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Green and Social Bulletin

**A Summary Report of the International Workshop
“Green and Social: Managing Synergies and Trade-offs”**

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INTERNATIONAL WORKSHOP “GREEN AND SOCIAL: MANAGING SYNERGIES AND TRADE-OFFS”: 12-14 MARCH 2014

The International Workshop “Green and Social: Managing Synergies and Trade-offs” was held from 12-14 March 2014, in Bonn, Germany. The workshop was organized by the German Development Institute (DIE) and the Poverty Reduction, Equity and Growth Network (PEGNet) to explore how existing development pathways can be transformed to become both more environmentally sustainable and more socially inclusive. It brought together researchers and practitioners from the environmental and social inclusion communities to discuss how to bridge the gap between the social and environmental perspectives of development.

The first two days of the workshop featured a series of paper presentations, keynote speeches and panel discussions. On the third day, an invitation-only dialogue was held with about 50 researchers, civil society representatives, government officials and representatives of international organizations who came together to discuss how possible trade-offs may be addressed in the design of the post-2015 development agenda.

This report summarizes the presentations and discussions during the three days of the workshop.

A BRIEF HISTORY

Established in 1964, the German Development Institute/ Deutsches Institut für Entwicklungspolitik (DIE) is a government-owned think tank focusing on global development and international cooperation. DIE’s work is based on the interplay between research, policy advice and training, and among other things, it develops policy-relevant concepts, and advises ministries, governments and international organizations.

In recent years, DIE has produced a number of briefing, discussion and research papers on the post-2015 development agenda, the Sustainable Development Goals (SDGs), lessons from the Millennium Development Goals (MDGs) and reconciling the SDGs with the MDGs.

The Poverty Reduction, Equity and Growth Network (PEGNet) was founded in 2005 as a joint initiative of the Kiel Institute for World Economics (IfW), the Ministry of Economic Development and Cooperation (BMZ) and the two German development cooperation agencies GTZ and KfW. PEGNet is financed by BMZ and administered by IfW.

PEGNet brings together researchers and practitioners with an interest in issues revolving around the poverty-inequality-growth nexus in developing countries, and links them to the German and international development policy bodies.

One of the foci of PEGNet’s work in recent years has been the MDGs, including a workshop held jointly with DIE in November 2011 on “The Millennium Development Goals and beyond: Lessons learnt for the development of an international goals system after 2015.”

For a long time, the world has been striving to achieve “sustainable development,” which requires balancing the objectives of promoting social and economic wellbeing, and protecting the environment. Environmental sustainability and social inclusiveness, together with economic wellbeing, are therefore basic elements of sustainable development and are intricately connected.

Acknowledging that although there are positive and reinforcing inter-linkages between environmental sustainability and development, there are also trade-offs and conflicts associated with these two agendas, the “Green and Social” Workshop was convened by DIE and PEGNet to address the gap between the social and environmental perspectives on development.

The workshop organizers recognize that most social and environmental policies are designed and implemented by separate government bodies, despite the connections between environmental sustainability and social inclusion in the context of development. In addition, research communities also tend to focus on either environmental or social issues and often have little interaction or cross-fertilization. Due to the fact that these trade-offs and conflicts have received little attention in recent concepts and research, this workshop was organized to examine synergies and trade-offs using both research lenses, find ways to merge research approaches and discuss good practices in the design of environmentally sustainable and socially inclusive policies.

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This workshop also takes place in the context of the development of the post-2015 SDGs. Therefore, the third day consisted of a policy dialogue to provide timely advice and deliberation on how to bridge the disconnect between environmental and social issues in the post-2015 development agenda.

REPORT OF THE WORKSHOP

DAY ONE

Welcome and Introductory Remarks: On Wednesday afternoon, 12 March, Kacana Sipangule, PEGNet, opened the workshop and welcomed participants. She described PEGNet's work in bringing together researchers interested in issues linked to the poverty-inequality-growth nexus in developing countries, and highlighted its conviction that long-term growth is only feasible when growth is both environmentally and socially sustainable.

Anna Pegels, DIE, said her institute sees environmental and social sustainability as the two big challenges for development, but has found that its own researchers working on these subjects, as well as those outside the DIE, often work in parallel without communicating with each other. Expressing hope that the workshop will foster dialogue between the two different groups, she noted that research indicates that, from a global perspective, the world is neither very green nor equitable and inclusive.

Pegels also highlighted DIE's work on green industrial policy, pointing out that governments need to withdraw rents from polluting sectors and create rents in clean sectors.

Carmen Richerzhagen, DIE, highlighted the findings of a DIE research programme on sustainable hydropower, showing how its climate change mitigation potential can often involve negative impacts on the environment and communities. She explained that the workshop sought to: examine synergies and trade-offs using the lenses of both environmental sustainability and social inclusion; find ways to merge the two research approaches; and discuss good practices in designing policies.

Keynotes: Marianne Fay, World Bank, discussed ongoing Bank research aimed at incorporating climate change considerations in the fight against poverty, fostering cooperation between poverty and climate researchers, and informing the climate change negotiations. Recalling the current poverty challenge, she stressed that by 2030 many of the world's poor will remain poor and vulnerable even with continued rapid growth.

Emphasizing the importance of growth as the principal driver of poverty reduction, Fay cautioned that climate change is likely to affect the ability of economic growth to reduce poverty. Speaking about direct impacts of mitigation policies on poverty, she said: the pricing of greenhouse gas (GHG) emissions will primarily affect the rich, but may require safeguards for the poor; payments for ecosystem services and their benefits for the poor depend on land tenure and payment conditions; and energy policies may lead to innovation that would benefit the poor, such as off-grid energy and energy efficiency, improved health and job creation, but could also prove harmful.

On adaptation policies, Fay cautioned that the bulk of resources for adaptation may go to the rich, and highlighted the need for an increase in policies targeted to the poor.

Ernst Ulrich von Weizsäcker, International Resource Panel, UN Environment Programme (UNEP), provided an overview of the progress to date on the Sustainable Development Goals (SDGs) and argued that they will be as "ecologically-blind" as the Millennium Development Goals (MDGs) because countries do not have an appetite for systemic innovation.

Considering the 19 focus areas currently under the SDG negotiations, von Weizsäcker observed that the emphasis of many areas is "growth, growth, growth." He noted that achieving synergies with environmental sustainability requires policy intervention in all of the focus areas, whereas the trade-offs represent the status quo and will continue if policy interventions are not implemented.

Drawing a comparison to the Kuznets curve for local pollution, von Weizsäcker said the hope for synergies is decoupling economic well-being from resource consumption. He expressed concern about the ability of large-scale increases in renewable energy to meet energy and social needs, and underlined that instead, what is needed is a five-fold increase in energy efficiency as a technically feasible means to achieve decoupling.

In response to questions on the role of growth, von Weizsäcker observed that growth will occur and could be destructive without policy interventions to decouple growth from resource consumption. He said he is not against markets, but that it must be recognized that natural resources are scarce resources and redistribution is necessary so growth does not only benefit the rich.

Panel Discussion: Wilfried Lütkenhorst, DIE, facilitated a panel discussion with Marianne Fay, Dirk Messner, DIE, Leisa Perch, World Centre for Sustainable Development (Rio+ Centre), and Ernst Ulrich von Weizsäcker.

Lütkenhorst opened by observing that seeking development that is both green and socially inclusive is not just a challenge for developing countries, but also for developed ones such as Germany.

Messner noted several intersections between the environment, growth and social justice, such as the disproportionate impact of climate change on the poor and the debate over which countries have the right to emit how many GHGs.

Responding to a question from Lütkenhorst about her comment in another forum that unsustainable resource use is the new face of long-term inequality, Perch stressed the need to create growth that is an engine for development, not just a wealth creation mechanism that uses resources in an unsustainable fashion.

Asked about her earlier comment that future growth may have less positive impact on the poor than past growth phases have, Fay suggested that the World Bank and others can work with developing countries to improve public services that benefit the poor, such as education and public health.

Fay also suggested moving away from using gross domestic product (GDP) as the only measure of economic success. She noted that the World Bank is promoting the idea that countries not only report on GDP, but also on their assets in terms of physical, human and natural capital. Messner observed that the idea of abandoning GDP and moving to other measurements of development has shifted from the periphery to the center of the development debate. Fay clarified that the idea is not to altogether abandon GDP as a development measurement,

but rather to supplement it with other measurements. Von Weizsäcker stressed that a GDP focus remains strong among politicians because it is equated with jobs and fiscal revenue.

Responding to a question from the audience, Perch said there are interesting programmes underway in Ethiopia, South Africa and India that encourage growth while bringing social and environmental benefits, but stressed that these need to move beyond the pilot or model stage and be applied elsewhere and more broadly.

An audience member suggested that perhaps development discussions should incorporate more research about how people reach decisions about changing their behaviors and patterns. Von Weizsäcker noted new research finding that German youth turned away from tobacco products not because of education, but because of cigarette taxes. He suggested that if policy makers really want to change individuals' behavior in the energy market, they need to find ways to make energy efficiency and renewable sources more profitable. Fay suggested that development advocates and policy makers need to think about how to harness advertising and social marketing to promote behavior with beneficial environmental and social outcomes.

In response to a participant's suggestion that the development community should talk less about economic growth and more about economic shrinking, Fay observed that most people do not like to discuss reducing their income and said it might be more useful instead to emphasize well-being and different patterns of growth. Perch stressed that the emphasis should be on development not growth, which are different things. She suggested stressing reducing the negative impacts of growth rather than talking about economic shrinking.

Semi-plenaries: Effects of poverty-oriented policies on the environment: *Session 1:* Leisa Perch presented a paper arguing that the "social engine" was not adequately present in the "green growth locomotive." She underlined the need to consider structural social differences affecting individuals' ability to influence the debate or access initiatives.

Perch expressed concern that by overlooking the multiple, interacting social variables, the green growth paradigm could repeat past development mistakes. Using the example of biofuels, she highlighted the tendency for concentration in the hands of a few, although she noted a Brazilian case where partnerships with quasi-government companies fostered consideration of social benefits.

Michael P. Cañares, Holy Name University Research and Publication Center, the Philippines, presented research on "greening" conditional cash transfer. Relaying experiences in the Philippines, he outlined the health and educational conditionalities of a conditional cash transfer programme, such as making funding conditional on taking children to clinics or school.

Cañares reported that poor communities find the proposition of additional conditionalities acceptable, but he noted their apprehension over how "green" conditions would be constructed. He expressed concern over sending the inaccurate message that the poor are the culprits of environmental degradation.

Georg Schäfer, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)/KfW, as discussant, addressed both papers. On the first paper, he asked how the green growth paradigm could reconcile economic growth with ecological

limits, and questioned the appropriateness of the biofuels case study, given that the sector might already be at a "dead end." On the second paper, Schäfer asked if adding "green" conditionalities overstretched the concept beyond providing social security and if the additional transaction costs outweighed the benefits.

Participants discussed the ability of "green" cash transfer programmes to tackle root causes of environmental degradation or to promote environmental resilience. Participants also discussed the lack of methodologies to identify co-benefits of environmental protection and poverty alleviation, as well as the gaps that still exist in the newer green growth paradigm.

Session 2: Elisabeth Hettig, German Institute of Global and Area Studies and University of Göttingen, Germany, discussed socioeconomic drivers of deforestation and land-use change using micro-econometric evidence from rainforest frontiers in the Lore Lindu region of Central Sulawesi, Indonesia. She explained that, in order to conceptualize the multiform dynamics of land-use change, the research drew on a multidisciplinary database of 70 case studies of land-use change in tropical regions conducted at the household and village level published in 2000-2012.

Among the conclusions, Hettig stressed that: the adoption of cash crops drives land conversion for agricultural purposes across the tropics; in Central Sulawesi, land-use change for cocoa is driven by global cocoa markets and rural migration; less diversification of households' crop portfolio may raise households' vulnerability; and pressure on forest margins could be reduced through knowledge transfer of input usage and sustainable agricultural practices.

Benno Pokorny, University of Freiburg, Germany, presented a paper analyzing technology-centered versus people-centered approaches for rural development. Elaborating on the socio-environmental balances of land user groups in the Amazon, he stressed that the classic development approach supports highly competitive land users engaged in global value chains and maintained that this is to the advantage of urban and industrialized societies, but damaging for ecosystems and the majority of rural population.

He concluded that applying a rural development perspective targeting the interests of rural societies and systematically promoting diversified and specialized small farmers, may lead to dramatic changes and slow but steady rural development.

Panel discussant Alejandro Guarín, DIE, challenged the discussants by raising questions about the "legitimate levels of tropical deforestation," suggesting a positive link between social well-being and deforestation, and questioned the general faith in policy as an instrument to solve the trade-offs between deforestation and social outcomes.

DAY TWO

Keynotes: On Thursday morning, 13 March, Leisa Perch addressed whether human development will be the "standard-bearer" for the post-2015 development agenda or become just one of many issues on the agenda. She mentioned several limitations of the MDG approach, including that: it focuses on poor countries, rather than poor people; it focuses on access to particular basic services, without recognizing that often the same person is affected by all access issues; and it separates social and environment issues and treats the environment as a single goal, when in fact it is cross-cutting.

She cautioned against the temptation to say the MDGs were socially focused while the post-2015 development agenda should be environmentally focused. She said the post-2015 agenda should be focused on both.

In response to questions from the audience, Perch said climate change is both an accelerator and multiplier to the challenges facing Caribbean small island developing states, placing some economies and many households in a “permanent rebuilding mode,” meaning that current social protection frameworks and disaster response approaches should be redesigned. She also responded that population growth does not necessarily explain poverty patterns, but is important to consider when addressing the planet’s carrying capacity. She observed that the current SDG policy discussion is too focused on sectoral analysis, when policy makers should think more creatively and cross-sectorally.

David Wrathall, UN University Institute for Environment and Human Security, discussed the concept of human livelihoods as a “critical dimension” to the debate on planetary limits, and focused on those places that become uninhabitable due to climate change, triggering human migration. He stressed that climate change-induced migration is always linked to the ability to sustain livelihoods in stressed places, as well as the alternatives for new livelihoods that emerge in other places, such as cities.

Describing livelihood systems as a cluster of activities, part agricultural and part wage income, Wrathall emphasized that if economic growth is to be prioritized, it should be in the interest of supporting diversified, poverty-alleviating livelihood clusters, and not “wage jobs” as is commonly referred to. On trade-offs and synergies, he underlined that understanding the resilience of livelihood systems of the poor through research, and enhancing them through transformational action, must now be seen as normative priorities.

During the ensuing discussions, participants raised questions on: the adequacy of international fora such as the climate change negotiations for finding solutions to local problems such as poverty and resilience; diversified livelihoods and their potential to lift people out of poverty; and jobs as a source of livelihoods.

Semi-plenaries: Effects of Environmental-oriented Policies on Poverty: *Session 3:* Georgeta Vidican, DIE, presented progress on the emergence of an innovation system for Morocco’s solar energy sector. She reported that several institutions are in place in Morocco, yet a focus on innovation system formation is lacking.

Vidican observed that despite government actions at the institutional, operational and developmental levels, private sector involvement and cross-sectoral initiatives are marginal. On the actors that are important to solar energy development, Vidican stated that few are influential in decision-making and recommended forging coalitions among stakeholders.

Julian Blohmke, Maastricht University, presented a model exploring harnessing renewable energy for economic development and providing an economy-wide assessment in Egypt. He reported that the model incorporated 26 sectors, with a special focus on agriculture, six factors of production, three types of labor and 10 household profiles; and said his research “shocked” the model by introducing investment in renewable energy until 2020 into the model’s business-as-usual projections.

Blohmke reported that the results show that the greatest beneficial effects on employment and poverty occur if a climate policy that reduces emissions until 2020 is present. These results are even greater, Blohmke said, if fossil fuel subsidies are reduced.

Nicolas Kreibich, Wuppertal Institute for the Climate, Environment and Energy, Germany, as discussant, noted that both papers are concerned with the role of renewables in North African countries facing rising energy demand that current systems will struggle to meet. He asked each presenter to consider the role of poverty in fostering or inhibiting a transition to renewable energy.

Participants engaged in a discussion on whether the state, in a non-democratic context, should have a strong role in facilitating low-carbon development. On modelling, participants discussed the differential effects of transitions to renewable energy for skilled and non-skilled labor, the capacity of governments to undertake such analyses, and the possibility of a “tipping point” for the impact of fossil fuel subsidy reductions on poverty.

Session 4: Madhusmita Dash, Indian Institute of Technology, elaborated on environmental policies and their relation to socioeconomic sustainability, and presented a study on the relocation of indigenous communities from two villages in India’s Similipal Tiger Reserve.

On policy implications, Dash stressed the importance of: facilitating an inclusive bottom-up approach where tribal people are involved in the protection and management of protected areas; creating constant engagement and dialogue between local authorities and indigenous forest communities; understanding the priorities of local communities; and providing information to indigenous communities to generate a positive perception and awareness of conservation.

Dash said the idea that local communities residing inside protected areas do not like to relocate is a misconception, and highlighted the need for a systematic relocation plan with technical and financial support, and active participation from stakeholders.

Alexander Fisher, GIZ, presented a paper on environmentally-sustainable and socially-inclusive development policies, arguing that what is needed to ensure a more coherent shift towards inclusive green growth pathways is an overarching policy framework, which is both green and socially inclusive.

Fisher explained that this would encompass the country’s development or growth strategy, as well as its industrial policy strategy, which is crucial for facilitating greater private sector engagement. He presented a case study from the Republic of Korea which raised questions on how to bridge industrial policies and green growth.

Benno Pokorny, University of Freiburg, Germany, as discussant, asked whether local communities should be treated as part of the ecosystems they inhabit or as the “destroyers” of nature and, as such, be either removed from protected areas or allowed to stay under surveillance and strict rules to ensure they protect the environment.

During the interventions from the floor, participants discussed: the Nagoya Protocol as potentially the main source of financing for indigenous groups living in their original villages, provided that the industrialized countries ratify and comply with it; relocation and the danger of indigenous

peoples' losing their cultural and spiritual values; and the Republic of Korea as an example of the "failure of green growth" due to its heavy orientation towards economic growth.

Session 5: Babette Never, DIE, presented insights from behavioral economics that could potentially make energy efficiency policies pro-poor. Highlighting that there are few analyses in the context of developing countries, she presented initial insights from energy-efficient lighting in Ghana, Uganda and Rwanda.

Never argued that the perceived financial and social affordability could be influenced by policy interventions designed to overcome risk aversion or restrictive mental accounts, while improving trust and finding appropriate frames. In particular, providing clear information tailored to the individuals' realities could be beneficial for overcoming numerous behavioral constraints.

Nicolas Kreibich, Wuppertal Institute for Climate, Environment and Energy, presented a paper on the social and environmental effects of climate financing. He described the instruments analyzed, including climate finance instruments such as the Climate Investment Funds and the Global Environment Facility, as well as voluntary certification standards such as the Gold Standard and the Climate, Community and Biodiversity Standards. He identified two approaches in dealing with negative impacts: on the one hand, the use of safeguard systems established at subordinate levels, and on the other, the top-down establishment of new safeguard systems.

Ying Chen, Chinese Academy of Social Sciences, as discussant, praised the papers' accessible literature review and policy-oriented focus and suggested developing policy recommendations.

Participants discussed, among other things: transaction costs associated with the implementation of safeguard systems; risks and advantages of voluntary certification standards; and the differences between actual and perceived financial affordability, and if the bounded rationality changes if individuals' roles as household members or entrepreneurs are considered. They also discussed ways to consider power relationships within behavioral economics, and if discourse analysis or focusing on leaders' behaviors are useful means to do so.

Session 6: Tara Caetano, German Institute of Global and Area Studies, presented a study of the possible impacts of the South African Government's plans to significantly increase the use of renewable energy sources and to introduce a carbon tax. She reported that the study found that: the carbon tax would effectively reduce GHG emissions; the tax would not prove sufficient to realize the South African Government's pledge of a 42% GHG emission reduction by 2025 under the Copenhagen Accord; the tax will not have a devastating impact on the economy; the positive direct employment impacts of renewable energy investments are likely to be countered by negative indirect impacts on employment elsewhere and on income distribution; and the choice of revenue recycling mechanism is critical to ensuring synergies between the green and the social.

Clara Brandi, DIE, presented a study of smallholder participation in palm oil certification in Indonesia that found certification projects can help smallholders economically through higher income resulting from improved yields, but can also create perverse economic incentives for activities with

negative environmental impacts. She suggested that involving smallholders in certification processes might bring some environmental benefits such as reducing chemical inputs.

Brandi recommended providing external support to smallholders to involve them in certification processes so that they do not become excluded from the market, but underlined that the process should maintain a clear focus on environmental sustainability.

Julia Wandke, GIZ, as discussant, noted that both papers narrowly define "socioeconomic impact" in terms of income, productivity increases, GDP growth, income distribution and employment rates, whereas she felt that they should consider the multiple deprivations that constitute poverty.

In the ensuing discussion, participants talked about: incorporating water impacts and feedbacks into the renewable fuel study; whether private certification systems need to be supplemented by public policies on sustainable palm oil production; the need to take into account sectoral impacts of carbon taxes; and the difficulty of accurately reflecting in models the impacts of energy efficiency measures on energy consumption.

Semi-plenaries: Environmentally Sustainable and Socially Inclusive Development Policies: Session 7: Waltina Scheumann, DIE, presented several international governance frameworks available for sustainable land use. She observed that large-scale land acquisitions have become an "ideological battlefield" affecting 50 million hectares, and involving violence and loss of livelihoods.

Reviewing the international governance tools available, Scheumann explained that there is no framework available to regulate large-scale land acquisitions. She highlighted that human rights governance supports weaker actors, but relies on enforcement, while bilateral investment treaties protect investors.

Timo Kaphengst, Ecologic, presented the initial findings of the Globalands project. He reported that a governance screening process found a lack of policies that could influence land use, such as policies for food waste or gender. Globally, he observed shifts toward economic governance, private governance and stakeholder participation. He expressed support for the reforms of the Committee on World Food Security to possibly provide a new form of global land-use governance.

Participants discussed global versus local level governance, noting that many land-use issues are locally contextualized, and yet often global governance is a point of reference. Participants also discussed how to best conceptualize global sustainable land use.

Markus Lederer, University of Münster, Germany, presented progress toward the welfare state and "green" state in Costa Rica. He described the "green" state/welfare state debate as a teleological question, discussing if a welfare state must precede a "green" state, or if both can develop at the same time. He highlighted that both occur as political struggles shaping normative and redistributive decisions, although with different agents of change.

Lederer identified functional dependency, internal push factors and external pull factors as mechanisms supporting parallel green and social development. In Costa Rica, he cited eco-tourism and small landholding as examples of functional interplay, and domestic groups and institutions and international programs as push and pull factors.

Asad Naqvi, UNEP, as discussant, underlined the importance of the state, given its ability to transform green prospects into social opportunities such as improving access to energy and creating new trade opportunities.

In response to a question, Lederer clarified that a “green” state addresses ecological problems in a similar way as a welfare state attempts to address social security problems. Participants also discussed the role of the state in managing rents, as well as the possibility of state failure.

Wrap Up and Farewell Address: In her concluding remarks, Katharina Stepping, DIE, recalled the historical debates on the three dimensions of sustainability and stated that this workshop contributed to bridging the social and environmental aspects in a “relatively new systematic debate.”

Pointing to the post-2015 development agenda, Markus Loewe, DIE, said that while many solutions build on savings in the consumption of limited resources such as energy, water and land, the most important aspect, which is also the outcome of the workshop, is the distributional dimension and the question of who will pay for the savings.

DAY THREE

Welcome and Introductory Remarks: On Friday, 14 March, Niels Breyer, Ministry for Economic Cooperation and Development (BMZ), explained that Germany feels that the post-2015 development agenda should build on the strengths of the MDGs but also address their unfinished business and promote sustainable development in a broader, more holistic way.

Breyer said that the post-2015 goals and targets should be people-centered and planet-sensitive, ambitious, realistic, limited in number, results-oriented, built on fundamental principles of human rights and equal opportunities for all, and reflect a balance between the three dimensions of sustainable development.

Breyer reported that the preliminary German position presented to the Open Working Group on SDGs calls for continued work on the goals not achieved by 2015, and merging them with the post-Rio+20 sustainability agenda. He said Germany is calling for: universally-applicable goals; shared responsibility for global well-being; effectiveness, transparency and monitoring through compelling indicators and mutual accountability; and roles for civil society, the private sector and academia.

Breyer said Germany envisions a focus on four strategic areas: eradicating extreme poverty and hunger, and securing a life in dignity; preserving the natural resource base and ensuring its sustainable use; creating decent jobs and adequate income through ecologically sound growth; and strengthening good governance, anchoring gender equality, protecting and fostering human rights, and securing peace.

Managing Synergies and Trade-offs: Markus Loewe summarized the workshop’s results, highlighting that poverty may not negatively influence the environment, but poverty reduction does have an effect on the environment because growth currently is coupled with resource consumption. He underlined that the poor tend to suffer more from environmental degradation because of disproportionate reliance on natural resources and exposure to environmental change combined with scarce resources to cope with shocks. While describing the MDGs as “mutually supportive,” Loewe highlighted three clusters of tensions in the SDGs related to land use, water consumption and energy.

Participants asked about the opportunities to provide input to the German position in the post-2015 process, and Breyer responded that each ministry has a focal point and that civil society dialogues will occur in the coming months. Participants also discussed tensions between a universal framework and the common but differentiated responsibilities principle. Support was expressed for the idea of a global partnership, and of thinking outside of traditional boxes, looking for “smart solutions” reducing distributional costs within and across borders.

Keynote Speeches: Mariama Williams, the South Centre, elaborated the role of the enhanced global partnership for development in the SDGs and post-2015 agenda. She stressed the importance of development in any discussion around poverty eradication, inequality and climate change, and called for the development and transfer of carbon-reducing technologies to achieve sustainable growth. Referring to trade-offs between social, economic and environmental aspects, Williams noted that orthodox solutions are no longer valid and said the real problem is not economics, but the lack of genuine political commitment to solve global problems.

Williams emphasized that the SDGs and post-2015 agenda should not simply extend the MDGs by reformulating the goals, but instead should focus on global systemic reforms to remove the main impediments to development and secure an accommodating international environment for sustainable development. She concluded by calling for an enhanced global partnership for development to address global economic inequalities, and democratize global governance.

Ulrich Hoffmann, UN Conference on Trade and Development, discussed achieving green and inclusive growth as a “necessary but insufficient” step to slowing down global warming and dealing with its complex socioeconomic development challenges. Calling for a decoupling of economic growth from material, energy and resource use, he stressed this should not only happen in relative terms, but in absolute terms, and that it is not a technical, but a socioeconomic challenge.

Hoffmann explained that while green growth has the potential for a relative decoupling and creation of new less GHG-intensive “growth poles,” it may fall short of effectively delivering on absolute decoupling due to, among others, “the arithmetic of growth,” rebound effects and “hard social nuts to crack,” such as changing consumption behavior.

Working Group Sessions: Markus Loewe underlined five risks the post-2015 agenda could encounter: lack of consensus; lack of precision in goal formulation; difficulty in mobilizing the public with a long list of goals; complexity of goals; and conflicting goals creating opportunities for strategic selection of which goals to follow. He asked each working group to reflect on these risks and consider potential solutions.

Working Group 1: Energy - Poverty Reduction, Income Growth and Access to Energy versus Climate Stability: Ying Chen provided insight on China’s experience, including that economic growth has lifted millions out of poverty, but also increased GHG emissions. She highlighted that the poor in rural and urban areas and migrant workers are still below the poverty line and face unique energy concerns.

During the subsequent discussion, participants considered growth and sustainable energy use, finance, governance, and developed countries’ commitments.

On growth, several participants underscored the path dependence of energy systems leading to carbon lock-in and undermining low-carbon growth. One participant wondered

about differentiation among developing countries in that some may still have a carbon budget to use. One participant suggested reform to the intellectual property rights system to enable technology transfer. Another participant queried if the cost of renewable technologies is really prohibitive considering the cost of health and environmental problems associated with fossil fuel use, while a third participant stated this requires research.

On finance, some discussed new options, including taxes and reorienting spending priorities in developed countries. Agreeing current financial instruments are insufficient, a participant pointed to the high transaction costs of small-scale projects in many developing countries. A participant suggested reducing fossil fuel subsidies, while another underscored that affordable energy is important for development.

On governance, several participants cited the short-term thinking inherent in political and business cycles. Some also noted the shorter time horizons of the poor, meaning that the poor regard immediate costs and benefits as more important than future ones, which should be considered when deliberating long-term energy transitions. One participant noted that current institutions rely on traditional thinking, and another called for a “new generation of ideas” to create locally-appropriate technologies for achieving development aspirations.

On developed country commitments, participants discussed public support for changing lifestyles, noting the public supports changes perceived to be equitable and impactful, but also that individual actions face limits without infrastructure changes.

Working Group 2: Water - Access to Water and Sanitation versus Sustainable Resource Management:

Sabine Stuart-Hill, University of KwaZulu-Natal, South Africa, provided insights on South Africa’s experience with high climate vulnerability, widespread poverty, degrading water quality and rising water-borne disease. She explained that South Africa has relatively sophisticated laws enshrining the principle of integrated water resources management and access to water, but that they are not well implemented and enforced.

Stuart-Hill further noted that South Africa has an outdated water licensing regime and that changes to this regime are resisted by vested interests. In answer to a question, she explained that if South Africa implemented the water reserve system called for by law, it would have sufficient water for all needs.

Moderator Ines Dombrowsky, DIE, briefly reviewed the suggestions for water-related goals in the post-2015 development agenda offered by the High-Level Panel of Eminent Persons, the Sustainable Development Solutions Network and UN-Water.

In the ensuing discussion, participants debated whether: water should even be considered at the global level; a good governance element should be incorporated into any water goal; and there tends to be less conflict between social and environmental goals for water, and more between these goals and economic demands such as water use by agriculture or industry.

Several participants highlighted that for many developing countries, the issues relating to water include management capacities, promoting sustainable use and educating the public about issues and practice in sustainable water use. Others

cautioned against emphasizing technology transfer since it is not always readily available, affordable or easily absorbable. Several underscored the need to stress the energy-water-food nexus.

Working Group 3: Land - Food Security versus Sustainable Land Use, Forests and Biofuel Production: The working group addressed possible conflicts between social and ecological goals with regards to land.

Providing inputs to the discussions, Leisa Perch recalled, *inter alia*, that over 70% of the extreme poor live in rural areas, work in agriculture and lag behind in access to basic services. She stressed the importance of smallholder farmers as the bedrock of food production, and noted they suffer from weather dependency and limited access to human, social and financial capital.

Possible conflicts identified by the working group include: little consideration, in the SDGs discussions, of smallholders and how they are disadvantaged by global market structures and input-intensive production models; whether food security is achievable by smallholders; predominance of export-driven models of agriculture encouraging cash crops over food crops; conflicting land tenure systems; land use for food production or for biofuels; consumption patterns of the rich and the poor; unequal land distribution; and food diversification and nutritional security.

Among the solutions, participants noted the need to: increase government spending on agriculture and smallholders in particular; abolish agriculture export subsidies; link agriculture and health; correct market distortions and international trade rules; and introduce land reforms, land-use planning and taxation of air transport.

Reports of the Working Groups: Energy Working Group moderator Tilman Altenburg, DIE, structured his comments around the Sustainable Energy for All agenda. He relayed that energy efficiency presented the fewest trade-offs, but may require systemic transformations. Acknowledging it is difficult to avoid carbon lock-in, Altenburg reported ideas included reforming intellectual property rights and developing new accounting measures.

Water Working Group moderator Ines Dombrowsky noted the group discussed: the need to ensure proper implementation; the tension between water for food and energy production, industry and growth on the one hand and water access, sanitation and hygiene on the other; how social goals may be endangered by water quality issues; the possibility for new technological solutions to be hampered by the lack of financial resources; and the fact that all five targets suggested by UN-Water should be included regardless of whether water is a standalone or cross-cutting goal in the post-2015 development agenda.

Land Working Group moderator Linda Kleemann, Kiel Institute for the World Economy, listed the many conflicts and solutions identified by the participants and stressed, among other things, the need to convince rich consumers that “sufficiency is hip.”

In the subsequent discussion, participants: pointed out that the working groups focused mainly on developing countries; noted that the energy group did not discuss linkages with land or water; asked whether there is evidence that decoupling is feasible; highlighted the desirability of localized approaches, localized economies, and developing local and national innovation mechanisms that generate locally-appropriate solutions; suggested further attention to how developing

countries develop their own energy systems, since a large national grid is not always the answer; and discussed the need to consider systems limitations and capacities to absorb technological solutions.

Roundtable Discussion “Green and Social in the Post-2015 Agenda”: Imme Scholz, DIE, chaired the roundtable session. She asked panelists what conclusions should be drawn from the day’s discussion for the post-2015 package in addressing trade-offs and solutions for competing social and environmental interests.

Scholz stressed that talking about the post-2015 agenda/SDGs was not just about setting targets, but also about possibly updating the Millennium Declaration, addressing means of implementation and providing for an adequate monitoring and review process, since the agenda is intended to be in place until 2030.

Asad Naqvi said addressing inequality should be the new paradigm shift in promoting development, since achieving sustainability without reducing inequality seems impossible. Regarding the SDGs discussion, he said the focus should be on increasing human development and tackling inequality in both income and gender terms. He observed that the three dimensions of development - economic, social and environmental - are interlinked and that realizing one without the others is not possible.

Sarah Cook, UN Research Institute for Social Development, said that social policies in sustainable development are critical and should be more central to the post-2015 discussion, and should focus on both protection and production, as well as redistribution, “social reproduction” and intergenerational issues. Cook called for social policies to be transformational and structured in ways that bring better benefits for the environment. She also called for agreeing on a set of core questions to evaluate possible development goals linking together the environmental, social and natural sciences.

John Carstensen, Department for International Development, UK, underlined that the SDGs should maintain a role as a communication tool, pointing out that inequality does not “have traction” with the public, but extreme poverty does and that this might influence politicians’ priorities. He highlighted quantifying long-term costs of fossil fuels, studying urbanization and identifying when a developing country should adopt low-carbon strategies as areas requiring further research.

Stephan Contius, Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany, said that the SDGs offer an opportunity to increase the global applicability of the post-2015 agenda and provide a stronger attention to environmental aspects. He urged European countries to seize the opportunity offered by the mix of social and green by making the right political decisions. Contius stated that decoupling resource use from economic and social development is a “modernization machine” which can also be applied in poor countries.

Niels Breyer urged everyone to work toward realistic, implementable and holistic solutions. He said it is important to consider how the global community works to achieve new goals. Recognizing current economic trends, he said it is important to consider what all countries are willing to contribute.

During the discussion, participants explored many ideas, particularly the issue of inequality and whether the SDGs should be kept “simple.”

On inequality, discussion focused on how to garner public support for action on inequality and how to actually realize greater equality. Some participants underscored the difficulty in defending issues to the electorate, such as the 0.7% target for aid, during dire economic times, and another participant suggested recent economic problems increased the public’s understanding of inequality.

One participant noted that governments can, and perhaps should, shape public opinion and raise awareness on important issues such as inequality, while another participant added that the post-2015 agenda could help influence public opinion. Many agreed a conversation on inequality should occur in developed and developing countries. Comparing the lead up to the MDGs to the current situation, a participant noted that at the international level there is more acceptance of discussing inequality.

On addressing inequality, a participant highlighted that there are very different causes of inequality in the last 20 years since the world is more “globalized and financialized,” and urged consideration not only of how to bring people out of poverty but also of how to prevent them from falling back below the poverty line.

Other options explored by participants to address inequality within planetary limits included: investing in natural capital; creating a new financial system that provides the poor access to credit; addressing low wages in some sections of supply chains; and internalizing environmental costs.

On the desirability of “simple goals,” views varied. Some participants stressed the role of the SDGs as a communication tool. One participant suggested targeting a complex issue, like inequality, with a simple goal on a key issue that is related to other issues, such as education. Others suggested that the world is too complex for simple statements. One participant expressed concern that simple goals may not address the right issues and underlined the need to “separate the mantra from the reality.”

In their concluding remarks, panelists said the post-2015 agenda will contribute significantly to human prosperity if clear targets are established that are compelling enough to make national governments see their interests and take implementation measures. They also stressed the importance of equality for women and girls, and achieving shared responsibility for post-2015 sustainable development by bringing emerging economies onboard.

Wrap up and Farewell: Imme Scholz underlined the need to: identify new development pathways to improve human development within planetary boundaries; address aspects of global climate change that threaten to undermine progress in human prosperity; and redefine human prosperity to show that it is possible to be happy at lower levels of prosperity than currently enjoyed by the countries of the Organization for Economic Co-operation and Development.

Carmen Richerzhagen called for thinking outside traditional boxes and for strong leadership to tackle negotiations for green and social issues.

Markus Loewe underlined that “social” is not just about fighting poverty, but about inequality, and called for robust research on trade-offs between ecological and social goals.

The meeting ended at 4:17 pm.

UPCOMING MEETINGS

2014 World Bank Conference on Land and Poverty:

This 15th annual Conference on Land and Poverty will address the theme, “Integrating Land Governance into the Post-2015 Agenda: Harnessing Synergies for Implementation and Monitoring Impact.” It will consider the thematic areas of: securing and protecting land rights from a gender perspective; managing urban landscapes; attracting responsible land-based investment for local benefits and common resource management; maximizing benefits from spatial data; strengthening country level institutions; fostering transparency in land ownership, use and administration; and research on key aspects of land governance. **dates:** 24-27 March 2014 **location:** Washington D.C., US **e-mail:** landconference@worldbank.org **www:** <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/EXTPROGRAMS/EXTIE/0,,contentMDK:23467358~pagePK:64168182~piPK:64168060~theSitePK:475520,00.html>

Green Growth Knowledge Platform Regional

Practitioners’ Workshop: The Green Growth Knowledge Platform’s Workshop on Green Growth in Africa, titled “Pathways to Green Growth in Africa,” aims to: explore the rationale for green(er) growth in an African context; facilitate policy dialogue and knowledge sharing; and discuss practical implementation issues. The workshop will focus on setting an African green growth vision through thematic sessions and exploring linkages among natural resources management, renewable energy and greening infrastructure. **dates:** 2-3 April 2014 **location:** Kinshasa, Democratic Republic of the Congo **contact:** Green Growth Knowledge Platform **www:** <http://www.greengrowthknowledge.org/event/pathways-green-growth-africa-practitioners-workshop>

First Annual Sustainable Development Transition

Forum: The UN Office for Sustainable Development (UNOSD) will host the first annual Sustainable Development Transition Forum (SDTF). The SDTF aims to serve as a global platform for sharing best practices in formulating and implementing sustainable development programmes, reviewing evidence of impact, and charting out new and improved pathways for sustainable development implementation. **dates:** 9-11 April 2014 **location:** Incheon, Republic of Korea **contact:** SDIF Secretariat **phone:** +82-32-822-9088 **fax:** +82-32-822-9089 **e-mail:** unosd@un.org **www:** <http://www.unosd.org/index.php?page=view&type=13&nr=16&menu=177>

Expert Meeting on Global Justice, Poverty Eradication

and the Post-2015 Development Agenda: The meeting is organized jointly by the UN Educational, Scientific and Cultural Organization (UNESCO) and the International Social Sciences Council. It aims at producing high-level input to two processes: the elaboration of the post-2015 development agenda; and the preparation of the Third World Social Science Forum, to be held in Durban, South Africa, in September 2015, along with the next edition of the World Social Science Report, to be published in 2016. **dates:** 28-29 April 2014 **location:** Paris, France **contact:** UNESCO **phone:** +33 (0)1 45 68 10 00 **www:** http://www.unesco.org/new/en/social-and-human-sciences/themes/sv/news/world_day_of_social_justice_2014/#.UwpsWfIdVWJ

Workshop on Green Economy and Social Aspects of Sustainable Forest Management (SFM): FOREST EUROPE is convening a workshop to identify ways and means to support green jobs through SFM. The workshop will also

propose options on awareness raising and decision-making on the multiple economic, social and environmental functions of forests, and the role of the SFM in the world economy. The workshop will build on outcomes of the UN Conference on Sustainable Development (UNCSD, or Rio+20) as well as the SDGs process. **dates:** 29-30 April 2014 **location:** Santander, Spain **contact:** FOREST EUROPE **www:** <http://www.foresteuropa.org/events/forest-europe-workshop-green-economy-and-social-aspects-sfm>

International Conference on Sustainability in the Water-Energy-Food Nexus: This conference will address linkages between water, energy and food security, seeking to assess available information, identify knowledge and gaps, share lessons, facilitate networks, and contribute to consensus on priorities, in order to consider joint improvement in efficiency as a win-win strategy for human development and environmental sustainability. The conference is jointly sponsored and organized by the Global Water System Project (GWSP), DIE, UNEP, University of Bonn, Center for Development Research, and the CGIAR Research Programme on Water, Land and Ecosystems. **dates:** 19-20 May 2014 **venue:** MARITIM Hotel, Godesberger Allee **location:** Bonn, Germany **contact:** GWSP International Office **phone:** +49 228 73 6188 **e-mail:** gwp.ipo@uni-bonn.de **www:** <http://wef-conference.gwsp.org/>

ECOSOC Integration Segment: “Sustainable urbanization” will be the focus of the first ever Integration Segment of the UN Economic and Social Council (ECOSOC). The primary objective of the Integration Segment is to provide a multi-stakeholder platform to demonstrate how urbanization can be an effective tool for the integration of the economic, social and environmental dimensions of sustainable development. **dates:** 27-29 May 2014 **location:** New York City, US **www:** <http://www.un.org/en/ecosoc/integration/>

IfW Centenary Conference “Fair and Sustainable Prosperity in the Global Economy”: The Kiel Institute for the World Economy (IfW) will host a conference covering various aspects of the question “how to promote growing prosperity that is socially inclusive and environmentally sustainable” and explore their interconnectedness. **dates:** 13-14 June 2014 **location:** Kiel, Germany **contact:** IfW **phone:** +49 (0) 431 8814 260 **e-mail:** events@ifw-kiel.de **www:** <http://www.ifw-kiel.de/events-1/100-years-ifw/centenary-conference>

GLOSSARY

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| BMZ | Ministry for Economic Cooperation and Development |
| DIE | German Development Institute |
| GDP | gross domestic product |
| GHG | greenhouse gas |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| MDGs | Millennium Development Goals |
| PEGNet | Poverty Reduction, Equity and Growth Network |
| SDGs | Sustainable Development Goals |
| UNEP | UN Environment Programme |