

The Green Economy Initiative

ESDN Conference

Prague

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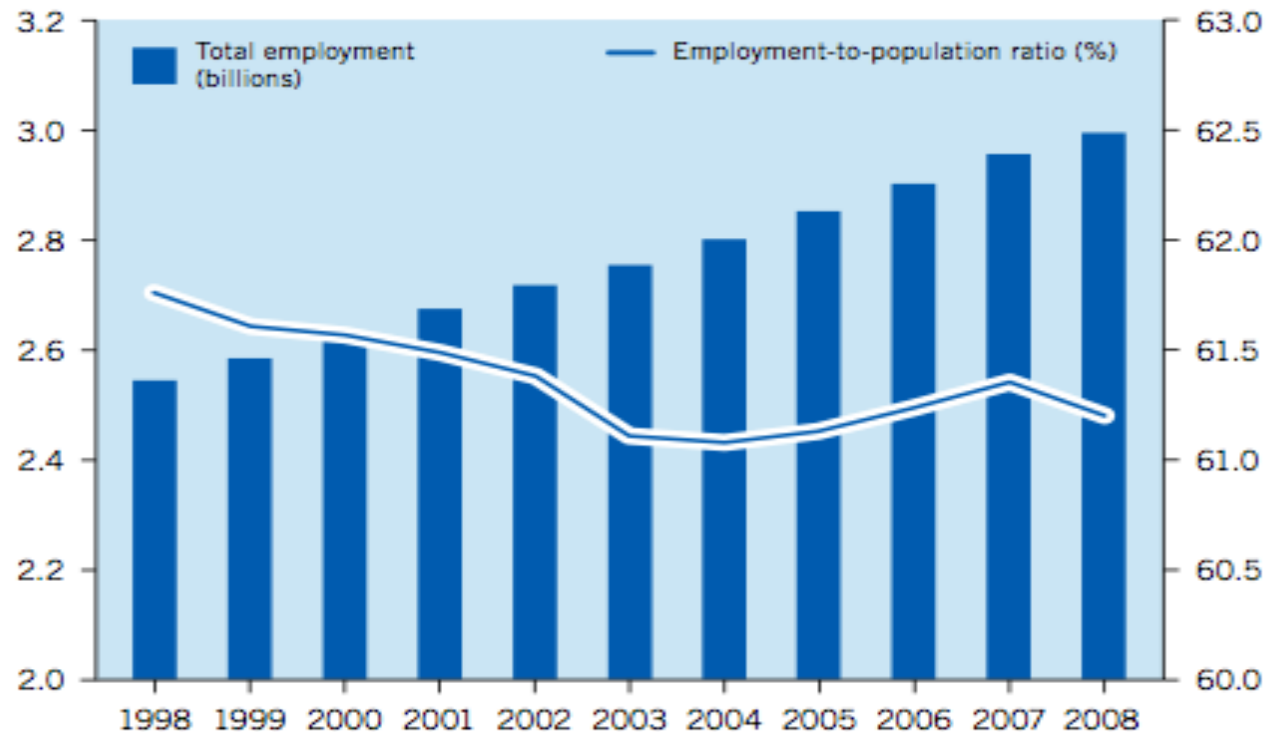
Multiple crises

Multiple Crises

- Food price crisis -1 billion people worldwide at risk of hunger and malnutrition -and growing
- Energy/fuel crisis - price/ security issues
- Financial crisis - threatening jobs worldwide & poverty reduction gains
- Climate crisis – exacerbating the others

The Crisis and Employment

Figure 2. Global employment trends, 1998-2008*



* 2008 are preliminary estimates.

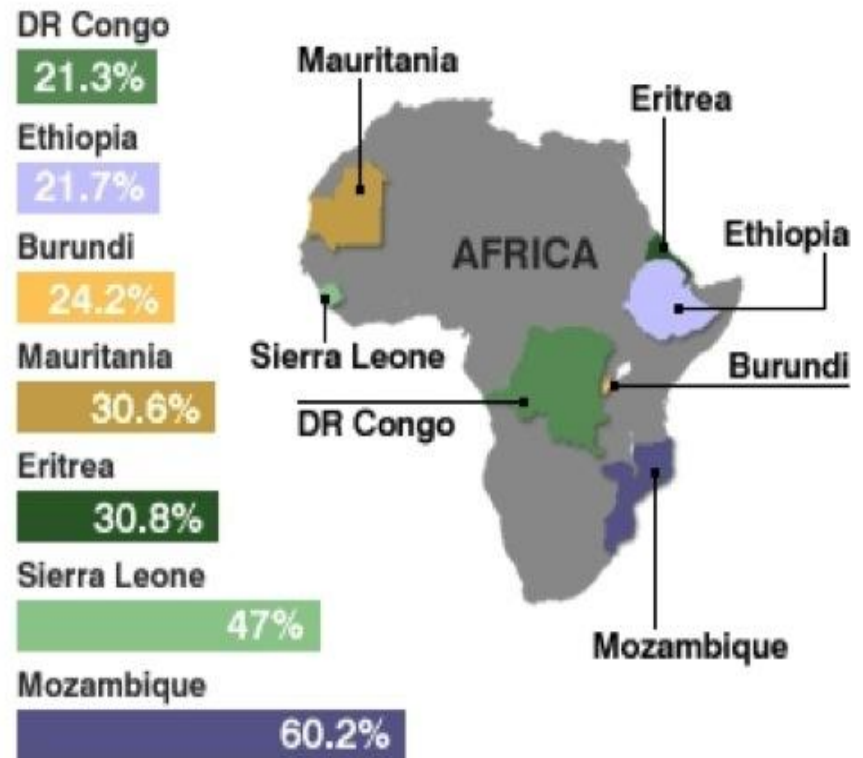
Source: ILO, *Trends Econometric Models*, December 2008, see also source of Table A1.

200 million jobs lost between 2007 and 2009

The Crisis and Development

- Decrease of trade and investment – exports are shrinking.
- ODA contraction:
 - Slow growth: Every 1 per cent fall in growth in developing countries will translate into an additional 20 million people consigned to poverty (WB).
 - Reduced provision of basic needs, health care and education

Who is most dependent on aid?
% of GDP received as ODA, 2002

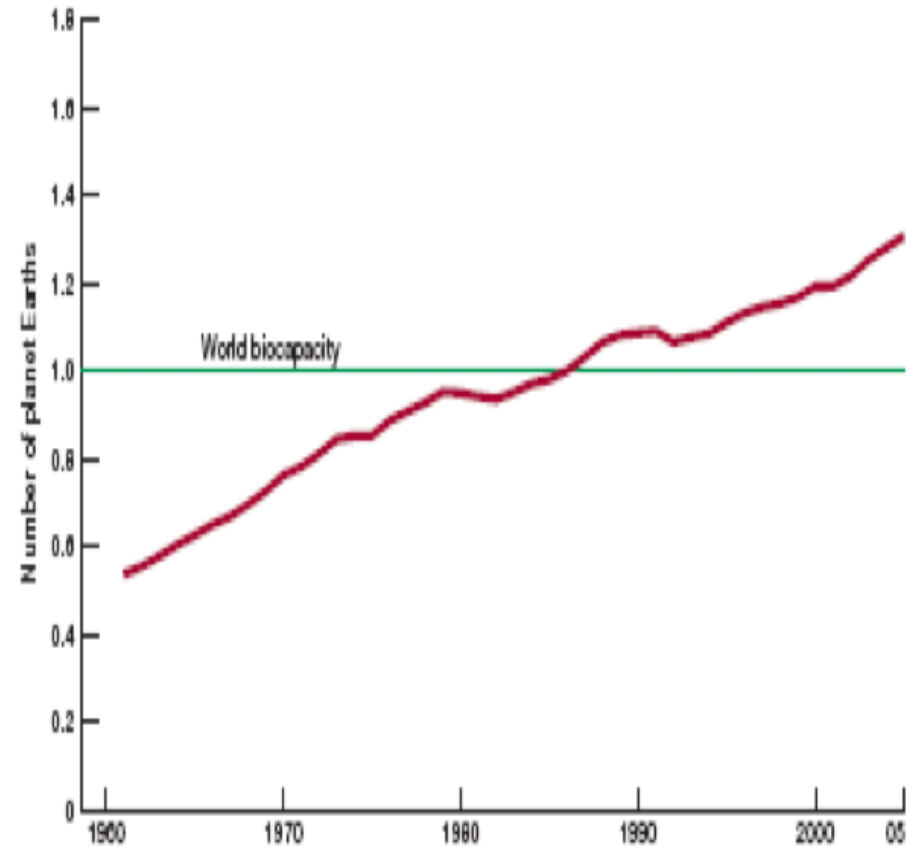


SOURCE: OECD

Continued Environmental Neglect

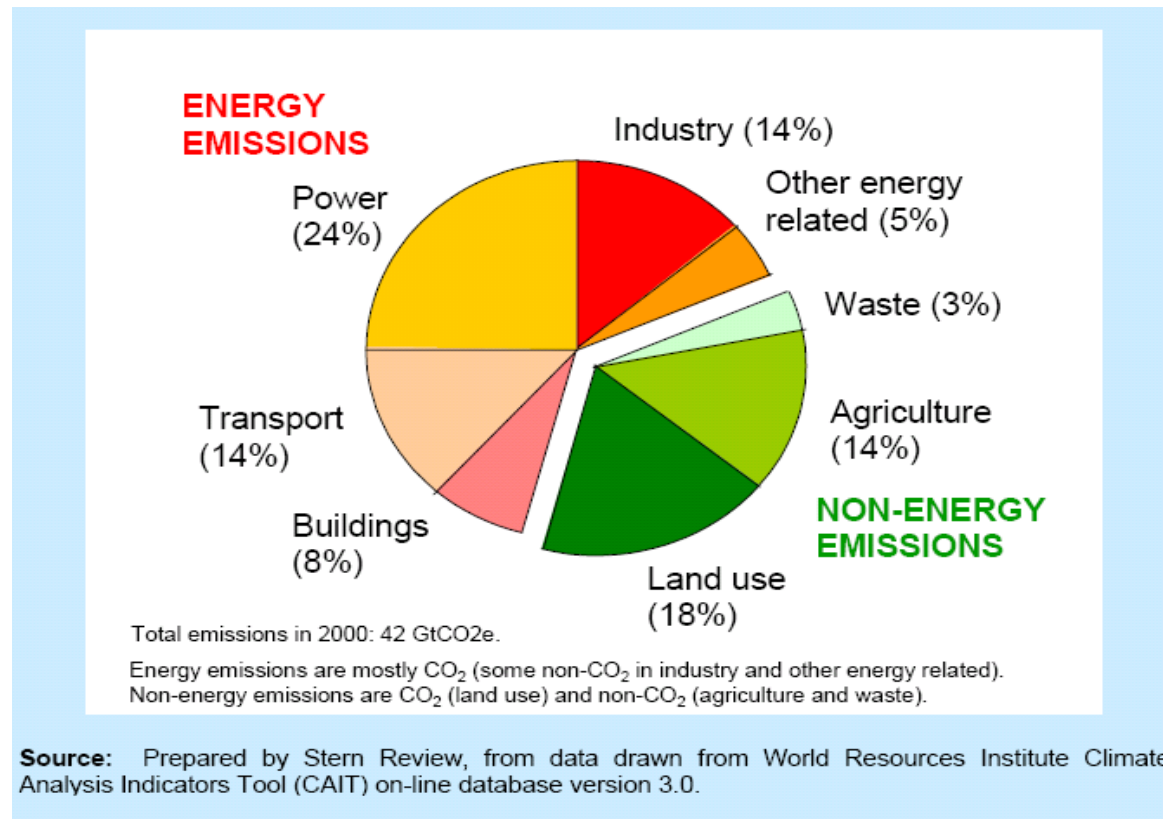
- **1981 – 2005: global GDP more than doubled, but 60% of world's ecosystems degraded/exploited unsustainably**
- **Global economic growth in past 50 years accompanied by decline of natural capital and of ecosystems' ability to sustain services**
- **Huge regional imbalances**

Fig. 2: HUMANITY'S ECOLOGICAL FOOTPRINT, 1961-2005



Status Quo undermines natural capital - risks human survival

.....



GHG Emissions at 42 GtCO₂e per annum are 5 times what Earth can absorb

Making the Economic Case: The Green Economy Report

The Green Economy Report

The objective of the Green Economy Report is to make and communicate a strong and convincing economic case for greening economies and creating decent green jobs by investing in a new generation of assets (social, natural, human, and financial).

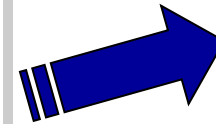
The Green Economy Report, Overview

- The GER is an in-depth macroeconomic analysis of the economic, social, employment and environmental gains that could result from increased investment in green sectors.
- Target: Decision makers, government officials, business executives, employers, workers, consumers, researchers and the public in general.

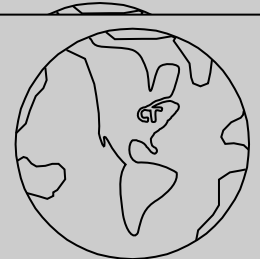
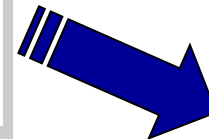
Green Economy Report

.... and its offshoots

Green Economy Report Sector Focus

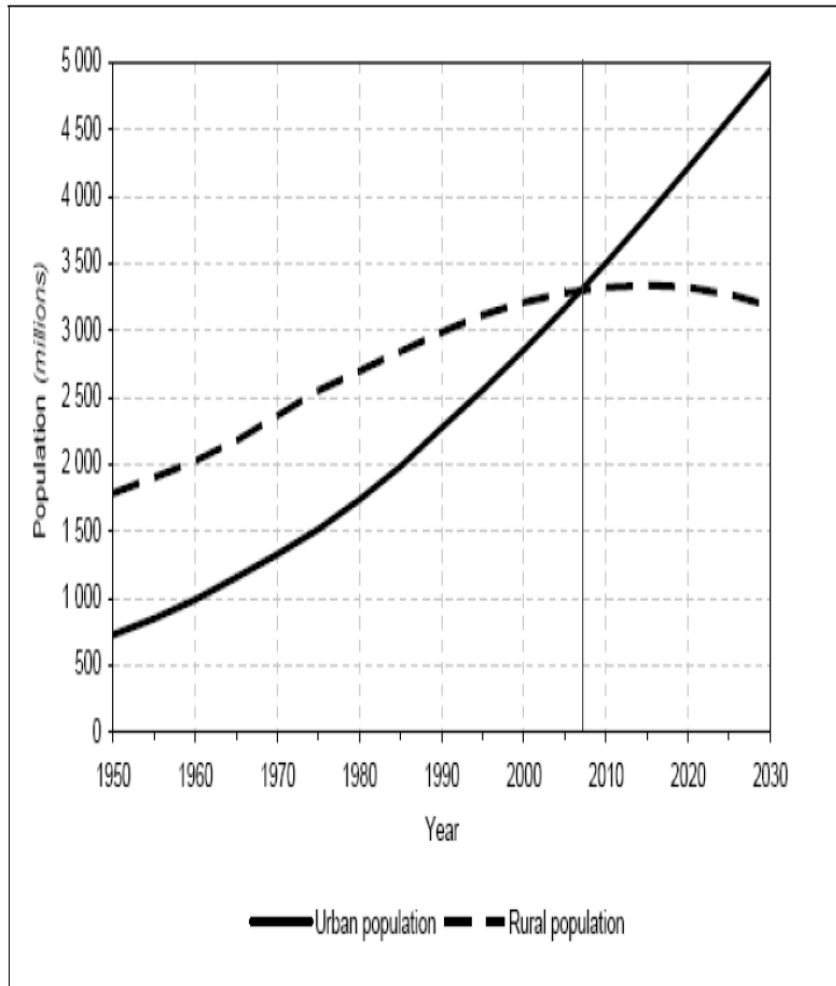


**GGND :
A Policy
Brief**



**Regional /
Country
Reports**

Role of regions and local authorities: Sustainable Cities



- Cities are polluted, crowded and complex to manage.
- Delivering the smart city: The GER will a guidance plan for mayors to improve sustainability and growth in cities.

Forests

- Sustainable forest management can:
 - create massive employment, provide for livelihoods, maintain land and services
 - make a significant contribution to the fight against climate change, highly efficient/cost effective carbon capture



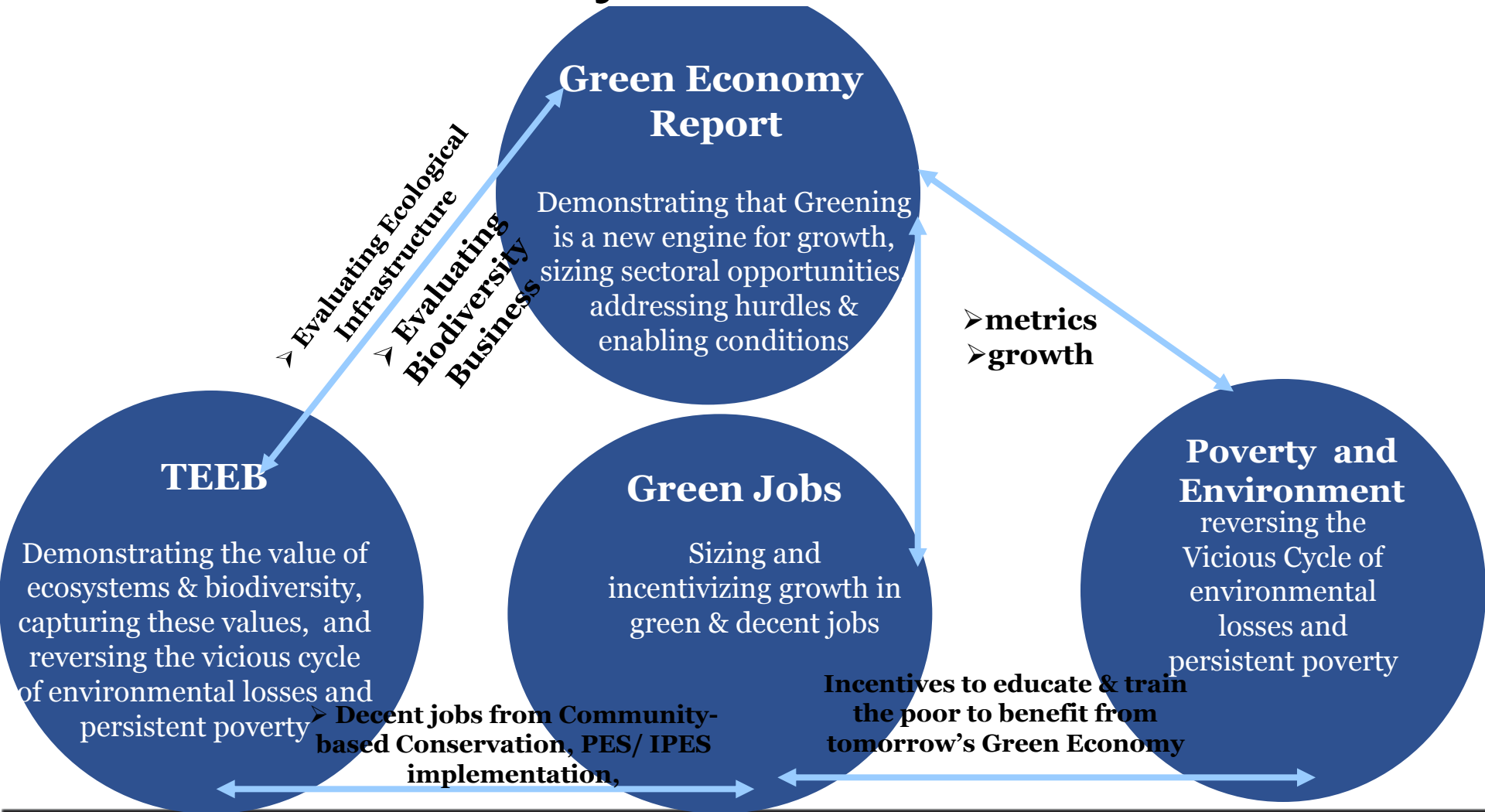
The Green Economy Initiative: A Family of Initiatives

Objectives

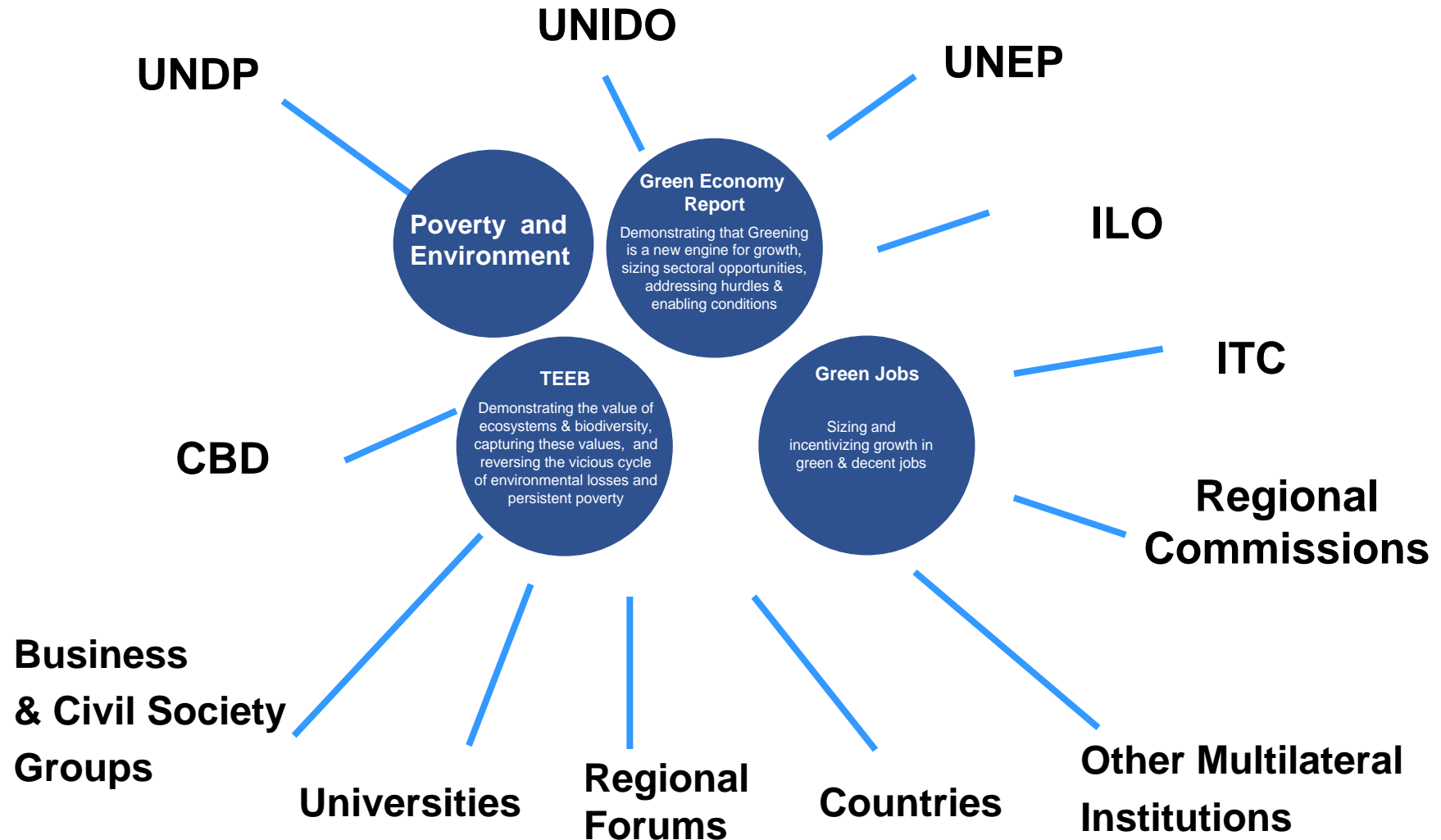
To achieve significant progress in addressing global environmental priorities by:

- **massive green investments worldwide**
- **workable solutions to remove financial, policy, institutional, market and other constraints on making such investments**

The Green Economy : A Family of Initiatives...



... under a Wide Global Network



Green Jobs



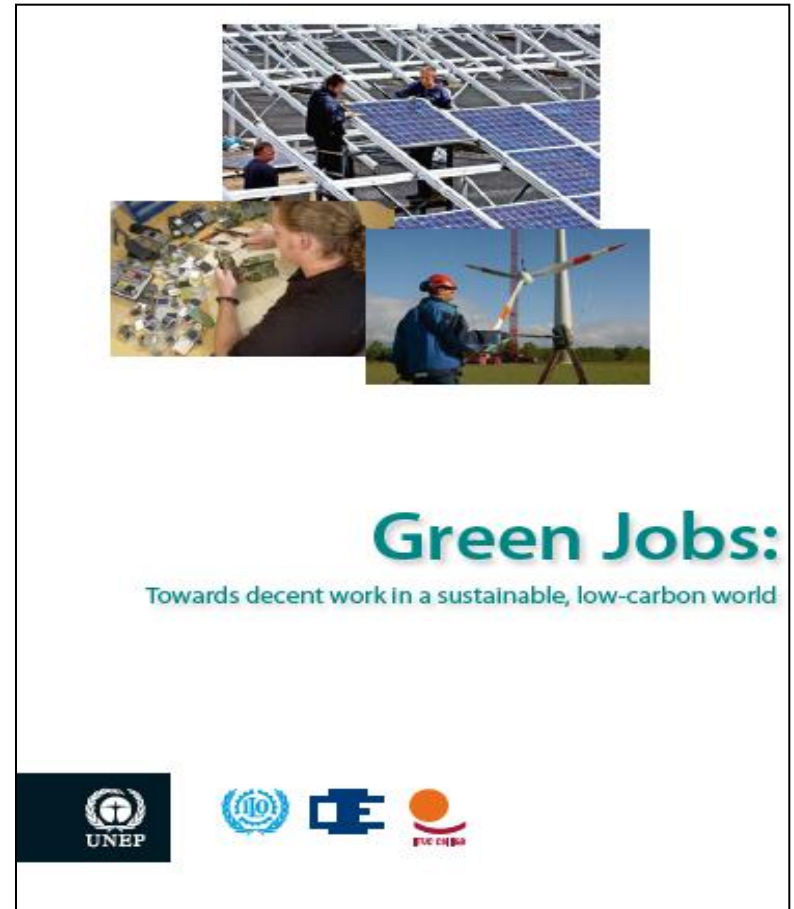
- **“Where capital flows today, jobs follow tomorrow”**
- **What are the key sectors at risk ? What are the key sectors of opportunity ?**
- **How does ‘greening’ impact employment ?**
- **“Green Jobs Report”, September 2008**

Green Jobs

In September 2008, UNEP-ILO launched a report showing:

Investments to reduce climate change and its effects are generating new jobs

Next phase: country studies



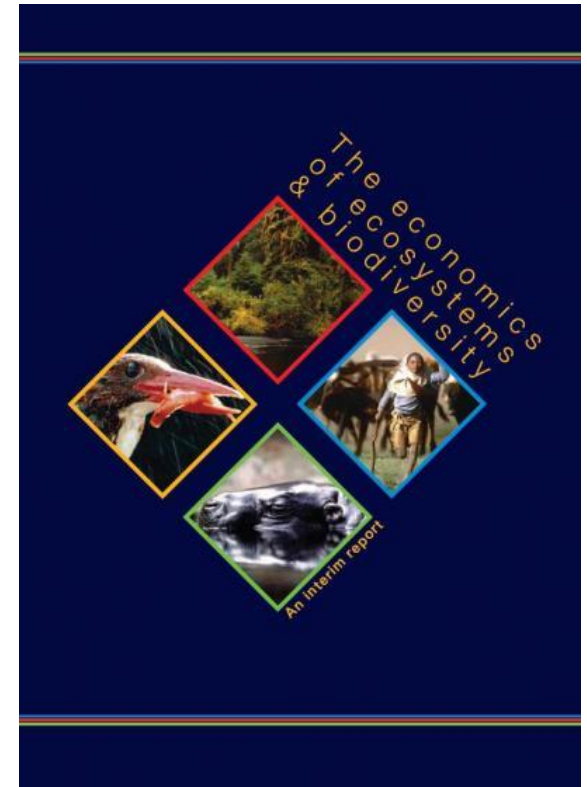
Green Jobs

The Report found that:

- Globally, > 2.3 million workers employed in renewables; by 2030, could be 20 million jobs
- Greening buildings in EU & US would create 2 million jobs
- In China, 10 million jobs in the recycling sector (out of 12...)

The Economics of Ecosystems and Biodiversity (TEEB)

- To motivate actions to significantly reduce biodiversity loss
- Results to feed into Green Economy Reports



TEEB – Interim Report

Key Messages



Economic Size & Welfare Impact of Losses is huge



Strong link with Poverty & risk of MDG's failure

TEEB – Interim Report

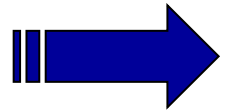
“From Economics to Policies”



Rethink today's subsidies to meet tomorrow's priorities



Reward unrecognized benefits, penalize uncaptured costs



Share the benefits of conservation

TEEB II Deliverables

1. A global valuation study providing conceptual background for guidance documents;
2. A guidance report for international and national policymakers;
3. A guidance report for regional and local administrators;
4. A guidance report for business and industry;
5. A guidance report for consumers.

Opportunity amid crisis

Rethinking the Economic Recovery: A Global Green New Deal

- Can more liquidity and even more credit solve a credit crisis ?
- Can more *production* solve an energy and resources crisis ?
- Can the global economic system manage to recover with just a “*re-boot*” ?
- Can Capitalism survive the next 200 years without a sharp focus on *Natural Capital* ?

Global Green New Deal Rationale

- Fiscal stimulus agreed as the way forward, but the recovery needs to/can be *sustainable*
- The thinking that *created* the problem cannot actually *solve* the problem: “Green Investment” beats a “Shopping Spree”
- “Win-Win-Win” solutions exist : Decent Jobs, Lower Risks, Higher Returns
- “A crisis is a terrible thing to waste” : Seeding the “Green Economy”

The UNEP Global Green New Deal

Launched in 2008 by the UNEP, the GGND was a key document of the 2009 G20 meeting in London.

- « Jump-starting the transition to a green economy”
- International components : Urgent reforms to international architecture.

Opportunity as Governments Jump Start Economies: Green stimulus packages

Country	Stimulus USbn	Stimulus as % of DP/GNI	Green fund bn	% of green stimulus	Green Stimulus as % of GDP
Australia	26.7	2.49	2.5	9%	0.2
China	586.1	13.88	221.3	38%	5.2
Japan	485.9	10.03	12.4	3%	0.3
Korea, Rep	38.1	4.44	30.7	81%	3.6
France	33.7	1.12	7.1	21%	0.2
Germany	104.8	2.74	13.8	13%	0.4
UK	30.4	1.09	2.1	7%	0.1
US ARRA	787	5.27	94.1	12%	0.6
US EESA	185	1.29	18.2	10%	0.1
Canada	31.8	2.03	2.6	8%	0.2

source: HSCB 2009, CIA factbook



towards a green economy

Investing in Green Sectors

- Renewable energy
- Industry: material & energy efficiency
- Low carbon cities
- Green buildings
- Transport
- Agriculture
- Waste management
- Forests
- Water

Engaging Global Policy Processes - Fostering Global Consensus

Engaging Global Policy Processes

Green economy contribution at strategic policy junctures:

- G 20 meetings
- Sessions of the Commission on Sustainable Development
- G8 Summits
- World Climate Conference 3 in Geneva (August-September 2009)
- Global Renewable Energy Forum in Mexico (October 2009)
- UNEP Finance Initiative 2009 Global Roundtable in Cape Town (October 2009)
- UNFCCC COP 15 and Kyoto Protocol MOP 5 in Copenhagen (December 2009)
- International Association for Impact Assessment 2010 meeting in Geneva (April 2010) among other targeted events. Etc...

Fostering a Global Consensus on Green Economy

- Engaging governments on a global policy report on Green Economy, modelled on the “IPCC Synthesis Report”
- Objective of adoption of the policy document at the UNEP Governing Council/Global Ministerial Environment Forum in 2011

Supporting regional initiatives

Regional Initiatives on Green Economy

- Regional initiative for “East Asia Low Carbon Green Growth”
- Regional initiative on Green Economy in West Asia, in collaboration with UNEP ROWA
- Regional Initiative on Green Economy in Africa, in collaboration with UNEP ROWA
- Regional Initiative on Green Economy/Green Job in Europe?

Country Initiatives on Green Economy

- Korea: UNEP is organizing an independent review of “Korea Green Growth National Vision” initiated in 2008.
- China: UNEP has received a proposal from the Government to support policy research that would feed into China’s national five-year plan.
- Uruguay: The Government has requested UNEP support in undertaking a green economy initiative.
- Initiatives in the pan-European region?

More Information

UNEP Green Economy Website

<http://www.unep.org/greeneconomy/>



towards a green economy