

# The Green Economy

Challenges, Risks & Opportunities

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# I- Introduction

1-The UNEP Green Economy Initiative:

a-Agriculture. b-Buildings. c-Water.

d-Transport. e-Energy.

=All are relevant. Some are interconnected (a+c,  
b+d+e).

=It is supposed to address:

energy+food+water+employment crises

## 2-The Pre-requisites of “greening the economy”:

In addition to the political will, the availability of means of implementation:

a-Finance: capital + investments.

b-Technology / know how (current arrangements are not enough).

## 3-Most available answer: “OUTSOURCING”

a-Innovative financing ( dilution of cbdr? + not feasible)

b-Referral to the market for financing and for technologies (are markets the problem or the answer?).

c- “Enabling environment” The need to stimulate the private sector + encourage foreign investment (what for?).

4-The Green Economy is not a goal in itself but one possible approach to achieve sustainable development:

- a-Generate wealth.
- b-Create jobs + SOCIAL JUSTICE.
- c-Preserve natural resources.

5-It should be evaluated accordingly:

- a-Whether it provides additional opportunities (economic+social+environmental) EQUITY?
- b-Whether it promotes growth & competitiveness?

# II- International Policies & Institutions

## The “Green Attack”

### 1-Policies:

a-Green trade. b-Green Aid. c-Green standards.

### 2-Institutions:

a-WEO or Specialized Agency.

Critique: i-From UNEP to GA/ back to UNEP/ now into Rio+20.

ii- Developed countries position from UNIDO (UK).

b-Rio+20: relevant context + the goals of RIO (the lead).

c-UNFCCC: i-Cancun 45: Decides..should develop low –carbon development strategies/ 65: Encourages..in the context.

ii-Cancun paras 4 & 6: Equity + time + priorities

# III- The Arab Region

## Strengths & vulnerabilities

1-Energy sources:

a-Fossil fuels: CCS / Yasuni-i initiative.

b-Renewable energy: i-Cost.

ii-cost of technology in proportion to the cost of labour, location and raw material.

iii-Equity & Justice: The need to a proper “equitable” valuation of labour, location and raw material.

iv- Desertec (vs MSP + Financing)+ California Solar.

2-Water scarcity & food crisis.

3-The need for “green building” standards.

i-at what cost.

ii-traditional vs ultra modern building methods.

4-Uneven distribution of wealth (and natural resources) between and within countries.

## IV- Challenges

- 1-The cost of transformation (Financing “transformational” change=new conditionality).
- 2-The effect on the current developmental process (developed countries and offsetting).
- 3-A new form of dependence on/consumption of ever evolving, if not “experimental” alien modes of production (in most cases overpriced and short-lived)
- 4-Imitation of alien consumption patterns.



5-Green Protectionism.

6-Legitimization and de-legitimization of subsidies. (What is the aim of subsidies?)

7-Evaporation of surplus capital in the region  
(net export of capital to foreign companies and governments  
+technology: development/ patenting/ exporting/importing).

# V- Final Remarks

1- The expected repercussions of the financial crisis:

a- Less foreign investment available, if any.

b-The need to absorb any available money (in oil countries).

c- The need to lock-in competitive advantages and address any “emerging” challenge.

2-The expected repercussions of the Arab Spring:

a-An increasingly aware public opinion (comparable to western public opinion – Spain/Germany/US).

b-Accountability.

c-Increasing expectations.

3-Decoupling growth from pollution (emissions): depends on a certain level of capital and technology accumulation, in order for it to be possible + in order for it to contribute to sustainable development and the eradication of poverty.

That was eloquently reflected in the Rio Principles..Now +20

4-The need for stimulus (a new or “renewed” deal=who needs stimulus for the good of the world economy?).

**Thank you**