

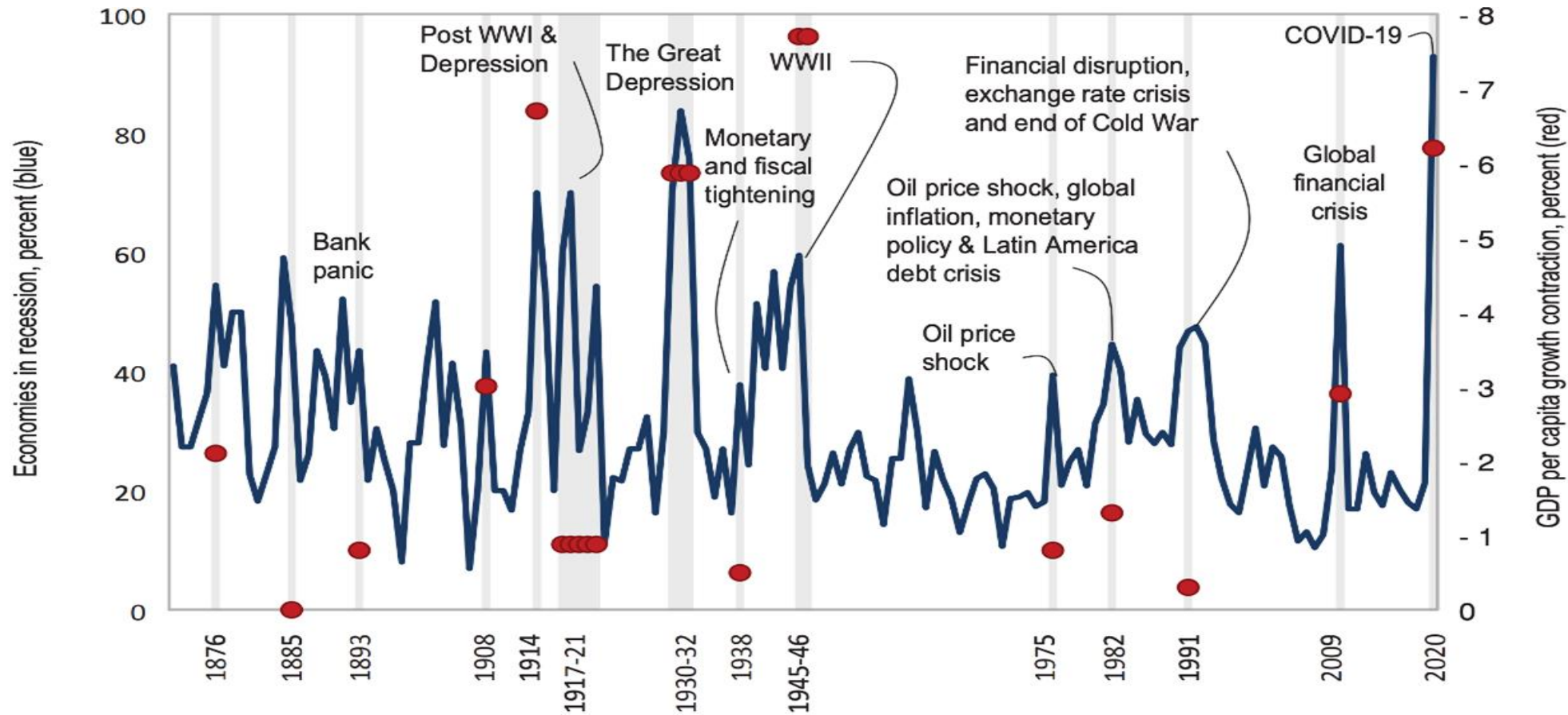
Greening Recovery Efforts for People, Planet and Prosperity

UN Development Group Task Team
on the Socio-Economic Response to the Covid-19 Pandemic

9 April 2021

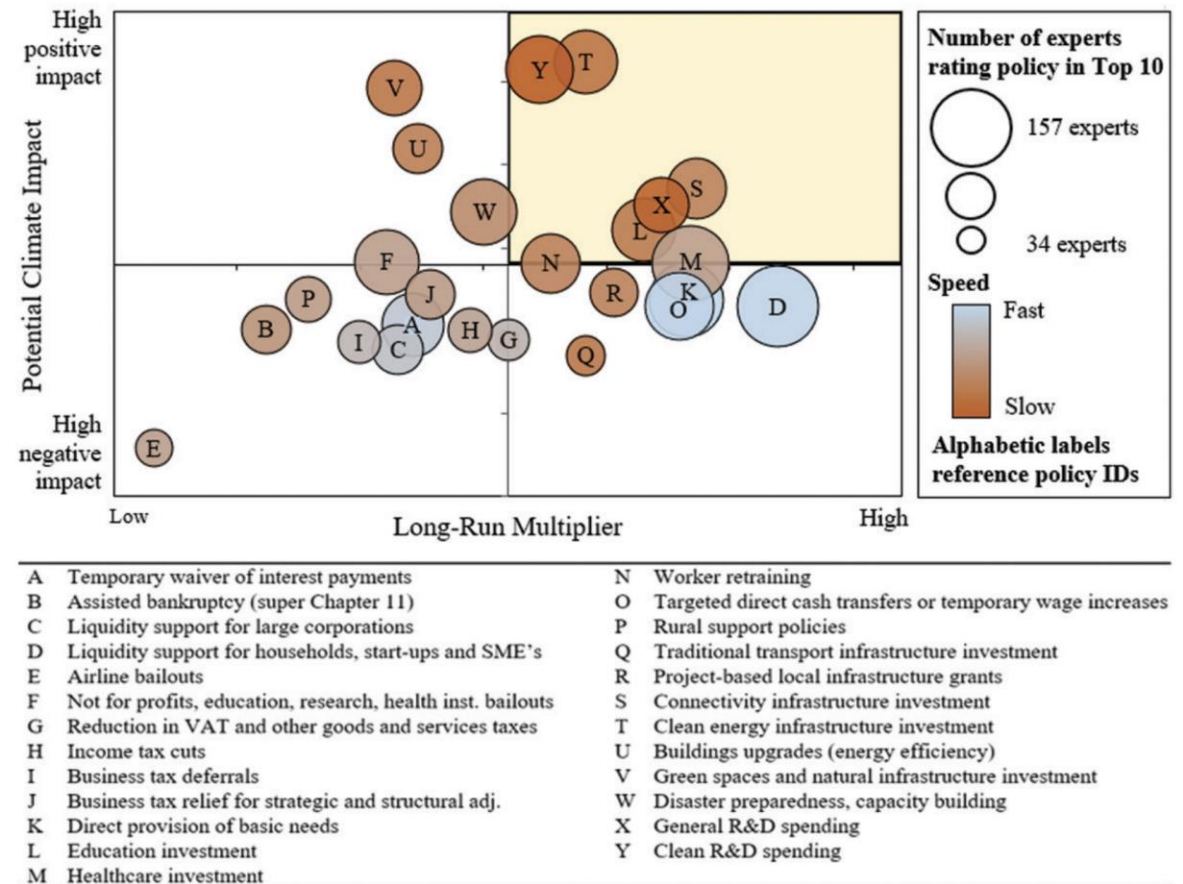
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1. Why a Green Recovery?
 2. A Future Possible - Country Examples
 3. Navigating Forward - possible UN Responses
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Overview of a 'Once in a Generation' Crisis



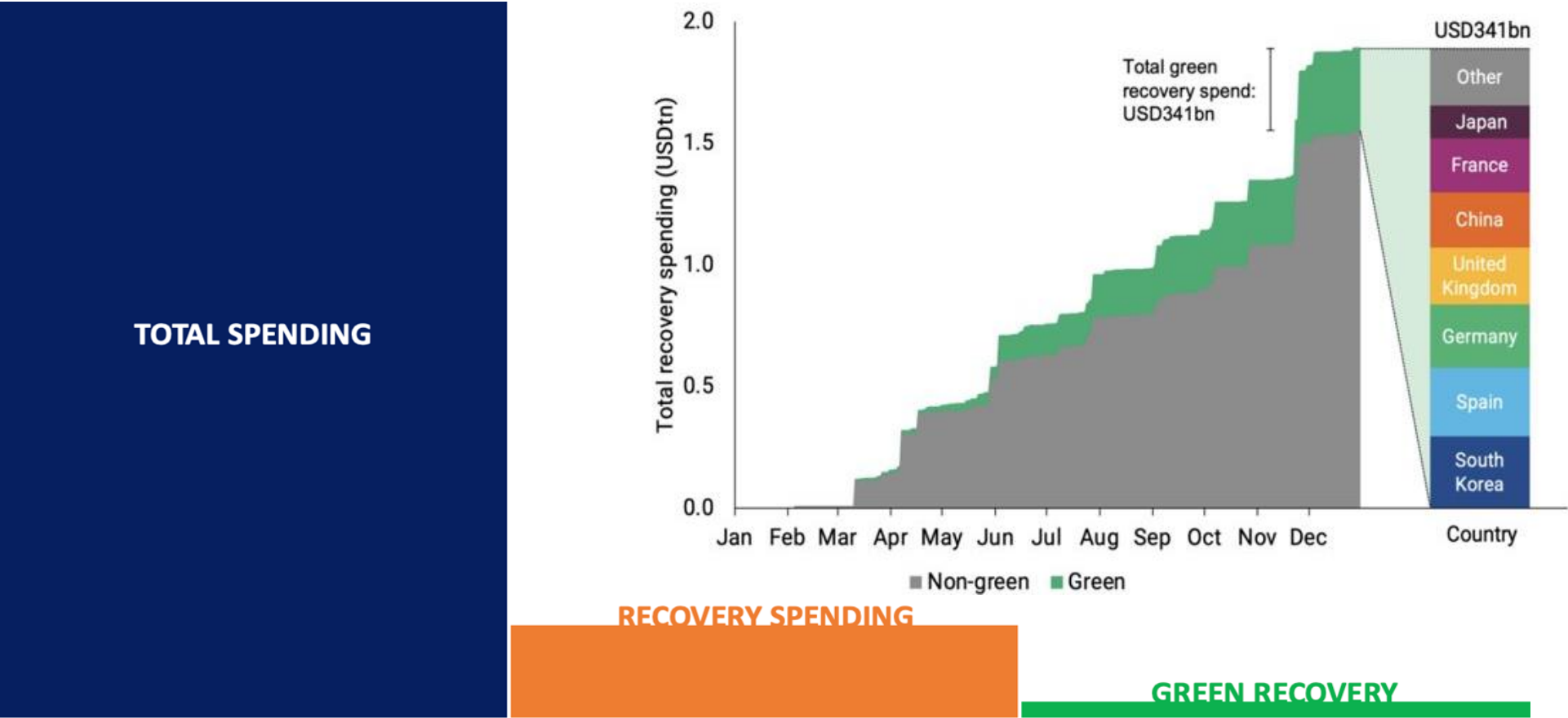
Why a Green Recovery?

- **Spending on clean energy** has an **impact on GDP** that is about **2x – 7x stronger**—than spending on non-eco-friendly energy. ([IMF, 2021](#))
- **Investing in nature conservation** has **multipliers** of up to **7x over five years**. Spending to support **unsustainable land uses** has **negative returns**. ([IMF, 2021](#))
- **investments in renewable energies, building efficiency and green transport** would **add 20.5 million jobs by 2030**, compared to 3 million jobs under BAU (ILO)
- **Green R&D spending** has high growth and positive climate/nature/pollution multipliers.



Source: Hepburn et al. 2020

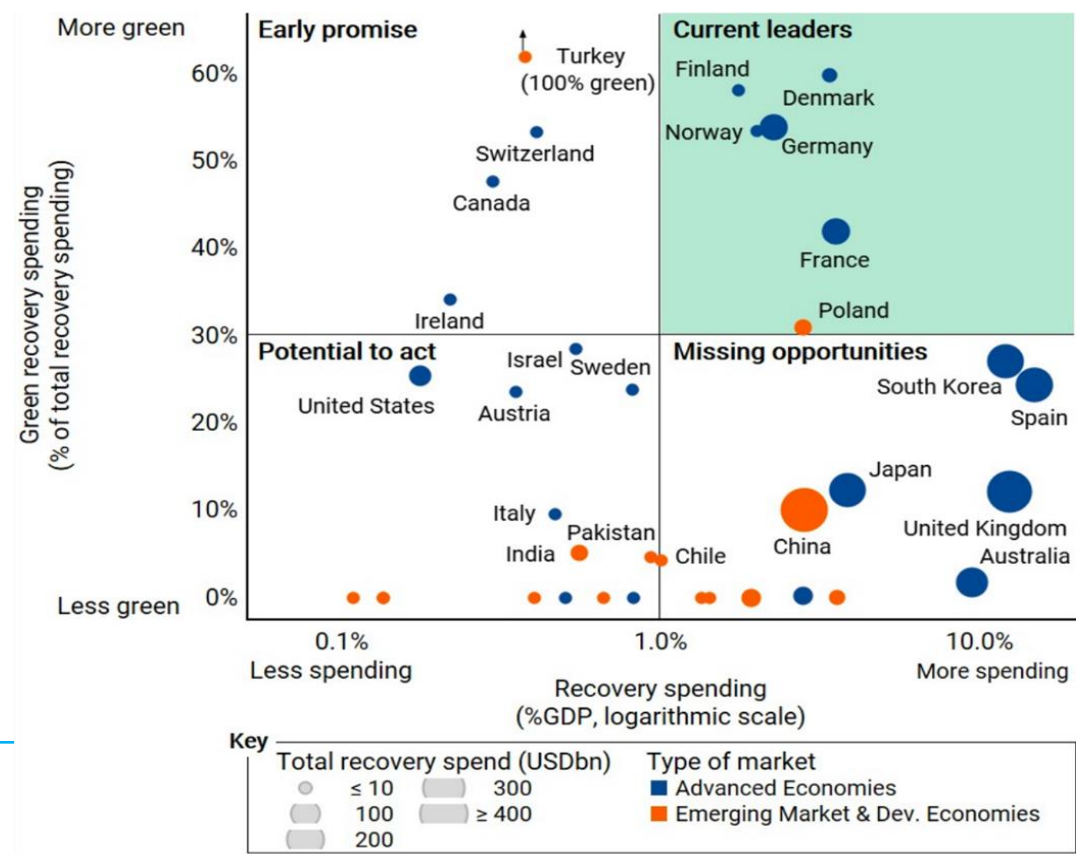
Global Green Recovery Response to Date



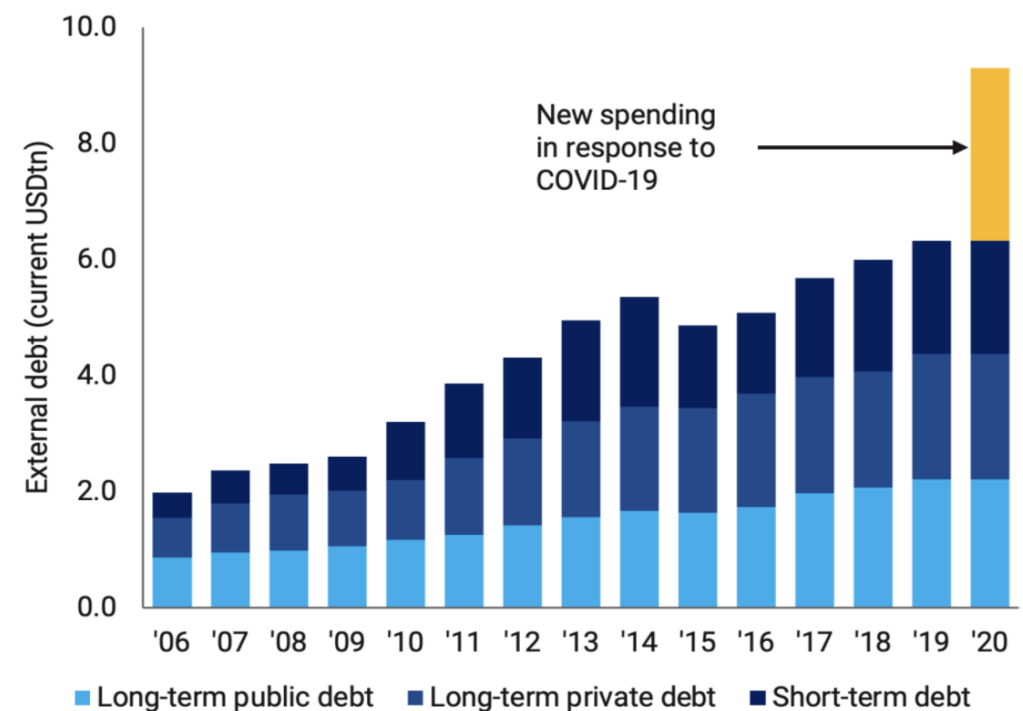
Global Green Recovery Response to Date ...



Green recovery spending as a percentage of total recovery spending, versus recovery spending as % GDP



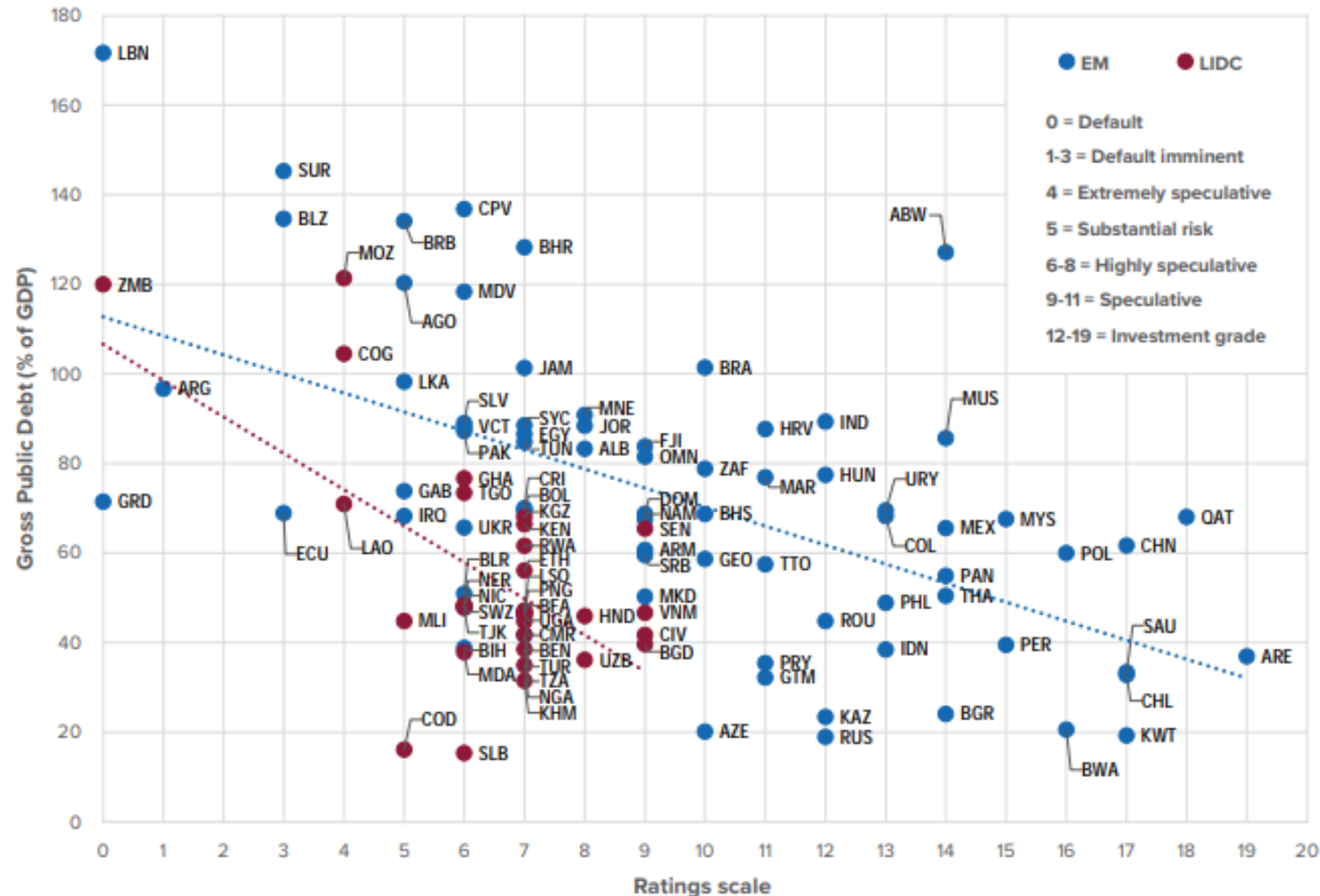
Total debt stock for 19 EMDE countries over time (AE spending 17x higher than EMDE spending)



Source - [UNEP-Oxford Smith School, 2021](#) // *data for 2020 - does not cover spending announced in 2021

...and limited options for many with looming debt vulnerability

Figure 3. Sovereign credit ratings (as of February 5th, 2021)



A Future Possible - Country Examples

The Self Starters

Some Green Recovery Examples

GREEN ENERGY



Argentina – USD 390K to finance the incorporation of renewable energy into the fishery industry

Colombia – USD 4.3 million funding for 27 strategic renewable energy and transmissions projects, including the generation of 55 thousand jobs, include 9 wind, 5 solar, 3 geothermal and one hydrogenation, as well as 9 energy transmission lines.

Vietnam - development of solar energy projects, by enabling corporate PPAs for rooftop solar projects, as well as instituting a feed-in-tariff

GREEN TRANSPORT



India - The government sanctioned 670 electric buses for Maharashtra, Goa, Gujarat and Chandigarh and 241 charging stations in Madhya Pradesh, Tamil Nadu, Kerala, Gujarat and Port Blair under Phase-II of the FAME India Scheme.

Mexico - Expansion of Mexico city cycling network. 54km of new routes constructed.

Peru – Municipal investments of USD 1.06 million for bike lanes to promote use of bicycles.

The Self Starters

Some Green Recovery Examples



GREEN BUILDINGS

Brazil – USD 5.3 million to the Guarantee Fund for Energy Efficiency Credit (FGEnergia) of the National Bank for Economic and Social Development (BNDES).

Colombia - USD 8 million credit to SMES to promote reduction in greenhouse gas emissions by scaling financing to SMEs investments in energy-efficient projects.

Spain - USD 10 billion for biodiversity measures: green infrastructure (incl. reforestation), reduction vulnerability of coastal natural spaces, green sanitation, river restoration, plan for modernisation of transport infra.



NATURAL CAPITAL

China - Fund for environmental protection and pollution control, ecological restoration and land and space greening, energy resource conservation and utilization, green transportation, clean energy etc. Final scale of the fund: USD 13.5 billion, (of which USD 1.5 billion of central government).

India - USD 817 million for Compensatory Afforestation Management & Planning Authority (CAMPA), for Afforestation and Plantation works, incl. urban areas, Artificial regeneration, assisted natural regeneration, Forest management, soil & moisture conservation works, Forest protection, forest and wildlife related infrastructure development, wildlife protection and management.

The UN at its best

Green Recovery Country Support Examples



UNEP working with UNDP, UN ECA and IMF in [Gabon](#) to operationalise the national development strategy of the Gabonese government integrating environmental sustainability and gender focus in the national economic policymaking processes.



[South Africa](#): by mainstreaming and supporting green economic opportunities in key economic sectors to mitigate the socio-economic impacts of the pandemic.

[Mongolia](#): by assisting the Government in greening the economic recovery through nature-based solutions and economic diversification through the community-based eco-tourism sector.

[Burkina Faso](#): through a focus on the design and implementation of fiscal measures for promoting sustainable recovery of the tourism sector.



UN system entities (including UNDP, UNEP, ILO and FAO) working together to support the many Socio-Economic Response Plans which include a focus on green economy, innovation and digital solutions (e.g., Dominican Republic, Myanmar, Bosnia And Herzegovina, Trinidad & Tobago) and rebuilding low-carbon and climate resilient economies (e.g., Ecuador And Trinidad & Tobago).

Country Examples

SDG Invest

The Joint SDG Fund announces a **US\$41 Million portfolio to catalyze strategic financing** to accelerate the Sustainable Development Goals (SDGs). With this allocation, **the Fund's investment reaches US\$223 Million, encompassing programming in 112 countries.**



RESILIENT
INFRASTRUCTURE

Uruguay

\$70M financing for renewable energy technologies adoption in the industry and transportation sectors



AGRICULTURE &
FOOD SECURITY

Malawi

\$35M impact fund for agribusiness composed of senior, mezzanine and catalytic first loss tranches



NATURAL ECOSYSTEMS
& CLIMATE ACTION

Indonesia

\$7.5B increasing public and private green investments eco-system approach to scale-up the domestic bond market



BLUE ECONOMY

FIJI

Leverage **\$75M** in coral reefs and the blue economy with debt/equity transaction for "reef-first" business models



Fiji, Indonesia, Malawi and Uruguay were selected from 155 proposals from over 100 country applicants. In each country, UN Country Teams and partnership with Governments interacted with senior finance experts to create in depth approaches.

Fiji

Fiji will conserve and protect coastal reefs, marine life ecosystems while empowering local communities.

Indonesia

Indonesia will create a new generation of financial products to combat climate change.

Malawi

Malawi will create jobs and support small businesses in the country's severely undercapitalized agricultural sector.

Uruguay

Uruguay will combat climate change by helping transition the country's transportation and industry sectors to green energy.

Navigating forward – Possible UN Responses

How to catalyze an Inclusive Green Recovery?

UNSG Six Climate-Positive Actions
to help rebuild economies
from COVID-19 Pandemic



Invest In Green Jobs

Invest in sustainable jobs and businesses through a clean and just transition. Investments must accelerate the decarbonization of all aspects of our economy.



No Bailout For Polluting Industries

Do not bailout polluting industries unless these industries commit to become Paris aligned.



End Fossil-Fuel Subsidies

Fossil fuel subsidies must end, carbon must have a price to deliver a market-driven shift to a decarbonized economy. Polluters must pay for their pollution that is harming communities, employees, and consumers.



Climate In All Decisions

Take climate risks and opportunities into account in all financial and policy decisions.



Work Together

Work together to recover better.



Leave No One Behind

The transition to a carbon neutral economy must be fair and inclusive. We must leave no one behind. And we must ensure that more women are in decision-making positions



How to catalyze an Inclusive Green Recovery?

Investing in Nature

- Encouraging and supporting investments in public works and ecosystem restoration
- Restorative agriculture and food systems
- Integrating nature in national economic policymaking processes and global socio-economic dialogues

Financing an Inclusive Green Recovery

- Greening budgets and repurposing environmentally harmful subsidies;
- Creating an enabling environment for private sector green finance through incentives and standards
- Debt-for-Nature/debt-for-Climate swaps, green/blue bonds
- SDR expansion and going beyond debt suspension

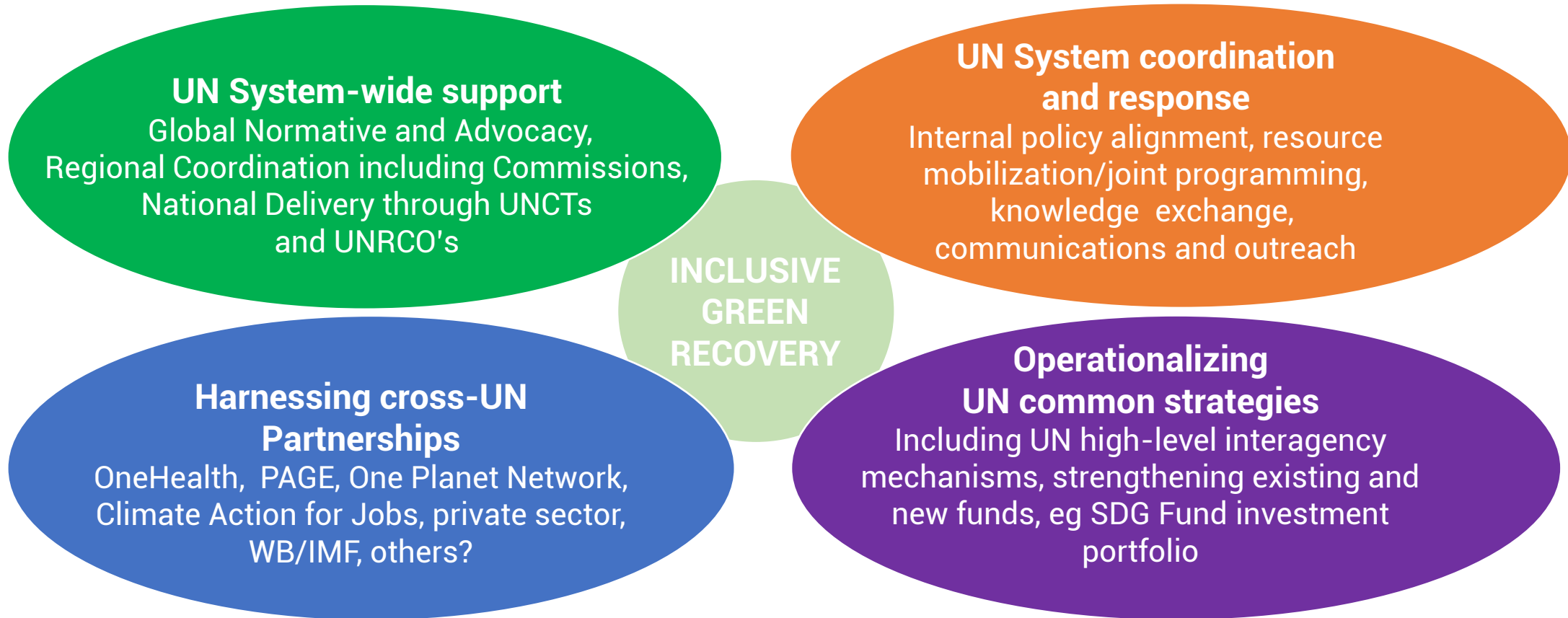
Just Transition for All

- Just and Green Jobs
- Embedding the Leave No One Behind principle in inclusive green recovery policy analysis/advisory
- sustainable infrastructure and renewable/energy transitions
- Resource efficiency and circularity investments

Human Capability and Social Equity

- Social protection floors and programmes
- Education and bridging the digital divide
- Fiscal reforms to create fairer and more equitable opportunities in education, health and environment
- Human rights and rights-based approaches

Improving our UN Response for Fairer and Greener Recoveries



Thank You

Q & A firestarters

- What is our experience so far in helping countries turn pledges into acts on greening recovery efforts?
- What is holding them back?
- What are some of the issues we may not have emphasized sufficiently?
- How to leverage existing processes and coordination mechanisms including:
 - SG Common Agenda
 - UN Economists Network
 - CEB/HLCP, DCO, Environmental Management Group
 - Preparations for Nature Year Conferences in 2021-2022
 - Partnerships with G20, IFIs, WEF, other fora

Useful Information/further Resources

- <https://data.undp.org/content/global-recovery-observatory/>
- <https://www.jointsdgfund.org/>
- <https://greenfiscalspolicy.org/>
- https://globalcanopy.org/wp-content/uploads/2021/01/LBIN_2020_EN.pdf
- [Are We Building Back Better? Evidence from 2020 and Pathways for Inclusive Green Recovery Spending](#)
- ILO Just Transition Guidelines https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/publication/wcms_432859.pdf
- Climate Action 4 Jobs initiative <https://www.climateaction4jobs.org/>
- Social Finance Program <https://www.ilo.org/empent/areas/social-finance/lang--en/index.htm>
- World Employment and Social Outlook: Greening with Jobs <https://www.ilo.org/global/research/global-reports/weso/greening-with-jobs/lang--en/index.htm>
- Nature Hires; How Nature-based Solutions can power a green jobs recovery https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_757823.pdf
- Skills for a Greener Future https://www.ilo.org/skills/pubs/WCMS_732214/lang--en/index.htm
- FAO Climate Smart Agriculture Sourcebook <http://www.fao.org/climate-smart-agriculture-sourcebook/enabling-frameworks/module-c4-finance/chapter-c4-2/en/>
- FAO-GEF portal <http://www.fao.org/climate-change/international-finance/global-environmental-facility-gef/en/>
- FAO-GCF portal <http://www.fao.org/climate-change/international-finance/green-climate-fund/en/>
- Adaptation Fund portal <https://www.adaptation-fund.org/>