

The Donor Committee for Enterprise Development

Green Growth Working Group (GGWG) Minutes Copenhagen, 16 June 2015

3 August 2015

Participants

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Kees van der Ree, ILO
Joseph Wazniak, ITC

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Ola Nilsmo, Sida
Peter Roslander, Sida
Geert van der Veen, Technopolis
Eleanor Bell, DCED
Naeeda Crishna Morgado, OECD (by VC)
Omer van Renterghem, Netherlands MoFA (by vc)

Apologies

Ben Simuyand, DFID

Petra Schwager, UNIDO

The <u>Annex</u> at the end of this document summarises the main action points agreed during the meeting.

Welcome remarks, review of agenda

Kees van der Ree welcomed participants and outlined the agenda.

Business arising from the last meeting

All action points agreed at the last meeting had been given follow up and would be covered later on in the meeting.

The stocktaking report had proved useful in several member agencies. Eleanor Bell is to circulate the PowerPoint which can form a basis for an internal presentation of the stocktaking.

The work plan for 2015-2016 was approved.

Comparison of agency approaches to green growth: green growth mainstreaming

Naeeda Crishna Morgado of the OECD DAC Secretariat gave a presentation on the approach to green growth within OECD, which she is to circulate. OECD is mainstreaming environmental concerns into its programming, in order to ensure a comprehensive approach to green growth. She noted that the outcome of mainstreaming is typically carrying out an environmental screening of projects prior to intervention.

For GIZ mainstreaming green growth is considered important to ensure best practice and takes place in various forms and formats. Internal event series, along with training for field staff and partners, are used to encourage green growth. It was noted that identifying priority areas where mainstreaming is feasible, and then showcasing examples where mainstreaming has been achieved in practice, has potential for encouraging wider uptake of good practice.

For German Development Cooperation (BMZ) an 'environmental & climate assessment' mandatory already during planning - for every project. As a result all programmes are given a marker on environment, mitigation and adaptation stating the role they are expected to play in relation to green growth. Either specific green indicators will be formulated or green concerns will be integrated in other indicators.

Danida has developed a screening tool and guidelines to encourage staff to take into account green growth concerns. Encouraging the use of these at embassy level remains a challenge, however.

The World Bank's current focus in this area is related green growth activities to competitiveness, to encourage governments to adopt green growth policies. The World Bank is active in awareness raising with partners at the country level.

ITC is concerned with both compulsory and voluntary standards. It works to connect suppliers with buyers, to help buyers understand and value the environmental and CSR measures suppliers are taking. ITC is also active in promoting coherent use of consumer labelling.

Sida does not specifically use the term green growth in its internal procedures. However it is mandatory for all interventions to assess environment and climate risks and opportunities. In some countries and at global level Sida supports programs with a focus on green economy/green growth. It was noted that the SDGs may be influential in directing the process of mainstreaming. The GGWG could play a role in providing guidance which could help projects to align themselves with the environmental aspects of the SDGs.

Based on the inputs and the further reflections by the group, a task team was set up to explore options for further work by the GGWG, on the mainstreaming of inclusive green growth. The team would include Olof Drakenburg, Omer van Renterghem and Naeeda Crishna Morgado. The team was invited to develop a short concept note on the increased attention on mainstreaming inclusive green growth among agencies and the options for further work and possible outputs by the GGWG in 2015 – 2016. The note would be presented to GGWG members at the next GGWG meeting in the fall of 2015.

Climate Change Adaptation and Resilience – Considering side event at the COP21 Paris 2015

GIZ will present on its work on financing for climate change adaptation at a side event of the COP21. OECD is also working on the financing aspect of adaptation. Naeeda Crishna Morgado is to circulate OECD's work on development finance institutions and investment in adaptation.

A task team to develop ideas for a side-event was formed, with Hans Jo Zinnkann and Alexios Pantelias. Key questions to be resolved include the specific topic of the event, whether the event should be a workshop or knowledge input and who to partner with.

Organisations who could be partnered with include UN Global Compact, Caring for Climate and CEO Water Mandate. Working group members are encouraged to send Eleanor Bell additional suggestions.

Joint work item with Business Environment Working Group (BEWG): Business Environment Reform for Inclusive Green Growth

Geert van der Veen presented Technopolis's draft project plan for this work item.

It was noted that the number of 'factsheets' on different policy measures proposed (25-40) was ambitious, and that perhaps would prove time-consuming and affect the quality of the factsheets produced.

The desire to include relevant data and indicators on each factsheet should not bias the selection of policy measures towards geographical regions where this information is more plentiful, because of

the risk of missing lessons from other areas. Qualitative data should be considered in addition to quantitative data, although the trade-offs in precision of measurement must be taken into account.

Examples of failures, in addition to successes, will be included for learning purposes. Working group members have a key role to play in suggesting examples of failures, because these are hard to find otherwise.

The work item will draw upon experiences from economies which are more developed than those which working group members typically intervene in, as long as there is potential to transfer the policy measure in question. It was suggested that China and other MICs be considered for these purposes.

It was felt that voluntary standards should also be included in the work item, because compliance with them can be encouraged by donors, and because they can lead to business environment reform by changing the context for BER interventions.

Informal SMEs should also be taken into account, although it is very challenging to collect information on these.

As a next step, Technopolis will send a long list of policy measures in specific countries, an working group members are invited to share which policy measures they feel should be prioritised in the work item.

Agency Updates

Sida is influenced by the new Swedish Government's high priority given to environment and climate issues. Sida is looking for opportunities to upscale successful examples of private sector development and private sector engagement, not least related to sustainable value chains.

ITC has partnered with UN Global Compact to identify opportunities to bolster the competitiveness of small- and medium-sized agribusinesses, enabling them to better contribute to global food security while making production more environmentally and socially sustainable. This will be showcased at the General Assembly for Sustainable Development Goals in New York.

GIZ has made progress on the value chain handbook 'ValueLinks 2.0', and will circulate them for review shortly. A guideline with tools have been developed together with ILO to assist green and inclusive value chain assessment and selection. This will be finalised in August. The EQuIP toolbox is about to be published. It focuses on industrial policy but is also relevant to value chains. A new project on guidelines for green business model promotion has been launched, and an associated workshop is planned.

IFC's Sustainable Energy Market Development team works in 3 categories: innovation and entrepreneurship; climate efficient industries; and green buildings. The relationship between green growth policies and competitiveness is a core focus. An event on Low Carbon Industrial Zones will be held in Korea, in October. An event on green growth and competitiveness will be held in Washington DC in November.

ILO's International Labour Conference 2015 dedicated one day to climate change and jobs. More details can be seen on the <u>conference website</u>. The staff and programme resources dedicated to green jobs are increasing. The Commission for the Future of Work, which will be launched at the ILO's Centenary in 2019, will include a vision on climate change and this will be reflected in stronger attention to climate change within the ILO going forwards. The ILO offers training on green jobs on demand internally, to aid the mainstreaming process. A certified programme may be offered to a wider audience in the future. Case studies on youth entrepreneurship in green business sectors are being collected from Asia, for a regional knowledge management event with Governments and the private sector in China (city of Wuxi), 27-29 October.

Annex: Summary of Action Points Agreed

	What?	By Whom?	By When?
1.	Circulate PowerPoint Presentation on stocktaking	Eleanor Bell	Asap
2.	Hold teleconference on options for further work on mainstreaming green growth	Eleanor Bell (facilitator) Olof Drakenburg, Omer van Renterghem, Naeeda Crishna Morgado	31 Aug.
3.	Hold teleconference on side event at COP21	Hans Joachin Zinnkann, Naeeda Crishna and Alexios Pantelias	Asap
4.	Send list of policy measures to GGWG for prioritisation	Technopolis	Asap
5.	Circulate new ValueLinks 2.0 module on business models for GVCD	Hans Joachim Zinnkann	Asap