



PAGE PARTNERSHIP FOR ACTION
ON GREEN ECONOMY

One UN for Accelerating a Fair and Green Economic Transformation

**The First Meeting of the UN Chief Economist, RCO
Economists and PAGE Agencies**

2nd March 2021



Table of Contents

I. The Urgency for Economic Transformation	3
II. Greening the Economic Recovery and Leaving No One Behind	3
III. PAGE Support for a Green and Inclusive Recovery	4
IV. Dialogues to Accelerate Economic Transformation and Green Recovery	5
V. Keynote Speech by Elliot Harris, UN Assistant Secretary-General and Chief Economist (UN DESA)	5
VI. Key Messages from the open discussion	6
1. Suggested priority areas for informing and influencing the economic recovery	6
2. Challenges of Transitioning Towards a Green Economy	7
3. The Way Forward: Implementing Long-term, Sustainable, Transformational Change ...	8
VII. Concluding Remarks	8
Participants List	9
Annex 1: Agenda	10

I. The Urgency for Economic Transformation

UN Reforms come at a time when the world urgently needs an economic transformation for achieving SDGs and limiting global warming to 1.5°C - a transformation in which growth of income and jobs is driven by policies and financing that aim to address global sustainability and inequality challenges. Reframing of national economic and development planning around sustainability and its focus on leaving no one behind will help overcome the sporadic, uneven and unsustainable economic growth which undermines social bonds and political consensus that have defined great periods of progress in human history.

The urgency to align our economies and finance with the prosperity of people and planet is further reinforced by COVID-19. The pandemic continues to expose the fragility and weaknesses of the current economic model. Since the start of the pandemic, growing unemployment, falling GDP, increasing food insecurity, and rising poverty and inequality, are exposed as some of the symptoms of an economy that is unfit for the “Future We Want”.

PAGE has been monitoring the impact of COVID-19 on key green economy indicators in its partner countries and has created a [Data Observatory and a Green Recovery Support Programme](#). Real GDP growth in 2020 compared to 2019 plummeted, with an average of -9.77% across [PAGE countries](#). However, IMF projections in October 2020, with an updated January 2021 forecast for selected countries, show that on average, PAGE countries will experience an increase of 11.7% in real GDP growth in 2021, compared to 2020. At the same time, many jobs are expected to be, or have been lost, in PAGE partner countries due to the economic downturn. According to the ILO report in January 2021, the average working hours lost due to COVID-19 in PAGE countries in 2020 is -10.91%, with the most affected countries being Peru (-27.5%), Argentina (-21%), Guatemala (-16.4%), and Brazil (-14.9%).

II. Greening the Economic Recovery and Leaving No One Behind

Policy and financing decisions taken to stimulate the economy will determine if future threats to economy and humanity are mitigated or amplified. Economic stimulus packages totalling more than USD 14.9 trillion globally have been announced till the end of February 2021, and there is a opportunity to make them a driver of sustainability and social equity. [The Green Recovery Observatory](#) clearly shows that while the level of green expenditure varies, hardly any country has put together economic stimulus packages that have a net positive impact on the natural environment and climate. In fact, USD 4.6 trillion of that total is set to flow directly into sectors with negative environmental impacts.¹

On the other hand, European Union, Republic of Korea, Finland, China and many other countries have created successful models of designing the economic recovery as a blueprint for achieving carbon neutrality, transitioning to green economy and creating green jobs. As

¹ As measured across the G20 countries plus Singapore, Spain, Switzerland, Colombia, the Philippines, Norway, Iceland, Denmark, Sweden, Finland in the report: Vivid Economics and the Finance for Biodiversity Initiative, September 16 2020, Greenness of Stimulus Index, February 2021 update, retrieved from <https://www.vivideconomics.com/wp-content/uploads/2021/02/Greennes-of-Stimulus-Index-5th-Edition-FINAL-VERSION-09.02.21.pdf>

the UN Secretary-General António Guterres stated, “We must use the COVID-19 recovery effort to build green climate-resilient economies and work towards carbon neutrality by 2050.”²

III. PAGE Support for a Green and Inclusive Recovery

PAGE has initiated a model for UN agencies to deliver coordinated, demand-driven support to partner countries for achieving the [Sustainable Development Goals](#) (SDGs) and targets of global climate and nature frameworks. The Partnership has been recognized as a mechanism for greening the recovery from COVID-19, notably cited in the [United Nations Framework for the immediate socio-economic response to COVID-19](#), as “a vehicle to support peer learning and knowledge transfer on policies that stimulate growth and recovery in the wake of COVID-19” (p.18). The Partnership has made [significant progress](#) to deliver on this call, with highlights including:

1. Aligning PAGE country programming with the needs of partner countries for economic recovery and development of a new workplans for 2021 totaling to USD 3.4 million
2. Offering a set of [analytical tools](#) to assist policymakers in forecasting growth, jobs and sustainability outcomes of different policy and investment options, to support a green recovery
3. The launch of a USD 7 million [Green Recovery Fund](#) to support government-led efforts for a job rich green economic recovery that leaves no one behind, with the financial contributions of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, Germany
4. [Global macroeconomic modelling exercise](#) in partnership with Cambridge Econometrics; the modelling analyses and compares immediate to long-term impacts of business-as-usual and inclusive green recovery scenarios
5. Global Capacity building through [E-learning for a Green Recovery](#), six free and self-paced online courses on UN CC:Learn Platform aim to inform and shape the public policy debate around green economic reform and support countries in planning their responses to COVID-19
6. A [COVID-19 Hub](#) and [Data Observatory](#), which tracks fiscal, social and financial policy measures announced by partner countries along with social, economic and environmental impacts of COVID-19

² Guterres, António, United Nations Secretary-General; Virtual address at the East Asian Summit; 14 November 2020; Retrieved from <http://webtv.un.org/watch/ant%C3%B3nio-guterres-un-secretary-general-to-east-asia-summit-2020/6209838644001/?term=>

IV. Dialogues to Accelerate Economic Transformation and Green Recovery

With the view of long-term collaboration between economists from UNRCO offices, UN agencies and Regional Commissions, PAGE will host a series of dialogues with the primary objectives to:

- i) Provide a platform for UN economists to exchange ideas on how the UN, including PAGE work in the partner countries, can influence the economic stimulus plans for a green and inclusive economic recovery from COVID-19 and for long-term economic transformation; and
- ii) Plan how, together, we can better support and inspire a green economic transformation around the globe.

The first Dialogue was held on the 2nd of March 2021. It served as an opportunity to benefit the vision of the Chief Economist of the United Nations, Elliott Harris, and discuss ideas on greening the economic recovery for accelerating a fair and green economic transformation, identifying opportunities and challenges, and the potential ways to move forward together.

UN Economists for a Fair and Green Economic Transformation

PAGE will host a series of dialogues that will bring together interested economists from UN resident coordinator offices, especially from PAGE partner countries, and UN agencies/Commissions to jointly plan for accelerating a fair and green economic transformation.

V. Keynote Speech by Elliot Harris, UN Assistant Secretary-General and Chief Economist (UN DESA)

Highlights from the keynote speech by Elliot Harris:

- A strong economic case for the SDGs can promote green investments and expenditures to demonstrate that it is not a cost to invest in biodiversity, environment, and climate, but rather an investment in the future for the economy.
- The COVID-19 crisis has offered opportunities to do things differently. Growth should be more inclusive to reduce the widening gaps of inequality and to ensure that the recovery is green.
- The valuable role that PAGE plays in greening the economic recovery is apparent as it gathers experience from different countries and contexts and fosters mutual learning.

The full video of the keynote speech can be found at this [link](#).

“There is still a deeply held belief that investing in environment and sustainability is somehow a cost.

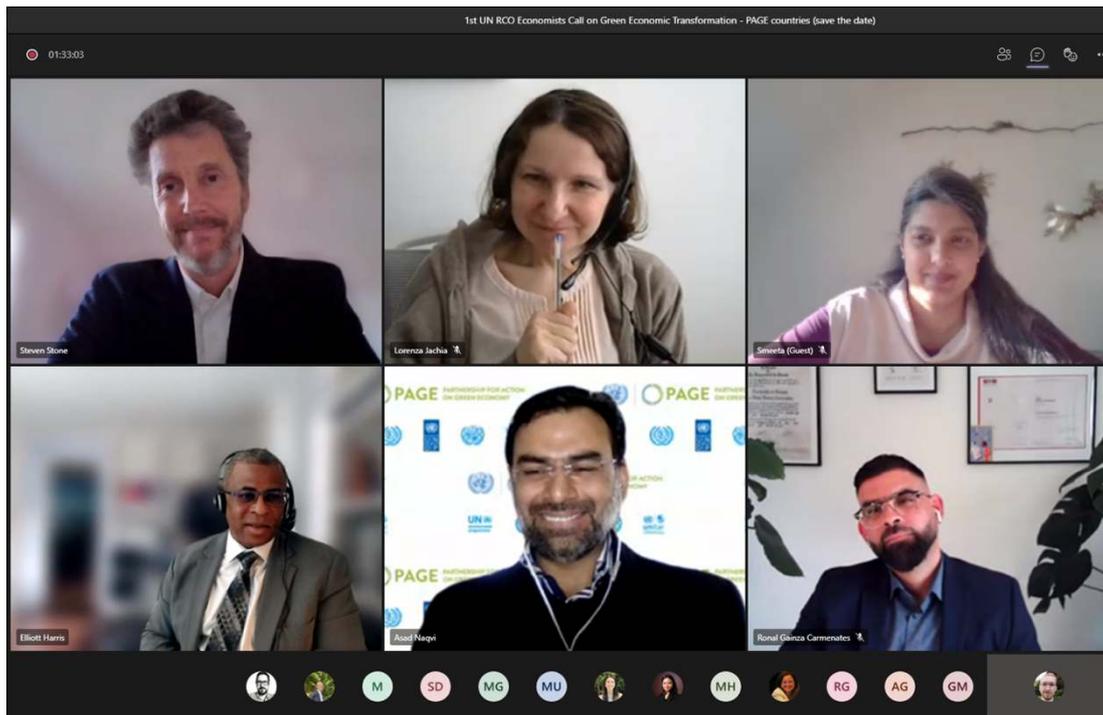
...Where is it written that sustainable behavior is more expensive than non-sustainable?” – Elliot Harris, *UN Assistant Secretary-General and Chief Economist (UN DESA)*

VI. Key Messages from the open discussion

Key messages that resulted from the discussion among economists are clustered into three categories below:

1. Suggested priority areas for informing and influencing the economic recovery

- The costs to transition to greener economies pale in comparison to the future costs that can arise without the transition. How we spend our investments now will determine the future well-being of the planet and people.
- Greening the economy will not only attract more investments, but also open up new areas of investment and foster innovation, such as green technology.
- In some of the PAGE countries, there is significant potential for greening the carbon-heavy industrial sectors and to link the pandemic with the green economy agenda.
- Potential areas of green economic growth include renewable energy, aquaculture, electric mobility and circular economy. Digitalization is also a significant area of growth and a source of income.
- Green recovery provides opportunities to do things differently and better, such as reforming the global financial system to address high debt.
- [The modelling work conducted in South Africa by PAGE and Cambridge Econometrics](#) provides the evidence base for policies and shows that green recovery is in fact better for GDP growth and employment creation.



2. Challenges of Transitioning Towards a Green Economy

- A key challenge in transitioning towards a low carbon economy includes getting everyone on board with the green agenda i.e., not all governments, international partners and stakeholders are aligned.
- There are persistent challenges in some countries in mainstreaming SDGs and green recovery into national plans and policies. Only low amounts of the stimulus packages are allocated to green development objectives in many countries.
- Workers of certain sectors, industries and businesses linked to stranded investments stand to lose the most during the transition. However, the macroeconomic modelling that PAGE has done for South Africa suggests that the green transition will be a net job creator, even for an economy which is coal-based. The difficulty lies in ensuring that the transition leaves no one behind and that the policy makers are aware of the job creation potential.
- Another challenge is decreasing dependence on ODA funds and acquiring funds from domestic financial institutions, private resources and development banks to finance the green recovery and combat liquidity issues.

“Some of the challenge is really getting the right financing, and also sufficient capacity development in order to nurture this entrepreneurial spirit.” – Amie Gaye, RCO Economist, UN RCO Senegal

3. The Way Forward: Implementing Long-term, Sustainable, Transformational Change

- There is a need for innovative mindsets which are willing to take the leap towards green economy and leave business-as-usual pathways.
- The recovery should be gender inclusive, with women being given more opportunities in green spaces.
- Injecting more capital in domestic financial institutions can leverage resource in capital markets and finance green technologies and investments for recovery.
- Macroeconomic models and analytical tools such as the [Global Recovery Observatory](#) play a role in making a persuasive case and building a powerful narrative which can encourage policymakers to take the trajectory towards sustainable pathways.

VII. Concluding Remarks

PAGE will continue to be active in many of the countries in which it operates. For the new decade of action, PAGE will:

- Participate in a DCO meeting on Green Recovery, planned to take place at the end of March, to discuss the issues brought up during the dialogue
- Hold the Dialogues quarterly, with the next Dialogue expected to be held in late May. These Dialogues will offer a platform to enhance joint delivery and deepen collaboration between economists from UNRCO and PAGE agencies.
- Organize additional thematic sessions on topics brought up during the Dialogue, such as social inclusiveness and green finance. These additional sessions will take place on an *ad hoc* basis to enhance engagement on a regular basis.

PAGE has committed to further upscale its focus for staying at the cutting edge of economics, delivering an impact that is transformative for whole economy and recovery efforts from COVID-19, while keeping an eye on fairness and social inclusion.

PAGE intervenes in four major areas that are critical for making economies green and inclusive:

- **National Economic and Development Planning and Development of Economic Recovery Plans**
- **Sectoral and Thematic Reforms** through policies that catalyze change in industrial development, SMEs, employment and income generation; policies that finance the economic transition (e.g. green finance roadmaps, green bonds, fiscal policy reforms); and policies for tackling inequalities and wealth distribution.
- **Capacity building** for strengthening individual, institutional and planning capacities through nationally tailored support packages for reframing of education policy, curricula of civil services, academies/administrative staff colleges, training institutes for bankers and universities around social and sustainability agendas.
- **Knowledge creation and sharing** through collaboration and exchange on a global level

Further information can be found in the PowerPoint "Setting the Stage – Making Economic Recovery Work for People and Planet: A proposal from PAGE", attached to this report.

Participants List

Keynote speaker

- **Elliott Harris**, UN Assistant Secretary-General and Chief Economist - (UN DESA)

UN RCO Economists

- **Fulvia Farinelli**, Economist, UN RCO **Argentina**
- **Peter Aidoo**, Economist, UN RCO **Ghana**
- **Nurjemal Jalilova**, Economist, UN RCO **Mongolia**
- **Luz Fernandez Garcia**, Economist, UN RCO **Peru**
- **Manop Udomkerdmongkol**, Economist, UN RCO **Thailand**
- **Ricardo Orlando Gottschalk**, Economist, UN RCO **South Africa**
- **Amie Gaye**, RCO Economist, UN RCO **Senegal**
- **Younes Benmoumen**, Economist, UN RCO **Morocco**
- **Wakhile Mkhonza**, Economist, UN RCO **Guyana**
- **Diandra Pratimi**, Economist, UN RCO **Indonesia**
- **Roza Choibaeva**, Economist, UN RCO **Kyrgyz Republic**
- **Sebastian Torres**, Economist, UN RCO **Uruguay**
- **Nurlybek Turarbekov**, Economist, UN RCO **Kazakhstan**
- **Stuart Davies**, Economist, UN RCO **Barbados**
- **Marilyn Whan-Kan**, Economist, UN RCO **China**
- **Jaime Garrón Bozo**, Economist, UN RCO **Guatemala**
- **Lorenza Jachia**, RCO Economist, UN RCO **Serbia**
- **Sebastian Vauzelle**, RCO Economist, **Cabo Verde**

Representatives from PAGE partner agencies

- **Steven Stone**, Chief, Resources and Markets Branch, Economy Division, UNEP; Member of PAGE Management Board (FACILITATOR)
- **Tim Scott**, Senior Policy Advisor on Environment, UNDP; Member of PAGE Management Board
- **Patricia Purcell**, Private Sector Specialist, UNDP
- **Babatunde Abidoye**, Global Policy Advisor, UNDP
- **Moustapha Kamal Gueye**, Coordinator, Green Jobs Programme, ILO
- **Marek Harsdorff**, Economist, Green Jobs Programme, ILO
- **Smeeta Fokeer**, Research and Industry Policy Officer, UNIDO
- **Amrei Horstbrink**, Programme Officer; UNITAR
- **Giuliano Montanari**, Green Economy Advisor, UNITAR
- **Fulai Sheng**, Head, Economic and Trade Policy Unit, UNEP

UN-ESCAP

- **Ulukbek Usualiev**, Economic Affairs Officer, UN-ESCAP

PAGE Secretariat

- **Asad Naqvi**, Head, PAGE Secretariat
- **Ronal Gainza**, Economist, PAGE Secretariat

Annex 1: Agenda

Facilitator: Steven Stone, Chief, Resources and Markets Branch, Economy Division, UNEP;
Member of PAGE Management Board

1. **Welcoming Words** by *Asad Naqvi, Head, PAGE Secretariat*
2. **Keynote speech** by *Elliott Harris, UN Assistant Secretary-General and Chief Economist - (UN DESA) (10 mins)*
3. **Presentation: "Setting the Stage - Making economic recovery work for people and planet: a proposal from PAGE"** by *Steven Stone and Economists from PAGE Agencies (10 minutes)*
4. **Open discussion:** opportunities for greening the economic recovery in PAGE countries (30 mins) by *Economists from PAGE country RC offices and PAGE Agencies*
5. **Closing Remarks** by *Steven Stone, Chief, Resources and Markets Branch, Economy Division, UNEP; Member of PAGE Management Board*