

Green Growth Working Group (GGWG) Meeting Minutes

14 June 2016, Härnösand, Sweden

27 June 2016

Participants

- Kees van der Ree (ILO), Meeting Chair
- Gaku Funabashi (JICA)
- Markus Johannesson (Sida)
- Birgit Seibel (GIZ), present for the first half of the meeting
- Matthias Ploeg (Technopolis), Consultant
- Nicholas Wilson (DCED Secretariat)

Via telephone:

- Sarwat Chowdhury (UNDP)
- Naeeda Crishna Morgado (OECD)
- Omer van Renterghem (NL MFA)
- Tim Scott (UNDP)

Kees van der Ree welcomes the participants in the room and by telephone. He informed the members that he would step down as Chair of the Working Group. A replacement, or two co-chairs, would need to be identified. Naeeda Crishna Morgado has expressed her interest to take up the role of co-chair. The secretariat will coordinate further efforts to identify a second co-chair, who would then be appointed formally at the next WG meeting.

Kees van der Ree then gave an overview of the proposed Work Plan and Budget for 2016-2017, which has three main work items:

1) Mainstreaming green growth in PSD portfolios and 'climate proofing' PSD portfolios

This work item will seek to construct a comparative review of member agency efforts towards addressing climate change and enhancing sustainable development through a green growth approach.

Group members discussed the fact that several members have been revisiting green growth approaches in the context of their action on climate change and sustainable development strategies.

This will be a stocktaking exercise for mainstreaming climate sustainability, comparing member agency efforts in this area. It will compare recent member agency experiences and assess the effectiveness policies pursued.

Tim Scott highlighted the fact that there would be significant synergies between all 3 work items. Group members agreed that this point should be highlighted in their respective Terms of Reference.

It is currently undecided on the form that the product of this work item would take. Options include hosting a peer learning meeting where agencies can present their policies in this area, compiling a report. Group members did not come to a decision about the form of this product and conferred a further reflection to the three working group members that had supported the work item (OECD, ILO and CIDA).

\$15,000 from the DCED Trust Fund was requested for this work item, for hiring a consultant. Members agreed to contribute in kind to feed into the review.

Next steps agreed:

- Interested group members will revisit this work item in the coming period and decide the form in which this will take at their next meeting/teleconference.
- At this meeting they will also agree a timeline for the item's completion.

2) Green Growth and Business Environment Reform (BER)

This work item, ongoing from the 2016-17 Work Plan, seeks to provide a practical overview of the synergies and trades-off that practitioners should consider in this area.

The first phase of this report is now completed. . A draft study has been finalized, in collaboration with the Business Environment Working Group (BEWG), in particular asking how can BER foster the private sector's contribution to Green Growth, what are the tradeoffs and how can they be managed.

The next phase of this project is currently being developed further, to incorporate in-depth case studies and derive policy guidance for practitioners.

At the last GGWG meeting (<u>December 2015</u>) there was a consensus in the group that the previous version of the report had a number of shortcomings and could not be published in its current form. Feedback from group members was given, and can be viewed in the minutes for that meeting.

Matthias Ploeg, the consultant from Technopolis, presented the key findings of the draft report.

Matthias Ploeg also presented an initial case study, "Payment for Ecosystem Services, Costa Rica, National funders", in order to illustrate the second phase of the work item. Working group members then discussed further the possible additional case studies, shown in the following box. Participants agreed to further reflect on a choice of the four additional case studies.

Four additional case studies are to be selected from:

- Ecosystems Improved for Sustainable Fisheries (FISH / ECOFISH), Philippines, USAID
- Mainstreaming Biodiversity Management into Medicinal and Aromatic Plants, Lebanon, UNDP
- Vietnam on macroeconomic reform/ecological and inclusive growth project (suggested by GIZ)
- GA Canada Example on Sustainable Forestry
- Case study with strong focus on BER
- Mineral resource governance in Uganda, AFDB/IDA/NDF
- Atoll Ecosystem Management & Coral Reef Conservation in the Maldives, UNESCO/GEF

The envisioned guidance document, of around 20-25 pages, should give clear guidance to practitioners and offer a practical tool for those seeking to integrate Green Growth and Business Environment Reform in Private Sector Development.

Markus Johannesson emphasised that this document should aim to be a concise and useable tool for practitioners. Group members agreed that a length of 25 pages should be considered an absolute maximum, including annexes.

This work item was also presented to the Business Environment Working Group in a subsequent joint session. Participants from this group provided several additional suggestions for possible case studies, in particular one or two related to mitigation or green growth. Matthias Ploeg agreed to consider these suggestions further.

It was noted that \$55,000 from the DCED Trust Fund has been spent on the work so far. However, this work item requires no additional funds from the DCED trust fund in the FY2016-17, as it will now be financed through bilateral contributions by member agencies.

Next steps agreed:

- Members will assess which case studies to take forward, including suggesting alternatives to the list if they believe they have a good addition.
- A decision will be made early July given the fact that the TECHNOPOLIS has planned to work on the cases in June-July.

3) Review of Green Value Chain Development

Several working group members have suggested a focus on Green Value Chain Development. This work item would seek to compare good practices and inform guidance in this area. The working group will bring together and review their respective approaches and for green value chain development. This pooling of experience will also be used to improve knowledge sharing and guidance, as well as identifying where knowledge gaps exist.

The following members proposed a focus on value chain development: Canada, GIZ and OECD. ILO and also UNDP had indicated interest to contribute with technical inputs once the work item would have been more precisely defined.

Omer van Renterghem stated that there is a risk of duplication within work item 1 and with other initiatives undertaken supported by DCED members. Previous work, including DCED DUBLICATIONS, has focussed on similar issues, for example in the palm oil sector and supply chain. Therefore, care should be taken not to duplicate existing work and to clearly define the value added of the GGWG. Members agreed that the choice of focus and the Terms of Reference should be carefully considered in order to avoid this risk.

Several possible focuses for this work item were suggested in the 2016-17 Work Plan. For instance on natural resource management and the delivery of ecosystem services, possibly taking a "landscape approach", or how the "circular economy" concept relates to value chain promotion at the local level. Working group members agreed that the three working group members who agree to take the lead on this item need to decide and specify exactly

its goals. Group members also agreed that it will be important to carefully avoid replication of existing work.

The budget requested from the DCED Trust Fund for this work item is \$25,000: US\$ 20,000 for consultants and US\$ 5,000 for publication/dissemination.

Next steps agreed:

- The three members will constitute a task team for this project in preparation of the next GGWG meeting.
- The secretariat can play a supporing role
- These individuals will then specify the item's exact focus and timeline.