

**Letter to 3rd G-20 Summit, Pittsburgh, Pennsylvania, U.S.A.
24-25 September 2009**

The *Green Economy Coalition*¹ acknowledges commitments made in the G20 Communiqué, the G8 Declaration “Responsible Leadership for a Sustainable Future” and the OECD “Declaration on Green Growth”, which recognize the opportunities for tackling global financial, environmental and social crises together in transparent and accountable ways.

In our letter to the G20 in April 2009 we urged governments to invest \$750 billion of the \$2.5 trillion stimulus package (about 1% of global GDP) towards building a green economy that reduces carbon dependency, creates good quality/decent jobs, addresses poverty, and helps maintain and restore our natural ecosystems.

We note that some progress has been made in stimulating a low carbon economy through investments in a range of initiatives such as improved rail transportation, water infrastructure, grid expansion and improved building efficiency. However, there are large gaps between government declarations and practice.

Most G20 members have failed to include sufficient green investments in their overall stimulus packages, and the effectiveness of the green stimulus is being compromised by delays in the allocation of funds. At the end of the first half of 2009, only around 3% of committed green funds were disbursed.

Overall, the amount allocated to renewable energy falls short of the investment needed to reduce carbon emissions and to keep the rise in global average temperature under two degrees Celsius. Some incentives, such as subsidies to the production and consumption of fossil fuel, are working against efforts to build a sustainable future.

Furthermore, while developing countries did not cause the economic and financial crisis, they have been severely affected by it. Development assistance to poor countries has fallen in real terms over the past decade, and millions more vulnerable people will be trapped in poverty this year because of the recession and the effects of climate change, undermining efforts to achieve the Millennium Development Goals.

The global economy is rooted in the natural world. Biodiversity provides essential goods and services to the economy such as timber, clean water, the pollination of crops and the storage of carbon. Investing in the restoration and maintenance of the Earth’s ecosystems – from forests and mangroves to wetlands and river basins – is essential to help counter climate change and climate-proof vulnerable economies.

We need targeted investments to help reduce greenhouse gas emissions, create vibrant new markets, promote decent job growth, sustainable consumption, and enable developing countries to leapfrog to a new 21st Century economy that addresses poverty and reflects the value of healthy ecosystems to sustainable livelihoods.

The *Green Economy Coalition* therefore calls upon the G20 to follow through on its commitment to accelerate the transition to the green economy, with urgent and decisive action to:

- (1) invest considerably more in clean energy and energy efficiency to reduce greenhouse gas emissions, to create new green jobs and a fair transition for transforming traditional jobs into sustainable ones, and to generate secure and sustainable access to energy;
- (2) honour existing ODA commitments, and mobilize new funds for developing countries through innovative financial mechanisms, and ensure that all financial resources contribute to an inclusive and sustainable recovery in accordance with the priorities of developing countries;
- (3) support ongoing efforts to quantify environmental values such as The Economics of Ecosystems and Biodiversity (TEEB) initiative, and invest in ecosystem-based measures such as financing Reduced Emissions from Deforestation and forest Degradation (REDD) which can assist in combating climate change and be a key anti-poverty and adaptation measure.
- (4) encourage transparency, and achieve a robust and visionary deal on climate change in Copenhagen later this year, by integrating environment and development as well as business and labour issues, to lay the foundations for a fair and green economy for the 21st Century.

¹ *The Green Economy Coalition was founded in March 2009 in Switzerland and consists of members from the environment, development, business, labour and consumer sectors. It is hosted by IIED, with support from UNEP, WWF International and IUCN. The first Coalition letter was sent to the G20 Summit in London in March 2009.*

Signed by:

Ola Engelman, Chair, Bellagio Forum for Sustainable Development

John Evans, General Secretary of the Trade Union Advisory Committee to the OECD (TUAC)

Mark Halle, Executive Director, IISD-Europe

R. Andreas Kraemer, Director, Ecologic Institute

James P. Leape, Director General, WWF International

Ernst Ligteringen, Chief Executive of the Global Reporting Initiative (GRI)

Joost Martens, Director General, Consumers International (CI)

Julia Marton-Lefèvre, Director General, International Union for Conservation of Nature (IUCN)

Professor Alastair McIntosh, Centre for Human Ecology, Scotland

Guy Ryder, General Secretary of The International Trade Union Confederation (ITUC)

Pavan Sukhdev, Study Leader: The Economics of Ecosystems and Biodiversity (TEEB), & Project Leader: Green Economy Initiative, United Nations Environment Programme (UNEP)

Camilla Toulmin, Director, International Institute for Environment and Development (IIED)

Jan-Olaf Willums, Chair, Inspire Foundation for Business and Society