



ClimDev-Africa

Green Growth Paradigm for Africa

Myung-Kyoon Lee

Director of Country Program & Knowledge Integration

Global Green Growth Institute (GGGI)

Professor at Keimyung University in Korea



Global Challenges: Need for New Paradigm

- Need for a new development paradigm to address economic, environmental and social challenges
 - Climate Change
 - Environmental and Ecosystem Degradation
 - Resource Depletion
 - Deepening Inequality
- Africa region's higher vulnerability to climate change
 - Existing poverty and income gap
 - Heavy dependence on climate-sensitive sectors (rain-fed agriculture)
 - Low adaptive capacity
- Decisive and strong international action is urgent: delay means greater risks and higher costs for human development, economies and the environment
 - Conventional "Quantity-Oriented" Growth Vs. "Quality-Oriented" New Development Growth



Global Challenges: Need for New Paradigm

Addressing the global challenges requires a **comprehensive rethinking** of our ways of valuing and measuring socioeconomic progress.

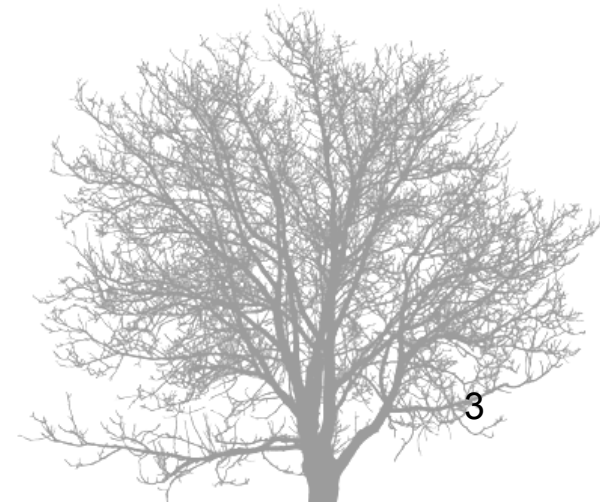
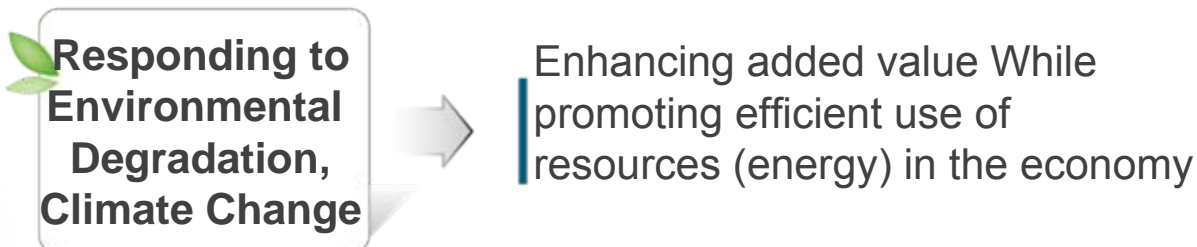
A new paradigm needs to focus on the **inherent necessity and value** of environmental protection in enabling economic growth.

Practical and positive approaches and measures are necessary to achieve goals of economic growth and environmental protection

- **Rethinking of Growth Paradigm:**



- **Broadening the concept of “Going Green”:**



What is Green Growth?



Global Green Growth Institute : *“green growth is the new revolutionary development paradigm that sustains economic growth while at the same time ensuring climatic and environmental sustainability. It focuses on addressing the root causes of these challenges while ensuring the creation of the necessary channels for resource distribution and access to basic commodities for the impoverished. Under this new paradigm, new ideas, transformational innovations and state-of-the art technology will become the major drivers for growth”*

OECD : *“Green growth means fostering economic growth and development, while ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies. To do this, it must catalyze investment and innovation which will underpin sustained growth and give rise to new economic opportunities.”*

UNEP : *“A green economy is one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. It is low carbon, resource efficient, and socially inclusive. In a green economy, growth in income and employment should be driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services.”*

Korea's Economic Development Experience

- Korea's rapid economic development experience since 1960s can serve as a useful model
 - Korea's labor and capital intensive quantitative growth have reached the limits to growth and job creation
 - Korea prioritized economic development without putting an emphasis on various social and environmental consequences until 1980s and 1990s
 - Korea faces the need to address environmental concerns
- Korea's efforts towards environmental protection and its progress
 - Korea's budget allocation for projects on water quality improvement from 1993 to 2005 was approximately \$37 billion USD
 - About 75.4% of river water was evaluated as "good quality water" (Water Quality Assessment in 2009)
 - Restoring the environmental degradation is a great challenge



Korea's National Strategy on Green Growth

Government Leadership

- Committed **2% of its GDP** to green growth between 2009 and 2013, which is twice the amount of investment suggested by the UNEP
- Voluntary GHG reduction of **30%** from BAU by 2020, despite being a non-Annex I Party to the UNFCCC
- After the economic crisis in 2008, Korea has been most efficient in the actual spending of its green stimulus, with almost 20% of funds disbursed at the end of the first half of 2009, compared to only 3% for most countries.
- Active demonstration and advocacy of green growth at international level

International Cooperation

- **Green ODA** - Increases from 14% (2009) to 30% by 2020
- **East Asia Climate Partnership** - 17 key projects with 7 countries and 4 international organizations (2008) and 18 new projects (2009)
- **Global Green Growth Institute** - To assist countries in formulating their own Green Growth plans and serve as a global think and act tank in leading developing countries to a low carbon society



Korea's Key Policies on Green Growth

Investment in Green Growth

Policies	Investment (USD Billions)			
	Total	2009	2010-2011	2012-2013
	83.6	13.6	37.6	32.4
I. Measures to Address Climate Change and Secure Energy Independence	44.3	6.7	22.7	14.9
(1) Mitigation of GHGs	4.4	0.8	1.7	1.9
(2) Reduce Fossil Fuel Use & Enhance Energy Independence	11.6	2.2	4.4	5.1
(3) Climate Change Adaptation Capacity	28.3	3.7	16.7	7.9
II. Creation of New Growth Engines	22.3	3.7	8.3	10.2
(4) Development of Green Technologies	8.8	1.6	3.3	3.9
(5) Greening Businesses and Industries	3.6	0.6	1.4	1.6
(6) Advancing Industrial Structure	8.5	1.2	3.0	4.2
(7) Building Framework for Green Economy	1.4	0.2	0.5	0.6
III. Improve Quality of Life & Enhance Int'l Coop.	21.7	4.0	8.2	9.5
(8) Green Land & Transport	19.7	3.7	7.4	8.6
(9) Green Lifestyles	1.5	0.3	0.6	0.6
(10) Global Leader in Green Growth	0.5	0.1	0.2	0.2

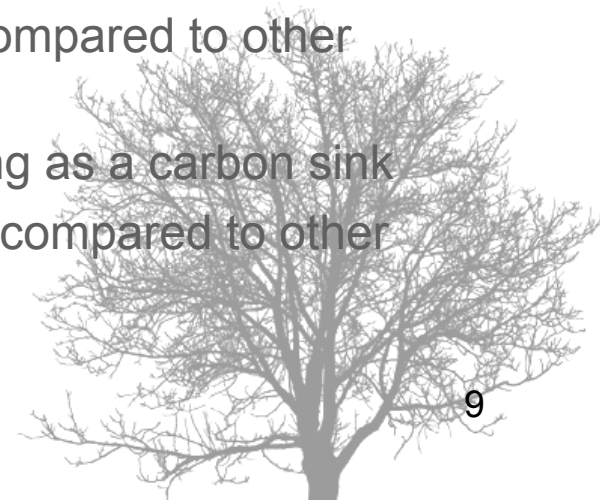
Korea's Key Projects and Job Creation

Key Projects

Project Name		Budget (million \$)			Job Creation (# of jobs)		
		2009	~ 2012	Total	2009	~ 2012	Total
Total		4,125	42,033	46,158	93,360	863,060	956,420
K E Y P R O J E C T S	4 Major Rivers Revitalization	489	12,871	13,360	7,000	192,960	199,960
	Green Transportation	1,668	7,193	8,861	25,042	113,025	138,067
	Integrated Land Management	23	319	342	816	2,304	3,120
	Water Resources Catchment	170	697	876	3,063	13,069	16,132
	Green Car & Clean Energy	295	1,593	1,888	1,643	12,705	14,348
	Waste Recycling	47	809	856	2,377	13,819	16,196
	Forestry	288	1,936	2,224	22,498	148,204	170,702
	Green Homes & Buildings	-	7,406	7,406	-	133,630	133,630
	Ecological River	5	441	446	393	10,396	10,789
Support Projects		1,140	8,768	9,908	30,528	262,038	141,639

Implications of Green Growth in Africa

- Green Growth as a solution for economic, environmental and social challenges
 - New and renewable energy resources
 - Creating green jobs
 - Reducing poverty and income gaps
 - Tackling climate change and environmental degradation
- Africa's unique circumstances has potential opportunities and benefits in pursuing Green Growth
 - More suitable to adopt a new development paradigm at an early stage of economic development
 - Less fuel import and low level of CO² emissions compared to other regions
 - Abundant land resources, such as forestry, serving as a carbon sink
 - High potential for renewable electricity production compared to other continents of the world
- Opportunity to attract climate finance



GGGI Project: Green Growth Plan for Ethiopia

2010

- GGGI together with the Ethiopian Development Research Institute (EDRI) develop a preliminary analysis on **green growth opportunity for Ethiopia**
- The strong partnership with EDRI helps creating **internal capacity** with local institutions

GGGI has provided:

- **content and knowledge**
- **technical advice**
- **capacity building**

2011

Government of Ethiopia decision to develop full **Climate Resilient Green Economy (CRGE) strategy**

- **CRGE strategy** developed in inter-ministerial CRGE initiative
- GGGI supports EPA's role in developing the **preliminary setup of CRGE**
- GGGI builds on the analysis carried out in 2010 to support the analysis **underpinning the CRGE strategy**

GGGI continues to provide:

- **technical advice**
- **capacity building**
- **advice on Structure for CRGE**

Key Messages & Policy Implications

- Lessons learned from Korean example: Korea's development experience focusing on "develop first, clean up later" approach
 - Africa should develop its own balanced and sustainable development strategies from the beginning, leapfrogging the traditional industrial development path
- International cooperation is essential
 - Technology/knowledge transfer as well as funding support from developed countries
- Regional cooperation within Africa
 - Addressing cross-boundary issues and knowledge sharing in the region in relation to Green Growth
- Strong Government Leadership and action-oriented Green Growth strategies are needed
 - Appropriate political/institutional framework, national strategies on green growth, green technology development plan, etc.



Challenges on Persuing Green Growth

- Green Growth is a new frontier: as a new growth paradigm, it is still evolving and open ended concept
 - Need theoretical backup
 - Need more practical case studies on the outcome of pursuing Green Growth (job creation, economic growth, etc.)
- Political skepticisms on Green Growth
 - Green Growth - better opportunities for only developed countries?
- Developing countries' existing economic and environmental challenges
 - Climate vulnerability and environmental degradation lead developing countries to slower economic growth and worsening already widespread poverty



GGGI Country Projects

Brazil	<ul style="list-style-type: none">- Focus on forestry, agriculture, steel and electricity sectors- Local partnership with EMBRAPA, IPEA, INPE, INPA, EPE, etc.
Indonesia	<ul style="list-style-type: none">- Endorsement from the Provincial Government of East Kalimantan- Focus on oil, gas, coal, agriculture, palm oil and forestry- Local partnership with REDD Task Force, Central Kalimantan & Kaltim Green Team
UAE	<ul style="list-style-type: none">- Endorsement from Ministry of Foreign Affairs- Focus on GGP, GHG inventory, Green Growth Training Program- Partnership with IRENA & MIST
Kazakhstan	<ul style="list-style-type: none">- Endorsement from Ministry of Environment- Support development of a comprehensive national green growth plan- Focus on water and energy sectors
Cambodia	<ul style="list-style-type: none">- Endorsement from Prime Minister's Office- Establishment of National Committee of Green Growth(NCGG)- Support building sectoral implementation plan
Thailand	<ul style="list-style-type: none">- Establishment of VER Registry System- Partnership with Thailand GHG Management Organization

Thank you!

Contact:

Dr. Myung-Kyoon Lee

mk.lee@gggi.org

Jae Eun Ahn

j.ahn@gggi.org

