

# GREEN INDUSTRIAL POLICY:

## CONCEPT, POLICIES, COUNTRY EXPERIENCES



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## FOREWORD

A green economy is increasingly accepted as a key driver in tackling climate change, poverty, pollution, health and any number of critical goals to improve life for this planet and its people. Bold words, but this report shows that it is within our grasp to turn them into action.

Restructuring industrial systems needs a diverse, cross-sector approach. By moving beyond traditional industrial policies to a framework that encompasses environmental and energy policies, the authors explore how this could accelerate structural transformation and enhance productivity. In fact, through research and case studies, it shows how green industrial policy frameworks can be a valuable tool for all economies.

For example, Morocco used to import 95 per cent of its energy via coal, gas and electricity in 2011. Now, around a third is from domestic renewable sources and the country is building Africa's largest solar power plant, the Ouarzazate Solar Complex. The country plans to produce 15 per cent of electric capacity from solar power by 2020. As well as boosting Morocco's renewable energy, the solar plant is also strengthening the local economy. People like the 35-year-old Azzedine, who works as a driver, found jobs there. For the first time, he now earns a fixed salary every month and feels lucky to be among the young people with a stable job at the plant. However, it is not only big projects that will bring about economic and environmental benefits. The demand for small independent electricity producers may also promote long-term jobs and private sector development.

Likewise, in China, unbearable urban air pollution has led to health problems, which are in turn driving an increase in demand for electric mobility. It's a demand being carefully nurtured through a basket of measures including research and development, technology sharing agreements with global investors, strategic public procurement, purchase subsidies and city trials. Not only do emissions go down, but in 2014, China was already producing 85 per cent of the world's electric



two-wheelers and exporting some 5 million a year, mainly to other Asian markets.

Many of the findings of this report are already being put into practice around the world. Through the United Nations Industrial Development Organization, the Partnership for Action on Green Economy is helping governments to develop action plans that include green industrial policy recommendations. For example, in Burkina Faso, Ghana, Peru, Senegal and China green industry assessments have been conducted or are under way.

Green industrial policies offer a practical way to shape inclusive, sustainable economies right around the world. I sincerely hope that this report will raise awareness of the tools available to public and private decision-makers determined to build a better future for this planet and its people.

A handwritten signature in black ink, reading 'Erik Solheim'.

**ERIK SOLHEIM**

Head of UN Environment



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