

## **Sub-national Leadership for Inclusive Green Growth**

Day: 17 February, 2022

Time: 2:30 pm to 3:30 pm IST | [Click here](#) for time in your location

### **Introduction**

The Thirteenth Finance Commission of India stated that “green growth involves rethinking growth strategies with regard to their impact(s) on environmental sustainability and the environmental resources available to poor and vulnerable groups”. With India contributing 18 percent of the world’s population on less than 3 per cent of the global land surface, the economy is likely to face significant resource constraints in the near future.

A growing economy requires policies that yield maximum output with the minimum use of limited resources along with ensuring human well-being. In the run-up to the United Nations Conference on Sustainable Development at the Delhi Dialogue on ‘Green Economy and Inclusive Growth’, the emphasis was on understanding how far a green economy approach can address the social pillar of sustainable development. This green growth needs to ensure that the environmental pillar of sustainable development is aligned to meeting economic and social objectives.

To fully integrate green growth strategies into the policy framework, it is important that governments at all levels be mobilized to understand the benefits of a green economy and the need to target a growth strategy that combines economic performances with environmental performances. Sub-national governments including states, union territories, autonomous regions, provinces, cities, municipalities and rural units are at the forefront in implementing green growth strategies, and in some cases are leading or catalysing national efforts.

### **Role of Sub-national Leadership for Green Growth**

To be successful, green growth planning needs to adapt to local and regional developments, as well as respond to spatial needs as well as the needs of the local and regional stakeholders. Sub-national authorities can be at the forefront of playing a more proactive role in promoting green growth, and encourages innovation and the development of local initiatives.

It becomes essential to focus on the perspectives from subnational leaders on how they view green growth, what green growth strategies have been implemented in their respective subnational units, and what challenges they faced or continue to face in effectively implementing green growth. This session also provides a platform for various subnational leaders to share their experiences, lessons learnt and inspire others to adopt strategies enabling green growth.

### **Policy Instruments for Green Growth**

In a federal context, a predictable and secure fiscal base would also be necessary to secure local public goods for green growth. Fiscal and public finance planning also becomes important for mainstreaming environment in economic decision-making. Some measures to mainstream environment in economic decision-making by the governments include green budgeting, greening economic surveys and greening GDP/ growth measures. Apart from this, a regulatory policy framework is needed to compliment and support market-based instruments.

A regulatory policy framework also promotes policy coherence by preventing the passage of laws that might cause environment harm. Improving governance is an essential enabler of green growth and for green growth to be effective, governments at all levels will need to work towards policy alignment and coherence. As depicted in the following figure, policy instruments for green growth can be in four broad categories: (i) mainstreaming green growth in economic policy; (ii) greening market signals; (iii) regulation; and (iv) green innovations.

### Policy Instruments for Green Growth

Mainstreaming Green Growth in Economic Policy	Greening Market Signals	Regulation	Green Innovations across Sectors
<ul style="list-style-type: none"> <li>• Green budgeting</li> <li>• Greening economic surveys</li> <li>• Green accounting/ alternative development measures</li> <li>• Subsidy reforms and fiscal incentives</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable public procurement</li> <li>• Eco-labels</li> <li>• Green investment frameworks</li> </ul>	<ul style="list-style-type: none"> <li>• Banning single-use plastics</li> <li>• Environmental taxes/ cess</li> <li>• Enforcement of legislation on pollution/ waste management</li> <li>• Incentives to green enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• Research and development</li> <li>• Green technology</li> <li>• Waste management</li> <li>• Energy supply and demand</li> <li>• Nature-based solutions</li> <li>• Green consumer products</li> </ul>

### Bibliography

- GGBP. (n.d.). Green Growth in Practice: Lessons from Country Experiences. Green Growth Best Practice Initiative, Global Green Growth Institute.
- Indonesia Green Growth Program. (2014). Green Growth Concepts and Definitions. Global Green Growth Institute (GGGI).
- Muro, M., & Saha, D. (2016). Green Growth and the Sub-National Development Imperative. The Brookings Institution.
- OECD. (2012). Enabling Local Green Growth: Addressing Climate Change Effects on Employment and Local Development. Organisation for Economic Co-Operation and Development.
- TERI. (2015). Green Growth and Sustainable Development in India: Towards the 2030 Development Agenda. New Delhi: The Energy and Resources Institute.
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### Key Questions

1. What regulatory and market policy instruments have enabled green growth at the state and local levels? What best practices can be further scaled up to the national and international levels?
2. What are the challenges to green growth at the state/ sub-national levels? What could be the distributive implications of green growth policies?

3. How do you encourage green innovations in your state/ region? What social benefits can result from green innovations?
4. What specific measures have you taken to mainstream green growth in economic policymaking in your state (green budgets, alternative growth measures, fiscal measures)?

### **Format of the Session**

The session will involve a moderated discussion, which will start with brief remarks by the moderator followed by 6–7 minutes long addresses/ statements by the Ministers. After the addresses, the moderator will pose 1–2 questions to the esteemed speakers based on issues emerging from the addresses. The moderator will then sum up the discussions. Strict time management is to be followed. There will be an on-screen timer for the same.

### **Session Speakers**

#### ***Moderators***

- Dr Vibha Dhawan, Director General, TERI
- Mr Ajay Shankar, Distinguished Fellow, TERI

#### ***Ministerial Addresses***

- Mr Aaditya Uddhav Thackeray, Hon'ble Cabinet Minister of Environment, Government of Maharashtra
- Dr Palanivel Thiagarajan, Hon'ble Finance Minister, Tamil Nadu
- Mr James K Sangma, Hon'ble Cabinet Minister for Power, Government of Meghalaya

#### ***Special Addresses***

- Mr Dipak Kumar Singh, Principal Secretary, Environment, Forest, and Climate Change Department, Government of Bihar
- Mr Atul Bagai, Country Director – India, United Nations Environment Programme
- Mr Shantanu Gotmare, Commissioner & Secretary, Government of Assam