

# **SDG 1: End poverty in all its forms everywhere**

## **EXPERT GROUP MEETING**

Thematic Discussion 1:

### **Accelerating Progress Towards SDG1 in the Face of Climate Change**

**Geneva, Switzerland | Tuesday, May 7, 2024**

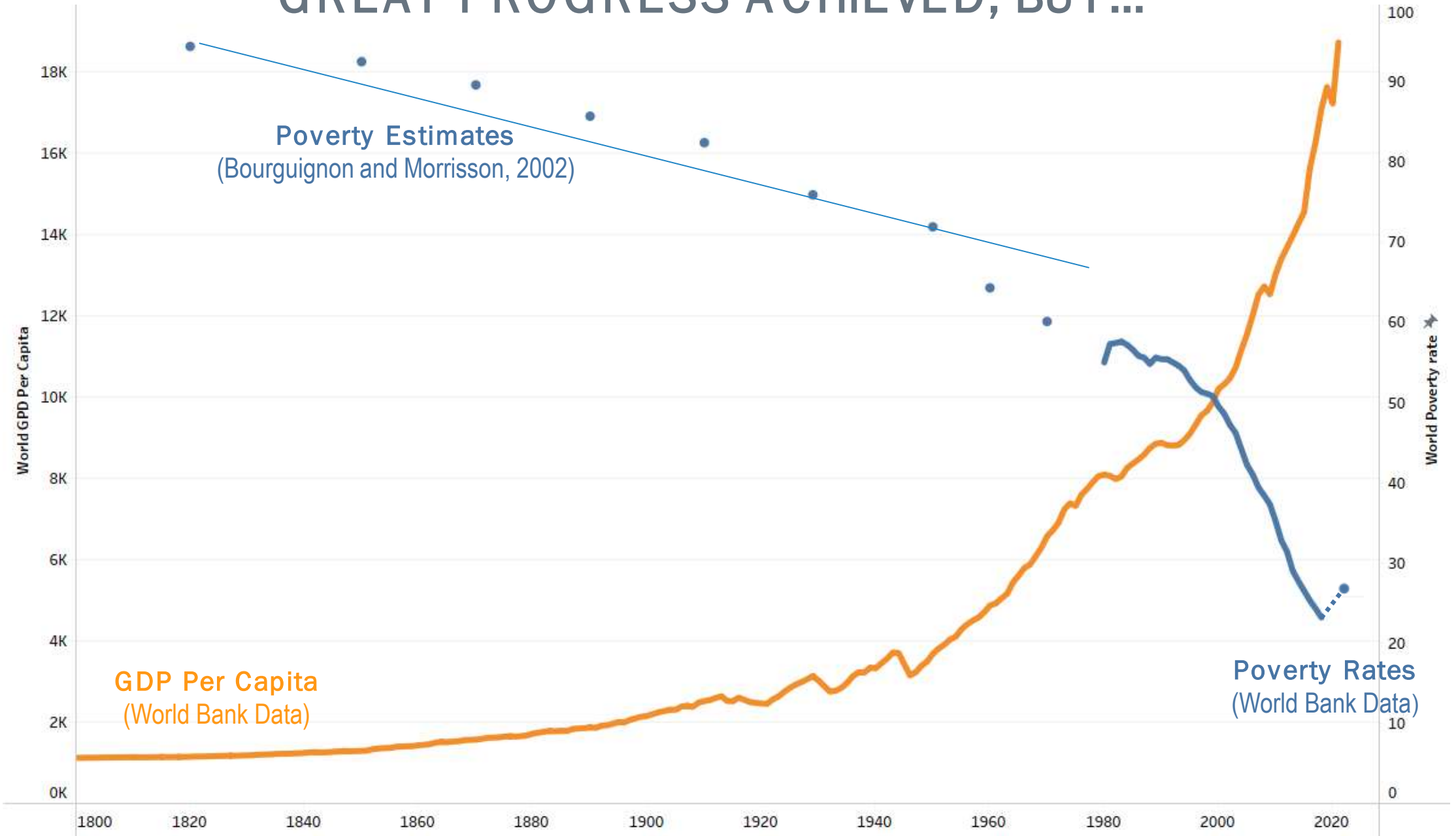


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Chief Economist for Latin American and the Caribbean

UNITED NATIONS DEVELOPMENT PROGRAMME

# GREAT PROGRESS ACHIEVED, BUT...

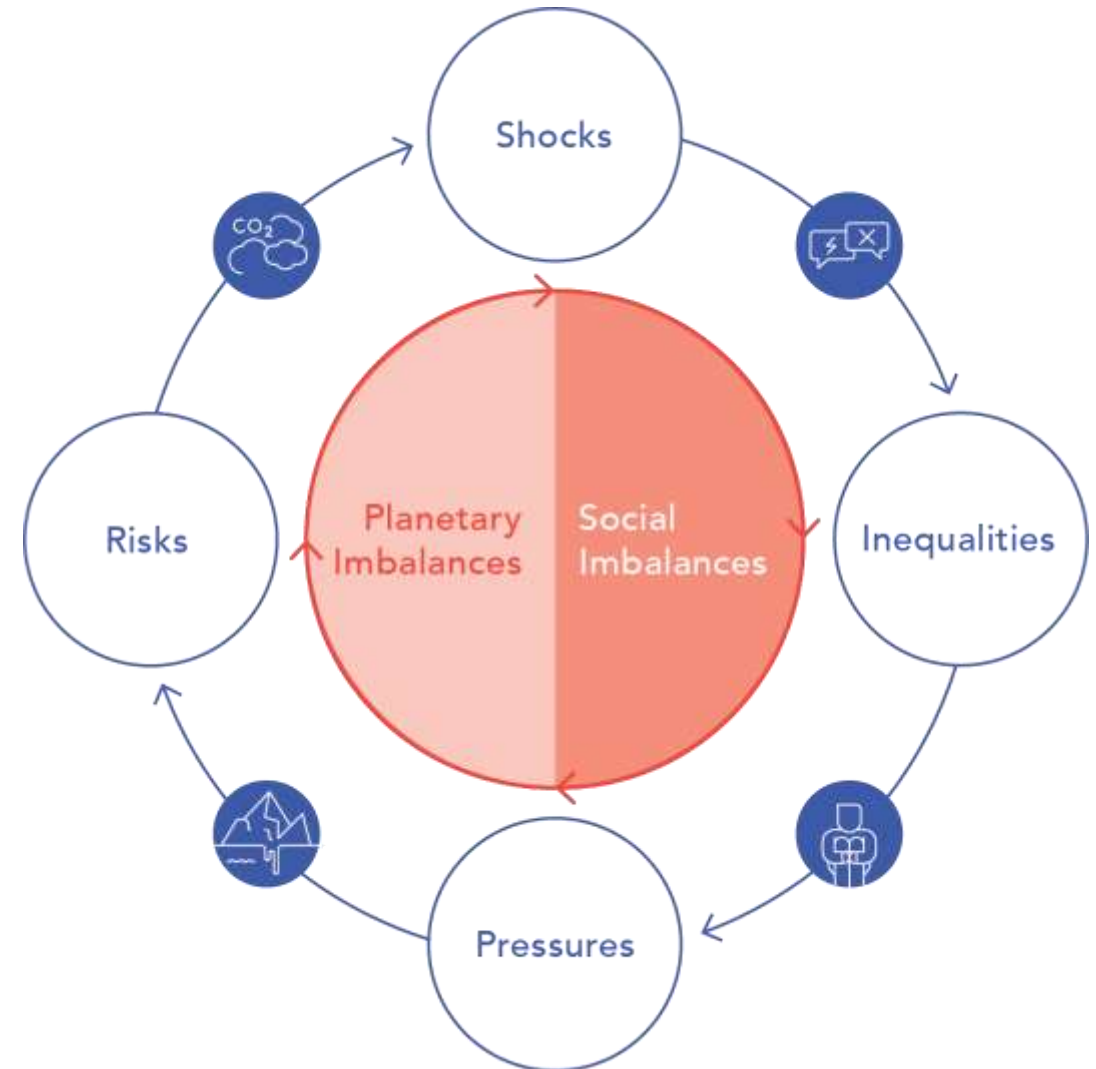


Source: Bourguignon and Morrisson, 2002, and World Bank's World Development Indicators

# WE LIVE IN THE ERA OF THE ANTHROPOCENE

## SOCIAL AND ENVIRONMENTAL IMBALANCES ARE MUTUALLY REINFORCING

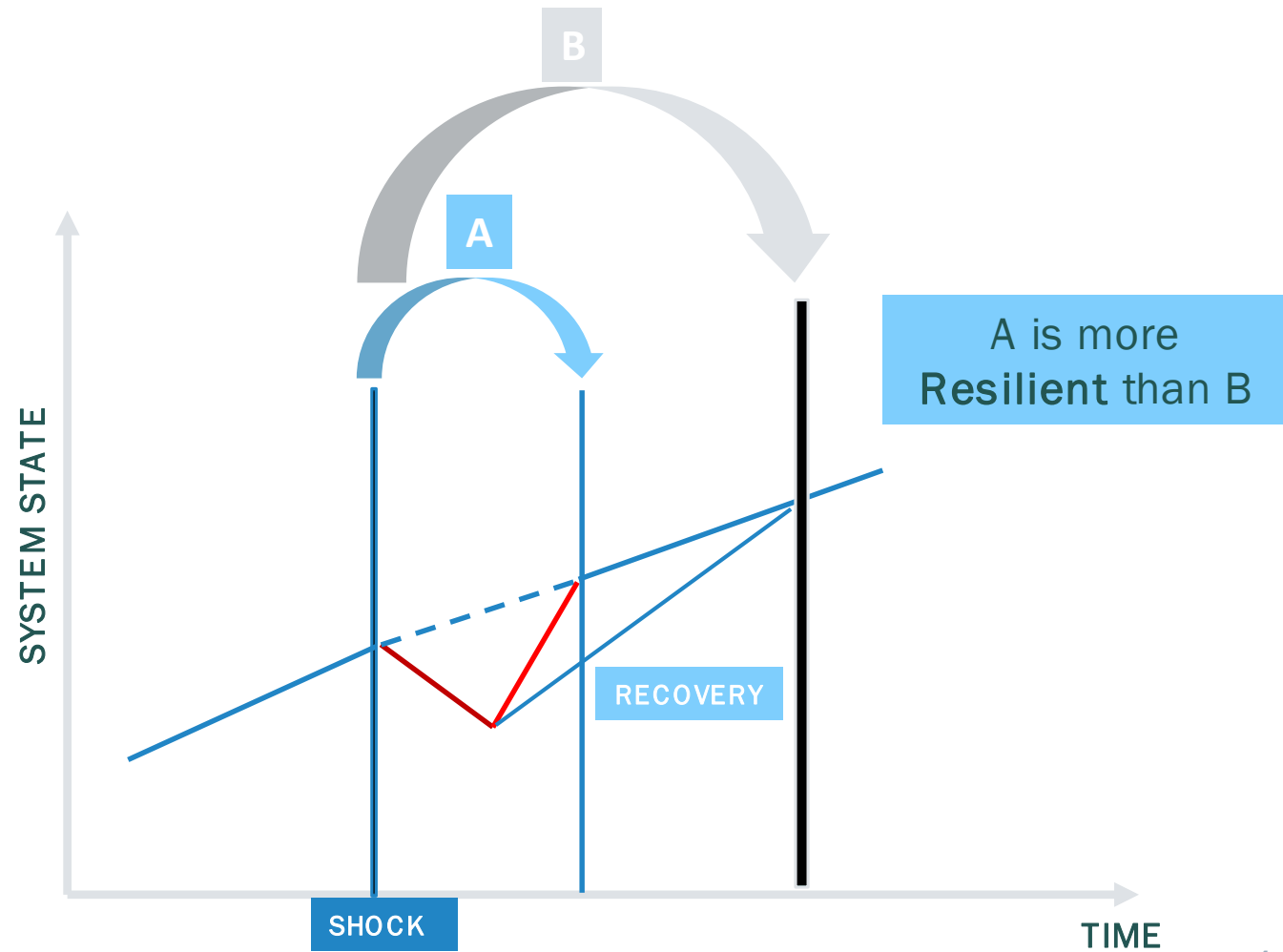
Extreme weather events and the rise of zoonotic pathogens—those that have the ability to jump from animals to people—are two examples.



# IN THE ANTHROPOCENE, BUILDING RESILIENCE BECOMES INEXTRICABLE FROM MAKING PROGRESS IN POVERTY REDUCTION

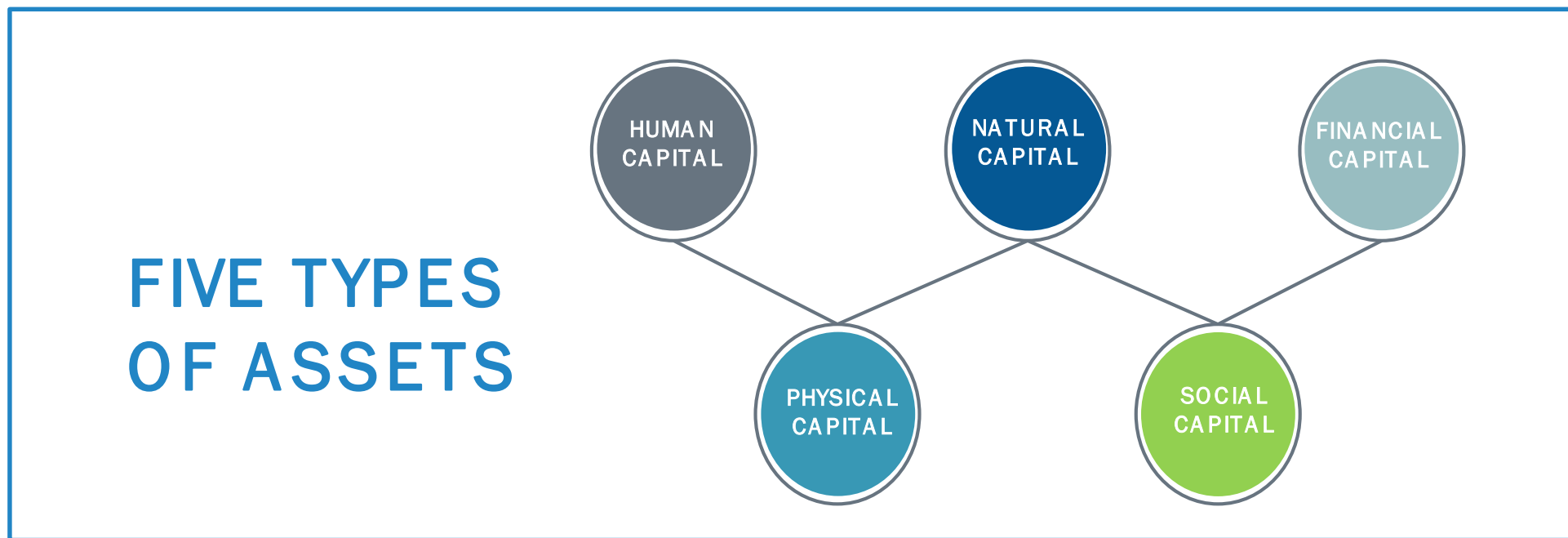
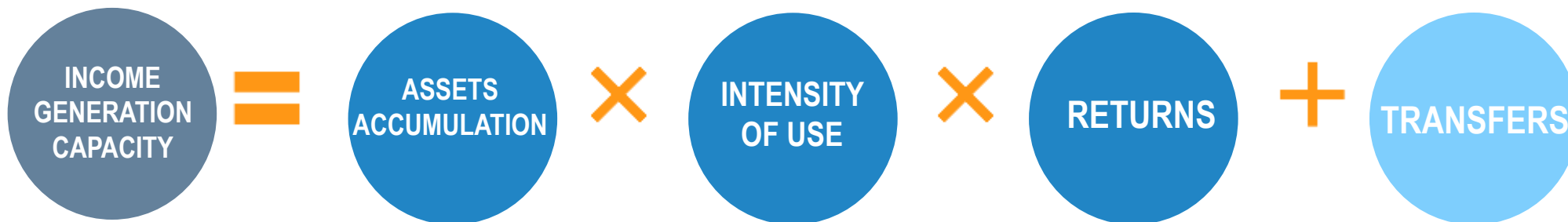


Source: IPCC



\*The concept originates in the scientific literature referring to ecosystems.

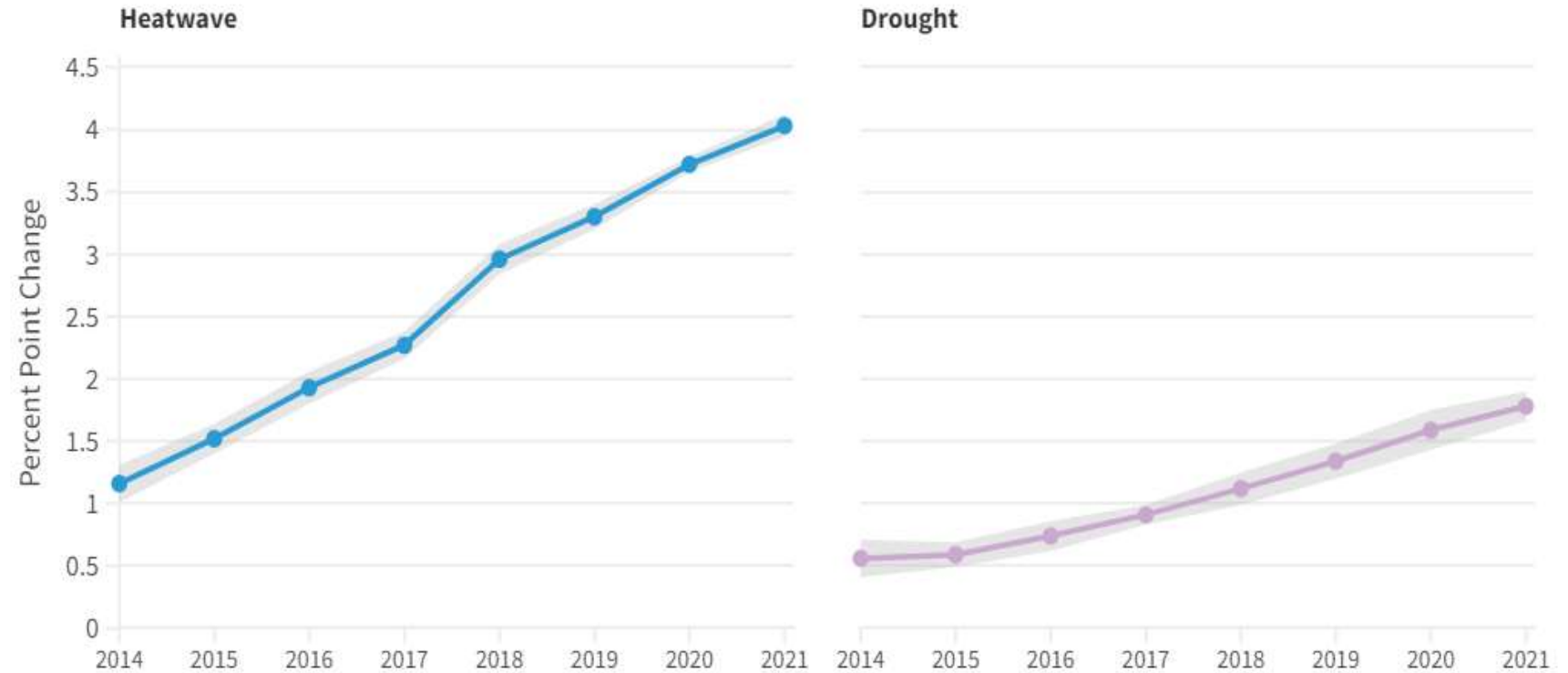
# ASSETS DETERMINE THE ABILITY OF HOUSEHOLDS TO GENERATE INCOME, AS WELL AS THEIR CAPACITY TO WITHSTAND SHOCKS





Extreme weather is increasing the number of people experiencing food insecurity

### Change in the share of the population reporting food insecurity due to extreme weather affecting major crops

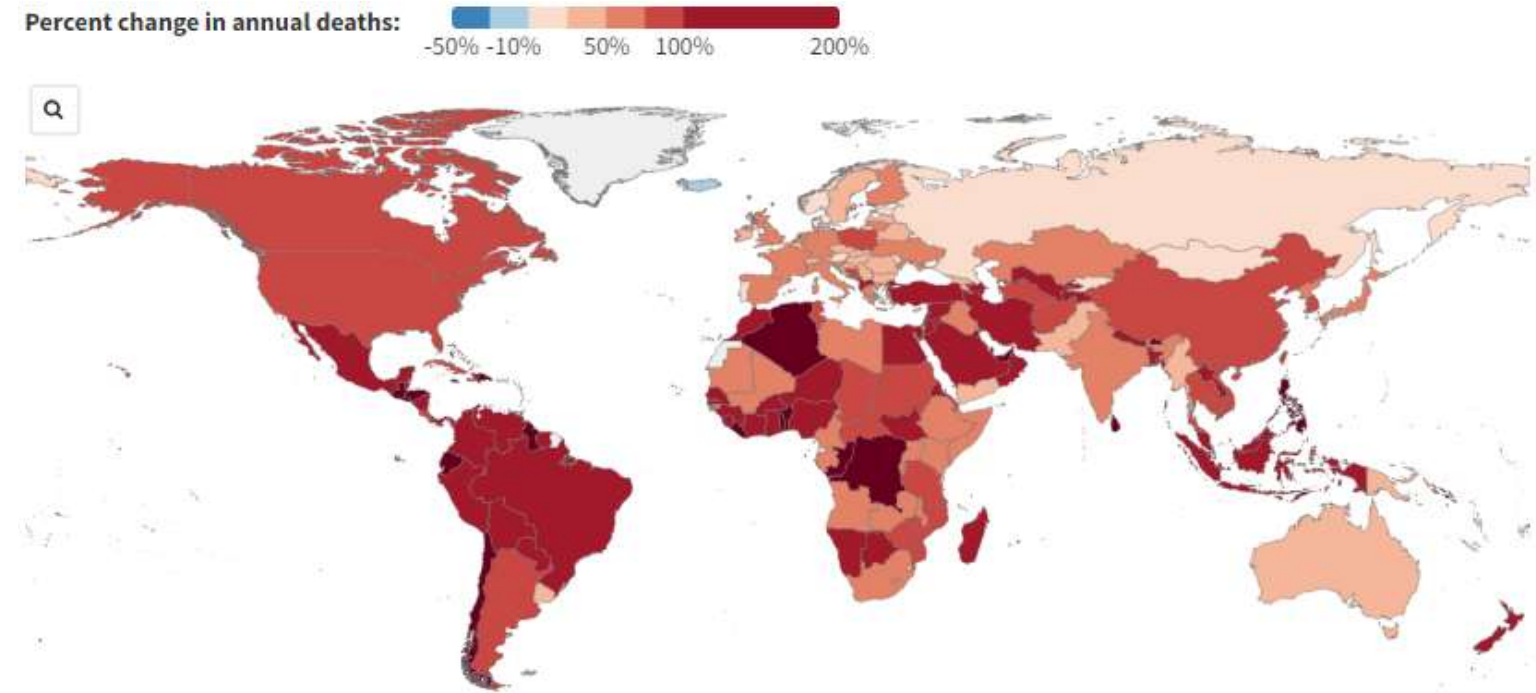


Source: 2023 Report of the Lancet Countdown.

Note: The graph displays the Change in the share of the population reporting moderate or severe food insecurity due to change in heatwave days and drought months occurring during the growth season of four major crops (maize, rice, sorghum, and wheat), compared to 1981-2010.



### Change in heat-related mortality due to temperature increases



Heat-related mortality has increased due to changes in temperature

Source: 2023 Report of the Lancet Countdown.

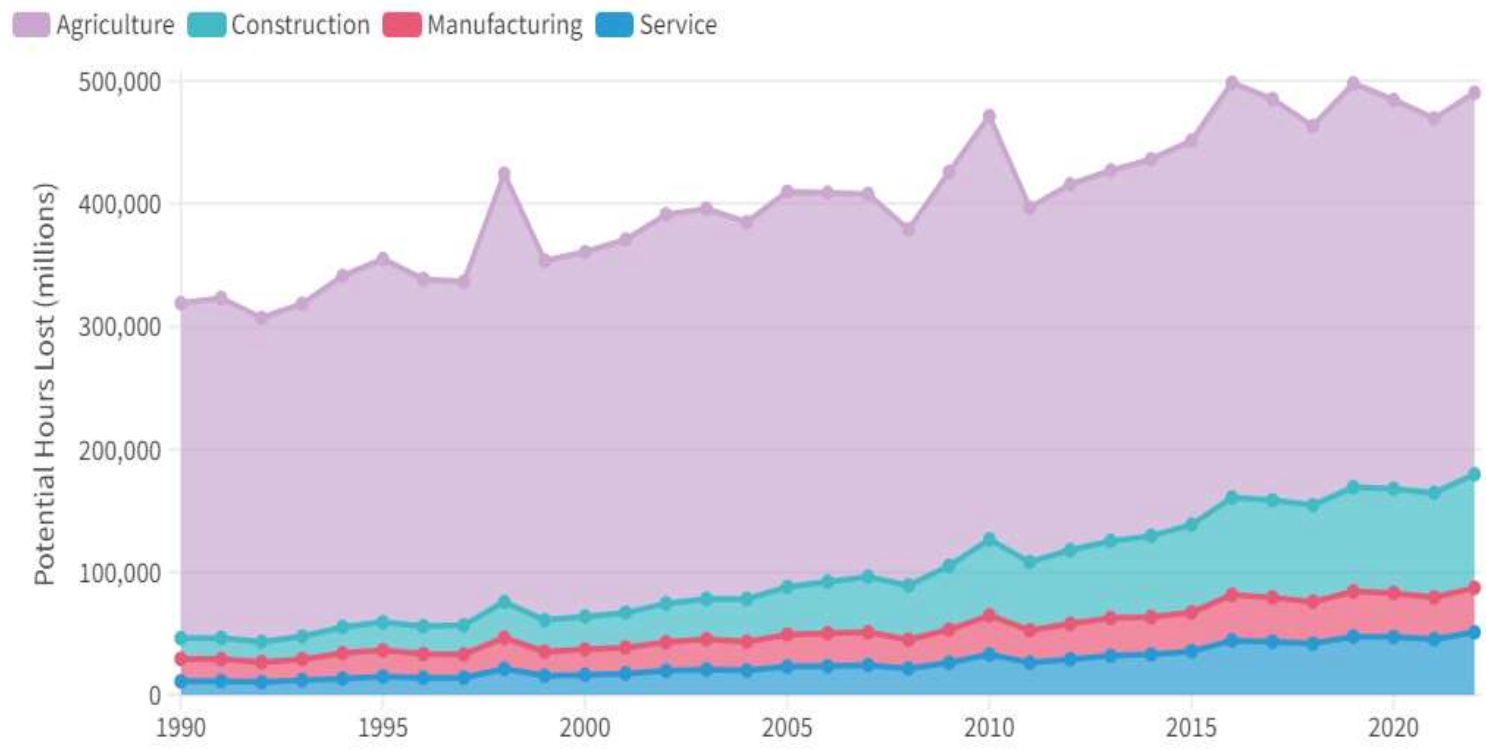
Note: The graph displays the percent change in annual heat-related deaths of adults over 65 years old in 2018-2022 compared to 2000-2004.



Excessive heat is reducing household labor hours, particularly in agriculture

Heat stress will affect millions of women who make up the majority of workers in subsistence agriculture.

Potential Hours of Labour Lost Annually Due to Heat Exposure by Sector



Source: 2023 Report of the Lancet Countdown.





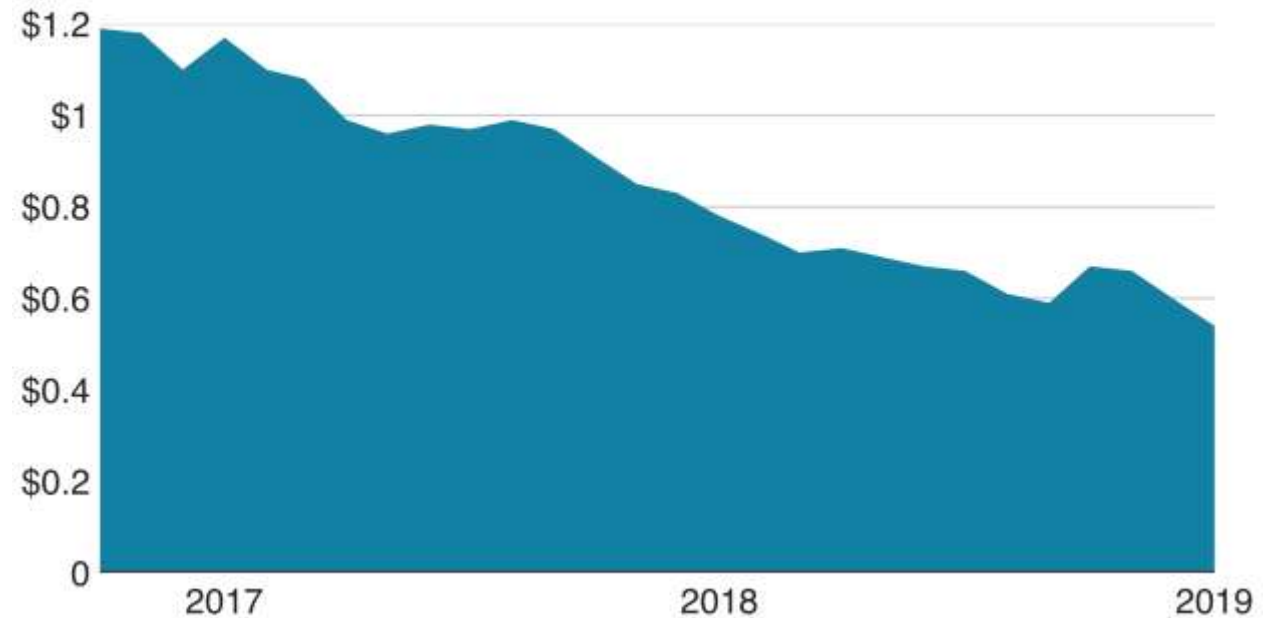
Extreme weather is affecting the returns of agricultural yields and households' welfare

Falling coffee production returns have led to crop abandonment and migration. By 2050, rising temperatures could reduce suitable coffee-growing areas by 50%

Source: [IADB \(2019\)](#)

### Coffee growers in Brazil have seen their income drop by half since 2016

(US dollars per lb)



Source: International Coffee Organization



# BUILDING RESILIENCE FROM A HOUSEHOLD PERSPECTIVE WOULD INCLUDE:



TRANSFERS

**SOCIAL PROTECTION SYSTEMS THAT RESPOND TO RISK**  
(Protect the accumulation of assets)

**IMPROVE ACCESS TO ASSETS**  
(i.e. Physical, financial, social, natural)

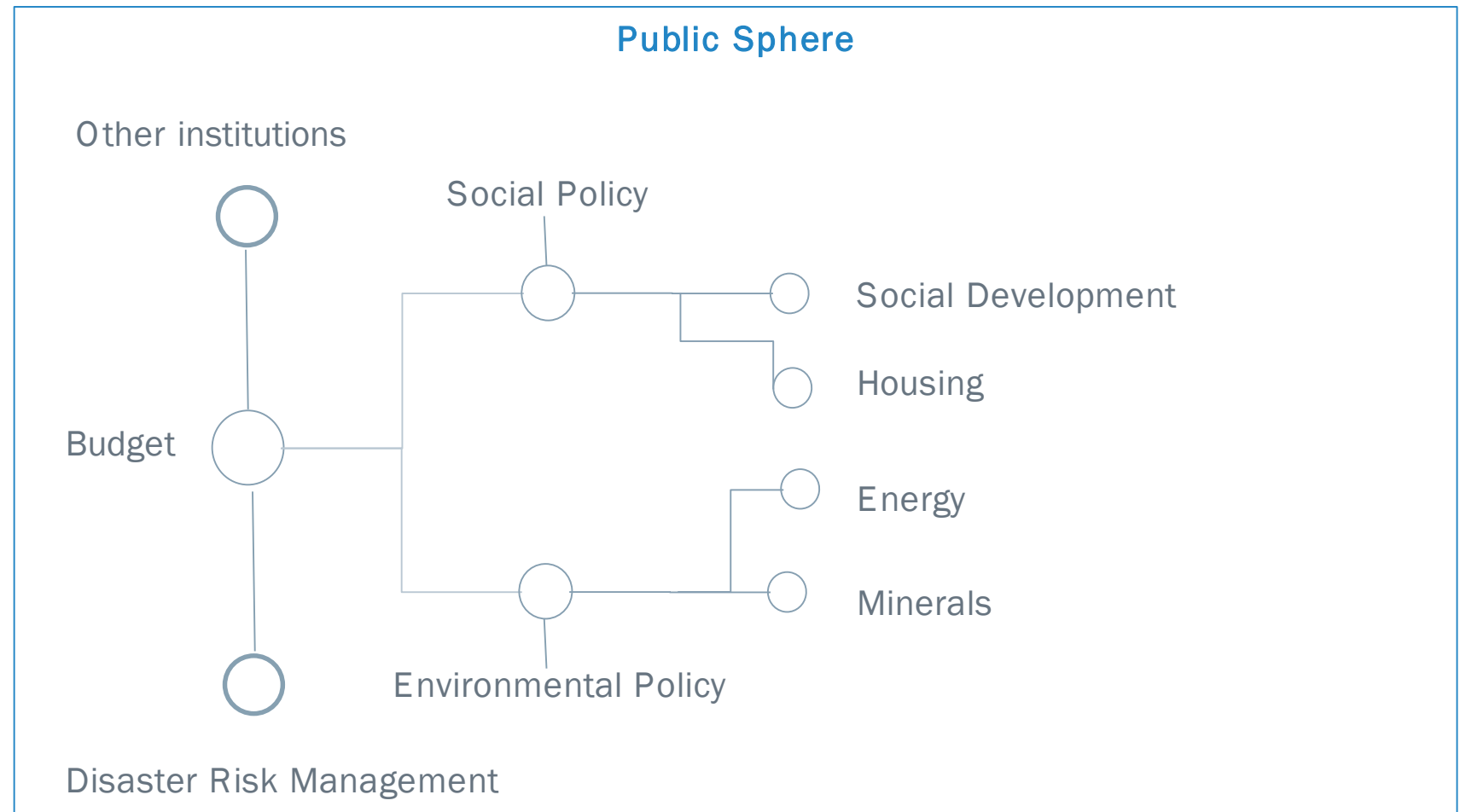
**INVEST IN RESILIENCE BUILDING TECHNOLOGIES**  
(i.e. early warning systems, smart infrastructure)

**FOCUS ON NATURE-BASED SOLUTIONS**  
(protect, manage & restore ecosystems while promoting wellbeing)

# RETHINK INSTITUTIONAL ARRANGEMENTS TO BUILD RESILIENCE

Community

Private Sector





THANK YOU  
@almudenaf

## PART 2:

What you see as being important priorities to make sure that we do not see increases in poverty (or slower poverty reduction) as we make progress on climate goals

# The world is transitioning towards a low-carbon and climate-resilient economy, but these changes disproportionately affect the poor.

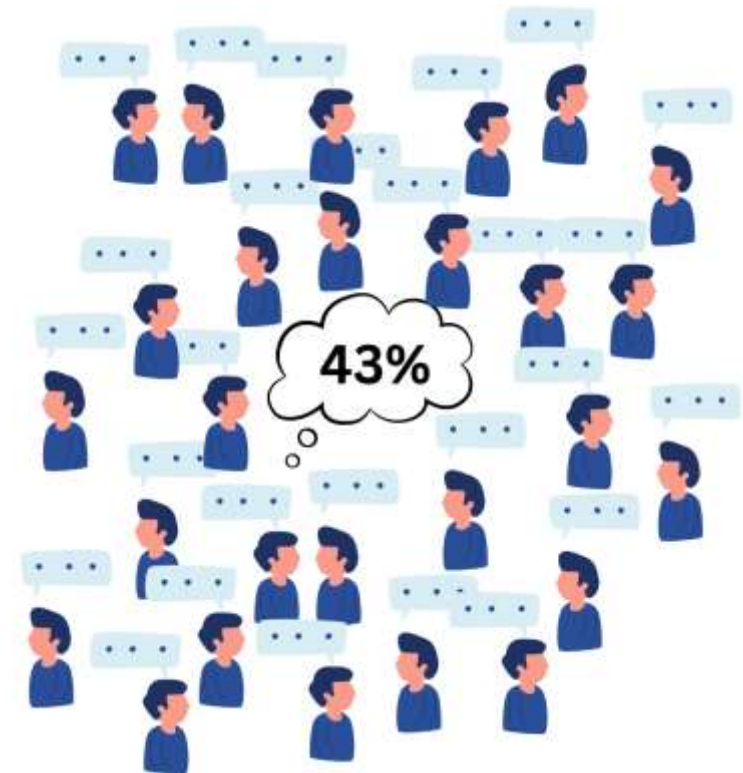
- Clean energy is critical for addressing both climate change and poverty, offering solutions that benefit society at large ([UN, 2024](#)).
- Climate-related hazards are forecasted to drive poverty and internal displacement:
  - By 2050, an estimated 17 million people in Latin America and the Caribbean could be internally displaced due to climate disruptions ([World Bank, 2021](#)).
  - In Central America, there could be 3.9 million internal migrants by 2050 due to climate change-related situations such as water scarcity, low crop productivity, and rising sea levels ([IOM](#)).
- Environmental transitions must be inclusive to effectively alleviate poverty and foster sustainable development.
  - Based on their circumstances, countries should pursue diverse transition paths aligned with the 1.5°C temperature goal ([European Council, 2023](#)).
- Achieving poverty reduction and climate goals requires innovative finance mechanisms ([European Council, 2023](#)):
  - These include debt buy-backs, trusted carbon markets, and biodiversity-credit markets to fund resilience-building efforts, as well as mobilizing private sector funds.

# How do we do this in an age of fragmentation? WE AGREE MORE THAN WE THINK

## REALITY

**69% of the world's population willing to make personal financial commitments to climate action**

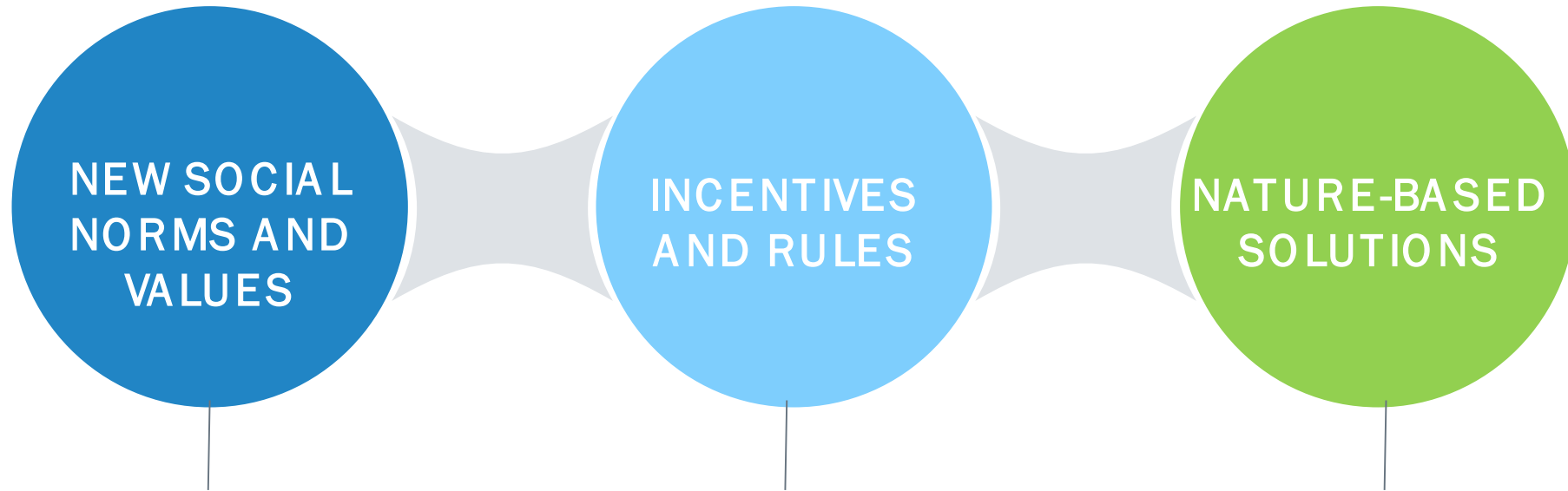
## PERCEPTION



# TODAY'S CHALLENGES DEMAND A RETHINKING OF OUR APPROACH TO DEVELOPMENT



# Three mechanisms of change to promote human development by eliminating planetary pressures



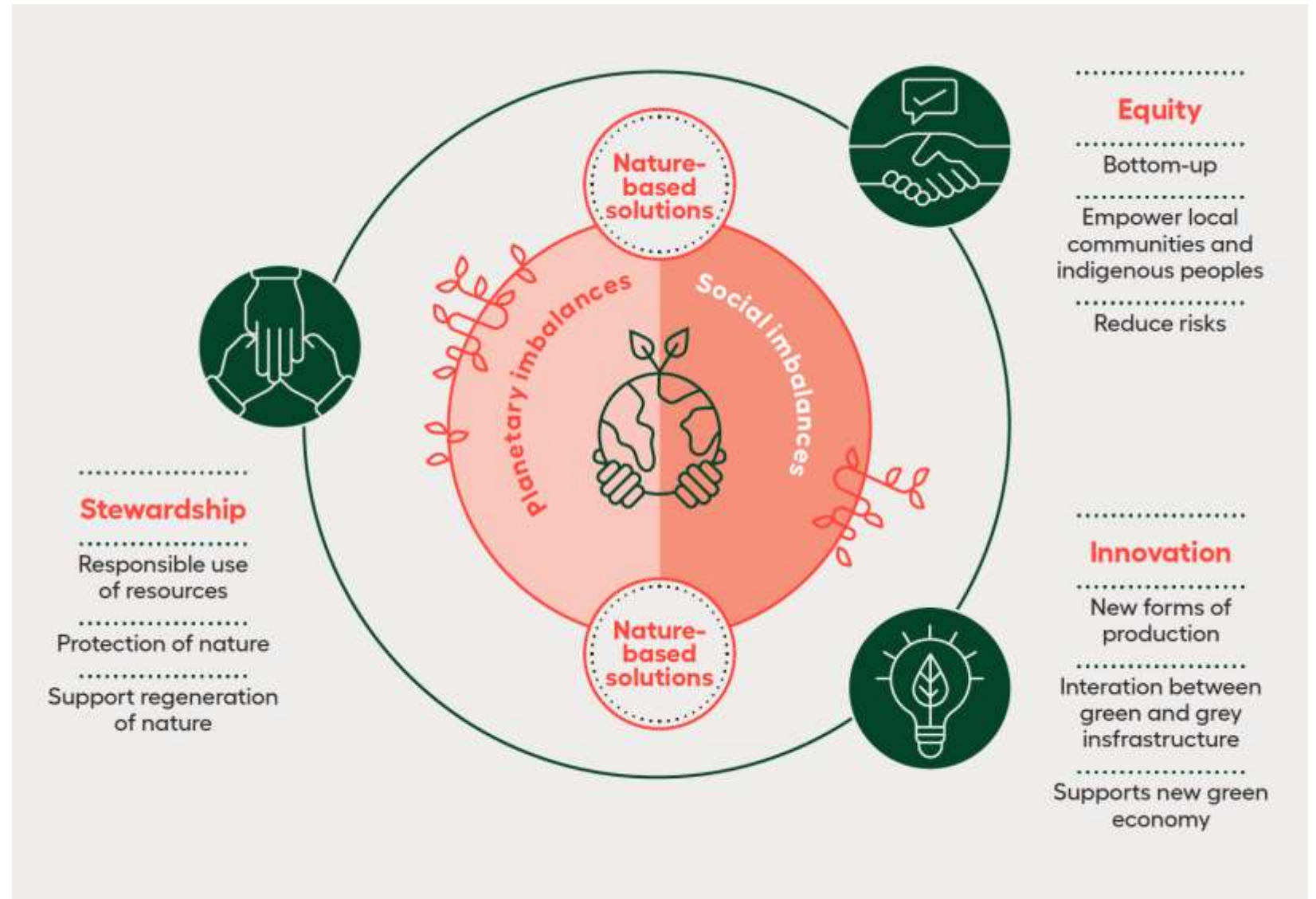
- **Positive feedback loops** can help accelerate change and stabilize new normative states (i.e. Tobacco norms) .
- A first step is to **expand choices available to people** (such as renewable energy sources and multimodal transportation networks)

- In **finance**, so that resources are directed toward investments that reduce planetary pressures;
- In **prices**, so that they better capture social and environmental costs; and
- In **collective action**, especially at the international level

- Actions to **protect, sustainably manage and restore ecosystems** while simultaneously promoting wellbeing.
- They often rely on the participation and initiative of **indigenous peoples and local communities**.

# NATURE-BASED SOLUTIONS AND THE POTENTIAL FOR A VIRTUOUS CYCLE BETWEEN PEOPLE AND PLANET

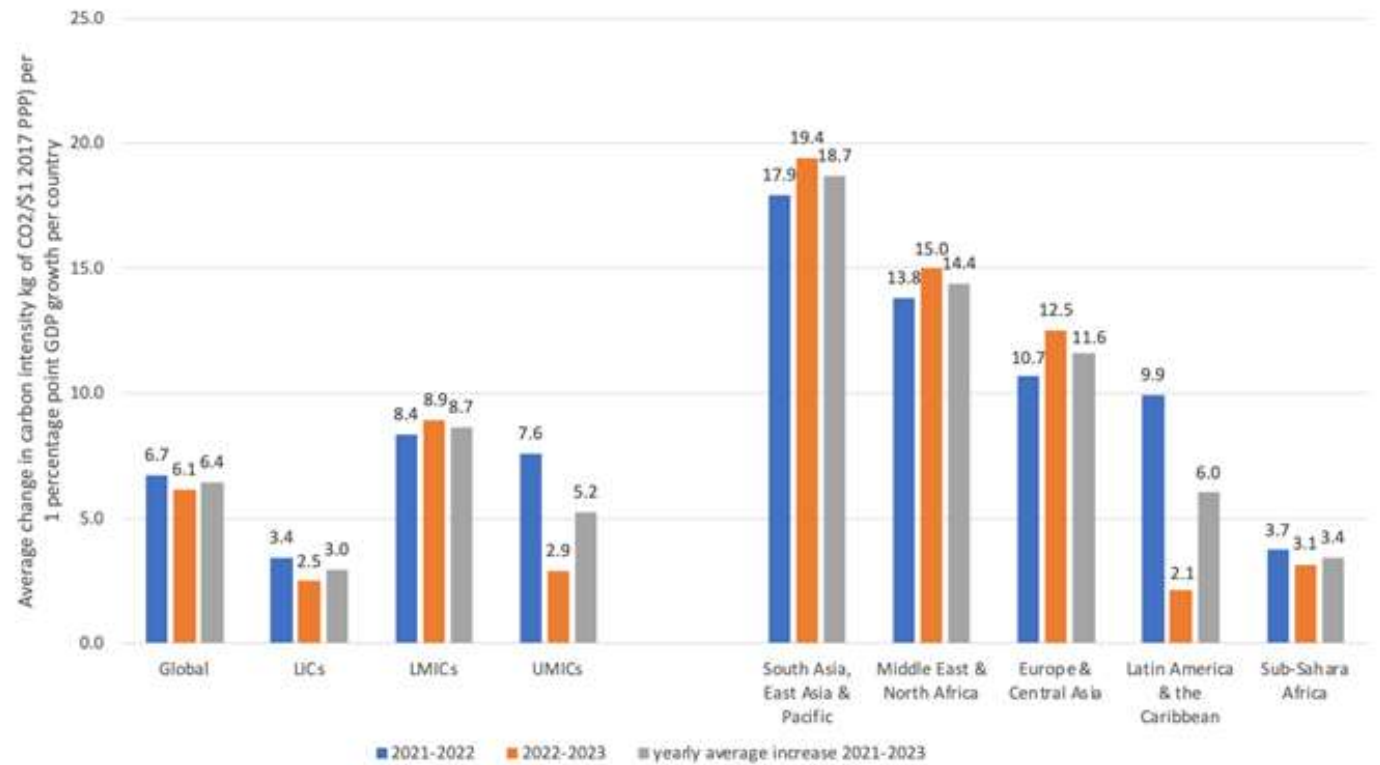
## Building nature-based human development



# Decoupling economic growth from carbon emissions is critical to reducing poverty while protecting the environment

In 80 percent of the poorest countries, 66 percent of LMICs, and 18 percent of UMICs that are growing, fossil carbon emissions are increasing as their economies expand.

Average rising carbon intensity (kg of fossil CO2 emissions per \$1, 2017 PPP) per one percentage point GDP growth in the 52 countries experiencing continuously rising carbon intensity alongside consistent economic growth 2021-2023, globally and by income group (left panel) and by region (right panel).



Source: UNDP - Growth without gains

GROWTH IS A PRE-CONDITION, BUT IT IS A  
MEANS, NOT AN END