



Contents

PREFACE	5
ACKNOWLEDGMENTS	7
ACRONYMS AND ABBREVIATIONS	9
ENVIRONMENT STRATEGY IMPLEMENTATION AT-A-GLANCE	12
SECTIONS	
1. INTRODUCTION	14
2. STRATEGIC FRAMEWORK	17
Focusing on poverty-environment linkages	17
Integrating environment into sectors, policies and institutions	23
Building on synergies between local and global benefits	31
3. BANK TOOLS	34
Strengthening analytical and advisory services	35
Supporting environmental projects and programs	39
Strengthening safeguards tools	41
4. BANK INSTITUTIONAL REALIGNMENT	43
Strengthening incentives and accountability	43
Enhancing training and skills mix	45
Improving funding and partnerships	46
Strengthening monitoring and reporting	47
5. REMAINING CHALLENGES AND NEXT STEPS	49
Working toward the MDGs	50
Measuring results	50
Strengthening our analytical and advisory role to move upstream	51
Strengthening our safeguard system	51
Continuing our institutional realignment	52

APPENDICES

A. ENVIRONMENT STRATEGY IMPLEMENTATION MONITORING MATRIX	53
B. REGIONAL IMPLEMENTATION OF THE ENVIRONMENT STRATEGY	59

BOXES

Box A Environment Strategy goal and objectives	12
Box B Progress in Strategy implementation benchmarks	12
Box C Institutional realignment	13
Box D Bank toolkit to implement the Strategy	13
Box 2.1 Yemen — Progress from interim to full PRSP	19
Box 2.2 An integrated analytical and advisory support strategy to PRSPs in East Asia	20
Box 2.3 Energy-Environment Reviews (EERs)	23
Box 2.4 Improving environmental institutions in Benin	27
Box 2.5 Use of programmatic lending and technical assistance to support state-level reforms in India	27
Box 2.6 Costs of environmental degradation in strategic country-level analyses in the MNA Region	28
Box 2.7 The Ukraine Public Environmental Expenditure Review	28
Box 2.8 Payment for ecological services — The Latin America program	29
Box 2.9 The Montreal Protocol program	32
Box 3.1 Work program on Country Environmental Analysis (CEA)	36
Box 3.2 Environmental indicators and PRSPs	37
Box 4.1 Green Awards for 2002	44
Box 4.2 Multi-donor trust fund for environmentally and socially sustainable development	47
Box 4.3 LAC Regional Strategy implementation framework	48

FIGURES

Figure 3.1 Environment in CASs	35
Figure 3.2 Average PM-10 air pollution per country	38
Figure 3.3 Environment and natural resources analytical and advisory activities, FY1999–2003	39
Figure 3.4 Environment in investment and adjustment lending	39
Figure 3.5 Thematic distribution of environmental content of Bank portfolio, end FY02	40
Figure 3.6 Global environmental portfolio, end FY02	40

TABLE

Table 1.1 Key adjustments in the World Bank envisioned in the Environment Strategy	15
Table 2.1 Environment in PRSPs, FY02	18
Table 3.1 Riskiness of Bank portfolio, by theme	41