



The Donor Committee for Enterprise Development

Draft Green Growth Working Group (GGWG) Minutes
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Participants

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Shanti Jagannathan, ADB
Martina Kampmann, OECD
Armand Rioust de Largentaye, AFD
Cristina Martinez, OECD
Cathelijne van Melle, Enclude
Mauro Pisu, OECD
Kees Van Der Ree, ILO

Sunita Sanghi, Planning Commission, GoI
(observer as taking part in Green Skills Forum)
Petra Schwager, UNIDO
Sjoerd Smit, Netherlands MoFA
Nienke Stam, Enclude
Florence Tartanac, FAO
Kim Nguyen Van, GIZ (chair)
Hans-Joachim Zinnkann, GIZ
Ashley Aarons, Secretariat
Eleanor Bell, Secretariat

Apologies

Olof Drakenberg, Sida
Ben Petrazzini, IDRC
Stefanie Reiher, GIZ

Mika Vehnamaki, Finland MoFA
Henrik Vistisen, Danida

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

Welcome remarks, review of agenda

Kim Nguyen Van welcomed participants, thanking the OECD for hosting the meeting and introducing an observer from the Government of India, and outlined the agenda.

Business arising from the last meeting

Action points agreed at the last meeting had been carried out and would be covered later on in the meeting. Further progress, however, had not been made on working more with programmes in the field, which could be considered for the future. Potential was noted in regards to a number of ILO programmes in Zambia and Kim Nguyen Van moving to South East Asia, while the stocktaking may additionally highlight regional clustering.

New GGWG Chair

Procedures for selecting a new chair were outlined and approved. Kees Van Der Ree and Cristina Martinez put themselves forward to be co-chairs, and highlighted their roles to date with the GGWG, the growing importance of GG within their respective agencies and more broadly, and the value they saw in the GGWG. Both nominees were approved together by acclamation.

OECD Knowledge Sharing Alliance

Martina Kampmann outlined the work of the OECD's new Knowledge Sharing Alliance. This has three objectives: to open up OECD's knowledge, inter-disciplinary policy expertise and peer learning networks; co-produce knowledge through peer learning; and establish feedback loops to learn from experiences in partner countries. A pilot programme 'Green Growth in Dynamic Asia' is studying GG in six Southeast Asian cities, and could be linked to the work of the GGWG. Though the focus is

currently on South East Asia, future steps could involve working with other cities, for instance in Latin America, if agencies and relevant cities saw value in this.

Green Growth Stocktaking

Cathelijne van Melle and Nienke Stam presented on progress on the GG inter-agency stocktaking. Similarities and divergences between agency definitions were highlighted, and the stocktaking will focus on activities supporting private sector development and environmentally sound development, both when activities are inclusive and when not. Criteria for selecting projects to review were outlined, including that projects are ongoing or completed, have a size of € 50,000 and over and have a significant implementation element (i.e. are not just stand-alone research). Four primary clustering approaches were proposed: the presence or not of an inclusive focus, intervention level, GG ambition level and leading intervention actors. Armand Rioust de Largentaye noted that AFD will publish a report on agency approaches to GG, in particular focusing on definitions used, and that Cathelijne van Melle and Nienke Stam can contact him for more information. The report will propose that GG is not substantially different to current sustainable development work, with no new financial instruments, for instance, but rather with more subtle differences in incentives and goals.

The GGWG noted that inclusive growth and poverty reduction were ultimate goals for a number of agencies, with private sector development an approach not an end in itself. Criteria for choosing projects could be clearer, for instance on whether the focus was on projects or broader programmes, and on local or international activities. However criteria should also not be overly inflexible and exclude projects that could bear interesting insights, for instance those by non DCED member organisations. In regards to clusters, it was suggested that the analysis be done first and then clusters, which should become more evident, be then selected. Theme and incentive were also suggested as potentially useful clusters, while concerns were raised with the potential implicit linearity in the proposed GG ambition level cluster. The stocktaking should not only focus on SMEs, and should also consider agency work with larger companies, which often nevertheless involves SMEs. Particularly valuable insights from the stocktaking were noted as: how portfolios develop to become greener and what drives this; what led to projects being particularly inclusive and how do greening and inclusive dimensions interact; learning about knowledge gaps and best practice (which should not imply that some results cannot also be highlighted); and what are the different intervention theories of change. Cathelijne van Melle and Nienke Stam will ask DCED members for information on 10 varied flagship GG projects, and disseminate further information on the criteria for selecting these; this will support ongoing online research.

Green Value Chain Development (GVCD)

Agencies briefly outlined how GVCD fits within their agency. There is growing interest in GVCs at **FAO**, and a publication is being developed and will be released next year with the Research Institute of Organic Agriculture FiBL. **ADB's** interventions are not directly focused on GVCD, but on policy research and dialogue at the country level on green growth and climate change mitigation and adaptation. **GIZ's** work in GVCD cuts across several departments, with projects mainly in agriculture, but also in e.g. manufacturing, construction, tourism, while green business models, assessment tools and market potentials are increasingly being supported. The value chain development methodology ValueLinks is currently being updated to more systematically and consistently consider ecological and social aspects. **AFD** is active in a number of relevant sectors, in particular building, and has, for instance, partnered with LaFarge in Nigeria to support the production of affordable housing using green techniques. **IFC** has a large advisory team focusing on value chains, with some follow up from its investment team. Often work involves helping aggregators extend technical assistance to suppliers, including in environmental sensitive industries such as coffee and palm oil. It is also promoting energy efficiency in the textile industries in Bangladesh and China. The **Netherlands MoFA** noted that the Sustainable Trade Initiative is in the process of scaling-up with additional support from Danida and SECO. The Initiative is currently active in 18 commodity sectors, where it develops cross industry PPPs to help make markets more sustainable. The **OECD** is working with the GGKP on global GVCs, one of the topics of the GGKP's 2013 Annual Conference. It is also working with agencies, including the EC and ABfD, to develop a report on global value chains, though this will not focus on green sectors. Support to green value chains is one aspect of **UNIDO's** work on renewable energy,

while a joint UN Joint Programme on Green Production and Trade in Vietnam was highlighted, which may be replicated in other places. Support is increasing for GVCD at **ILO**, with new sector programmes, including on green construction in Zambia, Kenya and potentially Mongolia, and support for enterprise-focused training to look at environmental issues. The DCED Value Chains database was also highlighted as a valuable source on broader value chain development materials.

Florence Tartanac presented on FAO's work partnering with the private sector to develop green food value chains. The assessment tool system, '[Sustainability Assessment of Food and Agriculture](#)', has been developed with a number of stakeholders to assess sustainability along agriculture, forestry and fisheries value chains, and has been pilot tested in 30 settings. FAO is also an observer of the [Sustainable Food Laboratory](#), a network of firms collaborating to create a more sustainable food system. A global initiative on food loss and waste reduction, [Save Food](#), was launched in 2011 with Messe Düsseldorf GmbH, and has grown rapidly, with several other agencies now involved. Hans Joachim Zinnkann presented on ValueLinks 2.0, a new version currently under development of GIZ's value chain development methodology [ValueLinks](#). One key update is that ecological and social concerns will be considered across all modules, in particular in chain analysis and strategy and value chain upgrading solutions. Further changes were noted, such as the new version will be taking into account the perspectives of governments and the private sector so it can be useable by them, and other agency and company methodologies will be highlighted. Other GVC assessment tools were also outlined, such as climate maps and hot spot analysis. Agencies were invited to links their tools and approaches to ValueLinks, while potentially the GGWG could oversee peer review of specific sections. The GGWG noted potential further work on GVCD around: working group members connecting on tool development and peer-review by email; knowledge and tools to be made more available, and linked to other DCED working groups as appropriate through the Secretariat; attempts to join up work of members at a national level for GCVD; and private sector representatives to be invited to future meetings.

Agency updates

IFC highlighted its renewable energy programmes and scale up of access to energy programmes in Africa, South Asia and East Asia Pacific. Further to the last update, increased commitment to priority areas like the renewable energy sector in Nepal and Pakistan were mentioned where IFC aims to achieve transformative impact through concentrated World Bank Group efforts in coordination with other development partners

Netherlands Ministry of Foreign Affairs is initiating an internal assessment of ways to encourage the private sector to offer climate funds.

OECD offered to circulate more internal information on global value chains, and called for more ideas on improving knowledge sharing. The OECD Green Growth Newsletters were also highlighted. The OECD will hold a knowledge sharing workshop in Indonesia at the end of February on the topic of the 'greening of cities'.

UNIDO is undertaking joint work with Business Assurance to promote water management best practices, in Africa and other regions. On-going work in promoting eco-industrial parks was also highlighted. UNIDO will run a summer training course on Green Industries, and there will be Green Industry Platform conference in November.

ILO is currently assessing its green jobs department, in particular looking at where there is potential for new green jobs. A thematic report, 'Water and Jobs 2016', is planned with Water Alliance Stockholm. The UN PAGE will hold its inaugural conference 4 - 5 March 2014. The ILO has launched a new 'green economy academy', a two week event in Turin, October, to share knowledge. The ILO is also offering E-Learning courses in green jobs and green economy.

FAO has begun implementing a new plan, which represents a shift from agricultural production to the food system and a focus on improving knowledge sharing internally. Value chain development is part of one of the plan's five objectives. As noted earlier, the Save Food initiative is expanding rapidly.

ADB has an ongoing regional research project on education and training on greening economies,

based on four country studies. Country and regional workshops will be held later in the year on the outputs of this study. In addition, ADB runs a flagship Asia Leadership Program on Sustainable Development and Climate Change initiative.

GIZ is in the restructuring and development phase of the ValueLinks methodology. A global project on private sector climate change adaptation is underway. The emphasis on rural development and green vocational education training due to a new Minister in BMZ was noted. Following a workshop on promoting eco-innovations, a 'how to' brochure is now available. A training event on PSD in CAEs is planned for April 2014 in Germany. DIE will run a workshop on 14 March on trade-offs in green sustainable and inclusive growth.

AOB, next action steps and next meeting

The OECD's report, supported by the GGWG, on skills development by green and inclusive SMEs in India has nearly been completed. The report has recently been revised, to, in particular, include further data supplied by the Government of India. Sunida Sanghi outlined the significant work of the Indian government in regards to skills training, and challenges including the low educational base and large number of people to build up the skills of. It was noted that, as such, conclusions in the report could be very useful for the Government of India in its support to small businesses. A final report will shortly be sent around the group for comments.

The next meeting will be a teleconference 3pm CET, Tuesday 8 April 2014. The next meeting in person will be 8 July 2014, at which knowledge management will be further discussed.

Annex: Summary of Action Points Agreed

	What?	By Whom?	By When?
1.	Disseminate report on skills development by green and inclusive SMEs in India for final comments	Cristina Martinez	Asap
2.	Provide final comments on the skills development report	GGWG	Two weeks after report dissemination
4.	Ask members for information on 10 flagship GG projects, and provide further information on the selection criteria	Cathelijne van Melle and Nienke Stam	Done
5.	Share information on 10 flagship GG projects	GGWG	Asap
6.	Share information on value chain tool development and peer review by email	GGWG	Ongoing