implementation of PEI projects are the symptoms of the barriers and disconnects that remain within UN agencies, especially at the level of country offices. Environmental mainstreaming must therefore be

placed high on the agendas of these offices, allowing them also to play a greater role in advocacy and policy support in country. The awaited UNDP mainstreaming strategy and responsible officer in NYC will be key; so also will the engagement of both poverty and environment units in UNCOs. PEI itself can support such changes, but is not in a position to lead them.

- *Strengthen UNDP-UNEP collaboration.* A number of steps could be taken to strengthen this collaboration and the identity of PEI as a joint programme. One option might be locating some PEI Africa staff in regional UNDP offices (Dakar and Johannesburg), while the PEF could remain in Nairobi and housed at UNEP. Another could be to establish the Joint Working Group provided for in the UNDP-UNEP MoU, to help in PEI programming and leverage into other programmes, and to address the findings of the 2008 UNDP environment evaluation.
  - *Enable UN COs to provide adequate support to PEI projects.* Project implementation is far more effective in those countries where the UN CO has been able to dedicate sufficient human resources to the projects. While good progress has been made in some countries with a UN Volunteer or a Junior Professional Officer who is able to allocate a significant portion of time to the project, more senior environment, economics and poverty expertise should now be involved and linked up within the UNCO – in part because of the significant ‘upstream’ issues that will need assessing and articulating.
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*Suggested responsibilities for follow-up.* We anticipate a PEI response to this evaluation, but wish to stress that some of the recommendations require action by parties other than the PEI team. In particular, high-level UNDP and UNEP attention is essential to address some of the constraints to PEI progress, and there are clear roles for donors, too:

- *The PEI Africa team* should take a lead on developing PEI’s communications strategy; focusing PEI’s in-country work on budget processes and economics; and shaping the ‘streamlined’ PEI model to communicate and inform strategy more cost-effectively. It should work closely with the UNCO to develop in-country strategy for handling ‘upstream’ major policy issues, as well as strategy for handling sectors and decentralisation. PEI’s regional role in support of networking and mutual learning should be maintained and strengthened
  - *UNDP and UNEP heads* should take the lead in recognising and promoting PEI’s role to UNCOs; and finalising the UN environmental mainstreaming policy – perhaps through mobilising a working group based on the joint UNDP-UNEP MoU. In part this should aim at ensuring funding security for PEI.
  - *Donors* should assess PEI in relation to outcomes at the level of ‘enabling conditions’ rather than ‘improved environment and poverty impacts’, acknowledging the long time horizons required to achieve institutional change within the ‘mainstream’ institutions targeted by PEI. Donors should also fund PEI as a catalytic programme for periods at least congruent with the UNDAF.
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## 5. PEI-Africa Responses to the Evaluation

### ***General Comment on the Evaluation from PEI-Africa.***

*The evaluation has been a welcome confirmation of the validity of the PEI approach while showing clearly that there is much to be done and many options for taking the agenda forward. The expectations of PEI are increasing, so it is important to highlight that PEI as it currently stands is a limited instrument with a limited funding target and a finite time-scale. The successes of PEI at the country level will depend upon the success of institutional change and the resulting irreversibility of integrating environment into development. The success of PEI globally will depend upon UNDP and UNEP strengthening their partnership and making significant management decisions. These decisions will relate to the role of environment within UNDP and the capacity of country offices to engage in environment policy dialogue. In UNEP, they will relate to the absorption of the experience of the PEI in working at the country level within the UN team. There are considerable structural obstacles to the flexibility of each organization to make changes. Evaluations like this are invaluable in guiding the way forward. The strong support of donors and their willingness to fund change are of absolute importance.*

*Perhaps the greatest challenge faced in p/e mainstreaming, but also the main opportunity offered by the PEI pilot, is that it is working towards a long-term process of political, institutional and behavioural change. In this respect, progress made by PEI is mostly in the right direction – awareness, better information, plans and capacities. These are the prerequisites, early steps in an institutional evolution that should move soon to budgets, financial instruments, accountability mechanisms, changing underlying policy and governance problems, and direct p/e outcomes. Plans and budgets, though influenced by PEI, are inadequate on their own to change the real drivers of p/e problems and opportunities. Not all the people connected to p/e issues (notably business and civil society) are as yet in the PEI ‘loop’. PEI has still not offered a high-level strategic vision on p/e that is capable of driving political choices. And PEI does not always express itself in terms of the issues – economic growth, attracting new environmental funds, the needs of particular groups of people, etc – that motivate people. Key governance elements now required are (a) p/e criteria, (b) incentives for meeting them, and (c) accountability mechanisms.*

*Agreed. We have thought of PEI in terms of a 3-4 year engagement, followed by a longer-term capacity building and mainstreaming programme funded by Government and in-country based donors. We do now acknowledge that PEI is a longer process of political, institutional and behavioural change – which means the idea of PEI totally disengaging from a country once it has ‘done’ a PEI country programme is unrealistic.*

*One implication of this is that PEI should be careful not to expand into too many countries. Another implication is that it is very important that UNDP CO have a stronger, long-term focus on environmental mainstreaming.*

*We will need to consider what concrete steps are needed to address the points made here – for example how we can offer a strategic vision. We could usefully start to think through and develop guidance on mainstreaming in the context of important development issues – including growth, investment and decentralization policies*

*A key issue to be faced by PEI, having concentrated on the national plan and budget, is to be clear when its short-term project objectives have been reached. The more advanced PEI country programmes, notably Tanzania and Rwanda, seem to have difficulty creating a solid ‘post-PRS’ strategy. The main follow-up choices would seem to be (a) to stay at the planning level and complement national work with sector and*

district plans, with capacity-building to support these, as presently done in Rwanda and Tanzania, (b) to move upstream, tackling systemic policy and governance issues that limit p/e achievement on the ground and engaging a wider range of policy-makers and opinion leaders, (c) to work downstream, improving investment flows and implementation, (d) to engage more with civil society and business actors to challenge the government system and promote action, or (e) to attempt several of these, bearing in mind the danger of dispersion and overload. Good discussion on this is needed soon in PEI countries, to determine PEI responses (e.g. develop complements to the PEI model vs. fine-tuning the model; strengthen UN 'SWAT Teams' and international expertise vs. country teams).

***Agreed.***

*The short-medium term project objectives are:*

- *Environmentally sustainable natural resource use is included as objective/outcome etc in national & sector development plans*
- *Indicators related to these objectives/outcomes are developed and included in the M&E plans*
- *Sector Plans are developed & Budgets are allocated to achieve the objectives*
- *Budgets in sectors – not just environment ministries – are allocated to achieve sustainable natural resource use*
- *Increased donor support – at the country level*
- *Longer term capacity building programme for the ENR sector is put in place*

*Again, we will need to further consider which of these choices are appropriate – which can be linked to the response to recommendation a) below. At this stage, we consider that increased emphasis on sector budget allocations is necessary and that PEI should not be financially supporting implementation on the ground – for example, while PEI supports increased budgetary allocations for decreasing soil erosion, it does not become involved with designing and implementing soil erosion control programmes.*

*Our hope would be that much of this work would be naturally taken up by others. A key question in deciding how to proceed is whether, within the political economy of any country, we have brought about the institutional changes that will ensure the continued integration of environment into development processes.*

*Tentative suggestions for PEI follow-up:* Current PEI country programmes vary in the extent to which they will be able to follow these suggestions in their closing phases. Outline plans at least should be made to address those issues that cannot immediately be addressed within the remaining time and resources currently available:

a). *Streamline the basic PEI model for use in further countries.* Experience to date confirms the basic PEI model, and suggests how it can be firmed up:

13. PEI should retain its primary aim of integrating p/e issues into the national development plan (or PRS) and budget.

14. PEI should be based in the ministry of finance, development or planning, where the key decisions are made and where the mainstreaming instruments are developed.
15. PEI should see environment authorities and interest groups as key players, but not lead players. In this way, PEI will not merely repeat previous national environmental Action plans, national conservation strategies, or other comprehensive environment strategies.
16. PEI national projects should be structured around a very detailed baseline of p/e issues, responsibilities and needs, including through consultation with poor groups (with more of a focus on poverty than to date).
17. This should 'map' p/e mainstreaming outcomes and gaps to date – as well as the institutional p/e responsibilities and processes associated with positive outcomes or with enduring obstacles.
18. A p/e outcome basis should guide the national work – with p/e criteria and targets (not just indicators) offering a framework for assessing and improving all relevant policies and plans (national, sector, local), and encourage the development of accountability mechanisms and fiscal and other incentives to meet these criteria in mainstream organisations.
19. PEI should do this, from its base in planning/finance, with the mapped existing institutions and processes, emphasising or adding public expenditure reviews and other economic and financial assessments (of the costs of inaction and the benefits of investment) to improve the economic case for integration, and perhaps also more of a future-search or scenarios orientation so that plans and budgets are not based only on current p/e information.
20. PEI's base in government should enable and encourage coordinated UNDP and UNEP support, which ideally will be reflected in the UNDAF or a UN Joint Programme.
21. PEI should continue to engage the donor community and should work very closely with donor coordination groups and with individual donors interested in supporting follow-up activities.
22. Throughout the process, PEI should also engage relevant sector and decentralised authorities and donors so that they are in a position to 'implement' the integrated solutions when PEI's work is finished. It would encourage activities led by relevant sector and decentralised authorities and by civil society, but not necessarily encompass these activities in the PEI programme. PEI might support this through establishing a cross-sector p/e forum (rather than a PEI steering committee).
23. The place and role of field projects in the overall strategy for p/e mainstreaming at national and decentralised levels should be clarified, to optimise the use of resources and the impact of these components; assessments and promotion of existing best practice may be more effective than the one-off pilots employed to date.
24. The process should include a clear country-specific 'exit strategy' for UNDP-UNEP PEI, so that it can be agreed where PEI has played its catalytic role and where other processes or organisations should take over. This could derive from the clearer baseline, criteria and forum described above. A few principles may also apply:
  - in the case of 'mature', well-advanced projects, as with Rwanda and Tanzania, a phase-out process should be negotiated between PEI and the country, and should be reflected in the project document. This phase-out process should be gradual and should include minimal conditions required (e.g. direct involvement of critical actors, especially the ministry responsible for Finance; integration of key functions and activities in the organigrams, work programmes and

- budgets of national institutions; and commitments of other donors to support selected activities, such as sectoral implementation);
- in the case of 'failing' projects, consideration should be given to discontinuing the project, but with the option of supporting future activities if conditions become more favourable;
- in all instances, whether a PEI national project continues or not, the PEI Africa team – with adequate PEF support – should remain in close contact with the countries and provide them with technical and policy support whenever possible. Focal points within the ministries responsible for Finance and for the Environment should remain part of the 'PEI network' with opportunities to participate in regional activities.

***Agreed.***

*Where existing country PEI country work-plans are reaching their end, the above points will be key to deciding whether or how to continue in the country. (But note that while maintaining a national focus, decentralisation programmes - where present - also need to be considered and some involvement on a pilot basis may be desirable.) Now that the PEI Africa is out of the pilot phase, it is fully recognised that we must ensure lessons learned, including as reflected in the points above, are reflected in country programmes. However, note that it has proved to be essentially impossible to change the lead ministry in the original seven PEI country programmes. In the new Africa PEI country programmes the above points are being reflected in the programme design. It is also important to emphasise that a key role of the PEI is to strengthen the links between Finance/Planning and Environment – including by working with Finance and Planning to strengthen Environment's position and influence in the government, including over government priorities. (A strengthened relationship between Finance/Planning and Environment is important, for example, for improved monitoring of PRSP commitments relating to environmental sustainability.) Strengthening these links can help ensure the sustainability of PEI's mainstreaming work and ensure resources are allocated to increase capacity in the Environment ministry.*

*In addition, it is recognised that an increased and earlier focus on government budgetary and poverty elements is felt to be necessary. For example, while Governments highlight poverty reduction as a primary goal of their national development process, the experience of the PEI is that the operational focus on poverty reduction is less than is expected. For example, the underlying theoretical and operational assumption appears to be that economic growth is the appropriate way to reduce poverty. However, the PEI experiences suggest that a more specific poverty reduction focus by Governments would be useful, including comparison of the potential poverty reduction impacts of different sectoral development options.*

*We have already commenced discussions within the PEI Team on what are the core, absolutely essential elements of a successful PEI country programme. Based on the lessons learnt to date, an institutional analysis is seen as an essential element of the preparatory phase. In addition, we are considering carrying out the economic analysis on the costs and benefits of unsustainable and sustainable natural resource use at the earliest stages of a PEI country programme.*

*In terms of remaining in contact, other offices in UNDP and UNEP should also be an important aspect of some form of continuing support.*

***b). Catalyse 'upstream' in-country p/e governance change.*** Whilst, in some countries, the PRS or national plan does indeed shape major policy decisions, there are always major political or economic decisions that are made 'upstream' of the plan. Some of these limit whether and how the provisions of the plan can be implemented – and in

practice may be better 'targets' for mainstreaming than the plan itself. PEI should therefore encourage stakeholders to understand this, catalysing (if not leading):

- debate on big policy issues not covered by the PRS – many of which are around economic choices and climate change: economic restructuring to support pro-poor, pro-environment natural resource sectors, climate adaptation and associated pushing needs for planned migration, REDD, trans-boundary issues, etc.;
- public sector reform – notably redistribution of institutional roles, rights and responsibilities to support horizontal integration among sectors, and participation of all the main actors in government, business and civil society;
- promotion of high-level p/e country champions who can support the above, shifting attention upstream – such champions may be from outside government and from within, as well as donors. One of the ways in which this could be done in future PEI country programmes would be for PEI 'Steering Committees' to take on more of a 'p/e reform' role, rather than just managing the PEI project;
- a stronger involvement and capacity of academic institutions, through their participation in PEI activities, notably research and facilitation of debate on the 'big issues' of p/e mainstreaming.

***Agreed.***

*In the new PEI Africa countries, higher -level issues will be considered more – for example, the potential for public sector reform – subject to government agreement. As a minimum PEI will explore opportunities to inform big/broader policy issues on the related P-E linkages in the country and to participate in the debates to emphasize on the P-E aspects. The promotion of high-level champions is key but is also challenging (How to identify them? How to mobilize them? How to ensure they stay committed to the PEI cause?). These key questions need to be answered. A related issue is that changes in government ministerial and senior official postings are quite disruptive, including in terms of champions.. Efforts are being made to ensure a stronger involvement of national academic/research institutions for long term capacity building on P-E analysis and linking these to developed country institutes. So far this has not always been possible (and it will probably not always be possible) because PEI country programmes are tied to national processes (calendar constraints).*

c). *Catalyse downstream improved in-country p/e investment.* For PEI to achieve its immediate aims to improve national budgets (including environment sector budgets, and p/e cross-cutting lines in other sector and decentralised budgets) more technical support (which PEI-Africa could arrange) and more in-country political support will be required. To influence investment programmes supported by multilateral and bilateral partners will require greater recognition of the role of PEI in UNCOs and even more engagement with donor coordination groups. Further technical support will be required to help PEI pave the way for encouraging pro-poor, pro-environment enterprise. It will also require PEI teams to improve their own understanding of development and finance processes. Further ideas for a catalytic role for PEI include networking all government economists, and engaging high-level external p/e investment champions and experts.

***Agreed.***

*PEI is placing increasing emphasis on budgeting and related issues, and consequently on Ministries of Planning/Finance and key sectors. This is requiring us to work more with different partners than when PEI started. It also requires PEI country team members and consultants with more skills in such topics as budget development, environmental fiscal reform and public expenditure reviews. It has proven difficult to find appropriately qualified*

*personnel in some cases. We need to engage more with the 'Poverty' side expertise more and are doing so from now on – at the country, regional and global levels. (Including with UNDP country office poverty units).*

d) *Adopt scaling-up and strategic communications strategies.* As is evident from the above, communications is key for encouraging upstream and downstream action.

Elements may include:

- for given countries: careful mapping of who makes and shapes key upstream and downstream decisions, both formal and informal, with an identification, for each group, of current perceptions and capacities, information/sensitisation needs, and effective pathways for communication;
- global and regional knowledge sharing: updating 'country fact sheets' on p/e outcomes and PEI achievements, contributing to global guidance material (as planned with OECD and IIED), establishing staff exchanges between countries, networks of p/e practitioners, 'catalogues' of p/e best practices in sectors and spatial contexts, serving the francophone countries (even) better, brokering UN and other (PEP) agencies' advice, and creating the facility for poor groups to exchange amongst themselves.

***Agreed.***

*We acknowledge that communications strategies at the country level need improvement. For new countries, PEI-Africa is planning the development of comprehensive Advocacy and Communication Strategies at the earliest stages of implementation. The development of a well thought Advocacy and Communication Strategy at the earliest stages of implementation of a PEI country programme will ensure greater impacts of the programme's activities and strengthen results in terms of PEI's long term goals/objectives (sustainability). The Poverty and Environment Facility knowledge management and communications functions will be critical in addressing the second point. Discussions have already commenced with a communications expert to move forward on this recommendation.*

e) *Introduce more non-state actors to national PEI processes, and participatory methods that enable their engagement.* While retaining a focus on formal government plan/budget processes, PEI should approach policy making as a broader, more nebulous and complex process in which non-state actors including local organisations play key roles (even in societies where they are weak). Participatory methods are needed for this – developing comprehensive communication strategies, making studies more participatory (as a way to build ownership and to reflect a wider range of expectations and opinions), using project activities as opportunities for partnerships and capacity building, and engaging with specific groups of poor people (at least representatives of different categories of the 'environment-poor'). PEI might develop a p/e policy reform group that develops p/e policy and governance options, and only secondarily governs PEI (or encourage an existing group to do this).

***Agreed***

*The PEI country programmes could and will take a more pro-active role in encouraging more participatory approaches, for both specific activities and higher level governance. But as we have limited capacity, while we can certainly lead this, but would need others (eg the mainstreaming group in UNDP) to provide core capacities.*

f) *Review PEI country project management and options for reducing transaction costs:* The national teams are a relatively cost-effective means of achieving PEI's goals, but they should be permitted more flexibility in project design and



operation – as long as they can *clearly* demonstrate the likely achievement of PEI outcomes and avoid diversion into too many other (environmental) activities. If further phases are being contemplated, a review of country PEI management is recommended to address the question: how can we meet PEI goals with lower transactions costs? This is particularly important regarding UNDP and government administration, which have been weak in places. One reason to encourage ministries of finance to lead a national PEI project is that their leadership is often conducive to keeping a focus on PEI's desired outcomes, ensuring an efficient use of resources in circumstances where all kinds of other expenditure might otherwise occur. Even so, if transaction costs are becoming too high for cost-effective achievement of PEI outcomes in a country, it may be necessary to consider ending the PEI country programme.

***Agreed***

*The emphasis on 'clearly demonstrating the likely achievement of PEI's goals' is strongly endorsed, with respect to more flexibility in design and operation. As noted above, it has proven essentially impossible to change the lead agency in the government. The ability of PEI to address UNDP and Government administration issues is limited, as there are a range of factors beyond PEI control that determine administrative and programmatic support. PEI support for sufficiently resourced PEI country teams has proven to be partially able to address the problems caused by such weaknesses.*

g) *Develop PEI's global growth and influence strategy:* The PEI Africa team now harbours the UN's most significant experience of in-country environmental mainstreaming. It is in a strong position to advise on ways to scale up the pilot experience. It should be encouraged to explore three main approaches for growing beyond current focal countries; with a logical sequence over time from the first to the third:

- *'Microsoft' PEI – PEI national projects:* As at present, a stand-alone PEI national project, that follows a broadly standard and comprehensive country process. This requires much time (more than at present) and resources in each country, but ensures fairly good control over the process. It could, however, be streamlined as at (a) above.
- *'Intel Inside' PEI – PEI help-desk helps similar national projects in UNDAF:* The p/e idea is built into other UN (or identified donors') programmes in-country. Less PEI time and resources are required in-country, but the PE Facility would need to 'franchise' the idea, to offer help-desk functions, and to control quality. There would also preferably be a contact person within UNDP HQ – who might also be in charge of UNDP's environmental mainstreaming pillar. This is potentially more demand driven than the above option.
- *'Open source' model – PEI knowledge available to all :* Information on p/e issues and outcomes, as well as multiple ways to achieve them are made freely available for others (who may be facing poverty reduction and/or environmental incentives) to develop their own programmes. This requires further investment in central knowledge management, M&E, learning and communication – as well as research and consultation in key areas such as integration in budget support models. Potentially it is yet more demand driven.

***Agreed***

*The most effective way to address these issues is by the P-E Facility taking the lead. For example, it is likely the Facility will convene a global PEI meeting towards the end of the year to discuss such issues. With respect to the second approach, it is important that if PEI focuses on helping similar existing national UN or donor projects, these are fully consistent with PEI objectives. There is also the risk that the programmatic coherence (one of the key*

*lessons from the pilot phase) that is important to PEI effectiveness could be lost. If the UNDP country office has an environmental mainstreaming programme, then the second approach is much more likely to succeed.*

*However, it is important to recognise that all of this is nested in decisions about how UNDP will strengthen its national capacity to support environment policy rather than environment project delivery, and how UNEP will internalize the PEI experience. At the end of the day PEI and PEF can deliver fully only if serious management decisions are made. Please also see the next section.*

*j) Improve the roles of UN organisations in PEI.* It is critical for UNDP and UNEP to demonstrate stronger commitment to PEI's ambitious outcomes and programme. Much of what is needed next requires initial action from UNDP and UNEP HQs – in large part to secure the political and financial support of both UNDP and UNEP at a level high enough (respective PEI lead policy responsibilities, and regional and country office heads) and enduring enough (3-4-year commitments) for PEI to play its role:

- *Mainstream p/e within UN COs.* Some of the problems experienced in the management and implementation of PEI projects are the symptoms of the barriers and disconnects that remain within UN agencies, especially at the level of country offices. Environmental mainstreaming must therefore be placed high on the agendas of these offices, allowing them also to play a greater role in advocacy and policy support in country. The awaited UNDP mainstreaming strategy and responsible officer in NYC will be key; so also will the engagement of both poverty and environment units in UNCOs. PEI itself can support such changes, but is not in a position to lead them.
- *Strengthen UNDP-UNEP collaboration.* A number of steps could be taken to strengthen this collaboration and the identity of PEI as a joint programme. One option might be locating some PEI Africa staff in regional UNDP offices (Dakar and Johannesburg), while the PEF could remain in Nairobi and housed at UNEP. Another could be to establish the Joint Working Group provided for in the UNDP-UNEP MoU, to help in PEI programming and leverage into other programmes, and to address the findings of the 2008 UNDP environment evaluation.
- *Enable UN COs to provide adequate support to PEI projects.* Project implementation is far more effective in those countries where the UN CO has been able to dedicate sufficient human resources to the projects. While good progress has been made in some countries with a UN Volunteer or a Junior Professional Officer who is able to allocate a significant portion of time to the project, more senior environment, economics and poverty expertise should now be involved and linked up within the UNCO – in part because of the significant 'upstream' issues that will need assessing and articulating.

***Agreed***

*As noted, these recommendations require actions by UNDP and UNEP HQ. In addition very strong donor political and financial support is required. The Secretary-General's High-Level commission – One UN/Delivering as One agenda expects UNDP and UNEP to collaborate, with UNDP leading in the ground. If existing institutional and structural obstacles are not tackled, especially the lack of funds for UNDP Country Office environment policy capacity, we will not be able to move far.*

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*The PEI Africa is definitely in a very good position to provide the necessary advisory support to senior management to help implement these recommendations.*

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*Suggested responsibilities for follow-up.* We anticipate a PEI response to this evaluation, but wish to stress that some of the recommendations require action by parties other than the PEI team. In particular, high-level UNDP and UNEP attention is essential to address some of the constraints to PEI progress, and there are clear roles for donors, too:

- *The PEI Africa team* should take a lead on developing PEI's communications strategy; focusing PEI's in-country work on budget processes and economics; and shaping the 'streamlined' PEI model to communicate and inform strategy more cost-effectively. It should work closely with the UNCO to develop in-country strategy for handling 'upstream' major policy issues, as well as strategy for handling sectors and decentralisation. PEI's regional role in support of networking and mutual learning should be maintained and strengthened
  - *UNDP and UNEP heads* should take the lead in recognising and promoting PEI's role to UNCOs; and finalising the UN environmental mainstreaming policy – perhaps through mobilising a working group based on the joint UNDP-UNEP MoU. In part this should aim at ensuring funding security for PEI.
  - *Donors* should assess PEI in relation to outcomes at the level of 'enabling conditions' rather than 'improved environment and poverty impacts', acknowledging the long time horizons required to achieve institutional change within the 'mainstream' institutions targeted by PEI. Donors should also fund PEI as a catalytic programme for periods at least congruent with the UNDAF.
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***Immediate & Short Term Actions The PEI Africa Team Will Take In Response To The Norwegian Evaluation.*** (A number of these will need to be done jointly with the Poverty-Environment Facility)

1. *Disseminate evaluation report to countries and seek feedback.*
2. *Review current PEI country programmes to identify how responses can be made in existing work programmes, including in terms of the role of steering committees. Assess relative value of continuing or not and ensure focus onto reinforcing success.*
3. *Where existing PEI country programmes are up for review or renewal, ensure revised work-plans are consistent with evaluation findings.*
4. *For new PEI country programmes ensure consistency with evaluation findings –e.g. focus on PEI objectives, involvement of Finance/Planning Ministries etc*
5. *Develop TOR for a report on stream lining the PEI model*
6. *Develop TOR for enhanced partnerships to provide more support to countries on budgeting/economic/public expenditure reviews/environmental fiscal reform.*
7. *Open substantive discussions with UNDP Poverty Group focused on how poverty issues can be better reflected in PEI country programmes.*
8. *Initiate development of PEI communications strategy.*

9. *Highlight importance and implications of evaluation to UNDP-UNEP senior management*
10. *Transmit and emphasis evaluation findings to other PEI regions.*