

Plenary Session 3

PATHWAYS TOWARDS A GREEN ECONOMY IN THE ASIA-PACIFIC

Objectives

The Asia-Pacific region leads the global economy as a centre of growth, and urgently needs to shift from the traditional twentieth century type of industrial development known as “Brown Economy” to a “Green Economy” underpinned by low-carbon development, improving resource-efficiency, providing values for biodiversity and ecosystem services and achieving well-being for all including poverty alleviation.

ISAP is a good opportunity to discuss various aspects of the challenges and opportunities for promotion of green economy in Asia and the Pacific. Reflecting on two days of discussion at the forum, speakers who have worked on promoting sustainable development in the region debated possible pathways to achieve sustainable development by promoting green economy. This final plenary session summarised discussions at ISAP2013 and argued the way forward to promote green economy to the Asia-Pacific region.

List of Speakers

[Moderator]

Hideyuki Mori, President, IGES

[Key Speakers]

Abdul Hamid Zakri, Science Adviser to the Prime Minister of Malaysia /
Chair, Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES)

Young-Woo Park, Regional Director, United Nations Environment Programme Regional Office for
Asia and the Pacific (UNEP-ROAP)

Peter King, Senior Policy Advisor, IGES Regional Centre



Key Messages

- **It is necessary to mainstream green economy in government policy-making and also look at sustainability in economic considerations for business. An appropriate governance model should be developed for a green economy.**
- **Capacity development especially in developing countries is key to ensuring that policies and instruments for green economy work. It is also essential to fill the gaps in knowledge, capacity and resources, to explore financial mechanisms and educational opportunities, and to improve welfare.**
- **Biodiversity should be considered as the underpinning foundation of a green economy. The implication of green economy for biodiversity conservation is that ecosystems and biodiversity could produce value and generate economic benefits. It is necessary to manage ecosystems and biodiversity to build resilience.**
- **Regional integration must be inclusive, resilient and must ensure conservation of national resources. Connectivity, commerce, commutation and community are elements closely linked with regional integration and sustainable development.**
- **It is necessary to change how we see the situation in Asia and the Pacific. Although the region faces several issues such as biodiversity, climate change, resource limitation and food, those issues should be understood as good opportunities for green growth, and not as constraints.**

Summary of the Session

Dr. Abdul Hamid Zakri commented on the challenges and opportunities for promotion of green economy with conservation of biodiversity and ecosystem services in Asia and the Pacific. Some of the main findings he reported on were that:

- Recent reports have warned that species are disappearing at up to 1,000 times higher than the natural rate of disappearance because of human activities and climate change.
- A green economy is characterised by low-carbon emissions, highly efficient use of resources and social inclusiveness. Green economy cannot replace sustainable development concept; rather, it should complement it by emphasising the importance of improving the sustainability of the global economy.
- Biodiversity should be considered as the underpinning foundation of a green economy since economic activity depends on ecosystem services. The implication of green economy for biodiversity conservation is that ecosystems and biodiversity could produce value and generate economic benefits once markets for ecosystem services and goods are developed.
- Three pathways of biodiversity-based green economy are: managing ecosystems and biodiversity to build resilience; mainstreaming ecosystem values in the economy; and developing an appropriate governance model for a green economy. Healthy ecosystems represent the foundation of a resilient and truly sustainable economy and a stronger appreciation of the role of biodiversity and further investment to strengthen the function are needed. It is essential to change current accounting and planning frameworks to ensure that ecosystem values are reflected in economic decisions and policies, and to invest national capital toward transition to green economy by creation of “green” market and enterprise. Furthermore, the green economy transition should be based on strong governance principles, namely access to information, public participation and horizontal decision-making.

- Strengthening linkage between science and policy at multiple levels is the key to a transition to green economy.

Dr. Young-Woo Park commented on challenges and the way forward to promote green economy in Asia and the Pacific. Some of the main findings he reported on were that:

- Economic growth, rising population and land degradation are recent trends in the Asia-Pacific region. Climate change, energy insecurity, and ecological insecurity are challenges in the region. Widespread environmental degradation endangers ecosystems and freshwater sources resulting in an increase in pollution, and a rising demand for energy, water, and raw material.
- Key suggestions for a green economy from ISAP are to promote: 3R (reduce, reuse, recycle) including resource efficiency; sustainable consumption and production; low-carbon development, transportation, and buildings; a phase-out of fossil fuel subsidies; technology transfer; financial mechanism/assistance; development of renewable resources; and education/changing mind set and behaviour.
- In order to make suggested policies and instruments for green economy work, it is essential to fill gaps of knowledge, capacity and resources in developing countries. In this regard, financial mechanisms need to be developed to close the gaps. It is necessary to shift from a standardised, western governance and institutional system to a customised system, because developing countries all have different cultures. In addition, the welfare of the people should be improved. We should make education available to all because education is a key issue and makes a difference in emerging economies. Technology transfer itself does not work and we need to provide the whole package including capacity to maintain such technology. These could be important elements to further conserve the environment.





Dr. Peter King mentioned some key elements for promoting green economy. Some of the main findings he reported on were that:

- There are many types of regional and sub-regional cooperation for regional economic integration.
- The following four elements (named the 4C) are highly related to regional integration and sustainable development in the region: Connectivity (physical infrastructure to allow inter-regional commerce such as roads, bridges, airports), Commerce (arrangement for regional trade including custom, tariff and others), Commutation (overcoming barriers on different languages and culture in the regions), and Community (results of the above Connectivity, Commerce and Communication to form at shared vision). Regional integration must be inclusive, resilient and conservative to national resources.
- There are also 3C to be potential barriers for regional integration: Corruption, Competition, and Conflict. Regional integration could be advanced by following regional cooperation with right choices in line with the above 4C.

Mr. Hideyuki Mori, President, IGES shared his views of features in the Asia-Pacific region.

- It is necessary to change how we see the situation in the Asia-Pacific region. As Dr. Zakri mentioned, biodiversity and ecosystem services are opportunities, not constraints. Climate change was recognised as burden sharing several years ago yet it tends to be recently viewed as an opportunity for green growth.
- Asia is the most populous region in the world with relatively small availability of national resources. Providing enough food for people would be a burden. However, the relative limitation of resources of the region can be a driver to make Asia innovative and resource efficient.
- Different level of economic development in Asian countries would be a challenge, compared with Europe. Diversity in culture and divisions are potential sources of conflicts. However, these differences should not be understood as challenges, but a source of new idea and innovation and a basis of collaboration through constructive communication.

In the discussion session, Prof. Kazuo Matsushita stated that mainstreaming environmental issues and sustainable development into upstreaming policy areas is quite important, in view of limited consideration of environmental issues and resilience in emerging economic integration and cooperation. He asked how mainstreaming could be promoted. Prof. Ryokichi Hirono then commented that the three results of economic integration are important and need to be discussed further. First, inequality of income distribution is rising. It is important to argue this issue in relation to green economy. Second, unemployment rate of younger generation is high, for example, in Japan and China. Third, environmental awareness has been raised in Asia yet we need to investigate how much environmental management has been improved.

Dr. Zakri then fielded a question from the floor on how to achieve regional integration in biodiversity and ecosystem services in the region. He replied that the remaining unsolved challenges in biological diversity convention are conservation, and sustainable usage and access and benefit sharing to genetic resources. He mentioned that 40 countries have signed the Nagoya Protocol and that further cooperating with and advancing this scheme in the region is the first step to the integration. Dr. Park commented that technology transfer is key issue for green economy. He stated that demand is high for most sophisticated technology but there is a dilemma namely a lack of trust. Therefore step by step approach and customised approach may be appropriate. He pointed out the lack of commitment to environment is a challenge. He mentioned that the official cooperation document on disaster and risk between UN and ASEAN does not include environment considerations in the early stage of preparation and discussion. He then commented on shareholder capitalism, and stated that financial and insurance institutions can participate in sustainable development business by changing their loan policy and this could make difference. He added that a good approach would be to have regulations for those institutions to contribute to green growth. There is limited empirical evidence (of policies and measures) available to be used to promote green economy although possible principles and policies could be introduced. Following this, Dr. King stated that there are lessons learned available to the region. Integrated suitability assessment policies introduced in the United Kingdom are measures to mainstream sustainability in government decision-making. A very few countries have introduced Strategic Environmental Assessment (SEA) yet if all countries adopt it, it could be a powerful tool for mainstreaming in upstream planning. He stated that harmonisation of policies and standards on SEA in the region would be a good approach.

Mr. Mori explained that an IGES publication on green economy would be published in the following year and that discussions at ISAP2013 would contribute to it. Further contributions are also very welcome. He then thanked all participants for their kind attendance.