



Moving Forward

Poverty-Environment Action
for Sustainable Development Goals
Annual Progress Report 2020

Reference Number: ENV/2018/395-056

Moving Forward: Poverty-Environment Action for Sustainable Development Goals Annual Progress Report 2020 is available online at <https://pea4sdgs.org>.

First edition. Published 2021.

© 2021 UNDP-UNEP

Produced by the UNDP-UNEP Poverty-Environment Action for Sustainable Development Goals

The authors would like to acknowledge all Poverty-Environment Action colleagues at the country, regional and global levels for their valuable contributions to this report.

Authors: Jonathan Gilman, Le Le Lan, Tapona Manjolo, Henry Ndede, Jacinta Okwaro, David Smith and Michael Stanley-Jones under the guidance of the Poverty-Environment Action Co-Managers Anne Juepner and Kerstin Stendahl

Project Manager: Tapona Manjolo

Editor/designer: Nita Congress, www.behance.net/nitacongress

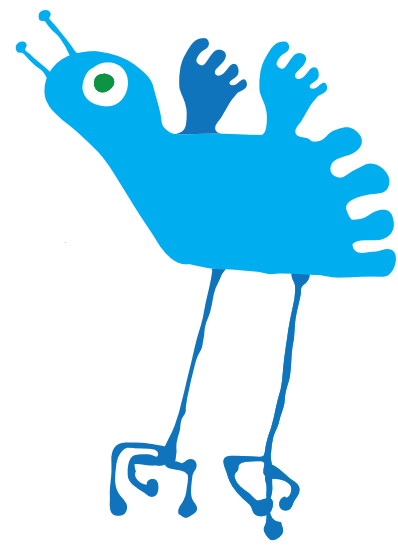
Cover photo: © montebasso/Shutterstock

This publication was prepared with funding by the Governments of Austria, Sweden and the European Union. Its contents are the sole responsibility of UNDP-UNEP Poverty-Environment Action for Sustainable Development Goals and do not necessarily reflect the views of the Governments of Austria, Sweden or the European Union

This publication may be reproduced in whole or in part and in any form for educational or non-profit purposes without special permission from the copyright holder provided acknowledgement of the source is made. UNDP-UNEP Poverty-Environment Action Unit would appreciate receiving a copy of any publication that uses this publication as a source. No use of this publication may be made for resale or for any other commercial purpose whatsoever without prior permission in writing from UNDP and UNEP.

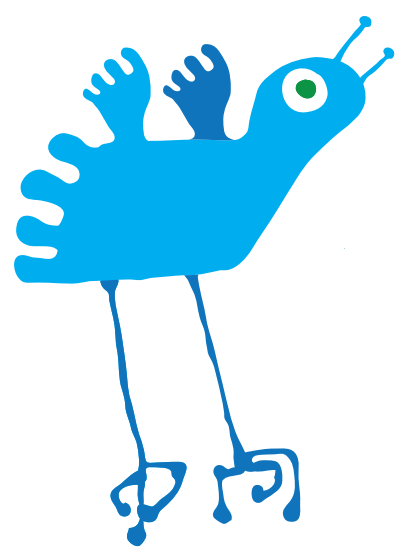
While reasonable efforts have been made to ensure that the contents of this publication are factually correct and properly referenced, UNDP and UNEP do not accept responsibility for the accuracy or completeness of the contents and shall not be liable for any loss or damage that may be occasioned directly or indirectly through the use of, or reliance on, the contents of this publication, including its translation into languages other than English.

All dollars referred to in this publication are U.S. dollars, unless otherwise specified.



Contents

iv	Foreword
v	Executive Summary
viii	Abbreviations
1	Context and Report Overview
4	Outcome Performance
5	Output Performance
28	Challenges and Opportunities
30	Lessons Learned; Strategies Used
34	Way Forward
35	Annex: 2021 Annual Work Plan
37	Endnotes



Foreword

The year 2020 has been a year like no other, disrupting progress on the 15-year global effort to improve the lives of people everywhere through achievement of 17 Sustainable Development Goals (SDGs). In a short period of time, the COVID-19 pandemic unleashed an unprecedented crisis, with the world's poorest and most vulnerable affected the most. According to the 2020 SDG Report,¹ the world had been making progress – although uneven and insufficient to meet the SDGs – in areas such as improving maternal and child health, expanding access to electricity and increasing women's representation in government. Yet these advances were offset elsewhere by growing food insecurity, deterioration of the natural environment, and persistent and pervasive inequalities. Global human development, measured as a combination of the world's education, health and living standards, could decline for the first time since the concept was introduced in 1990.²

The COVID-19 pandemic has quickly become the worst human and economic crisis of our lifetime, spreading to all countries, with a global death toll exceeding 2 million and the number of confirmed cases at more than 100 million people.³ Guided by the SDG Agenda, the United Nations envisages a transformative recovery process that pursues a better post-COVID world – moving towards more just, equal, resilient societies and economies – by addressing the climate crisis, inequalities, exclusions and gaps in social protection systems and the many other fragilities and injustices that the pandemic has exposed and exacerbated.⁴

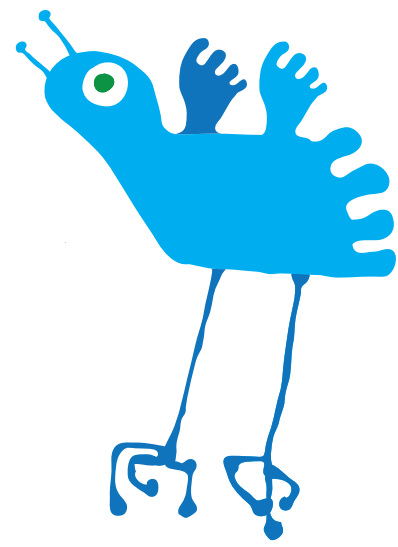
Our focus at Poverty-Environment Action for Sustainable Development Goals is on deepening and broadening poverty-environment mainstreaming, aligning finance and investment with poverty, environment and climate objectives in the face of the changing forms and conditions of poverty found in the world today. As we operate in the shadow of COVID-19, the need is ever more urgent; and the relevance of Poverty-Environment Action never greater.

Anne Juepner

Co-Managers, Poverty-Environment Action for Sustainable Development Goals

Kerstin Stendahl

Executive Summary



The Poverty–Environment Action for Sustainable Development Goals (PEA) project is a joint initiative between the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). It aims at mainstreaming environmental sustainability and climate objectives for poverty eradication into development planning, budgeting and monitoring systems, public and private finance, and investment. Eight full-fledged countries are being supported through the initiative: four in Africa (Malawi, Mauritania, Mozambique and Rwanda) and four in Asia (Bangladesh, Lao PDR, Myanmar and Nepal). Indonesia and Tanzania are being supported with technical assistance at the country level. Three technical assistance initiatives are supported at the regional level: on the blue economy with the Asian Development Bank, on green bonds with the Deutsche Gesellschaft für International Zusammenarbeit (GIZ), and on gender and climate-smart agriculture with UN Women.

In 2020, PEA continued to deliver on its objective of strengthening integration of poverty–environment–climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the Sustainable Development Goals (SDGs). Notable achievements include 76 planning frameworks, legislation and regulations that integrate the poverty–environment nexus developed in eight countries; 7 government-led intersectoral coordination mechanisms established and supported that promote coherence of planning, frameworks, legislation and regulations; environmental, social and economic data collected, analysed and reported in five countries, ensuring a poverty–environment nexus perspective through national development and SDG monitoring systems; 18 guidelines and tools developed to manage private sector investment decisions that facilitate or prioritize quality investments; and 2 regional and global PEA partner programmes and agencies applying an integrated mainstreaming approach. The year also marked the start of three new strategic partnerships through technical assistance at the regional level: with the Asian Development Bank, GIZ and UN Women.

The PEA website was launched in June 2020; it serves as a common platform for showcasing PEA to a wider audience and promoting information sharing. To date, over 23 news articles have been uploaded from Bangladesh, Indonesia, Malawi, Myanmar, Nepal and Rwanda. In addition, the site has dedicated spaces for facilitating internal work and interactions between UNDP Country Offices and the global PEA team. There has been an increase in advocacy and coordination efforts, with development partners engaged in supporting SDG implementation to mainstream the use of PEA integrated approaches and tools in their programmes to

ensure synergies. This is evident in the increased number of times PEA learning products were referenced by regional and global networks, rising from a single mention in 2019 to 20 in 2020. A consultant roster has been established to expedite sourcing of technical support for PEA implementation, focusing on four thematic areas: finance and investment, poverty and economics, gender and equity, and knowledge management. This has proved to be effective, with timely deployment of consultants on the blue economy and green bonds initiatives.

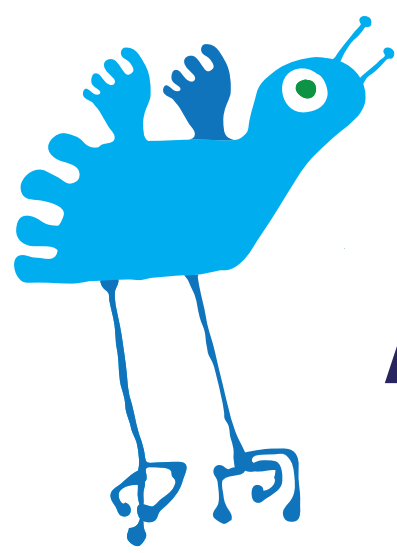
The COVID-19 pandemic affected project implementation in all PEA countries. Particular obstacles included travel bans, restrictions on in-person meetings and workshops and government offices working at limited capacity in many instances. Activities that required trainings, workshops, data collection and international consultants were either postponed or cancelled. PEA implemented a series of approaches to mitigate the impact of the pandemic. Taking a proactive, adaptive approach, PEA management conducted a series of follow-up calls with countries to provide needed support, including the provision of materials, equipment, online platform licences etc., to strengthen the capacity of national partners to work online and engage virtually for operational continuity. At the global level, adaptation to the new reality was demonstrated through virtual conduct of all Board, Executive Member and staff meetings in 2020.

A mid-term review (MTR) was undertaken to assess progress towards achievement of PEA objectives and outcomes. Findings indicate that PEA's technical support has been well received by many actors at the national, regional and global levels. The project was also recognized for its continued promotion of an agenda at the nexus of poverty-environment action, carrying on to SDGs. Based on the MTR findings, only 56 per cent (95 targets) of the total 170 output targets were achieved at mid-point (i.e. by August 2020). Significant progress has been made since then, from August to December 2020: 180 targets have now been achieved, which translates to 106 per cent of targets. The MTR highlights a potential for achieving as great or greater number of outputs and output-related outcomes with proper adjustments made at the programmatic, operational and conceptual levels. The MTR further recommends the alignment of expected results with available resources. Management responses have been put in place to address the MTR recommendations, including low delivery, by reviewing the monitoring and evaluation framework to align results with the available resources and time frame, without jeopardizing the overall ambition of the project.

In 2020, total expenditure incurred amounted to approximately \$7 million from all funding sources (i.e. donor funds; agency contributions from UNDP and UNEP; country-level co-financing including UNDP core funding, government contributions and other local funding contributed directly by in-country donors and partners). In line with Article 11.3 of the General Conditions of the Delegation Agreement, a few changes to the budget were made to accommodate PEA's actual needs. These changes have had limited financial impact and do not affect the overall objectives, strategy or priority areas. Details related to the changes can be found in the interim financial report of the PEA for the period 1 September 2018–31 December 2020.

Going forward, PEA will continue to mitigate the effects of COVID-19 on project implementation, implement MTR recommendations and work to accelerate implementation of public finance and investment frameworks to incentivize shifts in public and private investments towards

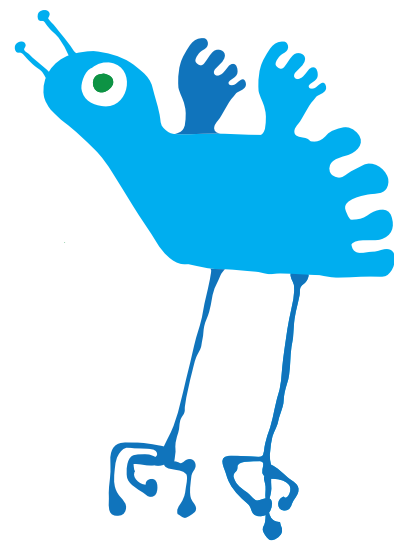
environmental sustainability and climate objectives. PEA will also continue to advocate for the adoption of poverty-environment tools and approaches through existing and new platforms. High-level, high-impact South-South cooperation and visibility actions will be prioritized and undertaken through webinars on major poverty-environment climate mainstreaming themes. The capacity-building platform/help desk to be developed under a recently approved technical assistance initiative will provide an avenue for sustainability by strategically advancing partnerships between PEA and its current donors and stakeholders.



Abbreviations

ADB	Asian Development Bank
CSR	corporate social responsibility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
M&E	monitoring and evaluation
MTR	mid-term review
NGO	non-government organization
PEA	Poverty-Environment Action for Sustainable Development Goals
PEI	Poverty-Environment Initiative
SDG	Sustainable Development Goal
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
VNR	voluntary national review

Context and Report Overview



Context of the Poverty-Environment Action

The 2030 Agenda for Sustainable Development brings together development, environmental and climate concerns in a comprehensive and integrated agenda for change. The overriding aim of the Sustainable Development Goals (SDGs) is to eradicate extreme poverty by 2030 and “leave no one behind.” But the agenda goes much further – aiming to transform economies by making economic growth more inclusive and equitable; decoupling growth from environmental degradation and promoting resource efficiency; and accelerating the transition to low-carbon, climate-resilient development pathways and inclusive green economies.

Together with the other three agenda-setting agreements adopted by world leaders in 2015 – the Addis Ababa Action Agenda on Financing for Development, the Sendai Framework for Disaster Risk Reduction and the Paris Agreement on Climate Change – the case for poverty-environment mainstreaming is as strong as ever. The new sustainable development agenda reflects a greater recognition of the major poverty-environment challenges facing the world’s population arising from depleted natural capital, climate vulnerability, gender inequality, rural-urban migration and rising resource demands – all of which disproportionately affect the livelihoods and well-being of the poor and vulnerable.

By building on the legacy of the Poverty-Environment Initiative (PEI), the United Nations Development Programme-United Nations Environment Programme (UNDP-UNEP) Poverty-Environment Action for Sustainable Development Goals (PEA) is uniquely placed to ensure that the environmental dimension is not left behind when addressing poverty. Leveraging broader 2030 Agenda and SDG implementation processes provides new entry points not only to mainstream environmental sustainability and related climate concerns for poverty eradication, but also to gradually shift government priorities and resource allocation towards addressing these issues. It further provides opportunities to improve the quality of private sector investments to support poverty-environment objectives. This represents the new focus of PEA – aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation.

PEA is implementing this new focus by operating at the country, regional and global levels through a two-pronged strategy of deepening and broadening support to countries on poverty-environment and climate mainstreaming. These two complementary tracks continue to:

- Deepen mainstreaming efforts to integrate environmental sustainability and climate objectives for poverty eradication into development planning, budgeting and monitoring systems and – in line with the PEA focus – into public and private finance and investment.
- Broaden the dissemination and use of PEA's substantial body of country-level experience in the application of integrated poverty-environment mainstreaming approaches and tools through stepped-up efforts in knowledge management and sharing – including through targeted technical assistance to selected countries, South-South knowledge transfer and cooperation, and proactive engagement with key global and regional actors supporting national SDG implementation and acceleration processes.

PEA's two-pronged strategy is complemented by a renewed focus on strengthening strategic partnerships and improving coordination with other development actors, especially at the country level. The target remains eight countries (four in Africa and four in Asia Pacific) where substantive gains were made through PEI and that have a high potential to deliver the shift in investments expected from PEA: Bangladesh, Lao PDR, Malawi, Mauritania, Mozambique, Myanmar, Nepal and Rwanda. Technical assistance is also being provided at the country (Indonesia and Tanzania) and regional levels; these latter involve blue economy, green bonds, and gender and climate-smart agriculture.

Report coverage

This report covers progress by the United Nations Development Programme–United Nations Environment Programme (UNDP-UNEP) Poverty-Environment Action for Sustainable Development Goals (PEA) from January to December 2020. This progress was achieved through eight full-fledged country projects – Bangladesh, Lao PDR, Malawi, Mauritania, Mozambique, Myanmar, Nepal and Rwanda – and technical assistance initiatives in Indonesia and Tanzania; on the blue economy, in partnership with the Asian Development Bank (ADB); on green bonds (fixed-income instruments specifically earmarked to raise money for climate and environmental projects) in South Africa, in partnership with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); on gender and climate-smart agriculture, in partnership with UN Women; and on a capacity-building virtual platform.

The technical assistance interventions in Tanzania and Indonesia were PEA's first two such in-country efforts, approved in 2018 and 2019, respectively. The Tanzania work focuses on increasing public and private investments with enhanced impacts on multidimensional poverty reduction; inequality; environmental and natural resource sustainability; climate resilience; and achievement of Five-Year Development Plan III and Sustainable Development Goal (SDG) objectives. The Indonesia technical assistance supports selected government offices with mandates and responsibilities for public financial management in integrating poverty, the environment and gender in the context of ongoing public financial management and budget reforms.

The other 4 technical assistance interventions were the first of the 10 planned during PEA's lifetime (subject to funding availability); 3 of these were approved by the PEA Board in February 2020, and 1 in December 2020. Implementation on all four commenced, with contributions

made to planned results – particularly to PEA Outputs 2 and 3. The four initiatives are summarized in Table 1.

The remainder of this report is organized as follows. It begins with a detailed review of PEA implementation by outcome and output indicator. It continues with an examination of the challenges encountered in 2020 to successful implementation and opportunities thus presented for strengthening project delivery. It concludes with lessons learned and a summary of the envisioned way forward.

TABLE 1 Summary of technical assistance interventions

INTERVENTION	DESCRIPTION
Blue economy	This joint initiative with ADB aims to integrate poverty–environment objectives into blue economy planning and financing mechanisms. Key deliverables will include a joint PEA–ADB report, “Opportunities and Challenges for Investment in the Sustainable Blue Economy of Asia and the Pacific,” which will detail potential follow-up work with ADB to ensure long-term sustainability of this intervention.
Gender	This work is being implemented in partnership with UN Women to expand gender-sensitive climate-smart agricultural and environmental tools to two African countries. The effort is intended to influence decision-makers to provide enhanced support to female farmers by demonstrating that addressing the gender gap in agriculture will bring development benefits through improved food security and reduced poverty. It responds to the need for adoption of climate-smart agriculture as a practice to enhance climate resilience and environmental sustainability efforts. UN Women is providing support in conducting evidence-based capacity building of targeted government representatives in integrating gender-sensitive climate-smart agricultural approaches in policies and South-South cooperation in mainstreaming and implementing gender-responsive climate-smart agricultural policies and strategies.
Green bonds	This initiative aims to strengthen existing green transformation approaches in South Africa and promote dialogue among key actors on SDG and nationally determined contribution implementation. It is being implemented in partnership with the UNEP–GIZ project on Green Economy Transformation, based on the experience of the Partnership for Action on Green Economy project, and the South African and UN Sustainable Development Cooperation Framework. PEA is supporting South Africa in (i) establishing green bonds at the municipality level through South-South exchange with Indonesia and (ii) assisting with the review of a handbook on green bonds, particularly the environmental and social dimensions.
Capacity-building virtual platform	This effort aims to strengthen the capacity of governments (particularly ministries of planning, finance and environment) and UN Country Teams to address and scale up action on the poverty–environment dimension of COVID-19 recovery, including under their national UN Socio-Economic Response and Recovery Frameworks. This will entail establishing a virtual platform consisting of a help desk function to provide technical advisory and training support. The work seeks to strategically advance existing partnerships between PEA and its current donors and partners to strengthen the sustainability of PEA project results post-2022.



Outcome Performance

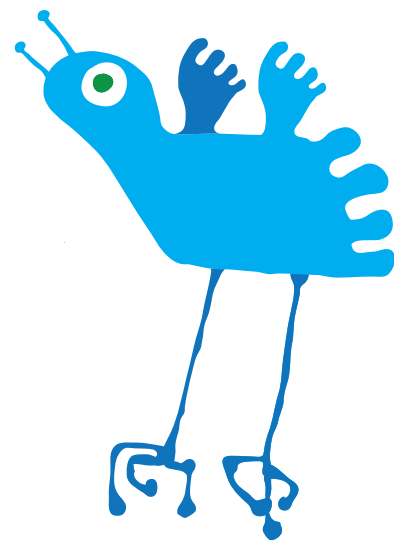
The year 2020 marked the second full year of PEA implementation. Capitalizing on the work done in 2019 and putting in place the building blocks for future achievement, PEA has made significant progress on its intended outcome of strengthening integration of poverty-environment climate objectives into the policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs. This outcome is tracked through three interrelated indicators:

- **OUTCOME INDICATOR 1:** Number of countries demonstrating alignment between poverty-environment objectives in plans and related budget allocations
- **OUTCOME INDICATOR 2:** Number of countries with increased investments in support of environmental sustainability and climate priorities for poverty eradication
- **OUTCOME INDICATOR 3:** Number of tools and approaches applied by regional and global partners in support of poverty-environment nexus for SDG acceleration

While it is difficult to pinpoint project outcome results for those countries (Bangladesh and Nepal) that started implementation in 2020, most PEA countries have commenced their preparatory work for integrating approaches and tools for mainstreaming environmental sustainability and climate objectives for poverty eradication in development planning and budgeting. Two countries (Indonesia and Rwanda) have demonstrated an increasing alignment between poverty-environment objectives in plans and budgets. While no country has registered increased investments in support of environmental sustainability and climate priorities for poverty eradication, 15 guidelines and tools from six countries (Lao PDR, Malawi, Mauritania, Myanmar, Rwanda and Tanzania) and one technical assistance initiative (blue economy with ADB) have been developed to manage private sector investment decisions that facilitate or prioritize quality investments in support of environmental sustainability and climate priorities for poverty eradication. Seven regional and global PEA partner programmes and agencies have applied integrated mainstreaming tools and approaches in support of the poverty-environment nexus for SDG acceleration.

These efforts were accompanied by a variety of capacity-building initiatives at the country level. The steady upward trend in results from countries is expected to continue in 2021 and beyond, leading to attainment of the PEA project outcome.

Output Performance



PEA has delivered through three interrelated outputs:

- **OUTPUT 1:** Development planning, budgeting, and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication
- **OUTPUT 2:** Public finance and investment frameworks incentivize shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication
- **OUTPUT 3:** SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools

Progress on these three outputs is monitored through 11 indicators that are detailed in this section and summarized in Table 4.

OUTPUT 1 Development planning, budgeting and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication

Output 1 focuses on strengthening the policy and institutional framework and capacities for poverty, environment and climate mainstreaming in partner countries. “Planning” here encompasses relevant policies, plans and strategies at the national, subnational and sectoral levels, in line with country demand/needs. “Environmental sustainability” includes sustainable management of the environment and natural resources and pollution reduction. Reflecting the primary focus of PEA, key deliverables and services under Output 1 are aimed at helping to establish the enabling conditions for aligning public and private finance and investment with environmental sustainability and climate objectives for poverty eradication (Output 2).

Four indicators are used to monitor progress made under Output 1. In 2020, considerable progress was made, with two indicators fully achieved. There has been an evident increase in the pace of implementation, with Indicators 1.1 and 1.4 exceeded (by 143 per cent and 114 per cent, respectively). In particular, progress on Indicator 1.1 has been extensive, as the number of planning frameworks, legislation and regulations that integrate the poverty-environment

nexus jumped from 7 in 2019 to 76 in 2020. The target for Indicator 1.3 was just over halfway achieved (52 per cent), and much work is still needed on Indicator 1.2, which has registered no progress, to ensure formulation of policy positions on poverty–environment issues by non-government actors.



INDICATOR 1.1 Number of planning frameworks, legislation and regulations that integrate the poverty–environment nexus (per country)

This indicator was exceeded, with a total of 76 planning frameworks, legislation and regulations that integrate the poverty–environment nexus developed in eight countries. This represents a cumulative achievement of 83 since 2019. Details of country achievement follow:

Rwanda: 16 Sectors and 30 districts Single Action Plans for 2020/21 were reviewed to ensure full integration of 58 environment and climate change indicators into 2020–2021 plans and budgets. Environmental and natural resource key performance indicators as per the checklist provided and trained on during the 2020/21 planning phase.

- **Bangladesh.** PEA supported the National Planning Commission in preparing its 2020 SDG Voluntary National Review (VNR), "[Accelerated Action and Transformative Pathways: Realizing the Decade of Action and Delivery for Sustainable Development.](#)" With PEA support, the VNR was presented to the High-Level Political Forum under the auspices of the United Nations (UN) Economic and Social Council. A total of 59 public planners (50 male, 9 female) were trained on integration of the SDGs into national policy plans. In addition, 118 officials (98 male, 20 female), including 66 SDG focal points from 22 relevant ministries/divisions/departments/agencies, were trained in monitoring and evaluation (M&E) through 12 technical sessions on meta-data, an explanation of environmental indicators, mechanisms to enhance policy coherence, poverty linkages to the environment and disaster management, economic and non-economic damages and losses from climate change–related impacts, a national approach towards SDG monitoring, and related issues.
- **Indonesia.** A study on gender-responsive climate budgeting was launched by the Ministry of Finance; a draft guideline to measure gender transformative change and the adaptive capacity of poor women and men is being developed.
- **Lao PDR.** PEA supported formulation of a draft investment guidebook, which is now being reviewed by government departments.
- **Malawi.** Support was provided to the Ministry of Local Government to develop 11 village action plans in Salima District to ensure that the district's development plans incorporate national environmental and natural resource management policies and plans. Training was conducted for 60 extension workers on data collection and the development of village action plans, with 180 village development committees in 11 traditional authorities of the district.
- **Mozambique.** PEA provided technical input to the 2020 SDG VNR and coordination of the Thematic Group on Environment related to the VNR process. PEA also supported a

OVERALL PROJECT
TARGET 95

2020 TARGET 31

2020
ACHIEVEMENT ... 76

TOTAL ACHIEVEMENT
TO DATE 83

consultation process in revising the 1997 Land Law, Environment Act and its accompanying policy. Two guidelines on integrating the SDGs into environmental and sector planning were updated. A new National Indicators Framework (QNI) was developed as a follow-up to the VNR; it includes a national selection of SDG indicators. Capacity building of government officials from 10 provinces was conducted on the framework, with a total of 60 officials (38 men, 22 women) participating.

- **Myanmar.** Several planning frameworks have been developed submitted for approval. The draft Environmental Master Plan has been submitted for approval by the Ministry of Environment and Natural Resources; the final draft of the Strategic Framework for the National Environment Policy has been submitted to the National Environmental Conservation and Climate Change Central Committee; and the fourth draft of the Environment, Climate Change and Disaster Risk Reduction Mainstreaming Strategy has been submitted to the Environmental Conservation Department. PEA was integrated into the UN framework for immediate socioeconomic response to COVID-19.
- **Nepal.** Development of the Financing Requirement Framework for the 15th Plan has been finalized, along with a National Framework on Leave No One Behind. Local-level plan formulation guidelines have also been revised. PEA has been integrated into the UN framework for immediate socioeconomic response to COVID-19.

INDICATOR 1.2 Policy positions(s) on poverty-environment issues formulated by non-government actors

Since the inception of the project, no policy positions on poverty-environment issues have been formulated by non-government actors. The word “formulated” is interpreted to mean the design, development and preparation of policy positions – which is a substantively more demanding indicator than non-government actors contributing to poverty-environment policy positions. Non-government actors in PEA Africa countries are rarely substantially engaged in formulating policy positions on poverty-environment issues. Non-government organizations (NGOs) tend to focus on conventional environmental mainstreaming and small scale-projects, while private sector umbrella organizations are generally weak in terms of their capacity and focus on poverty-environment issues. **Rwanda** is arguably an exception in terms of private sector involvement. The Government of Rwanda has actively engaged with and influenced the mining sector, as well as both private urban motorcycle and public transport entities. In **Tanzania**, the private sector has been engaged by UNDP in the development of regional investment guides. In **Lao PDR**, PEA is working closely with the tourism private sector on corporate social responsibility (CSR).

PEA continues to promote significant engagement with non-governmental actors at the global and country levels on poverty-environment issues. Consideration is being given to revising Indicator 1.2 in 2021 to ensure that it captures ongoing PEA work in a manner that better reflects actual progress.



OVERALL PROJECT TARGET	7
2020 TARGET	4
2020 ACHIEVEMENT	0
TOTAL ACHIEVEMENT TO DATE	0



INDICATOR 1.3 Number of government-led intersectoral coordination mechanisms that promote coherence of planning, frameworks, legislation and regulations

This indicator has been partially achieved. Since 2019, a total of 11 targets have been attained, which is 52 per cent of the overall indicator target (35). In most PEA countries, such intersectoral mechanisms are in place but not necessarily operating effectively. In PEA Africa countries, the focus is on supporting both more effective operation of existing coordination mechanisms and less formal established intersectoral coordination processes. Coordination processes take time to develop, because different government departments need to be involved and buy into the process. While COVID-19 may not be entirely blamed for delaying progress in this area, it has contributed through restrictions that led to limited or no meetings being held.

Seven coordination mechanisms were established and supported in four countries (Malawi, Mozambique, Myanmar and Nepal), and PEA continues to strengthen government-led intersectoral coordination mechanisms for mainstreaming poverty-environment objectives at all levels.

OVERALL PROJECT
TARGET 35

2020 TARGET 14

2020
ACHIEVEMENT 7

TOTAL ACHIEVEMENT
TO DATE 11

- **Malawi.** The Agriculture Sector Working Group gained momentum with PEA support and continues to explore ways to hold a joint sector review meeting with other working groups. The Agriculture Sector Working Group is comprised of government ministries, non-state actors and development partners with an interest in agricultural development. Three district road maps and action plans on integrating gender in extension messages for district development plans were developed, and implementation is ongoing.
- **Mozambique.** PEA led the revitalization of the Donor Environment and Climate Change working group and coordinated the Thematic Group on Environment, which has about 50 members from academia, civil society organizations, the private sector and development partners.
- **Myanmar.** An Executive Management Advisor was recruited to support the Environmental Conservation Department in its role as the government's environmental lead and to promote integrated engagement across government.
- **Nepal.** An SDG implementation and monitoring committee was established and is chaired by the vice chair of the National Planning Commission.



INDICATOR 1.4 Number of countries where environmental/social/economic data are collected, analysed and reported applying a poverty-environment nexus perspective through national development and SDG monitoring systems

This target was exceeded and has a cumulative value of 8 since 2019, which surpasses the overall project target. Five countries (Bangladesh, Mauritania, Mozambique, Myanmar and Rwanda) collected environmental/social/economic data and built capacity in applying a poverty-environment nexus perspective through national development and SDG monitoring systems. Country-specific details follow.

- **Bangladesh.** An M&E framework for the SDGs was completed and approved by the government. PEA supported development of a chapter on M&E to the Eighth Five-Year Plan as well as a development results framework, encompassing 104 indicators, 61 of which are from the SDGs global indicators framework. The M&E chapter is critical in helping the government track and monitor progress of implementing plan targets and taking corrective actions when significant gaps or divergences emerge. PEA also supported a background study, "Leaving No One Behind in Bangladesh: Strategy and Recommendations for the 8th Five Year Plan for implementing Sustainable Development Goals."
- **Mauritania.** A report on monitoring implementation of the National Strategy for the Environment and Sustainable Development and its action plan is underway. The study is expected to provide support to the Ministry of the Environment and Sustainable Development for establishment of a monitoring system (baseline) relating to strategy implementation by 2030.
- **Mozambique.** Training-of-trainer sessions on implementation of environmental and climate change elements of the reformed Sub-system for Planning and Budgeting (SPO) were conducted. A total of 52 technical and planning staff at the central level were trained: 31 from the Ministry of Economy and Finance, 12 from sector ministries, 4 from Maputo Province and 5 from the Maputo City Province. The participants received information on the new law package on decentralization, the new sub-system, the module on planning and budgeting, and integration of nationally determined contributions and the SDGs.
- **Myanmar.** PEA supported formulation of the Myanmar Sustainable Development Plan Indicators Framework, which resulted in the integration of environmental indicators. The framework was finalized by the Central Statistical Organization under the Ministry of Planning, Finance and Industry and is awaiting government approval. To prepare for its operationalization, PEA deployed an international environmental statistics advisor to the Environmental Conservation Department in August 2020 and provided basic environmental statistics training for department officers in November 2020.
- **Rwanda.** PEA Rwanda conducted a study in two districts to assess key environmental and natural resource multidimensional aspects that could be a basis to alleviate poverty and support replication of similar characteristics across the country. The findings of these assessments will be included in two Green Climate Fund pipeline projects on (i) detailed design of flood control measures in the volcanic region of Northern Rwanda, and (ii) landscape restoration in the Eastern Province. Related interventions proposed in the study report will be integrated in other project idea notes (drafts) under consultation and discussion with either both districts and/or other key partners. In addition, the 2018/19 environment and climate change integration report was finalized. Compilation and analysis of 2020/21 sector plans and budgets to ensure integration of environmental and climate change indicators was also done. The assessment indicates a decrease in budget expenditure from 2.9 per cent to 2.6 per cent; the integration of key performance indicators also declined, from 57.8 per cent to 52.5 per cent. The main reason for decline is a longer-than-expected transition from the Economic Development and Poverty Reduction Strategy (EDPRS 2) to the National Strategy for Transformation 2017–2024 (NST 1).

OVERALL PROJECT
TARGET 7

2020 TARGET 4

2020
ACHIEVEMENT 7

TOTAL ACHIEVEMENT
TO DATE 8

OUTPUT 2 Public finance and investment frameworks incentivize shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication

Output 2 reflects the PEA focus on shifting finance and investment towards environmental sustainability and climate objectives for poverty eradication and improving the environmental sustainability of current investments. Support will address both (i) the links between public and private investment (e.g. using public finance and investment to leverage private finance and investment; improving regulations which apply to public, private and joint ventures), and (ii) approaches which are specific to influencing public and private finance and investment (e.g. public investment decisions need to be better linked to the planning process; while incentives, regulations, etc. need to be in place to mobilize and shift private sector investments).

Output 2 progress is monitored through four indicators. Overall achievement is high, and three indicators significantly exceeded their targets. Though achievement for Indicator 2.1 was missed in 2019, efforts made during 2020 doubled achievement from 5 to 10 key budget policy documents from five countries: Rwanda (4), Indonesia (2), Malawi (2), Bangladesh (1) and Myanmar (1).



INDICATOR 2.1 Number of key budget policy documents (e.g. budget statements, economic surveys, budget call circulars) that reflect environmental sustainability and climate priorities for poverty eradication (per country)

This target was exceeded and has a cumulative value of 13 since 2019. Ten key policy documents that reflect environmental sustainability and climate priorities for poverty eradication have been produced in five countries:

- **Bangladesh.** An assessment was completed to identify selection criteria for *upazilas* (sub-districts) to localize the SDGs and map the resources needed to localize the SDGs in selected upazilas. A concept note has been developed to initiate piloting of the SDG upazila action plan to localize SDGs in eight upazilas. PEA supported development of the action plan and of a training module for SDG localization. These documents were prepared to encourage local-level ownership of the SDGs through inclusive and enhanced stakeholder participation. Both documents are expected to strengthen the government and local government officials' ability to facilitate the local-level SDG localization process.
- **Indonesia.** A report on gender-responsive climate budgeting was published and launched in May 2020. The study found that Indonesia's planning and budgeting system is sufficient to implement a gender-responsive climate change initiative with combined thematic tagging of gender and climate change. This study will guide the development of technical guidelines to implement gender-responsive climate budgeting, following a

OVERALL PROJECT
TARGET 25

2020 TARGET 5

2020
ACHIEVEMENT 10

TOTAL ACHIEVEMENT
TO DATE 13

request from and discussions with the Ministry of Finance and the Ministry of Women Empowerment and Child Protection.

- **Malawi.** A National Soil Conservation and Restoration Action Plan (2021–2026) was developed and approved. PEA also supported the development of a climate-smart aquaculture tool kit for investors and of a synthesis report and policy brief that were reviewed and approved by the technical committee.
- **Myanmar.** A draft framework for an integrated environmental financing strategy was developed in accordance with the country's Environmental Conservation Law and aligned with international good practices. The strategy maps out linkages with the Myanmar Biodiversity Fund, an independent trust fund established with Wildlife Conservation Society and UNDP support through the Global Environment Facility's Strengthening the Sustainability of Protected Area Management in Myanmar project.
- **Rwanda.** As noted [above](#), an environmental and climate change assessment was conducted for 2018/19 that informed 16 sector plans and 30 district single action plans. This information was crucial in supporting the national planning and budget consultations for fiscal year 2020/21 in all sectors at the Ministry of Finance and Economic Planning. PEA also supported revision of the budget checklist for 2021/22 to include gender, environmental and natural resource indicators to enhance monitoring. The checklist forms part of the planning and budget call circular that was issued in November 2020 by the Ministry of Finance and Economic Planning to guide all budget agencies (sectors and districts) for integration of gender, environmental and natural resource aspects into 2021/22 budgets. Two training sessions were conducted for sector planners and pilot districts (Musanze and Bugesera) on the revised checklist. Additionally, PEA Rwanda, in close collaboration with the Rwanda Environment Management Authority and the Ministry of Infrastructure, conducted a strategic environmental assessment for urbanization policy. The assessment was aimed at providing sustainable and inclusive guidance on implementation of the recently enacted PEA-supported National Land Use and Development Master Plan. Particular attention was given to conservation; integrated water resource management; agriculture; and population, urbanization, settlement and housing, especially with regard to projected long-term environmental impacts. PEA also supported development of implementation and dissemination guidelines for the master plan.

INDICATOR 2.2 Number of countries with increased annual and medium-term sector budget allocations (including national and subnational levels) that reflect environmental sustainability and climate for poverty eradication



The target has been achieved and has a cumulative value of 3 since 2019. Two countries (Indonesia and Mozambique) have demonstrated progress towards annual and medium-term sector budget allocations that reflect environmental sustainability and climate for poverty eradication.

OVERALL PROJECT
TARGET 6

2020 TARGET 2

2020
ACHIEVEMENT 2

TOTAL ACHIEVEMENT
TO DATE 3

- **Indonesia.** An analysis report for climate change mitigation and adaptation in 2018–2020 was completed. Data were collected and a report developed that will provide analysis on budget allocation and spending for climate change–related programmes under line ministries, as well as on the climate budget reallocation in 2020 that was affected by COVID-19.
- **Mozambique.** Funding of MZN 88 million was allocated in the 2020 Budget Law and Budget for Citizens. A study on a revenue-sharing mechanism in the mining sector was undertaken to provide guidance to government on collecting royalties and securing transfers to the district level where funds should be applied. The expected output includes a manual that will guide the various government institutions on their responsibilities to secure the smooth collection, flow and application of funds to promote transparency and accountability.



INDICATOR 2.3 Number of countries with fiscal instruments (tax, incentives, user fees, etc.) adopted in policies and regulations that prioritize quality investments

The target has been exceeded and has a cumulative value of 4 since 2019, which surpasses the overall project target of 3. Two countries (Indonesia and Tanzania) demonstrated efforts towards the formulation of fiscal instruments that prioritize quality investments.

OVERALL PROJECT
TARGET 3

2020 TARGET 1

2020
ACHIEVEMENT 2

TOTAL ACHIEVEMENT
TO DATE 4

- **Indonesia.** Three pilot activities on climate budget tagging were completed at the sub-national level in three provinces, one city, and three districts (Gorontalo, West Java and Riau Provinces; Pekanbaru City; and Gorontalo, Siak and Sumedang Districts). Indonesia's third global green sukuk was issued in June 2020 and its second retail green sukuk in November 2020. PEA has finalized and disseminated a study on Indonesia's retail green sukuk as a supporting tool (see Box 1).
- **Tanzania.** PEA supported the Poverty Eradication Division within the Ministry of Finance and Planning to update its National Framework for Local Economic Development to align with the third five-year development plan and provide an entry point for local government authorities' inclusion of poverty, the environment, gender and climate change in their planning and budgeting frameworks. This builds on a PEA-supported multidimensional poverty analysis conducted on 2020 in two regions to achieve the twin objectives of poverty analysis and establishment of a baseline in the respective areas. PEA is now working with the Ministry of Finance to develop the National Framework for Local Economic Development and its accompanying training manual. This manual will be used to respond to the recommendations of the multidimensional poverty assessment.

BOX 1 PEA and Indonesia's green financing instruments

In Indonesia, PEA continued to provide technical assistance in support of the government's green sukuk initiatives to deliver transparent and accountable use of the proceeds of green sukuk issuances. In March 2020, the government published a second Green Sukuk Allocation and Impact Report, highlighting the green sukuk's contribution towards climate change and SDG-related outcomes. The latter include a projected reduction of 8.9 million tonnes of greenhouse gas emissions, construction of more than 690 kilometres of railway track, an increase of 7.3 million kilowatt-hours of electricity and improved solid waste management for more than 5 million households.

The government also issued green sukuk in the global and retail market to enhance economic recovery from the impacts of COVID-19. The \$750 million global green sukuk in June 2020 was Indonesia's third such issuance, and reached an over-subscription of 7.37 times – all of which will contribute towards in-country climate action. This was followed by the issuance of a second retail green sukuk in the domestic market, amounting to IDR 5.4 trillion (approximately \$385.7 million) in November 2020, which achieved the largest purchase volume and attracted the highest number of investors in the history of savings sukuk issuances in Indonesia. PEA supported this work through the identification of green projects for both issuances, covering resilience to climate change, and the sustainable transport and waste management sectors.

PEA also finalized and disseminated a study on Indonesia's retail green sukuk, which highlights the impact of the world's first retail green sukuk instrument in allowing a broader and more diverse domestic investor base and advancing financial inclusion, as well as cultivating public awareness (particularly among younger potential investors) on green and sustainable investing in the country.

PEA is also supporting the government in issuing municipal bonds. In 2020, a close engagement with the West Java provincial government commenced for the potential issuance of the nation's first municipal green bond. This initiative has been delayed due to COVID-19 and will be revisited in 2021. In the interim, Indonesia and South Africa have begun preparations for South-South collaboration on green bonds. Preliminary meetings have been held, and Indonesia has provided input into a draft green bonds handbook for South Africa.

INDICATOR 2.4 Number of guidelines and tools to manage private sector investment decisions that facilitate or prioritize quality investments

The target has been exceeded and has a cumulative value of 25 since 2019. Fifteen guidelines and tools have been formulated to manage private sector investment decisions that prioritize quality investments. Six countries and one technical assistance initiative have contributed to identifying new areas of investment to enhance poverty reduction and promote incentives for private and public investment opportunities. These include a joint PEA-ADB report on "Opportunities and Challenges for Investment in the Sustainable Blue Economy of Asia and the Pacific"; an assessment on the feasibility of instituting a blue economy in existing bond markets in **Bangladesh**; a draft investment handbook, survey and guidelines for CSR in **Lao PDR**; a climate-smart aquaculture tool kit for investors in **Malawi**; a database to track investments in poverty-environment programmes in **Mauritania**; draft green business funding mechanisms in **Myanmar**; and a blue economy strategy and assessment in **Tanzania**. [Table 2](#) outlines the details of the results by country and technical assistance.



OVERALL PROJECT TARGET	31
2020 TARGET	8
2020 ACHIEVEMENT	18
TOTAL ACHIEVEMENT TO DATE	25

TABLE 2 Selected PEA guidelines and tools for managing private sector investment decisions

BANGLADESH	A study on “Assessing the Feasibility of Instituting Blue Bond in the Existing Bond Market of Bangladesh” is underway. This effort aims to gauge the practicality and potential impact of introducing blue bonds for financing sustainable marine and ocean-based projects (“blue projects”) that will contribute to environmental sustainability and poverty eradication. Among the kind of initiatives that may be supported by blue bonds are sustainable fisheries, offshore energy, tourism and waste management, among others.
LAO PDR	<ul style="list-style-type: none"> ▪ A draft financing model to enhance the investment approval process for tourism and agriculture concessions was developed. ▪ A baseline survey on CSR practices in the tourism sector was conducted with 92 companies sampled, along with international organizations and government agencies in Vientiane Capital, Luang Prabang and Vientiane Province. Some of the CRS survey findings indicate that even though the level of CSR awareness among tourism businesses is relatively high, CSR has not yet been adopted as key part of business thinking across all business ownership types. With the identified gaps, potential resources can be harnessed to effectively respond to the real needs of tourism businesses. ▪ In response to the survey findings, detailed guidelines for the tourism sector were developed alongside a reporting template for private sector to monitor and report CSR implementation. CSR training was also conducted for the tourism sector. ▪ An investment procedure and compliance handbook and investment database have been developed to effectively regulate investment concessions. These provide guidance to potential investors on the application procedures and approval process. The handbook also aims to provide information on obligations after investment applications are approved by the government, including the requirement to conduct an environment and social impact assessment, an environmental management and monitoring plan, and a social management and monitoring plan at each stage of the agreement.
MALAWI	A database to track funding related to poverty–environment programs and investments was developed and integrated into the Ministry of Economy for further centralized use of data from all government departments. This will help ensure that programs and projects in all sectors incorporate poverty–environment objectives.
MAURITANIA	A database to track funding related to poverty–environment programs and investments was developed and integrated into the server of the Ministry of Economy for further centralized use of data from all government departments. This database integrates programs and projects with poverty–environment objectives.
MYANMAR	An initial set of 25 green business cases have been prepared alongside draft green business funding mechanisms. In addition, an initial virtual meeting was organized with Directorate of Investment and Company Administration to establish direct linkages to the relevant government departments. Work is proceeding on finalizing a document that examines green business policies in Association of Southeast Asian Nations countries and preparations for a second meeting with the directorate to elaborate further on green business concepts that appear most applicable to Myanmar.
RWANDA	<ul style="list-style-type: none"> ▪ PEA supported the Ministry of Finance to develop proposals for fund mobilization to implement the nationally determined contributions (NDCs). The proposal was funded at a level of \$1.62 million and another \$200,000 was mobilized for country efforts to revise the NDC. NDCs are part of overall national mainstreaming efforts. ▪ PEA supported development of a project proposal for a green national recovery plan under UN’s Rapid Finance Facility with \$1.5 million approved. ▪ Five green projects were recognized for bringing green solutions to the environment as well as creating jobs and generating income for socioeconomic development. ▪ PEA supported the development and final review of the national land use and development master plan. This effort focused on ensuring that components of green growth and climate–resilient actions are embedded in the master plan, including integrated water resource management; agriculture; and population, urbanization, settlement and housing.

(continued)

TABLE 2 (continued)

TANZANIA	<p>PEA supported the Ministry of Finance and Planning (Mainland) in drafting the National Five-Year Development Plan III 2021/22–2025/26. PEA also supported consultative workshops concerning general data requirements for the plan with a specific focus on inclusion of “big data” and developing/ revisiting SDG targets and indicators. The workshops resulted in the development of the set of data, and guidance for subsequent activities and actions. This includes dummy tables for proposed indicators that can be monitored using big data within the five-year development plan’s M&E framework.</p> <p>PEA in Tanzania also supported the development of the National Blue Economy Strategy including the review of the Blue Economy assessment report, which provides a basis for development of Tanzania’s Blue Economy Strategy with a specific focus on linking/integrating the SDGs with the various blue economy sectors. The assessment report provides an analysis of the various options and opportunities in different sectors for poverty reduction and addressing gender disparities and inequalities as part of the strategy to fulfil the SDGs’ leave no one behind objective and ensure inclusive socioeconomic development.</p>
BLUE ECONOMY	<p>A joint PEA-ADB report, “Opportunities and Challenges for Investment in the Sustainable Blue Economy of Asia and the Pacific,” is being produced. It analyses the challenges and opportunities of each blue economy sector for developing member countries, leading to action plans to develop bankable projects in the most promising sectors – aquaculture, alga-culture, seafood processing, ecosystem management, marine energy, waste management, green shipping and ports. Report findings indicate the greatest sector gaps in offshore wind, solid waste management, non-point source pollution and resilient ports. ADB is allocating a \$5 billion facility to support blue economy opportunities and realign business incentives with nature’s regenerative processes. By targeting the right challenges, the bank can unlock market gridlocks and tap into a set of unexplored opportunities, estimated at up to \$100 billion.</p>

OUTPUT 3 SDG implementation and acceleration processes leveraged to scale up use of integrated poverty–environment mainstreaming approaches and tools

Output 3 focuses on enhancing the spread (in support of the Poverty–Environment Action broadening strategy) and effectiveness (in support of Outputs 1 and 2) of poverty–environment mainstreaming by better capturing, assessing and documenting good practices; by linking with ongoing work of key global and regional actors supporting national SDG implementation and acceleration processes (e.g. national SDG platforms, regional SDG knowledge exchanges); and through South–South cooperation.

Output 3 indicators show increased activity in 2020, with gains in the sharing of knowledge products being referenced by regional and global networks, progress in the number of countries adopting PEA approaches and methodologies, and continued engagement with partners through technical assistance. The 2020 targets were largely met, with Indicators 3.1 and 3.3 significantly exceeding the annual targets, and Indicator 3.2 under-performing.



INDICATOR 3.1 Number of Poverty-Environment Action knowledge-sharing and learning products that are referenced by regional and global networks

OVERALL PROJECT TARGET 26
 2020 TARGET 15
 2020 ACHIEVEMENT ... 20
 TOTAL ACHIEVEMENT TO DATE 21

The target has been exceeded and has a cumulative value of 21 since 2019. The year 2020 witnessed an increase in advocacy and coordination efforts, with development partners engaged in supporting SDG implementation to mainstream the use of PEA integrated approaches and tools in their programmes to ensure synergies. This is evident in the increased number of times PEA learning products were referenced by regional and global networks, rising from a single mention in 2019 to 20 in 2020.

Table 3 details the incidences of PEA learning products being referenced by regional and global networks.



INDICATOR 3.2 Number of countries adopting Poverty-Environment Action tools/ approaches resulting from South-South knowledge collaborations

OVERALL PROJECT TARGET 18
 2020 TARGET 5
 2020 ACHIEVEMENT 2
 TOTAL ACHIEVEMENT TO DATE 3

This target has been partially achieved and has a cumulative value of 3 since 2019. There has been limited South-South cooperation to advocate for the adoption/uptake of tools and approaches by new countries. South-South cooperation learning and knowledge exchange has been prioritized in 2021.

The PEA technical assistance component has contributed to fiscal instruments that mainstream poverty, environment and climate objectives to prioritize quality investments. **Indonesia** and **South Africa** technical assistance efforts have particularly focused on providing technical support to governments at the national and municipal levels in developing and implementing green bonds. The two countries have also been working to support governments in putting in place measures that will ensure that proceeds from the bonds are used for the correct purposes.

The [South-South Cooperation Forum on Food Security and Agrobiodiversity in Times of COVID-19 and Climate Change](#) was jointly launched with UNEP in collaboration with the Global Alliance for the Future of Food, the International Centre for Integrated Mountain Development, the International Fund for Agricultural Development, the International Food Policy Research Institute, UNDP and UN Women. A [background document](#) was prepared collaboratively with PEA and circulated via the website.



INDICATOR 3.3 Number of regional and global Poverty-Environment Action partner programmes and agencies that apply an integrated mainstreaming approach

This target has been exceeded and has a cumulative value of 7 since 2019. PEA has successfully established regional partnerships through technical assistance initiatives with UN Women on [gender and agriculture](#); ADB on the [blue economy](#); GIZ on [green bonds](#), embedded in the GIZ Green Economy Transformation project conducted in cooperation with the Partnership

for Action on Green Economy (PAGE); and with the Green Economy Coalition/Partnership for Inclusive Green Economy on country and global work. A joint call for action on COVID-19 recovery was made during World Environment Day 2020 with the International Ecosystem Management Partnership. Partnership with the Chinese Academy of Sciences was established at the South-South Cooperation Forum on Food Security and Agrobiodiversity in Times of COVID-19 and Climate Change. Furthermore, PEA was highlighted at a regional High-Level Political Forum in Asia Pacific as a case study in the context of achieving sustainable and just economies.

PEA technical assistance partnerships are already yielding results through leveraging both financial and technical expertise. In Asia Pacific, the partnership with ADB has resulted in a sharing of tools and applying poverty-environment in the context of a blue economy. A webinar was held with more than 85 ADB staff participating, including the directors of ADB's finance and environment divisions. This partnership will continue being enhanced as more tools are developed by the blue economy technical assistance project.

OVERALL PROJECT
TARGET 18

2020 TARGET 4

2020
ACHIEVEMENT 7

TOTAL ACHIEVEMENT
TO DATE 7

Overall performance analysis

While the project's overall accumulated achievement against set targets for 2019 and 2020 was largely met,⁵ accomplishing 7 (64 per cent) of 11 indicators, the level of achievement differs from output to output, ranging from zero (Indicator 1.2) to twofold for Indicator 2.1. On average, the accumulated level of success across indicators for the two years of PEA's full implementation totals 117 per cent. Efforts will be made to attain the remaining indicators that are accumulatively lagging (i.e. Indicators 1.2, 1.3 and 3.2).

For **Indicator 1.2: Policy positions(s) on poverty-environment issues formulated by non-government actors**, non-government actors in PEA Africa countries are rarely substantially engaged in formulating policy positions on poverty-environment issues. NGOs tend to focus on conventional environmental mainstreaming and small scale-projects, while private sector umbrella organizations are generally weak in terms of their capacity and focus on poverty-environment issues. Rwanda is arguably an exception in terms of private sector involvement. The Government of Rwanda has actively engaged with and influenced the mining sector, as well as both private urban motorcycle and public transport entities. In Tanzania, the private sector has been engaged by UNDP in the development of regional investment guides. In Lao PDR, PEA is working closely with the tourism private sector on CSR. PEA continues to promote significant engagement with non-governmental actors at the global and country levels on poverty-environment issues. Consideration is being given to revising Indicator 1.2 in 2021 to ensure that it captures ongoing PEA work in a manner that better reflects actual progress.

For **Indicator 1.3: Number of government-led intersectoral coordination mechanisms that promote coherence of planning, frameworks, legislation and regulations**, in most PEA countries, such intersectoral mechanisms are in place but not necessarily operating effectively. In PEA Africa countries, the focus is on supporting both more effective operation of existing coordination mechanisms and less formal established intersectoral coordination processes. Coordination processes take time to develop, because different government departments need

TABLE 3 References to PEA learning products by regional and global networks

WHO	WHAT	WHERE
UN Department of Economic and Social Affairs	SDG Partnership Platform, PEA entry (updated September 2020)	https://sustainabledevelopment.un.org/partnership/?p=26516
ADB	PEA mainstreaming approach, tools and results leading to regional reflections on accelerating progress on the 2030 Agenda	Seventh Asia Pacific+ Forum on Sustainable Development, May 2020
UN Research Institute for Social Development	Launch of PEA website (29 June 2020)	https://pea4sdgs.org
GIZ	PEA technical assistance: South-South exchange project on green bonds	https://pea4sdgs.org
UNEP	PEA (ongoing)	https://www.unenvironment.org/regions/asia-and-pacific/regional-initiatives/poverty-environment-action-sustainable-development
UNDP	PEA (ongoing)	http://www.undp.org/content/nairobi-gc-red/en/home/poverty-environment-action-for-the-sdgs.html
Indonesia Ministry of Finance and PATTIRO	UNDP webinar (20 May 2020) referencing PEA budget tagging (PATTIRO was recognized in 2015 as one of best global think tanks in research and policy advocacy by the University of Pennsylvania)	https://www.youtube.com/watch?v=ri8OgHyBlxM&t=792s
Climate Finance Network and Indonesia Ministry of Finance Fiscal Policy Agency	Referenced PEA in 2020 Policy Brief, "The Contribution of Subnational Governments in the Implementation of NDC in Indonesia"	https://bit.ly/PolicyBriedRCBT
Indonesia Ministry of Finance and UNDP	Launch of report, "Public Finance for Climate Change in Indonesia 2016-2018" (14 April 2020)	https://www.youtube.com/watch?v=DRteHbVDtjY
UNDP	Uploaded <i>Horizons of Hope: UNDP-UNEP Annual Progress Report 2019</i> (10 July 2020)	https://www.undp.org/content/nairobi-gc-red/en/home/library/horizons-of-hope--pea-for-sdgs-annual-progress-report-2019.html
UNDP Global Policy Centre on Resilient Ecosystems and Desertification	"Poverty-Environment Mainstreaming" (ongoing)	https://www.undp.org/content/nairobi-gc-red/en/home/poverty-environment-action-for-the-sdgs.html
Global Support Programme	National Adaptation Plans in Focus: Lessons from Mozambique, Brief of the NAP process in Mozambique with input from the SUNRED team	https://www.globalsupportprogramme.org/resources/project-brief-fact-sheet/national-adaptation-plans-focus-lessons-mozambique
UNDP-UNEP	Results-Based Management Communication (RBMC) Network Webinar #1: "Country Programme Reporting Experiences" (11 September 2020); #2: Let's Talk: PEA Achievements and Acknowledgements" (5 October 2020); #3: "Climate Finance Programme - Ideas for 2021 AWP" (11 November 2020)	Link being updated

(continued)

TABLE 3 (continued)

WHO	WHAT	WHERE
Lao PDR Ministry of Planning and Investment; World Bank	Consultation on the Green Growth Planning Manual in support of the Green Growth Investment Strategy (Q3 2020)	Link being updated
Lao PDR	Survey of corporate social responsibility practices covering sample of 92 companies, international organizations and government agencies in Vientiane Capital, Luang Prabang and Vientiane Province (Q3 2020)	https://pea4sdgs.org/knowledge/progress-reports/lao-pdr-q3-2020-final
Nepal	VNR submitted to UN High Level Political Forum on Sustainable Development (13 July 2020)	https://sustainabledevelopment.un.org/memberstates/nepal
Partners for Inclusive Green Economies, Green Growth Knowledge Partnership	PEA webpage and partners page; position paper	https://www.greeneconomycoalition.org/news-analysis/partnership-for-inclusive-green-economies https://www.greeneconomycoalition.org/assets/reports/GEC-Reports/PIGE-COVID-10PriorityOptionsforaJustGreenTransformativeRecovery.pdf
GIZ	PEA-GIZ partnership on GIZ website and LinkedIn	https://www.giz.de/en/workingwithgiz/91056.html https://www.linkedin.com/feed/update/urn:li:activity:6732227874301980672/
UNEP Digital Ecosystem	PEA included in inventory of data platforms, stakeholder platforms, campaign websites, mobile apps, software and dashboards, in preparation for launch of UNEP Sub-programme of Work on Digital Transformation (2022-2025)	Link being updated
Bangladesh	VNR 2020 submitted to the UN High Level Political Forum on Sustainable Development (July 2020)	https://pea4sdgs.org/knowledge/pea-publications/bangladesh-2020-voluntary-national-review-and-sdgs-monitoring-and-evaluation-framework RBMC Network Webinar #2: "Let's Talk: PEA Achievements and Acknowledgements" (5 October 2020)
Bangladesh	VNR 2020 media coverage	https://www.dhakatribune.com/bangladesh/2020/07/15/bangladesh-voluntary-national-reviews-held-along-with-side-event-on-accelerating-post-covid-19-recovery

to be involved and buy into the process. COVID-19 restrictions also contributed to delays in rolling out plan activities due to travel and convening restrictions.

For **Indicator 3.2: Number of countries adopting Poverty-Environment Action tools/approaches resulting from South-South knowledge collaboration**, there has been limited South-South knowledge exchange efforts to advocate for the adoption/uptake of tools and approaches by new countries. Physical workshops are far more effective for exchanging knowledge, particularly in Africa. It may be challenging to adopt a tool from South-South exchange alone, however, as adoption needs to be accompanied by a long-term capacity-building process. Thus, South-South cooperation learning and knowledge exchange efforts have been prioritized in 2021, alongside a technical assistance initiative on capacity building.

Mid-term review

A mid-term review (MTR) was conducted in 2020 to assess progress towards achievement of PEA objectives and outcomes as specified in the Project Document. The MTR findings commended PEA for its broad conceptual achievements – including the UNDP-UNEP collaboration at its heart and the localizing of this collaboration, particularly at national levels and involving other agencies in several cases; the technical support from the PEA team as acknowledged by stakeholders; PEA's continued promotion of an agenda at the nexus of poverty-environment action, carrying on to the SDGs; and the niche and value addition of the PEA project in building on its predecessor, PEI.

Based on the MTR findings, only 56 per cent (95 targets) of the total 170 output targets were achieved at midpoint (i.e. by August 2020). Significant progress has been made since then, from August to December 2020: 180 targets have now been achieved, which translates to 106 per cent of targets. The MTR highlights a potential for achieving at least a greater number of outputs and output-related outcomes with proper adjustments made at the programmatic, operational and conceptual levels. The MTR further recommends the alignment of expected results to actual available resources. The signed Project Document had a total budget of \$20 million, which included a \$4.3 million funding gap. Additional resources have not been mobilized to cover this gap, hence the need to revise the budget to reflect the actual resources available for delivering project results. Management responses have been put in place to address the MTR recommendations, including low delivery, by reviewing the M&E framework to align results with the available resources and time frame, without jeopardizing the overall ambition of the project.

Knowledge management, communication and visibility

PEA continues to expand its efforts to identify areas for knowledge exchange through South-South cooperation and to communicate key results beyond national and regional borders. PEA's technical assistance and country projects use a broad range of online tools and local media – especially the PEA [website](#), which was launched on 29 June 2020. The website has dedicated spaces for facilitating internal work and interactions between the UNDP Country Offices and the global PEA team. To date, 23 news updates and reports from Bangladesh (9),

Indonesia (5), Malawi (3), Myanmar (1), Nepal (1) and Rwanda (3) have been posted to the website. The website also serves as a platform for disseminating highlights of implemented activities and results and the latest information on events, including studies/reports published, books launched and forums/workshops organized. Highlights of the year's postings include the following:

- The PEA 2019 annual progress report [Horizons of Hope](#) was published, shared and posted on the website in May 2020. The report covers progress on PEA implementation through seven full-fledged country projects, as well as two technical assistance projects, in 2019. It gives an overview of PEA performance using established baselines, indicators and targets at the global and country levels, and provides lessons learned during the first year of PEA.
- In February 2020, PEA supported the [6th Green Economy Green Growth Forum](#), organized by the Green Economy Green Growth Association in Nay Pyi Taw and Yangon, Myanmar. It was attended by over 600 participants from Myanmar and abroad, and featured 57 speakers, including 27 international experts. As part of the Forum, UNDP supported Myanmar's Environmental Conservation Department in launching a National Waste Management Strategy and Master Plan in Nay Pyi Taw.
- The Indonesian Ministry of Finance, with support from UNDP and PEA, launched a book on [Public Finance for Climate Change in Indonesia](#) on 14 April 2020, which covers the development of public policies to finance climate change in Indonesia, an analysis of the public climate change budget in the 2016–2018 period and the policy implications of strengthening public finance management for climate change. The book seeks to encourage government transparency in the framework of fiscal policy and climate change budgeting. More than 200 participants joined via Zoom from ministries, the private sector, development partners, NGOs and universities. There were more than 200 views via [YouTube Livestream](#), and the event was covered in local media in Bahasa Indonesian.
- In Rwanda, a [multidimensional baseline study](#) was conducted in July 2020 to document poverty–environment levels in Bugesera and Musanze Districts. It had the following objectives: (i) multidimensional poverty–environment assessment, and proposal for effective poverty–environment mainstreaming in both districts; (ii) proposed inclusive and sustainable poverty–environment interventions to address both poverty reduction and environmental and natural resource management, and provide opportunities for the private sector and other partners to effectively contribute to sustainability and poverty reduction; and (iii) a proposed scale-up plan and practical implementation of the same or similar interventions to other districts in the country.
- In Malawi, PEA, in collaboration with the Ministry of Economic Planning Development and Public Sector Reforms, is supporting the Ministry of Local Government in implementation of a [village action plan](#) in Salima, which will contribute to the district's development plan over the next five years. The village action plan formulation process will ensure that Salima's district development plans have incorporated and implemented national environmental and natural resource management policies and plans. The activity began in October 2020, with 60 extension workers tasked to facilitate data collection and development of a village action plan with 180 village development committees

in 11 traditional authorities in the Salima District. Eleven village action plans have subsequently been developed.

- The General Economics Division of the Bangladesh Planning Commission, in association with PEA, organized the first of the [series of consultation workshops](#) on “Reviewing Progress of Implementation of National SDG Action Plan” on 29 November 2020; this was attended by 53 officials from 17 ministries and divisions, including representatives from the top 12 leading ministries and divisions. Progress against the SDG action plan commitment and annual development programme allocation was presented. Several consultations in this series will be organized with other ministries and divisions to review the existing national SDG action plan as well as develop the next iteration of the plan in accordance with the country’s 8th Five Year Plan.
- Malawi, in collaboration with PEA Global, made a [presentation](#) at the South-South Cooperation Forum on Food Security and Agrobiodiversity in Times of COVID-19 and Climate Change. The presentation– “COVID-19, Climate Change and Unsustainable Environmental and Natural Resources Management on Food and Nutrition Security and Poverty Reduction: Evidence from Malawi” – used PEI/PEA results to illustrate how the pandemic could exacerbate the problem of unsustainable environmental and natural resource management in the country, which in turn would adversely affect the twin problems of food insecurity and poverty. The presenters called for urgent measures for a comprehensive and holistic approach that would integrate the problems of COVID-19, unsustainable environmental and natural resource management, and climate change in national and district plans and strategies to limit the combined negative effects on poverty reduction and food security in the short and long run.
- Lao PDR organized CSR training and coaching sessions for private companies in the service sector to raise awareness of CSR and provide useful tools to initiate and implement CSR activities with their organizations. This was posted on [Facebook](#) by UNDP Lao PDR.
- In Rwanda, a [high-level discussion on the linkage between biodiversity conservation and development](#) was organized by PEA in collaboration with UNDP, UNEP and the Rwanda Environment Management Authority on 6 June 2020. The discussion focused on challenges to nature and actions being taken to mobilize more people in implementation of the UN Decade of Sustainable Development, emphasizing interlinkages between biodiversity, poverty reduction and the SDGs. The discussion, aired on national television on the *Big Q* programme, featured experts from UNDP and the Rwanda Environment Management Authority and the PEA Regional Manager. It was promoted on various social media channels, including the official Twitter feeds of the participants, attracting a large audience for the show.

PEA also launched a Results-Based Management Communication network webinar series, with three webinars conducted in 2020:

- “Country Programme Reporting Experiences”
- “Let’s Talk: PEA Achievements and Acknowledgements”
- “Climate Finance Programme – Ideas for 2021 AWP”

Webinar facilitators included PEA country office staff, global PEA technical leads and the Bangkok Regional Hub; the initiative allowed for the sharing of good practices and tools across PEA countries.

Going forward, PEA will continue to make deliberate efforts to actively showcase its results and enhance donor visibility, including in all publications, policy dialogues and forums.

TABLE 4 Summary of results achieved as of 31 December 2020

PROJECT (2018-2022)		YEAR 2	STATUS AS OF 31 DEC 2020	CUMU-LATIVE 2019 RESULTS	ACHIEVEMENT STATUS AND COMMENTS
BASELINE	TARGET	2020 TARGET			
Output 1: Development planning, budgeting and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication					
Deliverable 1.1: Capacity to apply integrated approaches and tools for mainstreaming environmental sustainability and climate objectives for poverty eradication in development planning and budgeting					
Indicator 1.1: Number of planning frameworks, legislation and regulations that integrate the poverty-environment nexus (per country)					
22	95	31	76	83	<p>Exceeded</p> <p>Bangladesh (1): VNR 2020</p> <p>Indonesia (4): Ministry of Finance launched study on gender-responsive climate budgeting; report published and launched May 2020; policy brief on gender-responsive climate budgeting published and launched; full research study on leveraging climate finance for gender equality and poverty reduction completed; piloted sub-national climate budget tagging in 3 provinces, 1 city and 3 districts</p> <p>Lao PDR (1): Investment guidebook reviewed by government departments</p> <p>Malawi 11: 11 village action plans developed incorporating environmental and natural resource management</p> <p>Mozambique (4): Revised 1997 Environment Act and accompanying policy; VNR 2020; 2 guidelines on integration of SDGs into environment and sector planning updated; new National Indicators Framework developed which includes selection of SDG indicators</p> <p>Myanmar (4): Draft environmental master plan submitted for ministry approval; final draft of Strategic Framework for the National Environment Policy submitted for committee approval; 4th draft of environment, climate change and disaster risk reduction mainstreaming strategy submitted to Environmental Conservation Department; PEA integrated into UN framework for immediate socioeconomic response to COVID-19</p> <p>Nepal (4): Financing requirement framework for 15th Plan developed; Leave No One Behind National Framework developed; revised local-level plan formulation guidelines; PEA integrated into UN framework for immediate socioeconomic response to COVID-19</p> <p>Rwanda (47): 16 sector plans, 30 district single action plans for 2020/21, including environmental and natural resource key performance indicators; 1 environmental and climate change checklist for 2020/21</p>
Indicator 1.2: Policy position(s) on poverty-environment issues formulated by non-government actors					
0	7	3	0	0	Not achieved
Deliverable 1.2: Institutional mechanisms promote policy coherence to accelerate implementation of environmental sustainability and climate objectives for poverty eradication					
Indicator 1.3: Number of government-led intersectoral coordination mechanisms that promote coherence of planning, frameworks, legislation and regulations					
5	35	14	7	11	<p>Partially achieved</p> <p>Malawi (4): Agriculture Sector Working Group gained momentum with PEA support; 3 district road maps and action plans on integrating gender in district development plan extension messages</p> <p>Mozambique (1): Revitalized Donor Environment and Climate Change working group</p> <p>Myanmar (1): Executive Management Advisor recruited and is now on board for Environmental Conservation Department</p> <p>Nepal (1): SDG implementation and monitoring committee meeting chaired by Vice Chair of National Planning Commission</p>

(continued)

TABLE 4 (continued)

PROJECT (2018-2022)		YEAR 2	STATUS AS OF 31 DEC 2020	CUMU- LATIVE 2019 RESULTS	ACHIEVEMENT STATUS AND COMMENTS
BASELINE	TARGET	2020 TARGET			
Indicator 1.4: Number of countries where environmental/social/economic data are collected, analysed and reported applying a poverty-environment nexus perspective through national development and SDG monitoring systems					
2	7	4	7	8	<p>Exceeded</p> <p>Bangladesh (2): M&E framework for the SDGs; background study on “Leaving No One Behind in Bangladesh: Strategy and Recommendations for the 8th Five Year Plan for implementing Sustainable Development Goals”</p> <p>Mauritania (1): Report on mechanisms for monitoring, reporting on and implementing the National Strategy for the Environment and Sustainable Development and its action plan</p> <p>Mozambique (1): Training-of-trainer sessions on implementation of environmental and climate change elements in the reformed planning and budgeting sub-system</p> <p>Myanmar (1): Draft Sustainable Development Plan Indicators Framework</p> <p>Rwanda (2): 2018/19 environment and climate change integration report; multidimensional poverty and poverty-environment assessments for planning and budgeting</p>
Output 2: Public finance and investment frameworks incentivize shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication					
Deliverable 2.1: Public expenditure and emerging national SDG financing frameworks support shift in government allocations towards environmental sustainability and climate objectives for poverty eradication					
Indicator 2.1: Number of key budget policy documents (e.g. budget statements, economic surveys, budget call circulars) that reflect environmental sustainability and climate priorities for poverty eradication (per country)					
61	25	5	10	13	<p>Exceeded.</p> <p>Bangladesh (1): Assessment to identify selection criteria of upazilas for localizing SDGs and mapping resources required to localize the SDGs in selected upazilas</p> <p>Indonesia (2): Report on gender-responsive climate budgeting published and launched; full package of research study on leveraging climate finance for gender equality and poverty reduction completed.</p> <p>Malawi (2): National Soil Conservation and Restoration Action Plan (2021–2026) developed and approved; climate-smart aquaculture tool kit for investors, synthesis report and policy brief reviewed and approved by technical committee</p> <p>Myanmar (1): Draft concept framework on integrated environmental financing strategy</p> <p>Rwanda (4): Assessment report (2018/19) on integration of poverty-environment linkages into national plans and budgets; environmental and climate change budget checklist integrating gender-sensitive indicators; strategic environmental assessment for urbanization policy; national land use and development master plan support</p>
Indicator 2.2: Number of countries with increased annual and medium-term sector budget allocations (including national and subnational levels) that reflect environmental sustainability and climate for poverty eradication					

(continued)

TABLE 4 (continued)

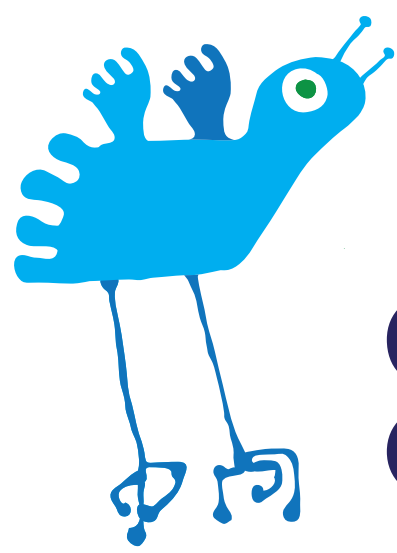
PROJECT (2018-2022)		YEAR 2	STATUS AS OF 31 DEC 2020	CUMULATIVE 2019 RESULTS	ACHIEVEMENT STATUS AND COMMENTS
BASELINE	TARGET	2020 TARGET			
0	6	2	2	3	<p>Achieved</p> <p>Indonesia (1): Analysis report for climate change mitigation and adaptation in 2018-2020 completed</p> <p>Mozambique (1): MZN 88 million was allocated in the 2020 Budget Law and Budget for citizens</p>
<p>Deliverable 2.2: Economic, financial and regulatory incentives and private sector initiatives encourage shift in private investment towards environmental sustainability and climate objectives for poverty eradication</p>					
<p>Indicator 2.3: Number of countries with fiscal instruments (tax, incentives, user fees, etc.) adopted in policies and regulations that prioritize quality investments</p>					
0	3	1	2	4	<p>Exceeded</p> <p>Indonesia (1): 3 pilot activities completed at the sub-national level on climate budget tagging in 3 provinces, 1 city, and 3 districts; to support issuance of third global green sukuk (June 2020) and second retail green sukuk (November 2020), PEA finalized and disseminated a study on Indonesia's retail green sukuk</p> <p>Tanzania (1): National Framework for Local Economic Development provides an entry point for local government authorities' inclusion of poverty, the environment, gender and climate change in planning and budgeting frameworks, including envisaged implementation of regional investment guides' opportunities and projects</p>
<p>Indicator 2.4: Number of guidelines and tools to manage private sector investment decisions that facilitate or prioritize quality investments</p>					
1	31	8	18	25	<p>Exceeded</p> <p>Blue Economy (1): Joint PEA-ADB report being finalized</p> <p>Lao PDR (5): Baseline survey on CSR practices in tourism sector and detailed guidelines; financing model to enhance the investment approval process of tourism and agriculture concession; CSR reporting template; investment handbook; CSR training for tourism sector</p> <p>Malawi (3): Climate-smart aquaculture tool kit for investors; capacity building for Soil Loss Atlas, sustainable greenhouse farming and business plan development</p> <p>Mauritania (1): Database to track funding related to poverty and environment programmes and investments</p> <p>Myanmar (1): Folio of green business case studies in the Association of Southeast Asian Nations as models for Myanmar completed</p> <p>Rwanda (3): Proposal for implementation of nationally determined contributions funded for \$1.62 million and an \$200,000 mobilized; engagement with faith-based organizations on the environment and climate change mainstreaming outreach activities; training of youth organizations on mainstreaming the environment and climate change in businesses; 2 training sessions of sector planners and pilot districts on a revised checklist including gender, environment and climate change indicators</p> <p>Tanzania (4): Blue economy assessment report and briefing note on linking/integrating SDGs with blue economy sectors; agro- and urban development project proposals; building on PEA-supported regional investment guides; \$10 million proposal to UN Joint Fund on SDGs on sustainable finance; National Framework for Local Economic Development serving as entry point for local government authorities' inclusion of poverty, the environment, gender and climate change in planning and budgeting frameworks</p>

(continued)

TABLE 4 (continued)

PROJECT (2018-2022)		YEAR 2	STATUS AS OF 31 DEC 2020	CUMU- LATIVE 2019 RESULTS	ACHIEVEMENT STATUS AND COMMENTS
BASELINE	TARGET	2020 TARGET			
Output 3: SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools					
Deliverable 3.1: Poverty-Environment Action knowledge products synthesize country-level experience and lessons in the use of integrated poverty-environment mainstreaming approaches and tools					
Indicator 3.1: Number of Poverty-Environment Action knowledge-sharing and learning products that are referenced by regional and global networks					
23	63	15	20	21	Exceeded PEA tools and products referenced 20 times (see Table 3)
Deliverable 3.2: Uptake of integrated poverty-environment mainstreaming approaches and tools by global, regional and local institutions supporting SDG implementation in "non-Poverty-Environment Action" countries					
Indicator 3.2: Number of countries adopting Poverty-Environment Action tools/approaches resulting from South-South knowledge collaboration					
9	18	5	2	3	Partially achieved South Africa technical assistance project on green bonds building on Indonesia's experience Forum on Food Security and Agrobiodiversity in Times of COVID-19 and Climate Change jointly launched with UNEP in collaboration with the Global Alliance for the Future of Food, International Centre for Integrated Mountain Development, International Fund for Agricultural Development, International Food Policy Research Institute, UNDP and UN Women; a background document was prepared collaboratively with PEA and circulated
Indicator 3.3: Number of regional and global Poverty-Environment Action partner programmes and agencies that apply an integrated mainstreaming approach					
13	18	4	7	7	Exceeded PEA has partnered with ADB on blue economy; GIZ and Partnership for Action on Green Economy on green bonds; UN Women on gender and climate-smart agriculture; and the Green Economy Coalition at the country and global levels, including a call to action on COVID-19 recovery during World Environment Day 2020 PEA highlighted at regional High-Level Political Forum in Asia Pacific as a case study in the context of achieving sustainable and just economies

NOTE: The country data were verified in March 2021, which resulted in additional products being identified as helping achieve 2019 targets. The cumulative totals have thus been updated to reflect these additions, specifically two products for Indicator 1.1, one for Indicator 1.3 and two for Indicator 2.3.



Challenges and Opportunities

During the reporting period, challenges were encountered and mitigated while maximizing identified opportunities as appropriate.

- **The COVID-19 pandemic affected project implementation in all PEA countries.** Particular obstacles included travel bans, restrictions on in-person meetings and workshops, and government offices working at limited capacity in many instances. Activities that required trainings, workshops, data collection and international consultants were either postponed or cancelled. PEA implemented a series of approaches to mitigate the impact of the pandemic. Taking a proactive, adaptive approach, PEA management conducted a series of follow-up calls with countries to provide needed support, including the provision of materials, equipment, online platform licences etc., to strengthen the capacity of national partners to work online and engage virtually for operational continuity. Several activities were reprogrammed or put on hold due to the pandemic. At the country level, PEA has provided support to COVID-19 response, much of it within the context of the UN Socio-Economic Response and Recovery Framework. Five of the eight PEA countries have integrated their work within this framework and similar endeavours. This allowed PEA to be integrated in UN system national COVID-19 responses. Table 5 summarizes PEA support of these COVID response efforts.
- **Resource mobilization continues to be a challenge.** This is particularly the case in the current economic environment where emergency response for healthcare and economic recovery are the leading priorities for funding as opposed to normal development work. PEA developed a resource mobilization strategy, which was approved by the Project Board. Out of the total \$20.0 million project budget, \$13.6 million was secured, leaving \$6.4 million yet to be mobilized. A fund deficit of \$1.2 million, originally expected to be covered from UNEP pooled funds (Norwegian funds), contributed to the funding gap. Efforts to realize savings within the project have become a priority to maximise funds for country PEA programming and technical assistance. In addition, the MTR recommended that the PEA M&E framework be amended to align with available resources; this entails reviewing set targets for some project outputs.
- **Developing and initiating technical assistance projects in the context of COVID-19 takes a long time due to challenges with stakeholder engagement.** Stakeholder engagement mainly takes place through virtual consultations, which prove to be challenging for government counterparts. Because technical assistance efforts are implemented in

TABLE 5 PEA support of socioeconomic response to COVID-19 within the UN system

COUNTRY	RESPONSE
Indonesia	Impact assessment of COVID-19 on greenhouse gas emissions and energy use
Lao PDR	Ongoing discussions with Resident Coordinator's Office to support specific PEA-related UN Socio-Economic Recovery and Response Framework implementation
Mozambique	<ul style="list-style-type: none"> ▪ Contributed to COVID-19 socioeconomic impact assessment ▪ UNDP set aside TRAC funds to improve connectivity between institutions and development partners, with the Ministry of Economy and Finance receiving 8 modems, 1 Internet contract, 1 laptop and 3 desktop computers and printer cartridges
Myanmar	Integrated in the UN Framework for immediate socioeconomic response to COVID-19
Nepal	Integrated in the UN Framework for immediate socioeconomic response to COVID-19 and ongoing COVID-19 financing and economic recovery plan/strategy developed for sustainable development

non-PEA countries, engagement with both government and UN agencies has taken more time in the past year, as the various partners have other priorities. Setting up technical working groups for technical assistance has proven to be effective in managing and coordinating implementation. Providing technical assistance in former PEI countries such as Indonesia has easier to set up and manage given existing relationships in the country.

- **The technical assistance effort with UN Women was delayed because data availability needed to be assessed in collaboration with the targeted countries.** The data available determine the type and level of gender gap assessment that needs to be carried out. This information in turn determines the contents of the terms of reference in engaging a consultant.
- **Monitoring the progress of international consultants has been difficult under COVID-19.** This has been due to an inability to meet directly to discuss ongoing aspects of contracts and having to coordinate across multiple time zones. While implementing partners made significant efforts in this regard – such as Myanmar's Environmental Conservation Department, which, with partial support from UNDP, worked to transition to a virtual mode of operation – reaching out to all concerned technical staff in virtual meetings has been quite challenging.
- **In Malawi, integrating environmental and natural resource management at the district level has been challenging, as local authorities have limited resources to revise their socioeconomic profiles and district development plans.** As a result, only those local authorities that receive funding often from development partners can update their planning documents. Thus, revision support from PEA is only possible in districts that are in the process of updating their planning documents.
- In addition, countries continue to take more time than anticipated to satisfactorily apply the administrative and financial modalities associated with donor requirements and project management guidelines.



Lessons Learned; Strategies Used

This section summarizes the key lessons learned and main strategies employed by PEA during the reporting period.

Lessons learned

- At the global and country levels, the key lesson learned has been the **need for adaptive management in a very uncertain environment**; this has called for new ways of working to ensure continuation of project implementation. PEA has shown positive adaptive management strategies in shifting to a virtual work modality, evidenced by the launch of the PEA website and virtual project management training held for countries with over 90 per cent with the PEA staff target audience in attendance. A series of follow-up calls was made to PEA countries to provide needed support, including the provision of materials, equipment, online platform licences etc., to strengthen the capacity of national partners to work online and engage virtually for operational continuity. At the global level, adaptation to the new reality was demonstrated through virtual conduct of all Board, Executive Member and staff meetings in 2020. This adaptation has shown that certain aspects of the project can be implemented in a more cost-efficient manner.
- **Knowledge management and visibility processes need to be enhanced from the onset at all levels** (national, regional, corporate/global) to ensure adequate showcasing of project results. Knowledge management – properly and readily implemented with a concrete, professional strategic plan and dedicated staff – not only extends the dissemination of tools but aids in the implementation, upscaling, replication and strengthening of linkages with other agencies' corporate work as well as sustainability.
- **Resource mobilization needs to be realistic and flexible** in addressing emerging issues that make the leveraging of additional resources very difficult, particularly for a project that is well underway. The shift in priorities by donors and developing countries from normal development work to emergency response focusing on health and economic recovery has changed the resource mobilization landscape. Efforts to realize savings within the project have become a priority in order to accomplish what was planned. When a funding gap is not met, planning should be adjusted to align with what is available until further resources are mobilized.

- The **private sector has demonstrated goodwill in integrating the environment and climate change** into their plans to ensure the sustainability of their investment. This has provided an entry point to continue working with the private sector – including, as in Rwanda, with industry, business owners, youth and faith-based organizations – through capacity building and awareness raising.
- **Contingency planning** should be part of the project strategy in order to be well prepared to absorb the distressing effects of any unpredictable crisis. A comprehensive strategy for mitigating risk factors may need to be adopted to realize the project's targeted activities and objectives. Such a strategy should be formulated in collaboration with partner institutions. Thus, as in Bangladesh, coordination with key partners and PEA staff embedded in the National Planning Commission may help ensure integration and continuation of activities that were falling behind due to the COVID-19 crisis.
- A **gender approach** should be used to promote the institutionalization of gender mainstreaming through systematic integration across a project to reduce inequalities and exclusions based on gender. Gender mainstreaming is not a gender-targeted approach, where numerical equity of women and men is promoted; but rather a substantive approach to reduce inequalities within the poverty-environment nexus.

Strategies used

Gender and rights-based approaches to ensure social inclusion

PEA continues to provide technical advisory support to countries on how to address gender equality issues in key sectors and to include gender in poverty analytics, in line with the strategy established in the PEA Project Document. In addition, PEA has partnered with UN Women in capacity-building activities supporting climate-smart agriculture at the country level in collaboration with the relevant ministries and statistics departments.

This initiative has focused on developing country-specific and regional tools and on strengthening their application in government plans and strategies to enhance women's agricultural productivity while increasing climate resilience. The development of tools goes hand in hand with capacity building in the relevant government ministries (finance, agriculture, and environment) on application of the tools. A regional approach to the development of good practices in the collection of better gender and poverty-environment data will inform knowledge sharing and South-South learning.

Strengthening strategic partnerships and improving coordination

PEA continues to build on earlier collaborations with organizations engaged in promoting the transition to an inclusive green economy. Collaborations have been identified with several partners and associated institutions. For instance, PEA has worked with UN Women on increasing regional priorities and investments in environmentally and gender-responsive climate-smart agriculture, with ADB on a blue economy focusing on identifying and developing PEI/PEA tools that support budgeting and finance for a blue economy and disseminating this

work through Coordinating Body for the Seas of East Asia programmes and the Forum of Ministers and Environment Authorities of Asia Pacific; and GIZ on green bonds in South Africa, building on synergies between low-emissions pathways and the SDGs.

Countries have also generated partnerships within PEA, realizing benefits in replication and/or sustainability, as these examples indicate:

- **Malawi** is partnering with the Food and Agriculture Organization of the United Nations on in-country work on gender and agriculture as well as to seek financial backing from international financial institutions for further implementation and sustainability.
- In **Lao PDR**, GIZ is applying and replicating PEA-developed instruments and tools to deal with provincial-level policies in areas of the country where PEA does not operate.
- **Indonesia** is working closely with private sector and development partners, including the World Bank, the Climate Bonds Initiative and HSBC, to provide capacity building and institutional strengthening related to the Green Sukuk Allocation and Impact Report.

Engaging with non-government stakeholders

Various partnerships have been formed at the country level with civil society organizations, NGOs, academia and media, among others. In Rwanda, faith-based organizations were engaged in mainstreaming the environment and climate change, starting with capacity building, awareness and promotion of key information and knowledge about the environment and climate change. Collaboration with Voice of Hope, the radio ministry of the Seventh-Day Adventist Church, is ongoing. Information on four environmental topics has been aired so far; other programming is in the pipeline. Field visits to Africa New Life Ministries and the Seventh-Day Adventist Church were tailored, with ongoing discussion on how to plan joint capacity building, especially on content organization, packaging and dissemination using print, audio-visual and online strategies.

In Indonesia, PEA initiated dialogue with DBS Bank Singapore, which is interested in supporting the issuance of the world's first blue sukuk. Discussion with other stakeholders, including IDH Sustainable Trade Initiative, is also ongoing. UNDP shared information on its innovative financing work with IDH and the Ministry of Marine Affairs and Fisheries' Focus Group Discussion to discuss the potential of Banyuwangi's shrimp [road map](#).

In Malawi, UNDP's Biodiversity Financing Initiative, BIOFIN, has reached out to PEA for collaboration in devising a national biodiversity finance plan.

In Tanzania, PEA conducted analytic work and capacity building in collaboration with UN-Habitat and regional governments for Mwanza and Dodoma. Project proposals were later presented to the World Urban Forum in Abu Dhabi in February 2020. Leveraging UN-Habitat resources and expertise, UNDP and UN-Habitat, in collaboration with Mwanza and Dodoma, are undertaking analytic work on revenue generation and enhancement for the regions. Drafting of and consultations on a National Investment Strategy under the auspices of the Prime Minister's Office are also ongoing.

UNDP-UNEP partnership

PEA relies on the sustained partnership between UNDP and UNEP as strategic actors within the UN system to advance the environmental dimension of the 2030 Agenda and the SDGs. As the UN's leading environmental authority, UNEP sets the global environment agenda, promotes coherent implementation of the environment within the UN system, advocates for the global environment, and implements its global mandate to ensure capacity building and technical assistance – particularly with respect to institutional strengthening in developing countries. UNDP and UNEP continue to combine their complementary mandates and operational strengths to implement the PEA project, including country presence through UNDP, participation in the UN Development Group, the Environment Management Group and other joint global coordination mechanisms. The partnership also provides a model for future cooperation between UN agencies in the context of the ongoing UN reform agenda.

PEA formed three new strategic partnerships at the regional level through technical assistance: with **UN Women** on increasing regional priorities and investments in environmentally and gender-responsive climate-smart agriculture; with **ADB** on a blue economy, focusing on identifying and developing tools that support budgeting and financing for a blue economy; and with **GIZ** on green bonds in South Africa, building on synergies between low-emissions pathways and the SDGs. At the country level, partnerships have been formed within the UN Socio-Economic Response and Recovery Framework, leading to commendable PEA support to COVID-19 response as summarized in [Table 5](#).

Implementation and management arrangements

PEA continues to be governed by a Project Board as stipulated in the Project Document terms of reference. The UNDP and UNEP Co-Managers continue to take the lead on day-to-day project implementation, guided by the Project Board Executive and under the strategic direction set by the Board. All project-funded positions – Project Management Specialist, Finance Analyst, Knowledge Management Specialist, M&E Specialist / Technical Assistance Specialist – have been filled, and work closely with two thematic experts covering the Asia Pacific and Africa regions, respectively, and under the overall guidance of the PEA Co-Managers. PEA is implemented under UNDP corporate standard rules and regulations (as the Managing Agent of the project), in close collaboration with national counterparts, UNDP Country Offices, and UNDP and UNEP regional offices and headquarters units. The PEA programmatic approach and strategy have remained as stipulated in the Project Document. In addition to the regional thematic experts, an established consultant roster is used to provide technical guidance for PEA implementation and adequate coordination between key development and implementation partners. This arrangement builds on the role of the Technical Advisory Group envisioned under the PEA Strategic Management Note that served as a guiding tool for adaptive management.



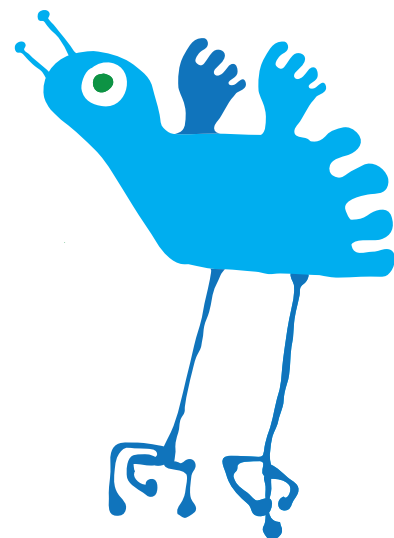
Way Forward

In 2021, Poverty–Environment Action will step up its efforts in accelerating implementation at the country and global levels with an approved \$8.2 million budget. While the pandemic presented challenges, it also provided opportunities for learning through adaptation. Measures will continue to be put in place by PEA management to mitigate the impact on project delivery. Implementation of MTR lessons and recommendations will be critical. The MTR highlights a potential for achieving at least a greater number of outputs and output-related outcomes, with proper adjustments made at programmatic, operational and conceptual levels. A joint management response has been put in place to address MTR recommendations, including reviewing the M&E framework to ensure planned results are realistic without jeopardizing PEA’s overall ambition.

Going forward, PEA will continue implementation in line with the 2021 Annual Work Plan (see [Annex](#)), focusing on strengthening the sustainability of the technical assistance initiatives (Indonesia, blue economy with ADB, green bonds with GIZ, gender and climate-smart agriculture with UN Women) and full-fledged country projects (Mauritania) that will be completed in 2021. In addition, the capacity-building platform/help desk to be developed under a recently approved technical assistance initiative will provide an avenue for sustainability by strategically advancing existing partnerships between PEA and its current donors and partners to strengthen the sustainability of PEA project results post-2022. PEA will also focus on accelerating implementation of public finance and investment frameworks to incentivize a shift in public and private investments towards environmental sustainability and climate objectives, and on advocating adoption of poverty–environment tools and approaches through existing and new platforms. High-level, high-impact South–South cooperation and visibility actions will be prioritized and undertaken through webinars on major poverty–environment climate mainstreaming themes.

As of publication of this report, discussions are under way with potential donors on providing additional funds (about \$2 million) to implement PEA priorities and narrow the current funding gap.

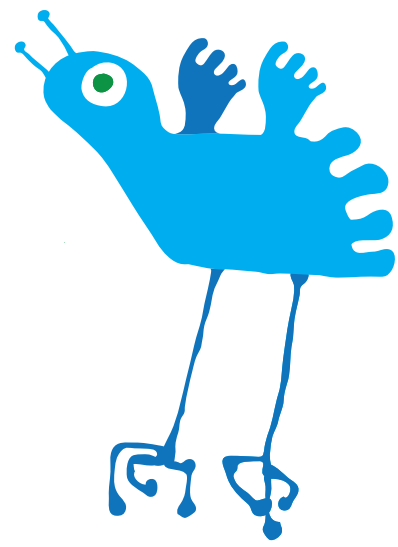
Annex: 2021 Annual Work Plan



EXPECTED OUTPUTS	KEY ACTIVITIES/ ANNUAL OUTPUT TARGETS	TIME FRAME				RESPON-SIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		SOURCE OF FUNDS	BUDGET DESCRIPTION
Output 1: Development planning, budgeting and monitoring systems integrate environmental sustainability and climate change objectives for poverty eradication.	<p>Deliverable 1.1: Capacity to apply integrated approaches and tools for mainstreaming environmental sustainability and climate objectives for poverty eradication in development planning and budgeting.</p> <p>Deliverable 1.2: Institutional mechanisms promote policy coherence to accelerate implementation of environmental sustainability and climate objectives for poverty eradication.</p> <p>M&E activities</p>	X	X	X	X	UNDP CO/ PEA country, regional and global teams, UN agencies, NGOs and other entities, Govt.	PEA	Salaries (National and International Staff) International Consultants Local Consultants Contractual Services – Individual Contractual Services – Companies Travel UNV Internship Trainings and Workshops Material and Goods Communication and Audio-Visual Equipment Audio Visual and Print Production Costs Supplies Grants IT Equipment Rental and Maintenance – Premises Purchase of Equipment and Furniture/Depreciation Rental and Maintenance of Equipment/IT Equipment Project Office/Operational Costs

(continued)

EXPECTED OUTPUTS	KEY ACTIVITIES/ ANNUAL OUTPUT TARGETS	TIME FRAME				RESPON-SIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		SOURCE OF FUNDS	BUDGET DESCRIPTION
Output 2: Public finance and investment frameworks incentivize shift in public and private investments toward environmental sustainability and climate objectives for poverty eradication.	<p>Deliverable 2.1: Public expenditure and emerging national SDG financing frameworks support shift in government allocations toward environmental sustainability and climate objectives for poverty eradication.</p> <p>Deliverable 2.2: Economic, financial and regulatory incentives and private sector initiatives encourage shift in private investment toward environmental sustainability and climate objectives for poverty eradication.</p> <p>M&E activities</p>	X	X	X	X	UNDP CO/ PEA country, regional and global teams, UN agencies, NGOs and other entities, Govt.	PEA	Salaries (National and International Staff) International Consultants Local Consultants UNV Internship Contractual Services – Individual Contractual Services – Companies Travel Trainings and Workshops Material and Goods Communication and Audio-Visual Equipment Audio Visual and Print Production Costs Supplies Grants IT Equipment Rental and Maintenance – Premises Purchase of Equipment and Furniture/Depreciation Rental and Maintenance of Equipment/IT Equipment Project Office/Operational Costs
Output 3: SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools.	<p>Deliverable 3.1: Poverty-Environment Action knowledge products synthesize country-level experience and lessons in the use of integrated poverty-environment mainstreaming approaches and tools.</p> <p>Deliverable 3.2: Uptake of integrated poverty-environment mainstreaming approaches and tools by global, regional and local institutions supporting SDG implementation in “non-Poverty-Environment Action” countries.</p> <p>M&E activities</p>	X	X	X	X	Global and regional team, UNDP BPPS/SD and UNEP Ecosystems, Regional Offices Africa and Asia, UN agencies, NGOs and other entities.	PEA	Salaries (National and International Staff) International Consultants Local Consultants UNV Internship Contractual Services – Individual Contractual Services – Companies Travel Trainings and Workshops Material and Goods Communication and Audio-Visual Equipment Audio Visual and Print Production Costs Supplies Grants IT Equipment Rental and Maintenance – Premises Purchase of Equipment and Furniture/Depreciation Rental and Maintenance of Equipment/IT Equipment Project Office/Operational Costs



Endnotes

1. United Nations, 2020, [*The Sustainable Development Goals Report 2020*](#).
2. United Nations Development Programme, 2020, [*COVID-19 and Human Development: Assessing the Crisis, Envisioning the Recovery*](#).
3. World Health Organization, Coronavirus disease (COVID-19) pandemic webpage, <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>.
4. United Nations, 2020, [*United Nations Comprehensive Response to COVID-19: Saving Lives, Protecting Societies, Recovering Better*](#).
5. The country data were verified in March 2021, which resulted in additional products being identified as helping achieve 2019 targets. The 2019 totals have thus been updated to reflect these additions, specifically two products for Indicator 1.1, one for Indicator 1.3 and two for Indicator 2.3.

Poverty-Environment Action for Sustainable Development Goals of the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP) promotes an integrated approach which contributes to bringing poverty, environment and climate objectives into the heart of national and subnational plans, policies, budgets, and public and private finance to strengthen the sustainable management of natural resources and to alleviate poverty.

UNDP-UNEP Poverty-Environment Action for Sustainable Development Goals gratefully acknowledges the financial support of the Austrian Development Agency, the Swedish International Development Cooperation Agency and the European Union.



**Sweden
Sverige**



Poverty-Environment Action
for Sustainable Development Goals



<https://pea4sdgs.org>