

Background Note

“Green Growth and Sustainable Development”

Special Event of the Second Committee (64th Session of the United Nations General Assembly)
on 26 October 2009 at UN Headquarters in New York

Green Growth, a strategy for achieving sustainable development, emphasizes the implementation of policies that promote environmentally sustainable economic progress and foster low-carbon, socially inclusive development at the same time.

Economic growth is necessary for poverty alleviation. However, it has been realized globally that a shift from a “grow first, clean up later” attitude to a longer-term perspective which emphasizes resource efficiency and environmental and social responsibility is crucial to reduce the costs of economic development. Resource-efficiency, a reduction of the ecological footprint and sustainable livelihoods should be routine considerations in investment plans and projects, whether public or private.

To date, Green Growth policy measures include:

- Green Tax and Budget Reform
- Development of Sustainable Infrastructure
- Promotion of Sustainable Consumption and Production (Demand-side Management)
- Greening Business and Markets
- Eco-efficiency Indicators

The policy measures and actions taken by governments to respond to the current economic crisis enable opportunities for structural reforms to accelerate green growth. Stimulus packages should neither lock-in inefficient or polluting technologies nor dirty modes of consumption and production, but help to spur eco-innovation. There are abundant win-win opportunities to develop competitive industries of the future – from renewable energy to low-emissions vehicles – that will also contribute to addressing climate change and other environmental challenges. Korea – a Green Growth pioneer – has proposed a “Green New Deal” that includes investments in environment related infrastructure as well as research and development on clean technologies and tax measures to promote sustainable consumption at the household level.

Given the comprehensive topic, the panel discussion on 26 October 2009 from 10 am to 1 pm at the United Nations Headquarters in New York will present different expert views on the conditions and policies for promoting Green Growth as well as the potential economic, environmental and social benefits from pursuing such a path. There will be ample room for an in-depth discussion and Q&A session.

Sources for additional information:

<http://www.greengrowth.org/>

<http://www.oecd.org/dataoecd/4/40/43176103.pdf>

Edenhofer & Stern (2009): Towards a Global Green Recovery: Recommendations for immediate G20 Action (<http://www.pik-potsdam.de/globalgreenrecovery>)

<http://www.unep.org/greeneconomy/>

Questions – Panel on „Green Growth and Sustainable Development“

Second Committee Special Events (64th Session of the UN General Assembly)

10 am to 1 pm, 26 October 2009, UNHQ

1. The current economic crisis provides an opportunity to direct public stimulus funding in support of “Green Growth and Sustainable Development”. What measure/investments in what areas would you suggest to achieve lasting impact?
2. The availability of public funding is limited and private capital is required to sustain “green growth”. How can private capital be unlocked for green projects in both developed and developing countries?
3. Predictability of future policies is a key factor for the engagement of the private sector and for investments from potential “green” investors such as pension funds. In your view, what policies are apt to be most effective in stimulating green private investments?
4. Governments can set policy frameworks for sustainable development, but the private sector and consumers need to alter their investment and consumption decisions. Changing consumption patterns can be particularly challenging. What do you consider as most effective measures to change consumer behavior?
5. What kind of innovative fiscal or financial mechanisms do you consider as most promising to promote green growth? (e.g., renewable feed-in tariffs, green bonds, green investment guarantees, etc.)
6. What role could international financial institutions play in supporting green growth through strategic investment in infrastructure and leveraging private investment in order to provide a switch to greener technologies?