



The Donor Committee for Enterprise Development

Green Growth Working Group (GGWG)

Minutes of Meeting, teleconference, 31 May 2021

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Participants

- Steffen Felix (GIZ/BMZ) – Co-chair
- Ozunimi Iti (UNIDO) – Co-chair
- Ana Patricia Batalhone (ITC)
- Annegret Brauss (ITC)
- Enrico Botta (OECD ENV/GGGR)
- Ingela Juthberg (Sida)
- Kerry Max (Global Affairs Canada)
- Mette Grangaard Lund (ILO)
- Philipp Ischer (SECO)
- Thibaut Portevin (EC - INTPA)
- Yan Chen (GIZ/BMZ)
- Anaelle Martini, Edward Sims (Consultants from EY)
- Frank Muller, Pablo Tierno, Johanna Klein (Consultants from Global CAD)
- Iker Larrea, Juleith Vanessa Prieto Sandoval (Consultants from Factor)
- Jim Tanburn, Ella Duffy (DCED Secretariat)

Introductions and agency updates

GIZ/BMZ

Yan Chen updated the group. GIZ/BMZ have finished the [RECP navigator](#) mentioned in previous Working Group meetings, a tool that will provide a first overview for development professionals on the type of Resource Efficiency and Cleaner Production instruments they can use in their work. GIZ is also working on a toolbox for business and investment climate tools for which it seeks to develop a green business environment tool. This will be coordinated with the DCED task team currently working on a study on Business Environment Reforms and Sustainability. GIZ/BMZ are also looking at the intersection between green and digital, and are looking for case studies and examples of best practice from developing countries. They encourage members to share any leads or interesting publications on this topic with Yan Chen. Enrico Botta (OECD ENV/GGGR) shared the [OECD Digital for SMEs Global Initiative](#) in response.

ITC

Ana Patricia Batalhone updated the group. On the topic of nature-based solutions to biodiversity loss, ITC is engaged in the multi-stakeholder working group on Biodiversity Communication led by the UNEP One Planet Network and German Federal Ministry for the Environment. This initiative aims to contribute at reducing the negative impacts of

consumption on biodiversity by activating stakeholders in policy, business and civil society and enabling consumers to make informed choices for sustainable consumption. One of the outcomes of the working group is the development of an online toolkit for biodiversity communication for sustainable consumption and different information materials on the impact of consumption on biodiversity. ITC, in partnership with the UNCTAD BioTrade Initiative, has also recently launched a [free-to-use self-assessment tool for SMEs to measure their sustainability performance](#) regarding production practices for biodiversity-based value chains

Annegret Brauss added that ITC have also been moving forward with the implementation of ITC's GreenToCompete Strategy that they presented in the March 2021 Working Group meeting. As part of this, the ITC annual flagship publication, SME Competitiveness Outlook or SMECO, will be on a climate and resilience theme for 2021, and is due to be published 28th June.

Global Affairs Canada

Kerry Max updated the group. Domestically, Canada has been working on creating a circular economy interdepartmental working group. Related to that, the [Communique of the G7 Climate and Environment Ministers' Meeting](#), May 2021, speaks in several places about transition to a more circular economy. There is no budget allocated to circular economy yet, but they will share developments on this once announced. Kerry shared a number of resources on the topic:

- [Circular Economy and the Built Environment in Canada](#) (Delphi Group)
- [Waste Prevention: The Environmental and Economic Benefits for Canada](#) (NZWC)
- [Circular Cities and Regions Initiative Webinar Series](#) (NZWC)
- [Transitioning to a circular economy – Learning from the Quebec experience](#) (report and webinar on 22 June, Smart Prosperity Institute)
- [Les Assises québécoises de l'économie circulaire](#) (Recyc-Quebec event on 26 and 27 May)

OECD

Enrico Botta updated the group. The OECD have recently published a [green recovery database](#), providing information on how green a country's COVID-19 recovery is. On average, 17% of responses are green, with other measures either negative or of mixed impact for the environment. The OECD is also working on a project on greening of SMEs and green entrepreneurship in OECD countries.

UNIDO

Ozunimi Iti updated the group. There is an upcoming event to launch the [CEM Industrial Deep Decarbonisation Initiative](#), in collaboration with the UK and India. The aim with this work is to encourage governments and the private sector to transition to buying low-carbon steel, and to increase data sharing. Additionally, at the 14th edition of the European Development Days

(EDD21), 15th June, UNIDO are running a session titled '[Can the future of skills be green and gender inclusive?](#)', which will focus on women leaders in technical and vocational trades in Africa. Ozunimi also updated the group on the conclusion of UNIDO's global consultations on circular economy, noting that the report would be published in July.

ILO

Mette Lund is taking over ILO's representation in this Working Group from Mustapha Kamal Gueye. The ILO is in the process of formalising their cooperation with PACE on a human-centred approach to circular economy. Other than that, they are focussing on their [climate action for jobs initiative](#), which the ILO are spearheading as part of a larger UN initiative. Other resources relevant to the GGWG were the ILO report prepared in collaboration with the WWF on '[How nature-based solutions can power a green jobs recovery](#)'. Similarly, Mette shared some information about the IUCN and [Blue Natural Capital](#) as a financing opportunity for nature-based solutions. Mette also shared the following resources:

- [Turning up the heat: Exploring potential links between climate change and gender-based violence and harassment in the garment sector](#)
- [Guide: Environmental Sustainability in Value Chain and Market System Development for Decent Work: A Short Guide for Analysis and Intervention Design](#)
- [Sector Selection and Rapid Market Assessment for Addressing Environmental Sustainability in Value Chain Development: Template for criteria and guiding questions.](#)
- IOE-ILO-UNEP [video](#) on business and a just transition (the third part with company presentations is particularly relevant for this working group)
- [Moody's ESG solutions analysis](#) on risk and biodiversity.

European Commission

Thibaut Portevin updated the group. The EC are planning their programming cycle to 2027 and are working to integrate the Green Deal into all programmes. They are also working on new tools and guidance on the topic of circular economy, in the context of the Green Deal, including a new training course. Under the [Circular Economy Action Plan](#), the EU is developing its sustainable product policy, with a legislative proposal to be adopted this year, and which will feed into international cooperation partnerships (e.g., promoting improved standards in key value chains to promote sustainability). They also have some upcoming webinars and will share the details of these in the coming weeks.

Sida

Ingela Juthberg updated the group. The circular economy study mentioned in the last Working Group meeting is being launched this week. It is a working paper by the Swedish Expert Group for Aid Studies (EBA) which is a government committee mandated to evaluate and analyse the direction, governance and implementation of Sweden's official development assistance with a specific focus on results and effectiveness. The working paper is entitled "[Circular Economy – a Conceptual Review and Analysis of Implications for Swedish Development](#)

[Cooperation.](#)” It contains a useful general introduction to the concept of circular economy, and although focussed on Swedish development cooperation, it also contains some conclusions of general value, including that, if not managed carefully, European circular economy policies can incentivize export of secondary materials and products that can only be recycled at high environmental and social costs to countries with less stringent environmental standards and technological capacity.

Presentation of ongoing work on the ‘Overview of Green Growth Approaches’

Yan Chen (GIZ/BMZ) opened with an introduction of the work item. Johanna Klein from GlobalCAD presented. The final product will be a compendium of approaches and tools and is set to be finalised by the end of the summer.

The task team have decided on definitions and have split the compendium into the following categories: policy and regulation, ecosystem, and companies. Johanna Klein asked for input from Working Group members on this categorisation, and requests that members get in touch with suggestions of tools to include (especially examples of tools to promote green business linkages), or comments on the work so far.

Kerry Max (Global Affairs Canada) asked about the inclusion of gender and suggested that the consultants consider taking a gender lens for the whole compendium. Johanna Klein clarified that they would include an introductory explanation of why a gender lens is important and will be explicitly taking a gender lens with every tool.

Ozunimi Iti (UNIDO) asked for clarification on the format of c.100 slides, suggesting that it would be more appealing if it were split into modules, or topics. Johanna Klein clarified that there will be a navigation system. Ozunimi also suggested the inclusion of [UNIDO’s investment and technology promotion offices \(ITPOs\) as a resource.](#)

Presentation of progress on the Circular Economy work item

Iker Larrea, Vanessa Sandoval (both Factor) and Edward Sims (EY) presented the intermediate outcomes of the study; ‘Enhancing private sector competitiveness through the circular economy’. Section A has been prepared by the WBG (Etienne Raffi Kechichian and Nidal Mahmoud), Section B by EY, and Sections C and D by Factor.

Edward Sims (EY) presented Section B, which is expected to be completed in June. One insight is that, in developing countries, shifts to circular activities are generally triggered by cost-saving, rather than by environmental concerns. Iker Larrea (Factor) had presented Section D to the task team last week. This section will also be available as a standalone policy brief. A draft will be shared internally with the WBG in mid-June, then more widely with the Working Group 21st June. They ask for feedback by mid-July with a view to publication shortly thereafter.

Steffen Felix (GIZ/BMZ) noted the importance of integrating the sections to ensure that the policy recommendations in section D are based on the analysis of the previous sections.

Kerry Max (Global Affairs Canada) commented that circular economy is often the status quo in developing countries so, for credibility's sake, the group should think about explicitly acknowledging this and making clear that the work is to advance that agenda. He suggested a webinar in that respect.

Overview of work plan

Steffen Felix (GIZ/BMZ) presented the status of current work items:

- **Knowledge sharing:** The group organised 2 webinars in cooperation with GGKP in early 2021, and the group continues sharing in these meetings.
- **PSD and circular economy:** As above, the team are expecting the study to be drafted by the end of June 2021 and published shortly thereafter.
- **Overview of GG approaches for PSD:** As above, the work is in progress.
- **BEWG collaborative item:** Presented by Siobhan Kelly (FAO) at the last GGWG meeting (17 March 2021). Consultants are currently selecting companies to study.

Steffen Felix (GIZ/BMZ) also presented next year's work plan, which has been submitted for approval by the DCED Annual Meeting 10th June 2021:

- **Continue the above** (including the PSD and circular economy study if not complete)
- **Nature-based solutions for climate adaptation** (new item) – led by Kerry Max (Global Affairs Canada). The task team also includes Tim Scott (UNDP) and Ana Patricia Batalhone (ITC).
- **More webinars** – led by Anastasia de Santos (USAID). Members should get in touch with any ideas for webinar topics. Ozunimi Ite (UNIDO) suggested one on gender and green industries as they have just published on this with UN Women, and Kerry Max (Global Affairs Canada) suggested one on circular economy.
- **Work item collaborating with the MSDWG on Green Market Systems Development** – two members are part of both working groups (Yan Chen (GIZ/BMZ) and Annegret Brauss (ITC)), so there are good linkages between the two. Scope is tbc.

New co-chair for 2021/22

Steffen Felix (BMZ/GIZ) is stepping down as co-chair. Anastasia de Santos (USAID) was unable to join the meeting today but has volunteered to co-chair the group. There being no other nominations, she will join a handover meeting this week with the current chairs and the DCED Secretariat.

AOB

Ozunimi Ite (UNIDO) and several members of the group thanked Steffen Felix warmly for his dynamic chairing of the Working Group in recent years. Ozunimi thanked everyone for joining,

and the consultants for presenting. She urged members to send in suggestions of tools on green growth approaches in PSD. The next meeting will be scheduled for later in the year and a poll will be circulated nearer the time.