





GEC Global Meeting 2019:

Background Briefing & Context

2018 has been a defining moment in the global transition to green economies. Renewables accounted for an estimated 70% of net additions to global power generation capacity; private investment in the green economy has reached <u>9.3trillion USD since 2007</u> and over 1.45trillion USD green and climatesensitive bonds were allotted; issues such as plastics, air pollution and the health of our oceans have cut through into mainstream media and debate.

But these highlights are set against an alarming backdrop. Biodiversity, the web of life that underpins all our natural systems, is in a dire state: 58% of Earth's land surface—where 71% of all humans live—has already <u>lost enough biodiversity</u> to question the ability of ecosystems to support human societies. At the same time, as people across the world are faced with <u>stagnating wages</u> and <u>rising inequality</u>, communities are increasingly <u>turning to populism</u> or violence. As of January 2019, five of the world's largest seven democracies will have populist leaders.

Just as our global environmental challenges are reaching a crisis point, the world is feeling more discordant than any time in recent history. If we are to safeguard our planet, it's imperative that everyone gets a stake in the transition to greener, fairer economic systems. In 2019 the Green Economy Coalition (GEC) reaches its ten-year anniversary. We take this moment to look back at where GEC has come from, what we have achieved and where we are headed next. We are hosting our Global Meeting back to back with the UNPAGE Ministerial conference to ensure that civil society voices are heard loud and clear.

GLOBAL TRANSITION 2018: THE HIGHS

Renewable power transition takes off: China invested USD 126 billion in renewables (up 30% from 2017); Sweden will hit its renewable energy target 12 years early; Morocco is building a solar farm the size of Paris to power a million homes.

Green finance being unleashed: USD1.45tn in green bonds have been issued; investment managers controlling 45% of global assets are backing carbon disclosure; reforms to EU Emissions Trading Scheme have driven carbon prices above €10 per tonne for the first time in six years. Divestment is gathering pace: Norway's 1 trillion-dollar sovereign wealth fund has divested from coal; one of the world's biggest insurers − Allianz − has stopped insuring coal power plants.

Growing demand for economic change: From Europe-wide campaigns for <u>finance reform</u> and <u>wellbeing</u>, to <u>festivals</u> <u>for social innovation</u> attracting up to 450,000 participants in Latin America, people are demanding change.

THE LOWS

Biodiversity is in crisis: The 2018 WWF Living Planet report, IPBES Global Biodiversity Assessment and IPCC Special Report on Global Warming all confirm that biodiversity is in crisis. Global funding for biodiversity conservation is currently USD 50 billion, but around USD 300 - 400 billion is needed to adequately safeguard natural systems. Most governments will miss the Aichi biodiversity targets.

The inequality gap is still getting bigger: The 2018 World Inequality Report shows that the gap between the world's richest and poorest continues to grow in most countries. It also reveals that since 1980 national wealth has substantially increased, whereas public wealth is now negative or close to zero in rich countries.

Populism is accelerating: When Jair Bolsonaro becomes Brazil's president in January, <u>five of the world's seven</u> largest democracies will have populist leaders representing extreme nationalist visions on the political right and left (US, Brazil, India, Mexico and the Philippines). 12.5 million Europeans lived in a country with at least one populist cabinet member in 1998; in 2018, that has risen more than tenfold, to 170.2 million.







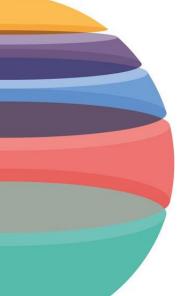




Who we are, and where we've come from

In 2009, from the ashes of the financial crisis and international gridlock on climate change, a handful of civil society organisations gathered to explore the opportunities of a greener economic system. Seeing that the 'brown' economic system was failing their constituencies – poor people, workers, nature – they saw a chance to shape a new agenda. Greener economies offered a pathway for communities to take ownership of local natural resources; for poorer nations to leapfrog old industrial pathways and develop cleaner energy systems better suited to rural economies; for societies to generate new sustainable industries and decent jobs. The GEC was formed to shape and promote that agenda.

Our mission? To champion inclusion, equity and environmental limits. To do that, our understanding of a green economy evolved beyond a single definition to include a set of key actions:



Measuring and governing: Supporting institutions to re-define progress so that they can meet the opportunities and risks of the future. That means connecting national action on the SDGs with corporate reporting frameworks and national wealth accounts.

Reforming financial systems to ensure they are fit for the demands of the 21st century. That means green monetary policy; carbon pricing and taxation and revising the mandates of the major finance institutions.

Greening economic sectors so that food, transport, energy and infrastructure are ready for the future and built to last. That means sector transition plans; binding carbon budgets; and support for small businesses to generate the solutions.

Tackling inequality: Fairer economies are more resilient and they have a smaller environmental impact. That means progressive welfare systems and taxation, shared ownership models and reskilling workforces for a just transition.

<u>Valuing nature</u> to ensure it is visible in national statistics, financial statements and can show decision makers their dependency on maintaining a healthy planet. That means natural and social capital accounting,

Our members have been at the forefront of debate, research and policy development on the green economy for the last ten years. Together we have shifted the global agenda:

- ✓ Via our GEC hubs and programmes, over 300 civil society networks spanning poverty, environmental protection and labour rights are actively championing the green economy transition at local, national and global levels.
- ✓ Pioneering a new form of multi-stakeholder dialogue in 17 locations that have local and national policy development on green growth.
- ✓ International and financial organisations are starting to move beyond the "low carbon agenda" towards a wider understanding of biodiversity and ecological limits
- Moving Societal Demand and inclusion to the centre of the debate both are critical for the transition to be sustained across traditional investment or parliamentary cycles.
- International institutions and donors have shifted their agendas towards the distributional aspects of green growth – particularly looking at the role of small businesses, rural economies and women. This we have termed – everyone getting a stake.











Global Meeting 2019: Everyone Getting A Stake

For the 2019 GEC Global Meeting we are focused on how everyone can get a stake in the transition to a new, greener economic system.

For the GEC, inclusivity is not solely a moral imperative – it is an environmental and economic one. Our experience and that of our partners clearly demonstrates that efforts to protect nature will struggle unless they also improve people's lives. Legislation in Uganda to restore the degraded Rwizi river is struggling to take hold because local communities rely on the river for their survival; efforts to transform Peru's economy hinge on the job opportunities it can offer young people and informal workers; efforts to tackle air pollution in Mongolia will only succeed if poor people can access alternative, affordable energy supplies.

So, what are the practical steps for ensuring that everyone can get a stake? First, and at a minimum, an inclusive approach starts with *voice and participation*. That means proactively seeking out and engaging communities that will be most affected by a given policy or investment, and making sure they have a seat at the decision making table and in assessing the outcomes.

Second, inclusion must provide new opportunities for *livelihoods and income*. A just transition means retraining and reskilling workers, so that as carbon intensive industries close there are new opportunities for people to earn a decent livelihood. Measures like <u>Spain's retraining</u>, <u>early retirement</u>, <u>and income support</u> for coal-miners are a good start. There are some strong examples of social protection meeting conservation efforts including <u>South Africa's Working for Water</u>

<u>Programmes</u> and <u>Brazil's "Forest Allowance" Programme</u>. But it also means generating <u>enabling conditions</u> for small and informal enterprises to generate tomorrow's markets by building their capacity, networks and financing options.

However, for the GEC an inclusive economy moves beyond participation and jobs alone. Inclusion means getting a stake in an economy – and that requires *rights and ownership*. The evidence is clear: from <u>locally owned forests in Nepal and family forests in Sweden to Denmark's approach to community energy</u>, when communities have rights and ownership over a given initiative it is more likely to be successful in the long term. This is when the transformation goes to scale.

In Cape Town, we invite you all to come and share your experiences and solutions for ensuring that everyone gets a stake in this transition. Together we will:

- 1. Take stock of the transition;
- 2. Refine our policy positions for UNPAGE and beyond;
- 3. Develop our next steps together.

Check out the full Agenda here.

2018 GEC HIGHLIGHTS

- ✓ Our hubs operating in 7 regions have convened communities at over 65 different events. From these consultations a series of 'iconic issues' are generating a critical mass of support for change.
- ✓ 7 Green Economy Barometers assessing the status of transition launched.
- ✓ 'Change Finance' campaign sees action in 18 different countries.
- ✓ Supporting thirteen governments to develop a 'core script' on the case for natural capital.
- ✓ Connecting the institutions and communities working on green economy and natural capital.



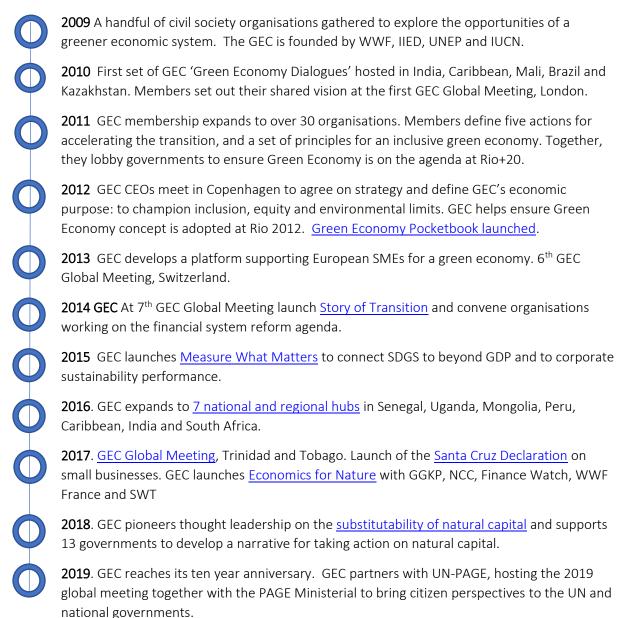








The GEC Journey: Highlights



The Next Decade?

The GEC Global Meeting 2019 forms a key part in our ten-year strategic review to decide our next steps as a coalition. Already, several priorities have begun to emerge.

First is the imperative to ensure that green economic reform improves people's wellbeing: making sure that everyone gets a stake.

Second is the need to be clearer that promoting inclusive green economy is about fundamental structural economic reform, across all economic activity.

Third is the need to adapt our models of dialogue to connect to and empower social movements. More people must join, shape and drive this transformation from the ground up.



