



UNITED NATIONS ENVIRONMENT PROGRAMME
ECONOMICS AND TRADE BRANCH

towards a
green
economy

Poverty, Biodiversity, and a “Global Green New Deal”

UNEP’s “Green Economy Initiative” & the
proposed “Global Green New Deal”

Geneva, 31st March

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Why do we need a Global Green New Deal ?

1. **Fiscal stimulus is agreed as the way forward, but how *sustainable* is the growth that follows ?**
 - ❖ **“Green Investment” beats a “Shopping Spree” in terms of jobs created**
 - ❖ **“Win-Win-Win” solutions exist : Decent Jobs, Lower Risks, Higher Returns**
 - ❖ **Globalization means success lies in coordinated actions, not ‘beggar thy neighbour’**
 - ❖ **What could be the Climate and Ecological risks – and costs - of a further \$ 3.0 Trillion spent reviving the “brown economy” ?**



What are the Objectives of a Global Green New Deal ?

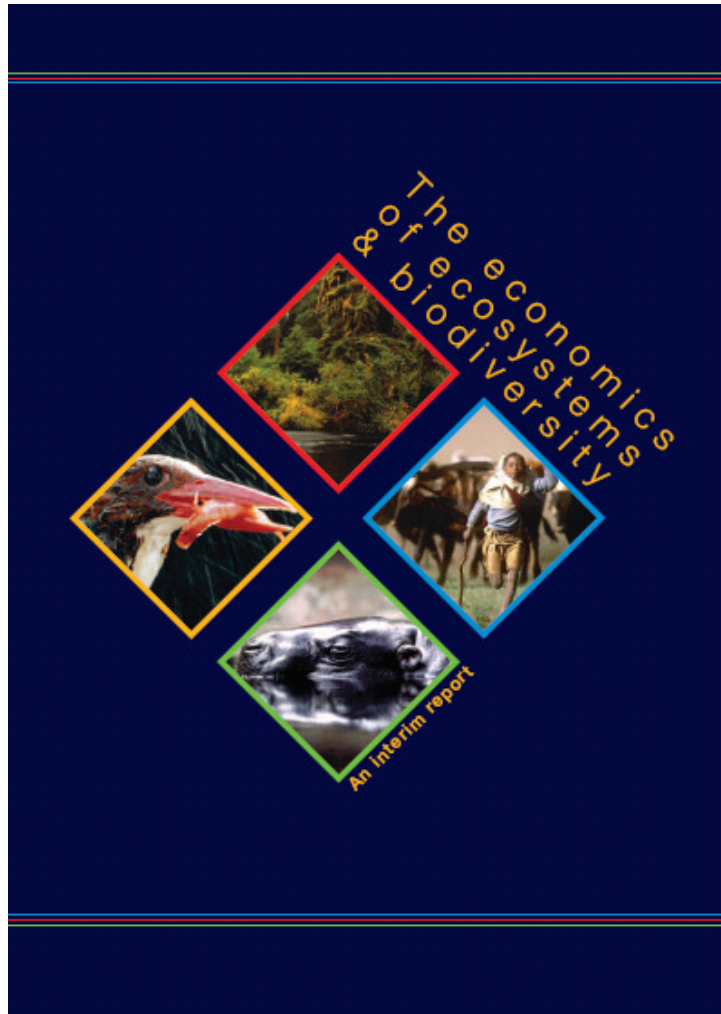
- ❖ **Revive the world economy, create new and decent jobs, and protect the vulnerable**
- ❖ **Reduce carbon dependency, ecosystem degradation, and water scarcity**
- ❖ **Eliminate extreme poverty by 2015.... achieve the MDG's**

**From : Edward B. Barbier,
“A Global Green New Deal”,
UNEP, Feb 2009**



❖ Some GGND Objectives are reinforced by TEEB's Interim Report ...

TEEB – Interim ReportThree Key Messages



Economic Size & Welfare Impact of Losses is huge



Strong link with Poverty & risk of MDG's failure



Discount rates are *ethical* choices



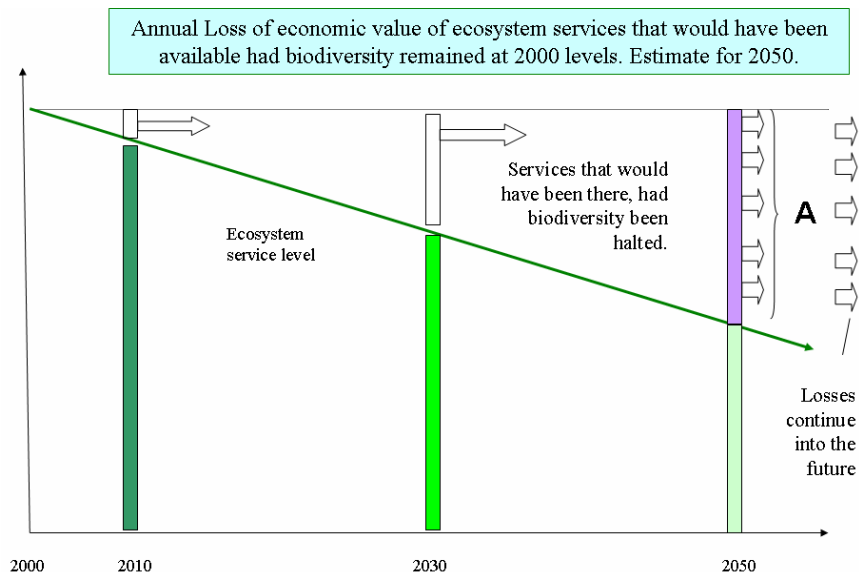
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❖ **GGND Objective** : Reduce carbon dependency, ecosystem degradation, and water scarcity

Size of Forest Losses in ‘% of GDP’ & in ‘PV’ terms (COPI study, May 2008, TEEB)

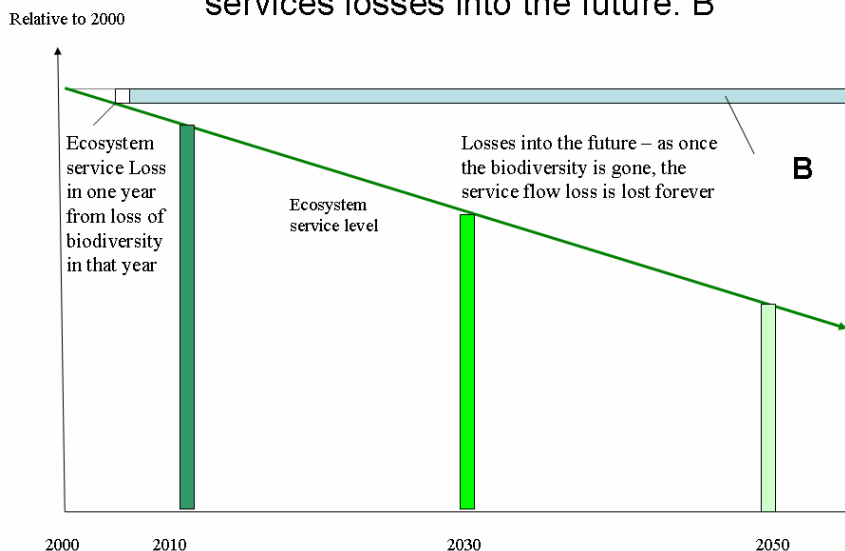
A : 50-year impact of inaction or ‘business as usual’



Welfare losses equivalent to 7 % of GDP, horizon 2050

B : Natural Capital impact

Valuation and Ecosystem service losses
A year's biodiversity loss leads to ecosystem services losses into the future: B



Natural Capital Lost : Annually EUR 1.35 x 10¹² to 3.10 x 10¹²

(@ 4% Discount Rate)

(@ 1% Discount Rate)

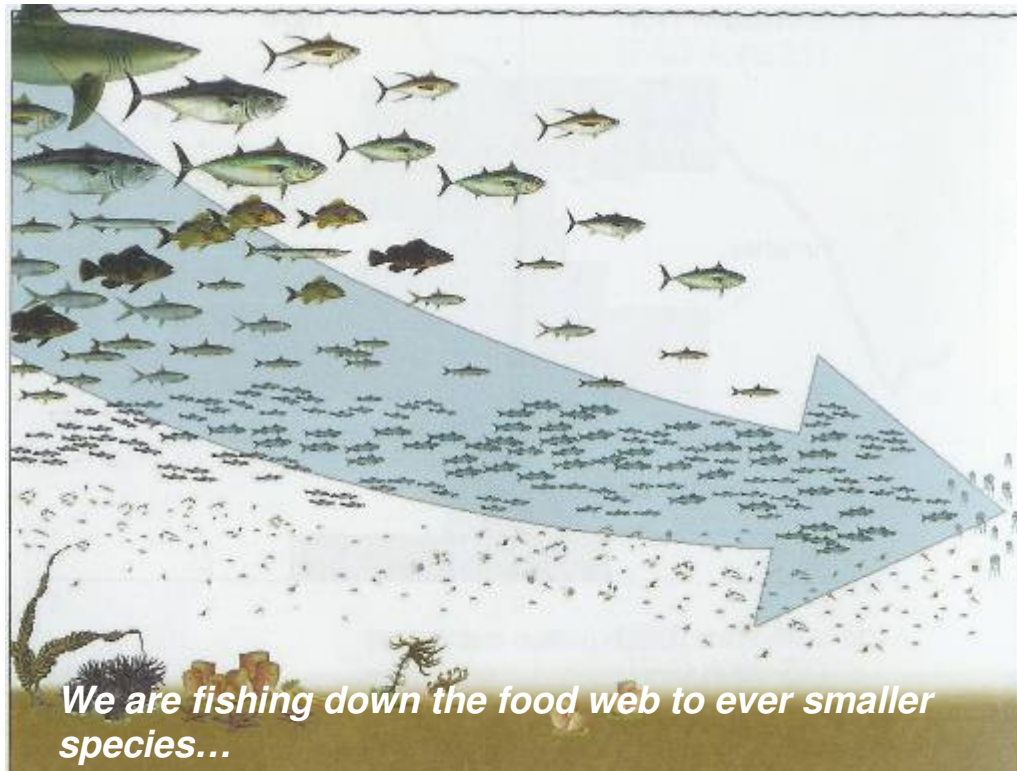


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❖ **GGND Objective** : Eliminate **persistent poverty** by 2025....
Help achieve the MDG's

Global Loss of Fisheries... Human Welfare Impact



- ❑ Open Access & Perverse Subsidies are key drivers of the loss of fisheries
- ❑ Half of wild marine fisheries are fully exploited, with a further quarter already over-exploited
- ❑ *at risk* : \$ 80-100 billion income from the sector
- ❑ *at risk* : est. 27 million jobs
- ❑ *but most important of all.....*

at risk : Health ... over a billion rely on fish as their main or sole source of animal protein, especially in developing countries.



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Source: Ben ten Brink (MNP) presentation at the Workshop: *The Economics of the Global Loss of Biological Diversity* 5-6

March 2008, Brussels, Belgium. Original source: Pauly

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❖ **GGND Objective** : Reduce carbon dependency, ecosystem degradation, and water scarcity

❖ **GGND Objective** : Eliminate persistent poverty by 2025.... Help achieve the **MDG's**

Ecosystem Losses & Links to MDG's

Example : MDG # 1, 4, 5, 8...



MDG 1: Eradicate extreme poverty and hunger

MDG 8: Develop a Global Partnership for Development

MDG 5: Improve maternal health

MDG 4: Reduce child mortality



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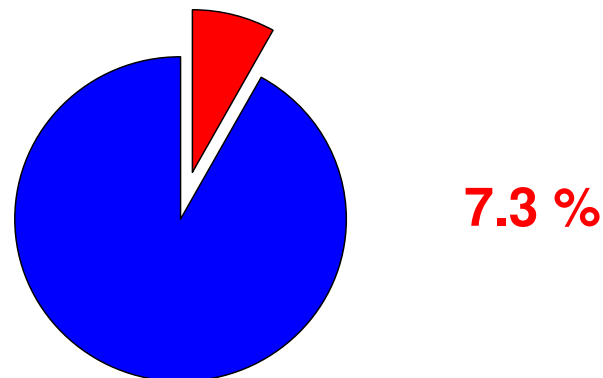
❖ **GGND Objective** : Eliminate persistent poverty by 2025.... Help achieve the MDG's

Ecosystem Losses & Poverty

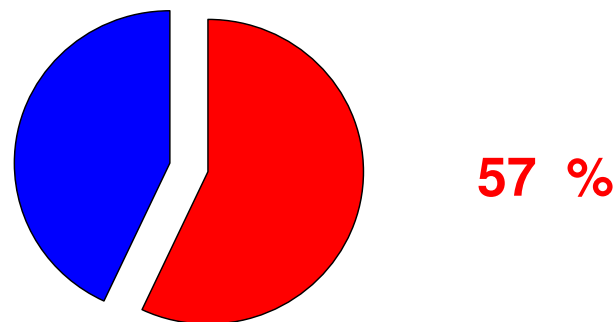
“GDP of the Poor” is most seriously impacted by ecosystem losses...

India Example: 480 Million people earn their livelihood mainly in small farming, animal husbandry, informal forestry, fisheries ...

**Ecosystem services /
classical GDP**



**Ecosystem services /
“GDP of the Poor”**



Source: GIST's Green Accounting for Indian States Project, 2002-03 data



Mapping “Green Jobs” Potential..

	Renewable Energy	Building Retrofits	Sustainable Transport	Sustainable Agriculture	Ecological Infrastructure
Developed – USA/CAN					
Developed - EU					
Rapidly Developing					
Developing					
Least Developed					
GLOBAL Potentials..					



Country	Renewable Energy	Building Retrofits	Sustainable Transport	Sustainable Agriculture	Ecological Infrastructure
United States	2 million Jobs				
South Korea	171,000 Jobs	148,000 Jobs			350,000 Jobs
European Union	1 to 2 million Jobs				
United Kingdom	160,000 Jobs				
Thailand		182,000 Jobs			
Colombia				170,000 Jobs	
TOTALS... ? ? ? ? ?

Global Green New Deal .. in summary

- ❖ *“Seeding a global transformation to a Green Economy”*
- ❖ Investing upto 1% of GDP in “greening” initiatives
- ❖ Creating Millions of new & decent jobs
- ❖ International Components : Urgent reforms to international architecture
- ❖ National Components : Green priorities for Fiscal spending, and reforms to national policies
- ❖ Achieving some “quick wins”
- ❖ Achieving “sustainable returns to investment” for stimulus packages, not funding of losses
- ❖ Addressing both Developed World and Developing World circumstances





The key point...





**The key point... is
to understand their
aspirations !**



Thank You !



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