International conference
‘Transition to the Green Economy’
conclusions

In the framework of the Slovak Presidency of the Council of the EU, the Slovak Ministry of the Environment organised an international conference, ‘T2gE – Transition to the Green Economy’ on 6 and 7 September 2016. The aim of T2gE was to attract the attention of more than 500 stakeholders from 32 countries and to create a space for informed discussion of the key issues of the transition to a green economy. The focus of the discussions was on actions by key stakeholders, including financial and investment measures.

As a result of the discussions participants called for the establishment of a regular discussion forum on the green economy, the ‘Bratislava Green Economy Process (Forum)’.

The final summary, presenting the main outcomes of the discussions from two plenaries and six parallel sessions, is as follows:

Policy role

• We live in exceptional times - so far no transition has been as rapid as the current one, which has presented us with both unprecedented opportunities and unprecedented challenges. We are facing significant changes in our economic systems, as they approach, and in some instances exceed the limits of the planet, but we have also witnessed a rapid shift in citizens’ attitudes and mindsets. As a result, we can say that this is not only a shift, or a transition, but a substantial transformation.

• The process of transition towards the green economy must result in sustainable economies that contribute to human well-being, ensure the resilience of our ecosystems and protect the environment. We need an economy that meets the requirements of the 21st century, not those of the 20th century. The green economy must be perceived as a wider concept, with healthy people and a healthy planet at its core. The concept must aim at securing jobs, salaries and healthy lives. Not only the environmental, but also the economic benefits of the green economy must be clearly recognised.

• European countries have a leading role to play in designing new progressive policies to ensure that we ‘live well within the limits of our planet’. Europe has a great potential, but must also take immediate action.

• A multi – stakeholder approach is the key to future solutions. All relevant groups of society must be deeply involved in the transition process. Building understanding and trust among stakeholders is a precondition to moving towards the green economy. The active involvement of all stakeholder groups during the conference demonstrated that they are not only willing to discuss, but also to take action.
• Governmental policies are behind the times and riddled with inconsistencies. The long-term consistency and coherence of policies that reflect real needs are essential for making this transition. Aligning policies across sectors is key to achieving prosperity. The old regulations are out of step with the transformation, and need to be revamped. All new legislation must be future-proofed.

• Governments need to prepare visions of how their society will develop in the future. Sectoral policies need to be reviewed, to be better aligned and designed in such a way that they create a sustainable economy and contribute to the achievement of the Sustainable Development Goals. The fear of traditional sectors and businesses is understandable and therefore governments must have credible plans for creating new opportunities for the industries and citizens concerned. Governmental actions have to ensure the social acceptability of the changes. The economic, social and environmental aspects need to be analysed and balanced. Far greater attention needs to be paid to individuals and households. There is a need to back more activities aimed at supporting societal and behavioural change. Young people are progressive frontrunners. The media have a crucial role to play in awareness raising.

**The role of the financial and investment institutions**

• Investing today will pay off in the future for the next generations. Investments today have to comply with long-term sustainability targets. The transition to the green economy requires considerable investment in structural and technological changes in key sectors. Governments must create the right conditions for mobilising green public financing and unlocking the private financing potential.

• New green financial instruments and green subsidies need to be developed in order to attract private funds. Instruments needs to be sufficiently flexible and more integrated. Financing means must be used more effectively and must aim at greening the economy. Duplication must be avoided.

• Financial institutions are ready to cooperate with investors and governments in green projects via green bonds, grants, loans, etc. New and innovative ways of financing are being developed.

• There is a need for consistent climate change policies and for the right pricing of carbon, including carbon taxation. But investment must also also to geared to other sectors that are important to the green economy - energy and transport infrastructure, sustainable farming, sustainable blue economy, etc.

• It is essential to tackle vested interests by phasing out fossil fuel subsidies and other environmentally harmful subsidies, and by removing existing barriers to market entry and exit (which favour incumbents or which prevent inefficient firms from leaving). These measures can help speed up the adoption of ‘greener’ innovations.

**Research & Innovation role**

• Investing in educational systems, in research and technology development and in the knowledge base is essential for the transition to the green economy. Stable long-term funding is a must for progressive research and development. Material, technical and financial support of human capital is one of the best long-term investments and should facilitate the creation of green jobs.
• There is a need to introduce policy incentives to stimulate innovation and facilitate the search for ‘greener’ alternatives. The incentives should be adequate and predictable, and their distributional impacts should be addressed. Such policies will help generate technological, organisational and institutional innovation and will bring about behavioural changes in consumers.

• Innovations supporting the transition to the green economy need to be beneficial for the planet as well as for people and must make business sense.

• Public funding for green innovations is important, particularly where there are risks that discourage companies from investing their own resources in innovations. It can also serve as a catalyst for mobilising other, private resources. Public support should not be limited to funding. Public authorities have a major role to play in encouraging networking among relevant actors or in connecting innovators with funders.

The role of civil Society, regional authorities and cities
• A shift to the green economy is impossible without civil society. Stakeholder engagement and societal buy-in are fundamental for the transition to the green economy, and go beyond a mere participation in meetings. Civil society allows for a more holistic take on the transition to a green economy. Its primary role lies in a change of economic paradigm and consumer behaviour and in further forging powerful and mutually beneficial alliances with businesses.

• Local and regional authorities occupy a unique position because they are closest to the decisions that affect people directly. Cities not only have the ambition of being ‘a good place to live’, but also of being ‘green’ and contributing to economic growth. The transition process towards the green economy is seen as an opportunity for cities to benefit, in particular by enhancing and revitalising their infrastructure, improving services through the use of smart technologies, increasing energy and water efficiency and protecting local resources and the environment.

The Special Report from the Transition to Green Economy conference is available at