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TRAINING  
ON GREEN ECONOMY

WGEO EXECUTIVE TRAINING COURSE  
ON SCALING UP TRANSITION TO A GREEN ECONOMY  
ON A PATH TOWARDS IMPLEMENTING THE UNITED NATIONS  
2030 SUSTAINABLE DEVELOPMENT AGENDA

# CAPACITY DEVELOPMENT FOR NATIONAL-LEVEL GREEN ACTIONS

MODULE “CD”

*This module is the contribution of the UNDP*

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**COHORT ONE**

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**Tashkent, Uzbekistan**



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ORGANIZATION



Empowered lives.  
Resilient nations.



ESCAP



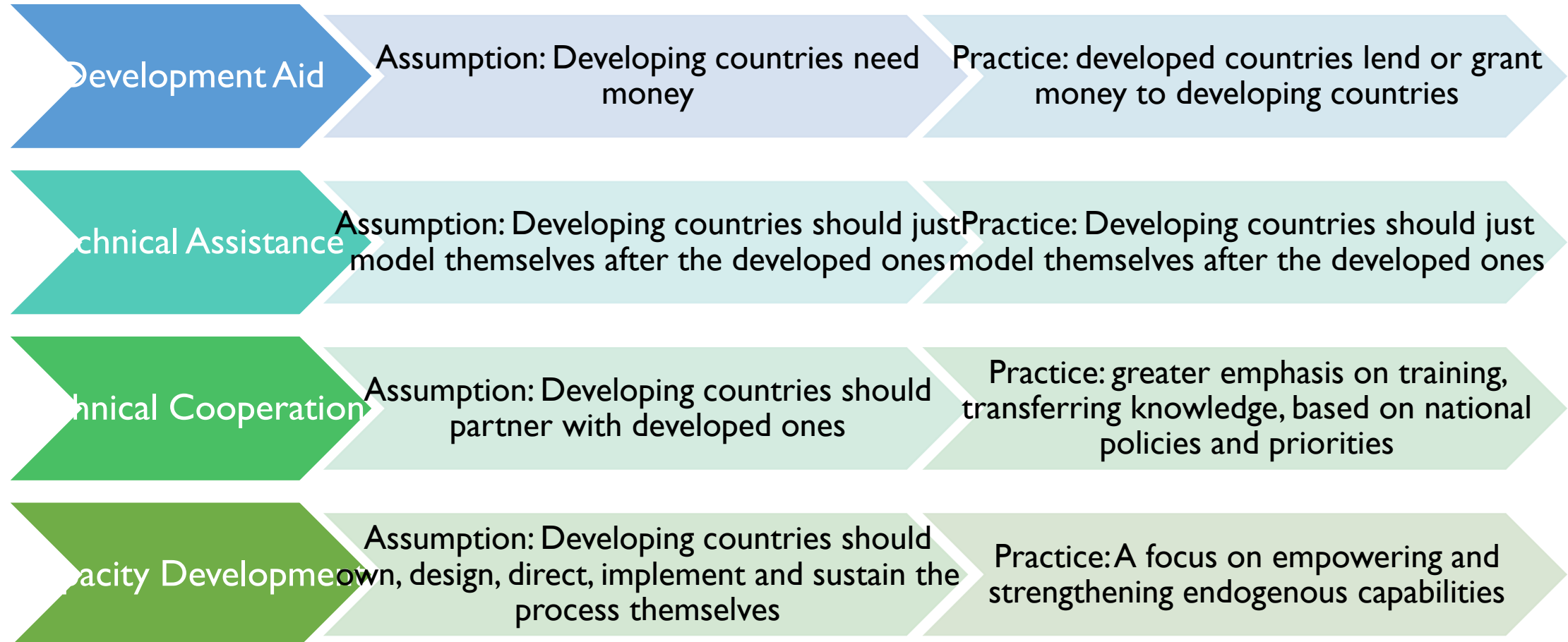
GGGI



INTERNATIONAL  
SOLAR  
ALLIANCE



# Path to capacity development





# Why Capacity Development?

## Assumption

- Developing countries should own, design, direct, implement and sustain the process themselves

## Practice

- **Capacity Development.** A focus on empowering and strengthening endogenous capabilities

## Result

- Makes the most of local resources – people, skills, technologies, institutions – and builds on these
- Favours sustainable change
- Takes an inclusive approach in addressing issues of power inequality in relations between rich and poor, mainstream and marginalized (countries, groups and individuals)
- Emphasizes deep, lasting transformations through policy and institutional reforms
- Values ‘best fit’ for the context over ‘best practice’; as one size does not fit all



# What is Systems Thinking?

- ✓ a powerful approach for understanding the nature of why situations are the way they are, and how to go about improving results.
- ✓ analyses the relationships between the **system's** parts to understand the potential for better decision-making.
- ✓ Incorporates historical perspective as critical to understanding the evolution of a situation and in identifying patterns of behaviors over time.
- ✓ Is **NOT** just a collection of things, consisting of elements, interconnections and a purpose.
- ✓ **Human-centred** Systems Thinking takes up principles of human-centred design thinking, so that one also empowers an individual or team to **designing** products, services, systems, and experiences that address the core needs of those who experience a problem.
- ✓ This is an iterative process that should be revisited as you are transforming to a new system.



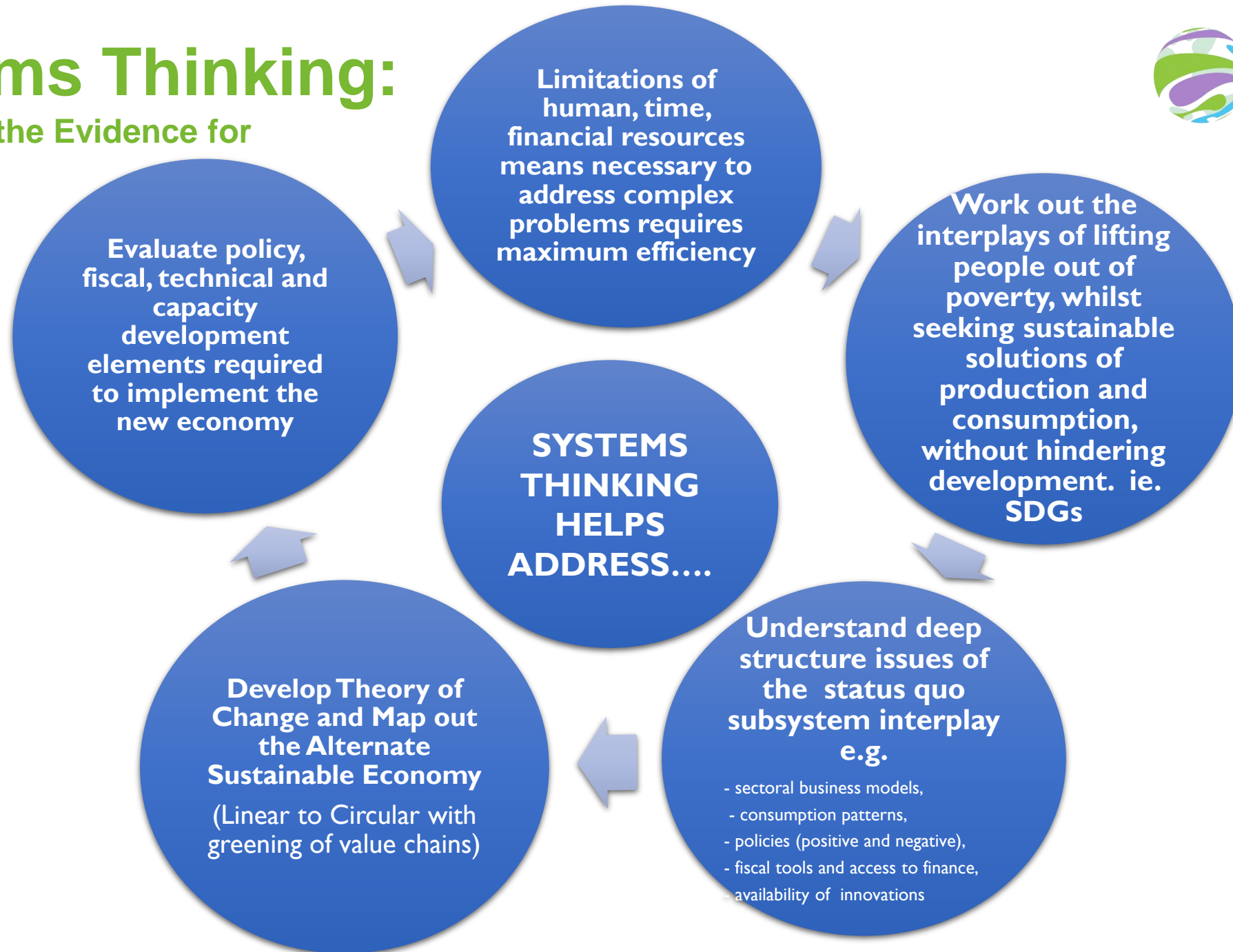
*A powerful tool in identifying upstream capacity needs.*

# Systems Thinking:

Generating the Evidence for Action



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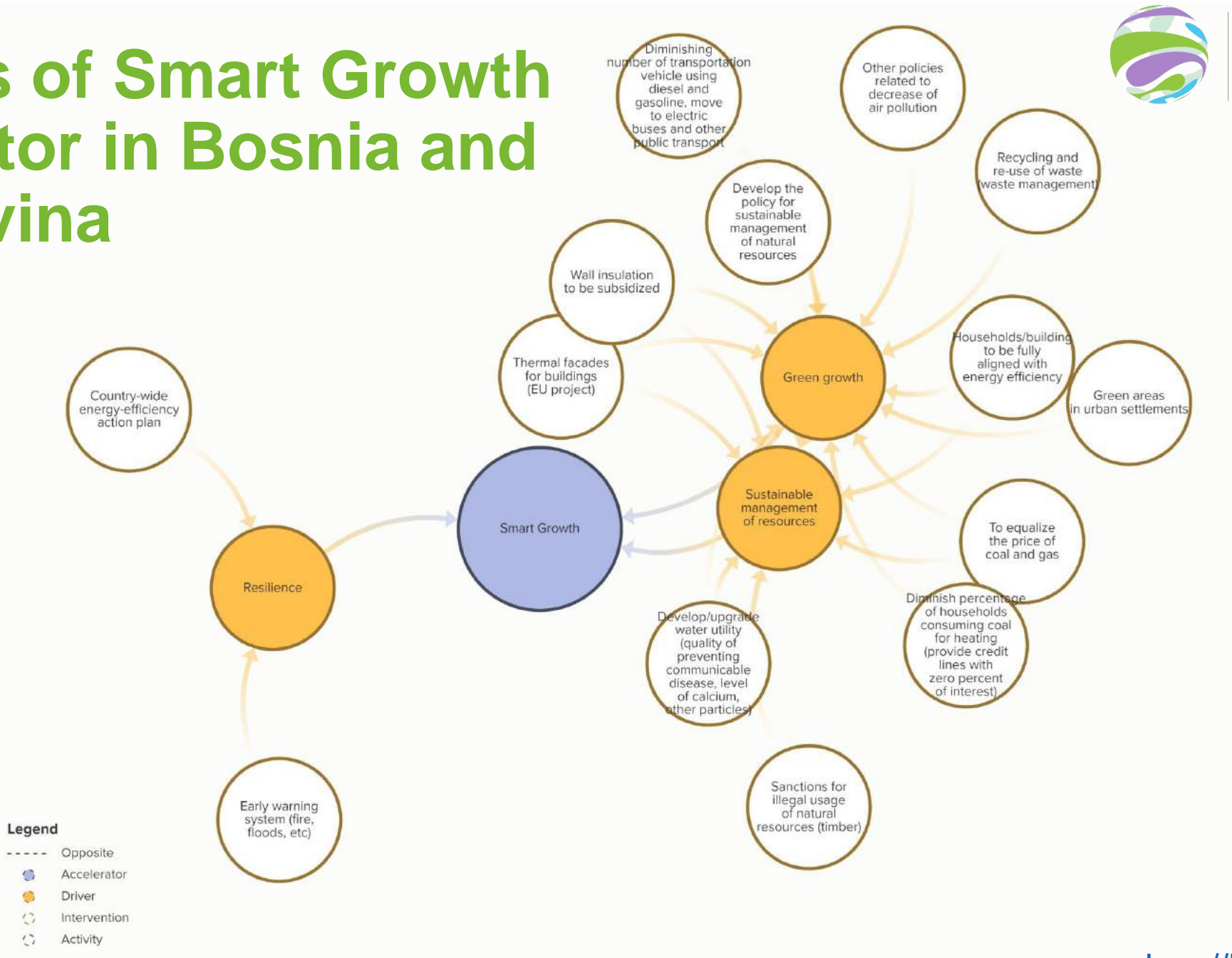
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# Elements of Smart Growth Accelerator in Bosnia and Herzegovina







# What is an Green Economy?

No agreed definition of “Green Economy” —but— **Common understanding of Green Economy Principles**

1. is a means for achieving sustainable development.
2. should create decent work and green jobs.
3. is resource and energy efficient.
4. respects planetary boundaries or ecological limits or scarcity.
5. uses integrated decision making.
6. measures progress beyond GDP using appropriate indicators/metrics.
7. is equitable, fair and just – between and within countries, between social groups, between women and men, and between generations.
8. protects biodiversity and ecosystems.
9. delivers poverty reduction, well-being, livelihoods, social protection and access to essential services.
10. improves democratic governance and the rule of law, promotes and protects human rights and ensures participation; accountability and transparency.
11. internalises externalities.



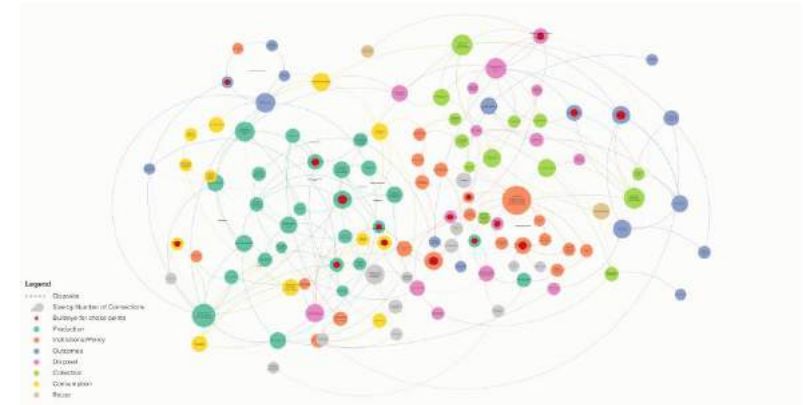


# What are capacity development challenges for Green Economy?

- What is needed for **integrated planning** – mechanisms that bring about national policy coherence across green economy, poverty reduction and crisis prevention/recovery agendas?
- What **tools/methodologies help link** the achievement of sustainability within growth, poverty reduction, and crisis prevention/recovery efforts?
- How to **design integrated policy responses** to capture synergies and manage trade-offs?
- How countries can cost and budget policy responses and identify and access a variety of **financing mechanisms**?
- What are the right **indicators and measurement** frameworks?
- What are **implementation challenges**, and how to identify them?

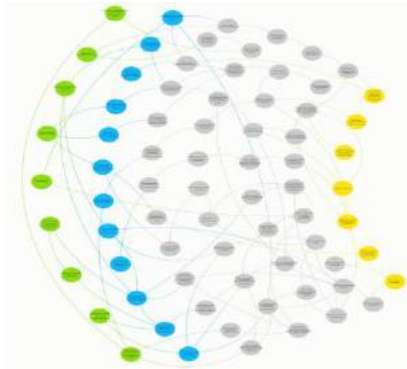
# Case Study: Helping the Philippines Improve and Implement their National Plan of Action on Plastics

**Step 1.** Partnered with Stanford Change Labs to use **Systems Thinking** to develop a **Human-centred Systems Map** of the Philippines Plastics economy and think through **Deep Structure Issues** to help the government figure out how to improve and implement their National Plan of Action on Plastics (eg *Innovation Scarcity, Regulation Lethargy, Information Vacuums, which lead to being stuck in the BAU scenario*).



**Step 2.** Identified the **critical levers** to transform to the **New Economy**, to develop a **Theory of Change** that also addresses delivery of **Multiple SDGs** in the process

Theory of Change



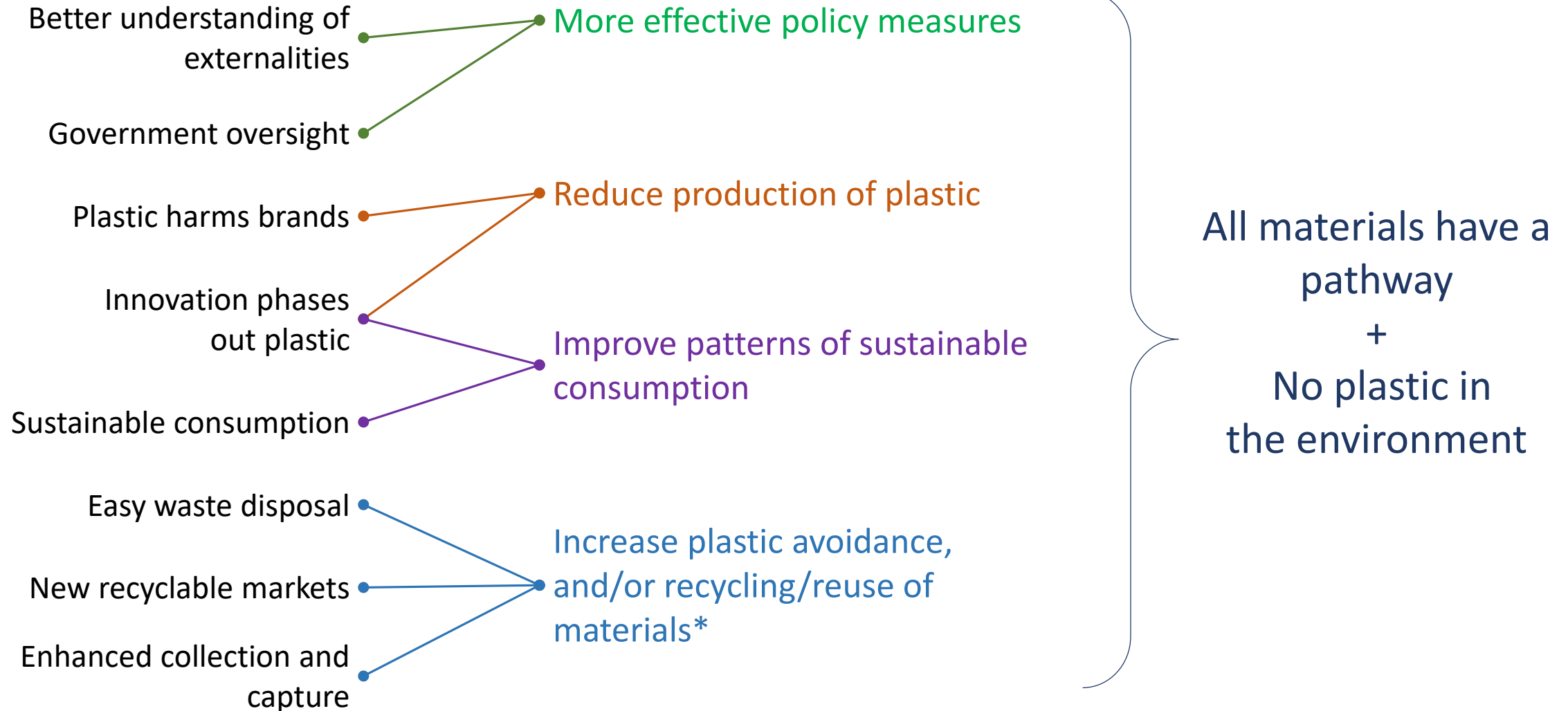
**Step 3.** Translated the mapping tools and evidence into an **Understandable Platform** upon which to build the new materials economy, and coalesce **global/regional/national expertise, finance, knowledge, skills and partners** around critical transformation areas, as well as create a value addition for UNDP as thought and partnership leader.



# Example: Theory of Change for Philippines



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\*including nonrecyclable plastic into secondary products or as fuel in waste to energy



# Intervention Pathways



# Organizing Players & Capacities for Transformation



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The idea is to create a platform to build the new materials economy and bring together the global community around the shared goal of a new materials economy. It would be overseen by UNDP and implemented through the National Plan of Action on materials management, and crowd in complementary activities, funding and expertise.

- Regional/global platform mirrored with a national version
- Can provide donor/expert support
- Private sector (multinational) engagement and joint action
- Sharing of information and lessons
- Replication of Best practices
- South-south capacity building



Goal Alignment



Innovation

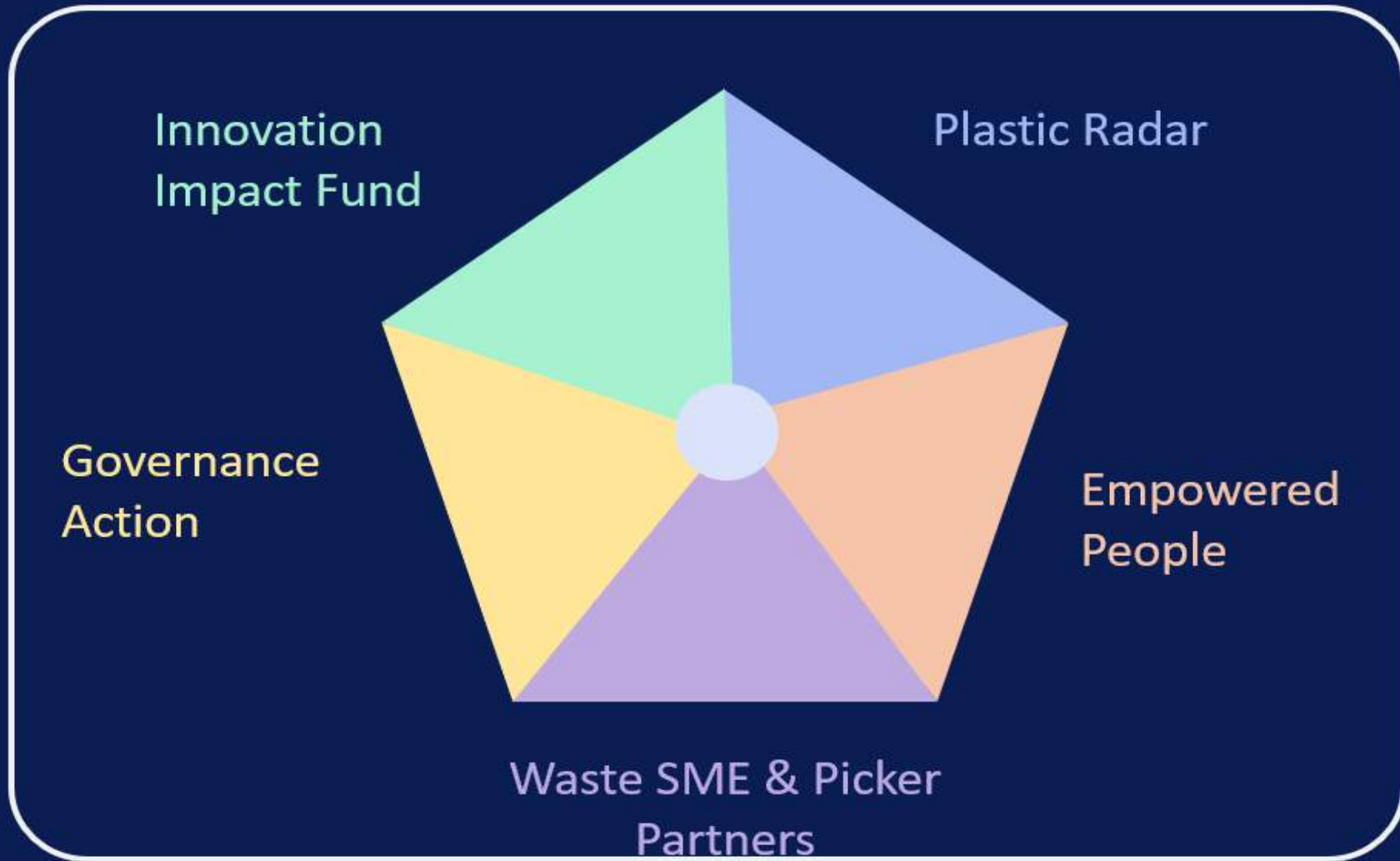


International visibility and  
accountability

# The Platform



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## System Outcomes

- Material Pathways
- Zero Leakage
- Corporate Responsibility
- Empowered Consumers
- Collaboration
- Innovation



# The Platform

## Impact Innovation Fund

Catalyze investment to foster innovation that scales impact

Innovation

## Plastic Radar

Generate data that guides action on materials

Monitoring

## Governance Action

Design and enforce effective policies for material and packaging standards, waste reincorporation, disposal, collection, and foster growth of innovation (incl. green finance and budgeting systems)

Policy

## Empowered People

Change consumption behaviors and awareness about materials

Behavior

Cocreation

## Waste SME & Picker Partners

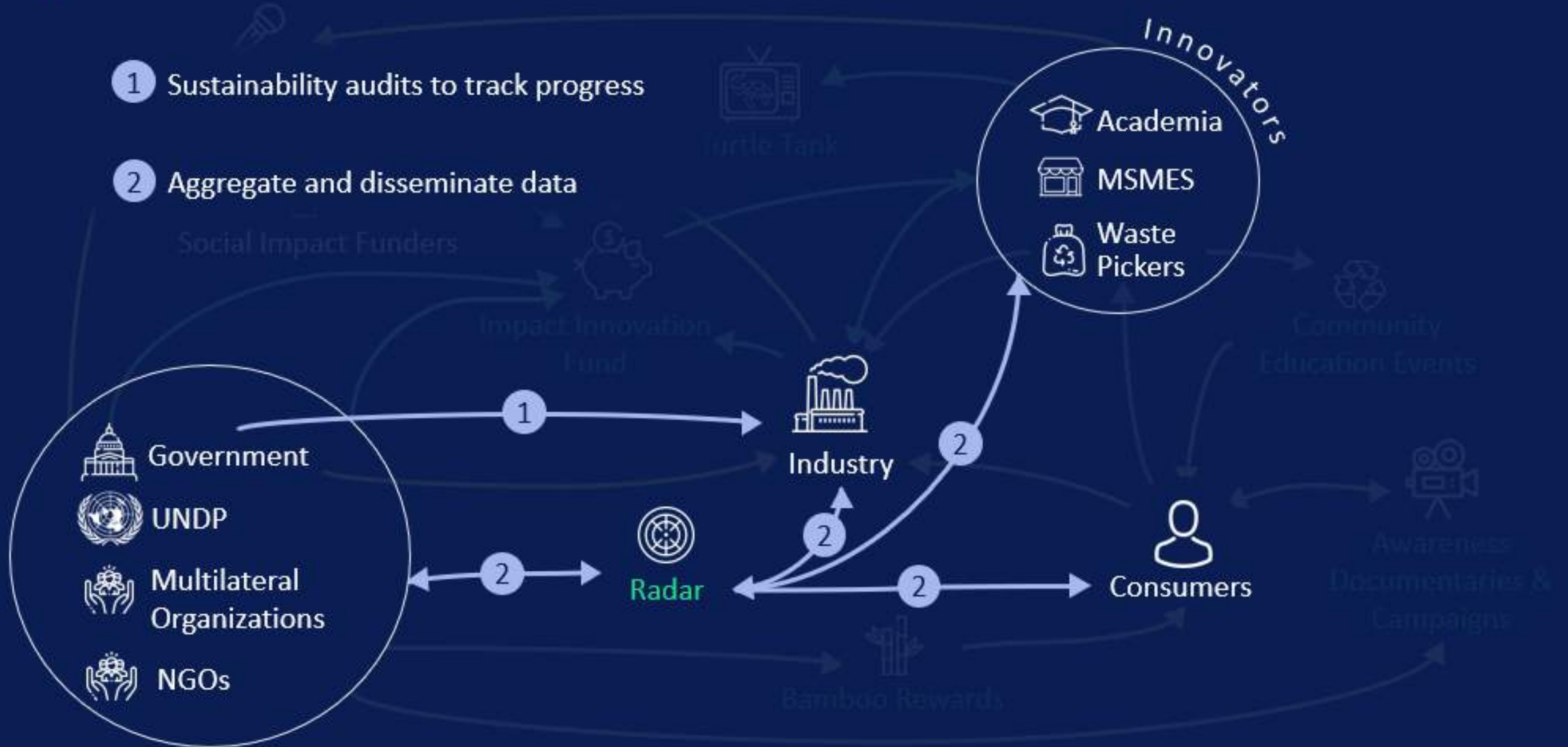
Empower waste SMEs and pickers as cocreators of the new system



# Plastic Radar



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# Plastic Radar

## Goal

Generating and targeting data to guide action on plastics.

## How

- Plastic Audit - an audit team goes to manufacturing facilities and checks official reports and production mechanisms
- Revenue, production portfolio, and plastic assessment to figure out a company's plastic production footprint
- Information on economic contributions of waste pickers
- Quantifying the costs of plastics in the overall lifecycle to inform Government and UNDP such as through photos collection by waste pickers at different locations feeding into artificial intelligence to understand types of plastic that need to be addressed and to brands that produce this plastic
- Collaborating with the Impact Innovation Fund to quantify the amount of reusable and unrecyclable materials that could feed into manufacturing shifts to create new value in the economy
- Accountability to national governments

## Who

UNDP • Academia • NGOs • Economic Experts • Government • Technology • Funding Partners • Data Agencies

## Change Points

- Government as an effective check-in-balance to corporate profits
- Producers seeing plastics as a threat to their brand
- Concrete economic understanding of costs in plastics lifecycle
- All materials have value



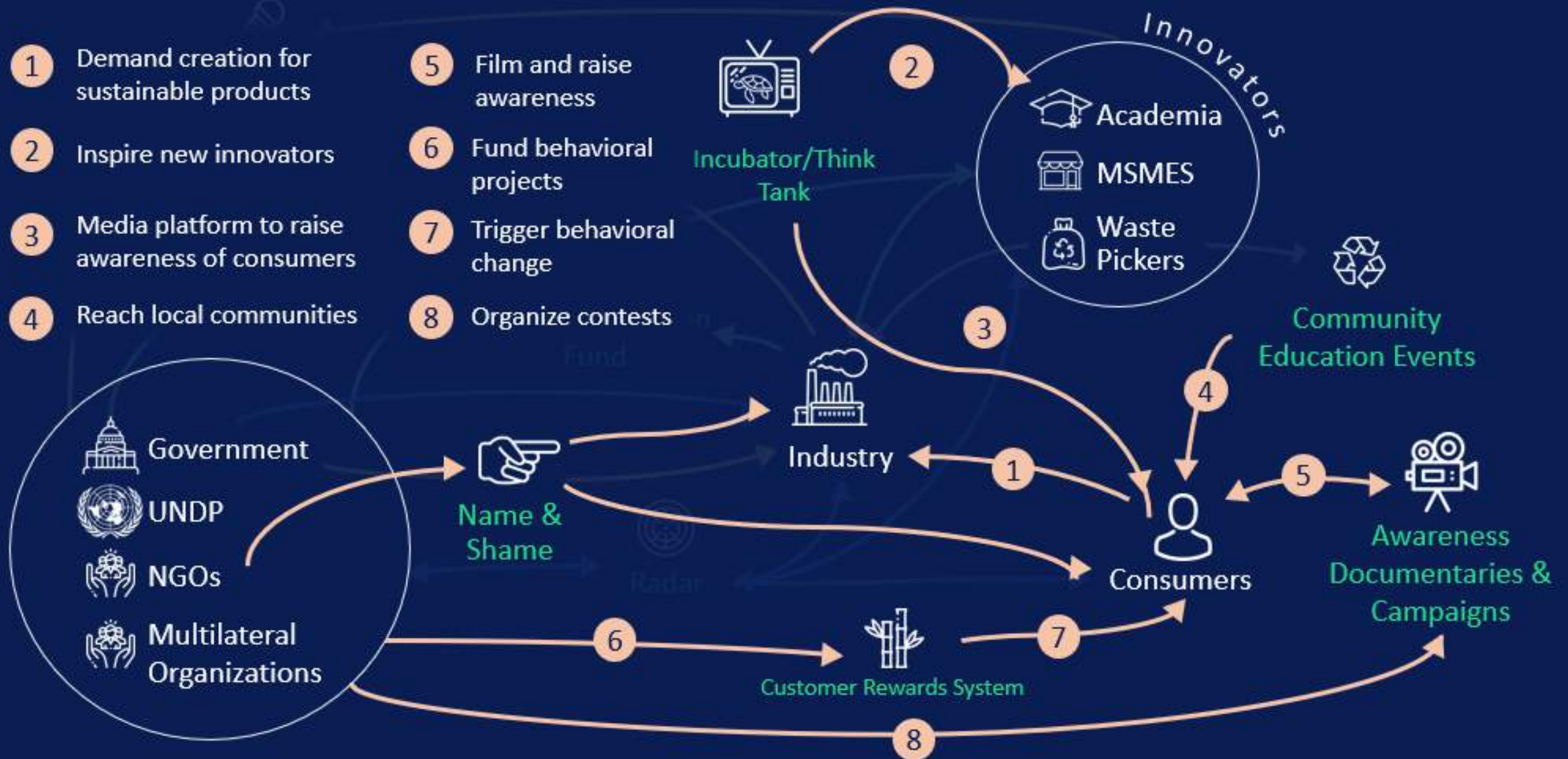
## Value Propositions

- **Governments** gain the ability to have accurate and reliable information on the plastic economy to better inform policies and track progress
- **Consumers** will have stronger evidence to exert pressure on brands and influence which products are offered to them
- **NGOs** will have access to reliable information to identify individual responsibilities and better target activities
- **Academia and Innovators** will have the information to better target innovation ideas
- **Industry** gets benchmark information on other companies

# Empowered People



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# Empowered People

## Goal

Changing consumer behavior and raising local voices around waste to pressure corporations into changing.

## How

- Changing consumption and waste disposal patterns through public awareness campaign led by barangays
- Launching a government-funded documentary competition on waste, plastics, and sustainability
- Changing purchasing behavior through a Customer Rewards system where consumers can earn rewards for making certain qualified sustainable, no/low-plastic purchases based on a bamboo code connected to their cell numbers. These rewards can be redeemed in the form of larger discounts toward things that matter to them, such as transportation, or enter them into a lottery for larger prizes. A pay-in-installments system for more expensive reusable items should be considered as well.
- Bringing in key NGOs to use the Plastics Radar data to call out large companies and fuel consumer pressure

## Inputs

UNDP • Other NGOs • Barangay Leaders • Local Women • Media Professionals • Technology • Waste Pickers • Local Sociologists

## Change Points

- Demand creation for plastic alternatives and/or reusable materials
- Environmentally sustainable consumption preferences
- Material management is important and easy
- Corporations see plastic as a threat to their brand



# Waste SME & Picker Partners



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## Goal

Empowering waste pickers and waste SMEs as cocreators of the new system.

## Change Points

- Demand creation for reusable materials
- Material management is important and easy
- No need for waste picking in the long run

## How

- Being agents in changing consumer behavior around waste management (P2P)
- Collecting real time information to feed the radar using cell phone cameras, a messaging number, and artificial intelligence
- Being partners in innovation design processes and new business models with Impact Innovation Fund
- Enabling waste pickers to be entrepreneurs in a model similar to Uber for waste where a picker collects different materials from customers based on phone signals and delivers different materials to where they are used in the value chain

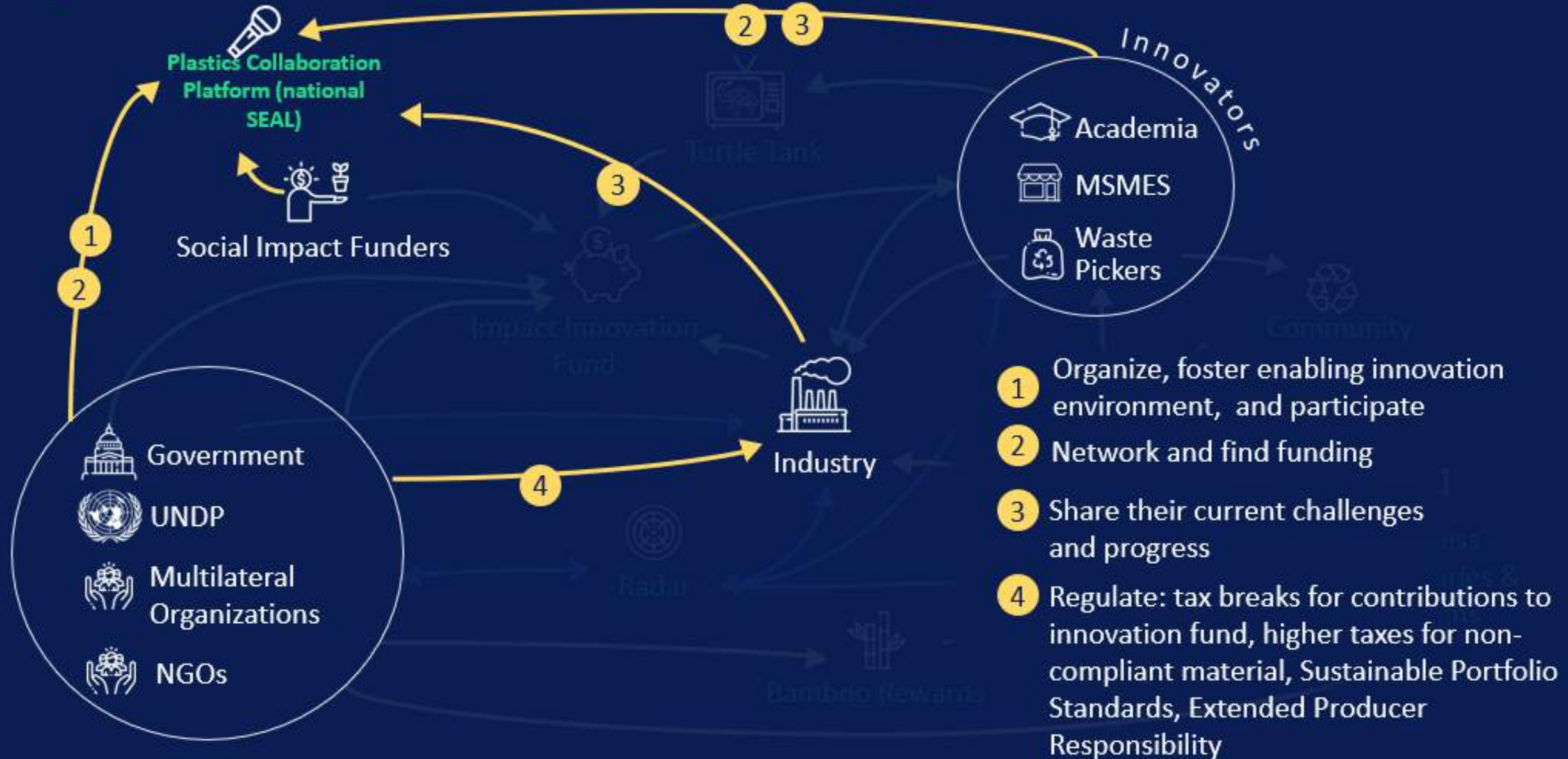
## Inputs

UNDP • International agencies (e.g. ILO) • Mobile Phones • Business Model Innovation • Education for Waste Pickers • NGOs • Technology Software like Uber • Academia (sociologists)

# Governance Action



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# Governance Action

## Goal

Active engagement with corporations and international actors toward designing and enforcing policies around upstream and downstream plastics.

## How

- Lead the development of a plastics platform that convenes stakeholders working on the issue of plastics in South East Asia to catalyze capital and synergize partnerships to coordinate the evolving needs of the New Materials Economy.
- Corporations get a tax break if they meet a certain criteria of waste management/reintegration or sustainable packaging
- **Create an alternative market for plastic production regulated through plastics tax or sustainable portfolio standards modeled on Carbon Cap & Trade and RPS**
- **Designing systematic policy around material standards and waste management that feeds into concrete action**
- Facilitating the Impact Innovation Fund in meeting its goals **(including fiscal policies, tools, investment products and redesign of national budgets to scale SDG Finance for impact)**
- Collaborating with the Radar and Innovation Impact Fund and leveraging P2P to incentivize the collection of used and unrecyclable materials that could feed into businesses

## Inputs

UNDP • Credible Government Officials • Information from Radar • Pressure from Innovation Impact Fund

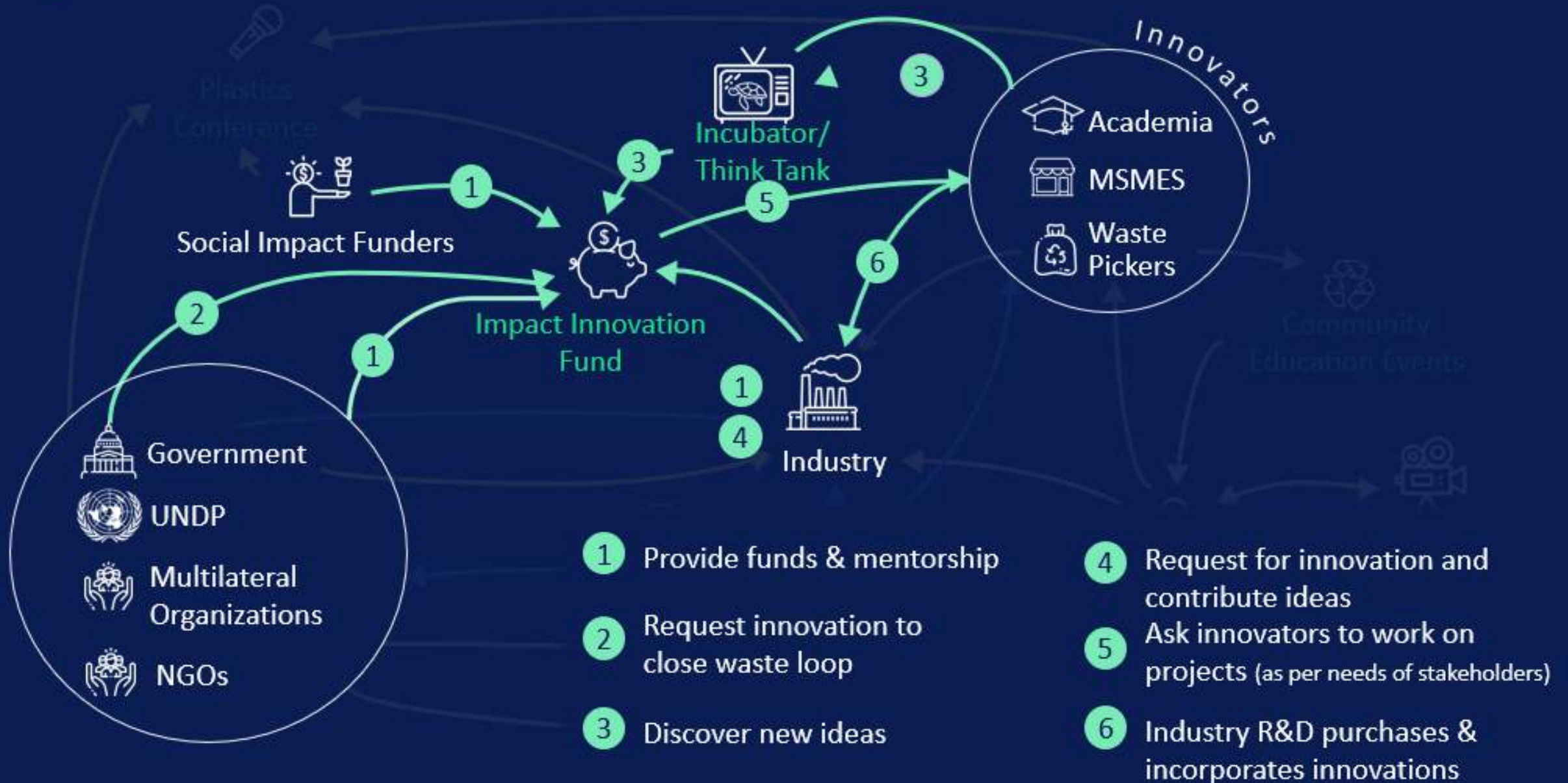
## Change Points

- Government as an effective check-in-balance to corporate profits
- Alternative materials innovation
- An economy without waste
- Producers seeing plastics as a threat to their brand

# Impact Innovation Fund



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# Impact Innovation Fund\*



## Goal

Catalyze investment and foster innovation that scales impact.

## Change Points

- Demand creation for alternative and/or reusable materials
- Environmentally sustainable consumption preferences
- Alternative material innovation

## How

- Government attracting impact investors and international and local funders to put their money toward the success of the New Materials Economy with the incentives of creating concrete impact and tax write-offs (includes Green Finance Mechanisms & redesign of national budgets)
- Partnering with industry to learn their needs and connecting them to innovators
- Collaborating with the government to create artificial value structures for the take back of materials that could feed into new designs and business value and create legislation to bring in revenue for the Impact Innovation Fund
- Funding innovation throughout the system (material innovation, design innovation, recycling innovation, business model innovation, industry operations innovation, creative reuse of materials) that industry commits to adopt
- Fostering new innovation through universities and schools that find industry partners through the Fund

## Inputs

UNDP • Multilateral Organizations • WEF • Government • Technology • Global Ideators and Innovators • Academia

*(\*can be regional/global/national depending on the level of SEAL platform you are dealing with)*

# Impact Innovation Fund



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## Value Propositions

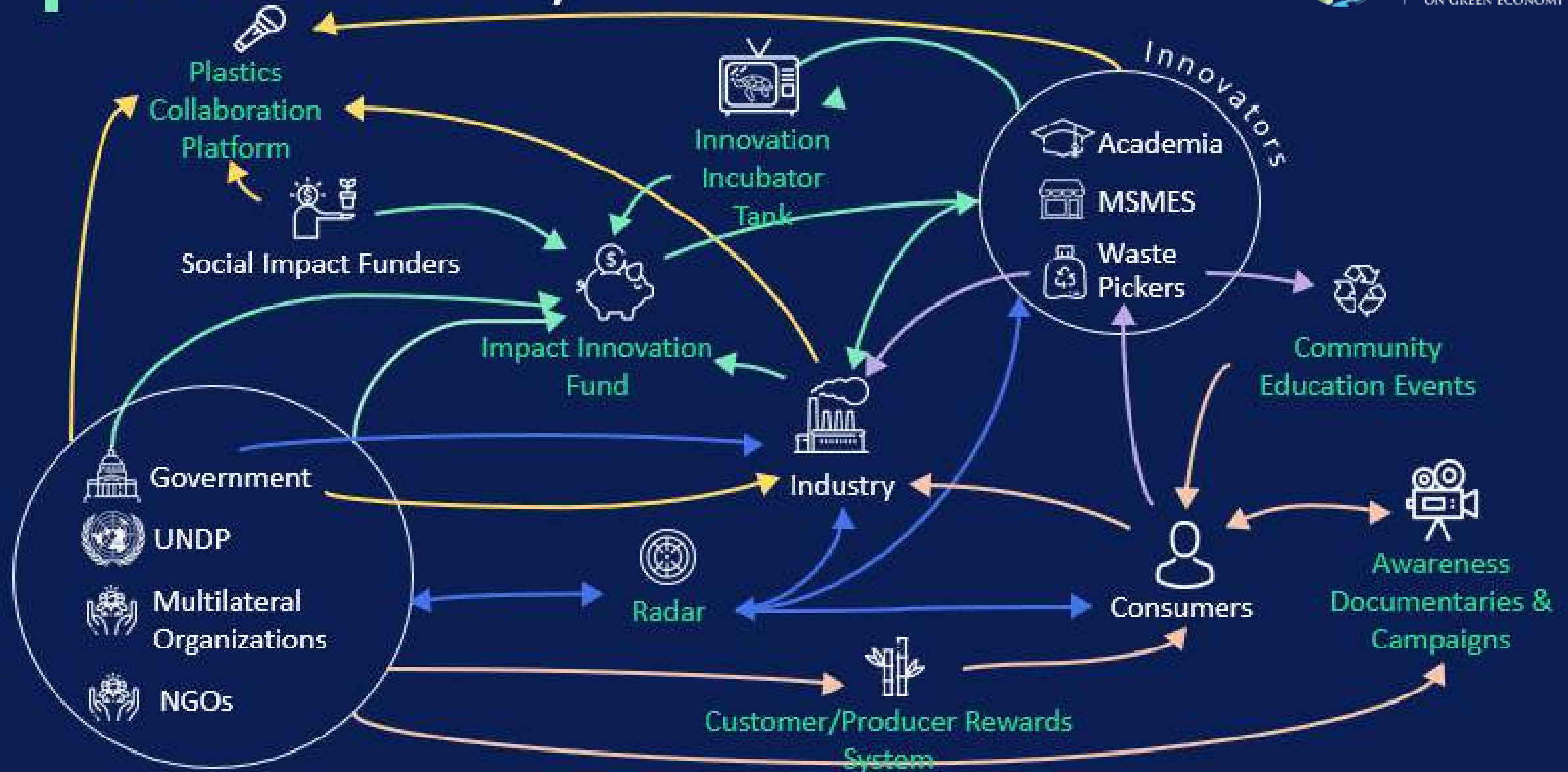
- **Social Impact Funders** have an opportunity to invest in targeted innovation with high chance of industry scale and adoption
- **Governments, Multilateral Organizations & NGOs** accelerate the achievement of sustainability goals
- **Innovators** have access to resources, ideas, and mentorship to innovate in the plastic economy
- **Industry** finds more cost effective solutions to transition to sustainable practices

*“...defining the SDG finance problem not as a funding problem or gap, but as a systemic issue of realigning or redirecting how money is spent and invested”.* (-Marcos Neto, UNDP Director, Finance Sector Hub).

# The Envisioned System



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# Benefit of this approach for Targeted Capacity Development

There is a clear evidence-based map of:-

- Which capacities are required,
- Where the capacity-building should be targeted
- Where gaps in capacity should be resourced or contracted
- How capacity can be institutionalized and replicated in the long term
- How and if capacity can also be “upgraded” or adapted as the transition to the new economy takes place.

*Systems thinking approaches also helps countries, agency and other partners have a better chance of “getting it right”, targeting resources at the right leverage points and stakeholders for transformation*



# Critical questions for capacity development



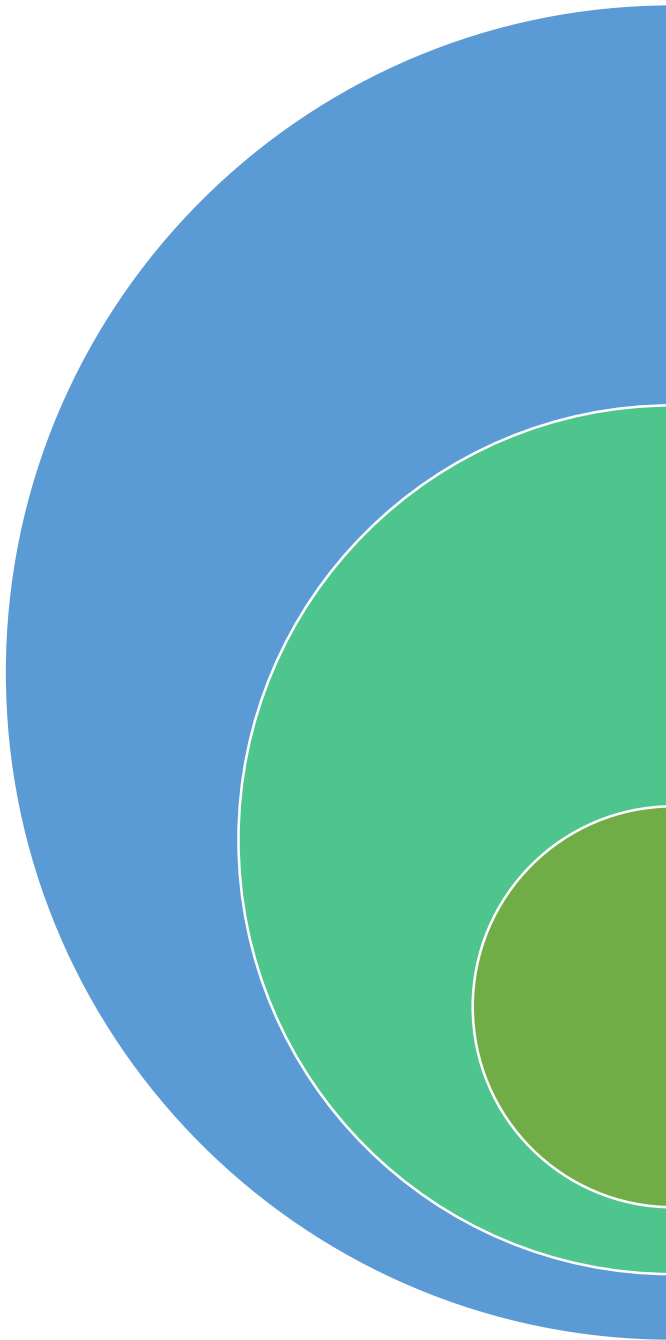
TO WHAT END do we need to develop this capacity?  
What will be its purpose?



WHOSE capacities need to be developed?  
Which groups or individuals need to be empowered?



WHAT KINDS of capacities need to be developed to  
achieve the broader development objectives?



# Systemic Capacity

- “Enabling environments”, including access to finance, and proper valuation of the status quo vs alternate scenarios to remove favouring of vested interests (eg through perverse subsidies, incomplete costing of externalities, etc)
- Overall policy, economic, regulatory, and accountability frameworks
- Important precondition for institutional and individual capacity development

# Institutional Capacity

- Accurate and relevant information for decision-making
- Implementation of policies
- Enforcement of regulations and laws
- Monitoring of policy effectiveness

# Individual Capacities

- Basic knowledge and competencies
- Skills for Green Jobs
- Leadership (Systems Leadership is important)



# Take-aways on some Capacity Building Categories



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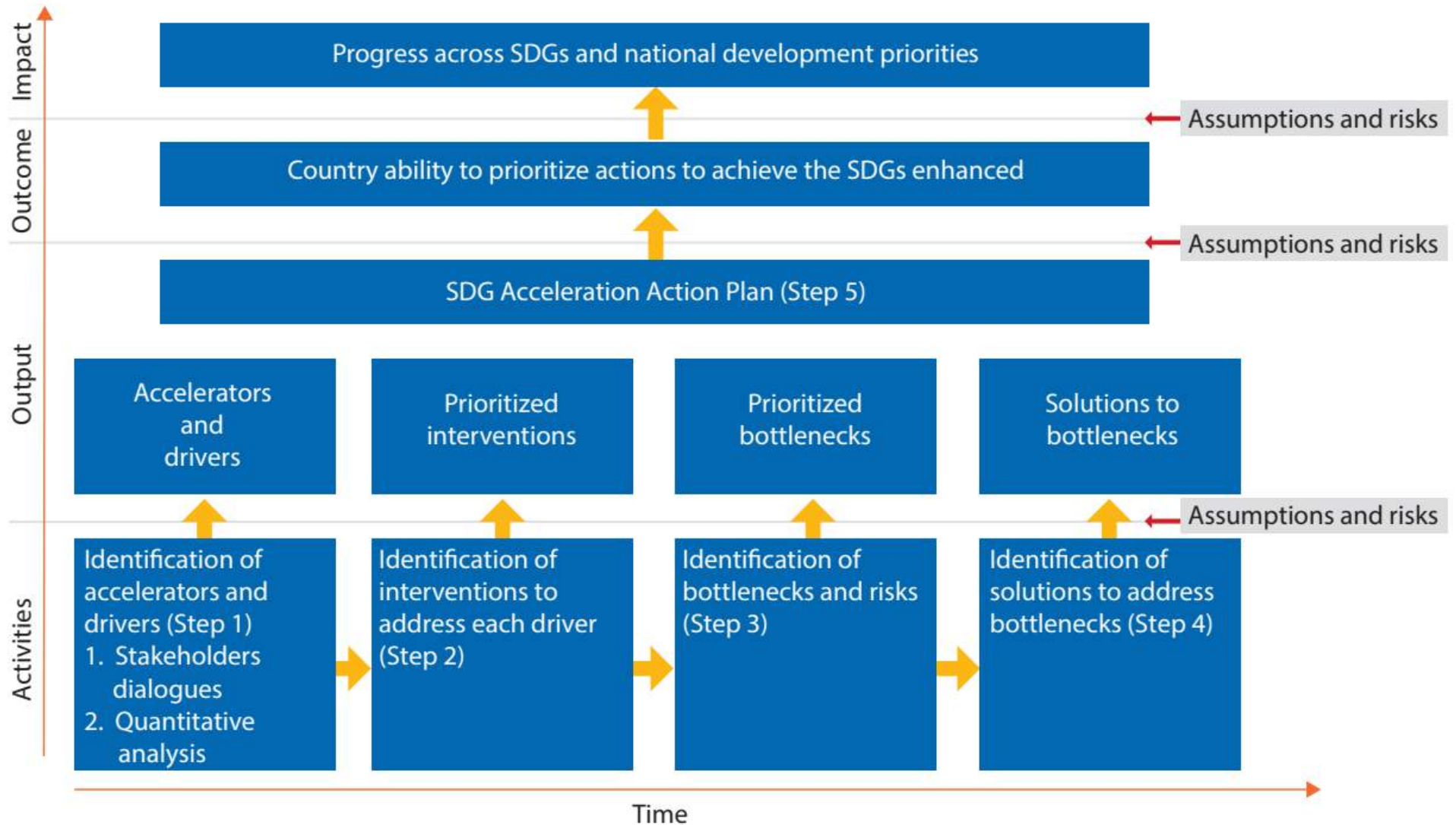
However, as we face the challenges of using the SDGs as the global framework for business, innovators and governments, one can see very new capacities being required eg:-

- ✓ Systems Thinking (including Systems Leadership and Systems Innovations)
- ✓ Green Finance Tools and Mechanisms
- ✓ Redesign of National Budget Systems to Scale SDG Investment and ensure benefits for all
- ✓ Elaborating and designing goal-oriented Private-Public Partnerships (including support to Innovation)
- ✓ Standards setting
- ✓ Behavioural influencing and incorporation into design of incentive programs and policies

**Different development challenges may give rise to specific subsets of capacity needs as well.**



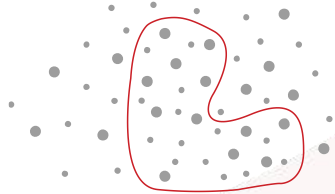
# Theory of Change for SDG Accelerators



# PROCESS MAP FOR THE SDG INTEGRATION



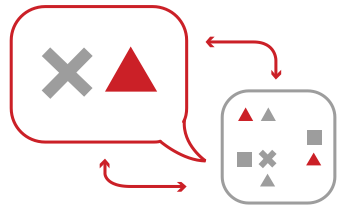
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## Focusing

*Is it an SDG integration challenge?  
Is it something i-SDG team should engage?*

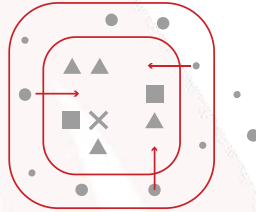
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## Setting New Direction

*What is the new bold mission?*

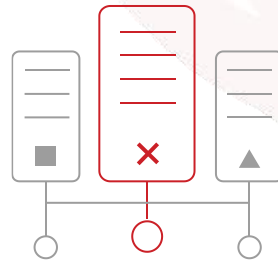
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## Sense-making (integration)

*What we already have? Is what we have coherent? Should we take different direction?*

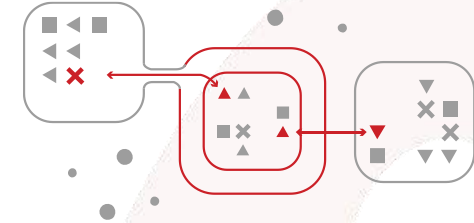
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## System + Experiment

*What drives the system?  
Which users?*

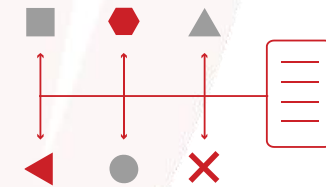
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## Developing new maps

*What is out there? Where new narratives come from?*

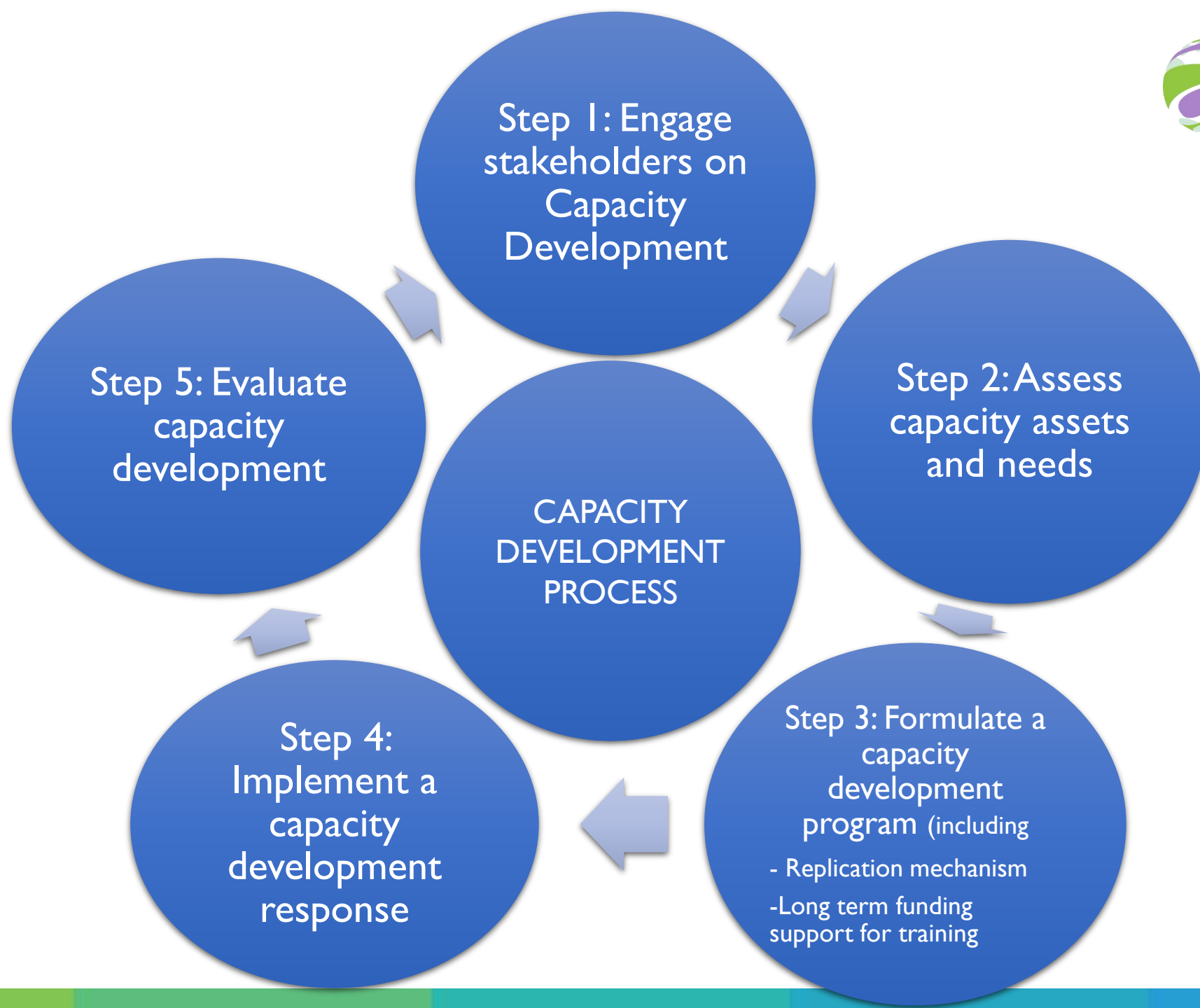
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## Variety of Experiences

*How do we experiment our way forward?*

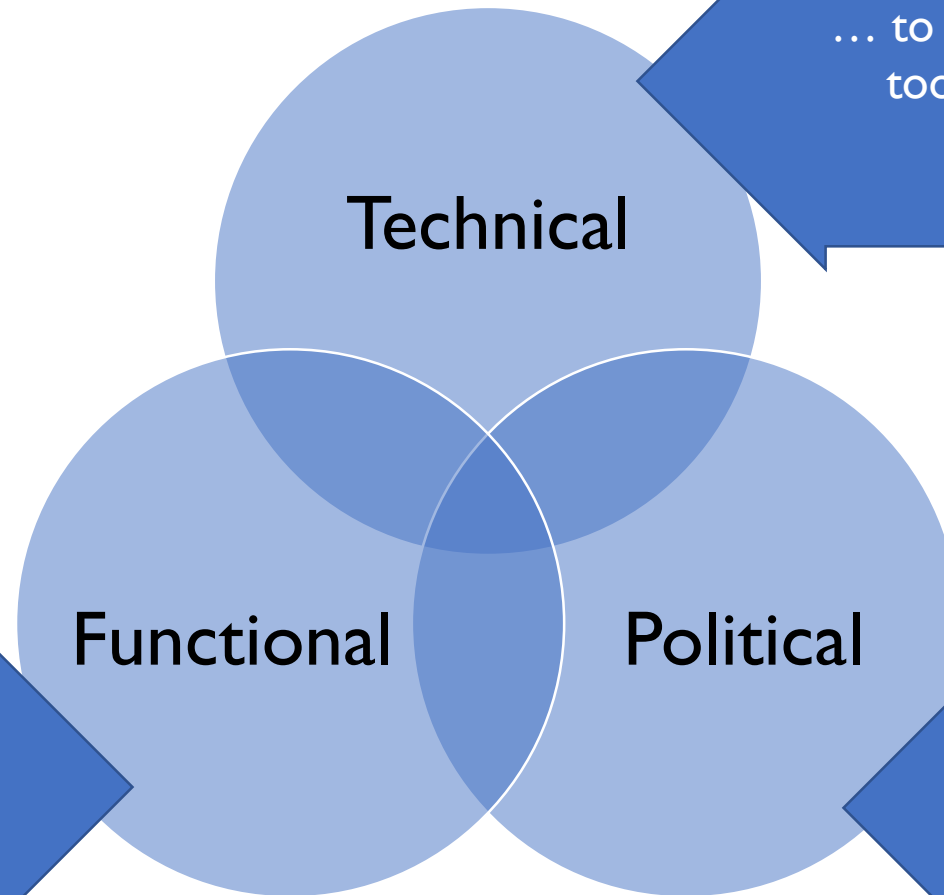
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# Institutional Capacities for Green Economy



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... to understand various technical tools, to design them well, to interpret the results

... to develop policy, implement plans and monitor and evaluate results

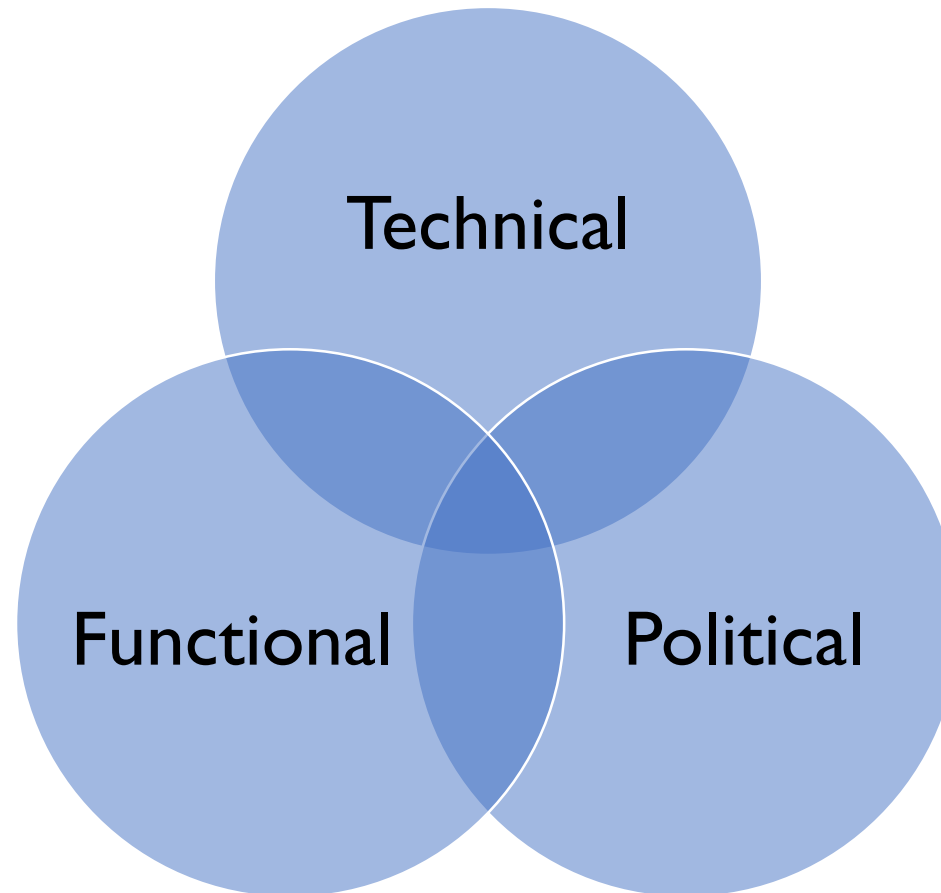
... to work well together: across institutions (environmental, economic, social), across sectors, and across actors (NGOs, Private sector, Donors)

# What Capacity Development Approaches & Tools exist to support transition to GE?



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- **Leadership development** — to strengthen leadership's ability to advocate for GE policies
- **Business process redesign** — to accommodate cross-sector policies
- **Prototyping, feedback loops and agile programming** — to test new ideas, quickly monitor progress from a variety of sources, and adapt/adjust as necessary



- **Institutional and Context Analysis** — to identify and engage stakeholders expansively in policy making
- **Facilitated consensus** — to reach consensus across tools, institutions, sectors, etc.
- **Coalition building** — to gather support for policies and plans



**Thank you for attention!**