

HEALTHY ENVIRONMENT THRIVING ECONOMIES RESILIENT PLANET

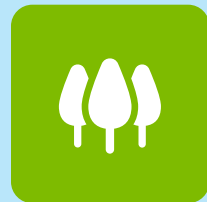


THE WORLD BANK
Environment, Natural Resources & Blue Economy

CONTEXT

Natural resources provide livelihoods for billions of people. When managed well, renewable natural resources, watersheds, productive landscapes and seascapes provide the solid foundation for sustained inclusive growth, food security, poverty reduction and human wellbeing. A clean environment is also key to ensure that people are able to lead healthy and productive lives, and that government and private resources can be invested in advancing development instead of remediating pollution. To achieve sustainable growth, better natural resource management, environmentally friendly fiscal policies, greener financial markets, and effective waste management programs are needed globally.

WHAT WE ARE DOING



The World Bank's Environment, Natural Resources and Blue Economy Global Practice (ENB) provides expertise, technical assistance and financing to help low- and middle-income countries manage land, sea and freshwater natural resources in a sustainable way to help create jobs, improve livelihoods, enhance ecosystem services, decrease pollution and increase resilience to climate change. Over 360 ENB staff working across the globe help set developing countries on a clean, green growth trajectory for resilient economies and healthy communities.



Our strategy recognizes that all economies, particularly developing ones, need to grow, but they need to do so sustainably. Income-producing opportunities need to be pursued in ways that do not increase the risk of illness, assume that pollution is an inevitable side effect of economic growth, or limit or close off opportunities for future generations.



ENB supports informed decision-making through analysis and using methodologies such as environmental economics and **natural capital accounting**. Countries are in a better position to seize growth opportunities, weigh pollution costs and climate risks, and identify synergies, when they understand the repercussions of policy and investment choices and are equipped with evidence and data.



Over the last decade, the World Bank has managed the largest source of multilateral development funds for protecting **biodiversity**, supporting **sustainable forest management and good stewardship of our oceans along with combating wildlife crime**. The World Bank has also been a major source of funding, technical assistance and knowledge to help countries reduce pollution, implement proper waste management, improve water and air quality, and promote clean development for healthier lives and better economic outcomes. Our goal is to support governments and citizens in mobilizing funds and investing in the environment for a greener, more sustainable future.



To address **the immediate and longer-term challenges posed by COVID-19**, ENB focuses on supporting livelihoods of local communities via labor-intensive programs, restoring forests and degraded land, rebuilding green infrastructure in coastal zones, reducing single-use plastic, transitioning to a circular economy, and other initiatives that promote green recovery.



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CROSS-CUTTING THEMES

The following issues are key in implementing many ENB projects and initiatives:

Fragility, Conflict, and Violence – to support countries and vulnerable communities that are impacted by climate change and environmental challenges.

Circular Economy – promoting approaches that decouple resource consumption from economic growth as well as help create clean supply chains, minimize waste generation, and promote recycling and re-use of products.

Innovation and Technology for better stewardship for our air, water, land, and ecosystems in times of rapid resource-intensive development.

Protecting Biodiversity and Ecosystem Services through scaling up financing: mobilizing the public and private sector, promoting environmental fiscal reforms, and mainstreaming innovative financial mechanisms.

Gender – to achieve gender equality, in particular, empower all women and girls to be key players in promoting and benefitting from environmental sustainability.

Environmental Health – protecting vulnerable populations by focusing on the environmental challenges that primarily affect the health and welfare of low-income households and other vulnerable groups such as young children and the elderly.

ENVIRONMENT AND CLIMATE CHANGE

We work closely with countries, development partners and the private sector to help reduce vulnerability to climate risks. Our projects support climate change goals, with much overlap between adaptation, mitigation, and poverty reduction benefits:

Adaptation – Supporting countries to implement solutions that add value to inclusive green growth, such as nature-based solutions, resilient landscapes, climate insurance mechanisms, or better coastal zone management.

Mitigation – Reinforcing countries' efforts to prevent or reduce short-lived climate pollutants and greenhouse gas (GHG) emissions, in particular through carbon taxes and pollution charges as well as repurposing pervasive subsidies towards progressive interventions and environmentally-friendly actions.

Co-benefits – Helping countries to align their climate change goals with other development objectives, such as reducing emissions of health-damaging air pollutants, generating better jobs, and building livable and sustainable cities and communities.

Improving the resilience of small island developing states – Supporting small island developing states with projects to improve climate resilience in infrastructure and to reduce vulnerability through protective coastal ecosystems such as mangroves.

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FORESTS, LANDSCAPES AND BIODIVERSITY

Healthy forests and terrestrial ecosystems provide multiple, essential services to life on the planet. They also sustain livelihoods, providing food, fuel, shelter, and jobs. However, forests and landscapes are under significant and increasing threat due to deforestation and land degradation driven by land conversion for agriculture, infrastructure, mining and other activities, and unsustainable management of natural resources. This loss of forests and productive lands most strongly impacts rural areas, where 78 percent of the world's poor live.

The World Bank, through an integrated landscape approach, helps countries to meet national development objectives such as reducing poverty and increasing economic growth while also delivering on their global goals and commitments related to forests, biodiversity, and climate change in an integrated and cost-effective manner. In 2019, the active forest portfolio was over US\$3 billion.

The World Bank supports:

- Strengthening the integrated and sustainable management of forests and other terrestrial ecosystems in landscapes and corridors, including for economic development of poor and marginalized communities that depend on these ecosystems
- Restoration of degraded lands to improve ecosystem services and ensure effective protection of high conservation value forests and biodiversity
- “Nature-smart” interventions in sectors like agriculture, transport and energy to ensure that development does not erode natural capital but instead generates positive forest, ecosystem, and biodiversity outcomes

The World Bank has committed to support interventions through an integrated landscape management approach for avoiding deforestation, promoting landscape restoration and sustainable forest management across up to 120 million hectares of forests in 50 countries by 2025; and to support at least 15 IDA countries to implement or update their National Biodiversity Strategies and Action Plans (NBSAPs) covering terrestrial and marine biodiversity or similar national action plans.

PROGREEN

PROGREEN, the Global Partnership for Sustainable and Resilient Landscapes, is a World Bank-administered umbrella multi-donor trust fund to maintain and improve ecosystem services in resilient production and conservation landscapes. It supports knowledge management, technical assistance and co-financing of World Bank landscape programs at scale necessary to achieve transformative impacts.



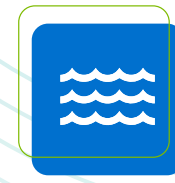
The Global Wildlife Program is a World Bank-led partnership funded by the Global Environment Facility (GEF) that promotes wildlife conservation and sustainable development by combatting illicit trafficking in wildlife in 37 projects across 32 countries in Africa, Asia and Latin America.



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BLUE ECONOMY

Healthy oceans provide jobs and food, sustain economic growth, regulate the climate, act as a sink for greenhouse gases, provide oxygen, are home to ecosystems rich in biodiversity, and support the wellbeing of coastal and urban communities. Covering more than two-thirds of the Earth's surface, oceans contribute US\$1.5 trillion annually in value-added to the overall economy, according to OECD estimates. Yet, oceans are reaching a tipping point from a variety of cumulative impacts, from over-fishing and marine pollution, to coastal erosion which is exacerbated by climate change.

The World Bank's Blue Economy approach supports economic growth, social inclusion, and the preservation and improvement of livelihoods, while at the same time protecting ocean health and ensuring the environmental sustainability of oceans and coastal areas.

As of September 2020, the World Bank's overall oceans program is worth around \$5.6 billion in active projects. Projects range from implementing large regional fisheries programs in Africa and the Pacific, to tackling all sources of marine pollution, protecting critical marine habitats and supporting coastal development worldwide.

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The World Bank helps countries promote strong governance of marine and coastal resources to improve the contribution to sustainable and inclusive economies. This includes:

- Supporting sustainable fisheries and aquaculture
- Making coastlines more resilient, establishing coastal and marine protected areas
- Reducing marine pollution
- Developing knowledge and capacity around ocean health

PROBLUE

PROBLUE is a World Bank-administered umbrella multi-donor trust fund that aims to support the sustainable and integrated development of marine and coastal resources in healthy oceans. PROBLUE does so by generating knowledge and analytical work, providing technical assistance to countries and partners, and catalyzing World Bank financing.

The Oceans, Marine Debris and Coastal Resources Multi-Donor Trust Fund supports Indonesia's efforts to strengthen its Oceans Agenda, with a focus on interagency coordination, marine debris management, and coastal ecosystem/ community resilience. This World Bank-administered trust fund provides technical assistance, analytical support, pilot activities, and financing to assist the Government of Indonesia in developing and implementing its National Oceans Agenda.



POLLUTION MANAGEMENT, ENVIRONMENTAL HEALTH AND CIRCULAR ECONOMY

The World Bank works with developing countries and development partners to reduce air, land, and water pollution and to promote circular economy approaches and clean development for healthier lives and better economic opportunities.

Air pollution is the leading environmental risk to health, responsible for about 7 million deaths globally every year, with poor and vulnerable people - including, young, elderly and minority populations - most affected. The cost globally of health damages caused by ambient, or outdoor, air pollution was \$5.7 trillion* in 2016, which is equivalent to 4.8 percent of global GDP that year. The economic burden of pollution is immense, adding urgency to our efforts to address this issue.

*PPP-adjusted US\$



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The Bank provides financing, research, and technical assistance in pollution management that:

- Improves air quality through the reduction of ambient and household air pollution
- Reduces short-lived climate pollutants for climate change mitigation
- Tackles the risks posed by the unsafe management of chemicals
- Integrates management of waste, including hazardous waste and the remediation of toxic contaminated sites
- Targets water and land-based pollution
- Addresses the linkages between pollution management and urban competitiveness, including increased productivity, livability, and human capital
- Strengthens environmental institutions by helping countries to improve environmental governance, regulation, and enforcement



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POLLUTION
MANAGEMENT &
ENVIRONMENTAL
HEALTH

Pollution Management and Environmental Health (PMEH) multi-donor partnership, established in 2014 and administered by the World Bank, supports countries in managing air quality and toxic sites and generates cutting-edge knowledge and guidance to reduce pollution for public health, poverty reduction, economic growth, and environmental and climate co-benefits.

The program has been working closely with selected countries including China, Egypt, India, Nigeria, South Africa, and Vietnam to promote more effective responses to deadly and costly air pollution and improve the regulatory architecture to control and manage pollution.



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The circular economy approach offers an alternative to unsustainable use of resources by designing a way out of waste and pollution, keeping products and materials in use, and regenerating natural systems. The World Bank provides financing, advisory and analytical services, and technical assistance on circular economy that:

- Promote circular economy policies and financing to decouple resource consumption and economic growth
- Support policy reforms and economic incentives so that cleaner, recycled and/or refurbished products can compete with conventional products

- Promote environmental sustainability through cleaner production and pollution prevention
- Inform repurposing of regressive and inefficient fossil fuel subsidies to free fiscal resources that can be spent on other socially desirable goals
- Support the establishment of taxes on pollution that can simultaneously create incentives to abate pollution and generate fiscal revenues



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ENVIRONMENTAL ECONOMICS, POLICIES, INSTITUTIONS

The depletion of natural capital – including assets like forests, water, minerals, biodiversity and land – poses a significant challenge to achieving poverty reduction and sustainable development objectives. Low-income countries depend on natural capital for nearly half of their wealth. And yet, in several of these countries, natural capital is being depleted, leading to an overall decrease in wealth and a failure to improve standards of living among the poor.

The World Bank supports a systematic approach to measuring the contribution of natural capital to a country's development. By using tools such as natural capital accounting (NCA) and ecosystem valuation, countries are in a better position to seize growth opportunities and understand the repercussions of policy and investment choices. This work is structured around three areas:

Information: Provide global information on natural capital and sustainability

The first goal is measuring sustainability by improving global measures of natural capital and ecosystem services. The second goal is mainstreaming sustainability by producing high-level publications like "The Changing Wealth of Nations" and analytical work on biodiversity that provides policy advice on greening fiscal, trade, and governance regimes. This component also focuses on mainstreaming sustainability concerns in The World Bank products and processes like the Country Partnership Frameworks and the Environment and Social Framework.

Implementation: Provide support to countries in integrating natural capital approaches into decision-making

This work builds countries' capacity to integrate the value of nature, and the ecosystem services it provides, into policy and planning decisions. The World Bank aims to increase the number of countries with the required technical and institutional capacity.

Incentives: Promote sustainability in the financial sector

This emerging area of work supports research, tools, and country engagement aimed at enabling regulators and other stakeholders to integrate risks and opportunities related to environmental outcomes into their decisions.



Global Program on Sustainability (GPS) is an umbrella multi-donor trust fund that aims to integrate environmental and other sustainability considerations into public and private decisions by providing high-quality data and analysis on natural capital, ecosystem services, and sustainability to better inform decisions. It builds on nearly a decade of experience from the Wealth Accounting and the Valuation of Ecosystem Services (WAVES), a global partnership that worked with over 20 countries to implement NCA and analysis.



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ENVIRONMENTAL RISK MANAGEMENT

Environmental Risk Management promotes sustainable development by encouraging the sustainable management of natural resources and considering a greater range of environmental impacts. If applied consistently, anticipating and mitigating environmental risks fosters resilience, prepares against unexpected shocks, as well as addresses climate change impacts.

The World Bank manages environmental risks associated with its projects. This ranges from ensuring that construction projects are responsibly sourced to protecting people, animals and plants in the project area.

ENB builds its Environmental Risk Management work around the World Bank's Environmental and Social Framework (ESF). The ESF helps promote better – and lasting – development outcomes by identifying and mitigating potential negative impacts of World Bank-funded projects and aims to:

- Strengthen existing provisions on the conservation of biodiversity and the management of living natural resources, including forests
- Provide more clarity on how risks and diverse impacts on critical and natural habitats must be mitigated and apply a clear mitigation hierarchy
- Recognize the importance of ecological systems, ecosystem services, cultural and economic values of natural habitats
- Boost protections for people and the environment; emphasize the importance of achieving sustainable development through capacity- and institution-building and country ownership
- Take into account a range of climate change considerations, including GHG emission estimation and climate change adaptation

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