

Enabling policy frameworks are indispensable to steer these investments, for example, towards sustainable agriculture, fisheries or forestry, as well as sustainable transportation, manufacturing, housing, renewable energy or recycling infrastructure.

Many developing countries and emerging economies are currently defining country-specific strategies for their economies to become more inclusive, climate-friendly, resilient and resource-efficient. However, governments often face strong economic and social pressure, and transformational policies are difficult to advocate – unless proven socially and economically viable.

This is where the **BMUB, GIZ and UNEP project**, in cooperation with **PAGE**, offers support. It connects low-carbon development with social and economic co-benefits to help craft strategies for an Inclusive Green Economy. Guided and inspired by the SDGs, it aims to contribute to realistic implementation strategies as part of national (economic) policies and planning. Special emphasis is placed on Green Fiscal Policies. The project provides expertise and tailor-made capacity building in selected partner countries. Together with many other initiatives and concepts we believe it is possible to jointly alter course, well before 2030.

Inclusive Green Economy – making our economies deliver on SDGs

Countries all over the world are exploring their own pathways, opportunities and sectoral priorities with regard to Inclusive Green Economies. With the SDGs, a comprehensive set of goals and targets has been established, providing orientation for different sectors and fields of action and guidance on how we shape our economies (illustrative excerpts below):

Ensure sustainable food production systems (target 2.4.)
Substantially reduce number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination (target 3.9.)
Improve water quality by reducing pollution, substantially increase water-use efficiency, implement integrated water resources management (targets 6.3., 6.4., 6.5.)
Increase substantially the share of renewable energy and double the global rate of improvement in energy efficiency (targets 7.2., 7.3.)
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (goal 8)
Improve global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation (target 8.4.)
Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency...clean and environmentally sound technologies and industrial processes (target 9.4.)
Provide...sustainable transport systems for all (target 11.2.)
Ensure sustainable consumption and production patterns (goal 12)
Take urgent action to combat climate change and its impacts (goal 13)
Conserve, protect and sustainably use ecosystems such as oceans, forests or land (goal 14 and 15)



Inclusive Green Economy – Sources for Knowledge and Support:

- UNEP's Green Economy Initiative:
<http://www.unep.org/greeneconomy/>
- Partnership for Action on Green Economy (PAGE):
<http://www.un-page.org/>
- Green Fiscal Policy Network:
<http://www.greenfiscalspolicy.org/>
- Green Growth Knowledge Platform (GGKP):
<http://www.greengrowthknowledge.org/>
- International Climate Initiative (IKI):
<http://www.international-climate-initiative.com/>

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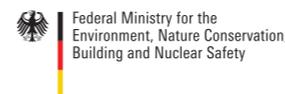
Setting Course for Inclusive Green Economies

A contribution to the 2030 Agenda for Sustainable Development

Project „Enhancing low-carbon development by greening the economy in co-operation with the Partnership for Action on Green Economy (PAGE)“

August 2014–July 2017

Supported by the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety's International Climate Initiative (IKI)



Inclusive Green Economy – paving the way for low-carbon development and SDGs

Ever since the era of industrialisation, most economies worldwide have been characterized by highly unsustainable production and consumption patterns. This has led to excessive greenhouse gas emissions, unsustainable use of natural resources, and environmental pollution; distribution of wealth and access to resources are disturbingly uneven. We have crossed four out of nine **planetary boundaries** with **climate change** being the most obvious symptom of a derailing system. Its impacts – such as repeated floods and droughts, water scarcity, degradation of terrestrial and marine ecosystems as well as the spreading of diseases – are clearly felt around the world. Social stress, conflicts and migration are among the consequences.

The 1.2 billion people living below the poverty line are particularly vulnerable and the most affected by climate change and resource depletion. The poor would benefit most from a resolute change of course towards an economy that respects environmental thresholds, ensures equitable living conditions and is driven by resource-efficient, ecosystem-protective, low-carbon investments. These are the cornerstones of an **Inclusive Green Economy**. At the **Rio+20 Conference**, this concept was recognized as an important vehicle to achieve sustainable development.

With the **2030 Agenda for Sustainable Development**, the global community has agreed on universal and integrated **Sustainable Development Goals (SDGs)**. SDG 8 aspires to “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” and to “decouple economic growth from environmental degradation”. But the urgent need for a transformation towards a greener and more inclusive economic development path is reflected in almost every goal.

Countries all over the world are now preparing to implement the SDGs. This opens a window of opportunity to change course in the next 15 years, which is a huge challenge and opportunity at the same time. It will be determined by the investment decisions and policy choices our societies take right now: Technology installed and infrastructure built now will define the range of production and consumption options for the next decades.



The project's activities

The project supports conceptual work as well as cooperation with selected partner countries on three continents. It is structured around four areas of action:

- 1) Contributing to successful Rio+20 follow-up activities and positioning the Inclusive Green Economy transition, geared towards low-carbon development, as a vehicle for implementing the 2030 Agenda for Sustainable Development;
- 2) Working conceptually on establishing an enabling environment for the transition towards a Green Economy and low carbon development with a focus on fiscal policy measures;

This includes the management of the **Green Fiscal Policy Network**, which is a collaborative effort between UNEP, IMF, and GIZ to facilitate knowledge sharing about fiscal policy reforms for a green economy transition. It provides web-based resources that guide countries' attempts to adopt carbon pricing, implement environmental taxes, and reform energy subsidies among others.

- 3) Providing advisory services for selected partner countries in cooperation with and complementary to the UN's Partnership for Action on Green Economy (PAGE);

Partner countries are:
China, Colombia, India, Peru, South Africa, Thailand, and Uruguay.

- 4) Sharing knowledge and contributing to / strengthening networks, disseminating results and experiences to foster mutual learning.

Supporting transition in partner countries

Cooperation with partner countries focuses on facilitating dialogue between different sectors and stakeholders, involving government agencies, the private sector, civil society and national research institutions. Particular attention is given to interministerial coordination.

Selected activities:

In **South Africa**, project activities include an analysis of the **Green Fund's** contribution towards national priorities in the transition towards an Inclusive Green Economy, highlighting synergies with low-carbon development and job creation. This will inform the debate on public spending and fiscal policy.

In **Thailand**, several **capacity building activities** were organized by the project, e.g. on economic instruments in the energy sector. This contributes to framing debates on a low carbon society which is embedded in the larger vision of a "Sufficiency Economy".

In **China**, the project is applying the **Environmental Goods and Services Sector (EGSS) accounting framework** to measure the development of China's environmental industry. Several pilot studies on the implementation of EGSS at the city level will be developed.

In **Uruguay**, the project supported a **Green Economy Assessment** including a macroeconomic modelling exercise to inform decision making. An interministerial working group has been established and is being strengthened through training in the field of Inclusive Green Economy as well as project and change management.

Making the case for change

→ "In the wake of the global financial crisis, it has become increasingly evident that generating growth and prosperity can and must be achieved within the ecological boundaries of a resource-constrained world. [...] A package of green investments – coupled with policy reforms that are aimed at making growth socially inclusive – offers economically viable options to reduce poverty and hunger, and address challenges of climate change and degradation of natural resources, while simultaneously providing new and sustainable pathways to economic development and prosperity."

Achim Steiner, UNEP Executive Director

→ "South Africa's approach is one of promoting sustainable development by prioritizing climate change responses that have significant mitigation benefits and have significant economic growth, job creation and poverty alleviation benefits."

Edna Molewa, South African Minister of Environmental Affairs

→ "The 2030 Agenda for Sustainable Development is a milestone on the path towards an inclusive green economy. It gives strong backing to poverty eradication and global environmental protection. Only a profound transformation can shift economies worldwide onto a sustainable path, ensuring social inclusiveness and conservation of our natural resources."

Barbara Hendricks, German Minister for Environment, Nature Conservation, Building and Nuclear Safety

The project partners

The project is being carried out jointly by the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), the United Nations Environment Programme (UNEP) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

BMUB focuses on advancing the international sustainability agenda, with the SDGs as a crucial milestone. Conceptually, its work is guided by approaches such as Inclusive Green Economy and low-carbon development, both domestically and internationally. BMUB also cooperates with partner countries in bilateral exchanges and policy dialogue on Inclusive Green Economy.

GIZ, as an implementing agency for international cooperation, contributes its expertise in the design and implementation of Inclusive Green Economy policies in partner countries, building on best practices in a variety of sectors and areas. GIZ also seeks opportunities to mainstream Inclusive Green Economy policies and link them with its relevant programmes in partner countries.

UNEP contributes analyses and policy dialogues on suitable indicators and frameworks for measuring progress, and on the design and implementation of macroeconomic policies for a green economy transition. UNEP also provides advisory services to partner countries wishing to pursue a greener and more inclusive economy through a range of its programmes and initiatives.

PAGE, the Partnership for Action on Green Economy, is a global partnership created to support nations and regions in reframing economic policies and practices around sustainability to foster economic growth, create jobs and income, reduce poverty and inequality, strengthen the ecological foundations of economies and help achieve the Sustainable Development Goals for up to twenty countries by 2020. It draws on the expertise of ILO, UNDP, UNEP, UNIDO and UNITAR.

The International Climate Initiative (IKI)

Since 2008, the International Climate Initiative (IKI) of the Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) has been financing climate and biodiversity projects in developing and newly industrialising countries, as well as in countries in transition.

