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INTEGRATING GEF-RELATED GLOBAL ENVIRONMENTAL OBJECTIVES INTO UNDP MANAGED PROGRAMMES AND OPERATIONS

AN ACTION PLAN

(Prepared by the United Nations Development Programme)

RECOMMENDED COUNCIL DECISION

The Council took note with appreciation of the document, *Integrating GEF-related Global Environmental Objectives into UNDP Managed Programmes and Operations: An Action Plan* (document GEF/C.13/4). The Council welcomes the strategic commitments made by UNDP to mainstream global environmental issues throughout UNDP-managed programs and operations, and requests UNDP to report to it annually on progress made in its efforts to fulfill these commitments.

United Nations Development Programme
Sustainable Human Development



**Integrating GEF-Related Global
Environmental Objectives Into UNDP
Managed Programmes and Operations**

An Action Plan

GEF Council Decision October 1998

The GEF Council welcomed the reports submitted by the three Implementing Agencies as an initial step in putting forward useful ideas, identifying important issues, and recognizing progress made concerning the integration of global environmental issues into, or complementary of such issues with the regular programs of the Implementing Agencies. The Council invited the Implementing Agencies to continue their efforts to develop a strategic approach to the matter, including preparation by UNDP, and the World Bank of action plans for integrating global environmental activities in their regular operations and preparation by UNEP of an action plan on complementarity and additionality, taking into account the comments made at the meeting. These action plans should include clear objectives, specific measures and time frames for their achievements, and measurable indicators. The Implementing Agencies were requested to submit the actions plans (status report for the World Bank) on their preparation to the Council at its next meeting.

SUMMARY

i. This paper is presented by UNDP, at the request of both the GEF Assembly and GEF Council, as an action plan to further integrate GEF-related global environmental issues into UNDP managed programmes and operations. UNDP's Executive Board expressed strong interest in global environmental issues at its meeting in January 1999.

ii. In full recognition of UNDP's bottom up, country driven development mandate, the paper defines the organization's scope for mainstreaming global environmental issues as: the nexus between national development priorities and global environmental management objectives, where trade-offs can be pragmatically addressed; and areas where win-win situations can be supported by UNDP, GEF and programme countries. The action plan is presented as part of a broader approach by UNDP to mainstream environmental issues throughout its managed programmes and operations, an effort which began prior to the Earth Summit.

iii. The action plan makes the following strategic commitments:

- (a) across the UNDP/GEF portfolio, UNDP will leverage USD 1.5 UNDP managed resources for every GEF 1 USD allocated, by the end of FY 2002;
- (b) a proposal will be submitted to the Executive Board, to include additional performance criteria for promoting global environmental convention objectives, for the allocation of 40% of UNDP's resources (TRAC 2 resources) to national programmes;
- (c) in the seventh programming cycle a 10 country pilot scheme will undertake complementary programming to clearly identify, in national programme documents, projects with UNDP managed resources as leveraged co-financing for planned GEF supported interventions;
- (d) by the end of year 2004, 50% of UNDP's national programme documents for the eighth programming cycle will include global environmental objectives;
- (e) UNDP will systematically feed the results of completed Biodiversity Strategy and Action Plans, Strategic Action Plans and National Communications into its country programmes starting in the year 2000; and
- (f) by the end of year 2001 UNDP's project tracking system will be able to identify projects contributing to the global environmental convention objectives along with amounts and sources of financing and co-financing.

i. The log frame in Annex 1 identifies responsible parties for the outputs, indicators and milestones of performance for the action plan. UNDP will inform the GEF Council at regular intervals, of the progress UNDP is making in implementing the action plan.

INTRODUCTION

1. The GEF Assembly meeting in April 1998 requested the Implementing Agencies to “promote measures to achieve global environmental benefits within the context of their regular programs and consistent with the global environmental conventions while respecting the authority of the governing bodies of the Implementing Agencies.”¹ This paper responds to the Assembly statement and the request of the GEF Executive Council at its October 1998 meeting, for UNDP to prepare a strategic Action Plan integrating global environmental activities into its regular operations. “Mainstreaming” in this context refers to efforts to ensure that GEF-related global environmental concerns² are an integral part of the design, implementation, monitoring and evaluation of UNDP policies, programmes and operations.

2. UNDP’s mission is to help countries in their efforts to achieve sustainable human development by assisting them to build their capacity to design and carry out development programmes in poverty eradication, employment creation and sustainable livelihoods, the empowerment of women and the protection and regeneration of the environment, giving first priority to poverty eradication. UNDP’s focus is on country-driven activities primarily with domestic benefit. The focus of the GEF, on the other hand, is on country-driven activities primarily with global benefit. These are not mutually exclusive interventions, but they do create both challenges and opportunities for mainstreaming.

3. UNDP’s Executive Board at its January 1998 meeting, agreed that sustainable energy, forest management, water resources, and food security/sustainable agriculture – which correspond closely to the GEF-related global environmental objectives – should be key areas of focus for UNDP’s programming in the future. In addition at its first regular session in January 1999, UNDP’s Executive Board reiterated its strong support for efforts to integrate environmental management into UNDP activities. As part of these ongoing efforts UNDP is committed to a cross-cutting agency-wide initiative to integrate environmental management objectives throughout its programmes. Specifically in response to the Executive Board’s request, UNDP is currently establishing an environmental action plan with clear objectives, responsibilities and monitoring support, in cooperation with the Swedish International Development Cooperation Agency (SIDA). The objective of these corporate-wide efforts are first and foremost to strengthen the agency’s ability to respond proactively to client countries’ sustainable human development needs. GEF-related global environmental issues (which are the focus of this paper) are a subset of the full range of global environmental issues defined by other global environment conventions such as the Convention to Combat Desertification. Actions to mainstream global environmental objectives thus comprise part of a broader programme of interventions to create new environment-related products within UNDP’s portfolio of development services.

4. As a decentralized agency, decision making over many policy and operational issues with a bearing on mainstreaming within UNDP occurs at the programme country level. To be sustainable and effective, mainstreaming must be articulated and implemented at the country level through a consultative process with multiple stakeholders. It cannot be finessed from top-down. The corollary is that UNDP must be cognizant of and responsive to the perceived and real tradeoffs between environment and development. This is particularly the case with global environmental management programmes, which produce benefits that are often non excludable in supply, diffuse and long-term and which may not be a priority of programme countries’ development agenda. The challenge to mainstreaming is twofold: 1] to find a strategic nexus between national development priorities and global environmental management objectives where tradeoffs can be pragmatically addressed; and 2] to capitalize on potential win-win opportunities that can be mutually supported by UNDP, the GEF, and programme countries.

¹ First GEF Assembly, New Delhi Statement, April 1998.

² As articulated in the GEF Instrument and consistent with the Framework Convention on Climate Change, Montreal Protocol and Convention on Biological Diversity.

5. Mainstreaming has often been narrowly defined as Implementing Agency co-financing for GEF projects. UNDP places high priority on co-financing and has committed itself to leverage USD 1.5 of UNDP managed resources for every GEF 1 USD allocated by the end of FY 2002. While this is one indicator of mainstreaming, it is not the only gauge, and indeed does not capture the full potential for mainstreaming throughout UNDP operations. UNDP proposes a more comprehensive definition of mainstreaming including the extent to which both indirect and direct UNDP services are mobilized to secure given global environmental objectives. This paper starts from this premise, offering a broader framework for advancing mainstreaming objectives where there is identifiable synergy between the objectives of global environment conventions (as reflected in the GEF Operational Strategy and Programme mandates), UNDP's corporate Sustainable Human Development (SHD) mission, and national development priorities.

6. UNDP can contribute towards the protection of global environmental benefits not only through programmatic arrangements, but also in a number of other ways. First, the agency can supply a range of indirect services, *inter alia* aimed at building capacity for sound governance, establishing systems for effective and accountable management of sustainable development, and nurturing sustainable development processes, all of which may have positive externalities for the global environment if carefully designed and targeted. In particular such services create an enabling environment for the successful delivery of global environmental programmes. Second, UNDP can also provide a range of services at the individual programme/ project level. These include securing co-financing for the GEF Alternative, leveraging new policies and country commitments, brokering public-private partnerships, driving application of best practice principles, building multi-stakeholder consensus, monitoring programme delivery and ensuring sound financial management of GEF investments.

7. This action plan promotes mainstreaming within the broader range of UNDP's services with the objective of enhancing cost effectiveness in operations, and building the foundations for long-term programmatic sustainability, and includes the following strategic commitments:

- (a) across the UNDP/GEF portfolio, UNDP will leverage USD 1.5 UNDP managed resources for every GEF 1 USD allocated, by the end of FY 2002;
- (b) a proposal will be submitted to the Executive Board, to include additional performance criteria for promoting global environmental convention objectives, for the allocation of 40% of UNDP's resources (TRAC 2 resources) to national programmes;
- (c) in the seventh programming cycle a 10 country pilot scheme will undertake complementary programming to clearly identify, in national programme documents, projects with UNDP managed resources as leveraged co-financing for planned GEF supported interventions;
- (d) by the end of year 2004 50% of UNDP's national programme documents for the eighth programming cycle will include global environmental objectives;
- (e) UNDP will systematically feed the results of completed Biodiversity Strategy and Action Plans, Strategic Action Plans and National Communications into its country programmes starting in the year 2000; and
- (f) by the end of year 2001 UNDP's project tracking system will be able to identify projects contributing to the global environmental convention objectives along with amounts and sources of financing and co-financing.

8. Mainstreaming in the context of this plan of action focuses on the future, i.e. its objective is to outline a practical plan of action of what UNDP *will* do, with measurable objectives and timelines. However, despite this paper's forward looking perspective, mainstreaming global environmental objectives is not new to UNDP and a large number of activities aimed at mainstreaming have already been undertaken. Key examples are summarized in Annex 2. This paper starts by providing an overview of the opportunities and constraints that UNDP faces in pursuing the goals of global environmental mainstreaming, set within the

context of the agency's regular development mandate and services. Section 2 follows with a strategic action plan for mainstreaming global environmental activities into UNDP operations, with a focus on resolving tradeoffs and obtaining win-win solutions. For ease of reference, the action plan is summarized in Annex 1 in a logical framework matrix that provides an overview of goals, products, activities and verifiable monitoring indicators. Information on UNDP's progress-to-date in achieving the afore-mentioned mainstreaming objectives is provided in Annex 2.

SECTION 1: OPPORTUNITIES FOR MAINSTREAMING

9. UNDP recognizes that environmental protection is fundamental to the long-term sustainability of human development. This is reflected in a 5% increase in its budgetary commitments from 1992 to 1996 (excluding GEF funds) to UNDP's Environmental and Natural Resource Sustainability focal area. Although in most cases these interventions do not directly address global environmental concerns they may yield incidental global environmental benefits. The total figure of USD 1.2 billion committed to this focal area in the fifth programming cycle constitutes 22% of UNDP's total financial disbursements over that period. [Further information is provided in Annex 2.] The increasing importance being accorded to environmental management by UNDP creates new avenues for enhancing synergy with GEF objectives and respective global, regional and country programmes.

Programming Arrangements

10. UNDP manages numerous trust funds. This includes UNDP's role as an implementing agency for the GEF and the Montreal Protocol, whose objectives are to capture global environmental benefit. As with many of the other trust funds, UNDP/GEF programmes its projects through UNDP's 134 Country Offices. The UNDP Environmental Focal Point is usually also the GEF Task Manager, and this individual is responsible for developing both UNDP and GEF projects. This dual function gives the UNDP Environmental Focal Point an overview of UNDP and GEF operations and opportunities for synergy. UNDP Environmental Focal Points have been trained in GEF eligibility criteria through a number of training initiatives sponsored by UNDP/GEF, however training must be recognized as an on-going process that continually deepens and updates the knowledge of UNDP Environmental Focal Points and project proponents.

11. At UNDP Headquarters, UNDP/GEF Task Managers in each Regional Bureaux review UNDP's frameworks for global, regional and national programmes, and highlight potential synergies between UNDP and GEF initiatives. In 1996, UNDP/GEF instituted project pipeline reviews with senior UNDP management from the Regional Bureaux. These meetings promote an in-house understanding of GEF and its objectives, and help to identify joint initiatives. This process will yield a number of projects with objectives complementing those of the GEF and its partners.

12. UNDP has been coordinating its own efforts to contribute to both climate change mitigation and biodiversity conservation through two separate task forces. Both of these task forces bring together different UNDP programmes and projects to manage existing and future efforts to promote the objectives of these two focal areas. The Biodiversity Task Force oversees a programme that among other activities will: a) assess the range of biodiversity-related activities throughout UNDP's country programmes; b) provide guidance on how biodiversity benefits can be captured through a range of development projects; c) provide feedback to the Secretariat of the Convention on Biological Diversity and the Conference of the Parties on lessons learned from UNDP's activities; d) disseminate briefs to Country Offices on emerging decisions and work programmes of the Conference of the Parties; and e) support the emergence of the Ecosystem Conservation Group (ECG) as an effective interagency forum for biodiversity issues. The Climate Change Task Force has already developed a programme with the following elements: a) Capacity building for new mechanisms under the UNFCCC and the Kyoto Protocol, such as Activities Implemented Jointly/Joint Implementation

(AIJ/JI) and the Clean Development Mechanism (CDM); b) international dialogue and policy development, such as commissioning publications to assist decision makers reach informed agreements at UNFCCC CoP meetings; and c) stepping up joint efforts between UNDP programmes and projects supporting UNFCCC and SHD objectives, such as joint work with the forest programme to promote biomass based energy.

Co-financing and Leverage

13. Co-financing for a GEF project may be broadly defined as all non-GEF financing for activities needed to address a given global environmental problem. Co-financing thus includes: 1] Baseline finances for activities falling within the planning frame of the intervention, under the business-as-usual situation, irrespective of the GEF; and 2] funding for project activities, *leveraged* to complement the GEF's own investments in any particular project intervention.

14. Both types of financing are important to secure global environmental objectives. GEF projects are nested within national development baselines that constitute activities primarily of domestic benefit and may also yield incidental global environmental benefits. As an example, these may include poverty alleviation/sustainable livelihood schemes with a bearing on biodiversity management, primary wastewater treatment that prevent nutrient export into international waters, or expenditures on micro-credit schemes that expand consumer access to renewable energy technologies. Financial leverage is important for several reasons: first, to plug gaps in business as usual interventions to secure sustainable development baselines; second to maximize the impact of GEF investments in the global environmental protection arena; and third, to diffuse risks associated with interventions partly by expanding the basis of institutional 'ownership'.

15. UNDP can provide a number of direct services relevant to the task of confirming baseline co-financing and leveraging funds. Regarding the former, the agency can play a role in molding baseline programming through policy operations, advocacy, and gearing services to achieve joint programmatic co-ordination. In many cases, baseline investments need to be modified (thematically or spatially) to address global environmental problems. UNDP may play a growing role in uncovering the need for such adjustment, and where necessary, promote baseline substitution by articulating best practice. UNDP can also play a growing role in maintaining continuous dialogue with governments over the life of projects to ensure baseline-financing remains committed to the goals and objectives of the GEF supported intervention, and is not reallocated.

16. With regard to leveraging funds, UNDP will play an important role in fund raising by 1] co-ordinating UN agency investments to ensure synergy with GEF investments; 2] leveraging funding from bilateral and multilateral donors; 3] leveraging cost-sharing from programme countries; and 4] negotiating private sector investments.

17. Resources managed by UNDP grew by over 200% between 1991 and 1994. Recorded commitments for the fifth programming cycle of 1992-1996 show that those UNDP managed funds exceed the agency's own resources by about 5%. This trend is continuing in the period 1997-1999. The bulk of these funds come from government cost-sharing including proceeds from international, regional, and national financial institutions and bilateral donors. Such funds are being managed by UNDP as a contractual service to client governments, creating an opportunity for UNDP to highlight and incorporate global environmental concerns into a broader set of development activities supported by UNDP.

Advocacy

18. The UN Secretary General is re-enforcing the perspective that a central role of UNDP is to help countries implement global development related agreements, forged at UN conferences.³ UNDP's advocacy role promotes an understanding of the nexus between Sustainable Human Development and the global environment through the annual Human Development Report and other publications that improve understanding of the interface between sustainable development and global environmental management. UNDP also provides technical support to convention negotiators and facilitates dialogue between policy makers and experts on global environmental issues.

19. Each year, the Human Development Report (HDR) publishes the Human Development Index (HDI) by country, along with an in-depth look at one particular issue. Since it was first published in 1990, the HDI has become a widespread point of reference for policy debate; more than 100 countries now produce their own national HDRs with local indicators. The message sent through the HDR sets the tone for the UNDP-wide dialogue with governments.

20. UNDP is a partner, along with UNEP, the World Bank and the World Resource Institute (WRI), in the production of the World Resources Report (WRR), which provides comprehensive data on global environmental concerns. In the future, UNDP will play a more substantive role in producing the WRR and in particular, the forthcoming 2000-2001 Millennium Report, which will include a prototype of a major new initiative for an integrated global assessment of the world's ecosystems.

21. In the energy sector UNDP's advocacy and cooperation has stressed the linkages of energy with the social, economic and environmental aspects of the development process. A landmark UNDP document entitled "Energy after Rio: Projects and Challenges", published in June 1997, describes these linkages and played a major role in promoting the energy sector onto the "Programme for further implementation of Agenda 21" agreed upon at the United Nations General Assembly special session in 1998. The Commission for Sustainable Development (CSD), in its ninth session in 2001 will address the linkages between energy and sustainable development – and UNDP, together with the UN's Department of Economic and Social Affairs (DESA) and the World Energy Council, have begun preparation for this session.

22. The role of the Resident Coordinator (who in most cases serves as the UNDP Resident Representative) embodies many of the advocacy services UNDP provides beyond its project programming function. The Resident Coordinator represents the UN Secretary General at the national level, including all UN agencies in-country, and may act as an advocate for global environmental protection. For example the Resident Coordinator plays a strategic role in linking the UN international development conventions and protocols, including global environmental conventions, with national responses. This role calls for an ongoing dialogue and trust building with concerned governments and donors, which can best be established through a country presence.

Training and Expertise

23. Linking global environmental objectives with SHD is a relatively new area; one that is evolving through the continual development of expertise. There has been a major effort to familiarize UNDP Country Offices, and specifically Environment Focal Points/GEF Task Managers, with GEF eligibility criteria and the potential for establishing and maintaining complementarity with national development objectives. A substantive number of UNDP staff have been trained not only on how to support country efforts to access GEF funds, but also on specific project design tools like the logical framework.

³ UNDP has a comparative advantage, within the UN system, for integrating global environmental concerns into national development agenda. UNDP has a good understanding of the development dimension, a perceived neutrality among client countries, and an unparalleled country presence and effective working relationships with governments. These comparative advantages offer an opportunity for broad based advocacy, an issue recognized in the corporate strategy, and making UNDP a unique and valuable GEF partner.

24. UNDP has wide experience and direct access to centers of excellence. For example, Country Offices have direct access to in-country centers of excellence, (universities, NGOs, research institutions, consulting firms, individuals), and the capacity to mobilize these human and technical resources at short notice. In order to further improve its capacity to summon the best local or international expertise required and tackle the communication challenges caused by its decentralized structure, UNDP has initiated a Sub-regional Resource Facility (SURF) and Global Hub network at UNDP Headquarters. These new facilities offer opportunities to channel expertise on global environmental issues more quickly to Country Offices.

Tracking Results and Resources

25. To further improve management effectiveness and accountability, UNDP is introducing results-orientation or Results Based Management (RBM) within which to supplement and enhance its existing planning and reporting framework on results and allocation of resources. RBM provides a strategic, agency-wide approach focusing on priority areas of intervention and capturing results to develop a learning culture.

26. One of the essential elements of UNDP's approach to RBM is the Strategic Results Framework (SRF) which identifies results and related performance indicators in the thematic areas of sustainable development including environment and natural resources. The approach has two tracks, one focusing on the corporate level objectives and the other on country level activities. The SRF for environment and natural resources makes specific reference to global environmental objectives that fully reflect GEF's Operational Programs. It will further assist UNDP and its Programme Managers to be clearer about the results they are pursuing and ultimately provide a more effective instrument to monitor and measure more precisely how UNDP is progressing towards global environmental objectives. The new instruments offer an opportunity to improve delivery of such services as advocacy, driving application of best practice, dialogue and policy leverage, and ensure that complementarity is maintained with other UN agencies and bilateral donors, as well as tracked and reported.

27. UNDP's move to a result-based management culture will be accompanied by a review and revision of its project tracking system. In its current form, UNDP's classification system does not provide an efficient means to report on activities specific to GEF-related global environmental objectives in biodiversity and international waters, and climate change. To address this problem UNDP will modify its project tracking system with the capability to identify projects contributing to global environmental convention objectives and the amounts and sources of financing and cofinancing.

New Services

28. In the last couple of years UNDP has started to provide a range of new products to its clients that provide additional entry points for mainstreaming.

29. A clear indication of how global environmental issues have permeated the development arena has been demonstrated through the combined impacts of El-Nino and Hurricane Mitch in Central America. UNDP's Emergency Response Unit has a team specifically dedicated to help countries prepare for and manage the effects of natural disasters, by enhancing national capacity to: assess vulnerability to crises and natural disasters; establish early warning systems; include disaster management in national development planning; and strengthen the effectiveness of disaster management teams. Helping governments to prepare for natural disasters heightens awareness of the tangible links between the global environment and national development. Furthermore disaster preparedness can help to reduce the impact, of unplanned human activity for survival, on the environment in the aftermath of a natural disaster.

30. In recognition of the importance of growing private investment flows in development, UNDP has forged close working relations with the private sector to promote SHD. UNDP initiatives with the private sector work on the principle that corporations can profitably uphold environmental values and human rights

and improve the lives of the poor. Initiatives like The Global Sustainable Development Fund; Sustainable Development Networking Programme; Public Private Partnerships; and Micro-start, provide emerging opportunities for UNDP to play a brokering role between the public and private sector, including mobilizing resources for baseline investments, necessary for GEF interventions, and leveraging resources to compliment development and global environment objectives.

Challenges to Mainstreaming

31. UNDP and the GEF have different programming cycles and eligibility criteria for funding--differences that pose a challenge to joint programming. The Country Cooperation Frameworks (CCFs), the principle vehicle for defining UNDP programming priorities and financial resource commitments, are negotiated at country level between UNDP and the governments concerned. The CCFs are then approved by the UNDP Executive Board and represent "pre-approved" funding for national programmes. Further project identification, design and approval is conducted locally between the project proponents, government counterparts and the Country Office, and takes on average three to six months. The project cycle is thus less lengthy than the GEF project cycle, which has a more centralized approval structure. When seeking to leverage co-financing for GEF projects, UNDP project developers must locate funding with a similar gestation period. To address these problems UNDP will initiate a 10 country pilot to identify projects in national programmes with UNDP managed resources as leveraged co-financing for planned GEF supported interventions. Furthermore, UNDP has committed itself to include global environmental objectives in 50% of its eighth cycle national programmes by 2004. These initiatives will enhance opportunities for joint project preparation. However much of the success of these commitments lies in joint efforts to continue streamlining the GEF project cycle and ensure predictability of project approval.

32. Programme countries seek to optimize many policy priorities within binding budget and human resource constraints. UNDP must plan its programming efforts across a large range of sectors beyond environmental management, imposing a constraint on the quantity of UNDP resources that can be allocated to activities specific to global environmental protection. UNDP can provide support for activities at the interface of national development and global environmental management, however the challenge remains to uncover trade-offs between different environmental and development strategies⁴, and find win-win solutions meeting these multiple objectives.

SECTION 2: ACTION PLAN TO MAINSTREAM GLOBAL ENVIRONMENTAL ISSUES WITHIN UNDP'S REGULAR PROGRAMMES

33. UNDP's development services offer a range of existing and emerging opportunities to create synergy and linkages between objectives stated in the global environmental conventions and the priorities of national development. This section lists concrete activities, timeframes, and benchmarks for their implementation. The activities listed here comprise only a subset of a broader action plan being prepared in collaboration with SIDA. Mainstreaming global environmental issues will ultimately require more than selected corporate actions and initiatives. Fundamental changes are required in the way UNDP does business. Capacities must be enhanced, including relevant skills and knowledge, for strategic management and the creation of an enabling policy and institutional environment complete with effective networks and linkages. Since refocusing and remodeling a highly decentralized organization such as UNDP requires a long-term perspective, the activities described should be seen as part of a rolling programme of at least 5 years. UNDP will regularly review progress made with the action plan, and identify and revise areas that need strengthening.

⁴ Global environmental issues often require a long term perspective to reflect the full scale of the benefits, while development issues often revolve around short-term, more immediate needs. The challenge is to find solutions satisfying both of these requirements.

34. The action plan includes and builds on further UNDP/GEF efforts to raise awareness of the complementarity between global environmental and development issues; to provide training to UNDP staff regarding access to the GEF; and to assist GEF streamline and simplify its project cycle and eligibility criteria for better integration with UNDP's operations.
35. The action plan is expected to have the following outputs:
- (g) global environmental objectives are reflected in UNDP national programme documents;
 - (h) USD 1.5 UNDP managed resources leveraged for every GEF 1 USD allocated;
 - (i) UNDP Executive Board considers a proposal for including the performance of national programmes in promoting global environmental objectives as a criterion for the allocation of performance related TRAC resources;
 - (j) UNDP's role in advocating global environmental convention objectives is strengthened;
 - (k) Greater access to global environmental expertise is facilitated;
 - (l) heightened awareness among UNDP staff of the links between global environmental and development objectives; and
 - (m) the capability to track the impact of UNDPs activities in promoting global conventions is improved.

Output 1: *Global Environmental Objectives are Reflected in UNDP National Programme Documents Where There is Synergy with SHD*

36. The UN system is placing renewed emphasis on collaboration between its development agencies⁵ to improve programme coherence and mutually re-enforce objectives. The current United Nations Development Assistance Framework (UNDAF) pilot will provide a single country framework umbrella under which all individual UN development agency national programmes will fit together. One of the principle objectives of UNDAF will be to promote the "...global development agenda agreed at UN conferences and conventions... where it converges with national needs and priorities...". This includes global environmental conventions.

37. In the future UNDP national programmes will reflect the objectives and strategies outlined in the UNDAF, and contribute to their achievement. A product of UNDAF will be closer involvement of UNDP with a range of action plans and national communications including those requested from signatories of the UNFCCC, CBD and Convention to Combat Desertification (CCD). UNDP recognizes that Action Plans and National Communications developed by signatories of global conventions represent a nationally driven process, resulting in prioritized national agenda of activities to address convention objectives. UNDP will contribute its expertise to identify the links between SHD and global environmental objectives to assist this process, and incorporate appropriate activities into UNDP national programmes.

38. A key instrument for programming at the country level is UNDP's Programming Manual (PM). The PM which already refers specifically to the relevant global conventions, is being revised and will be re-issued soon. The re-issue will place further emphasis on the formulation process capitalizing on the identification of opportunities, including environmental opportunities, as early as possible in the programming process. One new element of the PM will be an "Integrated Programming and Assessment Tool" (IPAT). Its purpose will be to trigger thought and consultation among the stakeholders on issues to be taken into account in programming, and identify opportunities, as part of the design process. It will consist of sets of guiding questions, pertinent at different stages of programme/project design and integrate a range of vital SHD

⁵ Members of the group are: UNDP, UNICEF, UNFPA, WFP, DESA, UNDCP, UNCHS, UNOPS, UNIFEM, UNAIDS, UNCTAD, IFAD, Regional Commissions, The High Commissioner for Human Rights, Special Representative of the Secretary General for Children in Armed Conflict.

dimensions, including poverty eradication, gender, governance, environment and the global environment. The new PM will be updated on a regular basis, offering an entry point for capturing new GEF-related Global Environmental Objectives as they arise.

39. National programme documents are the outcome of a process of negotiation between national governments and UNDP Country Offices/Resident Coordinators. In order to incorporate global environmental convention objectives into these documents, it is necessary to demonstrate links between these global objectives and national development priorities. One way of demonstrating these linkages is through the development of strategic initiatives at the corporate level, such as UNDP's Initiative on Sustainable Energy (UNISE) and Water Strategy, which link energy and water with UNDP's broader mandates (poverty alleviation, improvement of the situation of women, job creation, and environmental protection and regeneration), and climate change and transboundary water issues respectively (see Annex 2).

40. UNDP will engage in the following activities to ensure that global environmental objectives are reflected in national programming documents where there is synergy with SHD and country priorities:

- (n) UNDAF and UNDP National Programme Documents: UNDP will provide technical backstopping to programming teams to identify and include key global environmental objectives into UNDAF documents. Based on these documents UNDP will prepare its guidance to assist Country Office staff in their negotiations with governments on the content of UNDP national programme documents, thereby ensuring that global environmental objectives are reflected where there is synergy with country priorities.
- (o) Integration of Enabling Activities and International Water Strategic Action Plans (SAP) into UNDAF: UNDP will systematically feed the results of completed Biodiversity Strategy and Action Plans, Strategic Action Plans and National Communications into its country programmes starting in the year 2000.
- (p) Guidance in PM and IPAT: UNDP will ensure that global environmental convention objectives and their relevance and links to national priorities and development issues, are regularly updated and incorporated into the Programming Manual and the Integrated Programming and Assessment Tool, and that relevant references and links are made with other pertinent sites.

Output 2: USD 1.5 UNDP Managed Resources Leveraged for Every GEF 1 USD Allocated

41. UNDP is already fulfilling a number of functions to programme project baselines and finance in support of the global environment. In calendar year 1998, approximately USD 1 in new finance was leveraged for every UNDP-GEF dollar approved at the time of entry into the Work Programme. The 1998 Project Implementation Review demonstrated that UNDP has also been successful in leveraging co-financing commitments during project implementation. Cutting edge GEF projects provide an important window of opportunity for sensitising decision makers and country planners to innovative new management methods and technologies. Successful demonstration in turn provides avenues for financial leverage often unavailable at the inception stages of projects. UNDP aims to improve its leveraging performance by a mean of USD 1.5 in leverage (before and during project implementation) for every GEF dollar appropriated by the end of FY 2002.

42. These targets will be applied to the portfolio rather than individual projects, since leveraging ability will obviously differ by region, country, and Operational Programme. Leveraging requirements will not be applied in a manner discouraging positive environmental action in Programme countries. This is particularly true where countries have sizeable existing baseline investments.

43. The following actions will be supported to meet the co-financing targets:

- (q) Staff incentives: Country Offices will incorporate financial leveraging responsibilities into the terms of reference for Environmental Focal Points and Sustainable Development Advisers. Leveraging will then provide one of several criteria for gauging staff performance in routine annual assessments, and provide an incentive for mainstreaming.
- (r) Training and Capacity Support: To equip environmental focal points and sustainable development advisers with fund raising skills, UNDP will host a series of regional training workshops. UNDP will also appoint resource people, accessible through the SURF network, to provide regular advise on fund raising strategies.
- (s) Financing: UNDP managed resources will be leveraged, initially on a pilot basis and where approved by governments concerned, between UNDP's national programmes and UNDP/GEF Country Programming. The effort will clearly identify UNDP managed resources as leveraged co-financing for planned GEF supported interventions. The pilot will initially be applied in 10 countries in the seventh programming cycle, and if successful will be extended systematically in subsequent cycles. UNDP will also seek to introduce an incentive for mainstreaming at the country level by including global environmental objectives as performance criteria for allocating TRAC 2 financial resources (see Output 3).
- (t) Pipeline Discussions with Trust Funds: UNDP/GEF will expand its pipeline meetings to discuss upstream project concepts with other UNDP managed trust funds (such as UNCDF and UNFPA) in addition to the Regional Bureaux.
- (u) Add-on Log frame Workshops: Where opportunities for programming synergies arise from the GEF Country Dialogue Workshops, UNDP will initiate log frame workshops for UNDP staff and project proponents to identify and plan projects with SHD and global environmental objectives.

Output 3: UNDP Executive Board Considers Proposal for Changes to Performance Related Allocation Criteria of TRAC 2 Resources

44. Starting with the sixth programme cycle in 1997, 60% of national resources are being assigned after the Executive Board approves national programmes. The remaining 40% of resources are reserved for assignment to Country Programmes based on their performance in: contributing to national priorities; strengthening national capacity; contributing to the priorities of UNDP's thematic foci; mobilizing additional resources; and leveraging impact for Sustainable Human Development. To bring these incentives in line with UNDAF objectives UNDP will advance the following initiative:

- (v) Country Programme Performance Incentives: A proposal will be submitted to the Executive Board to award resources to Country Office National Programmes based on the performance of these programmes in contributing to UN development convention objectives, including global environmental convention objectives.

Output 4: UNDP's Role in Advocating Global Environmental Objectives is Strengthened

45. Mainstreaming requires bringing new approaches or ideas from a marginal to a central perspective within the development community and national development plans. Advocacy is a key force in this process. Both from a technical and neutrality standpoint, UNDP is an effective advocate for integrating global environmental objectives into national development agenda.

46. At the national level UNDP helps countries implement global development related agreements made at UN conferences. Through their advocacy role and reinforced by the newly initiated UNDAF process,

Resident Coordinators will spend more time working with government and donors through round table meetings and other mechanisms to, leverage and mobilize resources, and initiate activities to promote global convention objectives. For example the opportunities provided by new mechanisms for international cooperation, e.g. AIJ/JI and CDM are seen by many governments as essential mechanisms for operationalizing the environment and development nexus agreed at UNCED. UNDP is currently devising a strategy for expanding its capacity building activities related to the CDM with a view to integrating and mainstreaming CDM activities into development cooperation.

47. The following are a number of activities that UNDP plans to initiate in the near future to assist client governments in linking global environmental objectives with national development priorities and facilitate the implementation of national action plans:

- (w) World Energy Assessment: UNDP will produce a World Energy Assessment together with DESA and the World Energy Council to provide input to the preparatory process leading up to the Commission on Sustainable Development's meeting in 2001 (CSD - 9) on energy issues. UNDP will also provide the scientific and technical basis for discussion in international fora and intergovernmental negotiation in pursuit of Agenda 21. The Assessment will address the linkages between energy and sustainable development and provide empirical evidence of the impact of different forms of energy production on SHD and the rate of climate change including a review of policy options to implement desired energy futures.
- (x) Regional CDM Pilot-Programme: By building upon ongoing small-scale UNDP pilot activities under the CDM Projects Work Programme UNDP will launch regional CDM pilot initiatives. The participating countries still need to be determined.
- (y) Bioenergy primer: The Sustainable Energy Unit, in cooperation with several other SEED units will produce a bioenergy primer analyzing technologies from several perspectives: energy efficiency, job creation, land use, and forest usage; and examine technological, institutional and policy options to provide improved energy services using modified biomass. The primary audience will be UNDP Country Offices and the aim is to initiate bioenergy pilot projects.
- (z) Biodiversity Guidelines: UNDP will disseminate information and guidelines to Country Offices for them to better capture biodiversity benefits through a range of projects.

Output 5: Greater Access to Global Environmental Expertise is Facilitated

48. UNDP faces substantial communication challenges as a decentralized organization with 134 Country Offices worldwide. To address this issue, UNDP has developed a Sub-regional Resource Facility (SURF) based in selected Country Offices and the "Global Hub" network at Headquarters to assist communication and channel expertise to Country Offices upon demand. SURFs will specialize in themes relevant to individual countries or regions. In the event the SURF does not have the expertise to respond to requests, they will refer to other regional SURFs or the Global Hub. The SURF's primary functions are (i) to provide access to knowledge and know-how, especially within the sub-regions; (ii) to arrange for programme backstopping in response to Country Office and Regional Bureau priorities; (iii) to improve networking and capacity development by connecting Country Offices with each other and with national and sub-regional development partners and (iv) to distill and disseminate best practices by sharing experiences in forms and ways that facilitate learning.

49. The Global Hub will have three major responsibilities: (i) to facilitate common standards, processes, training and reporting; (ii) to serve as an interregional and global SURF (e.g. staff a help desk to moderate the process of inquiries and questions and take responsibility for the timely delivery of answers); and (iii) to link up with moderators who will be located in UNDP's various divisions. Moderators will be senior staff with an area of substantive expertise and experience of a geographical region.

50. By building upon SURF and Global Hub facilities, UNDP will advance the following tasks to facilitate access to global environmental expertise:

- (aa) *Moderator*: A moderator will be designated to address questions from Country Offices regarding global environmental concerns.
- (bb) *Referral to Global Environment Experts*: UNDP will compile a roster enabling Country Office staff to access expertise for project development. The roster will include expertise in conservation and sustainable use of biodiversity; renewable energy; energy conservation, next generation energy technology and transboundary issues affecting international waters. The roster will be linked to the Global Hub network.
- (cc) *Best practices*: UNDP will review its experience at the country level in working as a partner of the GEF, identify best management practices in the GEF portfolio, and compile and disseminate them to all UNDP Country Offices.

Output 6: Heightened Awareness Among UNDP Staff of the Links Between Global Environmental and Development Objectives

51. Identifying complementarities between global environmental and UNDP's sustainable human development objectives requires knowledge about the potential linkages between those two types of objectives and existing win-win opportunities which might have been identified by successful pilot projects. To help permeate corporate policies throughout its national operations, UNDP organized a series of training sessions for UNDP Country Office staff from 1995 to 1998, to incorporate sustainable energy concerns into their national frameworks. According to a survey in 1998, 42% of UNDP national programmes now have sustainable energy components. These successful training sessions will be repeated.

52. To build on the complementarity between GEF funds and UNDP managed resources, UNDP staff need to better understand GEF eligibility criteria. UNDP/GEF has conducted a number of training exercises including the GEF Development Workshops; Log Frame Training Workshops; and Headquarters training for UNDP Environment Focal Points and government counterparts to build in-country understanding of the GEF's mandate and objectives. Training and technical backstopping will continue to be an essential activity for promoting complementarity between UNDP managed resources and GEF.

53. UNDP will adopt a more strategic approach to generating in-house awareness of global environmental issues by integrating these issues within UNDP's regular training exercises and regional information sharing meetings. Regular training sessions include induction courses for Junior Professional Officers (JPOs) and National Programme Officers (NPOs). This two-week induction course includes a half-day session on environment. UNDP's Learning Resource Center is currently developing an orientation package to provide new staff joining UNDP at all levels with basic information on UNDP procedures. Efforts are underway to develop and deliver practical operational workshops for Country Office personnel. In addition UNDP Regional Bureaux regularly organize and conduct cluster meetings with all Resident Representatives and Deputy Resident Representatives in their region to provide them with the chance to discuss among themselves, challenges and opportunities they face with their national programmes.

54. In the future UNDP will engage in the following activities:

- (dd) *UNISE training workshops*: In order to facilitate implementation of strategic initiatives put forward in UNDP's Initiative on Sustainable Energy (UNISE) and "Energy after Rio" UNDP approved the four-year Global Programme on Sustainable Energy with core resources of US\$ 3.9 million in December 1997. One of the major activities defined in the Global Programme is the UNISE Training Workshop for Country Office staff, including Sustainable Development Advisors, government officials and NGOs where appropriate. These workshops will continue to

strengthen UNDP COs' capacities for policy and programme development and assist in mainstreaming UNDP's sustainable energy policy at the national level.

- (ce) Integrated Information Management System: To test the usefulness of, and receptivity to, integrated information using GIS and other tools for decision support in UNDP Country Offices, UNDP is piloting an in-country training exercise. This exercise will use country specific data on current UNDP, World Bank and other multilateral projects (including GEF projects) to demonstrate, among other issues, linkages between global environment and development objectives and the system's usage in programming, prioritizing and monitoring interventions.
- (ff) UNDP Orientation package: This package will include information about the GEF and case studies illustrating the complementarity with UNDP managed projects and programmes including co-financing opportunities.
- (gg) Junior and National Professional Officer Induction Training: In the future, courses will include an introduction to the GEF and the linkages between development and global environmental issues. The presentation will be supported by additional materials generated by the GEF Country Dialogue Workshops project.
- (hh) Regional Cluster Meetings: To build upon this networking opportunity UNDP/GEF will update Resident Representatives and Deputy Resident Representatives on GEF policy development and discuss opportunities for UNDP and GEF collaboration at cluster meetings.
- (ii) Operational Workshops: UNDP/GEF will produce training materials for operational workshops on the means and opportunities for accessing GEF funding to co-finance UNDP managed projects.

Output 7: Capability to Track the Impact of UNDP's Activities Promoting Global Conventions is Improved

55. UNDP is currently reviewing the capability of the project classification categories. The review will make recommendations to better show where UNDP is investing its resources in relation to its mandate. As UNDP adjusts its programmes to be consistent with UNDAF, there will be a need to look at project interventions in relation to global convention objectives, as well as UNDP's priority areas. In its current form, the classification database does not provide UNDP with an efficient means of measuring future alignment of UNDP activities against environmental and natural resource priorities. It is particularly weak in relation to the water resource sector, and biological diversity. However categories relating to climate change also need updating.

- (jj) Updating the project classification system: UNDP will update its project classification system so that projects contributing to the objectives of the global environmental conventions can be identified. The classification system will be able to identify sources and amounts of financing contributed to the intervention.
- (kk) Biodiversity Study: UNDP/SEED will carry out a study of Country Programmes (using the current classification system) to quantify the extent of UNDP's activities and ultimately impacts on biodiversity.

Follow-up and Monitoring of Action Plan

56. The actions described above are set out in the attached logical framework matrix. The matrix defines clear responsibilities, activities, milestones and indicators. UNDP will monitor the progress of the action plan, and report to the GEF Council at future meetings on the achievement of milestones and indicators as part of an ongoing process to mainstream global environmental issues.

ANNEX 1: LOGICAL FRAMEWORK

Intervention Logic	Objectively Verifiable Indicators	Source Of Verification	Responsibility
OBJECTIVE: Integrate global environmental convention objectives into UNDP's Sustainable Human Development operations and promote these objectives into national development agendas	<ul style="list-style-type: none"> Percentage of Non-GEF –UNDP projects with GEF-related global environmental objectives increased by 20% by end of year 2002 compared to baseline year 1999 	<ul style="list-style-type: none"> UNDP project database 	<ul style="list-style-type: none"> All UNDP
Output 1: Global environmental objectives reflected in UNDP national programme documents where there is synergy with SHD	<ul style="list-style-type: none"> 50% of UNDAF and national programme documents drafted include global environmental objectives by end of year 2004 Most of the key results of completed Biodiversity Strategy and Action Plans, SAPs and National Communications are included in all new national programmes (starting 2000) 	<ul style="list-style-type: none"> UNDAF and national programme documents 	<ul style="list-style-type: none"> UNDG UNDP Country Offices UNDP GEF
<p>Activities:</p> <p>5.1 Promote the inclusion of global environmental objectives in UNDAF documents and national programme documents by providing technical backstopping to programming and country teams.</p> <p>1.2 Systematically feed the results of completed Biodiversity Strategy and Action Plans, Strategic Action Plans and National Communications into UNDP country programmes starting in the year 2000.</p> <p>5.1 Integrate relevant reference and links to pertinent sites, regular updating and incorporation of guidance on global environmental objectives and their relevance/links to national priorities and development issues in the programming manual and Assessment Tool.</p>			
Output 2: USD 1.5 UNDP managed resources leveraged for every GEF 1 USD allocated	<ul style="list-style-type: none"> On average USD1.5 leveraged (before and during project implementation) for every GEF dollar appropriated by end of FY 2002 	<ul style="list-style-type: none"> UNDP GEF project database Project Documents Project Implementation Review 	<ul style="list-style-type: none"> UNDP Country Offices Regional Bureaux UNDP GEF
<p>Activity:</p> <p>2.1 Incorporate financial leveraging responsibilities into the terms of reference for environmental focal points and sustainable development advisors.</p> <p>2.2 Host a series of regional training workshops to equip environmental focal points and sustainable development advisors with fund raising skills and appoint resource people responsible for advising on fund raising strategies.</p> <p>2.3 Conduct 10 country pilot exercise to clearly identify UNDP managed resources, in national programmes, as leveraged co-financing for planned GEF supported interventions.</p> <p>2.4 Organize pipeline discussions between GEF and UNDP managed Trust Funds.</p> <p>2.5 Identify opportunities for complementarity in project development coming from GEF country workshops and schedule and conduct add-on logframe project development workshops with facilitators, project proponents, GEF and UNDP staff.</p>			
Output 3: UNDP Executive Board considers proposal for changes to performance related allocation criteria of TRAC 2 resources	<ul style="list-style-type: none"> Proposal considered by Executive Board before end of year 2000 	<ul style="list-style-type: none"> Minutes of Executive Board meetings 	<ul style="list-style-type: none"> SEED
<p>Activities:</p> <p>2.1 Develop and submit a proposal to the Executive Board to include progress towards the achievement of global environmental objectives as an indicator for the allocation of performance related TRAC resources.</p>			

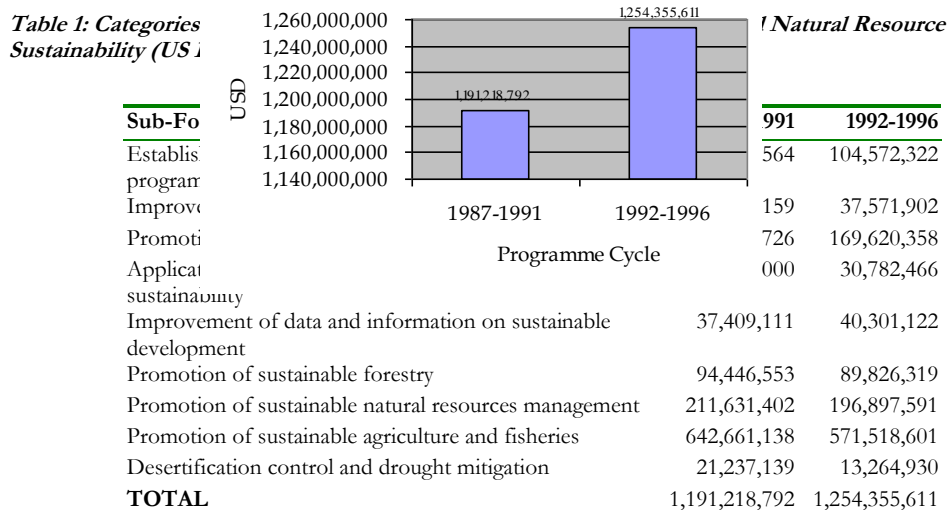
United Nations Development Programme

<u>Intervention Logic</u>	<u>Objectively Verifiable Indicators</u>	<u>Source Of Verification</u>	<u>Responsibility</u>
Output 4: UNDP's role in advocating global environmental objectives is strengthened.	<ul style="list-style-type: none"> At least 50% of survey respondents acknowledge UNDP's advocacy role with regard to global environmental convention objectives by end of year 2002 	<ul style="list-style-type: none"> Survey of key decision makers conducted in target countries and/or at convention meetings 	<ul style="list-style-type: none"> SEED
Activities: 4.1 Prepare World Energy Assessment for CSD meeting in 2001. 4.2 Launch regional CDM pilot initiatives in several countries by year 2000. 4.3 Prepare and publish bioenergy primer. 4.4 Disseminate biodiversity guidelines to Country Offices.			
Output 5: Greater access to global environmental expertise facilitated	<ul style="list-style-type: none"> At least 75% of requests for global environmental expertise addressed to the expert roster can be met from expert roster by end of year 2000. 	<ul style="list-style-type: none"> Expert roster request log Moderator's database 	<ul style="list-style-type: none"> SEED UNDP GEF
Activities: 5.1 Select Moderator with knowledge of GEF objectives. 5.2 Establish expert roster which includes expertise in global environmental management. 5.3 Identify, document and disseminate best practices for creating and enhancing synergy and complementarity between UNDP managed resources and GEF funds.			
Output 6: Heightened awareness, among UNDP staff, of the links between global environmental and development objectives	<ul style="list-style-type: none"> By end of year 2001 at least 50% of UNDP programme staff are; sensitized to global environmental objectives and their potential linkages to development objectives; GEF and its eligibility criteria; and are aware of possibilities for joint programming 	<ul style="list-style-type: none"> Staff survey conducted 	<ul style="list-style-type: none"> UNDP SEED UNDP GEF
Activities: 6.1 Conduct UNISE workshops in UNDP Country Offices. 6.2 Pilot in-country training exercise on how to use the Integrated Information Management System 6.3 Include information about GEF and potential for co-financing in UNDP orientation package. 6.4 Include introduction to GEF in JPO and NPO courses. 6.5 UNDP/GEF Coordinators present the GEF and discuss opportunities for collaboration at regional cluster meetings 6.6 Include training material on co-financing in UNDP Operational Workshops for Country Office personnel.			
Output 7: Capability to track resources assigned to promote global environmental objectives improved.	<ul style="list-style-type: none"> By end of year 2001 UNDP tracking system able to produce reports on allocation to different global environmental objectives 	<ul style="list-style-type: none"> UNDP project database 	<ul style="list-style-type: none"> UNDP DIMA UNDP SEED
Activities: 7.1 Identify new categories to improve search capability by global environmental convention objectives. 7.2 Carry out study on Country Programmes on the extent and impact of UNDP's activities on biodiversity.			

ANNEX 2: EXAMPLES OF UNDP'S PROGRESS IN MAINSTREAMING GLOBAL ENVIRONMENTAL AND SHD OBJECTIVES

1. UNDP recognizes the importance of the environment as fundamental to the sustainability of human development. In 1994 UNDP formed the Sustainable Energy and Environment Division (SEED), to provide UNDP with environmental expertise for its development programming. Financially too, UNDP increased its core and non-core commitments (not including GEF funds) to the focus area of Promoting Environmental and Natural Resource Sustainability by 5% from the fourth to the fifth programming cycle.

Graph 1: UNDP Development Assistance for promoting Environmental and Natural Resource Sustainability



1. UNDP development assistance committed in the fifth cycle (1992-1996) to promote environmental and natural resource sustainability represented around 22% of total core and non-core resource commitments. This 22% can be further broken down as in Table 1 above.

Stabilizing Greenhouse Gas Concentrations in the Atmosphere

2. Over the fifth cycle (1992- 1996) UNDP allocated over USD 169 million of core and non-core funding (not including the GEF) to promote sustainable energy and atmospheric quality. UNDP has actively promoted the links between sustainable energy and Sustainable Human Development. Energy is directly related to the most pressing social and economic issues which affect sustainable development: poverty, jobs and income levels, access to social services, gender disparity, population growth, agricultural production, and food scarcity, health, land degradation, climate change, and environmental quality. Without attention to the importance of energy to all these issues, the global goals agreed at UN Conferences cannot be achieved.

- (a) UNDP Initiative for Sustainable Energy (UNISE): In 1996, UNDP produced UNISE which describes energy's link to socio-economic development and gives guidance on how energy activities can facilitate SHD. Through UNISE, energy can become an important instrument supporting UNDP's primary objectives, while also contributing the reduction of green house gases. UNISE focuses on promotion of activities in four areas: i) mobilising support for indigenous capacity building; ii) creation of supportive legal, institutional and regulatory climates for sustainable energy development; iii) contributing to technology leapfrogging through innovative demonstration projects; and iv) supporting the formulation and implementation of national energy action programmes. As a result, sustainable energy features in many of the UNDP programme documents as a basis for future programme.
- (b) Sustainable Energy Global Programme: This Global Programme is a main vehicle to operationalize the strategies described in UNISE. Through 1) support for follow up to the global conferences and UNGASS on energy; 2) support for UNISE and sustainable energy activities at the national level; 3) the creation of resources networks on sustainable energy to support the SURFs and 4) piloting activities to promote technology leapfrogging for energy efficiency, renewable energy and modern clean technologies, UNISE will promote energy as an instrument for socio-economic development. Energy's link with sustainable human development will be supported through this global programme while also contributing to global environmental objectives. It will also provide the framework for the mobilisation of additional bilateral resources to support global and national sustainable energy activities.
- (c) Advocacy: In preparation for UNGASS "Energy After Rio: Prospects and Challenges" demonstrated the linkages between sustainable energy and socio-economic objectives, putting forward that (1) renewable energy, (2) energy conservation, and (3) next generation technologies for less harmful use of fossil fuels are necessary for achieving Agenda 21 objectives, including the UNFCCC objective to stabilize greenhouse gas concentrations in the atmosphere;
- (d) This has been followed up at CoP 4 and CoP 5, demonstrating how a strategy for sustainable energy might be implemented, including key papers such as "Issues and Options: The Clean Development Mechanism", and "Promoting Development While Limiting Greenhouse Emissions: Trends and Baselines"; and
- (e) UNDP promoted sustainable energy onto the "Programme for Further Implementation of Agenda 21", issued by the UN General Assembly at their Special Session in 1997 to review and appraise the implementation of Agenda 21, and provide development agencies with clearer mandates to promote sustainable energy as a SHD objective. Energy and its relation to sustainable development will be discussed specifically by the Commission for Sustainable Development at their 9th meeting in 2001.
- (f) UNDP Climate Change Programme (CCP): The CCP develops operational links with related activities such as in forest and land management within UNDP, as well as initiates new activities to promote the dual objectives of SHD and the stabilization of greenhouse gas concentrations in the atmosphere. Drawing upon the joint resources of Regional Bureaux, the Country Offices, UNDP/GEF, SEED units, and UNEP the CPP will: (1) help to identify and implement programmes and policies that maximize objectives for both SHD and reduction of GHG emissions; (2) provide technical backstopping and capacity building for host countries to implement the UNFCCC, and related instruments; and (3) broaden national and international debate on climate change to place it in the context of SHD.
- (g) The Energy Account, was set up in 1980 to channel funds earmarked for energy activities from donors for projects consistent with the strategic guidance of UNISE. From 1992 to 1996 83% of Energy Account projects were leveraged from non-UNDP sources. UNDP is also a joint partner with the World Bank to implement the Energy Sector Management

Assistance Programme (ESMAP). Projects funded under ESMAP, promote UNDP's UNISE objectives.

1. Montreal Protocol Programme: UNDP is an implementing agency of the Multilateral Fund under the Montreal Protocol for the Protection of the Global Ozone Layer. It is also an implementing agency under the GEF. UNDP is assisting 55 countries under the Multilateral Fund and 9 countries under the GEF implemented national programmes to phase out CFCs, halons and other ozone depleting substances (ODS) through: (a) national country programme formulation; (b) technical training and demonstration projects; (c) institutional strengthening and national capacity building programmes; and (d) technology transfer conversion projects. The sectors cover the aerosols, foams, refrigeration/AC, solvents, fumigation and fire-extinguishing sectors and include large, medium and small-scale enterprises. As of end-1998, a total of 905 projects have been approved in the 64 countries amounting to \$234 million which include 582 technology conversion projects which will eliminate a total of 29,584 ODS tonnes. A total of 351 projects have been completed, \$104 million disbursed and 11,053 ODS tonnes eliminated as of end-1998. The many innovative umbrella projects for small-scale enterprises have resulted in their continued viability which have contributed to UNDP's goal of employment protection.

Conservation and Sustainable Use of Biodiversity

2. The linkages between biodiversity conservation and sustainable use and sustainable human development are increasingly apparent. This is borne out by UNDP's emerging development assistance strategies in agriculture, forestry, and land degradation.

Sustainable Forestry

3. Over the fifth cycle UNDP allocated over USD 89 million to promote sustainable forest management. Sustainable forest management (SFM) implies maintaining the total value of market and non-market benefits derived from forests, over time. Promoting SFM thus includes promoting conservation and sustainable use of biodiversity. UNDP has been focusing in a number of areas to promote SFM:

- (a) National Forest Programmes (NFP's): As one of the partners of the Tropical Forest Action Plan (TFAP), UNDP continues to support the development of NFP's, through its Forest Capacity Programme. The objective of NFP's are to promote sustainable forest management;
- (b) Forest Partnership Agreements (FPAs) and Innovative Financing: Recognizing that ODA is declining UNDP has been promoting FPAs to support the implementation of National Forest Programmes. At a more strategic level, UNDP has been requested by the Intergovernmental Panel on Forests (IPF) to act as the lead agency for developing innovative financing mechanisms for Sustainable Forest Management; and
- (c) Policy dialogue and advocacy promoting Sustainable Forest Management: UNDP has actively supported the Intergovernmental Panel on Forestry come to consensus and make recommendations. An important element of this is the definition of sustainable forestry, which may vary as to the extent of the environmental goods and services included within the definition. The definition will help to focus strategies for SFM as well as generate consensus on the meaning of SFM.

Mitigating Land Degradation

1. While mitigating land degradation for its own sake is not considered a global issue by the GEF, it is a justified as a cross cutting area of focus in so far as it captures biodiversity, climate change and international waters objectives. UNDP has been an acknowledged leader and center of expertise in addressing land degradation, desertification and drought. The United Nations Office to Combat Desertification (UNSO) was

called upon in Chapter 38 of Agenda 21 to assume a major advisory role in supporting the implementation of Agenda 21. Since then UNSO has supported developing countries advocate their position in the outcome of the Convention to Combat Desertification (CCD), and assisted the Intergovernmental Negotiation Committee process to finalize an agreed convention text. Following adoption of the CCD, UNDP has sponsored the formation of the Global Mechanism which will catalyze resources to implement the objectives of the CCD.

2. In the fifth cycle UNDP allocated over USD 13 million to control desertification and mitigate drought. Activities funded included:

- (a) National Action Programmes (NAP) and Sub-regional Action Programmes: Countries ratifying the CCD are called upon to develop NAPs to identify priority activities to implement the CCD. UNDP has assisted 49 Countries complete their NAPs. NAPs are an important input to mainstream land degradation issues into national development programmes, and UNDP has been active in supporting the implementation of NAP priorities. NAPs can include the following types of activities: developing Environmental Information Management capacity for early warning and prioritizing activities; developing drought response strategies; and support to NGO networks implementing CCD objectives.
- (b) National Desertification Funds: The CCD also called for mechanisms to channel funds for implementing NAPs. UNDP has assisted 22 countries set up a National Desertification Fund.
- (c) Demonstration and pilot projects: UNSO is also engaged in capturing, utilizing and replicating combined indigenous knowledge and modern technology for efficient water use in rain fed and irrigated forms of agriculture.

Agriculture and Food Security

1. The 1996 World Food Summit defined food security as "...access to ... food, without compromising the productive capacity of natural resources, *the integrity of biological systems* (emphasis added), or environmental quality..". The objective of food security integrates biodiversity conservation and sustainable use, poverty eradication and SHD objectives. UNDP is currently reformulating its food security strategy through sustainable agriculture, based on this definition. Over the fifth cycle UNDP allocated over USD 571 million to promote sustainable agriculture and food security. Some of these activities included:

- (a) Development of sustainable agricultural technologies: UNDP provided financial support (over USD 150 million over the last 25 years) to research and development through the Consultative Group on International Agricultural Research (CGIAR) system, to develop environmentally sustainable agricultural technologies;
- (b) Piloting sustainable agricultural technologies: UNDP's pilot project Sustainable Agriculture Network and extension (SANE), is testing and demonstrating environmentally sustainable low cost farming technologies in Africa, Asia, and Latin America including integrated pest management and ecologically sustainable urban agriculture;
- (c) Partnerships: UNDP recognizes that food security objectives cut across many other programmes within UNDP and outside. To harness the fullest combined impact of these efforts, UNDP signed a joint accord and set up an inter-agency task force with FAO, to promote sustainable food security; and hosting rural development and food security thematic groups, among government and development agencies, in 75 countries.

Addressing Transboundary Threats to International Waters

1. The linkages between national development goals and transboundary threats to international water bodies are often highly tangible. UNDP has thus been active in promoting recognition and addressing transboundary threats to international waters. The principles of integrated water management adopted by UNDP move away from a sector approach, and recognizes the wider social, economic and physical impacts of water use and management, including transboundary impacts. This includes physical downstream, transboundary, and cross-sectoral impacts, such as those on agriculture and hydro-electricity generation. Some activities over the fifth cycle include:

- (a) Policy Advocacy: In the run up to the 1992 Earth Summit, UNDP took a leadership role and provided technical input into a number of conferences and symposia to build consensus on the principles underpinning integrated water management. These conferences included: the Noordwijk Conference on Water and Environmental Sanitation; the symposium on 'A Strategy for Water Sector Capacity Building', in Delft.; and the 1992 Conference on Water and the Environment held in Dublin. The outputs of these meetings fed directly into the principles of sustainable water management adopted at the Earth Summit in 1992.
- (b) Country Water Sector Assessments: From 1993 to 1997 the Global Water Programme initiated and supported a USD 2 million programme of Country Water Sector Assessments and Strategies as a basis for identifying needs and incorporating integrated water management principles into national strategies; and
- (c) Water Strategy: In 1998 UNDP has refocused its water strategy away from a sector approach to integrated water management based on the recognition that freshwater, coastal and marine water resources are part of a hydrological continuum. This aligned UNDP development assistance for sustainable water management with the need to address transboundary threats to water resources.
- (d) Strategic Initiative for Oceans and Coastal Management (SIOCAM): SIOCAM will harness the existing knowledge and skills from implementing integrated ocean and coastal projects, for the benefit of next generation projects. Under this strategic umbrella, UNDP/GEF has programmed the USD 4.5 million project, "Strengthening Capacity for Global Knowledge Sharing in International Waters".

Agenda 21

1. Capacity 21: UNDP's Capacity 21 was set up specifically to assist countries implement Agenda 21. Capacity 21's main functions are to help countries: (i) incorporate the principles of sustainable development into their development plans; (ii) involve stakeholders in the process; (iii) build a body of experience and expertise for sustainable development. In moving towards these objectives Capacity 21 lays the ground for GEF interventions. The following is an example of one of their project's.

- (a) "Kendelevu" Programme (Kenya endelevu: "Sustainable development in Kenya"): The Capacity 21 initiative in Kenya focuses on building capacity for sustainable development by providing an integrative and overarching framework for the implementation of the Country Cooperation Framework. This programme will focus on i) promoting understanding and ownership; ii) developing systems, mechanisms and methods; iii) developing the skills and iv) developing information systems which will go towards supporting three major UNDP programmes focusing on i) good governance and sustainable development; ii) employment creation and sustainable livelihoods and iii) sustainable environment and natural resources management. The sustainable environment and natural resource management programme has the following key focal areas: sustainable agriculture and land management; sustainable water

management; biodiversity conservation and sustainable utilization; sustainable industrial pollution control; and education, awareness and legal and institutional frameworks.

Examples of Regional Programmes

Regional Cooperation Framework for Asia and the Pacific

1. Mekong Programme: The objective of this ongoing programme is to assist the Mekong River Commission to design and implement a sustainable development strategy for the river basin agreed by riparian countries. One criteria of success for the programme will be support from the GEF. The activities of the programme will cover baseline activities, enabling UNDP/GEF to fund incremental activities for global benefit. UNDP/GEF currently has a PDF B to define these incremental elements.

2. Tumen River Area Development Programme (TRADP): The objective of the ongoing TRADP is to foster collaboration between the Democratic People's Republic of Korea, the Russian Federation, Mongolia, and the Republic of Korea through a regional commission. The project focuses on investment promotion and harmonization of trade regimes. However all countries have signed a Memorandum of Understanding on the Environment, in support of sustainable development. By bringing together the four countries and promoting a sustainable development baseline the UNDP programme provides an essential function to enable the GEF to fund incremental activities. On this basis the GEF has approved funding of over USD 5 million for incremental activities.

Regional Cooperation Framework for Latin America and the Caribbean

3. Environmental Citizenship: In this programme combined resources of USD 1 million will finance sustainable development activities. UNDP financed activities include a case study on biodiversity and gender, and a comparative study in selected countries on the capacity of indigenous groups to participate in environmental and social impact assessment. These activities provide a basis for incremental financing from the GEF to raise awareness and build public capacity to participate in decisions and actions related to the global environment.

Regional Cooperation Framework for the Arab States

4. Sustainable Energy in the Arab States: The programme has been developed in line with UNDP's energy strategy (UNISE), to promote sustainable forms of energy in the Arab Region and thus is consistent with UNDP's SHD development objectives and those of the UNFCCC to mitigate climate change. The project is also designed to complement the UNDP/GEF project "Building Capacity in the Maghreb to respond to the challenges and opportunities created by National Responses to the UNFCCC".

5. Mediterranean Environment Technical Assistance Programme (METAP): After the successful conclusion of METAP I and METAP II, and following a country consultation process, the four METAP partners (UNDP, the World Bank, the European Commission, and the European Investment Bank) launched a Third Phase. METAP III (1996-2000) was designed to address three priority themes for the region: capacity building, participation and partnerships; pollution abatement and control at "hot spots"; and integrated water and coastal resources management. Through the creation of a Regional Facility located in Cairo, Egypt, METAP partners support a Project Preparation Unit (managed by the World Bank and EIB), a Capacity Building Unit (managed by UNDP Capacity 21), and a Regional Capacity Building Programme (managed by UNDP-Regional Bureau for Arab States). The Regional Facility thus assists 14 METAP beneficiary countries in preparing priority investment projects, identifying and addressing national capacity building needs, as well as promoting cooperation and exchange through regional networks and programmes.

UNDP's contribution to METAP III includes USD 2.4 million from the Regional Programme for Arab States and USD 1.4 million from Capacity 21. The GEF project Conservation of Wetland and Coastal Ecosystem in the Mediterranean Region (MEDWET) was designed to complement the METAP III programmes, by addressing the global environmental issues and biodiversity sensitive areas, whereas METAP will focus on environmental issues more closely linked with health and sanitation, such as pollution hot spots.

6. Nile River Basin Cooperative Framework: The programme has inputs from UNDP's Global Water Programme, the Arab States and Africa Regional Programmes, the GEF and other development partners. The USD 3 million pilot programme seeks to develop a cooperation framework within which all the riparian countries of the Nile river basin can address their transboundary water externalities, including pollution. It is an excellent example of a programme with objectives common to the global environmental conventions and UNDP's SHD mandate.

Regional Cooperation Framework for Africa

1. The Natural Resource Management Programme: Under this programme the Regional Bureau for Africa and UNDP's Global Water Programme, are sponsoring the process for the development of a Regional Strategic Action Plan for Integrated Water Resource Development and Management in 12 countries of the Southern African Development Community (SADC). Through a series of round table meetings with participating countries, the project will help riparian country identify priority interventions to address transboundary water related issues, in an integrated fashion.

Regional Cooperation Framework for Europe and CIS

2. Aral Sea Basin Capacity Development Project: The project supports the overall objectives and selected components of the World Bank/UNDP/UNEP Aral Sea Basin Programme, concentrating on building the capacity of the regional institutions. The project promotes the sustainable use of land and water resources in the Aral Sea Basin for the enhancement of economic and social development of the Central Asian republics. This will be achieved through: strengthening the EC of IFAS (Executive Committee of the International Fund for the Aral Sea) to implement and further develop the Aral Sea Basin Programme. While UNDP support concentrates on developing the necessary institutional capacities and human resources, the World Bank/GEF provides technical support to the key regional activities primarily through the "Water and Environmental Management in the Aral Sea Basin" project concentrating on stabilizing the environment and improving the management of international waters.

3. Caspian Environmental Programme: The Caspian Environmental Programme (CEP) is a regional programme funded by the five riparian countries, UNDP (RBEC and RBAP), UNEP, the World Bank, the EU and GEF. The overall goal of the CEP is to achieve environmentally sustainable development and management of the Caspian environment, including living resources and water quality, so as to obtain the utmost long-term benefits for the human populations of the region, while protecting human health, ecological integrity and the region's economic and environmental sustainability for future generations. The CEP has been developed as a comprehensive response to the severe environmental problems facing the region, and is based on extensive consultations with professionals in the regional and international scientific and resource management communities as well as on a collaboration with the private sector including the oil and gas industry. The GEF component of the CEP focuses on addressing the transboundary environmental concerns in the region.

ANNEX 3: LIST OF ABBREVIATIONS

AIJ/JI	Activities Implemented Jointly/Joint Implementation
BDP	Bureau for Development Policy
CBD	Convention on Biological Diversity
CCF	Country Cooperation Framework
CCP	Climate Change Programme
CDM	Clean Development Mechanism
CGIAR	Consultative Group on International Agricultural Research
DESA	Department of Economic and Social Affairs
GEF	Global Environment Facility
GWP	Global Water Partnership
IFAD	International Fund for Agricultural Development
JPO	Junior Professional Officer
MPU	Montreal Protocol Unit
NPO	National Professional Officer
RBM	Results Based Management
SEED	Sustainable Energy and Environment Division
SGP	Small Grants Programme
SHD	Sustainable Human Development
SIOCAM	Strategic Initiative for Oceans and Coastal Area Management
SURF	Sub-regional Resource Facility
TRAC	Targeted Resources Assigned From The Core
UN	United Nations
UNAIDS	United Nations HIV/AIDS and Development Unit
UNCCD	United Nations Convention to Combat Desertification
UNCDF	United Nations Capital Development Fund
UNCHS	United Nations Centre for Human Settlements
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNISE	UNDP Initiative on Sustainable Energy
UNOPS	United Nations Office for Project Services
UNSO	Office to Combat Desertification and Drought
WFP	World Food Programme
