

Conference

**9 November 2023
IDOS, Tulpenfeld 6,
53111 Bonn / hybrid**



Greening economies in partner countries

Priorities for international cooperation

Conference

Greening economies in partner countries: priorities for international cooperation

Date: 09 November 2023

Venue: IDOS, Tulpenfeld 6, 53113 Bonn / hybrid

Concept

Large parts of the global economy are heading in the direction of environmental sustainability. Due to increasingly stringent environmental and climate policies, regulations, new sustainable technologies and business models are gaining ground. These, in turn, are changing locational competitive advantages. Smart industrial policy anticipates such changes; it guides and promotes the domestic economy so that it can take advantage of the opportunities offered by this structural change at an early stage. This also applies to economic and employment promotion in development cooperation.

It is increasingly evident, however, that the sustainability transition must be just to be acceptable and, thus, feasible. This holds true both in the Global North and the South. Development policy has adopted the “just transition” approach, implying that the shift to a green economy must be fair and equitable for all. This has an international dimension, as Southern countries need to have their just share in the emerging green industries, and a national one, avoiding that workers, consumers and disadvantaged communities are negatively impacted by the transition. A just transition recognizes the importance of protecting workers' rights and ensures that they – both women and men – have access to new employment opportunities in emerging green industries.

By focusing on green and inclusive industrial policy as a driver of development, German cooperation could expand the specific profile it has already established in some areas - e.g., promotion of renewable energies, ecological standards in supply chains, etc. BMZ's new core theme strategy "Sustainable economic development, training and employment" clearly shifts gears towards a perspective of a just and green structural transformation and highlights new elements, such as green and inclusive industrial policies, promotion of circular economies, eco-social fiscal reforms, the hydrogen economy, and exploiting sustainable urbanization as a just transition agenda. Yet, these new and timely orientations still need to be translated into concrete reforms of ongoing cooperation portfolios.

IDOS has been invited to support BMZ in this challenge. Given this context, we present and discuss, together with some of our international research partners, ideas for the implementation of BMZ's new core theme strategy that are

- **innovative** in the sense that they suggest new priorities and/or new types of policy support and
- **concrete** in the sense that they can easily be incorporated into ongoing international cooperation programmes.

The conference is organized along six policy fields that, as we believe, hold a) specific challenges for a just green transition, such as balancing local energy access needs and international export

opportunities for green hydrogen, b) substantial win-win potential, e.g. by reducing poverty with a smart environmental fiscal reform design, and c) concrete options for additional, targeted action by international development cooperation. These policy fields should be given greater weight in the future. All of these policy fields have in common that they synergistically link structural change that creates jobs with climate and other environmental policy goals. For each, we outline key challenges, give examples of win-win potential, i.e., co-benefits and local acceptance of green and inclusive industrial policy, and provide first ideas for concrete actions for international cooperation to foster a just green transition.

Each of the topical streams will explicitly outline the challenges, win-win potentials and develop concrete, “hands-on” suggestions for action by international cooperation. These will be reflected upon by international research partners, experts from the Global South, international cooperation agencies, and other practitioners.

1. Phasing-in eco-social fiscal reforms in a just and acceptable way
2. Promoting inclusive green finance to enable just transitions
3. Creating green demand: Shifting to sustainable consumption and a circular economy
4. Green hydrogen partnerships focussed on local value creation and industrial competitiveness
5. Converting the shift to sustainable cities into an economic stimulus package for massive employment creation
6. Enlarging green industrial policy space in the context of international trade rules

The conference concludes the research project “Green Economy”, which is financially supported by the German Federal Ministry for Economic Cooperation and Development, BMZ, and, at the same time, transitions to a new IDOS mandate to support BMZ in operationalizing its new core theme strategy “Sustainable economic development, training and employment”.

Agenda

| <i>Time</i> | <i>Topic</i> | <i>Speakers</i> |
|-------------|---|---|
| 08:30-09:00 | <i>Check-In</i> | |
| 09:00-09:10 | Welcome address BMZ | Dirk Meyer, Director General Multilateral development policy; transformation; climate, BMZ <i>Zoom link:</i> https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 09:10-09:20 | Welcome address IDOS | Anna-Katharina Hornidge, Director German Institute of Development and Sustainability (IDOS) <i>Zoom link:</i> https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 09:20-09:30 | Setting the scene: What to prioritize and how? | Anna Pegels, IDOS <i>Zoom link:</i> https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 09:30-10:00 | Keynote 1: “Greening as a job motor?” | Ulrike Lehr, Senior Economist, Jobs Group, World Bank <i>Zoom link:</i> https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 10:00-10:30 | <i>Coffee Break</i> | |
| 10:30-12:00 | Parallel Sessions 1 | |
| | Phasing-in eco-social fiscal reforms in a just and acceptable way | Daniele Malerba/ Mauricio Böhl, IDOS Shruti Sharma, International Institute for Sustainable Development (IISD) Goran Dominioni, Dublin City University <i>Zoom link:</i> https://us02web.zoom.us/j/87328091605?pwd=c082TUtlblcvFhSOFo4RzdTdmNhQT09 |
| | Promoting inclusive green finance to enable just transitions | Ulrich Volz, SOAS, University of London/IDOS Marianne Haahr, Global Canopy Emma Haiyambo, Bank of Namibia <i>Zoom link:</i> https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 12:00-13:00 | <i>Lunchbreak</i> | |

| Time | Topic | Speakers |
|-------------|---|---|
| 13:00-13:15 | Keynote 2: "Assessment of the policy recommendations from the perspective of UN-ECLAC" | José Manuel Salazar-Xirinachs, Executive Secretary United Nations Economic Commission for Latin America and the Caribbean (UN-ECLAC) https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 13:15-14:45 | Parallel Sessions 2 | |
| | Creating green demand: Sustainable consumption and circular economy | Anna Pegels/ Hanna Fuhrmann-Riebel, IDOS Sam Gray, Manager <i>Global Development</i> , Center for Behavior & the Environment (rare) Reinhard Smit, Closing the Loop https://us02web.zoom.us/j/87328091605?pwd=c082TUtlblcvcFhSOFo4RzdTdmNhQT09 |
| | Green hydrogen partnerships for local value and industrial competitiveness | Andreas Stamm/ Rita Strohmaier, IDOS Dolf Gielen, Lead GH2 Program, ESMAP, World Bank Amir Lebdioui, Oxford Department of International Development Veronica Robert, Undersecretary of Strategy for Development, National Presidency, Argentina https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 14:45-16:15 | Parallel Sessions 3 | |
| | Converting the shift to sustainable cities into an employment agenda | Franco Jauregui Fung/ Babette Never, IDOS Jaya Dhindaw, World Resources Institute Anna Dyson, Yale University https://us02web.zoom.us/j/87328091605?pwd=c082TUtlblcvcFhSOFo4RzdTdmNhQT09 |
| | Adopt a green industrial policy perspective and enlarge policy space in international trade rules | Clara Brandi, IDOS Jan Yves Remy, University of the West Indies Aaron Cosby, International Institute for Sustainable Development (IISD) https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |
| 16:15-16:30 | <i>Coffee break</i> | |
| 16:30-17:30 | Panel: A development cooperation roadmap for a just green economy transition | Ulrike Lehr (World Bank), Pejman Norastehfar (Covestro AG), Karin Wedig (GIZ) Moderation und wrap-up: Tilman Altenburg (IDOS) https://us02web.zoom.us/j/88632603903?pwd=NFZpMkF5MIBhRWJPb1JWekFrbzRaQT09 |

Short bios of our keynote speakers and panellists:

Ulrike Lehr, PhD, is Senior Economist at the Jobs Group of the World Bank. She is currently on leave from the Gesellschaft für Wirtschaftliche Strukturforschung. She studied physics at the University of Essen and economics at the Virginia Polytechnic Institute, USA. She received her PhD for a thesis on environmental valuation in 2005 from the University of Hohenheim. She worked as a researcher at the German Aerospace Center and at the RWI e.V., Essen; Department of energy policy studies and research. She then worked with Gesellschaft für Wirtschaftliche Strukturforschung, before becoming Head of the Policy (Socioeconomics) Unit at IRENA.

MinDir **Dirk Meyer** is Head of Directorate-General 4 (multilateral development policy; transformation; climate) at the Federal Ministry for Economic Cooperation and Development (BMZ). He studied history and German language and literature at Bielefeld University, Germany, and at University College Cork, Ireland. Following his academic training, he headed the office of the Member of the European Parliament for the constituency of Ostwestfalen-Lippe, Germany. From 1996 to 2018, Mr Meyer worked in various ministries in the German Federal State of North Rhine-Westphalia, most recently as a Director-General at the Ministry for Innovation, Science and Research of the State of North Rhine-Westphalia. From April 2018 to December 2021, he served as a Director-General at the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety. From December 2021 to the End of August 2023, he was head of Department 1 - Global Health, employment; transformation of the economy; digital technologies; food and nutrition security. Since September 2023, he has been head of Department 4 – Multilateral development policy; transformation; climate.

Pejman Norastehfar is Head of Inclusive Business EMEA at Covestro Deutschland AG. He studied Architecture in Cologne and worked as an architect for several years, before moving on to the position of Sales and Marketing Manager Building Technologies at ABB Deutschland followed by Sales and Marketing Manager AG ThyssenKrupp Elevator in Tehran, and Marketing Manager Building & Construction for Bayer Material Science (Covestro) Middle East, Dubai.

José Manuel Salazar-Xirinachs, PhD, is Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC). He holds a doctorate in Economics from Cambridge University. He was Minister of Foreign Trade of Costa Rica, Executive President of the Costa Rican Development Corporation, Executive Director of a Central American private sector think tank (FEDEPRICAP), and Director of the Trade Unit of the Organization of American States. He joined the ILO in 2005 as Executive Director of its Employment Sector and became Assistant Director General for Policy, before serving as ILO's Regional Director for Latin America and the Caribbean.

Karin Wedig, PhD, heads the GIZ Sector Project Sustainable Economic Policy, which advises the German Federal Ministry of Economic Cooperation and Development (BMZ). Before that, she was the Africa chief economist at GIZ's Africa Department. Karin holds a BSc from the London School of Economics and Political Sciences (LSE), an MPhil from the University of Cambridge and a PhD from the School of Oriental and African Studies (SOAS) in London. From 2013 to 2017, Karin was Assistant Professor of International Political Economy with a regional focus on Africa at the Korbel School of International Studies at the University of Denver in the US. Her research focused on African export agriculture, rural labor markets, and the social-ecological effects of foreign direct investment in African economies.