

**IUCN Statement** to the Consultation with Civil Society on the eve of the Meeting of the OECD Development Assistance Committee (DAC) and the Environment Policy Committee (EPOC) at Ministerial Level

**Paris, 3 April 2006**

The World Conservation Union (IUCN) welcomes the opportunity to deliver this statement at the Consultation with Civil Society, and thereby contribute to tomorrow's meeting between environment and development ministers. We thank the OECD for its openness in a time when we note, with sadness, that the opportunities for civil society to play a substantive role in intergovernmental processes are diminishing.

Our main message to you today is the irrefutable evidence that human well-being and poverty reduction ultimately depend on the benefits people get from a healthy environment.

#### **Invest in the environment for human well-being**

International development policy during the past few years has been dominated by the Millennium Development Goals (MDGs), and by discussions on how to achieve the Goals by 2015. The Millennium Project made a clear statement when it declared that: "Environmental sustainability is the foundation on which strategies for achieving all the other MDGs must be built, because environmental degradation is causally linked to problems of poverty, hunger, gender inequality, and health. Protecting and managing the natural resource base for economic and social development in developing countries, especially, and changing consumption and production patterns, particularly in wealthy nations, are fundamental requirements for improving human health and well-being. Integrating the principles and practices of environmental sustainability into country policies and planning programs is therefore key to successful poverty reduction strategies."

Indeed, the MDGs are interconnected. Loss of biodiversity and the ecosystem services that biodiversity provides can have serious, and sometimes catastrophic, impacts on the world's population and the poor in particular. Some brief statistics can help to illustrate this point. According to some estimates, 70% of the world's 3 billion poor live in rural areas and they depend heavily on natural resources for their survival. One billion Asians rely on fish as their primary source of protein and the fishing industry globally employs some 200 million people. Yet, 14 out of the 17 fisheries worldwide are in decline today, impacting both food security and household incomes. The WHO notes that environmental factors such as unsafe drinking water and smoke from biomass cooking fires cause about 25% of all preventable illnesses.

The link between biodiversity, ecosystems and the services they deliver to people has been demonstrated by the findings of the Millennium Ecosystem Assessment, a comprehensive assessment of the state of the planet's ecosystems by nearly 1400 leading experts from 95 countries. It finds that: "The loss of services derived from ecosystems is a significant barrier to the achievement of the Millennium Development Goals to reduce poverty, hunger, and disease."

Finally, the importance of a healthy environment for the poor was acknowledged in the 2005 report of the UN Secretary General, *In Larger Freedom*. The report boldly declares that: "We fundamentally depend on natural systems and resources for our existence and development. Our efforts to defeat poverty and pursue sustainable development will be in vain if environmental degradation and natural resource depletion continue unabated."

Studies have demonstrated how the poor depend on natural resources to earn their livelihoods, how vulnerable they are to environmental hazards, and that barriers prevent them from deriving full benefits from their environmental assets. Studies also show that investing in the environment for poverty reduction is a sound investment. A recent study by the Poverty Environment Partnership (“Investing in Environmental Wealth for Poverty Reduction”) looks at a range of investment opportunities in improved environmental management and concludes that many of them make sense on economic as well as environmental grounds. Sound economic analysis demonstrates that money invested in environmental areas such as land degradation, sanitation consistently deliver returns much higher than the amount invested. Conservation of habitats and ecosystems is also cost effective compared to the short term benefits to be gained from damaging activities such as dynamite fishing, converting mangroves to shrimp farms, deforestation or destruction of coral reefs. The study also found that the world spends roughly US\$1 trillion on subsidies in the agriculture, energy and water sectors. Removal of a mere 10% of the most socially and environmentally perverse subsidies would therefore reduce environmental degradation and liberate more resources for poverty elimination than is currently provided by global aggregate ODA. The report estimates that, to reach poverty reduction targets, an annual global investment in environmental assets of US\$60 billion to US\$90 billion will be needed over the next ten to 15 years.

### **Invest now - for long-lasting dividends**

The World Conservation Union’s message is simple: invest in the environment for poverty reduction. The MDGs are interconnected and cannot be achieved in isolation, nor can they be achieved sequentially. The achievement of MDG7 on environmental sustainability in particular is essential if we are to meet the other MDGs on poverty, water, health, nutrition, and gender equality.

This is a positive message. Investing in environmental sustainability, rather than being a “tax on development” or an “add-on” to the development agenda, is an effective and efficient intervention and leverage point for development. Environmental sustainability supports and integrates multiple development goals. The Greenbelt movement in East Africa, for example, started out planting trees, and it ended up reducing poverty and malnutrition, empowering women, enhancing the sustainability of the natural resource base, and reducing the potential for conflict over natural resources.

Finally, we should remind ourselves that when we refer to environmental issues we are not referring to a separate sector. When we refer to the environment we mean agriculture. When we refer to environment we mean fisheries. When we refer to the environment we mean tourism, energy, forestry, water and sanitation and health.

This poses a serious challenge to the development and environment sectors to engage with the private sector and other relevant sectors of society. The recent assessment, which finds that Europe struggles to meet the 2010 target, points to a continuing system of trade flows and perverse incentives that keeps sustainable development out of reach for all countries. While we have a direct responsibility to align and intensify our efforts under the global framework of the MDGs, we must find the evidence and the cases to bring influencing international finance and trade flows to bear on achieving those targets as well.

### **The World Conservation Union mobilizes its membership**

The World Conservation Union will continue to support the multilateral processes related to the MDGs by bringing the best knowledge available to decision-making. Conservation for poverty reduction is our major focus for the next years. We have recently launched a Conservation for Poverty Reduction Initiative, a worldwide, US\$300 million plan of action of over 100 partner organizations that will target improved livelihood security in 20 countries for 50 million people. In the wake of the Indian ocean Tsunami, we have developed a major project on mangrove

conservation and restoration for sustainable livelihoods. And finally, we are developing a Pan African programme of work to ensure sustainable livelihood on the continent that faces the biggest challenges if the MDGs are to be met.

These initiatives build on the most important lesson the Union has learnt over the past 60 years: achieving development and conservation results require partnerships between government agencies and civil society, and the empowerment of local communities to manage their resources sustainably and for their benefit. Governments cannot go it alone: It is through collaborative actions that solutions for sustainable development are found, and it is there that the support of the international community should focus.

We stand ready to support further development of the OECD work on environment and development and suggest key points to be considered during tomorrow's deliberations:

1. Increase international financial and technical cooperation for development. Donor governments should commit to achieve internationally accepted ODA targets and commit to invest a proportionally larger share of new ODA flows to achieving environmental sustainability; and recipient countries should commit to the equitable and effective use of ODA. Governments should also commit to replenish the Global Environment Facility, at least to the level of GEF 3.
2. Develop better metrics to measure the contributions of ecosystem services to household and national economies as well as the economic costs of environmental degradation, and integrate such benefits and costs into local and national economic planning tools and decision making processes.
3. Protect and restore vulnerable ecosystems, as this is where livelihoods can be safeguarded for the future.