

**Agenda for the French G20 Summit: Global Architecture for Green Growth and
Climate Change Negotiations**

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Key to green growth is innovation

Green growth (GG) was succinctly defined by President Lee Myung-back of Korea in his speech delivered on August 15, 2008, as follows:

GG seeks sustainable growth by reducing GHG emission and environmental protection.

It is a new development paradigm which creates new growth engines and new jobs from green technologies and clean energies.

The key to sustained green growth is innovation, in fact, a pervasive and continuing process of innovation, both technological and institutional. This is key to delinking economic growth and environmental degradation.

Commitment to reduce emission drives innovation

The ultimate driver of sustained innovation is the compelling need to reduce GHG emissions, as well as the confidence in an emerging global carbon and pollution market. This is to say that successful green growth requires sharing of the same strategy by all major economies around the world, as well as a credible global effort to reduce GHG emissions as well as environmental degradation. Furthermore, globally shared confidence in green growth will foster such global efforts as effective climate change negotiation.

¹ The views expressed here are strictly the author's personal views.

Confidence in green growth will foster shared commitment to reduce emissions

This is to say that successful green growth has to be a shared and coordinated global growth strategy, that the success of this strategy has to be underpinned by an effective international environmental regime, including the climate change regime, and that a globally shared confidence in green growth will foster international cooperation for an effective environmental regime.

The UNFCCC process has been stalling in reaching an agreement on sharing of the responsibility for mitigation. The creation of an effective global architecture for green growth will help facilitate international cooperation to reach such an agreement.

Various pieces of a global architecture for green growth

The OECD has released its Report on Green Growth Strategy in which it argues that creating a global architecture that is conducive to green growth requires enhanced international cooperation in many fields as follows:

- Strengthening arrangements for managing global public goods, especially biodiversity and climate;
- ODA for creating enabling conditions for green growth;
- Increased cooperation in science and technology; and,
- Increased efforts to boost global trade and investment flows.

Based on this premise, the OECD is launching a long-term agenda to support national and international efforts to achieve greener growth.

The OECD's Green Growth Strategy reports on a number of international initiatives on green growth:

The UNEP-led Green Economy Initiative which, involving over 20 UN agencies, offer advisory services to governments, under the overarching objective of promoting investment in green(er) sectors;

OECD-UNEP-led work to develop a common set of core indicators for green economy;

- International initiatives at the sectoral level such as agriculture and energy by organizations such as FAO and IEA, which work with the OECD and other IOs;
- World Bank proposal to work with governments, UNEP, OECD, etc., to create a new global knowledge platform on green growth,
- The GGGI launched by the Korean government aims to support the creation and diffusion of green growth which integrates objectives such as poverty reduction, opportunity creation, and social development with objectives for environmental sustainability, climate resilience, and energy security. GGGI proposes to play a critical role in the creation of a global architecture conducive to driving green growth. For this, GGGI will have to promote a strong partnership and knowledge-sharing between a diverse group of internal and regional organizations as well as governments.

In addition, there are also a number of international venues geared to the objective of promoting energy policy cooperation such as IEA, MEF, CEM, APEC Energy Ministerial, the newly launched International Renewable Agency (IRENA), and the Green Technology Center to be created by the Korean government under GGGI, and OPEC.

There is the Global Green Growth Forum launched by the Denmark in partnership with Korea and the GGGI, for global public-private partnership initiatives in specific sectors. The GGG Summit will meet for the first time in Copenhagen, in October 2011.

There is also the ‘Green Growth Leaders’, an international NGO for the ‘documentation, demonstration, and communication’, of, or on, best practices of green growth by countries, regions and cities, newly launched in September, 2010, by The Monday Morning, a think tank based in Copenhagen.

The G20 Summit should begin to build a global architecture for green growth.

All these institutions can function more effectively, and may fall into places over time to form a global architecture for green growth, when the G20 Summit, the self-proclaimed ‘premier forum for international economic cooperation’, commits itself to the promotion of global green growth and assumes a leadership role in building the architecture.

Colin Bradford [of CIGI and the Brookings] argue that green growth is a possible action agenda for the G20 Leaders who could make the G20 a global steering mechanism capable of providing a vision of the future, and a strategic guidance for the international institutions and global leaders for the 21st century.

The Leaders participating in the Seoul G20 Summit, on the one hand, reiterated their commitment to take strong and action-oriented measures and to remain dedicated to UN climate change negotiations. On the other hand, the G20 Leaders committed themselves to support country-led green growth policies, and further to take steps to create, as appropriate, the enabling environments that are conducive to green growth. The G20 Summit to meet in Cannes, in 2011, and beyond should follow-up on this commitment.

Under the agenda of green growth, the G20 should discuss the global architecture for green growth as a new paradigm for global economic growth, and reframe the global climate change regime to be created as part of this new paradigm.

Green growth as a platform for bottom-up approach to new climate negotiations

Based on the OECD's Green Growth Strategy, the G20 should discuss the feasibility of global green growth, acknowledge key principles for such growth and the crucial importance of pricing carbon and environmental pollution in enabling global green growth. Furthermore, the G20 should discuss, and possibly agree on the need, as well as on how, to develop and take a bottom-up approach to the global climate change regime. Such new approach to climate change negotiations will hopefully facilitate progress toward an effective regime, with countries making voluntary and strong commitments in what President Lee Myung-bak of Korea called the 'Me First' spirit when he proclaimed Korea's voluntary medium-term GHG emission reduction target (of 30% relative to BAU by 2020) in Copenhagen. The G20 Summit should discuss how to make such progress.

With the vision of a global architecture for green growth as background, the French G20 Summit should instruct its Finance Ministers to prioritize and undertake the necessary measures, including the effort to create an international carbon market, to encourage private sector investment in green growth, and to undertake and coordinate tax measures in support of green growth in the individual countries. Again starting from the same vision, the Leaders participating in the Summit should also discuss and agree to make voluntary and strong GHG emission reduction commitments individually at the COP 17 to be held

in Durban, soon after the Summit, and to try to proceed till the COP 18 to be held in 2012 to build on the basis of those political commitments an UNFCCC-wide set of commitments.

First proposed by Korea in Copenhagen, an International Registry of Nationally Appropriate Mitigation Actions (NAMA) was formally agreed to in Cancun. All mitigation commitments should be recorded on this registry. But only the commitments by the advanced countries should be internationally legally binding while those by the developing countries may be required to be legally binding only under their respective domestic laws while listed on the registry just as non-binding ‘voluntary’ commitments.

Korea’s Medium-Term GHG emission reduction target which was announced in Copenhagen was meant to be internationally a non-binding commitment but has been made a legally binding commitment domestically under the Korean Framework Act on Low Carbon Green Growth that was legislated in December 2009. It is the Korean government’s strong belief in green growth which underpins its international political commitment to a strong mitigation target. When the nations around the world share belief in global green growth, they may more willingly reach an agreement on a global mitigation target as well as on how to divide it among themselves, politically if not legally.

Building on the Seoul Agreements on climate change and green growth

Reaching an agreement on a new climate change regime in one way or another won’t be easy. But discussing a global architecture for green growth promises to be a good beginning which the French G20 Summit should try, building on the very good and meaningful outcome of the Seoul G20 on climate change and green growth.

Appendix: Seoul G20 Summit Agreements on Climate Change and Green Growth

On Climate Change (Paragraph 66: Excerpts)

Addressing the threat of global climate change is an urgent priority for all nations. We reiterate our commitment to take strong and action-oriented measures and remain fully dedicated to UN climate change negotiations. We reaffirm the objective, provisions, and the principles of the UNFCCC, including common but differentiated responsibilities and respective capabilities.

We thank Mexico for hosting the UNFCCC negotiations to be held in Cancun... Those of us who have associated with the Copenhagen Accord reaffirm our support for it and its implementation.

[W]e welcome the work of the High-Level Advisory Group on Climate Change Financing established by the UN Secretary-General and ask our Finance Ministers to consider its report. We also support and encourage the delivery of fast-start finance commitments.

On Green Growth (Paragraph 68: Excerpts)

We are committed to support country-led green growth policies that promote environmentally sustainable global growth along with employment creation while ensuring energy access for the poor.

We recognize that sustainable green growth... is a strategy of quality development, enable countries to leapfrog old technologies in many sectors, including through the use of energy efficiency and clean technology. To that end, we will take steps to create, as appropriate, the enabling environments that are conducive to the development and deployment of energy efficiency and clean energy technologies, including policies and practices in our countries and beyond, including technology transfer and capacity-building.

We support the ongoing initiatives under the Clean Energy Ministerial and encourage further discussion on cooperating in R&D and regulatory measures, together with business leaders, and ask Energy Experts Group to monitor and report back to us on progress at the 2011 Summit in France.

We also commit to stimulate investment in clean energy technology, energy and resource efficiency, green transportation, and green cities by mobilizing finance, establishing clear and consistent standards, developing long-term energy policies, supporting education, enterprise and R&D, and continuing to promote cross-border collaboration and coordination of national legislative approaches.