

ON SCALING UP TRANSITION TO
A GREEN ECONOMY ON A PATH TOWARDS
IMPLEMENTING THE UNITED NATIONS
2030 SUSTAINABLE DEVELOPMENT AGENDA

MODULE DELIVERED BY



CAPACITY DEVELOPMENT

FOR NATIONAL-LEVEL GREEN ACTION

MODULE"CD"

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Path to capacity development

Development Aid Assumption: Developing countries need money

Practice: developed countries lend or grant money to developing countries

Technical Assistance

Assumption: Developing countries should just model themselves after the developed ones

Practice: Developing countries should just model themselves after the developed ones

Technical Cooperation

Assumption: Developing countries should partner with developed ones

Practice: greater emphasis on training, transferring knowledge, based on national policies and priorities

Capacity Development

Assumption: Developing countries should own, design, direct, implement and sustain the process themselves

Practice: A focus on empowering and strengthening endogenous capabilities

Why Capacity Development?

Assumption

• Developing countries should own, design, direct, implement and sustain the process themselves

Practice

• Capacity Development. A focus on empowering and strengthening endogenous capabilities

Result

- Makes the most of local resources people, skills, technologies, institutions and builds on these
- Favours sustainable change
- Takes an inclusive approach in addressing issues of power inequality in relations between rich and poor, mainstream and marginalized (countries, groups and individuals)
- Emphasizes deep, lasting transformations through policy and institutional reforms
- Values 'best fit'for the context over 'best practice'; as one size does not fit all





- ✓ a powerful approach for understanding the nature of why situations are the way they are, and how to go about improving results.
- ✓ analyses the relationships between the system's parts to understand the potential for better decision-making.
- ✓ Incorporates historical perspective as critical to understanding the evolution of a situation and in identifying patterns of behaviors over time.
- ✓ Is **NOT** just a collection of things, consisting of elements, interconnections and a purpose.
- ✓ Human-centred Systems Thinking takes up principles of human-centred design thinking, so
 that one also empowers an individual or team to designing products, services, systems, and
 experiences that address the core needs of those who experience a problem.
- ✓ This is an iterative process that should be revisited as you are transforming to a new system.

A powerful tool in identifying upstream capacity needs.

Systems Thinking:

Generating the Evidence for Action

Evaluate policy, fiscal, technical and capacity development elements required to implement the new economy

Limitations of human, time, financial resources means necessary to address complex problems requires maximum efficiency

SYSTEMS THINKING HELPS ADDRESS

....

Work out the interplays of lifting people out of poverty, whilst seeking sustainable solutions of production and consumption, without hindering development. ie. SDGs

Develop Theory of Change and Map out the Alternate Sustainable Economy

(Linear to Circular with greening of value chains)

Understand deep structure issues of the status quo subsystem interplay e.g.

- sectoral business models,
- consumption patterns,
- policies (positive and negative),
- fiscal tools and access to finance,

availability of innovations

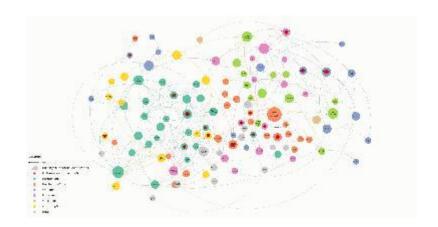
Case Study: Helping the Philippines Improve and Implement their National Plan of Action on Plastics

Step 1. Partnered with Stanford Change Labs to use **Systems Thinking** to develop a **Human-centred Systems Map** of the Philippines Plastics economy and think through **Deep Structure Issues** to help the government figure out how to improve and implement their National Plan of Action on Plastics (eg *Innovation Scarcity, Regulation Lethargy, Information Vacuums, which lead to being stuck in the BAU scenario*).





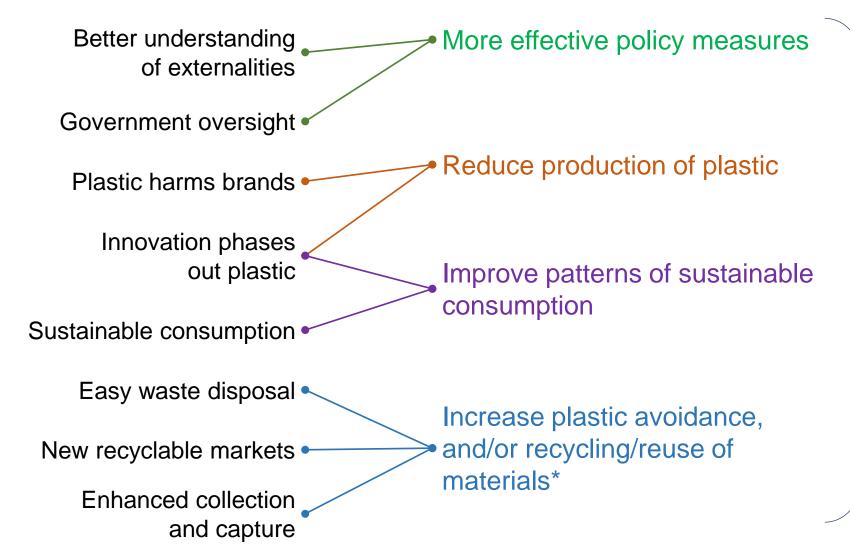
Step 3. Translated the mapping tools and evidence into an Understandable Platform upon which to build the new materials economy, and coalesce global/regional/national expertise, finance, knowledge, skills and partners around critical transformation areas, as well as create a value addition for UNDP as thought and partnership leader.



Step 2. Identified the critical levers to transform to the New Economy, to develop a Theory of Change that also addresses delivery of Multiple SDGs in the process



Example: Theory of Change for Philippines



All materials have a pathway + No plastic in

the environment

Intervention Pathways



Organizing Players and Capacities for Transformation

The idea is to create a platform to build the new materials economy and bring together the global community around the shared goal of a new materials economy. It would be overseen by UNDP and implemented through the National Plan of Action on materials management, and crowd in complementary activities, funding and expertise.

- Regional/global platform mirrored with a national version
- Can provide donor/expert support
- Private sector (multinational) engagement and joint action
- Sharing of information and lessons
- Replication of Best practices
- South-south capacity building



Goal Alignment

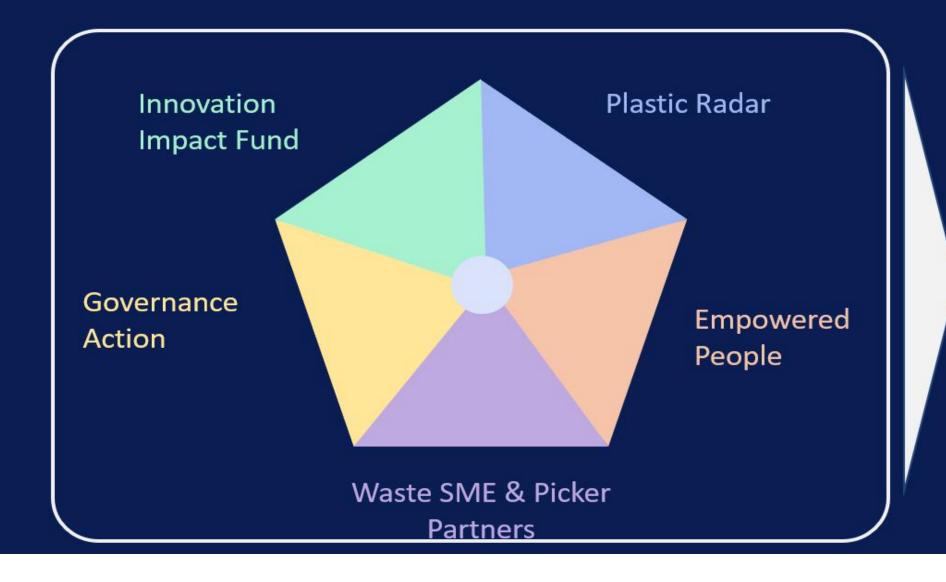


Innovation



International visibility and accountability

The Platform



System Outcomes

Material Pathways

Zero Leakage

Corporate Responsibility

Empowered Consumers

Collaboration

Innovation

The Platform

Impact Innovation Fund

Catalyze investment to foster innovation that scales impact

Governance Action

Design and enforce effective policies for material and packaging standards, waste reincorporation, disposal, collection, and foster growth of innovation (incl. green finance and budgeting systems Innovation Monitoring

Policy Behavior

Cocreation

Waste SME & Picker Partners

Empower waste SMEs and pickers as cocreators of the new system

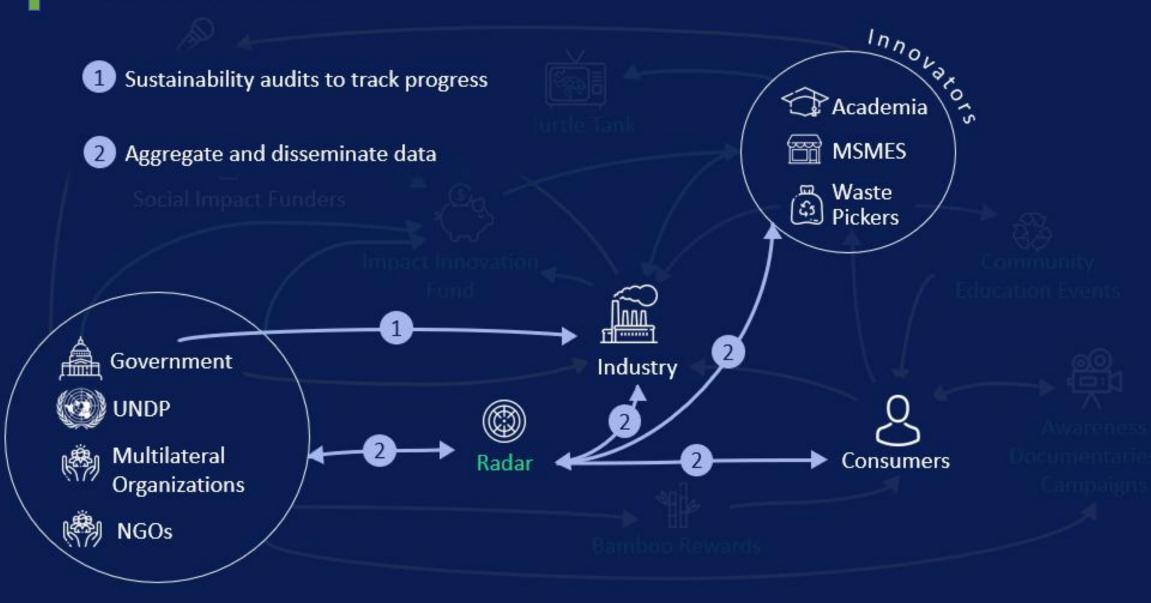
Plastic Radar

Generate data that guides action on materials

Empowered People

Change consumption behaviors and awareness about materials

Plastic Radar



Plastic Radar

Goal

Generating and targeting data to guide action on plastics.

Change Points

- Government as an effective check-in-balance to corporate profits
- Producers seeing plastics as a threat to their brand
- Concrete economic understanding of costs in plastics lifecycle
- All materials have value

How

- Plastic Audit an audit team goes to manufacturing facilities and checks official reports and production mechanisms
- Revenue, production portfolio, and plastic assessment to figure out a company's plastic production footprint
- Information on economic contributions of waste pickers
- Quantifying the costs of plastics in the overall lifecycle to inform Government and UNDP such as through photos
 collection by waste pickers at different locations feeding into artificial intelligence to understand types of plastic that
 need to be addressed and to brands that produce this plastic
- Collaborating with the Impact Innovation Fund to quantify the amount of reusable and unrecyclable materials that could feed into manufacturing shifts to create new value in the economy
- Accountability to national governments

Who

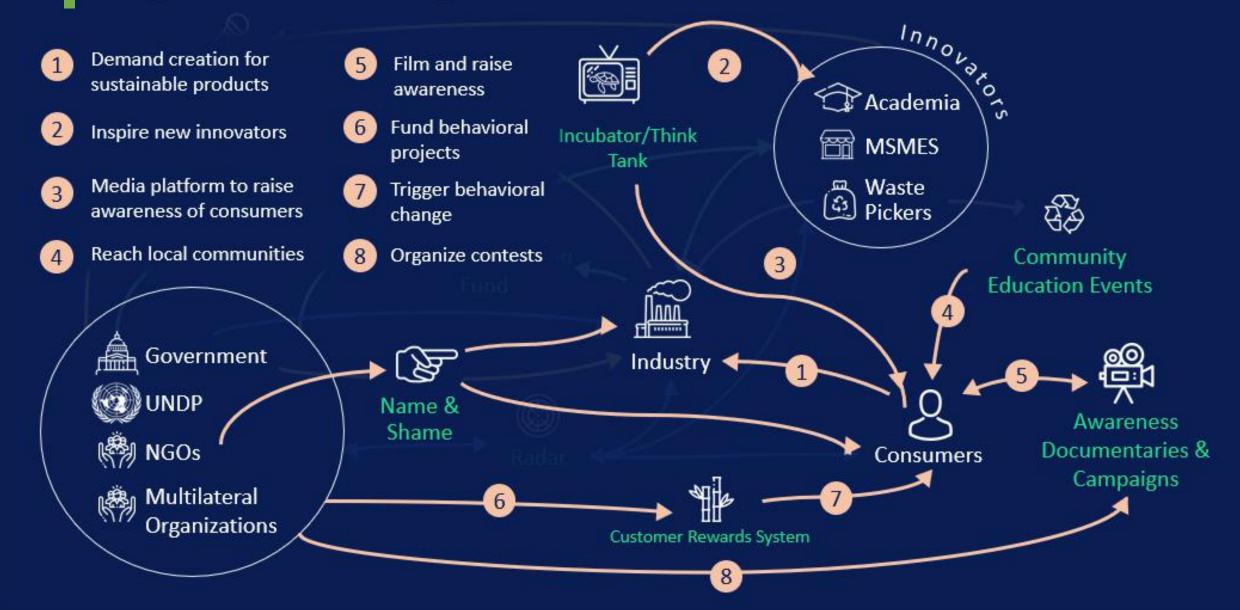
UNDP • Academia • NGOs • Economic Experts • Government • Technology • Funding Partners • Data Agencies

Plastic Radar

Value Propositions

- Governments gain the ability to have accurate and reliable information on the plastic economy to better inform policies and track progress
- Consumers will have stronger evidence to exert pressure on brands and influence which products are offered to them
- NGOs will have access to reliable information to identify individual responsibilities and better target activities
- Academia and Innovators will have the information to better target innovation ideas
- Industry gets benchmark information on other companies

Empowered People



Empowered People

Goal

Changing consumer behavior and raising local voices around waste to pressure corporations into changing.

How

Change Points

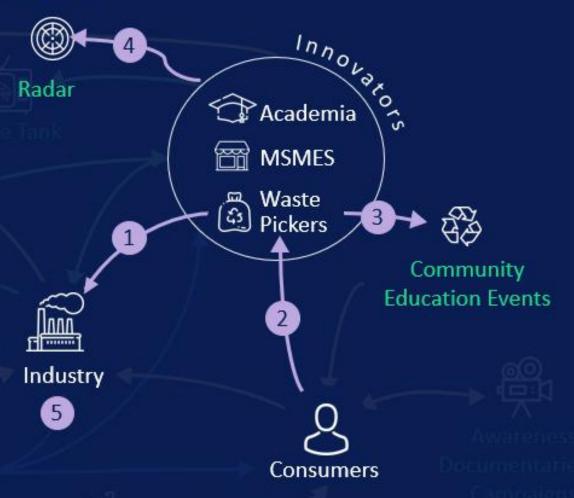
- Demand creation for plastic alternatives and/or reusable materials
- Environmentally sustainable consumption preferences
- Material management is important and easy
- Corporations see plastic as a threat to their brand
- Changing consumption and waste disposal patterns through public awareness campaign led by barangays
- Launching a government-funded documentary competition on waste, plastics, and sustainability
- Changing purchasing behavior through a Customer Rewards system where consumers can earn rewards for making
 certain qualified sustainable, no/low-plastic purchases based on a bamboo code connected to their cell numbers.
 These rewards can be redeemed in the form of larger discounts toward things that matter to them, such as
 transportation, or enter them into a lottery for larger prizes. A pay-in-installments system for more expensive reusable
 items should be considered as well.
- Bringing in key NGOs to use the Plastics Radar data to call out large companies and fuel consumer pressure

Inputs

UNDP • Other NGOs • Barangay Leaders • Local Women • Media Professionals • Technology • Waste Pickers • Local Sociologists

Waste SME & Picker Partners

- Material entrepreneurs on an uber for waste model
- People connect with pickers through a digital marketplace
- Pickers are agents in educating people
- Collect information real time for radar
- 5 Pickers and SMEs are partners in innovation processes and business pilots



Waste SME & Picker Partners

Goal

Empowering waste pickers and waste SMEs as cocreators of the new system.

Change Points

- Demand creation for reusable materials
- Material management is important and easy
- No need for waste picking in the long run

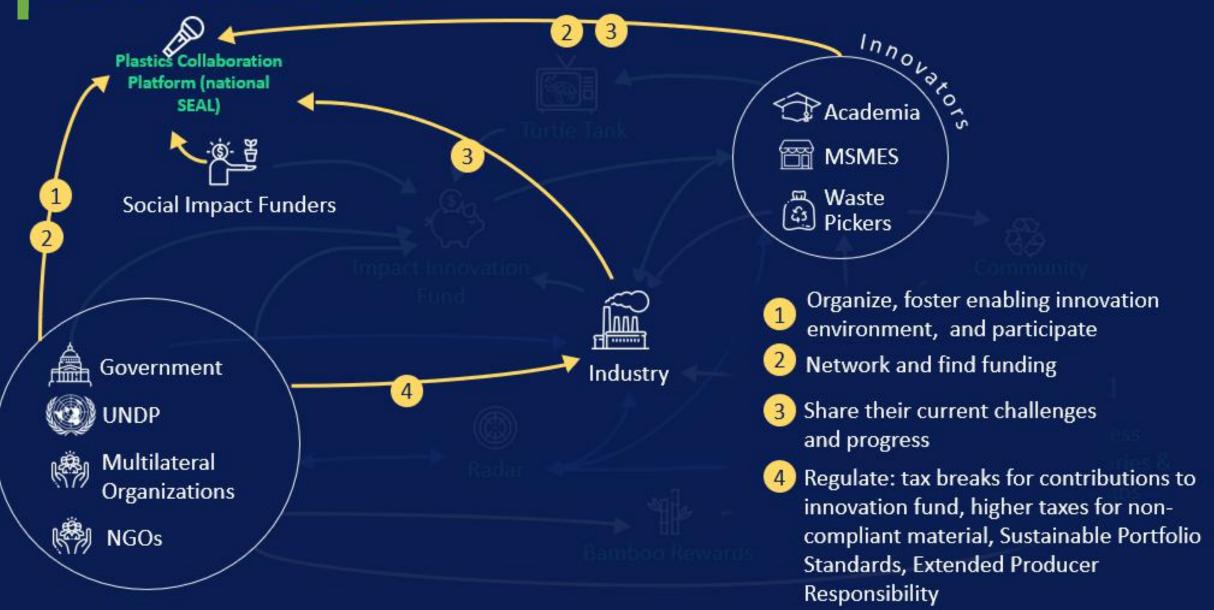
How

- Being agents in changing consumer behavior around waste management (P2P)
- Collecting real time information to feed the radar using cell phone cameras, a messaging number, and artificial intelligence
- Being partners in innovation design processes and new business models with Impact Innovation Fund
- Enabling waste pickers to be entrepreneurs in a model similar to Uber for waste where a picker collects different
 materials from customers based on phone signals and delivers different materials to where they are used in the value
 chain

Inputs

UNDP • International agencies (e.g. ILO) • Mobile Phones • Business Model Innovation • Education for Waste Pickers • NGOs • Technology Software like Uber • Academia (sociologists)

Governance Action



Governance Action

Goal

Active engagement with corporations and international actors toward designing and enforcing policies around upstream and downstream plastics.

Change Points

- Government as an effective check-in-balance to corporate profits
- Alternative materials innovation
- An economy without waste
- Producers seeing plastics as a threat to their brand

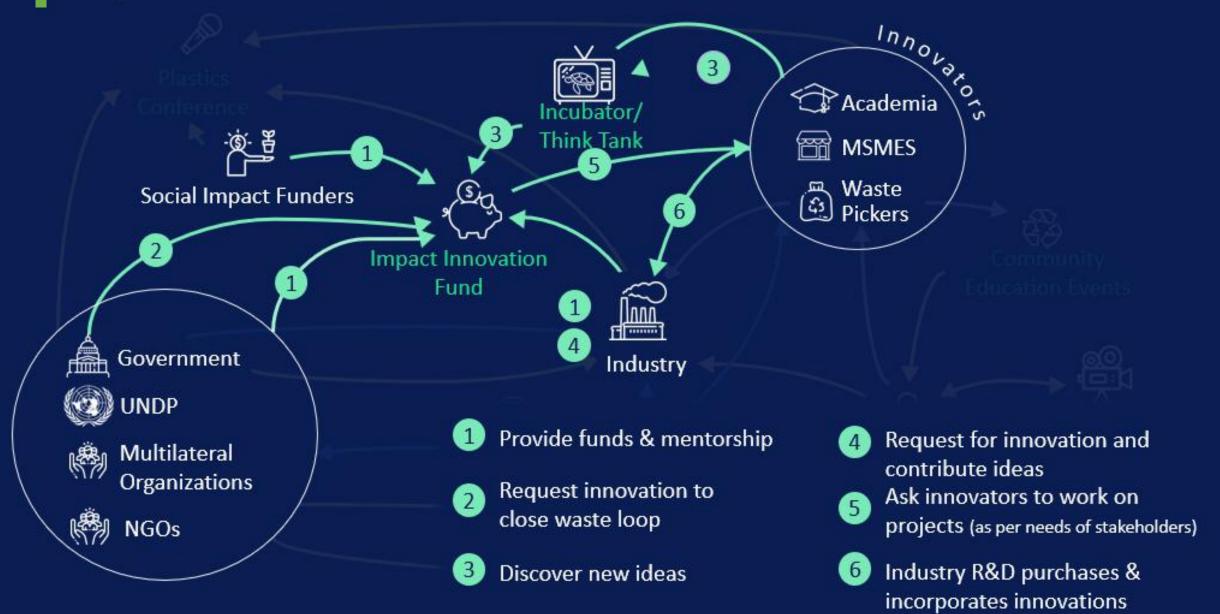
How

- Lead the development of a plastics platform that convenes stakeholders working on the issue of plastics in South East
 Asia to catalyze capital and synergize partnerships to coordinate the evolving needs of the New Materials Economy.
- Corporations get a tax break if they meet a certain criteria of waste management/reintegration or sustainable packaging
- Create an alternative market for plastic production regulated through plastics tax or sustainable portfolio standards modeled on Carbon Cap & Trade and RPS
- Designing systematic policy around material standards and waste management that feeds into concrete action
- Facilitating the Impact Innovation Fund in meeting its goals (including fiscal policies, tools, investment products and redesign of national budgets to scale SDG Finance for impact)
- Collaborating with the Radar and Innovation Impact Fund and leveraging P2P to incentivize the collection of used and unrecyclable materials that could feed into businesses

Inputs

UNDP • Credible Government Officials • Information from Radar • Pressure from Innovation Impact Fund

Impact Innovation Fund



Impact Innovation Fund*

Goal

Catalyze investment and foster innovation that scales impact.

Change Points

- Demand creation for alternative and/or reusable materials
- Environmentally sustainable consumption preferences
- Alternative material innovation

How

- Government attracting impact investors and international and local funders to put their money toward the success of the New Materials Economy with the incentives of creating concrete impact and tax write-offs (includes Green Finance Mechanisms & redesign of national budgets)
- Partnering with industry to learn their needs and connecting them to innovators
- Collaborating with the government to create artificial value structures for the take back of materials that could feed into new designs and business value and create legislation to bring in revenue for the Impact Innovation Fund
- Funding innovation throughout the system (material innovation, design innovation, recycling innovation, business model innovation, industry operations innovation, creative reuse of materials) that industry commits to adopt
- Fostering new innovation through universities and schools that find industry partners through the Fund

Inputs

UNDP • Multilateral Organizations • WEF • Government • Technology • Global Ideators and Innovators • Academia

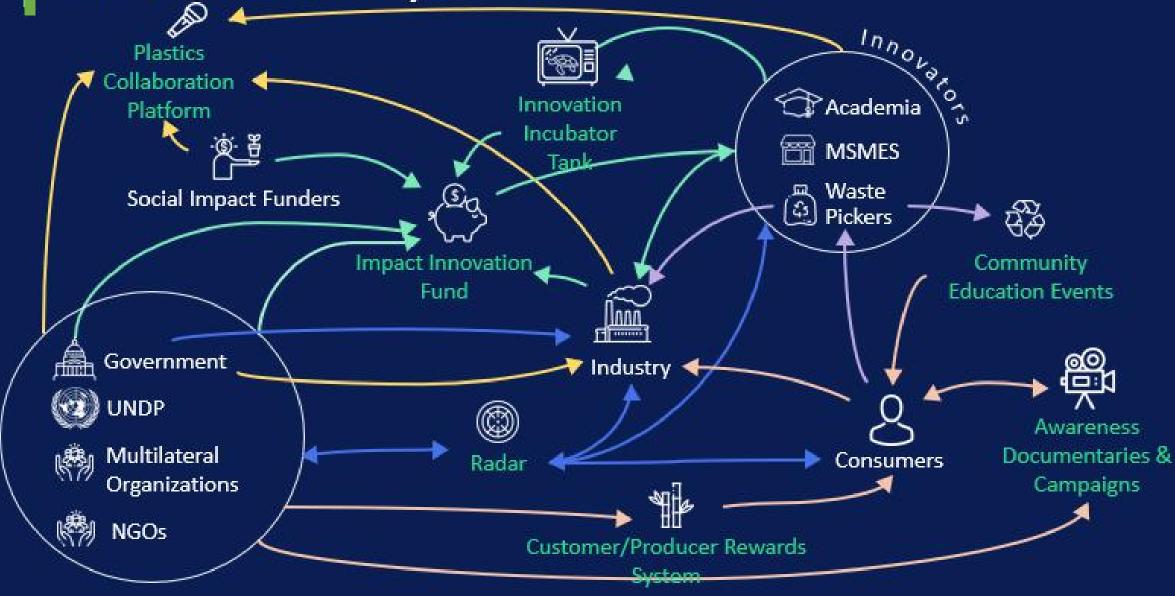
Impact Innovation Fund

Value Propositions

- Social Impact Funders have an opportunity to invest in targeted innovation with high chance of industry scale and adoption
- Governments, Multilateral Organizations & NGOs accelerate the achievement of sustainability goals
- **Innovators** have access to resources, ideas, and mentorship to innovate in the plastic economy
- Industry finds more cost effective solutions to transition to sustainable practices

"...defining the SDG finance problem not as a funding problem or gap, but as a systemic issue of realigning or redirecting how money is spent and invested". (-Marcos Neto, UNDP Director, Finance Sector Hub).

The Envisioned System



Benefit of this approach for Targeted Capacity Development

There is a clear evidence-based map of:-

- Which capacities are required,
- Where the capacity-building should be targeted
- Where gaps in capacity should be resourced or contracted
- · How capacity can be institutionalized and replicated in the long term
- How and if capacity can also be "upgraded" or adapted as the transition to the new economy takes place.

Systems thinking approaches also helps countries, agency and other partners have a better chance of "getting it right", targeting resources at the right leverage points and stakeholders for transformation

In looking at the area of capacity development, one can also answer critical questions like:



TO WHAT END do we need to develop this capacity? What will be its purpose?



WHOSE capacities need to be developed? Which groups or individuals need to be empowered?



WHAT KINDS of capacities need to be developed to achieve the broader development objectives?

Systemic Capacity

- "Enabling environments", including access to finance, and proper valuation of the status quo vs alternate scenarios to remove favouring of vested interests (eg through perverse subsidies, incomplete costing of externalities, etc)
- Overall policy, economic, regulatory, and accountability frameworks
- Important precondition for institutional and individual capacity development

Institutional Capacity

- Accurate and relevant information for decisionmaking
- Implementation of policies
- Enforcement of regulations and laws
- Monitoring of policy effectiveness

Individual Capacities

- Basic knowledge and competencies
- Skills for Green Jobs
- Leadership (Systems Leadership is important)

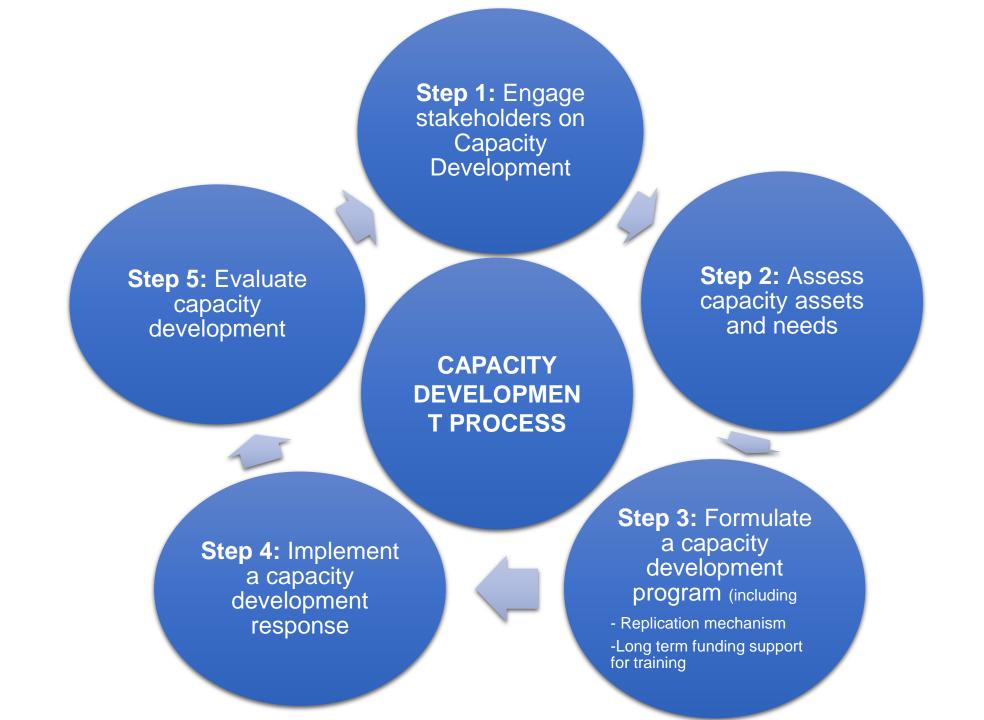
Take-aways on some Capacity Building Categories



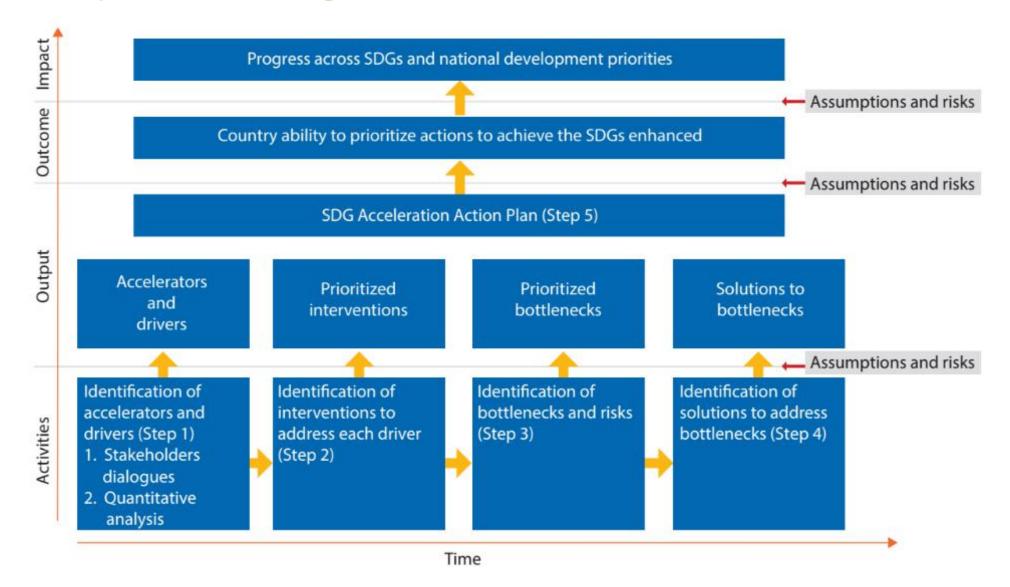
However, as we face the challenges of using the SDGs as the global framework for business, innovators and governments, one can see very new capacities being required eg:-

- ✓ Systems Thinking (including Systems Leadership and Systems Innovations)
- ✓ Green Finance Tools and Mechanisms
- ✓ Redesign of National Budget Systems to Scale SDG Investment and ensure benefits for all.
- ✓ Elaborating and designing goal-oriented Private-Public Partnerships (including support to Innovation)
- ✓ Standards setting
- ✓ Behavioural influencing and incorporation into design of incentive programs and policies.

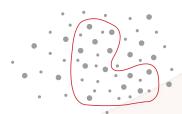
Different development challenges may give rise to specific subsets of capacity needs as well.



Theory of Change for SDG Accelerators

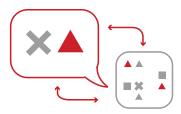


Process Map for the SDG Integration



Focusing

Is it an SDG integration challenge? Is it something i-SDG team should engage?



Setting New Direction

What is the new bold mission?



Sense-making (integration)

What we already have? Is what we have coherent? Should we take different direction?



System + Experiment

What drives the system? Which users?



Developing new maps

What is out there? Where new narratives come from?



Variety of Experiences

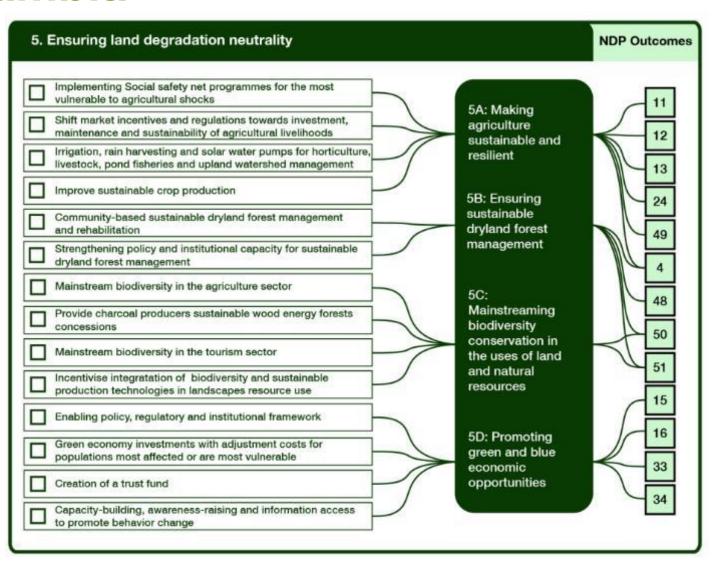
How do we experiment our way forward?

Smart Growth Accelerator per of transportation Other policies vehicle using related to diesel and decrease of in Bosnia and Herzegovina gasoline, move air pollution to electric buses and other ublic transp Recycling and re use of waste waste management Develop the policy for sustainable management of natural resources Wall insulation: to be subsidized ouseholds/building to be fully Thermal facades aligned with for buildings Green growth energy efficiency (EU project) Green areas Country-wide energy-efficiency urban settlements action plan Sustainable management of resources To equalize Smart Growth the price of coal and gas Resilience Diprinish percents of households /elop/upgrad consuming coal water utility for heating (quality of (provide credit preventing lines with communicable zero percent disease, level of interest) of calcium. ther particles Sanctions for illegal usage Early warning of natural system (fire, resources (timber) Legend floods, etc) ---- Opposite Accelerator Driver

Intervention

Activity

Land Degradation Neutrality Accelerator in the Gambia



Healthy Natural Environment Accelerator in Jamaica

Goal 4: Jamaica has a Healthy Natural Environment

NATIONAL OUTCOMES

Sustainable Management and Use of Environmental and Natural Resources





SDGS





Hazard Risk Reduction and Adaptation to Climate Change





Sustainable Urban and Rural Development











Sustainable tourism





Pride in Jamaica

Authentic and Transformational Culture Healthy and natural environment

Sustainable Agriculture













Blue and Green Economy Accelerator in Sri Lanka

