



United Nations
Economic Commission for Africa

Aide memoire

**Ad Hoc Expert Group Meeting on Integrated Assessment Tools and Methodologies for an
Inclusive Green Economy in Africa**

United Nations Conference Centre, Economic Commission for Africa Headquarters

**Addis Ababa
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**Green Economy and Natural Resources Section
Special Initiatives Division**

1. Introduction and background

The green economy paradigm

1. The phrase “green economy” was coined in 1989 in the title¹ of the pioneering report: *Blueprint for a green economy*, which was commissioned by the United Kingdom Department of Environment.² In late 2009, while searching for a response to the international financial crisis and economic downturn against the backdrop of increased commodities prices and climate change, the United Nations Environment Programme (UNEP) helped to popularize the term when it shifted its focus from implementing the Global Green New Deal strategy in 2008 to achieving a green economy. UNEP (2011) defines green economy as one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities.

2. The twin concept of green growth was also initiated before the financial crisis of 2007-2008 at the fifth Ministerial Conference on Environment and Development, which was held in Seoul from 24 to 29 March 2005. The Conference agreed to move beyond rhetoric and materialize sustainable development by adopting a path of "green growth".³ According to OECD (2011), green growth aims to foster economic growth and development, while ensuring that natural assets are used sustainably, and continue to provide the resources and environmental services on which growth and well-being rely.

3. The approach of the Organisation for Economic Co-operation and Development (OECD) to the green economy focuses on the contribution of environmental technologies to a growing economy and emphasizes the importance of economic growth (Sutton and others, 2014). Based on the Green Growth Knowledge Platform (2013), green growth can be perceived as the process that leads to the given state of the economy that can be named as a green economy. The phrase green growth is a policy perspective aimed at operationalizing the normative concepts of green economy and sustainable development and advancing green economy and sustainable development in growth models in a way that simultaneously expands the economy, brings prosperity to all, and preserves the environment (Samans, 2013). The two concepts are closely linked and similar.⁴

An inclusive green economy that explicitly addresses the social dimension

4. Although the concept of green economy encompasses the economy, the environment and the social dimensions of sustainable development, it cannot be presumed that green growth/green economy is automatically inclusive and fosters more equitable societies. As argued by the Nobel laureate Joseph Stiglitz, in some countries inequality narrows as their economies expand while in others, it increases, implying that policy matters, and inequality is a choice (Stiglitz, 2013).

5. Africa remains the second most unequal region of the world after Latin America. In 2010, 6 out of the 10 most inequitable countries were in sub-Saharan Africa. The poor account for 60.8 per cent of the African population and 36.5 per cent of total income. The rich account for 4.8 per cent of the population and 18.8 per cent of total income. Striking trends are found, especially in South Africa and the Central African Republic, with the Gini coefficients rising from 58 to 67 between

¹ Apart from the title there is no further mention to the term “green economy” in the report.

² The report was prepared by the London Environmental Economics Centre (LEEC) and authored by David Pearce, Anil Markandya and Edward B. Barbier.

³ The concept green was then championed by the Republic of Korea.

⁴ As argued by Sheng Fulai of UNEP in a report entitled “A green economy: conceptual issues”, which is available from www.rona.unep.org/documents/partnerships/GreenEconomy/GE_Conceptual_Issues.pdf. Other related concepts are: low carbon economy, circular economy, sustainable consumption and production and ecological modernization.

2000 and 2006 and from 43 to 56 between 2003 and 2008, respectively (AfDB, 2012). This indicated that policies aimed at greening the economy must be carefully designed in order to maximize benefits for and minimize costs to the poor and most vulnerable people (World Bank, 2012). Therefore, a broader concept of inclusive green economy incorporates fully the social sustainability aspects, in particular enhancing human development and the conditions for the poor and vulnerable (Samans, 2013). An inclusive green economy vision carries the promise of tackling the structural causes of social vulnerability, thereby ensuring that any transformation is both green and fair, leading also to a green society, not just a green economy. The inclusive green growth paradigm also recognizes that current growth patterns are both unsustainable and deeply inefficient. Nevertheless, it is understood that growth remains essential, especially in developing countries.

6. An inclusive green economy strategy presents an additional window of opportunity for Africa to leverage the current growth momentum and accelerate its sustainable development path. Stimulating green growth through green investments and technology can provide a platform for financing innovation and for drawing political attention to achieve a structural transformation of African economies for long-run economic growth and job creation (Bass, 2011). In Africa, countries are increasingly showing interest in inclusive green economy as a development strategy. For example, South Africa has adopted the New Growth Path, which integrates the transition to a green economy. The Government of Mozambique adopted a green economy action plan for the transition period 2013 - 2014 in December 2013. This plan is viewed as a concept for the rational and sustainable use of natural resources through the integration of the three pillars of sustainable development: economic, social and environmental development. As part of Vision 2020, a development programme launched in Rwanda, the Government has adopted the Green Growth and Climate Resilient Strategy with the intent to provide strategic direction for the country and a set of measurable goals aimed at ensuring the emergence of a green economy. The Government of Ethiopia has launched the Climate Resilient and Green Economy initiative, which has the dual objective of lifting the country to a middle income economy by 2025 while maintaining a zero net increase in greenhouse gas emissions.

Sustainable development, inclusive green economy and integrated assessment

7. The concept of sustainable development is generally viewed through the integration of its three dimensions: environmental, social and economic. However equal emphasis should be given to governance and institutions as fundamental and overarching requirements for achieving sustainable development (ECA, 2012). There are clear and strong linkages within the economic-social-environmental dimensions of sustainable development.

8. Attaining an inclusive green economy is considered to be one of the means for operationalizing sustainable development (United Nations, 2011). The ultimate goal of a green economy is to align the economy with the principles of sustainable development. Inclusive green economy and sustainable development rest on the same economic, social and environmental pillars. Thus, the inclusive green economy paradigm, as supported by its conceptual framework, also requires an integrated analysis. As such, it also lends itself to integrated methodologies and tools that can take into account and reflect sectoral linkages and win-win effects. These methodologies and tools can also be used to examine “trade-off” issues within various policy scenarios.

9. Integrated assessment is the science that deals with an integrated systems approach for dealing with complex societal problems embedded in a process-based context. It aims to analyse the multiple causes and impacts of a complex problem in order to develop policy options for a strategic solution of the problem in question. The integrated assessment toolkit includes both analytical tools and methods, such as models, scenarios, uncertainty and risk analyses, and participatory approaches, such as focus groups, policy exercises and dialogue methods (Rotmans, 2006).

Examples of integrated assessment tools and methodologies include: modelling (see for example, Musango and others (2014) for a recent application); the Environmental and Social Assessment methods initiated by the World Bank; econometric analysis dealing with integrated indicators; the Poverty and Social Impact Analysis of the World Bank; the methodology for governance-related analysis carried out by the United Nations Development Programme (UNDP); the sustainable development indicator framework for integrated analysis of the Economic Commission for Africa (ECA); the environmental impact assessment and strategic environmental assessment promoted by UNEP and others; the System of Integrated Environmental and Economic Accounting of the United Nations Statistics Division and others; and the life-cycle assessment methodology.

10. Integrated assessment tools and methodologies should support the following: (a) a normative policymaking approach covering environmental, social and economic implications and associated policy issues and their potential solutions; (b) place solutions within a policy cycle (see figure 2) in order to ensure that policy issues are appropriately defined, potential solutions are compared, the solutions that increase synergies and reduce trade-offs are adopted, and the adopted solutions are implemented, monitored, evaluated and reported; (c) the alignment of policy development with the political, institutional, and analytical realities of the context (UNEP, 2009b).

Justification

11. Research on tools and methodologies for green economy policy and planning responds to the needs expressed to ECA and partners by African countries that would like to formulate and implement inclusive green economy policies and strategies. In the Africa Consensus Statement to Rio+20, the ministers of African States called for a programme of support to help African countries assess the costs and benefits of a green economy transition and formulate and implement relevant policies that address the needs and priorities of Africa so that the green economy contributes to sustainable development and poverty eradication.⁵ In the *Outcome document of the Africa Regional Implementation Meeting for the Post-Rio+20 Follow-up Processes*, the representatives of African member States called on the coordinating bodies to adopt or enhance the use and application of approaches and tools, including integrated assessments, to promote the balanced integration of the three dimensions of sustainable development (ECA, AfDB and AUC, 2013b). In the Africa Regional Consultative Meeting on the Sustainable Development Goals Outcome Document, the Ministers and other high-level representatives of African member States noted that data should be systematically collected, disaggregated and analysed to inform regular performance reports. Furthermore, they indicated that a common reporting framework for the indicators will be required to compare performance across countries, subregions and regions (ECA, AfDB and AUC, 2013a). At the global level, in the outcome document of the United Nations Conference on Sustainable Development, entitled “The future we want”, organizations of the United Nations system, other international organizations and donors were invited to assist countries in their green economy transition, including by methodologies, toolboxes and models for evaluating or applying green economy policies in the context of sustainable development and poverty eradication.⁶

12. In the backdrop of the above, ECA has commissioned a study on integrated assessment tools and methodologies for inclusive green economy. The study is intended to explore integrated assessment tools and methodologies that can inform the formulation and implementation of inclusive green economy policies in Africa. The main objective of it is to undertake a comprehensive review of tools and methodologies for conducting an integrated assessment of inclusive green economy policies with a view to determining those that are most suitable for Africa, and in that regard, the study builds on the work of partners. The analysis is based on a conceptual framework that relates the tools and methodologies to the different stages of the policy-cycle

⁵ See E/ECA/CFSSD7/Min./3.

⁶ See A/RES/66/288.

formulation, implementation, monitoring and evaluation. The study entails a general appraisal of tools and methodologies at different stages of the policy cycle in order to determine those that are the most suitable for Africa, and to inform a more in-depth analysis of the selected tools and methodologies. It is one of three complementary studies on an inclusive green economy in Africa being undertaken by ECA in collaboration with relevant partners. The other two are:

(a) **Inclusive green economy policies and structural transformation in Africa.** This study is aimed at exploring the linkages and contribution of inclusive green economy policies and strategies to the structural transformation of African countries. It is intended to enhance understanding and promote the adoption of inclusive green economy policies that will contribute to achieving structural transformation goals in Africa.

(b) **Enabling measures for an inclusive green economy in Africa.** This study is being undertaken in collaboration with UNEP. Its objective is to explore enabling measures that will facilitate the transition to an inclusive green economy in Africa.

13. Going forward, ECA plans to deepen work in these areas. In addition, the Commission will establish knowledge management platforms, provide capacity-building and technical advisory services, and develop and implement an outreach strategy. All these activities are aimed at enhancing the uptake and implementation of inclusive green economy policies that will contribute to accelerating structural transformation in Africa.

2. Objectives of the Ad Hoc Expert Group Meeting on Integrated Assessment Tools and Methodologies for an Inclusive Green Economy in Africa

14. The Ad hoc Experts Group Meeting on Integrated Assessment Tools and Methodologies for an Inclusive Green Economy in Africa is being organized by ECA to review the draft report on the same. The overall objective is to provide a platform for experts to deliberate on and enrich the draft report, and to specifically:

(a) Review the draft report with a view to identify gaps, provide expert inputs, and propose revisions that should form the basis for finalizing the report;

(b) Identify key intervention areas for in-depth analysis and capacity-building to support to formulation and implementation of inclusive green economy policies in Africa.

3. Expected outcomes

15. The expected outcomes are as follows:

(a) Better understanding of the strengths and weaknesses of tools and methodologies with regard to enabling an integrated assessment at different stages of the policy cycle;

(b) Identification of the most suitable methodologies and tools for an integrated assessment of inclusive green economy policies in Africa and a set of action-oriented recommendations on tools and methodologies for in depth study, capacity-building, and advocacy activities.

4. Format of the expert group meeting

16. The format of the meeting will be as follows:

(a) Opening and introductory session

During this session, opening statements from the organizers and partners will be delivered. In addition, a detailed presentation of the objectives of the meeting highlighting the background and justification for the study will be given.

(b) Plenary session I: Presentation of the report

During this session, the consultant will present the main chapters:

- (i) Conceptual framework of the report;
- (ii) Inclusive green economy methods, tools and methodologies;
- (iii) Review of inclusive green economy methodological frameworks and tools: comparative assessment;
- (iv) Case study: Ethiopia's Climate-Resilient Green Economy Strategy;
- (v) Way forward: in-depth analysis and capacity-building.

Discussions on the presentations will follow and the main issues and recommendations that emanate from the discussions will be synthesized.

(c) Breakout sessions

For these sessions, the experts will be divided into break-out groups. Each group will be assigned to review in detail the main chapters of the report. The breakout sessions will afford the experts the opportunity to critically examine and discuss the main chapters of the report with the view to providing inputs and comments for finalization of the report. Each group will also be tasked with identifying key intervention areas and needs for in-depth analysis and capacity-building required to make the tools and methodologies for integrated assessment more effective at different stages of the policy cycle in transition to an inclusive green economy in Africa.

(d) Presentation and discussions on the outcomes of the breakout sessions

During this session, detailed presentations of the breakout sessions will be given followed by a discussion on the outcomes. The session is expected to generate rich discussions and concrete recommendations for the finalization of the report.

5. Expected output of the expert group meeting

17. The main output of the expert group meeting will be the report of the expert group meeting, including expert comments, inputs and recommendations for improving the report on integrated assessment tools and methodologies for an inclusive green economy in Africa.

6. Documentation

18. Documents and resources for the expert group meeting include the draft report on integrated assessment tools and methodologies for an inclusive green economy in Africa; the concept note of the study; and relevant reports and publications.

7. Participation

19. The expert group meeting will bring together 40 to 50 experts and practitioners in the fields of integrated assessment tools and methodologies for an inclusive green economy, economic planning, sustainable development and statistics. Among the participants will be experts in the specific thematic areas of an inclusive green economy, integrated assessment, tools and methodologies, statistical capacity and policy development in Africa.

8. Working languages

20. The plenary sessions of the meeting will be conducted in English and French, with simultaneous interpretation in both languages.

9. Dates and venue

21. The meeting will be held at the United Nations Conference Centre at the Economic Commission for Africa Headquarters in Addis Ababa on 25 and 26 November 2014.

10. Administrative arrangements

22. Kindly refer to the accompanying information note for details on administrative arrangements, including hotel accommodation.

11. Contacts

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