



Poverty-Environment Action
for Sustainable Development Goals



Terminal Evaluation of the UNDP/UNEP Poverty Environment Action for Sustainable Development Goals Project (PEA Project)

[Award Number/Project ID: Global 111963 (output ID: Global UNDP1/IDN 110689, 110690, 110691, 110692); Bangladesh 87607 (output ID: BGD 94549); Lao PDR 116379 (output ID: LAO 113551); Malawi 115077 (output ID: MWI 112834); Mauritania 107394 (output ID: MRT 107700); Mozambique 102786 (output ID: MOZ 112543); Myanmar 111777 (output ID: MMR 110608, 110620, 110621); Nepal 114483 (output ID: NPL 112484, 116781, 121846); Rwanda 115035 (output ID: RWA 112808); Tanzania 92476 (output ID: TZA 115525, 115526)]

EVALUATION REPORT

Timeframe of the Evaluation: September 2022 to June 2023

Countries of the Evaluation Intervention: Bangladesh; Indonesia; Lao PDR; Malawi; Mauritania; Mozambique; Myanmar; Nepal; Rwanda; Tanzania

Name of the Organisation Commissioning the Evaluation: UNDP/UNEP

Evaluation Report Date: June 2023

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ACRONYMS AND ABBREVIATIONS

ADA	Austrian Development Agency
ADB	Asian Development Bank
CO	Country Office
COVID-19	SARS-COV-2 (Severe Acute Respiratory Syndrome Coronavirus 2)
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FGD	Focus Group Discussion
GHG	Greenhouse Gases
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HQ	Headquarters
IEO	Independent Evaluation Office
ILO	International Labour Organization
MAPS	Mainstreaming, Acceleration and Policy Support
M&E	Monitoring and Evaluation
MTR	Mid-Term Review
NGO	Non-Governmental Organisation
PAGE	Partnership for Action on Green Economy
PRODOC	Project Document
PB	Project Board
PEA	Poverty-Environment Action for the Sustainable Development Goals
PEI	Poverty-Environment Initiative
POPP	Programme and Operations Policies and Procedures
SDG	Sustainable Development Goals
SIDA	Swedish International Development Cooperation Agency
SSC	South-South Cooperation
TA	Technical Assistance
TE	Terminal Evaluation
TOR	Terms of Reference
TRAC	Target for Resource Assignments from the Core (UNDP core resources)
UN	United Nations
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
UNITAR	United Nations Institute for Training and Research
UNRC	United Nations Resident Coordinator

EXECUTIVE SUMMARY

This report is the result of the terminal evaluation mission which took place from September 2022 to June 2023. It was conducted in accordance with the principles outlined in the UNEG ‘Ethical Guidelines for Evaluations’.

1. Project Summary Table

Project Title	Poverty Environment Action for Sustainable Development Goals Project (PEA Project)		
ATLAS/Quantum Award #, Project ID	Award Number/Project ID: Global 111963 (output ID: Global UNDP1/IDN 110689, 110690, 110691, 110692); Bangladesh 87607 (output ID: BGD 94549); Lao PDR 116379 (output ID: LAO 113551); Malawi 115077 (output ID: MWI 112834); Mauritania 107394 (output ID: MRT 107700); Mozambique 102786 (output ID: MOZ 112543); Myanmar 111777 (output ID: MMR 110608, 110620, 110621); Nepal 114483 (output ID: NPL 112484, 116781, 121846); Rwanda 115035 (output ID: RWA 112808); Tanzania 92476 (output ID: TZA 115525, 115526)		
Country:	Asia: Bangladesh; Indonesia; Lao PDR; Myanmar; Nepal Africa: Malawi; Mauritania; Mozambique; Rwanda; Tanzania	Date project manager commenced:	August 2018 For the PEA Project, there are 2 Co-Managers
Region:	Asia and Africa	Planned closing date:	31-08-2022
Project Document (ProDoc) Signature Date:	23-08-2018	If revised, proposed closing date:	30-06-2023
Executing Agency/ Implementing Partner:	Managing Agent: UNDP, Joint Partner: UNEP Note: Under the standard inter-agency Memorandum of Understanding, UNDP serves as Managing Agent (MA) for the PEA Project and will be responsible to all donors for overall project implementation, project financial management, performance monitoring and reporting, evaluation and ensuring achievement of project results with inputs from UNEP technical staff.		
Other project partners:	<ul style="list-style-type: none"> • Various UNDP/UNEP regional offices, UNDP country offices and national/sub-national government partners in Asia (Bangladesh; Indonesia; Lao PDR; Myanmar; Nepal) and Africa (Malawi; Mauritania; Mozambique; Rwanda; Tanzania) • Development partners (Donors) – EU, ADA, Government of Belgium Federal Public Service Foreign Affairs, Foreign Trade and Development (Directorate-General for Development Cooperation and Humanitarian Affairs) (UNEP in-kind contribution), SIDA (funds pooled by UNEP), Government of Norway (funds pooled by UNEP) • International partners – ADB, UN Women, FAO 		

Project Financing	
<i>At Senior Management/Executive Board Level endorsement (US\$)</i>	
[1] Multi-donor contribution:	US\$20,000,000 (originally agreed project amount consisting of donor contributions)
[2] Government:	
[3] Other partners:	<p>Out of which approximately: Funded budget: US\$ 15.7M Unfunded budget: US\$ 4.3M</p> <hr/> <p>Source of funded budget: UN Environment (pooled funds) (Government of Norway/SIDA Pooled Funds) - US\$4.0 million European Commission - US\$11.0 million Government of Austria - US\$735,000</p> <p>Core agency in-kind contributions and support: UNDP (parallel, in-kind staff and TRAC) - US\$6.0 million UNEP (in-kind staff) - US\$6.0 million</p>
<i>Actual Expenditure at Terminal Evaluation (US\$)</i>	
Project Total Costs	US\$29,966,706 (Expected as of 30 June 2023)

2. Project Description in Brief

The Poverty-Environment Action for the Sustainable Development Goals (PEA) Project is a global project jointly implemented by UNDP and UNEP as strategic actors within the UN system to advance the environmental dimension of the 2030 Agenda and the SDGs. The PEA Project's emphasis on sustainable investments makes it a key UN country level intervention in support of the Addis Ababa Financing for Development agenda to mobilise and align public and private finance for the SDGs. UNDP serves as the Managing Agent (MA) for the estimated original budget of USD 20 million (with actual sources available for implementation amounting to USD 13 million) project financed by the European Union (EU), Austrian Development Agency (ADA), Norway and Sweden (through UNEP), as well as (in-kind) core resources from UN agencies, governments and other partners. The project implementation period runs from 1 September 2018 to 31 December 2022 and to date the PEA Project has an estimated project budget of US\$31 million, of which approximately:

- US\$13 million are donor-funded budget (EU, ADA, UNEP pooled funds from Norway and Sweden)
- US\$14 million are agency contributions from UNDP and UNEP (including in-kind contributions)
- US\$4 million are local co-financing from the respective UNDP country offices

The project document (PRODOC) was signed on 23rd August 2018. The PEA Project had an approximate duration of 48 months (1 September 2018 to 31 August 2022) but was subsequently extended, approved by the Project Board, to 52 months (1 September 2018 to 31 December 2022 followed by 6-month period for final reporting and project closure on 30 June 2023, with a reported view that the extension would not affect the project outcome, outputs, deliverables, and strategy) with all fully-fledged country/TA projects to end on 31 December 2022.

By building on the PEI's strong legacy, the PEA Project, as a hub of expertise and knowledge on the integration of environment and poverty considerations in development policies, plans and investments, was uniquely placed to ensure that the environmental dimension is not left behind when addressing poverty and promoting development. The PEA Project also provided opportunities to improve the quality of private sector investments to support poverty-environment objectives. This represented the new focus of Poverty-Environment Action—aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation.

The PEA Project aims to strengthen integration of poverty-environment-climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs through development planning, budgeting and monitoring systems that integrate environmental sustainability and climate objectives for poverty eradication; public finance and investment frameworks that incentivise shifts in public and private investments towards environmental sustainability and climate objectives for poverty eradication; and SDG implementation and acceleration processes leveraged to scale up the use of integrated poverty environment mainstreaming approaches and tools.

The PEA Project was implemented through two types of projects: Full-fledged country projects and technical assistance (TA) projects. A total of eight full-fledged country projects were being supported through the initiative with four in Africa (Malawi, Mauritania, Mozambique and Rwanda) and four in Asia (Bangladesh, Lao PDR, Myanmar and Nepal) with different implementation arrangement modalities. There are 6 TAs in total. The aim of the technical assistance was to catalyse the PEA Project by broadening the use of poverty-environment mainstreaming tools and approaches through wider UNDP and/or UNEP programmes that contribute to the overall PEA outcome and outputs. The technical assistance comes in the form of the expertise and knowledge of the PEA Project team backed by financial resources. Tanzania and Indonesia were two countries that were being supported with technical assistance. Completing the PEA Project portfolio were four further technical assistance efforts on (i) the blue economy in partnership with the Asian Development Bank (ADB), (ii) green bonds in South Africa in partnership with the Deutsche Gesellschaft für International Zusammenarbeit (GIZ), (iii) gender and climate-smart agriculture in partnership with UN Women and (iv) capacity building.

The PEA Project's intended outcome is:

“Strengthened integration of poverty-environment climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs”

The PEA project is 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 incentivise 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

3. Evaluation Rating Table

Achievement exceeded	Fully Achieved	Moderately Achieved	Partially Achieved	Did Not Achieved	Unable to Assess
PEA Project					Result
<p>Outcome: Strengthened integration of poverty-environment climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs</p> <ul style="list-style-type: none"> • 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 					Moderately Achieved
<p>Output 1: Development planning, budgeting, and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication</p> <ul style="list-style-type: none"> • Output Key Deliverable 1.1: Number of planning frameworks, legislation and regulations that integrate the poverty-environment nexus (per country). • Output Key Deliverable 1.2: Viable alternative policy position(s) on poverty-environment issues formulated by non-government actors • Output Key Deliverable 1.3: Number of government-led inter-sectoral coordination mechanisms that promote coherence of planning frameworks, legislation and regulations. • Output Key Deliverable 1.4: Number of countries where environmental-social-economic data is collected, analysed and reported applying a poverty-environment nexus perspective through national development and SDG monitoring systems 					Moderately Achieved
<p>Output 2: Public finance and investment frameworks incentivise shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication</p> <ul style="list-style-type: none"> • Output Key Deliverable 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). • Output Key Deliverable 2.2: Number of countries with increased annual and medium-term sector budget allocations that reflect environmental sustainability and climate for poverty eradication. • Output Key Deliverable 2.3: Number of countries with fiscal instruments (tax, incentives, user-fees, etc.) adopted in policies and regulations that prioritise quality investments. • Output Key Deliverable 2.4: Number of guidelines and tools to manage private sector investment decisions that facilitate or prioritise quality investments. 					Moderately Achieved
<p>Output 3: SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools</p> <ul style="list-style-type: none"> • Output Key Deliverable 3.1: Number of Poverty-Environment Action knowledge sharing and learning products that are referenced by regional and global networks. • Output Key Deliverable 3.2: Number of countries adopting Poverty-Environment action tools/approaches resulting from South-South knowledge collaborations. • Output Key Deliverable 3.3: Number of regional and global Poverty-Environment Action partner programmes and agencies that apply an integrated mainstreaming approach. 					Moderately Achieved

4. Summary of Findings and Ratings

The evaluation rated the PEA Project’s project results according to the evaluation ratings listed below.

Evaluation Ratings for Relevance, Coherence, Effectiveness, Efficiency, Human Rights, Gender Equality	Sustainability Ratings:
6. Highly Satisfactory (HS): no shortcomings 5. Satisfactory (S): minor shortcomings 4. Moderately Satisfactory (MS): moderate shortcomings 3. Moderately Unsatisfactory (MU): significant shortcomings 2. Unsatisfactory (U): major shortcomings 1. Highly Unsatisfactory (HU): severe shortcomings	4. Likely (L): negligible risks to sustainability 3. Moderately Likely (ML): moderate risks 2. Moderately Unlikely (MU): significant risks 1. Unlikely (U): severe risks
Additional ratings where relevant: Not Applicable (N/A) Unable to Assess (U/A)	

The evaluation summary of findings and ratings are listed below.

Category	Summary Assessment	Rating
<p>Relevance</p> <p>Is the Intervention doing the right things? The extent to which the intervention objectives and design respond to global and national needs, policies and priorities and those of beneficiaries and partner institutions, and continue to do so as circumstances change</p>	<p>The PEA Project PRODOC was at that time designed to be relevant, appropriate, and strategic towards achieving the 2030 Agenda and SDG goals. It also responded to being strategically relevant to UNDP, UNEP, donor priorities and national priorities.</p> <p>The PEA Project aligns and contributes directly to the poverty and environment related SDGs namely SDG 1: No Poverty, SDG 3: Good Health and Well-Being, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production, SDG13: Climate Action; SDG 14 Live Below Water; SDG15: Life On Land, and SDG 16: Peace, Justice and Strong Institutions. The PEA Project outcomes would also indirectly contribute to the other SDGs.</p> <p>The PEA Project was known in 8 PEA countries as a different name and/or another “donor/partner” for another ongoing project which could have reduced the project relevance and visibility as an influential agent of change.</p> <p>There could be better opportunities to benefit from better coherence, coordination, and complementarity with other UN and donor-funded activities at the country level.</p> <p>The PEA Project's framework indicators and targets could be better framed, particularly the outcome indicators to ensure that it aligned with the project's overall objectives.</p> <p>The PEA Project design, due to its intended focus, did not directly address the needs and interests of vulnerable groups, gender equality, the empowerment of women, and the human rights-based approach.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>

Category	Summary Assessment	Rating
<p>Coherence</p> <p>The extent of collaboration, cooperation and interactions with different stakeholders/ organisations to mobilise resources (human, technical and financial) to maximise the result outcomes and outputs.</p>	<p>The PEA Project interventions at country level were closely coherent with the existing policies, strategies, and priorities of the countries, but could further improve its coherence through better synergies and interlinkages between the PEA Project and other interventions carried out by partner countries and country technical partners. More collaboration and coordination with other development partners and project initiatives should be encouraged.</p> <p>The PEA Project provided support to UNRC offices in Mozambique and Malawi, and also received follow-ups from UNRCs of non-PEA countries to explore application of PEA tools and collaboration on green private finance and support of UNCTs.</p> <p>The PEA Project could further strengthen coherence by aligning with other poverty environment mainstreaming initiatives both at the global and country level, to share knowledge and experiences, leverage resources and institutional capacities, and identify complementarities and gaps in the existing interventions</p> <p>The PEA Project could further strengthen regular and effective communications processes and mechanisms with key partners and stakeholders at country level, especially bilateral technical cooperation/exchanges among the PEA countries.</p>	<p>5/6 (Satisfactory – Minor Shortcomings)</p>
<p>Effectiveness</p> <p>Is the intervention achieving its objectives? The extent to which the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups.</p>	<p>The PEA Project’s outcome indicators in the PRODOC were more output-oriented than outcome-oriented. This in turn affected the design and monitoring of outcome-oriented results at the fully-fledged country and country TA projects. While the PEA Project endeavoured to make a transformational impact change, this did not fully materialised.</p> <p>The PEA Project flagship global products/institutional did not appear to be prevalent or extensively embedded in any of the fully fledged country and country TA projects.</p> <p>The PEA Project could instead deploy full time technical expert leads at global/regional level to advocate/integrate/communicate/influence the global flagship products/institutional tools (both current and newly developed) consistently into country level projects.</p> <p>Technical exchanges/cooperations bilaterally between country offices to share best practices and sharing of technical experiences should be encouraged and increased to promote awareness and joint bilateral technical cooperation among the PEA and non-PEA countries.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>

Category	Summary Assessment	Rating
<p>Efficiency</p> <p>How well are resources being used? The extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way.</p>	<p>The PEA Project management structure could be further improved to be more efficient in generating the expected results, and could be enhanced with better communication and collaboration between the different teams through more streamlined reporting procedures.</p> <p>The combined expertise of the PEA Project team could be further strengthened with programme management and technical expert leads with fresh ideas/innovations and capabilities to efficiently deliver against the PEA Project’s objectives and targets.</p> <p>The project team was able to mobilise additional resources to ensure that project implementation was not significantly impacted, but could benefit from a more comprehensive and sustainable funding strategy to avoid any potential disruptions to project implementation. The PEA Project team demonstrated appropriate financial controls, including reporting and planning, that allowed management to make informed decisions regarding the project's budget.</p> <p>The cumulative achievement of the desired global output targets would not be accurately reflected due to the counting of (1) low-level project activities in the 1st and 2nd year of project implementation when the countries had not yet achieved major results then, and (2) country/TA products that the evaluation assessed not being fully qualified/aligned to the global indicators. In relation to this and on M&E activities, the PEA Project’s M&E system in data collection processes could be strengthened to enable verification of results on the ground and accurately assess the intervention impacts and effectiveness.</p> <p>The PEA Project under-spent its allocated total project cash funds with about expected June 2023 balance of US\$1.3 million, of which unused donor funds would be returned back in full to the respective donors. Key PEA Project and PEA country project teams generally expressed that these unused funds could have been re-allocated towards implementing a sustainability phase for the PEA Project.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>

Category	Summary Assessment	Rating
<p>Sustainability</p> <p>Will the benefits last? The likely ability of an intervention to continue to deliver benefits, within or outside the project domain, after the project/external assistance has come to an end.</p>	<p>The majority of national partners established some institutional capacities with sustainability strategies. However, there could be more room for improvement in continuing the newly established institutional capacities and more needed to be done to sustain the outcome-level results after the PEA Project ended.</p> <p>Technical expertise resource and staff from the early PEI phase was not continued into the PEA Project phase at the same level, and there was reduced technical expert leads in the PEA Project at global/regional level. This meant that the retention/renewal of institutional knowledge in poverty-environment sustainability could not be sustained.</p> <p>Due to limited legislative, policy and regulatory frameworks being changed at country level as a result of PEA Project interventions (including capacity building to national/sub-national governments), the evaluation could not yet be certain if there were sufficient mechanisms/processes in place that will support the continuation of benefits gained.</p> <p>UNEP and UNDP indicated some PEA products (such as an online course/capacity building platform (in partnership with UNITAR) on poverty-environment-climate mainstreaming, a poverty-environment action helpdesk, and PEA institutional knowledge handbooks/tools and policy briefs being transferred to a knowledge repository website) were being established.</p> <p>Other related sustainability measures were reportedly advanced within UNDP and UNEP that would be mainstreamed and offered as part of its response to country demand for mainstreaming and integration services. However, it could not be fully ascertained whether post PEA Project interventions and products/materials would be referred to and whether these would continue guiding the work of UNDP and UNEP.</p> <p>The PEA Project started the momentum on the need for partnerships to exist with other national institutions, NGOs, UN agencies, the private sector and development partners to sustain the attained results. However this did not appear to be sustained, especially private sector partnerships.</p>	<p>2/4 (Moderately Unlikely – Significant Risks)</p>

Category	Summary Assessment	Rating
<p>Cross-Cutting Issue: Human Rights</p> <p>The extent of civil, cultural, economic, political and social rights inherent to all human beings, regardless of one's nationality, place of residence, sex, sexual orientation, national or ethnic origin, colour, disability, religion, language etc.</p>	<p>The PEA Project target indicators were not targeting people human rights directly. The lack of direct emphasis was likely attributed to the PEA Project being designed to focus on gradually shifting government priorities and resource allocation in aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation.</p> <p>The PEA Project PRODOC design and implementation was formulated in a way that the PEA Project's role was more broad at the policy level that would indirectly reduce poverty and improve human rights in the long-term.</p> <p>Project implementation ensured that gender and human rights were upheld as evidenced by some PEA country projects which had strategic activities relating to gender mainstreaming and human rights.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>
<p>Cross-Cutting Issue: Gender Equality</p> <p>The extent of interests, needs and priorities of both women and men are taken into consideration, recognising the diversity of different groups of women and men.</p>	<p>The PEA Project considered gender equality and women empowerment in the PRODOC design, but the PEA Project PRODOC output key deliverable targets did not have clear and coherent gender equality targets for measurement.</p> <p>The majority of fully-fledged country/TA project proposals also did not specify a gender mainstreaming strategy and did not include appropriate gender equality targets for measurement.</p> <p>Some interventions in the TA and fully-fledged country projects had looked into gender equality and women empowerment. But the PEA Project had limited coordinated approach in implementation, monitoring and reporting of gender equality and women empowerment among the fully-fledged/TA country offices</p> <p>It could not yet be determined whether the PEA Project contributed positive changes or generated effects in gender equality and the empowerment of women.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>

5. Summary of Conclusions and Lessons Learned

CONCLUSION	LESSONS LEARNED
<p>Conclusion #1: A more forward strategic approach is needed to enhance the right policy/ legislative environment and favourable regulatory conditions for poverty-environment mainstreaming efforts to thrive in</p>	<ul style="list-style-type: none"> • PEA Project experiences at country level demonstrated that successful incorporation and sustainability of well-functioning and integrated poverty-environment mainstreaming would depend on the policies, legislations and regulations, and their associated budgets. By doing so, that could set the right environment and favourable conditions for integrated poverty-environment mainstreaming to thrive in • Strong endorsement support and ownership from national/regional/local authorities combined with strong commitment and participation from the private sector are key to accelerate the poverty-environment mainstreaming efforts and achieve sustainable results
<p>Conclusion #2: Measuring outcome-level results remains a key priority in order to demonstrate the poverty-environment action contributions</p>	<ul style="list-style-type: none"> • Project/programme M&E should focus mainly on country-level activities with an emphasis on measuring at both output levels (what have been produced) and at outcome levels (what are the transformational impacts, benefits and change effects) that show the intervention contributions • Independent verification of results on the ground is critical to accurately measure impact effectiveness, final end-line indicators and actual benefits gained • Adaptive and dynamic M&E systems, in partnership with local oversight bodies, could potentially respond to the complexities of a constantly changing development environment where UN country office M&E systems could not yet adequately demonstrate the contributions, effectiveness and impact of the interventions
<p>Conclusion #3: The PEA Project is an example model of UNDP-UNEP joint partnership cooperation but can be further enhanced to be effectively applied for collaboration within the UN system</p>	<ul style="list-style-type: none"> • The PEA Project model serves as an example to further develop the UNDP-UNEP cooperation or more broadly the joint programming nature • To effectively and efficiently steer any programme/project agenda of complex nature, joint programmes/projects need to be fit-for-purpose, well-resourced with adequate committed resources, well-equipped technical expertise and have strong senior management support • Sufficient commensuration in project funding, technical expertise, and duration/sustained support over time without the need to further mobilise resources during project implementation would help to achieve the desired results • Integrating sustainable poverty-environment mainstreaming, natural resource management and climate resilience building in UNCT country processes and their respective country programmes could potentially increase through the programme/project building strong connections and relationships with country-level UNRCs and other UN agencies

6. Recommendations

The evaluation proposes 5 recommendations for consideration and implementation whereby:

- 2 recommendations relate to strengthening operational and institutionalised decision-making processes
- 3 recommendations relate to proposed future directions that build upon the PEA Project.

It is to be noted that the implementation of these recommendations would be dependent on the funding and technical resource availability for UNDP and UNEP.

Strengthening operational and institutionalised decision-making processes

R1: Communicate project results at other relevant global platforms with focus on benefits and impacts

To strengthen the communications of the project results at a global level, UNDP and UNEP should focus on reporting and presenting the project's outcome-based benefits and impacts at relevant global platforms. By doing so, future projects would enable international donors, national/regional/ local authorities and local communities to better understand the positive changes to beneficiaries made by project interventions.

R2: Consolidate and embed relevant institutional knowledge/tools internally into UNDP and UNEP

For ease of access and continued use of all institutional knowledge/tools, UNDP and UNEP should continue to build on what had started to work together with senior management support/direction to institutionalise all relevant PEA Project institutional knowledge/tools and embed them internally within its own structures, processes and regional/country portfolio offices.

Proposed future directions that build upon the PEA Project

R3: Strengthen the national public oversight/accountability mechanisms to provide a stronger assurance of integration of poverty-environment-climate objectives into policies, plans, regulations and investments

Future post PEA Project related initiatives (if there is further appetite) should focus on strengthening the oversight/accountability mechanisms to provide a stronger assurance that integration of poverty-environment-climate objectives into legislations, policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs are effectively and efficiently implemented, and can be sustained.

This would include strengthening national/sub-national oversight bodies like the ministry internal audit departments or inspectorate-generals, independent integrity institutions such as supreme audit institutions and anti-corruption commissions, and parliament legislatures.

R4: Strengthen management structures, outcomes indicators and exit strategies in future programme/project design and formulation

For future global programme/project design and formulation that is similar to the complexity of the PEA Project, UNDP and UNEP should include:

- a) a suitable funding architecture ensuring sufficient funding levels commensurate with the scope and objectives of the programme/project without the need to further mobilise resources (cash and/or in-kind) during programme/project implementation
- b) fit-for-purpose management structure with appropriate full-time programme/project management capabilities, full-time technical expertise and strong senior management support to deliver the desired programme/project results
- c) performance targets that balance expected results with both output-oriented and outcome-oriented indicators to better assess the programme/project effectiveness/efficiency
- d) specific activities that incorporate exit strategies early in the programme/project to sustain all outputs/outcomes after the programme/project is completed

R5: Improve synergies with other UN country/regional/global projects and programmes to maximise collective results

A strategic approach is required to work closely with the central government ministries/departments to focus on further harmonising, amalgamating and strengthening national/sub-national policies, legislations and regulations to enhance poverty-environment mainstreaming. In order for this to happen, UNDP and UNEP should continue to further strengthen synergies to maximise impact and efficiently allocate resources to achieve collective results effectiveness by:

- a) enabling collaborations and cooperations among other UN country/regional/global projects with similar/complementary portfolios and outcomes
- b) building strong connections and relationships with country-level UNRCs and other UN agencies to influence the increased priority of integrating sustainable poverty-environment mainstreaming, natural resource management and climate resilience building in UNCT country processes and respective country programmes

1. INTRODUCTION

This Evaluation Report covers the Terminal Evaluation (TE) of the UNDP/UNEP Poverty Environment Action for Sustainable Development Goals Project (PEA Project). The TE was conducted in accordance with the principles outlined in the UNEG ‘Ethical Guidelines for Evaluation’ and UNDP IEO ‘UNDP Evaluation Guidelines’.

As stated in the project document (PRODOC), the PEA Project was signed on 23rd August 2018 and officially commenced on 1st September 2018). The PEA Project had an approximate duration of 48 months (1 September 2018 to 31 August 2022). The PEA Project implementation period was subsequently extended, approved by the Project Board, to 52 months (1 September 2018 to 31 December 2022 followed by 6-month period for final reporting and project closure on 30 June 2023, with a reported view that the extension would not affect the project outcome, outputs, deliverables, and strategy) with all fully-fledged country/TA projects to end on 31 December 2022 at an originally estimated project budget of US\$20 million, out of which approximately US\$15.7 million are donor-funded budget and approximately US\$4.3 million are unfunded budget. To date, the PEA Project has an estimated project budget of US\$31 million, of which approximately:

- US\$13 million are donor-funded budget (EU, ADA, UNEP pooled funds from Norway and Sweden)
- US\$14 million are agency contributions from UNDP and UNEP (including in-kind contributions)
- US\$4 million are local co-financing from the respective UNDP country offices

Following its final year of project implementation in December 2022, the PEA Project is now required to undergo a TE.

1.1 Context and Purpose of the Terminal Evaluation

As outlined in the PEA Project’s PRODOC, an end-of project review (in the form of a TE) is required upon completion of implementation and to be conducted by an independent third party, in consultation with UNDP/UNEP and PEA Project stakeholders/beneficiaries. As the PEA Project is a joint nature between UNDP and UNEP, the ‘joint’ approach to the evaluation of the PEA Project would be that the evaluation process be led by UNDP with inputs from UNEP in accordance to the PEA Project PRODOC and the evaluation terms of reference.

As stated in the TOR, the main objectives of the TE are as follows:

- To provide a substantiated qualitative and where possible quantitative assessment of the extent to which the project has contributed or is likely to contribute to strengthened integration of poverty-environment and climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs
- To rate project’s degree of implementation, efficiency and quality delivered on expected results (outputs) and specific objectives (outcomes) against what was originally planned or officially revised.
- Review the project design and management structures, in terms of application of sound project management principles (including that of UNDP as MA implementing the project) to achieve clear objectives and strategies, the use of monitoring and evaluation and data, and the appropriateness of PEA management arrangements.
- To measure the project contribution to the objectives set in the UNDP Strategic Plan, UNEP Medium Term Strategy, 2030 Agenda and SDGs as well as Addis Ababa Financing for Development Agenda.
- To quantify and confirm co-financing and contributions to the realisation of the PEA Project’s objectives from UNDP, UNEP and at country level

- To assess both negative and positive factors that have facilitated or hampered progress in achieving the PEA Project outcomes, including external factors/environment, weakness in design, management and resource allocation.
- Assess how recommendations and lessons learnt from previous evaluations have been implemented during implementation of the PEA Project, including PEI Terminal Evaluation and PEA Mid-term Evaluation.
- To assess the extent to which the application of the rights-based approach and gender mainstreaming are integrated within planning and implementation of the PEA Project.
- Make clear and focused recommendations that may be required for enhancing the relevance, effectiveness, efficiency, impact and sustainability of UN poverty-environment mainstreaming activities and awareness in the future.

1.2 Scope and Methodology

As stated in the TOR, the PEA Project PRODOC stated to conduct “*an end-of project review to capture lessons learned and discuss opportunities for scaling up and to advocacy of project results and lessons learned for relevant audiences.*”

The scope of the TE covered all activities undertaken in the framework of the PEA Project. Given the nature of the evaluation, the Evaluator:

- reviewed the entire duration of project implementation (1 September 2018 to 31 December 2022), focusing on project results and experiences as well as key challenges met, lessons learnt, and areas for improvement
- reviewed the Results and Resources Framework indicators against progress made towards the project outputs targets, using a Results Matrix with colour code progress in a “traffic light system” based on the level of progress achieved and assign a rating on achievement of the project objective and each outcome and make recommendations from the areas marked as “not on target to be achieved”
- compared planned outputs of the project to actual outputs and assess the actual results to determine their contribution to the attainment of the project’s objectives
- drew lessons learnt and provide clear recommendations for similar/future initiatives.

The evaluability of the PEA Project was guided by the UNDP IEO’s “UNDP Evaluation Guidelines” on conducting evaluations which utilise the principle of “do no harm”. The evaluation was also conducted with the safety and mental well-being of UNDP/UNEP staff, consultants, stakeholders and communities as paramount.

As this evaluation was conducted both remotely and also with selected field mission trips without support from local/national evaluation consultants, there were potential challenges and limitations in data availability and data collection.

Furthermore, there were limited and constrained validation of results through desk reviews without sufficient data to triangulate, and limited observation and contact with beneficiaries with mostly virtual stakeholder interviews.

To mitigate the above challenges and limitations, the evaluation was guided by the UNDP IEO’s evaluation guidelines on conducting desk review and data collection. This would possibly include:¹

- exploring a wider range of documentation for extended desk reviews, including internal operational data, national reports and data, evaluation reports by UN agencies and donors

¹ UNDP Independent Evaluation Office (IEO), 2020, Evaluation Guidelines – Evaluations During Covid-19: Data Collection, Remote Interviews and Use of National Consultants (June 2020)

- consultation with other external evaluators and reviewing other evaluation reports who are conducting similar evaluations
- preparing key informants by providing key questions/talking prior to commencing any remote interviews/focus groups
- evaluation analysis focusing on whether what is being done is the “right” thing to do instead of measuring the results

Based on the objectives and scope of the evaluation assignment as outlined in the TOR, the participatory approach was utilised as the theory-based evaluation methodology that would suitably address evaluation questions involving ‘why’ and ‘how’, and to help build the PEA Project’s attribution/contribution/association. Using this evaluation methodological approach, the evaluation was conducted in three phases namely:

- Phase 1 – Desk Review of Documentation
- Phase 2 – Data Collection and Data Analysis
- Phase 3 - Draft and Finalisation of Evaluation Report

The Evaluator was of a view that the data collected should also capture, where possible, case study examples of what has worked well in the PEA Project.

Phase 1 – Desk Review of Documentation (26 September to 6 November 2022)

Prior to Phase 2, the Evaluator reviewed a wide variety of documents covering project design, implementation progress, monitoring, amongst others such as annual progress and monitoring reports, minutes from PB meetings, work plans, technical documents, implementing partner agreements, capacity building/training materials and other materials related to the PEA Project activities.

A virtual inception and planning meeting was held between the Evaluator and selected key UNDP/UNEP staff with in-depth knowledge of the PEA Project who would:

- have historical knowledge of the PEA Project
- be currently implementing the PEA Project
- be able to ensure the correct data is identified to address the evaluation questions.

Expected Deliverable #1: Inception Report (including Evaluation Matrix) – up to 30 pages without annexes

Phase 2 – Data Collection and Data Analysis (7 November 2022 to 3 February 2023)

Data collection comprised virtual interviews and/or virtual focus group discussions (FGDs) with key informants for the gathering, verification and analysis of the required data.

Virtual consultations in the form of semi-structured interviews and FGDs as data collection methods were conducted with a wide range of key stakeholders and beneficiaries.

Conducted in English (and assisted by a translator if required to), the virtual consultations enabled the Evaluator to understand about the experiences, feelings, hopes, views and opinions expressed in the words of the respondents on the PEA Project activities. This would also include conversations focusing on capturing the essence, meaning or significance of the experiences of respondents within their environment.

The order of sequence for the interview/focus group questions would be flexible and dynamic, and will allow follow-up questions to clarify. Gender-responsive type of interview/focus group questions were also utilised where relevant.

Proposed participants for the semi-structured interviews and FGDs included:

- UNDP CO staff - five in Africa (Malawi, Mauritania, Mozambique, Rwanda and Tanzania) and five in Asia (Bangladesh, Indonesia, Lao PDR, Myanmar and Nepal)
- UNDP/UNEP PEA Project team
- UNDP HQ operations staff
- PEA Project Board members
- National partners – five in Africa (Malawi, Mauritania, Mozambique, Rwanda and Tanzania) and five in Asia (Bangladesh, Indonesia, Lao PDR, Myanmar and Nepal)
- Donor/international partners – Austrian Development Agency, Government of Belgium Federal Public Service Foreign Affairs, Foreign Trade and Development (Directorate-general for Development Cooperation and Humanitarian Affairs), Norwegian Ministry of Foreign Affairs, Swedish International Development Cooperation Agency, European Union
- Implementing partners - Asian Development Bank (ADB), International Institute for Environment and Development (IIED), German Agency for Technical Cooperation (GIZ), Green Economy Coalition, Overseas Development Institute (ODI), United Nations Research Institute for Social Development (UNRISD), UN Women, and United Nations Institute for Training and Research (UNITAR).

Utilising the onsite observation data collection method and based on the evaluation TOR, selected field mission trips were conducted to better understand the on-the-ground environment, experience, views and culture of the project beneficiaries (actual locations were determined in consultation with the PEA Project team during Phase 2 with confirmed mission trip visits to Indonesia and Lao PDR). This would also enable the Evaluator to be immersed into the world of the project beneficiaries and provide the context on different work place settings. Observation data collected would complement with other primary and secondary data collected to give a more wholistic and accurate context around the role and contributions of the PEA Project. The field mission trips would seek to validate key tangible outputs and interventions from the PEA Project.

Due to the nature of this evaluation, this evaluation identified the following data collection issues/risks encountered and applied appropriate mitigation measures as follows:

<u>Data Collection Issues/Risks</u>	<u>Mitigation Measures Applied</u>
Weak/lagged/no internet connection for virtual interviews and focus group discussion (FGDs)	Interview/FGD discussion points were sent early to the respondents/participants. A written response to the interview/FGD discussion points was provided to the Evaluator if there was weak/lagged/no internet connection.
Participants/respondents were not available for the virtual interviews and focus group discussions (FGDs)	The Evaluator made early contact with participants/respondents to secure/confirm their availability. As mentioned above, interview/FGD discussion points were sent early to the participants/ respondents. A written response to the interview/FGD discussion points would be provided to the Evaluator if the participants/respondents were not available for the virtual interviews and FGDs

Data Collection Issues/Risks	Mitigation Measures Applied
Field mission trips might not happen due to unforeseen circumstances	<p>The Evaluator worked closely with the PEA Project team to identify early and plan the field mission trips.</p> <p>If this was not possible, the Evaluator would continue with virtual interviews and focus group discussions, and would also review other internal/ external documents to triangulate the data and validate the findings</p>
As the PEA Project implementation period ended on 31 December 2022, output results and financial statement results might not be fully consolidated until early January 2023	The Evaluator consolidated interim output results and interim financial statement results, and would follow up with the PEA Project team for the finalised output results and financial statement results in mid-January 2023

Data analysis was utilised using the following methods:

- thematic analysis method – this method will provide systematic breaking down and organising of rich insights from the collected data to facilitate the discovery of significant themes that emerge across multiple times across the data sources
- comparative analysis method – this method will conduct the triangulation of results such as comparing information from different sources like documentation and interviews, or interviews on the same subject with different stakeholders, will be used to corroborate or verify the evidence collected

The Evaluator organised one virtual Stakeholder Workshop meeting with the UNDP/UNEP PEA Project team to consider and discuss/validate the findings, conclusions and recommendations. It aimed to present the provisional findings and recommendations, covering achievement and experiences, challenges and lessons, future improvement in possible continuation and/or replication.

Phase 2 Output: Evaluation Post Fieldwork Debriefing – Presentation of provisional findings and recommendations

Phase 3 – Draft and Finalisation of Evaluation Report (3 February to 15 June 2023)

The draft evaluation report identified and translated the collated data into key issues, findings, conclusions and recommendations such as:

- Presentation of clear data analysis against all evaluation questions, including triangulated information
- Substantiation by credible evidence that has been checked for accuracy, consistency and reliability
- Limitations or gaps in evidence (if applicable)
- Indications where evidence is inconclusive (if applicable)

The Evaluator prepared the TE report, which incorporated feedback from key stakeholders to convey clear findings, conclusions and recommendations.

Deliverable #2: Draft Terminal Evaluation Report

Deliverable #3: Final Terminal Evaluation Report (including an executive summary)

1.3 Evaluation Criteria and Questions

Based on the TOR requirements and UNDP evaluation guidelines, this TE applied the evaluation criteria of (1) Relevance, (2) Coherence, (3) Effectiveness, (4) Efficiency, (5) Sustainability, and the cross-cutting issues of (6) Human Rights and (7) Gender Equality.

The TOR included:

- four broad key questions to be answered as indicated below
 - K1: Was the intervention strategy of the PEA Project the most appropriate compared to its intended outcome level objectives?
 - K2: To what extent has the project achieved (or is likely to achieve) its intended objectives at the output level, and what contribution has it made at the outcome level?
 - K3: What factors contributed to or hindered the project’s performance and eventually, the sustainability of results?
 - K4: To what extent did the joint nature of collaboration between UNDP and UNEP enhance effectiveness in delivery and create synergies?
- a set of evaluation questions to be assessed in relation to the above 7 evaluation criteria as shown below in Table 1

Table 1: Evaluation Criteria and Questions

Category	Evaluation Questions
<p style="text-align: center;">Relevance</p> <p>Is the intervention doing the right things? The extent to which the intervention objectives and design respond to global and national needs, policies and priorities and those of beneficiaries and partner institutions, and continue to do so as circumstances change</p>	<p>Under this parameter, the Evaluator will analyse the extent to which the objectives of this intervention are consistent with the needs and interest of the countries, international norms, SDGs and 2030 Agenda:</p> <ul style="list-style-type: none"> • Review the relevance of the Project’s Theory of Change and assess whether it provides the most appropriate route towards expected results. • Was the joint project relevant, appropriate and strategic to achieving 2030 Agenda and SDG goals? • Was the joint project relevant, appropriate and strategic to the mandate, strategy, functions, roles, and responsibility of the UN entities involved? • Was the joint project responding to the national and relevant donor priorities? • Review the functionality of project governance structure which includes but is not limited to technical committees, steering committees, project board et al. • Undertake a critical analysis of the project’s framework indicators and targets, baseline data, assess how “SMART” end-of-project targets were (Specific, Measurable, Attainable, Relevant, Timebound) • Review how the project design is relevant to addressing the needs and interests of vulnerable groups, gender equality, the empowerment of women and the human rights-based approach • Was there coherence, coordination and complementarity by the joint project with other UN and Donor funded activities?

<u>Category</u>	<u>Evaluation Questions</u>
<p style="text-align: center;">Coherence</p> <p>The extent of collaboration, cooperation and interactions with different stakeholders/ organisations to mobilise resources (human, technical and financial) to maximise the result outcomes and outputs.</p>	<p>Under this parameter, the Evaluator will analyse the extent to which the PEA Project fits with other interventions in pilot countries and other UNDP and UNEP initiatives</p> <ul style="list-style-type: none"> • Were PEA Project interventions coherent with the existing policies, strategies and priorities of the countries, UNPD and UNEP? • Did actions carried out under the PEA Project address the synergies and interlinkages between the project and other interventions carried out by partner countries, technical partners (i.e. GIZ, ADB, UN Women) UNDP and UNEP? • Evaluate the PEA Project's complementarity to other poverty environment mainstreaming initiatives both at global and country level and demonstrate whether the intervention is adding value and avoiding duplication of efforts.
<p style="text-align: center;">Effectiveness</p> <p>Is the intervention achieving its objectives? The extent to which the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups.</p>	<p>Under this parameter, the Evaluator will analyse to what extent the PEA Project objectives have been achieved or how likely they are to be achieved:</p> <ul style="list-style-type: none"> • Were the interventions designed under the PEA Project effective in bringing about the desired outcome (and outputs)? • In which areas does the project have the greatest achievements? Why and what have been the supporting factors? • Was the division of roles and responsibilities between UNPD and UNEP adequate, coherent and did it bring the highest value added for achieving the PEA Project's objectives? • In which areas does the project have the least achievements? What have been the constraining factors and why? How can they be overcome? • To what extent has the project been appropriately responsive to the needs of the national constituents and changing partner priorities? • To what extent did the joint project's M&E mechanism(s) contribute to meeting joint project results? • To what extent did the project promote SSC/Triangular cooperation? What role has the joint project played in the provision of "thought leadership" and in coordinating within the UN system and beyond? Please provide concrete examples and make specific suggestions on how to enhance these roles going forward. • Review internal project communication with stakeholders: Was communication regular and effective? What feedback mechanisms were in place? • Review external project communication: Were proper means of communication established to express the project progress and intended impact to the public? Did the project implement appropriate outreach and public awareness and ensured donors' visibility? • Review the effectiveness of project governance structure which includes but is not limited to technical committees, steering committees, project board et al.

<u>Category</u>	<u>Evaluation Questions</u>
<p style="text-align: center;">Efficiency</p> <p>How well are resources being used? The extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way.</p>	<p>Under this parameter, the Evaluator will analyse to what extent the resources/inputs (funds, time, human resources, etc.) have been turned into results and the results have been delivered with the least costly way possible:</p> <ul style="list-style-type: none"> • To what extent was the project management structure as outlined in the PRODOC efficient in generating the expected results? • Did the project management and governance structures exhibit the necessary flexibility in anticipating and mitigating risks and managing their effects when they arose? • Examine to what extent the COVID-19 pandemic has contributed to additional delays and hampered the attainment of the project objectives and whether the project management exhibited successful strategies and approaches to mitigate the impact and protect stakeholders. • Assess whether the combined expertise of the project team was adequate to deliver against the PEA Project’s objectives and targets. • Review the changes to fund allocations as a result of budget revisions and assess the appropriateness and relevance of such revisions. Examine possible funding shortfalls and their likely impact; assess the effectiveness of the fund mobilisation strategy to fill the gap. • To what extent has there been an economical use of financial and human resources? Have resources (funds, human resources, time, expertise, etc.) been allocated strategically to achieve outcomes? • Did the project exhibit appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds? • Provide commentary on co-financing: Was co-financing used strategically to help the objectives of the project? Did the Project Team meet with all co-financing partners regularly in order to align financing priorities and annual work plans?
<p style="text-align: center;">Sustainability</p> <p>Will the benefits last? The likely ability of an intervention to continue to deliver benefits, within or outside the project domain, after the project/external assistance has come to an end.</p>	<p>Under this parameter, the Evaluator will analyse to what extent the PEA Project’s positive actions are likely to continue after the end of the PEA Project:</p> <ul style="list-style-type: none"> • What outcomes and outputs have the most likelihood of sustainability and being adopted by partners and why? • To what extent do national partners have the institutional capacities, including sustainability strategies, in place to sustain the outcome-level results? • To what extent are policy and regulatory frameworks in place that will support the continuation of benefits? • To what extent has the PEA Project influenced how donors deploy funding and the integration between the outcomes of development funding and environment funding? • Will the PEA Project approaches developed during the PEA Project duration period continue guiding the work of UNDP and UNEP? Which approaches exhibit replication potential for UNDP and UNEP in future endeavours? • To what extent have national partners committed to providing continuing support (financial, staff, aspirational, etc.)?

Category	Evaluation Questions
	<ul style="list-style-type: none"> To what extent do partnerships exist with other national institutions, NGOs, UN agencies, the private sector and development partners to sustain the attained results? What was the possible impact of COVID-19 on the PEA Project's sustainability?
<u>Cross-Cutting Issues</u>	
<p style="text-align: center;">Human Rights</p> <p>The extent of civil, cultural, economic, political and social rights inherent to all human beings, regardless of one's nationality, place of residence, sex, sexual orientation, national or ethnic origin, colour, disability, religion, language etc.</p>	<ul style="list-style-type: none"> To what extent have poor, indigenous and physically challenged, women and other disadvantaged and marginalised groups benefitted from the PEA Project's interventions in contributing to enhance fulfilment of people's economic and social right? What barriers have been seen to the inclusion of vulnerable groups in the PEA Project's work and what could have been done to improve inclusion of these groups? To what extent has the PEA Project contributed to the leave no one behind agenda?
<p style="text-align: center;">Gender Equality</p> <p>The extent of interests, needs and priorities of both women and men are taken into consideration, recognising the diversity of different groups of women and men.</p>	<ul style="list-style-type: none"> To what extent has gender equality and the empowerment of women been addressed in the design, implementation, monitoring and reporting of the PEA Project? Is the gender marker data assigned to the PEA Project's representative of reality? To what extent has the PEA Project promoted positive changes in gender equality and the empowerment of women? Were there any unintended effects?

1.4 Limitations of the Terminal Evaluation

The evaluation faced some limitations as described below.

- In general, it is best practice to start the terminal evaluation after the actual implementation period so as for the final results to be properly consolidated. This would be about four to five months before the closure of the PEA Project and the eventual dissolution of the PEA Project Team, with a view to facilitate the entire evaluation process.
- The evaluation experienced significant delays in conducting in-depth interviews with the various country offices, particularly the country offices in the African region. This affected the evaluation timeline originally proposed in the evaluation inception report workplan.
- While the evaluation managed to conduct in-depth interviews with all country office project teams, the evaluation could only conduct in-depth interviews with selected national/sub-national government partners in Indonesia, Lao PDR, Nepal and Malawi
- Due to the extensive scope, complex nature and reach of the PEA Project in 10 countries spread across the Asia and African regions, the evaluation had to work with limited resources as being the sole evaluator. Ideally, there should be an evaluation team comprising of an evaluation team leader and at least two evaluators to cover the two regions.
- Some important documents were not available for the evaluation to review as they were not finalised at the time of the evaluation. These include finalised financial reports (although provisional financial data was provided) and the finalised PEA Project global final end-of-project report to assess the final results.

Nonetheless, the evaluation did its utmost with the up-to-date/available documentation and extensive in-depth interviews with many stakeholders to reflect the PEA Project's achievements, challenges faced and areas for improvement. Further interviews and document reviews would not have significantly alter the core findings and recommendations of the TE.

1.5 Structure of the Terminal Evaluation Report

The report is divided into five major sections:

- **Section 1** summarises the project together with the purpose of the TE, scoping and methodology
- **Section 2** outlines the development context and discusses the problems that the project sets out to address, the strategy adopted, operationalisation arrangements and key milestones and stakeholders impacted by the PEA Project
- **Section 3** reports the key findings from the PEA Project and presents under the perspectives of project strategy, project implementation and project results
- **Section 4** features 2 key success stories on Indonesia and Lao PDR
- **Section 5** reveals the summary of the findings and ratings, conclusions, lessons learned and recommendations

2. PROJECT DESCRIPTION AND DEVELOPMENT CONTEXT

2.1 Project Start and Duration

Project Implementation Start:	1 st September 2018
Closing Date (Original):	31 st August 2022
Closing Date (Actual):	30 June 2023 (all fully-fledged country/TA projects to end on 31 December 2022)

The PEA Project officially commenced on 1st September 2018. The project document (PRODOC) was signed on 23rd August 2018. The PEA Project has an approximate duration of 48 months (1 September 2018 to 31 August 2022) but was subsequently extended, approved by the Project Board, to 52 months (1 September 2018 to 31 December 2022 followed by 6-month period for final reporting and project closure on 30 June 2023, with a reported view that the extension would not affect the project outcome, outputs, deliverables, and strategy) with all fully-fledged country/TA projects to end on 31 December 2022.

2.2 Problems that the Project Sought to Address

The 2030 Agenda for Sustainable Development (2030 Agenda) and the Sustainable Development Goals (SDGs) bring together development, environment and climate concerns in a comprehensive and integrated agenda for change. The overriding goal of the SDGs is to eradicate extreme poverty by 2030 and to “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.

The joint Poverty-Environment Partnership strategy paper “Getting to Zero: A Poverty, Environment and Climate Call to Action for the Sustainable Development Goals” builds on this new global sustainable development framework to make the case for mainstreaming poverty, environment and climate issues into all efforts to implement the SDGs and other initiatives towards the 2030 Agenda. It recognises the significant scale of linked poverty, environment and climate problems and emphasises the need for structural reforms—especially to improve inclusion—to reach zero extreme poverty, zero net greenhouse gas emissions, and zero net loss of natural assets.

The UN has been supporting implementation of the 2030 Agenda and the SDGs through the joint Mainstreaming, Acceleration and Policy Support (MAPS) approach. In several countries, MAPS engagements have been central to these efforts, bringing together multiple UN agencies and—increasingly—other partners such as the Asian Development Bank and the World Bank Group. More recently, the UNDP, in close partnership with UN agencies, government and other partners, has been setting up country SDG platforms as a means of providing integrated policy support by bringing together and leveraging expertise and resources from multiple stakeholders.

UNDP is also scaling up its support to climate-related budget reform work, which is increasingly considering poverty and gender issues. Together with other partners—particularly the private sector—UNDP and UNEP are developing SDG financing options. The new Joint Fund for the 2030 Agenda for Sustainable Development further supports Member States efforts to accelerate progress towards the SDGs.

These and other global, regional and country-level processes and initiatives to support SDG implementation potentially provide breakthrough opportunities to scale up and accelerate poverty-environment mainstreaming. However, a range of systemic barriers continue to directly or indirectly inhibit developing countries from effectively addressing poverty, environment and climate linkages as central to national economic and social development objectives.

Over the past decade, the UNDP–UNEP Poverty-Environment Initiative (PEI) has pioneered integrated approaches to addressing poverty-environment mainstreaming in national development planning and implementation. These approaches were first implemented in support of national efforts to achieve the Millennium Development Goals and are now a model for the kind of integrated approaches needed to implement the 2030 Agenda and the SDGs.

The Poverty-Environment Action for the Sustainable Development Goals (PEA) Project is a global project jointly implemented by UNDP and UNEP as strategic actors within the UN system to advance the environmental dimension of the 2030 Agenda and the SDGs. The PEA Project’s emphasis on sustainable investments makes it a key UN country level intervention in support of the Addis Ababa Financing for Development agenda to mobilise and align public and private finance for the SDGs. UNDP serves as the Managing Agent (MA) for the estimated original budget of USD 20 million (with actual sources available for implementation amounting to USD 13 million) project financed by the European Union (EU), Austrian Development Agency (ADA), Norway and Sweden (through UNEP), as well as (in-kind) core resources from UN agencies. The project implementation period runs from 1 September 2018 to 31 December 2022 and to date the PEA Project has an estimated project budget of US\$31 million, of which approximately:

- US\$13 million are donor-funded budget (EU, ADA, UNEP pooled funds from Norway and Sweden)
- US\$14 million are agency contributions from UNDP and UNEP (including in-kind contributions)
- US\$4 million are local co-financing from the respective UNDP country offices

By building on the PEI’s strong legacy, the PEA Project, as a hub of expertise and knowledge on the integration of environment and poverty considerations in development policies, plans and investments, is uniquely placed to ensure that the environmental dimension is not left behind when addressing poverty and promoting development. The PEA Project also provides opportunities to improve the quality of private sector investments to support poverty-environment objectives. This represents the new focus of Poverty-Environment Action—aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation.

2.3 Immediate and Development Objectives of the Project

The PEA Project aims to strengthen integration of poverty-environment-climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs through development planning, budgeting and monitoring systems that integrate environmental sustainability and climate objectives for poverty eradication; public finance and investment frameworks that incentivise shifts in public and private investments towards environmental sustainability and climate objectives for poverty eradication; and SDG implementation and acceleration processes leveraged to scale up the use of integrated poverty environment mainstreaming approaches and tools.

The PEA Project was implemented through two types of projects: Full-fledged country projects and technical assistance (TA) projects. A total of eight full-fledged country projects were being supported through the initiative with four in Africa (Malawi, Mauritania, Mozambique and Rwanda) and four in Asia (Bangladesh, Lao PDR, Myanmar and Nepal) with different implementation arrangement modalities. There are 6 TAs in total. The aim of the technical assistance was to catalyse the PEA Project by broadening the use of poverty-environment mainstreaming tools and approaches through wider UNDP and/or UNEP programmes that contribute to the overall PEA outcome and outputs. The technical assistance comes in the form of the expertise and knowledge of the PEA Project team backed by financial resources. Tanzania and Indonesia were two countries that were being supported with technical assistance. Completing the PEA Project portfolio were four further technical assistance efforts on (i) the blue economy in partnership with the Asian Development Bank (ADB), (ii) green bonds in South Africa in partnership with the Deutsche Gesellschaft für International Zusammenarbeit (GIZ), (iii) gender and climate-smart agriculture in partnership with UN Women and (iv) capacity building.

The PEA Project’s intended outcome is:

“Strengthened integration of poverty-environment climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs”

In order to achieve the above intended outcome, the PEA project would be delivered through three interrelated outputs with the corresponding output key deliverable indicators expected from the PEA Project as shown in Table 2 below:

Table 2: PEA Project Outputs and Output Key Deliverable Indicators

EXPECTED OUTPUTS	OUTPUT KEY DELIVERABLE INDICATORS
Output 1 – Development planning, budgeting, and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication	1.1. Number of planning frameworks, legislation and regulations that integrate the poverty-environment nexus (per country).
	1.2. Viable alternative policy position(s) on poverty-environment issues formulated by non-government actors
	1.3. Number of government-led inter-sectoral coordination mechanisms that promote coherence of planning frameworks, legislation and regulations.
	1.4. Number of countries where environmental-social-economic data is collected, analysed and reported applying a poverty-environment nexus perspective through national development and SDG monitoring systems

EXPECTED OUTPUTS	OUTPUT KEY DELIVERABLE INDICATORS
Output 2 – Public finance and investment frameworks incentivise shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication	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).
	2.2. Number of countries with increased annual and medium-term sector budget allocations that reflect environmental sustainability and climate for poverty eradication.
	2.3. Number of countries with fiscal instruments (tax, incentives, user-fees, etc.) adopted in policies and regulations that prioritise quality investments.
	2.4. Number of guidelines and tools to manage private sector investment decisions that facilitate or prioritise quality investments.
Output 3 – SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools.	3.1 Number of Poverty-Environment Action knowledge sharing and learning products that are referenced by regional and global networks.
	3.2 Number of countries adopting Poverty-Environment action tools/approaches resulting from South-South knowledge collaborations.
	3.3. Number of regional and global Poverty-Environment Action partner programmes and agencies that apply an integrated mainstreaming approach.

2.4 Baseline and Expected Result Targets Established

The baseline and targets of the PEA Project were originally not yet established in the PRODOC as these indicators were likely developed in conjunction with the 10 country offices. The evaluation noted that the majority of country offices had their individual country project proposals approved in the first year of the PEA Project implementation. The Nepal and Bangladesh country offices only began to develop their country project proposals after the PEA Project implementation commenced. The baseline indicators were subsequently updated during the Inception Phase of the PEA Project in December 2018 and revised again in 2020 and 2021 basis. The baseline and expected targets of the PEA Project were set for 4 years as shown in Table 3 below:

Table 3: Baseline and Expected Result Targets

EXPECTED OUTPUTS	OUTPUT KEY DELIVERABLE INDICATORS	PEA PROJECT (2018-2022)		TARGETS			
		Baseline	Target	2019	2020	2021	2022
Output 1 – Development planning, budgeting, and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication	1.1. Number of planning frameworks, legislation and regulations that integrate the poverty-environment nexus (per country).	22	95 (OLD-2018) 100 (NEW-2021)	25	33	25	12
	1.2. Viable alternative policy position(s) on poverty-environment issues formulated by non-government actors	0	3 (OLD-2018) 7 (NEW-2020)	1	4	2	0

EXPECTED OUTPUTS	OUTPUT KEY DELIVERABLE INDICATORS	PEA PROJECT (2018-2022)		TARGETS			
		Baseline	Target	2019	2020	2021	2022
	1.3. Number of government-led inter-sectoral coordination mechanisms that promote coherence of planning frameworks, legislation and regulations.	5	35	7	14	10	4
	1.4. Number of countries where environmental-social-economic data is collected, analysed and reported applying a poverty-environment nexus perspective through national development and SDG monitoring systems	2	7 (OLD-2018) 10 (NEW-2020)	3	4	0	0
Output 2 – Public finance and investment frameworks incentivise shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication	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	48 (OLD - 2019) 25 (NEW-2020)	13	5	4	3
	2.2. Number of countries with increased annual and medium-term sector budget allocations that reflect environmental sustainability and climate for poverty eradication.	0	6	1	2	2	1
	2.3. Number of countries with fiscal instruments (tax, incentives, user-fees, etc.) adopted in policies and regulations that prioritise quality investments.	0	3 (OLD - 2019) 5 (NEW-2021)	0	1	3	1

EXPECTED OUTPUTS	OUTPUT KEY DELIVERABLE INDICATORS	PEA PROJECT (2018-2022)		TARGETS			
		Baseline	Target	2019	2020	2021	2022
	2.4. Number of guidelines and tools to manage private sector investment decisions that facilitate or prioritise quality investments.	8	24 (OLD - 2019) 31 (NEW- 2020)	0	8	12	11
Output 3 – SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools.	3.1 Number of Poverty-Environment Action knowledge sharing and learning products that are referenced by regional and global networks.	23	26 (OLD - 2019) 63 (NEW- 2020)	5	15	23	20
	3.2 Number of countries adopting Poverty-Environment action tools/approaches resulting from South-South knowledge collaborations.	9	12 (OLD- 2019) 18 (NEW- 2020)	0	5	7	6
	3.3. Number of regional and global Poverty-Environment Action partner programmes and agencies that apply an integrated mainstreaming approach.	13	18 (OLD- 2019) 20 (NEW- 2021)	0	7	8	8

The evaluation assessed that the output key deliverable indicators could be further strengthened by focusing more on the quality and impact aspects besides just the quantity aspects.

2.5 Main Stakeholders

As the MA, UNDP would be ultimately responsible for the PEA Project implementation and ensuring that the project would deliver value for money, taking a cost-conscious approach to the project.

The Poverty-Environment Action Delegation of Authority Framework Agreement (Delegated Authority framework), as part of the PEA Project PRODOC, provided the context for and outlines mechanisms to ensure the accountability the PEA Project would have to the donors, including through which the PEA Project would sub-delegate funds, tasks and responsibilities for implementation of resources mobilised under the joint project to the UNDP Country Offices as part of the Delegated Authority framework. The PEA Project had the following main stakeholders in 10 PEA countries and TA initiatives under various implementation modality as follows:

Project Component	Main Stakeholder		Implementation Modality
	Implementing Agency/ Partner(s)	Responsible Party(ies)	
Fully-Fledged Countries			
Bangladesh	UNDP CO	General Economics Division (GED), Bangladesh Planning Commission	DIM – Direct Implementation with 100% CO Support
Lao PDR	UNDP CO Investment Promotion Department (IPD) of the Ministry of Planning and Investment (MPI)	Investment Promotion Department (IPD) of the Ministry of Planning and Investment (MPI)	NIM – National Implementation with 100% CO Support
Malawi	UNDP CO Department of Economic Planning and Development FAO UN Women	Ministry of Local Government Office of the President and Cabinet	NIM – National Implementation with 100% CO Support
Mauritania	UNDP CO	Ministry of Economy and Finance	NIM – National Implementation with 100% CO Support
Mozambique	UNDP CO Ministry of Economy and Finance	Ministry of Economy and Finance Ministry of Land and Environment	DIM – Direct Implementation with 100% CO Support

Project Component	Main Stakeholder		Implementation Modality
	Implementing Agency/ Partner(s)	Responsible Party(ies)	
Myanmar	Pre-February 2021: UNDP CO Post February 2021: UNDP CO	Pre-February 2021: UNDP CO Environmental Conservation Department of the Ministry of Natural Resources and Environmental Conservation Post February 2021: UNDP CO	DIM – Direct Implementation with 100% CO Support
Nepal	UNDP CO National Planning Commission	National Planning Commission	NIM – National Implementation with 100% CO Support
Rwanda	UNDP CO	Ministry of Finance and Economic Planning Rwanda Environment Management Agency	NIM – National Implementation with 100% CO Support
Technical assistance initiatives			
Blue Economy	UNDP CO	ADB	DIM – Direct Implementation with 100% CO Support
Green Bonds (South Africa)	UNDP CO	UNEP	DIM – Direct Implementation with 100% CO Support
Capacity Building	UNDP CO	UNITAR	DIM – Direct Implementation with 100% CO Support
Gender	UNDP CO	UN Women	DIM – Direct Implementation with 100% CO Support
Indonesia	UNDP CO	Ministry of Finance	DIM – Direct Implementation with 100% CO Support
Tanzania	UNDP CO	Institute of Rural Development Planning (IRDP) Lake Zone Centre	DIM – Direct Implementation with 100% CO Support

2.6 Theory of Change at Evaluation

The PEA Project designed a Theory of Change which focused on the poverty-environment nexus, describing a conduit through which mainstreaming of the poverty – environment nexus would be an outcome framed within national and sub-national development processes. The expected aim indicated in the PEA Project global Theory of Change was to contribute towards implementing the 2030 SDG agenda through the localisation of these goals at the national and sub-national levels.

As stated in the PEA PRODOC, the PEA Project’s causal pathways proposed to encompass the following areas:

- influencing national and, where applicable, sub-national budgets; and enhancing coherence of relevant policies, plans and budgets
- enabling legal, regulatory and fiscal reform
- improving the evidence base for demonstrating the impact of poverty-environment mainstreaming policy changes
- strengthening public sector capacity to engage the private sector and promote quality investment in support of environmental sustainability and climate objectives for poverty eradication
- strengthening advocacy for poverty-environment mainstreaming and the role of “champions” in the public sector, parliament, civil society and the private sector
- enabling strategic partnerships and improving coordination and complementarity with other development actors and initiatives at the country level

Assuming that global social, economic, financial and environmental shocks would be avoided, the PEA Project’s long-term impact relies on the materialisation of intermediate states related to:

- strong uptake of investments/projects/actions in line with poverty-environment objectives across a critical mass of sectors, policy areas and partnerships with strong private sector engagement and institutional backing
- demonstration of concrete results catalysing upscaling
- global uptake of Poverty-Environment Action approaches and tools, based on the outputs of Poverty-Environment Action countries and global

The overall PEA approach to deliver this Theory of Change focused on:

- deepening mainstreaming efforts to integrate environmental sustainability and climate objectives for poverty eradication into development planning, budgeting and monitoring systems and into public and private finance and investment
- broadening the dissemination and use of the programme’s substantial body of country-level experience in the application of integrated poverty-environment mainstreaming approaches and tools.

The intended outcome of the PEA Project is "Strengthened integration of poverty-environment objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the Sustainable Development Goals". The realisation of this outcome was based on the assumption that other actors and initiatives would enable countries to further align their policies with the poverty-environmental sustainability agenda which are as follows:

- political will and stability
- continued and broad commitment by governments to implement policy reforms relating to the poverty-environment nexus
- financial sustainability that would be naturally developed as poverty environment related investment opportunities become self-evident

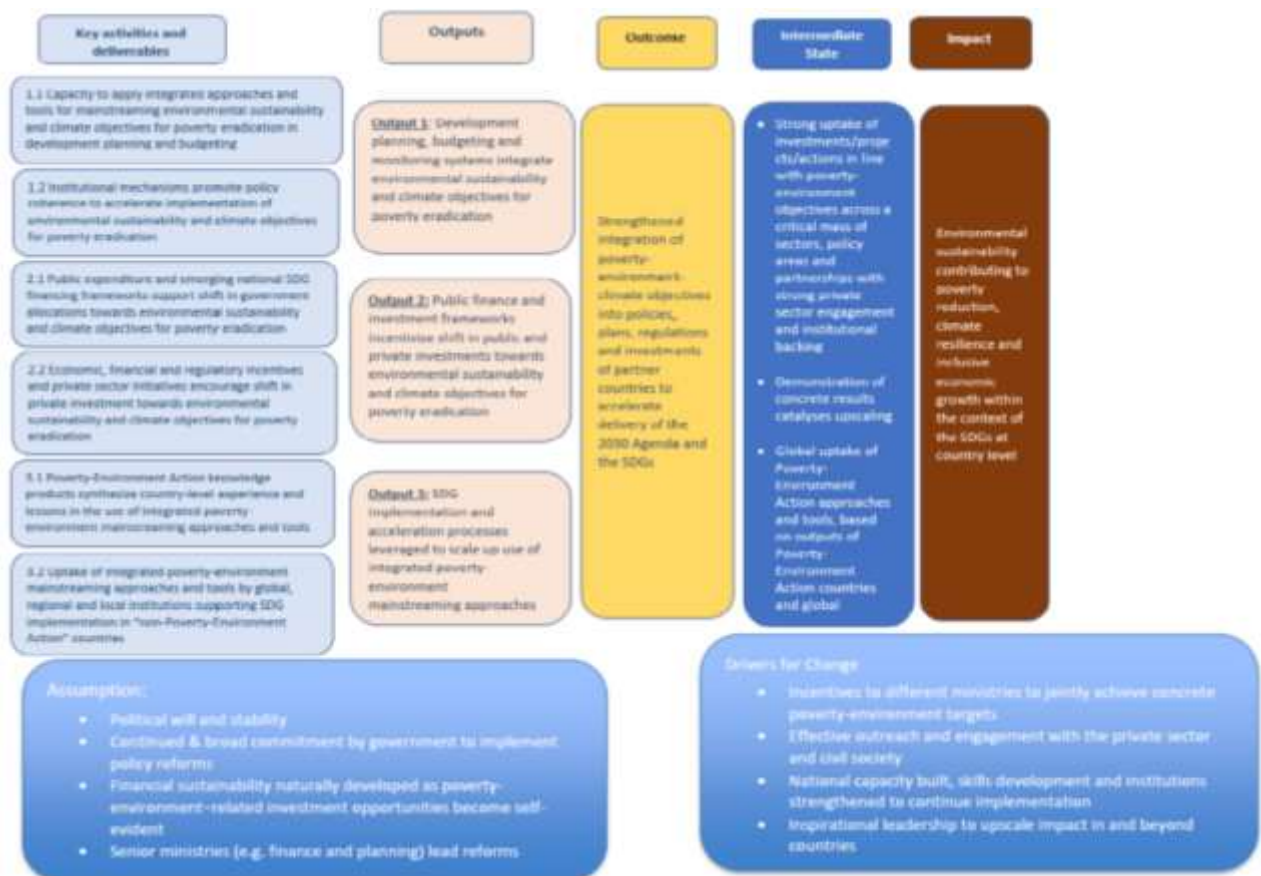
- central government ministries (e.g. prime minister/president office, finance and planning) are fully committed lead poverty-environment sustainability reforms

To deliver the above outcome, the PEA Project global Theory of Change specified three interrelated outputs:

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

As shown in Figure 1 below, each output would have corresponding key activities and deliverables for the PEA Project to be responsible for implementing.

Figure 1: PEA Project Theory of Change (Global)



While the PEA Project global Theory of Change was relevant and appropriately designed, the evaluation assessed that:

- the PEA Project global Theory of Change could have included critical assumptions on finance and sub-national capacity for scaling
- the PEA Project global Theory of Change diagram could also include an analysis and description of what were the gaps/issues to be addressed. The gaps/issues could then be listed as inputs which would complete the entire results chain in the standard theory of change
- a review of the Theory of Change for each PEA country revealed that country/TA project proposals indicated how their local activities and outputs aligned to the corresponding global output indicators and each country project proposal illustrated the Theory of Change differently with outcomes that did not directly connect with the PEA Project global Theory of Change. Furthermore, the TA (Green Bonds, Blue Economy, Gender, Capacity Building) proposals did not have any Theory of Change. The evaluation therefore assessed it was not that clear on how each of the country/TA Theory of Change would connect to/integrate with the PEA global Theory of Change
- a clearer integration of the country/TA level Theory of Change with the PEA Project global Theory of Change could further strengthen in seeing how the country/TA level project outputs/outcomes would clearly contribute to the PEA Project global outputs/outcomes. This in turn would lead to clearly assessing the collective progress at country level towards impacts and identify reasons for particular successes or bottlenecks encountered, at the global, regional and country levels

3. FINDINGS

3.1 Project Design

3.1.1 Project Document (PRODOC) Formulation

Earliest commencement of the PEA Project formulation would be early 2017. The PEA Project built on the experiences of the PEI Project and also drew from the existing networks, partnerships and infrastructure that were established by the PEI Project. The evaluation further noted that while all stakeholders involved in the PEA Project design had a common end goal, the PEA Project Design phase went through extended consultations and discussions among UNDP, UNEP and the donors to resolve different stakeholder views/priorities and project modality approaches to the PEA Project. The PEA Project PRODOC received final approval in September 2018.

The PEA Project was initially formulated for approximate duration of 48 months (1 September 2018 to 31 August 2022) at an estimated project budget of US\$20 million, out of which approximately US\$15.7 million are donor-funded budget and approximately US\$4.3 million are unfunded budget but was extended to 52 months (1 September 2018 to 31 December 2022 followed by 6-month period for final reporting and project closure) with all country and TA projects ending on 31 December 2022.

3.1.2 Analysis of Results and Resources Framework (Project Logic/Strategy and Indicators)

In reviewing the effectiveness and efficiency of the PEA Project in meeting its outcome, the evaluation reviewed the PEA Project's Results and Resources Framework on the PEA Project's strategy, indicators, baseline, end of project intended outcome, source of verification, and risk and assumptions.

The evaluation reviewed that the PEA Project's Results and Resources Framework design took careful consideration of the UNDP Strategic Plan and UNEP Midterm Strategy. The PEA Project took extensive consideration to stakeholder participation from 10 different country offices in project design, decision making, planning, implementation and monitoring, which led to an increase in endorsement of country/TA project activities as part of the PEA Project implementation. While the PEA Project's Logical Framework was prepared with in-depth thinking, accurately described the end of project goals, listed the sources of verification, and appropriately identified the risks and the assumptions, the evaluation assessed that:

- the PEA Project's outcome indicators were more output-oriented (WHAT IS BEING PRODUCED - EFFICIENCY) than outcome-oriented (WHAT IS THE VALUE/BENEFIT/ CHANGE/IMPACT - EFFECTIVENESS). This in turn affected the design and monitoring of outcome-oriented results at the fully-fledged country and country TA projects. While the PEA Project endeavoured to make a transformational impact change, this did not appear to be fully materialised.
- the PEA Project worked closely with fully-fledged country/TA projects teams to appropriately respond to the needs of the national partner priorities. However the evaluation assessed there would need to be better alignment of the fully-fledged country/TA projects' results to the PEA Project's global output and outcome indicators. This was based on the evaluation's assessment of:
 - low-level project activities in the 1st and 2nd year of project implementation when the countries had not yet achieved major results then being counted as achievement towards the desired global output targets
 - some country/TA products not considered/qualified as key budget policy documents, planning frameworks, legislations and regulations which would not accurately reflect the cumulative achievement of the desired global output targets

3.1.3 Risks and Assumptions

The PEA PRODOC had appropriate risk assessments with impact and probability ratings, and prepared corresponding counter-measures/management responses which were appropriate at that point of time and for the project duration (2018 to 2022). The PEA Project identified 8 risks comprising 3 administrative/financial/operational risks, 3 implementation risks, and 2 political risks.

The evaluation also observed that the PEA fully-fledged country and TA intervention project proposals incorporated appropriate risk assessments with impact and probability ratings, and prepared corresponding counter-measures/management responses which were appropriate at that point of time and for their own project duration (2018 to 2022).

The evaluation observed that this demonstrates UNDP/UNEP's proactive approach in identifying and mitigating risks with appropriate counter-measures/responses. This was especially so when the 2020 COVID-19 pandemic required the PEA Project and PEA countries to review its activities and develop alternative approaches to overcome the limitations of the nation-wide lockdowns and restrictions caused by the COVID-19 pandemic.

3.1.4 Lessons from Other Relevant Projects Incorporated into Project Design

The PEA Project was also built on the experiences and lessons learned of the UNDP–UNEP Poverty-Environment Initiative (PEI) Project. The PEI Project, which was implemented from 2013–2018, is the predecessor initiative to the PEA Project which fostered integrated approaches to mainstreaming poverty-environment linkages in national development planning and implementation processes.

The PEI Project developed specialised knowledge, a comprehensive Poverty-Environment mainstreaming tool kit and a number of case studies, which the PEA Project could build upon.

3.1.5 Planned Stakeholder Participation

The PEA Project generated strong stakeholder interest at national, regional and local levels across the 10 PEA countries (Bangladesh; Indonesia; Lao PDR; Malawi; Mauritania; Mozambique; Myanmar; Nepal; Rwanda; Tanzania).

In terms of project design, the evaluation interviews with key stakeholders indicated sufficient evidence of direct involvement based on detailed accounts of the PEA project outputs.

3.1.6 Replication Approach

Replication and up-scaling are considered fundamental to the catalytic nature of PEA Project as it provides the opportunity to build on best practices and lessons learned, and expand the reach and impact of its project outputs.

Replication and up-scaling strategies in a coherent manner of the institutional knowledge/tools did not appear to feature strongly in the PEA PRODOC and in the project implementation. The PEA Project did not appear to have concrete plans to strategically and coherently replicate the institutional knowledge/tools to other non-PEA countries. This could be attributed to the fact that replication requires a programming unit with resources to facilitate the replication and this was not clearly outlined in the PEA PRODOC.

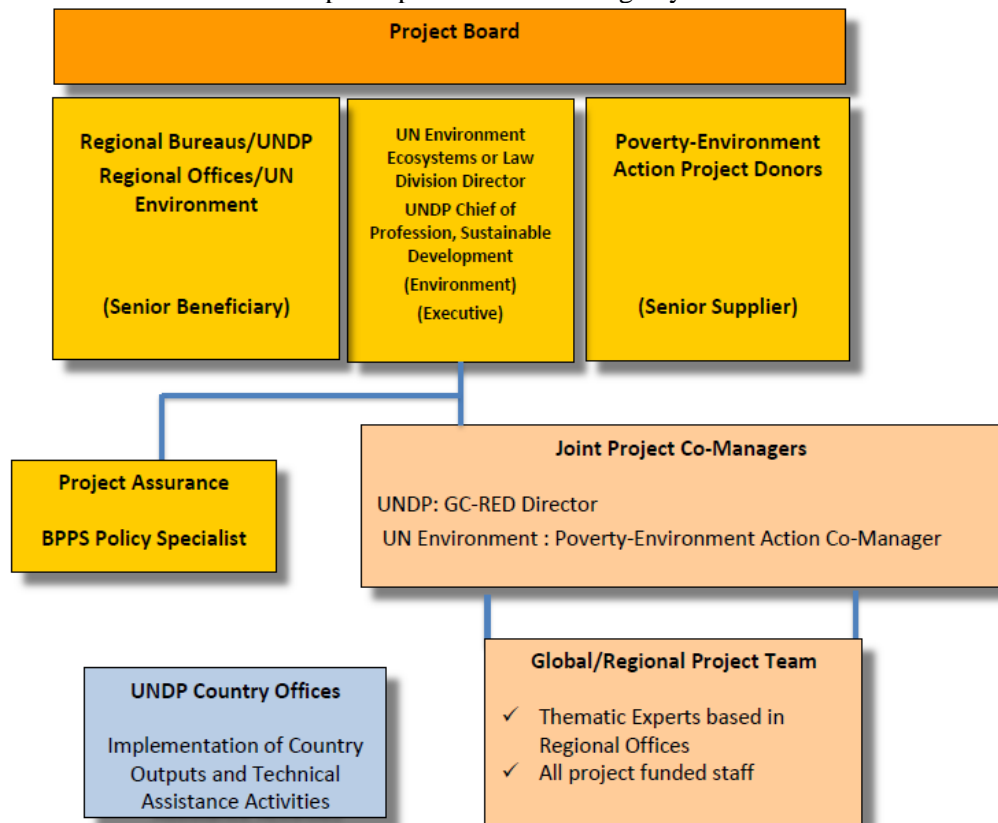
3.1.7 Management Arrangements

Execution Modality: In accordance with the PEA PRODOC, UNDP served as Managing Agent (MA) for the PEA Project and was responsible for overall project financial management, performance monitoring and reporting, evaluation and ensuring achievement of project results with inputs from UNEP staff.).

UNDP was also responsible for:

- recruitment of project-funded staff as approved by the selected in consultation with UNEP
- ensuring funds were made available to PEA Project related outputs and activities in as timely a manner as possible, per the PB approved annual allocations – and in line with any project cash flow management constraints
- facilitating procurement of expendable and non-expendable equipment in accordance with approved project work plans and budgets, based on independent needs assessments, implemented through DIM or NIM with 100% CO Support collaboration with national counterparts and UNDP Country Offices
- all efforts to ensure that the project delivers value for money, taking a cost-conscious approach to the project

Project Board (PB): The PB was established to provide high-level oversight and to steer the PEA Project. The PB is responsible for high-level management decisions and policy guidance required for implementation of the project, including recommendations and approval of project plans, budget and revision. The PB membership comprised the following key main stakeholders:



- The Executive comprising UNDP and UNEP represented by:
 - Senior Policy Advisor on Environment, BPPS, UNDP New York
 - Deputy Director, Ecosystems Division, UNEP Nairobi
- Senior Supplier comprising PEA Project donors represented by
 - Team Leader Environment and Mainstreaming (EU)
 - International Aid/Cooperation Assistant (EU)
 - Advisor, Environment and Climate Action (ADA)
 - Deputy Director, Federal Public Service Foreign Affairs, Foreign Trade and Development (Directorate-General for Development Cooperation and Humanitarian Affairs), Government of Belgium
 - Senior Programme Specialist, Focal Point for UNDP Support (SIDA),
 - Programme Specialist, Focal Point for UNEP (SIDA)
 - Senior Policy Analyst (OECD/DAC/Environment)
- Senior Beneficiary comprising regional bureaus/UNDP regional offices/UNEP represented by:
 - Acting Director and Regional Representative (UNEP Africa)
 - Manager, UNDP Regional Hub (UNDP Bangkok)

Additionally, the PEA Project PRODOC stated that:

- The PEA Project Co-Managers would be present at the PB meetings and would inform the PB discussions but would not take part in the formal decision-making process of the PB.
- At least one representative from each of the three groups mentioned above would need to be present at the PB meetings
- The UNDP BPPS Sustainable Development Cluster Policy Specialist was in charge of managing project assurance functions for the PEA Project. In addition, UN Environment core funded staff were responsible for managing all internal UN Environment quality assurance inputs/processes. The project assurance role supports the PB by carrying out objective and independent project oversight and monitoring functions. The role ensured appropriate project management milestones were properly managed and completed. Project assurance had to be independent from the day-to-day project management and could not be conducted by anyone in the project or with a direct reporting line to the PEA Project Co-Managers.

The PB was first convened in July 2018 and the meeting minutes showed that the PB effectively provided important directions and oversight. The evaluation noted that the PEA PRODOC did not specify the frequency of PB meetings but one of the specific responsibilities of the PB was scheduled to “conduct regular meetings to review project progress report(s) and provide direction and recommendations to ensure agreed deliverables and project results are produced satisfactorily, according to plans”.

The evaluation noted that the PB met twice annually and understood that all PB members were present or represented in the PB meetings. The evaluation further established it would be better if PB meetings could be more regularly on a quarterly basis to ensure accountability for each quarterly progress reports by the 10 PEA countries.

Based on the PB meeting minutes, the evaluation assessed that:

- an additional Joint Management Board (JMB) was in place which was not part of the original PRODOC design which involved the strategic/operational discussions between the Executive and the PEA Project Team, creating an unnecessary additional layer of governance process
- the PB appeared to take on more non-strategic responsibilities that would be more suited for programme/project managers charged with the day-to-day/operational decisions
- there was no project assurance at the PB level conducted by the UNDP BPPS Sustainable Development Cluster Policy Specialist although similar activities appeared to be carried out by the Knowledge Management M&E Specialist of the PEA Project Team

The PEA Project governance structure could be better streamlined to enable the PB to only be involved in more strategic/oversight role while the PEA Project team (including any technical expertise leads) to take on more day-to-day/operational decisions and provide inputs for the PB’s key decision making process.

3.2 Project Implementation

3.2.1 Adaptive Management

The PEA Project was formally signed off on 23 August 2018.

The evaluation reviewed that the PEA Project Team displayed good project management abilities and effectively utilised appropriate project management tools to implement the PEA Project to the best of their abilities. The evaluation observed the inconsistent availability of key PEA Project Team members from the start of the project was a significant issue that could have affected the effectiveness and efficiency of the overall project implementation:

- the late recruitment of key PEA Project Team members, such as the Knowledge Management M&E Specialist in June 2020, limited the PEA Projects capacity to effectively carry out project assurance roles
- in addition to reduced staffing at regional/global level who would be able to provide technical expertise and support to PEA countries, most key PEA Project Team members had other project commitments and could not fully commit to the PEA Project, hence potentially impacting the project's effectiveness and efficiency

The funding architecture/modality of the PEA Project could have been better designed to ensure smooth project implementation. The uncommitted budget/funding gaps that required spending time during the project implementation to mobilise more funds (both cash and in-kind) resulted in delays, reducing the project's efficiency, and affecting the team's ability to deliver the project's objectives. One example was the UNEP pooled fund reduction (funding provided by the Government of Norway) amounting to US\$1.2 million that resulted in downsizing the funding allocation for existing country projects and impacting activities, outputs, processes and country-level support that were already indicated at the PRODOC that the US\$1.2 million UNEP pooled fund was allocated to support. Another example was the case for the PEA Projects in Mozambique and Rwanda where delays in disbursement of mobilised funding from the Government of Belgium Federal Public Service Foreign Affairs, Foreign Trade and Development (Directorate-General for Development Cooperation and Humanitarian Affairs) resulted in the project activities not being implemented. The evaluation also further noted the additional donor funding from the Government of Belgium Federal Public Service Foreign Affairs, Foreign Trade and Development (Directorate-General for Development Cooperation and Humanitarian Affairs) as one example of funding arrangement where there was a joint UNDP/UNEP agreement but classified as in-kind support from UNEP as the Government of Belgium Federal Public Service Foreign Affairs, Foreign Trade and Development (Directorate-General for Development Cooperation and Humanitarian Affairs) donor funding was to be mobilised through UNEP. While this was a once-off agreement between UNDP and UNEP (with support from the PB), this particular funding arrangement to classify donor funding as in-kind support would normally not be a standard UNDP procedure and should not be encouraged.

Moreover, the PEA Project PRODOC should have been preferably designed on the onset that funding had already been committed without the need to mobilise more funds. In scenarios where fund mobilisation was needed, a full-time position of a Partnerships and Resource Mobilisation Specialist could have been recruited for this sole purpose. By doing so, this would have ensured that the project funding could be secured, and the project team could then focus on the project's implementation without worrying about the availability of funds. This was not the case for the PEA Project.

The external circumstances, such as political office and government changes, and economical challenges brought upon by the COVID-19 pandemic, significantly affected many planned activities/interventions. However, the evaluation noted that such external circumstances would often be beyond the control of the project team, and they should be prepared to adapt to the changing circumstances. The PEA Project team's ability, together with close coordination with the PEA countries, to effectively use adaptive

management was crucial in responding to external circumstances and maintaining the project's relevance and effectiveness.

The PEA Project team effectively used adaptive management, which is an appropriate project management tool in responding to changing circumstances and ensuring the project's relevance and effectiveness. The team's ability to track financial expenditures against financial budgets was also a positive aspect that ensured financial accountability and transparency.

There were differing views on whether the PEA Project operational procedures, financial management and reporting processes (along with the management/reporting templates provided) were excessively unnecessary, cumbersome and complex which led to severe grievances and time-consuming transactions that resulted in slowed implementation of the project delivery at country level. These differing views appeared to be clearly established along the lines of the respective organisation: UNDP as the MA had the ultimate responsibility of establishing required operational procedures, financial management and reporting processes in accordance with UNDP policies and procedures, while UNEP followed a different approach that did not always align with UNDP policies and procedures. Hence, the evaluation observed that it would be understandably challenging for UNEP to follow a different set of operational procedures and reporting processes and, as a joint co-partner of the PEA Project, would want to co-establish suitable operational procedures and reporting processes. The evaluation further consulted all 10 PEA country project teams on this and found no significant issues adapting to PEA Project operational procedures, financial management and reporting processes. The majority views from the 10 PEA country project teams were that slowed implementation of the project delivery at country level were significantly caused by other factors that were not under the control of the PEA Project such as the delayed procurement procedures at country level, the travel restrictions due to the COVID-19 pandemic, and the political and government changes due to national/sub-national elections.

The PEA Project also established an online information source (<http://pea4sdgs.org>) to communicate the progress, information, training, webinars and stories of the PEA Project interventions across the 10 PEA countries. However the evaluation noted that this website had now discontinued with relevant project information being transferred to a knowledge repository website (<https://www.greengrowthknowledge.org/initiatives/poverty-environment-action/knowledge>) where the PEA Project could have utilised any resources to maintain the online information source for a specified period after the project closure in December 2022. The evaluation also observed that these PEA Project information were deposited within the knowledge repository website with other numerous related information that it would not be fully visible for the public to see.

3.2.2 Partnership Arrangements

The PEA Project developed a Poverty-Environment Action Delegation of Authority Framework Agreement (the Delegated Authority framework), as part of the PEA PRODOC. The Delegated Authority framework provided the context for and outlines mechanisms to ensure the accountability of the PEA Project to its donors. This included through which the PEA Project would sub-delegate funds, tasks and responsibilities for implementation of resources mobilised under the joint PEA Project to the 10 PEA countries through the respective UNDP Country Offices as part of the Delegated Authority framework. Implementation arrangements of the PEA Project with the 10 PEA countries and development partners would come under one of the two types as described below:

Fully-Fledged Country Outputs

The PEA Project Action engaged in “full-fledged country outputs” in the selected group of countries (Bangladesh, Lao PDR, Malawi, Mauritania, Mozambique, Myanmar, Nepal and Rwanda), determined based on project selection criteria as stated in the PEA PRODOC, formal proposal submission and funding availability. All full-fledged country outputs approved by the PB for inclusion in the joint project would receive indicative allocations of US\$300,000 annually, based on the availability and balance of joint project donor funds. All full-fledged country outputs are required to ensure commitments of locally mobilised co-financing annually through UN TRAC and in-kind contributions that would be applied to the PEA Project full-fledged country output results framework and annual work plan related outputs/activities/inputs.

At the country level for risk mitigation all PEA country interventions were implemented under DIM or NIM with 100% CO support modalities, ideally as an output of a broader country level cross-practice/cross-sectoral SDG implementation PRODOC and annual workplans. Respective UNDP Country Offices would be responsible for planning, monitoring and reporting (narratively and financially) to the joint project using standard joint PEA Project formats on country level finances, activities, outputs and outcomes in line with a signed project document between UNDP and the Government and corollary funding agreement between PEA Project and the respective PEA country project. The respective UNDP Country Office would provide day-to-day oversight of the project through a robust delegated authority modality.

Engagement through Technical Assistance (TA)

TA for poverty-environment mainstreaming would take place in the absence of a PEA Project full-fledged country output, and was based on proposals verified for relevance and synergies through regional management as part of the Senior Beneficiary role in the PB (with equitable representation by relevant UNDP/UN Environment Regional Senior Management) then approved by the PB as in line and in contribution to overall joint project objectives, outputs, deliverables and indicators.

3.2.3 Project Finance

The PEA Project had an approximate duration of 48 months (1 September 2018 to 31 August 2022), but was subsequently approved by the Project Board to be extended to 52 months (1 September 2018 to 31 December 2022 followed by 6-month period for final reporting and project closure) with all fully-fledged country/TA projects to end on 31 December 2022. Initially at an estimated project donor-funded budget of US\$20 million, the PEA Project experienced an unfunded budget amount of US\$6.3 million due to the following factors:

- less financial resources were mobilised from donors than originally planned
- less pooled funding was received than expected due to the UNEP pooled fund reduction (funding provided by the Government of Norway) amounting to US\$1.2 million in total
- the exchange rate resulted in the decreased US. dollar equivalent of agreed donor payment tranches received in euros

The PEA Project, based on the MTR’s recommendation to re-assign funds and in-kind support to reflect original commitments in order to end the funding gap, subsequently re-adjusted its project donor-funded budget to US\$13 million.

The budget and actual expenditure for the donor-funded category of the PEA Project is provided below in Table 4 as follow:

Table 4: Summary of Budget and Actual Expenditure According to PEA Project Outputs (Donor Funds Only) (as of 5 April 2023)

Project Output	PRODOC Original/ Revised Budget – All Years (US\$)	Total Actual Expenditure – All Years (US\$)	2018 (US\$)		2019 (US\$)		2020 (US\$)		2021 (US\$)		2022 (estimated) (US\$)	
			Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Output 1: Development planning, budgeting and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication	5,460,000 (Original) 2,750,000 (Revised)	2,708,049	N.A.	16,024	710,000	701,790	630,000	626,764	640,000	642,619	770,000	720,852
Output 1 Utilisation Rate (Actual/Budget)		98.5%	N.A.		98.8%		99.5%		100.4%		93.6%	

Project Output	PRODOC Original/ Revised Budget – All Years (US\$)	Total Actual Expenditure – All Years (US\$)	2018 (US\$)		2019 (US\$)		2020 (US\$)		2021 (US\$)		2022 (estimated) (US\$)	
			Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Output 2: Public finance and investment frameworks incentivise shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication	10,140,000 (Original) 6,970,000 (Revised)	6,363,067	N.A.	6,892	440,000	431,045	1,280,000	1,280,339	1,960,000	1,955,697	3,290,000	2,689,094
Output 2 Utilisation Rate (Actual/Budget)		91.3%	N.A.		98.0%		100.0%		99.8%		81.7%	
Output 3: SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools	4,400,000 (Original) 3,280,000 (Revised)	2,751,304	N.A.	2,240	260,000	257,288	560,000	563,260	680,000	682,060	1,780,000	1,246,456
Output 3 Utilisation Rate (Actual/Budget)		83.9%	N.A.		99.0%		100.6%		100.3%		70.0%	
Total	20,000,000 (Original) 13,000,000 (Revised)	11,822,420	N.A.	25,156	1,410,000	1,390,123	2,470,000	2,470,363	3,280,000	3,280,376	5,840,000	4,656,402
Utilisation Rate (Total Actual/Budget)		91%	N.A.		98.6%		100.0%		100.0%		79.7%	

Source: PEA Project PRODOC, PEA Project annual provisional financial reports (2019, 2020, 2021), internal PEA Project documents

The PEA Project underspent its project donor-funds by about 9% while Output 3 had the lowest donor-funded utilisation rate out of the 3 project outputs. The final year of the PEA Project had the lowest donor-funded utilisation rate of 79.7%. While the evaluation noted the sound financial management and financial monitoring of the PEA Project, it would be good financial reporting practice that UNDP showed comparisons between budget and actual expenditure, according to project outputs/activities, in the financial report to provide optimal financial accountability and transparency purposes that would clearly demonstrate the efficient use of donor funds on project outputs.

In addition to the donor-funded budget component, the PEA Project also received funding resources in the form of UNDP and UNEP in-kind contributions, UNDP core resources (TRAC) at country level, other country-level co-funding and country-level government funding. Expenditure of these funding sources are then allocated as either “PEA Project Under Atlas” in which UNDP as the MA could closely monitor (Donor-funded budget, UNDP core resources (TRAC)) or “PEA Project Outside Atlas” in which UNDP as the MA would need to obtain the relevant information from the relevant UNDP country offices.

The evaluation noted that while UNEP mobilised additional resources to the PEA Project amounting to about US\$1.96 million from the Government of Belgium Federal Public Service Foreign Affairs, Foreign Trade and Development (Directorate-General for Development Cooperation and Humanitarian Affairs) for the financial year 2021 and 2022 and are reflected as part of the UNEP in-kind contributions to the PEA Project, there were delays in disbursement of mobilised funding which affected PEA Project activities.

The total expenditure incurred under and outside of UNDP PEA Project Atlas is shown in Table 5 as follows.

Table 5: Total Expenditure Incurred Under and Outside of UNDP PEA Atlas project as of 5 April 2023)

Project Component	2018 (1 st September to 31 st December) (US\$)		2019 (US\$)		2020 (US\$)		2021 (US\$)		2022 (Estimated and Inclusive of outstanding transactions beyond 2022) (US\$)	
	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas
Global	2,240	185,448	257,288	1,435,050	563,261	1,547,186	676,782	1,574,862	910,746	1,753,940
Fully-Fledged Countries	180,254	14,070	2,237,231	361,194	3,299,052	921,603	4,247,400	571,497	4,764,676	491,412
Bangladesh	0	0	0	0	503,875	39,999	601,220	0	715,822	0
Lao PDR	107,040	9,070	123,408	45,350	255,838	250,856	194,427	184,691	711,842	280,747
Malawi	39,473	0	357,338	173,250	507,978	465,748	479,920	215,026	534,318	0
Mauritania	19,155	5,000	186,060	42,594	238,325	65,000	430,879	64,249	219,578	48,653

Project Component	2018 (1 st September to 31 st December) (US\$)		2019 (US\$)		2020 (US\$)		2021 (US\$)		2022 (Estimated and Inclusive of outstanding transactions beyond 2022) (US\$)	
	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas	PEA Project Under Atlas	PEA Project Outside Atlas
Mozambique	0	0	425,286	0	564,812	0	820,408	0	836,641	22,012
Myanmar	0	0	760,896	0	430,937	0	558,196	7,530	495,141	40,000
Nepal	0	0	0	0	312,725	0	537,093	0	1,008,116	0
Rwanda	14,586	0	384,242	100,000	484,561	100,000	625,267	0	243,218	100,000
Technical assistance initiatives	190,278	284,785	283,447	257,001	543,576	208,491	504,658	284,436	866,300	548,542
Blue Economy	0	0	0	0	17,830	20,000	43,476	17,000	7,660	400,000
Green Bonds (South Africa)	0	0	0	0	4,396	90,940	0	90,967	79,296	91,440
Capacity Building	0	0	0	0	0	0	0	0	268,795	0
Gender	0	0	0	0	0	0	0	96,921	81,741	57,102
Indonesia	0	0	39,455	210,458	144,094	97,551	0	79,548	3,021	0
Tanzania	190,278	284,785	243,992	46,543	377,255	0	284,116	0	425,788	0
Total	372,772	484,303	2,777,966	2,053,245	4,405,888	2,677,280	5,428,840	2,430,795	6,541,722	2,793,894
	857,075		4,831,211		7,083,169		7,859,635		9,335,615	
Estimated Funds Received	4,680,000		4,640,000		\$6,600,000		8,350,000		6,860,000	

Source: PEA Project annual financial reports (2019, 2020, 2021), internal PEA Project documents

The evaluation noted that:

- due to a high carry-over of funds received in 2018, subsequent years for the PEA Project had a healthy opening balance (2019 - US\$3.82 million, 2020 - US\$3.63 million, 2021 - \$US3.15 million, 2022 - \$US3.64 million). Hence the PEA Project would always have a positive cash/in-kind flow
- one third of the total expenditure incurred in 2022, with US\$9.2 million of the US\$29.8 million spent
- once all outstanding transactions are completed, the overall utilisation rate would be 96% of all resources (US\$29.97 million out of US\$31 million) and the PEA Project closing balance is US\$1.2 million (comprising US\$854,000 from the EU, US\$322,000 from UNEP/SIDA, and US\$10.80 from ADA). It was determined that unused donor funds would be returned back in full to the respective donors instead of re-allocating the unused funds. Consultations with key PEA Project and PEA country project teams generally expressed that these unused funds could have been re-allocated towards implementing a sustainability phase for the PEA Project comprising other project sustainability-related activities through another PB-approved extension of the PEA Project.

3.2.4 Monitoring and Evaluation (M&E) Activities Used for Adaptive Management

The M&E framework consisted of local monitoring and reporting as well as international independent evaluations. Both the PEA Project Team and the 10 fully-fledged country/TA project teams were responsible for the preparation of the M&E activities respectively. Table 6 below summarises the achievement of monitoring actions as required by the PRODOC.

Table 6: PEA Project M&E Activity Status

M&E Activity	Frequency/ Timing	Status	Evaluation Comments
Track results progress	Quarterly, or in the frequency required for each indicator, with a minimum of annual data points.	Completed	Results tracked through the integrated M&E system
Indicator/Results Specific Data/ Evidence Collection	At least annually, or in the frequency required for each indicator.	In Progress	Reporting conducted in written report and verbally through electronic communications. One global final report to be completed by the PEA Project Team
Monitor and Manage Risk	Quarterly	Completed	Reporting conducted in written report and verbally through electronic communications
Learn	At least annually	Completed	Reporting done through the PEA Project website, webinars, exchange retreats and various written publications

M&E Activity	Frequency/ Timing	Status	Evaluation Comments
Annual Project Quality Assurance	Annually	Completed	Completed by the PEA Project Team
Review and Make Course Corrections	At least annually	Completed	Completed by the PEA Project Team
Project (Progress) Report	Annually, and at the end of the project (final report)	In Progress	Global final terminal report to be completed by the PEA Project Team in May 2023
Project Review (Project Board)	Specify frequency (i.e., at least once annually)	In Progress	PB meeting conducted at twice a year. Final PB meeting due in June 2023
End of Project Evaluation	Towards the end of the project	In Progress	One Terminal Evaluation report to be completed by an independent evaluator in June 2023

The evaluation reviewed that the monitoring, evaluation and reporting systems were adequate, well-utilised and adapted to COVID-19 pandemic environment:

- PEA Project Country Level – there were appropriate quarterly/annual project progress reports, feedback reporting (verbal), and information sharing/learning via the PEA Project website, webinars and exchange retreats
- PEA Project Global Level – there were detailed and appropriate quality assurance and annual project progress reports for the project implementation stages

The evaluation observed processes and communications platforms were in place to ensure key recommendations and corrective actions/measures could be provided to further improving the PEA Project implementation at the countries if required.

However, the evaluation assessed that monitoring, evaluation and reporting systems at country level could be more comprehensive, well-utilised and adapted to Covid-19 pandemic environment to further verify results on the ground and also to strengthen the data collection of the intervention impacts and effectiveness. As the PEA Project team structure was designed in such a way that it was not possible for the technical and M&E specialists to travel to the 10 PEA countries, this could possibly be done in collaboration with existing:

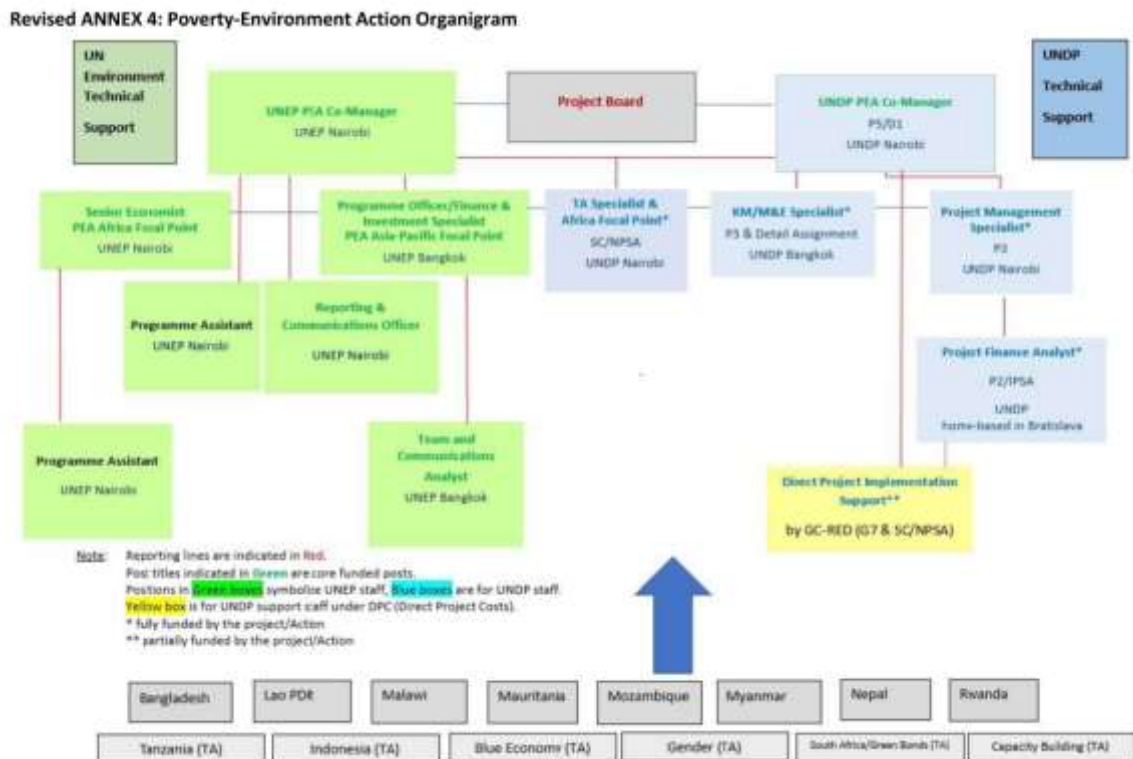
- UNDP country office programme M&E teams through an appropriate PEA Project activity agreement
- PEA countries' established oversight bodies/mechanisms who are given the mandate to hold governments to account on effective and efficient implementation delivery of government policies, plans, regulations and investments

By doing so, the M&E activities could be better positioned to provide assurance of result outputs and outcomes being met.

3.2.5 Managing Agent

As the Managing Agent, UNDP offered substantive support services to the PEA Project, which included project management/administration, financial reporting, procurement support, and technical advisory services. The PEA Project updates to the PB meetings were comprehensive and timely produced. The PEA Project reports (PEA Project global annual reports, PEA country quarterly/annual progress reports) covered many details and provided insights into project implementation, overall management, the many challenges faced in project implementation and mitigations/counter-measures to overcome the barriers.

The PEA PRODOC also provided an organogram of key PEA Project staff responsible for providing technical assistance and carrying out administrative and management tasks as shown below.



This would comprise the following key PEA Project global staff:

- Two PEA Co-Managers (UNDP and UNEP) based in Nairobi, Kenya, with the following joint responsibilities:
 - Provide strategic guidance (UN Environment primarily on environmental governance and UNDP primarily on poverty and inclusive growth) and advocacy for the employment of innovative approaches and tools by regional and global institutions (including the UN) in support of the poverty-environment nexus for the SDGs
 - Oversee knowledge and lessons learning products and dissemination
 - Jointly implement Poverty-Environment Action resource mobilization strategy and partnerships. Manage donor agreements (by agency) related to the receipt of contributions.
 - Ensure that poverty-environment mainstreaming and related tools (including gender and human rights mainstreaming) are applied in Poverty-Environment Action.

The UNDP and UNEP PEA Co-Managers also had additional agency-specific responsibilities. Notably the UNDP PEA Co-Manager as MA would serve as the assigned UNDP authority (Project Manager) with responsibility for implementation of all financial, operational and strategic decisions, and to the extent possible all project management decisions within the threshold of the project manager's tolerances (10%) should be jointly agreed with the UNEP PEA Co-Manager while any financial, implementation or other issues where consensus could not be achieved issues would be submitted to the Project Board for decision.

- UNDP Project Management Specialist based in Nairobi, Kenya, with the responsibility of performing activities relating to the administration of the PEA Project
- UNDP PEA Finance Analyst based in Bratislava with the responsibility of ensuring transparent utilisation of financial resources and sound financial management of the PEA Project
- UNEP PEA Africa Regional Co-ordinator and Chief Economist based in Nairobi, Kenya, with the responsibility of (1) supporting the PEA Africa country projects and technical advisory activities, (2) providing economic advisory support to PEA projects and technical advisory activities in general, and (3) supporting the UNEP Africa Office on projects and activities relevant to the attainment of the PEA objectives
- UNEP Finance & Investment Specialist/PEA Asia-Pacific Regional Coordinator based in Bangkok, Thailand, with similar responsibilities as the UNEP PEA Africa Regional Co-ordinator and Chief Economist but focussing in the Asia region
- UNDP PEA Technical Specialist based in Nairobi, Kenya, with the responsibility of providing technical advice on the development and implementation of technical assistance proposals as well as the implementation of PEA country projects in the Africa region
- UNDP Knowledge Management M&E Specialist based in Bangkok, Thailand, with the main responsibility of effective monitoring, evaluation and knowledge management of the PEA Project to be in line with UNDP standards
- a PEA Project support team of Programme Assistant, Reporting & Communications Officer, Team and Communications Analyst

The evaluation observed that only the positions of UNDP Project Management Specialist (Nairobi, Kenya), UNDP PEA Technical Specialist, UNDP PEA Finance Analyst (Bratislava) and UNDP Knowledge Management M&E Specialist were dedicated full-time PEA Project positions while the other PEA Project staff were part-time PEA Project positions with responsibilities and commitments shared with other UNDP or UNEP projects/programmes. While this composition did not appear to significantly hinder the progressive implementation of the PEA Project, the evaluation assessed that:

- the job descriptions of the above key global PEA Project team did not appear to be fully complete and not written consistently according to standard UNDP job description template formats. Typically for UNDP recruitment, the competencies, education qualifications and required experience are specified for each job position. The level of the position would also be specified based on these criteria. The evaluation observed that these specific attributes were fully written in the job descriptions for only 3 out of the 12 PEA Project global team roles such as the UNDP PEA Technical Specialist, Knowledge Management M&E Specialist and Project Management Specialist
- project team structure could be better fit-for-purpose for a full-time programme management facility/office set up with at least one full-time technical specialist expertise responsible for the delivery of each PEA global output
- full-time commitments of all key PEA Project staff, especially the PEA Co-Managers, would bring potentially greater focus in increasing the PEA Project's visibility, recognition and collaboration to further drive the PEA Project in achieving its overall objectives

3.3 Achievement of Project Results

The evaluation rated the PEA Project’s project results according to the evaluation ratings table listed below in Table 7.

Table 7: Evaluation Ratings Table

Evaluation Ratings for Relevance, Coherence, Effectiveness, Efficiency, Human Rights and Gender Equality	Sustainability Ratings:
6. Highly Satisfactory (HS): no shortcomings 5. Satisfactory (S): minor shortcomings 4. Moderately Satisfactory (MS): moderate shortcomings 3. Moderately Unsatisfactory (MU): significant shortcomings 2. Unsatisfactory (U): major shortcomings 1. Highly Unsatisfactory (HU): severe shortcomings	4. Likely (L): negligible risks to sustainability 3. Moderately Likely (ML): moderate risks 2. Moderately Unlikely (MU): significant risks 1. Unlikely (U): severe risks
Additional ratings where relevant: Not Applicable (N/A) Unable to Assess (U/A)	

3.3.1 Overall Results

The evaluation rated the PEA Project’s overall results with reference to its 1 outcome and 3 project outputs as per stated in the PEA PRODOC. The overall reported results are presented below in Table 8.

Table 8: Overall Reported Results Matrix – PEA Project

Results colour code:

Achievement exceeded	Fully Achieved	Moderately Achieved	Partially Achieved	Did Not Achieved	Unable to Assess
PEA Project					Result
Outcome: Strengthened integration of poverty-environment climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs <ul style="list-style-type: none"> • 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 					Moderately Achieved
Output 1: Development planning, budgeting, and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication <ul style="list-style-type: none"> • Output Key Deliverable 1.1: Number of planning frameworks, legislation and regulations that integrate the poverty-environment nexus (per country). • Output Key Deliverable 1.2: Viable alternative policy position(s) on poverty-environment issues formulated by non-government actors • Output Key Deliverable 1.3: Number of government-led inter-sectoral coordination mechanisms that promote coherence of planning frameworks, legislation and regulations. • Output Key Deliverable 1.4: Number of countries where environmental-social-economic data is collected, analysed and reported applying a poverty-environment nexus perspective through national development and SDG monitoring systems 					Moderately Achieved

Achievement exceeded	Fully Achieved	Moderately Achieved	Partially Achieved	Did Not Achieved	Unable to Assess
PEA Project					Result
<p>Output 2: Public finance and investment frameworks incentivise shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication</p> <ul style="list-style-type: none"> • Output Key Deliverable 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). • Output Key Deliverable 2.2: Number of countries with increased annual and medium-term sector budget allocations that reflect environmental sustainability and climate for poverty eradication. • Output Key Deliverable 2.3: Number of countries with fiscal instruments (tax, incentives, user-fees, etc.) adopted in policies and regulations that prioritise quality investments. • Output Key Deliverable 2.4: Number of guidelines and tools to manage private sector investment decisions that facilitate or prioritise quality investments. 					Moderately Achieved
<p>Output 3: SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools</p> <ul style="list-style-type: none"> • Output Key Deliverable 3.1: Number of Poverty-Environment Action knowledge sharing and learning products that are referenced by regional and global networks. • Output Key Deliverable 3.2: Number of countries adopting Poverty-Environment action tools/approaches resulting from South-South knowledge collaborations. • Output Key Deliverable 3.3: Number of regional and global Poverty-Environment Action partner programmes and agencies that apply an integrated mainstreaming approach. 					Moderately Achieved

The evaluation further assessed that the:

- PEA Project’s first year (2019) targets had their results deferred due to the transition time needed to conduct the inception phase, finalise the PRODOC baseline indicators and targets, and preparation and approval of fully-fledged/TA country projects
- PEA Project’s second (2020) and third (2021) targets were affected mainly due to the COVID-19 pandemic, various national/sub-national elections which resulted in major changes to governments, and the prolong procurement of technical consulting resources required to implement various project activities across the 10 PEA countries
- PEA Project Team, despite its current composition/structure as previously mentioned in Section 3.2.5 and project budgetary constraints, had done its best to deliver and achieve the desired project results despite encountering significant external factors/challenges
- interventions designed under the PEA Project could not yet be determined if they were broadly effective in bringing about the desired outcome although these interventions could be assessed as potential. This was due to the need to give time for the long-term effects of the PEA Project interventions to be embedded and to measure according to the outcome indicators

3.3.2 Relevance

Achievement Rating: **4/6** (Moderately Satisfactory – Moderate Shortcomings)

The PEA Project PRODOC was at that time designed to be relevant, appropriate, and strategic towards achieving the 2030 Agenda and SDG goals. The PEA Project worked closely with the 10 PEA countries to align with the national priorities and SDG targets of the respective country, particularly in promoting the poverty-environment nexus, inclusive economic growth and sustainable development.

The PEA Project aligns and contributes directly to the poverty and environment related SDGs namely SDG 1: No Poverty, SDG 3: Good Health and Well-Being, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production, SDG13: Climate Action; SDG 14 Live Below Water; SDG15: Life On Land, and SDG 16: Peace, Justice and Strong Institutions. The PEA Project outcomes would also indirectly contribute to the other SDGs.

The PEA Project initially encountered PRODOC design issues to be relevant to donor priorities which was subsequently addressed after a prolong period of finalising the PRODOC. While the PEA Project responded to being strategically relevant to UNDP Strategic Plan Outcome 1 and Output 1.1.1, being strategically relevant to UNEP Midterm Strategy Output 1 and Output 2, and relevant to most national/donor priorities, the evaluation assessed that:

- it could not yet be determined if the PEA Project had achieved the level of transformational impact desired
- the project design and implementation could be more targeted in terms of influencing legislative and regulatory changes, and public finance budgetary policy and process design/update that could lead to long-term transformational impact in environmental mainstreaming, sustainable economic growth and poverty reduction

The evaluation observed that PEA Project was known in 8 PEA countries (such as Indonesia, Bangladesh, Nepal, Myanmar, Tanzania, Mauritania, Mozambique) as a different name and/or another “donor/partner” for another ongoing project which could have reduced the project relevance and visibility as an influential agent of change. The evaluation assessed that there could be better opportunities to benefit from better coherence, coordination, and complementarity with other UN and Donor-funded activities at the country level, such as PEA country projects having in-country meetings with global PEA donors, to maximise the impact of interventions. By doing so, the PEA Project team could further strengthen its engagement with other UN agencies and donors at the country level to consistently identify potential areas of collaboration and leverage resources to achieve common goals.

The PEA Project's framework indicators and targets could be better framed, particularly the outcome indicators to ensure that it is aligned with the project's overall objectives. The PEA Project should also establish a clear baseline and targets for each indicator during the PRODOC design stage to enable effective monitoring and evaluation of progress over time.

The PEA Project design, due to its intended focus, did not directly address the needs and interests of vulnerable groups, gender equality, the empowerment of women, and the human rights-based approach. The PEA project should consider incorporating a stronger gender-responsive and human rights-based approach in its design of the output indicators and targets to address the needs and interests of all groups, including the vulnerable and disadvantaged groups.

3.3.3 Coherence

Achievement Rating: **5/6** (Satisfactory – Minor Shortcomings)

The coherence of the PEA Project interventions is a crucial factor in determining the effectiveness of the project.

The PEA Project interventions at country level were closely coherent with the existing policies, strategies, and priorities of the countries. Coherence was evident from the fact that the country-level interventions were generally aligned with the PEA country national development plans and sectoral policies of the partner countries. Furthermore, the interventions were consistent with the strategic priorities of the UNDP and UNEP in promoting sustainable development, environmental mainstreaming and poverty reduction. For example in Malawi, coherence was reportedly enhanced by developing and implementing the PEA project as a joint UNDP/UNEP/UN Women/FAO project.

One key area that the PEA Project could further improve its coherence would be in the better synergies and interlinkages between the PEA Project and other interventions carried out by partner countries and country technical partners. While the PEA Project interventions were relevant and responsive to the specific needs and context of the PEA countries, more collaboration and coordination with other development partners and project initiatives should be encouraged.

The PEA Project reported providing support to UNRC offices in Mozambique and Malawi. In Mozambique, UNDP and UNEP reportedly co-led the United Nations Sustainable Development Cooperation Framework (UNSDCF) climate resilience and sustainable use of natural resources strategic priority area, and the PEA Project in Malawi reportedly supported preparation of a UNRC-led UN climate adaptation project document. The PEA Project also received follow-ups from UNRCs of non-PEA countries to explore application of PEA tools and collaboration on green private finance and support of UNCTs. This showed that PEA country projects could potentially influence UNRC and other UN agencies at the country level to increase the priority to integrating sustainable environmental and natural resource management and climate resilience building in UNCT country processes and programmes.

The evaluation assessed that greater synergies and interlinkages between the PEA Project interventions and other project interventions/activities at country level should continue to further strengthen the poverty-environment sustainability efforts, maximise efficiencies, and enable greater opportunities for leveraging resources and institutional capacities. Hence it would be important to strengthen the coordination and collaboration among different development partners and project initiatives to ensure that the interventions are complementary and effective in achieving the overall objectives.

Another area where the PEA Project could further strengthen coherence would be aligning with other poverty environment mainstreaming initiatives both at the global and country level. For instance, the PEA Project and the PAGE Project² had similar outcomes (but with different focus) and had engaged each other in collaborating to mainstream poverty-environment linkages into national development planning and budgeting processes.

The collaborative efforts with other like-minded programmes, such as the PAGE Project, should be encouraged to enhance the relevance and effectiveness of the interventions. The collaboration could help to share knowledge and experiences, leverage resources and institutional capacities, and identify complementarities and gaps in the existing interventions.

The evaluation also observed that 8 out of 10 PEA countries (such as Indonesia, Bangladesh, Nepal, Myanmar, Tanzania, Mauritania, Mozambique) were country projects that were not known on the ground as a PEA Project. These PEA country projects were known as other project names or additional project donor support with little/no resemblance to promote the PEA Project as a relevant flagship name among the PEA countries.

Therefore, the PEA Project should seek opportunities to collaborate and coordinate with other development partners and initiatives to ensure that the interventions are relevant, effective, and sustainable. Moreover, the collaboration could help to promote the harmonisation of approaches and methodologies, which would be essential for achieving the overall objectives of mainstreaming poverty-environment linkages into national development planning and budgeting processes.

Coherence would also be affected by the level of communication with key partners and stakeholders at the country level to align with the broader goals and strategies of the PEA Project, its relationship to other activities and initiatives and its place within the broader development context in the PEA countries. The evaluation acknowledged that the PEA Project website, internal Results-Based Management network of the 10 PEA countries, organised global retreats and webinars as part of communications and knowledge management. However the evaluation assessed that the PEA Project could further strengthen regular and effective communications processes and mechanisms with key partners and stakeholders at country level, especially bilateral technical cooperation/exchanges among the PEA countries.

² The PAGE (also known as "Partnership for Action on Green Economy") Project is an interagency programme of five UN agencies (UNEP, ILO, UNDP, UNIDO and UNITAR). During its start-up phase, PAGE was housed in UNEP's Green Economy Initiative (GEI), then established as a joint programme in June 2014 with its four founding agencies: ILO, UNEP, UNIDO, UNITAR, joined by UNDP later that year. Bringing together the expertise, perspectives, and convening power of these five UN agencies, the PAGE Project set out to progressively assist qualifying countries in advancing on green economy pathways by developing, adopting, and implementing enabling conditions, policies, and strategies. The collective, coordinated, complementary support of these agencies was expected to provide a more comprehensive, strategic support package, beyond individual departmental mandates, that would build needed capacities and trigger policy reform with reduced transaction costs for the participating countries and PAGE partners. PAGE is engaged in 20 countries with different lead agency. The PAGE Secretariat is hosted by UNEP and the PAGE Multi Partner Trust Fund (MPTF) is hosted by UNDP.

3.3.4 Effectiveness

Achievement Rating: **4/6** (Moderately Satisfactory – Moderate Shortcomings)

The evaluation provided an overall analysis of the effectiveness of the PEA Project interventions which comprised 2 types: fully-fledged country projects and TA projects (comprising Indonesia, Tanzania, blue economy, green bonds, capacity building and gender) as shown in Table 9 below.

Table 9: Overall Analysis of Effectiveness of PEA Project

Overall Analysis of Effectiveness of PEA Project	Evaluation Assessment/Remarks
<p>Outcome: Strengthened integration of poverty-environment climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs</p>	<p>The evaluation could not yet determine if interventions designed under the PEA Project were broadly effective in bringing about the desired outcome although these interventions could be assessed as potential. This was due to the need to give time for the long-term effects of the PEA Project interventions to be embedded.</p> <p>Furthermore, outcome indicators in the PRODOC were more output-oriented than outcome-oriented.</p>
<ul style="list-style-type: none"> • Outcome Indicator 1: Number of countries demonstrating alignment between poverty-environment objectives in plans and related budget allocations 	<p>The evaluation noted the PEA Project reporting an increasing number of PEA countries reportedly demonstrating alignment between poverty-environment objectives in their plans and related budget allocations as highlighted by some examples shown below:</p> <ul style="list-style-type: none"> • Indonesia and Rwanda PEA interventions contributed to increased alignment between poverty-environment objectives in budget plans and allocations • Bangladesh PEA interventions developed a Development Finance Assessment and SDG Financing Strategy • Nepal PEA interventions produced SDG budget code guidelines • Tanzania PEA interventions contributed to the Tanzania Third Five-Year Development Plan (FYDP III) and related strategies such as the Integrated National Financing Framework and FYDP III Monitoring and Evaluation (M&E) Strategy • Mozambique and Nepal PEA interventions supported localisation of SDGs and nationally determined contributions (NDCs) <p>The evaluation assessed that while national plans and guidelines for incorporating poverty-environment objectives in plans and related budget allocations were reportedly achieved, the benefits/impacts/change effects could not be determined within the PEA Project implementation period and could only be determined beyond the project duration in the mid and long-term cycle.</p>
<ul style="list-style-type: none"> • Outcome Indicator 2: Number of countries with increased investments in support of environmental sustainability and climate priorities for poverty eradication 	<p>The evaluation noted that there was no significant change to countries having increased public investments in support of environmental sustainability and climate priorities for poverty eradication. Nevertheless, PEA countries like Lao PDR, Malawi and Tanzania engaged in building government capacities and built their support towards strengthening public-private partnerships to enhance quality investments from the private sector. These countries were reportedly working at decentralised levels to ensure that investments benefit the poor within the communities.</p> <p>Furthermore, the evaluation assessed that it was too early or pre-matured to determine the benefits/impacts/change effects within the PEA Project implementation period and could only be determined beyond the project duration in the mid and long-term cycle.</p>

Overall Analysis of Effectiveness of PEA Project	Evaluation Assessment/Remarks
<ul style="list-style-type: none"> Outcome Indicator 3: Number of tools and approaches applied by regional and global partners in support of poverty-environment nexus for SDG acceleration 	<p>It was reported that technical assistance interventions on blue economy, green bonds and gender provided tools, guidelines and assessments that recognised the private sector’s critical role in poverty reduction and environmental sustainability as highlighted by some examples shown below:</p> <ul style="list-style-type: none"> five investment dossiers for bankable investments have been completed based on the joint ADB-PEA report “Financing the Blue Economy: Investments in Sustainable Blue Small-Medium Enterprises and Projects in Asia and the Pacific.” Regional and global partners have referenced PEA tools and approaches 27 times which was noted as an indication of growing interest that needs more advocacy work to transition to adoption. Sustainable municipal bonds have been adopted in Indonesia and South Africa in support of the poverty-environment nexus for SDG acceleration. An additional three countries (Bangladesh, Cambodia and Sri Lanka) reportedly expressed a strong interest in applying integrated mainstreaming tools and approaches with support from PEA <p>The evaluation further assessed that the technical assistance interventions on blue economy, green bonds and gender were more like pilot/research studies that did not yet produce the desired value/benefit/ change/impact although there could be potential effectiveness if these interventions were embedded with national government collaboration, ownership and support.</p>

The evaluation further assessed that:

- as mentioned above, the PEA Project’s outcome indicators in the PRODOC were more output-oriented (WHAT IS BEING PRODUCED - EFFICIENCY) than outcome-oriented (WHAT IS THE VALUE/BENEFIT/ CHANGE/IMPACT - EFFECTIVENESS). This in turn affected the design and monitoring of outcome-oriented results at the fully-fledged country and country TA projects. While the PEA Project endeavoured to make a transformational impact change, this did not fully materialised.
- the PEA Project worked closely with fully-fledged country/TA projects teams to appropriately respond to the needs of the national partner priorities. As earlier mentioned, the evaluation assessed the need for better alignment of the fully-fledged country/TA projects’ results to the PEA Project’s global output and outcome indicators and observed limited legislative, policy and regulatory frameworks being changed at country level as a result of PEA Project interventions. Hence the evaluation could not yet ascertain if there were sufficient mechanisms/processes in place that would support the long-term effectiveness of the PEA Project interventions.
- the PEA Project flagship global products/institutional tools (such as the “Mainstreaming Environment and Climate For Poverty Reduction and Sustainable Development” Handbook and Multidimensional Poverty Index tool) did not appear to be prevalent or extensively embedded in any of the fully fledged country and country TA projects.
- The PEA Project global team of regional technical experts did provide some technical support to fully-fledged country and country TA projects. However the evaluation observed that most or all of the fully fledged country and country TA projects engaged external local/international consultants and contracted technical advisors for the technical work. The PEA Project could instead deploy full time technical expert leads at global/regional level to advocate/integrate/communicate/influence the global flagship products/institutional tools (both current and newly developed) consistently into country level projects

- The PEA Project did promote the South-South/Triangular cooperation. However the active communication of PEA Project at global/regional/country platforms should be strengthened and more coherent to promote awareness of PEA Project achievements.
- Although the PEA Project organised webinars, regional workshops and global virtual retreats for fully-fledged/TA countries to share experiences despite COVID-19 travel restrictions, the evaluation observed that many fully-fledged/TA countries were still not fully aware of each other technical progress and achievements and lessons learnt. Technical exchanges/cooperations bilaterally between country offices to share best practices and sharing of technical experiences were appreciated but limited during the PEA Project implementation period. This should be encouraged and increased to promote awareness and joint bilateral technical cooperation among the PEA and non-PEA countries.

3.3.5 Efficiency

Achievement Rating: **4/6** (Moderately Satisfactory – Moderate Shortcomings)

The PEA Project management structure as outlined in the PEA Project PRODOC could be further improved to be more efficient in generating the expected results. The project management structure could be enhanced with better communication and collaboration between the different teams through more streamlined reporting procedures, and to ensure clear roles and responsibilities were established and adhered to. This could result in more efficient use of resources and improved project outcomes. The evaluation noted that the combined expertise of the PEA Project team could be further strengthened with programme management and technical expert leads with fresh ideas/innovations and capabilities to efficiently deliver against the PEA Project's objectives and targets. This could be enhanced by adding full-time technical expert leads and program management experts to the team, where necessary to improve the team's ability to manage the project's implementation effectively, deliver quality outputs and outcomes, and achieve the project's objectives and targets efficiently.

Although the PEA Project faced some initial funding shortfalls among other issues faced in the beginning of project implementation, the project team was able to mobilise additional resources to ensure that project implementation was not significantly impacted. However, future programs of similar complexities could benefit from a more comprehensive and sustainable funding strategy to avoid any potential disruptions to project implementation.

The PEA Project team demonstrated appropriate financial controls, including reporting and planning, that allowed management to make informed decisions regarding the project's budget. This facilitated the timely flow of funds, which helped ensure the efficient delivery of project implementation.

The use of co-financing was strategic and helped to enhance the efficiencies of the project's resources, which contributed to improved project outcomes. Country project teams worked closely with PEA global project team to align financing priorities and annual work plans.

Despite the challenges posed by the COVID-19 pandemic, the PEA Project demonstrated resilience and agility in adapting to the changing circumstances by implementing appropriate measures to mitigate the impact of the pandemic on the project's implementation such as virtual meetings and remote work arrangements. By doing so, this ensured the safety and well-being of project stakeholders.

Table 10 below showed the implementation status of each PEA Project output as assessed by the evaluation based on the draft PEA Project global terminal report.

Table 10: PEA Project Implementation Status

EXPECTED OUTPUTS	OUTPUT KEY DELIVERABLE INDICATORS	PEA PROJECT (2018-2022)		
		Baseline	Target	Total Reported Achievements as of 31 st December 2022
Output 1 – Development planning, budgeting, and monitoring systems integrate environmental sustainability and climate objectives for poverty eradication <u>Implementation Status:</u> Moderately Achieved	1.1. Number of planning frameworks, legislation and regulations that integrate the poverty-environment nexus (per country).	22	95 (OLD- 2018) 100 (NEW- 2021)	153
	1.2. Viable alternative policy position(s) on poverty-environment issues formulated by non-government actors	0	3 (OLD- 2018) 7 (NEW- 2020)	245
	1.3. Number of government-led inter-sectoral coordination mechanisms that promote coherence of planning frameworks, legislation and regulations.	5	35	20
	1.4. Number of countries where environmental-social-economic data is collected, analysed and reported applying a poverty-environment nexus perspective through national development and SDG monitoring systems	2	7 (OLD- 2018) 10 (NEW- 2020)	18
Output 2 – Public finance and investment frameworks incentivise shift in public and private investments towards environmental sustainability and climate objectives for poverty eradication <u>Implementation Status:</u> Moderately Achieved	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	48 (OLD - 2019) 25 (NEW- 2020)	25
	2.2. Number of countries with increased annual and medium-term sector budget allocations that reflect environmental sustainability and climate for poverty eradication.	0	6	4

EXPECTED OUTPUTS	OUTPUT KEY DELIVERABLE INDICATORS	PEA PROJECT (2018-2022)		
		Baseline	Target	Total Reported Achievements as of 31 st December 2022
	2.3. Number of countries with fiscal instruments (tax, incentives, user-fees, etc.) adopted in policies and regulations that prioritise quality investments.	0	3 (OLD - 2019) 5 (NEW-2021)	6
	2.4. Number of guidelines and tools to manage private sector investment decisions that facilitate or prioritise quality investments.	8	24 (OLD - 2019) 31 (NEW- 2020)	70
Output 3 – SDG implementation and acceleration processes leveraged to scale up use of integrated poverty-environment mainstreaming approaches and tools. <u>Implementation Status:</u> Moderately Achieved	3.1 Number of Poverty-Environment Action knowledge sharing and learning products that are referenced by regional and global networks.	23	26 (OLD - 2019) 63 (NEW-2020)	60
	3.2 Number of countries adopting Poverty-Environment action tools/approaches resulting from South-South knowledge collaborations.	9	12 (OLD- 2019) 18 (NEW- 2020)	8
	3.3. Number of regional and global Poverty-Environment Action partner programmes and agencies that apply an integrated mainstreaming approach.	13	18 (OLD- 2019) 20 (NEW- 2021)	23

As previously mentioned, the evaluation observed that counting (1) low-level project activities in the 1st and 2nd year of project implementation when the countries had not yet achieved major results then and (2) country/TA products that the evaluation assessed not being fully qualified/aligned to the global indicators (such as key budget policy documents, planning frameworks, legislations and regulations). In doing so, this might not accurately reflect the cumulative achievement of the desired global output targets. Hence the evaluation assessed that in terms of output targets as compared to the stated baselines, the PEA Project moderately achieved the intended outputs:

- Output 1 considered moderately achieved
- Output 2 considered moderately achieved
- Output 3 considered moderately achieved

In relation to the above and also previously mentioned in Section 3.2.4 on M&E activities, the PEA Project's M&E system in data collection processes could be strengthened to enable verification of results on the ground and accurately assess the intervention impacts and effectiveness.

In terms of resource efficiency, the PEA Project under-spent its allocated total project cash funds with about expected June 2023 balance of US\$1.2 million of which, as previously mentioned, unused donor funds would be returned back in full to the respective donors. Key PEA Project and PEA country project teams generally expressed that these unused funds could have been re-allocated towards implementing a sustainability phase for the PEA Project comprising other project sustainability-related activities through another PB-approved extension of the PEA Project. The evaluation also assessed that efficiency and utilisation at country level improved in the 2nd half of PEA Project duration period, towards the end of the project implementation period.

3.3.6 Sustainability

Sustainability Rating: 2/4 (Moderately Unlikely - Significant Risks)

The evaluation assessed that the majority of national partners established some institutional capacities with sustainability strategies. However, there could be more room for improvement in continuing the newly established institutional capacities and more needed to be done to sustain the outcome-level results after the PEA Project ended. The evaluation noted this attribution to constraints linked to the PEA Project design and inadequate funding levels. Additionally, the technical expertise resource and staff from the early PEI phase was not continued into the PEA Project phase at the same level, and there was reduced technical expert leads in the PEA Project at global/regional level. This meant that the retention/renewal of institutional knowledge in poverty-environment sustainability could not be sustained.

Due to limited legislative, policy and regulatory frameworks being changed at country level as a result of PEA Project interventions (including capacity building to national/sub-national governments), the evaluation could not yet be certain if there were sufficient mechanisms/processes in place that will support the continuation of benefits gained as the PEA Project country offices still identified continuous capacity building efforts as required.

During the PEA Project duration period, an online course/capacity building platform (in partnership with UNITAR) on poverty-environment-climate mainstreaming and a poverty-environment action helpdesk were established. Furthermore, the PEA Project also developed institutional knowledge handbooks/tools and policy briefs which were being transferred to a knowledge repository website (<https://www.greengrowthknowledge.org/initiatives/poverty-environment-action/knowledge>). The evaluation observed that information on this knowledge repository website might not be easily located as the PEA Project materials formed part of the extensive and expansive materials that were already stored on this knowledge repository website.

Furthermore while the PEA Project developed a strategic sustainability action paper note entitled “Sustaining and Broadening Poverty-Environment Action Impact After 2022”, the evaluation assessed that the sustainability paper could have been developed in the early stages of the PEA Project and not in the final year of the PEA Project. The evaluation noted that sustainability concerns and sustainability planning were discussed and informed implementation plans prior to the drafting of the sustainability paper with some sustainability issues being discussed and followed-up on from the earliest stages of implementation at PB meetings. While noting that the sustainability of PEA Project would also depend on other complementary projects and initiatives in PEA countries, UNEP and UNDP indicated some PEA products would be mainstreamed and offered as part of its response to country demand for mainstreaming and integration services.

However the evaluation could not fully ascertain on whether these post PEA Project interventions and products/materials would be referred to and whether these would continue guiding the work of UNDP and UNEP. The evaluation noted that the remaining expected June 2023 balance of US\$1.3 million could have been allocated to strengthen the sustainability of results attained in the respective PEA countries.

The evaluation noted that the majority of national partners committed to continuing the PEA Project efforts but requested more continuous funding to enable the much needed technical support to embed all PEA Project country interventions.

The evaluation observed that the PEA Project started the momentum on the need for partnerships to exist with other national institutions, NGOs, UN agencies, the private sector and development partners to sustain the attained results. However this did not appear to be sustained, especially private sector partnerships.

Benefits gained from the PEA Project interventions could be potentially sustained if the platforms, networks, institutional infrastructures, and the legislations and regulations are set up to provide the right environment and favourable conditions to thrive and sustain:

- Political platform/factors – there would need to be strong support and commitment from (1) the legislators/lawmakers to enhance the policies, legislations and regulations to strengthen integration of poverty-environment climate objectives with the right environment and favourable conditions to thrive and sustain, (2) the national/sub-national authorities to send a strong unified and consistent message on poverty-environment mainstreaming
- Technical platform/factors – national/sub-national institutional infrastructures with implementation and oversight mandates need to be strengthened to support long-term sustainability of poverty-environment mainstreaming
- Social platform/factors – regional exchange visits (virtual, face-to-face) on technical experience sharing, increased South-South Triangular Cooperation and targeted information campaigns to different regions and community groups on the importance of poverty-environment mainstreaming would be essential

3.3.7 Cross Cutting Issue - Human Rights (Including Vulnerable Groups and Disability Inclusion)

Achievement Rating: 4/6 (Moderately Satisfactory – Moderate Shortcomings)
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The evaluation assessed that the target indicators for the PEA Project were not targeting people human rights directly with indirect emphasis on the poor, indigenous and physically challenged/disabled, women and youth/children, and other disadvantaged/vulnerable and marginalised groups. The PEA Project PRODOC design and implementation was formulated in a way that the PEA Project’s role was more broadly at the policy level that would indirectly reduce poverty and improve human rights in the long-term.

The evaluation further noted that the lack of direct emphasis was likely attributed to the PEA Project being designed to focus on gradually shifting government priorities and resource allocation in aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation. While the PEA Project PRODOC did not include gender and other specific categories relating to people human rights, the evaluation noted the project implementation ensured that gender and human rights were upheld by PEA country projects in Rwanda, Malawi, Indonesia, Bangladesh and Lao PDR which had strategic activities relating to gender mainstreaming and human rights.

It could be possible that the PEA Project's interventions could potentially contribute to enhance fulfilment of people's economic and social rights as well as the leave no one behind agenda in the long-term as recognised in the PRODOC Theory of Change. However the evaluation could not yet determine if this would successfully happen.

3.3.8 Cross Cutting Issue - Gender Equality

Achievement Rating: 4/6 (Moderately Satisfactory – Moderate Shortcomings)
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The PEA Project considered gender equality and women empowerment in the PRODOC design, indicated by the project's programming to incorporate gender in country-level poverty-environment mainstreaming efforts. This would include the promotion of gender equality in poverty-environment strategies and in mainstreaming efforts. However the evaluation assessed that the PEA Project PRODOC output key deliverable targets did not have clear and coherent gender equality targets for measurement. The evaluation noted that the majority of fully-fledged country/TA project proposals (with the exception of Indonesia, Malawi and Tanzania) also did not specify a gender mainstreaming strategy and did not include appropriate gender equality targets for measurement. Hence the evaluation also assessed that the PEA Project had limited coordinated approach in implementation, monitoring and reporting of gender equality and women empowerment among the fully-fledged/TA country offices. As previously mentioned, the evaluation noted the lack of emphasis was likely attributed to the PEA Project being designed to focus on gradually shifting government priorities and resource allocation in aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation.

Some interventions in the TA and fully-fledged country projects had looked into gender equality and women empowerment. Examples of reported evidences included:

- A report and technical guidelines on gender-responsive climate budgeting in Indonesia
- Gender indicators for budget circulars in Rwanda
- Gender-sensitive investment solutions/recommendations emerging from the Multidimensional Poverty Assessment Tool and Cost-Benefit Analysis Report in Tanzania
- Malawi (in partnership with FAO and UN Women) developed a report on how non-inclusive and unsustainable natural resource management issues reduces agricultural productivities, hampers poverty reduction and gender equality efforts
- UN Women research studies on (1) Mozambique and Zimbabwe in conducting research on integrating gender, environment and economic development in the agricultural sector, and (2) assessing women's benefits from 10% agriculture budget allocation by governments

While there are some reported evidences of gender equality interventions being done, the evaluation could not yet determine whether the PEA Project contributed positive changes or generated effects in gender equality and the empowerment of women.

4. KEY SUCCESS STORIES ON POVERTY-ENVIRONMENT ACTION

4.1 PEA Technical Assistance (TA) Project: Restructuring Indonesia's Development Planning and Budget-Making Processes to a More Integrated Poverty-Environment Approach

Background and context:

Indonesia has made efforts in poverty alleviation in the past 10 years and has successfully reduced the percentage of population living in poverty from 17.75 percent (2006) to 9.82 percent (2018). Even though the absolute number of poverties is still significant (25.95 million people), the poverty severity and depth index have also decreased. However, there is a significant risk that governments' inappropriate climate change responses adversely jeopardise poverty reduction efforts and gender equality, particularly for people in the rural and coastline areas.

To tackle GHG emissions, the Government of Indonesia (GoI) issued the National Action Plan on Climate Change Mitigation (RAN-GRK) in 2011, which commits to reducing GHG by 26% with its own efforts, and up to 41% with international support, against the business as usual (BAU) model by 2020. More recently, the Indonesia's Nationally Determined Contribution (NDC) updated the unconditional GHG emissions reduction target from 29% to 31.89% and conditional reduction from 41% to 43.2% (with sufficient international support) by 2030.

In terms of SDG financing, Indonesia continues to improve the alignment of government spending to the SDGs, due to more effective and efficient planning, enhanced cooperation between the government and private sector in financing strategic projects and promoting bank services to support development.

Funding the SDGs and the NDC requires very significant resources. Domestically, the estimated costs of Indonesian climate change mitigation and adaptation actions for 2015-2020 is USD 81 billion. To fund infrastructure development, an amount of USD 353 billion is needed for 2019 alone – of which 30% is expected to come from the financial market. According to Indonesia's Third Biennial Update Report (BUR3), approximately US\$281 billion would be required to achieve Indonesia's unconditional NDC target.

Since 2014, the UNDP assisted the GoI in strengthening its capacities in order to 'green' the processes of policy decision making, and budget planning and monitoring by focusing on the development and implementation of budget tagging and a performance-based budgeting system. Subsequently the Fiscal Policy Agency (FPA) of the Ministry of Finance developed a budget tagging mechanism to mainstream the national budget that correlates with climate change impacts since 2016.

This recently evolved to focus on going beyond government systems to greening government investments. There would be a need to increase the value of public investments that could respond to climate change whilst also promoting transparency, participation, gender equality and poverty reduction.

Results and Potential Impact:

The UNDP Indonesia PEA TA Project implemented activities/interventions and resulted in enable the delivery of gender responsive climate related investment which would have positive impacts on poverty, transparency, and participation as shown in Table 11:

Table 11: UNDP Indonesia PEA TA Project Interventions on (1) Sub-National Climate Budget Tagging and (2) Issuance of Retail Green Sukuk and Green Sukuk Allocation and Impact Report

Selected Results of UNDP Indonesia PEA TA Project Interventions	
Climate Budget Tagging	<p>Following the successful implementation of national climate budget tagging, the UNDP Indonesia PEA TA Project and Ministry of Finance considered to bring the climate budget tagging to sub-national level since 2020. The UNDP Indonesia PEA TA Project supported the Ministry of Finance to develop the guideline/methodological note for the sub-national climate budget tagging in December 2019 and disseminate the materials to key stakeholders which include the Ministry of Home Affairs, Ministry of Environment and Forestry, Ministry of National Development Planning (BAPPENAS), local governments, Non-Government Organisations (NGOs) and Civil Society Organisations (CSOs).</p> <p>Pilot climate budget tagging activities were being carried out in 13 provinces and 7 regencies/cities which reported results showed a high commitment to climate change which stated on the local government/sub-national planning and budgeting documents.</p> <p>The UNDP Indonesia PEA TA Project also developed a policy brief on the climate budget tagging based on the results of piloting and advanced analysis as a recommendation for central and local governments. Climate budget tagging results could then be also used as a reference to integrate the planning and budgeting process into the Sub-national Budgeting Information System (SIKD) under the Ministry of Finance.</p>
Issuance of Retail Green Sukuk and Green Sukuk Allocation and Impact Report	<p>In mid-2019, the UNDP Indonesia PEA TA Project intervention supported the Ministry of Finance to explore the possibility of issuing green sukuk for the retail domestic market. The UNDP Indonesia PEA TA Project conducted a study to assess the potential and risk of retail green sukuk issuance and the market responses.</p> <p>With further continued technical assistance support from the UNDP Indonesia PEA TA Project intervention, by the first quarter of 2023 the GoI was able to generate USD 6.8 billion from five years of issuances of the Green Sukuk. After being the world’s first sovereign Green Sukuk issuer and obtaining an award of “Asia Pacific Green/SRI Bond Deal of the Year” from Global Capital–Euromoney in 2018, on the following year the GoI also issued the instrument in domestic retail market to reach a more diverse market and strengthen the domestic investor base.</p> <p>To date, Indonesia issued US\$ 5 billion of Green Sukuk in the global market while the domestic market issuance value amount to US\$1.8 billion. Proceeds of these issuances were subsequently allocated to eligible green sectors, including Renewable Energy, Energy Efficiency, Resilience to Climate Change for Highly Vulnerable Areas and Sectors, Disaster Risk Reduction, and Sustainable Transport.</p> <p>The UNDP Indonesia PEA TA Project intervention also supported the Ministry of Finance in the development of the annual Green Sukuk Allocation and Impact Report. This report would act as a form of transparency and accountability to the public that the Green Sukuk proceeds were directed to the intended eligible green projects, delivering Indonesia’s climate response. To date, the Government of Indonesia has published four Green Sukuk Allocation and Impact Report to present data from the 2018 until 2021 issuances.</p>



Green Sukuk Impact on Sustainable Transport Sector



Regional Climate Budget Tagging training



Green Sukuk Impact on Waste Management Sector

4.2 PEA Fully-Fledged Country Project: Improving Quality Investment for Achieving Sustainable Development Goals in Lao PDR

Background and context:

Lao PDR is well endowed with natural resources such as mineral, forest, land and fresh water. The Government of Lao PDR is striving to position investments in the natural resource sectors that can directly and indirectly support poverty reduction.

The overall objective of the Lao PDR's 8th National Socio-Economic Development Plan (NSEDP) calls for ensuring political stability, peace and order in society; significantly reducing poverty in all areas; graduating from Least Developed Country (LDC) status by 2020 through continuous, inclusive and sustainable growth; effective management and efficient utilization of natural resources; and full Lao PDR participation in regional and international integration efforts. The 9th NSEDP will run from 2021-2025.

The rapid economic expansion seen in Lao PDR is mostly attributed to inflows of Foreign Direct Investment (FDI) generally targeting the natural resource sector, in particularly the mining, hydro power and agriculture sub-sectors.

FDI and domestic investment in natural resources continue to be the main catalyst of Lao PDR's economic development. Therefore, the government's objectives are to attract investments in priority sectors - hydropower, agriculture and tourism, while at the same time to ensure that these investments are responsible and consistent with the objective of sustainable and inclusive development. Achieving these objectives requires that the Government's plans and strategies are strengthened to attract responsible investments in these priority sectors. It also requires that such investments are screened and more effectively regulated against all quality criteria. This will contribute towards Lao PDR achieving the outcomes listed in the 8th NSEDP related to economic sector development, enterprise development and social development.

The UNDP Lao PEA Fully-Fledged Country Project therefore seeks to promote quality investment – in particular, investment that contributes to poverty reduction and environment. It will do so by focusing on policy and institutional interventions by (1) strengthening coordination of government's regulatory capacity to coordinate and promote higher quality investment, improved ease-of-doing business, transparency, accountability, and effectiveness of investment management for achieving the sustainable development goals in Lao PDR, and (2) strengthening the government's regulatory capacity on the basis that lack of enforcement could affect the development of green economies.

Results and Potential Impact:

The UNDP Lao PEA Fully-Fledged Country Project partnered with the Investment Promotion Department of the Ministry of Planning and Investment (MPI-IPD) to implement activities and interventions. These efforts aimed to remove investment regulatory and business barriers that hinder the development of a healthy, vibrant, and competitive business environment in Laos. Additionally, the project focused on building the capacity and skills of national government staff to effectively regulate environmental compliance and ensure that investment projects fulfill their obligations. As another result, the project contributed to the creation of more job opportunities for local Laotian people, as shown in Table 12.

Table 12: UNDP Lao PEA Fully-Fledged Country Project Interventions on Regulating Investment Projects for Environmental Compliance and Obligation

Selected Results of UNDP Lao PEA Fully-Fledged Country Project Interventions	
<p>Incorporating poverty-environment indicators into the Lao PDR 9th National Social Economic Development Plan (NSEDP)</p>	<p>As part of formulating the 9th NSEDP, the UNDP Lao PEA Project influenced specifically 2 poverty-environment related outcomes and outputs of the NSEDP which resulted in facilitated/supported inclusion of the following poverty-environment indicators:</p> <ol style="list-style-type: none"> 1. Revision and re-evaluation of investment models for the conservation and restoration of forests, such as water source forests with the participation of public and private sectors and the communities. 2. Priority Green Growth: Promote targeted Green Investments in line with the green and sustainable direction to reduce dependence on natural resource extraction and contribute to economic diversification and growth. 3. Collaboration with public and private stakeholders to develop labour skills in line with the development needs in each area and improve and disseminate legislation and regulation related to employers and employees to raise awareness of the rights and interests of investors and workers.
<p>Integrate Green Growth criteria into planning and investment approval process</p>	<p>The UNDP Lao PEA Project collaborated with the MPI-IPD to:</p> <ul style="list-style-type: none"> • initiate the work on Quality Investment Appraisal Guidelines that integrate green growth criteria into investment approval process. The guideline introduces a checklist for the evaluation of concession investment proposals that are in line with the Lao PDR National Green Growth Strategy and international Green Growth practices. The guideline is a critical stepping stone for further integration of Green Growth into investment procedures and will be taken up by the Global Green Growth Institute to work with the Government of Lao PDR on the National Green Growth Strategy 2030 • develop the Investment Compliance Handbook for agriculture, tourism and mining concession to provide information regarding the obligations of investors interested in the respective sectors and in accordance with laws and regulations.
<p>Public-Private Partnership (PPP) regulations incorporating poverty-environment (Economical, Social, Environmental) conditions developed and disseminated</p>	<p>The UNDP Lao PEA Project supported the MPI-IPD in strengthening public-private partnership (PPP) framework since the Government of Lao PDR endorsement of the Decree on Public-Private Partnership (PPP Decree) in 2020. The UNDP Lao PEA Project supported the MPI-IPD to:</p> <ul style="list-style-type: none"> • disseminate the PPP Decree information to affected Lao PDR government line ministries • develop the guidelines on managing solicited PPP proposals and the Standard Operating Procedure (SOP) • conduct a study to identify legal gaps and the best international practices to further develop the solicited guideline for government officials to select and develop the PPP Outline Business Case. • develop an international standard PPP financial model incorporating poverty-environment (Economical, Social, Environmental) conditions. The PPP model contract was applied to the first PPP relating to integrated vehicle and transport management system and the UNDP Lao PEA Project supported the Government of Lao PDR to successfully negotiate this contract with the investor. The PPP model contract was reported to the Lao PDR National Assembly for final approval before official signing with the investor.

Selected Results of UNDP Lao PEA Fully-Fledged Country Project Interventions	
Investment Database	<p>To ensure investment compliance and enforcement on social and environmental conditions, the UNDP Lao PEA Project assisted the MPI-IPD to develop the Investment Database for MPI-IPD to record project information and monitoring data of the concession and controlled businesses throughout the country. The Investment Database is now installed into MPI-IPD's server and launched for 18 provinces to access through https://investmonitoring.gov.la. IPD reportedly has 309 concession and control businesses entered into the Investment Database.</p>
Monitoring Manual for Concession Investment	<p>The UNDP Lao PEA Project assisted the MPI-IPD to develop the Monitoring Manual for Concession Investment in Lao PDR to provide the standard guidance on conducting investment monitoring throughout the country and record the compliance of investment projects systematically in the investment database. The monitoring also plays an important part in addressing investment issues facing by investors.</p> <p>The UNDP Lao PEA Project subsequently conducted a joint monitoring mission with the MPI-IPD in 2 concession projects in Champasak Province. The monitoring mission included an on-site training on identifying poverty-environment issues and investigate any non-compliance with relevant departments (Department of Planning and Investment, Department of Environment and Natural Resource, Department of Agriculture and Forestry, Department of Energy and Mines, Department of Labor and Social Welfare, Lao Women's Union).</p>



SOP and Guideline on Solicited Proposal for Public Private Partnership Training

5. CONCLUSIONS, LESSONS LEARNED AND RECOMMENDATIONS

Table 13 below provides a summary of the findings and ratings.

Table 13: Summary of Findings and Ratings

<u>Category</u>	<u>Summary Assessment</u>	<u>Rating</u>
<p style="text-align: center;">Relevance</p> <p>Is the intervention doing the right things? The extent to which the intervention objectives and design respond to global and national needs, policies and priorities and those of beneficiaries and partner institutions, and continue to do so as circumstances change</p>	<p>The PEA Project PRODOC was at that time designed to be relevant, appropriate, and strategic towards achieving the 2030 Agenda and SDG goals. It also responded to being strategically relevant to UNDP, UNEP, donor priorities and national priorities.</p> <p>The PEA Project aligns and contributes directly to the poverty and environment related SDGs namely SDG 1: No Poverty, SDG 3: Good Health and Well-Being, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production, SDG13: Climate Action; SDG 14 Live Below Water; SDG15: Life On Land, and SDG 16: Peace, Justice and Strong Institutions. The PEA Project outcomes would also indirectly contribute to the other SDGs.</p> <p>The PEA Project was known in 8 PEA countries as a different name and/or another “donor/partner” for another ongoing project which could have reduced the project relevance and visibility as an influential agent of change.</p> <p>There could be better opportunities to benefit from better coherence, coordination, and complementarity with other UN and donor-funded activities at the country level.</p> <p>The PEA Project's framework indicators and targets could be better framed, particularly the outcome indicators to ensure that it aligned with the project's overall objectives.</p> <p>The PEA Project design, due to its intended focus, did not directly address the needs and interests of vulnerable groups, gender equality, the empowerment of women, and the human rights-based approach.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>
<p style="text-align: center;">Coherence</p> <p>The extent of collaboration, cooperation and interactions with different stakeholders/ organisations to mobilise resources (human, technical and financial) to maximise the result outcomes and outputs.</p>	<p>The PEA Project interventions at country level were closely coherent with the existing policies, strategies, and priorities of the countries, but could further improve its coherence through better synergies and interlinkages between the PEA Project and other interventions carried out by partner countries and country technical partners. More collaboration and coordination with other development partners and project initiatives should be encouraged.</p> <p>The PEA Project provided support to UNRC offices in Mozambique and Malawi, and also received follow-ups from UNRCs of non-PEA countries to explore application of PEA tools and collaboration on green private finance and support of UNCTs.</p>	<p>5/6 (Satisfactory – Minor Shortcomings)</p>

Category	Summary Assessment	Rating
	<p>The PEA Project could further strengthen coherence by aligning with other poverty environment mainstreaming initiatives both at the global and country level, to share knowledge and experiences, leverage resources and institutional capacities, and identify complementarities and gaps in the existing interventions.</p> <p>The PEA Project could further strengthen regular and effective communications processes and mechanisms with key partners and stakeholders at country level, especially bilateral technical cooperation/exchanges among the PEA countries.</p>	
<p>Effectiveness</p> <p>Is the intervention achieving its objectives? The extent to which the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups.</p>	<p>The PEA Project's outcome indicators in the PRODOC were more output-oriented than outcome-oriented. This in turn affected the design and monitoring of outcome-oriented results at the fully-fledged country and country TA projects. While the PEA Project endeavoured to make a transformational impact change, this did not fully materialised.</p> <p>The PEA Project flagship global products/institutional did not appear to be prevalent or extensively embedded in any of the fully fledged country and country TA projects.</p> <p>The PEA Project could instead deploy full time technical expert leads at global/regional level to advocate/integrate/communicate/influence the global flagship products/ institutional tools (both current and newly developed) consistently into country level projects.</p> <p>Technical exchanges/cooperations bilaterally between country offices to share best practices and sharing of technical experiences should be encouraged and increased to promote awareness and joint bilateral technical cooperation among the PEA and non-PEA countries.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>
<p>Efficiency</p> <p>How well are resources being used? The extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way.</p>	<p>The PEA Project management structure could be further improved to be more efficient in generating the expected results, and could be enhanced with better communication and collaboration between the different teams through more streamlined reporting procedures.</p> <p>The combined expertise of the PEA Project team could be further strengthened with programme management and technical expert leads with fresh ideas/innovations and capabilities to efficiently deliver against the PEA Project's objectives and targets.</p> <p>The project team was able to mobilise additional resources to ensure that project implementation was not significantly impacted, but could benefit from a more comprehensive and sustainable funding strategy to avoid any potential disruptions to project implementation. The PEA Project team demonstrated appropriate financial controls, including reporting and planning, that allowed management to make informed decisions regarding the project's budget.</p>	<p>4/6 (Moderately Satisfactory – Moderate Shortcomings)</p>

Category	Summary Assessment	Rating
	<p>The cumulative achievement of the desired global output targets would not be accurately reflected due to the counting of (1) low-level project activities in the 1st and 2nd year of project implementation when the countries had not yet achieved major results then, and (2) country/TA products that the evaluation assessed not being fully qualified/aligned to the global indicators. In relation to this and on M&E activities, the PEA Project’s M&E system in data collection processes could be strengthened to enable verification of results on the ground and accurately assess the intervention impacts and effectiveness.</p> <p>The PEA Project under-spent its allocated total project cash funds with about expected June 2023 balance of US\$1.3 million, of which unused donor funds would be returned back in full to the respective donors. Key PEA Project and PEA country project teams generally expressed that these unused funds could have been re-allocated towards implementing a sustainability phase for the PEA Project.</p>	
<p>Sustainability</p> <p>Will the benefits last? The likely ability of an intervention to continue to deliver benefits, within or outside the project domain, after the project/external assistance has come to an end.</p>	<p>The majority of national partners established some institutional capacities with sustainability strategies. However, there could be more room for improvement in continuing the newly established institutional capacities and more needed to be done to sustain the outcome-level results after the PEA Project ended.</p> <p>Technical expertise resource and staff from the early PEI phase was not continued into the PEA Project phase at the same level, and there was reduced technical expert leads in the PEA Project at global/regional level. This meant that the retention/renewal of institutional knowledge in poverty-environment sustainability could not be sustained.</p> <p>Due to limited legislative, policy and regulatory frameworks being changed at country level as a result of PEA Project interventions (including capacity building to national/sub-national governments), the evaluation could not yet be certain if there were sufficient mechanisms/processes in place that will support the continuation of benefits gained.</p> <p>UNEP and UNDP indicated some PEA products (such as an online course/capacity building platform (in partnership with UNITAR) on poverty-environment-climate mainstreaming, a poverty-environment action helpdesk, and PEA institutional knowledge handbooks/tools and policy briefs being transferred to a knowledge repository website) were being established.</p> <p>Other related sustainability measures were reportedly advanced within UNDP and UNEP that would be mainstreamed and offered as part of its response to country demand for mainstreaming and integration services. However, it could not be fully ascertained whether post PEA Project interventions and products/materials would be referred to and whether these would continue guiding the work of UNDP and UNEP.</p>	<p>2/4 (Moderately Unlikely – Significant Risks)</p>

Category	Summary Assessment	Rating
	The PEA Project started the momentum on the need for partnerships to exist with other national institutions, NGOs, UN agencies, the private sector and development partners to sustain the attained results. However this did not appear to be sustained, especially private sector partnerships.	
<p>Cross-Cutting Issue: Human Rights</p> <p>The extent of civil, cultural, economic, political and social rights inherent to all human beings, regardless of one's nationality, place of residence, sex, sexual orientation, national or ethnic origin, colour, disability, religion, language etc.</p>	<p>The PEA Project target indicators were not targeting people human rights directly. The lack of direct emphasis was likely attributed to the PEA Project being designed to focus on gradually shifting government priorities and resource allocation in aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation.</p> <p>The PEA Project PRODOC design and implementation was formulated in a way that the PEA Project's role was more broad at the policy level that would indirectly reduce poverty and improve human rights in the long-term.</p> <p>Project implementation ensured that gender and human rights were upheld as evidenced by some PEA country projects which had strategic activities relating to gender mainstreaming and human rights.</p>	4/6 (Moderately Satisfactory – Moderate Shortcomings)
<p>Cross-Cutting Issue: Gender Equality</p> <p>The extent of interests, needs and priorities of both women and men are taken into consideration, recognising the diversity of different groups of women and men.</p>	<p>The PEA Project considered gender equality and women empowerment in the PRODOC design, but the PEA Project PRODOC output key deliverable targets did not have clear and coherent gender equality targets for measurement.</p> <p>The majority of fully-fledged country/TA project proposals also did not specify a gender mainstreaming strategy and did not include appropriate gender equality targets for measurement.</p> <p>Some interventions in the TA and fully-fledged country projects had looked into gender equality and women empowerment. But the PEA Project had limited coordinated approach in implementation, monitoring and reporting of gender equality and women empowerment among the fully-fledged/TA country offices.</p> <p>It could not yet be determined whether the PEA Project contributed positive changes or generated effects in gender equality and the empowerment of women.</p>	4/6 (Moderately Satisfactory – Moderate Shortcomings)

NOTE:

Evaluation Rating for Relevance, Coherence, Effectiveness, Efficiency, Human Rights, Gender Equality:

- | | |
|--|---|
| 6. Highly Satisfactory (HS): no shortcomings | 3. Moderately Unsatisfactory (MU): significant shortcomings |
| 5. Satisfactory (S): minor shortcomings | 2. Unsatisfactory (U): major shortcomings |
| 4. Moderately Satisfactory (MS): moderate shortcomings | 1. Highly Unsatisfactory (HU): severe shortcomings |

Sustainability Rating:

- | | |
|---|--|
| 4. Likely (L): negligible risks to sustainability | 2. Moderately Unlikely (MU): significant risks |
| 3. Moderately Likely (ML): moderate risks | 1. Unlikely (U): severe risks |

5.1 Conclusions and Lessons Learned

Conclusion #1: A more forward strategic approach is needed to enhance the right policy/legislative environment and favourable regulatory conditions for poverty-environment mainstreaming efforts to thrive in

- Was the intervention strategy of the PEA Project the most appropriate compared to its intended outcome level objectives?
- To what extent has the project achieved (or is likely to achieve) its intended objectives at the output level, and what contribution has it made at the outcome level?
- What factors contributed to or hindered the project's performance and eventually, the sustainability of results?

Strengths:

Despite the challenging circumstances (through COVID-19, extended country procurement processes, and political/government changes) and project complexities encountered, the PEA Project has done its level best to lay strong foundations to enable poverty-environmental mainstreaming at country level. The PEA Project only started as a “catalytic booster” but the desired transformational impact change did not materialise as it could not yet be determined if PEA Project interventions were broadly effective in bringing about the desired outcome. Although these interventions could be assessed as potential, more time needs to be given to embed any long-term effects of the PEA Project interventions.

Opportunities for Improvement and Strengthening:

Essentially, a more forward strategic approach is required to continue integrating environmental sustainability and climate objectives for poverty eradication into development planning, budgeting and monitoring systems and into public and private finance and investment. However, the current legislative environment and regulatory conditions have become more challenging to fully align poverty-environment mainstreaming efforts despite some incremental progress being made.

The PEA Project builds from the early Poverty-Environment Initiative (PEI) project phase on poverty-environment mainstreaming involving influencing the national development plan but has yet to strategically integrate subsequent stages of poverty-environment mainstreaming to influence the relevant poverty-environment legislations and regulations that could mandate the national budget process in shaping the relevant poverty-environment sectors and their budgets, and then influencing subnational development and budgeting processes. This is usually done at the various central government ministries/departments rather than in the line government ministries/departments which poverty-environment mainstreaming tends to be more involved in.

Hence there needs to be a strategic approach for any future post PEA Project initiatives to work closely with the central government ministries/departments to focus on further harmonising, amalgamating and strengthening national/sub-national policies, legislations and regulations to enhance poverty-environment mainstreaming with the right policy/legislative environment and favourable regulatory conditions to thrive in. This was clearly demonstrated in the two cases of Indonesia and Lao PDR where key changes to legislative environment and regulatory conditions enabled poverty-environment mainstreaming efforts to be implemented and the private sector would need to comply with these set conditions.

Lesson Learned:

- PEA Project experiences at country level demonstrated that successful incorporation and sustainability of well-functioning and integrated poverty-environment mainstreaming would depend on the policies, legislations and regulations, and their associated budgets. By doing so, that could set the right environment and favourable conditions for integrated poverty-environment mainstreaming to thrive in
- Strong endorsement support and ownership from national/regional/local authorities combined with strong commitment and participation from the private sector are key to accelerate the poverty-environment mainstreaming efforts and achieve sustainable results

Conclusion #2: Measuring outcome-level results remains a key priority in order to demonstrate the poverty-environment action contributions

- To what extent has the project achieved (or is likely to achieve) its intended objectives at the output level, and what contribution has it made at the outcome level
- What factors contributed to or hindered the project's performance and eventually, the sustainability of results?

Strengths

The PEA Project's monitoring, evaluation and reporting systems were adequate, well-utilised and adapted to COVID-19 pandemic environment. Appropriate processes and communications platforms in place to ensure key recommendations and corrective actions/measures could be provided to further improving the PEA Project implementation at the countries if required.

Opportunities for Improvement and Strengthening:

The application of monitoring and evaluation of poverty-environment action interventions across 10 PEA countries in the Asia and Africa regions could prove challenging without closely linking and verifying the on-the-ground achievement of the global and country-level outcome/output indicators.

This needs to be done through systematic and coherent data collection of the intervention impacts and effectiveness along with local independent verification of results on the ground. Hence there is a need to focus on strengthening the oversight/accountability mechanisms at national/sub-national level through the oversight bodies like the ministry internal audit departments or inspectorate-generals, independent integrity institutions such as supreme audit institutions and anti-corruption commissions, and parliament legislatures. Strengthening these national/sub-national oversight bodies will provide a stronger assurance that integration of poverty-environment-climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs can be effectively and efficiently implemented and can be sustained.

Lesson Learned:

- Project/programme M&E should focus mainly on country-level activities with an emphasis on measuring at both output levels (what have been produced) and at outcome levels (what are the transformational impacts, benefits and change effects) that show the intervention contributions
- Independent verification of results on the ground is critical to accurately measure impact effectiveness, final end-line indicators and actual benefits gained

- Adaptive and dynamic M&E systems, in partnership with local oversight bodies, could potentially respond to the complexities of a constantly changing development environment where UN country office M&E systems could not yet adequately demonstrate the contributions, effectiveness and impact of the interventions

Conclusion #3: The PEA Project is an example model of UNDP-UNEP joint partnership cooperation but can be further enhanced to be effectively applied for collaboration within the UN system

- To what extent did the joint nature of collaboration between UNDP and UNEP enhance effectiveness in delivery and create synergies?

Strengths:

The PEA Project is an example model for future UNDP-UNEP cooperation that aligns with ongoing UN reform objectives of which a One UN approach is strongly advocated. Specifically, UNDP country offices can be leveraged for their respective strong understanding of country and political context, partnership convening experiences and well-established relationships with the government central ministries/departments in the areas of planning and finance. UNEP brings in-depth technical skills and experience of providing technical support to the environment-related ministries/departments.

Opportunities for Improvement and Strengthening:

A successful One UN approach from the PEA Project model requires a strong commitment to joint programming by management and staff. The PEA Project faced some challenges in sufficient commensuration levels in this regard to be able to have strong technical expertise and technical leadership management, together with strong senior management support, to steer the poverty-environment mainstreaming agenda and help to promote the harmonisation of approaches and methodologies, in achieving the overall objectives of mainstreaming poverty-environment linkages into national development planning and budgeting processes. Future management structures should therefore be better fit-for-purpose for a global joint programme of such complexities as follows:

- A full time programme management team with full time technical expertise for each project output to advocate/integrate/communicate/influence the global flagship products consistently into country level projects
- A secretariat team dedicated to manage coordination between programme/project boards at global and country levels
- Funding architecture/modality should have committed funds with more cash-in-hand rather than in-kind contributions to provide more certainties to project implementation
- Countries identified at the beginning early stages of the programme/project design and all sub-delegate country project proposals be formulated at the same time as the global programme/project formulation to maximise efficiency and reduce project/programme delays.
- Sustainable exit strategies formulated as core activities in the beginning of the programme/project
- Stronger synergies and collaboration with like-minded country/regional/global projects are required
- Building strong connections and relationships in influencing UNRC and other UN agencies at the country level to increase the priority they assigned to integrating sustainable poverty-environment mainstreaming, natural resource management and climate resilience building in UNCT country processes and their respective country programmes.

Finally, the poverty-environment mainstreaming knowledge and tools from the PEA Project should continue to be institutionalised within the respective UNDP and UNEP organisational structures as well as more broadly across the UN system.

Lesson Learned:

- The PEA Project model serves as an example to further develop the UNDP-UNEP cooperation or more broadly the joint programming nature.
- To effectively and efficiently steer any programme/project agenda of complex nature, joint programmes/projects need to be fit-for-purpose, well-resourced with adequate committed resources, well-equipped technical expertise and have strong senior management support
- Sufficient commensuration in project funding, technical expertise, and duration/sustained support over time without the need to further mobilise resources during project implementation would help to achieve the desired results
- Integrating sustainable poverty-environment mainstreaming, natural resource management and climate resilience building in UNCT country processes and their respective country programmes could potentially increase through the programme/project building strong connections and relationships with country-level UNRCs and other UN agencies

5.2 Recommendations

The evaluation proposes 5 recommendations for consideration and implementation whereby:

- 2 recommendations relate to strengthening operational and institutionalised decision-making processes
- 3 recommendations relate to proposed future directions that build upon the PEA Project.

It is to be noted that the implementation of these recommendations would be dependent on the funding and technical resource availability for UNDP and UNEP.

5.2.1 Strengthening Operational and Institutionalised Decision-Making Processes

R1: Communicate project results at other relevant global platforms with focus on benefits and impacts

To strengthen the communications of the project results at a global level, UNDP and UNEP should focus on reporting and presenting the project's outcome-based benefits and impacts at relevant global platforms. By doing so, future projects would enable international donors, national/regional/ local authorities and local communities to better understand the positive changes to beneficiaries made by project interventions.

R2: Consolidate and embed relevant institutional knowledge/tools internally into UNDP and UNEP

For ease of access and continued use of all institutional knowledge/tools, UNDP and UNEP should continue to build on what had started to work together with senior management support/direction to institutionalise all relevant PEA Project institutional knowledge/tools and embed them internally within its own structures, processes and regional/country portfolio offices.

5.2.2 Proposed Future Directions that Build Upon the PEA Project

R3: Strengthen the national public oversight/accountability mechanisms to provide a stronger assurance of integration of poverty-environment-climate objectives into policies, plans, regulations and investments

Future post PEA Project related initiatives (if there is further appetite) should focus on strengthening the oversight/accountability mechanisms to provide a stronger assurance that integration of poverty-environment-climate objectives into policies, plans, regulations and investments of partner countries to accelerate delivery of the 2030 Agenda and the SDGs are effectively and efficiently implemented, and can be sustained.

This would include strengthening national/sub-national oversight bodies like the ministry internal audit departments or inspectorate-generals, independent integrity institutions such as supreme audit institutions and anti-corruption commissions, and parliament legislatures.

R4: Strengthen management structures, outcomes indicators and exit strategies in future programme/project design and formulation

For future global programme/project design and formulation that is similar to the complexity of the PEA Project, UNDP and UNEP should include:

- a) a suitable funding architecture ensuring sufficient funding levels commensurate with the scope and objectives of the programme/project without the need to further mobilise resources (cash and/or in-kind) during programme/project implementation
- b) fit-for-purpose management structure with appropriate full-time programme/project management capabilities, full-time technical expertise and strong senior management support to deliver the desired programme/project results
- c) performance targets that balance expected results with both output-oriented and outcome-oriented indicators to better assess the programme/project effectiveness/efficiency
- d) specific activities that incorporate exit strategies early in the programme/project to sustain all outputs/outcomes after the programme/project is completed

R5: Improve synergies with other UN country/regional/global projects and programmes to maximise collective results

A strategic approach is required to work closely with the central government ministries/departments to focus on further harmonising, amalgamating and strengthening national/sub-national policies, legislations and regulations to enhance poverty-environment mainstreaming. In order for this to happen, UNDP and UNEP should continue to further strengthen synergies to maximise impact and efficiently allocate resources to achieve collective results effectiveness by:

- a) enabling collaborations and cooperations among other UN country/regional/global projects with similar/complementary portfolios and outcomes
- b) building strong connections and relationships with country-level UNRCs and other UN agencies to influence the increased priority of integrating sustainable poverty-environment mainstreaming, natural resource management and climate resilience building in UNCT country processes and respective country programmes

ANNEXES

A.1 TERMS OF REFERENCE

Annexed in a separate file

A.2 LIST OF PERSONS INTERVIEWED

Annexed in a separate file

A.3 LIST OF DOCUMENTS REVIEWED

Annexed in a separate file

A.4 LIST OF QUESTIONS USED DURING THE EVALUATION

Annexed in a separate file

A.5 EVALUATION CONSULTANT CODE OF CONDUCT AGREEMENT FORM

Annexed in a separate file

A.6 AUDIT TRAIL

Annexed in a separate file

A.7 EVALUATION MATRIX

Annexed in a separate file