

The Donor Committee for Enterprise Development

Green Growth Working Group (GGWG) Minutes Turin, Italy, 14 November 2013

26 November 2013

Participants

Juan Casado-Asensio, OECD
Hendrik Engelmann-Pilger IFC
Armand Rioust de Largentaye, AFD
Riccardo Mesiano, UN ECSWA
Yuko Nagata, UNIDO
Ben Petrazzini, IDRC (teleconference)
(meeting beginning)
Kees Van Der Ree, ILO
Stefanie Reiher, GIZ
Sjoerd Smit, Netherlands Ministry of Foreign
Affairs

Florence Tartanac, FAO
Kim Nguyen Van, GIZ (chair)
Nico Westphal, ILO (meeting beginning)
Hans Joachim Zinnkann, GIZ (meeting beginning)
Ashley Aarons, DCED Secretariat
Eleanor Bell, DCED Secretariat
(teleconference) (meeting beginning)

Apologies

Cristina Martinez, OECD Mika Vehnamaki, Finland MoFA Henrik Vistisen, Danida

The <u>Annex</u> 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, reviewed the agenda and noted that for the final item, the intention was to identify one or two topics relevant to several agencies to be discussed in more depth at the next meeting, possibly with external speakers. This could potentially lead to further work items in the future if there was interest.

Business arising from the last meeting

Kim Nguyen Van reviewed business arising from the last meeting. There has not been follow up on the mainstreaming GG event as this will be informed by the stock-take. The 13-14 Work Plan was updated as suggested in the previous meeting. A GGWG child trust fund was set up at the IFC. The ToRs for the stocktaking and GG/ Business Environment Reform (BER) item were amended and distributed to the GGWG for comments (the GG/ BER item was also shared with the BEWG); comments were received and the ToRs have been finalised. The GG/ BER work item call for proposals will commence shortly once the stocktaking call for proposals process is completed.

Progress on Green Growth Stocktaking

Many applications were received from consultancies to carry out the stocktaking. The final evaluation of proposals is ongoing, with the stocktaking formally expected to kick-off in mid December. A first hypothesis will be presented to the GGWG in February 2014 for comments, after which the consultancy will look at a number of programmes in more depth. Inputs from agencies would be valuable and GG contacts will be identified for the different DCED members. Going forward, this item will be led by a task force of Kim Nguyen Van, Hendrik Engelmann-Pilger and Sjoerd Smit, with support from the Secretariat.

Armand Rioust de Largentaye outlined the findings of an inter-agency stocktaking by AFD, which identified green growth as having a similar meaning to sustainable development. The private sector

has a key role, and AFD are looking more at how they work with the private sector. There is also a convergence in agendas between GG and aid effectiveness, with the former increasingly empathizing the need for local ownership, and the latter wanting to involve more the private sector, including on green growth. The report will be released in French in mid-December, and may be translated into English (or have an English summary). The study would be particularly useful for the section in the DCED stocktaking on agency GG definitions.

<u>Learning Forum on Green Jobs, 4-15 November 2013</u>

The Learning Forum had been very successful so far, with key insights that there is a tension between whether new GG jobs are additional or existing jobs greened. There may not be as many additional jobs as some regions require, with employments issues are particularly important in the MENA region. Though there is some concern with green growth within developing countries at a higher political level, at the programme level this is generally less the case. Participants also gained from learning about agency approaches. In the future, the forum will be changed into a two weak academy in September led by ILO, but also with input from other members of UN Partnership for Action on Green Economy (PAGE) initiative, and with different learning formats under consideration.

Agency updates

IDRC is in the process of approving a green procurement project in Latin America; more information will be disseminated once approved. A study is ongoing on 10 years of cleaner production work in Peru and Argentina. Ben Petrazzini will share the proposal with Kees Van Der Ree. On 18 November 2013, IDRC will attend a GIZ event in Chile on greening and SMEs. IDRC is also supporting an UN ECLAC project on green indicators in SMEs.

GIZ noted that a new version of the methodology on value chain promotion ValueLinks will be released next year, with greening and inclusiveness mainstreamed across modules. Other agencies are welcome to send examples and tools to be included. The development of a holistic assessment and selection tool for sectors, based on economic, social and ecological potential, as well as case study in Yemen are being planned to determine two value chains to support,. In the field of private sector adaptation to climate change a tool for cost-benefit analysis of MSME adaptation measures will be developed and the pilot-tested in India for a case study. In 2014, a project will be launched on climate change adaptation in the private sector, focusing on knowledge exchange, development of instruments and pilot projects. GIZ is also advising 8 UNIDO National Cleaner Production Centres (NCPC) on management practices, and will support 6 more next year. Studies are almost finalised on unlocking green finance and promoting eco-innovations; a conference is also planned for 27-28 January 2013 on eco-innovation systems. The 16th International Business Forum was held 23-24 October 2013 in Istanbul. It focused on scaling-up and replicating green and inclusive businesses. A conference is being planned with the Green Growth Knowledge Platform in Kinshasa in early February; further information will be shared with the group. A new study is also being planned on TVET, focusing on water and waste water management.

ILO is increasing work on green construction and enterprise development across Southern Africa. It is starting a green jobs assessment in Namibia next year, and is finalising a programme on waste management. In South Africa, an E-Waste programme focused on the automobile industry will start in 2014, and there will potentially be a national high-level policy dialogue on green jobs.. The next Green Jobs Assessment Institutions Network (GAIN) Conference is planned for 9-10 December 2013 in Geneva. PAGE is expanding its work to include work in Peru and advisory work with partner countries on green economy roadmaps. The first PAGE global conference is planned in Abu Dhabi 4-5 March 2014. Internally, a dedicated staff-training on green jobs is being set-up across the ILOat HQ and in Field Office. .

Netherlands Ministry of Foreign Affairs is further elaborating the Dutch Good Growth Fund. This is a large revolving fund to be operational 2014-2017 with a focus on SMEs: Dutch firms with plans to invest in developing countries, SMEs in developing countries, and Dutch firms seeking to exports to developing countries. Spoerd Smit will send further criteria to the group when available, in particular on how environmental impacts are considered. Programmes are ongoing in the textile sector in Bangladesh on improving labour conditions with the ILO and water management with the IFC. A large

impact assessment is planned for December on Dutch PSD policy; any English translation will be shared with the group.

OECD has produced a number of country studies on Green Growth, including on Cambodia and Ethiopia, and is further exploring the nexus between development co-operation and green growth in Zambia and potentially other countries in the future. The second OECD-CEDEFOP <u>Green Skills Forum</u> will be held on 14 February 2014 at the OECD Auditorium in Paris. The joint paper with the DCED Working Group on 'skill development by green and inclusive SMEs in India' will be circulated for comments next month. The report on 'improving the effectiveness of green local development' is about to be published. The OECD is organising a <u>Green Growth and Sustainable development Forum</u>, 5-6 December 2013, focusing on how to unlock investment. OECD collaborates with the International Institute for Environment and Development (IIED) and the Green Economy Coalition in the organisation of an event on "Real Green Economies", 24-26 February 2014 at Wilton Park, UK. Further information will be forwarded to the group. Work is on-going on the Green Growth in Asia Project, which will soon move to the empirical stages in South East Asia (see flyer attached). The OECD is also increasingly looking at the link between climate resilience and development.

AFD has a new DG who is very supportive of GG, and has finished a large consultation on French development activity. An inter-agency stocktaking on GG has nearly been finished, as noted above. Procedurally AFD ensures that all projects risk assessments include social and environmental risks, and that a second opinion is provided on the social and environmental impacts of all projects.

FAO will launch in 2014 a knowledge platform for sustainable and inclusive value chains, focused on agriculture. Studies are ongoing on input supplies for agriculture and green value chains. The Save Food initiative is ongoing; this looks at reducing food loss through collaborating with the private sector, in particular packaging companies.

UNIDO held a summer course on green industries in Budapest. A Global Network Conference on Resource Efficient and Cleaner Production was held in Switzerland in September, where national centres and other providers shared knowledge and experience. Knowledge management systems have also been set up in each region to allow experiences to be shared in local languages. The third Green Industries Conference was held 7-9 November in Guangzhou, China. UNIDO will hold its general conference 2-6 December 2013 in Lima, Peru. A low-carbon and climate resilience programme is being developed, focusing on agro-food processing and the environmental sector. Under the UNFCC technology mechanism, a climate technology centre network is also being developed, with UNIDO leading operationalisation.

IFC's current initiatives include a clean energy program in Central Asia, with particular opportunities in renewable energy and utilities efficiency enhancements. A transformative project will also support hydropower in Nepal through building the capacity of the private sector and regulators on environmental and social issues; this will be combined with investment from IFC's Investment Services. Work with Pakistan's energy sector is also increasing. Support to access to energy will also be significantly increased, such as through IFC's Lighting Africa initiative. A conference was held on the ECA business climate, and a report will be shared.

UN ECSWA noted that much of its work was very related to that of GGWG members. In particular, a regional mapping, work on indicators and projects focused on online training were highlighted. Riccardo Mesiano noted the possibility of ECSWA, or other UN regional agencies, offering regional support/collaborating with the GGWG.

The **DCED Secretariat** noted developments on its website to highlight specific agency activity and the available evidence on PSD. A new section will be added to the DCED website GG knowledge page on climate change adaptation, and some analysis carried out, and resources for inclusion were invited. Eleanor Bell has joined the DCED Secretariat and will also be supporting the GGWG, while Russell Miles has left the DCED to travel to Antarctica to research climate change.

Technical discussion on synergies between respective agency efforts

The GGWG discussed a number of topics, where knowledge gaps existed and DCED work could be of value, with the intention that themes important to several members would be discussed in more depth at the next GGWG meeting. The topics, with members interested in looking more at them, were: 1. greening value chains (Kim Nguyen Van, Kees Van Der Ree and Florence Tartanac); 2. use of macro-economic modelling in policy advice (Kim Nguyen Van and Kees Van Der Ree); 3. green public private partnerships (in particular, the Dutch Good Growth Fund) (Armand Rioust de Largentaye); and 4. integrating renewable energy (Hendrik Engelmann-Pilger). For a start, the group agreed on taking on discussing current knowledge and challenges with regard to greening value chains at the next meeting, with activity led by Kim Nguyen Van, Kees Van Der Ree and Florence Tartanac, and supported by the Secretariat. The UN Value Chains Group and African Economic Outlook reports were suggested as worth looking into in this regard. Ashley Aarons will email members of the GGWG further asking that key topics are highlighted (in particular by those not present).

There was also interest in the GGWG working more with programmes in the field, potentially supporting local working groups or having programme staff more involved in the global DCED working group. Kees Van Der Ree will look into the possibilities and report back at the next GGWG meeting

AOB, next action steps and next meeting

Kim Nguyen Van noted that he would probably be moving role at GIZ in March 2014, and would step down as GGWG Chair following the next meeting. GGWG members were invited to nominate candidates to be the next chair, via emailing Kim Nguyen Van and Ashley Aarons. The next chair would then be agreed on at the next GGWG meeting. Ashley Aarons will include this highlight this in an email to the GGWG.

The next meeting is provisionally 13 February 2014 in Paris, France, the day before the OECD Green Skills Forum.

Annex: Summary of Action Points Agreed

	What?	By Whom?	By When?
1.	Lead on Green Growth Stocktaking	Kim Nguyen Van, Hendrik Engelmann- Pilger, Sjoerd Smit, Secretariat	Asap
2.	Organise input on greening value chains at the next GGWG	Kim Nguyen Van, Kees Van Der Ree and Florence Tartanac	Asap
3.	Email the GGWG on potential issues to be discussed at the next GGWG meeting, and on the procedure for choosing a new GGWG chair	Ashley Aarons	22/11/2013
4.	Report back to the GGWG on potential steps on working more with programmes in the field	Kees Van Der Ree	13/2/2014
5.	Nominate individuals to be GGWG chair	All members	6/02/2014
6.	Share resources highlighted with the GGWG	All members	Asap