

Build Back Better: A Green and Sustainable Economic Recovery

#ParlAmericasCC #COVID19

The ParlAmericas virtual meeting, hosted by the Chamber of Deputies of Chile, Build Back Better: A Green and Sustainable Economic Recovery, brought together parliamentarians, parliamentary staff, and thematic experts with the objective of discussing strategies to integrate key climate change and environmental considerations into post-COVID-19 economic recovery plans and contribute to a paradigm shift towards sustainable development.



Access the recording of the session here (in Spanish and English)

post-COVID-19 for a sustainable and equitable future

LOCATION Virtual meeting

DATES July 10, 2020

PARTICIPANTS

More than 60 parliamentarians and parliamentary staff from 14 countries



This activity is aligned with SDG 5, 8, 9, 10, 11, 12, 13, and 16

Summary

The virtual meeting was inaugurated by the host of the meeting, President of the Chamber of Deputies **Diego Paulsen** (Chile) and by Member of the National Assembly **Elizabeth Cabezas** (Ecuador), President of ParlAmericas. Member of the National Assembly **Ana Belén Marín**, President of the ParlAmericas Parliamentary Network on Climate Change (PNCC), moderated the session.

The panel consisted of Leo Heileman, Regional Director of the United Nations Environment Programme (UNEP), Latin America and the Caribbean Office; Raúl Salazar, Head of the United Nations Office for Disaster Risk Reduction (UNDRR) Regional Office for the Americas and the Caribbean; and Brian O'Callaghan and Alex Clark from the Smith School for Enterprise and the Environment at the University of Oxford. The meeting concluded with closing remarks from Member of the Legislative Assembly Paola Vega (Costa Rica), Vice-President of the ParlAmericas Parliamentary Network on Climate Change – Central America.

"In our role within the parliament, beyond the emergent and contingency measures that we have already applied, we have to reflect on a transition that will transform this tragedy into an opportunity to correct structural issues and economic models that incorporate criteria on sustainability and environmental stewardship to aspirations for prosperity." "It is essential that governments seriously commit to the United Nation's Sustainable Development Goals, the 2030 Agenda, which constitutes a roadmap for the next decade that ensures economic development with social well-being and environmental equilibrium. This transformation, far from halting economic growth, represents an opportunity for real development with equity and the generation of new green jobs in Latin America."

Diego Paulsen, President of the Chamber of Deputies of Chile and host of the meeting



Member of the National Assembly **Ana Belén Marín** (Ecuador), President of the ParlAmericas Parliamentary Network on Climate Change





Member of the National Assembly Elizabeth Cabezas (Ecuador), President of ParlAmericas Without a doubt, our responses and actions towards COVID-19 can define whether or not we will achieve the climate and sustainable development goals. As parliamentarians, we have a great responsibility to legislate and exercise our oversight role so that these efforts are not delayed and are included in the actions taken in the face of the current pandemic."

"Currently, we are at a crossroads.



A green recovery and the importance of the Nationally Determined Contributions

In the first presentation of the meeting, **Leo Heileman**, Regional Director of the UNEP Latin America and the Caribbean Office (presentation)emphasized the value a healthy and biodiverse environment provides for humans. He commenced by sharing the newly released publication, <u>Preventing the Next</u> Pandemic: Zoonotic Diseases and How to Break the Chain of Transmission, which reveals that 75% of all new human infectious diseases originate from animals and are a result of how humans obtain and cultivate their food, commercialize and consume animals, and alter the environment and climate.

Mr. Heileman noted that although COVID-19 has led to a decline in greenhouse gas emissions, this reduction is not sustainable because once economies reopen, emissions will reach the same levels as before. Referencing the UNEP <u>Emissions Gap Report 2019</u>, he highlighted that the world is on the brink of missing the 1.5°C target of the Paris Agreement—an indication that the Nationally Determined Contributions (NDCs) are not ambitious enough. Mr. Heileman stressed that countries must work together to raise the NDCs and leverage the pandemic to ensure that investments go towards building back better. He shared five areas where governments could incorporate climate-friendly solutions: 1. build resilience in rural populations, agricultural production, and ecosystems; 2. create resilient cities; 3. promote renewable energies and efficiency; 4. accelerate the transition towards use of electric vehicles and improve air quality and health; 5. gradually reduce fossil fuel subsidies.

"COVID-19 has already had a severe impact on countries, economically and socially, and has had a very important response from governments. When we compare it to climate change, we are talking about completely different scales because climate change is going to affect the whole world. It is going to affect all economies, all of nature; it is going to affect everything. So, we are talking about a greater crisis. The ability to respond to future post-COVID-19 crises will be compromised by future indebtedness and the collapse of an increasingly unsustainable environmental system. This is an opportunity to revive the economy by generating decent jobs and taking into account the most vulnerable populations."



Leo Heileman, Director of UNEP Latin America and the Caribbean Office



Series of policy briefs developed by UNEP: Articulating social and environmental policy for post-COVID-19 recovery



Opportunities to respond and build back better while leaving no one behind in Latin America and the Caribbean

Opportunities to respond and build back better while leaving no one behind in Latin America and the Caribbean.

How to articulate integrated responses to the health, economic and climate crises in Latin America and the Caribbean.



HOW TO ARTICULATE INTEGRATED RESPONSES TO THE HEALTH, ECONOMIC AND CLIMATE CRISES IN LATIN AMERICA & THE CARIBBEAN



Waste management as an essential service in Latin America and the Caribbean Waste management as an essential service in Latin America and the Caribbean.

Environment in COVID-19 humanitarian response in Latin America and the Caribbean.



Environment in COVID-19 humanitarian response in Latin America and the Caribbean

Disaster risk management to build back better



"To rebuild a better and more sustainable society, we must encourage and promote the development of laws that facilitate risk-informed investment and risk governance systems that prioritize multi-sectoral coordination given the reality of increasingly complex and interconnected risks." **Raúl Salazar**, Head of the UNDRR Regional Office of the Americas and the Caribbean, presented on the social origin of disasters—how human activity creates the conditions that allow existing hazards to transform into disasters (presentation). These disasters are impacted by the economic and social structure of societies, such as underlying inequalities, unemployment levels, and other vulnerabilities, as well as the level of exposure and the interactions between hazards. Due to this great complexity and interconnectedness, internal or external shocks to one sector can lead to a cascade of impacts to other sectors and potentially the whole system (this is known as "systemic risk"). It is therefore important for countries to not only prepare against natural hazards but also anthropogenic and biological ones, understanding the interlinkages between them all.

Mr. Salazar further emphasized this complexity by noting the double impact countries are facing to simultaneously address COVID-19 and climatic hazards, such as hurricanes. For these reasons, he stressed the importance of implementing holistic, multi-sectorial, and coordinated recovery responses to build back better. He reiterated that the COVID-19 crisis has provided an opportunity to prioritize building resilience, reduce inequalities, and elevate alternative development models based on green jobs, a circular economy, and low-carbon industries, underscoring that green investments are less expensive and create more jobs.



Raúl Salazar, Head of the Regional Office UNDRR the Americas

Climate policy recommendations for a post-COVID-19 fiscal recovery

Brian O'Callaghan, PhD candidate in economics from the University of Oxford, presented findings from a recent <u>study</u> which showed that rather than hurt economic growth, climate-positive spending can aid in the short-term economic recovery process, suggesting the current crisis could be a turning point for the economic system by de-coupling economic growth from fossil fuels (presentation). He shared a set of recovery policies that perform well on both economic and climate metrics, including investments in: 1. clean physical infrastructure; 2. building efficiency; 3. education and training; 4. natural capital; and 5. clean research and development. (Numbers 1, 3, and 4 stimulate short-term job creation.)

Mr. O'Callaghan explained how these climate policies can lead to many environmental, social, health, and political co-benefits, such as achieving gender equality and a just transition. Noting that green policies are beneficial regardless of the world region, he brought attention to the key considerations for implementing climate policies in the Latin America region specifically. First, given its geographic location, the Americas have a high potential for renewable energy. Second, due to a more vulnerable employment sector, policies that promote low-skill, short-term green jobs are well-suited for the Americas, these include planting trees and working on green spaces for ecosystem restoration, as well as working in manufacturing of products that contribute to green solutions, in the construction sector for green renovations or retrofits, and in support of public transportation. Third, the limited fiscal space for countries in the region means they should ensure that available funds are intentionally and meaningfully used towards green and socially beneficial policies.

He concluded by commenting on his work in helping policy makers develop clean recovery packages by providing high-level advisory, contributing to parliamentary submissions, and providing national assessments.

"This is all about efficient allocation of taxpayer funds to maximize the positive economic, social, and environmental impacts of spending. For too long finance ministers have been focused on stimulus spending on just next quarter's GDP or maybe next year's GDP. We really need to shift the conversation to think about 'the next decade's industry'. Ultimately the perspectives at the Smith School are about directing focus to the future as opposed to supporting industries that are, by our definition, dying and of the past."

Brian O'Callaghan, PhD candidate in economics, University of Oxford



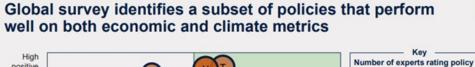


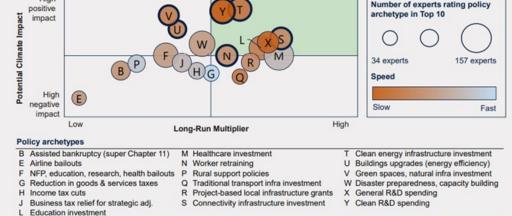
In the final presentation of the meeting, **Alex Clark,** PhD candidate in economics from University of Oxford, shared insights from a collaboration with the International Institute for Law & the Environment to produce a <u>guide</u> for the Spanish government with recommendations on a green reconstruction. The guide was shared with the Committee for Social and Economic Reconstruction of the Chamber of Deputies of Spain. He also remarked on the value in policies that promote digitization, especially in rural areas, as well as remote work and electric mobilization (e.g. use of electric forms of transportation). Finally, Mr. Clark presented briefly on "Paga Mientras Ahorras" (Pay as you Save in English), a pilot program that allows participants to pay off electric vehicles (such as electric municipal buses) by leveraging the savings of using electric transportation compared to one running on fossil fuels, helping them overcome the high initial capital cost.

"Regarding governance, it is very important to connect the three levels of administration, the national government, autonomous communities [States or provinces], and the municipalities. In many cases, even if green policies and directives exist, and green funds are available for their implementation, the capacity of local incentives to carry out the credits is lacking. For the same reason, it is important to include unions, companies, representatives of civil society in the implementation processes, and at the same time it is recommended to establish an independent scientific body to report on decarbonization."



Alex Clark, PhD candidate, University of Oxford





Graphic from: Results of the survey on fiscal recovery policies in the EU and the UK, adapted from the study: <u>Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change</u>.

If you would like to conduct a discussion on advancing green recovery policies, or integrate findings of this study by University of Oxford specialists in the work of a relevant parliamentary committee, please contact us at <u>parlamericascc@parlamericas.org</u>.

Discussion period and conclusions

The discussion period allowed for a lively exchange of experiences among parliamentarians and parliamentary staff, providing a space for panellists to reflect on questions asked. Among the shared experiences, participants learned about the climate actions being taken in Mexico, Canada, and Nicaragua. The discussion also brought attention to other challenges, such as addressing the increase in disposable waste being created due to the pandemic. The dialogue also pointed out the importance of the Ezcazú Agreement to incentivize public participation and access to information in matters related to the environment in the region. The meeting concluded with final reflections from Member of the Legislative Assembly **Paola Vega** (Costa Rica), Vice-President of the ParlAmericas Parliamentary Network on Climate Change – Central America, who called on participants to apply what they learned in order to collectively achieve a green recovery.

"Let's remember that the pandemic has exposed that nature does not need us, but we need it to survive. Billions of dollars will not be enough to cover the damage to health and the environment as a result of climate change caused by human activity. It is urgent that each of the governments of the Americas make commitments to accelerate the path to meet the emissions reduction goals... As parliamentarians we must transform old habits to the new reality and legislate in favour of actions that protect our ecosystems and our health. We are obliged to promote the use of renewable energy, sustainable mobility, and sustainable agriculture to achieve what is required."

Member of Parliament **Julie Dzerowicz** (Canada), Vice-Chair of the Canadian Section of ParlAmericas

> "There is huge unpredictability in our future and there is also a lack of action on the climate front from some of our key international leaders, and so it really is going to be a challenge for all of us to figure a way for us to move collectively together without some of the key leaders in the world sort of walking with us as we try to continue to develop ourselves in a sustainable way and move towards a low-carbon economy."



Senator **Raúl Bolaños-Cacho Cué** (Mexico), President of the Commission for the Environment, Natural Resources and Climate Change



"We have to do both. We need to keep at bay COVID-19 because there could be some secondary waves, but at the same time we have to plan ahead. We have to lay down the policies and the foundation, not only for a low-carbon economy but in general for a cleaner, fairer, inclusive, smarter, and resilient economic recovery that will create new jobs, ensuring a just transition, [including trainings in green jobs] for workers, while also mitigating the climate crisis that we have. COVID-19 did not break the system; COVID revealed the flaws of the system. It is evident that an infinite growth is not real and unrealistic, the new economy must consider the natural and biological laws."



Senator **Rosa Galvez** (Canada), Vice-President of the ParlAmericas Parliamentary Network on Climate Change – North America

Member of the Legislative Assembly **Paola Vega** (Costa Rica), Vice-President of the ParlAmericas Parliamentary Network on Climate Change – Central America



"It is the precise moment to address both the economic recovery and efforts made to combat global climate change that we were already experiencing before the pandemic, to obtain recovery efforts that can and should be sustainable. There is no other opportunity and if we do things wrong a second time, we are going to pay dearly. Of course, we have to integrate this economic recovery to the development of green jobs, bringing attention to climate disasters and their impacts, which will be greater than this pandemic. We cannot put it on standby; it is an opportunity to re-evaluate National Contributions, strengthen them and be more ambitious and integrate all the sectors that have not been integrated, and achieve much more aggressive policies towards this change."

"Another principle that is important to us is gender equality, which guarantees that women and men can participate from local levels, municipal levels, to the national level in plans, strategies that lead to mitigation and adaptation to climate change."



Member of the National Assembly **Arling Alonso** (Nicaragua), President of the Environment and Natural Resources Committee

Key considerations

- The frequency of zoonotic diseases (diseases originating from animals) is increasing due to unsustainable human activities, including agricultural intensification, land use change, unsustainable use of natural resources, climate change, among others (for a complete list, read the <u>UNEP report</u>).
- 2. Environmental health is inextricably linked with human health; policies should work for nature to ensure good air and water quality, food security, and prevention of disease outbreak.
- 3. Climate change inaction will lead to global economic, social, and environmental impacts far worse than what COVID-19 has caused. It is paramount that countries take advantage of this opportunity to integrate climate and environmental considerations into economic recovery plans and align them with the Paris Agreement, the Sendai Framework, and the 2030 Agenda for Sustainable Development.
- 4. To build back better countries need to ensure they develop risk management plans that not only account for natural hazards but also biological and anthropogenic ones.
- 5. Due to the complexity of disaster risks and crises, legislation and policies addressing these risks should ensure they are coordinated and involve a diverse set of stakeholders.
- 6. A green recovery means thinking about the short- and long-term future; investing and supporting climate-positive industries, projects, and policies/legislation that work to decouple economic growth from greenhouse gas emission increases; and synergistically strengthening the economy and providing social benefits to reduce the inequality gap.
- 7. In order to effectively obtain a green recovery, parliaments can work with the other branches and levels of governments, the private sector, and utilize their function of representation to ensure the needs of their constituency are responded to, and that women, Indigenous peoples, afro-descendants, individuals living in situations of poverty, youth, people with disabilities, and other marginalized groups are included in decision-making processes.



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This gathering was made possible with the generous support of the Chamber of Deputies of Chile and the Government of Canada through Global Affairs Canada.

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ParlAmericas mainstreams **GENDER EQUALITY** by advocating for women's political empowerment and the application of a gender lens in legislative work



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