

# Improved Convention Coordination for Sustainable Growth in Uruguay

# ECCOSUR

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Espacios de Coordinación de las  
Convenciones para el Desarrollo  
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# Global Environmental Issues and Barriers in Uruguay

Over the last decade, Uruguay has paid great attention to the development of an institutional, policy and legislative framework to protect environmental resources and implement the Rio Conventions. In this context, the country has shown a steady progress in advancing environmental issues related to the three global Conventions: **Climate Change (UNFCCC), Biodiversity (CBD, and Desertification/Land Degradation (UNCCD)** by establishing legal instruments and institutional mechanisms. These include the National Biodiversity Strategy, the Protected Areas Law, recent National Communications to all three UN Conventions, the establishment of the Technical Advisory Committee for Environmental Protection (COTAMA), the National Plan for Response to Climate Change (2010), the National Plan on Renewable Energy (2008), the National Action Plan to Combat Land Degradation and the National Action Plan for Environmentally Sustainable Production and Consumption (2010).

This comprehensive legal and institutional framework has made tangible and significant contributions to the implementation of multilateral environmental conventions within the country, mainly through the improved capacity of national agencies, the participation of civil society, the implementation of specific Convention-linked programs and projects, and the enhancement of information generation and dissemination instruments.

# Global Environmental Issues and Barriers in Uruguay

Despite this encouraging trend, and the continuous efforts made by the country's Environmental Authorities to further improve the development and implementation of public instruments, a number of factors have contributed in recent years to increase the complexity of environmental issues faced by the country, including:

IN SUMMARY, the particular circumstances currently faced by Uruguay and the need to develop an overall environmentally sustainable growth strategy, represent a major challenge as well as a concrete opportunity to demonstrate the alignment of the country's development path with the Rio Conventions and the Multilateral Environmental Agreements. The requirements to overcome existing barriers and achieve this critical goal requires a multidisciplinary approach aimed at the development of improved policy, normative, institutional and technological measures, for which existing public and private capacities will require considerable strengthening. In this context, many of the institutional needs identified in the country's National Capacity Self Assessment continue to represent tangible barriers, which will need to be addressed and adequately adapted to the current realities.



PRODUCTIVE INTENSIFICATION



CLIMATE VARIABILITY



RENEWABLE ENERGY



INDUSTRIAL EXPANSION



THREATS TO BIODIVERSITY

# Baseline Scenario

Under the current environmental baseline scenario, Uruguay has developed a comprehensive normative framework that stems from the **Law of General Protection of the Environment (2000)**, the **National Protected Areas System Law (2000)**, and the **Environmental Impact Assessment Law (1994)**. In the context of this legislation, as a signatory to the UNFCCC, the CBD and the UNCCD, the Government of Uruguay (GOU) developed and adopted a series of instruments, including the **National Biodiversity Strategy**, the **National Plan of Response to Climate Change** and the **National Action Plan to Combat Land Degradation**.

In order to address the objectives and commitments included in these strategies, Uruguay has developed in recent years an important number of programs and projects with national budgetary resources and/or external financing, in addition to the implementation of Enabling Activities, and the elaboration of specific **Convention-related** sectoral studies and official Communications. A list of the most relevant initiatives, IAs and financiers, includes:

# Baseline Scenario

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Conservation of Biodiversity  
in the Eastern Wetlands  
(PROBIDES) – DINAMA  
(initial GEF financing)

Energy Efficiency Project –  
DNE – GEF

Sierra de los Caracoles  
Windfarm – DNE – CDM

Catalyzing Uruguay's  
National Protected Area  
System (SNAP) DINAMA -  
GEF

Integrated Natural  
Resources and Biodiversity  
Management Project –  
PPR/MGAP – World Bank

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PPR/MGAP – GEF

Sustainable Management of  
Natural Resources and  
Climate Change –  
DACC/MGAP – World Bank

Building Resilience to  
Climate Change and  
Variability in Vulnerable  
Smallholders – MGAP/ANII  
– Adaptation Fund

# Baseline Scenario

A list of the most relevant initiatives, IAs and financiers, includes:

Electricity Production from Biomass (PROBIO) – DINAMA – GEF

Ecosystem Based Approach Pilot in Coastal Fisheries – DINARA/MGAP - GEF

Waste-to Energy Project – DNE – GEF (Under Preparation)

Low Carbon Growth Study – DINAMA/MGAP/DNE – World Bank/SFLAC (Under Preparation)

Strengthening the Effectiveness of the National Protected Area System by including a landscape approach – DINAMA – GEF (Under Preparation)

Regional FREPLATA Strategic Action Plan (Reducing and Preventing Land-based Pollution in the Rio de la Plata/Martime Front - DINAMA (Uruguay) and SAyDS (Argentina) - GEF

Coastal Zone Adaptation Project - DINARA - GEF

Small Grants Programme - DINAMA - GEF

# Baseline Scenario

The above list demonstrates that over the past decade Uruguay has prioritized environmental issues and consequently secured funding for a considerably diversified portfolio of programs and projects. This, together with a number of policy and institutional initiatives, comprises a relatively solid baseline scenario. However, the results obtained to date suggest that the outcome and impacts of this baseline could be **substantially improved if (i) the existing institutional fragmentation was reduced; (ii) a more effective integration of stakeholders was achieved; (iii) a better policy and operational integration of convention-related initiatives was pursued; and (iv) more efforts were made to strengthen decentralized public and private structures.** At the same time, a number of the above-described initiatives would provide distinct experiences and opportunities for establishing synergies with the proposed project. The planned consultation process to be conducted during project preparation would include workshops with representatives of these initiatives to identify areas of collaboration and additional sources of cofinancing, as well as avoiding duplication of actions.

# Project Scenario

The project is conceptualized to contribute to the **Cross-cutting Capacity Development (CCCD) Strategy** promoted by the GEF aimed at supporting the ability of countries to meet and sustain Rio Convention objectives as a means to achieve global environmental sustainability. Expected outputs and outcomes are expected to cover four of the CCCD objectives by strengthening capacities of both Uruguay's public and private sector in improving policy, knowledge, and implementation aspects of global environmental conventions. More specifically, the project is expected to (i) **generate information and knowledge related to the impacts and interactions between Climate Change, Biodiversity and Land Degradation (Capacity Development (CD) 2); (ii) contribute to global benefits by strengthening capacities to develop policies and legislation (CD 3); (iii) build capacities at all levels aimed at a better understanding, management and implementation of Convention guidelines (CD 4); and (iv) support the development of mechanisms to assist civil society in monitoring and evaluating cross-cutting Convention implementation and environmental impacts (CD 5).**

# Project Scenario

The overall objective of the project is to develop **innovative mechanisms and instruments** for increased global environmental benefits and sustainable "green" growth in Uruguay. This would be achieved through a set of well coordinated activities that would strengthen the capacities of public and private institutions to establish improved consultative mechanisms and incorporate global environmental considerations into the country's sustainable development decision-making process. The project would support a strategy that integrates elements of **innovation, science, knowledge, governance and participation** into the environmental dimension of sustainable development.

Moreover, the project would represent a follow-up to the National Capacity Self-Assessment (NCSA) completed in 2006, and would complement the current GOU initiatives described in the Baseline Scenario, in particular the **National Climate Change Response Plan (PNRCC) and the National Biodiversity Strategy (being updated)**. Project design would take into consideration the most relevant conclusions and recommendations of the assessment, while at the same time incorporating the additional governance and capacity building requirements resulting from the accelerated and dynamic evolution of the developmental issues described previously (agricultural intensification, urban and natural resource-based industrial development, climate variability, and energy matrix diversification).

# Project Scenario

Specific needs identified in the NCSA and PNRCC that would be addressed by the project include:

Incorporate environmental considerations into sectoral development policies, plans and projects, with a land planning approach enabling the establishment of synergic relationships among the various environmental dimensions.

Foster the creation of an information and dissemination network, as well as awareness campaigns relative to environmental issues and the possibilities of making contributions to their solution, through education, dissemination and socialization of information.

Promote inter-institutional coordination, incorporating a cross-cutting, integrated approach to environmental issues.

Foster public-private cooperation for environmental management, involving all stakeholders involved (central agencies, local governments, private sector, academia, civil society and communities) as a means of generating the necessary dialogue and commitments among public and particular interests.

Promote the adaptation of the legal framework for conservation and sustainable land use requirements.

Promote and coordinate the development of scientific research programs and the training of qualified staff to address specific problems at the national level, and benefit from increased collaborative initiatives at the regional and international levels.

# Project Scenario

Specific needs identified in the NCSA and PNRCC that would be addressed by the project include:

Define indicators of achievement enabling the monitoring and evaluation of strategy development.

Strengthen the country's environmental management capacity through the promotion of:

Decentralized natural resources and environmental management, seeking strengthening of, and coordination among, municipal governments, local councils, educational institutions and civil society organizations nationwide.

Deeper local cooperation and locally-funded actions, and improvement of the capacity to face climate change in the framework of the PNRCC, including development of plans for the training of teachers, and synergies between formal and non-formal education and civil society.

Public-private cooperation through environmental management cooperation experiences conducted by MVOTMA, MGAP and other relevant public agencies.

Improved links, communication and coordination between the academic and the public sector, including the development of mechanisms to incorporate the economic dimension into environmental conservation policies.

Participatory activities among ministries, municipal governments, national and departmental legislators, public and private institutions, and civil society.

# Project Scenario

The project would be the first GEF-financed operation in Uruguay to be proposed and implemented by civil society. The project would be implemented in five years through four specific components that would address capacity building needs of public and private stakeholders, both at the national and regional levels. Total project cost are estimated at US\$ 4.2 million, with a GEF contribution of US\$1.9 million (45% of total costs). The main features and activities of individual components will be developed in a highly participatory manner during the detailed project preparation process, and can be summarized as follows:

**Component 1** - Support to Improved Convention Implementation and Coordination by the Environmental Authority (72% GEFTF, 28% cofinancing): The project would deliver a series of capacity building activities to the managers and staff of the National Environmental Directorate (DINAMA) of MVOTMA which would complement existing programs and projects related to the Conventions on Climate Change, Biodiversity and Land Degradation, as well as Biosafety, Territorial Planning, and Water Resources Management. The design of the institutional strengthening package will be structured around three main goals (i) improved coordination between Convention Focal Points; (ii) cross-cutting integration of Conventions into the delivery of DINAMA's policies, planning and programs, and (iii) enhanced public-private consultation process, particularly in the context of the COTAMA, the existing advisory committee. Activities to be supported by the project to reach these goals would include multidisciplinary training events, organization of round-tables and task-forces, access to cross-cutting experiences and expertise, and communication and dissemination instruments.

**Component 2** – Capacity Building for Integration of Rio Conventions into National Procedures and Regulations in Production Sectors (65% GEFTF, 35% Cofinancing): This component would complement the support provided to the national environmental authority through Component 1, by assisting other public institutions with Convention-related mandates, such as the Ministry of Livestock and Agriculture, and the Ministry of Industry, Energy and Mining, to remove the existing barriers to effective compliance with Convention commitments in policies and programs dealing with agriculture, livestock, fisheries, industry, energy, etc, as well as cross-cutting initiatives such as the PNRCC.

# Project Scenario

## **Component 3 – Civil Society Contribution to Sustainable Development (46% GEFTF, 54% Cofinancing):**

This component will cofinance the enhancement of the role of civil society organizations in assisting the relevant public stakeholders in the mainstreaming and integration of global conventions in national and local programs, actions and policies. For this, a comprehensive set of capacity building activities will be conducted by a team of convention-related specialists, coordinated by the civil society consortium responsible for project implementation. This team is expected to perform a series of important functions that would contribute to enhance the synergies between the public and private sectors, would operate within the existing facilities of the consortium, located in the Department of Maldonado (Eastern Region of Uruguay), and would develop innovative instruments and expertise to strengthen the performance of civil society in general through (i) training and capacity building; (ii) inter-institutional dialogue facilitation (iii) environmental and Convention-related studies and evaluations; and (iv) environmental communication and awareness. Following the project, the team of specialists is expected to constitute a national environmental think-tank and “observatory”, which would develop regional and global links to promote local adaptation of international best practices and dissemination of Uruguayan experiences regarding the integration of UN Conventions.

## **Component 4 – Model Program for Integrated Local Environmental Management (44% GEFTF, 56% Cofinancing):**

Complementing the capacity building activities oriented towards central public institutions and civil society organizations (Components 1 and 2), the project would support the development and implementation of a comprehensive decentralized program aimed at strengthening local governments, environmental agencies and CSOs, improving Convention-related knowledge in formal and informal environmental education, and supporting relevant community-sponsored initiatives. In collaboration with DINAMA, and closely linked to the activities of the other project components, this pioneer initiative would be implemented jointly with the local governments of the country's Eastern Region, comprised by the Departments of Maldonado, Rocha, Lavalleja and Treinta y Tres, and would address local initiatives related to climate change, biodiversity and land degradation.

# Incremental Costs and Baseline Contribution

The project would build on the substantive baseline currently in place in Uruguay, by adding value to existing activities and/or promoting new activities that are either are not included in existing public or private programs or require an initial financial incentive to ensure a solid start-up and contribute to its long-term sustainability.

**The GEF contribution will build public and private capacities to further align global environmental priorities within national environmental strategies, programs and plans, setting a robust platform for effective and efficient multi-sectoral dialogue and creating inter-institutional alliances that will strengthen the planning and execution mechanisms at all levels. While baseline activities are mostly aimed at addressing the sectoral alignment with convention requirements, the incremental financing (both GEF and co-financing) will complement the baseline by focusing on strengthening capacities to operationalize cross-sectoral and inter-institutional mechanisms.**

GEF funding will be targeted to activities that provide demonstrable global environmental benefits. As inadequate policies and practices related to natural resources and the environment represent the common causes for global, national and local environmental issues, by mainstreaming MEA objectives into the political decision-making, Uruguay will generate national and global benefits through sustainable development actions at national, regional and local levels.

# Global Environmental Benefits

**The effective integration of the Rio Conventions provisions into Uruguayan legislation, policies and programs will result in significant benefits at national, regional and local levels by promoting cross-convention synergies and cross-sectorial coordination, the project will greatly contribute to the country's overall sustainable development.**

Benefits at the national level will include enhanced management and technical capacities among key national agencies, as well as stakeholder groups that include decision-makers and practitioners. Stakeholders, including **private sector and civil society**, will gain a better appreciation of the links between the global environmental issues and national development priorities

Given the **holistic nature of integrated environmental policy and management**, a comprehensive analysis of potential risks or unintended consequences of project outputs will be undertaken during preparation. As part of the design of project implementation arrangements, specific mechanisms will be developed to ensure an appropriate gender balance in the selection of beneficiaries of the project's capacity building activities.

# Innovativeness, Sustainability and Replicability

The project presents a series of innovative features, including:

A model design that provides the framework to develop an effective public-private partnership, by providing support to an alliance of complementary civil society organizations, which in turn dedicates a considerable proportion of project activities to build capacities in the public sector.

A strategic focus aimed not only at improving the country's compliance with individual conventions, but most importantly at building special capacities for the integration of global environmental issues, with a focus on interventions that would take into account the predominant effects of climate change on the county's sustainable development in general, and on the other global conventions in particular.

A combination of activities that would pursue the harmonization of procedures and interventions between central and local authorities.

A bottom-up approach aimed at achieving global benefits through local actions, by incorporating local communities in capacity building initiatives.

An integrated implementation approach, involving a broad spectrum of public and private sector stakeholders, including decision makers, academia, civil society organizations, local governments, rural and urban communities, etc.

The delivery of a comprehensive training, communication and dissemination package, utilizing modern, cost-effective methodologies and instruments

The generation of mechanisms to reduce institutional fragmentation and improve the overall dialogue related to environmental issues among all relevant stakeholders.

The development of a specialized network of environmental expertise capable of generating information to cover existing knowledge gaps and provide independent advice to central and local authorities on convention-related matters linked to the country's sustainable development agenda.



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Thank you