



Green Transition: A Common Challenge for Emerging and Industrialised Economies

Summary of Lessons Learned and Proposals for Further Action derived from an international consultation process organised by the Institutes of Science and Development of the Chinese Academy of Sciences and the Friedrich-Ebert-Stiftung¹

I. Introduction

The Agenda 2030 for Sustainable Development in September 2015 in New York has set 17 goals and 169 targets, representing policy priorities to be followed by all countries and implemented through enhanced international cooperation. China has the potential to assume a leading role in green transition policies if it progresses with its green transition policy implementation at national level and demonstrates continued engagement in international cooperation, including dialogue with and support for less developed countries.

The purpose of the workshop was to analyse the situations and possible scenarios in different countries and to draw conclusions from diverse policies and critical analysis of implementation practices including social challenges. Special emphasis was paid to the promotion of different kinds of renewable energies, improving of energy efficiency, stimulating and disseminating green innovations and transferring technologies as well as enhancing legitimacy and policy support at the sub-national levels through policy dialogue and social governance.

II. Lessons learned from inter-country comparison

Experts from different countries highlighted key policy features and discussed possible scenarios and

implementation challenges in their respective countries. The following recommendations reflect lesson-learned from different countries, in particular China, Germany, India, Japan and the USA.

a) Proposals for further action related to strategies and policy-making

(1) Ambitious goal setting

Experts confirmed the need for ambitious goals and targets in order to send clear signals to all parties and stakeholders that business as usual is not an option for advancing local development. Managing comprehensive transitions in a short period of time requires early preparedness for change.

(2) Mainstreaming of green policies

Mainstreaming of green transition policies into other policy areas is a key factor of coherent policy-making. Narrow GDP-focused path dependency needs to be critically addressed through well-orchestrated efforts for the promotion of green growth involving key state and non-state actors.

(3) Enhancing legitimacy

Legitimacy can be enhanced by adhering to fairness and building of confidence in communities through increased respect for specific local challenges, transparency and accountability of actions. Appropriate communication strategies should focus on addressing

¹ The following summary report is based on an international experts' workshop titled "Green transition: A Common Challenge for Emerging and Industrialised Economies on 26 and 27 September 2016 in Beijing, co-organized jointly by the Institutes of Science and Development of the Chinese Academy of Sciences (CASISD) and the China offices of the German Friedrich-Ebert-Stiftung (FES). Dr. Berthold Kuhn of Freie Universität Berlin (Berthold.Kuhn@fu-berlin.de) produced the draft of the report which has been circulated to all experts who participated in this workshop.

co-concerns (*e.g.* public health) and co-benefits (*e.g.* improved image, tourism, and new jobs).

(4) Facilitating policy-learning

There is a need to deeply and continuously reflect on policy-making approaches in the process to design policy learning that fits the local context.

Policy learning involves transparent goal, target and agenda setting, communication with the public, consultation processes with experts and involvement of key stakeholders in decision-making processes, regular monitoring and evaluation of policies, scaling up and mainstreaming of successful practices.

b) Proposals for further action related to technology and finance

(5) Leapfrogging

Developing countries have the opportunity to leapfrog more advanced countries in economic development if they go straight to clean technology. Industrialised countries face serious costs in having to scrap old infrastructure and rebuild it in a low-carbon fashion. Renewable energies are dropping in price and will continue to drop. Such developments provide ample opportunities for early movers at different levels.

(6) Green technology transfer. Technological innovation and international cooperation

A key pillar of energy transition is the commitment to cutting energy consumption while maintaining economic growth. The process of decoupling emissions from economic growth is already well under way in many countries. It will need substantial new investments in green technologies and transfer of technologies in all sectors and within countries – particularly in buildings and industrial production.

(7) Green finance

The development and marketing of green finance products is essential to promoting direct investments in green technologies. Green stock index projects, sustainability ratings of existing investment funds, design of new funds, expansion of guarantees for green investments, concessional loans based on green ratings, public-private green funds and nationwide carbon and pollution trading markets are considered to be part of a modern green finance system.

c) Proposals for further action related to stakeholders and social challenges

(8) Discovering attitudes through survey and base-line studies, use intermediaries

Discovering the attitudes of stakeholders in- and outside the government through research, analysis, surveys and dialogue is of crucial importance in the process of promoting smooth green transition. This applies to countries in all stages of development. However, specific challenges might differ in relation to economic development disparities, education level and social composition of localities.

(9) Just transition

It is recommended that policy-makers explore and introduce the concept of just transition, encompassing a range of social interventions needed to secure workers' jobs and livelihoods with reference to the work of ILO and conceptualise it, in close collaboration with social partners and stakeholders, for the national and regional contexts.

(10) Entry points and incentives for change

Professional guidance, advisory and support services play an important role in the process of identifying suitable entry points and designing incentives for change processes at the level of state institutions, business and professional associations and other non-state actors. Linking green transition policies to pollution and public health discourses has proved to be an effective instrument in terms of mustering more widespread support for policy reforms.

III. Conclusion

China made significant contributions towards achieving a global development consensus that cuts across economically more and less advanced countries and regions as well as different political systems and cultures. China's example will be of particular importance for emerging economies and developing countries. It could play a facilitating role for integrating other countries in climate action policies at national, sub-national and municipal cooperation level and to offer capacity building support.

Green policies need to be well balanced with economic and social policies to mitigate negative social impacts and to enlarge political support for structural changes. More investments in research and timely assessments of specific technology requirements are necessary to advance green technologies and to better understand and govern the social dynamics of transition processes in different regions and countries.

An inclusive approach is needed to raise knowledge and awareness for sustainable development and to promote more ecologically friendly lifestyles.