

## **Inter-Agency Expert Group Meeting: Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027)**

**10-12 May 2023**

### **Introduction**

1. This paper has been prepared by the United Nations Environment Programme (UNEP) for presentation to the inter-agency expert group meeting on “Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027).” The paper begins with a context section and then provides an update of UNEP’s work through an overview of progress, gaps, challenges, and pathways toward a green economy.

### **Context**

2. The triple planetary crises of climate change, biodiversity and nature loss, and pollution have broadened inequalities and threaten the achievement of the 2030 Agenda for Sustainable Development (2030 Agenda) and the Sustainable Development Goals (SDGs), especially SDG1 “No Poverty”. For the purposes of this inter-agency expert group meeting, emphasis is placed on the impacts of environmental crises on the goal to end poverty, and the contributions of a green economy approach to the implementation of the 2030 Agenda.
3. The challenge before the world is enormous:
  - 836 million people still live in extreme poverty
  - The poor strongly rely on natural resources for their livelihoods
  - Poor people are disproportionately vulnerable to environmental degradation, climate change and disasters
  - The impacts of environmental degradation are concentrated among vulnerable groups and households
  - Lower baseline health, limited access to good quality healthcare, and lower ability to invest in defensive measures (e.g., air filtration and better housing quality) increase the vulnerability of lower socio-economic households to air pollution and climate change
  - Indigenous Peoples are among the first to face climate change and its consequences. These make the difficulties already facing these groups much greater, including poverty and inequality, loss of land and resources, and migration and forced displacement.
4. But there are also opportunities to work towards eradicating poverty which UNEP is contributing to realizing:
  - Building the resilience of poor people so that they can live a dignified life
  - Promoting livelihood diversification
  - Supporting countries and societies to adapt to climate change and reduce risks of disasters and shocks
  - Exploring concrete pathways to transforming economies into green and inclusive ones to deliver on different international commitments and goals

- Involving industries (agriculture, manufacturing, banking, and others) in the transition towards fairer, greener economies
- Enacting regulatory frameworks to drive certain behaviors and reversing the use of incentives, to favor more positive outcomes.

### **An Inclusive Green Economy is Central to Poverty Eradication**

5. An inclusive green economy is a pathway designed to address three main challenges faced by humanity, namely: (a) persistent poverty; (b) overstepped planetary boundaries; and (c) inequitable sharing of growing prosperity. Moreover, pursuing green economy objectives in the context of sustainable development and poverty eradication will enhance the ability of countries to manage natural resources sustainably and with lower negative environmental impacts, increase resource efficiency and reduce waste.
6. As recognized by Member States in *The Future We Want*, green economy in the context of sustainable development and poverty eradication is one of the important tools available for achieving sustainable development and could provide options for policymaking.
7. In that regard, Member States affirmed that, *inter alia*, green economy policies in the context of sustainable development and poverty eradication should:
  - Be consistent with international law
  - Respect each country's national sovereignty over their natural resources taking into account its national circumstances, objectives, responsibilities, priorities and policy space with regard to the three dimensions of sustainable development
  - Strengthen international cooperation, including the provision of financial resources, capacity-building and technology transfer to developing countries
  - Enhance the welfare of indigenous peoples and their communities, other local and traditional communities and ethnic minorities [...] and respecting non-market approaches that contribute to the eradication of poverty
  - Enhance the welfare of people and groups in vulnerable situations
  - Promote productive activities in developing countries that contribute to the eradication of poverty
  - Continue efforts to strive for inclusive, equitable development approaches to overcome poverty and inequality.
8. It is in this context that Member States invited the UN system, in cooperation with relevant donors and international organizations, to coordinate and provide information upon request on:
  - Matching interested countries with the partners that are best suited to provide requested support
  - Toolboxes and/or best practices in applying policies on green economy in the context of sustainable development and poverty eradication at all levels
  - Models or good examples of policies on green economy in the context of sustainable development and poverty eradication
  - Methodologies for evaluation of policies on green economy in the context of sustainable development and poverty eradication, and

- Existing and emerging platforms that contribute in this regard.

### UNEP's activities on green economy

9. UNEP's green economy work is spread across the following programmes and initiatives:
  - [Advisory services](#) – We provide technical assistance and capacity building to help countries transition to greener and more inclusive economic models.
  - [Economic and fiscal policy](#) – We generate research that helps policymakers shift policies and investments to protect the environment and promote social protection and equity.
  - [Environment and Trade Hub](#) – We support countries in using trade as a driver for achieving the 2030 Agenda for Sustainable Development.
  - [Green Growth Knowledge Platform](#) – We offer policymakers the policy guidance, good practices, tools, and data they need to support the transition to a green economy.
  - [Partnership for Action on Green Economy](#) – We work with other UN agencies to assist countries in developing, adopting, and implementing green economy policies and strategies.
  - [The Economics of Ecosystems and Biodiversity](#) – We work to “make nature’s value visible” and mainstream the economics of nature into decision-making at all levels.
  - [UN Environment Finance Initiative](#) – We partner with financial institutions around the world to bring about systemic change in finance to support a sustainable world and we aim to mobilize the world’s capital to support the transition to a sustainable, low-carbon economy.
10. Given the space limitations of this paper, and for illustrative purposes, only one initiative will be described in further detail: the Partnership for Action on Green Economy (PAGE).
11. PAGE was launched in 2013 as a response to the call at Rio+20 to support countries addressing one of the greatest challenges of our time: building economies that improve human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. It brings together five UN agencies; UNEP, UNDP, ILO, UNIDO, and UNITAR, whose expertise and support assist and lead partner countries towards their transition to an Inclusive Green Economy by providing policy advice, assessments, capacity building and analytical tools outputs.
12. PAGE is increasingly recognized as a model to deliver coordinated support of UN to countries for achieving the SDGs and targets of the Paris Agreement. It is championing green economies, enhanced collective reflection and action across its multiple global and national networks, informing global debates, catalyzing change through UN Resident Coordinator Offices (UNRCOs), and improving analysis through its Global Recovery Observatory.
13. Since its inception, PAGE has worked with partner countries to create lasting change embedded in national policies and institutions. Integrated and holistic support enables countries to reduce poverty, increase jobs and social equity, and strengthen livelihoods and environmental stewardship while sustaining economic growth:

- 22 Partner countries
  - 8 Funding partners
  - 67 Countries requesting PAGE support
  - 196 Assessments
  - 103 Policies Supported in 16 Countries
  - 299 National Institutions and Ministries Partnering
  - US\$94.6m Total Contributions to PAGE
  - 56 Initiatives Providing Co-financing
  - 12 Collaborating Partners
  - 31,782 People Trained
  - 23 Knowledge Products
  - 81 Global Events
  - 96 Countries Represented at PAGE Events
  - 21 Training Packages
14. PAGE's 2022 highlights include:
- i. Influencing global debate**  
Inputs to Indonesia's G20 Presidency, the Stockholm+50 Conference, the United Nations Framework Convention on Climate Change 27<sup>th</sup> Conference of the Parties, and the World Circular Economy Forum put green and just economic transition high on the agenda in global debates with mention in the G20 Bali Leaders Declaration.
  - ii. Leveraging economic expertise**  
UNRCOs benefitted from training on green economic modelling and dialogues reflecting on priorities for a green economic transition, in addition to targeted economic expertise provided to countries through the Green Transformation Economic Advisory Mechanism (Green TEAM).
  - iii. Developing skills and capacity**  
Since PAGE's inception, 26,000 learners completed courses of PAGE's e-learning portfolio contributing to improved knowledge on inclusive green economy. A Green Industry Summer School provided deep-dive learning for key actors in industry on circular economy, green recovery for SMEs, decarbonization and green jobs.
  - iv. Providing knowledge on green economic recovery**  
The Green Recovery Observatory helped to showcase policy solutions and green investments providing the basis for a Sustainable Budgeting Approach. Focused on the impact of COVID-19 on Small and Medium-sized Enterprises, additional guidance was developed on how to recover from exogenous shocks and increase resilience.
  - v. Accelerating policy reforms in countries**  
PAGE countries announced new policy measures to reduce carbon emissions, facilitate green finance and sustainable public procurement, promote green industry, and protect natural resources. Capacity building and social dialogue advanced sectoral reforms related to agriculture, energy, infrastructure, textiles, and tourism, with green jobs and circular economy being prevailing areas of action across countries.
15. **UN system support:** PAGE engages across the UN system, and through the UN Resident Coordinator network, to leverage collective expertise in economic thinking, offering

deeper policy advice to partners and contributing to a strengthened global understanding of green economy principles.

16. The Green TEAM leverages economic expertise of PAGE agencies, UNRCOs, Regional Commissions, local research institutions and international think tanks to guide countries in their green economic transformation. The partnership with UNRCOs and the UN Development Cooperation Office catalyzes systemic change, allowing PAGE to embed its offer within countries' broader reform agendas and strengthen the focus on inclusive green economy in UN joint support.
17. Beyond targeted advice, Green TEAM confirmed its role as convenor of knowledge and experience exchange, as well as capacity building, opening its dialogue "One UN for Accelerating a Fair and Green Economic Transformation" to all UNRCOs and starting a training programme for UNRCO economists and related stakeholders. Economic expertise of the Green TEAM also shapes global analytical products, with a third application of the Green Economy Progress Measurement Framework under development.
18. In 2022, advisory services of the Green TEAM were expanded to five additional PAGE countries, a total of 10, taking up immediate demand through green economic transformation analysis, macroeconomic modelling, as well as inputs to Common Country Analysis (CCA), UN Sustainable Development Cooperation Frameworks (UNSDCF), national policies, and strategic policy dialogues:
  - Argentina: Economic specialists mobilized by the Green TEAM supported the Social and Economic Council of the Presidency in developing a study on the labor impacts of green hydrogen projects across the country, feeding into the National Sustainable Hydrogen Promotion Law to be presented at the Parliament in March 2023.
  - Cambodia: A Green TEAM international economist took part in the PAGE Inception Mission to Cambodia providing substantive inputs during high-level meetings as well as recommendations for the design of the country's Policy Scoping Study – a key document to guide the country's green economic transition.
  - Indonesia: Expert economists from the Green TEAM guided the development of an Economic Transformation Analysis to lay the ground for the country's green economy transition. The Analysis is feeding into the CCA update and will shape the drafting of upcoming medium and long-term national planning documents.
  - Kazakhstan: Following a request of the Ministry of National Economy, PAGE Kazakhstan partnered with the Economic Research Institute to finalize the development of the Carbon Neutrality Strategy until 2060.
  - Morocco: Green TEAM international experts shaped the 2022 Economic Transformation Pathways Analysis and Policy Scoping Study by strengthening the macroeconomic dimension and leveraging the interlinkages between national development plans and the green economy transition, in addition to substantive inputs to the update of the country's UNSDCF 2023-2027.
  - Peru: In Peru, as part of an ongoing collaboration between the UNRCO, the Universidad del Pacífico (Lima), and PAGE, experts shaped the design of a

modelling study on the social and economic benefits of environmental sustainability policies.

- Thailand: In Thailand, the Green TEAM helped run a policy scenarios assessment using a macroeconomic model from the UN Economic and Social Commission for Asia and the Pacific as part of a collaboration between ESCAP, the UNRCO, and PAGE.

### Going Forward: Challenges and Gaps

19. Despite progress, there still exist gaps in countries' efforts to move closer towards greener, more inclusive economies. For instance, through UNEP's work coordinating PAGE, a Green Economy Progress (GEP) measurement framework and dashboard of sustainability indicators has been developed to, *inter alia*, assess the outcomes of enabling policies that are conducive to an Inclusive Green Economy. Progress in improving these outcomes has also been analyzed against specific planetary boundaries, such as greenhouse gas emissions, water stress and biodiversity loss.
20. Results for the GEP index and its components for the PAGE countries (with a GEP index for 17 out of 20) shows that 14 out of 17 countries have a positive GEP index, in other words, that they have made progress towards an Inclusive Green Economy. However, when information from the dashboard of sustainability indicators is used to calculate the GEP+, South Africa was the only country able to achieve positive progress in all the Dashboard of Sustainability indicators as well as a positive GEP Index score. This indicates that for PAGE countries the progress achieved in the GEP index may not be sustainable, given the regress on the dashboard sustainability indicators. More generally, although the GEP Index results are encouraging, they nevertheless show the amount of effort that is still needed to ensure that improving human well-being does not come at the expense of key stocks of capital. The GEP measurement framework will keep updating and expanding the set of indicators used, as they become available. In addition, the framework will keep improving and expanding its methodological approach to the inclusion of different indicators.
21. In addition to the above, UNEP's work on green economy has demonstrated the following achievements:
  - Development banks are providing billions of dollars to support green growth and encourage private sector investment
  - Governments from developed, developing and emerging economies are developing national green economy strategies and legislation
  - Companies and international institutions, including the UN system, are developing ways to measure the social and environmental performance of economies, with metrics that go beyond traditional GDP and shareholder value.
  - New 'green financial products' – such as green insurance bonds – have also come onto the market. Some of the world's largest investment banks have drafted voluntary guidelines for the development and issuance of green bonds.

While many actors are beginning to align their views and activities, there are important gaps:

- Economic polarization is undermining attempts to eradicate poverty or protect our environmental systems at national and international levels.
  - Inequality is threatening to destabilize the current economic model; and it is central to our hopes for political collaboration and progress. Concerted action and attention is needed to place the crisis of rising inequality at the center of policy issues and analyses.
  - New coordination mechanisms within governments are needed to bring multiple ministries – finance, planning, energy, environment, and ministries responsible for social affairs, poverty reduction or welfare goals – to jointly promote inclusion, equity, and environmental limits.
  - Informal markets continue to expand in both developed and developing countries. However, informal economies have not received adequate attention within green economy discourse and action.
  - Multistakeholder involvement must be meaningfully championed in actions towards more inclusive and greener economies.
22. Going forward, the UN system’s efforts on inclusive green economy, as a poverty eradication pathway, must be shaped by issues of equity and ecological limits, and for that to happen, the transition needs to be defined, managed, and owned by people and their communities:
- Transforming our economies will only become politically feasible when we are able to connect the opportunities of a green economy to people’s lives. That means better jobs, health, energy, food, education, housing, for instance.
  - Scale up in-country dialogue and accords, emphasizing equity, learning, shared commitment between stakeholders. National dialogues need to recognize country specificities including power, location, and time. They also need to help stakeholders bridge opposing ‘world views’ and explore facets of the systemic change required.
  - Connect global policy goals across the transition. This requires connecting the financial system reform agenda to the goals of a green economy; accelerating ‘circular economy’ policies to transform our sectors; scaling up natural resource management strategies in economic planning; and redefining indicators of success to account for ecological limits and equity.
  - Foreign and international relations on green economy need to extend beyond ODA and global initiatives. Issues such as trade reform, subsidies, technology transfer, tax cooperation, financial system reform, investment transparency need to be considered alongside and within green economy approaches.

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