

23.18. GREEN ECONOMY

- The concept of green economy lacks an internationally agreed definition or universal principles. The Rio + 20 outcome document identifies green economy in the context of sustainable development and poverty eradication and it affirms that approach will be different in accordance with the national circumstances and priorities for each country.
- Accordingly, green economy in India is seen in the context of sustainable development and inclusive economic growth including poverty eradication. The Government endeavors to address all the three dimensions of sustainable development (social, economic and environmental) in a balanced manner.
- Green economy focuses specifically on the fundamental changes that are required to ensure that economic systems are made more sustainable. Green Economy focuses on the ways to overcome the deeply rooted causes of unsustainable economic development.
- A Green Economy is one whose growth in income and employment is driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystems.
- The Green Economy is about sustainable energy, green jobs, low carbon economies, green policies, green buildings, agriculture, fisheries, forestry, industry, energy efficiency, sustainable tourism, sustainable transport, waste management, water efficiency and all other resource efficiency.

Transition to green economy

Three priorities in transition of economy to green economy are

- decarbonizes the economy;
- commit the environmental community to justice and equity; and
- conserve the biosphere.

A key step forward consists in changing our conception of growth and prosperity – achieving more with less and creating real wealth and quality of life.

Measures to adapt green economy

- Energy audit can reduce your building's climate footprint and lead to significant savings in energy costs.
- Overfishing in many parts of the world threatens to deplete future fish stocks. We can avoid this by working to promote sustainable fishing practices.
- Deforestation accounts for close to 20% of the world's greenhouse gas emissions.
- Sustainably managed forests can continue to support communities and ecosystems without damaging environment and climate.
- Use electronic files to reduce your demand for paper products.
- When you support certified sustainable forest products, you support a healthy environment and sustainable livelihoods.
- Car-pooling or taking public transport reduces environmental impacts and economic costs while strengthening community.
- Walking or riding a bike for short trips is good for your health - and the environment.
- Taking small steps towards wise water use can help conserve this precious resource
- Resource efficiency is key to a Green Economy and water is one of our most important resources.
- The development of clean, renewable energy by using solar, wind, tidal, etc will contribute to green economy.
- Recycling appropriate materials and composting food waste reduces the demand on our natural resources.
- Moving towards a green economy has the potential to achieve sustainable development and eradicate poverty on an unprecedented scale, with speed and effectiveness.

23.20 ECOLOGICAL FOOTPRINT

The “ecological footprint” is a measure of human demand on the Earth’s ecosystems. It is a standardized measure of demand for natural capital that may be contrasted with the planet’s ecological capacity to regenerate and represents the amount of biologically productive land and sea area necessary to supply the resources a human population consumes, and to assimilate associated waste.

Currently, humanity’s total ecological footprint is estimated at 1.5 planet Earths—in other words, humanity uses ecological services 1.5 times as fast as Earth can renew them.

The “carbon footprint” is the amount of carbon being emitted by an activity or organization. The carbon component of the ecological footprint converts the amount of carbon dioxide being released into the amount of productive land and sea area of carbon dioxide being released into the amount of productive land and sea area required to sequester it and tells the demand on the Earth that results from burning fossil fuels.

The carbon footprint is 54% of the ecological footprint and its most rapidly-growing component having increased 11-fold since 1961.

Global Footprint Network (GFN) every year presents a report on ecological footprint which maps consumption and requirement of natural resources to sustain it. Lifestyle adopted in developed countries is unsustainable and it will require five Earths to fulfil their lifestyle demands.

On the other hand, Indian lifestyle is sustainable where one earth is sufficient. The Earth Overshoot Report has indicated that the Ecological Footprint of developed countries ranges from 8 to 4 whereas India is at 0.9.

Green Climate Fund

- Administered by - to be confirmed
- Area of focus - Adaptation, Mitigation - general, Mitigation - REDD
- Date operational - 2015

The Green Climate Fund (GCF) was adopted as a financial mechanism of the UN Framework Convention on Climate Change (UNFCCC) at the end of 2011.

It aims to make an ambitious contribution to attaining the mitigation and adaptation goals of the international community.

Over time it is expected to become the main multilateral financing mechanism to support climate action in developing countries.

Adaptation Fund

- Administered by Adaptation Fund Board
- Area of focus - Adaptation
- Date operational - 2009

The Adaptation Fund is a financial instrument under the UNFCCC and its Kyoto Protocol (KP) and has been established to finance concrete adaptation projects and programmes in developing country Parties to the KP, in an effort to reduce the adverse effects of climate change facing communities, countries and sectors.

The Fund is financed with a share of proceeds from Clean Development Mechanism (CDM) project activities as well as through voluntary pledges of donor governments.

The share of proceeds from the CDM amounts to 2% of Certified Emission Reductions (CERs) issued for a CDM project activity.

Global Climate Change Alliance

- Administered by The European Commission
- Area of focus - Adaptation, Mitigation - general, Mitigation - REDD
- Date operational - 2008

The Global Climate Change Alliance (GCCA) is an initiative of the European Union.

Its overall objective is to build a new alliance on climate change between the European Union and the poor developing countries that are most affected and that have the least capacity to deal with climate change.

The GCCA does not intend to set up a new fund or governance structure, but is working through the European Commission's established channels for political dialogue and cooperation at national and international level.

Global Energy Efficiency and Renewable Energy Fund

- Administered by The European Commission
- Area of focus - Mitigation - general
- Date operational - 2008

The Global Energy Efficiency and Renewable Energy Fund (GEEREF) is a Public-Private Partnership (PPP) designed to maximise the private finance leveraged through public funds funded by the European Commission and managed by the European Investment Bank.

GEEREF is structured as a fund of funds, and invests in private equity sub-funds that specialise in financing small and medium-sized project developers and enterprises

(SMEs) to implement energy efficiency and renewable energy projects in developing countries and economies in transition.

MDG Achievement Fund – Environment and Climate Change thematic window

- Administered by UNDP
- Area of focus - Adaptation, Mitigation - general
- Date operational – 2007

The MDG Achievement Fund (MDG-F) was established by the Government of Spain and the United Nations Development Programme (UNDP) to accelerate efforts to reach the Millennium Development Goals.

Environment and Climate Change is one of eight thematic areas supported by the MDG-F.

The objective of this part of the fund is to help reduce poverty and vulnerability in eligible countries by supporting interventions that improve environmental management and service delivery at the national and local level, increase access to new financing mechanisms and enhance capacity to adapt to climate change.

This part of the fund is now closed, although finance for approved projects is still being disbursed and monitored by CFU.

UN-REDD Programme

- Administered by UNDP
- Area of focus - Mitigation - REDD
- Date operational - 2008

Three UN Agencies – United Nations Environment Programme (UNEP), United Nations Development Programme (UNDP) and Food and Agriculture Organization of the United Nations (FAO) – have collaborated in the establishment of the UN-REDD programme, a multi-donor trust fund that allows donors to pool resources and provide funding with the aim of significantly reducing global emissions from deforestation and forest degradation in developing countries.

Through its nine initial country programme activities in Africa, Asia and Latin America, the UN-REDD Programme supports the capacity of national governments to prepare and implement national REDD strategies with the involvement of all stakeholders.

Adaptation for Smallholder Agriculture Program

- Administered by the International Fund for Agricultural Development
- Area of focus - Adaptation
- Date operational - 2012

To channel climate and environmental finance to smallholder farmers, scale up climate change adaptation in rural development programmes and mainstream climate adaptation into IFAD's work.

Amazon Fund (Fundo Amazônia)

- Administered by Brazilian Development Bank (BNDES)
- Area of focus - Mitigation - REDD
- Date operational - 2009

The Amazon Fund was created to raise donations so that investments can be made in efforts to prevent, monitor and combat deforestation, as well as to promote the conservation and sustainable use of forests in the Amazon Biome.

Although the Amazon Fund was created by the government and is managed by a public bank, it is a private fund.

Congo Basin Forest Fund

- Administered by African Development Bank
- Area of focus - Mitigation - REDD
- Date operational - 2008

The Congo Basin Forest Fund (CBFF) is a multi-donor fund set up in June 2008 to take early action to protect the forests in the Congo Basin region.

It aims to support transformative and innovative projects to be complemented to existing activities, which will develop the capacity of people and institutions of the Congo Basin to enable them to preserve and manage their forests.

Indonesia Climate Change Trust Fund

- Administered by Indonesia's National Development Planning Agency
- Area of focus - Adaptation, Mitigation - general, Mitigation - REDD
- Date operational - 2010

The Indonesia Climate Change Trust Fund (ICCTF) is a national funding entity which aims to develop innovative ways to link international finance sources with national investment strategies.

Created by the Government of Indonesia (GOI), it acts as a catalyst to attract investment and to implement a range of alternative financing mechanisms for climate change mitigation and adaptation programmes.

The ICCTF receives non-refundable contributions from bilateral and multilateral donors.

The main funding mechanism of the ICCTF is the 'Innovation Fund', which provides grants to line ministries to support climate change related projects within the GOI.