In September 2015, the UN General Assembly adopted *Transforming our world: the 2030 Agenda for Sustainable Development*, setting out a plan of action for people, planet and prosperity. Lifting people out of poverty and achieving a life of dignity and equality for all requires significant transitions to more resource-efficient, resilient forms of growth that help bring multiple social, economic and environmental benefits.

The implementation of the Sustainable Development Goals (SDGs) calls for an integrated view of environmental, social and economic development, including effective governance and coordination mechanisms across policies and government ministries.

For more than ten years, the Poverty-Environment Initiative (PEI) has provided evidence-based policy recommendations and used integrated approaches to put pro-poor, gender-responsive environment and climate issues into the heart of national and subnational planning and budgeting processes. Based on this experience, PEI is already supporting countries’ efforts to implement the SDGs.

The United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP) jointly launched the Poverty-Environment Initiative (PEI) in 2005 to help countries integrate poverty-environment objectives into their development plans and policies. PEI’s overall aim is to bring about lasting institutional change and catalyze key actors to increase investment in pro-poor environmental and natural resource management.

PEI works with government partners and other stakeholders to raise awareness, influence policy-making and strengthen the integration of poverty-environment into plans and budgets. As an inter-agency collaboration, the programme is able to draw on the comparative advantage of both UNDP and UNEP. PEI is currently working in 22 countries across four regions, but more than 50 countries have requested the programme’s services.

“[PEI is well-placed to become] a major UNDP–UNEP delivery mechanism for SDG capacity development for equitable and pro-poor sustainable development… a proven and effective partnership [offering] existing experience, networks and tools to expedite country capacity development support to achieve SDGs.”

Recommendation of the independent evaluation of the PEI Scale-Up Phase 2008-2013
Capacity building and the use of an integrated approach are at the heart of the PEI’s mainstreaming efforts, which are mainly led by ministries of finance and planning in close coordination with sector ministries, such as environment and agriculture. This has resulted in improved integration of poverty-environment, climate and gender priorities as well as increased allocation of resources in development plans and programmes.

Strong government ownership and recognition of the effectiveness of PEI’s integrated approach has catalyzed additional in-country funding for PEI programmes. Thanks to PEI’s resource mobilization at the country level and contributions from UNDP and UNEP, every US dollar contributed by PEI donors has generated an additional 2 dollars in support for the programme. In 2014, governments and in-country donors spent nearly $7 million in support of achieving global PEI objectives.

**Poverty-Environment Initiative**
**Country Programmes, 2016**

**Global Policy Centre on Resilient Ecosystems and Desertification**

**How We Work**

| Bangladesh | Mauritania |
| Bhutan | Mongolia |
| Burkina Faso | Mozambique |
| Dominican Republic | Myanmar |
| Guatemala | Nepal |
| Indonesia | Paraguay |
| Kenya | Peru |
| Kyrgyzstan | Philippines |
| Lao PDR | Rwanda |
| Malawi | Tajikistan |
| Mali | Tanzania |

**What We Do in Support of the SDGs**

PEI is already supporting countries in implementation of the SDGs through the following tools and services:

- Integrating poverty-environment, climate and gender objectives into national, sub-national, sectoral and local development plans and budgets;

- Establishing policy planning, cross-sectoral coordination mechanisms and fiscal processes that enable effective implementation of climate change adaptation and mitigation initiatives that increase the resilience of the poor;

- Undertaking Public Environmental Expenditure Reviews (PEER) and Climate Public Expenditure and Institutional Reviews (CPEIR) to provide guidance on expenditures and reallocate funds for poverty-environment objectives;

- Conducting environmental, economic and social assessments of sector policies and plans to increase support to participatory development planning processes that are based on such integrated assessments (see Graph 1);

- Addressing equity and gender gaps, strengthening advocacy and the effective participation of target groups through inclusive programming;

- Formulating indicators, collecting data and conducting analyses to measure change towards pro-poor environmental sustainability in national and subnational monitoring systems tracking the implementation of the SDGs;
**COUNTRY EXAMPLES**

**Lao PDR**

PEI had identified Foreign Direct Investment (FDI) in natural resources including land, mining and hydropower as the key poverty-environment nexus issue that was driving rapid economic growth in Lao PDR, but at the same time degrading the environmental conditions and assets of rural communities which depend on them for their livelihoods, health and resilience. PEI has contributed to the integration of social and environmental safeguards in the country’s own systems of national development planning and private investment management including state of the art guidelines for new investments and improved monitoring capacity, a signal contribution to SDG target 17.5 to “Adopt and implement investment promotion regimes for least developed countries”.

**Burkina Faso**

PEI – working alongside the Partnership for Action on Green Economy (PAGE) and UNEP SWITCH Africa Green – is helping the government of Burkina Faso build an economy that is based on sustainable consumption and production patterns and that generates inclusive growth, creates decent jobs and reduces poverty. The beginning of the country’s transition to an inclusive green economy is already evident:

- In 2011, the Ministry of Economics and Finance created a budget line to support environment and natural resources management budgeting for the operationalization of the national sustainable development strategy. Between 2011 and 2012, the environment sector received an increased public sector allocation of $2 million.
- Mining, agriculture and health policies now include poverty-environment objectives that were derived from a PEI-supported study on the cost of unsustainable chemical use in the cotton and mining sectors.
- In May 2014, the National Assembly adopted a bill banning the production, import, marketing and distribution of non-biodegradable plastic bags. This was largely informed by a South-South exchange that was supported by PEI, as well as UNEP presentations on the green economy.

“[T]he experience and results of PEI represent policy, capacity and institutional building blocks for an inclusive green economy, and provide both lessons and inspiration for those countries and stakeholders who strive for a prosperous, socially just and sustainable future.”

Achim Steiner, Executive Director, UNEP

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**Graph 1:** The Cost of Environmental Degradation Versus Current Investment in Natural Resources: Mozambique (2007-2010) as an example of economic assessment tools

- **Cost of Degradation**: Mozambique loses 17% of its GDP every year due to environmental degradation and unsustainable use of natural resources.
- **Remediate Damages**: 9% of the GDP is the estimated cost to remediate these damages.
- **Current Investments**: Yet only 1.4% of GDP was the average annual public environmental expenditure 2007-2010. There is a need to invest more in environmental sustainability for economic growth.

- Mobilizing bilateral and private investment and domestic resources, and providing tools and methodologies to support the management of private investments in natural resources, to ensure equitable benefit sharing through improved regulatory structures;
- Collaborating with UN and other partners to conduct trainings on mainstreaming poverty-environment, climate and gender objectives into decision-making, including through the Mainstreaming, Acceleration and Policy Support (MAPS) approach;
- Working in synergy with other programmes such as Green Economy or Sustainable Consumption and Production to support SDG implementation.
Kyrgyzstan

PEI’s most important result is the development of the National Strategy of Sustainable Development (NSSD) and National Programme to Transition to Sustainable Development 2014-2017, which was led by the Ministry of Economy through interministerial coordination. Under Kyrgyzstan’s NSSD 2014-2017, a methodological framework on strategic planning of sustainable development has been adopted which integrates economic development, environmental sustainability and social inclusiveness.

PEI has contributed to development of a Post-2015 ‘road map’ by the Ministry of Economy which includes green growth indicators as part of wider set of indicators to monitor implementation of the National Strategy. Working in collaboration with UN Women, PEI has further supported the integration of gender and environment-related objectives and targets in the national SDG planning processes.

Guatemala

PEI has helped the government include pro-poor, gender and sustainable natural resources management objectives into its national development plan, K’atun Nuestra Guatemala 2030, and regional development plans. The programme has trained government officials on how ecosystems services and valuation methodologies can contribute to poverty reduction. PEI has further helped implement mechanisms that increase participation of indigenous peoples and women in territorial management, with an emphasis on ecosystems and investments in food security.

OUR PARTNERSHIPS

Partnerships are at the core of PEI’s work. PEI fosters strategic partnerships with local, national, and international organizations, and civil society actors. Key to PEI’s success is its partnership with bilateral donors including the European Union and the governments of Belgium, Denmark, Germany, Ireland, Norway, Spain, Sweden, Switzerland, the United Kingdom and United States, and multilateral organizations such as UN Capital Development Fund (UNCDF), UN Women, UNDP Global Policy Centres, the Partnership for Action on Green Economy (PAGE) and the Poverty Environment Partnership network.