



# Poverty reduction and NCA

Emerging insights from “Hidden Dimensions of Poverty” program



**WORLD BANK GROUP**



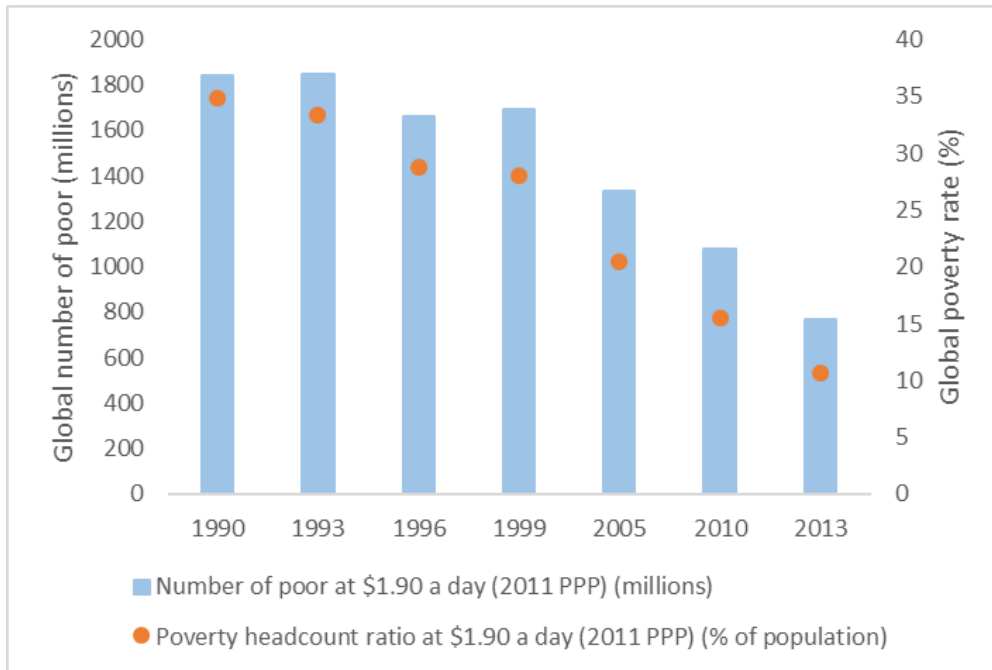
Swiss Agency for Development  
and Cooperation SDC



**PROFOR**  
PROGRAM ON FORESTS

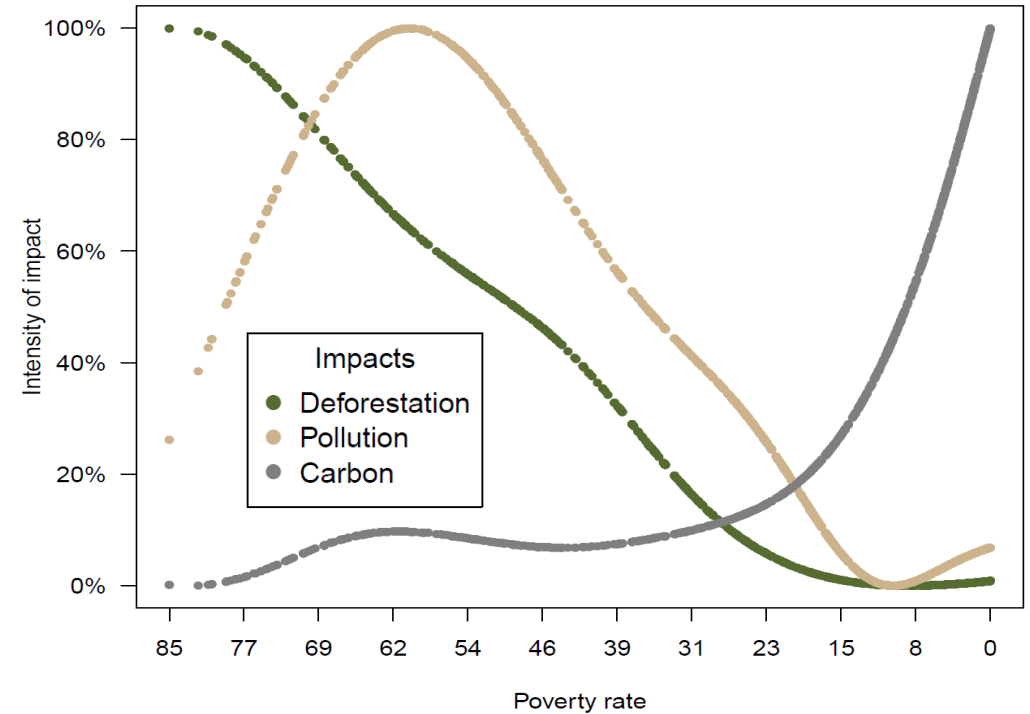
# Recent development has reduced poverty but often at significant cost on natural capital

**Economic development has improved the lives of many**



**At a significant environmental cost**

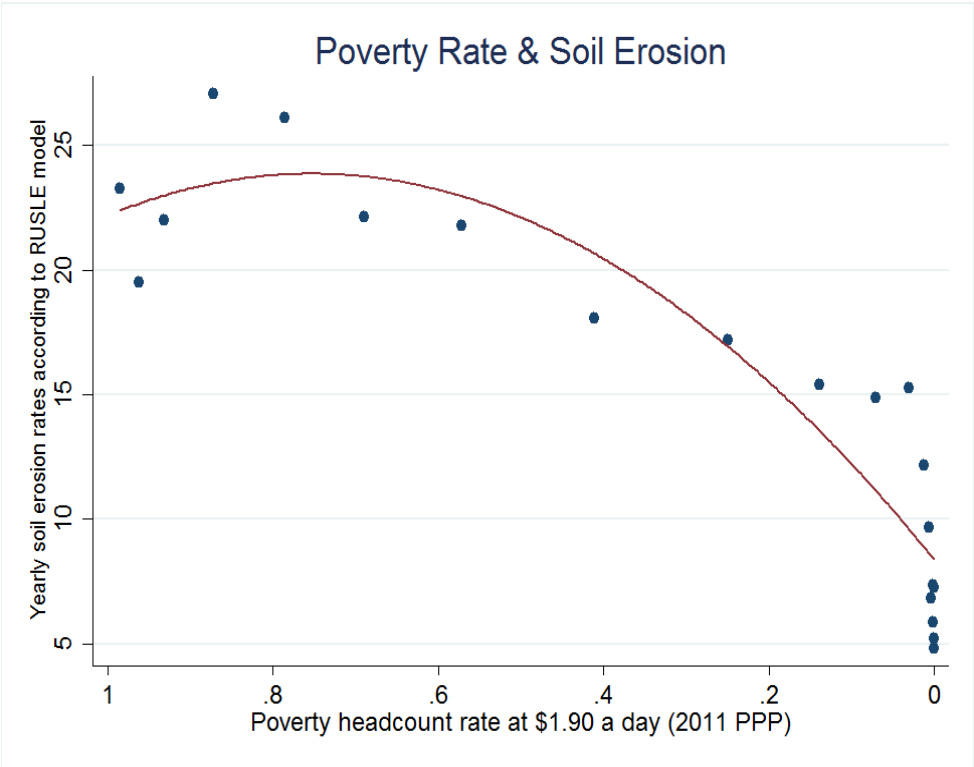
**Estimated environmental degradation across poverty**



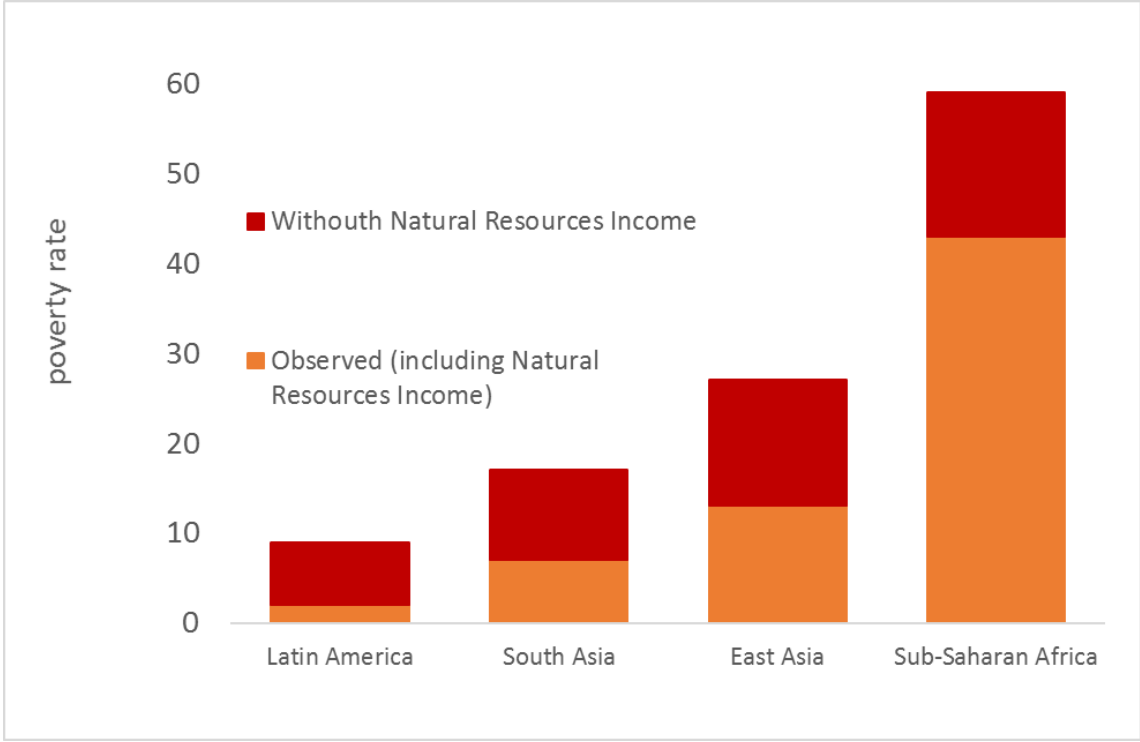
# Loss of natural capital likely to result in poverty traps

Natural capital is of a lower quality in poorer areas of the world, the poor are more dependent on derived income, which can lead to poverty traps

## Land Degradation

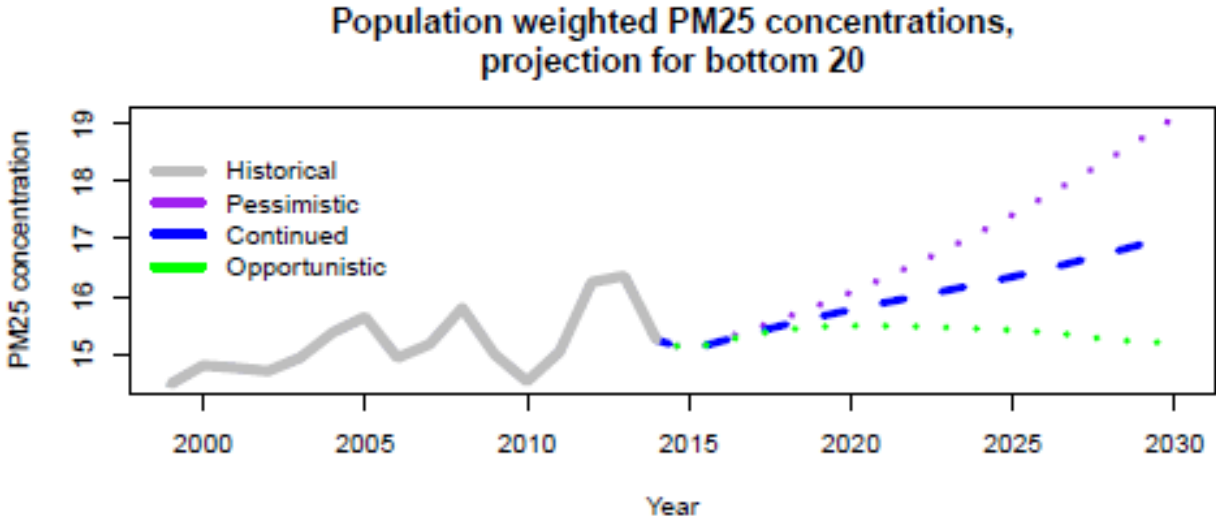
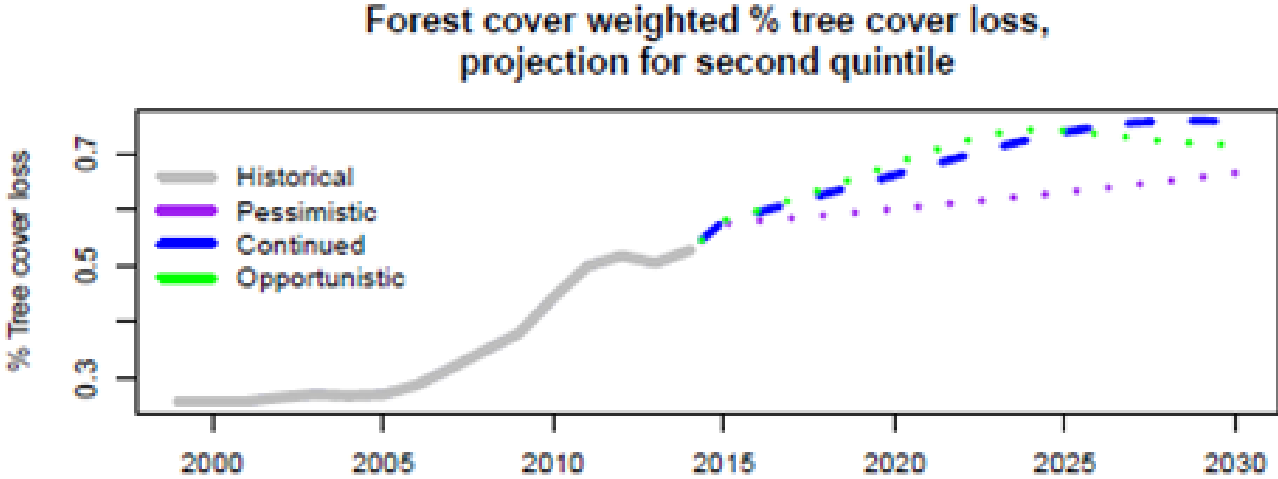


## Income dependence



# The risk of not achieving (or not sustaining) poverty reduction may be substantial

Scenario analysis suggests that show the degradation process may be accelerating in the poorest places



Bottom line: need to use NCA to  
inform FUTURE policies for of  
poverty reduction