



UNITED NATIONS DEVELOPMENT PROGRAMME

**Energy and Environment Practice
Environmentally Sustainable Development Group
Bureau for Development Policy**

**Poverty and Environment Initiative – Phase 2
GLO/02/119 (UNDP/DFID Cost-Sharing)
GLO/02/G19 (EC Trust Fund)**

Summary:

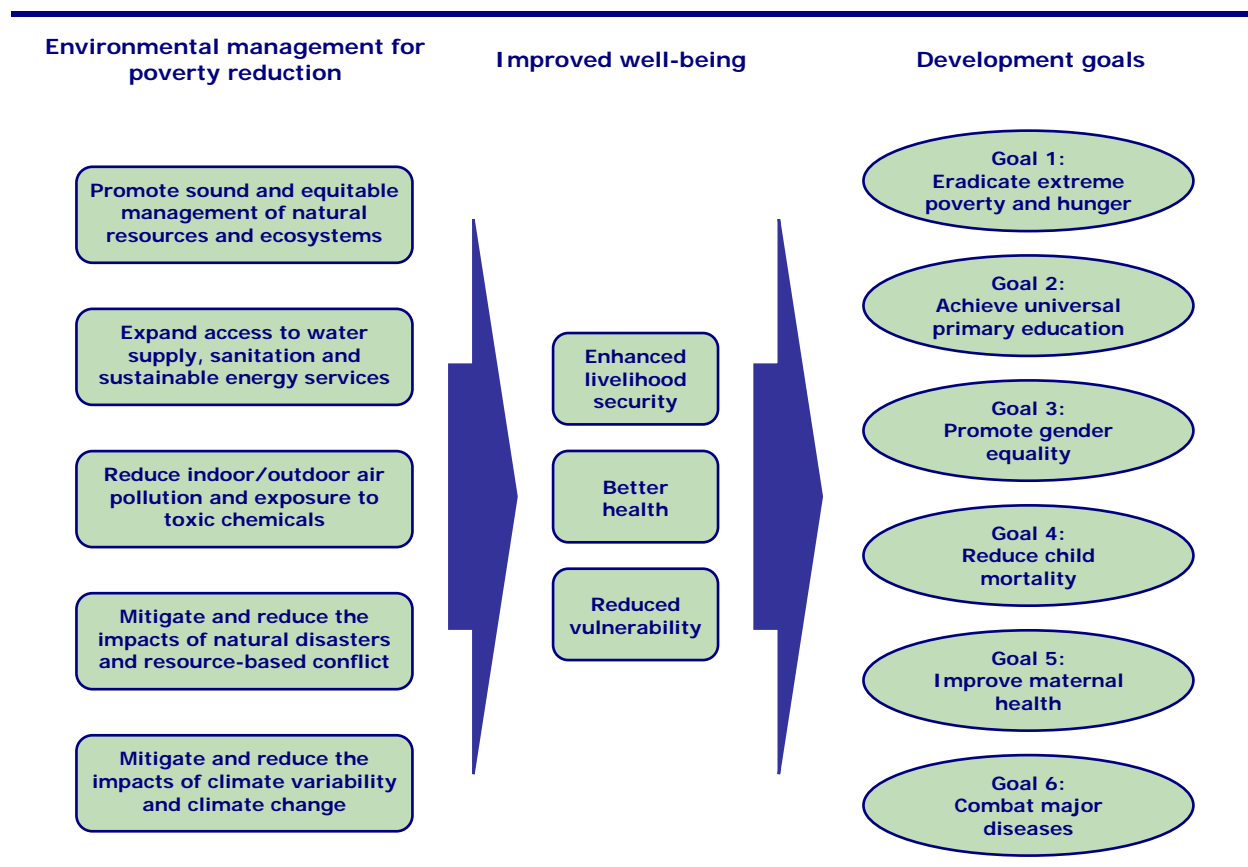
This project document outlines a new and expanded Phase 2 of the Poverty and Environment Initiative (PEI), a cross-cutting global programme of the Energy and Environment Practice Area. PEI Phase 2 has been developed to help countries strengthen their capacity to more effectively link poverty reduction and environmental management. The core focus of PEI is to demonstrate and promote the spread of effective approaches to integrating the environmental concerns of poor and vulnerable groups into national and sub-national policy and planning frameworks for poverty reduction. Phase 2 includes three inter-related areas of support: (1) poverty-environment analysis and capacity assessment; (2) poverty-environment policy development; and (3) poverty-environment indicators and monitoring. Work in each of these three core areas will be carried out through direct support of integrated poverty-environment programmes in a small number of initial focus countries, and through regional and global-level analysis, advocacy and knowledge networking activities.

IA. SITUATION ANALYSIS

Environment, Poverty Reduction and the Millennium Development Goals

Sound and equitable environmental management is critical to sustained poverty reduction and achievement of the Millennium Development Goals (MDGs). This reflects the important ways in which environmental conditions and access to environmental assets are linked to the livelihoods, health, security and empowerment of people living in poverty – particularly women and children. Poor households often depend on access to a diversity of natural resource assets and ecosystem services for their livelihood opportunities; they are often the most adversely affected by exposure to unsafe water, indoor air pollution and toxic chemicals; and they are particularly vulnerable to environmental shocks and stresses such as floods, prolonged drought and the anticipated impacts of global climate change.

The MDG framework directly addresses environmental concerns in Goal 7 (*Ensure environmental sustainability*), with global targets on mainstreaming the environment in country policies and programmes, reversing the loss of environmental resources, and improving rural and urban access to environmental services. The central challenge for environmental management is to ensure that progress towards the Goal 7 targets also contributes to achieving the other development goals, particularly the overarching goal of halving extreme poverty by 2015. Meeting this challenge calls for a new approach and broad-based commitment to integrating the environmental concerns of poor and vulnerable groups into mainstream development processes at local, national and global levels.



Source: DFID/EC/UNDP/World Bank (2002), *Linking Poverty Reduction and Environmental Management: Policy Challenges and Opportunities*.

The Millennium Development Goals and Poverty-Environment Links

<p>Poverty Goal</p> <p>1. Eradicate extreme poverty and hunger</p>	<ul style="list-style-type: none"> • Livelihood strategies and food security of poor households often depend directly on the health and productivity of natural ecosystems and the diversity of goods and ecological services that they provide. • Poor households often have insecure rights to land, water and biological resources, and inadequate access to information, markets and decision-making – limiting their capability to protect the environment and improve their livelihoods and well-being. • Vulnerability to environmental shocks and stresses, such as natural disasters and the anticipated impacts of climate change, can undermine people’s livelihood opportunities and coping strategies – and hence their ability to lift themselves out of poverty or to avoid falling into poverty.
<p>Gender and Education Goals</p> <p>2. Achieve universal primary education</p> <p>3. Promote gender equality and empower women</p>	<ul style="list-style-type: none"> • Environmental degradation contributes to the increasing burden on women and children (especially girls) of collecting water and fuelwood, reducing time for education or income-generating activities. • Women in particular often have unequal rights and insecure access to land and other natural resources, limiting their opportunities and ability to access other productive assets.
<p>Health Goals</p> <p>4. Reduce child mortality</p> <p>5. Improve maternal health</p> <p>6. Combat major diseases</p>	<ul style="list-style-type: none"> • Water and sanitation-related diseases such as diarrhea, and acute respiratory infections primarily from indoor air pollution, are two of the leading causes of under-five child mortality. • Indoor air pollution and carrying heavy loads of water and fuelwood adversely affect women’s health, and can make women less fit for childbirth and at greater risk of complications during pregnancy. • Up to one-fifth of the burden of disease in developing countries is linked to environmental factors—primarily polluted air and water and lack of sanitation—and preventive environmental health measures are as important and at times more cost-effective than health treatment.

Moving the Poverty—Environment Agenda Forward

At the 2002 World Summit on Sustainable Development (WSSD), world leaders reaffirmed the MDGs as a framework for action, and agreed to a number of new commitments and targets to further advance poverty reduction and sustainable development objectives. The Summit highlighted the importance of poverty-environment linkages, and gave new impetus to global action in five priority areas that cut across the poverty-environment nexus and underpin the MDGs: **W**ater and Sanitation, **E**nergy, **H**ealth, **A**griculture, and **B**iodiversity and Ecosystem Management (the **WEHAB** areas).

Across these areas of concern, a growing body of research and practical experience reveals many effective approaches to reducing poverty and improving the environment – in particular community-level interventions to protect and expand the environmental assets of poor and vulnerable groups. But these are often isolated successes, and there are significant policy and institutional barriers to their wider application. These barriers are linked to broader issues of governance (including power relations) and economic and social policy that strongly influence how the environment is managed and how benefits and costs are distributed – and often are beyond the control of environmental institutions. For environmental management

to contribute fully to poverty reduction and the MDGs, a fundamental shift is needed to more holistic and people-centered approaches that build on poor people's priorities and capabilities; that effectively engage all stakeholders in addressing the root causes of environmental degradation; and that empower poor and vulnerable groups with the assets, rights and entitlements they need to improve their lives through sound environmental management.

National poverty reduction strategies and the Poverty Reduction Strategy Paper (PRSP) process provide a critical entry point for tackling these challenges and placing poverty-environment issues at the center of the national development agenda. Poverty reduction strategies are emerging as the primary instrument in many countries for development planning, resource allocation and aid coordination. PRSPs are intended to address the larger national factors that cause poverty and to lay out a coherent set of poverty reduction policies and measures to generate 'pro-poor growth' – integrating macroeconomic, structural, sectoral and social considerations. Recent reviews of PRSPs reveal that poverty-environment links often have been overlooked or received inadequate attention in poverty diagnosis and in poverty reduction planning and policy development.¹ Further, considerable work is needed to ensure that Medium-Term Expenditure Frameworks and sectoral plans and budgets respond adequately to the poverty-environment concerns of poor and vulnerable groups. In all these areas, countries are faced with significant capacity and resource constraints and the demand for policy advice and capacity development services is growing.

In response, the international community is mobilizing to help countries meet the challenge of linking poverty reduction and environmental management. Many development cooperation agencies have put in place new strategies and programmes aimed at mainstreaming environment into poverty reduction efforts, and major international NGOs and research centers are giving greater priority to these issues. UNDP, the UK Department for International Development (DFID), the European Commission and the World Bank have led the formation of the Poverty-Environment Partnership (PEP), an informal network of bilateral and multilateral development agencies that aims to promote joint policy work on poverty-environment issues, improve coordination and effectiveness of country-level support and enhance knowledge-sharing. These developments at the national and international level provide a pivotal opportunity to forge more effective partnerships and to move the poverty-environment agenda forward in a more integrated and focused manner than in the past.

IB. STRATEGY

UNDP has made the poverty-environment nexus the core focus of its Energy and Environment Practice Area. The Poverty and Environment Initiative (PEI) is a cross-cutting programme that aims to help countries develop their capacity to integrate the environmental concerns of poor and vulnerable groups into national planning and policy frameworks for poverty reduction. PEI supports Immediate Objective 3 of the Second Global Cooperation Framework (*Supporting Growth with Equity and Sustainability*) and is aligned with Service Line 1 of the Environment Thematic Trust Fund (*Integrating Environment into National Development Frameworks*).

The initial phase of PEI focused on developing the analytical foundation for more integrated policy approaches to linking poverty reduction and environmental management. This included workshops and electronic conferences, commissioned studies in a number of key sectors, and the gathering of case studies. Results and recommendations drawn from these analyses were presented and discussed at a *Forum of*

¹ Bojò and Reddy (2002), *Poverty Reduction Strategies: A Review of 40 Interim and Full PRSPs*, Environment Department Paper, World Bank; DFID (2002), *Review of the Inclusion of Poverty-Environment Issues in Selected Poverty Reduction Strategy Papers and Joint Staff Assessments*.

Ministers on Poverty and Environment. Out of this process emerged a broad set of cross-cutting and sectoral strategies and policy options to create opportunities for 'win-win' poverty-environment outcomes (see Annex 1). More recently, under the auspices of the Poverty-Environment Partnership, UNDP collaborated with the UK Department for International Development (DFID), the European Commission (EC) and the World Bank on an assessment of policy challenges and opportunities for more effectively linking poverty reduction and environmental management.²

Building on this analytical foundation, UNDP in partnership with the UK Department for International Development (DFID) and the European Commission is undertaking a new and expanded operational phase of PEI. PEI Phase 2 will support activities in three inter-related areas of focus: (1) poverty-environment analysis and capacity assessment; (2) poverty-environment policy development; and (3) poverty-environment indicators and monitoring. Work in each of these three core areas will be carried out through support of integrated poverty-environment programmes in a few initial focus countries, and through regional and global-level analysis, advocacy and knowledge networking activities.

Component 1: Country Poverty-Environment Programmes

Initially, PEI and partner organizations will work in up to five countries to support **Country Poverty-Environment Programmes**, based on principles of national ownership, national capacity development and stakeholder participation. The aim is to enhance country-level capacity to formulate and implement a comprehensive and country-owned agenda for mainstreaming environment in poverty reduction planning and resource allocation processes at national and sub-national levels, including through improved donor harmonization and coordination and more effective development partnerships. Emphasis will be given to enhancing the capacity of poor and vulnerable groups to participate in and influence planning and policy processes, and more effectively linking ('scaling-up') community-level analysis and experience with policy and institutional reforms.

Major outputs/areas of activity include:

- **Participatory poverty-environment analysis and capacity assessment** to improve the knowledge base on poverty-environment linkages and policy lessons from effective community-level interventions, and to assess institutional capacity needs for linking poverty reduction and environmental management. Analytic work will focus on examining poverty-environment linkages from the perspectives of vulnerable groups to enhance understanding of their causes and effects within different local contexts – in particular macro-level policy and institutional influences ('macro-micro' linkages) – and to identify key policy opportunities for reducing poverty through better environmental management. This work will apply principles and methods from the sustainable livelihoods approach, participatory poverty and vulnerability assessment, gender analysis, strategic environmental assessment and other relevant diagnostic and participatory tools.
- **Multi-stakeholder dialogue and policy development** to stimulate debate, consensus and coalition-building around a country-owned policy reform and capacity development agenda for mainstreaming environment in poverty reduction planning and policy frameworks. Institutional capacity will be strengthened to incorporate the results from analytic work on poverty-environment issues and assessment of capacity development needs into poverty reduction strategies, macro and sectoral policies and plans, and budgetary frameworks.

² DFID/EC/UNDP/World Bank (2002), *Linking Poverty Reduction and Environmental Management: Policy Challenges and Opportunities*; UNDP/EC (2000), *Attacking Poverty While Protecting the Environment: Towards Win-Win Policy Options*.

- ❑ **Indicators and monitoring** to develop appropriate poverty-environment (and gender-sensitive) indicators for measuring how environmental conditions impact the livelihoods, health and vulnerability of the poor, and to strengthen capacity in monitoring and assessing poverty-environment policy outcomes. This work also will build on results from participatory poverty-environment analysis, and will be linked to ongoing efforts to strengthen national poverty monitoring and assessment systems, a major area of country support under UNDP's Poverty Reduction practice area.

These efforts will be supported in each country by a locally-managed fund that will award grants to local institutions (such as civil society organizations and academic and research centers) for policy-relevant action research, multi-stakeholder dialogue, advocacy and targeted capacity building to strengthen work on poverty-environment issues.

Component 2: Regional and Global Analysis, Advocacy and Knowledge Networking

Country-level activities will be supported and leveraged through regional and global analysis, advocacy and knowledge networking activities, with an emphasis on South-South dialogue and experience exchange. The primary aim of these 'communities of practice' will be to facilitate learning and knowledge-sharing with a focus on supporting the application of policy and institutional innovations for more integrated approaches to linking poverty reduction and environmental management.

Major outputs/areas of activity include:

- ❑ **Regional communities of practice** to support the documentation and sharing of lessons, good practices and case studies in participatory approaches to poverty-environment analysis, policy development and monitoring. This will include dissemination of policy research, practical experiences and other knowledge resources, and improving access to **advisory services** to strengthen the capacities of country stakeholders and UN Country Teams on integrating poverty-environment issues into poverty reduction planning and policy frameworks.
- ❑ **Global knowledge products and services** to support analysis, advocacy and knowledge networking on poverty-environment issues. A **strategic initiatives fund** will provide targeted small grant support (up to US\$50,000, but normally in the range of US\$15-25,000) for country, regional and global level initiatives that can contribute to the development and spread of practical approaches, methods and tools for poverty-environment analysis and mainstreaming. A web-based **poverty-environment knowledge network** will provide a platform for local-to-global and global-to-local exchange, facilitate the synthesis and dissemination of lessons from country experiences, and expand access to knowledge resources on poverty-environment issues. In addition, PEI will seek to capitalize on unique opportunities for outreach and advocacy, such as follow-up to the Johannesburg World Summit on Sustainable Development, and collaboration with the Poverty-Environment Partnership.

II. RESULTS FRAMEWORK

The project results and resources framework for PEI Phase 2, including outputs and major areas of activity, is presented in Table 1. The budget figures reflect the total project budget as presented in Annex 3, excluding global programme coordination inputs.

Table 1. Project Results and Resources Framework

Intended Outcome: Improved national capacity to integrate the environmental concerns of poor and vulnerable groups into national planning and policy frameworks for poverty reduction.

Outcome Indicator: Number of countries in which environmental concerns of poor and vulnerable groups are addressed in: (1) poverty diagnosis; (2) national poverty reduction strategies/PRSPs, sectoral policies and plans, and budgetary frameworks; and (3) poverty monitoring systems.

Partnership Strategy: At country level, poverty-environment programmes will provide a comprehensive framework for mobilizing stakeholders and catalyzing partnerships around a country-owned poverty-environment agenda, leading to improved harmonization and coordination of interventions and joint programming on priority poverty-environment issues. Regional and global analysis, advocacy and knowledge networking will engage a range of partners through formal agreements and collaborative activities – including governments, regional organizations, national and international NGOs, and other centers of excellence. The Poverty-Environment Partnership will provide a key entry point for interaction with bilateral and multilateral development agencies.

Intended Outputs	Activities	Inputs	Budget
<p>1. Analytical framework: Common analytical framework and methodological guidance developed to support country programmes.</p>	<ul style="list-style-type: none"> Working papers on (i) Poverty-Environment Analysis and Monitoring and (ii) Poverty-Environment Capacity Assessment. 	<ul style="list-style-type: none"> International consultants Travel/DSA 	74,900
<p>2. Country poverty-environment programmes: Comprehensive programme on integrating environment into poverty reduction planning and policy processes implemented in 5 focus countries in Africa (2), Asia (2) and Latin America (1).</p> <p>Country-specific outputs, activities and inputs will be detailed for each focus country through preparation of a country programme document and annual workplan/budget, in line with the three PEI strategic areas of focus as appropriate.</p>	<ul style="list-style-type: none"> Analysis of poverty-environment linkages (including review of existing studies and information on poverty-environment linkages) and assessment of capacity development needs. Poverty-environment policy development, including multistakeholder dialogue and strengthening institutional capacity to mainstream environment into poverty reduction planning and policy processes. Formulation of poverty-environment indicators and incorporation into poverty monitoring systems, including strengthening institutional capacity in data collection and use. Small grants for action research, advocacy and targeted capacity building to strengthen work on poverty-environment issues. 	<ul style="list-style-type: none"> International and national consultants International and national travel/DSA Workshops/seminars Subcontracts and small grants fund Publication costs* Reporting costs 	2,000,000

Intended Outputs	Activities	Inputs	Budget
<p>3. Regional Networks: Country efforts to mainstream environment into poverty reduction planning and policy processes benefit from cross-country experience exchange and learning through regional communities of practice.</p> <p>Region-specific outputs, activities and inputs will be detailed for each regional network through preparation of a programme document and annual workplan/budget, in line with the three PEI strategic areas of focus as appropriate.</p>	<ul style="list-style-type: none"> • Analysis of poverty-environment linkages and case studies on mainstreaming environment in poverty reduction strategies. • Cross-country dialogue and experience exchange on priority poverty-environment issues. • Facilitate access to expert advisory services. • Build links to other regions and networks. 	<ul style="list-style-type: none"> • International and national consultants • International and national travel/DSA • Workshops/seminars • Publication costs 	450,000
<p>4. Global Products and Services: Global knowledge base on poverty-environment linkages improved, and lessons and good practices in mainstreaming environment into poverty reduction planning and policy processes analyzed, documented and effectively disseminated at country, regional and global levels.</p>	<ul style="list-style-type: none"> • Strategic initiatives fund to support the development and spread of practical approaches, methods and tools for poverty-environment analysis and mainstreaming. 	<ul style="list-style-type: none"> • Grants 	321,000
	<ul style="list-style-type: none"> • Poverty-environment publication series to codify lessons and good practices from country-level experience, and to address key thematic and cross-cutting issues. 	<ul style="list-style-type: none"> • International consultants • International travel/DSA • Workshop • Publication costs 	107,000
	<ul style="list-style-type: none"> • Establish and manage a poverty-environment knowledge network to provide a platform for local-to-global and global-to-local exchange, synthesis of lessons from experience and access to knowledge resources. 	<ul style="list-style-type: none"> • International consultants • Publication costs 	107,000
	<ul style="list-style-type: none"> • Conduct two global learning workshops with programme partners and others to review, document and disseminate key findings from poverty-environment work. 	<ul style="list-style-type: none"> • International travel/DSA • Meeting costs • Publication costs 	259,000

III. MANAGEMENT AND IMPLEMENTATION

Country Level

In line with the emphasis on country ownership, participating countries will take a lead role in managing the programme and implementing activities at the national level. PEI will work through and in collaboration with the UNDP Country Office, who will take a lead role in facilitating the dialogue with government counterparts, civil society organizations and other relevant development partners in formulating a comprehensive country poverty-environment programme. PEI support will be demand-driven and reflect country priorities as defined within the Country Cooperation Framework, and will be fully integrated with ongoing or planned country programmes in the poverty and environment practice areas, particularly with respect to UNDP support of national poverty reduction strategies and poverty monitoring (including support for country-level monitoring and reporting on progress toward the MDGs).

In collaboration with government counterparts and other local partners, each Country Office will prepare an overall results framework for the country poverty-environment programme, and an annual work plan and budget for the use of PEI (and other) resources. The Country Office will be responsible for allocating the funds and ensuring that they are used in accordance with the country programme results framework and work plan. Implementation arrangements with the Country Offices will be detailed during the start-up phase in each country. Each situation may merit its own modality. The important consideration is to minimize administrative burden on Country Offices while ensuring integration into country operations and effective programme implementation.

Regional Level

PEI's work at country and regional levels will be supported by field-based environmental policy advisers located in UNDP's Sub-Regional Resource Facilities (SURFs). This decentralized network of policy advisers, backed-up by the global advisory team at UNDP headquarters, enhances UNDP's ability to respond to programme country requests for substantive support and to facilitate the sharing of lessons and good practices across regions.

The regional policy advisers, in collaboration with the SURF Coordination Units, will take a lead role in establishing and building the regional communities of practice on poverty and environment, including strategic linkages with external partners. In collaboration with community members, they will define an overall vision and strategy for community-building, knowledge sharing and capacity development activities, and will prepare an annual workplan and budget for the use of PEI resources. Both the overall strategy and annual workplans/budgets will be approved by the Global Coordinator in consultation with the regional programme units of the Regional Bureaux. The policy advisers and SURF Coordination Units will be responsible for allocating the funds in line with the annual workplan.

Global Level

The Poverty and Environment Initiative is managed within UNDP by a global coordinator linked with the Environmentally Sustainable Development Group (ESDG) within the Bureau for Development Policy (BDP). The global coordinator is responsible for overall programme coordination and oversight, technical support, and monitoring and reporting. The global coordinator will combine country and regional-level work plans with global interventions into a consolidated annual work plan to guide programme implementation.

The global coordinator will be supported substantively by ESDG policy advisers and the Environment Programme Team, a cross-disciplinary team of BDP policy advisers drawn from UNDP's main thematic practice areas, in particular environment, poverty and democratic governance. Other key sources of support and synergy within UNDP include the Drylands Development Centre, GEF (including the GEF Small Grants Programme), the Capacity 2015 programme, and the Millennium (MDG) Project. In addition, PEI will maintain linkages with the Poverty Reduction practice in particular, and the Democratic Governance, Gender and Crisis Prevention and Recovery practices.

The UN Office for Project Services (UNOPS) will execute the project in close collaboration with the global coordinator and the Environment Programme Team. UNOPS will provide project execution services in the following areas:

- ❑ Budget administration and reporting;
- ❑ Recruitment of international consultants and administration of subcontracts;
- ❑ Missions by experts and UNDP staff;
- ❑ Arrangements for international workshops and other meetings;
- ❑ Printing and translation of publications;
- ❑ International procurement.

Monitoring and Evaluation

Programme monitoring and evaluation will be based on the global programme results framework (Part II) and corresponding country programme results frameworks, and aligned with UNDP's Strategic Results Framework/Results Oriented Annual Report process. UNDP Country Offices will be responsible for monitoring of country programmes. The Global Coordination Unit will combine country-level reporting on results with regional and global interventions into a consolidated annual report. In addition to reporting on progress, the annual report will be used for disseminating information on lessons learned in programme countries and other outreach purposes.

An external evaluation may be undertaken as part of the GCF evaluation. Based on programme performance and country-level demand, an expansion of the programme to other countries will be considered.

IV. BUDGET

The overall (projected) budget for PEI Phase 2 is US\$4.3 million for the period 2002-2005. Currently available resources include: (i) UNDP global programme funds input of US\$300,000 and the three-year (2003-2005) UK Department for International Development (DFID) cost-sharing contribution of £900,000; and (ii) the three-year (2002-2004) European Commission contribution (closed Trust Fund) of Euros 721,770. Additional resource needs are estimated to be about US\$1.7 million.³ All budget inputs include a support cost rate of 7%, and the UNDP/DFID cost-sharing and EC Trust Fund budgets include a 5% UNDP Administrative Cost. UNDP Country Office administration charges for management of the country poverty-environment programmes (Component 1) will be reimbursed through apportionment of 3% out of the 5% UNDP Administrative Cost, based on an approved sub-budget for each country programme.

³ Currently available resources are sufficient to cover three years (2002-2004) of the Global Coordinator post. If additional resources are not mobilized to cover the cost of the Global Coordinator post in 2005, then the global budgets will be adjusted accordingly to meet this cost.

ANNEX 1. PEI PHASE 1 PUBLICATIONS

Synthesis Papers

Attacking Poverty While Improving the Environment: Towards Win-Win Policy Options, by John Ambler (ed.)

Attacking Poverty While Improving the Environment: Practical Recommendations, by John Ambler (ed.)

A Better Life...With Nature's Help: Success Stories (various authors)

Issue Papers

Paper 1

Links Between Poverty and the Environment in Urban Areas of Africa, Asia and Latin America, by David Satterthwaite

Paper 2

Community and Household Water Management: The Key to Environmental Regeneration and Poverty, by Anil Agarwal and Sunita Narain

Paper 3

Poverty-Environment Interactions in Agriculture: Key Factors and Policy Implications, by Sara J. Scherr

Paper 4

Energy as it Relates to Poverty Alleviation and Environmental Protection, by Ellen Morris and Sudhir Chella Rajan

Paper 5

Economic Reforms, Globalization, Poverty and the Environment, by David Reed and Herman Rosa

Paper 6

Forests and the Poverty-Environment Nexus, by J.E.M. Arnold and Pippa Bird

ANNEX 2. TANZANIA POVERTY-ENVIRONMENT PROGRAMME – RESULTS FRAMEWORK⁴

The Government of Tanzania and UNDP have developed a comprehensive programme on “Integrating Environment into the Poverty Reduction Strategy (PRS) Process”. Tanzania developed a Poverty Reduction Strategy Paper (PRSP) in 2000, based on previously developed medium and long-term policy frameworks – Vision 2025, the National Poverty Eradication Strategy and the Tanzania Assistance Strategy. Although the PRSP does not explicitly address environmental issues, it does contain a commitment by the government to incorporate environmental concerns into future iterations of the PRSP. The Vice President’s Office (VPO), which hosts the Directorates for Poverty and Environment, enlisted the support of the UNDP Country Office in launching a multistakeholder process to formulate and implement a programme for mainstreaming environment into the PRSP process. The programme will focus on capacity development in support of three inter-related intended outcomes that are closely aligned with PEI’s three strategic areas of support:

Outcome 1: Awareness and understanding on poverty-environment linkages strengthened across government, civil society and the private sector. This component focuses on enhancing the knowledge base on poverty-environment linkages and practice, through analytic work and dissemination activities at local and national levels. This will include establishment of a small grants facility to support research and action learning on poverty-environment issues by CBOs/NGOs, local government and research institutions.

Output 1.1 – Knowledge base on poverty-environment linkages improved and disseminated.

Activities:

- 1.1.1 – Collect, identify and analyze existing baseline information and document case studies of poverty-environment linkages to identify gaps, set priorities, learn from best practices and survey local-level planning initiatives.
- 1.1.2 – Design, set-up and manage a facility to commission research and action learning on/from poverty-environment-livelihoods interventions.
- 1.1.3 – Develop and implement a dissemination strategy on entire poverty-environment programme.

Outcome 2: Improved access and use of environmental and livelihoods data in the Poverty Reduction Strategy process and local-level planning. This component focuses on strengthening capacity in quantitative and qualitative approaches to incorporating environment and livelihoods data into existing socio-economic and poverty data collection and monitoring systems at national and district levels, including through the development and use of poverty-environment indicators.

Output 2.1 – Environment-livelihoods data integrated into data systems, and poverty-environment indicators developed and used in the Poverty Monitoring System (PMS).

Activities:

- 2.1.1 – Conduct review of current PMS and of available data (Household Budget Survey, Participatory Poverty Assessment, etc.) to identify gaps, needs and requirements for poverty-environment indicators at national and district levels. Develop poverty-environment indicators and input into the design of future surveys/censuses.
- 2.1.2 – Develop the environment module in the Tanzania Socio-Economic Database and integrate this with existing Geographic Information Systems to produce poverty-environment mapping.

⁴ UNDP/Tanzania, Final Draft Programme Support Document on “Integrating Environment into the Poverty Reduction Strategy Process (February, 2003).

Outcome 3: Institutional capacity built to integrate environment in multi-sectoral plans and strategies at both national and district level and to monitor implementation. This component focuses on supporting the integration of poverty-environment issues into poverty reduction policies, budgets and programmes at national and district levels. This includes activities to strengthen the capacity of relevant NGOs and private sector entities to address poverty-environment issues.

<p>Output 3.1 – Strengthened capacity of Poverty Eradication Division (PED) to integrate environment and livelihoods issues into the PRS process.</p>
<p>Activities:</p> <p>3.1.1 – Support and strengthen the environment expert network to advise the PMS on environment-livelihoods issues, review the PRS process for entry points and identify key environmental policy issues for inclusion in the PRS process.</p> <p>3.1.2 – Design and deliver professional development/training awareness programme for Vice-President’s Office (PED, Division of Environment, National Environmental Management Council), key sectoral and NGO staff and other target groups based on needs assessment.</p> <p>3.1.3 – Strengthen links with key sectoral ministries (MNRT, MAFS, MLW, MEM) to identify poverty-environment issues for inclusion in the PRS process.</p> <p>3.1.4 – Strengthen dialogue/communications between NGOs, commercial sector and government on poverty-environment issues.</p>
<p>Output 3.2 – Strengthened capacity of Division of Environment (DoE) to integrate poverty and livelihoods issues into its programmes, and to integrate environment issues into the PRS process.</p>
<p>Activities:</p> <p>3.2.1 – Review environmental strategies, plans, programmes and Multilateral Environmental Agreements for their coordination in planning and implementation, and integration into PRS and sector/local government plans.</p> <p>3.2.2 – Assist in the development of new environmental legislation to take account of poverty reduction objectives.</p>
<p>Output 3.3 – Strengthened capacity of the National Environmental Management Council (NEMC) to integrate poverty and livelihoods issues into its programmes, and to integrate environment issues into the PRS process.</p>
<p>Activities:</p> <p>3.3.1 – Review NEMC strategic plan and support technical programmes (Environmental Impact Assessment, awareness and information, research, capacity development) for the integration of poverty and livelihoods objectives under the PRS process.</p>
<p>Output 3.4 – Strengthened capacity in local government to integrate environment, poverty and livelihoods issues into district planning and the PRS process.</p>
<p>Activities:</p> <p>3.4.1 – Review initiatives and guidelines for districts to identify entry points for integrating environment, poverty and livelihoods issues into district planning.</p> <p>3.4.2 – Based on review, provide strategic capacity development interventions for environment, poverty and livelihoods integration in representative districts.</p>