

# **SUMMING UP THE GREEN ECONOMY ACCORDING TO UNEP**

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In the last quarter century the world economy has quadrupled, benefiting millions of people. However, in the same period of time, 60% of the world's main ecosystem goods and services, on which human survival depends, have been degraded or used in an unsustainable way.

One of the latest publications from [UNEP, \*Towards a green economy. Guide for sustainable development and the eradication of poverty\*](#), revolves around this problem, offering **arguments that promote the transition** towards an economy that manages to decouple the creation of wealth of environmental degradation.

✖ [The Ecological Wealth of Nations: Earth's Biocapacity as a New Framework for International Cooperation. Global Footprint Network \(2010\), p. 13; Human Development Index data from Human Development Report 2009 - Overcoming Barriers: Human Mobility and Development. UNDP \(2009\).](#)

UNEP defines a green economy as one that **improves human well-being and enables greater social equity, while significantly reducing environmental risks and ecological scarcity**. In addition, the green economy:

- Recognize the value of natural capital by investing in it.
- It is essential for poverty reduction.
- Creates jobs by promoting social equity.
- Substitute fossil fuels for renewable energy and low carbon technologies.
- Facilitates a more sustainable urban life and reduces carbon emissions from transport.
- Allows the conservation and recovery of natural capital.

After analyzing the **benefits of the green economy**, the document sets out a series of **measures and political guidelines** to accelerate the transition towards the new economic paradigm:

- Establishment of sound regulatory frameworks.
- Prioritization of investment and public spending towards environmental improvement activities.
- Limiting public spending in areas that are detrimental to natural capital.
- Application of taxes and market-based instruments to promote environmental investments and innovations.
- Investment in training and education.
- Strengthening of international governance.

In relation to these measures developed in the UNEP report, the article by Martin Jänicke from [number 75 of Ekonomiaz](#), which we already talked about in the [previous post](#), establishes **four general considerations for policy design of eco-innovation**, which will drive the transition towards a green economy. Thus, Martin Jänicke exhibits at [Innovations for sustainable use of the resources: reflections and proposals](#) that:

- Setting ambitious, broadly ambitious and reliable goals are a necessary condition.
- A flexible policy mix is required to support the innovation cycle from invention to diffusion.
- A preponderant role within this mix should be given to the price system (taxes, tariffs, certificates, market incentives) and regulation.
- Finally, the clusters and competent integrating networks are indicated as important actors in the eco-innovative process.

*Other related articles:*

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[Sustainability and innovation: we keep thinking about the concept.](#)

[Green products and services: necessarily more expensive.](#)

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