



# Green Economy Initiative

*Derek Eaton*  
*UNEP*

UNCEEA, 23-25 June 2010



# The global context

## Multiple crises:

- **Financial** - 18 to 51 million unemployed over 2007 levels & the number of extremely poor has increased by at least 100 million people worldwide;
- **Fuel** - rising prices cost developing economies USD 400 bn in higher energy bills in 2007;
- **Food** - rising prices cost developing countries USD 324 bn in 2007;
- **Ecosystem** – EUR 50 bn worth of biodiversity is being lost each year; and
- **Climate** - current global GHG emissions at 42 Gt per annum - 5 times higher than the threshold.



# A green economy is not business as usual

By 2030 and beyond...

- Global energy **demand up** by 45%
- Oil **price up** to USD 180 per barrel
- GHG **emissions up** 45%
- Global average **temperature up** 6°C in the next century
- Sustained **losses** equivalent to 5-10% of global GDP as compared to the 3% of GDP loss from the current financial crisis
- Poor countries will suffer **costs in excess** of 10% of their GDP





# What is a Green Economy?

- A Green Economy can be defined as one that results in improved well-being and social equity while significantly reducing environmental risks and ecological scarcities.
- Characterized by substantially increased investments in economic sectors that build on and enhance the earth's natural capital or reduce ecological scarcities and environmental risks.
- Sectors include renewable energy, low-carbon transport, energy-efficient buildings, clean technologies, improved waste management, improved freshwater provision, sustainable agriculture, forestry, and fisheries



# What is a **Green** Economy?

## Increasing

- Increase in green investment
- Quantity & quality of jobs in green sectors
- Share of green sectors in GDP
- Social inclusion

## Decreasing

- Energy/resource use per unit of production
- CO2 and pollution level/GDP
- Wasteful consumption
- Poverty



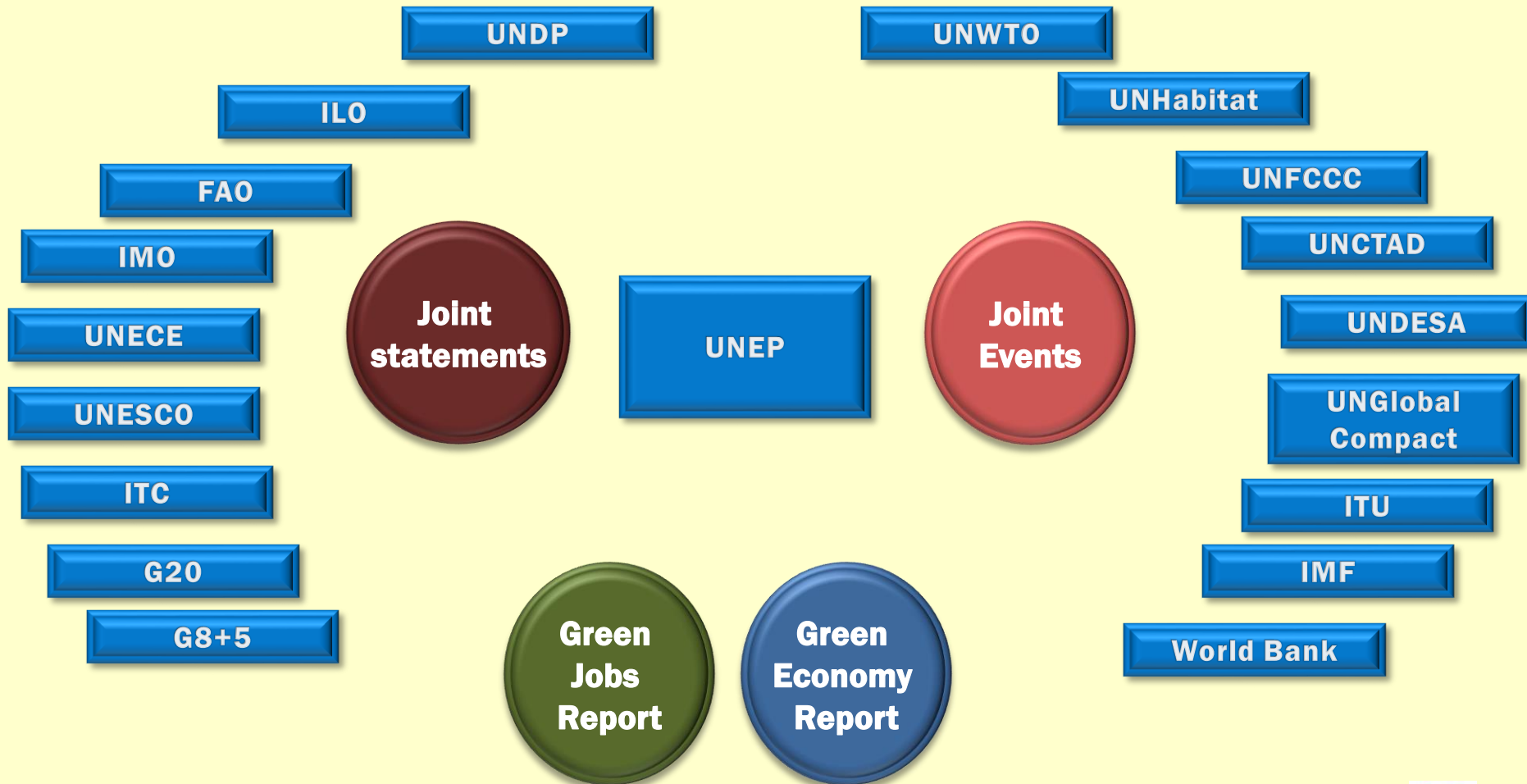
# UNEP Green Economy Initiative (GEI)

- Launched in October 2008 – in collaboration with a wide range of partners – to motivate and enable governments to invest in green economies
- Focused on the *process* of transitioning to a green economy – acknowledges that countries will take many different paths in achieving this objective
- Three components of the GEI: producing research products, providing advisory services to UNEP Member States, and promoting partnerships





# Green Economy Partnerships







# Green Economy Report

Analysis and guidance on economic contribution from **investing** in 11 green sectors:

- Renewables
- Industries
- Transport
- Buildings
- Cities
- Water
- Waste
- Forests
- Fisheries
- Agriculture
- Tourism

Supported by innovative financing mechanisms as well as **policy** reforms:

- Taxes
- Subsidies
- Pricing
- Trade
- Market access
- Green technologies
- IPRs
- Standards
- R&D
- Training
- Education





# Key Research Questions

- What are opportunities for investing in low-carbon, resource-efficient, waste-minimizing technologies and sectors?
- What are the societal benefits/costs of green investments?
- What are the impacts on income, employment, economic growth and poverty of investing in green sectors and in greening brown sectors over the medium to long term, taking into account economy-wide interactions and the dependence of economic activity on natural resources?
- How does the growth and development path defined by a combination of green investments economy-wide differ from a business-as-usual path in terms of economic performance, the sustainability of natural resource use, and greenhouse gas emissions?

# Indicators & Measurement

Core group of headline indicators to be developed, possible elements include

## Economic and social

- GDP (also adjusted)
- Employment / Jobs
- Poverty
- Food security
- Access to water
- 

## Environmental

- GHG Emissions
- Carbon intensity
- Waste generation
- Natural capital
- Water use and supply
- Renewable energy
- Ecological footprint
-



## Policy development, monitoring and evaluation

- Provide basis for development of green economy strategies at national level, and also monitoring and implementation
  - Green investments and green sectors (classification)
  - Environmental goods and services
- SEEA as basis for assessing structural change in transition to a green economy
  - Immediate vs longer term