

# **Economic Growth, Social Trends and Implications for Asia's Forests**

**Shiladitya Chatterjee**  
Head, Poverty Unit  
Asian Development Bank

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# Outline

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- Social and Environmental Convergence
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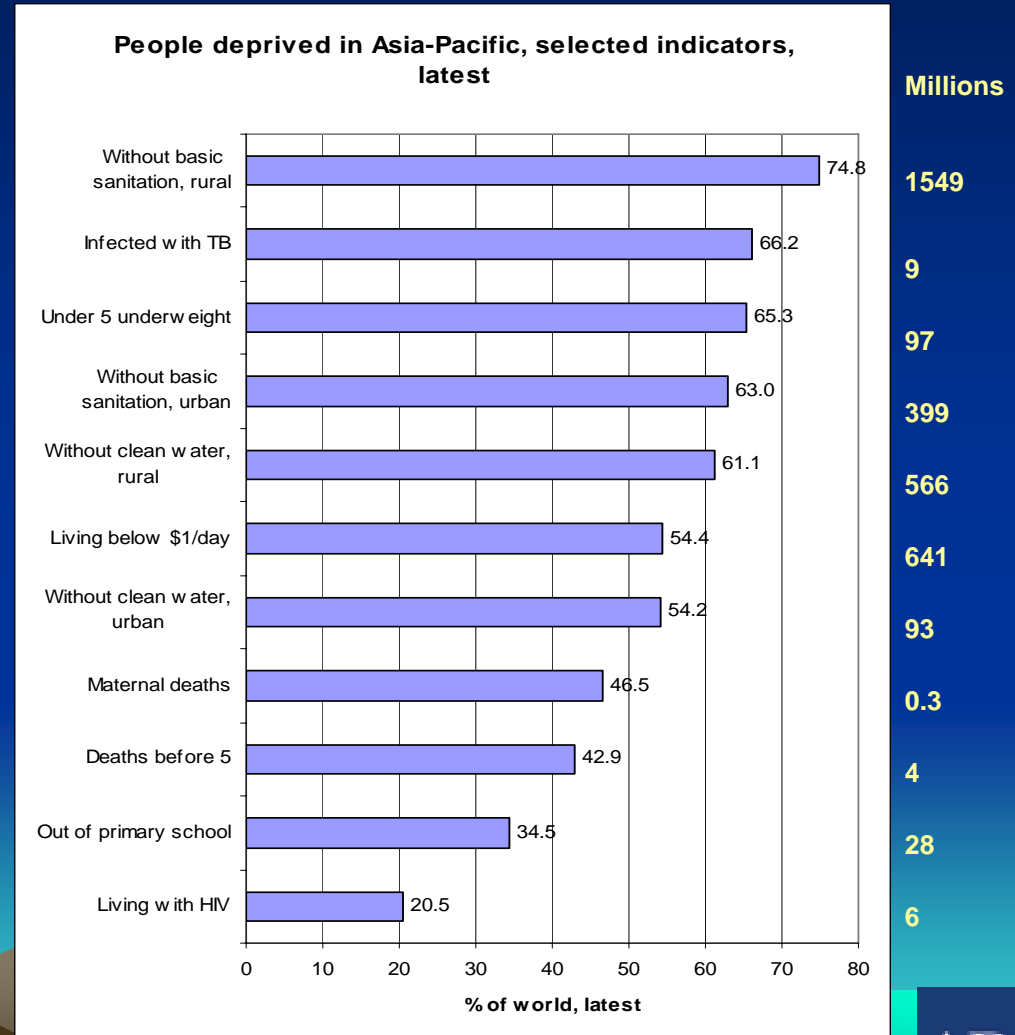
# Introduction

- Narrow and broad definitions of poverty
- Environmental protection is a crucial element of sustainable growth and poverty reduction
- MDGs
- MDG 7

# Progress in Poverty Reduction and MDGs

## Current Situation

- Income Poverty: Significant progress has been achieved in reducing \$1 a day poverty from more than 900 million in 1990 to about 600 million in 2005.
- Non-income MDGs: Improvements have been achieved in education and gender targets



Source: ADB-UNDP-UNESCAP: MDG Progress Report 2007 for Asia-Pacific

# Progress in Poverty Reduction and MDGs

## • Future Projections

- Income Poverty: Region is on-track to meet the income poverty goal by 2015
- Non-income MDGs: Region is off-track in meeting goals related to child mortality, and several environmental goals such as forest cover, CO2 emissions, water in urban areas, and sanitation in rural and urban areas.

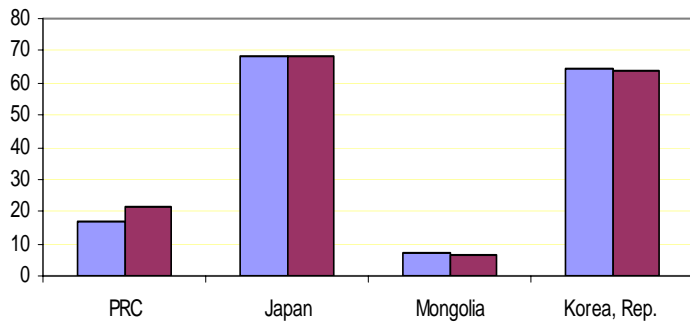
MDG	Indicator	Projection
1	\$1 poverty	On-track
	Underweight children	Off-track
2	Primary	On-track
	Reaching Grade 5	Off-track
	Primary Completion Rate	On-track
3	Gender Primary	On-track
	Gender Secondary	On-track
	Gender Tertiary	On-track
4	Under-5 Mortality	Off-track
	Infant Mortality	Off-track
6	HIV Prevalence	On-track
	TB Prevalence Rate	On-track
	TB Death Rate	On-track
7	Forest Cover	Off-track
	Protected Area	On-track
	CO2 Emissions	Off-track
	ODP CFC Consumption	On-track
	Water Urban	Off-track
	Water Rural	On-track
	Sanitation Urban	Off-track
	Sanitation Rural	Off-track

■ On-track
 ■ Off-track

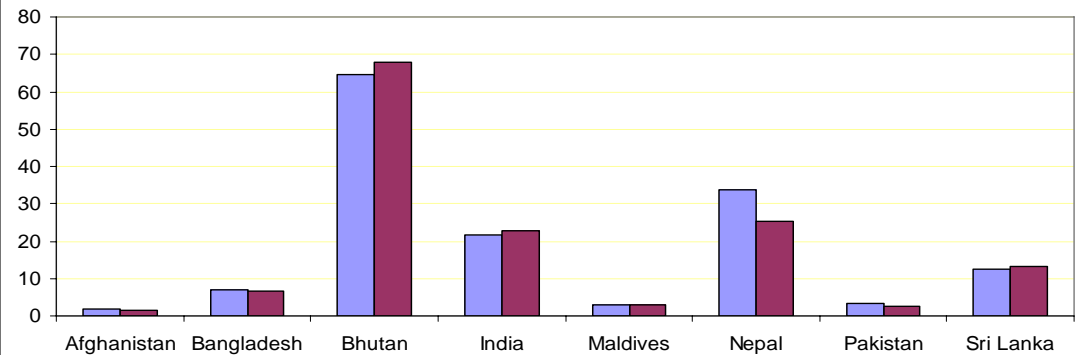
# Progress in MDG 7 and Forest Targets

% of Land Area Covered by Forest in Selected Asian Regions, 1990 and 2005

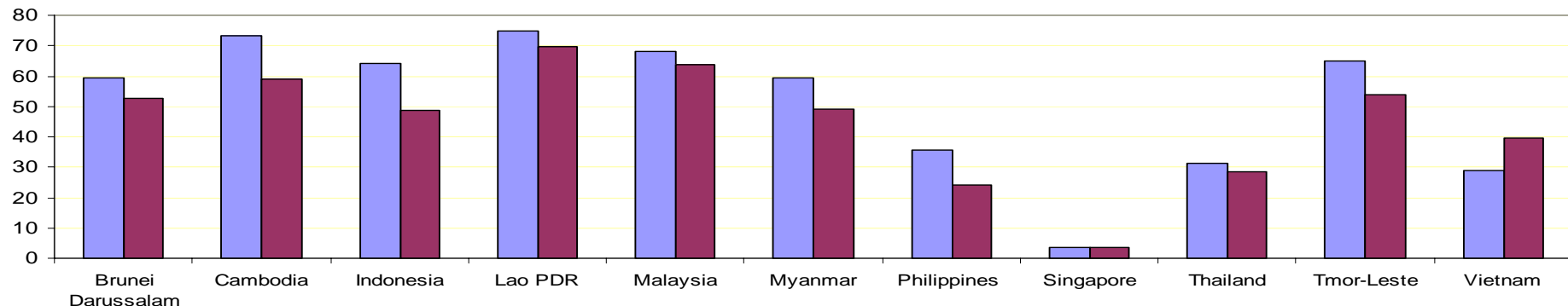
East Asia



South Asia



Southeast Asia



Source: ADB-UNDP-UNESCAP: MDG Progress Report 2007 for Asia-Pacific

Forest Cover has declined in Mongolia, Japan, Korea, Pakistan, Nepal, Afghanistan and all Southeast Asian countries except Vietnam,

# Progress in MDG 7 and Forest Targets

## Projection for 2015

	Forest Cover	Protected Area
Asia- Pacific		
Southeast Asia		
South Asia		
South Asia (excl India)		
Pacific Islands		
CIS in Asia		



Early achiever



On-track



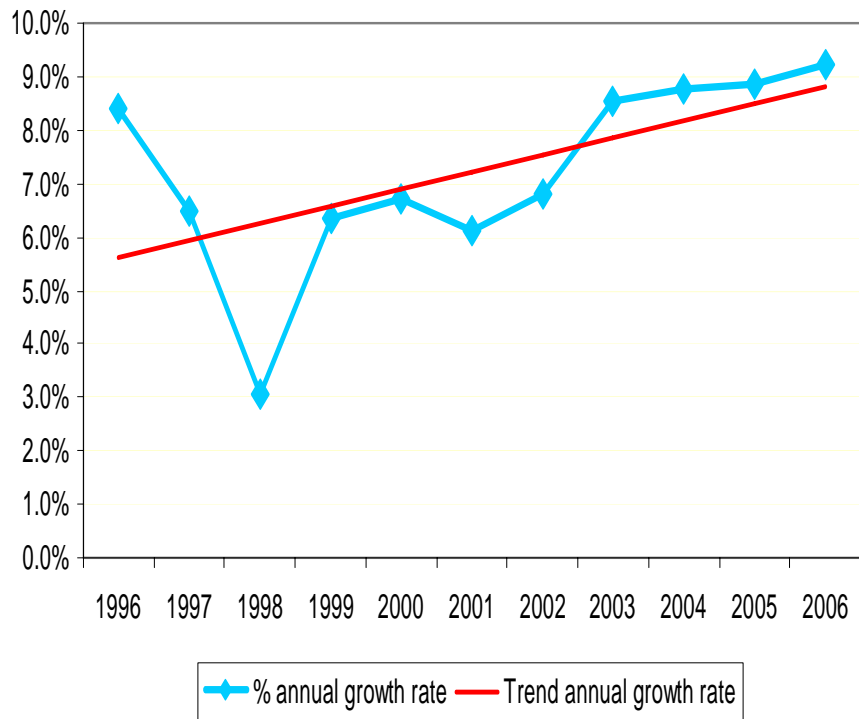
Off-Track

Source: ADB-UNDP-UNESCAP: MDG Progress Report 2007 for Asia-Pacific

# Growth Trends

- Asia's recent growth surge

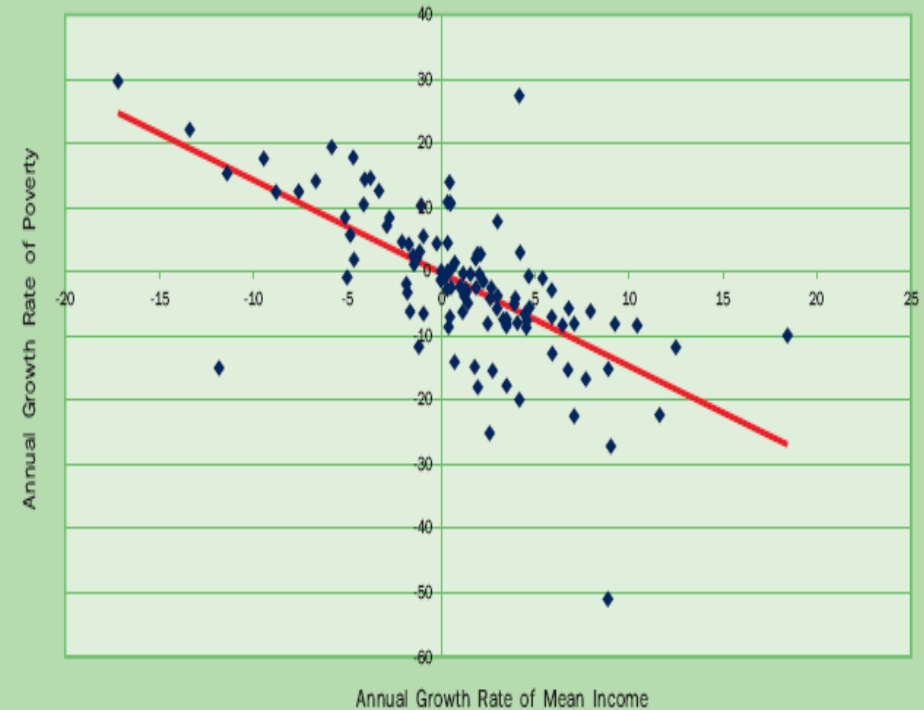
Annual GDP Growth Rate for Asia-Pacific Region



Source: World Development Indicators Database

- Growth and Poverty Reduction

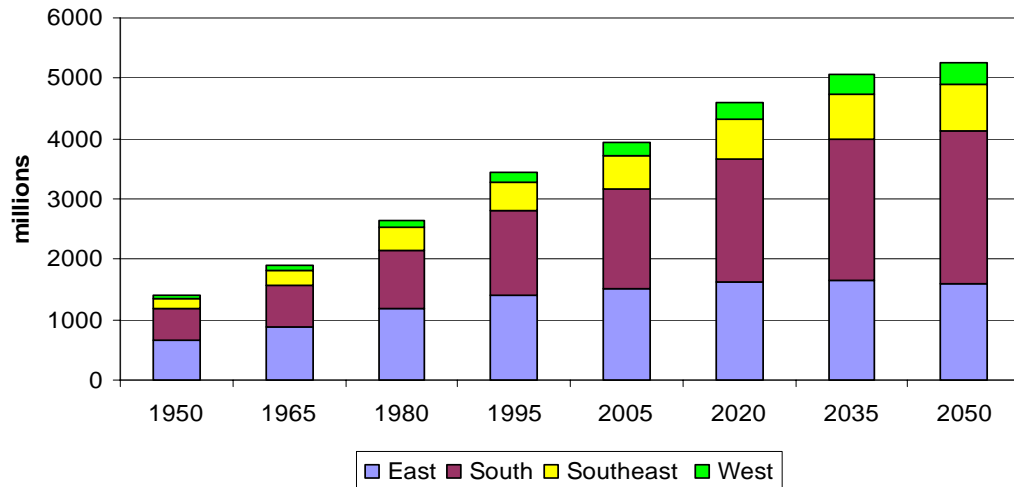
Growth and Poverty Reduction in the Developing World (%)



Source: Staff Estimates, ADB Key Indicators 2004

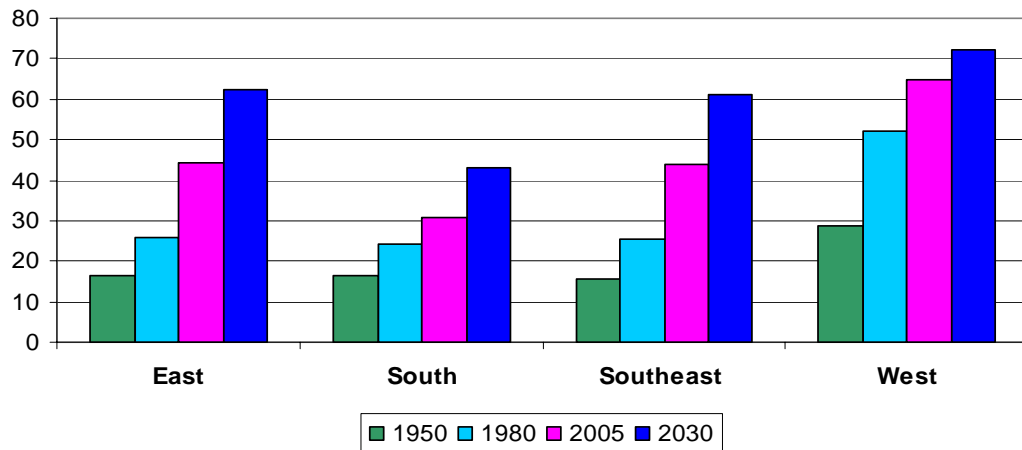
# Demographic trends

## Population Expansion in Asian Regions



The population expansion will continue particularly in South and Southeast Asia, but is starting to level off in East Asia

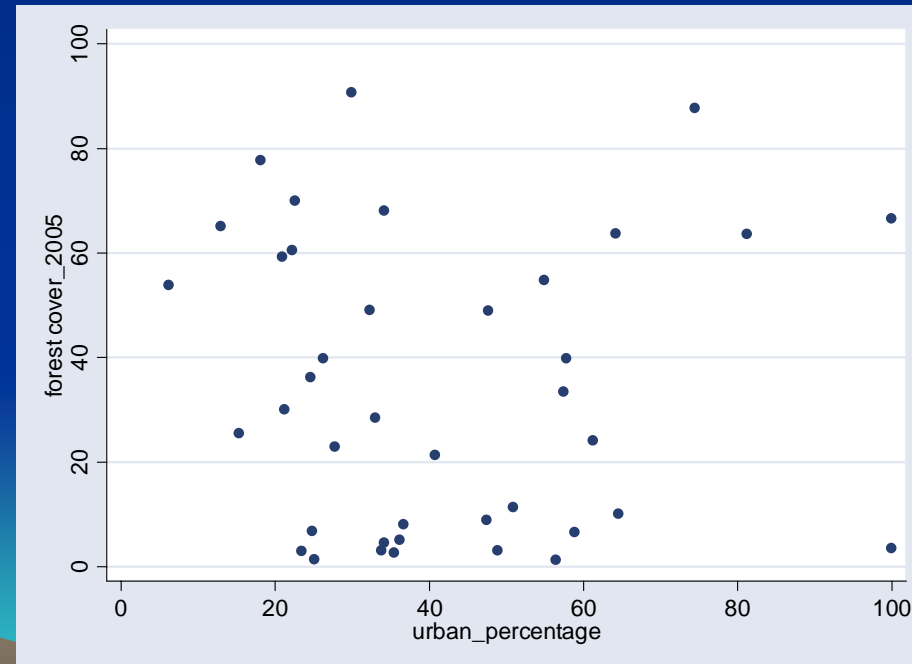
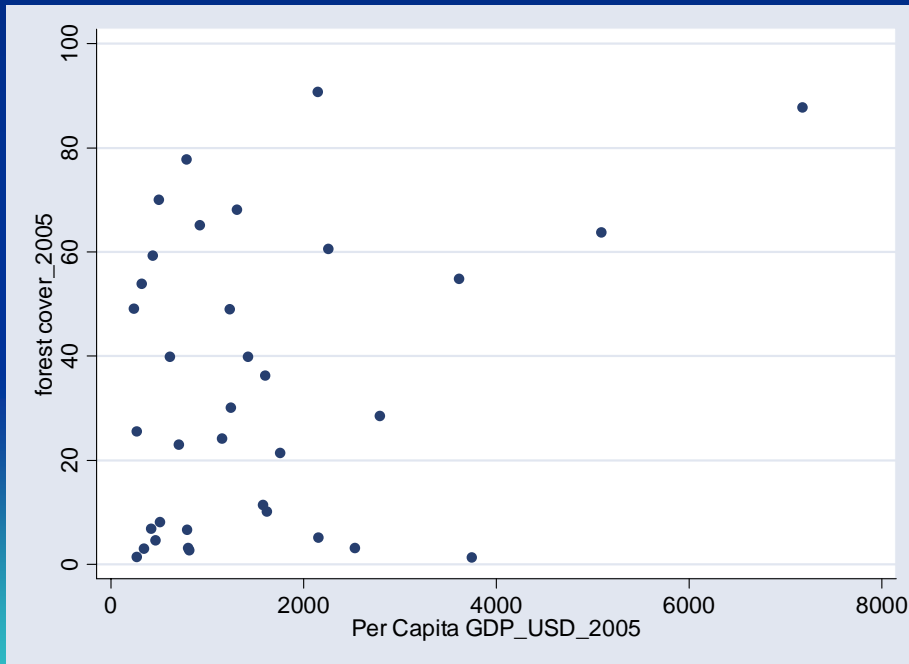
## Trends in Urbanization (% of total Population)



Asia is getting rapidly urbanized. By 2030 all sub regions other than South Asia will have more than 60% of population in urban areas.

# Social Factors Affecting Forests

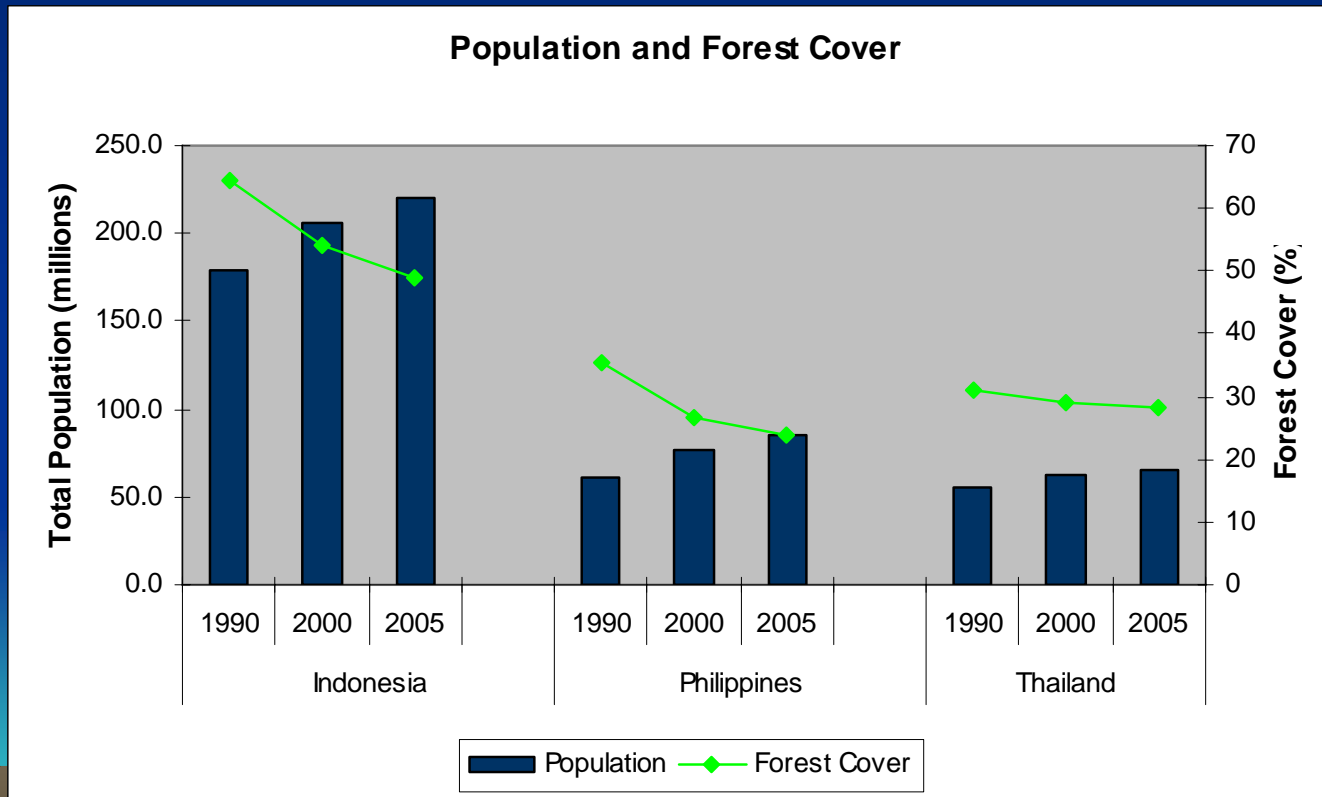
- Growth and Urbanization implications on forests
  - Scatter diagram indicates weak relationship between growth and forest cover and urbanization and forest cover



Source of basic data: U.N. Statistics Division Common Database

# Social Factors Affecting Forests

But population increase has negative implications on forests (competition for farmland, wood for energy)



Source of basic data: U.N. Statistics Division Common Database

# Social Factors Affecting Forests

Multiple Regression on Percentage of Forest Cover

$$\text{For} = 54.75 - 2.29 (\text{Pop}) + 0.006 (\text{PGDP}) - 0.78 (\text{Urb})$$

*Where*

For - Percentage of Forest Cover

Pop – Proportion of population to total land area (ha)

PGDP – GDP per capita

Urb – Percentage of urban population

# Other Social Factors Impacting on Forests

- Structural change in economies, reduction of importance of agriculture and competition for land
- Education, skills development, and alternative livelihoods for populations encroaching on forests
- Decentralization, local revenue needs and deforestation
- Governance issues and illegal logging
- Regional cooperation in forestry protection



# Social and Environmental Convergence

- **Although some social and environmental trade offs are apparent in the short term**
  - Deforestation and revenues
  - Wildlife protection and human life threats (e.g. case of tigers in Sundarbans)
- **In the long term, however, forces which protect the environment also improve chances of sustainable growth and poverty reduction**

# Social and Environmental Convergence - Environment and Poverty

- Poverty caused by environmental factors
  - Soil degradation, desertification, flooding, rising sea levels, loss of natural resources
  - Natural calamities
- Some estimates indicate that half of the extreme poor in Asia living on less than \$1 a day (640 million) are poor owing to environmental factors.
- Climate change is likely to increase this number

# Conclusions

- Protection of forests and environment are needed for improving social outcomes in the long run
- Actions needed at national, international and regional levels
- All stakeholders have to be involved
  - Government
  - Public sector
  - NGOs and communities