



The Donor Committee for Enterprise Development

## Green Growth Working Group (GGWG)

Minutes of Meeting, teleconference, 21 March 2023

Version: 27<sup>th</sup> March 2023

### Participants

- Anastasia de Santos (USAID) – Co-chair
- Ozunimi Iti (UNIDO) – Co-chair
- Antoine Coste (WB)
- Ciara Daniels (UNDP)
- Enrico Botta (OECD)
- Florian Güldner (BMZ/GIZ)
- Ingela Juthberg (Sida)
- Kerry Max (Global Affairs Canada)
- Mette Grangaard Lund (ILO)
- Philipp Ischer (SECO)
- Anna Kruij, Arjun Bhargava (UN Global Compact)
- Maikel Lieuw-Kie-Song (ILO)
- Ella Duffy (DCED Secretariat)
- Jim Tanburn (DCED Secretariat)

**Apologies:** Issac Cowan-Gore (ILO), Olivia Nguyen (USAID)

### Presentation and discussion on a ‘just transition’, climate adaptation and nature-based solutions (NbS), led by ILO and UN Global Compact

Mette Lund (ILO) introduced the presenters.

Maikel Lieuw-Kie-Song (ILO) began with a definition of the just transition; broadly moving from an environmentally unsustainable economy to a sustainable economy for all. He covered some of the literature; there is lots on just transition in a climate mitigation sense, but less on the adaptation angle despite the urgent need to develop adaptation market enterprises.

Maikel shared recent ILO thinking on this topic, including a recently published report on [Decent Work in Nature-based Solutions](#), which uses the IUCN standards and definitions of NbS. The report maps current jobs and analyses business opportunities in NbS, though Maikel suggested that there is more work to be done. Current jobs in NbS are more public sector driven than private sector. The report also estimates future employment in NbS, if investment in NbS tripled. Maikel suggested that interesting avenues for future research include looking at whether these jobs will be created through the private or public sector, and through what mechanisms.

Mette welcomed clarification questions from Anastasia de Santos (USAID) and Kerry Max (GAC), on what NbS jobs in manufacturing and construction look like and whether ILO are

considering the social and economic trade-offs with users of environmental resources that would be off-limits or reduced due to NbS (e.g., watershed protection), respectively. Maikel responded to Anastasia clarifying supplier-related jobs, and responded to Kerry saying that this is a question that is really interesting to ILO at the moment as well.

Anna Kruip (UN Global Compact) explained the function of the organisation. They are the largest corporate responsibilities organisation in the world, with 17,000 companies engaged, and 3,800 non-business participants (e.g., universities, associations). They are sector-agnostic and help companies align their strategies with 10 principle-based approaches. They engage through think labs, short programs to deep dive into a topic and through shaping thought leadership. They currently cover themes such as just transition, living wage and transformational governance.

Anna spoke on how the private sector has a big role to play in responsible business conduct. UN Global Compact work a lot on companies' role in a just transition; it is crucial to avoid just redistributing risk. They have published a [set of business briefs](#) on the topic.

Kerry and Ciara Daniels (UNDP) queried how the speakers address the topic of gender and other inequalities in their work. It was said that most jobs lost, and created, in the just transition, are in male-dominated industries. So, there needs to be specific gender focus to ensure that women are included in jobs created. Anna pointed the group to their [introductory brief on just transition](#) for information on inclusion.

Discussion then opened up on engaging with coal and other fossil fuel industries in conversations on just transition, particularly in countries that depend on them as an essential revenue generator. Such industries were not contacted in the UN Global Compact Thinklab project because there are other organisations that fill that gap, though they do rely on insights from companies that were previously engaged in coal that are transitioning to renewable energy. They do not publicly engage with the sector, but they do engage behind the scenes; transitioning for fossil fuel industries involves either stopping, or completely changing business models, so these are difficult conversations. Discussion pointed to the role of public policy in transitioning to clean energy; making it difficult for fossil fuels to continue business-as-usual, rather than the onus being on the companies themselves.

Mette offered that these issues will be partly addressed in an upcoming ILO renewable energy business brief.

Ciara shared a link to a [UNDP calculator](#) that simulates the reallocation of a percentage of a country's fossil fuel subsidy towards Temporary Basic Income and other outcomes.

## Work item updates

### *Women Providers of NBS Toolkit*

Kerry Max (GAC) updated the group, as task team lead. He provided a short background of the item, and informed the group that the task team have chosen and are in the process of finalising procurement of a contract with a consultancy. They will meet with the consultancy as soon as they can, so that the work can happen over summer.

### *Green PSD Navigator – workshop series*

Florian Güldner (BMZ/GIZ) updated the group. He explained that Yan Chen is not in the GG WG anymore but will continue leading this item. They propose that this item is added to the 2023/24 work plan with the task team made up of BMZ/GIZ, ILO, IDRC and OECD. The first workshop is planned for May with the GGKP. See previous GGWG meeting minutes for details of workshop content.

## Work planning for 2023/24

The group agreed to carry forward the Women NBS item, and formalize the Green PSD Navigator workshops item.

BMZ/GIZ proposed a new work item on green industrial policy that they would lead; the written proposal was previously shared over email. Florian explained that the German ministry is focussing more on the policy level, after their previous focus at the micro scale, to target structural change around sustainability.

Kerry would like to see consideration of gender and political economy as much as possible, and an inclusion of the topic of policy coherence; whether we can promote green industrial policies if Global North countries have policies that are going to undermine those green industrial policies further down the line.

Ozunimi Iti (UNIDO) volunteered to join a task team; the industrial policy space has been quiet at UNIDO, but it would be interesting for them.

Mette also volunteered to join a task team, if the focus could include workers' rights and just transition principles. This would be timely, as the International Labour Conference in June will have a general discussion on just transition and how it links to industrial policy. Ozunimi added SDG9 will be reviewed this year, so this is timely in that sense too.

It was agreed that the **proposal be shared again over email** for those not present to provide written comments and offer to join the task team.

## Member agency updates

Anastasia opened the floor to anyone with updates to share from their agency.

## **ITC**

Ana Batalhone updated the group. Institutionally, ITC launched a new vision on trade and environment (the 'Green Moonshot') last year, which aims to mainstream environment across the organisation.

ITC are working with USAID on a digital tool for resource efficiency and circularity in the apparel sector, and she will share more details when it is launched. It will likely launch at COP28 and will be a public good, but she would be interested in presenting it to the GGWG before then. Besides that, over the last year ITC has hosted roundtables to bring together stakeholders on unilateral measures on deforestation value chains. That work is gaining traction, and **she will follow up over email with information on the next roundtable in Brussels in June.**

## **ILO**

Mette Lund updated. ILO are creating a new SCORE module on green climate, with a focus on circularity. They have also recently launched a priority action programme on the green dimension of just transition which is being led by Moustapha Gueye, formally a member of this group. Mette's team will be at SP58 in Bonn, presenting their Green Jobs for Youth Pact with UNEP and UNICEF, and **requests that anyone also planning to be there connects with her bilaterally.** This covers 3 thematic areas: green job creation, skills for green jobs transition, and youth empowerment.

Otherwise, ILO are continuing to launch policy briefs on just transition. Most recently, they have published on macro-economic policies, which might be useful for the proposed green industrial policy work item. They have also published a green employment career guide for young people.

## **OECD**

Enrico Botta updated the group. He shared that OECD has recently published the [2023 Green Growth brochure](#), which summarises recently concluded and ongoing OECD work on a number of topics, including industry and SMEs, and invited any questions bilaterally over email.

## **GIZ/BMZ**

Florian Güldner updated the group. He shared that BMZ launched a new feminist development policy at the beginning of March, which is part of the idea of just transition. The minister also launched a fund for green hydrogen and power at COP27 through KfW (the German development bank).

## **Sida**

Ingela Juthberg updated the group. Sida is working on internal capacity building, including organising a course on greening MSD with ILO in April. This will focus on just transition in the textiles sector and Ingela may be able to present this at a future GGWG meeting.

#### **Update on Co-chairing**

Anastasia invited new Co-chair(s) as both her and Ozunimi are stepping down from the role. Mette volunteered. Kerry may be interested in joining her later in the year, depending on internal restructuring.

#### **Update on the DCED 45<sup>th</sup> Annual Meeting in Geneva 19-22 June**

Jim Tanburn (DCED Secretariat) provided an update. The 45<sup>th</sup> DCED Annual Meeting will be held in-person in Geneva, 19-22 June. There will likely be hybrid online capability for some of the meetings, though this is to be confirmed. He invited the GGWG to meet in-person if they wanted to; there is a room available on 19 June.

Ana and Mette will be there in-person. Ozunimi, Florian and Ingela will check internally, but would like to come in-person. Kerry announced his intention to join only virtually.

Anastasia confirmed that the GGWG will therefore meet in the afternoon of 19 June in Geneva.

#### **AOB**

**The Co-chairs and Ella Duffy (DCED Secretariat) will follow up with more information on the Annual Meeting and on the new work item proposed by GIZ on green industrial policy.** They will also have a conversation on the handover between Chairs.

Anastasia invited anyone to **share agenda suggestions for the June meeting over email**, noting the potential items from ITC and from Sida.