

Thematic Group

Promoting the Transition to the Green Economy

Background and Scoping Paper

December 2015

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I. Promoting the Transition to the Green Economy

Introduction

This is the background paper for discussion at the first meeting of the Thematic Group but it is envisaged as a living document that will be revised following feedback from members of the Group.

The paper comprises two main elements. Firstly, it sets out the background to the topic to inform the development of the work of the group and to help refine the focus and detailed objectives of this work within a wide and complex field. Secondly, it outlines the proposed approach to developing and delivering the work of the group. Both elements will be refined further when the group begins work.

Promoting the Transition to the Green Economy is a priority theme of the Contact Point's Annual Work Programme for 2015-16. It is a composite theme which covers the priority 'Green economy related to jobs and growth' and includes elements related to two other priorities, 'Climate change' and 'Pillar 1 - Pillar 2 linkages'¹.

The relevance of the green economy to rural areas is wider than just agriculture and forestry which means that other rural sectors should be considered within the scope of the work.

The green economy is also linked to other EU environmental economic policies. The related concept of the circular economy is being addressed by EIP-AGRI and links will be maintained with their work. Climate mitigation and adaptation are also important, particularly the need to strengthen the recognition amongst farmers, foresters, other rural actors and suppliers that climate change is relevant to their activities within the green economy, and is both a responsibility and an opportunity for them. In the context of the rapid depletion of natural resources and environmental pressures, the EU Bioeconomy Strategy² proposes a comprehensive approach to addressing ecological, environmental, energy, food supply, natural resource and societal challenges by 'producing more with less'.

The real value of the Group's work on promoting the transition to the green economy will lie in moving beyond awareness raising and discussion of issues, towards practical work. The focus is therefore on interventions where there is a realistic opportunity for rural development stakeholders to effect practical change.

¹ The theme responds to a number of the priorities identified by the EU Rural Networks' Assembly in February 2015 and their further discussion by NRNs at their meeting in Jurmala on 12th and 13th May. This prioritisation was further refined by the Steering Group at their meeting on 12th June 2015

² <https://ec.europa.eu/research/bioeconomy/index.cfm?pg=policy&lib=strategy>

What is the green economy and how is it relevant to rural development?

Over the past decade, in light of various global financial, environmental, climatic and social crises (the climate-water-food nexus³), questions have been raised about the soundness of mainstream economic models and policies, and about the role of traditional economic growth in creating or worsening these crises. In response, the concept of the 'green economy' has developed as a way of looking at how to achieve economic growth sustainably, within the capacity of the earth's natural resources and minimising both environmental harm and the effects of climate change (Fedrigo-Fazio and ten Brink, 2012).

UNEP defines a green economy as an economy that results in *'improved human well-being and social equity, while significantly reducing environment risks and ecological scarcities'* (UNEP, 2010). As a term it is most often used to emphasise economic growth that is driven by low-carbon, energy and resource-efficient investments that prevent the loss of biodiversity and ecosystem services and are socially inclusive (UNEP, 2011).

The term 'green growth' is a similar concept, used by others, such as the OECD, World Bank and Global Green Growth Institute (GGGI). The OECD Green Growth Report (OECD, 2011) defines green growth as *'fostering economic growth and development, while ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies'*.

Commitments to a transition towards a green economy are both explicit and implicit in many of the EU's strategic documents and sectoral policies. Europe 2020, the EU's growth strategy, has the objective of turning the economy into one that is smart, sustainable and inclusive by 2020 to deliver high levels of employment, productivity and social cohesion. Although the main Europe 2020 document does not explicitly refer to the green economy, reference is included within many sector-specific strategies and policies (for climate, energy efficiency, renewable energy, agriculture, water, biodiversity, waste etc.) (Mazza and ten Brink, 2012). Explicit reference to the green economy and its key elements can be found within the Seventh Environmental Action Plan (EAP)⁴, which is intended to guide European environment policy until 2020 and provides a long-term vision of where the European Union should be by 2050. This states that *'In 2050, we live well, within the planet's ecological limits. Our prosperity and*

³ See for example presentation made by Dr. John F. Devlin, Associate Professor, School of Environmental Design and Rural Development, University of Guelph the RUPRI Preconference Workshop: The Water-Food-Energy-Climate Nexus: An Emerging Challenge for Rural Policy. <http://www.rupri.org/areas-of-work/international/>

⁴ Decision No 1386/2013/EU of the European Parliament and of the Council of 20 November 2013 on a General Union Environment Action Programme to 2020 'Living well, within the limits of our planet' <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013D1386&from=EN>

healthy environment stem from an innovative, circular economy where nothing is wasted and where natural resources are managed sustainably, and biodiversity is protected, valued and restored in ways that enhance our society's resilience. Our low-carbon growth has long been decoupled from resource use, setting the pace for a safe and sustainable global society'. The Seventh EAP also makes clear that 'The transformation into an inclusive green economy requires the integration of environment issues into other policies, such as energy, transport, agriculture, fisheries, trade, economy and industry, research and innovation, employment, development, foreign affairs, security, education and training, as well as social and tourism policy, so as to create a coherent, joined-up approach⁵, and the EAP identifies three key objectives:

- i. to protect, conserve and enhance the Union's natural capital;
- ii. to turn the Union into a resource-efficient, green, and competitive low-carbon economy;
- iii. to safeguard the Union's citizens from environment-related pressures and risks to health and wellbeing⁶.

Research into the process of transition to a green economy has identified six building blocks for a transition from a 'brown' to a 'green' economy (shown in the blue box in the centre of Figure 1). These form a sequence of steps from traditional or business-as-usual approaches through active environmental management to finally a growing recognition of the need to achieve true environmental sustainability through eco/resource efficiency and use of more innovative technologies and techniques, as well as looking at ways of altering demand (Fedrigo-Fazio and ten Brink, 2012).

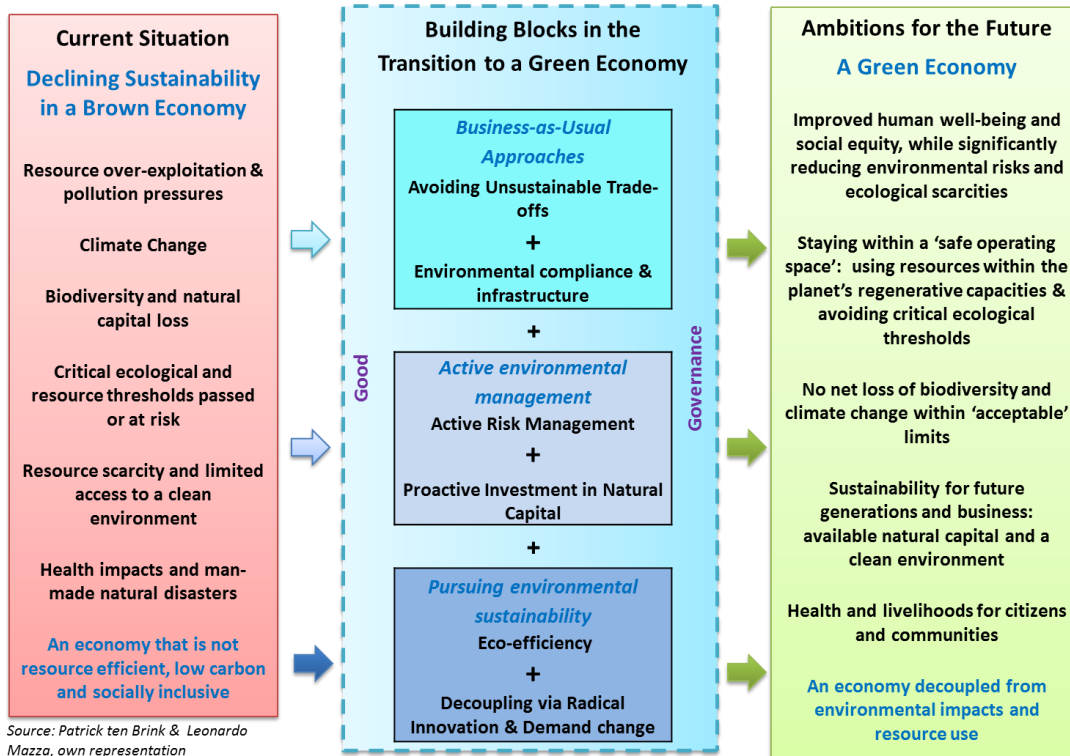
Rural development policy is an important vehicle for enabling this transformation.

⁵ Paragraph 11 of the Annex to the EU's Seventh Environmental Action Programme

⁶ <http://ec.europa.eu/environment/action-programme/>

Figure 1: Key approaches and instruments to enable a transition to a green economy

The Transition to a Green Economy



Source: ten Brink et al, 2012

The potential role of RDPs in supporting a transition to a green economy in rural areas

Transitioning to a green economy requires a paradigm change in how sectors are traditionally viewed, and a broadening of perspective. The green economy is relevant to all economic sectors in rural areas and the rural-urban interlinkages are also important, because the green investments and activities in rural areas can contribute to green economic growth in urban areas and vice versa. Rural Development Programmes (RDPs) can therefore play a key role, through supporting low carbon, energy/resource efficient and socially equitable investments as well as encouraging the sustainable management of natural resources in a wide range of economic sectors, not just agriculture and forestry.

Achieving this transition will mean adoption of current good practice on a much greater scale than is currently the case within the EU-28, as well as investments in new ideas, technologies and actions. This requires new ways of working, for example co-operating on territorially integrated initiatives and engaging with a more diverse range of actors. Innovation and rural entrepreneurship must be encouraged, as well as knowledge transfer, for example by using advice, training and mentoring. Promoting and delivering the green economy requires governance structures that make it easy for different stakeholders, policy sectors and researchers to work together. The EIP Operational Groups could play an important role here.

The transition to a green economy will require action on many fronts, and significant investments are likely to be required to create the necessary impetus in some areas. This will mean considering how to achieve best value for money from the implementation of RDP measures and how to create leverage effects. Planning how to combine RDP measures in packages to support integrated schemes to deliver particular outcomes will be important, as will the use of financial instruments, particularly looking at how these might support small-scale investments at local level.

There are already many examples of investments and initiatives that have been funded through RDPs in the 2007-2013 period and are planned for 2014-2020, creating jobs and economic growth in a low-carbon and resource efficient way. However, these are often small in scale and not branded as contributing to the growth of the green economy.

Some examples of the broad activities that RDPs could encourage are set out in Table 1. This list will be developed over the course of the Thematic Group's work, using examples provided by the members, information within the RDPs (for example, specific opportunities identified in the SWOT analysis) and relevant reports and studies (for example, on the role of RDPs in climate change mitigation and adaptation).

Table 1: Examples of Green Economy activities that RDPs could encourage

Activities with the potential to be supported via Rural Development Programmes	Low carbon	Energy/resource efficient	Biodiversity and ecosystem services	Socially equitable
Green technologies	x	x	x	x
Waste management/reduction	x	x		x
Sustainable buildings, services and infrastructure in rural areas	x	x		x
Green tourism	x	x	x	x
Investments in natural capital – e.g. protection/management and restoration of wetlands for carbon storage; forests for aquifer recharge and water provision for cities; flood plains for flood control	x	x	x	x
Sustainable water management (e.g. water collection and re-use / water purification via land management reducing costs of clean-up)		x	x	x
Renewable energy feedstocks and generation (where not adversely impacting on the environment)	x	x		x
Green and blue infrastructure (networks of land and water areas managed to provide ecosystem services)			x	
Sustainable management of agricultural and forest areas – actions to reduce GHG emissions and enhance the provision of ESS		x	x	
Energy efficiency – on agricultural and forest land (machinery/equipment etc.)	x	x		x
Energy efficiency - supply chain	x	x		x
Climate adaptation activities (e.g. natural - flood plain restoration to reduce flood risk / man-made: buildings, infrastructure e.g. waste water)		x	x	x
Using the environmental to add value to products (branding / certification)		x	x	
Green public procurement	x	x	x	x

II. Thematic Group Objectives

The overarching objective for the Thematic Group is **to maximise the impact that the RDPs have on promoting a transition to a green economy in rural areas.**

Within this the following specific objectives are proposed:

- provide RDP stakeholders with a working definition of the Green Economy in the context of rural development;
- identify practical ways in which the RDPs can most effectively promote and support the transition to a green economy in rural areas (for example, by identifying new opportunities for green investment, and for packaging and targeting RDP measures);
- improve awareness and understanding of the benefits of existing Green Economy activities, and of opportunities to extend these;
- make recommendations and practical suggestions for coherent integrated initiatives and strategies to promote and support the transition to a green economy in rural areas;
- identify opportunities and make recommendations for building synergies:
 - between land managers and primary producers, within new and greener supply chains, between different rural sectors and with urban areas and economies;
 - between other RDP objectives and the green economy;
- explore the potential for using of novel funding mechanisms (for example, financial instruments to encourage small-scale green investments) and make recommendations.

III. How the Thematic Group fits into the wider ENRD activities

The ENRD integrated work package

This Thematic Group is the central element of an Integrated Work Package focused around the overall theme of Promoting the Transition to the Green Economy. The activities of the Thematic Group are aligned and coordinated with a number of complementary thematic and cross-cutting activities carried out by the ENRD that contribute to the objectives of the work package, these are set out in the following table:

RDP analysis	A specific analysis of the RDPs will be designed and undertaken to identify those elements contributing to the theme and where outputs of the work may have influence.
Good Practices	A specification for suitable good practices will be prepared and the existing database of good practices will be reviewed for relevant examples, a trawl for further relevant examples will be undertaken and good practice fiches will be prepared.
Communications	The thematic group will make effective use of the various communications tools to develop, collect and disseminate relevant materials and involve group members and other relevant contributors or participants.
EU Rural Review	An edition of the Rural Review will be dedicated to the theme, this will be a key output of the work and will be designed to stimulate action by deepening the knowledge base amongst a wider group of rural stakeholders.
ENRD Seminar	This is anticipated for June 2016, the aim of this seminar will be to promote the outcomes of the work of the group with a view to motivating and stimulating further practical activities in the Member States and through the ENRD.
Coordination with other networking activities	The on-going work of the group, opportunities to contribute or participate and the dissemination of outcomes will be promoted e.g. through NRN meetings etc. Links with the EIP Focus Group on the Circular Economy have been established and will be further developed.

This Integrated Work Package responds to the finding from Thematic Group 1 that *'Themes that are more topic-based (e.g. local food, green economy etc.) will require a systemic approach to better identify key issues within the theme and the role of RDPs within it (e.g. what measures can be used and how)'*. It strengthens the interaction between the Thematic Group and the other activities of the ENRD CP. This provides greater opportunities for stakeholders to contribute to and benefit from the work of the Group and strengthens the quality, relevance, wider dissemination and implementation of the outputs of the Group.

[Links to the Integrated Work Package on Smart and Competitive Rural Areas](#)

This Thematic Group (and the integrated work package as a whole) has strong links to the Smart and Competitive Rural Areas theme. A number of the topics addressed are clearly complementary, in some cases equally applicable to both themes. This includes topics such as advisory services, rural urban partnerships, short supply chains, knowledge transfer and innovation. Therefore, the two integrated work packages will work in tandem aiming to identify synergies that strengthen the process and outcomes to the benefit of both themes.

[Longer term](#)

The activities initiated under this Thematic Group and Integrated Work Package extend beyond the horizon of a single operational year. The intention is that this work stream leads to on-going activity ultimately resulting in a more effective transition to a green economy with an increased level and quality of activity being undertaken.

[IV. Membership of the Thematic Group](#)

The membership of this Thematic Group will be based on both open invitation and nomination. It is expected that a core group will participate throughout, working together with invited or nominated participation from specialist contributors at appropriate stages in the process. The objective is to maintain consistent and well-informed participation by practitioners and researchers with specialist knowledge and skills and/or the ability to effect change. This will specifically include those directly or indirectly affecting the design and the implementation of RDPs and delivery instruments, plus those who are directly concerned with implementation on the ground.

The Thematic Group was presented to NRNs at the Milan Special NRN meeting on 22nd September, and discussed at a workshop during the Assembly in Brussels on 26th November. Nominations were invited from NRNs, MAs etc, and specialist participants are expected to be identified by Group members. The main types of stakeholder whose participation is sought include programme and scheme managers, NRNs, farm advisors, forest advisors, LAGs, project

holders, business support agencies, NGOs, SMEs, farmers, foresters, processors, tourism and energy sector representatives and other businesses within the supply chain.

A core membership of about 25 is anticipated.

V. Working methods and expected contribution from members

The work of the Thematic Group is based on the active **exchange of views, knowledge and experience** among its members and the development of analysis, proposed actions, initiatives and solutions. This is mainly done through **participating in face-to-face meetings, contributing to specific tasks** and taking part in **online discussions**.

The ENRD Contact Point supports and animates the work of the Group by:

- initiating, designing, hosting and facilitating discussions and activities;
- analysing and presenting information provided by the members and collected independently;
- formalising the outcomes of the group's work in meeting reports, discussion papers, presentations, final reports;
- developing links and interactions with the other elements of the Integrated Work Package; and
- disseminating the results of the Thematic Group at and from the EU level.

A commitment to active participation by all Thematic Group members throughout the work of the Group is an essential prerequisite for membership. This is necessary to get the work done and to achieve concrete, practical and relevant outcomes. In particular members are expected to:

- **commit to attending** the meetings of the Group and to participate in the development and delivery of its activities;
- **share their experience, knowledge and skills**, specifically concerning the main priorities and opportunities for promoting the green economy;
- **contribute concrete**, relevant and (ideally) transferable **examples** of Green Economy practices or approaches that they have knowledge or experience of;
- where possible, **provide evidence and data** to support background analysis and recommendations;
- contribute to **reviewing interim outputs**, providing suggestions and recommendations for improvements and making the Thematic Group's work relevant to stakeholders' needs and the intended results;
- ensure **continuity in meetings** and during **exchanges in-between meetings**, reacting to discussions and contributing to the flow of information among members;

- **share and disseminate** the knowledge gained, both through their own organisations and with others who may contribute to the work of the Thematic Group;
- **use, disseminate and promote** the outputs of the Group's work more generally;
- where appropriate, **lead working groups or other activities** in the context of the Group's work programme.

VI. Expected outputs, dissemination and outcomes

The main outputs anticipated from the Group's work will be in the form of conclusions, recommendations, examples and illustrations of how RDPs and their supported actions can contribute to this transition. These outputs will therefore emerge as a result of the work of the group and cannot be pre-empted at this preparatory stage, but are anticipated to lead to the following outcomes:

- An enhanced knowledge and evidence base in relation to the Green Economy;
- Shared examples of relevant and transferable good practices;
- Publications and other communications, including both dedicated materials and contributions to other ENRD and partner materials;
- Contributions to the Rural Networks Assembly, its subgroups and other EU, stakeholder and Member State events;
- The development of a cluster and / or community of practice / interest;
- The establishment of links and joint working with other networks and initiatives (including specifically the EIP Agri Circular economy Focus Group); and
- an ENRD seminar to share and discuss the outputs.

If the transition to a green economy in rural areas is to be promoted effectively and implemented on the ground it is vital that the messages from the Group's work are clearly communicated, received and understood. Some of these outcomes will be delivered during the lifespan of the Thematic Group whilst others will be focused more on the longer term. The nature, means and targeting of this dissemination effort requires careful consideration, and will be an integral part of the whole work package.

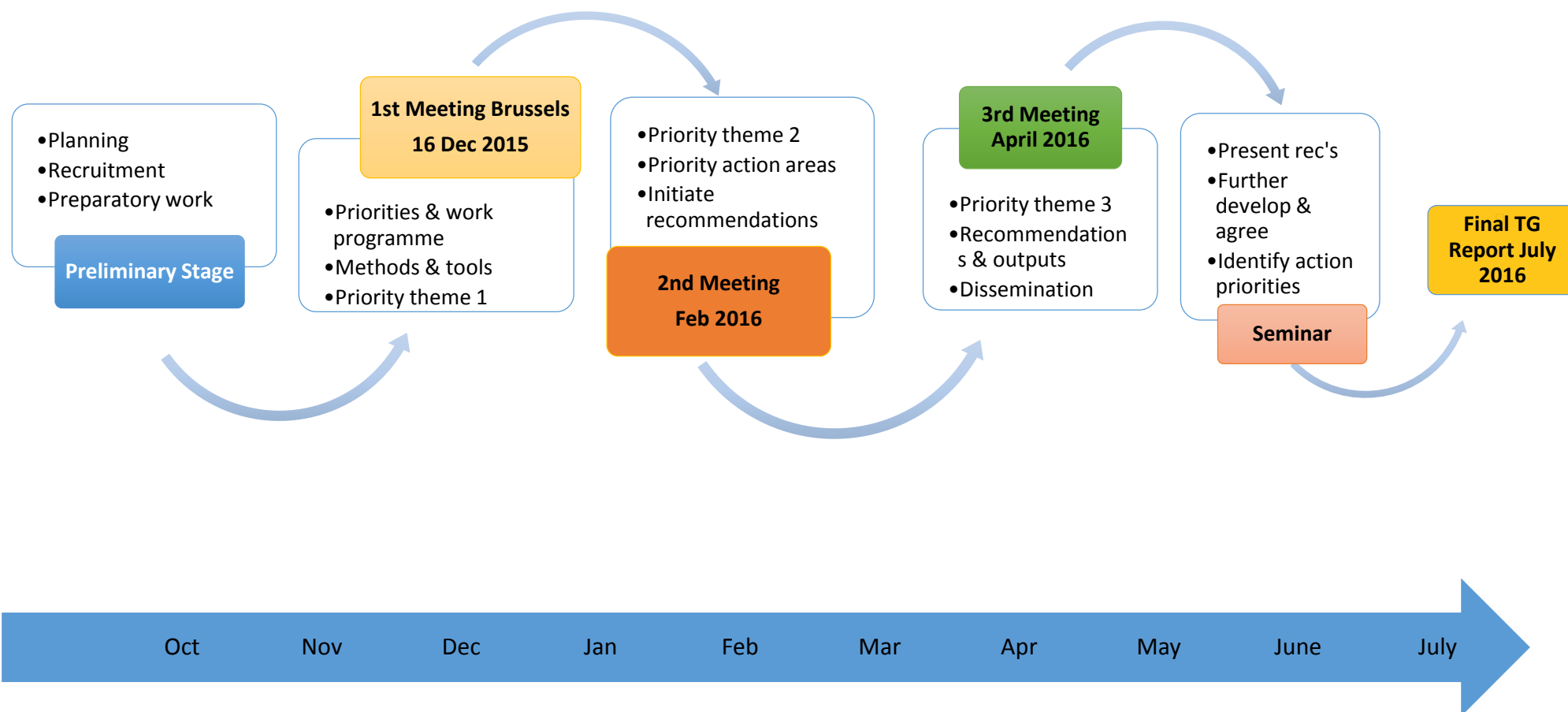
VII. Outline work programme of the Thematic Group

The work programme is indicative at this stage and will be refined through the initial stages of the work by the Thematic Group.

Milestones	Activities	Timing
Final planning	<ul style="list-style-type: none"> • Finalise recruitment plan • Prepare specification for participants • Finalise background paper and Thematic Group work plan • Identify potential expert contributors / key informants • Finalise coordination with Thematic Group 4 • Alignment with complementary activities (e.g. TG 1 meeting to be back to back with RETHINK final event) 	October 2015
Recruitment	<ul style="list-style-type: none"> • Circulate background paper • Initiate invitation for participants with NRNs, MAs, stakeholder organisations etc. • Present the Thematic Group to Rural Networks Assembly and Steering Group meetings • Identify further potential expert contributors / key informants 	October / November 2015
Preliminary Stage	<ul style="list-style-type: none"> • Develop specification for RDP analysis • Initiate RDP analysis • Develop specification for good practices • Initiate good practice collection • Design objectives and agenda for First Thematic Group meeting • Identify complementary initiatives and engage them • Identify potential priority themes (The intention is that each meeting of the Group will include a specific focus on a single priority theme.) 	October / November 2015
1st Thematic Group Meeting	<ul style="list-style-type: none"> • Refining the focus, agreeing where the Group can have real effect in promoting transition • Designing the programme of work • Defining the Group's activities and outputs to contribute to outcomes • Allocation of responsibilities • Dissemination proposals • Agree mechanism, focus and programme for exchanges in-between meetings 	December 2015

	<ul style="list-style-type: none"> • Priorities for meeting 2 including priority theme • Priorities for further analysis 	
Launch exchange process for Group members	<ul style="list-style-type: none"> • To be defined, online, off line etc. • Discussion of work to date, results from 1st meeting, next steps 	December 2015
Initiate collection of examples and exchanges with members	<ul style="list-style-type: none"> • Collection of further examples from Group members • Deepening of desk based analysis 	December 2015 onwards
2nd Thematic Group Meeting	<ul style="list-style-type: none"> • Consideration of priority theme 2 • Consideration of work to date including analysis and good practices identified • Development of priority action areas based on this • Initiate work towards developing recommendations, outputs e.g. contributions to publications etc. • Programme for Group exchanges in-between meetings • Priorities for further analysis • Initial planning for the ENRD Seminar • Priorities for meeting 3 including priority theme 	February 2016 (date tbc)
3rd Thematic Group Meeting	<ul style="list-style-type: none"> • Consideration of priority theme 3 • Further consideration and reflection on work to date • Progress development of recommendations and outputs • Further dissemination proposals • Finalise recommendations for stakeholders • (Third round of discussions about priority themes) 	Apr 2016 (date tbc)
ENRD seminar	<ul style="list-style-type: none"> • Inform stakeholders re the work of the group and the needs and opportunities which have emerged • Discuss recommendations and proposals with a wider set of stakeholders • Agree priorities for further action, EU, MS, RDP, Local etc. 	May / June 2016 (date tbc)
4th Thematic Group Meeting (Optional TBC)		
TG Final Report	(Informed by TG discussions and the conclusion of the seminar)	July 2016

Workflow for Thematic Group



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