

**UNDP-UN Environment Management Response  
Poverty-Environment Initiative (PEI) (2013-2018) Final Evaluation**

Date: 26<sup>th</sup> May 2019

Prepared by: Alexandra Regner-Burke	Position: Project Closure Specialist	Unit/Bureau: UNDP-UN Environment PEI
Cleared by: Anne Juepner and Isabell Kempf	Position: Co-Directors	Unit/Bureau: UNDP BPPS and UN Environment DEPI
Approved by: Tim Scott and Monika MacDevette <sup>1</sup>	Position: JMB Members	Unit/Bureau: UNDP and UN Environment

**Overall Comments:**

UNDP and UN Environment would like to thank the UN Environment and UNDP Independent Evaluation Offices for their valuable support during the PEI's final evaluation. Based on the evaluation evidence, PEI was found to be a well lauded programme, which has achieved groundbreaking work with a relatively small budget. It has developed specialized know-how, a comprehensive Poverty-Environment mainstreaming tool kit and a number of strong case studies which can inspire others. The demand for PEI's services remains strong, especially given the recognized support PEI can offer on SDG implementation. PEI UNDP-UN Environment collaboration is seen as a leading example of joint working at the forefront of the UN reform process towards a One UN. The 2030 Agenda and the SDGs—along with the other landmark global agreements of 2015 including the Addis Ababa Action Agenda on Financing for Development, the Sendai Framework for Disaster Risk Reduction and the Paris Agreement on Climate Change—bring economic and social development, environment and climate concerns together in a comprehensive and integrated agenda for change. However, environmental sustainability continues to lag behind and is often siloed in national efforts to implement the 2030 Agenda. As environmental degradation and the impacts of climate change continue to worsen across the globe, with the poorest segment of the population bearing the burden of their adverse impact, the case for poverty-environment mainstreaming is as strong as ever. By building on PEI's legacy, the new Poverty-Environment Action for Sustainable Development Goals project (PEA), which was launched in July 2018, is uniquely placed to ensure that the environmental dimension is not left behind when addressing poverty. Leveraging broader 2030 Agenda and SDG implementation processes provides new entry points not only to mainstream environmental sustainability and related climate concerns for poverty eradication, but also to gradually shift government priorities and resource allocation towards addressing these issues. Further, it provides opportunities to improve the quality of private sector investments to support poverty-environment objectives. This represents the new focus of PEA—aligning finance and investment with poverty, environment and climate objectives to accelerate SDG implementation. PEA will build on the lessons learned from PEI and most importantly, is integrating the evaluation's recommendations to its best ability into the set-up and management of PEA. UNDP and UN Environment also recognize the challenges the PEI was facing in terms of project management and implementation. PEA has been set-up in a way to best respond to these challenges and mitigate the risks as best as possible. Detailed management response and action points have been added in the sections below. In principle, UNDP and UN Environment agree with most of the conclusions of the report and have already addressed various recommendations outlined in the PEI Final Evaluation Report in the set-up of the PEA. PEI's Joint Management Board (JMB) has given their initial support to the findings of the evaluation and the response of the Joint Management Response (JMR). The JMR will also be shared with the project board, including all donors.

---

<sup>1</sup> Tim Scott officially represents Adriana Dinu, Deputy Director, UNDP Bureau for Program and Policy Support as a JMB member for UNDP  
Monika MacDevette officially represents Susan Gardner, Director Ecosystems Division, UN Environment as JMB member for UN Environment

**Evaluation Recommendation or Issue 1: (point 420, page 103)****Strengthened strategic leadership at senior management level.**

Leadership and a clear strategic vision are critical going forward given the management difficulties PEI faced and the need to start PEA on a secure footing. The success of PEA depends on the high-level political commitment from both organizations. The spirit of joint working was eroded through the past phase but can be rebuilt to be even stronger based on the lessons learnt through the project. This requires:

- Greater participation of senior management<sup>2</sup>, especially in the startup phase of PEA, to ensure that they fully understand the remaining management issues and action changes to best position PEA at the outset to flourish, build morale and set the strategic direction.
- Senior management and PEA management / Co-Managers<sup>3</sup> to identify and nurture champions in UNDP and UN Environment to broaden UN uptake of PEI tools and approaches and involvement in PEA. This is important for the integration of PEI / PEA into the organization and sustainability of the PEI/PEA approach.
- Time needs to be allocated and budgeted for operational and technical oversight from senior management.
- Early action needs to be taken by senior managers to address issues (e.g. to understand and act swiftly on issues of staff underperformance, and cases where the level of discord is affecting delivery / moral).<sup>[1]</sup> This requires being better appraised of the management aspects and swift follow up on concerns raised.
- PEA management need to speak in one voice and clearly communicate on all aspects of the project (financial, administrative, strategic, technical).

**Management Response: Agreed**

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
<b>Organize minimum four formal JMB meetings throughout the year in addition to holding informal meetings when necessary</b>	Dec 2019	PEA JMB	Initiated	UNDP and UN Environment have already taken steps to ensure greater strategic engagement of senior management over the first months of PEA implementation. In addition to formal meetings of the Joint Management Board (JMB) (which represents the Executive of the PEA project board), senior management from the two agencies have provided guidance and been involved in key PEA decision-making processes on a regular basis including major technical, operational, financial and related managerial issues. This has involved

<sup>2</sup> Senior management refers to Director level / most senior UNDP and UN Environment representative on the PEA Management Board.

<sup>3</sup> PEA Management refers to the Co Managers under the current PEA organisational structure

				<p>direct bilateral communications, as well as group email discussions on an ongoing and as needed ad hoc basis. Senior management also engaged in the first PEA retreat held in Nairobi, Kenya in March 2019.</p> <p>These measures will continue throughout the course of PEA implementation. In addition, as noted below, UNDP and UN Environment senior management will also be engaged in other critical areas addressed by this Management Response.</p> <p>Senior management is also committed to ensure that all staff issues are addressed in a timely manner and are properly documented. In addition, the PEA Co-Managers will hold regular informal management meetings reviewing the project progress as well as team performance/team morale and share updates with the JMB. The JMB will support conflict resolution where appropriate and provide regular feedback to the Co-Managers.</p>
<b>Identify and nurture champions in UNDP and UN Environment to broaden UN uptake of PEI tools and approaches and involvement in PEA</b>	Jan 2020	UNDP/UN Environment /JMB	Initiated	<p>UNDP and UN Environment continue to explore options to identify and nurture internal champions to ensure that PEA approaches inform the broader work of each institution and the UN system, as well as draw on a larger pool of expertise needed to maximize the impact of for PEA implementation.</p> <p>For example, the UN Environment Co-Manager has shared an option paper in 2018 for the adequate location of the PEA within UN Environment with the directors of the Ecosystem, Policy and Law divisions for consideration and decision making. The proposal is to link PEA with wider UN Environment support to SDGs at country level. The paper discusses the pros and cons of different locations and how this could strengthen</p>

				<p>collaboration with other programs and champions. It will be brought to the attention of the new UN Environment ED and will also feed into the structural review of PEA.</p> <p>Similarly, UNDP is exploring how best to leverage the Communities of Practice, evolving staffing structures, and integrated SD tools offered by its new Global Policy Network (GPN), which comprises global experts and practitioners who provide integrated policy advice to country offices and programme countries. The GPN is designed to accelerate implementation of the 2030 Agenda in four areas of work: i) guidance and strategic positioning, ii) developing a cadre of SDG integration experts, iii) communication and branding, and iv) critical SDG integration action. Through the GPN, PEA approaches can be better mainstreamed throughout the work of UNDP and partners, while also strengthening PEA support and ensuring its complementarity with other programmes.</p>
<b>Strengthen senior management oversight function</b>	March 2019	JMB	Completed	<p>UNDP and UN Environment senior management have already started and will continue to allocate additional time to oversight and engagement in critical PEA decision-making including through the organization of more frequent JMB meetings, as well as other less formal technical and operational discussions, reviews, and internal workshops.</p>

**Evaluation Recommendation or Issue 2: (point 421, page 104) Ensure that the management structure of PEA, and staff hired for each post under PEA, are compatible with its efficient and effective delivery.**

- Senior management to urgently review and address management challenges at the global level and ensure that the PEA structure and associated team members are best suited to efficiently and cost-effectively deliver PEA. The views of consultees indicate that this requires a substantively more comprehensive review than is reflected in the revised organigram. This should take into account the evaluation findings and options presented in Section 5.2.6 and bear in mind that cohesion among global team members, especially between the Co-Directors (Co-Managers) which was problematic during the project and counterproductive to the smooth running of the programme, is critical for efficient and effective delivery of PEA. A number of consultees are of the view that new leadership is required. Leadership needs to have the capability to inspire and move the programme forward and champion joint-working, and the working culture should be open and foster fairness. The cost-effectiveness of the PEA structure should also be considered and whether there is the right balance and combination of junior and senior members and country level support.
- It is critical that PEA staff have the right skills / expertise to deliver. A careful review of TORs and skills required to deliver PEA is recommended. Clear roles and responsibilities for all PEA members should be set out. In particular, the structure and capabilities of the global team should be reviewed to ensure it can provide strategic leadership, technical advice, and engage globally to enhance the project's reach and impact through wide uptake within the UN systems, partnerships, mobilization of funding and knowledge management.
- Under PEA there is to be a clear delineation of responsibilities with UNDP staff leading on all operational management issues and UN Environment staff leading on technical / programmatic issues. This arrangement however should be implemented in the spirit of joint working, with an appreciation that technical focal points need to be well appraised of operational issues to best support the work on the ground and build relations with country level staff. This requires a move to a more integrated and harmonious working relationship between programmatic and operational teams.
- The work at the country level is the foundation of PEI. It is thanks to the country level achievements that the regional and global teams have the information needed to upscale the work through knowledge dissemination and other means. The country level work therefore needs to be properly resourced and supported. It is therefore recommended that the allocation of resources between the global and country level activities ensures country level delivery. This allocation should bear in mind the lessons of the project in terms of the complexity of mainstreaming and the data and capacity challenges.
- At the country level staff should be embedded in the lead government ministry – which should be the ministry of planning/finance.

**Management Response: Agreed**

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Review of PEA management structure	Sept 2019	UNDP/UN Environment	Not yet Initiated	UNDP and UN Environment senior management have proposed an internal business review to assess the current PEA management and staffing structure, including the

				representation of both agencies in the JMB and project board. Terms of Reference (TOR) for this review will be jointly prepared and preliminary findings of the internal review are expected to be available by September 2019.
<b>Development of clear TORs for each position of the PEA global team and competitive recruitment of remaining staff positions not yet filled.</b>	Dec 2019	UNDP/UN Environment	Initiated	<p>Job descriptions have been established for all currently employed staff, as well as for new staff being recruited as part of the PEA global team. These descriptions outline clear roles and responsibilities for each staff member. The team structure and roles and responsibilities of each team member were also discussed and clearly communicated during PEA's first global retreat, which took place in Nairobi from 18-19 March 2019. All job descriptions were shared with the Project Board in early 2019.</p> <p>All PEA project funded posts for the global PEA team are currently being recruited on a competitive basis. Core funded UNDP and UN Environment staff have already been in place before the project started.</p>
<b>Ensure clear delineation of responsibilities within the PEA global team between UN Environment and UNDP</b>	January 2019	UNDP/UN Environment	Completed	<p>UNDP and UN Environment jointly decided that UNDP would continue to perform the Managing Agent (MA) function under PEA due to its comparative advantage at country level. The standard UNDG MA MoU in this regard was signed between UNDP and UN Environment on 19th September 2018. UNDP as the MA of PEA is responsible for overall project financial management, performance monitoring and reporting, evaluation and ensuring achievement of project results with inputs from UN Environment technical staff. As MA, UNDP is ultimately responsible to all donors for project implementation and PEA will be implemented according to UNDP Standard Corporate Rules and Regulations. (see PEA prodop management section for further details)</p> <p>UNDP fields the Co-Manager/UNDP Project Manager as well as the Project Management Specialist, KM/M-E Specialist and Finance Analyst.</p>

				<p>UN Environment will field the project Co-Manager who is also UN Environment's Chief Technical Adviser on poverty-environment issues as well as thematic experts based in the respective Regional Offices who will provide technical guidance to PEA.</p> <p><b><u>UNDP and UN Environment Poverty-Environment Action Co-Managers Joint Responsibilities as stipulated in the joint prodoc</u></b></p> <p>In addition to the agency specific roles in PEA, the Co-Managers are jointly responsible for the following substantive guidance to the project:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Oversee knowledge and lessons learning products and dissemination</li> <li>• Jointly implement PEA resource mobilization strategy and partnerships. Manage donor agreements (by agency) related to the receipt of contributions.</li> </ul> <p>Ensure that poverty-environment mainstreaming and related tools (including gender and human rights mainstreaming) are applied in PEA.</p>
<b>Ensure that each full-fledged PEA country receives a minimum of USD 100,000 per year to make the engagement worthwhile</b>	Feb 2019	UNDP/UN Environment	Completed	<p>A total of eight full-fledged county projects are included under PEA, split equally between two regions - Africa and Asia. As per the signed project document, the full-fledged countries are expected to receive an increased budget of US\$300,000 PEA funds a year. (The final evaluation recommended that a minimum level of financial engagement of US\$100,000 per year per country should be</p>

				<p>envisaged, to make the engagement worthwhile, given the administrative costs associated with PEI /PEA.) Each country project committed to allocate an additional 40% of local co-financing per year, which brings the average full-fledged country budget to about US\$500,000 per year.</p> <p>In addition, Technical Assistance support will be provided both at the country and regional level to broaden PEA's reach, with 10 TAs in total of around US\$100,000 envisaged. As TAs are part of larger UNDP and UN Environment projects and budgets, they bring additional resources for PE mainstreaming to the country level.</p>
<b>Embedding staff in the lead government ministries in participating PEA countries</b>	Sept 2019	UNDP	Initiated	<p>Staff at country level working on PEA implementation are to the extent possible embedded within the Ministry of Finance or Planning and or Investment Board. A full list of staff embedded in the lead government ministries in PEA implementation countries should be available by September 2019</p>



**Evaluation Recommendation or Issue 3: (point 422, pages 104/105)**

**Strengthened technical support** is recommended going forward especially as PEA moves into new challenging areas, where PEI has had limited engagement to date. Suggestions to enhance technical capabilities include:

- Establish a long-term agreement at the global/regional level with consultants in the areas of expertise where the project needs support. A PEA **roster** could be established to allow quick access to qualified international/national consultants as needed. This would need to be established in the first year of the programme to be of most use.
- Assess the role of the TAG and how this can be called upon to provide more technical advice / peer review going forward.
- Build strong relationships with technical advisors in regional hubs and look at ways of drawing on their technical expertise (this may need to be funded).
- Link PEA technical advisory to larger UN Environment, UNDP or other partner support to countries to ensure impact and ability to deliver.
- To ensure PEA gets off to a strong start hire temporary outside technical support if required.

**Management Response: Agreed**

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
<b>Establish PEA roster</b>	August 2019	UNDP/UN Environment	Initiated	A PEA roster, focusing on qualified consultants to provide additional technical expertise, is currently being developed.
<b>Conduct assessment of the role of the TAG</b>	Sept 2019	UNDP/UN Environment	Initiated	An assessment and possible extension of the TAG membership needs to be undertaken
<b>Build strong relationship with technical advisors in regional hubs</b>	May 2019	UNDP/UN Environment	Completed	UNDP and UN Environment continue to take steps to ensure that PEA collaborates closely with both agencies' regional hubs and technical advisors.  For example, in the Asia-Pacific region, PEA is part of a sustainable investment team including technical advisors from UN Environment FI and UNDP advisors on sustainable finance. In Africa, PEA is fully embedded in the UN Environment regional offices and strong links have been established with the UNDP African regional Hub in Addis. PEA is also

<b>Link PEA technical advisory to other UNDP and UN Environment programs.</b>	May 2019	UNDP/UN Environment	Completed	The selection criteria for TA proposals demand that the TA be linked to larger UNDP and/or UN Environment projects. In UN Environment, PEA is part of the environmental governance subprogram and the outcome on integrating the environmental dimension into SDGs. PEA is also linked to MAPs, larger SDG projects and country level and inclusive green economy projects supported by both agencies. Potential TAs in Indonesia and South Africa are being linked to larger UN Environment/UNDP and other partners' support on green economy.
<b>Hire temporary technical support if required</b>	Dec 2019	UNDP/UN Environment	Partially completed	PEA is currently in the process of hiring a Sustainable Finance expert who will provide technical support to the full-fledged countries as well as the Technical Assistance initiatives until the end of 2019. The business review will include assessment of options for strengthening technical support especially for PEA Africa countries. This can be done through the roster or by hiring additional staff. In the interim, additional temporary technical support will be hired if needed from the PEA expert roster.

**Evaluation Recommendation or Issue 4: (point 423, page 105)****Financial Management**

- PEA needs to ensure that it does not suffer with the same disbursement issues as the project.
- Countries should be empowered with Delegated Authority (DA) that is consistent with the Delegated Authority that applied to **Tanzania** and **Mozambique** under PEI. (**Tanzania** has indicated that the current approach is more restrictive than the previous version of DA).
- The rules and restrictions on the use of funds need to be better communicated and understood by all parties, given the high level of frustration the existing PEI system, introduced under the project and proposed for PEA, has caused. Regional focal points and Country Offices and Governments need to be clear on the restrictions on donor funds and on UNDP/PEA restrictions.
- PEA should ensure that it adopts the most streamlined and cost-effective financial management structure as possible. If in any case the restrictions and requirements are not donor or UNDP requirements, they should *not* be applied unless there are compelling reasons to do so and the UNDP Country Offices are consulted and agree to them in advance of their adoption. Maintaining strong relationships with the Country Offices is key given the core role country activities play in the programme and the significance of CO TRAC funding. In any event the project should consider whether the administrative burden is proportionate given the level of funding and the significance of this funding within the context of UNDP country programs, and if anything can be done to reduce this burden to alleviate frustration at the country level and operate more smoothly and cost-effectively.
- It is recommended to carry out training on UNDP and donor rules at the regional and country level (especially for financial staff) setting out what can and cannot be done, so people are clear. This will be important under the current proposed structure for PEA, as Country Offices may not have a full grasp of donor rules and PEI/PEA procedures.
- In Africa PEI funding was reasonable – US\$ 250,000 – US\$ 400,000 per country a year from PEF plus additional TRAC resources contributed by the COs. However, in Asia it was below US\$50,000 a year for a number of countries and from a country's perspective was hardly worth the effort, especially in light of the high administrative burden experienced with the change in project procedures. A minimum level of financial engagement of US\$100,000 per year per country is recommended, to make the engagement worthwhile, given the administrative costs associated with PEI /PEA.

**Management Response:** *Agreed. Delegation of Authorities have been issued to all full-fledged countries. Concrete guidance on the implementation of PEA funds have been communicated to the countries and are in line with budgets agreed with donors and eligible categories funded as part of said agreements, as well as UNDP Rules and Regulations. PEA ensured that from the start, clear implementation guidelines were communicated to the countries as well as the PEA global team.*

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Timely Cash disbursement of pooled funds	Dec 2019	UN Environment	Initiated	The principle problem with the receipt of pledged donor contributions being pooled by UN Environment to UNDP, is that UN Environment can only pool funds once received from

				<p>the donor and allocated to the project through an internal allocation process. However, UNDP can only allocate funds to country projects once funds are available for this in the project account. The PEA Co-Managers will keep the JMB informed of the cash-disbursement situation of pooled funds as well as other donor funds on a regular basis.</p> <p>All participating full-fledged countries and TA initiatives are receiving the full amount for the year at the beginning of the year (based on cash availability and approved work plans) to reduce the amount of budget revisions needed to be undertaken at country level.</p> <p>At the global level, PEA will ensure that multi-year budgets are entered in ATLAS according to UNDP rules and regulations.</p>
<b>Issue Delegation of Authority for PEA full-fledged countries</b>	Feb 2019	UNDP	Completed	<p>Under PEA, all full-fledged countries approved to be part of PEA have been issued a Delegation of Authority, where PEA and the Country Office agree to the specifically outlined delegation of authorities and corresponding responsibilities for representational and operational tasks, and activities as detailed in the agreement. On an annual basis, upon approval of the annual work plan, each full-fledged country is being transferred the annual allocation (based on cash availability) and can disburse them at country level according to the work plan and UNDP rules and regulations. Any guidance on the implementation of PEA funds communicated with the countries are in line with budgets agreed with donors and eligible categories funded as part of said agreements.</p> <p>Technical Assistance initiatives, which have a budget of about 100,000 per year, will be issued a UNDP Chart of Accounts (COA) to charge. As UNDP PEA in this case remains the budget owner, all payments have to be approved by PEA in ATLAS and</p>

				supporting documents have to be sent. Given the relatively small amount of 100,000 per year, the countries were advised to draft the project proposals/annual work plan concentrating on a few bigger ticket items, to reduce the administrative burden associated with having to process a lot of smaller transactions.
<b>Ensure PEA financial management set-up is aligned with the EU multi donor action and provide guidance/training on implementation of PEA funds to all staff based on UNDP rules and regulations as well as signed donor agreements.</b>	Dec 2019	UNDP	Initiated	<p>PEA has been set-up following UNDP rules and regulations, as UNDP is the Managing Agent of the project. Financial management in place does not only need to be in line with UNDP rules and regulations, but also must be in line with signed donor agreements (and their agreed budgets as an integral part of the agreements) that UNDP is responsible for.</p> <p>The Delegation of Authority Letters signed clearly outline the roles and responsibilities of UNDP PEA and the Country Offices and clearly indicate procedures and rules and regulations to follow.</p> <p>Furthermore, at the start of PEA, all countries have been guided on the proper set-up of the project as well as guidance on the implementation of PEA funds as part of the EU multi-donor action. During the annual work planning process in 2018, all countries were guided on the proper use of funds that are in line with the signed project document and signed donor agreements.</p> <p>The PEA Global team has been briefed in detail on the UNDP standard operating procedures and were provided with detailed guidance on the implementation of PEA as part of the EU multi-donor action during the PEA global Retreat 18-19 March 2019. Two additional trainings (in Nairobi and Bangkok) on PEA project implementation and related rules and regulations are planned to be held in Q3 of 2019 for all participating full-fledged countries. A more detailed virtual training on financial planning and reporting will be held in early July 2019 for all CO country staff working on PEA implementation in that regard.</p>

**Evaluation Recommendation or Issue 5: (point 424, pages 105/106)**

**Results based management / M&E** needs to be strengthened to provide a clearer picture of how the project contributes to the impact it is designed to reach, and what aspects need particular attention to ensure the project is on track. By and large PEI did not engage in impact evaluation and this needs to be given more emphasis under PEA.

- **TOC** should be more developed at the global and country level for project management purposes; the high-level TOC can be used for communication purposes. The TOCs should include information on the drivers and assumptions associated with each Output and Outcome and any intermediate states envisaged linking Outcomes and the project's desired Impact. The TOC should provide a clear picture of the obstacles that need to be overcome to progress. Country TOC should provide information on the specific country processes the project is trying to influence and be accompanied by explanatory narrative. These TOCs at the country, (regional) and global level should also be standardized and connected.
- **Results Framework**
  - Ensure clear linkages between country and global Results Frameworks at design phase / outset.
  - The indicators should facilitate an assessment of P-E mainstreaming progress and align with the project impact. The RRF for the project tried to capture this through Outcome/Output indicator 1, where a numerical number or level change was associated with a characterization of progress,
- **Independent Mid-term Reviews**, led by the Evaluation Offices, are recommended to ensure a candid and comprehensive review of the project at the important mid-term stage. They are important to signal any changes that may be needed at mid-term to ensure the smooth running of the project and to maximize the project's ability to achieve its goal and objectives.

**Management Response:** *Agreed*

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
<b>Theory of Change (TOC) developed</b>	Jan 2019	UNDP/UN Environment	Completed	As part of a rigorous country level prodoc approval process, TOCs were developed for each full-fledged country project documents as well as the TA initiative proposals. The TOC describes an evolving and non-linear pathway centred on mainstreaming the poverty-environmental nexus in national and subnational development processes (planning, legal frameworks, investments and monitoring). The intention is to contribute to the impact level of 2030 Agenda by implementing the poverty-environment nexus as part of SDG localisation at the country level.

				PEA Co-Managers are committed to participating in monitoring and evaluation missions to assess the progress countries are making towards achieving the results as set out in the TOC. The TOCs will be reviewed on a regular basis to ensure that they are still applicable and relevant.
<b>Ensure linkages of PEA Results Framework to country-level results framework</b>	Sept 2019	UNDP/UN Environment	Initiated	<p>Under PEA, it has been ensured that there are clear linkages between the country results-resource frameworks and the PEA global results-resource framework. (each country indicator is linked to the respective global indicator and properly documented)</p> <p>Once the final two full-fledged countries (Nepal and Bangladesh) are on board by Q3 of 2019, the Results-Resource Framework will be reviewed, updated and finalized.</p>
<b>Commission Independent Mid-Term review and final evaluation</b>	April 2021 (Mid-term review) and May 2022 (Final evaluation)	UNDP/UN Environment	Not yet initiated	Both an independent mid-term review as well as an independent final evaluation have been budgeted for PEA.

**Evaluation Recommendation or Issue 6: (point 425, page 106)**

**More emphasis on resource mobilisation** to increase financial allocations to implement Poverty Environment Action.

- The Resource Mobilization strategy needs to be completed and to include both regional and in-country mobilization efforts to assist with up-scaling of pilot activities and co-financing. It should also consider options for diversifying funding beyond the current PEI/PEA DSG members at the global level and potential in-country donors. Increasing the proportion of non-EU funds through a more diversified funding base could allow PEA to revisit some of the restrictions on non-EU donor funds, which would be welcomed by the UNDP Country Offices and Governments.
- Ensure PEA team have the skill set to mobilize funding
- Explore opportunities with regional development banks. A donor expressed the view that PEA's role is not to mobilize funding from development banks, but rather to help countries put in place the policies and systems to attract investments that integrate PE and ensure appropriate impact assessment and control on these investments. However, PEA can play a role in raising awareness of PEA work with the development banks and helping draw out possible investment opportunities that will help countries accelerate their PE mainstreaming objectives.
- Strengthen Engagement with donor country offices / embassies
  - Better synergies at country level with bi-lateral donor programmes
  - Donors can also help integrate PEI / PEA into their country office work

**Management Response: Agreed**

Under PEA, key donors including EU, ADA, Sweden, Norway will be routinely briefed and consulted on project implementation and their support will be visibly acknowledged in any products and events supported through this project. During the inception phase, PEA has received country level contacts from Sweden, ADA as well as the EU and has been in communication with PEA partners on the development of project documents and planned activities. The project will continue to keep in close contact with the donor country offices and embassies on the project's progress and development.

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
<b>Resource Mobilization strategy to be completed and resource mobilization efforts regularly reviewed by the JMB and project board</b>	Dec 2019	UNDP/UN Environment	Initiated	The PEA Resource Mobilization strategy will be completed and shared with the Project Board by the end of 2019. The resource mobilisation strategy includes both regional and in-country mobilization efforts to assist with up-scaling or co-financing, as well as options for diversification and expansion from the current PEA donor members at the global level and with selected in-country donors. A specific budget for resource



				mobilization and partnerships was set-aside in the PEA budget.
<b>Build capacity of PEA team in resource mobilization</b>	Dec 2019	UNDP/UN Environment	Initiated	<p>The business review referred to above will include this issue. In addition, under PEI, PEI staff participated in a specific EU funding training. Similar opportunities will be pursued under PEA.</p> <p>Co-Managers are active in fundraising resulting in Austria joining as a new global donor and interest from Germany to do joint work on inclusive green economy in South Africa. Up to 40% cofounding at country level has been ensured for all full-fledged countries.</p>
<b>Explore opportunities with regional development bank</b>	Jan 2020	UNDP/UN Environment	Initiated	<p>Regional UNDP and UN Environment colleagues' support will be needed to explore further opportunities with regional banks. PEA has already initiated joint work with ADB and a joint publication was launched in January 2019 on " Strengthening the Environmental Dimensions of the Sustainable Development Goals in Asia and the Pacific: Tool Compendium". The publication was highlighted in joint ADB/PEA exhibition booths at the Forum of Ministers and Environment Authorities of Asia Pacific in January 2019 in Singapore, and the Asia Pacific Forum for Sustainable Development in Bangkok in March 2019. Talks have also taken place with ADB Bangladesh to discuss possible cooperation in the PEA country project there which is under development.</p>

**Evaluation Recommendation or Issue 7: (point 426, page 106)**

**Involvement of private sector is crucial going forward.** Work with the private sector is a core focus for PEA and important for generating new and additional finance. To date PEI has largely been working with Governments to strengthen the quality of investments and to institute safeguards (albeit in a small number of countries), and this will remain the focus of PEA. Strategic investments need to be identified that benefit Government, communities and private sector. It is important to ensure that the PEA team has the skills to undertake this work and create synergies with other projects undertaking similar work across the regions. Here linkages with blended finance initiatives by PEA donors such as the European External investment plan will be vital.

**Management Response:** *While PEA is working with the governments on private sector regulations and guidance, PEA is not working with the private sector per se. However, PEA is working on the development of a Technical Assistance initiative, where PEA will explore blended finance initiatives, including links to the European External Investment Plan and close collaboration with UN Environment FI.*

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Increase work with government on private sector regulations and guidance	June 2022	UNDP/UN Environment	Initiated	Poverty-environment mainstreaming has a role in helping governments put in place policies and regulations that incentivize pro-poor and green private sector investments through tax and broader environmental fiscal reform. One of the main areas of work to build on PEI experience will include the promotion of a more sustainable fiscal framework through environmental and social impact monitoring of domestic and foreign direct investment. In this context, PEA can build the capacity of national and local governments to enforce environmental legislation and ensure the sustainability of investments in natural resource sectors with high potential for achievement of SDG 1. PEA will also seek to improve coordination and knowledge exchange with other relevant initiatives and programmes such as PAGE, UN Environment FI and UNDP's Biodiversity Finance Initiative, which is active in 31 countries and conducts biodiversity public and institutional expenditure reviews). Coordination with other UN projects will take place notably through existing

				<p>networks such as the Inclusive Green Economy institutional collaboration network, the technical advisory group and the Poverty-Environment Partnership as well as UN colleagues involved in similar programmes such as UN-REDD and UN Women gender and climate smart agriculture. These complementary efforts will help to jointly target the environmental dimension of the 2030 Agenda to accelerate the long-term behavioral change needed, including implementation of the Paris Agreement.</p>
--	--	--	--	--

**Evaluation Recommendation or Issue 8: (point 427, pages 106/107)**

**Links to other programmes and partnerships to be actively promoted and strengthened.** PEI/PEA should play more of a role in connecting the dots between other projects, programmes and potential partners in order to catalyze investments.

- PEA needs to actively promote its agenda through increased efforts to engage with other UN agencies, non-UN projects / programmes and partners with compatible objectives and donors. This needs to happen at the country level through in-country teams, and regionally across both PEA and non-PEA countries through regional based staff involved in PEA. It is recommended that a more systematic approach be adopted to achieve which could include – a review of on-going/planned projects at the country /regional, level, the identification of opportunities for joint working, efforts to influence proposals upfront, regular meetings to brainstorm on opportunities, and training at country level on how P-E-C-G mainstreaming may be integrated into programmes / projects.
- PEI / PEA needs to be better integrated with other UN programmes and projects so that PEI / PEA thinking can be replicated into other areas of work and attract new funding. Anchoring the new programme in the UN agencies' agendas at the highest level requires the commitment of PEA management and Board to champion and push the work and identify new opportunities. Specific actions include: linking with directors in other units of UN Environment / UNDP; involving Regional Bureaus in determining the entry points and priority areas to be addressed in each region in addition to consultation with global and regional centers; and, consulting with Resident Representatives on how PEI can help achieve crosscutting and multidisciplinary work to address national development priorities consistent with UNDP's new approach to work<sup>4</sup>.
- It is recommended to deepen the engagement with other on-going initiatives with similar mandates as PEA (e.g. PAGE, BIOFIN, UNFI, UN-REDD) with the objective of increasing the effectiveness and efficiency of services offered to countries and avoiding duplication. PEI should take a pro-active role in identifying synergies with these programmes along with opportunities for developing joint packages of services and cost-sharing, joint programming and missions<sup>5</sup>.
- A more systematic visibility of PEI/PEA in the countries in which PEA donors are active is recommended along with a collaboration and exploration of how the tools and approaches developed could be used to better influence bi-lateral programmes in country. The joint project and the donors can both play a more active role in facilitating this.
- Strengthen stakeholder engagement. It is recommended that PEA continue to expand the participation of civil society given their key role in advocacy and the importance of promoting transparent environmental governance. <sup>[L]</sup><sub>SEP</sub>

---

<sup>4</sup> See also opportunities highlighted in Section 3.4.1.

<sup>5</sup> See also lessons on Partnerships in Section 3.2.2

<b>Management Response: Agreed</b> All country projects and TA proposals have been reviewed by the co-managers to ensure alignment with the prodoc and systematic stakeholder engagement. The co-managers will further promote the use of a rights based and gender approach to ensure better targeting of the poor, their meaningful participation and empowerment. PEA has continued to work with Swedbio on staff training on the link between human rights and environment/biodiversity as well as on side events during UNEA4 both with Swedbio and UN OHCHR to showcase success stories at country level.				
Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Actively promote PEA's agenda through participation in events, workshops and partner meetings	Dec 2019	UNDP/UN Environment	Initiated	<p>The Co-Managers are participating in the regular Green Economy institutional meetings, including PAGE, GGGI, The Green Growth Knowledge platform, GIZ, and others. Results from these meetings include proposed joint work in Indonesia on green bonds and PEA support to poverty-social inclusion of GIZ/PAGE/UN Environment's work on Green Economy in South Africa. Once more specific forms of collaboration are agreed upon, this will lead to joint missions and work plans.</p> <p>In 2019, PEA is part of a joint side event during the HLPF on fair and fast transition to green economy organised by the GE collaboration network of which we are a member.</p> <p>The UN Environment Co-Manager is the UN Environment focal point for the Third UN Decade for the Eradication of poverty and successfully included PEA into the inter-agency action plan for 2018 to 2028. PEA's input into the interagency workplan was welcome by other UN bodies as there is a general agreement that the environmental dimension of poverty eradication needs to be strengthened.</p> <p>The UN Environment Co-Manager is also the focal point for the UNEA4 resolution on poverty-environment which asks to build on and further strengthen initiatives such as PEA.</p>

<b>Ensure better integration with other UN programmes and projects</b>	Sept 2019	UNDP/UN Environment	Initiated	Most full-fledged country projects and all TAs will be linked to larger UNDP-UN Environment or UN SDG projects and are built on partnerships with FAO, UN WOMEN and others, for example in Malawi. A full list of participating PEA countries and the projects they are embedded in will be available by September 2019.
<b>Deepen the engagement with other on-going initiatives with similar mandates as PEA</b>	March 2019	UNDP/UN Environment	Completed	<p>Under Output 3, PEA will continue to participate in the Poverty-Environment Partnership and contribute its country-level experience to the global dialogue. Several organizations in the partnership are engaged in conceptual and practical work on poverty-environment and climate mainstreaming.<sup>6</sup> Potential areas for collaboration include capacity building on mainstreaming budgets with IIED; Green economy work with Germany's GIZ; and linking the System of Environmental Economic Accounts (UNDP-UN Environment PEI 2016) with poverty reduction and integrating environment into multi-dimensional poverty measurements. PEA also will explore building on its partnerships with Swedbio, UN OHCHR and UN Women to strengthen the integration of a rights based and gender perspective into its work.</p> <p>PEA will build on earlier PEI collaboration with organizations engaged in promoting the transition to an inclusive green economy, including current efforts to jointly construct a best practice framework and in-country delivery model for avoiding</p>

---

<sup>6</sup> These include the Stockholm Environment Institute, the International Institute for Environment and Development, the World Resources Institute, the Organisation for Economic Co-operation and Development, the multilateral banks and several bilateral donor agencies such as the United Kingdom's Department for International Development and Germany's GIZ.

				<p>duplication and enhancing programming collaboration and synergies. Going forward, key engagements include the following.</p> <ul style="list-style-type: none"> <li>• <b>Partnership for Action on Green Economy:</b> assessment and strategies with respect to green economy (UN Environment); green jobs (International Labour Organization); green industry (United Nations Industrial Development Organization); training, networking and learning (United Nations Institute for Training and Research)</li> <li>• <b>European Union</b> green economy programmes such as the SWITCH regional programmes in Asia and Africa: to promote sustainable products, processes, services and consumption patterns which generate growth, create decent jobs and reduce poverty</li> <li>• <b>Green Economy Coalition:</b> for convening, especially with civil society, catalysing societal demand and keeping commitments</li> <li>• <b>International Institute for Environment and Development:</b> multi-stakeholder dialogue processes, and the inclusion of marginalized groups and other equity issues</li> <li>• <b>GLZ:</b> policy advice for green fiscal policy reforms, and capacity development (specialized trainings)</li> <li>• <b>Organisation for Economic Co-operation and Development:</b> analytical framework, tracking progress mechanism, peer review mechanism</li> <li>• <b>Green Growth Knowledge Platform:</b> knowledge hub, link to global experts, data and analysis</li> </ul>
--	--	--	--	---

				<ul style="list-style-type: none"> <li>• <b>UN Environment Finance Initiative:</b> connecting financial system with sustainable development, and entry points to financial sector (banks, insurers and investors)</li> <li>• <b>Global Green Growth Institute:</b> prioritize green investment opportunities based on plans, and national financing vehicle development</li> <li>• <b>UNDP Biodiversity Finance Initiative:</b> which identifies country-level financing gaps for ensuring sustainable use of natural resources and the solutions needed to fill them.</li> </ul> <p>Coordination among relevant programmes will take place through regular coordination meetings. PEA will actively participate in the Green Economy institutional collaboration meeting convened by the Green Economy Coalition (bi-annual), which coordinates all of the actors mentioned above and also in the Poverty-Environment Partnership.</p>
<b>Systematic visibility of PEI/PEA in the countries</b>	May 2019	UNDP/UN Environment	Completed	<p>As part of the agreement with the European Commission, a visibility and communication plan was developed tailored to the objectives and activities of PEA. The communications and visibility objectives of this plan showcases the UNDP–UN Environment PEA, European Commission and other donors’ cooperation as one that strategically enables sustainable development and poverty alleviation; and promote and inform on successful results achieved and tools developed in the frame of the UNDP–UN PEA/European Commission and other contributors’ cooperation. The visibility and communication plan was shared with all PEA participating country offices.</p>



**Evaluation Recommendation or Issue 9: (point 428, pages 107/108)**

**Knowledge management** will be very important under PEA and more emphasis needs to be placed on it than in the project to both increase the visibility of PEA and package knowledge products in a way that can be easily accessed and inform specific areas of interest.

- Ensure knowledge management is properly resourced and strategically planned. PEA should set out a knowledge management strategy, which accounts for resource constraints and specifies the number and nature of priority knowledge products to be developed over the course of the project, and an efficient approach to their generation and dissemination. The knowledge management strategy should also specify how the knowledge and tools generated under the previous PEI, will be disseminated through a well-designed knowledge platform, South-South cooperation and other means.
- Ensure knowledge management has high level strategic leadership.
- Consider whether it would be better to have others take over the dissemination role if resources are limited. For example: (i) UN Environment and UNDP Communications have a wider reach and resources and could be paid to disseminate work; and / or, (ii) Green Growth Knowledge Platform (GGKP) potentially through a dedicated window on PE mainstreaming.
- Tools and methodologies need to be disseminated in a more targeted way. For example, portfolios for analysis, learning and experience exchange could be developed around key areas of interest to countries. For example, a portfolio could be focussed on Expenditure and Budget reviews, which would be useful to Finance Ministries and financial reform processes.
- Develop South-South cooperation. It is recommended that such exchanges are structured and strategic. They could be based on a topic of interest to a region and engage regional consultants to deliver training or seminars in addition to the sharing of printed materials. Opportunities for civil servants from PEI/PEA countries to share their knowledge and experiences on PE mainstreaming with administrations in similar countries interested in applying the approaches and tools should also be identified and supported with technical assistance as necessary.

**Management Response: *Agreed***

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
<b>Develop Knowledge management action plan</b>	April 2020	UNDP/UN Environment	Not yet initiated	A Knowledge Management and Monitoring & Evaluation Specialist is currently being recruited through a competitive process and is expected to be on board by October 2019. A Knowledge management action plan is planned to be developed in 2019/20 and will be presented to the project board once finalised.

**Evaluation Recommendation or Issue 10: (point 429, page 108)**

PEI has extensive experience in integrated policies and their implementation, but this needs to be highlighted much more at the UN corporate level if PEI is to establish itself as a delivery platform / approach for the SDG. This requires much stronger and strategic engagement with senior SDG actors within the UN system, which is contingent on UNDP and UN Environment senior management / PEA Board members lobbying for PEI / PEA. The **PEI poverty-environment mainstreaming model should be better promoted as a model for SDG implementation support to countries**, and better integrated into SDG support structures at the country level. While there has been some progress in integrating P-E into the UNDAFs, in general there is still much to do to ensure that the environment does not get left behind (for example in general there is not much mention of P-E in Voluntary National reviews for the SDGs).

**Management Response:** *Agreed*

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
<b>Promote PEI/PEA as a model for SDG implementation support to countries</b>	Jan 2020	UNDP/UN Environment	Initiated	<p>The UN Environment PEA Co-Manager shared a proposal within UN Environment to use PEA as a platform for the integration of the environmental dimension into its SDG support. This will be discussed further with the new leadership of UN Environment, once the new ED comes on board in June 2019. PEA staff are embedded into UN Environment's regional offices in Africa and AP where they are actively linked to office wide SDG support at country level.</p> <p>The UNDP PEA Co-Manager visited the UNDP Africa Regional Service Centre in Addis Ababa to strengthen the on-going collaboration between PEA and the regional center and to identify concrete collaboration opportunities to be jointly worked on in 2019.</p> <p>Joint follow-up missions were agreed during the meeting to strengthen the collaboration between the Africa Regional Service Center and PEA.</p> <p>Similar meetings and collaborations will also be pursued with the regional center in Bangkok, as well as at country level.</p>

				<p>Country example Tanzania: PEA has already identified that insufficient investments in sustainable ENR use and climate resilience constraints the achievement of social, economic and environmental development goals in Tanzania. PEA therefore aims to contribute towards increased public and private investments with enhanced impacts on multidimensional poverty reduction, inequality, ENR sustainability, climate resilience and achievement of FYDP II, MKUZA III and SDGs objectives.</p> <p>As noted above, both UNDP and UN Environment and exploring options for strengthening these SDG links further including by linking to other pools of expertise within each agency</p>
--	--	--	--	---

**Evaluation Recommendation or Issue 11: (point 430, page 108)**

There is a need for a **stronger focus on poverty at the strategic and implementation level**. This needs to be resourced. More poverty assessments and distributional impact analysis of actions are needed to address P-E challenges.

**Management Response:** *Agreed*

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
Strengthen the use of poverty-assessments and distributional impact analysis	May 2020	UNDP/UN Environment	Initiated	As one of the lessons learned from the previous PEI evaluation (2016), a stronger focus on poverty was already ensured in the set-up of PEA. In the PEI, there was further work on the application of a rights based and gender approach to foster the systematic use of disaggregated data, better targeting and participation of the poor and marginalized groups. PEA will continue the use of these approaches and also its work on the environmental dimension of multi-dimensional poverty measurements. Under PEA the use of poverty assessments and

				<p>distributional impact assessments will be strengthened.</p> <p>PEA is exploring the opportunity to apply a system dynamic model – be the IFs or Millennium Institute iSDG – to explore the acceleration effects of investments in nature-based solutions and sustainable management of natural resources/capital. This work can build on the already undertaken studies by the MI as well as PEI related work and the current acceleration work being done using the IFs.</p> <p>South Africa has asked UN Environment to assist with the poverty-social inclusion dimension of its GE work. PEA is following up on this request jointly with the UN Environment GE team and GIZ.</p>
--	--	--	--	--

**Evaluation Recommendation or Issue 12: (point 431, page 108)**

**Capacity building** needs to be a component of PEA. Addressing the capacity gaps for vertical (national, regional, local) and horizontal (sectoral) planning and implementation of sustainable development plans/programmes is a fundamental issue, especially in the light of the SDGs localization and implementation. Targeted capacity building programmes for governmental staff at all levels remains critical in many countries.

**Management Response:** *Agreed*

Key Action(s)	Time Frame	Responsible Unit(s)	Tracking	
			Status	Comments
<b>Conduct Capacity Building of relevant ministries on poverty-environment mainstreaming</b>	March 2010	UNDP/UN Environment	Initiated	<p>One of the key lessons from PEI was that targeted capacity building of relevant ministries to influence economic decision-makers can open doors for poverty-environment mainstreaming—through sharing of economic evidence, policy briefs, on-the-job learning and more formal types of training. Capacity building is a strong component of PEA. Through the country proposal approval process, PEA ensured that each proposal included a dedicated section outlining planned capacity building efforts. Progress on capacity building efforts will be reviewed on a regular basis.</p> <p>Capacity building will be provided through regional and global trainings. The EU expressed interest in organising joint training for government counterparts and EU delegations on PE mainstreaming which PEA will follow up on.</p>