Securing social justice in green economies

A review and ten considerations for policymakers

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Photo caption: Leparua Greenhouse - solar powered irrigation & agricultural training supplied by CARITAS Isiolo for a community greenhouse. Sinteyo Legei (pictured) is part of the women's cooperative group growing tomatoes.

Photo credit: CAFOD/Annie Bungeroth

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‘Green economy’ and ‘green growth’ policymaking is moving to the centre of many national development strategies. Green policies should enable countries to manage their natural resources more sustainably and efficiently, diversify into new green markets and secure the environmental foundations of development. But do they automatically increase social justice?

Green and just development requires two key ingredients: integrated policymaking and a holistic outcome framework combining environmental, social and economic objectives. Focusing on developing countries, this paper draws on learning from national case studies and international analyses. It concludes with ten critical considerations for shaping green and just national strategies and policies.

Contents

Executive summary

'Green economy' and 'green growth' policymaking is moving to the centre of many national development strategies. Green policies should enable countries to manage their natural resources more sustainably and efficiently, diversify into new green markets and secure the environmental foundations of development. But do they automatically increase social justice?

Diverse country experiences of green policymaking demonstrate different levels of attention to social objectives – ranging from no social analysis or provision at all, to those that achieve significant social and environmental co-benefits and, finally, those realising transformational outcomes.

In this discussion paper, we draw on a range of national case studies and international analyses, focusing on developing countries. Two key ingredients are needed for green and just development: a holistic outcome framework combining environmental, social and economic objectives and integrated policymaking – 'wiring together' separate policymaking strands. We conclude by proposing ten critical considerations for shaping national strategies and policies that are both green and just.

The rise of 'greening'

Many low- and middle-income countries are drawing up national 'green growth' or 'green economy' strategies, in collaboration with international agencies and donors. Using the tools of market incentives, regulation, public investment and resilience planning, most aim to promote economic growth while reducing greenhouse gas emissions and increasing the efficiency of natural resource use. They typically focus on tackling energy, transport and infrastructure; some also address agriculture, forestry, resource-intensive manufacturing and recycling.

Social equity matters to many developing countries in their green policymaking – and yet some prominent international green initiatives sidestep social concerns. Greening key sectors is, instead, presumed to bring long-term benefits to people living in poverty, largely by stimulating economic growth, supporting diversification, and creating jobs in environmental restoration.

Such policies, however, can entail complex social impacts and when these are overlooked, the costs fall on poor and marginal social groups. Rather than reap expected benefits, women and men living in poverty may face rising energy prices, restricted access to forest resources and the collapse of the 'dirty' sectors in which they were employed – while anticipated job opportunities and national investments in green infrastructure barely reach them.

Addressing the social implications of green policymaking clearly matters, in both national policymaking and international initiatives. The forthcoming UN Sustainable Development Goals (SDGs) create a valuable opportunity to develop more integrated, holistic and participatory approaches – and to support nationally and locally tailored development pathways that are both green and just.

From compensation to transformation

Examining current experiences across countries, we have identified four approaches to addressing social concerns in green policymaking:

Level 1: No social analysis or action. Some national greening policies take no account of social impacts and so are likely to exacerbate existing inequalities and negatively affect low-income communities and marginalised groups, including women and ethnic minorities.

Level 2: Safeguarding policies. Many countries realise that safeguards (such as providing cash transfers and social protection) are often critical to poor and vulnerable groups during green transitions. But such safeguards often underestimate the social and cultural costs of transition and, alone, are insufficient for long-term poverty reduction.

Level 3: Pursuing co-benefits. Policies designed to address social and environmental goals together are more likely to deliver lasting gains – e.g. creating jobs through land restoration – especially when those policies are co-designed with the knowledge and participation of the target communities to ensure that low-income and marginalised groups can engage.

Level 4: Transformation across the whole economy. 'Green and just' policies that aim to address the underlying drivers of poverty and inequality can achieve long-lasting change – such as through reforming economic governance, securing poor people's rights and addressing gender and ethnic disparities.

Here we suggest ten considerations – guidelines rather than definitive tools – for policymakers who recognise the need to integrate social justice in green policymaking.

Ten considerations for policymakers aiming at green and just development

1. **Champion integrated social and environmental policymaking.** Generate a common vision of a shared and lasting national prosperity that is both green and just. It should work across government ministries and with diverse national stakeholders, with clear leadership and adequate resourcing. Support and adapt current planning and policy processes, rather than developing a new one-off strategy.
2. **Embrace holistic approaches to planning and monitoring progress on both 'poverty reduction' and 'environmental protection'.** Take a multidimensional approach to tackling poverty and promoting the well-being of minorities and vulnerable groups. Address their needs for health, education, income, decent work, living standards, security, empowerment and resilience to stresses and shocks. Extend environmental goals beyond greenhouse gas abatement to address whole ecosystems and respect for planetary boundaries.
3. **Go beyond compensation: seek co-benefits and, ideally, transformational change.** Ask clearly and early: where are the synergies between social and environmental goals, and how can co-benefits best be achieved? Explicitly recognise that 'trade-offs' will arise: who will be affected and how? How can the process protect poor people's interests and enhance their well-being?
4. **Focus on the creation of decent green jobs.** Seek out pro-poor returns by considering locally based investments that create jobs with low financial, resource and energy costs, as alternatives or complements to capital-intensive, nationally driven investments. Identify opportunities throughout industrial lifecycles to optimise job creation, such as in renewable energy programmes. Promote and enshrine skills upgrading and decent work in law to increase the likelihood of such co-benefits. Explore opportunities in the informal economy, co-designing job creation with target communities.
5. **Be aware of the bias and limits of economic methodologies and market instruments.** Economic-valuation tools and cost-benefit analyses risk overlooking social and cultural goods and services, distributional impacts and long-term value. Market-based instruments such as cash transfers may provide critical safeguards but their ultimate effectiveness depends on institutional capacity and on procedural justice being in place.
6. **Promote poor people's empowerment – and address elite power.** Recognise power imbalances and ensure policies and services are designed with and for local communities. Support the smart devolution of natural resource access, use and governance to community level wherever possible. Policies and services should recognise and address the influence of powerful elites and interests – both overt and covert – in blocking and capturing – but also sometimes unlocking – the benefits of green policymaking.
7. **Prioritise participation, especially of women and marginalised groups in policymaking.** Policies should be co-designed with and for the target communities, especially women and vulnerable and minority groups. Develop participatory methodologies and invest in capacity building and education about greening. Provide specific skills training and childcare to help women benefit from opportunities in transitioning sectors and promote equitable governance within the community.
8. **Support adaptive, context-specific and local policy approaches.** Recognise the influence of local sociocultural factors – not just laws and regulations – on the success or failure of interventions. Policies should be context specific (not 'one size fits all') and capitalise on local opportunities. Successful outcomes are often achieved at local-authority scale by harnessing the dynamics and reinforcing the benefits of local change. Policies must be adaptive and flexible to changing circumstances and project outcomes.
9. **Consider spacing, timing and phasing.** The transition to a green and just economy will not be smooth. Understand the geography of sectoral change: stranded assets, job creation and losses, induced migration and their associated opportunities and threats. Anticipate the timing of greening interventions, and consider phasing-in policies to protect any communities vulnerable to changes in prices or regulations.

10. **Ensure donor policy alignment.** International agencies and donors should support participatory approaches to national or local strategies and implementation. They should not encourage national policy to focus on 'low-hanging fruit' or push a 'green economy/growth' concept that is not familiar to national policymakers or adapted to the national context. Donors' domestic and foreign policies – such as biofuels mandates or standards for carbon credits – should mirror developing countries' strategies and needs. Donor commitments to providing international climate finance must underpin the diversity of developing countries' transitions to green and just economies while supporting participatory policymaking across the board.

These ten considerations are relevant to in-country stakeholders, UN international-level discussions, multilateral development banks, donors and other international players who are developing green economy and green growth programmes, primarily for developing countries. They can help to ensure that issues of social justice, equity, inclusion and poverty reduction are central to policymakers' deliberations. In particular, they should contribute to SDG discussions and national SDG implementation planning which integrate social, environmental and economic components.

Introduction: objectives and approach

1

In this discussion paper, we engage with the rise of 'green economy' and 'green growth' policy processes to explore how their momentum can be harnessed to promote social justice at the same time. It is driven not only by the potential benefits of more inclusive approaches to green economy, but also by the need to avoid the hazards of inaction on social issues in green policymaking. This inaction risks creating a 'green economy' that is owned by and managed for a minority while excluding poor people, their assets and knowledge but imposing the social costs of green action upon them.

1.1 Research questions

Our analysis is guided by the following three questions:

- Under what circumstances are poverty reduction and environmental sustainability mutually reinforcing?
- Where are greening policies unlikely to reinforce poverty reduction outcomes, or even exacerbate existing inequalities, and what are the trade-offs?
- What policies and instruments best maximise both poverty reduction and environmental sustainability to achieve inclusive, sustainable development outcomes?

1.2 Research sources

The research for the paper is based upon:

a) A review of the most influential international reports on green economy/green growth, as well as academic analyses and civil society reports commenting on and critiquing this literature.

b) An extensive review of over 40 case studies of policy initiatives aimed at integrating poverty reduction with environmental sustainability across 24 countries and seven economic sectors. Case studies were included based on the criteria of being:

   - situated in low-income or middle-income countries
   - intended to address both environmental sustainability and poverty reduction
   - already underway with some evidence of outcomes
   - documented in English and with sufficient information to assess
   - judged to be successful, partially successful, or unsuccessful.

c) Peer review and feedback from staff at CAFOD and IIED, and from a wide range of participants at the Wilton Park Real Green Economies conference, February 2014 (Wilton Park and IIED, 2014).

1.3 A brief outline of the paper

Section 2 explores the interlinkages of poverty reduction and environmental sustainability, highlighting how they are shaped by policy design. Section 3 briefly surveys the diverse institutions and initiatives engaged in 'green policymaking', while Section 4 alerts the reader to common biases in the international literature on this topic. Section 5 gives an overview of the key sectors and policy instruments commonly used for greening economies, and Section 6 presents a framework for understanding their potential social implications. Section 7 sets out a spectrum of stylised levels of social-issue inclusion in green policymaking. Section 8 concludes by drawing lessons from a wide range of national case studies to propose ten considerations (or tentative guidelines) to better inform policymakers aiming to ensure that green policies are also socially just.

We have used the term 'social justice' in this paper to summarise the many social outcomes we would like to see. The International Labour Organization (ILO) also defines social justice in a broad sense, as the realisation of 'equality of rights for all peoples and the possibility for all human beings without discrimination, to benefit from economic and social progress everywhere' (ILO, 2011). It goes on to stress that social justice is not just about increasing income and creating jobs but about 'rights, dignity and voice for working women and men as well as economic, social and political empowerment'.

However, we recognise that others may employ a range of other terms. Grieg-Gran (forthcoming) identifies four main groups of terms: 'social justice', 'inclusion', 'equity' and 'fairness' and notes that in practice they are similar in the directions they would give to green policymaking. Policies and initiatives in all four groups tend to have several aspects in common:

- Reduction of poverty and/or deprivation
- Equality of opportunities or capabilities
- Fairness of process
- Limited disparity of outcomes

The drive for sustainable development

2

The concept of sustainable development has been at the heart of international policy dialogue and strategies for over 25 years, though its practical influence has waxed and waned. The 1987 Brundtland Report *Our Common Future* (UN, 1987) produced one of its most widely cited definitions:

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:

- *the concept of* ***needs****, in particular the essential needs of the world's poor, to which overriding priority should be given; and*
- *the idea of* ***limitations*** *imposed by the state of technology and social organisation on the environment's ability to meet present and future needs.*

This concept of sustainable development underpinned the UN's 1992 Rio Earth Summit, resulting in the non-binding international action plan, Agenda 21, which called on every country to develop a national sustainable development strategy. Many of these strategies were developed, but political support for them was often weak and lacked traction, and most were barely implemented.

2.1 New momentum

Twenty years later, there is new momentum behind – and growing 'demand-pull' for – sustainable development that tackles poverty reduction and environmental sustainability together.

New paradigm aspirations: World leaders from President Obama to Pope Francis have called for a new development model. As expressed by Ban Ki-Moon:

We all aspire to reach better living conditions. Yet this will not be possible by following the current growth model …We need a practical twenty-first century development model that connects the dots between the key issues of our time: poverty reduction; job generation; inequality; climate change; environmental stress; water, energy and food security (Poverty Environment Partnership, 2013).

Sustainable Development Goals (SDGs)

As an outcome of Rio+20, and as the MDGs reach their target date of 2015, there is significant attention on developing a set of Sustainable Development Goals. Several high-profile proposals for the framing of these goals propose thematic and sectoral goals (on e.g. energy, food and water) that aim to address social and environmental objectives simultaneously (Griggs *et al.*, 2013 and UNSDSN, 2013). While some people still advocate for separate treatment of social and environmental issues (as was the case with the Millennium Development Goals), the likelihood is that a more integrated approach will be evident in the final international agreement.

Green economy and green growth

The rise of 'green economy' and 'green growth' institutions, movements, analyses and strategies has helped to bring the issue of environmental sustainability within the sphere of mainstream national economic policymaking. This rise was catalysed by the 2008 financial collapse, which pinpointed the potential to kick-start economic growth through investment stimulus in green sectors. It was affirmed by UNEP's 2010 Green Economy Report that laid out the potentials in detail. And it was galvanised by the UN's 2012 Conference on Sustainable Development (Rio+20).

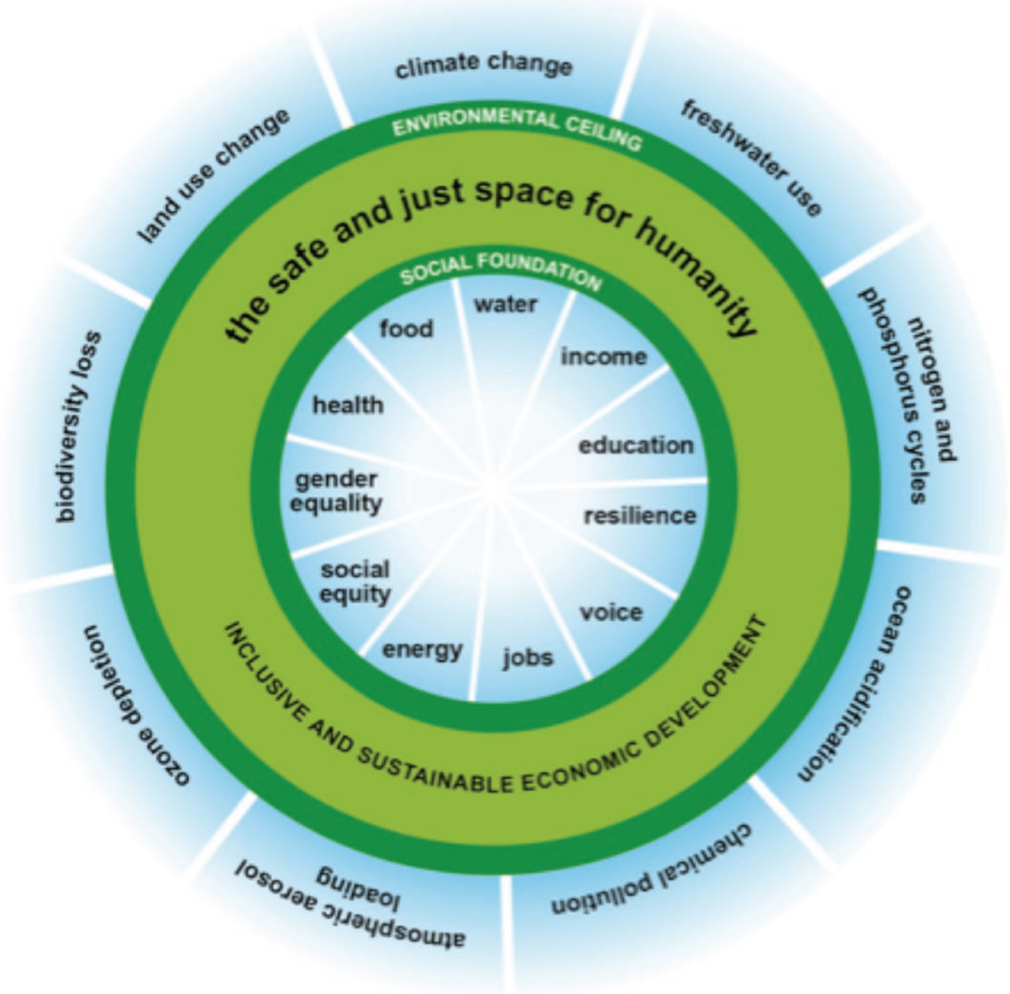
Some, but not a majority, of the many green economy initiatives that were kicked off by the G20 and intergovernmental organisations consider that delivering socially just outcomes must be integral. However, far more developing countries put a heavy premium on inclusive approaches to green economy and growth, as IIED's facilitation of several national green economy dialogues has revealed (see Section 3.2).

The Doughnut

This visual framework, which combines planetary boundaries of environmental degradation with social boundaries of human deprivation, has gained significant recognition in international policy discourse, and notably the SDGs deliberations (see Figure 1 below). Its increasing traction reflects a widespread desire for an approach to sustainable development that prioritises respect for both social and environmental values, recognises their interdependence, and calls for an approach to economic development that is coherent with and supportive of them (Raworth, 2012; Rockström *et al.*, 2009; Leach *et al.*, 2013).

Each of these sources of momentum present different opportunities for promoting and integrating social and environmental concerns. The call for a new development model from world leaders supports widespread **social** aspirations for such change. The doughnut provides a **conceptually** simple depiction of how human well-being depends on a balanced and fair distribution of global resource use. The Sustainable Development Goals offer an international **political** precedent to bring high-level attention to these twin concerns in relation to all countries and international regimes. Finally, green growth/green economy approaches have shown real

Figure 1. The doughnut of social and planetary boundaries



Source: Raworth (2012)

potential to engage **economic and financial** decision makers directly with environmental and social concerns, asking questions about the purpose of the economy and the limits of current economic governance.

2.2 Poverty reduction and environmental sustainability: in tandem or in tension?

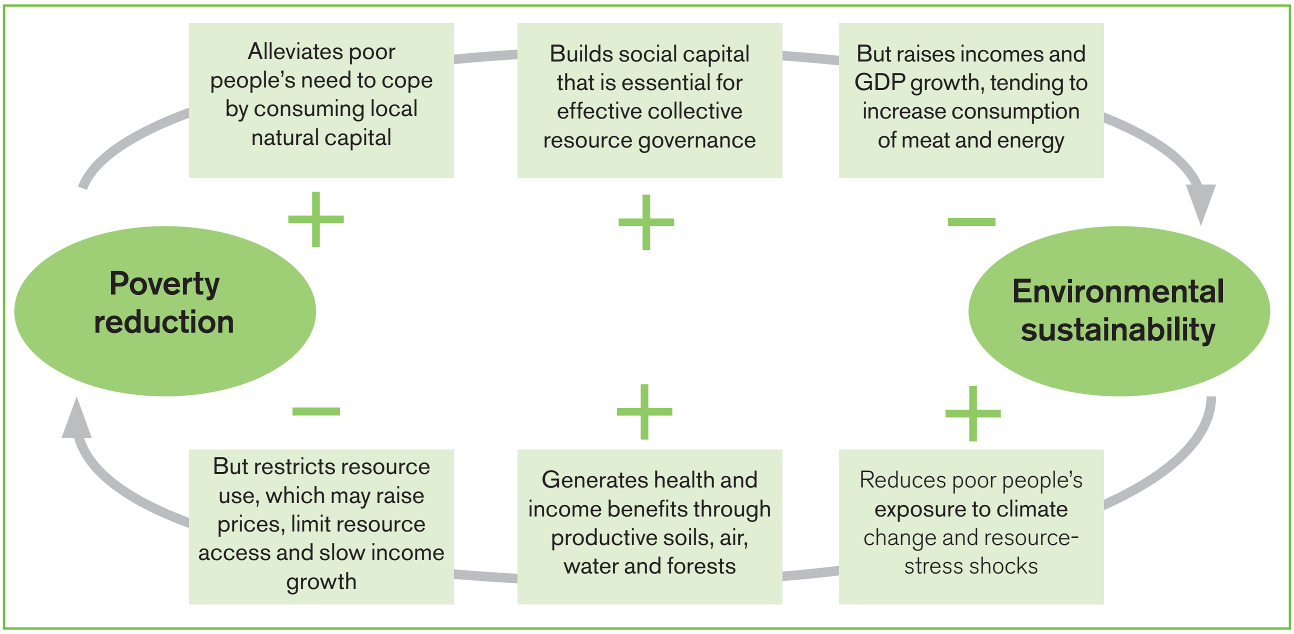
There are compelling reasons for this new momentum behind development that integrates social and environmental concerns, and which aims to reduce poverty and promote environmental sustainability simultaneously. Poverty and environmental degradation interact in many ways, both positive and negative. The Brundtland Report highlighted their negative impacts upon each other, describing how

… many parts of the world are caught in a vicious downwards spiral: poor people are forced to overuse environmental resources to survive from day to day, and their impoverishment of their environment further impoverishes them, making their survival more difficult and uncertain (UN, 1987).

Fortunately, the reverse is also true: poverty reduction and environmental sustainability have many positive and mutually reinforcing effects upon each other, along with some counteracting pressures (Meadows, 2009), as illustrated in Figure 2 below.

The upper arrow in Figure 2 shows how reducing poverty interacts with environmental sustainability in both positive and negative ways. First, as described by the Brundtland Report, it can alleviate the need for people living in poverty to meet their most essential needs by over-consuming local natural resources,

Figure 2. Interlinkages of poverty reduction and environmental sustainability



such as over-fishing lakes, over-grazing land, or over-harvesting forests for firewood (UN, 1987). Second, tackling poverty and social exclusion can be essential for building community trust and buy-in, or 'social capital', required for effective natural resource governance, particularly for common pool resources, as highlighted in the work of Elinor Ostrom (2009) and Bina Agarwal (2000).

At the same time, greater poverty reduction can contribute to environmental pressure, in the absence of smart policy design. As incomes rise, many low-income households start moving into the lower end of the global middle class. Their increased consumption may mean being able to afford meat, electricity and transport for the first time, positively transforming their lives and life-long prospects – but also raising overall pressure on ecosystems, biodiversity, watersheds and carbon sinks, hence highlighting the need for smart environmental planning and policies in tandem with poverty reduction. With the global middle class set to increase by 3 billion by 2030, it matters a great deal how the additional demands of the 'once-poor' are met (Kharas, 2010).

On the other side of the equation, greater environmental sustainability can have diverse implications for poverty reduction, as shown along the lower arrow in Figure 2. First, greater environmental sustainability reduces the likelihood of climate-related and other natural shocks that exacerbate poverty and social inequalities. These shocks tend to hit poor communities the hardest, given their greater exposure and less-resilient public infrastructure, their lack of public or private resources for adapting, and their insecure access to essential food, water and shelter during times of resource stress or shock.

Second, environmental sustainability can generate important health and income benefits for people living in poverty. Nearly three quarters of the world's poorest citizens are directly dependent on the environment for a significant part of their daily livelihood. According to the UN Food and Agricultural Organization (FAO), 50 per cent of them are smallholder farmers, 20 per cent are rural labourers and 10 per cent depend on herding, fishing and forestry. Nearly 60 per cent live in biodiversity 'hotspots', on marginal agricultural and arid lands or in forested areas (Tandon, 2012). In this context, environmental assets – such as fertile soils, clean water, biomass and biodiversity – offer important safety nets to the poor, maintain public health and promote income growth (Dalal-Clayton and Bass, 2009). According to one estimate, the value of ecosystem services and non-marketed goods account for an estimated 47–89 per cent of the 'GDP of the poor', although these are typically ignored in official economic statistics (TEEB, 2010). Environmental improvements promote better health, through clean water, fertile land, reduced household and urban air pollution, and improved sanitation and waste management. In terms of health outcomes, up to one fifth of the total burden of disease in low- and middle-income countries is associated with environmental risk factors (Poverty Environment Partnership, 2008).

At the same time, measures for greater environmental sustainability can work against poverty reduction. If policies to promote environmental sustainability have the effect, for example, of restricting poor people's natural resource access and use, raising prices of essential goods and services, and slowing the rate of GDP growth, they could simultaneously slow down the rate of poverty reduction, or even exacerbate poverty (Dercon, 2012).

How these many positive and negative interactions between social and environmental goals play out depends largely on how strategies and policies for pursuing sustainable development are initiated, designed and implemented. This is why the current scale, prominence and momentum of green policymaking deserves particular attention: it has the potential to either significantly reduce poverty and social inequality, or even serve to exacerbate it. Many poor people today live in developing countries with fast-growing economies, where their opportunities are not limited by a lack of natural resources as such, but by a policy and fiscal environment that does not promote social justice in participating in natural resource-based employment and economic growth. Hence the rest of this discussion paper focuses on analysing the social implications of green policymaking processes to identify opportunities for ensuring that they are also socially just.

Surveying the landscape of green policymaking

3

Green policymaking is not new but it has gained significant traction in recent years. Low- and middle-income countries are increasingly collaborating with international agencies and donors to draw up national strategies to 'green' their economies. Often started as one policy initiative among many, these 'green economy/growth' strategies are becoming increasingly central to national planning – from Ethiopia and Mozambique to Barbados and Vietnam – in part because of their focus on economic development, their backing from multilateral institutions, and their opportunities for attracting international carbon finance.

There is a history – and a fast-moving present – of such policy processes seeking to integrate environmental protection into economic planning. They vary significantly both in their environmental scope and in their ambitions for promoting social justice.

3.1 National sustainable development strategies

In the 1990s and 2000s, national sustainable development strategies (NSDSs) were prepared in many countries – often in response to the 1992 Rio Principles. Usually led by ministries of environment, but often by high-level, cross-cutting bodies such as the office of the prime minister or president, these tended to be separate from national development plans. While they have often proved to be pioneers in mainstreaming environment across national economic sectors, their influence on poverty reduction and economic growth has usually been secondary. NSDSs were holistic in their outlook but far less often integrated into mainstream national and sector policy and the machinery of government. Political support for them was often weak and lacked traction with mainstream authorities, hence a majority of their provisions have not yet implemented. However, in many countries they are still cited as the principal policy framework for sustainable development (Dalal-Clayton and Bass, 2009).

Moreover, from 2015, the United Nations is expected to agree a set of Sustainable Development Goals. Current discussions are converging on a set of goals, each of which calls for the integration of social, environmental and economic constituent objectives. National SDG implementation plans will need to anticipate how to achieve this in practice; they are likely to embrace issues of economic growth and other mainstream development concerns more fully than did earlier NSDSs.

3.2 Green economy initiatives

The green economy concept emerged in the late 2000s as a response to the interrelated food price, financial, and climate crises. Potentially, it places poverty reduction and social justice at the heart of its approach. UNEP's 2011 Green Economy Report defined a green economy as 'one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities'. Rio+20's outcome document reiterated that green economy strategies must 'support developing country governments to eradicate poverty'. The new UN Partnership for Action on a Green Economy (involving UNEP, UNDP, ILO, UNIDO and UNITAR) plans to provide a suite of 'green economy services' to help national governments in policy review and planning. Alongside such intergovernmental initiatives, the Green Economy Coalition is the largest multistakeholder alliance on the green economy, engaging NGOs, think tanks, trade unions, UN bodies and business organisations in looking at the 'demand side' of a green economy, helping to explore the diversity of approaches to promoting human and ecosystem well-being together (Benson *et al*., 2014). As a member of the GEC, IIED has taken the lead in facilitating multistakeholder green economy dialogues in over 10 developing countries, in order to obtain more diverse national and sector perspectives on what a green economy should be, and how to achieve it in different contexts. These dialogues have pointed to the importance of inclusion, and hence of the informal economy; SMEs and job creation for poor people (where many international initiatives focus on formal structures and major energy and infrastructure investments); and the necessity of realising higher value from the natural resource base (where international work emphasises greenhouse gas abatement).

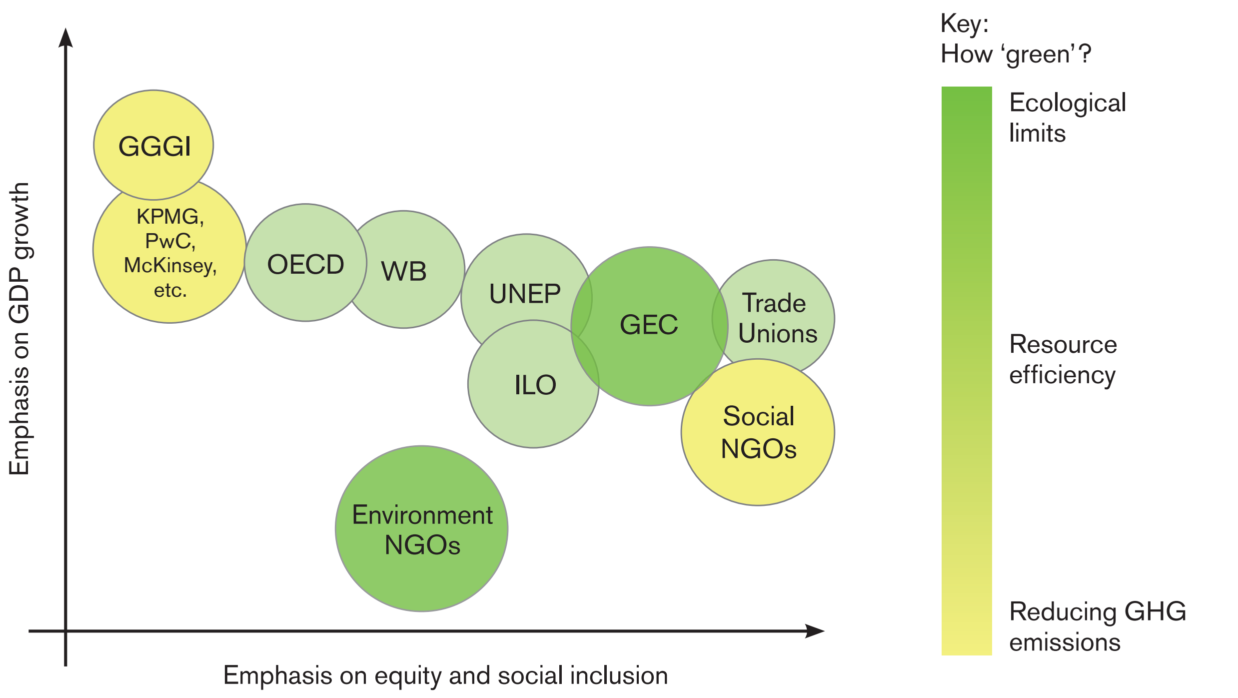
3.3 Green growth initiatives

Many international institutions and business networks have engaged in promoting and supporting the concept of green growth – achieving economic growth together with resource efficiency and greenhouse gas abatement. The OECD has launched a major programme of work in this area, monitoring green growth in its own member countries and beyond. The Global Green Growth Institute (GGGI), now an intergovernmental organisation, has significant funding to support the development of green growth strategies, primarily in developing countries. Other institutions, such as the World Bank, the African Development Bank and the Asian Development Bank, now work under the banner of 'inclusive green growth', particularly after the emphasis on social justice at Rio+20 and rising concern for inequality in all its guises.

According to analysis by the Green Economy Coalition the 'inclusive' label being applied to both green economy and green growth initiatives is not yet matched by strong analysis and action to address issues of equity. There are still important differences of perspective and emphasis between the notions of 'inclusive green growth' and 'green economy'. They argue that green growth initiatives do not explicitly address equity issues, but largely assume that the living standards of the poor will improve through trickle-down benefits of economic growth (Benson *et al.*, 2014).

Some of these differences in emphasis are captured in Figure 3 below, drawn up by the Green Economy Coalition and IIED. This roughly positions key players in relation to their observation of the three main ways in which green economy initiatives most differ: their emphasis on and claims for GDP growth; their emphasis on social equity and inclusion and claims for improvements in these areas; and their emphasis on planetary boundaries or environmental integrity. (A fourth main area of difference – the role of the state in relation to markets – interacts with these three.)

Figure 3. Positioning of some key green policymaking players (indicative only)



Source: Green Economy Coalition and IIED 2014

Surveying the literature of green policymaking

4

There are many well-written and informative reports on the challenges and principles of conducting green policymaking in ways that integrate poverty reduction with environmental protection, such as *Building an inclusive green economy for all*, a 2013 report of the Poverty Environment Partnership (PEP – a loose network of 26 international agencies, governments and NGOs, including UNDP, UNEP, the World Bank, the OECD, WBCSD, WWF, IIED, and WRI) (Poverty Environment Partnership, 2013). Reports such as this one are written for an international policymaking audience, drawing on case studies from every continent, and they provide valuable examples of what can be achieved. Given the potential gains from a green transition, it is not surprising that they emphasise the win-win-win possibilities in its approach:

Examples of an inclusive green economy in practice show great potential for delivering a 'triple bottom line' of job-creating economic growth coupled with environmental protection and social inclusion (Poverty Environment Partnership, 2013).

There are such triple-win possibilities, yes, but it is worth recognising that the PEP and others usually point to **signs** of them, rather than definitive proof, given the paucity of real examples, scale and/or time series. Moreover, there may be multiple tensions in practice too. For example, one initiative that is often held up as a triple-win example is South Africa's Working for Water Programme, employing tens of thousands of people each year to clear invasive plant species from the country's waterways. However as one of its programme managers candidly noted,

We can't go forward unless we sort out these [social and environmental] issues. But trying to raise the poor up one step, and the environment up one step, and marrying those two ideas, is very difficult (Assistant Manager, Working for Water, South Africa in Woodworth, 2006).

The contrast between these two quotes highlights the need for caution in drawing conclusions and designing strategies based primarily on the international policy literature because it tends to have four biases – of provenance, promotion, policy and power – which are worth making explicit.

Provenance bias: the reports are mostly initiated, funded, authored and distributed by international development agencies based in OECD countries, and are focused on assessing policy processes in low- and middle-income countries. The authoring agencies are also often funders for the policy initiatives presented and so may wish to emphasise their successes and influence. However, reporting on such initiatives often stops when the donor funding ends. Therefore there may be a lack of monitoring of longer-term outcomes.

Promotional bias: the authoring agencies support 'green economy' and 'green growth' approaches to development, and hence are more likely to present policy successes than policy failures, even though there is much to be learnt from both. This touches on the wider challenge of communicating the benefits of a green economy transition while being realistic about the risks and challenges to poor people that this transition process can create.

Policy bias: the international agency reports understandably seek to frame new paradigm thinking in ways that will appeal to the discourse and interests of prevailing power holders – essentially by using familiar metrics and language. But this leads to a bias of continuing to frame social and environmental outcomes as contributors to economic development rather than framing all three as contributing to a higher goal of sustainable development for human well-being. Some policy tools gaining traction – such as monetising the value of natural capital and ecosystem services – may not be the best way to promote long-term sustainability, but they predominate in the literature because of their traction in the prevailing context of policies and discourse.

Power bias: while the literature may address costs of the green economy transition for poor people and countries, and discusses how these must be managed, it rarely focuses on the costs of policy reform for influential vested interests and power holders – governmental, corporate and wealthy elites – even though these are critical to consider because they are often the political barriers that prevent change, or are the key to creating political opportunities for generating it. These power holders are mentioned in passing in terms of the lack of political will, but rarely analysed explicitly.

In this discussion paper, we aim to avoid and counter these common biases, by triangulating the views presented in the international green policymaking literature with a set of wider sources including:

- Alternative assessments of the policy initiatives concerned – by civil servants, NGOs, consultants and academics – particularly assessments that also present challenges, critiques and caveats of the achievements.
- Coverage of both policy successes and failures, so far as the latter are documented, given that they can provide a rich source for learning.
- A focus on environmental policies that risk exacerbating poverty and an assessment of measures adopted to mitigate this.
- Attention to mistakes and improvements made over time within particular policy initiatives, as part of their own adaptive learning.

Key sectors and tools for green policymaking

5

What is green policymaking? In which sectors is it focused and what are its key policy instruments? There are diverse answers to this question, because of the many institutions involved and the wide range of national contexts. This section aims to give a broad overview, drawing on the policy literature and national strategies to present both commonalities and differences in approach.

Green growth and green economy strategies typically focus upon three greenhouse-gas intensive sectors because they are critical for economic growth, relate to climate change policies and attract climate change funds – although they are not always directly relevant to low-carbon developing country economies:

- **Energy:** promoting low-carbon and renewable energy systems, and energy efficiency
- **Transport:** expanding affordable and accessible mass transit networks, and promoting fuel-efficient vehicles and more walking and cycling
- **Infrastructure:** providing resource-efficient services for water, sanitation, healthcare, education and communications and decarbonising urban spaces and settlements

Some strategies are also extended to include natural resources and other sectors of direct interest to poor groups, although these still tend to be accorded less priority than the above:

- **Agriculture:** generating high-value, low-impact sustainable agriculture and promoting ecosystem, soil and water rehabilitation
- **Forestry:** promoting reforestation and afforestation and preserving biodiversity, through assigning greater value to forest ecosystems
- **Fisheries:** restoring fish stocks to healthy and sustainable levels
- **Manufacturing:** promoting low-carbon and resource-efficient patterns of production, capturing the green added value in supply chains
- **Waste management:** reducing land fill usage and raising recycling rates, and using waste as feedstock for energy or agricultural production

The policy instruments recommended for achieving these sectoral transitions vary across institutional contexts. Table 1 below – drawn up by UNDESA – provides an effective summary of the wide range in use, clustering them into the six 'I's of policy tools: internalising, incentivising, institutions, investment, information and inclusion. It is notable that inclusion is last in the table, and here the focus is only on labour market policies and compensatory mechanisms – a narrowness of framing which is explored further in Section 7.

The key sectors and policy instruments listed above feature prominently in the frameworks put forward by the many institutions engaged in green policymaking. While these institutions all tend to acknowledge the importance of the sixth 'I' – inclusion – in terms of addressing the social impacts of green policies, their emphasis varies significantly, in terms of their scale of ambition for social outcomes, their integration of social priorities into planning processes, and the evidence of socially focused measures, policies and indicators in the strategies that they help to generate. A comparison of approaches taken by two influential international initiatives – the Global Green Growth Institute (GGGI) and the Poverty Environment Partnership – illustrates the point.

The Global Green Growth Institute is a novel inter-governmental and multi-stakeholder organisation. Its stated vision of green growth is 'a model of economic growth that simultaneously achieves poverty reduction, job creation, social inclusion as well as environmental sustainability and resource security'. However the GGGI has been critiqued for placing too little emphasis in its strategy and policy advice on the goals of poverty reduction and social inclusion or indeed on environmental issues that are most relevant to these goals (Benson *et al*., 2014).

The GGGI is host and a lead sponsor of the Green Growth Best Practice (GGBP) project, which brings together 17 international agencies (including UNEP, the World Bank, UNDP, OECD and the Climate Development Knowledge Network) to accelerate green-growth learning from diverse country experience. The GGBP report identifies three clusters of policy approaches to promoting green transformation: enabling policies (such as infrastructure investments), mandating policies (such as efficiency standards) and incentivising policies (such as environmental taxes and subsidies), as shown in Figure 4 below.

There are important social implications of the policy instruments listed under each of these areas – such as green jobs training, land regulation and full-cost pricing of water and energy. But a focus on poverty reduction and social inclusion is not evident in this policy framework. To turn it into a framework for a green and just transformation (rather than simply a green one), the GGGI and its partners in the Green Growth Best Practice project would benefit from adding a fourth cluster of 'empowering policies' which cut across and interact with those presented above.

In contrast, the second example is the Poverty Environment Partnership, which brings together 26 international agencies (some of them overlapping with the GGBP), governments and NGOs including UNDP, UNEP, the World Bank, the OECD, WBCSD, IIED, WWF and WRI. This coalition promotes 'inclusive green economies' which can deliver 'low-carbon and climate-

Table 1. A typology of green economy policy measures

POLICY CATEGORY: THE 6 'I'S	POLICY SUBCATEGORIES
Internalising externalities	1. Taxes, charges, fees, levies on 'bads' (i.e. pollution, resource use) 2. Cap-and-trade permits or certificate systems
Incentivising	3. Investment incentives – low-interest loans, micro-financing, tax exemptions etc. 4. Subsidies, feed-in tariffs and other direct support for 'goods' 5. Removing policy-induced distortions and perverse subsidies (e.g. harmful subsidies) 6. Leveraging finance – PPPs, long-term guarantees, phased-out support, removal of barriers to FDI, lower administrative burden, credit guarantees
Institutions	7. Regulations – norms, standards, information disclosure, labelling, prohibitions, fines and enforcement, mandatory targets 8. Property rights and access rights, including intellectual property rights 9. Governance and institutional capacities – accountability, transparency, enforcement, anti-corruption 10. Integrated planning, decision making and resource management, using diagnostic tools such as environmental impact assessments and social and poverty impact assessments
Investment	11. Sustainable public procurement 12. Investment in natural capital – payments for ecosystem services, protected areas, direct management and rehabilitation 13. Investment in sustainable agriculture 14. Investment in human capital – capacity building, training, skills 15. Investment in infrastructure – energy, water, transport, waste, ICT 16. Investment in innovation – R&D, deployment, information sharing
Information	17. Voluntary approaches – information provision, labelling, corporate social responsibility, targets, agreements, educational initiatives 18. Measuring progress – natural capital/green accounting, green targets and indicators, carbon inventories
Inclusion	19. Labour market policies – skills, (re)training, job search assistance, income support and benefits 20. Social protection floors – unemployment insurance and pensions, cash transfers, compensation for price increases, healthcare

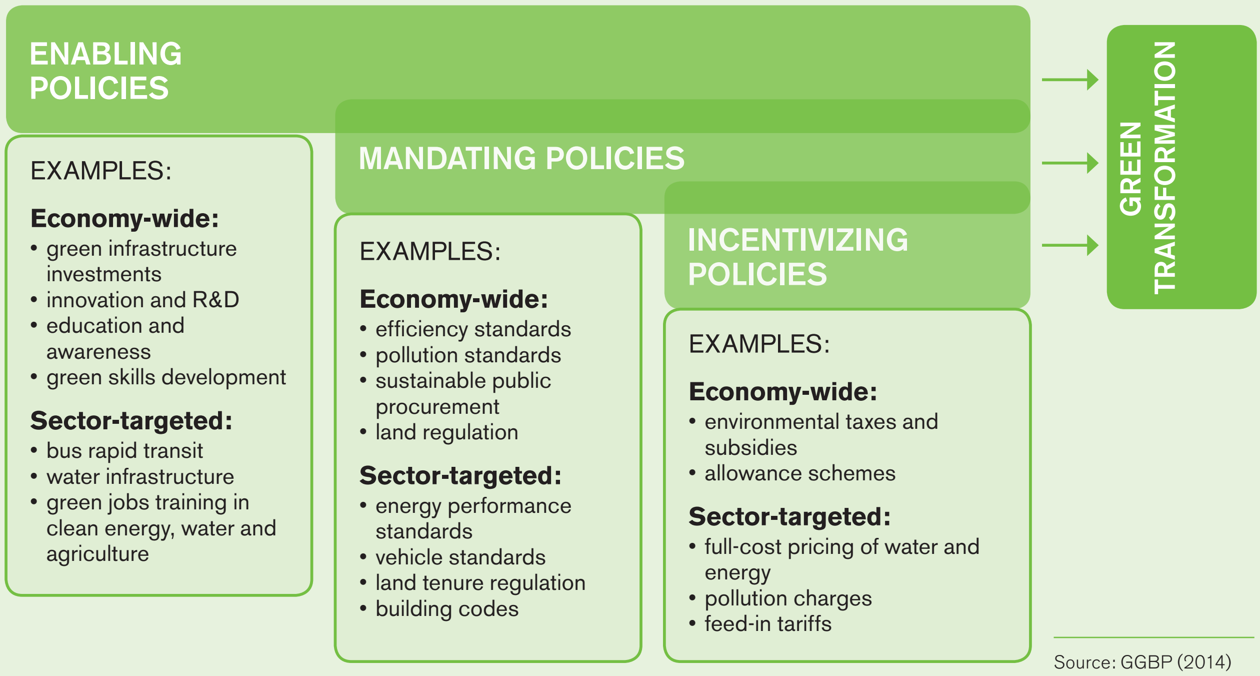
Source: UNDESA (2012)

resilient development, significantly improved resource efficiency, healthy and more resilient ecosystems, and greater economic opportunities and social justice for disadvantaged groups'. It has proposed a five building-block approach, as detailed in Box 1.

The PEP's approach recognises the need both to safeguard poor people from adverse impacts, and also to seek synergies that can maximise the possible benefits, and it places focused attention on empowering policies that build poor people's rights and capacities. But at the same time, its own literature tends to a bias in highlighting the potential benefits to poor people of a green economy transition, while under-recognising the significant structural barriers – notably in economic and financial rules as well as social and political – to these being realised.

Given the potential shortcomings and biases of these green policymaking frameworks with respect to social objectives and outcomes, green economy policies come with a wide range of social implications. Section 6 focuses on understanding and assessing these.

Figure 4. The Green Growth Best Practice project's overview of policies for green transformation



Source: GGBP (2014)

BOX 1. THE POVERTY ENVIRONMENT PARTNERSHIP'S FIVE BUILDING BLOCKS OF AN INCLUSIVE GREEN ECONOMY

Making an inclusive green economy work for the poor requires three separate but related conditions:

- ensuring the leadership and political commitment of low- and middle-income countries
- safeguarding the poor against any adverse impacts during the transition process
- maximising the opportunities for nations and the poor within them to capture the potential benefits

The five building blocks – and key policy instruments – for achieving such a transition:

1. National economic and social policies

- Investments in sustainable use of ecosystems and low-carbon, climate-resilient development
- Review fiscal policies, microcredit, SME policies, social protection and public works

2. Local rights and capacities

- Rights and security of tenure over natural resource wealth
- Rights to information, participation, access to justice
- Ensuring voice in decisions on resource use and benefit distribution

3. Inclusive green markets

- Innovative business models
- Enabling policy and institutional environment
- Poor people's access to markets and supply chains

4. Harmonised international policies and support

- Coherence of high-income countries' development, trade, technology and environmental policies
- Donors' harmonised policy, investment and capacity-development support

5. New metrics for measuring progress

- New metrics beyond GDP
- Tracking economic, social and environmental progress and well-being

Source: Poverty Environment Partnership Joint Paper (2013)

Analysing the social implications of green policymaking

6

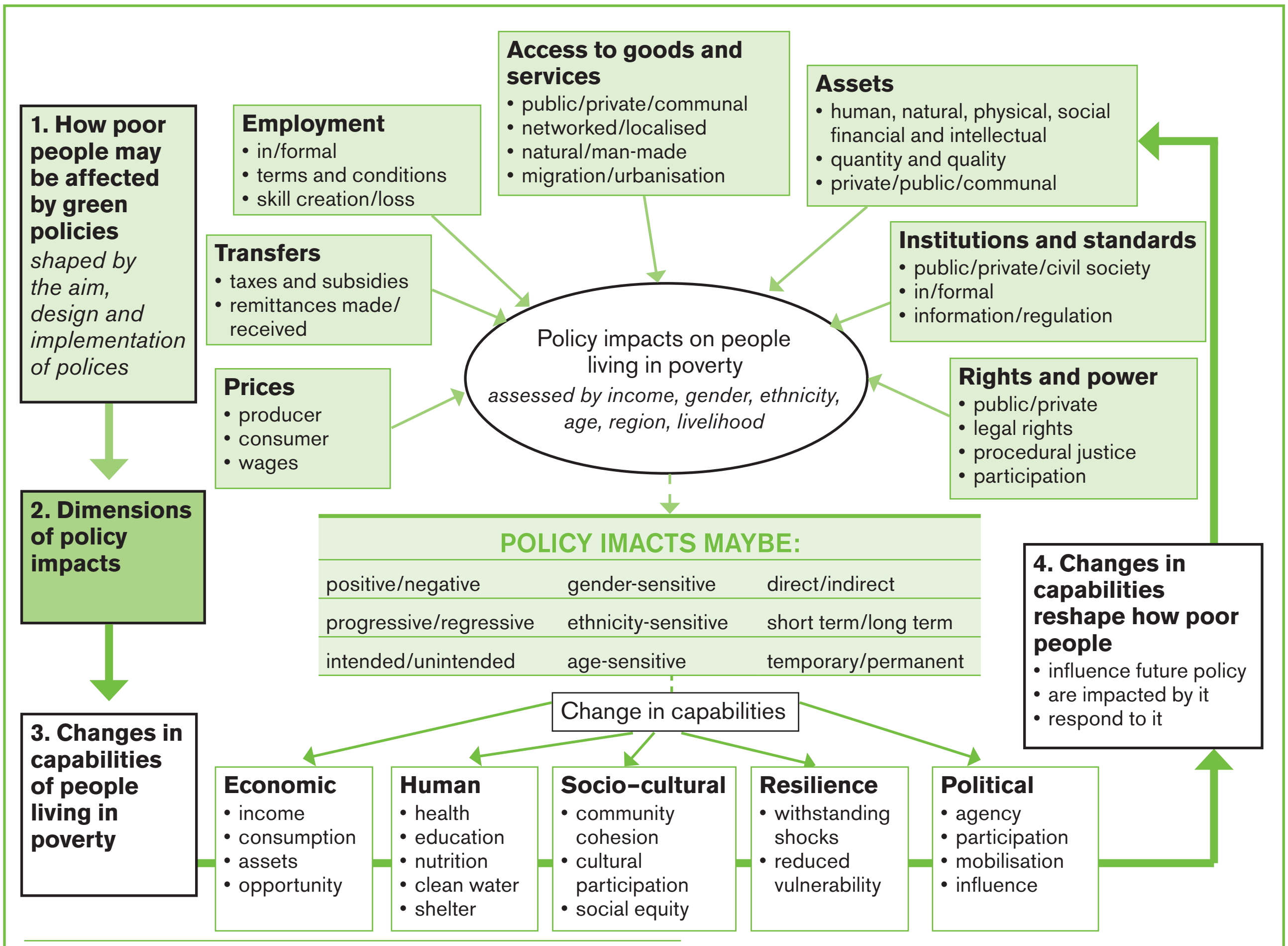
How might the use of these diverse 'green' policy instruments affect the lives of people living in poverty? It is sometimes presumed that a green transition in key sectors will bring long-term benefits to people living in poverty, largely through stimulating economic growth, creating jobs and restoring critical environmental assets. But approaches to 'greening' these key sectors can also lead to complex social impacts, both short and long term, affecting diverse social groups. Rather than reap expected benefits, women and men living in poverty could face significant costs, and the risk of these needs to be explicitly analysed.

Figure 5 below provides a conceptual framework for addressing this question – but it must first be introduced with caveats. The framework is adapted from poverty and social impact analysis (PSIA) tools, as used widely by the World Bank, OECD and other international agencies. Its value lies in providing a systematic way of considering the many channels through which people living in poverty can be affected by green policies already planned or underway. But herein lies its limitation too: it comes out of a policymaking tradition which first determines the ideal policy instrument (in this case for greening sectors of the economy), then secondarily considers the possible social impacts, in order to offset the costs and promote the benefits. Given the problems inherent in this sequential or 'add-on' approach (which are explored further below), the framework is introduced here as part of an analytic reflection, rather than recommended as part of an effective policymaking process.

The framework can be used to systematically think through the possible social implications of specific green policies, in four stages:

1. **How poor people may be affected by green policies:** What are the 'transmission channels' through which a particular policy instrument (be it removing subsidies or raising efficiency standards) may affect people living in poverty? The framework identifies seven major channels through which impacts may occur. The left-hand trio of channels – prices, transfers and employment – tend to carry the direct or 'first-round' effects of market- and incentive-based instruments; whereas the right-hand trio – assets, institutions and standards, and rights and power – tend to carry the direct and 'first-round' effects of legal, regulatory and rights-based instruments. However the knock-on

Figure 5. Framework for considering potential policy impacts on people living in poverty



Source: Authors, drawing on OECD (2007); World Bank (2012); DfID (1999).

or 'second-round' effects of a particular policy may have repercussions through any combination of these channels.

2. **Dimensions of policy impacts:** How these different transmission channels affect people living in poverty is shaped by the gender, ethnicity, age, livelihood and location of those involved, and has many dimensions. The impacts may be positive or negative, temporary or permanent, intended or not. Most immediate and direct impacts will also tend to lead to 'second-round' effects in the medium to longer term. For example, if a government introduces a certification scheme for organic produce, the first-round effect will be a change in regulations and compliance for selected agricultural producers. A second-round effect, however, will be a price increase for certified organic exports, raising the incomes of participating producers (including poor producers if support is provided to help them access the scheme). If the export earnings are significant, they may lead to a third-round effect of increased government revenue which could be invested, for example, in increasing the provision of pro-poor public goods.

3. **Changes in capabilities of people living in poverty:** These diverse policy impacts may ultimately strengthen or undermine the capabilities of people living in poverty, ranging from the economic capabilities of engaging in and benefiting from the market economy, to the political capabilities of having agency, participation and the ability to mobilise. Any particular policy may have multiple effects, both positive and negative, on these capabilities, which will vary from one social group to another.

4. **Changed capabilities reshape how poor people influence future policy:** As poor people's capabilities change, so too does their ability to engage in and affect future policymaking – again, this could be positive or negative in terms of their empowerment, participation and agency in future policy processes.

This framework provides a useful starting point for exploring the debate about whether and how green policymaking will benefit poor people – a debate that was re-ignited in 2012 in part by the economist Stefan Dercon's sceptical analysis (Box 2). Dercon intentionally highlighted possible negative impacts of green policies on income poverty (and, for the sake of argument,

BOX 2. IS GREEN GROWTH GOOD FOR THE POOR? MAYBE NOT

In his 2012 World Bank working paper, *Is green growth good for the poor?* Stefan Dercon (now Chief Economist at DfID) argued against the presumption that green growth will automatically benefit the poor simply on the grounds that growth tends to promote (income) poverty reduction, or that green policies will help restore the environmental assets on which poor people depend. His analysis focused on three common instruments for green policymaking: environmental pricing and regulation, low-carbon public investments and adaptation measures – demonstrating for each that it could create significant negative impacts for people in poverty:

First, environmental pricing and regulation intended to internalise environmental costs (such as fuel or water pricing at full cost) may impact both poor consumers and producers through rising prices, while environmental regulations could be captured by the rich, and simply displace pollution to low-income areas. At the same time, rising resource costs tend to raise the returns to labour – hence creating potential for new jobs – but only if sectoral transitions are not technology driven and capital intensive.

Second, low-carbon public investments may also damage poor people's interests. While low-carbon energy production tends to be more labour intensive (hence creating jobs), Dercon argues that the public subsidy supporting it could be used for more directly pro-poor investments, such as in health or education. And strategies promoting local food self-sufficiency could, he argues, discourage greater networking of markets for goods and people, with the risk of trapping poor people in low-income areas, disconnected from faster-growing regions.

Lastly, he argues that adaptation measures present an even starker trade-off. Instead of encouraging economic transformation and migration, rural adaptation measures may encourage the rural poor to invest in low-return livelihoods, while investments in public infrastructure may focus on the most economically valuable assets, leaving poor communities based in marginal and unsuitable areas, and vulnerable to shocks.

As Dercon concludes, 'Promises that green growth will offer a rapid route out of poverty are not very plausible … Since poverty reduction remains at the top of the agenda, different shades of green may be needed.'

perhaps exaggerated the likely balance of these outcomes). But his analysis emphasises important issues about not assuming that greening policies will necessarily be pro poor.

Dercon's scepticism implies that green policymaking may well not meet the needs and interests of people in poverty. In fact, a more realistic assessment based on ongoing practice (rather than analysing theoretical possibilities) is that the impacts of green policies on poor people are diverse and very much depend on policy design and implementation. As Section 7 demonstrates, there is a full spectrum of approaches in use. Where policies and business action focus on high technology or major infrastructure, creating high costs of entry and cutting employment opportunities for poor people, the net effect may often be that poor people or indeed low-income countries cannot participate in a green economy. In such cases, a green economy may end up being owned by a minority. Where they draw on local resources, skills and markets, a green economy may be more inclusive. None the less, two questions are germane here: What kinds of poverty need to be reduced and what kinds of green activity effectively and efficiently support their reduction?

Raising social ambitions: from compensation to green and just transformation

7

Inequality was identified by the World Economic Forum in 2013 as the second greatest worldwide risk. According to Oxfam and Forbes, the bottom half of the world's population currently holds the same amount of wealth as the richest 66 individuals (Moreno 2014). National leaders and activists alike have further embellished the equity narrative in many fields.

Equity is now recognised as the critical missing link in the pathway towards a green economy, and indeed is perhaps the most politically contentious aspect of green economy policies. We suggest that equity is fundamental in the pursuit of a green economy because (building on Singh Thakur and Niazi, 2014, citing UNRISD, 2012):

- Imbalances in power structures and access to resources increase the vulnerability and reduce the resilience of poor people
- They also limit people's capacity to take advantage of employment and other opportunities associated with the green economy, and to change their consumption patterns
- Income disparities create social unrest, leading to adverse impacts on public policy and initiatives to address the problems of poverty eradication, environmental degradation and low growth, and
- Equity matters for both instrumental reasons – to better achieve all sustainable development objectives – and for normative reasons, such as fairness and meritocracy

Achieving equity is a challenge in circumstances where economic policy – notably on liberalisation, technological innovation and globalisation, all considered to be tools for greening the economy – has also often exacerbated barriers for improving equity. Since the 2012 Rio+20 conference (and perhaps also spurred on by critiques such as Dercon's), there has been greater focus among international institutions – and in their literature – on ensuring green policymaking addresses these and other equity challenges, with the extent of 'inclusion' crossing the spectrum of approaches illustrated in Figure 3.

Many institutions now promote 'inclusive green growth', and social outcomes figure prominently in their vision of a green transition and objectives for it. But in practice there still tends to be significantly greater priority given to green rather than social outcomes. The diverse national and institutional approaches to green policymaking underway are producing a wide array of social outcomes, ranging from exacerbating poverty to promoting transformational green and just change. Drawing on and extending analysis by UNRISD, Table 2 presents four stylised levels of how far social concerns are integrated into green policymaking processes.

First, green policies that involve **no social analysis** or action are likely to exacerbate existing inequalities, as they tend to maintain the social status quo and play into the hands of elites. They are most likely to harm politically and socially marginalised groups, including women and ethnic minorities. There is already a widely recognised 'double environmental injustice': poor people are typically least responsible for environmental degradation, but are often worst affected by it. Green policymaking that ignores its own social impacts threatens to add a triple injustice by further exacerbating negative consequences for already disadvantaged groups (Cook *et al*., 2012).

Second, **safeguarding policies**, such as providing cash transfers and social protection, can be important interventions to mitigate such harm. Instruments for safeguarding often involve price- and market-based instruments – those clustered in the left-hand transmission channels of Figure 5. They are often critical measures during transition phases to ensure 'no harm' in the short term, but they are likely to be insufficient for promoting long-term poverty reduction. They may also be designed in ways that underestimate the social and cultural costs of transition, so tending to undercompensate for lost resource access or rising prices. At the same time, their ability to reach those most affected often depends on the effectiveness of local institutions, procedural justice and the recognition of rights – essentially calling for complementary policy action through the right-hand cluster of rights, institutions and assets in Figure 5.

Third, policies designed to address both social and environmental goals can generate significant **co-benefits** – such as combined social and environmental protection schemes that create jobs through land restoration. They are more likely to bring lasting gains when co-designed with the participation, knowledge and practices of the target communities – but may require capacity building and skills training to ensure that poor people can indeed take up the opportunities created. There will often be scope to develop these synergies using existing budgets within current economic and financial rules.

The more ambitious **transformational social policies** may only become possible through changing those rules and legal regimes – engaging the policy channels clustered on the right-hand side of Figure 5. This may entail strengthening poor people's assets, rights and empowerment, with attention to gender and race, in order to shift the structural drivers of deprivation and environmental degradation. In many circumstances, it will only be through such transformations that poor people – with little financial capital – can be active players in a green economy, and indeed part-owners of it.

Table 2. Levels of social inclusion: from no action to transformational change

SOCIAL CONTENT OF GREEN POLICIES	TYPICAL POLICYMAKING PROCESS	COMMON SOCIAL POLICY TOOLS	EXTENT OF PRACTICE AND EXAMPLES
Level 1: No action Taking no account of social impacts	Siloed green policymaking, without accounting for social impacts	• No explicit social impact analysis • No provisions to alleviate social costs or promote social benefits	Few countries aim to be at this level, but too many initiatives still end up here: • Traditional gazetting of protected areas, removing previous users from hunting and fishing exclusion zones • Carbon offsets and other concessions granted to external or powerful actors which restrict access for traditional users
Level 2: Safeguarding 'Do-no-harm' conditions and compensation for the social costs of green policies	Green policy design with social checks and balances added on	• Cash transfers • Social protection • Redundancy payments • Micro-finance access • Enterprise training • Skills retraining • 'Alternative livelihood' programmes	Most countries have a range of routine safeguards in place: • China's National Forest Protection Programme, providing redundancy payments for 1 million state forestry workers • Ghana's removal of fossil fuel subsidies in 2005 was offset by ending fees for state primary schools, putting a ceiling on bus fares and raising the minimum wage
Level 3: Co-benefits Designing 'win-win' policies for green and social benefits	Policies co-designed for both social and environmental goals	• Conditional cash transfers embedded in law • Green and decent jobs • Access to sustainable and affordable energy, water, sanitation, transport and housing • Certification of fairtrade/ sustainable produce • Pro-poor payments for ecosystem services	National pilots and many international initiatives are now at this level: • India's National Rural Employment Guarantee Scheme, guaranteeing 100 days' work per year on restoration projects, particularly employing women and minority ethnic groups • South Africa's Working for Water Programme, creating 25,000 jobs per year in clearing invasive species from waterways
Level 4: Transformational green and just change Addressing structural drivers of social deprivation as an equal goal to greening the economy	Fully integrated policymaking, promoting combined human and ecosystem wellbeing for shared and lasting prosperity	• redistributing control over assets • reform of labour rights • tackling women's reproductive care burden • deepening participation • Extending opportunities • Ensuring procedural justice • Other empowerment and capacity development policies	The need for transformation is agreed in progressive countries and communities, but there are few proven initiatives: • Namibia's 50 community governed 'nature conservancies' managing eco-tourism • Bangladesh's Solar Homes Programme providing electricity to 2 million rural homes and empowering women as technicians installing and maintaining the systems

There are clear opportunities to move the social outcomes of green policymaking far beyond 'do no harm' interventions towards achieving co-benefits and transformational change.

There remain knowledge gaps, and there is a significant **research agenda** here. What can be learnt from national experiences at all four 'levels' about how to ensure that lasting gains are secured for people living in poverty? Much of the current learning is at Level 2 and to some extent Level 3. But more could be done to explore a wider set of approaches that are aimed at co-benefits (Level 3), including innovations from business and social enterprise and within the informal economy, and by linking the communities of practice which have perhaps become overly focused on individual approaches e.g. on payments for ecosystem services (PES), on REDD+ or on rural employment programmes. More is also needed to explore experiences at Level 4. What led to more transformative policies? What were effective leverage points on social and equity issues that catalysed action? What more can be done to scale-up instruments that work?

Although there are knowledge gaps, we believe enough is already known to ensure that mainstream policy processes are better informed of ways to achieve green and just economies. In the final section of this discussion paper, we propose a set of considerations for policy.

Ten considerations for green and just policymaking

8

How can the current momentum behind green policymaking be harnessed to promote poverty reduction and social justice simultaneously?

The following ten considerations are drawn from the past 20 years of diverse national experience in creating strategies and policies that are both green and just – whether under the banner of green economy, green growth, sustainable development or a more localised concept of holistic policymaking that is integrated rather than separate. For each, we cite examples and learning from their successes and failures. We are tempted to think of these considerations as tentative guidelines, and suggest that they are reviewed and tailored into specific guidelines to suit particular country or sector contexts.

1. Champion integrated social and environmental policymaking. Generate a common vision of a shared and lasting national prosperity that is both green and just. An integrated approach to policymaking must work across government ministries and with diverse national stakeholders, with clear leadership and adequate resourcing. It can best be achieved by supporting and adapting current planning and policy processes, rather than developing a new one-off strategy.

South Africa's Green Economy Accord is a strong example of such integrated planning. Drawn up in 2011, it has been praised for bringing together 12 government departments, three major labour federations, and diverse business and community organisations, to design and implement major programmes of public and private green investment. The aim is to create 300,000 jobs by 2020, including in renewable energy, retrofitting buildings and improved waste collection – and government, labour organisations and businesses have committed to measurable targets to that end (Government of South Africa, 2011; Borel-Saladin and Turok, 2013).

Tajikistan's Sughd region has likewise achieved impressive cross-ministerial collaboration at the sub-national scale to integrate environment and poverty concerns into the region's economic plans. Ministries that had never worked together before collaborated to integrate poverty and environment concerns into the region's ongoing planning institutions and processes. As one of the initiative's managers explained,

By working with established mechanisms, rather than designing new machinery, we were able to build on the work already underway and the relationships with key stakeholders (UNDP-UNEP, 2013).

The approach has led to a new focus in the region on energy and water resources, which is being incorporated into the next national mid-term strategy.

2. Embrace holistic approaches to planning and monitoring progress on both 'poverty reduction' and 'environmental protection'. Take a multidimensional approach to tackling poverty and promoting the well-being of minorities and vulnerable groups by addressing their needs for health, education, income, decent work, living standards, security, empowerment and resilience to stresses and shocks. Likewise extend environmental goals beyond greenhouse gas abatement to address whole ecosystem integrity and functionality, and respect for all relevant planetary boundaries. Businesses, government and civil society should all plan and account for their performance against the same holistic framework.

Ghana's approach to removing fossil fuel subsidies in 2005 exemplifies a multi-dimensional poverty approach. Instead of offering cash transfers to low-income households most affected by the fuel price hikes, the government offset the price rise by eliminating fees for state primary and secondary schools, increasing investment in public bus transport with a price ceiling on fares, increasing funding for rural healthcare, increasing the minimum wage, and investing in rural electrification. These wider compensatory measures serve to help tackle deeper deprivations of education, mobility, healthcare, wages and energy access (IMF, 2013).

Likewise, in 2002 **South Africa** launched Working for Wetlands, a public–private partnership involving government, private contractors and WWF to create jobs protecting and rehabilitating the wetlands of 15 river basins. The jobs were targeted not only to benefit low-income workers but also single-parent families and those living with HIV/AIDS. It provides these diverse vulnerable groups with training and also basic health and education skills (Government of South Africa, 2012a; WWF, 2006).

A holistic environmental approach is well illustrated by **Bangladesh's** programme for the management of aquatic ecosystems through community husbandry (MACH), founded in 1998 with USAID support, to establish sustainable community co-management of fisheries. MACH's stated goal was to 'increase the sustainable productivity of all floodplain resources, including fish, plants and wildlife and over an entire floodplain ecosystem (lakes and depressions, seasonal floodplains, rivers and streams), not just a single water body.' As a result, the programme was also better able to recognise the value that diverse ecosystem services provided to women and low-income households, so could incorporate them into its plans (Sultana, 2006).

3. Go beyond compensation: seek co-benefits and, ideally, transformational change. Ask clearly and early: where are the synergies between social and environmental goals, and how can co-benefits best be achieved? At the same time, explicitly recognise that 'trade-offs' between them will arise, identifying who will be affected and how, and focus on ensuring that the process protects poor people's interests and enhances their well-being.

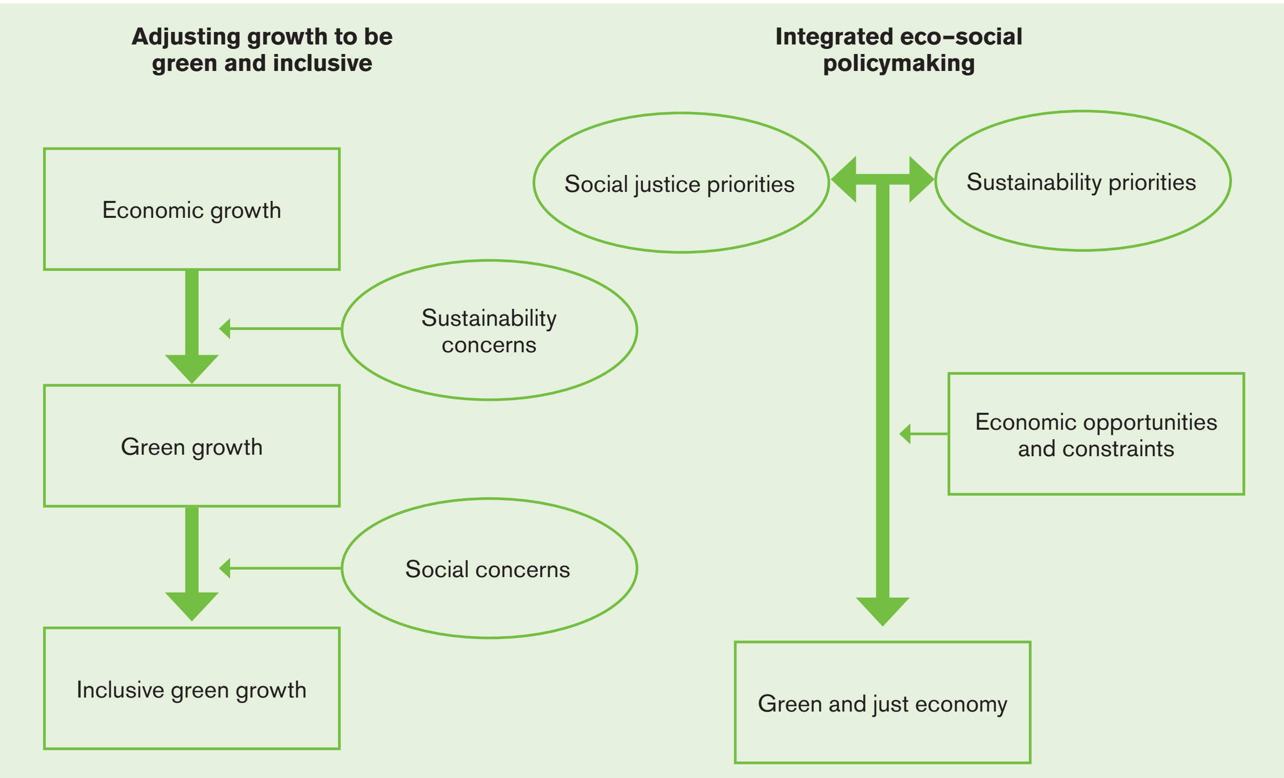
Compensation can be crucial during transitions. In 1999, **China's** introduction of the National Forest Protection Programme imposed a widespread ban on logging forests, laying-off one million state forest workers. The government compensated the workers with a range of income transfer packages which were critical for safeguarding their well-being (ILO, 2012).

However, focusing on compensation **alone** leads to a very narrow approach to developing 'inclusive green' policies, as illustrated in Figure 6. In very stylised terms, the left-hand side depicts an incremental 'adjusted growth' policy process which first adjusts economic planning to take account of environmental concerns (making it green), and then adjusts it again to take account of social concerns (making it inclusive). On the right-hand side is a contrasting but equally stylised depiction of an 'integrated eco-social' policy planning process. This starts with a holistic understanding of ecological and social challenges and priorities, and – in light of national economic opportunities and constraints – devises suitable policies for transitioning to a green and just economy.

In order to promote integrated eco-social policymaking, it is important to ask clearly and early in policy processes: What are the key social and environmental priorities? Where are the synergies between them and how can these best be promoted? What are the structural drivers of inequality, deprivation and environmental degradation, and how could policies be designed to shift them? At the same time, explicitly recognise that 'trade-offs' between social and environmental goals will arise, identify who will be affected, and focus on ensuring poor people's interests are protected and enhanced in the process.

An example aiming at an integrated eco-social policymaking lies in the inception of **South Africa's** Working for Water programme, launched in 1995 in the early days of Mandela's post-Apartheid government. On recognising the serious water shortages caused by the spread of water-intensive, non-native tree and plants, and simultaneously faced with a crisis of unemployment, the new first minister for water affairs and forestry (a former human rights activist himself) designed Working for Water as a flagship initiative specifically to tackle these challenges together. It provided the poorest of the poor with two-year contracts to clear invasive species from the waterways, generating around 30,000 jobs per year (Green Economy Coalition, 2012; Woodworth, 2006). The programme has faced challenges and complexities (some of which are raised below) but its intentions for integrated policy are clear.

Figure 6. Two stylised approaches to integrating economic, social and environmental concerns



Of course both of these approaches – adjusted growth and integrated eco-social planning – are being used in practice, and are being advocated by different actors, often within the same policy processes. Overall, however, the balance of approaches used still leans too far to adjusting economic growth for environmental and then social concerns – mainstream decision-making procedures remain little changed. Considerations 4–10 below aim to promote these more integrated approaches – those that are more likely to lead to transformational change that unlocks the potential to achieve ever-greater social and environmental outcomes.

4. Focus on the creation of decent green jobs. Seek out policy designs that deliver pro-poor returns by considering locally based investments that create jobs with low financial, resource and energy costs, as possible alternatives or complements to capital-intensive, nationally driven investments. Identify job opportunities throughout product lifecycles – from sourcing and assembly and installation to reuse and and recycling – to optimise job creation, such as in renewable energy programmes. Promote and enshrine skills upgrading and decent work in law to increase the likelihood of such co-benefits. Explore the opportunities for job creation available in the informal economy, while paying attention to the need for interventions to be co-designed with end users and tailored to their needs.

Since a major asset that poor people have to offer is usually their labour, the labour-intensity of green investments matters a great deal. The labour-intensity of a green transition can be raised by considering locally based investments that create jobs with low financial, resource and energy costs as possible alternatives or complements to the capital-intensive, nationally driven investment programmes that have characterised many formal green economy initiatives to date.

Bangladesh's Solar Homes Programme illustrates this well. Initiated by Grameen Shakti and now supported by the World Bank, it has brought solar power to over 1.2 million rural homes, and has actively created job opportunities throughout the product and service cycle – from sourcing, assembly, installation, maintenance, reuse and recycling – focusing on empowering women in the process. Through a network of rural technology centres, managed mostly by female engineers, the programme has created jobs for more than 60,000 women and youth in assembling, installing, maintaining and repairing the solar equipment (ILO, 2012). As the founder of the programme commented,

When we started this programme, we were not sure whether we would be able to attract enough rural women or whether they would be able to operate independently … Now these young women from this most conservative of societies can leave home and operate independently as technicians – this was unimaginable only a few years ago (Arthur, 2010).

In contrast, a similarly intentioned renewable energy scheme in **Thailand** has reportedly failed to take off in the same way because there was inadequate focus on training a network of local technicians – resulting in failing equipment, a loss of household electric power, and few jobs generated along the supply chain: a double loss to the communities concerned (ILO, 2012).

Upgrading existing jobs to become decent work through skills training and enshrining rights in law also helps promote co-benefits. In **Uruguay**, for example, the reform of the packaging law on waste and recycling simultaneously recognised the environmental services provided by the nation's 30,000 informal waste-recyclers and formalised their role in the recycling process, as well as their rights at work, including health and safety, organisation and empowerment. This secured important gains in the waste-workers' ability to organise, mobilise and advocate, as well as escape from the indignities and health problems of less-organised recycling enterprises (UNDP-UNEP, 2013).

5. Be aware of the bias and limits of economic methodologies and market instruments. Economic-valuation tools and cost-benefit analyses are commonly used for designing policy but they risk overlooking and undervaluing social and cultural goods and services, distributional impacts and long-term value. Likewise, market-based instruments such as cash transfers may provide critical safeguards but their ultimate effectiveness depends on institutional capacity and on procedural justice being in place.

Economic valuation tools can certainly be effective in gaining the attention of key financing authorities. In **Malawi**, the Ministry of Economic Planning and Development – supported by UNEP-UNDP – estimated the economic costs and benefits of current natural resource management in forestry, fisheries, wildlife and soils. One government official described the impact that the assessment created, saying, 'I've sat in meetings where everyone is referring to the analysis that was done, where they're saying "Look at these figures"'. As a result of the findings, climate change and natural resource management become one of nine priorities in the 2011–13 Malawi Growth and Development Strategy (UNDP-UNEP, 2013).

At the same time, there are risks inherent in using the mainstream lens and language of economic valuation if the aim is to shift from dominant economic thinking towards a broader framing of sustainable development. Economic valuation tools tend to overlook and undervalue many important outcomes of a green economy: social and cultural goods and services; the distribution of costs and benefits; as well as long-term resilience (because of the typical discount rates used). Even leading institutions promoting economic tools recognise these shortcomings, for example the World Bank's own guidance note on using economic valuation in poverty and social impact assessments cautions that 'informal' channels of policy impact 'such as non-financial transactions are typically not captured by traditional economic analysis tools, and can significantly impact the poor' (World Bank, 2012).

Given these caveats, using economic valuation as the predominant tool for analysis may well lead to perverse recommendations. The early experience of devising **Ethiopia's** Climate Resilient Green Economy strategy illustrates this well. The consultancy firm McKinsey conducted an economic analysis of the agricultural sector, with its key greenhouse gas abatement recommendation being a large-scale shift from producing beef to producing poultry. But the analysis was criticised for paying scant attention to the social, political and distributional consequences of its recommendations, and underestimating the full economic value of informal land use such as for pastoralism (Bass *et al*., 2013).

There is likewise a risk that market- and pricing-based instruments dominate in policy recommendations, leaving redistributive and rights-based alternatives on the margins (Cook *et al*., 2012). In terms of the framework in Figure 5, there is a bias towards policy interventions that focus on the left-hand cluster, under-using the often more transformative possibilities of the right-hand cluster.

These market-based instruments such as conditional cash transfers may provide critical safeguards and earning opportunities for low-income households, but their ultimate effectiveness – in their ability to reach those who need them most – depends not on market mechanisms per se, but on the rights to information and participation, on local capacity to administer the scheme, and on effective procedural justice. The schemes need to be designed specifically to serve the context and community involved.

Since 2011, **Brazil's** Bolsa Verde scheme, for example, has provided cash transfers to around 30,000 households in Amazonia on condition that they no longer cut the surrounding forest, so firmly connecting the social protection objective (conditional cash payment) to the environmental objective (forest protection). By contrast, the **Philippines** launched the National Greening Programme in 2011 aiming to plant 1.5 billion trees over five years, relying on voluntary labour from communities. In return, participating communities were offered priority access to an existing scheme using conditional cash transfers for health and education outcomes. Without a clear connection to the reforestation objective, this design is less likely to provide either the right incentive or compensation for work done (Salzer, 2011).

6. Promote poor people's empowerment – and address elite power. Policymakers should recognise power imbalances and ensure policies and services are designed in order to meet the needs and interests of local communities. One critical way to do this is to support the smart devolution of natural resource access, use and governance to community level wherever possible. Policies and services should also be strategic in recognising and addressing the influence of powerful elites and interests – both overt and covert – in blocking and capturing – but also sometimes unlocking – the benefits of green policymaking.

As the Brundtland Report stated over 25 years ago, 'Many problems of resource depletion and environmental stress arise from disparities in economic and political power' – hence these disparities need addressing in policies aiming to resolve them (UN, 1987). Empowerment and participation have since become watchwords across policy documents, but their meaning and practice vary widely. For example, the World Bank's guidance notes on conducting poverty and social impact analysis of environmental programmes take a very narrow – almost cynical – approach. In the process of identifying stakeholders, it advises its staff to consider, 'How can civil society organisations as stakeholders be integrated in the project to minimise reputational risks to the Bank and government?' (World Bank, 2012).

Empowering poor people at the very least means co-designing policies and services with the participation, knowledge and practice of affected communities: those gaining new opportunities but also those at risk. In **Nigeria**, for example, an urban renewal programme led by the Lagos state government undertook slum upgrading, tree planting, improved drainage and the creation of 4000 jobs in environmental improvements – all bringing potential social and environmental gains to urban communities and unemployed youth (Poverty Environment Partnership, 2013). But local reports of the programme's implementation alleged that government officials and police forcibly evicted slum residents with no notice, side-stepping consultations, and leaving them homeless (Ezeamalu, 2013).

In terms of empowerment through natural resource management, there needs to be smart devolution for governing resource access and use at community scale, recognising the complexity of communities. As Elinor Ostrom pointed out,

At one end of the spectrum, the belief that government ownership is the best way to manage natural resources – forests, for example – has in some cases led to a marked *reduction in the resource. At the other end, imposing decentralisation as a remedy without a proper understanding of the local society has triggered ethnic conflict (Tandon, 2012).*

In **Bangladesh**, the Management of Aquatic Ecosystems through Community Husbandry programme (MACH) has successfully promoted community governance groups since 1998 to establish fish sanctuaries, limiting fishing rights and wetland use. From the outset the programme recognised that communities are diverse and involve both local elites and marginalised groups. It designed an approach to community governance that gives voice to marginalised members and builds their leadership capacity – measures which have significantly contributed to the programme's effectiveness (Sultana, 2006).

Likewise, **Namibia's** creation of wildlife 'conservancies' from 1996 – legally granted areas zones – has devolved governance and resource rights to local communities, leading to increased wildlife populations and valuable ecotourism. They have become a major source of benefit for rural women and men alike in the form of cash, employment, payment for plant products, and meat from game. Key to the initiative's success was the establishment of a legal framework that transferred governance to community-led institutions. NGOs have provided valuable capacity building, while public interest legal firms have assisted communities in developing their conservancy constitutions and negotiating contracts with the private sector (Brown and Bird, 2010).

At the same time as promoting community empowerment, it is also critical to be strategic in addressing powerful elites and interests in blocking, capturing or unlocking the gains of green policymaking. In **Laos**, for example, the government started welcoming foreign investors into the country in 1986 on very loose terms. As one official put it, 'We were very friendly. We wanted to attract any kind of FDI in any part of the country in any sector'. Investors took advantage of the loose regulations: many large-scale investments in agriculture, mining and hydropower have displaced rural and indigenous communities and significantly degraded surrounding ecosystems. More recently, the government has responded by drawing up the investment monitoring framework under the national investment strategy, with new contracts, tighter conditions and better monitoring to protect community rights and ecosystem integrity from land grabs and degradation (UNDP-UNEP, 2013). This legal framework is a crucial step. But making it effective in practice must – as in any country – be backed up by empowering communities, ensuring procedural justice, and respecting rights to participation and information.

7. Prioritise participation, especially of women and marginalised groups in policymaking. Policies should be co-designed with the participation, knowledge and with an understanding of the practice of target communities. They should meet the specific needs of women and vulnerable and minority groups. This means paying adequate attention to developing participatory methodologies and investing in capacity building and education about greening. It also means providing specific skills training and childcare support to promote women's ability to benefit from opportunities in transitioning sectors and promoting equitable governance within the community.

The need for gender-sensitive and ethnically aware policymaking is widely acknowledged – and its practice is a hallmark of successful initiatives – but many initiatives still fall short in implementation. When women and minority groups are not directly involved in the design of programmes intended to support them, their needs and interests will most likely not be recognised or met.

Gender- and ethnicity-aware approaches are needed in:

- Procedural governance, ensuring both women and minorities are informed and engaged in policy processes from the outset
- Recognising that minorities' and women's lack of formal title to land makes them particularly vulnerable to competing claims when the returns on land use rise
- Recognising the value of soil, land, water and other ecosystem functions for 'reproductive' domestic use as well as for 'productive' income-generation
- Designing policies to deliver in particular women's needs, such as employment schemes with flexible days and hours of work, and training opportunities targeted for women
- Recognising that even when women do not directly harvest restricted resources – such as fishing and logging – their livelihoods may still depend indirectly on these sectors, and so must also be safeguarded.

A significant example comes from **Nepal's** often-praised 14,000 community forest user groups (CFUGs) which were established to manage forestry resources under their own management plans, including setting rules on exclusions, patrolling and prices for harvesting – thus improving forest, soil and water management and raising incomes (WRI, 2011). With group membership typically based on one member per household, women had largely been excluded from the scheme – undermining not only their resource needs, but also their willingness to cooperate with the 'community' rules. Bringing women into governing structures, by contrast, has strengthened support for forest governance, built a spirit of collective action, and broadened the recognised use value of diverse forest resources (Agarwal, 2000).

Likewise, schemes that provide training and childcare significantly improve women's ability to benefit from opportunities in 'greening' sectors. An assessment of India's National Rural Employment Guarantee scheme – which guarantees 100 days of manual work to all rural households in restoring local environmental assets – found significant uptake of the scheme's opportunities by women in Tamil Nadu, in part because of the wider availability of childcare in that state which enables women to participate in the paid workforce (University of Sussex, 2013).

Indigenous communities' rights can similarly be undermined by policies that clash with their practices and traditions. In the Philippines, indigenous communities seeking recognised land rights over territory that they have long inhabited are required to document their ancestral family history for proof of occupancy. But for some of the communities concerned, it is a cultural tradition of respect never to mention the names of the deceased. These government regulations acted as a cultural barrier to claiming their land rights – until a compromise was reached, allowing adults to whisper ancestral names to children who then wrote them down (de Vera 2014). This example illustrates the need for culturally sensitive policies, which are best drawn up in collaboration with the community concerned.

8. Support adaptive, context-specific and local policy approaches. Policymakers should recognise the influence of local sociocultural factors – not just the formal enabling environment (laws and regulations etc.) – on the success or failure of interventions. Polices should be context specific (not 'one-size-fits-all') and capitalise on local opportunities, recognising that successful outcomes are often achieved at local-authority scale, by harnessing the dynamics and reinforcing the benefits of local change. This requires policies to be adaptive and flexible to changing circumstances and project outcomes.

Development is an intensely local process, and both trade-offs and synergies between social and environmental outcomes will be highly specific and dynamic in any given locality. Therefore, an understanding of particular people and places will be important. Once again, **South Africa's** Working for Water programme provides a good example, mainly because the challenges and lessons learnt from this initiative are well documented. After the first cycle of the programme, it became evident that cutting back growth along river banks often results in strong regrowth associated with coppicing or pruning, rather than eradication of the vegetation. Once this unintended environmental effect was registered, the trainings and work plans were redesigned to take account of it.

Policies can also be adaptive by design, to be responsive to the scale of need. In the Philippines, after fossil fuel subsidies were removed in 1998, the government created a system of social safeguards that respond to volatile energy prices, by using windfall VAT revenue during fuel-price hikes to provide low-income households with conditional cash transfers, and subsidies for electricity, rice and college scholarships (IMF, 2013).

9. Consider spacing, timing and phasing. The transition to a green and just economy will not be smooth. Understand the geography of sectoral change: stranded assets, job creation and losses, induced migration and their associated opportunities and threats. Anticipate the timing of the start-up and wind-down of greening interventions, and consider phasing-in policies in order to protect communities that may be vulnerable to changes in prices or regulations.

It is important to assess whether the geography of national poverty overlaps sufficiently with the geography of environmental degradation, so that it is feasible to address them through one initiative. In **South Africa**, the Working for Water programme faced this challenge: the regions requiring most work clearing invasive species did not overlap with all areas facing severe unemployment. Yet the programme was seen as a national flagship and needed to benefit unemployed people in many regions, and so was spread out more thinly across the country than the environmental task required (Woodworth, 2006).

Environmental policies that limit access to forests and fisheries must provide offsetting safeguards for low-income communities, so they can access alternative resources elsewhere. But it can take years to design such compensation – including conducting new household expenditure surveys for accurate targeting, and establishing the institutional infrastructure to administer the payments. This means that long-advanced planning is essential for aligning the start-up of compensatory schemes.

The transition to a green and just economy will not be smooth. For example, environmental policies may put people out of work in 'brown' industries. Or they may create jobs in the short term, e.g. in environmental restoration, but once the restoration is complete, employment may not be sustained. This tension has long challenged **South Africa's** Working for Water programme. The scheme offers workers two-year contracts, after which they are encouraged to form private contracting teams for land restoration. However, national legislation requiring private landowners to maintain the condition of their land has not been sufficiently enforced, and so has failed to create the necessary market demand for such contracting teams (Woodworth, 2006).

Lastly, cash for environmental work schemes can generate valuable environmental assets, but once funding for work on the project has finished, the 'green infrastructure' created – such as irrigation and terracing – may not be well maintained. In **India**, some environmental restoration achieved under the National Rural Employment Guarantee scheme has deteriorated in the absence of clear responsibilities of community governance or without endowment funding to finance the labour to maintain them (Indian Institute of Science, 2013).

10. Ensure donor policy alignment. International agencies and donors should coordinate and align their support behind participatory approaches to the national or local strategy and its implementation. They should not encourage national policy to focus prematurely around what they see as 'low-hanging fruit' or push a 'green economy/growth' concept that is not familiar to national policymakers or adapted to the national context. Donors' domestic and foreign policies – examples are biofuels mandates and standards for carbon credits – need to be coherent with developing countries' strategies and the needs of their populations. In particular, donors' commitments to providing international climate finance need to underpin a necessary diversity of developing countries' transitions to green and just economies while supporting participatory policymaking across the board.

Policy alignment by richer countries is important if inclusive green economies are to form in developing countries. The **European Union's** biofuels mandate, for example, has been widely criticised for leading to undesirable land-use changes, where fresh land was ploughed up to accommodate the crops that were edged out by the biofuel crops (van Noorden, 2013).

Donors' commitments to providing international carbon finance need to materialise in ways that can underpin a diversity of transitions to green and just economies in developing countries. **Ethiopia**, for example, has designed its Climate Resilient Green Economy strategy in explicit expectation of international financing – through markets and through donor funding – and without such finance, much of Ethiopia's strategy will very likely not be feasible. As significantly, without that finance being informed by these 10 considerations, the strategy may not be truly desirable for poor people.

These ten considerations are addressed primarily to the many in-country stakeholders involved in decisions about the transition to a green economy or sustainable development. They are also highly germane to the 2015 Sustainable Development Goals. It is likely that the agreed SDGs will call for a truly integrated approach to each goal – 'wiring together' their social, environmental and economic components. These considerations could inform national SDG implementation plans, as well as national green growth strategies. And, at a time when the United Nations, development banks, donors and other international players are devising green economy and green growth programmes for developing countries, there is a real need for their research, knowledge management, guidelines and procedures to be robust to issues of equity, poverty and social justice. The ten considerations in this paper could help international players to sharpen their conception of their own particular roles and to identify complementary actions and partnerships that open up development paths that are both green and just.

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Annex 1. Case studies of green and just policymaking

COUNTRY, START DATE	PLANNING PROCESSES
Bangladesh, Cambodia, Nepal, Morocco, Philippines, Samoa, Thailand 2011–12	*Climate public expenditure and institutional reviews* (*CPEIR*) to assess the quantity and quality of climate-related expenditure across the national budget, including climate funds but also local government spending and social protection support. In several countries climate change budget codes have been established, providing a baseline for annual expenditure tracking and cross-government financial coordination. (Alam, 2012; Miller, 2012; UNDP 2012; UNDP-UNEP 2013)
Malawi 2011	*Economic Analysis of Sustainable Natural Resource Use*. Based in the Ministry of Economic Planning and Development, the analysis – led by UNEP-UNDP – revealed the economic costs and benefits of natural resource management in forestry, fisheries, wildlife and soils. It led to climate change and natural resource management becoming one of nine priorities in the new Malawi Growth and Development Strategy 2011-16 (UNDP-UNEP 2013)
Ethiopia 2011	*Climate Resilient Green Economy Strategy.* Developed under the Prime Minister's Office, the CRGE aims to achieve middle-income status for Ethiopia by 2025 whilst building a climate-resilience green economy – for Ethiopia to become a 'green economy front-runner'. Its central abatement recommendations include a large-scale shift from beef to poultry production, and depends on international climate finance to drive it. Less attention is given to distributional outcomes and wider environmental considerations. (Bass *et al.*, 2013)
Tajikistan 2010	*Sughd Regional Growth Programme*. Cross-ministerial collaboration to integrate environment and poverty concerns into the region's economic plans, creating a 'triple bottom line' approach. This has led to a new poverty-environment focus on energy and water resources being incorporated into the next national mid-term strategy. (PEI 2013)
South Africa 2011.	*The Green Economy Accord*. Multi-stakeholder commitments (12 government departments, 3 major labour federations, business, and community organisations) to implement major programmes of green investment, creating 300,000 jobs by 2020, including in renewable energy, retrofitting buildings, and waste collection. (Government of South Africa, 2011)
ENERGY	
Bangladesh	Solar Home Systems, a programme initiated by Grameen Shakti, has taken clean electricity to over 1.2 million poor rural families through small solar household panels, providing direct employment to several thousand women and some 60,000 new jobs in downstream activities, particularly for youth. (ILO 2012)
South Africa	*The Green Economy Accord: policies underway*. One million household solar water heaters by 2014, creating jobs in private enterprises in manufacturing and installation, providing household hot water, plus reducing CO_2 emissions. The government has required local procurement of parts, and legislated for low-carbon water heating in new buildings from 2011. (Government of South Africa, 2011)

COUNTRY, START DATE	PLANNING PROCESSES
Ghana 2005	Removing fossil fuel subsidies and shift to market based pricing – offset the price rise by eliminating fees for state primary and secondary schools, an increase in public transport buses, price ceiling on bus fares, more funding for rural health care, increase in minimum wage, investment in rural electrification (IMF 2013)
Brazil 2002	Fuel subsidies removed – offset with a means tested gas voucher (2002) and a conditional cash transfer (2001) which were merged in 2003 as the Bolsa Familia (IMF 2013)
Brazil 1995	Electricity state subsidies removed through sectoral liberalisation in 1993-2003. 1995: lower tariff for low-income households and then in 2003, a programme for free electricity to 10m households, funded by levies on electricity tariffs. (IMF 2013)
Philippines 2007	Removing fossil fuel subsidies through price deregulation in late 1990s. Mitigating measures in the face of global food and fuel hikes: using funding from windfall VAT revenues on higher fuel prices (as a %), providing electricity subsidies for low income households, college scholarships for low income students, rice to low income families, conditional cash transfer programme pilot 2007, scale up 2008 (IMF 2013)
WATER	
South Africa, 1995	Working For Water, a flagship programme employing low-skilled workers in clearing invasive species from water bodies, creating employment for 40,000 per year at peak, and increasing water availability in national waterways. Employment lasts for 2 years, after which workers are encouraged to form contracting teams that will be hired out privately, but there has not been strong demand for this. (Government of South Africa, 2012a, Woodworth 2006)
South Africa, 2002	Working for Wetlands, a public-private partnership involving government, private contractors and WWF, in protecting and rehabilitating wetlands in around 15 river basins, while creating jobs for targeted low-income workers including single-parent families and those living with HIV/AIDs, providing training and basic health and education skills (Government of South Africa, 2011 and WWF 2006)
AGRICULTURE AND FISHERIES	
Colombia 2003	Forester Family Program – creating jobs as an alternative to coca production, in conserving ecosystems and protected areas, reaching over 100,000 rural households (UNDP 2011)
Uganda	Organic agricultural standards introduced enabling organic exports and resulting in significant increase in agricultural land under organic cultivation, with significantly higher prices for organic export produce (WRI 2011)
Ethiopia	Coffee market reforms allowing cooperatives to market their produce directly to export buyers, hence allowing market quality segmentation, rewarding producers with higher prices, and enabling certification for fair trade and organic produce. (WRI 2011)
India 2006	Mahatma Gandhi National Rural Employment Guarantee Act. Guaranteed employment for rural households of 100 days work at minimum wage for water harvesting, soil conservation, irrigation, renovating water bodies, and drought proofing. Over 50 million households have benefitted. (Indian Institute of Science 2013; Sharma, 2011; Sukhtankar, 2012)
Rwanda 2007	Vision 2020 Umurenge Programme: job creation for public works, prioritised by the community, to build rural community assets and ecosystem rehabilitation, such as in watersheds, hillside terracing, irrigation, rainwater harvesting, and ditch repair, as well as construction school and health buildings, roads, bridges and dams. (UNDP-UNEP, 2013 and Government of Rwanda, 2007)
Ethiopia 2005	Productive Safety Net Programme. Job creation during droughts and shocks providing incomes for work on soil, water, irrigation, forests, building schools and clinics (Gilligan *et al.*, 2008; Anderson *et al.*, 2009)

COUNTRY, START DATE	PLANNING PROCESSES
AGRICULTURE AND FISHERIES	
China	The Sloping Land Conversion Programme (SLCP) pays landowners to plant trees on farmed or degraded steep-sloping land in order to reduce flooding. There are mixed results: only 20% of planting has been on steep slopes; planted trees have low survival rates; and in some provinces the payments covered only part of the costs they incurred in converting farm land (Grieg-Gran and Porras 2012)
South Africa	Working for Coasts. Dunes restored, waste collected, invasive species removed, while creating jobs and training (Government of South Africa, 2012)
Lao PDR	Investment Monitoring Framework: national strategy for private investment, providing tighter regulations and new contracts for foreign investors to protect community land rights and ecosystem integrity from land grabs and degradation (UNDP-UNEP 2013)
India	Indo-German Watershed Management. Temporary bans on tree cutting and grazing land, with village-based watershed management, requiring villagers to provide free labour. At first, there was little focus on women's involvement, then it was later included. Training and loans offered under the scheme were of little benefit without marketing opportunities. (D'souza 1998)
Bangladesh 1998	Management of Aquatic ecosystems through Community Husbandry (MACH) 1998. Multi actor initiative, focused on community based governance. Imposed limits on fishing and wetland use, creating sanctuaries. Wetland-dependent households received skills training and micro loans to start new enterprises. Short term costs of lost access led to long term gains in fish catches. (Sultana 2006; Thompson and Balasinorwala, 2010)
URBAN RENEWAL	
Nigeria	An urban renewal programme led by the Lagos State Government has involved slum upgrading, tree planting, improved drainage, and the creation of 4,000 jobs for local unemployed youth in environmental improvements. At the same time, government officials and police have forcibly evicted slum residents with no notice, by-stepping consultations, and leaving them homeless (Poverty Environment Partnership, 2013); Ezeamalu 2013)
Uruguay	Packaging Law: revising the law on waste and recycling, bringing in social provisions on worker recognition, working conditions, health and safety, organisation and empowerment (UNDP-UNEP 2013)
Curitiba Brazil	In the early 1970s the Mayor of Curitiba introduced a complementary currency of bus tokens and plastic chits that could be exchanged for seasonal food parcels and school notebooks in return for waste sorting and collection. More than 70% of Curitiban households became involved in the scheme, particularly in the lowest income neighbourhoods. (Lietaer and Belgin, 2011)
FORESTRY	
Guatemala	Community forest enterprises, often established as cooperatives, were granted land concessions by the government for 25 years, enabling them to get FSC certification by working in collaboration with the Rainforest Alliance in order to gain premium export prices for sustainably managing forest timber products, and to promote ecotourism (WRI 2011 and Stoian and Rodas 2006)
Namibia	Community based NR management programme 'conservancies' empower local community with use rights over wildlife. Create sustainable tourism, camps, jobs especially for women. (WRI 2011)
Nepal	Community forestry user groups (CFUGs) given devolved access and user rights to set harvesting plans, access, pricing, and use of surplus income. But groups have often excluded women – undermines their own effective functioning and women's empowerment. (WRI 2011 and Agarwal 2000).

COUNTRY, START DATE	PLANNING PROCESSES
FORESTRY	
South Africa, 2003	Working on Fire. Integrated fire management, creating jobs and protecting livelihoods (Government of South Africa, 2012)
China 1999	National Forest Protection Programme. Ban on logging in forests, laying off 1 million state forest workers and prohibiting farmers. Safeguard provisions include diverse income transfer packages for state workers, and affected farmers provided with skills training, inputs and extended land tenure. (ILO 2012)
Brazil 2011	Socio-environmental protection floor 'Bolsa Verde'. Prevented deforestation through conditional cash transfers to around 70,000 families in Amazonia (ILO 2012 and Government of Brazil, 2012)
Philippines 2011	National Greening Program. Ambitious programme to plant 1.5bn trees in 5 years (2011-16) creating jobs but seeking community voluntary labour for planting, offering priority engagement in conditional cash transfers for communities taking part – though the conditional transfers are for health and education hence not fully connected to the programme. (Salzer 2011)

Acronyms

FDI	Foreign direct investment
GDP	Gross domestic product
GEC	Green Economy Coalition
GGGI	Global Green Growth Institute
GHG	Greenhouse gas
IIED	International Institute for Environment and Development
ILO	International Labour Organization
MDGs	Millennium Development Goals
NSDSs	National sustainable development strategies
OECD	Organisation for Economic Cooperation and Development
PEP	Poverty Environment Partnership
PES	Payments for ecosystem services
PPPs	Public–private partnerships
PSIA	Poverty and social impact analysis
PwC	PricewaterhouseCoopers
REDD	Reducing emissions from deforestation and forest degradation
SDGs	Sustainable Development Goals
SME	Small and medium enterprises
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organisation
UNITAR	United Nations Institute for Training and Research
WB	World Bank
WBCSD	World Business Council for Sustainable Development
WRI	World Resources Institute
WWF	World Wide Fund for Nature

'Green economy' and 'green growth' policymaking is moving to the centre of many national development strategies. Green policies should enable countries to manage their natural resources more sustainably and efficiently, diversify into new green markets and secure the environmental foundations of development. But do they automatically increase social justice?

Green and just development requires two key ingredients: integrated policymaking and a holistic outcome framework combining environmental, social and economic objectives. Focusing on developing countries, this paper draws on learning from national case studies and international analyses. It concludes with ten critical considerations for shaping green and just national strategies and policies.

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