



The Donor Committee for Enterprise Development

Green Growth Working Group (GGWG) Minutes
Geneva, Switzerland, 8 July 2014

25 July 2014

Participants

Philippe Borel, SECO
Andrea Brown, WBCSD (part of meeting)
Aaban Butt, ITC
Maria Campo Perfecto, EC (part of meeting)
Jan Corfee-Morlot, OECD (teleconference)
(part of meeting)
Hendrik Engelmann-Pilger, IFC
Kamal Gueye, ILO
Arjan de Haan, IDRC
Alexander Kasterine, ITC (part of meeting)
Cristina Martinez, OECD (Co-Chair)
Kees van der Ree, ILO (Co-Chair)

Armand Rioust de Largentaye, AFD
Alexis Robert, OECD (teleconference) (part of
meeting)
Petra Schwager, UNIDO (teleconference) (part
of meeting)
Nienke Stam, Enclude (part of meeting)
Florence Tartanac, FAO
Henrik Vistisen, Danida
Alice Voza, ITC-ILO
Hans Joachim Zinnkann, GIZ
Eleanor Bell, DCED Secretariat

Apologies

Mika Vehnamaki, Finland MFA

The Annex 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, adding the GGWG Work Plan for 2014-2015 as an item for discussion.

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. Cristina Martinez noted that the report on skills development by green and inclusive SMEs in India has now been finalised, and will be circulated by the Secretariat as an output of the working group following formatting.

Green Growth Stocktaking

Nienke Stam presented an overview of Enclude's draft Final Report on the Green Growth (GG) inter-agency stocktaking (attached).

The GGWG suggested that:

- It would be helpful to elaborate on the conclusion that Green Growth is a growing trend – is this a general trend in PSD which new Green Growth approaches give the opportunity to implement, or is it driven by Green Growth initiatives?
- There should be further guidance for the reader on the structure and contents of the report at the beginning
- In the section *Green and Inclusiveness*

- the words 'direct' and 'indirect' are more precise than short- and long-term in reference to inclusive outcomes
- the separation of direct and indirect approaches to inclusive has implications for the ease of measurement of impact of these approaches (i.e. direct is easier) which could be discussed in the section on monitoring and evaluation
- the trade-offs between environmental and inclusive impact ought to be acknowledged, ideally with discussion of measures to mitigate these trade-offs. The current focus on win-wins may be representative of the sample of case studies, but is not applicable across the board
- further discussion of inclusivity as an entry point will balance this section
- In the section *Approaches to Private Sector Investment* further consideration should be given to the applicability of different approaches, and how they work together
- Discussion of the role of the government, voluntary global standards and donor coordination in preventing the proliferation of standards is missing
- The table showing specializations of DCED member agencies in particular Green Growth trend will be deleted.

Next steps:

- Full report to be published
- Explore options for producing brochure of main findings with supporting case studies, for internal advocacy
- Continued monitoring of trends in PSD through periodic update from Secretariat on new findings and approaches

Green Value Chain Development (GVCD)

Agency updates on GVCD Work

- GIZ – new ValueLinks 2.0 module on assessment tools for Business Models as a solution to GVCD to be circulated when completed, estimated August or September
- OECD – Synthesis Report on Interconnected Economics: Benefitting from Global Value Chains to be circulated.
- IFC – work ongoing on '[Lighting Global](#)' initiative, integrating off-grid lighting products in global supply chains with quality standards for environmental impact; also working in textile sector in Bangladesh
- FAO – work ongoing on Institutional Procurement; Expert workshop on value chains 27-28 November 2014, Rome; new publication on [Contract Farming for Inclusive Market Access](#)

World Business Council for Sustainable Development (WBCSD) Presentation

- Andrea Brown introduced the work of the WBCSD, highlighting the importance of engaging with global multinationals because of the incredible reach of their value chains. The WBCSD was created after the 1st Rio UN Conference on Sustainable Development, in order to bring voices from business into the dialogue. The WBCSD is currently working in 23 sectors, mainly with companies in Europe and North America, though is trying to develop partnerships in the MENA and SSA regions. Key aspects of the WBCSD's current work include making the business case for food conservation and waste and designing strategies for scaling up.
- Key targets for the WBCSD include engaging banks, in the hope that their valuation of companies can begin to reflect sustainability issues.

Discussion on work programme and next steps

- Various suggestions for work on this area were discussed, including focussing on encouraging the participation of SMEs in formal value chains and focussing on high-priority sectors such as mining. These will be discussed further in the next GGWG meeting, following the circulation of aforementioned materials from member agencies active in GVCD.

Preparation for Market Place presentation 9 July

A draft PowerPoint was presented to working group members for their approval.

Agency Updates

AFD noted that PSD is increasingly popular within the agency, which also anticipates environmental issues to be a key theme in the post-2015 agenda. AFD's recent stock-taking exercise will not be published, but can be internally shared. The French government will host the international [Conference of the Parties \(COP 21\) of the UN Convention on Climate Change](#) in 2015.

Danida has produced a Green Growth guidance note, drawing on many agencies work, which will soon be available on its website. It was noted that this piece of work demonstrates the value of sharing through the DCED Green Growth Working Group. Green Growth is a key priority for Danida, which was re-affirmed at the occasion of the visit of the ILO's Director General to Copenhagen earlier this year.

FAO has a current focus on sustainable food value chain development, and has also produced a new publication on food losses and waste. It will hold a meeting with the private sector during World Food Week (15 October 2014), and the 2014 Committee on Agriculture 29 September – 3 October 2014.

GIZ has a strong focus on greening agriculture in Africa. Its economic assessment tool on climate change adaptation is soon to be published, and the agency has a global project on private sector adaptation to climate change with pilots foreseen in Bangladesh, Central America, Morocco and Ruanda. A new project on green industrial modernisation in the Ukraine has also recently been started.

IDRC is researching how SMEs can contribute to green growth. A second key topic of research is sustainable public procurement as a tool for greening the economy – further information about the project can be found [here](#) on the IDRC website.

IFC is implementing a number of programmes for Green Growth. Notable among these are 'Renewable Energy in South Asia', which seeks to develop sustainable clean energy industries such as hydropower and solar power in Nepal, Pakistan and India, and the aforementioned 'Lighting' initiatives in Africa and Asia with recent expansions to Pakistan, Bangladesh, and Nigeria. Resource efficiency programmes are also underway in various resource intensive industries.

ILO is currently planning its policy foci for 2016-17 and 2019 (the ILO's 100 year anniversary). Transition to a greener economy is a key cross-cutting theme in both. All staff will be offered a certified capacity building training programme in green issues of a total of 90 hours, which will in the long run also be offered to member countries.

ITC is implementing a Trade and Development Programme with two key strands – biodiversity and climate change. One example of the latter is the ITC initiative to make the Ugandan flour sector 'climate friendly' by reducing carbon footprint and emissions. Similar work is being carried out in the mango and tea sectors in India.

OECD is currently working on support for African national companies to access climate change finance; there will be a session on country-lead finance for Africa at the next OECD forum for Green Growth and Sustainable Development. The forum will be in collaboration with the Green Growth Knowledge Platform. Other knowledge activities include the development of good practice for climate change adaptation, including risk transfer and sharing, and the development of post-2015 reflection papers which will be circulated by Cristina Martinez. A scoping study on donor practise in biodiversity is also underway.

OECD is also currently advising the Zambian government on its green growth strategy, and in November will hold a meeting on developing policy recommendations for Asia on natural resource use. The Green Growth and Sustainable Development Forum will take place in November.

SECO is involved in a range of Green Growth initiative including the Sustainable Trade Initiative to provide technical assistance to suppliers, the Better Gold and Better Cotton Initiatives, and Fair Trade Towns. SECO is also collaborating with PAGE and Better Work and on resource efficiency with UNIDO.

UNIDO has launched a Green Industry Platform Initiative, which aims to green value chains in food and agriculture sectors, for example by promoting sector level resource efficiency and E-Waste management. A second focus is on Inclusive and Sustainable Industrial Development through the development of eco-industrial parks, zones and cities. Gender-mainstreaming in the energy sector also remains a priority for UNIDO.

AOB, next action steps and next meeting

Revisions to the 2014-15 Work Plan

- *2.1.2 Disseminating the Key Findings of the Stock Taking Review:* The possibility of Enclude producing a brochure summarising the key findings of the stock taking to aid dissemination is to be explored. A final version of the full report, based on comments received in the meeting, is to be circulated for a no objections round and finalised before the next meeting. It will then be published as a GGWG output, with a preface from the co-chairs.
- *2.1.3 Inter-agency expert meeting on Mainstreaming Green Growth in PSD:* It was agreed that mainstreaming is a key topic of concern. However, a decision on the best way to progress will be deferred to the next meeting. In preparation, Arjan de Han will provide a note of 1-2 pages on Monitoring and Evaluating Green Growth, which could stimulate further work on advocacy for mainstreaming.

Presentation by Alice Vozza on PAGE Knowledge Fair and Green Economy Academy in Turin, Italy (2.1.4 of 2014-15 Work Plan)

- ILO is part of the Partnership for Action on Green Economy (PAGE), a 7-year programme launched in response to the appeal made at Rio+20 for the UN system to support countries interested in pursuing the transition to a green economy within the context of sustainable development and poverty eradication. It uses the joint expertise of UN agencies – ILO, UNEP, UNIDO, UNDP, UNITAR and others – to progressively assist a total of 30 countries in their efforts to transition to socially inclusive and environmentally viable green economies.
- The Academy is a two weeks capacity building event which will bring together the technical knowledge and experience of each of the PAGE partners, as well as other experts, in order to increase the ability of participants to analyse the opportunities and challenges for the promotion of a socially inclusive green economy.
- The first day (6 October) will comprise a high level policy forum with national and sectoral perspectives with policy makers, and a special event on food systems. The second day (7 October) is dedicated to global knowledge fair. Both days are open for all Academy participants plus invited guest to these 2 days.. The event will provide an opportunity for working group members to share good practices and tools, and better connect to UN agencies and countries that are interested in strengthening the private sector as part of their green economy strategies. As such, there is potential for the working group and its member agencies to align their efforts with the work and goals both of agencies working in a similar space and of countries in which the outputs of these efforts could be implemented in the future.

It is suggested that the next meeting takes place on 7 October in Turin, after the completion of the Knowledge Fair at 3.30pm.

Meeting with Business Environment Working Group (BEWG)

Following a re-cap of the rationale and terms of reference for the joint work item with the BEWG, Kamal Gueye presented the key findings of the scoping study on behalf of the consultant (attached). The scoping study suggested 12 possible focus themes and topics which the work item could concentrate upon.

In the following discussion of which of these, or other, themes would be most useful to concentrate upon, it was emphasised that making the ‘business case’ would be essential to incentivise policy makers and the private sector to adopt green business environment reform (BER). Additionally, it was felt that the trade-offs involved in aspects green BER such as subsidies and taxation had not been dealt with in the report, and that this was a necessary component of a successful business case. Subsidies were also felt to be a topical area in which guidance on managing the transition from ‘brown’ to ‘green’ subsidies and dealing with distortionary effects would be in high demand.

It was suggested that formalisation was a promising theme to focus upon, because the wealth of existing initiatives and guidance in this area would allow current practice to be taken as a starting point. Similarly, existing efforts at procurement in the EU could provide guidance for other countries.

Finally, the possibility of generating a ‘tool-box’ or other type of guidance document of several kinds of interventions to provide more comprehensive support for green BER was raised.

Next steps:

- A ‘task force’ of 2 members of both the BEWG and GGWG is to be formed, to review the scoping paper further and (see Kees email) provide recommendations on which areas the work item should concentrate upon by mid-September.

Annex: Summary of Action Points Agreed

	What?	By Whom?	By When?
1.	Circulate report on Green and Inclusive SMEs in India	Eleanor Bell	Asap
2.	Circulate revised, edited draft incorporating comments received in meeting and by 18 July	Nienke Stam	Asap
3.	Circulate finalised report for a ‘no-objections’ round	Eleanor Bell	Asap
4.	Publish final report as a GGWG output, including disclaimer	Eleanor Bell	Asap
5.	Produce brochure of key findings of stocktaking	Cathelijne van Melle and Nienke Stam	TBC
6.	Update on new trends in Green Growth amongst member agencies, with stocktaking as baseline	Eleanor Bell	June 2015
7.	Circulate new ValueLinks 2.0 module on business models for GVCD	Hans Joachim Zinnkann	Asap
8.	Circulate OECD Synthesis Report on Interconnected Economics: Benefitting from Global Value Chains Circulate PDF of OECD report on corporate responsibility Circulate PDF of OECD post-2015 paper on knowledge sharing and policy dialogue	Cristina Martinez	Done
9.	Confirm plans to contribute to first 2 days of PAGE Green Academy and schedule next WG meeting	GGWG	18 August
10.	Volunteer for task force on joint work item with BEWG	GGWG	15 August
11.	Provide recommendations to GGWG and BEWG	Joint work item task force	19 September