### **Green Growth Working Group**

Meeting 17 June 2025, Geneva

#### **Meeting Minutes**

#### List of participating organisations

 1. World Bank (Chair)
 6. ILO
 11. SECO

 2. IDRC
 7. JICA
 12. UNIDO

 3. ADA
 8. ITC
 13. Sida

 4. UN ESCAP
 9. FAO
 14. DCED Secretariat

5. SDC 10. BMZ/GIZ

#### Welcomes, introductions and key insights from the 2025 DCED member survey

Joeseph Wozniak welcomed participants to the ITC building and the meeting; Ella Duffy provided a welcome from the DCED side and an overview of the agenda. She also provided high-level insights from the 2025 DCED members survey; green private sector development continues to be of high priority for many DCED members, who are approaching the topic through many different avenues.

#### Overview of the 2025/26 GG WG work plan

Task team leads and Ella Duffy provided an overview of the three priority topics being covered in work items submitted under the GGWG work plan:

- 1. The role of trade and MSME development to drive a just transition led by ITC
  - > Recognises the shift in policy landscape towards linking trade and development, including green growth. Aims to produce short research reviewing 3-4 policies and aiming to understand how donor and development agencies can effectively provide support to partner countries in driving a just transition through trade and MSME development.
  - > A consultancy has been identified to carry out research and contracting is in progress with IFC/World Bank.
  - > JICA shared that they are working on mapping trade policies for SMEs in ASEAN and would be interested in connecting to this work item. Ella will add JICA to the email group.
- 2. Enabling policy frameworks for circular economy led by IKEA Foundation
  - > Production of two case studies from different geographies on how to support SMEs in the transition toward circularity, and the impact of a circular transition on SMEs.
  - > A consultancy has been identified to carry out research and contracting is in progress with IFC/World Bank.
- 3. Jobs potential in critical minerals and clean energy technologies value chains led by World Bank
  - > The task team are interested in mapping DCED members' experiences in measuring jobs and job quality in critical minerals and clean energy technologies value chains, with a likely focus on different types of facilities in midstream and downstream segments of the solar PV and battery value chains.





> The task team are meeting semi-regularly to discuss the topic, and World Bank are working on a first draft of Terms of Reference for the task team's review.

Ella also shared that work produced under previous years' work plans is now available – 1) a comprehensive mapping and case studies of Green Industrial Policy and Just Transition Implications and 2) the Gender Responsive Nature-based Solutions Toolkit (also launched at a July webinar).

#### Member updates tour-de-table

**SECO** updated the room on their work on e-waste in 6 countries, for which results will be presented at a research forum in September. A follow up activity on circular electronic industries is already planned. SECO mentioned that trust built up over 10-15 years has been important to the success of this work.

**SDC** shared a <u>new paper on green skills</u> which explains what green skills are and why they are important to focus on at the macro-meso level. They will facilitate three clinics on green skills this year and carry out a regional workshop in Belgrade focussed on MSD approaches to help SMEs go green. They are experiencing lots of demand from the field for green indicators and are working on updating internal guidelines.

**UN-ESCAP** are implementing green transition projects in line with ILO guidance, including an investment promotion project with ASEAN Secretariat and a new project with Philippines and Malaysia on ESOs supporting SMEs to enter green value chains. UN-ESCAP have also recently published <u>short accessible</u> <u>research</u> on climate finance for women in Nepal's pashmina and coffee value chains, a toolkit for investment promotion agencies, and case studies on greening SMEs in Southeast Asia. **Colleagues may be interested in new critical minerals item – Ella to follow up**.

ITC have pre-launched a guide for countries to integrate SMEs into their NDCs that will be formally launched at the SME ministerial in South Africa in July. As part of this work, ITC are working closely with 3-4 countries (e.g. Brazil, Iraq) on assisting in the design of their NDCs to incorporate both SMEs and trade aspects. ITC are also working with ASEAN on incorporating SMEs into trade and just transition, including formulating a framework for generating value at country level on critical minerals. They are also developing a global public tool on this with the Battery Alliance. ITC has been accepted as part of Team Europe and are developing a gateway on EU deforestation regulations, which will be a public good, as well as planning upcoming work with the European Delegation in Bangkok for work in Indonesia to support with capacity building and policy on regulations in timber and palm value chains. Lastly, ITC are also working with EBRD and ADB to provide benchmarking tools on screening SMEs on voluntary standards on ESG, as part of the banks' certification processes.

**JICA** introduced a new sustainability policy in 2023, which includes the regulations that all new JICA projects be screened for carbon emissions and a sustainability action report be published each year that discloses emissions. JICA's global green agenda focusses on three main topics: energy and mining, PSD, and climate change. JICA is involved in climate finance, including sustainability bonds for which parliamentary reforms were pushed, and also policy (e.g. supporting Indonesia on energy transition management).

**FAO** - green growth is embedded in all FAO work, for example in thinking about agri-food loss and waste (which is a huge driver of emissions). FAO have recently published a dashboard of data and strategies that governments can use to promote bioeconomy, recognising that 70% of all value-add in industrial economies comes from bioeconomy. FAO is also one of the hosts of the Global Environment Fund which supports countries to implement projects on biodiversity loss, climate change, land degradation and systems





transformation. FAO is generally increasingly taking a systems approach. Siobhan Kelly to follow up with DCED Secretariat to connect FAO's climate department to the WG.

#### Promoting Just Transitions for MSMEs, led by ILO

Marlen de la Chaux and Dominik Biesalski (ILO) led an interactive session focussing on the importance of MSMEs in a just transition, through the lenses of e-waste, plastic bag bans and agricultural value chains. ILO took the room firstly through a summary of the term just transition, and why it matters for MSMEs, and secondly through a tool they have developed: the Adapt-Mitigate-Thrive Diagnostic for MSMEs.

Discussion then followed on the usefulness of 'just transition' as a framing device, and ILO provided further background information on the process of the International Labour Conference agreeing the definition. Discussion also turned to whether and how gender and social analyses are considered in the Diagnostic tool and data; government data is difficult to find particularly when social dynamics (caste, migration status) are perceived as sensitive, but ILO are trying to gather disaggregated data themselves through programmes.

# Measuring Green PSD Outcomes and Impact (joint session with the DCED Results Measurement Working Group, RMWG)

Muneeb Zulfiqar (DCED Secretariat) introduced the current RMWG work item on measuring green impact to a joint Green Growth and Results Measurement Working Group meeting. He explained that the aim of the work item is to generate practical learning on how PSD programmes with green objectives can effectively measure their outcomes and impact. This is planned to be executed through a two phased approach:

- 1. identify two to three PSD programmes that explicitly prioritise green outcomes, provide targeted support to these programmes to strengthen their measurement practices, and develop case studies to document their experiences and lessons learned.
- 2. produce more concrete guidance to inform how PSD programmes can measure green outcomes in future, developed based on the findings of Phase One.

The ToR for Phase One has been shared with both the RMWG and the GGWG and members were invited to provide feedback. It was suggested that, as the work progresses, it would be ideal for the task force overseeing this work item to be jointly composed of members from both the RMWG and the GGWG in order to ensure broad relevance and practical value.

## Action: Both working groups to provide any additional feedback on the ToR, and volunteer to join a task force for the work item.

Following this introduction, Nic van der Jagt (IKEA Foundation) presented insights from IKEA's experience with measuring green impact through the <u>Greenr Accelerator Programme in India</u>, which was implemented in partnership with TechnoServe. He explained that the accelerator is working with a diverse group of green small and growing businesses (SGBs), most of which are in the waste, textiles, agriculture, and energy sectors. Many of these are early-stage businesses facing barriers to growth such as limited access to capital and a lack of robust measurement frameworks for environmental outcomes.

The programme applies a structured approach to support businesses, combining technical assistance with a tailored environmental impact scorecard. Businesses receive customised support on improving both their business performance and their green outcomes. A key feature of the work has been the use of a rigorous Randomised Controlled Trial (RCT), designed in collaboration with J-PAL. The RCT compared businesses that





received only the scorecard with those that also received technical assistance linked to the scorecard, in order to validate the effectiveness of the intervention, and showed a clear benefit for the ones receiving TA.

Nic noted that because the impact of the approach has now been validated through the RCT, there is no need to repeat this type of evaluation in the future for similar interventions. This will allow future resources to focus more on scaling up the approach and improving practical tools for businesses. The presentation also highlighted challenges encountered, such as the intensive data collection requirements (averaging 18 hours per firm), the complexity of measuring non-carbon environmental outcomes, and the difficulties some SMEs face in accessing or reporting the necessary data.

Action: Secretariat to check over email with the GGWG and RMWG if there are more examples of measuring green outcomes or impact.

#### Critical minerals and clean energy value chains

Mariem Malouche (World Bank, Chair) presented on the Resilient and Inclusive Supply chain Enhancement (RISE) initiative, followed by a presentation from Wame Gaabake (UNIDO) on UNIDO's experience in sustainable minerals supply chains. Mariem emphasized that her team works on responding to requests from low- and middle-income countries to assess how they could enhance their participation and create value in critical mineral value chains. They are often delivering the message to governments of resource-rich countries that critical minerals is not a job rich area, rather it is capital rich, so it will likely not be a big job creator. There is also a World Bank department on mining more broadly, which includes focus on just transition and the social impacts of extractive industries.

#### Discussion then followed on:

- > The integration of gender equality principles in the RISE initiative: the initiative does not have data on jobs and skills as the data in many places doesn't actually exist, or the World Bank doesn't have access to it (hence the focus on jobs for the new work item), though they are aware qualitatively that there are many groups of artisanal miners who are often women in the areas they are advising on. IDRC recommended a <a href="UN paper">UN paper</a> on integrating social equity principles into critical minerals work.
- > The balance of World Bank and UNIDO's work encouraging extractive activities versus the sustainability of doing so, to which presenters responded that their programmes encourage responsible extraction as part of their core strategies.
- > The connection with agriculture programmes, for example on the impact of extractives on agricultural land including pollution, and the benefits of clustered infrastructure around mining activities.
- > Whether an analysis of possible waste created has been done, particularly e-waste like lithium batteries: UNIDO has other portfolios on e-waste and the World Bank Group has some work on recycling Lithium, but emphasized that electric vehicle battery replacement is still some years away and recycling facilities would need to be in consumer countries so the relevance for resource-rich countries is to be seen. It is nonetheless an area they are interested in.
- > To what extent World Bank and UNIDO factor job creation, job quality and impacts on local residents into their analyses, to which the example of REDD+ safeguards was added by a participant as a model that has been implemented in forestry to make sure people don't lose livelihoods and homes to new industry.

BMZ/GIZ then wrapped up the discussion with a short presentation of work from expert colleagues in critical minerals and commodities, which will soon be published and takes an academic point of view while







integrating policy recommendations. The paper discusses the demand for critical minerals, compares this demand to commodity booms, and considers the effectiveness of particular policies for increasing value both vertically and horizontally in global value chains, recognising also that China dominates in this space. The research considers emerging patterns of country strategies, market growth and market fixing, and strategic plans for linkages. The research thus far shows a mixed picture – only a few countries are succeeding in adding value and are doing so through policy mix and setting framework conditions.

#### Any other business, meeting closure

Mariem Malouche thanked participants for rich discussions, and Ella noted that she will follow up with meeting minutes and slide deck.

