

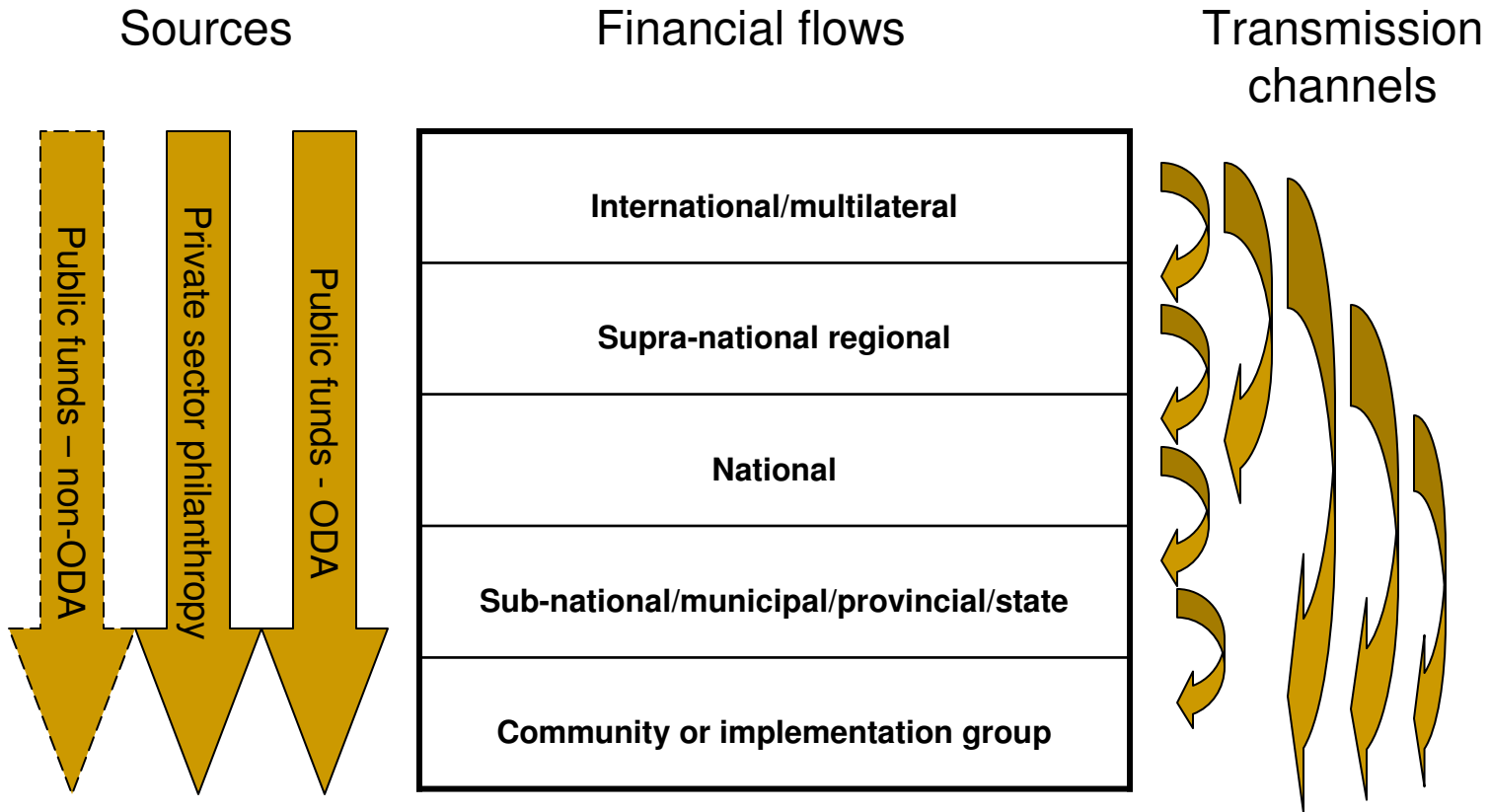


## Improving the poverty alleviation and development linkages of environmental financing architecture

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## Units of analysis for poverty-environment linkages



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## Today's Main Challenge for the International Environmental and Development Financing Architecture

**Supporting fair and equitable, sustainable development, resulting in national and regional economies in developing countries that:**

- are industrially diversified but low carbon in terms of production processes and other economic activities**
- are self-reliant and competitive (in terms of human, financial, technological resources)**
- are adapted to, or have greater adaptation capacity for, emerging climate change impacts**
- provide higher levels of economic and employment opportunities for its people, generating improved and decent standards of living but low carbon in terms of consumption patterns**
- promote greater levels of social equity and development, including promotion of human rights, in particular right to development**
- have exited from, or are no longer dependent on, externally-provided development financing (other than commercially-driven capital flows)**



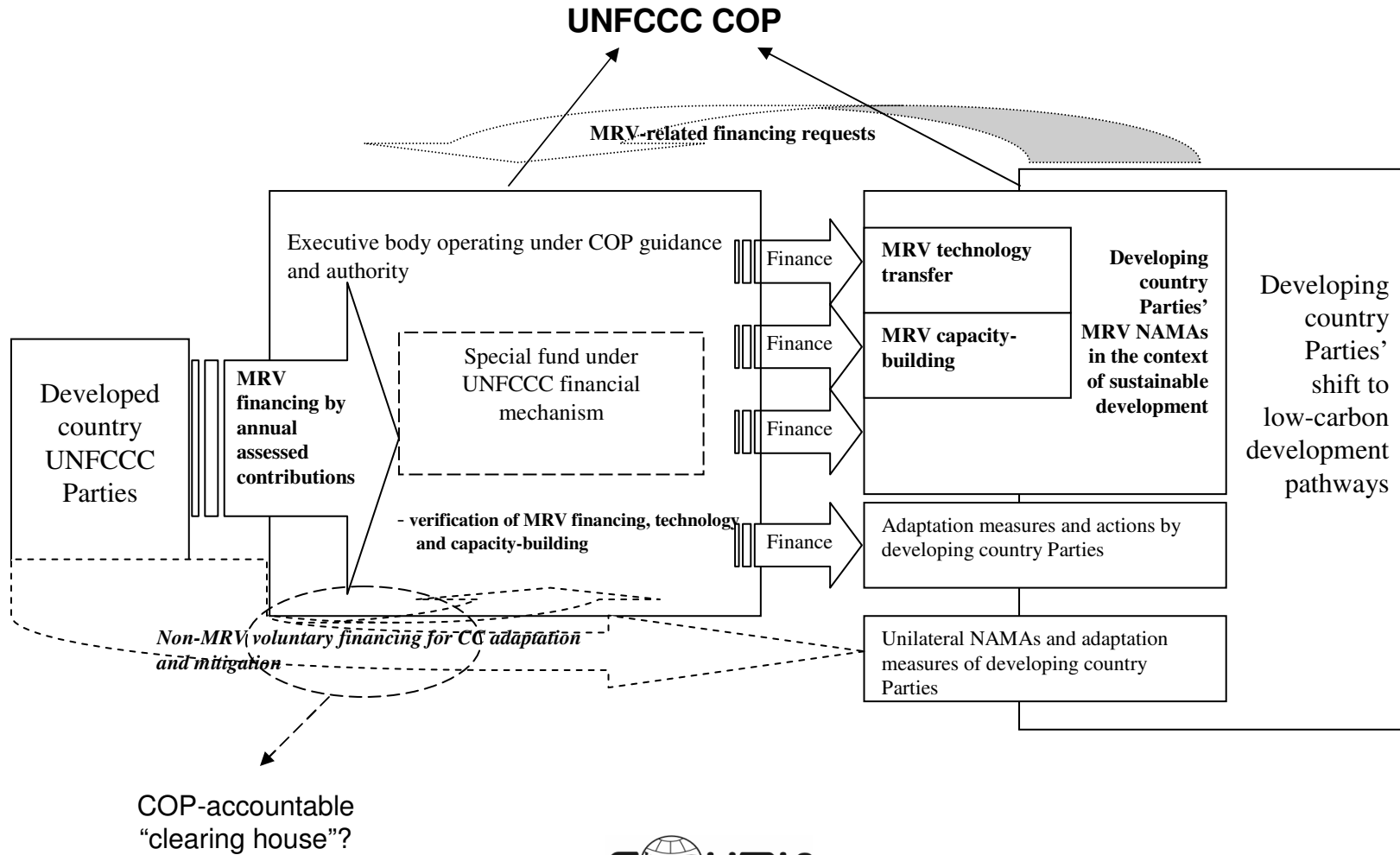
## Where things are falling short ...

- **Financing without policy or governance conditionalities, and is untied** – the Paris Declaration and AAA framework still fall short in doing away with policy or governance conditionalities that recipients have to comply with, or in untying aid
- **Financing that is predictable** – e.g. no “stop-go” conditioning of delivery, avoidance of funding shocks, at least 3-year financing commitments to facilitate medium to long-term planning
- **Financing that is adequate** – e.g. commensurate to the scale of financing in developing countries required to address structurally-caused poverty and environmental damage
- **Financing that fully supports economic sustainability and self-reliance** through the building of economic diversification and agro-industrialization infrastructure that takes into account climate impacts, leading to stronger local communities and national exit from aid reliance
- **Financing that is truly country-owned, based on country development needs and requirements** – donors still shape and influence to a very large extent how recipient countries design financing proposals so as to fit donor priorities
- **Financing that is monitored and overseen by a democratic and participatory multilateral governance process in which developing countries can participate** – e.g. DCF in the case of ODA, UNFCCC COP in the case of climate financing – to reduce architectural governance asymmetry



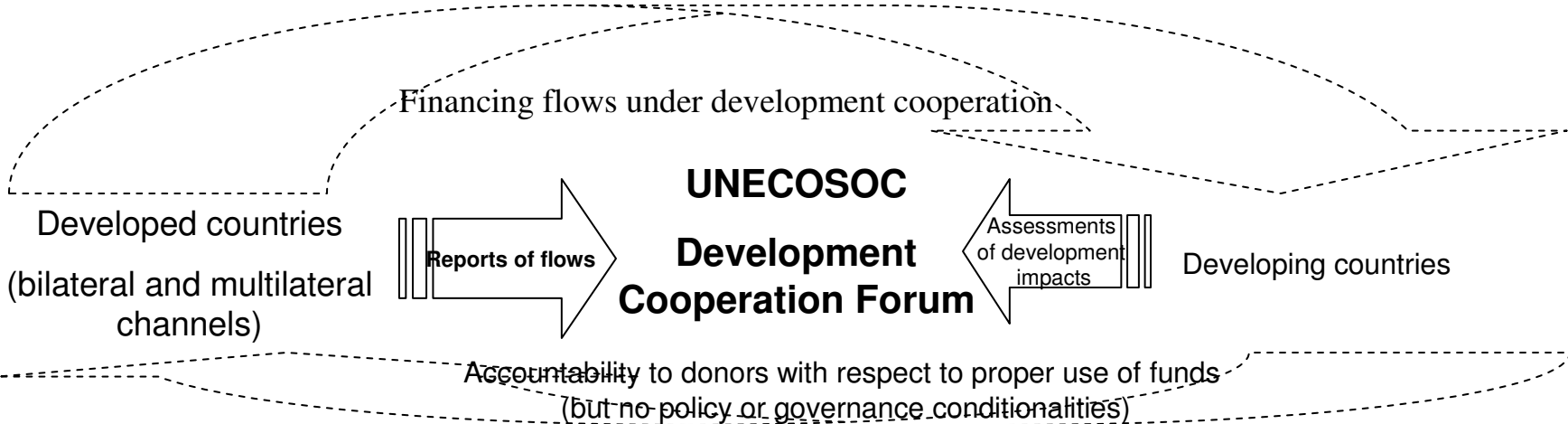
Suggestion for Participatory Architectures in Poverty and Environment Financing

Climate Change Financing



Suggestion for Participatory Architectures in Poverty and Environment Financing

Poverty/Development Financing





An Intergovernmental Organization of Developing Countries



## Thank You

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