Green approaches to COVID-19 recovery: Policy note for parliamentarians

Background

“The impact of the coronavirus is both immediate and dreadful. But there is another deep emergency – the planet’s unfolding environmental crisis. Biodiversity is in steep decline. Climate disruption is approaching a point of no return... The current crisis is an unprecedented wake-up call. We need to turn the recovery into a real opportunity to do things right for the future.”¹

United Nations Secretary-General, António Guterres

“The path towards carbon reduction must form an important part of our future strategy in order to build more resilient societies, by transitioning towards a climate-neutral economy, protecting biodiversity and transforming the agro-food industry. This has the potential to rapidly deliver jobs and growth and improve the way of life of all citizens everywhere.”²

Declaration, Fifth World Conference of Speakers of Parliament

The consequences of COVID-19 and efforts to contain it have led to one of the most serious recessions in recent history, characterized by, among others, a decline in economic growth, decreased trade, low business revenues and massive layoffs. Projections indicate that, in the next two years, the global economy is expected to lose nearly US$ 8.5 trillion in economic output due to the pandemic.³ Understandably, the immediate focus for governments is economic recovery.

There is a link between habitat loss, environmental degradation and climate change on the one hand and, on the other, the emergence of novel zoonotic diseases that are transmitted between animals and humans, such as coronaviruses.⁴ This link calls for a sound environmental response to the pandemic.⁵ For the economic recovery to be effective and long lasting, it will need to reflect coherently all dimensions of sustainable development, including the environmental pillar. It will also need to address its effects on the most vulnerable, including women, children, persons with disabilities and marginalized communities.

There is an urgent need for a socially inclusive COVID-19 recovery that is in line with climate action and environmental protection.

Parliamentarians are key players in the immediate and long-term recovery efforts, given their power to enact laws and oversee government policy.⁶ While legislation and

2 www.ipu.org/event/fifth-world-conference-speakers-parliament#event-sub-page-22191
Policy-making are key drivers for economic recovery, they are also important factors for addressing the environmental impacts related to COVID-19. Legislative measures taken now will have long-term effects on the planet’s future. Therefore, parliamentarians have a critical role to play in ensuring economic recovery efforts are in line with environmental and development goals, and in seizing the opportunity to “build back better.”

This policy note sets out some of the key approaches that parliamentarians may wish to consider in promoting a sustainable and green recovery that will: help build more resilient economies; contribute to meeting countries’ international commitments under the Paris Agreement and the 2030 Agenda for Sustainable Development; and build momentum towards a strong post-2020 global biodiversity framework.

The note highlights only some of the important considerations in legislating for COVID-19 recovery, and links to further resources are provided. While each country may have its own unique circumstances and considerations, innovatory legislative responses can be inspirational, and can help drive a sustainable global economic recovery. Parliamentarians are encouraged to examine examples on the UNEP and IPU websites, and to share with press@ipu.org examples of their national legislative response as it develops, in order to foster the sharing of lessons learned.

Green economy approaches

The core elements of a green economy are low-carbon development, resource efficiency and social inclusion. This economic model recognizes natural capital as a key economic asset, and seeks to drastically reduce waste and limit the resources and energy that go into consumption and production. An inclusive green economy reduces, reuses and recycles goods. It invests in renewable energy and public goods that promote communal use. And it implements policies that internalize and ensure both the equitable use of environmental resources and the promotion of economic activities that preserve biodiversity. Green economic policies and laws are vital to transitioning into economic sectors that ultimately build a resilient economy. These policies and laws may include ending fossil fuel subsidies, enforcing the polluter pays principle, supporting green jobs, and including green conditionality in fiscal recovery policies.

Countries’ COVID-19 economic stimulus packages present an opportunity to promote a green economy. However, most of these packages are not based on a green model. For instance, according to a survey by Oxford University’s Smith School of Enterprise and the Environment in April 2020, only 4 per cent of G20 COVID-19 fiscal emergency policies were green. Since such packages require legislative approval, parliamentarians have the unique opportunity to promote national economy plans that harmonize economic and environmental policies. Several green approaches are illustrated below.

1. Green infrastructure

Green infrastructure involves strategically planning a network of natural and seminatural areas and solutions that can deliver a wide range of ecosystem services, such as water purification and retention, flood alleviation, air quality improvement, reduced energy use, space for recreation, and climate mitigation and adaptation. It can improve environmental conditions, and the health and quality of life of a population. It also helps create jobs and business opportunities, and promotes sustainable development. Parliaments can

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prioritize laws and regulations that require public investment and incentivize private investment in green infrastructure, particularly for cities and urban areas, which consume 78 per cent of the world’s energy, and produce more than 60 per cent of greenhouse gas emissions. In addition, parliamentarians can use their oversight function to assess the government’s work towards SDGs such as provision of universal access to safe, inclusive and accessible green and public spaces.

Parliamentary actions for green infrastructure

- Prioritize laws and regulations that require public investment and incentivize private investment in green infrastructure, especially in cities and urban areas, which produce the majority of the world’s greenhouse gas emissions.
- Enact legislation that contributes to creating jobs in green infrastructure and enhances green infrastructure-related business opportunities.
- Provide parliamentary oversight of government’s work towards SDGs such as provision of universal access to safe, inclusive and accessible green and public spaces.

Regional and country-level examples

The Republic of Korea plans to spend about US$ 4.84 billion by 2022 on the green transformation of living infrastructure, which will create 89,000 jobs. The money will cover transitioning state-run facilities to zero emissions, as well as implementing new IT-based systems to resolve environmental issues, including tackling fine particles, low-carbon vehicle manufacturing, air quality management and environment awareness education.

European Union Member States are placing the Green Deal at the heart of the Union’s main recovery strategy. The Deal includes measures to improve the sustainability of agriculture, funding for renewable energy, and support for electric vehicle sales and infrastructure.

2. Waste management and circularity

The International Finance Corporation reports that the volume of medical waste generated globally has increased by about 40 per cent due to COVID-19. This unprecedented volume of medical and hazardous waste could lead to a spiralling adverse effect on human health and the environment. Effective mitigation of this situation involves both emergency waste management measures and longer-term sustainable approaches. An effective emergency response considers the safe handling and disposal of biochemical and healthcare waste, including its appropriate identification, collection, separation, storage, transportation and treatment. It also considers important associated aspects, such as disinfection, personnel protection and training. COVID-19 also necessitates changes in the treatment of household waste, which now includes discarded protective equipment, and medicines that may require special collection methods and waste streams. Sustainable waste management practices, such as waste treatment and recycling, can, in the long-term, be promoted through legislative provisions, including on granting tax rebates or waivers for recycling initiatives.
Since 1970, global resource use has more than tripled. If the situation continues, then by 2060, the extraction of materials will grow far beyond what the planet can sustain. Parliaments may therefore wish to consider mainstreaming sustainable consumption and production (SCP) into all aspects of COVID-19 recovery planning and economic development overall. SCP involves using resources more efficiently. Its benefits include saving on costs, stimulating economic growth, generating jobs, preventing future economic crises, building resilience, and contributing to achieving the 1.5 °C temperature goal under the Paris Agreement.

A key means of achieving SCP will be through circularity. Circularity aims to restore, regenerate and reuse materials to promote the efficient and sustainable management of natural resources throughout their life cycle. Maintaining the value or extending the shelf life of products through value-retention practices, such as remanufacturing, refurbishment, repair and reuse, could reduce the amount of new materials needed and cut industrial waste by between 80 and 99 per cent, and reduce greenhouse gas emissions by 79 to 99 per cent in some sectors. Such practices could form an important part of the immediate post-COVID-19 response.

Figure 1
UNEP Circularity Approach

Circular economy processes
- yellow Guiding principle
- blue Business to business
- green User to business
- purple User to user
- grey Linear economy model


30 https://buildingcircularity.org/
31 https://buildingcircularity.org/; www.unenvironment.org/explore-topics/resource-efficiency/what-we-do/sustainable-consumption-and-production-policies. There are economic benefits of SCP. For example, it is estimated that investing US$ 900 billion in resource-efficient measures could generate up to 25 million jobs. www.resourcepanel.org/sites/default/files/documents/document/media/thinkpiece_-_resource_efficiency_-_key_messages_for_the_g20_270818.pdf.
33 https://buildingcircularity.org/
A possible longer-term option is to enact legislation that is in line with a green public procurement approach.37 Through this approach, public authorities aim to procure goods and services that have a reduced environmental impact, thus stimulating the demand for eco-innovation and more sustainable goods and services.38 This is particularly important in the context of the COVID-19 response where the governmental market share of consumed goods and services is particularly significant.39 Additionally, parliamentarians could consider adopting legal provisions promoting SCP. For example, legislating on extended producer responsibility (making the producer responsible for the disposal of postconsumer products after the end of their useful life) would incentivize the prevention of waste generation and promote environmentally conscious product design.40 In addition, legislative incentives, such as tax breaks or financial support for research and innovation, would encourage industries to adopt practices that extend the life of products.41

Parliamentary actions for waste management and circularity

- Promote sustainable waste management practices, such as waste treatment, recycling, and safe handling of healthcare and biochemical waste, by adopting legislative provisions on issues including tax rebates or waivers on recycling initiatives.
- Enact legislation that mainstreams SCP into all COVID-19 recovery efforts, including by requiring public authorities to use green procurement practices (procuring goods and services that have a reduced environmental impact).
- Adopt legislative provisions that support SCP (such as extending producer responsibility), and provide legislative incentives, including tax breaks or financial support, that encourage industries to adopt more sustainable production practices and increase the life cycles of their products.

Regional and country-level examples

The Bureau of the African Ministerial Conference on the Environment (AMCEN) recognized in June 2020 the need to implement a previous decision from its 17th ordinary session to promote and scale up the circular economy as part of Africa’s COVID-19 recovery process.42

Denmark is offering extra funding to help companies stick to green transition and circular economy principles amidst the COVID-19 crisis.43

3. Clean energy

According to the Renewables 2020 Global Status Report, renewable energy reduces greenhouse gas emissions and air pollution, creates jobs, ensures energy sovereignty and accelerates energy access in developing countries.44 It has proven to be cost-effective in terms of both pricing and reliability.45 On the other hand, the true cost of fossil fuels is estimated to be US$ 5.2 trillion if negative externalities are counted, such as air pollution, the effects of climate change, and traffic congestion.46 Reducing the use of fossil fuels and associated pollution is also beneficial for mitigating the health effects of COVID-19.47 Clearly, investing in renewables has both medium- and long-term

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41 According to the OECD, extended producer principle is a policy approach under which producers are given a significant financial and/or physical responsibility for the treatment or disposal of post-consumer products. Guidance on sustainable consumption and production available at the SCP clearing house, www.unenvironment.org/explore-topics/resource-efficiency/what-we-do/sustainable-consumption-and-production-policies.
42 www.unenvironment.org/fr/amcen.
45 Ibid.
46 Ibid.
economic, fiscal and health advantages. Current cost-effectiveness provides an opportunity to prioritize clean energy in economic recovery packages, and to adopt cost-competitive sustainable technologies. This makes for a more cost-efficient transition towards carbon-neutral societies – in other words, having a net zero carbon footprint, and helping to achieve the nationally determined contributions as part of the Paris Agreement and the implementation of the SDGs.

Parliamentarians have a unique opportunity to promote laws which contribute to both short- and long-term energy policies that promote a shift to renewable energy. Such measures could include eliminating fossil fuel subsidies, given that 10–30 per cent of fossil fuel subsidies could pay for a global transition to clean energy and that about 70 per cent of global energy investment is driven by governments, directly or indirectly, as a response to policy. Introducing carbon pricing measures could also help to raise revenue that could be reinvested into COVID-19 recovery and help reduce greenhouse gas emissions. Adjusting the pricing of polluting fuels (internalizing the associated environmental and social costs) could raise revenues of about 4 per cent of global GDP. Other legislative and fiscal measures could include requirements to divest from polluting activities and prioritize budget allocation to low-carbon initiatives, as well as research and development into clean technology. Research and development is a key driver for innovation. It is needed to leverage the current cost-efficiency of renewables towards a low-carbon revolution and green technology development. Furthermore, parliamentarians can use their oversight powers to evaluate what their governments have done to implement the Paris Agreement and prepare nationally determined contributions with concrete emission reduction measures, such as clean energy initiatives.

COVID-19 recovery packages could also promote energy efficiency. Improving energy efficiency creates job opportunities, helps reduce greenhouse gas emissions and saves on energy costs. Parliaments could, for instance, explore legislation that requires improved energy-efficient public infrastructure and industrial equipment.

Parliamentary actions for clean energy

- Promote laws that contribute to short- and long-term renewable energy policies, such as eliminating fossil fuel subsidies, and introducing carbon pricing measures that increase national revenues, which can then be reinvested in COVID-19 recovery.
- Prioritize budget allocations and enact legislation on low-carbon activities that promote energy efficiency, including energy-efficient public infrastructure and industrial equipment, and clean technology research and development.
- Exercise oversight powers to evaluate what the government has done to implement the Paris Agreement and prepare nationally determined contributions with concrete emission reduction measures, such as clean energy initiatives.

Nigeria’s post-COVID-19 Economic Sustainability Plan includes extending the country’s solar infrastructure, a gas expansion programme to promote the use of clean fuels, and scrapping gasoline subsidies. The Senate President and Speaker of the House of Representatives led principal officers of the National Assembly in meeting with members of the country’s Economic Sustainability Committee. After the draft Sustainability Plan was presented to them, the legislators made recommendations, which will be considered in the plan’s implementation.

India’s government has increased taxes on petrol and diesel with the aim of increasing government revenue amidst the economic impacts of COVID-19.

4. Green jobs

The loss of jobs and income associated with COVID-19 will likely push 34.3 million people into extreme poverty in 2020, and worsen income inequality within and between countries. For developing countries, income losses will probably exceed US$ 220 billion. Estimates indicate that, by only the second quarter of 2020, COVID-19 might have reduced working hours by around 6.7 per cent which is equivalent to 195 million full-time workers. A green economy has the potential to create 24 million new jobs globally by 2030. For instance, investing in renewable energy is likely to generate more jobs, both in the short- and long-term, thus boosting spending and accelerating the recovery.

Parliaments have the opportunity to introduce recovery laws that incentivize green investments, such as in sustainable transport, energy efficiency technologies and waste management. Laws that promote healthy ecosystems and reduce environmental stresses (including through green fiscal reform that reduces income tax and shifts the tax burden to environmentally harmful goods and services) could promote productivity, advance local solutions and support displaced workers. Transformative legislation also ensures a just transition by integrating the reallocation and retraining of workers, promoting decent work, advancing local solutions, and supporting displaced workers. When developing employment recovery measures (such as cash for work programmes), parliamentarians can prioritize green jobs programmes, including ecosystem restoration or road rehabilitation in protected areas. Stimulus packages could also include a special focus on the communities particularly affected by COVID-19 (for example, those whose livelihoods depend on tourism in protected areas). Parliamentarians can also fulfil their representation responsibilities by ensuring that the needs of constituents, particularly those whose employment has been greatly affected by the pandemic, are addressed in green jobs programmes.

65 About 1.2 billion jobs (40 per cent of total world employment) depend on healthy ecosystems. www.un.org/sustainabledevelopment/blog/2019/04/green-economy-could-create-24-million-new-jobs/.
67 These jobs cut across sectors such as agriculture, forestry, tourism and pharmaceuticals. Environmental stresses and accompanying natural disasters contribute significantly to decreased productivity and job losses. It is estimated that expected temperature increases will reduce the total number of working hours by 2 per cent globally by 2030, mainly affecting workers in agriculture and in developing countries. www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_620854.pdf.
Regional and country-level examples

In Latin America, cash for work programmes are supporting the creation of jobs in the recycling sector for Venezuela’s migrants. Several countries in the region, such as Brazil, also have recycling cooperatives, which provide employment for vulnerable populations.72

Pakistan has introduced a US$ 47 million green stimulus programme to hire newly unemployed people for the “10 Billion Tree Tsunami.” The initiative is designed to plant trees in rural areas so as to restore natural ecosystems.73

5. Biodiversity and nature-based solutions

Habitat loss is linked to the emergence of novel zoonotic diseases like COVID-19, but also has anthropogenic drivers, including increased exploitation of wildlife, the unsustainable use of natural resources, and climate change.74 In economic terms, the continued degradation of ecosystem services represents an annual loss of at least US$ 479 billion.75 Prioritizing biodiversity and avoiding incentives that have led to its degradation are important considerations for any recovery measures.76 In fact, according to a preliminary report by the Convention on Biological Diversity’s Panel of Experts on Resource Mobilization, conserving biodiversity through a global biodiversity framework would yield economic gains of US$ 500–550 billion per year.77 The investment of domestic financial resources will greatly contribute to achieving these gains.78

In developing recovery packages, it is important that parliamentarians commission balanced risk assessments that incorporate natural capital considerations, such as healthy ecosystems, clean air and water,79 and potential biodiversity impacts.80

Parliamentary actions for green jobs

• Introduce laws that incentivize green investment and the creation of green jobs (such as in sustainable transport and energy efficiency), and that disincentivize unsustainable investments (such as by raising taxes on environmentally harmful goods and services).
• Enact legislation on green jobs training programmes; for example, jobs related to ecosystem restoration, particularly for people who have been displaced or severely affected by COVID-19.
• Represent the needs of constituents (particularly those whose employment has been greatly affected by the pandemic) and ensure their needs are addressed in green jobs programmes.

73 www.thethirdpole.net/2020/05/04/pakistans-green-stimulus-to-combat-covid-19-protect-nature/.
76 www.nature.com/articles/d41586-020-01947-9.
79 Natural capital includes ecosystems, diverse habitats, clean air and water, productive soils, and a stable climate. It partly contributes to high-productivity economies. www.smithschool.ox.ac.uk/publications/epapers/papers/workingpaper07-03.pdf.
Nature can also be placed at the heart of innovative sustainable approaches to economic recovery. Nature-based solutions are actions that protect, sustainably manage, and restore ecosystems in ways that address societal challenges to provide both human well-being and biodiversity benefits. They are an efficient and cost-effective way of building resilience while providing environmental, social and economic benefits. Nature-based legislative solutions include regulating drivers of habitat loss, such as the illegal wildlife trade, deforestation, habitat conversion and unsustainable agricultural practices, in order to reduce the risk of zoonotic diseases. An example would be sustainable forest management, which can contribute to alleviating poverty by providing or maintaining livelihoods, thus building more resilient economies that can better withstand pandemics. Similarly, supporting and funding conservation programmes can help protect biodiversity and safeguard ecosystems. Other measures could include promoting environmentally sustainable practices in agriculture, so as to: reduce large-scale deforestation, habitat destruction and fragmentation; strengthen the functioning of ecosystems; and lower the risks of future infectious zoonotic disease outbreaks. Investing in urban green and blue infrastructure systems, which encourage better stewardship of environmental resources (including marine resources), could also help to advance climate change adaptation, support urban resilience, and improve air quality while expanding habitats for biodiversity.

82 www.iucn.org/theme/nature-based-solutions/about.
Regional and country-level examples

Kenya’s parliament is considering budget allocations to its proposed economic stimulus package; one of its pillars is dedicated to mitigating the impact of deforestation and climate change. The package also proposes allocating funds to support community conservancies and the Kenya Wildlife Service.86

The European Commission adopted a biodiversity strategy for 2030 that incorporates biodiversity loss, climate mitigation and adaptation into their recovery plans.87 In January 2020, the European Parliament adopted a resolution calling on the European Commission to design a biodiversity strategy that would move away from voluntary commitments and set legally binding targets, which would be included in the new strategy.88

6. Rule of law and environmental protection

In numerous countries, COVID-19 lockdown and emergency procedures have adversely affected: public participation in decision and policy-making on environmental matters; the enforcement of environmental laws (such as environmental reporting obligations and transparency); how environmental impact assessments are conducted; implementation of environmental rights; and the work of environmental defenders.89 Given the interconnectedness of public health, economic growth and environmental protection, the public has a vested interest in ensuring that environmental law is implemented and enforced openly, inclusively and equally.90 As local context and community engagement are particularly important in times of emergency, it is essential not to derogate from existing access and participation provisions, and to include such provisions in response legislation, particularly with regard to policies or decisions that may have environmental impacts. Parliamentarians have an important role in making sure that any pandemic response includes safeguards for environmental rights, including those enshrined in constitutional law. Parliamentarians also have a key oversight role to ensure that existing environmental requirements continue to be applied, including to any response measures that have potential environmental impacts. Innovative solutions and safeguards need to be considered so as to enforce existing environmental laws and standards. These include using digital technologies for continuing impact assessments, compliance monitoring, and transparent online permitting procedures.

The pandemic and its economic consequences are having a disproportionate effect on particularly vulnerable constituencies, such as the poor, women and children, persons with disabilities, minorities, migrants and indigenous communities.91 Women are expected to be particularly affected because they are more likely to have lower paid

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88 www.europarl.europa.eu/legislative-train/theme-a-european-green-deal/file-new-eu-biodiversity-strategy#:~:text=On%2016%20January%202020%2C%20Parliament%20releases%202030%20targets%20for%20strategies%0A%0A%0A
90 UN Environment Programme, Environmental rule of law: First global report (2019).
and less secure jobs. They are also disproportionately represented in sectors that are affected by the pandemic (such as manufacturing) and highly vulnerable to climate change (such as agriculture). Failing to take on board gendered dimensions in economic recovery packages may perpetuate or aggravate existing inequalities, or possibly create new ones. Parliaments should consider legislation that is gender-responsive (one that enables preferential treatment for affected sectors where women form a majority) and takes into account other socially differentiated needs. Such laws are particularly effective if both legislative processes and implementation include strategies for engaging vulnerable constituencies.

Additionally, parliamentarians, alongside the judiciary, have an important role in ensuring that any emergency pandemic provisions are not used to persecute or restrict the activities of those who exercise their legal rights by advocating for environmental protection.

Parliamentary actions for rule of law and environmental protection

- Ensure COVID-19 legislation includes safeguards for environmental rights, and that recovery efforts are not used to persecute or restrict the activities of people who exercise their legal rights by advocating for environmental protection.
- Exercise oversight to ensure that existing environmental requirements are applied (including in the implementation of recovery measures), and encourage the adoption of innovative solutions and safeguards to enforce existing environmental laws and standards, such as digital technologies for impact assessments, compliance monitoring and transparent online permitting procedures.
- Articulate in the legislative process the interests and concerns of constituents who may be more vulnerable (such as women, persons with disabilities, minorities, migrants and indigenous communities), and ensure that legislation is gender-responsive and socially inclusive, and that it calls for the engagement of vulnerable groups in its implementation.

Regional and country-level examples

Trinidad and Tobago has instituted online procedures for services related to environmental permits.

The Latin American and Caribbean Parliament (PARLATINO) has issued a declaration calling for the inclusion of environmental and gender dimensions into COVID-19 recovery processes.
Some final thoughts

In the next year and a half, investment in COVID-19 recovery is likely to exceed US$ 12 trillion globally.\textsuperscript{101} The recovery process is a significant challenge but also a unique opportunity. The policies and laws to be put in place during this period will define the resilience, sustainability and competitiveness of national economies for decades to come. Parliaments, which are at the forefront of designing these laws and overseeing these policies, can make a historic impact on the transformation and development of national economies. They can do this by prioritizing green infrastructure, circularity, energy efficiency, investment in green jobs and innovation; by building on opportunities provided by digital technologies; by identifying effective nature-based solutions; and by advancing the rule of law. This is not an opportunity to be missed.

Useful resources

Carbon Brief: tracker on green recovery plans

Convention on Biological Diversity and UN Environment Programme: Global Biodiversity Outlook 5 (2020)

European Union: COVID-19 recovery plan


Green Economy Coalition: Green Economy Tracker


International Monetary Fund Special Series on COVID-19: Greening the Recovery

International Network for Environmental Compliance and Enforcement: COVID-19 updates and policy dialogue

Inter-Parliamentary Union and UN Environment Programme issues brief, Shades of green: an introduction to the green economy for parliamentarians

International Renewable Energy Agency: Post- COVID recovery: An agenda for resilience, development and equality

One Planet Network: Sustainable Consumption and Production Clearing House


Partnership for Action on Green Economy: COVID-19 hub

United Nations: COVID-19 Response

UN Environment Programme: Building circularity into our economies through sustainable procurement

UN Environment Programme: Circularity platform

UN Environment Programme: COVID-19 materials


World Health Organization: COVID-19 dashboard

World Health Organization: Manifesto for a healthy and green recovery from COVID-19

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