



Delivering Inclusion in a Green Economy

Getting a stake in the transition

Why inclusivity matters

Building a new, green economy isn't easy - the transition takes time, effort and commitment from all parts of society. The only way to mobilise societies to reform themselves over years is if green economies are also inclusive economies that work for and are shaped by all kinds of people. Poor people, marginalised people and those who are well-off; progressive people, traditional people, urbanites and rural dwellers - the old and the young, men and women, workers and businesses, large and small.

The conventional economy is not only environmentally unsustainable. It also excludes, disenfranchises and short-changes very large population groups around the world: hundreds of millions struggling to make ends meet in informal jobs and businesses, almost a billion workers in agriculture whose livelihoods are under massive threat from climate change and deteriorating ecosystems, even more people with no access to clean energy.

Moreover, there are hundreds of millions in urban areas in unsustainable housing and spending a large share of their income on commuting because they have no access to green public transportation. And then there are those who fear that a green economy will harm their interests and take away their jobs and livelihoods. A green economy that doesn't take account of the ambitions of the small-scale farmer, the needs of the concerned coal miner, or the role of the informal waste-picker will not be a success.

The green economy can overcome many of the shortcomings of the conventional development model. It can produce hundreds of millions of winners and be fair to those who may lose as well. To get there, the green transition requires far-reaching changes: to restructure markets and financial flows, productive and social infrastructure, energy and food systems, production and consumption with new priorities. Prosperity for all within one planet limits is a long journey peoples and countries must take together.

If economic reform is difficult and will take time, we need to make sure political will is strong, broad and sustained. Critical mass for policy change will only exist, if people see the stake they have in the outcomes and in the process that shapes the green economy. This transformation requires tangible inclusive goals and outcomes as well as an inclusive process where people can voice their aspirations and needs as well as their apprehensions and fears and help shape the policies that will improve their lives.

There are many examples where the sustainable solution is also fairer, more equal, and more inclusive. Enterprise flourishes in more stable and equal societies, and excesses of consumerism are more easily checked when impacts are closer to home and wealth is less concentrated. Enterprises become cleaner and more productive when workers are able to shape business priorities, help change production processes and get fair rewards. Citizens are more trusting when governance institutions are consultative and transparent.

It will take everybody to change almost everything. An inclusive green economy that respects peoples' rights and responds to their aspirations can build the initiative to get the transition underway and earn the legitimacy to make it stick.

What is already being done?

Inclusive approaches to 'green growth' are increasingly being explored around the world: OECD countries have adopted national green growth strategies, but many struggle with implementation and transition issues. The Economics of Ecosystems and Biodiversity (TEEB) has made the close links between poverty and ecosystems more visible, the Climate Change Convention (UNFCCC) has initiated a workstream on just transitions to a green economy. Development banks have put

on large new funding lines. The Global Green Growth Institute is advising 26 governments on how to achieve their commitments under the Paris Agreement and the Partnership for Action on Green Economy is supporting 12 countries on 3 continents. The GEC also is convening green economy dialogue hubs in 7 countries around the world, bringing a civil society perspective and movement for inclusive green economy.

Unfortunately, the importance of fair outcomes and even more of fair policy processes - is still under appreciated. Inclusion is about involvement and impact, but it can be easier to focus on just one or the other. Many governments are aware of the need to engage marginalised groups in shaping greener policies, but are reluctant to open up policymaking processes.

Civil society groups have a growing role to play as mediators who can connect in excluded groups – such as women and girls, indigenous groups, smallholder farmers, informal workers and SMEs– and as a source of essential knowledge of what works and how policy is applied in practice. To play this role civil society needs to be empowered and capacitated to engage.

The forthcoming 2019 PAGE Ministerial is an opportunity to advance social inclusion and it features prominently on the agenda. The Ministerial will discuss ‘what is inclusion?’, the role of SMEs in promoting inclusion, and policies to support economic empowerment of women and youth.

What’s missing? – Voices from the ground

What would a fully inclusive transition look like in practice? Here we explore perspectives from experts, businesses, and civil society groups around the world.

1. [New strategies to mainstream and promote decent, green jobs at scale \(ILO\)](#)ⁱ
Meeting the goals of the Paris Agreement implies the creation of millions of green jobs, offsetting losses in unsustainable sectors multiple times over. Social protection can be a powerful vehicle to advance the shift to a socially inclusive green economy and adaptation to climate change. But the strategies needed to take up these opportunities (determined industrial policy, reskilling/training, social dialogue with impacted stakeholders) are not yet being widely adopted. We need new strategies to convince governments to prioritise green jobs and their prerequisites.
2. [Ensure meaningful participation of all civil society groups in policymaking \(CAFOD\)](#)ⁱⁱ
Designing policy processes from the start to include as many different groups and stakeholders as possible can help increase transparency, accountability, and also improve policy design. Issues of principle and implementation can be raised early enough for adjustment, and groups opposed to policies or at risk of losing out can be engaged directly.
3. [Prioritise inequality and poverty eradication \(CAFOD\)](#)ⁱⁱⁱ
Policies that are green and also pro-poor will mobilise the support of multiple communities and deliver benefits on multiple levels. For instance, green job creation (including informal jobs) and reskilling focused on women can ensure no-one is left behind in the green transition.
4. [Explore innovative social policies \(GEC/IIED\)](#)^{iv}
Countries around the world are starting to pilot innovative approaches to environmental and social protection. These include combined conditional social transfers & payments for ecosystem services, provision of universal basic income/services, and community utility ownership models that create local wealth.
5. [Demonstrate that just transitions can be achieved \(ITUC\)](#)^v
Prioritising a just transition both at national level and in the workplace is one way of ensuring that the green economy gives people a stake. A just transition sets the bar high by aiming for a future where all jobs are green and decent, emissions are at net zero, poverty is eradicated, and communities are thriving and resilient.

6. Inclusion as a ministerial priority (GEC)

Inclusion is increasingly being identified as a governmental priority at ministerial level, by governments around the world. From Peru's Ministry of Development and Social Inclusion, to France's Minister for the Ecological and Inclusive Transition, the importance of pairing a sustainable transition with a fair one is gradually being recognised.

Policy Headlines

Preparing the ground for the PAGE Ministerial:

- ✓ *What policies and policy processes can ensure that the transition to green economies is as inclusive as possible?*
- ✓ *How can this help people get a stake in the transition?*
- ✓ *What does this mean for PAGE – what should ministers prioritise on inclusion?*

Links and Further Reading

ⁱ https://www.ilo.org/weso-greening/documents/WESO_Greening_EN_web2.pdf

ⁱⁱ <https://www.greeneconomycoalition.org/assets/reports/External-Reports/Green-Economy-and-SDGs-CAFOD-March-2017.pdf>

ⁱⁱⁱ <https://www.greeneconomycoalition.org/assets/reports/External-Reports/Green-Economy-and-SDGs-CAFOD-March-2017.pdf>

^{iv} <http://pubs.iied.org/pdfs/16639IIED.pdf>

^v https://www.ituc-csi.org/IMG/pdf/ituc_climate_justice_frontline_briefing_2017.pdf