The State of the Green Economy

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Rationale: Why is an Inclusive Green Economy needed?

• A business-as-usual approach is no longer feasible: planetary boundaries constrain economic growth as traditionally conceived.

• Science tells us we are approaching and crossing bio-physical tipping points: environmental degradation threatens to undermine our collective well being.

• Threat exacerbated by a mounting social crisis, with growing unemployment and a daunting challenge to provide for new jobs and income opportunities, especially for youth.

• This calls for bold action to find new pathways for creating prosperity, decent work and income within a resource-constrained world.
Key numbers

National savings in LDCs, adjusted for depletion of natural resources, declined since late 1990s and were almost zero in 2008.

![Graph showing national savings](chart)

Source: UNCTAD, LDC Report 2010

UNEP research shows that a green economy would **reduce global ecological footprint by over 20% in 2020** and by nearly 50% in 2050, as compared to business as usual.
Key numbers

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

(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.

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

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

(e) 10 YFP: Adoption of a 10-Year Framework of Programmes on Sustainable Consumption and Production.
UNEP Green Economy Advisory Services

• Technical assistance to countries seeking to make a transition to a Green Economy

• Rapid response to countries with strong commitment to Green Economy

Supporting the development of strategies to green national economies building on national development priorities, forging extensive partnerships, and enhancing analytical capacities in countries.
National Level Actions and Outcomes: Barbados

Supporting green economy objectives of Barbados’ National Strategic Plan (2006-2025)

Launch of Government of Barbados-University of West Indies-UNEP partnership (February 2011)

Integration of green economy objectives in Barbados UNDAF (April 2011)

Validation of green economy scoping study by Prime Minister of Barbados (March 2012)

Announcement of Regional Initiative of green economy in the Caribbean region with EU support (March 2012)

Government of Barbados, UWI, UNEP

Government of Barbados, UN Country Team

Government of Barbados, UWI, UNEP

Government of Barbados, representatives of 8 Caribbean countries

Prime Minister Freundel Stuart receiving a copy of the Green Economy report from UNEP Regional Director for Latin America and the Caribbean. (A. Miller/BGIS)
National Level Actions and Outcomes: Kenya

National green economy workshops

Inter-Ministerial Committee on Green Economy

National Green Economy Assessment focusing on priorities sectors for Kenya’s Vision 2030


Validation workshop of Kenya GE Assessment, 5 Sept 2012, Nairobi
Key findings of Kenya green economy assessment: GDP and income

- National real GDP is projected to exceed the baseline by 6-19% by 2030, to reach Ksh 3.5-3.9 trillion.
- Annual real GDP growth rates with and without intervention are 4-5% and 3.7% respectively in the 2010-2030 period on average.
- Real per capita national income would rise to Ksh 57,000 – 64,000 in 2030 compared to Ksh 40,000 in 2010 and Ksh 53,000 in 2030 under the BAU scenario.
- The proportion of population below poverty line is expected to be about 3% points lower than the baseline, at 23% by 2030.
Key findings of Kenya green economy assessment: Agricultural productivity

In the agriculture sector (crop cultivation, livestock, fishery and forestry) production is projected to rise to Ksh 560-600 billion/year in 2030, exceeding the baseline by at least 23%.

A number of GE measures (such as the water and land use investments) will mitigate the impact of climate change on productivity, promote more sustainable farming and boost crop yields relative to the BAU case, consequently improving nutrition and food security.
Costa Rica

..and it can be done

1940 (Cobertura Forestal 75%)
1950 (Cobertura Forestal 72%)
1961 (Cobertura Forestal 53%)

1977 (Cobertura Forestal 31%)
1983 (Cobertura Forestal 26%)
1987 (Cobertura Forestal 21%)

1997 (Cobertura Forestal 42%)
2000 (Cobertura Forestal 47%)
2005 (Cobertura Forestal 51%)

GDP 3,574
GDP 8,719
Private sector needs to be part of the solution ...

Estimates of funding needed ...

Public funding available Simula Ardo (2010)
Partnership for Action on Green Economy (PAGE) Partnerships

- UNEP, WB, OECD, GGGI
- UNEP working with 40 Agencies in the UN system
- UNEP, UNDP, ILO, Governments, National Institutions
- ILO, ITUC, IOE, UNEP
- Green Jobs Initiative
- Green Growth Knowledge Platform
- Advisory Services
- Inter-agency Partnerships
- Networking with Civil Society and Private Sector
- GEC, GGGF, UN Global Compact

GEC Green Economy Coalition
GGGF Global Green Growth Forum Development
GGGI Global Green Growth Institute
ILO International Labour Organization
IOE International Organization of Employers
ITUC International Trade Union Confederation
OECD Organization of Economic Cooperation & Development
UNDP United Nations Development Programme
WB World Bank
Partnership for Action on GREEN economy

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