Forum: Environmental Commission

**Issue:** The question of promoting the transition to a green

economy

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#### Introduction

Going "green" is no longer a new or unfamiliar concept with increasing awareness for the environment in today's society, however, the idea of a green economy is still largely unheard of. As the United Nation Environmental Programme (UNEP) defines it, a green economy is one that promotes human wellbeing and social equity, and reduces environmental risks and ecological scarcities. Unlike the concept of sustainability, climate change and such, green economies promote both sustainability and economic growth with an emphasis on social inclusion and equity.

A green economy encompasses the creation of green jobs in green sectors, innovation of technology, change in production and consumption behaviors and modifying approaches to business. Ways to increase prosperity without increasing resource use and environmental impacts and enhance ecosystem resilience are what nations should promote and focus on for a greener economy.

With Earth's finite resources and the current economic trend of over-usage and overexploitation, a green economy is especially needed to ensure the prosperity of future generations to come. With increasing environmental issues as well as economic downturns, a green economy that contributes to sustainability, alleviate environmental impacts and fight against climate change and loss of biodiversity is more important than ever.

# **Definition of Key Terms**

#### **Green Economy**

In addition to UNEP's definition above, a green economy should also aim to reduce carbon emissions and pollution, enhance energy and resource efficiency, prevent loss of biodiversity and ecosystem services. In other words, a green economy should resource efficient, socially inclusive and "low carbon". It is important

to note that there is still no internationally agreed definition of the green economy as of now, however, the concept of a green economy is becoming more universal.

#### **Green Gross Domestic Product (Green GDP)**

An indicator that takes into the account of environmental consequences of economic growth within a nation. Through quantifying the effects of loss of biodiversity and the cost of climate change, green GDP factors in the costs of resources depletion, environmental degradation, and related environmental initiatives. However, some critics argue that green GDP alone is not enough to guide policymaking and solve the issue of sustainability as it only factors in the depletion and damage of the environment.

#### **Carbon Pricing**

A method aimed to reduce global-warming emissions through charging the emission of carbon dioxide gas. Carbon pricing can be done by imposing a carbon tax or requiring the purchase of permits to emit carbon dioxide gas. Such permits are often traded privately after initial distribution or action. Additionally, carbon price refers to the cost of the right to emit one ton of carbon dioxide into the atmosphere.

#### **Carbon Credit**

This is a general term that refers to any permit or certificate that allows the emission of one ton of carbon dioxide gas or carbon dioxide equivalent gases. Carbon credits are used by governments, industries or private individuals.

#### **Green Jobs**

These are jobs that contribute to preserve or restore the environment in all sectors, traditional and new. According to the International Labour Organization (ILO), green jobs help the following: improve energy and raw materials efficiency, limit greenhouse gas emissions, minimize waste and pollution, protect and restore ecosystems, and support adaptation to the effects of climate change. This is an important part of transitioning to a green economy as it is deemed to help unemployment by creating more jobs, especially for the poor and those reliant on less sustainable industries.

#### **Economic Development**

Different from economic growth, economic development is the improvement of both social and economic wellbeing measured by income, education, and health.

In context of sustainability, sustainable economic development is one in which resources are used at a rate at which they are able to replenish themselves and one that does not deplete natural resources.

#### Sustainability

Simply put, sustainability is the ability to endure over time. Furthermore, according to the Financial Times Lexicon, environmental sustainability is a state in which current human demands placed on the environment are met without depleting natural resources or jeopardizing the capacity of the environment for future generations.

### **Background Information**

The term "green economy" was first coined by a group of environmental economists in the United Kingdom (UK). More recently, in June 2009 the United Nations (UN) stated its support for the green economy as a transformation to address multiple crises in an interagency statement. One common misconception of the green economy is that there is an inescapable trade-off between environmental sustainability and economic progress. According to UNEP's <a href="Towards a Green Economy">Towards a Green Economy</a> report, there is no substantial evidence proving that transitioning to a green economy will inhibit neither employment opportunities nor wealth creation. The report also indicates that the "greening" of an economy is not a luxury only more economically developed countries (MEDCs) can afford as there are a great number of examples of developing countries such as Kenya, Bangladesh, and Brazil transitioning to a greener economy.

It is, however, true that the transition to a green economy will be costly and lengthy. Despite the possible decline in economic activity and development due to the reallocation of investment to green technology and sectors, research and development in the first few years of transition, long-term economic development is likely to be faster with more employment opportunities and greater alleviation of poverty. Furthermore, the use of energy efficient resources may be costly, however, in the long term, energy usage can be decreased and money can be saved.

Although the promotion and transition to a green economy are both listed as important issues on the agendas of the many MEDCs, a majority of less economically developed countries (LEDCs) still face financial and technological difficulties to do so. Governments, of LEDCs especially, will need to make key

decisions as whether to alleviate immediate needs such as access to energy or to invest in renewable energy sources. During transitions, further measures and policies for unsustainable and un-environmental friendly industries are also needed to ensure and prevent the economic consequences of the diminution of these industries.

### **Key Issues**

#### **Limited Database to Quantify Progress and "Greenness"**

There exists indicators and measurements provided by reputable organizations such as OECD and UNEP with the green GDP and CO2 productivity and more. However, there lacks universal and commonly accepted measurements that capture economic transformation of the environment that also take into consideration of human and social factors. This issue is exacerbated by insufficient data collection especially in less economically developed countries (LEDCs) where mainstream data and information are already difficult to obtain. The limitation of non-widespread indicators and measurements has also caused these measurements to play less of a role in policy making as opposed to key economic indicators such as gross domestic product values (GDP).

#### **Lack of Awareness**

Even now, as more people are finally becoming more aware and educated of the environment due to overexploitation and climate change, many are still oblivious of the impact current human actions will bring in/to the future. Even though the idea of a green economy may seem extraneous, the transition to a green economy will impact a nation in all levels and economic sectors and beyond. Furthermore, it is imperative to know that most economic activities requiring or related to the use of fossil fuels need to be adapted to realistically and effectively to make a difference that is long-term and sustainable. However, due to the long-term nature of such transitions, it is often difficult for lobbyist and policy makers to garner support and attention, as it is also hard for people to see clear results and convincing evidence. And without the support of the general public, plans and reforms lack enough funding or attention to be implemented and continued. Therefore, the awareness and education of the importance of a green economy are extremely crucial to the promotion and transition to a green economy in any nation.

#### **Opposition of Energy-intensive industries**

As green energy and more sustainable resources are becoming more popular and commonplace, traditional energy sources and energy-intensive industries such as those of fossil fuels and mining will face greater competition. As a result, opposition will definitely rise as livelihoods and profits in those industries will be significantly affected if greener technology, resources and policies are in place. Industries affected or even replaced by greener alternatives are often neglected and causing more issues, especially unemployment, than progress in the transition to a green economy.

### **Major Parties Involved and Their Views**

#### **Green Economy Initiative (GEI)**

This is a UNEP-led initiative that supports the investment in green sectors and "greening" environmental friendly sectors through analysis and policies. GEI publishes the Green Economy Report and related research material to provide guidance on policies and catalyze increase in investments. GEI also provides advisory services on methods to progress towards a green economy in specific countries. The initiative also created Partnership for Action on Green Economy (PAGE) to further support the transition to a green economy with new jobs and skills, clean technologies, and reduced environmental risks and poverty.

#### **Green Economy Coalition (GEC)**

GEC is a global network of businesses, research institutes, non-governmental organizations (NGOs), UN organizations, and trade unions committed to accelerate the transition to a green economy. This multi-stakeholder network believes in the importance of environmental sustainability and social equity. GEC has been actively coordinating and representing both national and international dialogues on a green economy. Furthermore, it also conducts research to identify necessary policy for transition and lobbies key decision makers.

#### **European Environmental Agency (EEA)**

An agency of the European Union (EU), the EEA has continued to work towards a greener economy with environmental and economic policy goals integrated into its Europe 2020 strategy. According to the Environmental Indicator report 2012 published by the EEA, the EU has made progress in both improving resource

efficiency and preserving ecosystem resilience. Long-term strategies determined are aimed to reduce damage caused by unsustainable use of natural resources. EEA states that in managing resources, environmental impacts caused by extraction of raw materials to the use of products and the disposal of such waste should be all be reduced. It also suggests to better improve product designs and encourage less wasteful manufacturing processes in order to more effectively manage the finite resources on Earth.

# **Timeline of Relevant Resolutions, Treaties and Events**

#### Date Description of event

June 1972 United Nations Conference on the Human Environment

One of the first global conferences to focus on human interactions with the environment. The Stockholm Declaration, listed with 26 principles regarding the environment and development was agreed upon.

# June 1992 United Nations Conference on Environment and Development (Rio Conference)

The themes of this conference were sustainable development and the environment. The conference focused on issues of the production of toxic components, replacement of fossil fuels with alternative energy sources, reliance on public transportation, and the scarcity of water. The Rio Declaration on Environment and Development (Rio Declaration) was conceived and agreed up by 178 governments at this conference to guide countries on sustainable development. Agenda 21 was also produced as a non-binding, voluntary action plan for a sustainable development at global, national, and local levels.

# December 11, **Kyoto Protocol** 1997

The Protocol acknowledges that global warming exists and is caused by man-made carbon dioxide emissions. It was signed and ratified to require worldwide cut in emission of 5.2%. The Protocol also mandated greenhouse gases including carbon dioxide, methane, nitrous oxide and sulphur hexafluoride emission reduction targets for developed countries. However, then developing nations

such as China, South Korea, and Mexico were given no targets on emissions reduction at that time.

#### December

#### **Eco-innovation Action Plan (EcoAP)**

2011

EcoAP was launched by the European Commission (EC), the executive body of the EU, to ensure more efficient use of increasingly scarce resources, create jobs and growth. The Action Plan focused on technological as well as non-technological innovations and the mobilization of additional financial resources to address barriers to eco-innovation. EcoAP is a key element of the EU's policy framework for a green economy especially with more sustainable consumption and production.

# June 2012 United Nations Conference on Sustainable Development (Rio+20)

This is the most participatory conference in history and one of the first international conferences to focus on the concept of a green economy. The two main themes of Rio+20 include how to build a green economy in regards to sustainable development and poverty eradication, and how to improve international coordination for sustainable development. Furthermore, the conference also prioritized seven issues including decent jobs, energy, sustainable cities, food security, water, oceans, and disasters readiness. Private sectors, governments, and other organizations pledged more than 513 billion dollars to build a sustainable future at this conference.

<u>A/RES/66/288 The Future We Want</u> is the outcome document of this conference. UNEP's greater funding and universal membership, the concept of sustainable development goals, and monetary commitment are some of the key achievements in this resolution.

#### April 2015 World Green Economy Summit 2015 (WGES)

This series of annual summits is an initiative by the Dubai Electricity and Water Authority and is supported by the Dubai Supreme Council of Energy. It is also the only conference of this kind in the Middle East and Northern Africa region. The summit's main objectives were to maintain WGES platform for green economy,

follow up commitments of the Dubai Declaration, and develop public-private partnership and green economy marketplace platform.

November-December 2015

#### 2015 United Nations Climate Change Conference (COP21)

Over 190 countries agreed to the goal of limiting global temperature rise to 1.5 degrees including high greenhouse gas emission nations such as the People's Republic of China. The agreement drafted and negotiated during the conference, the Paris Agreement, is to be signed on Earth Day (Apr. 22 2016). In addition to the limit of global temperature rise, the Paris Agreement is also aimed to increase the ability to adapt to adverse climate change and foster climate resilience and low greenhouse gas emission development.

# Evaluation of Previous Attempts to Solve the Issue Republic of Korea (ROK)

ROK adopted and implemented a five-year plan between 2009-2013, allocating 2% of its GDP to investment in renewable energy, energy efficiency, clean technology and water. During the period, ROK also launched the Global Green Growth Institute to help developing countries develop green growth strategies. According to OECD's green growth indicators, improvements in environmental and resource productivity, energy productivity and domestic material consumption have been made since 2000. Performance in recent years could have been better, however. The ROK government also initiated the Four Major Rivers Restoration project. The project aims to improve water quality in the four rivers and enhance local regional development around the rivers. Not only will the project create waterways resistant to floods and droughts and expand sewage treatment facilities to better water quality, the project will also stimulate local economies and development through cultural and tourism activities, creating a total of 340,000 employment opportunities.

#### **United Mexican States (Mexico)**

As a newly industrialized country, Mexico tackled the issue of traffic congestion with its Bus Rapid Transit (BRT) system. BRT is a sophisticated system with dedicated lanes in city streets for buses. Many countries has since adopted BRT

but Mexico remains one of the most successful models with reduced commuting times and air pollution as well as improved access to public transportation. The success of BRT in Mexico has led to federal government investment in urban public transit for the first time.

#### **Pathways Out of Poverty (POP)**

Administered by the United States Department of Labor, POP is a national workforce development program that trains disadvantaged populations for employment in energy efficient and renewable industries, also known as green jobs. POP also provides GED services, literacy instruction, computer training and other basic trainings on top of skills trainings needed to enter the green job market. Some of the trainings include jobs in biofuel manufacturing, environmental protection, and sustainable manufacturing thereby increasing employment within the United States of America (USA). This is still a relatively new project, however it is projected to have more than 6000 individuals gain employment.

#### **Socialist Republic of Vietnam**

The Vietnamese government adopted the Viet Nam National Green Growth Strategy (VNGGS) in 2012 to reduce energy consumption and GHG emissions, and boost green economy sectors. As a rapidly developing country, Viet Nam has been employing and exploiting non-renewable natural resources. Furthermore, the strategy targets to disconnect GHG emissions from economic growth, develop green industry technologies and equipment, and invest in green capital. VBGGS also addresses the issue of social transitions with plans to greener lifestyles by combining traditional lifestyles with other means and create quality and traditionally rooted living standards by creating green jobs. According to the Belgian Development Agency (BTS), this green growth strategy is one of great ambition especially for a rapidly growing economy. Further research on consumer trends and use of adapted Green Growth indicators are recommended by BTS.

#### **Possible Solutions**

#### **Continuation of Summits and Conferences**

Summits and conferences on all scales should be strongly encouraged and continued for all around discussion and collaboration between nations especially that of LEDCs and MEDCs. Regional conferences and forums, such as WGES previously held in UAE, can also stimulate greater exchange and partnership between nations

with similar main industries to develop strategies for more practical and effective transition to a green economy. Greater emphasis should also be put on research and development to continue the effort towards a green economy. This can be achieved through collaborating with NGOs and other specialized organizations such as the GEI and GEC.

#### **Development of Universal Database for Green Indicators and Measurements**

Measurements and analysis methods of green indicators should continue to be developed so that governments, policy makers and other stakeholders may use such figures that are comprehensive and credible to push for change and transition. Measurements should also integrate environmental and social factors on top of economic wellbeing.

#### **Increase Public Awareness and Education**

As stated earlier in this report, the concept of a green economy is still relatively new. As a result, education and awareness are two crucial aspects to promoting the transition to a green economy. With more people aware and educated, they will be able and more active in supporting and petitioning for policies and reforms that require large funds. Also, with education and awareness, people will realize the importance of preserving and sustaining resources the environment and take actions in everyday life. It is also important for the general public to understand what green indicators mean through explanation and analysis of such at a more accessible manner and level.

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