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REVIEW OF PROGRAMME PLANNING AND IMPLEMENTATION

(Item 5 (e) of the provisional agenda)

Eco-efficiency Partnership and Green Development

Note by the Secretariat

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I. BACKGROUND OVERVIEW

A. Overview of Subregional Challenges

1. Countries the East and North-East Asian (ENEA) subregion have undergone a resource-intensive development path, similar in many respects, consuming large amount of materials and energy. Energy and carbon intensity of countries in the subregion, except Japan and Republic of Korea, has been higher than world average¹. One way to improve energy and resource efficiency is by focusing on the subregion's increasing rate of urbanization. Cities are key consumers of resources with their share of population expected to reach 70% in the subregion by 2020. Since there are large resource consumption disparities between urban and rural areas in the subregion, rapid urbanization will have significant implications for energy and resource intensity. Thus, cities in the subregion can contribute to sustainable development by improving energy efficiency and environmental performance of urban infrastructure, decarbonizing energy system, improving environmental and carbon intensities of industry, facilitating sustainable consumption patterns, and expanding green spaces, among other things.

2. Countries in the subregion have initiated national policies and programmes for actions on cities and climate change including "Low Carbon Pilot Provinces and Cities" in China, "Eco-model City Programme" in Japan and "Model City for Climate Change Response" in the ROK. In view of the scale and urgency of increasing resource efficiencies, timely and concerted actions are needed to make progress on "greening urbanization" in the subregion. This will reduce costs and maximize beneficial effects.

B. Rio+20 Outcomes, SOM-17 and Programme of Work

3. The UN Conference on Sustainable Development (UNCSD) in 2012, also known as Rio+20, produced a set of outcomes that are expected to shape the (sub) national, (sub) regional and global agenda on sustainable development, compiled in the outcome document titled "The future we want". It focuses on two main themes of the Conference: 1) a green economy in the context of sustainable development and poverty eradication; and 2) the institutional framework for sustainable development. Regional and subregional organizations, were also given a significant role in the Rio+20 outcome document, where their capacity to promote a balanced integration of the economic, social and environmental dimensions of sustainable development was specifically highlighted.

4. NEASPEC, the most comprehensive environmental cooperation mechanism in the subregion, can act on the decisions of Rio+20 that are most relevant to its current

¹ International Energy Agency, 2013: Key World Energy Statistics <u>http://www.iea.org/publications/freepublications/publication/KeyWorld2013_FINAL_WEB.pdf</u>

programme of work and design its future activities in accordance with the outcomes of the Conference and the role that was allocated to subregional entities in the outcome document. There had been general consensus of member States at SOM-17 on the need for the implementation of the Rio+20 outcomes at regional, subregional and national levels in which NEASPEC can play a very unique role through elaborating its existing programmes.

5. In response to the subregional challenges previously mentioned, follow-up activities on "Sustainable Cities and Transport"², one of the thematic areas listed in the outcome document, had been proposed at SOM-17. It involved launching a knowledge platform for low-carbon city development in North-East Asia, which consists of a web-based database of strategies and programmes to promote information sharing and collaboration in this area of work. Member States' support had been received at the meeting on works to improve ecoefficiency and endorse the proposal on launching the information platform for low carbon city strategies.

6. In addition, the Mongolian delegation had requested at SOM-17 to add green development/green economy to the agenda of the SOM-18.

7. After SOM-17, ESCAP-ENEA Consultation Meeting on Subregional Cooperation in North-East Asia was held during 16-17 August 2013 in Vladivostok to consult and further elaborate on the Programme of Work 2014-2015. The changing dynamics in energy consumption and production in North-East Asia as well as the energy-environment-city linkages have been discussed. Discussions, particularly in the area of energy consumption indicated the significance of these linkages in light of national and subregional environmental challenges from the intertwined situation of increasing energy consumption and continuing urbanization. The Rio+20's focus on the green economy was reiterated and the pressing need to integrate green development policies in the subregion with consideration of each country's unique social, economic and development priorities had been pointed out at the meeting.

8. Whilst the subregion is undergoing fast-pace development, it is also experiencing rapid urbanization at a significant cost of energy and resources. Many of these rapidly growing cities in the subregion are also those at high climate risk. Attention had been called upon to step up subregional cooperation to enable adoption of green growth policies in order to meet development goals and sustainability. In this connection, it was suggested to launch a "(sub) regional partnership on low carbon city" as practical means to address this

² *Rio+20 Outcome (relevant paragraphs on thematic area "Sustainable Cities and Transport"):* Support a safe and healthy living environment for all, sustainable transport and energy; safe and green urban spaces; safe and clean drinking water and sanitation; healthy air quality (135); Recognize that partnerships among cities and communities play an important role in promoting sustainable development (137).

linkage and support each country's national initiative for reducing energy intensity and carbon intensity.

9. It is also noteworthy that ESCAP has planned to review the implementation of Rio+20 outcomes. Under the ESCAP programme of work for the biennium 2014-2015, ESCAP is mandated to hold two regional implementation meetings and subregional implementation meeting on sustainable development. These meetings, originally intended to support the Commission of Sustainable Development (CSD) process, will be refocused to support the High-level Political Forum on Sustainable Development. Internal discussions are currently being held and member States have been consulted at the Committee on Environment and Development held in Bangkok during 29-31 October regarding the organization of the regional process. Furthermore, the preparation of 7th Ministerial Conference on Environment and Development in Asia and the Pacific to be held in mid-2015 would involve the review of subregional implementation of sustainable development. The subregional review would directly correspond with the mandate of ENEA Office on sustainable development, taking into account the green economy. Thus, NEASPEC would need to consider the ESCAP-wide plan for formulating its activities and benefiting from synergies with these processes.

II. OVERVIEW AND FOLLOW-UP ON ECO-EFFICIENCY PARTNERSHIP

A. National Policies for Low Carbon Development in the Subregion

10. Governments in the subregion have initiated efforts in low carbon development including formulating a number of national policies to promote and manage the transition to low carbon growth through different approaches. Japan and the Republic of Korea are regarded as the leading countries in the subregion and China has been catching up quickly.

11. In Japan, a series of policies related to combating global warming and promoting sustainable development have been initiated since 1998. Later on in 2010, *the Bill of the Basic Act on Global Warming Countermeasures* was approved by the Cabinet, specifying Japan's strategy to build a low-carbon society. *A Low Carbon City Development Guidance* had been produced in the same year by the Ministry of Land, Infrastructure, Transport and Tourism. It is a comprehensive approach to urban development. In addition, two initiatives, namely *Eco-model City Programme* and *the Future City Initiative*, have been launched since 2008 and 2010 respectively.

12. The efforts of the Republic of Korea towards a low carbon, green city development include the designation of eight cities in 2007 as model cities for responding to climate change. This was supplemented by the launching of the concept of *EcoRich City* for

supporting green growth of cities and the announcement of *Urban Planning Guidelines for Low-Carbon Green Growth* in 2009.

13. The Chinese Government has put much attention on ensuring advances in developing a low carbon economy by making it part of the country's basic national policy. The Government had committed to reducing energy and carbon intensity by 16-17 percent respectively over the five years in the 12th Five Year Plan. Various programmes have been launched at national level to make low carbon, green cities, including *Environmental Protection Model Cities, National Ecological Demonstration City, Pilot City of Recycling Economy, Pilot City of National Eco-garden City, and Demonstration City for Low-Carbon Development, participated by more than 100 cities. Two other national projects have been implemented by the China National Development and Reform Committee (NDRC) since 2010, namely <i>the Five Low Carbon Provinces and Eight Low Carbon Cities and the Comprehensive Demonstration on Financial Policies of Energy-saving and Pollution Reduction*. These projects aimed to provide practical experiences and identify appropriate strategies and tactics for localized low carbon development.

B. Post SOM-17 Activities on Low Carbon Cities (LCC)

14. Building on the consensus and support at SOM-17 on launching an information platform for low carbon city strategies and the suggestion on launching a "(sub) regional partnership on low carbon city", NEASPEC, together with the Institute for Urban and Environmental Studies of the Chinese Academy of Social Sciences and WWF will jointly host an international symposium "Realizing Low Carbon Cities in North-East Asia: Bridging science, policy and promoting corporation" in Beijing during 5-6 December 2013.

15. The symposium intends to bring together experts, the academia, (sub) regional and international agencies and city representatives to exchange and discuss various issues on low carbon city development in the subregion, and to discuss the potential of forming a subregional LCC partnership network. Topics of discussions will include (i) policy perspectives and roles of stakeholders on stimulating LCC development; (ii) LCC tools and methodology from technological perspective; (iii) LCC finance and economics on funding and mobilizing capital to meet finance needs; and (iv) knowledge sharing on LCC development practical experiences and challenges.

16. An inter-agency workshop on partnership for LCC will follow as the second part of the symposium to provide an overview of work in LCC within the subregion, and to discuss on subregional networking. Existing networks in the field of LCC, need for a subregional network, role(s) and added-value of this network will be discussed and explored.

17. This symposium is expected to facilitate and promote LCC development and may help in the establishment of a new subregional LCC partnership. The potential partnership network aims to enable governments and agencies to address priorities, gaps and challenges that are specific to the subregion, and to strengthen collaboration in LCC approaches within and beyond the subregion.

III. OVERVIEW OF GREEN DEVELOPMENT/GREEN ECONOMY

18. The need of green development/green economy approach is evident as discussed in the subregional challenges and emphasized at the consultation meeting. The Government of Mongolia has put forwarded the concept of Green Development Plan as Mongolia's National Sustainable Development Strategy. The Plan goes beyond environmental protection and green economy, to integrate economic development, social inclusion and environmental protection in a balanced manner.

19. Mongolia has seen high economic growth during recent years with GDP growth of 17 percent and 12 percent in 2011 and 2012, respectively while it faces a number of unique challenges in pursuing sustainability, for example its landlocked geographic location, lack of infrastructure, desertification threatening more than 70 percent of its land area, heavy dependence on mining and mineral resource sector accounting for more than a half of national revenue and the associated pollution and health issues. Meanwhile the country is also dealing with issues common with others in the (sub) region, including its resource intensive development pattern and high material consumptions; social vulnerability from high youth unemployment rate at 27 percent in 2011; growth in urbanization and lack of social services with almost half of the rural Mongolian population living below the national rural poverty line; and environmental issues such as air pollution as dust particles concentration had been 35 times higher than the WHO recommended levels.

20. Despite these challenges, there are a number of opportunities Mongolia can explore to address and overcome the above-mentioned issues. For instance, the mining sector could serve as an inclusive and ecologically sustainable growth engine for the Mongolian economy if investment is made in adopting and implanting socially and environmentally responsible practices. The livestock and agricultural sector providing more value-added products such as organic food, together with the renewable energy sector exporting its huge renewable energy potential could be other key drivers for development. In fact, the Mongolian Government has already completed its National 100,000 Solar Ger Electrification Program, which provided over half a million nomadic herders with access to electricity through portable solar home systems. Mongolia can simultaneously look into the role of its unique cultural and eco-tourism in sustainable development particularly in reducing its social and ecological vulnerability.

21. In order to realize the green development vision, the Government has collaborated with UN and international organizations including UNESCAP through the East and North-East Asia Office for further elaborating approaches and policy options, and sought for cooperation with other neighboring countries.

IV. ISSUES FOR CONSIDERATION

22. The Meeting may wish to provide the Secretariat with guidance on activity areas and modalities for Eco-efficiency Partnership, with consideration ENEA Office's programme of work and its mandate.

23. The Meeting may wish to invite member States to recommend agencies and experts for joining the Low Carbon City symposium to be held in Beijing.

24. The Meeting may wish to request member States to guide and express their interests in the areas of the Low Carbon City Partnership and the Green Development of Mongolia.

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