

LINKING POVERTY REDUCTION TO THE ENVIRONMENT IN AFRICA

Outline

1. Poverty Reduction & Environmental Sustainability linkages
2. Poverty Reduction Progress
3. Key Links between Environment and MDGs
4. Poverty Reduction & Environmental Sustainability
5. Threats to Poverty Reduction
6. Poverty Reduction Progress
7. Sustainable Development and the Link to Poverty Reduction
8. Country Specific Evidence: Opportunities
9. Key Policy Action Areas for Poverty-Environment Outcomes

Poverty Reduction & Environment Interlinked

- **Livelihoods:** Ecosystems* provide goods & services (e.g. food, clean water, energy and shelter) on which poor people rely on *disproportionately* for their well-being, basic needs and incomes (also coping strategy, gender).
- **Resilience to environmental risks:** Poor people are more vulnerable to natural disasters (e.g. flooding, drought), the effects of climate change, and environmental shocks that threaten livelihoods and food security.
- **Health:** Environmental conditions account for a significant portion of health risks to poor people (water, air pollution).
- **Economic development:** environment contributes directly and indirectly to economic development and level of employment, through sectors such as agriculture, energy, forestry, fisheries, and tourism.

*defined as a dynamic complex of plant, animal and micro-organism communities and their nonliving environment interacting as a functional unit

Millennium Development Goal	Key Links between Environment and MDGs
1. Eradicate extreme poverty and hunger	1. Livelihood strategies & food security of the poor often depend directly on healthy ecosystems and the diversity of goods and ecological services they provide.
2. Achieve universal primary education	2. Time spent collecting water & fuelwood by children, especially girls, can reduce time at school.
3. Promote gender equality and empower women	3. Poor women are especially exposed to indoor air pollution & the burden of collecting water and fuelwood, and have unequal access to land and other natural resources.
4. Reduce child mortality	4. Water-related diseases such as diarrhea & cholera kill an estimated 3 million people a year in developing countries, the majority of which are children under the age of five.
5. Improve maternal health	5. Indoor air pollution & carrying heavy loads of water and fuelwood adversely affect women's health and can make women less fit for childbirth and at greater risk of complications during pregnancy.
6. Combat major diseases	6. Up to one-fifth of the total burden of disease in developing countries may be associated with environmental risk factors—and preventive environmental health measures are as important and at times more cost-effective than health treatment.
7. Ensure environmental sustainability	7. Current trends in environmental degradation must be reversed in order to sustain the health & productivity of the world's ecosystems.

Source: Linking Poverty Reduction & Environment Management (2003)

Poverty Reduction & Environmental Sustainability

The world's most disadvantaged people carry a "double burden." More vulnerable to environmental degradation, they must also cope with immediate environmental threats from indoor air pollution, dirty water and unimproved sanitation (HDR 2011, Sustainability & Equity)

Debunking Myths:

- Most environmental degradation is **caused by the non-poor** as a result of their production and consumption levels
- Population growth **does not necessarily lead to** increased degradation (complex social, economic, environmental and governance e.g. increasing value of land in Kenya)
- The **poor are incapable of investing** in environmental improvement
- Poor people often **have the technical knowledge** for resource management (ITK – environmental sound agricultural practices, water harvesting techniques, use of medicinal plants)

Poverty Reduction Progress **but . . .**

	% HDI Growth (1990-2011)	HDI Value (1990) (2011)	% below PPP \$1.25/day	% below National PL	% Change in Forest Area (1990-2008)	Income Gini Coeff.
Burundi	1.12	0.250 0.316	81.3	66.9	-39.2	33.3
Kenya	0.52	0.456 0.509	19.7	45.9	-5.9	47.7
Rwanda	2.97	0.232 0.429	76.8	58.5	30.5	53.1
Tanzania	1.35	0.352 0.466	67.9	33.4	-17.5	37.6
Uganda	1.93	0.299 0.446	28.7	24.5	-33.4	44.3

- **Income growth and rising HDI** associated with **deterioration in key environmental** indicators – CO2 emissions, soil and water quality and forest cover.
- **Distribution of income** has worsened at the country level, even with the narrowing of gaps in health and education achievement (but widening inequality in health outcomes in Africa).

Threats to Progress in Poverty Reduction

- Past patterns suggest that, in the absence of reform, **the links between economic growth and rising greenhouse gas emissions** could jeopardize the extraordinary progress in the HDI in recent decades.
- **Climate change**, with effects on temperatures, precipitation, sea levels and natural disasters
- **Degraded** land, forests and marine ecosystems pose chronic threats to well-being,
- **Pollution** has substantial costs that appear to rise and then fall with development levels

Sustainable Development and the Link to Poverty Reduction

1. **More sustainable growth is faster growth – more efficient in the use of available resources** (increase in efficiency, increased productivity and increased effectiveness in reducing poverty)
2. **More sustainable growth reduces short and long term costs – less environmental costs** (minimizing negative externalities contributes positively to growth)
3. **More sustainable growth is more equitable growth – more people benefit and the poor benefit more** (Economic growth necessary for poverty reduction and environmental sustainability – growth must be pro-poor and resource saving)

SD and the Link to Poverty Reduction (2)

- Ensuring environmental sustainability requires achieving **sustainable development patterns** and **preserving the productive capacity** of natural ecosystems for future generations.
- Both efforts require a variety of **national policies and investments** that reverse environmental damage & improve ecosystem management.
- address **inequitable access to natural resource** for the world's poor people, and
- **reverse environmental damage** resulting from high consumption and unsustainable production practices.

Country Specific Evidence

- **Rwanda, Tanzania, Uganda:** National Development **Strategies** with a strong Poverty & Environment focus - improved natural resource management, better environmental health, and disaster preparedness. Progress on MDGs due to **strong government leadership** and policies and strategies that effectively target the needs of the poor, combined with **adequate financial and technical support** from the private sector and international community. But more needs to be done on MTEFs, sector plans, budgets for ↑investment
- **South Africa:** PPP for decentralised provision of water services to the poor. Water sector **legislation** an enabling framework for local action through the decentralization of powers, rights, and responsibilities to the local level, plus guidelines and regulations to help promote social equity and environmental sustainability. Government funds basic infrastructure, users pay for services, works undertaken by water boards that contract private sector for project management and specialist services, construction by private contractors using local labor.
- **South Africa:** Electrification reduces poverty by increasing productivity, employment and time spent in school and reducing environmental pressures. In SA **electrification** is associated with a 13% greater likelihood of women participating in the labour market
- **Kenya:** Increasing energy efficiency through **improved stoves**— have reduced fuelwood requirements some 40% in parts of Kenya and dramatically cut pollution levels

Key Policy Action Areas to Improve Poverty-Environment Outcomes

Environmental regulations and subsidies can affect people's capabilities and policy can affect people's endowments, opportunities and agency—and through them the distribution of a range of assets (HDR, 2011)

- **Improve governance:** integrate PE issues in policies, plans and budgets, decentralization, empower civil society, monitoring, pro-poor regulation
- **Enhance the assets of the poor:** resource and access rights, capacity, access to appropriate technology
- **Improve the quality of growth:** pro-poor environmental fiscal reform
- **Reform international and industrial country policies:** pro-poor and pro-environment FDI, sustainable consumption and production, enhance contribution of MEAs to poverty reduction, trade policies

Key Policy Action Areas to Improve Poverty-Environment Outcomes

- **Integrate** non-income & distributional dimensions of well-being in GE policies (livelihoods, assets, skills)
- **Understand** direct and indirect effects (analysis)
- **Consider compensation** mechanisms (social benefits to offset negative impacts)
- Understand the risk of extreme events & **invest in reducing vulnerability**



Thank you for your attention