

# Environment and Natural Resources for Growth and Poverty Alleviation

Emerging Priorities for World Bank Assistance

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# Structure of the Presentation

- Role of Africa's natural endowment and its development
- Environmental challenges facing Sub-Saharan African countries
- Emerging strategic priorities for World Bank assistance?



## Role of Africa's Natural Endowment in its Development (Examples exclude biodiversity, social and cultural values)

- ▶ Agricultural landscapes: Agriculture on average accounts for 60% of employment; 40 % of the export earnings; and 30% GDP.
- ▶ Forests and woodlands: Source of timber and non-timber products, employment, bushmeat, and biomass energy.

# Coastal and marine environment

- Africa exports about \$2.7 billion of marine fish annually.
- 3 million people directly employed, indirect employment much more – e.g. Senegal 17% of the workforce, 10% in Ghana.
- Fish accounts for an average of 25% of animal protein intake.
- Oil and gas reserves in Africa occur mostly offshore or in the delta areas in Africa.



# Freshwater Resources

- Play a major role in agriculture, industry, hydropower generation, etc.
- Freshwater fisheries a major source of animal protein for people and employment
- Safe water for drinking and sanitation

# Some of the Major Environmental Challenges

- **Land degradation** -- a major constraint to increased agricultural productivity and food security.
- **Deforestation** -- leading to the loss of biological diversity, and ecological goods and services that support economic growth, livelihoods, etc.

# Some of the Major Environmental Challenges (continued)

- **Overexploitation of the fisheries** – resulting in loss a affordable sources of animal protein, livelihoods, economic slow down, etc.
- Several **freshwater bodies have been polluted** by untreated municipal and industrial wastes.
- **Scarcity of freshwater** because of overuse, salt water intrusion into ground water, etc.
- **Loss of biological diversity** continues – e.g. six of the 25 biodiversity hotspots in the world (i.e. areas under threat) are in Africa

# Emerging Priorities for Sub-Saharan Africa?

- Priority 1: Strengthen environmental and natural resource governance to support economic growth and livelihoods
- Priority 2: Improve management of environmental risks to sustain economic growth and protect public health
- Priority 3: Improve management of regional and global environmental public goods

# Priority 1: Strengthen Environmental and Natural Resource Governance to Support Economic Growth and Livelihoods



## Focus of World Bank assistance

- Recognize and codify traditional access rights to natural resources.
- Develop/strengthen transparent mechanisms for the allocation of commercial access to resources, particularly to large-scale operators, using market-based systems.
- Develop/strengthen systems to establish royalties, license fees, and other resource use fees in a manner that is transparent, reflects the full economic value, and discourages wasteful and unsustainable exploitation.
- Develop transparent revenue management systems that support efficient and effective use of funds to support sustainable resource management practices, and local economic growth.



# Priority 1 (continued)

- Strengthen management of protected areas to conserve biodiversity and catalyze local and national economic development.
- Develop systems to support niche markets for natural products that are produced in an environmentally sustainable way (e.g. “eco-labeling”)
- Develop/strengthen resource/ecosystem monitoring systems

## Priority 2: Improve Management of Environmental Risks to Sustain Economic Growth and Protect Public Health

- Focus of World Bank assistance
  - Improve capacity for environmental assessment and management.
    - Priority sectors -- Energy, transport, mining, and commercial agriculture
  - Improve environmental quality, especially in the urban areas, to protect public health.
    - Solid waste management
    - Air pollution control



## Priority 3: Improve Management of Regional and Global Environmental Public Goods

- Focus of World Bank assistance
  - Strengthen capacity for climate-resilient growth
    - Adaptation measures
      - Improve sustainable land and water management practices in agriculture
      - Minimize the vulnerability of key economic infrastructure (e.g. from flooding)
      - Strengthen disaster preparedness and management
    - Mitigation measures
      - Support expansion of low carbon energy technologies
      - Improve land management practices to sequester/restore soil carbon
      - Reduce/eliminate gas flaring in the oil sector



## Priority 3 (continued)

- Strengthen cooperative management of cross-border natural resources, with priority on:
  - Freshwater resources, marine resources, and transboundary protected areas

# Question For the Breakout Session Discussions

- Are these the right strategic priorities/areas for World Bank assistance?
  - Review the strategic priorities and activities that have been proposed as focal areas of World Bank assistance in Sub-Saharan Africa.
    - Do you agree with them?
    - Are there additional priorities that need to be included?

# For the areas of potential World Bank assistance,

- From your experience, please provide examples of “best practices” that can be scaled up. Highlight the policy, institutional, incentives and other factors that made these examples successful.
- What should be the role of the World Bank in scaling up given the Accra Declaration on Harmonization