

# Research Report

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Group of Twenty

Measures to promote the transition to Green  
Growth in LEDCs

MUNISH '14



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<b>Forum</b>	Group of Twenty
<b>Issue:</b>	Measures to promote the transition to Green Growth in LEDCs
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## Introduction

For decades the international community has been trying to tackle the issue of sustainable energy. In our world, where fossil fuels and non-renewable energy have become a necessity and a major pollutant, it is important to find ways to promote green growth. In Less Economically Developed Countries (LEDCs) it is of great importance to implement renewable energy. Through implementing renewable energy we are ensuring that their economies can grow without side effect of polluting a significant portion of our planet, as many More Economically Developed Countries (MEDCs) are doing.

To put this issue into perspective, many member states rely heavily on unsustainable energy that are being consumed at a faster pace than what we can control. In the past decade, oil and coal have accounted for over 65% of the earth's primary energy demand. However, we must also keep in mind that every other form of energy, both renewable and non-renewable, were commonly looked over because of inefficiency and safety hazards that were posed. Despite the fact that many other forms of energy have been presented to the global community, coal and oil continue to be the first choice because they are cost effective forms of energy.

The overuse of unsustainable energy, such as oil and coal, has led to a shortage of these materials and inevitably an increase in their price. Furthermore, this has had a very large impact on the environment in a less than positive way. As all member states are becoming more and more aware of the global energy problem, more and more money has been invested to tackle the issue at hand. It is believed that if we were to implement the transition in LEDCs, we would be ultimately creating a brighter future. The main problem that all MEDCs have is that they depend too much on fossil fuels; this can be avoided if the issue of promoting sustainable energy in LEDCs is solved.



## Definition of Key Terms

### Less Economically Developed Countries (LEDCs)

A less economically developed country is a nation that is behind in its economical development. Their key indicators for LEDCs are: high birth rates; high death rates at a young age; infant mortality rates.

### More Economically Developed Countries (MEDCs)

An MEDC is a nation that has high levels of economic growth. The key indicators for MEDCs are: low birth rates; low death rates at a young age; a low infant mortality rate; an established health care system.

### Green Growth

Green growth can be defined as the means that an economy takes to promote economic growth while creating a reduction in their environmentally harmful emissions, such as greenhouse gas emissions. This also includes the minimizing of waste and overall strengthening of energy security.

### Renewable resources

Renewable resources are in essence any resource that can be naturally reconstructed over the course of time, without the help of manmade objects of any kind.

### Quota

A quota is when the government of any country imposes limitations on the amount of a certain imported good that can be brought into a nation.

### Feedstock

Feedstock is a raw, unprocessed material that is obligatory to have for the manufacturing and processing of a product for the market.

## General Overview

LEDCs are at a major disadvantage with regard to their development because of one simple reason: The technological and industrial advancements of MEDCs was almost



completely dependent on the exploitation of earth's natural resources. Even if the MEDCs themselves did not have this material or resource it was imported from nations that did not have the technological advancements to use these resources to their full potential. It is argued as to whether or not LEDCs should be provided with the opportunity to develop as MEDCs have: with the use of non-renewable resources. The debate of whether or not to allow LEDCs the chance to develop with these resources is sparking more and more, although it is clear that the only way they will supersede the development of these MEDCs is through green growth.

Another opposing and controversial argument is whether LEDCs or MEDCs should be expected to cut their emissions short. On the one hand we have the fact that LEDCs have been asked to cut their emissions, despite the fact that they do not produce nearly as much pollution as MEDCs. The counter argument to this is that LEDCs are growing economies that will produce ever-growing amounts of greenhouse gases at the rate that they are going. This simply shows that there have been arguments for both sides due to the ever-growing pollutants that are released into our atmosphere.

### Importance of Green Growth in Developing Countries

Our modern day world is exceeding its ecological carrying capacities; we are struggling with the keeping the fundamental demand for human supplies around the world. The rising global food crisis and uncontrollable pollution are many of few issues that are becoming more pressing. If no attention is paid to these, of many, matters there will be a volatile commodity in prices, irreversible damage to human health, and a drastic loss of biodiversity. Due to the centrality of natural assets in LEDCs, green growth policies can be implemented to reduce the environmental risks and help to increase the livelihood of security amongst the poor.

Sustainable development is very hard without green growth and green growth is very hard to achieve without sustainable development. Green growth has been looked at as a replacement for sustainable development, although in reality it should be considered a necessary means to achieve sustainable development. The goal of many developing nations is to create diversified and sustainable development; this will eventually lead to having less poverty, improved health of individuals, and inevitably a better standard of life in the nation. Over the last decade many LEDCs have come to realize how useful green growth is, through finding the natural capacity and taking into account the essential role it plays in sustainable development.



## Developing Country Views on Green Growth

The idea of green growth to be used to generate sustainable development has begun to create many political stands. These political positions vary from being enthusiastic to cautious for a variety of reasons. It is important to note that these opposing opinions and the failure to agree on one view reflect a lack of clarity and experience, and general fear that if a international green growth policy were to be implemented it would put some nations at a great disadvantage.

Emerging economies look for many things in a green growth policy. There is a need for the policy to lead to poverty reduction, higher social welfare, creation of jobs, and ultimately allow a member states economy to achieve a higher productivity rate. In recent year there have been countries that have proclaimed to be “Sustainable Champions” in ever-growing economies (Costa Rica, South Africa, Brazil, Egypt) provide powerful examples to show us how to convert implementing sustainability considerations into their core business.

## Major Parties Involved and Their Views

### United Nations Development Program (UNDP)

The UNDP believes in promoting the access to green energy in LEDCs as it allows a nation to become more equitable. At this moment the UNDP is working in collaboration with members of the African Union and the African Development Bank to design implementation strategies of these green growth systems.

### United States of America

The United States of America has repeatedly expressed their desire for developing nations to use sustainable energy; it is not a matter of choice, it is the most reasonable strategy. At the Rio+20 summit the United States Environmental Protection Agency has stated that they are committed to improving environments on a national and international scale.

### Kenya

Kenya is one of many LEDCs that has shown active support concerning the crisis at hand. Kenya has ratified almost all of the policies and international agreements from the Rio+20 summit, simply due to the fact that they are aligned with their sustainable



development agenda. They have consistently shown cooperation and strong support for international policies.

### **The World Bank**

The World Bank created the World Bank African Energy Unit (WBAE), to tackle the issue at hand. The sole purpose of this unit is to 'bring reliable, environmentally-sound power to more people across Africa'. The World Bank has provided financial support to many groups, including the African Renewable Energy Access Program (AREAP), African Electrification Initiative, and many more. In addition to financial support, the World Bank has also published several reports about the on-going status of green growth in African nations.

### **South Africa**

South Africa is a developing nation that is reaching sustainable development through means of green growth. After having realized many environmental challenges within their nation - such as air pollution, climate change, water quality management, waste, land degradation, and biodiversity loss – they have been forced to ask the Organization for Economic Co-operation and Development (OECD) for help.

Through the support of the OECD, South Africa set out on a quest for sustainable development, the government stated "Green growth is not an aim in and of itself, but a tool to achieve sustainable development". The state of South Africa took into account that there were key factors in creating the transition to green growth; the government has a role to play, public-partnerships are critical, and the need of green growth policies.

After nearly a decade of seeing this plan put into play, we can see that South Africa is making significant progress in 'greening' their country, with the use of many initiatives and policies. Although it is important to note that these initiatives and policies are not aligned – in other words, there is a dire need for coherence among the sectors of government responsible for implementation of these policies.

### **Organization for Economic Co-operation and Development (OECD)**

The OECD has played a huge role in assisting nations to develop through creating possible policies and initiatives. As it stands, 42 member states have signed the OECD Declaration on Green Growth. This organization has made remarkable advancements in the field of green growth (Appendix I).

The OECD has a clear mission to "Promote policies that will improve the economic social well-being of people around the world". This particular organization has created forums



and events where governments are able to work in collaboration to reach their goal of sustainable development and bettering the lives of individuals in these nations.

## Timeline of Events

Below is a timeline showing the basic outline of events regarding the issue of sustainable development.

Date	Description of event
June 5 <sup>th</sup> , 1972	The First Environment conference was held in the United Nations, this led to the issue of sustainable development to be placed on the global agenda. This was also the reason for future environmental conferences.
June 16 <sup>th</sup> , 1972	The United Nations Environment Program (UNEP) was put into play. This program brought emerging issues to the attention of governments and the international community, with regard to the environment.
1993	The first meeting of the United Nations Commission on Sustainable Development (UNCED) was entertained. This was a commission that was established with the sole purpose to increase international cooperation.
1999	The first Global Sustainable Index was being implemented. This sustainable index has two main goals: (1) to help LEDCs work in collaboration to reach sustainable development; (2) to encourage the biggest polluters of the environment to work more to sustainable energy.
2009	The Rio+20 conference on sustainable development was held. This basically put more emphasis upon the fact that all nations, especially those who are starting to develop, that they must use sustainable energy.
2013	At this Rio+20 summit it was decided that a higher-level political forum would replace the United Nations Commission on Sustainable Development. This forum was constructed under the document at the Rio+20 summit under the name of 'The Future we Want'.



## UN involvement, Relevant Resolutions, Treaties and Events

- Promotion of new and renewable sources of energy, including the implementation of the World Solar Program 1996-2005, December 2001, **(A/RES/56/200)**
- Promotion of new and renewable forms of energy, 22 February 2008, **(A/RES/62/197)**
- International Year of Sustainable Energy for All, December 2012, **(A/RES/67/215)**
- Declaration on Green Growth, 25 June 2009, **[C/MIN(2009)5/ADD1/FINAL]**

Developing nations voiced their concerns concerning sustainable development at the United Nations conference on sustainable development (UNCSD, 2012). These concerns have revealed a policy uncertainty; they have made it very tricky to place a definitive statement on an ideal green growth policy framework.

## Evaluation of Previous Attempts to Resolve the Issue

The attempts to develop through sustainable energy have been different through all LEDCs. In Africa, for example, a few governments have taken the liberty of assessing their own materials, as opposed to the tactics of others that rely on foreign investment to kick-start their projects. After a lot of investment these projects have paid off, creating a framework for a thriving economy. However, it is very important to note that energy policy has not reached the majority of the sub-regional population and that a lot of work can still be done to tackle this area of the issue.

Over time there have been many attempts to solve the issue of green growth to achieve sustainable development. There is the implementation of a climate change center, which would be in co-operation with academic establishments, to essentially provide a 'backbone' to the actions taken by a government, business and civil society. A framework that has also been placed through out a number of member states is a regulatory framework for the use of land. This is to ensure protection for restricted areas, and what this does is help a nation preserve its biodiversity, as well as continue to expand through green growth and sustainable development.



## Possible Solutions

When attempting to put together possible solutions on the issue of promoting green growth in LEDCs, we must be aware that the environment and development are intrinsically connected concepts, and that each relies upon the other for success. We need the materials from our environment to develop and development commonly leads to poor care of the environment. The majority of organizations that are attempting to tackle the issue of sustainable development depend on information to be provided from every nation individually. This information is not always assured to be transparent. This is an area that should be looked at more closely; the credibility of a government and ways to make the data that they report back more reliable, so as to paint a clearer picture.

Another big issue that is essential to help solve this problem is to close the gap between the rich and poor. This will ultimately help developing nations shift their focus to more pressing issues, such as the one at hand. Financial aid can be provided, however the same issue as before arises: how do we assure ourselves that the money is not misused as a result of corruption? How do we know it is going to the point that it is funded into?

At the end of the day, the biggest issue is transparency. It is clear that every transparent, or mostly transparent government would have few problems developing for many reasons.

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## Appendix or Appendices

- I. [http://stats.oecd.org/Index.aspx?DataSetCode=GREEN\\_GROWTH](http://stats.oecd.org/Index.aspx?DataSetCode=GREEN_GROWTH) - This is a link to a wide list of statistics of 42 nations in the progress of reaching sustainable development.

