



GREEN ECONOMY

IN THE ARAB REGION

Fareed Bushehri,
*Regional DTIE Officer,
 United Nations Environment Programme (UNEP)
 Regional Office for West Asia (ROWA)*

Regional Workshop on Trade & Environment

15-16 DECEMBER 2010

BEIRUT, LEBANON



The Global Context

Crisis of the three “Fs”:

- **Financial** - 18 to 51 million unemployed over 2007 levels & the number of extremely poor increased by at least 100 million people worldwide
- **Fuel** - rising prices cost developing economies USD 400 billion in higher energy bills in 2007
- **Food** - rising prices cost developing countries USD 324 billion in 2007





What is a **Green** Economy?

Decoupling of unsustainable resource use and environmental impacts from economic growth

- Increase in **green investment**
- Increase in quantity & quality of **jobs** in green sectors
- Increase in global and local **environmental benefits**
- Decrease in energy/resource use per unit of production
- Decrease in greenhouse gas emissions
- Decrease in waste and pollution

UNEP – GREEN ECONOMY INITIATIVE



Emerging Opportunities

- **Collective global “rethink”** of development and business models
- Governments looking for ways to **stimulate economic activity and create jobs**
- Significant **international momentum** for transition to a green economy

UNEP – GREEN ECONOMY INITIATIVE





Shifting to a Green Economy

Why Now?

- Global economic, food, fuel and climate crises provide an **opportunity to reconsider** traditional development and business models
- Significant international momentum for **transition to a green economy**
 - United Nations Conference on Sustainable Development in 2012 (Rio+20) will include theme on “green economy in the context of sustainable development and poverty eradication”
 - G20 reaffirmed their commitment to “move toward greener, more sustainable growth” (Sept 2009)
 - CSD 18th and 19th sessions will examine priorities and needs for shifting to sustainable consumption and production

UNEP – GREEN ECONOMY INITIATIVE



UNEP's Working Definition of a Green Economy

*A **system of economic activities** related to the production, distribution and consumption of goods and services that result in **improved human well-being** over the long term, while not exposing **future generations** to significant **environmental risks** and **ecological scarcities***



UNEP – GREEN ECONOMY INITIATIVE





Action Indicators of a Green Economy

- Number of policies and officially approved plans to promote green economy
- Green private investment as a % of total private investment
- Green government expenditure as a % of total expenditure
- Green stimulus as a % of total stimulus and GDP
- Amount of credit available and utilized for green sectors as a % of total available and utilized credit.
- Etc.



Green Economy Opportunities in Water

- **Efficiency:** Irrigation accounts for over 90% of water used in many developing countries; globally, about 15-35% of irrigation withdrawals should be made sustainable
- **Economic gains:** \$28.4 billion a year, or around 5% of GDP is the estimated overall economic gain in Africa alone by providing access to safe water and basic sanitation through investment in small scale projects
- **Health:** Improvements in drinking-water quality; through household water treatment, such as chlorination at point of use and adequate domestic storage, leads to a reduction of diarrhoea episodes by 39%;
- For each \$1 invested in safe drinking **water and sanitation**, the World Health Organization estimates returns of \$3-\$34, depending on the region and technology.





Areas of Water Green Investment

- Investing in "green" irrigation models (drip)
- 90% of energy and 70% of water saving can be achieved by investing in recovery and reuse of water - recycling industrial and municipal wastewater for industrial or cooling water;
- 70% of industrial wastes are dumped untreated into waters; huge opportunities for investing in wastewater treatment;
- Investing in flood prevention and control;
- Investment in integrated water resources management.



Green Economy Opportunities in Energy

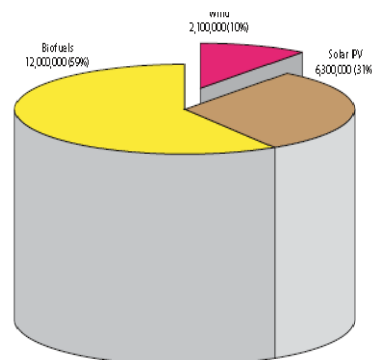
- **Investment potential:** Investment in the sustainable energy market has defied the global recession growing by around five per cent—from \$148 billion in 2007 to around \$155 billion in 2008
- **Employment:** Photovoltaics create 50% more jobs than highway construction; wind programs create 60% more jobs than tax cuts.
- **Health:** A shift from burning crop residues to LPG, kerosene, ethanol gel or biogas could decrease indoor air pollution by approximately 95%.
- **Policy stabilising:** Over 50 countries have set renewable energy targets including Mexico; Brazil, China, India, Iran, Morocco, Syria, Tunisia, Senegal, South Africa and Uganda.





Energy Green Job Opportunities

- Globally, investing US\$630 bn in the renewable energy sector by 2030 would create 20 million additional jobs:
 - 2.1 million in wind energy
 - 6.3 million in solar PV
 - 12 million in bioenergy



Green Jobs in Renewable energy, 2030



Areas of Energy Green Investment

- Renewable resource assessment and mapping
- Infrastructure for transmission and distribution
- Invest in financing schemes to lower the high upfront fixed costs of renewable technologies
- Funding research and development
- Finance and support development of renewable energy service companies
- Energy markets: Invest in grants, prizes, subsidies, tax support, insurance, feed-in prices



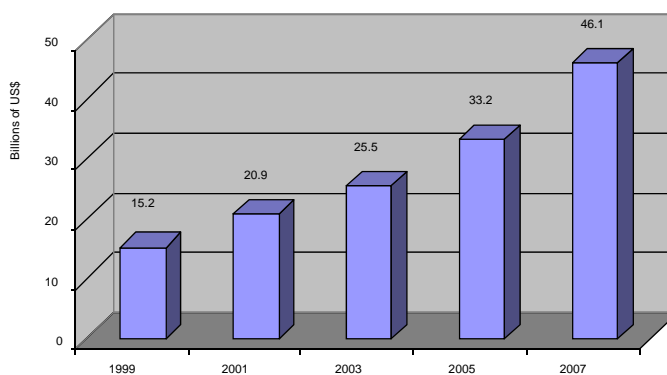


Green Economy Opportunities in Agriculture

- **Productivity:** 114 cases of conversion to organic/near organic in Africa showed 116% increase in productivity.
- **Market:** Global trade of organic reached US\$50 billion.
- **Economic gains:** 97% of revenues generated in Europe/North America; more than 80% of producers are in Africa, Asia and Latin America.
- **Employment:** 30% more jobs per ha than non-organic in East Africa; 178,000 new jobs in Mexico.
- **Environment:** CO2 emissions per ha 48% to 68% lower.



Global Market for Organic Food and Drinks



Source : FiBL/IFOAM





Areas of Agricultural Green Investment

- Storage and transport infrastructure, to reduce post-harvest losses;
- Value addition by processing of harvested produce;
- Infrastructure for production, marketing and trade in organic fertilizers and biological and integrated pest control methods;
- Improving irrigation infrastructure and its efficiency,
- Green Banks and/or micro-credit for farmers and SMEs.



Greening the economy links to



engine of development



creation of employment



poverty eradication

UNEP – GREEN ECONOMY INITIATIVE





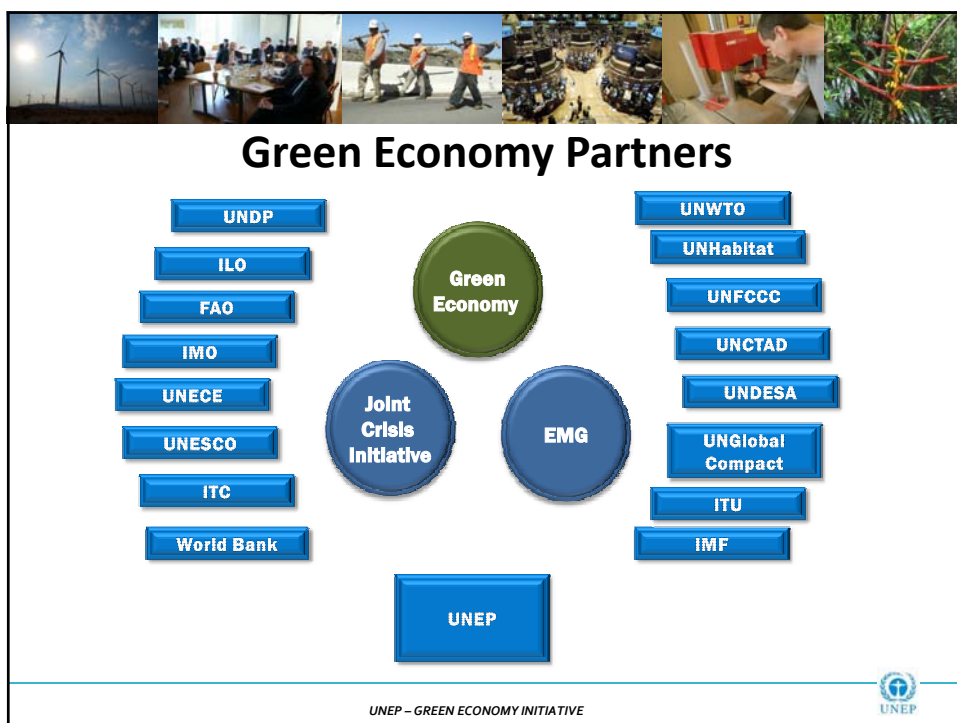
GEI Objective


Advise countries in greening their economies by working with a wide range of partners to provide cutting edge economic analysis and research products



UNEP – GREEN ECONOMY INITIATIVE








The Economics of Ecosystems and Biodiversity (TEEB)



Five Deliverables

1. Economic assessment
2. National Policymakers
3. Local Administrators
4. Business/Private Sector
5. Consumers

UNEP – GREEN ECONOMY INITIATIVE

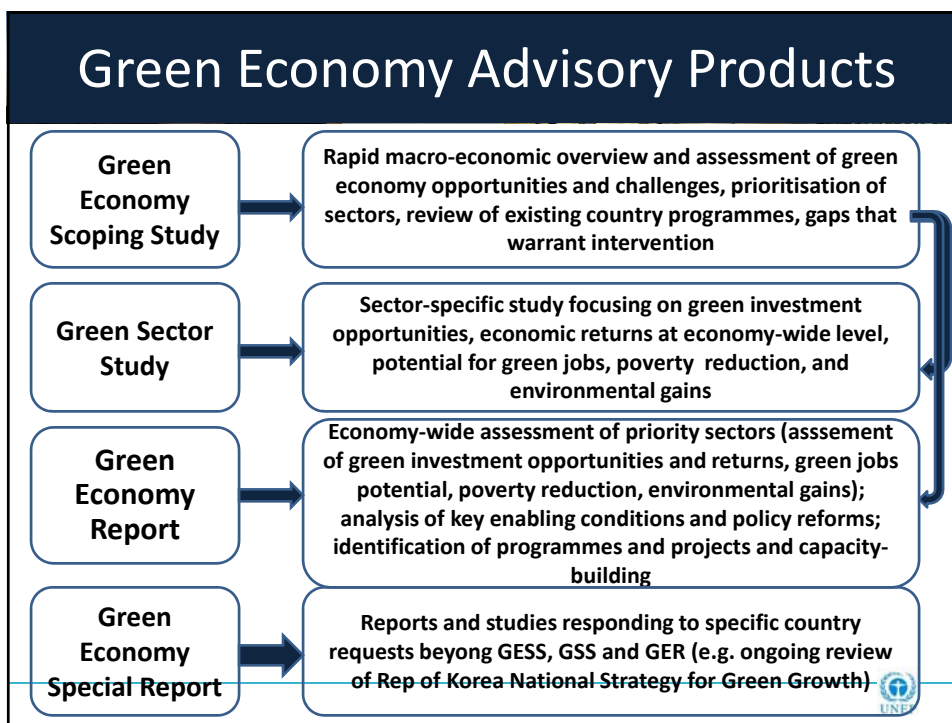



Green Economy Advisory Services

- To date - active in Africa, Asia and the Pacific, Europe and West Asia
- Examples of UNEP GE reports
 - “Low Carbon Green Growth for Developing Countries in East Asia”
 - “National Strategy for Green Growth” of the Republic of Korea
 - “Scoping Study on Opportunities and Challenges of a Green Economy” for Indonesia
- Europe – launched study on promoting organic agriculture in Eastern Europe, Caucasus, and Central Asia
 - Azerbaijan – launched scoping study on priority areas for green economy programmes (linked to UNDAF priority of economic diversification)
- Contribution to awareness raising workshops on the green economy in the Arab region
 - Jordan Launched Scoping Study on priority areas for green economy
 - Egypt assessment mission carried out

UNEP – GREEN ECONOMY INITIATIVE





Green Economy Context in Arab countries

- 50 million people still do not have access to safe drinking water in the Arab world
- Severe water scarcity by 2025
- 97 million lacking access to adequate sanitation
- Land degradation destroyed 34 % of irrigated agricultural land
- The region loses US\$5 billion of agricultural revenue per year because of desertification



Green Economy Context in Arab countries (cont'd)

By the end of the century:

- Temperature increase of 2–5.5 degrees Celsius
- Decreased precipitation of up to 20 per cent and sea level rise that could wipe out areas of agricultural land and displace millions.



Arab Green Economy Initiative

- Rationalize water use
- assist farmers sustain livelihood security in rural areas
- Market for organic farming grew from \$15 billion in 1999 to \$46 billion in 2007
- It is estimated that the Arab region will spend \$200 billion on water resource management by 2020





What is needed in the Arab Region?

- Long-term environmental management strategies
- Powerful and effective environmental agencies
- Clear political and legislative mandates
- Environmental research, education and media



Thank You

UNEP Green Economy Website
<http://www.unep.org/greeneconomy>

