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**Agenda Item 4: Specific Issues** 

Presentation of the Mediterranean Green Business Award

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# PRESENTATION OF THE MEDITERRANEAN GREEN BUSINESS AWARD

**INITIAL CONCEPT NOTE** 

May 2020



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# 1. Background and policy context

## Policy background

The creation and promotion of a Mediterranean business award for environmental innovation is a flagship initiative of the Mediterranean Strategy for Sustainable Development (MSSD), contributing to Objective 5 "Transition towards a green and blue economy" and its Strategic direction 5.4 "Encourage environmentally-friendly and social innovation."

Green and circular economy businesses are recognized by the Contracting Parties of the Barcelona Convention as key drivers for the transition towards a green and blue economy in the Mediterranean. Their business solutions generate jobs and other economic benefits in local communities while also promoting environmental stewardship, innovation and social well-being. In this way, they represent part of an effective response to the region's most pressing environmental and social challenges, including unsustainable use of natural resources, pollution of land and water, and unemployment. Consequently, the region's sustainable development policy framework accords considerable attention to supporting green and circular economy businesses, including through the MSSD, the Regional Action Plan on Sustainable Consumption and Production in the Mediterranean (SCP AP), the UNEP/MAP Medium-Term Strategy (MTS) 2016 – 2021, and the Union for the Mediterranean (UfM) Ministerial Declaration on Environment and Climate Change (2014).

- The MSSD which represents the overarching framework for the region's sustainable development agenda – dedicates one of its six strategic objectives to the "Transition towards a green and blue economy." It aims to achieve this by creating green and decent jobs for all, promoting SCP, and encouraging environmental-friendly and social innovation, amongst other supporting actions. The MSSD was adopted at COP19 in February 2016.
- The <u>SCP Regional Action Plan for the Mediterranean</u>, which is an integral part of the MSSD, calls for the creation of business models integrating a SCP approach in all key areas of the action plan<sup>1</sup>, and for green businesses and jobs in the goods manufacturing sector in particular. The plan also highlights the need to strengthen consumer awareness, educate people on sustainable lifestyles, and improve information and products labelling in order to increase the demand for sustainable products. The SCP AP was also adopted at COP19.
- Key priorities from both the MSSD and the SCP Regional Action Plan are reflected in the <u>UNEP/MAP Medium-Term Strategy 2016-2021</u>, which includes Sustainable Consumption and Production as one of its cross-cutting themes, and calls for actions to build the capacity of green entrepreneurs and civil society to drive SCP solutions, and to promote networks and initiatives of businesses, entrepreneurs and civil society organizations in this domain.
- The <u>UfM Ministerial Declaration</u> on Environment and Climate Change, adopted in 2014, expressed the intent of Ministers from 43 countries to initiate policy reforms to accelerate the shift to SCP patterns and their support for and new sustainable business models, as well as tools such as eco-design, amongst other statements.

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<sup>&</sup>lt;sup>1</sup> Key areas of the SCP Action Plan are: (1) Food, fisheries and agriculture, (2) goods manufacturing, (3) tourism and (4) housing and construction.



#### **Technical background**

Many of the priority actions identified in this policy framework have been carried out through international cooperation projects in the region. One of these is the EU-funded <u>SwitchMed initiative</u> which aims to support the transition to SCP patterns in the southern Mediterranean and in particular to stimulate the creation of new and greater business opportunities and decent employment while reducing the environmental footprint of existing economic activities. Key outputs of the first phase of SwitchMed (2012 – 2019), highly relevant for the preparation of the award, include the <u>Switchers Support Programme</u>, the <u>Switchers community</u> and the <u>SwitchersFund</u>.

- The Switchers Support Programme provides entrepreneurs, business support organisations and local communities with business development services, networking opportunities and access to finance services.
- The Switchers community, part of the Switchers Support Programme, provides a platform for promoting people, businesses and civil society organisations that are implementing innovative ecological and social solutions that contribute to the switch to sustainable and fair consumption and production models.
- Finally, the SwitchersFund was created in 2017 through a partnership with the European Federation of Fair Banks (FEBEA), as a tool to provide and facilitate direct funding and business support services to existing and future green, circular and social entrepreneurs in the Mediterranean region.

These important support services will be reinforced and expanded in the second phase of SwitchMed (2019 - 2022). The EU-funded ENI CBC MED <u>Green Impact MED Project</u>, the Catalan Waste Agency, the MAVA Foundation, the Organization for Security and Co-operation in Europe (OSCE) and UfM also provided and/or are providing support to the above-mentioned activities that constitute a solid foundation for the preparation of the Mediterranean green business award.

SwitchMed and other regional initiatives have succeeded in raising considerable awareness among the public, business communities and policymakers about the important contributions of green and circular economy businesses to sustainable economic development in the Mediterranean. However, more needs to be done to build upon these efforts and highlight the accomplishments of the businesses and other organisations that underpin green and circular economies in the region. The celebration of a Mediterranean business award for environmental innovation as a flagship initiative of the MSSD has the potential to attract high-profile attention to these stakeholders and increase their visibility.

#### Mandate and process

The preparation process of the award will be based on COP21 <u>Decision IG.24/3</u> on Implementation, Monitoring and Mid-Term Evaluation of the MSSD and of the Regional Action Plan on SCP in the Mediterranean, adopted in December 2019 in Naples. In this Decision, Contracting Parties requested the Barcelona Convention Secretariat (including SCP/RAC) to launch the first edition of the Mediterranean Green Business Award, as a flagship initiative of the MSSD, in line with the concept note set out in Annex of the Decision.



SCP/RAC will leverage the solid experience of the Catalan Waste Agency (ARC), hosting the centre, for the organization of the Mediterranean green business award. The ARC's Award for Sustainable Businesses was created in 2001 with the goal of encouraging businesses to incorporate eco-design in their production process, to foster a cross-cutting approach and knowledge transfer, and to boost the consumption and production of sustainable products and services. The award recognizes innovative products and services that promote eco-design and circular economy solutions. In 2015, a pilot edition of the award was opened to entrepreneurs and businesses from all Mediterranean countries and received 45 applications from 11 countries. The award ceremony was held in Barcelona, bringing together more than 150 representatives from Mediterranean countries. This successful pilot edition has not yet been reproduced, but lessons from this edition will be considered for the creation of a proper Mediterranean Green Business Award.

## 2. Objective of the award

The award is conceived as a policy tool to encourage environmental-friendly and social innovation by Mediterranean businesses. It will accomplish this by:

- (i) recognizing outstanding achievements of green and circular economy businesses (and the organizations that support them);
- (ii) inspiring other entrepreneurs to adopt eco- and social innovations in their business models, thereby scaling up these approaches in the region; and
- (iii) highlighting the need to promote an enabling policy environment to foster the growth of green and circular economy businesses.

The award will furthermore provide visibility for the contributions of green and circular economy businesses to the region's sustainable development goals, and raise consumer awareness about sustainable products and services.

# 3. Categories

Green and circular economies are composed of a variety of organizations and actors that form an ecosystem and together carry out a complex set of roles that underpin the successful functioning of the market system. For this reason, the long-term vision of the award is to recognize not only the accomplishments of businesses, but also those of policy makers, business support organizations, financial actors, media influencers and others that are building an enabling environment for green and circular economy businesses.

The proposed award categories therefore align with these different stakeholder groups:

- A. Businesses. This category refers to established businesses that have integrated ecoand social innovations in their business models, with measurable environmental and social benefits.
- B. **Public authorities.** This category will recognize national, sub-national or municipal government agencies that have implemented policies, plans or legislation that have positively influenced the enabling environment for green and circular economy businesses.



- C. Business support organizations. This category applies to organizations that provide training or incubation services to new entrepreneurs in view of promoting the creation of business models that integrate principles of eco-design and social inclusion.
- D. Civil society organizations or individuals. This category is reserved for a diverse group of non-governmental actors that contribute in various ways to building the enabling environment for green and circular economy businesses, including by increasing the knowledge base on sustainable business practices; influencing the behaviour of consumers and businesses through media campaigns and other means of awareness raising; encouraging effective civil society participation in environmental governance; and a host of other supporting actions.
- E. **Financial actors.** This refers to banking institutions, investors or other for-profit actors that provide financing support to green and circular economy businesses, especially in the early growth stages.

These categories will be used by SCP/RAC to establish the legal framework for the award within its institutional setting, however, not all categories will necessarily be used during any given edition of the award.

The first edition of the award will be launched during the 2<sup>nd</sup> half of 2020 and will focus on the achievements of green and circular economy businesses (Category A) and the public authorities that are creating enabling environments for these businesses (Category B).

## 4. Sectoral focus

In certain editions of the award, a sectoral focus may be applied to highlight accomplishments in specific sectors, for example, the priority areas of consumption and production identified by the Regional Action Plan on SCP in the Mediterranean. For the first edition, there will be no sectoral focus for Category A; all types of businesses may apply.

# 5. Geographic focus

A survey of existing green business award schemes in Europe, the Mediterranean and at the international level revealed a near absence of green business awards for the Southern Mediterranean. Therefore, the first edition of the award will seek to highlight achievements of green and circular economy stakeholders in Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine and Tunisia. The geographic focus of future editions of the award may be expanded to include other countries that are Contracting Parties to the Barcelona Convention.

# 6. Language considerations for the award process

In view of the linguistic diversity of the region and considering the targeted countries, the communication tools and the application platform for the award will be made available in three languages: Arabic, English and French.



## 7. Criteria

Evaluation criteria will be developed for the categories that will be featured in each edition of the award. In the case of the 2021 award, criteria will be formulated for two categories: businesses (Category A) and Public authorities (Category B).

The criteria for businesses will measure the environmental and social impact of products and services, including through environmental footprints; production processes that implement the principles of circular economy and eco-design; innovation with respect to conventional products and services; and the generation of benefits to local communities, including employment opportunities and fair wages for youth and women.

The criteria for public authorities will consider how policy tools have enhanced the enabling environment for green and circular economy businesses, including through the facilitation of business creation; access to finance; and economic incentives for business to adopt more sustainable production methods.

## 8. Jury

A gender-balanced independent jury will be appointed by SCP/RAC to serve in a voluntary capacity to evaluate a pre-screened set of award applications.

The jury will be composed of:

- (i) at least two individuals with expertise in eco-design, circular economy solutions and social enterprises;
- (ii) at least one individual with expertise in policy frameworks for green and circular economy businesses;
- (iii) a representative of the Mediterranean Commission on Sustainable Development (MCSD);
- (iv) a representative of a business or trade association;
- (v) a representative of the Catalan Waste Agency (Department of Circular Economy); and
- (vi) a representative of SCP/RAC that will participate in the jury and will serve as its secretariat.

## 9. Prizes

Winners of the award will receive either a monetary or an honorific prize.

For the first edition of the award, a maximum of 30,000 euros will be made available for monetary prizes to green and circular economy businesses (Category A). The monetary prizes will be channelled through the Switchers Fund. Recipients of these prizes will be required to report on expenditures to verify that their use supports the aims of the EU-funded SwitchMed initiative, which is financing the first edition of the award.

In addition, an honorific award will be bestowed upon at least one public organization (Category B). This award will also provide a stipend for up to three government representatives to participate in a twinning event with an organisation that is considered a leader in circular economy solutions, to facilitate peer-to-peer knowledge exchanges.



## 10. Award process

The first edition of the award will be launched in November 2020 at the SwitchMed Connect event (pending the ease of travel restrictions associated with the COVID-19 crisis). Applications will be submitted through an online portal during a one-month period starting in January 2021. It is anticipated that the pre-screening of applications will be completed by April 2021 and that the jury will make its selection of winners by May 2021. An award ceremony will be organized towards June 2021, if possible, back-to-back with a complementary event.

The award will be celebrated every two years.

# 11. Visibility for the award and its recipients

Once the visual identity of the award is defined, a communication and awareness raising campaign will be designed to engage targeted stakeholder groups in the award process and to inform the public about its purpose. Prior to the launch of the award, a series of tailored communication campaigns will seek to engage entrepreneurs through traditional and social media, in an attempt to generate a large pool of high-quality applications for the award. The award ceremony itself will be a high-visibility event with attendance by representatives of leading circular economy organizations, key policymakers, the press, and social media influencers. Following the award ceremony, recipients of the award will benefit from a visibility campaign to document their stories, the impact of the award on their organization, and how their accomplishments can benefit the wider community of green and circular economy businesses in the Mediterranean. Documentation produced by this campaign – including videos, testimonials and photo essays – will feed into efforts to secure financing for future editions of the award.

# 12. Sustainability of the award

The first edition of the award will be funded entirely through the SwitchMed initiative, with financing from the EU. Future editions, however, will require a self-sustaining funding mechanism. A strategy for establishing such a mechanism will be designed and implemented in 2021 with the aim of securing financing for at least two future editions of the award, in 2023 and 2025.