

Issue Brief

SDG 10


10 REDUCED INEQUALITIES


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SUSTAINABLE DEVELOPMENT GOAL 10 (SDG 10) - REDUCE INCOME INEQUALITY WITHIN AND AMONG COUNTRIES

Environmental dimension of SDG 10

Both within and between countries, inequality remains one of the largest obstacles to environmental sustainability as it fuels unsustainable patterns of production and consumption. High inequality is associated with a preference for overconsumption of private and positional goods, thereby weakening public and merit goods. Because public and merit goods usually mean collective consumption and lower marginal costs per unit consumed (due to economies of scale), they are far more efficient than private and positional goods in terms of the environmental footprint needed for their production and consumption.

Yet, high inequality leads precisely to a preference for the private goods and services because of fragmentation, status competition and segregation. Wealthier people have a greater capacity to insulate themselves from environmental problems, while they have more potential to contribute to solutions through their greater resources and scope for lifestyle changes.



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Air pollution and unsustainable management of natural resources can exacerbate inequality. Rapid urbanization, industrialization and rising vehicle ownership is driving pollution levels in Asia. The average loss in productivity due to pollution is more than 8 times higher in developing countries (0.25% of GDP) than in developed countries (0.03% of GDP) in the region, with majority of impact arising from ambient and household air pollution.

It is estimated that indoor air pollution claims 4.2 million lives a year and outdoor air pollution claims 3.8 million, mainly in developing countries. Disaggregated evidence shows that the poor and disadvantaged groups have higher exposure to air pollution and show higher prevalence of respiratory and other illness. There is also evidence stating that a 1% increase in air pollution related damages is associated with an increase of Gini coefficient by 0.3 units.

Due to industrialization and changes in consumption choices, resulting overuse and degradation of natural resources can have significant implications for inequality between and within countries. Most of the demand for natural resources comes from developed countries, where the material footprint, a measure of the global material extraction used to meet the domestic final consumption demand of each country, is more than double of low-income countries (25.9 compared to 10.8 per capita). Forced by market pressure to produce more goods faster, resource-rich developing countries end up overusing their natural capital and consequently bear the disproportionate negative externalities of accelerated natural resources use and over exploitation.

The SDG 10 Targets

- **10.1** Achieve and sustain income growth of the bottom 40% of the population
- **10.2** Empower and promote the social, economic and political inclusion of all
- **10.3** Eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action
- **10.4** Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality
- **10.5** Improve the regulation and monitoring of global financial markets and institutions
- **10.6** Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions
- **10.7** Facilitate orderly, safe, regular and responsible migration and mobility of people
- **10.A** Implement the principle of special and differential treatment for developing countries, in particular least developed countries
- **10.B** Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest
- **10.C** Reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent



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Gaps identified and key challenges

The linkages highlighted above reflect the need to systematically study the impact of pollution and environmental degradation on low-income households and to identify innovative interventions to reduce their exposure particularly in countries with high exposure to air pollution.

Data and statistics for measuring the environmental dimension of inequality remain a substantial constraint. UNEP has been assisting countries in Latin America and Africa to develop the environmental dimension of multidimensional poverty measurements, including air and water pollution levels, lack of access to water, sanitation, energy and productive resources such as land, or limited access to information, environmental justice and participation in public decisions on these topics. Several countries have developed their own methodologies to identify and measure these environmental dimensions of poverty and inequality.

The Vulnerability to Climate Hazards Index, developed with the support of a UNDP–UNEP Poverty-Environment Action for Sustainable Development Goals (Poverty-Environment Action) project in the Dominican Republic, for example, has assessed climate change and disaster vulnerability at national and household level. This allowed the government and international agencies to identify the most vulnerable communities and prioritize actions, such as social protection programmes, to reduce vulnerability.

Another gap is the need to closely link environmental, social and economic policies in an integrated approach. The UN Environment Assembly 4 resolution on the poverty-environment nexus urges Member States to apply integrated, innovative and coherent approaches in developing and implementing policies, laws, plans and budgets for poverty eradication through sustainable environment and natural resource management, in alignment with the 2030 Agenda for Sustainable Development.



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It also invites the international community and the private sector to continue to develop innovative sustainable financing mechanisms and policies that help to promote and reallocate public and private finance and investment resources for environmental sustainability and poverty eradication; and notes in this context existing partnerships such as Poverty-Environment Action, and the Africa Women Energy Entrepreneurs Framework. Both initiatives are using a rights-based and gender approach to make sure that policies target the poor and especially women and reduce inequalities as SDG 10 is closely linked to SDG 1 on poverty eradication. Inequalities often exist in a context of discrimination and unequal power relationships between men and women addressed in SDG 5.

A report by UNEP points out that “understanding how gender inequalities relate to the environment sector requires achieving a better analysis of accessibility, patterns of use, knowledge and skills regarding conservation and sustainable use of natural resources”.



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UNEP recognizes that the protection and use of traditional knowledge and natural resource management systems by indigenous peoples and local communities around the world constitutes another important gap. Policies and laws that protect their rights to their lands, territories, cultural and natural resources enable indigenous peoples and local communities to apply their traditional knowledge and practices that are essential to their livelihoods as well as the conservation agenda.

Examples of policies and practices that are working

UNEP works with state and non-state actors to enhance capacities to understand and operationalize the linkages between human rights protection and the fair, just and sustainable management of the world's natural resources.

Target 10.3 of SDG 10 seeks to ensure equal opportunity and reduce inequalities, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard. It also promotes access to information and participation in environmental decision-making. In 2018, UNEP began implementing its policy on promoting greater protection for environmental defenders. Our first Global Report on the Environmental Rule of Law, released in January 2019, finds that over the last few years, there has been an increase in the harassment, arbitrary arrests and detentions, threats and killing of environmental defenders. To enhance protection for environmental defenders, the report proposes that states prioritize protection of environmental defenders and whistle blowers through relevant legislation and measures to end impunity.

In the area of indigenous peoples' rights, UNEP is developing guidance for businesses on environmental rights responsibilities and are partnering with others to highlight due diligence needs and best practices for improving protections the rights of indigenous environmental rights defenders.

In response to the UN Environment Assembly 4 resolution and country demand, Poverty-Environment Action will work with developing countries in Africa and Asia on aligning public and private finance and investments with poverty, environment and climate actions to accelerate implementation of the SDGs. It will deepen countries' efforts to integrate environmental sustainability and climate objectives for

poverty eradication into development planning, budgeting and monitoring systems and broaden South-South cooperation, partnerships and knowledge-sharing about how selected countries can use integrated tools for sustainable development. The programme will continue to advocate the use of an integrated approach by working with the Ministries of Finance and Planning, of Environment and Natural Resources and sector ministries in selected countries.

Key messages



- The Global Environment Outlook (GEO-6) shows that a healthy environment and nature-based solutions are the foundation for economic prosperity, human health and well-being. Current patterns of consumption and production are not sustainable, adding to other several environmental pressures including climate change, air pollution, water scarcity, excess nutrient run-off, biodiversity loss, marine plastic litter, land degradation, over-exploited, poorly managed and polluted natural resources, as well as rising inequality.
- While economic development has lifted billions of people out of poverty and has enhanced access to health and education in most regions of the world, the 'grow now, clean up later' approach used in certain regions has not accounted for climate change, pollution or degraded natural systems. This approach has rather contributed to increasing inequality within and between countries. Inequality and other social dimensions linked to environmental degradation and climate change affect generally more people in disadvantaged situations, particularly women and children in development countries as well as indigenous peoples.
- There is a need to address the environmental, economic and social dimensions of inequality using an integrated approach and cross sector coordination. Examples of integrated policies include removal of environmentally harmful subsidies while protecting the poor and introducing taxes to internalize social and environmental costs and minimum standards for food security and nutrition.
- The needed transformation goes beyond the scope of environmental policies alone and calls for a mix of social and technological improvements and innovations, facilitated by effective policy measures and cooperation from the local to the international level. Sustainable financial investment and engagement of individuals, businesses and other non-governmental stakeholders are crucial to the achievement of a fair and fast transition to more inclusive, sustainable and prosperous societies.