



Defining Moments: India National Dialogue on Green Economy

held in Bundelkhand, September 2010

A working definition was agreed at the Indian National Dialogue (ND):

A Green Economy is a system that creates decent employment opportunities – green jobs - and produces green products and services with equitable distribution and sustainable consumption leading to regeneration of the environment.

The following are some of the key ideas and concerns addressed during the Indian dialogue:

Sectoral Priorities, Agenda and Scope

In examining the potential for “greening” of the Indian economy sectoral priorities need to address the triple bottom-line of economic growth, social inclusion and environmental regeneration. These criteria were used to prioritise the following sectors which emerged from the dialogue for investments towards greening:

1 Agriculture

The agricultural sector is India’s largest employer¹, but it is going through a phase of crisis². Farming has

become an unviable due to crop failure (linked to climate changes and loss of traditional crop varieties), price instability, land fragmentation, and sale of agricultural land to real estate developers.

Participants at the dialogue called for crop diversification to deal with climate variability, revival of traditional crop varieties through seed banks for food security and sustainable farming and regulations for brokers³ to increase the selling capacity and autonomy of farmers in choosing plant and crop varieties.

The National Mission for Sustainable Agriculture announced by Government of India (GoI) recognises the need for innovation, research and subsidies in climate resilient technologies and farming practices for food security, agro-based livelihoods and agro-forestry.

1: 52% of total employed work in agriculture and allied sectors

2: Negative 0.2% rate of growth (i.e. contraction) in 2009-10.

3: Those who control the market where farmers sell their produce as well as those who control the input like seed, fertilisers, markets.

In the discussions, one contentious issue was why the small farmers, who are negligible emitters, should be made responsible for reducing *emissions* when the upper class urban population is the prime polluter. This will be an increasingly problematic issue in future years.

2 Renewable Energy (RE)

Emissions from energy generation in India are projected to increase (which is an environmental hazard), yet the poor in India (particularly those who live in thermal energy production hot-spots and coal zones in the country) still do not have access to even basic energy needs. This gives rise to social discontent.

Tapping India's potential in RE – biomass, biogas, solar and wind – is key to ensure energy security as well as reduce CO₂ emissions. For electricity deficient regions, the promotion of a framework where both systems of RE and conventional energy can co-exist was advocated.

The National Mission for Enhanced Energy Efficiency, implemented from April 2010 seeks to upscale efforts to reduce carbon dioxide emissions. The Jawaharlal Nehru National Solar Mission aims at making solar energy a cost-efficient alternative, installing off-grid solar plants and creating and distributing solar lighting systems in rural areas.

Two divergent views emerged regarding the RE solution: one advocated for small scale decentralised off-grid RE generation while the other called for large grid-based RE.

3 Green Jobs

Liberal stimulus packages for green growth cannot address the immense challenge of growing unemployment, unless we deal with the issues of the micro, small and medium-sized enterprises, the informal sector in urban areas, and agriculture where nearly 87% of the workforce is employed. Green jobs also have to provide employment for the youth (who constitute 41% of total population, quite a high proportion). Global decision makers are now more concerned about jobs that are environmentally sustainable

and decent, which is a positive development.

There is strong likelihood of rapid market development especially for green products and services. Concerns were raised by some that while on one hand it will provide opportunities for many small start-ups; on the other, the excellent growth potential will lead to early consolidation making small start-ups highly vulnerable to large MNCs (which is undesirable from point of view of job creation). So, traditional jobs should not be axed at the cost of new opportunities, rather old jobs should be transformed from 'brown' to 'green'.

India's National Rural Livelihood Mission addresses employment needs, skill development and encourages ecological and organic farming leading to lower costs of cultivation and India's effort in the renewable energy sector has created employment opportunities. For creation of green jobs, the policy thrust should be to promote small scale economic activities as opposed to large scale capital intensive projects. For example, Development Alternatives has set up a paper manufacturing unit that uses wastes from textile industries as raw materials. A value chain development project has been started by the International Labour Organization in collaboration with DA group in the dairy sector in rural Madhya Pradesh.

4 Construction and Infrastructure

The construction sector employs a considerable section of the workforce, both formal and informal. It also uses a high degree of embodied energy in the form of materials that are used. Migration is putting immense pressure on urban infrastructure leading to increased use of fossil fuels for the support and maintenance of urban infrastructure. There is a pressing need for sustainable infrastructure and environment friendly construction (techniques & materials) – which has real potential to be the engine of growth in the 21st century as it promotes efficiencies in the economy and ecological balance of resources.

The calculation of complete life-cycle costs of materials such as cement and steel that are excessively energy and resource intensive is needed. The utilisation of wastes from industry and bio-systems, and debris from mining should be promoted as alternatives to conventional non-recycled materials. Innovative design and material use, green construction technologies using significantly less steel and cement, research and development for building scientific knowledge and thorough regional mapping of materials at risk has to be done.

The National Mission on Sustainable Habitat promotes energy efficiency in the residential and commercial construction sector, which includes developing energy-efficient building components. It also aims at better management of municipal solid waste, and promotion of urban public transport, which will reduce pressure on public amenities and infrastructure and cut maintenance costs. The Draft Rural Habitat Policy is presently being examined by government. A number of participants at the Dialogue are promoting energy-efficient eco-habitat technologies. They are also pushing government to provide market incubation support for green technologies and services that may be delivered through decentralised channels of micro and small enterprises across the small urban and rural habitations.

To address the issue of migration and the resulting pressure on big cities/metros, it will be vital to identify growth centres from amongst the town blocks and decide a sustainable growth path for the district with respect to industry, services and education, forming a strategy of planned up-grading of the connecting links between rural and small town spaces to reduce pressure on agriculture and also help in finding jobs for the rural population in manufacturing and services in a decentralised manner.

Challenges to Mainstream

The National Dialogue indicated a growing disillusionment with the present neo-liberal economic order. Some of the

participants expressed their concerns regarding the much touted high growth path of India and using it as the prime indicator of country's development.

A few participants also raised the concern that the term 'sustainable development' has been perceived as anti-growth. As a result, some people prefer to use the term 'green growth' – which is both pro-growth and pro-environment. However, the phenomenon of 'jobless growth' (where the economy has a high growth rate while many are unemployed) led others to use the term 'beyond growth' (emphasising social and environmental returns from investing in small scale enterprises as opposed to big projects). With some dissent, the general view was that the concept of 'green growth' will be restrictive in generation of employment, while 'sustainable development' will be not. The latter is broad enough to include the dual issues of development (which includes economic growth and providing decent employment) and environmental regeneration.

Opportunities to act:

The National Dialogue identified the following as key areas for future attention:

- Greening of the existing 'brown' economy/jobs: It will take care of the possible problem of job cuts that the 'traditional' sectors of the economy will face due to emergence of green sectors.
- Promoting low carbon pathways for scaling up solutions: This will include promotion of clean energy at the industrial level (large renewable energy projects), as well as for private household usage (e.g. small biogas plants).
- Tapping green social investment in the areas of ecosystem services, sustainable agriculture, small and medium enterprises (SMEs), green construction, and urban infrastructure.



- Support for incubation of green technologies for mass market for SMEs. It will serve the dual role of environmental regeneration and providing employment to the people.
- Awareness generation through different development communications tools such as community led radio and youth campaigns.

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The Green Economy Coalition

The Green Economy Coalition (GEC) brings together environment, development, trade union, consumer and business sectors, North and South. The GEC is committed to a common cause: accelerating a transition to a new green inclusive economy.

The Coalition fosters a common understanding of green economy themes, and promotes learning, creativity and innovation across sectors. With its global and local reach and credibility in environmental, social, business and economic spheres, the Coalition is placed to:

- improve communication between stakeholders and among green economy initiatives
- forge a coherent new development vision that works for all
- encourage that best practice is scaled up
- promote ways of halting bad practice
- encourage innovation that explores prosperity within planetary boundaries
- influence key decision makers.

Vision of the Coalition

A resilient economy that provides a better quality of life for all within the ecological limits of one planet.

Aims of the Coalition

- to mobilise and build a global coalition of organisations from different sectors for a green and inclusive economy
- to provide a platform for debate on green economy issues ensuring that multi-sector perspectives and voices from the South are integrated into discussions
- to organise and share knowledge on the green economy
- to identify priority issues and strategic opportunities to influence the transition to a green economy
- to help build consensus on priority issues, and to jointly communicate policy messages to key audiences and in strategic forums.



The GEC is supported by a secretariat hosted by IIED in London. For further information on the GEC please contact: oliver.greenfield@greeneconomycoalition.org tom.biggs@iied.org or steve.bass@iied.org IIED, 4 Endsleigh Street, London WC1H 0DD, UK www.greeneconomycoalition.org