

Meld. St. 14

(2010–2011)

Report to the Storting (white paper)

Towards greener development:

On a coherent environmental and development policy

*Recommendation from the Ministry of Foreign Affairs of 8 April 2011,
approved in the Council of State the same date.
(White paper from the Stoltenberg II Government)*

Summary

Lasting progress in the fight against poverty depends on long-term economic growth and equitable distribution of social and economic goods. Without radical restructuring of the world economy, continued global growth will cause serious environmental damage.

Environment and development are inextricably linked. Focusing only on economic growth without taking ecological constraints into consideration may yield short-term gains, but will deplete the natural resource base and thus undermine opportunities for future development.

Poverty can in itself constitute a threat to the environment. Although the poor use relatively few resources, they are in some cases forced to use every available source of income and food without taking biodiversity or sustainability into account. These issues must be resolved through a common effort; otherwise we will lose on both fronts.

Moreover, environmental degradation of several kinds is being speeded up by climate change. This is the greatest paradox of international environmental and development policy: if the fight against poverty is based on economic growth that exacerbates climate change, it will in itself create more poverty.

Today, almost all the world's population growth, and half its economic growth, is taking place in developing countries. It is vital therefore to reach global agreement on the principle that developing countries' right to development and growth must be respected at the same time as global emissions are curbed in order to limit human-induced climate change. A greener global economy is needed to achieve this.

The Government has developed a coherent environmental and development policy based on four pillars:

- We will enhance our role as a driving force for greener development and as a bridge-builder between different groups of countries in international processes.
- We will intensify our efforts to promote greener development by contributing to low-carbon development, with particular emphasis on renewable energy and sustainable management of natural resources.
- We will be a driving force in the establishment of global systems for maintaining ecosystem services.
- We will continue to facilitate adaptation by developing countries to the climate change that is inevitable.

This white paper examines the environmental and development policy instruments that promote green development strategies, and how aid can make such strategies more attractive. This will involve increasing the proportion of aid allocated to climate

and environmental measures, which will be done within the current budget framework.

Driving force and bridge-builder

Today's agenda for development and environmental cooperation is the result of more than 50 years' international collaboration. All international negotiation processes are political by nature, and are affected by national as well as international circumstances.

The world's one billion poorest people are responsible for less than 3% of total greenhouse gas emissions. Greater confidence between countries and recognition that we all share a common destiny, regardless of income level, is in everyone's interest. Norway will be a driving force in the development of forward-looking solutions that enable green global development. And we will be a bridge-builder between different groups of countries and peoples. Multilateral agreements and international rules are important here. We will maintain a deep engagement in the efforts to strengthen the Convention on Biological Diversity and the international regulation of hazardous substances and hazardous waste. In the negotiations under the UN Framework Convention on Climate Change, Norway is seeking to ensure that a legally binding climate agreement is reached, where developed countries take the lead by committing themselves to cuts in greenhouse gas emissions, but where developing countries with rapidly increasing emissions also undertake to limit their emissions.

Several developing countries are important actors in global power structures. In the climate negotiations, emerging economies and developing countries have been able to tip the scales in political decisions with global implications. These countries now account for around 60% of global greenhouse gas emissions, and they are expected to be responsible for almost all the growth in global emissions in the decades ahead. They thus have considerable influence on how the climate develops and the natural resource base that is available to future generations.

We must be willing to build bridges between new and established centres of power so that the countries of the world can make a concerted effort to address global problems. Shifts in the global balance of power are also of significance for Norway. Our strong interest in an international legal order and well-functioning governance instruments is described in the white paper entitled *Interests, Responsibilities and Opportunities. The main features of Norwegian foreign policy* (Report No. 15 (2008–2009) to the Storting).

Good governance is crucial in ensuring that international agreements and legislation are followed up and implemented in individual countries. The main elements of good environmental governance are legislation, institutions and knowledge. Good environmental governance must be seen in the context of general political developments. Environmental cooperation must therefore include themes such as strengthening community rights to resources, access to environmental information, gender equality and the fight against corruption.

Economic growth with low emissions

More than 2.7 billion people cook food on open fires or stoves without chimneys. Some 1.4 billion do not have access to electricity. Ensuring that the poor have access to energy is vital for continued progress in the fight against poverty and achieving the UN Millennium Development Goals. Access to energy is particularly important for women's time-use, income opportunities and health.

Present trends in emissions are incompatible with the target of limiting the average rise in global mean temperature to no more than 2°C above the pre-industrial level. Extensive energy efficiency measures, a marked rise in the use of renewables, and carbon capture and storage will be necessary to reach this target. It will be a challenge to increase access to energy for the poor without increasing emissions of greenhouse gases.

Sustainable management of the natural resource base creates a good foundation for a stable economy over time. A rich and varied natural environment, intact ecosystems, a climate-resilient agricultural sector, and sustainable management of forests, water and marine resources are significant factors for economic and food security in many developing countries. In addition, many of these countries have considerable deposits of non-renewable resources such as oil, gas and minerals. The extraction of these could significantly boost economic development. However, this requires sound management that promotes economic growth, and ensures distribution of wealth, welfare and environmental sustainability. Norway will help to secure access for developing countries to the capital, expertise and technology needed for sustainable economic growth and the implementation of green development strategies based on low emissions and sustainable development of the natural resource base. The Government will offer development cooperation in areas where Norway has particular expertise: renewable energy (especially hydropower), long-term management of natural resources and competence- and capacity-building in the field of environmental policy.

Ecosystem services

Recent research has improved our understanding of ecosystem services and their value. Many natural resources and ecosystem services, such as food, seeds, fuel, medicines and building materials, are key elements of the global economy. But many less obvious ecosystem services do not have a market price. This can easily lead to short-sighted overuse of resources. To achieve long-term, sustainable management of the natural resource base, the value of all these goods and services must be taken into account in social planning and in national and global decision processes. Valuation of ecosystem services is an important step towards greener development. Reducing deforestation and forest degradation also reduces greenhouse gas emissions. Nearly half the world's population depends directly on the ecosystem services provided by forests. These include water purification and regulation, in addition to the role played by forests in local climate regulation. More than a billion people, including many indigenous peoples, live in or near forests and depend on them for their livelihoods.

Norway's International Climate and Forest Initiative was established in 2008. It is targeted at all types of forest in developing countries – from mangroves and rain forests to dry savanna forests. The initiative is designed to support the international climate negotiations and promote measures in partner countries that contribute to

global emissions reductions. It also contributes to the fight against poverty and the efforts to achieve the Millennium Development Goal of ensuring environmental sustainability.

The Norwegian policy to encourage a concerted international response seems so far to be producing results. We have established cooperation with the World Bank, the African Development Bank and relevant UN organisations, including the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries. Norway has also taken the initiative to develop extensive collaboration with individual countries such as Brazil, Indonesia and Guyana.

Norway's International Climate and Forest Initiative faces many challenges, particularly in relation to governance, corruption, equitable distribution, measurement of forest carbon stocks, establishment of reference levels, carbon leakage and the question of how to address drivers of deforestation. As these challenges are met, new knowledge is acquired that can be applied to other initiatives and sectors.

The Government will focus on maintaining ecosystems and following up its climate and forest initiative through various channels. We will intensify efforts to promote good governance and fight corruption, and to strengthen the rights of local communities and indigenous peoples. Lessons learned from performance-based support and payments for ecosystem services under the initiative will be particularly relevant for other areas. The Government will seek to ensure sufficient funding for the global efforts to reduce emissions from deforestation and forest degradation.

Adaptation to climate change

Climate-related disasters claim many lives every year. Thousands of people are forced to flee their homes and suffer huge material losses. We can expect climate change to increase the frequency and intensity of extreme weather events such as drought and flooding in most regions. The one billion people now living in slums in landslide-prone areas, in coastal areas or on flood-prone river banks are extremely vulnerable.

New diseases are expected to spread as a result of environmental and climate change, creating additional problems for health services in developing countries. Climate-sensitive diseases include a number of insect-borne diseases, such as malaria and dengue fever, and waterborne diseases, such as diarrhoea and cholera.

Climate change will affect rainfall, temperature, and water availability for agriculture in vulnerable areas. Strengthening water resources management and improving water distribution systems will help to reduce vulnerability to climate change. Countries in Africa, Latin America and Asia could see a reduction in agricultural production which would in turn reduce food security and lead to higher food prices.

The right to food is a fundamental human right. Nevertheless, more than one billion people suffer from malnutrition and hunger. This is unacceptable in a world that in fact produces enough food for all. The causes of the food crisis are complex, structural and persistent. Social schemes, employment and economic development are just as important as higher agricultural and fisheries production.

According to the Food and Agriculture Organization of the United Nations, agricultural production will have to increase by 70% over the next 40 years in order to meet the growing demand for food, animal feed, and fibre for textiles. During the same period, global warming could reduce agricultural production in developing countries by between 9% and 21%. A more efficient agricultural sector must therefore be more sustainable and better adapted to climate change. Food security and a stronger agricultural sector will also have to be seen in the context of the conservation of biodiversity and the conservation and sustainable use of genetic resources.

The prevention of natural disasters is a key element of adaptation to climate change, and includes targeted measures to strengthen the resilience of vulnerable groups, local communities and states to crises and disasters. It also involves the maintenance and restoration of ecosystems that act as natural buffers against natural disasters. Support for adaptation to climate change must be based on national vulnerability assessments. Opportunities for women to participate in, and have an influence on, the planning and adoption of national strategies is crucial for successful adaptation. Children and young people who have an insight into environment and development issues can also be agents for a more climate-friendly social development.

Developing countries are seeing rapid urbanisation. Strategic urban planning makes it possible to promote green policies, including climate-friendly transport systems, energy-efficient homes, better waste management, and the development of water and sanitation infrastructure.

Adaptation to climate change includes both preventing and dealing with the damage caused by climate change. A country's adaptive capacity is linked to its capacity for social planning, which again depends on the quality of its governance and its level of development. Thus, all effective development and aid helps to build resilient societies, which are less vulnerable and more able to adapt in response to all types of threats, from a financial crisis or political instability to climate change. However, the Government intends to step up aid to sectors that are particularly vulnerable to climate change, primarily agriculture and disaster risk reduction.

Environmental issues and vulnerability to climate change are to be taken into consideration in all Norwegian aid through climate proofing and a stronger environmental dimension. This means identifying any negative effects of the project or programme and taking steps to prevent them. Environmental and climate elements should be integrated into all projects or included as an additional component. This will be an important factor in the quality assurance of activities.

The way forward

The terms "green development", "green growth" and "green economy" are increasingly being used in the international arena. They are used to refer to approaches to economic policy and development that take environmental limits and the risk of climate change more fully into account. This theme will be thoroughly discussed at the United Nations Conference on Sustainable Development in 2012. Norway will seek to ensure that the global community works together to develop new, greener strategies for long-term welfare and growth in today's developing countries.

Even if the Millennium Development Goals are achieved by 2015, much will remain to be done in the fight against global poverty. We must start to sketch out the next concerted international effort – the post-2015 agenda. It is important for Norway that a stronger environmental and climate change perspective is mainstreamed into international efforts. At the same time, universal access to modern forms of energy is vital for the fight against poverty. These challenges can only be met through a coherent approach.

Emerging economies such as China, Brazil, South Africa and India have to deal with the challenges of poverty and rising emissions, but they may well stake out the way to global solutions. These countries are setting the pace for a broad group of developing countries in international processes. They are also coming to the fore as investors and development partners. The lessons they learn and the choices they make will shape global developments in the years to come. The Government will therefore seek to strengthen cooperation with these countries on the development of low-emissions strategies and greener economic growth.