What is a Green Economy?

"*A Green Economy* can be defined as one that results in **improved human well-being** and social equity, while significantly **reducing environmental risks** and ecological scarcities."

UNEP

Green Economy: A Challenge in Two Dimensions

Meeting the dual goals of sustainability
– High human development and low ecological impact

Source: WWF Living Planet Report 2006

Meets minimum criteria for sustainability
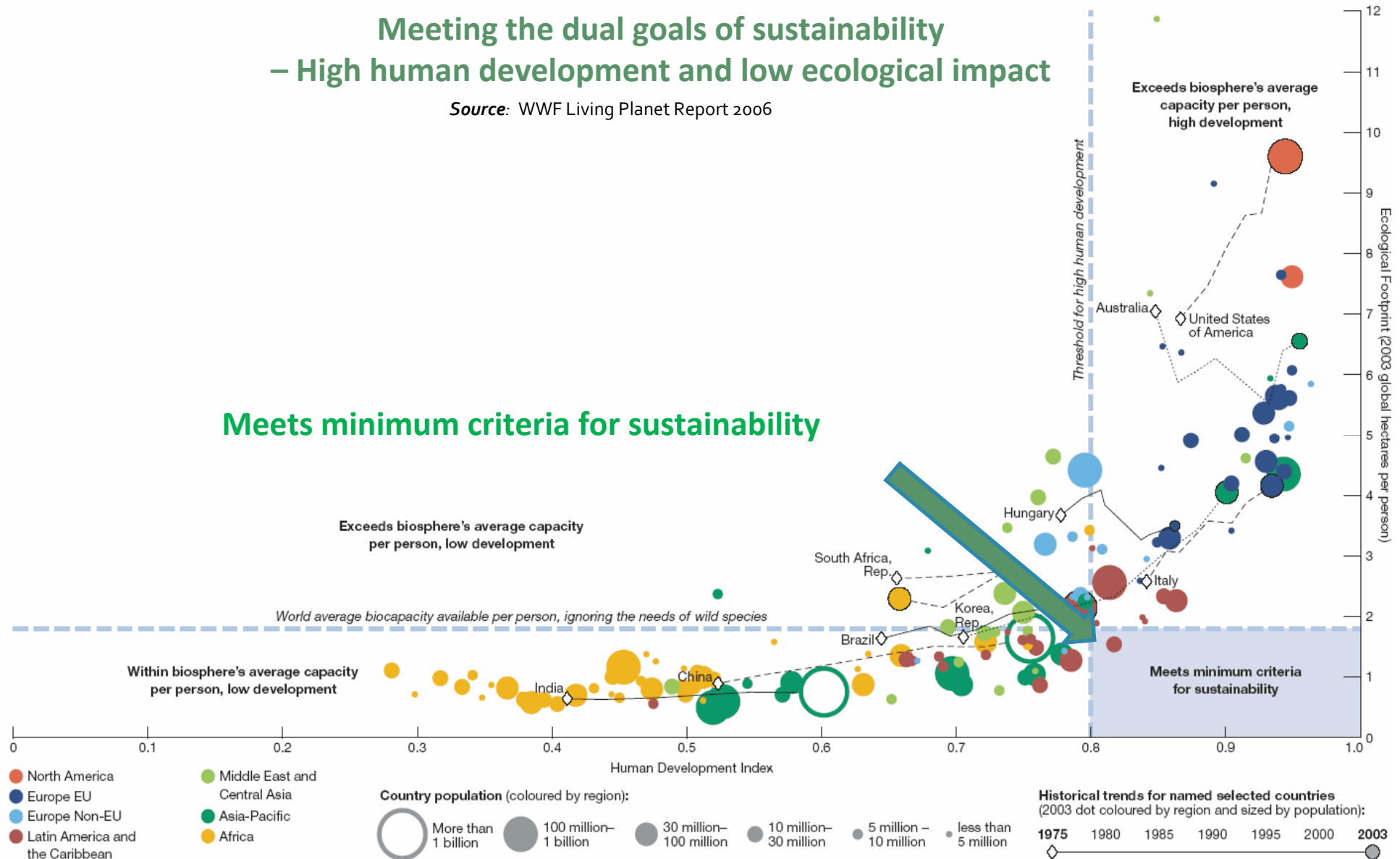
Towards a GREEN economy

Pathways to Sustainable Development and Poverty Eradication

A Synthesis for Policy Makers

Modeling
Enabling Conditions
Agriculture
Building
Cities
Energy
Finance
Forest
Manufacturing
Tourism
Transport
Waste
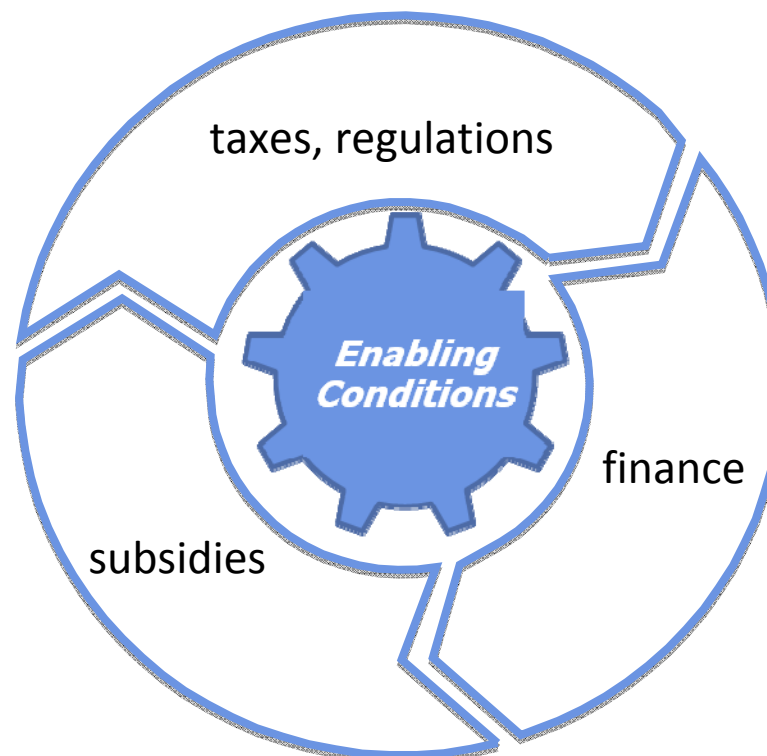**Water**

Green Economy: Approach and Focus

APPROACH

- Selecting and driving transformation in key sectors - critical or highly material for greening the global economy
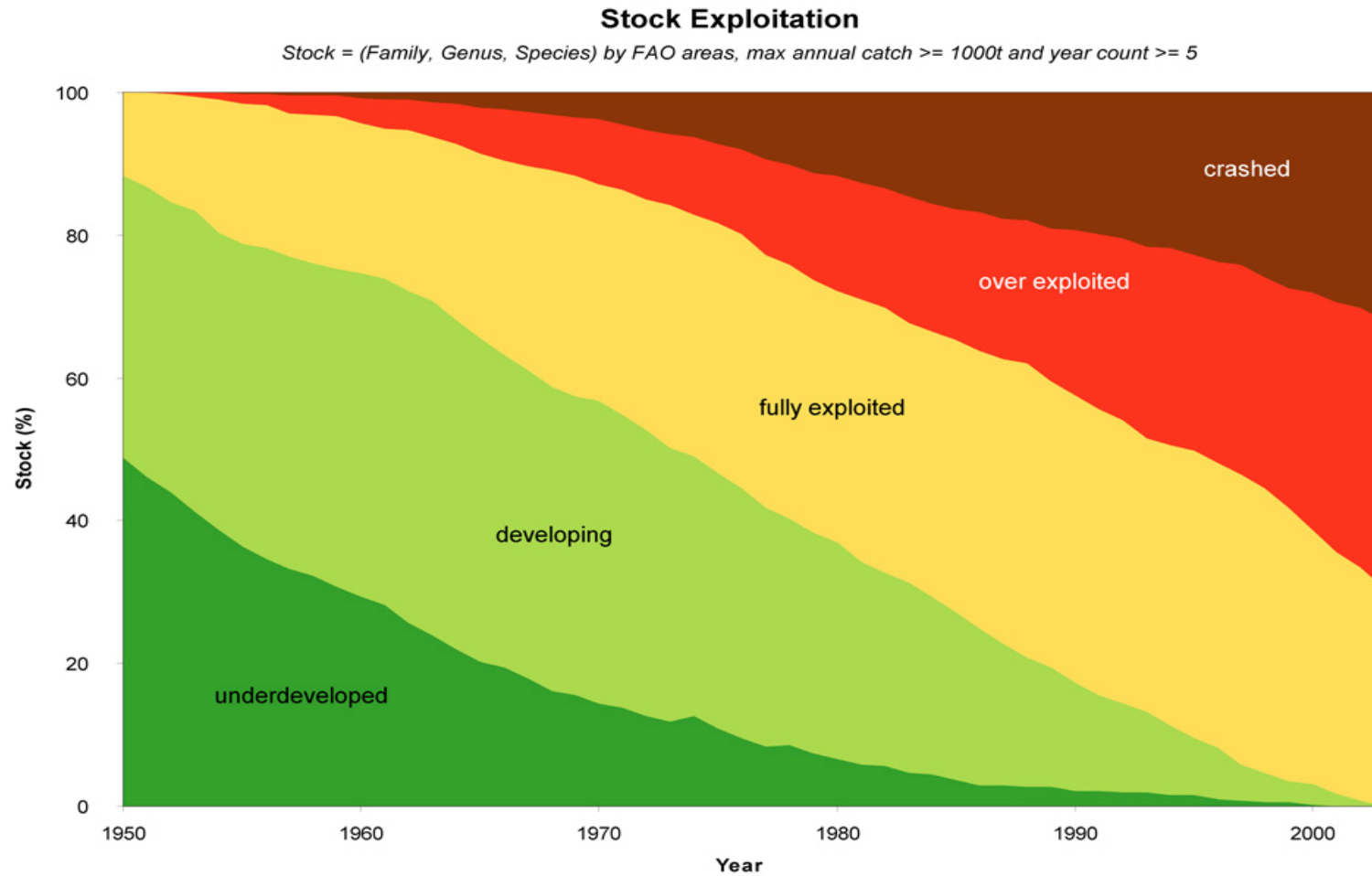

FOCUS

- On enabling conditions (finance, subsidies, taxes, regulations, and related reforms that achieve GE objective)

taxes, regulations

Enabling Conditions

finance

subsidies

UNEP

Fisheries

Business as usual is not an option: State of fish stocks

Stock Exploitation

Stock = (Family, Genus, Species) by FAO areas, max annual catch >= 1000t and year count >= 5

Source: Froese and Pauly (2004)

Fisheries

Example: Fisheries sector

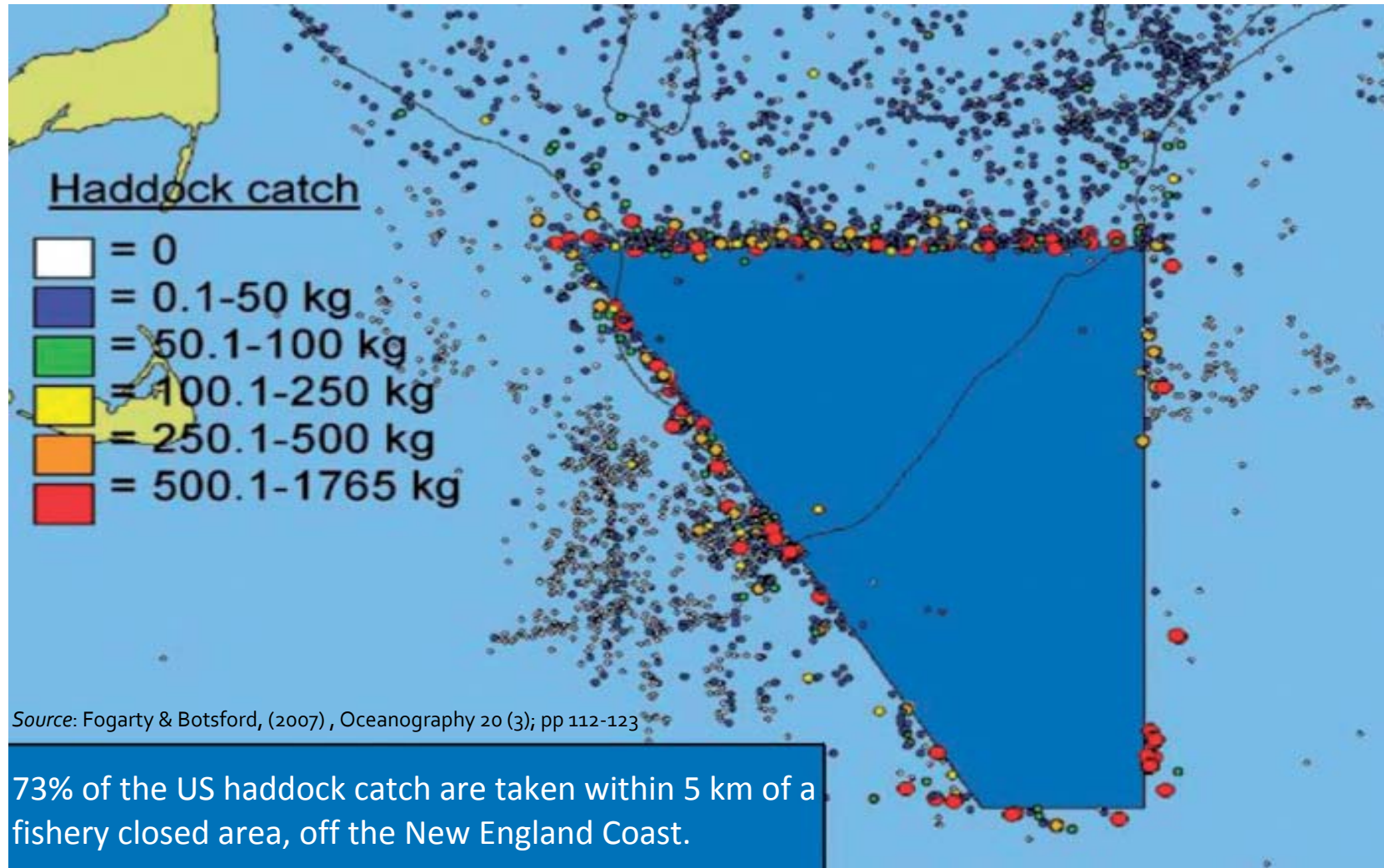**Types of subsidies – leave $ 8 bio 'good' subsidies: MPA's, fleet buyback, skills training**

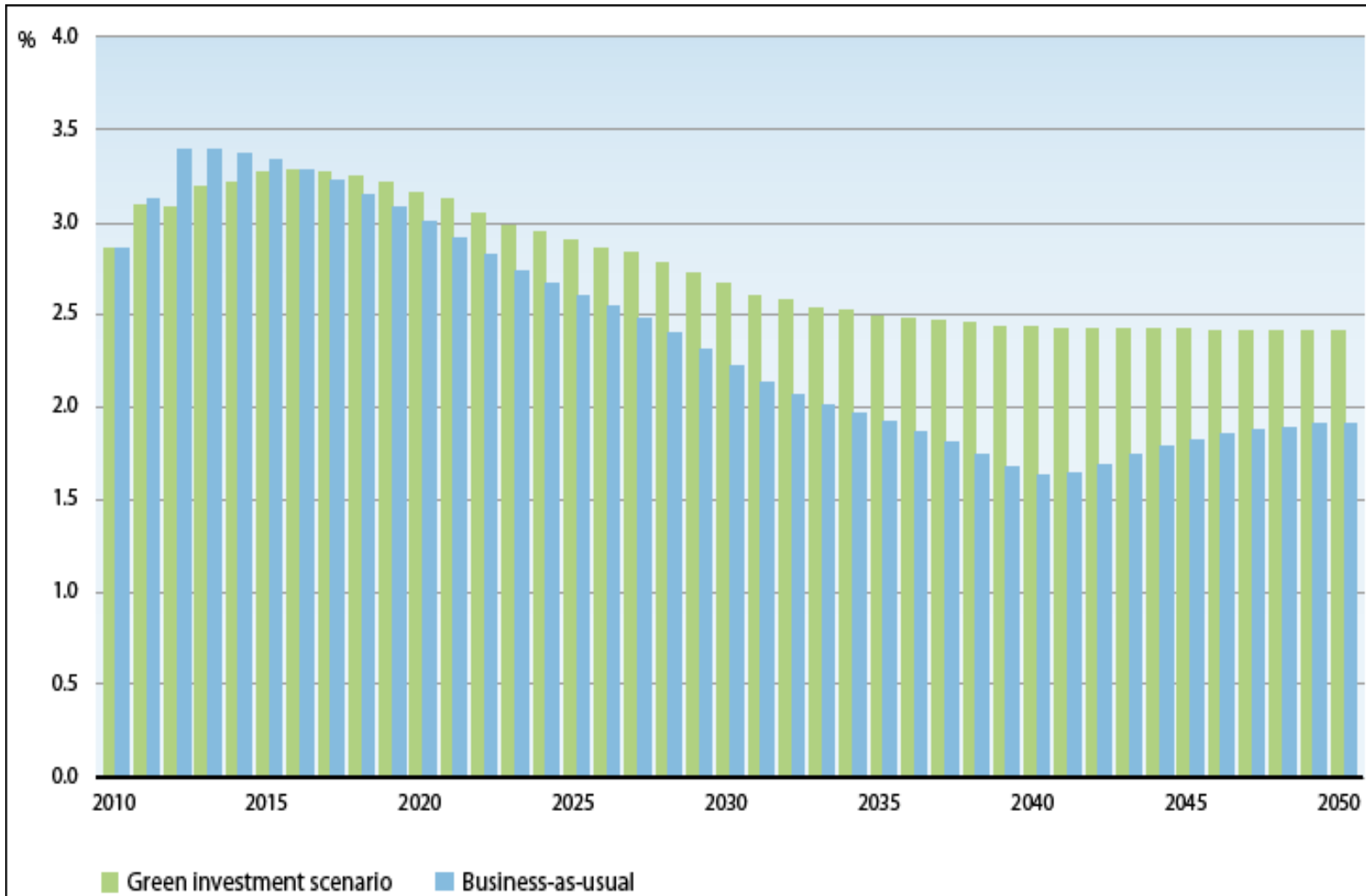| Type of subsidies	Impact	Example	Amount (US dollars in 2003)
Good	Enhance the conservation of fish stocks over time	Funding fisheries management/ Using government spending to operate marine protected areas	$ 7.9 bn
Bad	Lead to overcapacity and excessive catches	Fuel subsidies	$ 16.2 bn
Ugly	Can either conserve a fish-stock or deplete it further	Buyback (or decommissioning) to fishing vessel to reduce a fleet size	$ 3 bn

Source: Sumeila et al (2006)

Investments

Reversing harmful subsidies

Managing Transition

Fiscal policies

Strengthening political consensus

Fisheries

Distribution of fishing effort around Georges Bank closed areas

Haddock catch

- = 0
- = 0.1-50 kg
- = 50.1-100 kg
- = 100.1-250 kg
- = 250.1-500 kg
- = 500.1-1765 kg

Source: Fogarty & Botsford, (2007) , Oceanography 20 (3); pp 112-123

73% of the US haddock catch are taken within 5 km of a fishery closed area, off the New England Coast.

Key finding: A green economy stimulates growth, exceeding BAU over time...

Legend: Green investment scenario / Business-as-usual

GDP growth (%)

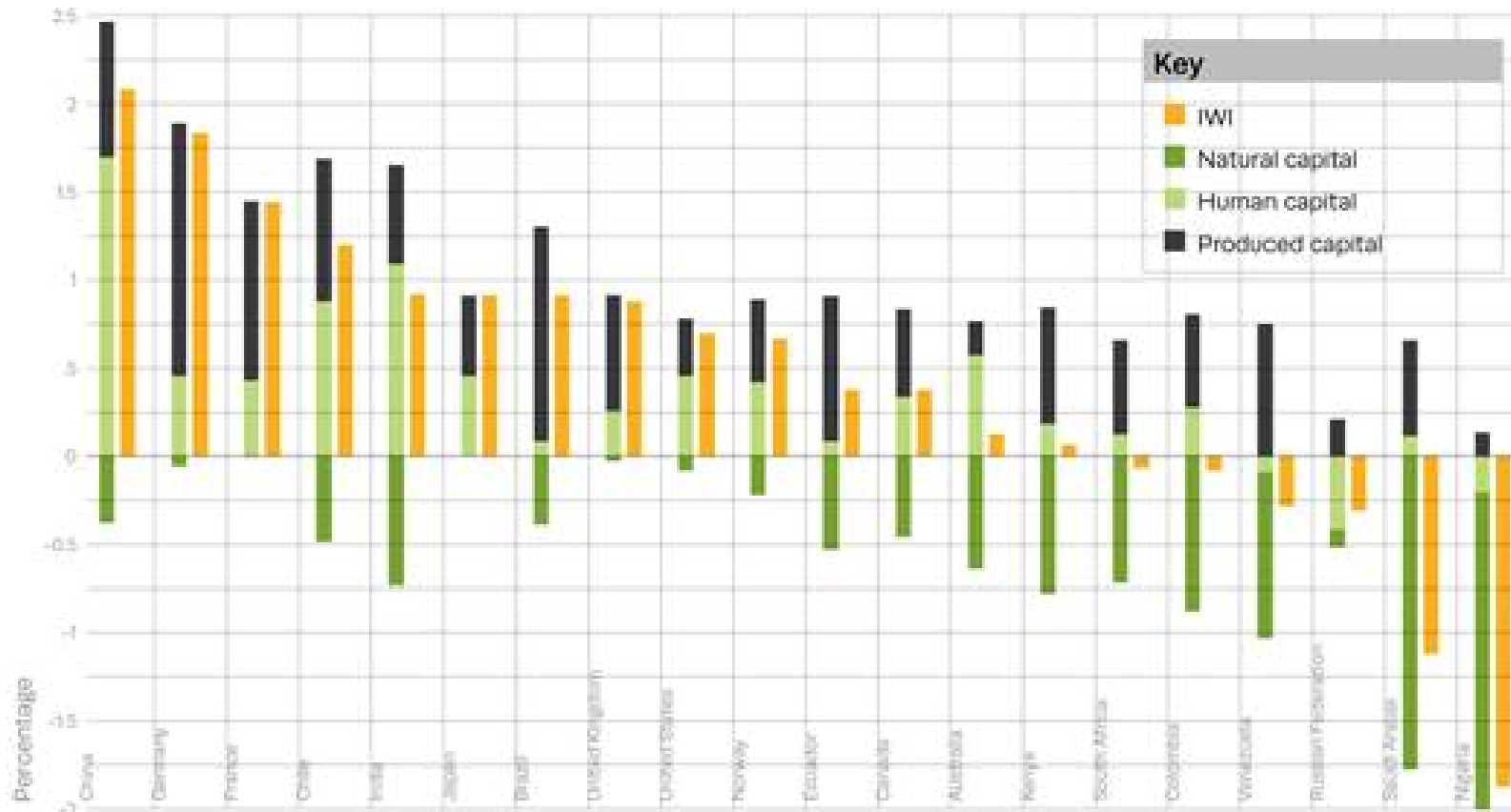# ...while reducing ecological scarcities and environmental risks
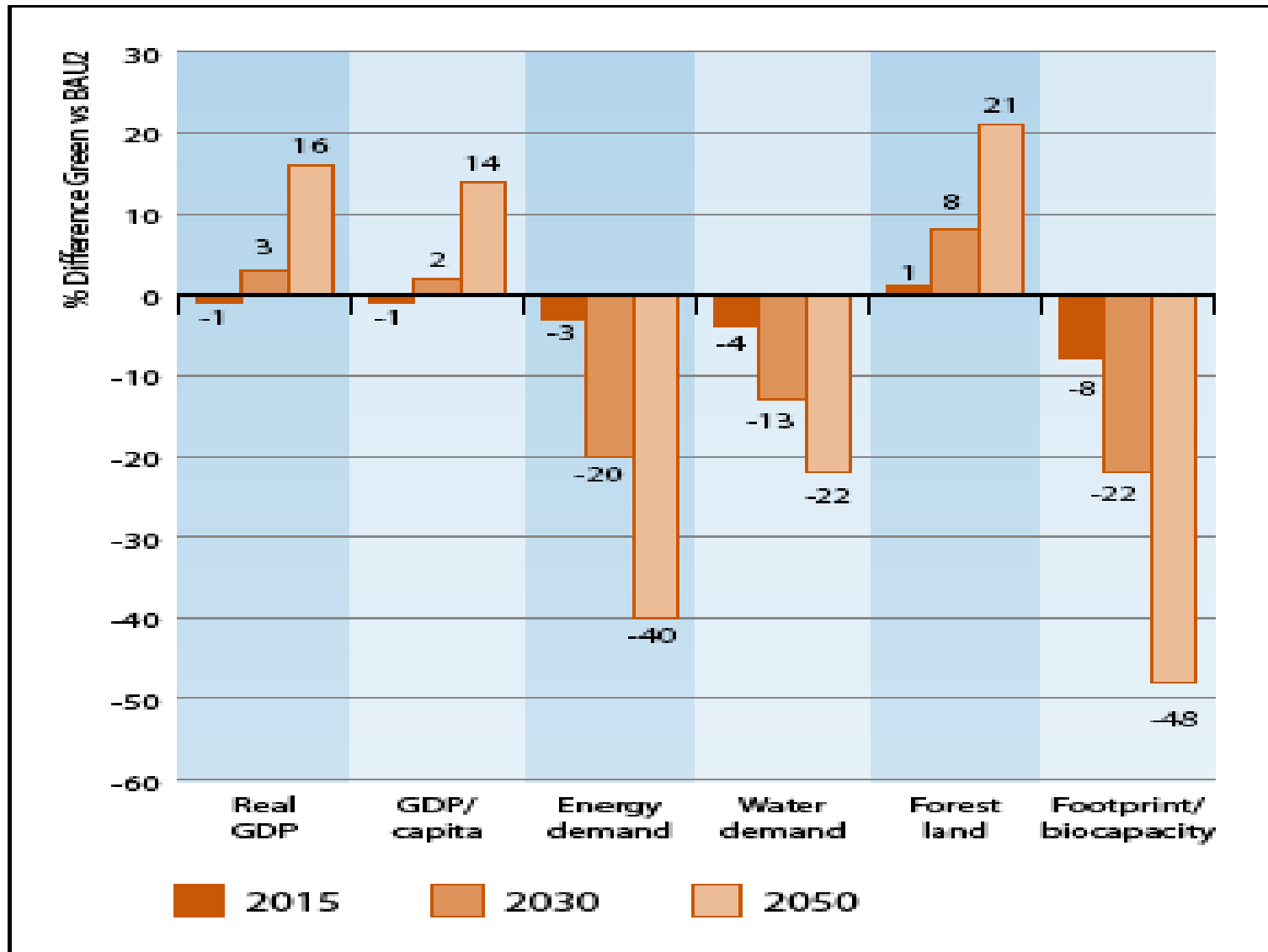
Key numbers

The *Inclusive Wealth Report 2012* takes account of natural capital.

Average annual growth rates (per capita) disaggregated by capital form

Rio+20 Key Outcomes

(b) Beyond GDP: Recognition of the need for broader measures of progress beyond GDP in order to better inform policy decisions, and a request to launch a new programme of work building on existing initiatives.

(a) Green Economy: A mandate to coordinate and provide information to countries, as well as toolboxes, models of good policies, methodologies for evaluating progress and support for emerging platforms that contribute in this regard.

(c) SDGs: Endorsement to create a set of Sustainable Development Goals, which compliment the MDGs and support the transition to a green economy.

(e) 10 YFP: Adoption of a 10-Year Framework of Programmes on Sustainable Consumption and Production.

(d) CSR: A call to enhance Corporate Sustainability Reporting, drawing on best practices and options for capacity building in developing countries.

Green economy: What leaders are saying…

"Sustainability and the green economy offer compelling opportunities to promote jobs, growth, innovation and long-term stability. The future we want can be ours – if we act now."
            UN Secretary General Ban Ki-moon, 25 September 2012

"To promote sustainable development, we should explore effective models for a green economy…In the course of growing a green economy, we should create more jobs, alleviate poverty and improve living standards, develop green technologies and create new models of technology transfer."
            H.E. Wen Jiabao, Premier of China, 20 June 2012

A growth model that improves resource efficiency and mitigates climate change also generates a number of reinforcing benefits including accelerated job creation, healthier populations, expanded access to secure energy supplies and sustained global economic growth.
As the President of Mexico, I have strongly endorsed green growth as the model for my country's long-term development.
            H.E. Felipe Calderon, Former President of Mexico, 18 June 2012

Green economy: What leaders are saying...

"Indeed, there are a variety of effective tools that we can use to promote sustainable growth with equity. We can use policy measures. Governments can pass laws and regulations that would place sustainability at the heart of social activities; and also incentivise and reward activities that reinforce sustainability."

H.E. Susilo Bambang Yuhoyono President of Indonesia, 13 June 2012

"We have spoken a great deal about using cleaner sources of energy. Today we reaffirm that commitment and determination to move towards a low-carbon economy."

H.E. Jacob Zuma, President of South Africa, 5 December 2011

What is critical for Barbados and other small island developing states is that the green economy debate recognizes our structural vulnerabilities, offers a model to assist us in further realizing our sustainable development aspirations and creates the institutional platform that enables us to participate in innovative partnerships to help save the planet."

H.E. Freundel Stuart , Prime Minister of Barbados, 28 March 2012

Advisory Services Countries