GREEN ECONOMY IN THE ARAB REGION

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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

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
Shifting to a **Green Economy**

**Why Now?**

- Global economic, food, fuel and climate crises provide an [opportunity to reconsider](http://example.com) traditional development and business models
- Significant international momentum for [transition to a green economy](http://example.com)
  - 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

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**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_
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

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](image)

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)

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
Green Economy Partners

- UNDP
- ILO
- FAO
- IMO
- UNECE
- UNESCO
- ITC
- World Bank
- WTO
- UNHabitat
- UNFCCC
- UNCTAD
- UNDESA
- UN Global Compact
- ITU
- IMF

Green Economy Report

- Agriculture
- Building
- Cities
- Energy
- Finance
- Forest
- Manufacturing
- Tourism
- Transport
- Waste
- Water
- Modeling
- Enabling Conditions
The Economics of Ecosystems and Biodiversity (TEEB) Five Deliverables

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

Green Economy Advisory Services

- To date - active in Africa, Asia and the Pacific, Europe and West Asia
- Examples of UNEP GE report s
  - “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
Green Economy Advisory Products

- **Green Economy Scoping Study**: Rapid macro-economic overview and assessment of green economy opportunities and challenges, prioritisation of sectors, review of existing country programmes, gaps that warrant intervention.
- **Green Sector Study**: Sector-specific study focusing on green investment opportunities, economic returns at economy-wide level, potential for green jobs, poverty reduction, and environmental gains.
- **Green Economy Report**: Economy-wide assessment of priority sectors (assessment of green investment opportunities and returns, green jobs potential, poverty reduction, environmental gains); analysis of key enabling conditions and policy reforms; identification of programmes and projects and capacity-building.
- **Green Economy Special Report**: Reports and studies responding to specific country requests beyond GESS, GSS and GER (e.g. ongoing review of Rep of Korea National Strategy for Green Growth).

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