

Poverty and Environment

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The “GDP of the poor”



- The sustainability of the environment is now understood to be complementary and necessary to “end poverty in all its forms everywhere.”
- Ecosystem services and other non-market goods make up between 50 and 90% of the total source of livelihoods among poor rural and forest-dwelling households worldwide—the so-called “GDP of the poor”.
- Economic development and poverty reduction strongly depend on improving management of the environment and natural resources, the “natural capital” of the poor.

Poverty-environment linkages



- I. Eradicating poverty remains a major challenge for Least Developed Countries:*** in 10 years poverty will become more concentrated in the more fragile Least Developed Countries facing conflict and climate stress. Natural capital makes up 36 per cent of the wealth of low-income countries.
- II. Inequality harms growth, poverty reduction and ecosystem sustainability:*** poor and marginalised groups are disproportionately dependent on ecosystem services. Moreover, poverty falls disproportionately on women.

Poverty-environment linkages



III. Poverty-environment, climate and gender mainstreaming can help eradicate poverty, reduce inequality and combat environmental degradation: economic development and poverty reduction strongly depend on improving management of the environment and natural resources.

IV. The integrated approach to poverty reduction and environmental sustainability can support Governments to design both the process and content of Sustainable Development Goal implementation: by taking pro-poor, gender-responsive environment and climate issues into the heart of economic decision-making, in particular, national and subnational planning and budgeting processes.

Lessons learned



- 1. Making the case using consultative research and integrated evidence***
- 2. The use of a rights based approach can help address discrimination/exclusion and access to natural resources as well as benefit sharing***
- 3. Poverty-environment and climate mainstreaming tools can strengthen understanding of linkages and policy coherence***

Lessons learned



4. National coordination mechanisms, political leadership and mainstreaming of budgets are components of a successful integrated approach

5. Fiscal policy reform to attract investments for poverty-environment objectives and end perverse incentives

Thank you!



*Empowered lives.
Resilient nations.*

Poverty-Environment Initiative

