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4-6

SAVE THE DATE

# Green Economy Coalition Global Annual Meeting

New Delhi, India

## Local Green Enterprises

*Building Inclusion in Green Economy Transition in India*



# Local Green Enterprises

Building Inclusion in India's Green Economy Transition

BACKGROUND



## India, its pacing economy and global commitments

In less than ten years from now, by 2027, India will expand to become a USD 6 trillion economy. (Morgan Stanley Research, 2017) Positioned to have one of the youngest populations in the world by 2020, the existing figure of 65% of the population within working age is only slated to rise. (UNDP, 2016) However, this rapid growth has also caused immense problems of environmental degradation and social inequity. The country's cities are becoming notorious for the pollution of their air, the scarcity of their water supplies and the toxicity of their waste dumps. The resource guzzling economy is overexploiting and degrading the soils, forests and rivers of this once wealthiest of nations at an unsustainable rate. The disparities in income and wealth are becoming huge and socially threatening.

There is an urgent need to adjust all economic activities to be within planetary and societal boundaries. India has joined the Partnership for Action on Green Economy (PAGE) programme, recognising the urgency in enabling the country to meet her international commitments to such initiatives as Inclusive Green Economy, Nationally Determined Contributions to the Paris Agreement, and the Sustainable Development Goals (SDGs). In this light, the Government of India has taken many significant steps that will strengthen India's potential to achieve its Sustainable Development Goals and Targets. The nation's plans for expanding installation of renewable energy plants, removal of plastic wastes and conservation of natural resources are among the largest and most ambitious in the world. "Make in India" and "Skills India" are some of the other flagship programmes of the Government of India to enhance the employment opportunities and industrial base of the economy.

## MSEs making the transition to a Green Economy, Inclusive in India



With the national scenario of resource extraction and disparate inequalities, it is imperative for India to enable a system that appropriately localises and decentralises its production of goods and services while also integrating economic efficiency, environmental soundness, and social equity into business decisions. Across high, middle, and low-income countries, micro and small-enterprises (MSEs) constitute the largest share of private businesses and account for the bulk of employment. These dynamic entities create local jobs and boost economic resilience leading to strong multiplier effects on the national economy.

Environmentally conscious Micro and Small Enterprises or as we call them, **Local Green Enterprises** can provide solutions and a sustainable approach in building green and inclusive economy and thus support in achieving Sustainable Development Goals. With around 36.1 million units throughout the country, MSMEs in India contribute to 37 percent of the GDP, 37% of India's manufacturing output and employ close to 20% of the workforce. (MoMSME, 2016) Local Green Enterprises in India, however, faces many systemic and structural challenges that impede their growth and scaling up. India is still ranked 130th globally in the World Bank's ease of doing business index for 2015, which reflects the burdensome regulatory environment in which MSEs operate. Finance, skill and information gap are some of the highlighting roadblocks. Only about 11.7 per cent of MSMEs availed finance from institutional sources, and about 1 per cent had taken finance from non-institutional sources (Fourth Census of MSMEs, 2011). Further, a mere 2% of Indian workers are formally skilled. More than 85% of innovative small firms see the unavailability of skilled workers as a barrier to innovation, making it one of the foremost challenges in SME innovation. More than 75% of the innovative small firms face barriers pertaining to technology information and information on markets in India. (Pachouri & Sharma, 2016)

**Local Green Enterprises (LGEs), with appropriate support systems are well positioned to make the transition to a Green Economy. And LGEs can greatly help empower local communities and energise local economies.**

## GEC Global Meeting 2020

### Who we are, and where we've come from?

In 2009, seeing that the 'brown' economic system was failing their constituencies – poor people, workers, nature – a group of civil society organisation saw a chance to shape a new agenda. Greener economies offered a pathway for communities to take ownership of local natural resources; for poorer nations to leapfrog old industrial pathways and develop cleaner energy systems better suited to rural economies; for societies to generate new sustainable industries and decent jobs. The GEC was formed to shape and promote that agenda. Our mission? To champion inclusion, equity and environmental limits. To do that, our understanding of a green economy evolved beyond a single definition to include a set of key actions:

- **Measuring and governing** : Supporting institutions to re-define progress so that they can meet the opportunities and risks of the future.
- **Reforming financial systems** to ensure they are fit for the demands of the 21st century. That means green monetary policy; carbon pricing and taxation and revising the mandates of the major finance institutions.
- **Greening economic sectors** so that food, transport, energy and infrastructure are ready for the future and built to last. That means sector transition plans; binding carbon budgets; and support for small businesses to generate the solutions.
- **Tackling inequality** : Fairer economies are more resilient and they have a smaller environmental impact. That means progressive welfare systems and taxation, shared ownership models and reskilling workforces for a just transition.
- **Valuing nature** to ensure it is visible in national statistics, financial statements and can show decision makers their dependency on maintaining a healthy planet. That means natural and social capital accounting

### Why do we come together every year?

The overall objective of the Global Meet is to build a platform for civil society, small businesses to engage with green economy policy making in India and other parts of the world. Together we bring together over 300 civil society networks spanning poverty, environmental protection and labour rights who are actively championing the green economy transition at local, national and global levels. We centre our dialogues and debates to moving Societal Demand and Inclusion– both being critical for the transition to be sustained across traditional investment or parliamentary cycles.

### What are we going to do this year?

Our focus this year is on ensuring that local green businesses get a stake in the transition to a green economy. The Global Meeting will delve deeper into aspects of finance, measurements, markets and governance needed for enabling Local Green Enterprises in India and other countries to carve the story of Green Economy Transitions. The Global Meet will also reflect on the stories and lessons from seven national/regional GEC hubs in the Global South which are part of the ongoing Programme of GEC on Creating enabling policy conditions for the transformation towards an inclusive green economy, currently supported by the European Commission.

### Who all will be present?

The meeting will bring together representatives of business, finance, NGOs and citizen's groups from India and around the world. The meeting will be attended by members of the GEC, including the seven GEC regional/national hubs (Caribbeans, India, Mongolia, Peru, Senegal, South Africa, and Uganda).

### Highlights from the Global Meeting in 2019

For the 2019 GEC Global Meeting focused on how everyone can get a stake in the transition to a new, greener economic system. It gathered 130+ participants from over 30 civil society, small businesses, academia, government and international organisations. Event Report can be found [here](#)

## Flow of the GEC Annual Meeting 2020

<b>DAY I</b> 4 <sup>th</sup> FEB	<b>Taking Stock and Showcasing work</b> Participants will be immersed into how “inclusion” is perceived and the importance different countries are giving to it. The day will also build upon the Green MSMEs – size of this sector in countries, their scope and potential in building towards and green and inclusive economies in the world; and the movements that are strengthening their case of reaching to scale. <ul style="list-style-type: none"><li>• 7 country hubs sharing their country’s experience</li><li>• Global GEC Hub share movements in transition across the globe</li></ul>
<b>DAY II</b> 5 <sup>th</sup> FEB	<b>Building Solidarity</b> Participants will absorb the “diversity” of green enterprises in varied sectors and contexts. This day will also help in listening of stories of empowerment of the successful LGEs, their supporters and aggregators from across India as well as some examples from across the globe. <ul style="list-style-type: none"><li>• Dialogue sessions with National Thinkers and Practitioners</li><li>• Local Green Enterprise Fair</li><li>• Chaupal – Entrepreneurs sharing their stories</li><li>• Working Group Sessions on culling out policy lessons</li><li>• Joint Statement signed by Indian Civil Society on LGEs</li></ul>
<b>DAY III</b> 6 <sup>th</sup> FEB	<b>Building Synergy</b> Participants will work towards identifying what has been done, what needs urgent attention and who will need to steer and play roles in taking this action forward <ul style="list-style-type: none"><li>• Progress of India on Green Economy shared by Government of India and UN- PAGE India</li><li>• Thematic Sessions on<ul style="list-style-type: none"><li>• Financing LGEs (Co-hosted with GGGI, SEEDS)</li><li>• Sustainable Procurement (Co-hosted with Switch Asia, TERI, CRB)</li><li>• Triple Bottom Line Impact of MSMEs (Co-hosted with UNIDO)</li></ul></li></ul>

For registration click **HERE**

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