

**ENRTP STRATEGIC COOPERATION AGREEMENTS**  
**ANNEX 4 – PROGRESS PROJECT REPORT**

<b>Reporting Period</b>	<b>04/2012 – 12/2012</b>
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**DESCRIPTION**

ENRTP Priority		EC Directorate General	ENV
Programme of Work	UNEP Programme of Work 2012/13; Sub-programme 6; Resource Efficiency and Sustainable Consumption and Production (1161)		
Project's Title	Measuring a green economy transformation		
Location	Africa, Asia, Latin America		
Total duration	04/2012 – 04/2014 (24 months)		

Responsible Entity	UNEP – Division of Technology, Industry and Economics (DTIE) - Economics and Trade Branch (ETB)		
UNEP/MEA Project Manager	Steven Stone / Fulai Sheng		
EC Project Manager	Fabien Sordet		

Date of EC Approval:	21 March 2012		
EC Allocation (EUR):	EUR 750,000		
Date of Allocation/Transfer:			
Amount (USD)	USD 1,000,000	Exchange Rate (USD/EUR):	1.3333
Total Expenditures (USD)	210,948	Total Expenditures (EUR)	158,211

**SUMMARY PROJECT STATUS**

Summarize: i) the status of implementation of the project at the time of reporting (global overview on the project implementation since its start); ii) progress towards achieving the project's objectives; iii) performance remarks and highlights.

The project "Measuring a green economy transformation" aims at developing, communicating, and applying guidelines for measuring the transformational effects of a green economy approach. Guidelines for measuring national green economy initiatives will help the international community and national governments to develop relevant baselines and measure the contributions of green economy policies to sustainable development. The ultimate objective of this project is to enable countries to achieve a green economy transformation and move towards sustainable development.

Since the start of the project in April 2012, progress has been made towards achieving these objectives by implementing the following activities:

**1) Event on indicators at Rio+20 conference: "Measuring Progress Towards a Green Economy for Sustainable Development"**

The side event "Measuring Progress Towards a Green Economy for Sustainable Development" took place on 13 June 2012 at the UNEP Pavilion in the framework of the Rio+20 Conference. During this side event, UNEP proposed an approach to measuring a green economy, focusing on three components: a) indicators to substantiate environmental and natural resource challenges and for setting policy targets; b) indicators for measuring policy interventions such as green investment and subsidy reform; and c) indicators of policy impacts on broader social and economic well being such as access to clean energy and water, exposure to pollutants, green jobs, and value added of environmental goods and services.

Further participants were the United Nations Statistics Division (UNSD) which introduced the System of Environmental-Economic Accounting (SEEA) that was adopted by the UN Statistical Commission in February 2012 as an international statistical standard. In addition, the Dominican Republic emphasized the importance of covering poverty issues in green economy indicators. China described its approach consisting of both environmental and natural resource indicators as well as economic indicators focusing on the value added of emerging strategic industries such as renewable energy, low carbon vehicles, new materials, and bio technology. The OECD introduced its green growth concept and related indicators, while the European Commission (in the person of Mr. Jakub Wejchert, Policy Officer at DG Environment) described its “Beyond GDP” initiative and emphasized the importance of having a political discourse on goals and targets in order for the work on indicators to be meaningful.

The side event provided a platform for the different actors to exchange experiences on indicators-related work and present their approaches to measuring the progress of a green economy transformation to an international audience. The event contributed to reaching out to different stakeholders and raising awareness of the importance of indicators for green economy policy-making.

During the Rio+20 side event, a draft UNEP paper, entitled “Measuring progress towards an Inclusive Green Economy”, was circulated. This booklet, which was officially launched in September 2012, focuses on the need for, and the use of, indicators for better informed policymaking. It identifies tools that can help policymakers set their agendas and monitor progress in greening their economies, adding to a toolbox of instruments that UNEP provides in advising countries. The booklet provides an overall framework on which the work undertaken in this project, especially the manual for “Using Indicators for Green Economy Policy Making”, can build on.

## **2) International conference “Measuring the Future We Want – Indicators for Inclusive Green Economy/Green Growth Policies”**

The international conference “Measuring the Future We Want – Indicators for Inclusive Green Economy/Green Growth Policies” took place in Geneva on 4-6 December 2012. The three-day conference brought together experts from major institutions and governments to explore how countries can measure their green economy policies as they shift from supporting carbon-intensive, brown economies to more resource-efficient, sustainable societies. The conference spurred a lot of interest in the expert community and was attended by around 180 participants.

The conference provided the first opportunity post-Rio+20 for experts to identify existing indicators available to countries and discuss how they can be further developed and used to facilitate the transition to a green economy. Government officials from Barbados, China, Denmark, Ecuador, Germany, Ghana, Indonesia, Morocco, Thailand and Uruguay, all of whom are engaged in developing a comprehensive set of indicators to inform their national green economic policies, attended the meeting, along with representatives from academia, the OECD, the European Commission, the World Bank, UN agencies and non-government organizations. The first session of the conference, focussing on indicators of policy targets, was facilitated by Mr. Oliver Zwirner, Policy Officer at the European Commission’s DG Environment.

The final day of the conference focussed on the Green Growth Knowledge Platform (GGKP), a partnership between UNEP, the Global Green Growth Institute (GGGI), the OECD and the World Bank, which has identified green growth indicators as one of its priority areas for research. Consisting of a network of researchers and development experts, the GGKP aims to help countries design and implement their green growth policies.

By bringing together international experts, the conference provided a framework to discuss further project activities and a platform to interact with government representatives interested in the project’s country-level work, including from Ghana, Uruguay, Morocco, and Barbados. The conference contributed to raising awareness of the importance of indicators to inform policy-making among participants and government officials.

## **3) Manual for *Using Indicators for Green Economy Policy Making***

As one of the project’s main activities, UNEP has been developing policy guidelines on how to use indicators to design and implement green economy policies. The handbook will help governments use indicators to identify priority issues, formulate and assess green economy policy options, as well as to evaluate policy

implementation. It builds on the work undertaken for the booklet “Measuring Progress towards an Inclusive Green Economy” by providing a toolkit for country-level application.

The manual answers the call from the Rio+20 Conference for the UN system to support countries interested in pursuing green economy policies by providing methodologies for the evaluation of green economy policies. The manual focuses on those policy options with “multiple dividends” across the environmental, social and economic dimensions of sustainable development.

The outline of the manual was presented and discussed at the Conference “Measuring the Future We Want”. The draft manual has now been completed and has entered the peer review process. Ten reviewers from different departments within UNEP have been selected. Moreover external representatives from the Green Growth Knowledge Platform (GGKP), including the OECD and World Bank, will also review the manual. Finally, a broad range of developing country policy makers will also give their comments on the manual, to ensure it is ready-to-use.

#### **4) Application of policy guidelines at the country level**

UNEP is currently negotiating a Small Scale Funding Agreement (SSFA) with both Uruguay and Ghana, which contains a component on country level indicator work. First steps for kicking off the respective indicators activities will be stakeholder workshops in both countries, planned to take place in April 2013 (Ghana) and May 2013 (Uruguay). They will help contextualize the manual on Green Economy indicators at the national level in order to further define the scope of work on Green Economy indicators in the countries. The work on indicators undertaken at the country level will culminate in a publication for each country (‘country study’). For further information, please refer to the work plan for the next reporting period.

#### **CHALLENGES, MANAGEMENT ACTIONS, RISK MITIGATION PLAN:**

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Summarize main implementing challenges, if any, and strategy/actions which have been adopted to address them. List potential risks (internal and external) that may jeopardize the implementation of activities and/or the achievement of outputs and outcomes; please explain which actions have been planned to mitigate the identified risks.

In the course of the project, several implementing challenges/mitigation strategies have been identified.

- 1) Application of the manual at the national level: A first draft of the manual for “Using Indicators for Green Economy Policy Making” has been produced. It now needs to be ensured that the manual meets the needs of the specific countries. Therefore, the guidelines will be validated at the country level, first through a workshop in China and later through workshops in the participating countries. In these workshops, international experts and country level representatives will be invited to review the manual to ensure its applicability at the country level. The workshop activities as well as the country level activities on indicators will take place in the framework of a Green Economy Assessment carried out by UNEP’s Advisory Services. This will ensure that the manual is used and applied at the country level.
- 2) Lack of coordination with other international agencies working on indicators: Other agencies, such as the World Bank and the Global Green Growth Institute (GGGI), are also undertaking work on green economy/green growth indicators, which might lead to a plethora of different approaches and methodologies with which the countries are confronted. In the framework of the Green Growth Knowledge Platform (GGKP), in which UNEP is participating, a joint paper on indicators is currently being developed. This will help to consolidate and harmonize differing approaches and be useful for further project activities.
- 3) Capacity constraints at the country level: The measurement of a green economy transformation is inseparable from the use of official statistics and statistical frameworks. The application of the guidelines for measuring a green economy transformation requires the use of data covering policies and investments as well as baselines on major economic, social and environmental dimensions of sustainable development. Statistical capacities for data collection in the participating countries might be limited. In the framework of the Partnership for Action on Green Economy (PAGE), an initiative of four UN agencies to support countries in their green economy transition, UNEP cooperates with the United Nations Institute for Training and Research (UNITAR). In partnership with UNITAR, potential capacity building gaps could be analyzed in order to design and provide specific trainings.

## OUTCOME SUMMARY

Provide for each outcome listed in the project document the description, the indicator, progress made/result achieved (focus on the current reporting period only).

In the project document, the desired outcome was defined as follows:

Project Outcome = Expected Accomplishment or PoW Output	Indicators	Progress
Authoritative policy assessments, cost-benefit analyses and sectoral examples of the economic, environmental and social gains from applying policies and economic instruments for resource efficiency, including poverty reduction, are developed with a global perspective and used in governmental decision-making.	Increased number of governments and other public institutions are implementing policies, economic instruments and initiatives for resource-efficiency improvements and introducing environmentally sustainable aspects into their economies.	The different project activities carried out so far, such as the Rio+20 side event and the international conference on indicators, have contributed to raising awareness of the use of indicators to enhance a green economy transition. The indicators will help to guide the design of green economy policies and inform government decision-making. The developed manual on indicators is the first step for the country-level application of this project.

## OUTPUT PERFORMANCE

Provide for each output listed in the project document the description, indicators and progress made/any result achieved (focus on the current reporting period only)

Provide brief information on main activities undertaken; reason for modifications of planned activities (if applicable) and list of activities which were planned but not implemented, explaining the reasons.

Kindly include as annexes, any supporting documents which can be provided to the donor as means of verification for each of the outputs achieved and other relevant activities' documentation (if files can be downloaded, please provide below the link).

2. Project Outputs:	Indicators	Progress – Activities undertaken
A) Information provided and discussion initiated on ways to measure progress towards a green economy.	Number of high-level meetings on the topic in the process of the Rio+20 process (1 event)	<p>1) The side event "Measuring Progress Towards a Green Economy for Sustainable Development" took place on 13 June 2012 in the framework of the Rio+20 conference. This event facilitated an exchange of experiences on indicators-related work. Participants from UNSD, the European Commission, the OECD, the Ministry of Planification and Development of the Dominican Republic, as well as from the Chinese Academy of Sciences presented their approaches to measuring the progress of a green economy transformation. The event contributed to reaching out to different stakeholders and raised awareness of the importance of indicators for an informed green economy policy-making.</p> <p>The announcement of the side event in the framework of the Rio+20 conference can be found at the following link on UNEP's website: <a href="http://www.unep.org/rio20/Side-Events/tabid/102172/Default.aspx">http://www.unep.org/rio20/Side-Events/tabid/102172/Default.aspx</a></p> <p>The concept note of the event can be found in annex 4.1 of this report.</p> <p>2) The conference "Measuring the Future We Want" took place on 4-6 December 2014 in Geneva. The conference was attended by around 180 international experts and participants. Government officials from Barbados, China, Denmark, Ecuador, Germany, Ghana, Indonesia, Morocco, Thailand and Uruguay, all of whom are engaged in developing a comprehensive set of indicators to inform their national green economic policies, attended the meeting, along with representatives from academia, the OECD, the World Bank, the European Commission, UN agencies and non-government organizations. The conference provided a platform to present different approaches and spurred discussions on how indicators can be further</p>

	<p>Number of press releases/features on UNEP website</p>	<p>developed and used to facilitate the transition to a green economy. The conference set the scene for further activities of the project. It provided an opportunity to present the outline of the manual on green economy indicators and establish contacts with Ghana, Uruguay, Morocco, and Barbados, who will likely be participating in the country level implementation of the project.</p> <p>The conference website, featuring the biographies of all speakers and their presentations, can be found here:  <a href="http://www.unep.org/greeneconomy/WorkshopsConferences/MeasuringTheFutureWeWant/tabid/105556/language/en-US/Default.aspx">http://www.unep.org/greeneconomy/WorkshopsConferences/MeasuringTheFutureWeWant/tabid/105556/language/en-US/Default.aspx</a></p> <p>The agenda of the conference can be found in annex 4.2 of this report.</p> <ol style="list-style-type: none"> <li>1) The indicators conference was featured on UNEP's Green Economy Website for almost one month, from mid-December until mid-January.</li> <li>2) A website for the conference was created for the event, featuring the conference agenda and the presentation of all speakers (see link above).</li> <li>3) A press release on the conference was sent out to various media outlets (please refer to annex 4.3).</li> <li>4) A press conference took place at the UN Palais on 4 December 2012.</li> <li>5) The indicators conference was announced via social media (facebook and twitter), including a link guiding to the conference website.</li> </ol>
<p>B) Guidelines to support policy makers to measure a green economy transformation and developed and use relevant indicators/indicators or frameworks.</p>	<p>Number of consultations with relevant organisations and governments on structure and content of guidelines (2 consultations)</p> <p>Guidelines available for distribution and download from UNEP website.</p>	<ol style="list-style-type: none"> <li>1) During the indicators conference, the outline of the indicator booklet was presented and discussed (in session 6 of the conference; presenter: Andrea Bassi, KnowlEdge Srl)</li> <li>2) A draft version of the guidelines has now been completed and has entered the peer review process. Ten reviewers from different departments within UNEP have been selected. Moreover, external representatives from the Green Growth Knowledge Platform (GGKP), including the OECD and World Bank, will also review the manual.</li> <li>3) A planned conference in China in March will provide the opportunity to discuss the draft and enhance its applicability at the country level.</li> </ol> <p>Scheduled for the next reporting cycle.</p>
<p>C) National projects/initiatives to develop indicator frameworks and baselines for measuring a green economy transformation.</p>	<p>Number of countries that have initiated projects on measuring progress and started to apply the draft policy guidelines (four countries)</p>	<p>With Ghana and Uruguay, two out of four countries have been selected to participate in the country application of this project. Small Scale Funding Agreements (SSFAs) to initiate the project implementation at the country level are currently being concluded with both countries.</p> <p>The additional two countries to potentially take part in the project are Barbados and Morocco.</p>
<p>D) Results from national initiatives summarized in a synthesis report for sharing with other countries, international organizations and research institutions.</p>	<p>Guidelines available for distribution and download from UNEP website.</p> <p>Targeted distribution to national statistical offices</p>	<p>To be undertaken in the next reporting cycle.</p>

## RESOURCES AND BUDGET

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Provide: i) any remark on the overall budget based on the financial report for the current reporting period; ii) indicate if there is a delay in spending the funds, please clarify reasons; iii) mention resources to be mobilized yet, if any; ii) additional resources leveraged by UNEP and/or partners as a result of the project

- Besides undertaking the first project activities such as organizing the Rio+20 side event, the first months of the project were used for project planning. This activity was cost-neutral and is thus not reflected in the budget.
- The conference entitled “Measuring the Future we want” was organized from 4-6 December 2012 in Geneva in the framework of this project. Not all expenditures incurred related to this conference are reflected in the budget until the end of December 2012 since a majority of the invoices was received in January 2013.
- The preparatory measures for the country work, such as legal agreements with national research institutions, took longer than expected and are currently undertaken. Therefore, none of the anticipated costs for Small Scale Funding Agreements (SSFAs) with the participating countries were incurred during this first reporting cycle.

## WORK PLAN FOR THE NEXT REPORTING PERIOD:

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Summarize: i) activities scheduled – including any key milestones\*<sup>1</sup> and lead responsibilities; ii) main outputs to be achieved in the upcoming reporting period and iii) forecast of expected expenditures.

In the remaining time of the project, the following activities are scheduled:

### 1) International Symposium on Green Economy and Environmental Competitiveness Indicators

In March 2013, UNEP and Fujian Normal University will hold an international symposium in Fuzhou, China, on sustainable indicators. Representatives from various government departments (e.g. Ministry of Environment) think tanks and leading universities from around China will attend. Policy makers working with sustainable indicators from Indonesia, Uruguay, Mauritius and other developing countries will also attend, alongside academics from around the world. The approximately 40 participants are predominantly experts on sustainable indicators and at the workshop they will both learn about the most cutting edge research, as well as share their own experiences.

The workshop will also involve the first discussion of the draft guidelines for using indicators for environmental policy making. The comments from policy makers and experts from China and other developing countries will improve the manual to make it more relevant and easier for country-level officials to use. Participants will also study in depth China’s experience of sustainable indicators, both to learn from the experience of China, as well as exploring ways to improve China’s own measurement of environmental progress.

The symposium is organized in conjunction with Fujian Normal University, who are funding the participation of 5 international experts and 10 Chinese experts, paying for the hosting of the conference, and are taking care of logistics.

### 2) Application of policy guidelines at the country level

Upon the conclusion of the SSFAs with both Uruguay and Ghana, UNEP will start the first activities to develop indicator frameworks and apply the policy guidelines at the country level. In both countries, stakeholder workshops have been scheduled to validate the manual on Green Economy indicators at the country level (Ghana: April 2013; Uruguay: May 2013). In addition, the workshops will serve as platforms for stakeholder consultations to define the scope of the work to be undertaken. The purpose of this component of the workshop is to propose a set of indicators that help the country set targets and policy goals and to

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<sup>1</sup> A milestone is not equal to a summation of tasks or activities. Rather it represents the achievement of a feasible project management stage and be strictly answerable as yes or no answer.

measure progress in transitioning to green economy and sustainable consumption and production (SCP) pattern pathways.

The work on indicators in the countries will be embedded in the Green Economy Assessment Studies undertaken by UNEP's Advisory Services. Activities to be carried out in this component of the project include: (1) Reviewing existing national statistics that could support measuring and monitoring of a green economy transformation; (2) selecting key indicators for agenda setting, policy formulation and policy impact evaluation; (3) identifying data gaps for further research (e.g., through surveys); (4) creating a time series (approximately 10 to 15 years) for all relevant indicators available and developed; (5) analysing trends (historical performance and future projections) of the relevant indicators, also considering cross-sectoral interdependencies.

The Green Economy Assessment (GEA) Report, produced by UNEP's Advisory Services, will take the findings of the indicator work into account. In addition, a country study on the indicator work undertaken in each country will be produced.

The remaining two participating countries still need to be selected and an SSFA with them concluded. At this point in time, Barbados and Morocco are possible candidates.

### **3) Development of a synthesis report**

Based on the four country studies, a synthesis report will be prepared. The purpose of the synthesis report is benchmarking, without ranking the performance of the countries in terms of the indicators used. The report will highlight the different approaches of green economy indicators used, based on the local context.

#### **Future project milestones:**

- 1) International Symposium on Green Economy and Environmental Competitiveness Indicators has successfully taken place (Q2 2013).
- 2) All participating countries have been selected and SSFAs are concluded (Q3 2013).
- 3) Guidelines have been discussed, are adjusted to country level work, and have been finalized (Q3 2013).
- 4) Country studies are completed (Q4 2013).
- 5) Synthesis report is completed (Q4 2013).
- 6) Guidelines, country studies, and synthesis report are published (Q1 2014).

For the above mentioned activities, it is planned to spend the budget as agreed upon with the EC in the project proposal.

#### **VISIBILITY:**

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**Describe communication, visibility and outreach activities undertaken at project level, if any.**

- As reported in the section on output performance under project output A), the different events on indicators (side event, international conference) have been communicated through the UNEP website, a press release and press conference, and social media activities.
- Further, the link to the conference website has been sent out to 180 conference participants.
- Once finalized, the manual will be translated into all UN languages and thus be able to reach even more stakeholders. The manual will also be shared with the Global Green Growth Knowledge Platform (GGKP) and the Environmental Management Group (EMG) in the UN system.
- Future communication activities will include the international symposium in China, national workshops on indicators, the launch of the synthesis report, and the online publication of the manual, the country studies and the synthesis report.

## FINAL REMARKS:

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Describe: i) lessons learned during project design and implementation; ii) stakeholder participation and level of engagement/satisfaction; iii) where applicable, outline any links and synergies developed with other projects; i) main issues and recommendations for the attention of the donor; iv) overall observations on project performance and whether the projects has had any unforeseen positive or negative results.

- The Rio+20 side event as well as the international conference on indicators were well received by UNEP's stakeholders. Especially the conference spurred a lot of interest, which resulted in UNEP having to change to a larger venue to accommodate all interested participants.
- The countries that have been selected for the project have expressed a strong interest in building up indicator frameworks at the country level.
- This project will create synergies with
  - a joint UNEP/GIZ project on green economy policies that will also involve country level indicator work;
  - the joint work of the GGKP partners on a paper on harmonizing/consolidating indicator approaches;
  - a South-South cooperation project funded by the Chinese government which will involve work on indicators.
- The development of the manual for *Using Indicators for Green Economy Policy Making* builds on the work undertaken in the framework of the UNEP publication "Measuring Progress towards an Inclusive Green Economy", launched in September 2012.

## ANNEXES:

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Please list supporting documents included as annexes, if any.

Most supporting documents are provided as web links. The annexes to this report contain the concept note of the Rio+20 side event (annex 4.1), the agenda of the indicators conference (annex 4.2), and the press release on the indicators conference (annex 4.3).

UNEP/MEA Project Manager: Sheng Fulai

Signature: \_\_\_\_\_



Date of Submission: 15 March 2013