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# Linking Poverty Reduction and Environmental Management

Policy Challenges and Opportunities





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Department for International Development, United Kingdom (DFID)

Directorate General for Development, European Commission (EC)

United Nations Development Programme (UNDP)

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#### Foreword

ne in five people on the planet—two-thirds of them women—live in abject poverty. While the last century saw great progress in reducing poverty and improving well-being, poverty remains a global problem of huge proportions. Of the world's 6 billion people, 2.8 billion live on less than US\$2 a day,

and 1.2 billion on less than US\$1 a day. To address this challenge, the world's governments committed themselves at the United Nations Millennium Summit to the Millennium Development Goals, including the overarching goal of halving extreme poverty by the year 2015.

At the same time, however, our planet's capacity to sustain us is eroding. The problems are well known—degrading agricultural lands, shrinking forests, diminishing supplies of clean water, dwindling fisheries, and the threat of growing social and ecological vulnerability from climate change and loss of biological diversity. While these threats are global, their impacts are most severe in the developing world—especially among people living in poverty, who have the least means to cope.

Is this environmental decline inevitable in order for poverty to be reduced? We argue not. Indeed, quite the opposite is true. If we do not successfully arrest and reverse this erosion of natural resources, the world will not be able to meet the Millennium Development Goals, particularly the goal of halving extreme poverty. As this paper demonstrates, tackling environmental degradation is an integral part of effective and lasting poverty reduction. The 2002 World Summit on Sustainable Development (WSSD) provides the international community with a pivotal opportunity to redirect the global debate, and to forge a more integrated and effective global response to poverty and environmental decline.

To succeed, we need to focus on the most important links between poverty, the environment, and sustainable development. Up until now, many have argued that ensuring sound environmental management means curtailment of economic opportunities and growth, but without growth we cannot reduce poverty. In fact, there is no simple relationship between economic growth and environmental degradation, and appropriate policies nationally and internationally can bring major benefits on both fronts. To this end, we need to look beyond what environmental institutions can do, and search for opportunities across all sectors.

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This document is based on contributions from four organizations that are pursuing similar objectives for poverty eradication and environmental management-the Department for International Development (DFID) in the United Kingdom, the Directorate General for Development of the European Commission (EC), the United Nations Development Programme (UNDP), and the World Bank. Inspired by our common agendas and the opportunity provided by WSSD, we have pulled together our existing (but independent) strategies on poverty and environment. We have consulted widely and are grateful to the more than one thousand people from 84 countries who have participated in the discussions, many of whom have submitted comments. Drawing also from the work of others, we have assembled evidence of the important linkages between environmental management and poverty reduction, and what we believe are significant policy opportunities for moving the poverty-environment agenda forward.

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