



Summary Report of the Consultation on a Global Green New Deal (GGND)

**International Conference Centre Geneva,
Conference Centre Varembe**

**Geneva
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1. Proposed Timeline

- Working draft by mid January 2009
- Expert meeting in New York early February 2009
- Introduce the GGND report by mid-February (UNEP GC/GMEF meeting in Nairobi)

2. Plenary

Introduction by Ed Barbier, University of Wyoming

- The audience for the GGND report is Policy Makers. What they want to know is will GGND win votes and can they actually do anything about it? We are advocating change and change is painful.
- We need to present concrete policy recommendations, without too many options.
- Get academic credibility for recommendations.
- Be clear and precise. Do not use jargon beyond 'Global Green New Deal'. The priority sectors as currently formulated still read like buzzwords; support them with specific ideas.
- Give praise to Policy Makers for something that they're already doing, no matter how small.
- Give policy makers a vision: tell them what a Green Economy would look like.
- Think away from the norm in order to refine focus.
- Ask what the current world would look like beyond the crisis:
 - Who are emerging as the main players? (China, India, Russia, Brazil, Iran)
 - What is the most serious economic problem in the world today?
 - The fact that 1.2 billion people live on less than \$1 / day.
 - What is the most serious environmental concern?
 - Ecological scarcity / ecological debt crisis.
 - The increase in economic development has led to a decline in ecosystem services.

Green New Deal, presented by Colin Hines, New Economics Foundation

- In July 2008, the New Economics Foundation (NEF) released a report entitled “A Green New Deal”. Inspired by former US President Franklin D. Roosevelt’s “New Deal” during the Great Depression of the 1930s, the report, produced for the United Kingdom, demonstrated ways to deal with the economic crisis. The report suggested restructuring the financial, taxation and energy systems to promote Green Economies such as energy efficient buildings.
- The Global Green New Deal should include similar strategies to assist governments to take a leadership role in developing solutions to the current financial crises.
- The Global Green New Deal should look at how to create more jobs, deal with rising inflation, improve resource allocation, create a better monitoring and measuring method than GDP, and include re-education and training programmes for new and/or improved *Green* infrastructure.

3. Regional Group Discussions

Groups were divided up into three, based on geographic regions and the number of participants from the regions. These included: the Americas (North, Central and South), Asia and Africa, and Europe Zone (European countries and Russia).

Groups were asked to discuss, based on their regions, if a shift from the old economy was needed, and what are the top five (ranked) policy recommendations each region would have for the GGND. Table 1 summarizes the priority recommendations as defined by each region and detailed in the following sections.

Table 1: Regional Priority Recommendations

Region	Asia and Africa	Europe Zone	SEE, EECCA, and Russia	Americas
Priority 1	Green Infrastructure Development	Greening public buildings for energy, water and waste efficiency	Politically feasible interventions	Reduce Carbon Dependency
Priority 2	Re-skilling and retraining	Public procurement	Economically feasible measures for retrofitting brown sectors	Expand Obama’s Energy Efficiency Initiative
Priority 3	Better Incentive Systems	Greening fuel and food efficiency	Rethought, revised and comprehensive Public-Private Partnership packages	Expand Green Energy Supply Options
Priority 4	Institutional governance reforms	R&D for transport/mobility, including air and rail	Energy & Environmental Governance	Shift to Sustainable Transport

			Cooperation between EU and its neighborhood	
Priority 5	International trust fund	Re-training and re-skilling	Ecosystem Payment	Shift to Sustainable Agriculture

Asia and Africa

- Only rebooting the financial systems is not an option. This would result in:
 - continued carbon-dependency, natural resource degradation, incorrect pricing of natural capital and associated chaos due to rent seeking, unfair trade barriers and agricultural subsidies that preclude global competitiveness by the LDC countries especially in the agricultural and manufacturing sectors, continued transfer of technologies of the “brown economy” to the LDCs, growth in “brown jobs”, and international institutional arrangements that preclude sustainable growth in the LDCs and perhaps any form of significant growth in the LDCs.
- The GGND must therefore represent the quantum change in the financial architectures of the “Brown Economy”, not an incremental change in the Bretton Woods system.
- Green economic policies and action plans must respond to the sustainable development agenda and contribute to the mainstreaming of economic, social and environmental sustainability.
- Overarching policy option should include: greening international incentive systems to promote green growth, i.e. low carbon development in the LDCs, and re-tooling of the developed countries to return to a green growth path. Specific policy focus should be on provision of financial and fiscal incentives for green growth including investments in (i) development of decentralised green energy supply and smart grid systems, (ii) integrated water supply management, (iii) green waste management, (iv) green transport & mobility systems, and (v) sustainable agriculture (smart irrigation systems, investment in sustainable agricultural innovations) and (vi) reforms of the Breton Woods Institutions and national subsidies and tax systems.

Suggested Policy Recommendations for Asia and Africa

1) Green Infrastructure Development:

Global investment in public infrastructure, including off-grid renewable energy (decentralised energy systems); green public transport/mobility systems, and portable water supply to all households. Specific measures would include:

- Global support for R&D on decentralised renewable energy options, including solar, wind, tidal, geothermal, etc.
- Incentives for smart grid development in the LDCs. Focus on decentralised supply, reduced leakage and improved efficiency and energy pricing.
- Investments in mindset change against the growing “car dependency” (the carbon economy) to cost effective healthy public transport & mobility systems, e.g. creation of bike paths, lanes and facilities in city roads, laws to include this in new

constructions, measures to encourage efficient public transport systems in cities (smart rails, bus, tram systems), and building good roads to link production sites (farms) to local and international markets.

- Innovative incentives (taxation and subsidy schemes, pricing schemes for environmental assets, e.g. water, biodiversity, tree planting, and agro-forestry schemes. etc). This could be framed in the form of payments for environmental stewardship schemes, land use contracts, etc.

2) Re-skilling & retraining:

New international investments in building capacity in green science, technology and innovation systems at all scales. Specific measures will include:

- Global investments in re-skilling and re-training programmes for public & private sector actors in LDCs to build necessary science, technology and innovation (STI) capacity for the generation and use of clean technologies needed for the New Green Economy, including change in academic curricula, support for STI capacity building institutions and networks, development of national innovation systems, etc.

3) Better Incentive Systems:

Tackle perverse subsidies, tax systems and trade barriers within the WTO framework, including issues of agricultural subsidies & trade barriers. Shift towards better use of subsidies and other incentives for creating green jobs, correct pricing of natural capital and poverty alleviation in the LDCs.

- Eliminate fossil fuel subsidies
- Eliminate agricultural subsidies
- Eliminate trade distortions including agricultural subsidies in the EU and US
- Subsidise sustainable agricultural practices
- Support/subsidize green growth initiatives, e.g. renewable energy production
- Support capacity building in green STI initiatives
- Support clean technologies and national innovations systems

4) Institutional governance reforms:

International systems to promote institutional/governance reforms to enhance benefit sharing and equitable international income distributions (appropriate mechanisms to ensure equitable distribution of incomes).

5) International trust fund:

Funded through the user-pay principle to ensure proper delivery of and payments for ecosystem services.

Comments from the discussions:

- Were there any distinctions considered between Asia and Africa?
 - It was acknowledged that the Chinese economy is ahead of those in Africa and India.
- Was there any consideration of opportunities for South-South technological cooperation?
 - Yes, in particular with decentralised energy systems.

Europe Zone

This group agreed that due to the vast differences between areas within this region, two further subgroups should be formed:

- Europe; and
- South East Europe (SEE), Eastern Europe, Caucasus and Central Asia (EECCA), and Russia

Europe

1) Suggest 50 billion euros for greening public buildings for energy, water, and waste efficiency.

- In addition to energy saving retrofits:
 - Phase out 20 litre toilet tanks.
 - Encourage water saving devices.

2) Public procurement.

- Need green procurement policy on transport.
- As expenditures for the war in Iraq are declining, funds should be made available for green sectors.
- Promote small green business and lower/eliminate barriers.
- Environmental responsibility/liability; full cost price labeling.

3) Greening fuel and food subsidies to enhance efficiency.

4) R&D for transport / mobility, including air and rail.

- It was suggested that bailouts are dangerous, unsustainable, leaving little room in years to come for stimulus packages.
- Develop recommendation on bailouts and subsidies, connect them to the green initiatives
- Promote R&D.
- Speed up regulation for restructuring airline routes for increased energy efficiency.
- Introduce more congestion charges.

5) Suggest 500b euros for re-training and re-skilling.

SEE, EECCA, and Russia

1) Politically feasible interventions.

- To include green conditionality in EU-subsidised schemes and in technology transfer in general.

2) Economically feasible measures for retrofitting brown sectors.

- Construction work to insulate public buildings, flats and factories.
- Closing mines and turning areas into tourism destinations or reducing air pollution and improving urban health.

3) Rethought, revised and comprehensive Public-Private Partnership packages.

- In areas of water use, decentralised heating and waste management.

4) Energy & Environmental Governance Cooperation between EU and its Neighbourhood”.

5) Ecosystem Payment.

- In conjunction with poverty reduction measures.

The Americas

Is Rebooting the Financial System (RFS) enough?

- RFS alone may not revive the economy
- A massive fiscal stimulus is necessary
- But the result will be reviving a **“brown” economy**.
 - Environmental loss and scarcity
 - 20th century jobs and skills
 - Carbon-dependent, resource-intensive economy.
 - For the “average Jo(e)”, the **“16-ton economy”** – (large inefficient transport truck economy).

Suggested Policy Recommendations for the Americas Region

1) Reduce Carbon Dependency

- Eliminate all fossil fuel subsidies
- Implement pricing and trading of carbon across all sectors
- “No sector left behind” policy

2) Expand Obama’s Energy Efficiency Initiative

- Convert half of the North America building stock in 10 years.
- Mandatory for all new buildings in North America.
- Convert all dwellings of wealthy households in Latin America.
- Build/improve dwellings of poor homes in Latin America.

3) Expand Green Energy Supply Options

- R&D in renewables, solar, wind, tidal, geothermal energies.
- “Smart grid”: improve efficiency and decentralised supply, reduce leakage.
- Innovative pricing: subsidies, peak/off peak loads.
- Subsidise renewable supply for homes in Latin America.
- R&D in clean(er) supply: clean coal, carbon sequestration, combined heat and power, etc.

4) Shift to Sustainable Transport

- “Back to the Future”: Recreate the public transport system of the 1950s.
- Invest in “smart cars”: hybrids, EVs, and batteries.*
- Pricing: gas taxes, tax rebates, road pricing
- Bike paths, lanes, facilities.
- Pedestrian friendly cities.

5) Shift to Sustainable Agriculture

- Redirect subsidies from conventional industrial agriculture to R&D in organic and sustainable agriculture (OSA).and assist farm conversion to OSA.
- Remove “lose-lose” trade distortions (e.g US protection against Brazil ethanol imports).*
- Improved water pricing and markets for North America.
- Reduce deforestation, improve irrigation efficiency.



Comments from the discussions:

- These policy recommendations would not resonate well in Latin America because its financial structure differs from North Americas. There is a need to change fiscal policy and control capital flows.
- It is essential for the US and China to buy-in to any green trade policies, and Latin America needs more *green* plants.
- Biofuels should be included in the solution.