



The role of civil society and business in greening the economy



Principle 10, Rio Declaration on Environment and Development (1992):

Environmental issues are best handled with participation of all concerned citizens, at the relevant level. At the national level, each individual shall have appropriate access to information concerning the environment that is held by public authorities, including information on hazardous materials and activities in their communities, and the opportunity to participate in decision-making processes. States shall facilitate and encourage public awareness and participation by making information widely available. Effective access to judicial and administrative proceedings, including redress and remedy, shall be provided.

Key messages

- Civil society has an important role to play in transitioning to the green economy
- Civil society refers to the wide array of non-governmental and not-for-profit organizations that have a presence in public life, expressing the interests and values of their members or others
- To achieve sustainable development, broad public participation in decision-making is needed
- This is anchored in Principle 10 of the 1992 Rio Declaration on Environment and Development
- A number of Multilateral Environmental Agreements, especially the Aarhus Convention, and other international initiatives promote stakeholder participation in environmental decision-making

The Aarhus Convention is an effective tool for implementing Principle 10 of the Rio Declaration

The UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) has contributed to putting Principle 10 of the Rio Declaration into practice and has proven to be an effective tool for promoting public participation in environmental decision-making and access to information and justice in environmental matters.

Its success is derived from a number of factors, including its compliance mechanism, an instrument that can be triggered directly by the public; the active and continuing participation of civil society representatives in all its processes; an effective clearinghouse mechanism which contains information on laws and showcases good practice throughout the UNECE region related to public rights; and its capability to address sectoral environmental matters.

There are still considerable obstacles to overcome in order for the Aarhus Convention to achieve a full and balanced application of Principle 10 in the UNECE region.

Public participation in environmental decision-making is not a self-standing objective, but rather an instrument for achieving the sustainability and well-being of society. In line with Principle 10, citizens should participate in defining and implementing the green economy and in helping to choose the most suitable road toward sustainability.

Source: Chisinau Declaration (ECE/MP.PP/2011/CRP.4/rev.1)
Conference documents and materials are available on the website:
<http://www.unece.org/env/pp/mop4/mop4.doc.htm>

Source: Greening the economy: mainstreaming the environment into economic development (ECE/ASTANA.CONF/2011/4) and UNECE Public Private Roundtables on Green Economy: Investing in Green Infrastructure, both available on website:
<http://www.unece.org/env/efe/Astana/documents.html>



SAVE WATER, GROW GREEN!
ENVIRONMENT FOR EUROPE
7TH MINISTERIAL CONFERENCE
ASTANA, KAZAKHSTAN 21-23 SEPTEMBER 2011

Key findings

- Business has an important role to play in transitioning to the green economy
- Estimates of investment to help kick-start the transition to a green economy range between **US\$1 and 2.5 trillion dollars per annum** (UNEP, Green Economy Report 2011)
- **Business will cover around 80% of the investment needs**, with **infrastructure** accounting for the bulk of the costs of building a low-carbon and resilient economy
- Public financing should be used to catalyze and leverage private investment through different **innovative financing mechanisms**
- In the UNECE region, some of the **main mechanisms** for involving business in building the green economy are currently the **European Union Emission Trading System**, and the **flexible mechanisms under the Kyoto Protocol** of the United Nations Framework Convention on Climate Change (UNFCCC)
- The region is an important global force for **green innovation**, in part due to the targeted use of R&D expenditures, as well as policy measures such as feed-in tariffs, and investment grants
- Governments should provide **regulatory clarity** to maximize business involvement in building the green economy

Involving business is key to the success of building a green economy

The involvement of business in building the green economy is important across a number of areas.

Investment on a massive scale is required for the green economy, which will be carried out mainly by business. This involves investment in both natural resource sectors, such as agriculture, fisheries, forests, and water resources, as well as investments in the key economic sectors that will bring about the green economy, such as energy, transport, buildings, and industry.

These investments, the bulk of which will be concentrated on sustainable and green infrastructure, will enable both producers and consumers to become more resource-efficient. Action on infrastructure is particularly urgent as countries in the region will build or upgrade a substantial part of their infrastructure in the near term and it will be locked-in for decades to come.

To encourage private investment in the green economy and to foster green innovation, governments must provide a good regulatory framework and a policy environment that will give the right incentives. The policy environment must be clear, stable and predictable to attract business financing.

A key feature will be to price pollution and greenhouse gas emissions and the over-exploitation of scarce resources, as well as to put a value on ecosystems and biodiversity. Subsidy reform is also needed to phase out fossil fuel subsidies and encourage specific green investments where appropriate.

Governments can employ mandatory technical regulations and voluntary standards, including information-based instruments. Regulations can help provide enabling conditions and incentives, and establish the needed market signals and certainty for business to make investment decisions to deploy green technologies as well as to accelerate green innovation and foster clean technology development and diffusion.

Finally, there is a need to improve skills and training, including through closer coordination between the public sector and industrial partners to identify education and training needs. Labour market and training policies can play a key role in facilitating the structural adjustments associated with the green economy, while minimizing the associated social costs.

How sovereign wealth funds can support the transition to the green economy

The Norwegian Government Pension Fund-Global is one of the world's largest sovereign wealth funds and has broad ownership in more than 8,400 companies worldwide. The pension fund is largely passively invested, and holds an average ownership share of 1% in each company it is invested in.

It is unique in that it has an explicit mission aimed at integrating long-term investment with a two-sided ethical commitment: to good corporate governance, and to ensuring that the fund is not associated with companies that pose a risk to global social and environmental justice.

In relation to environmental issues, including climate change mitigation and adaptation, the Norwegian Finance Ministry has established a new investment program for the Fund, which will focus on environmental investment opportunities, such as climate-friendly energy, improving energy efficiency, carbon capture and storage, water technology, and the management of waste and pollution. At the end of 2009, over NOK 7 billion had been invested under this program.