

South Asian Consultation on Green Economy

23-24 June 2013

Godavari Village Resort, Lalitpur, Nepal

Background note

Today, one of the biggest challenges all countries are facing is maintaining an astute balance between improving the well-being of their people and respecting environmental boundaries. In such circumstances, the concept of a green economy seems an attractive option for both developed and developing countries. In a green economy, economic growth is enabled, but by ensuring that the process of attaining growth does not inflict harm on the environment and social inclusiveness. That is, the traditional method of measuring gross domestic product is adjusted to account for pollution, resource depletion, declining ecosystem services, and distributional consequences of natural capital loss to the poor.

Despite being a “win-win” solution for all, it is still an evolving concept and will require global consensus on clarity of the end product and the process to achieve it. Developing and least-developed countries have some major concerns regarding the possible negative impacts of embracing a green growth path. For instance, they are concerned that taking such an approach could provide developed countries the leeway to impose additional conditionalities and/or other measures such as imposition of border tax, for market access of the former countries’ products to their markets.

Green Economy and South Asia

South Asia is also one of the most vulnerable regions to climate change. Its vulnerability is exacerbated by the region’s geography coupled with high levels of poverty and population density. Although South Asian countries are one of the least emitters of carbon dioxide (CO₂), they are the ones suffering the most from the adversities brought in by climate change. The region is bearing the brunt of extensive use of natural capital and massive greenhouse gas (GHG) emissions by developed countries in the past. The contentious issue, therefore, is whether developing and emerging economies have equal rights to development in the same way as developed countries did in the past. Research has shown that if the region tries to pursue the same strategy as that of developed countries in the past, which was “grow now, clean later”, such growth will only create more chaos in the region. Given the increasing demand for resources and limitation of the same at present, any further exploitation of natural resources will only aggravate the already vulnerable state of projected impacts of climate change on the local, regional, and global environment in the future.

South Asian countries have shown awareness of the imminent catastrophe that climate change could bring to the region. The South Asian Association for Regional Cooperation (SAARC) nations have come together, in this regard, to find a way to reduce the impact of climate change through adaptation and

mitigation. For instance, during the SAARC Ministerial Meeting on Climate Change in 2008 in Dhaka, the governments adopted a SAARC Action Plan on Climate Change, which was later endorsed by the 5th SAARC Summit in August 2008 in Colombo. Similarly, the 16th SAARC summit held in Thimphu came up with a separate statement on climate change besides the regular Summit declaration. The statement emphasized the importance of reducing dependence on high-carbon technologies for economic growth, and stated that promotion of climate resilience will promote both development and poverty eradication in a sustainable manner.

India, the highest GHG emitter in the region, has already started looking at greening its economy with initiatives like adoption of greenhouse gas protocol by many companies and increasing adoption of clean development mechanism projects. Other developing and least-developed countries in the region are also following suit. However, there has not been much debate on the subject at the regional level involving a large variety of stakeholders. An issue as important as this requires extensive discussion among policy makers, the private sector, research organizations, academia, civil society and the media to identify the different issues that should be considered for greening the region's economies.

Regional Consultation

In this context, understanding the challenges South Asian countries are faced with in terms of "sustainable" economic growth and development, SAWTEE, together with the International Development Research Centre (IDRC), Canada, is organizing a two day regional consultation titled "South Asian Consultation on Green Economy" in Kathmandu on 23-24 June 2013.

The objectives of the consultation are to bring together relevant stakeholders to identify research agenda on green economy, and create a network of research institutions dedicated to promoting green growth in the region. Participants of the consultation will include government officials, research and academic institutions, international organizations, private sector enterprises, civil society representatives and the media.

It is hoped that the consultation will be able to come up with some concrete research agendas that will be presented at the 6th South Asia Economic Summit to be held in Colombo on 2-4 September 2013. That would help guide future research on the theme in the region to provide informed policy options to promote green growth in South Asia.

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