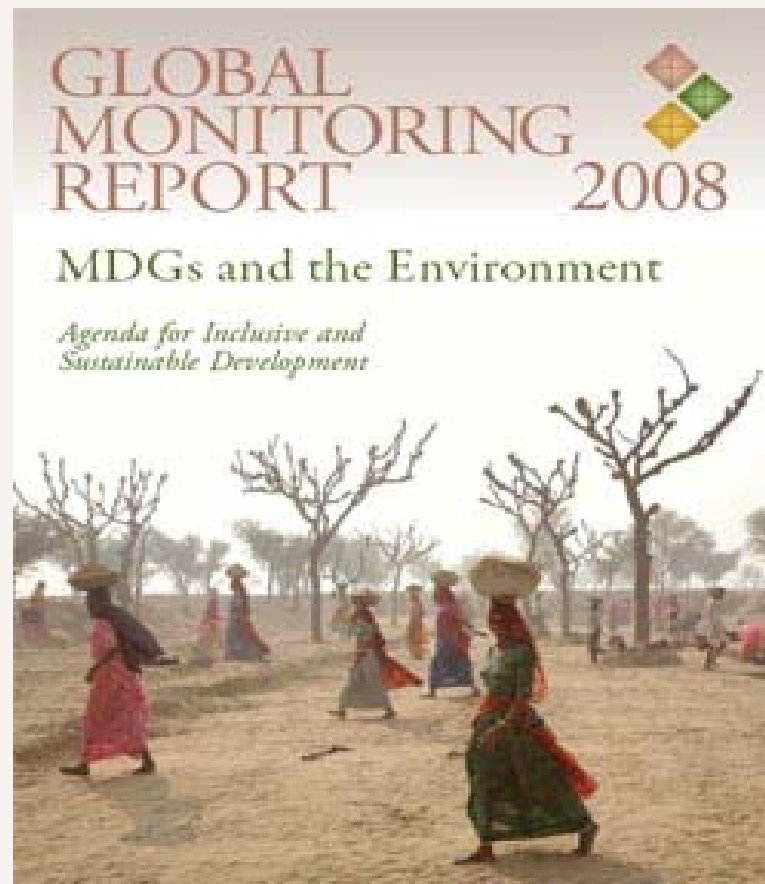


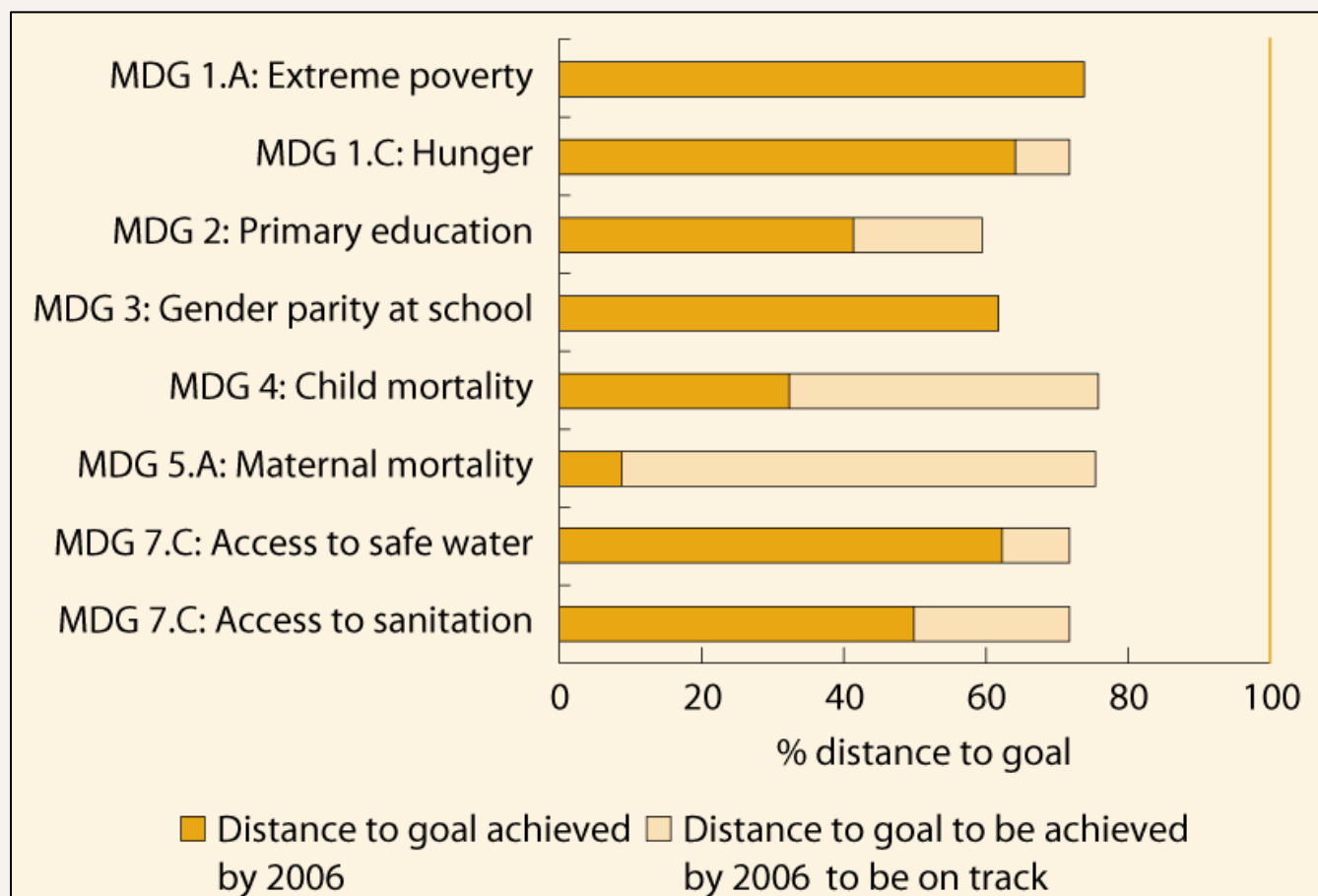
Global Monitoring Report 2008

MDGs and the Environment

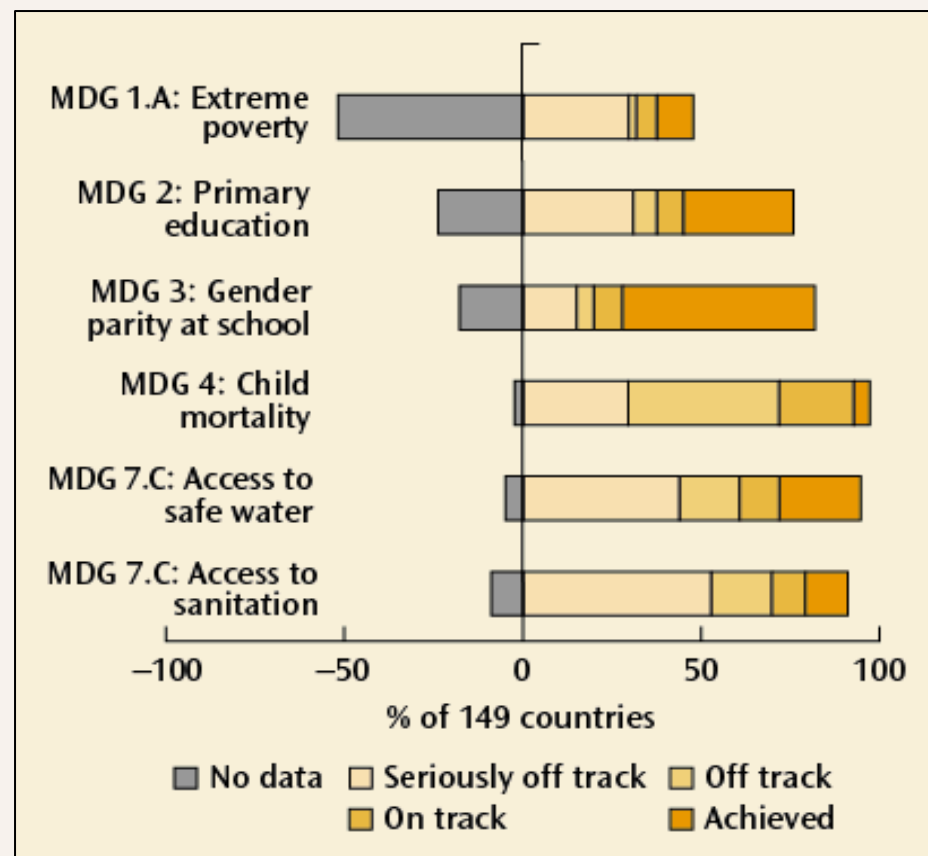
Agenda for Inclusive and Sustainable Development



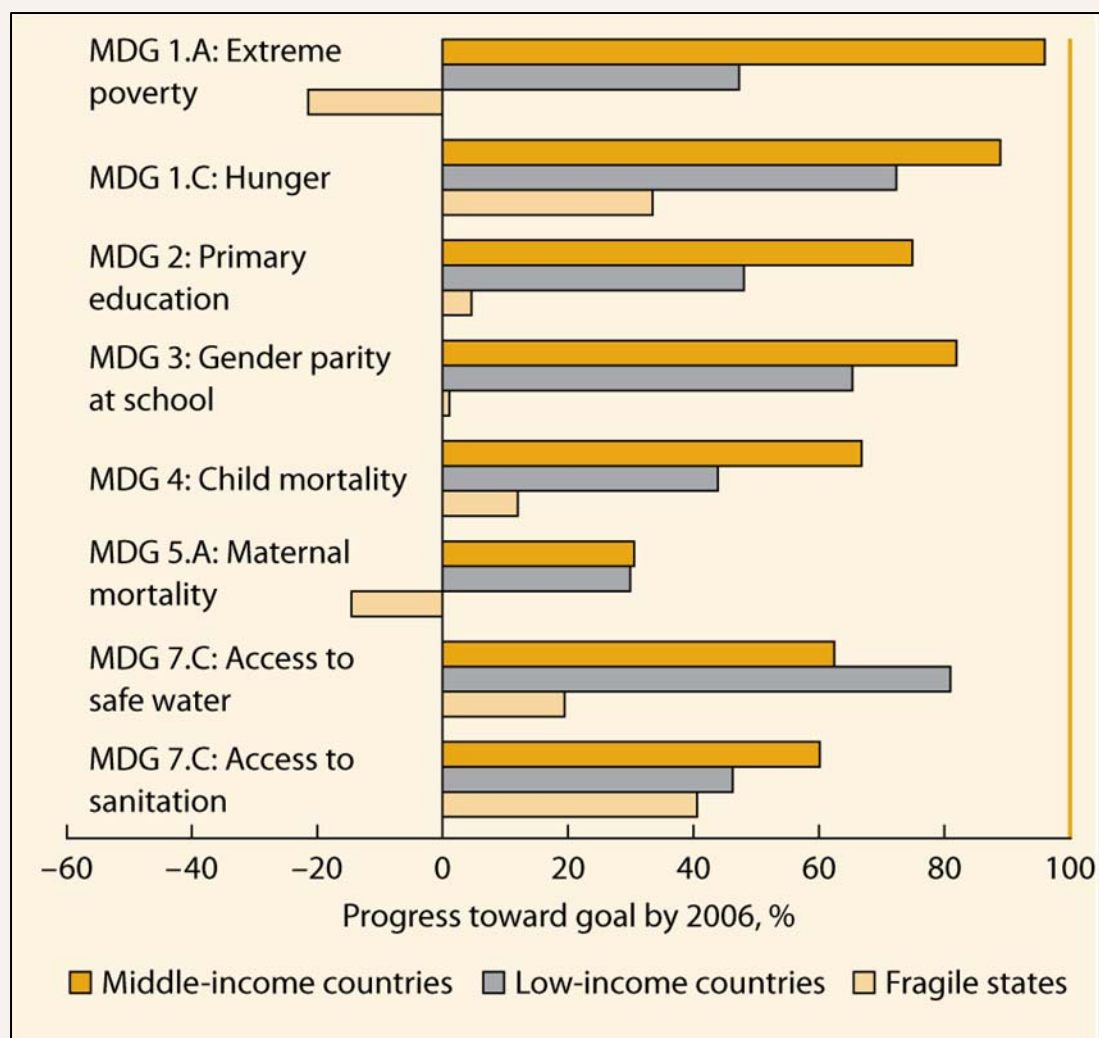
World on track on poverty reduction and gender parity at school MDGs, but serious shortfalls likely on nutrition, education, health, and sanitation goals



Africa lags on all MDGs, South Asia on most human development goals. At country level, most countries are off track to meet most MDGs



Progress toward MDGs slowest in fragile states—even negative on some MDGs



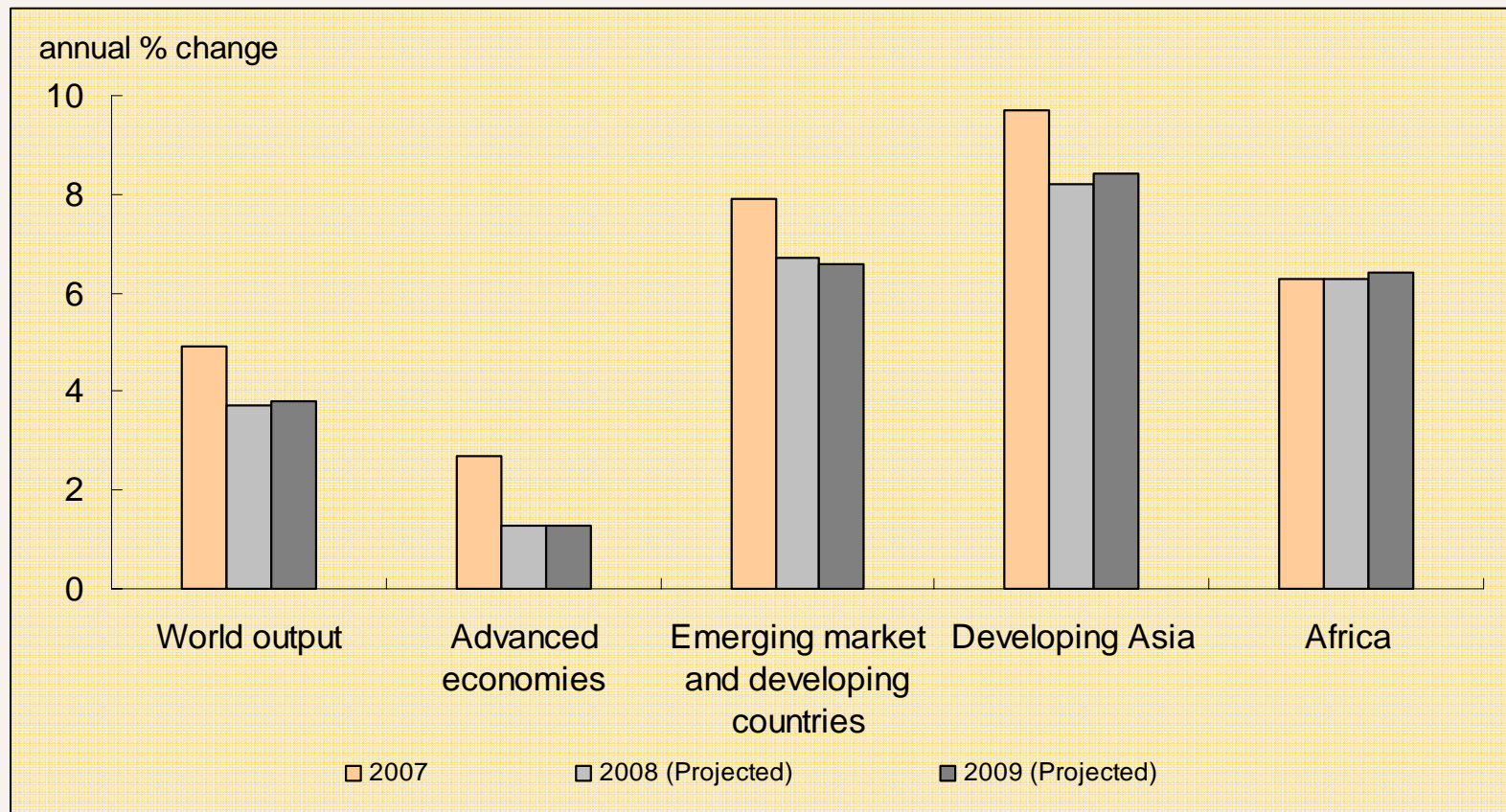
Agenda ahead

- Assessment at midpoint shows urgent need to generate stronger, more inclusive momentum toward the MDGs
- With stronger efforts by countries and by development partners, most MDGs still achievable for most countries
- As MDG 7 underscores, development and environmental sustainability are integrally linked
- In this Year of Action for MDGs, need to agree on priority actions and milestones for monitoring progress
- Report emphasizes a six-point agenda for inclusive and sustainable development

MDGs and the environment: A six-point agenda for inclusive and sustainable development

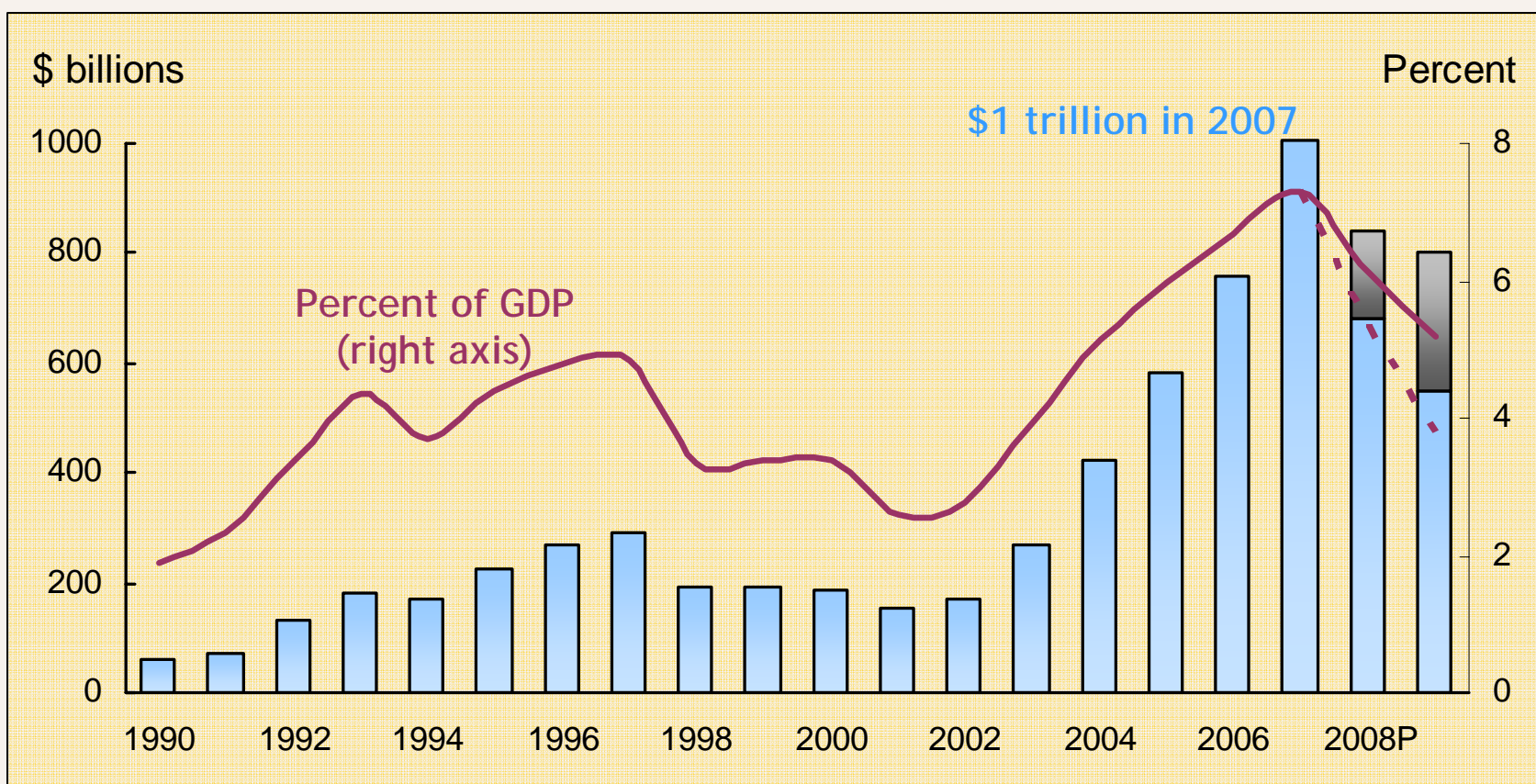
- Sustain and broaden the growth momentum
- Achieve better results in human development
- Integrate development and environmental sustainability
- Scale up aid and increase its effectiveness
- Harness trade for strong, inclusive, and sustainable growth
- Leverage IFI support for inclusive and sustainable development

Increased risks from financial turbulence— developing-country growth slowing but still robust

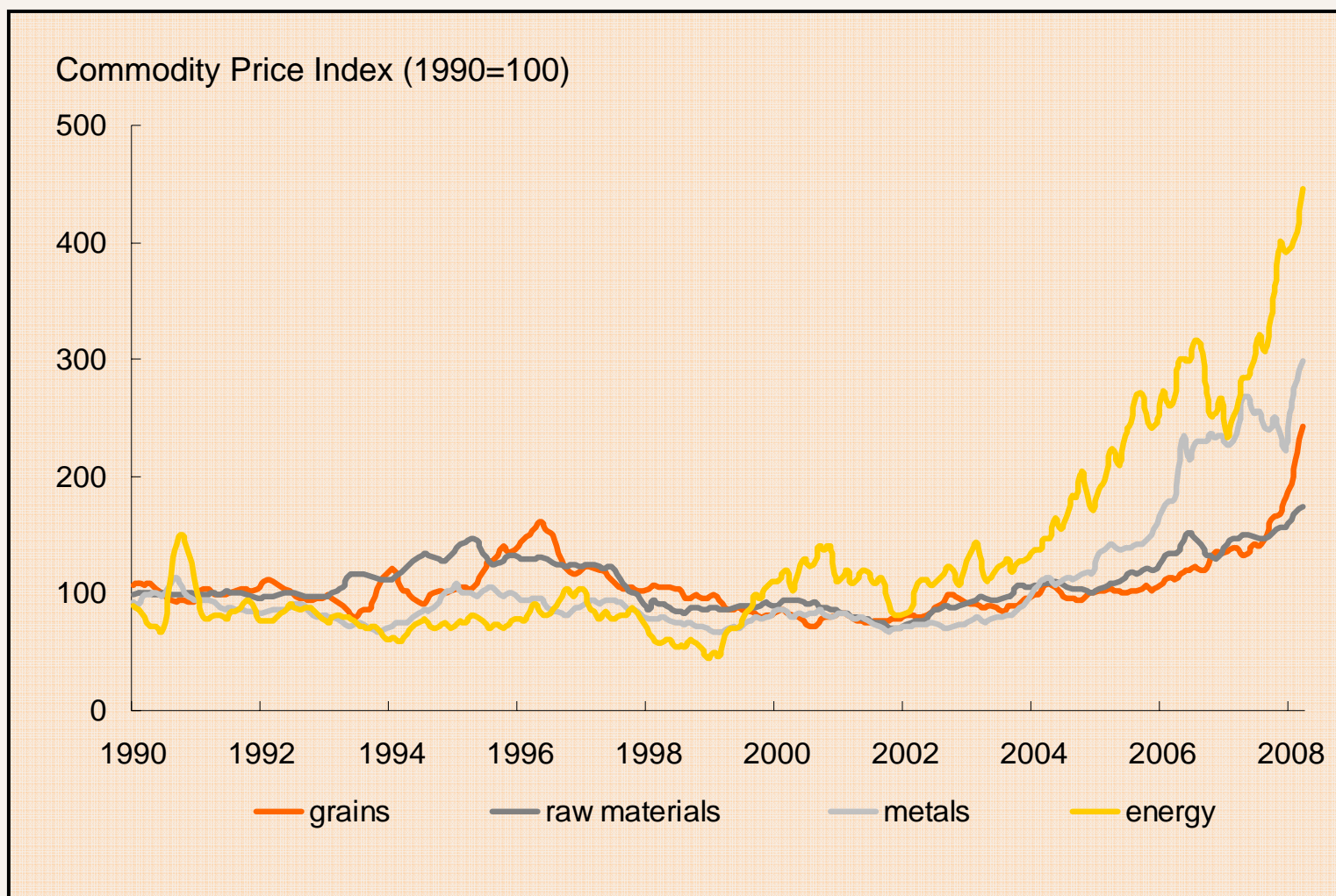


Private capital flows expected to ease but remain relatively abundant

Net private capital flows to developing countries

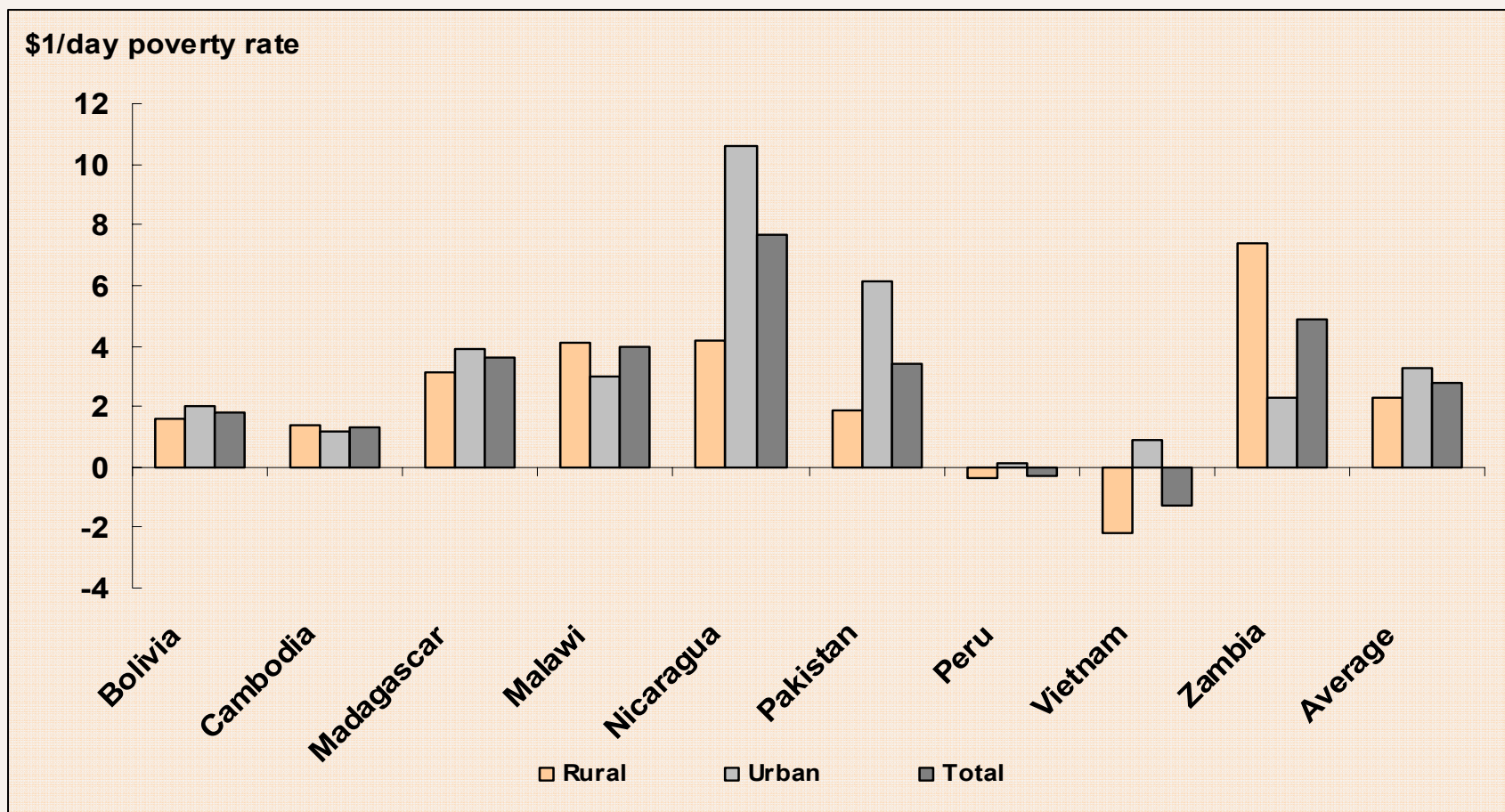


Sharp rises in energy and food prices add to risks



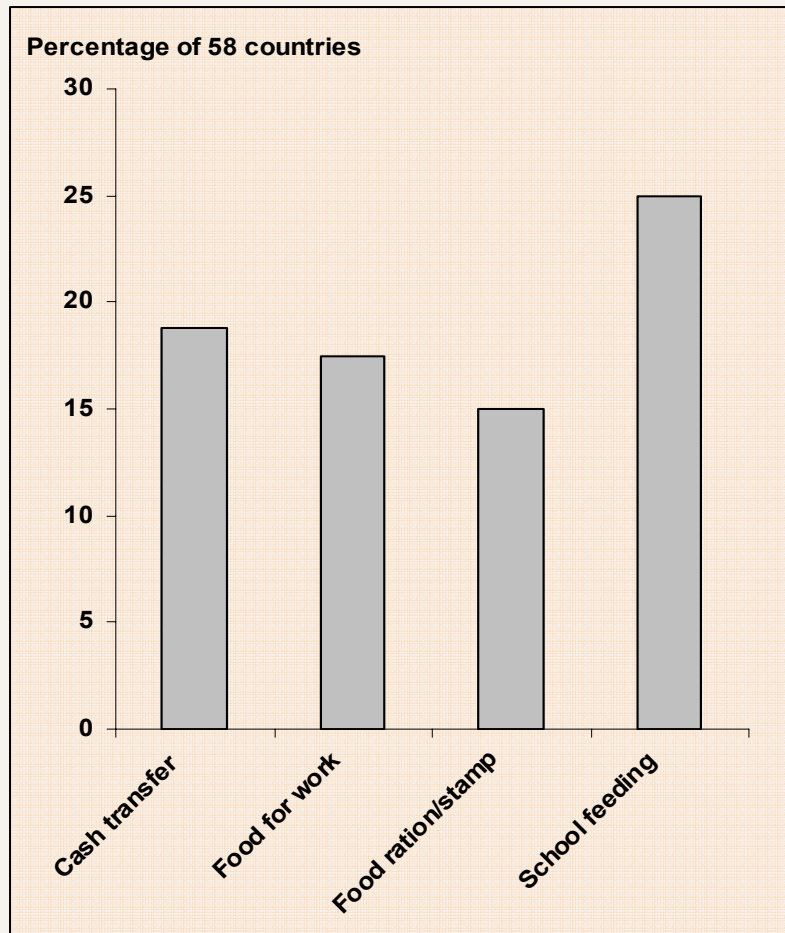
Diversity of food price impacts on poverty

Impact of food price increases in 2005-07 on \$1/day poverty

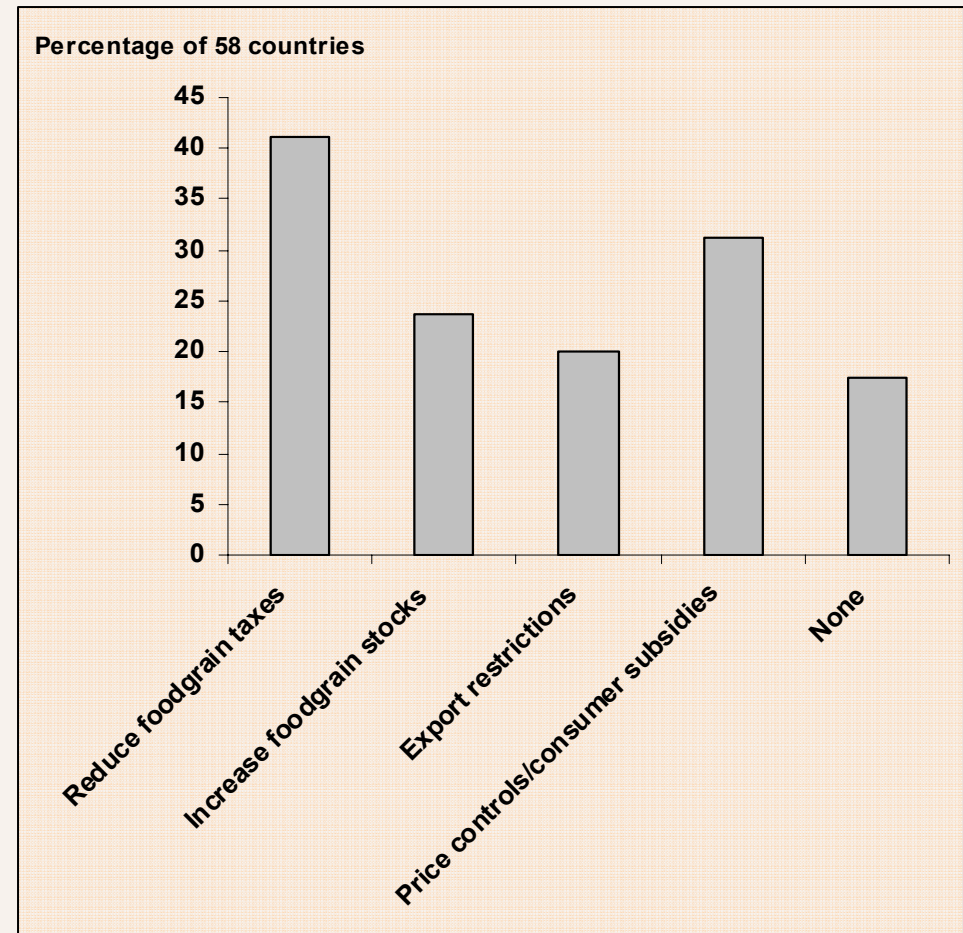


Rising food prices—countries are responding, but differently

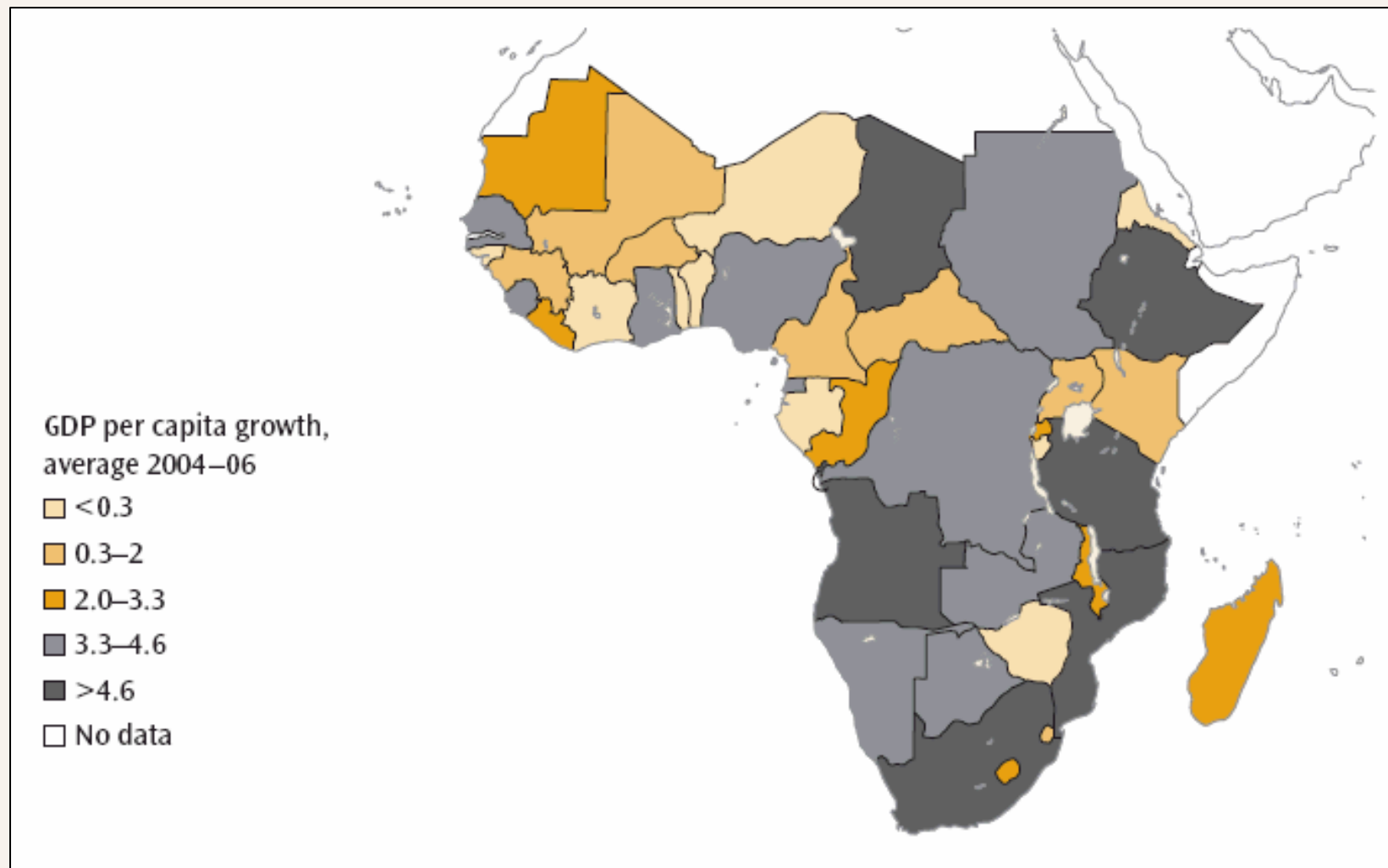
Safety net interventions



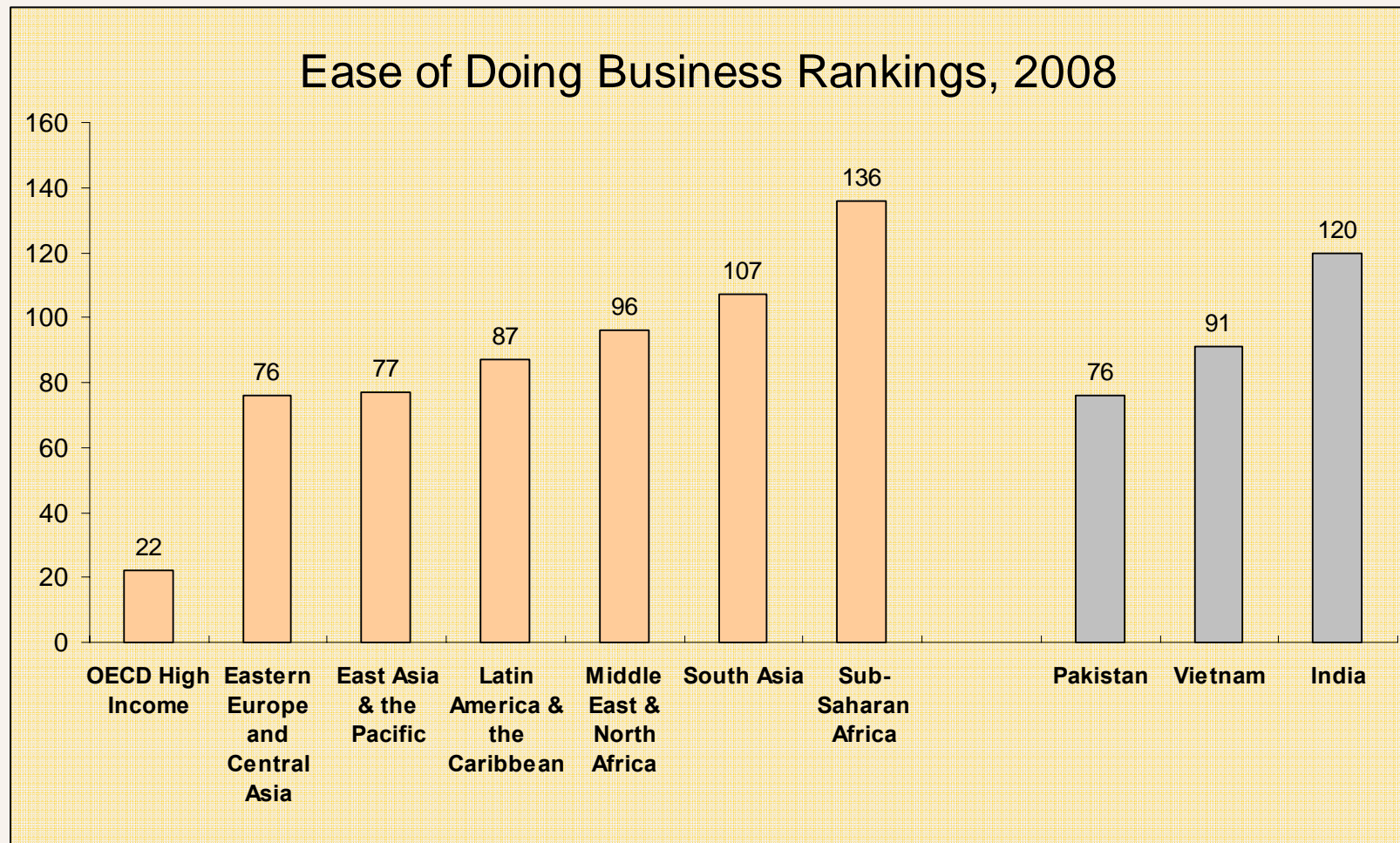
Food price policies



Growth in Africa has improved, but varies widely across countries



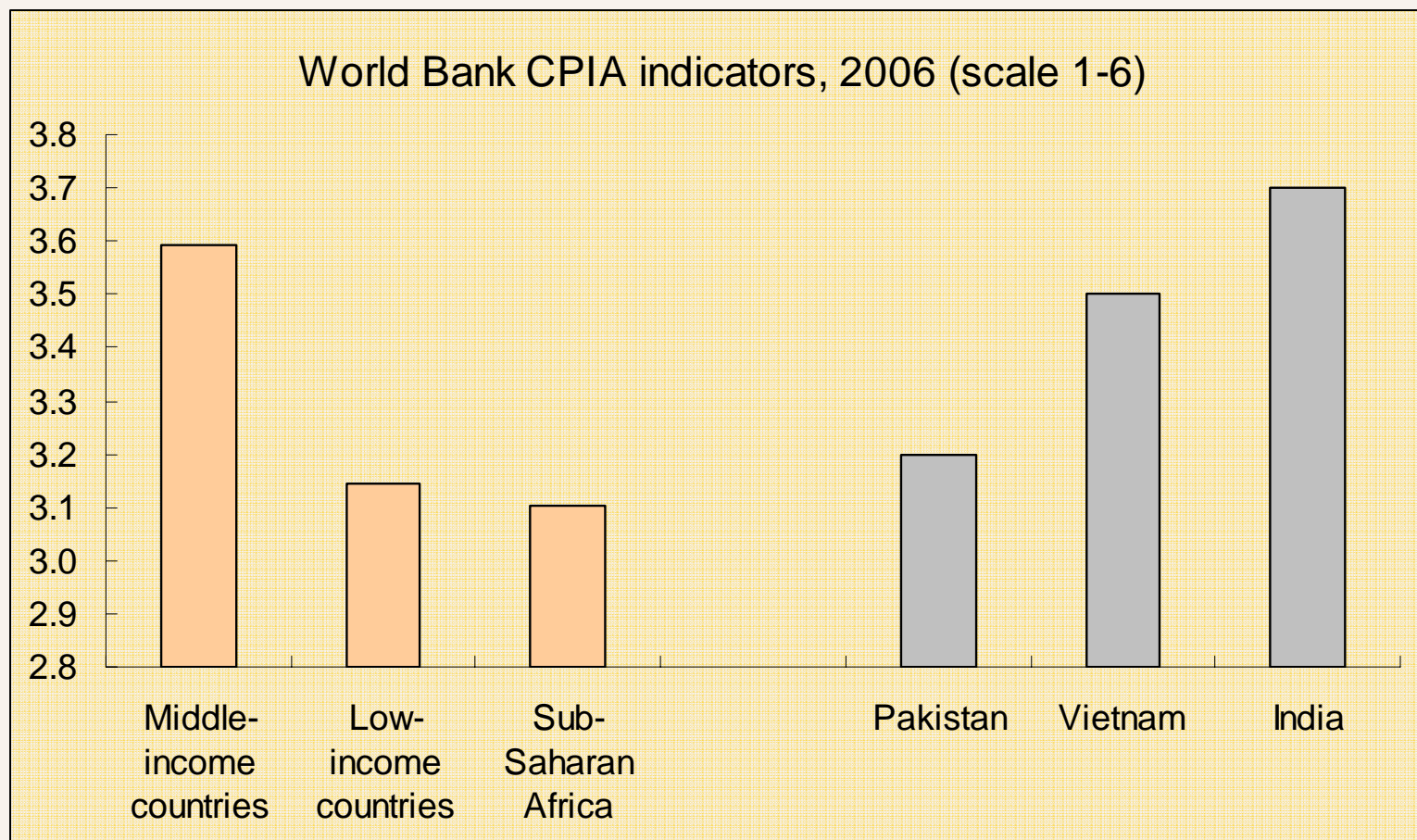
Growth Policies: priorities vary by country, but three essentials: sound macro; conducive private investment climate (incl. infrastructure); and good governance



Note: Lower number denotes higher ranking

Governance matters

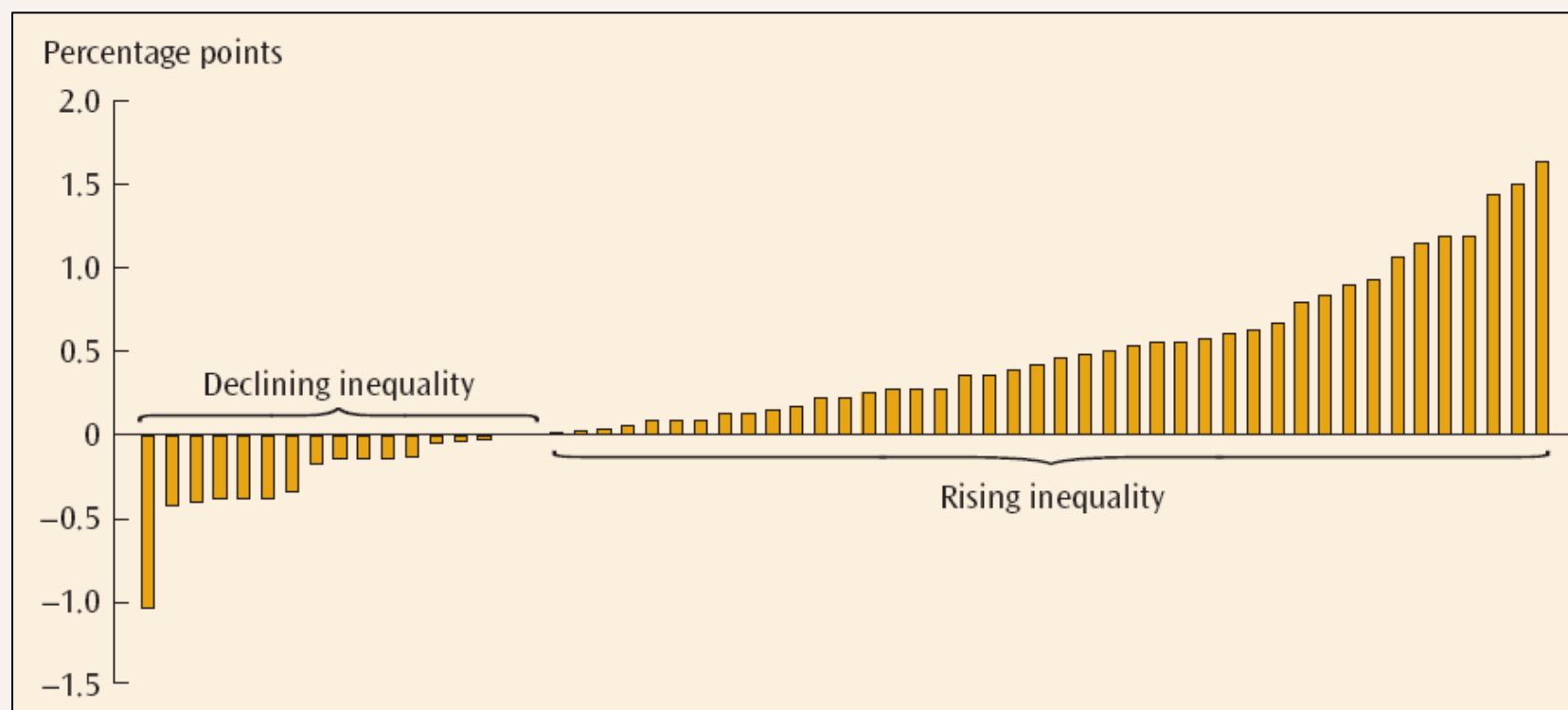
Quality of overall public sector management and institutions



Note: A higher score denotes better performance.

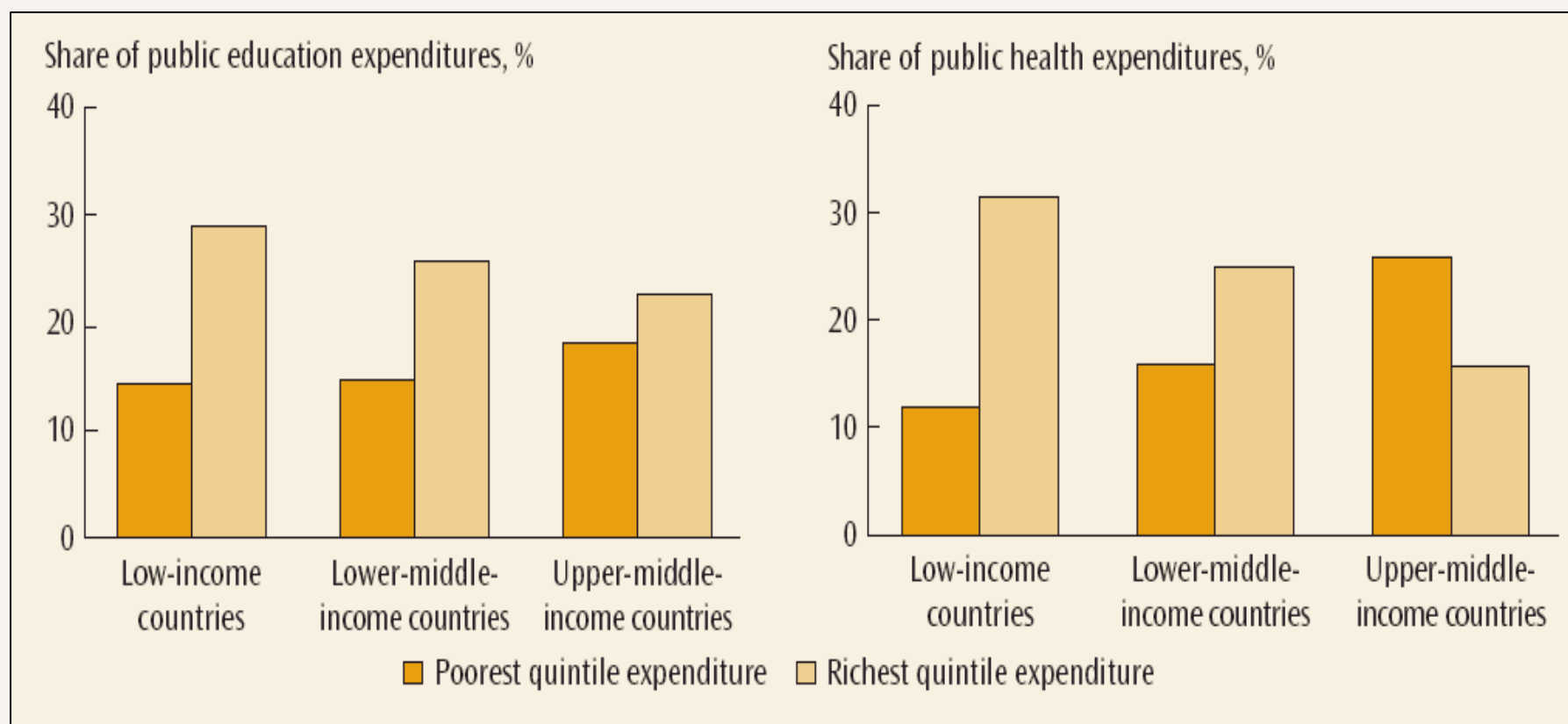
Growth needs to be more inclusive— both across and within countries

Annual change in Gini coefficient in 59 developing countries



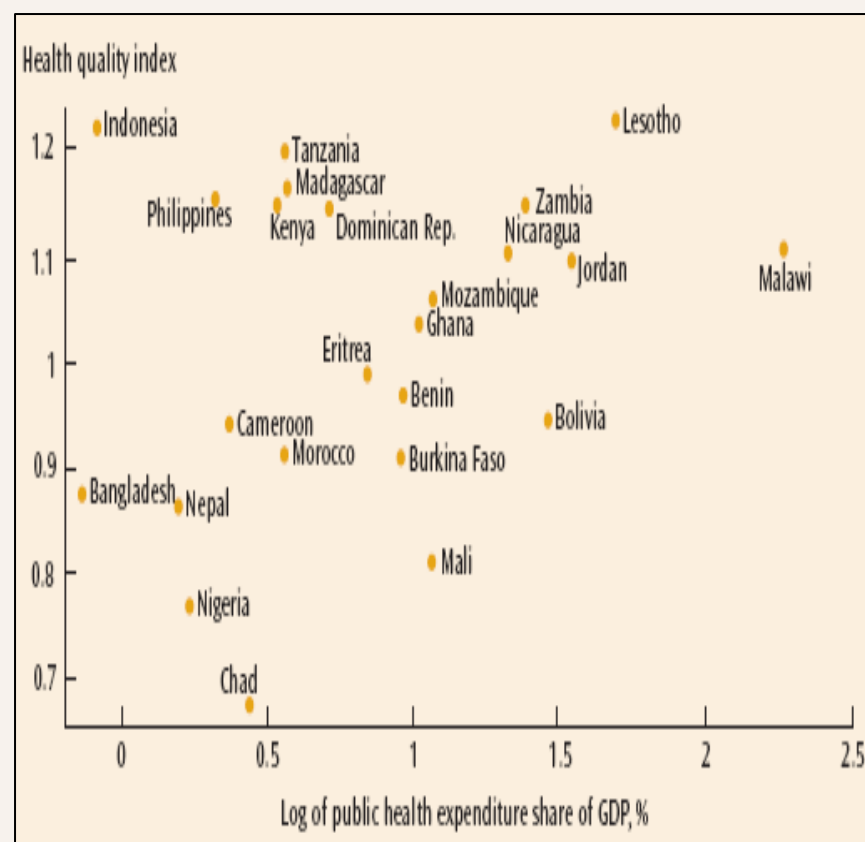
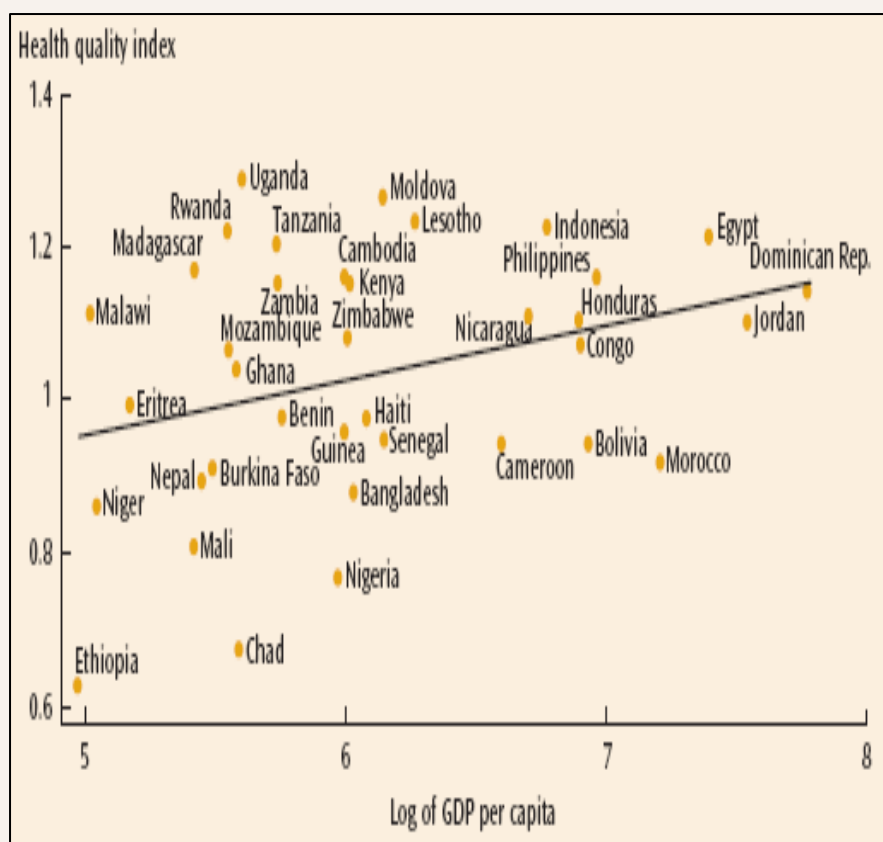
More but better spending on education and health

Public spending on education and health typically favors the rich



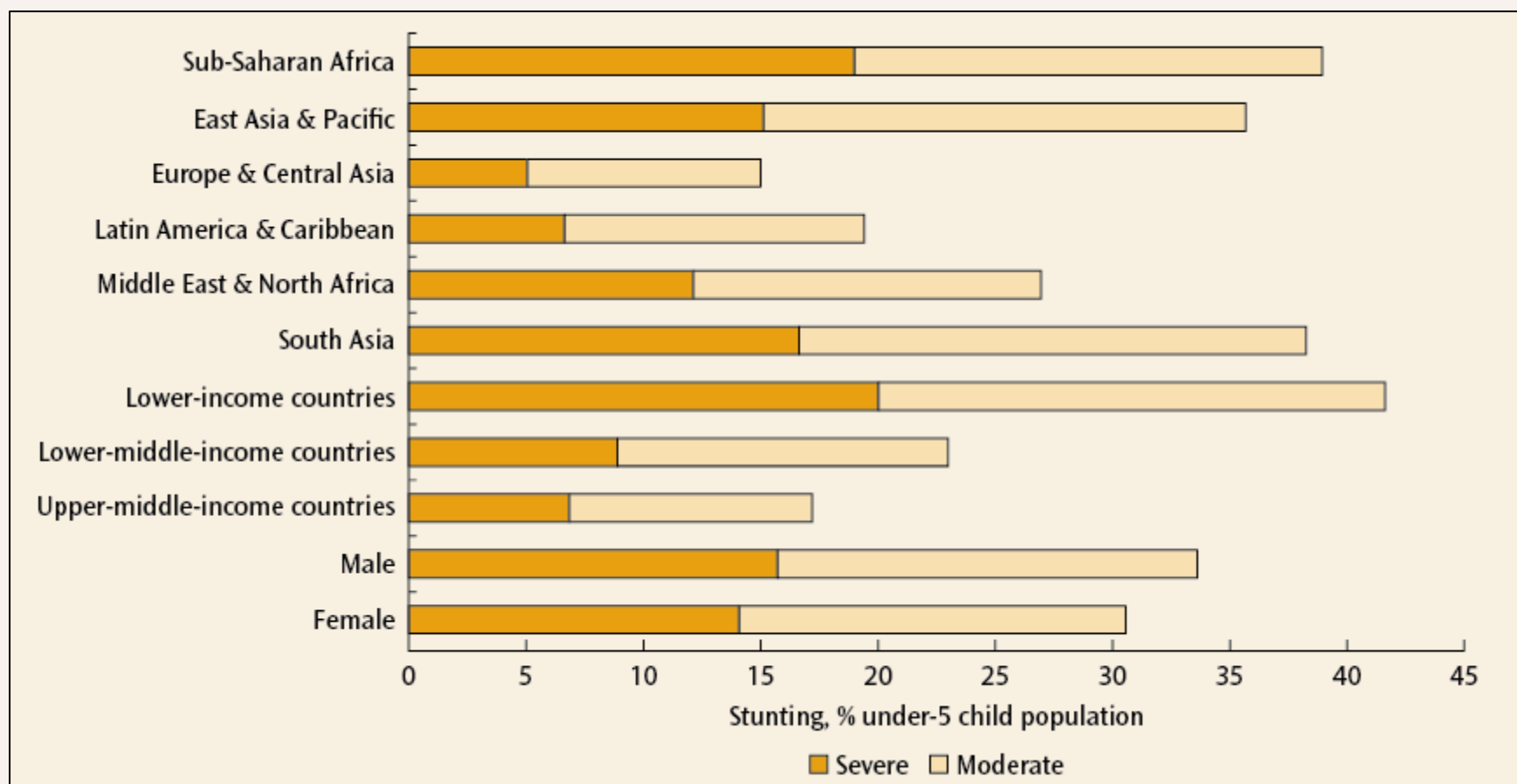
National income positively related to health quality—public health spending alone is not

Relationship of health quality to income and public health spending



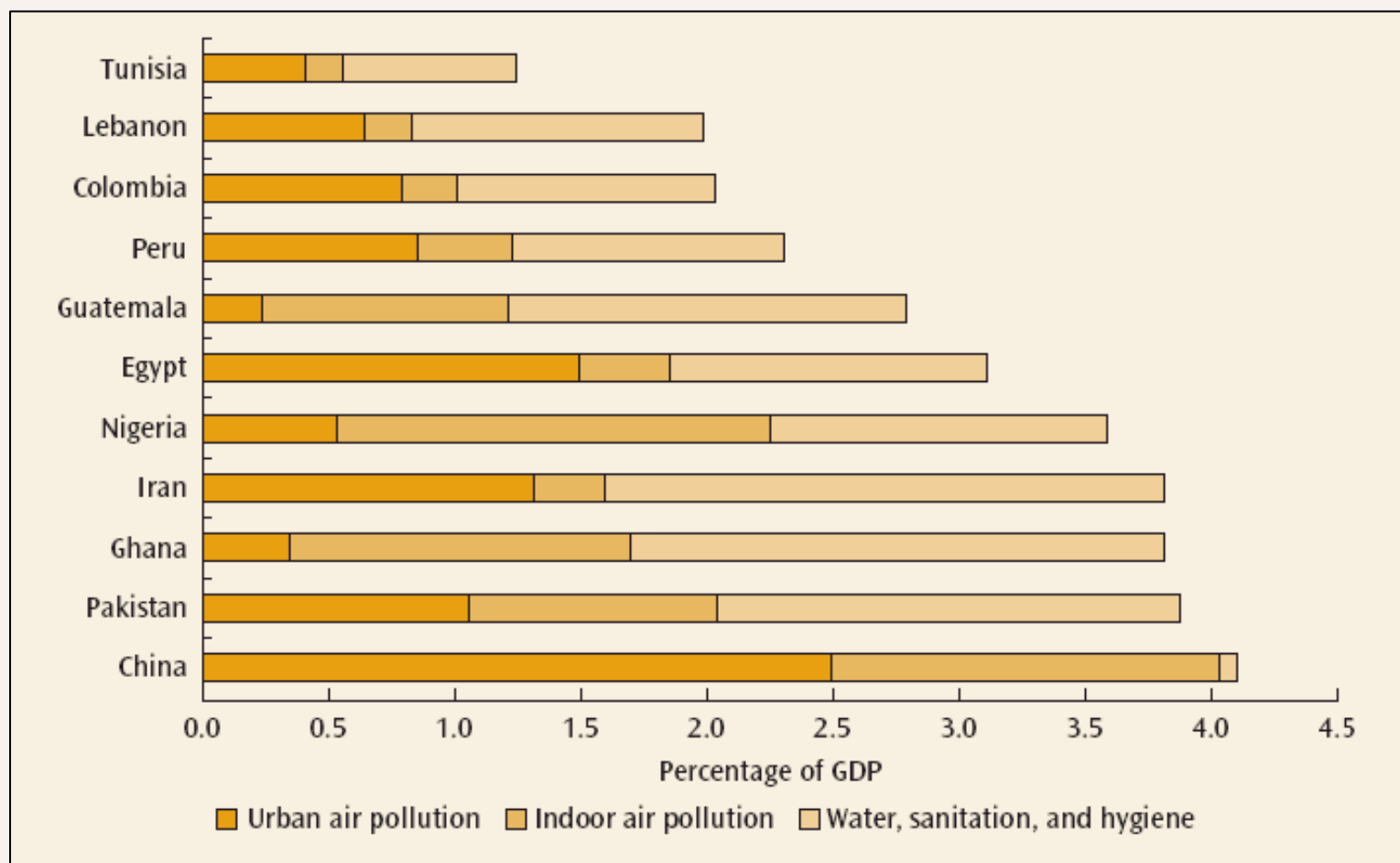
Stronger focus needed on combating malnutrition—higher food prices increase urgency

Incidence of stunting remains high in low-income countries



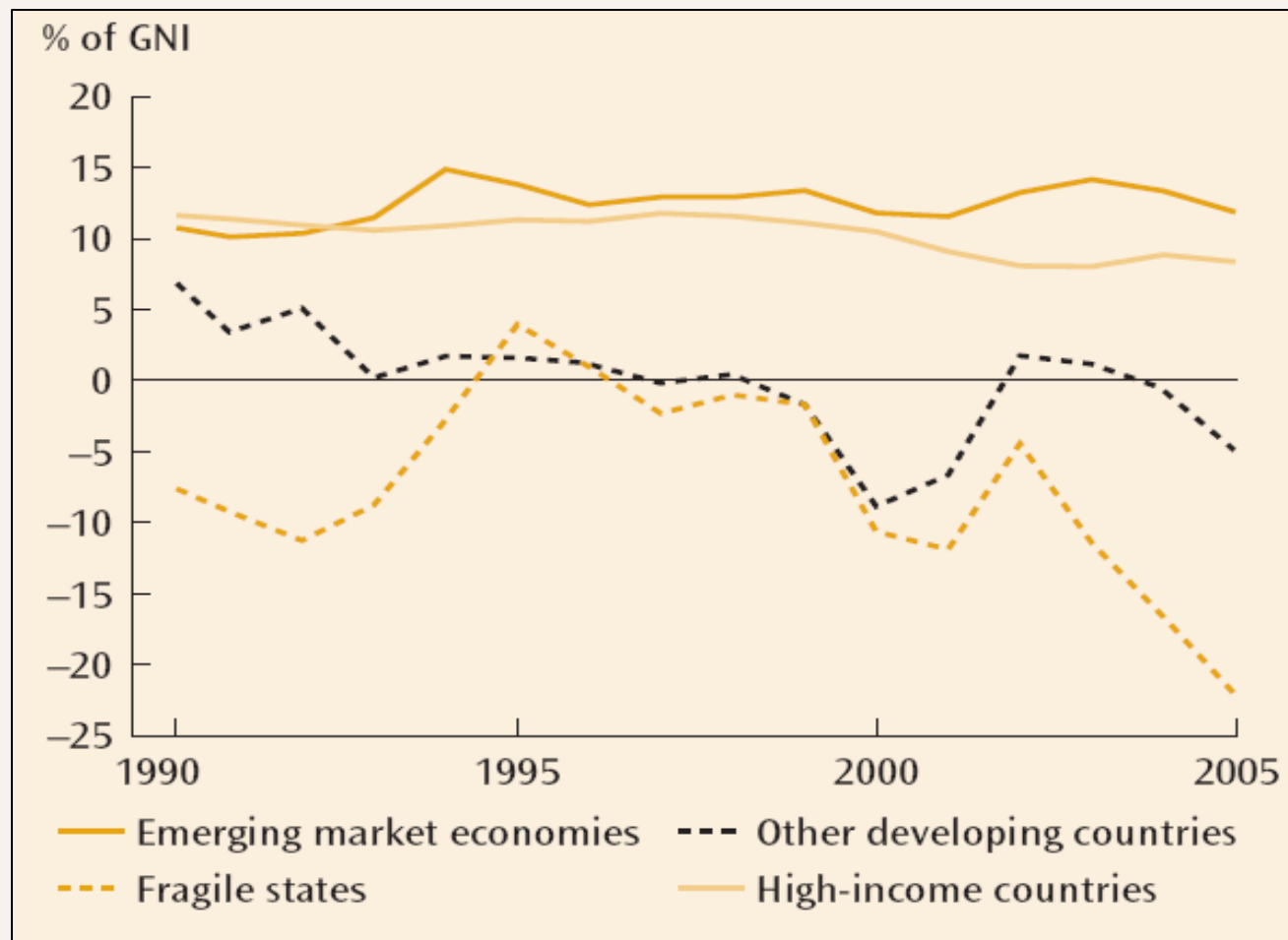
Environmental health risks—a significant concern

Economic burden of poor environmental health can be high—
1.5-4% of GDP annually



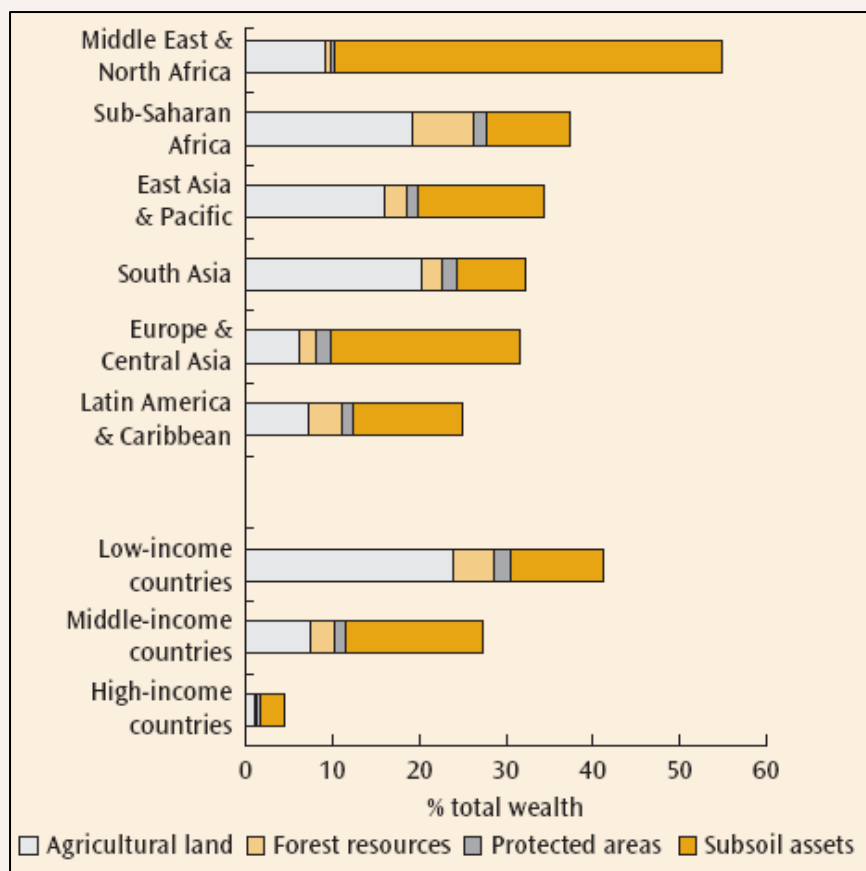
Environment and growth: many countries are on an unsustainable long-term path

Adjusted net saving trends, 1990-2005

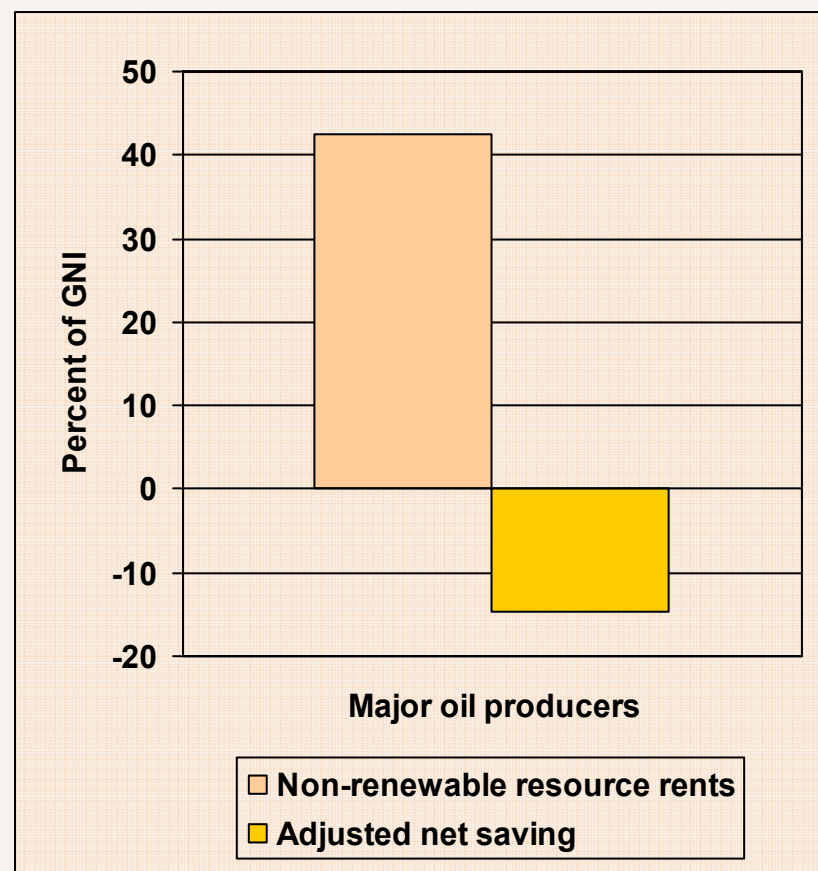


Developing countries' heavier dependence on natural resources makes sound resource management especially critical for sustainability

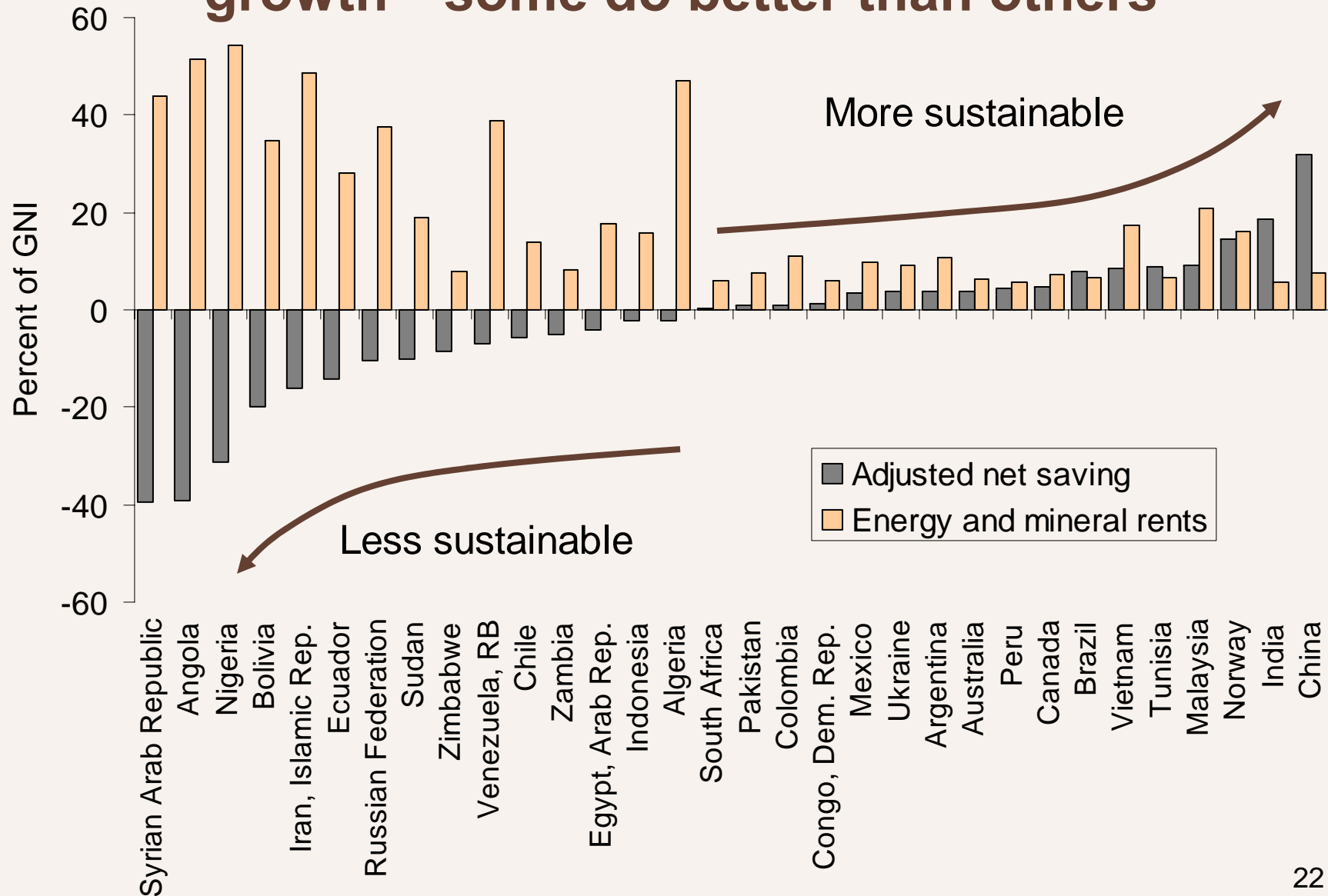
Natural resource dependence patterns vary across regions/income groups



Depletion of natural resources is often associated with declining national wealth



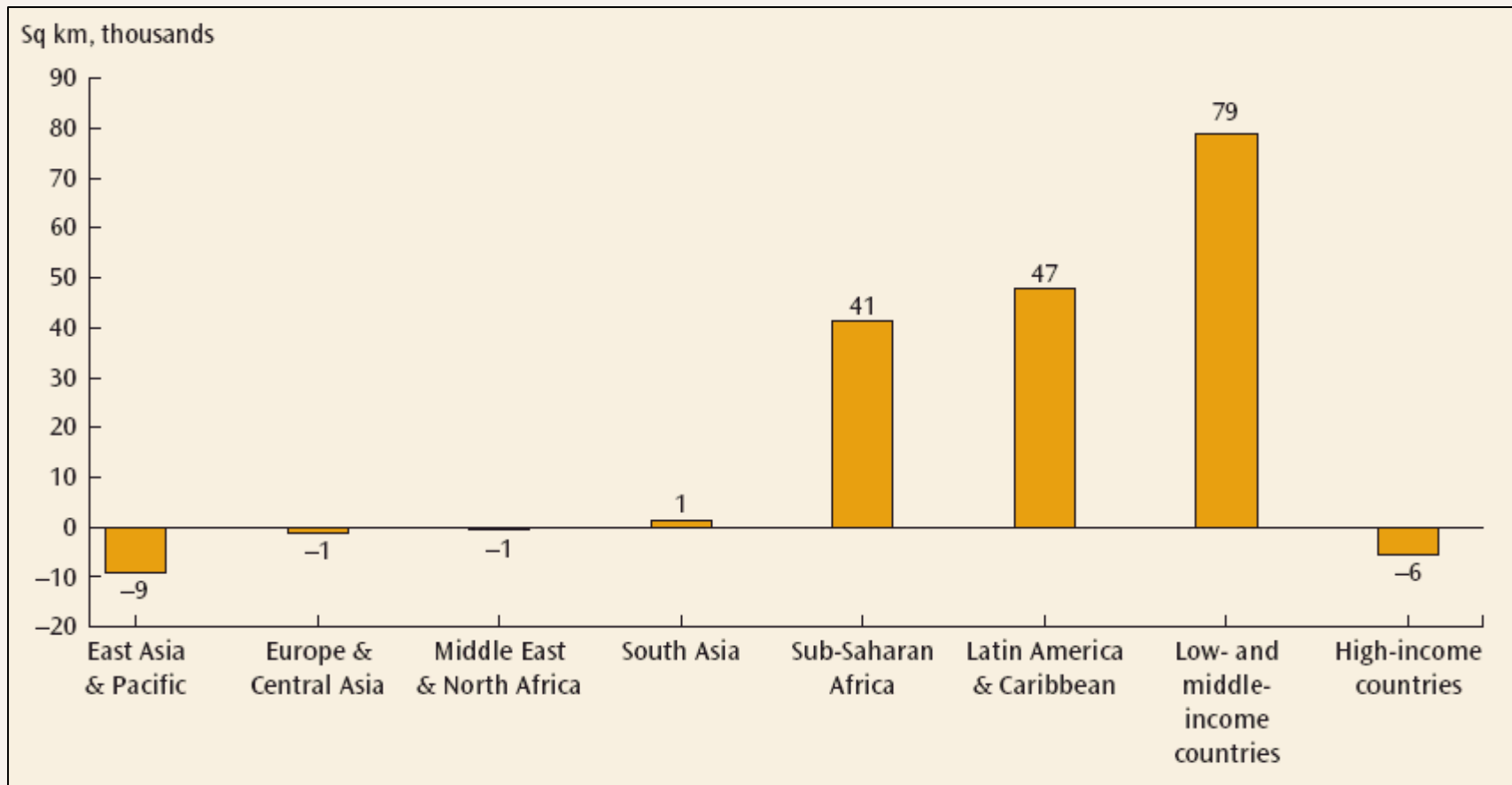
Harnessing resource extraction for future growth—some do better than others



Depletion of natural resources: it's not just oil

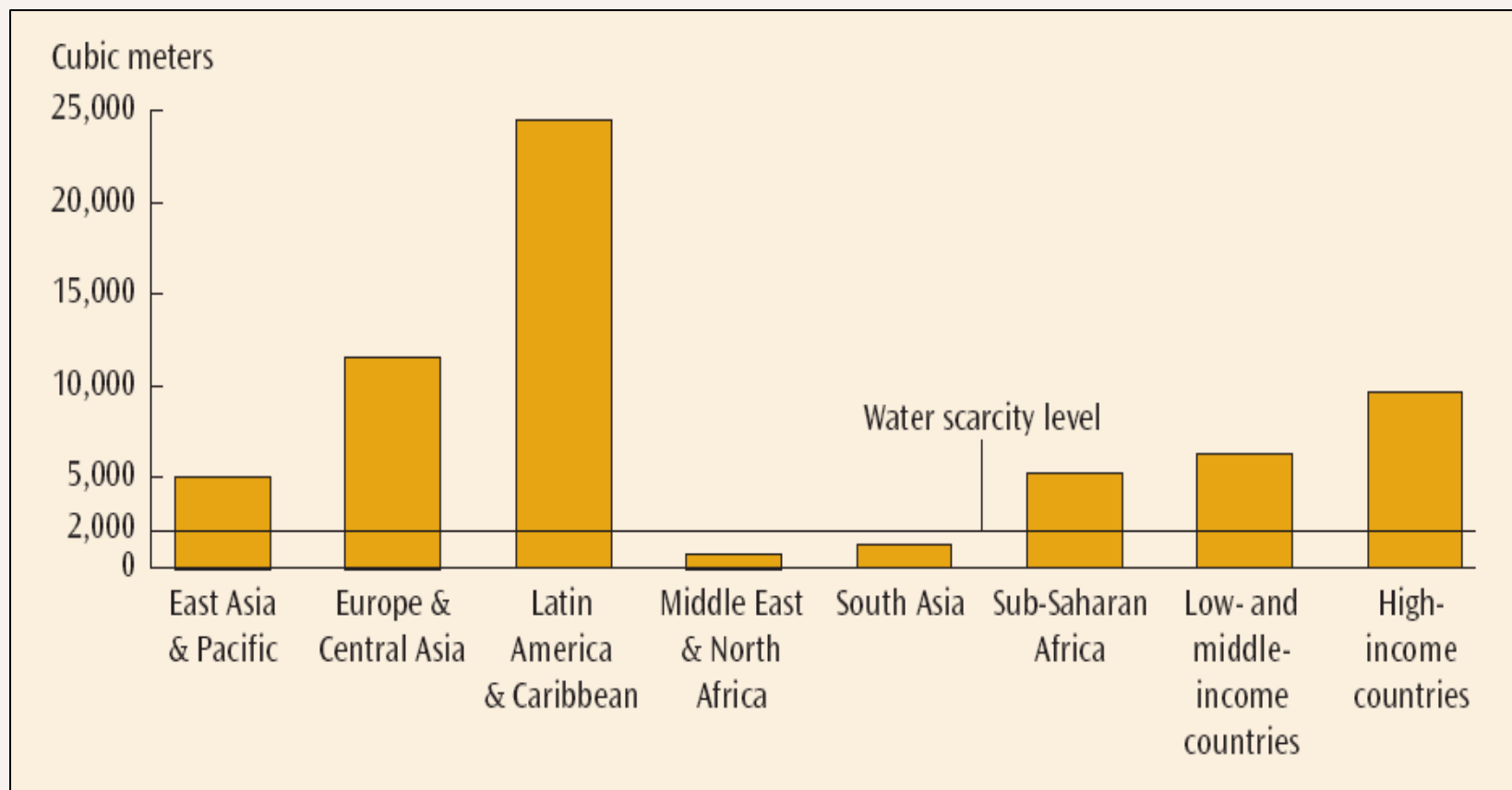
Annual forest loss equal in size to Panama or Sierra Leone

Annual deforestation by region and income group, 2000-05



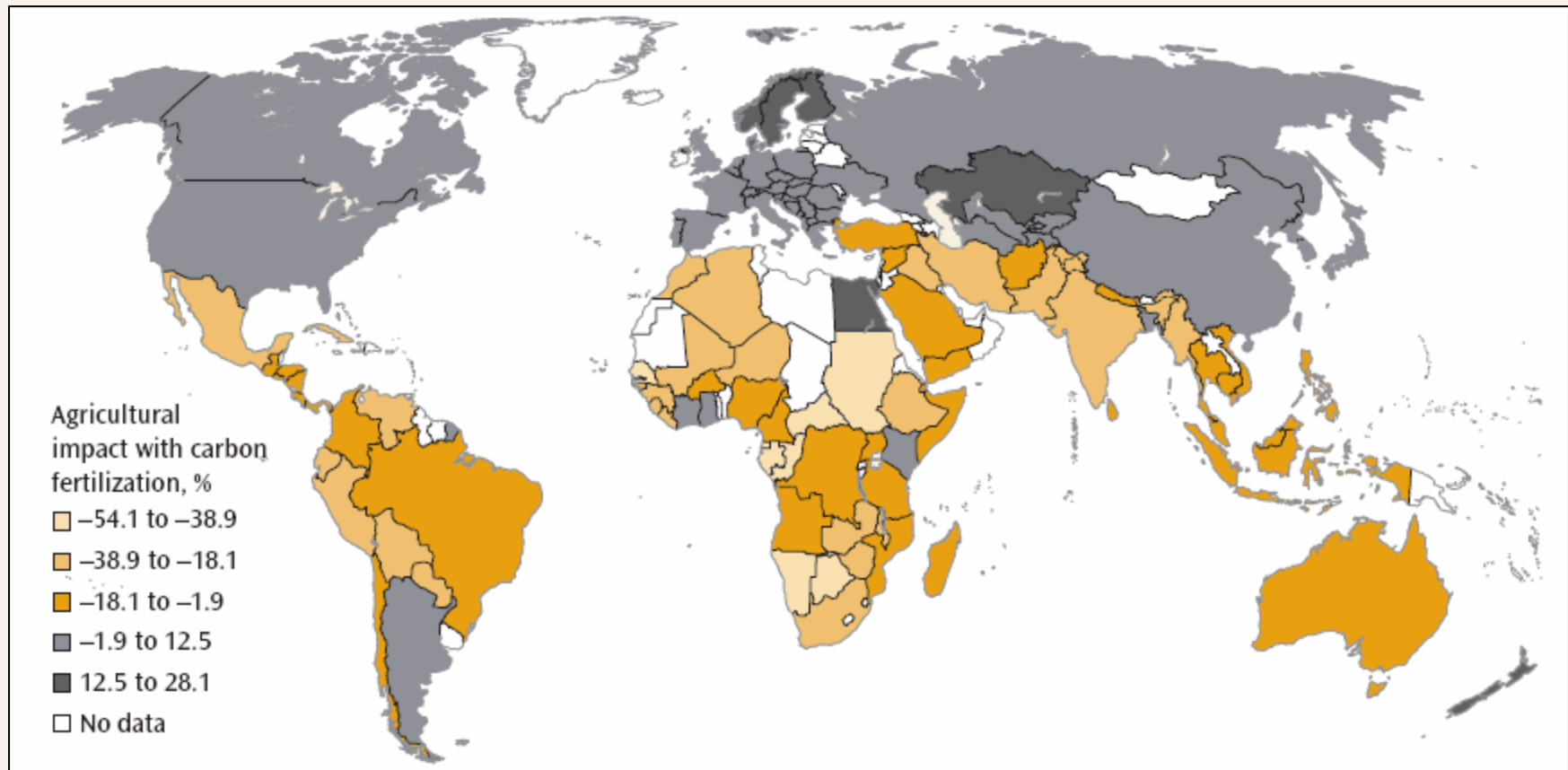
Water stress is especially acute in Middle East and South Asia

Internal freshwater resources per capita, 2005



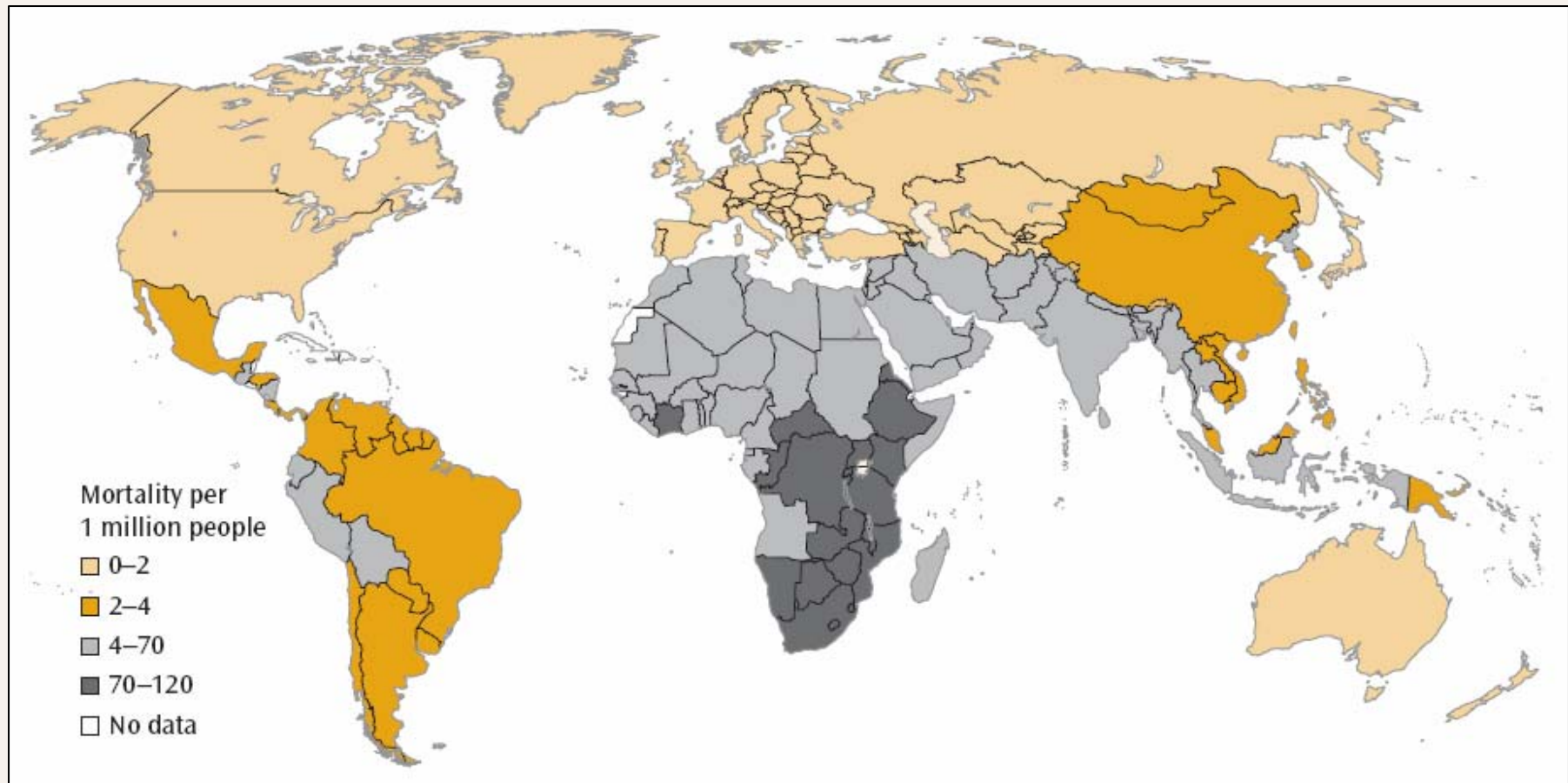
Developing countries are most vulnerable to climate change and least able to adapt

Impact of climate change on agricultural yields, 2079-99



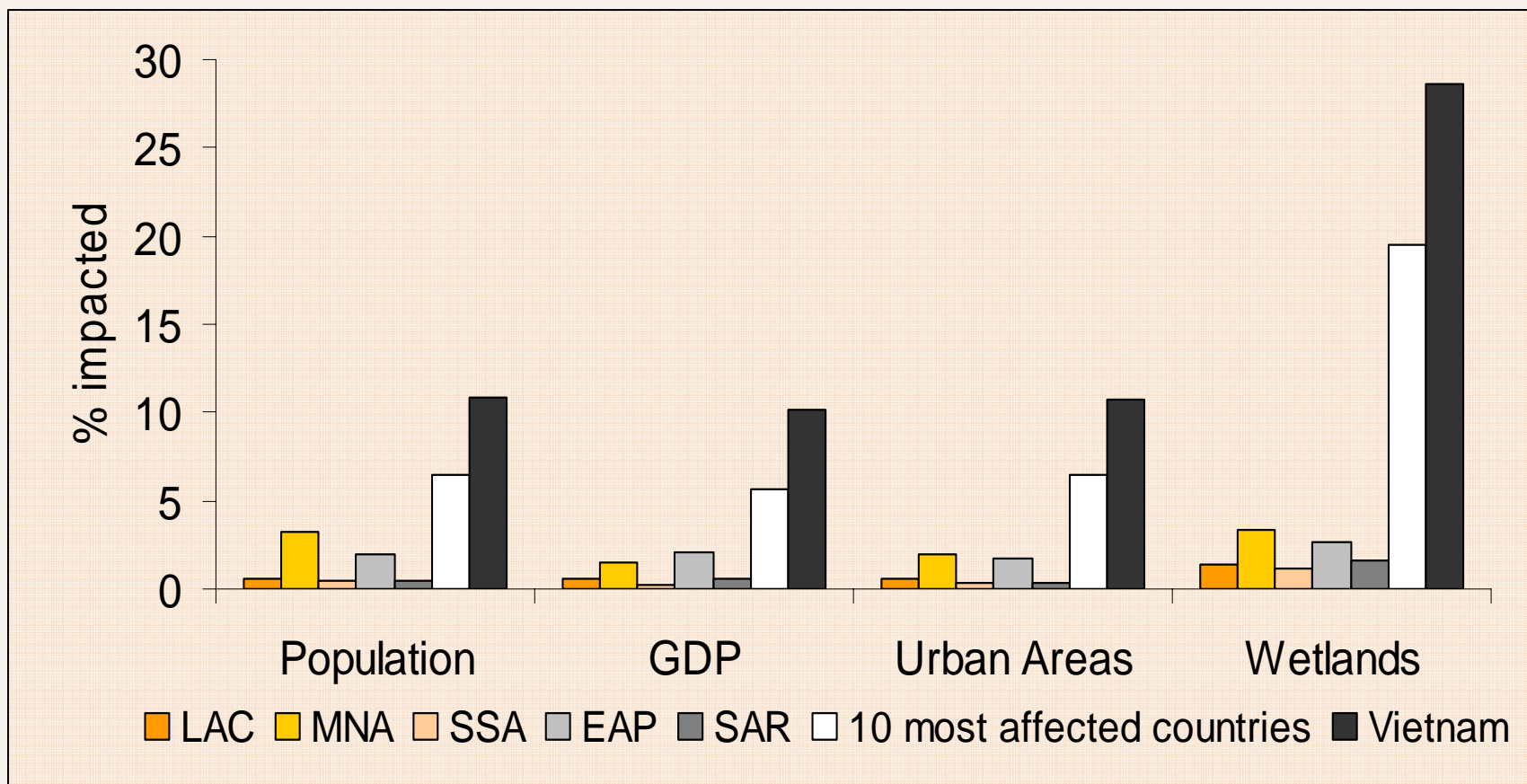
Climate change impacts health, particularly in Africa, South Asia, and the Middle East

Estimated deaths due to climate change in 2000, by WHO subregion

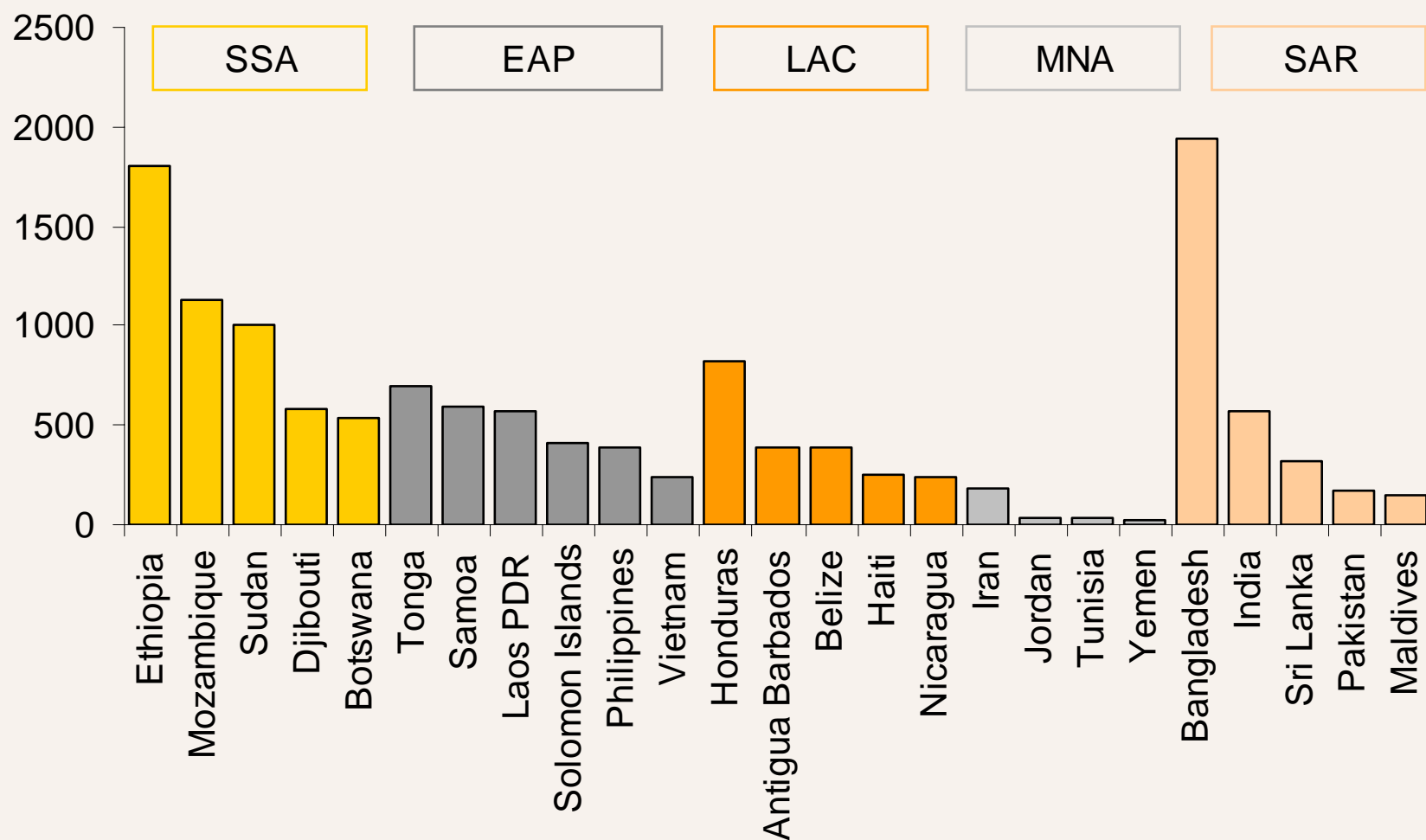


Sea level rise will have major impacts, especially in more vulnerable countries

Impact of a 1 meter rise in sea level

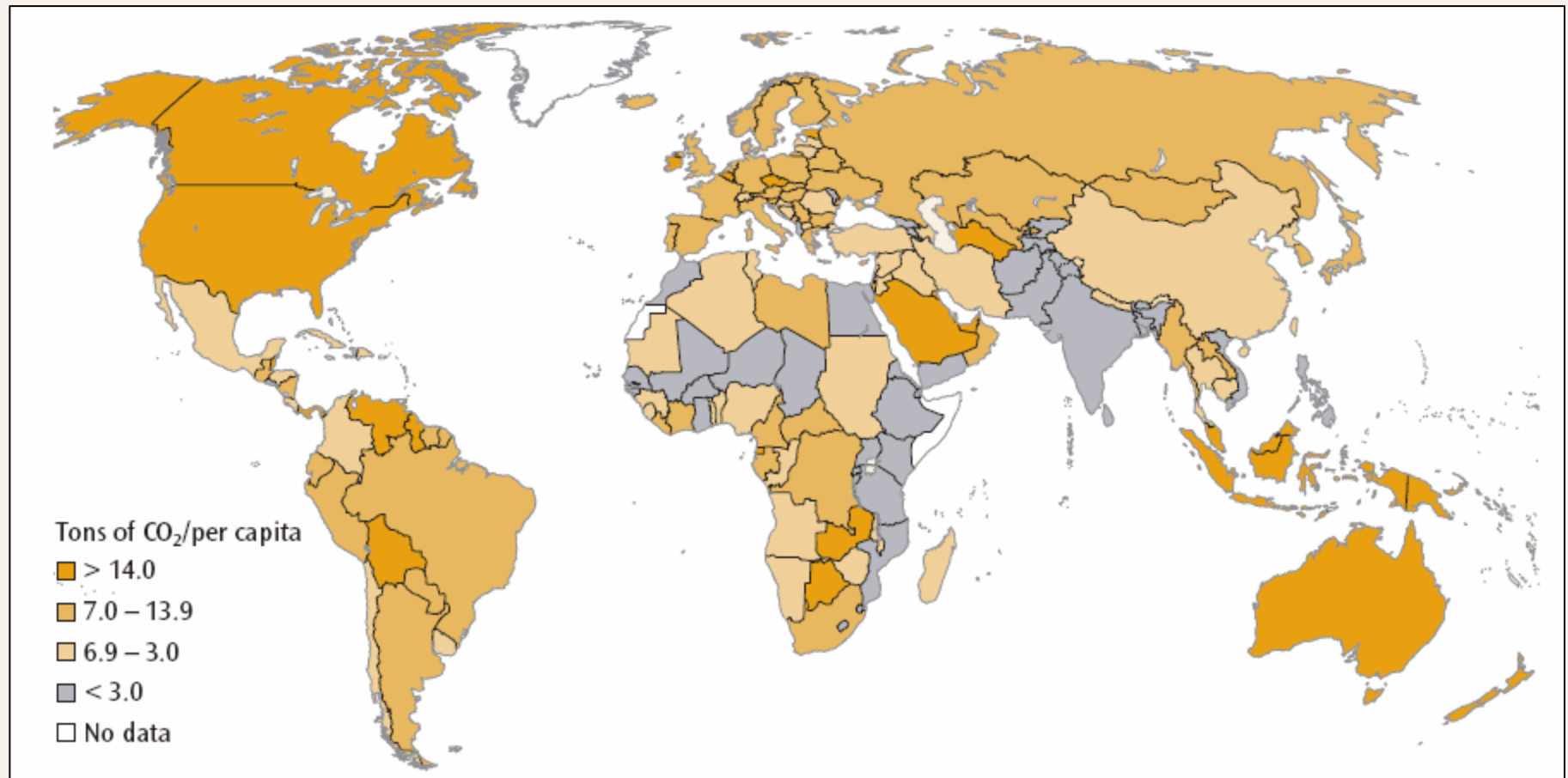


Climate vulnerability: Weather damage index



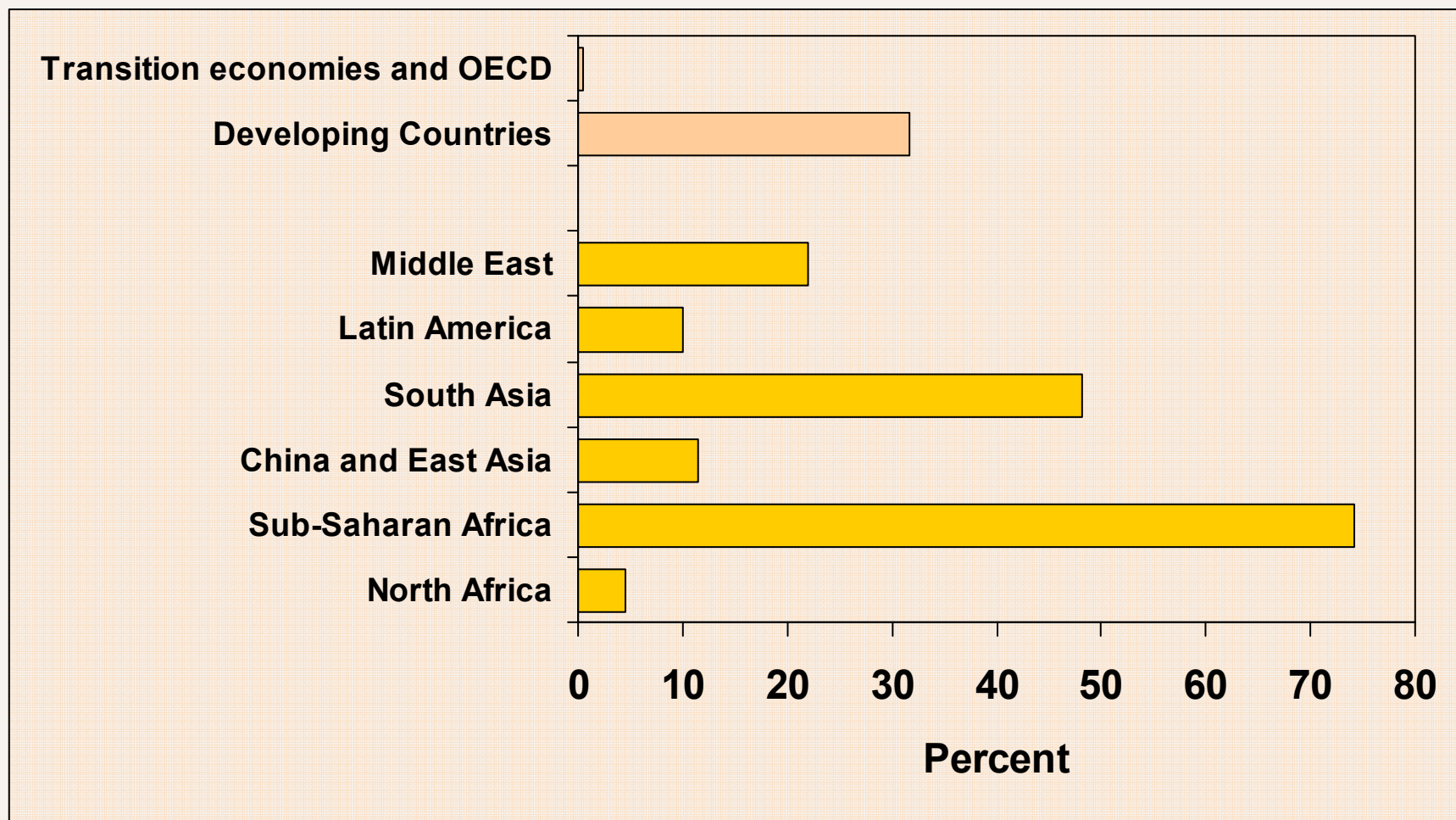
Mitigation calls for common but differentiated responsibilities

Per capita GHG emissions (including from land use change), 2000

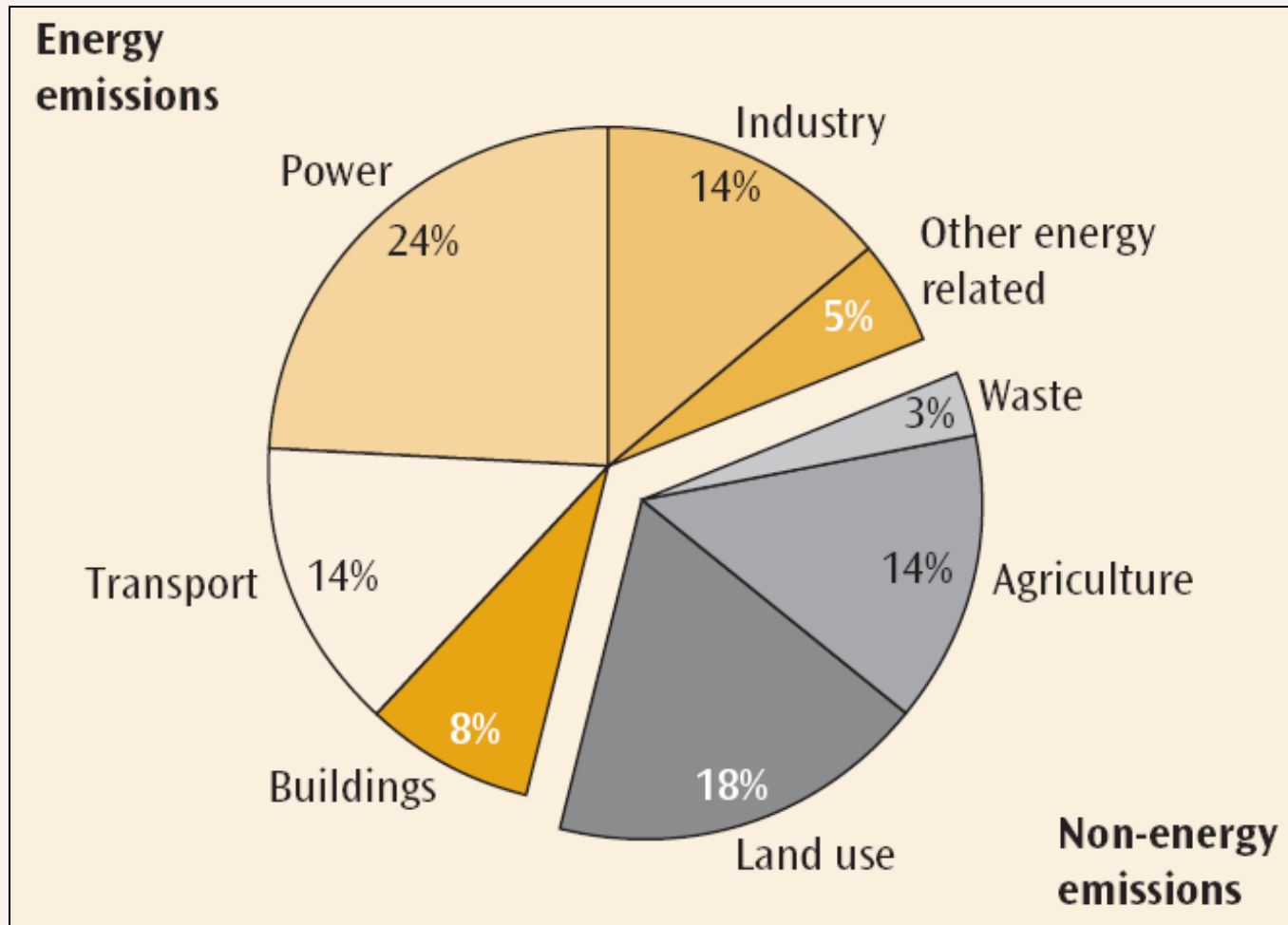


One-third of developing world's population is without access to electricity

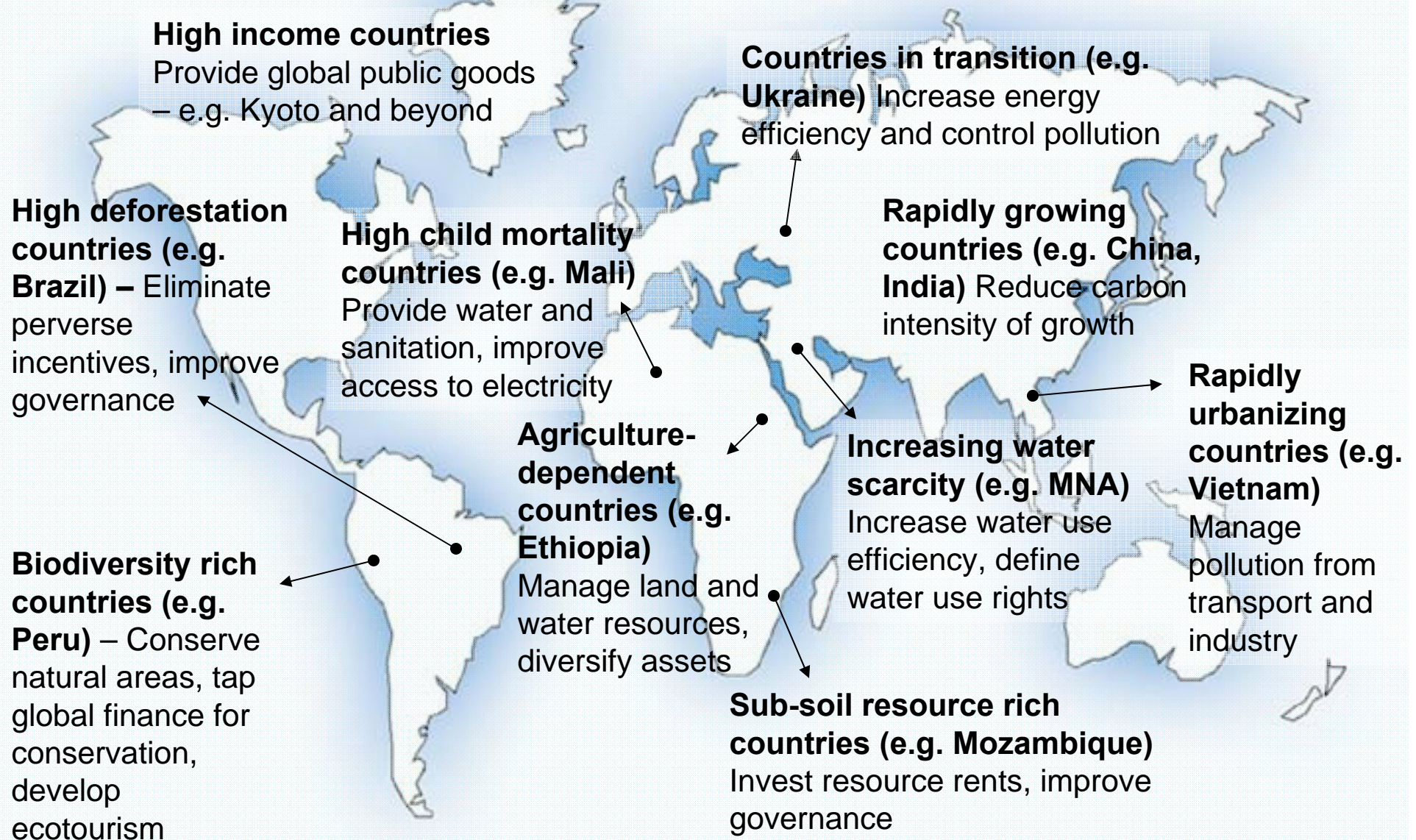
Population without access to electricity, 2005



Sources of Greenhouse Gas Emissions Both Brown and Green Issues



Global Environmental Sustainability- One Size Does Not Fit All



Climate Change Priorities

Mitigation

Common but differentiated responsibilities across countries

Carbon intensity of GDP must be reduced by:

- pricing / trading carbon
- development and diffusion of cleaner, energy efficient technologies
- development of renewable energy
- financing and technology transfer
- reducing deforestation using carbon finance

Adaptation

For developing countries, best way to adapt is to develop, which will:

- diversify economies
- reduce climate-sensitive diseases: malaria, malnutrition and diarrhea
- provide the resources to adapt

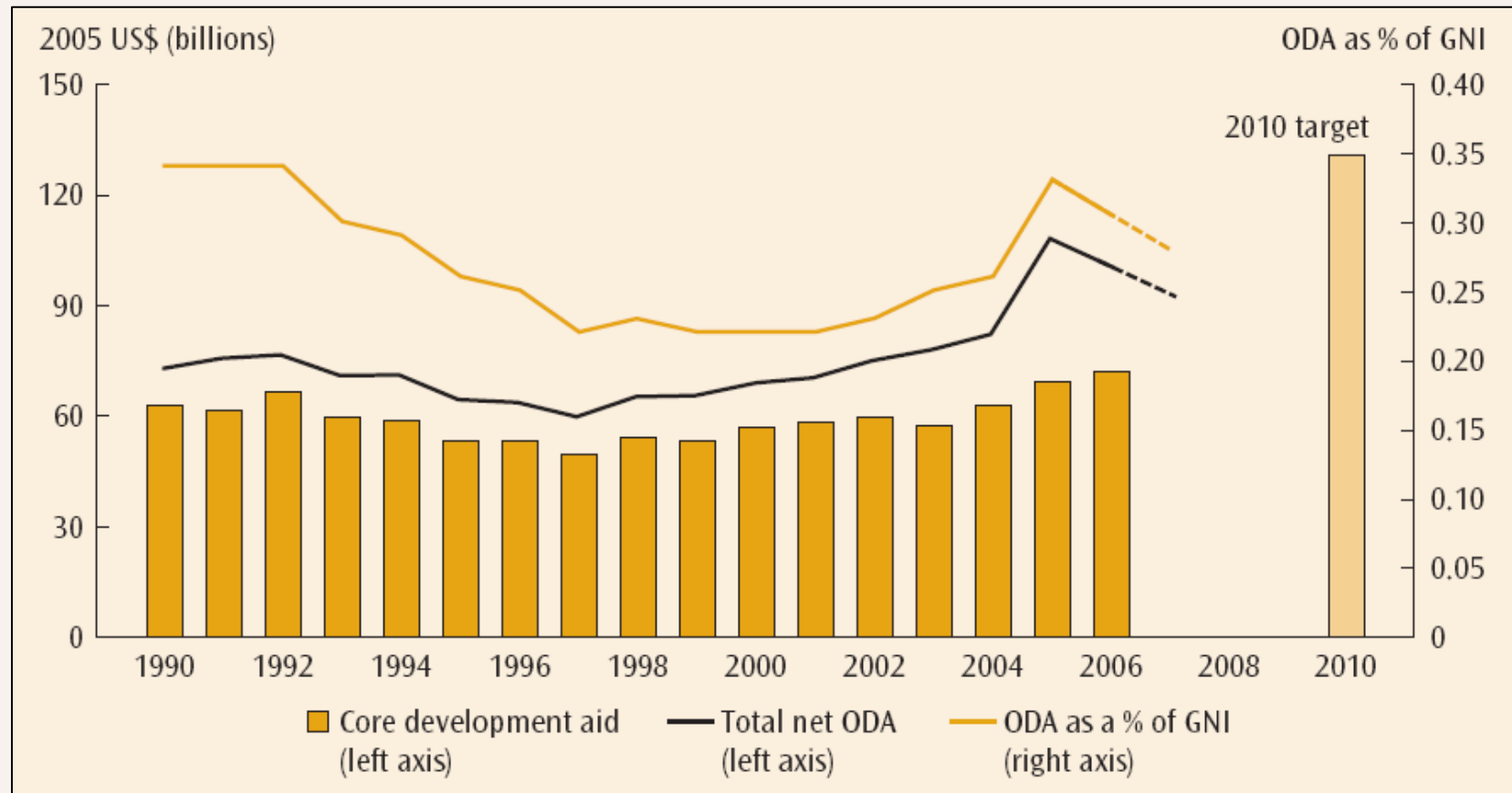
Programs to reduce vulnerability and “climate proof” investments

Implementing early warning systems for heat waves, floods, droughts

Building dams to accommodate increased runoff

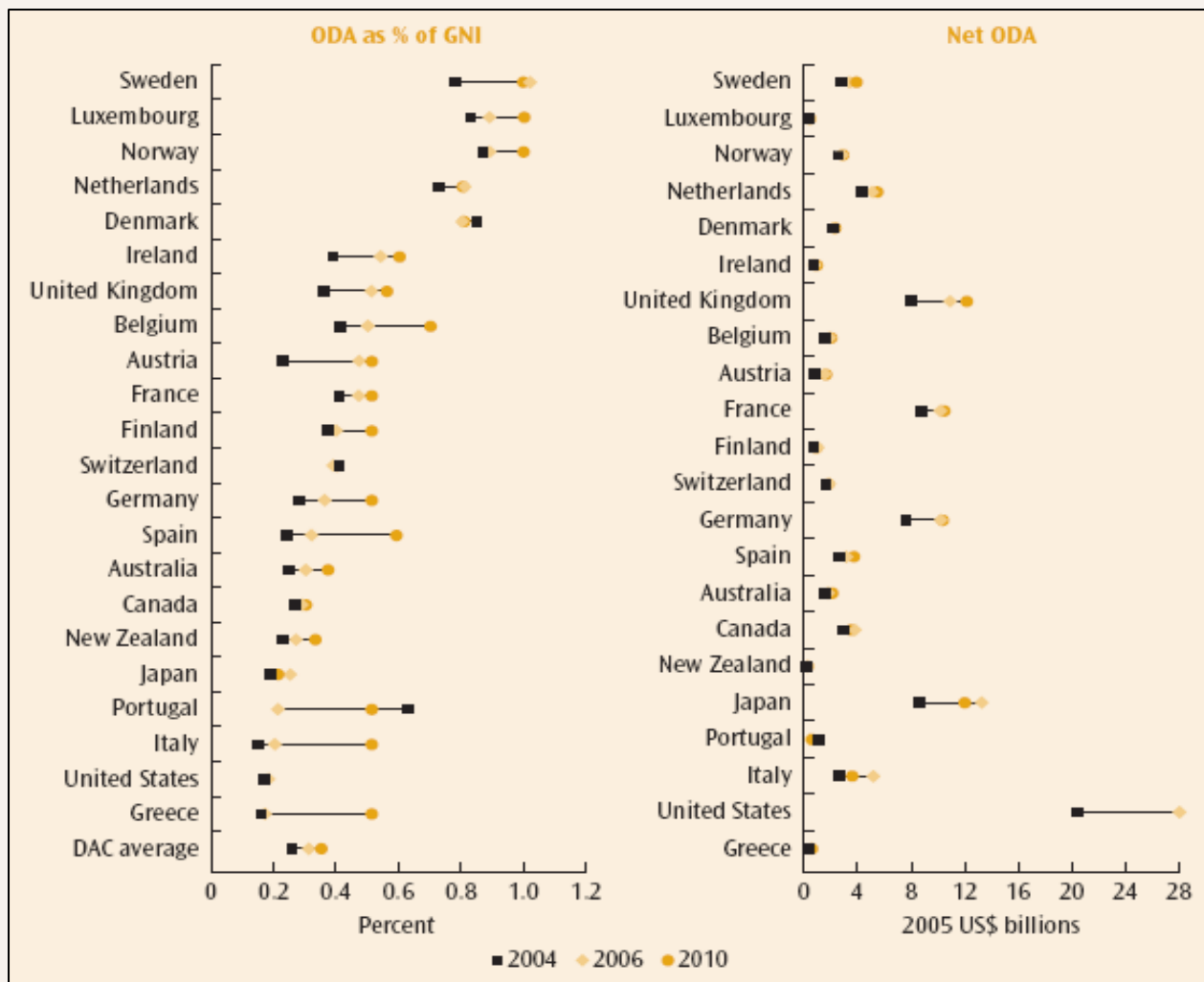
Countries' absorptive capacity rising, but aid falling

DAC members' net ODA flows



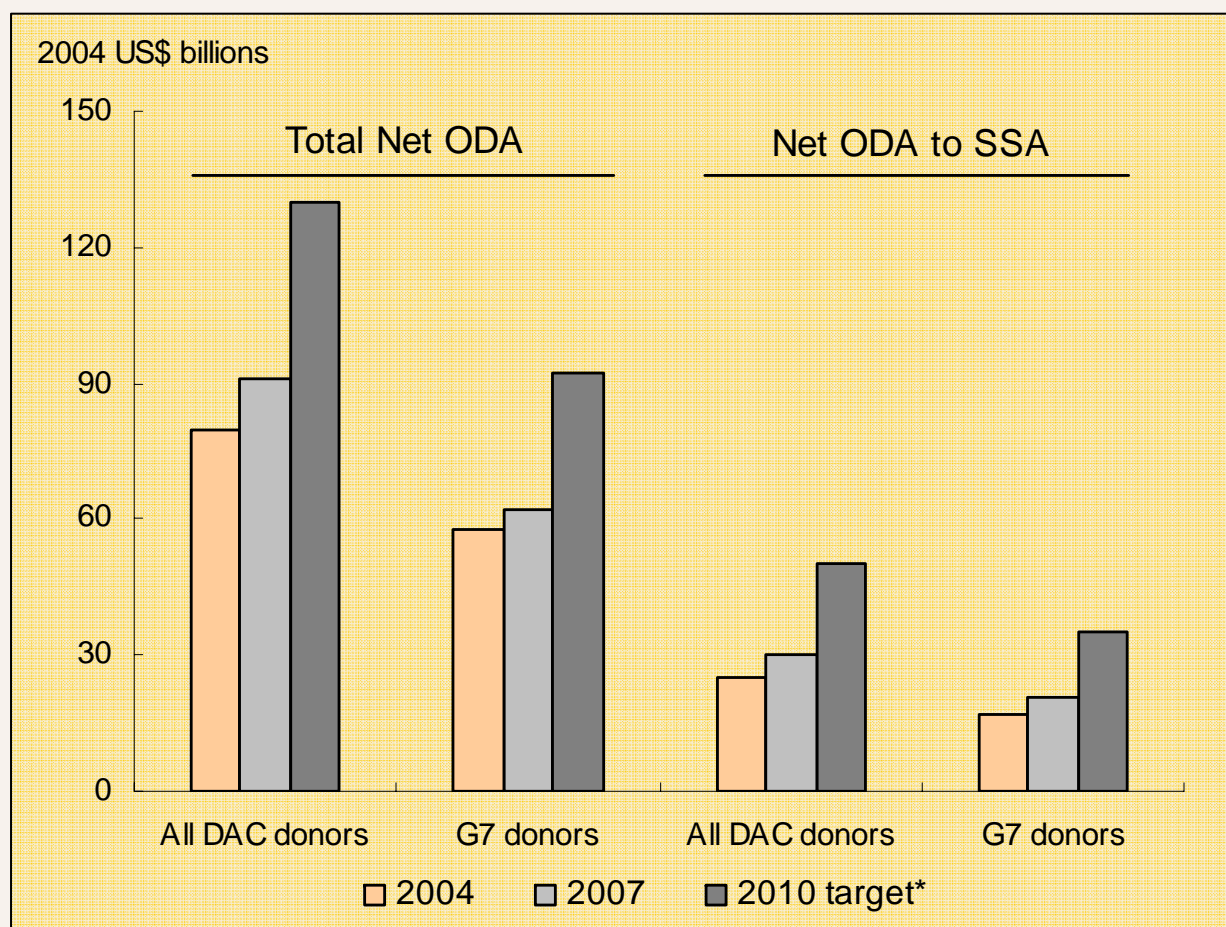
Donor performance varies widely

DAC members' ODA



Time to deliver on aid commitments is now

Most of the promised increase in aid has not yet materialized

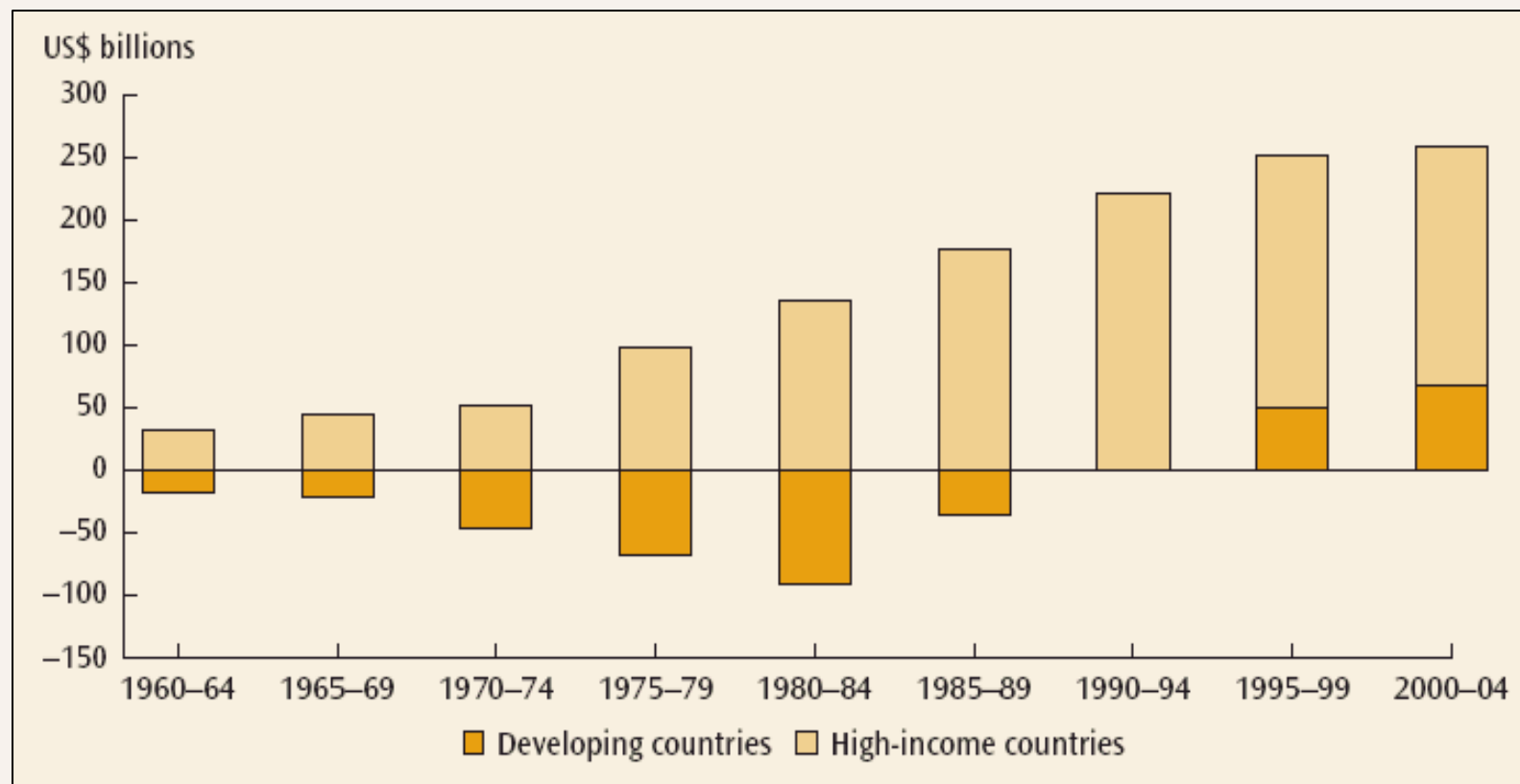


*Based on commitments made at Gleneagles and other donor commitments in 2005

Doha remains crucial

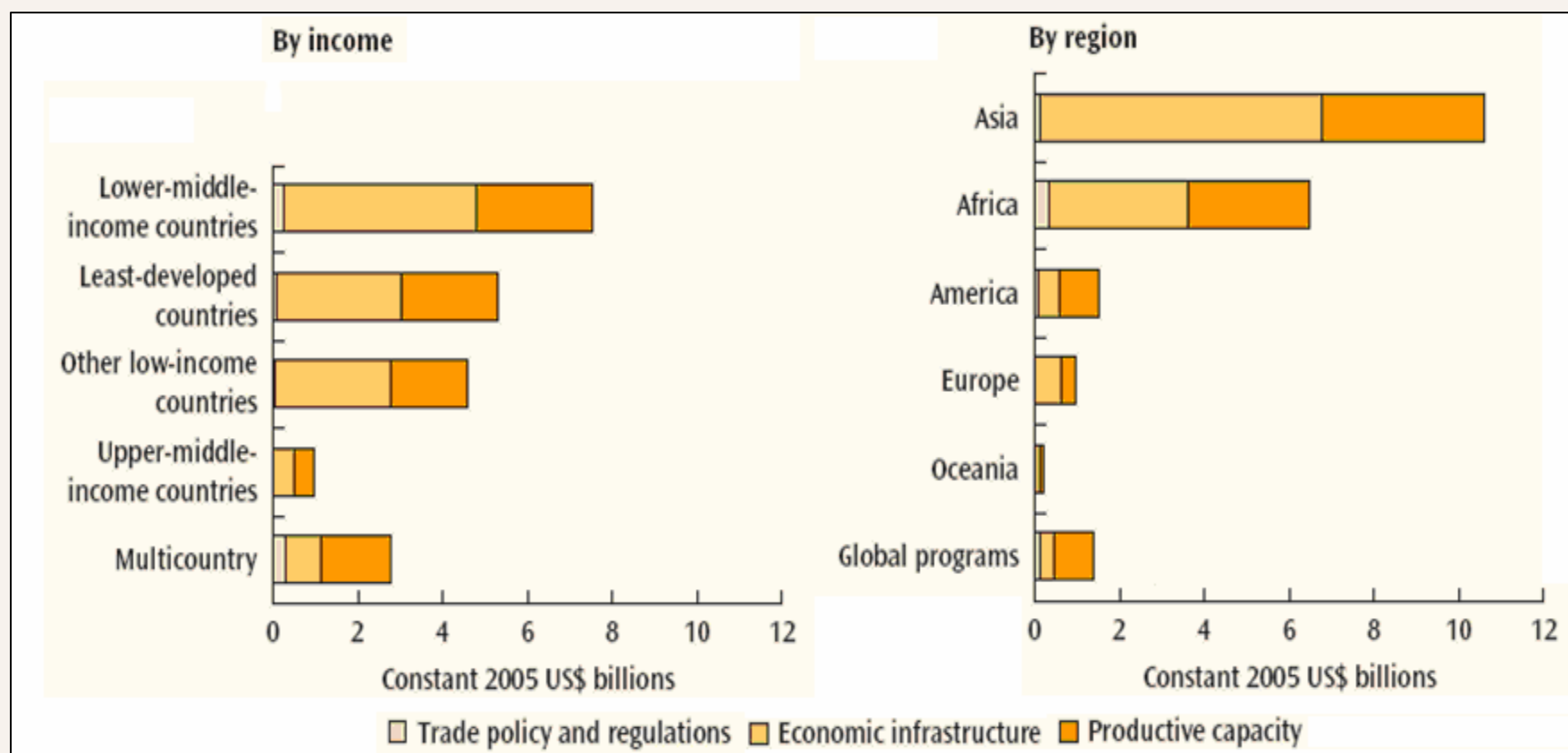
Support to agriculture has not been declining

Gross subsidy equivalents of assistance to farmers, 1960-2004



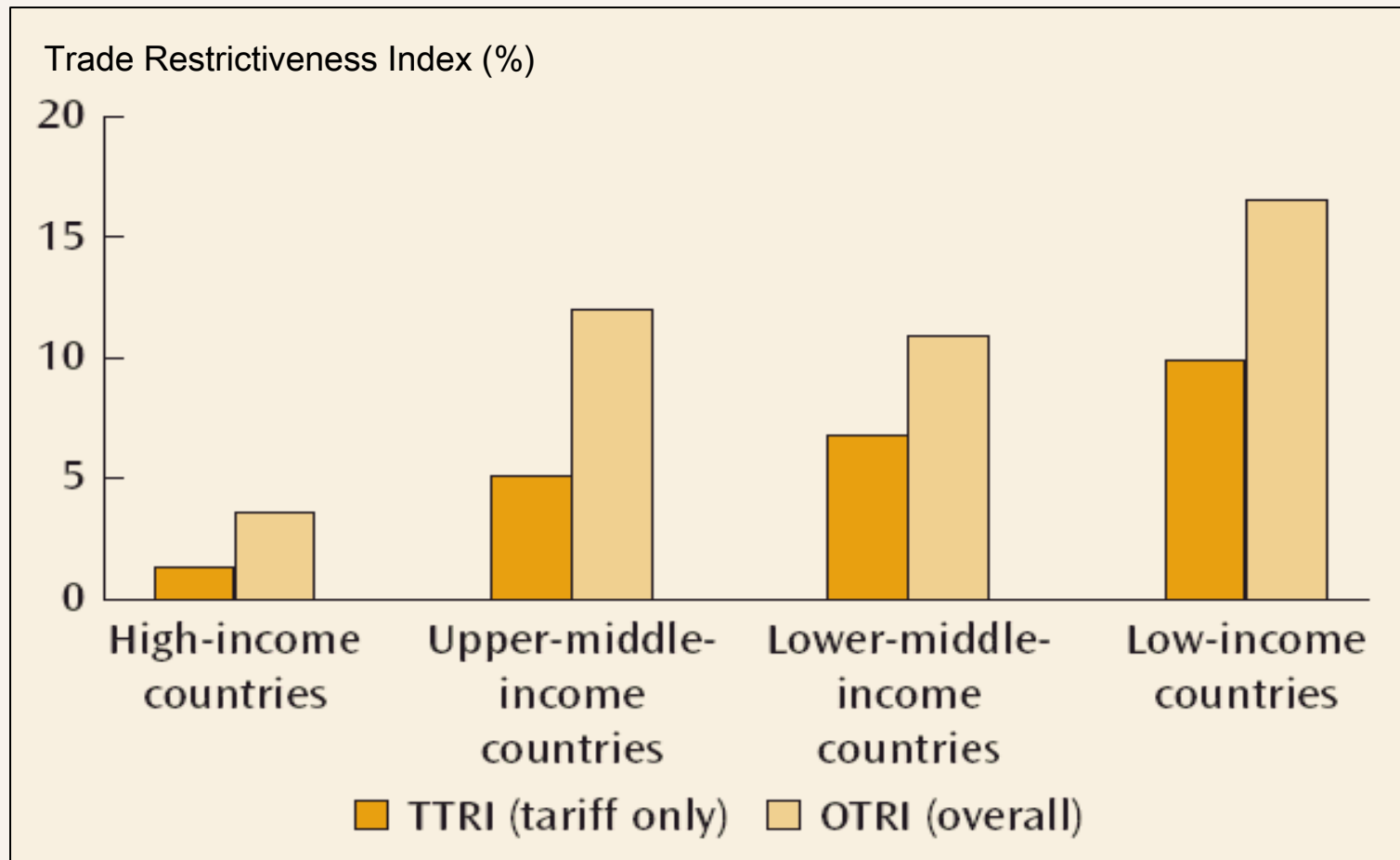
Increase aid for trade—to promote inclusiveness in exploitation of trade opportunities

Aid for trade, average 2002-06



Trade policy should facilitate transfer of environmentally friendly technologies

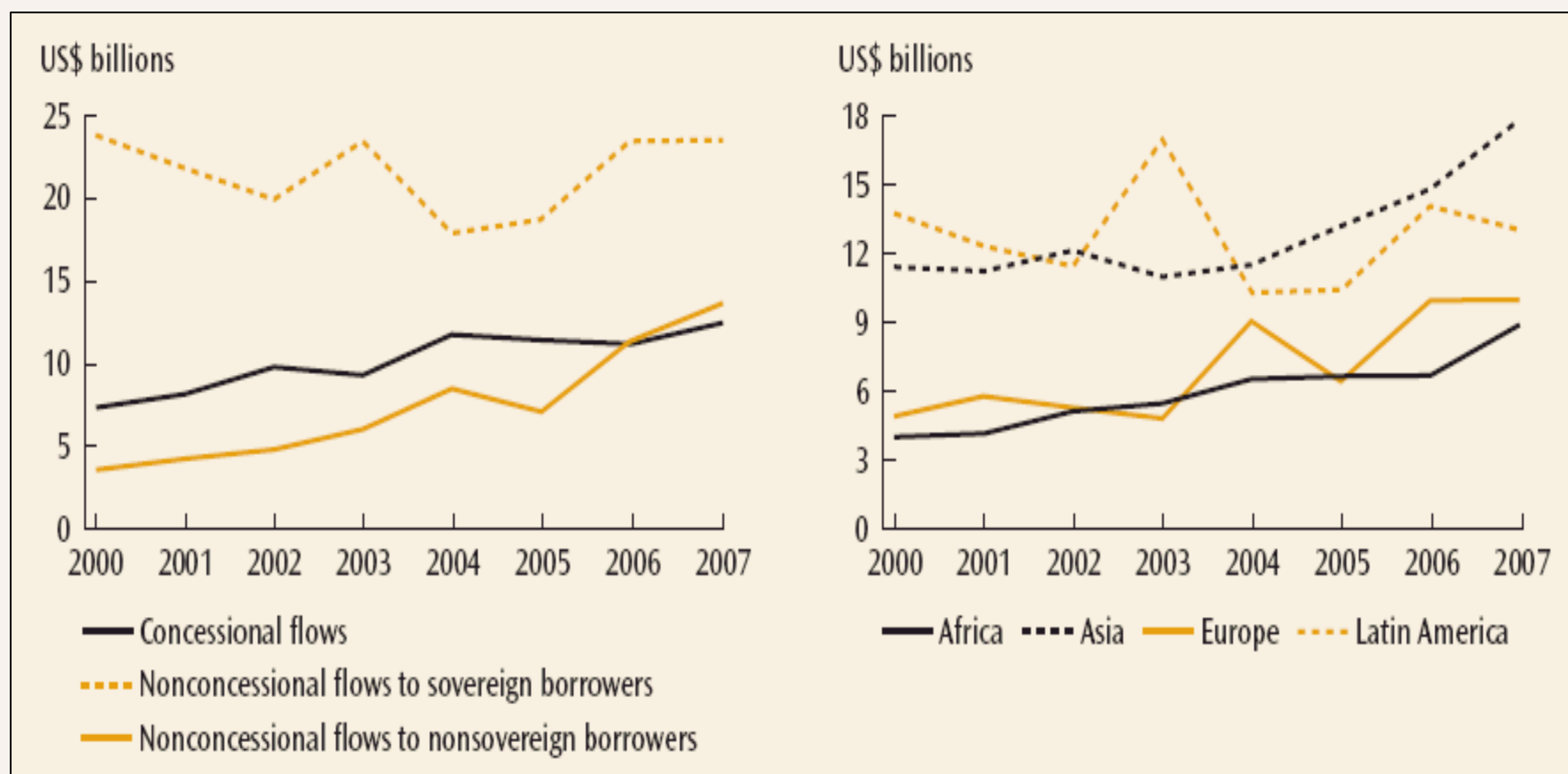
Environmental goods currently confront significant trade restrictiveness



MDBs had record disbursements in 2007

Even as their relative financing role declines, international financial institutions' impact through leverage remains key

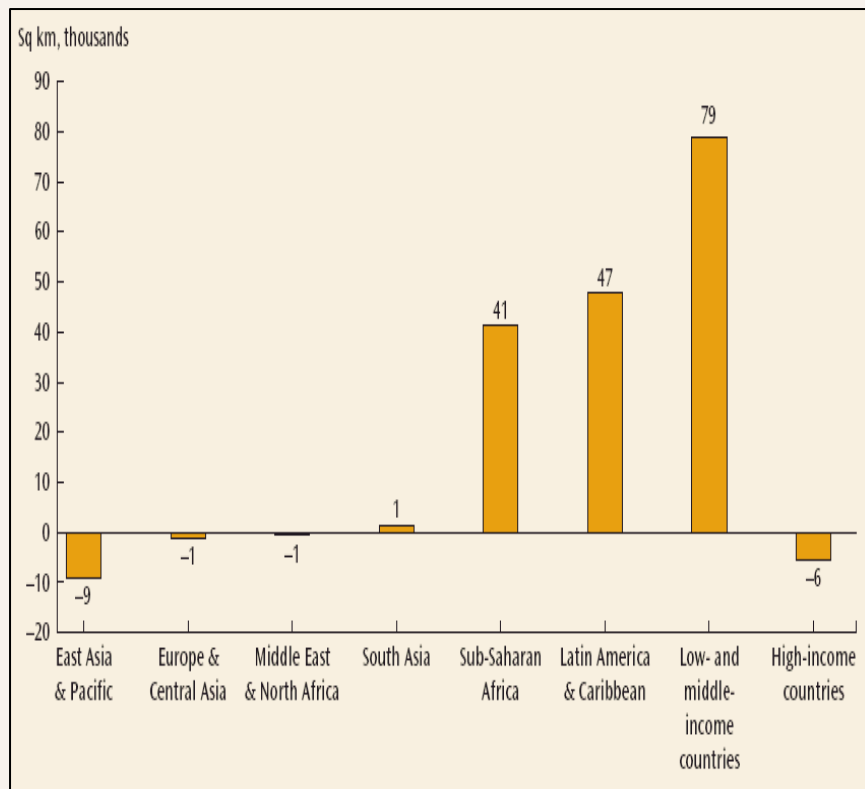
MDBs' gross disbursements by type of flow and region, 2000-07



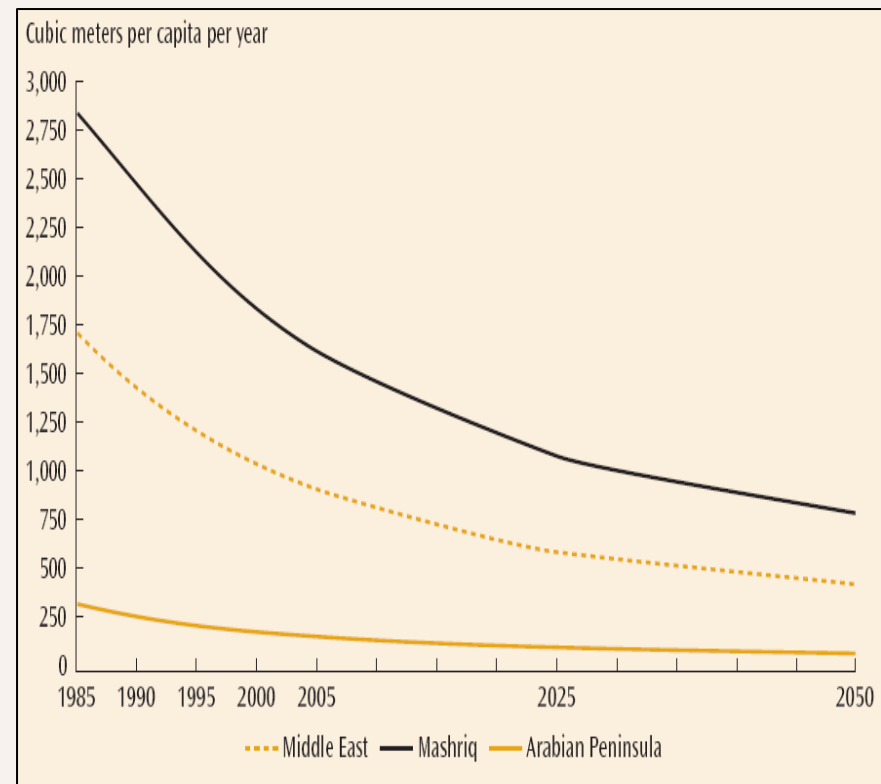
Extra Slides

Depletion of natural resources: it's not just oil

Annual deforestation (2000-2005)

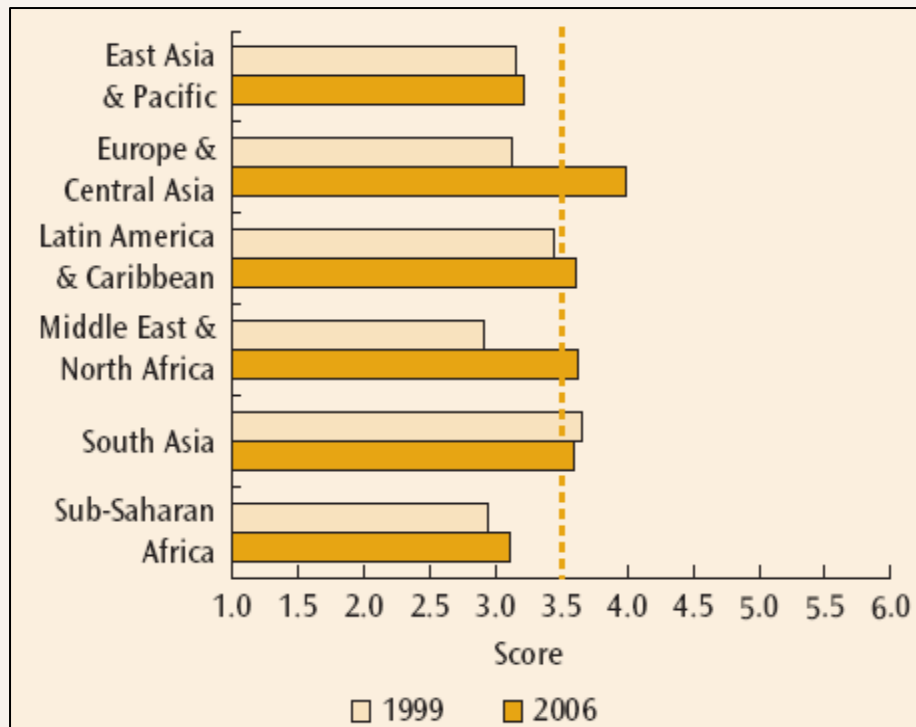


Freshwater availability (trends and projections)

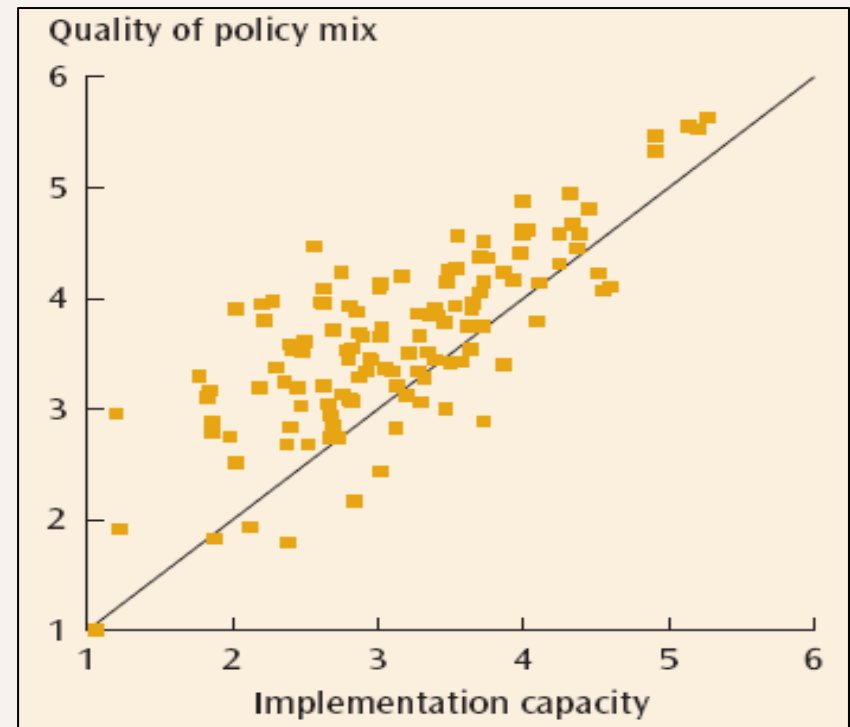


Monitoring environmental policies and institutions

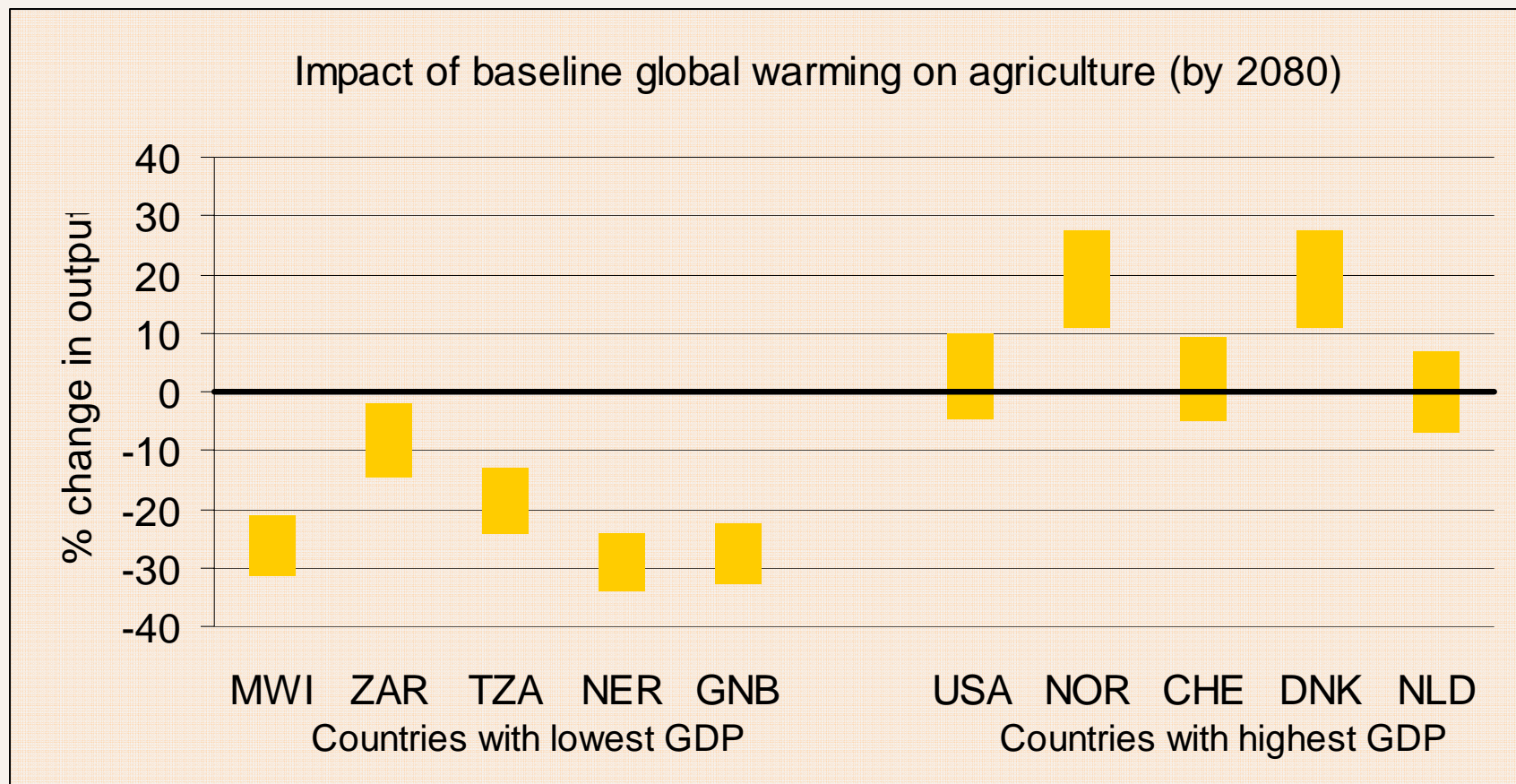
Progress in institutional and policy performance has been uneven across regions (CPIA environment scores)



CPIA disaggregated scores show that there is a gap between policy formulation and capacity to enforce



Climate change impacts on agriculture



Comparison of emissions for Annex I and Non-Annex I countries

Category	Measurement	Annex I	Non-Annex I
GHG emissions in 2000: CO ₂ , CH ₄ , N ₂ O, PFCs, HFCs, SF ₆ (including land use change)	Percent of total emissions	42.0	58.0
	Tons of CO ₂ e per person	13.9	4.9
Cumulative CO ₂ emissions, 1950–2000 (including land use change)	Percent of total emissions	52.5	47.5
	Tons of CO ₂ per person	457	103
Carbon intensity of electricity production	Grams of CO ₂ /kilowatt hour	436	679
CO ₂ intensity of economy (excluding land use change)	Tons of CO ₂ / million \$PPP GDP	491	569

Annex I: Developed countries Non-Annex I: Developing countries

Source: CAIT Version 5.0 (World Resources Institute, 2008)

World Bank: Strategic Framework on Climate Change and Development

1. Make effective climate action – both adaptation and mitigation – part of core development efforts
2. Address the resource gap through existing and innovative instruments for concessional finance
3. Facilitate the development of innovative market mechanisms
4. Create enabling environment for and leveraging private sector finance
5. Accelerate the deployment of existing and development of new climate-friendly technologies
6. Step-up policy research, knowledge management and capacity building