National Initiatives on Green Economy

The case of Mauritius

Presentation by:
Keshore Kumar Heeramun
Divisional Environment Officer
Ministry of Environment & Sustainable Development
PRESENTATION OUTLINE

• Definition of the Green Economy
• Framework to promote Green Economy
• Best Practices to promote Green Economy
• Challenges & opportunities for promoting Green economy
• Way Forward
Definition of the Green Economy

• Concept which might still not be clear for all but, most people agree that it is a means to achieve sustainable development

• National definition / understanding of the Green Economy concept would be:
  – Economic activities that make a rational use of resources to sustain growth with the objective to satisfy the needs of present generation but without affecting those of future generations.
  – Carrying capacity of planet earth
  – Present and future generations
A system of economic activities related to the production, distribution and consumption of goods and services that result in improved human well-being over the long term, while not exposing future generations to significant environmental risks and ecological scarcities.
What about the Blue Economy?

• Blue economy is a pertinent issue for SIDS given the economic value of the Ocean/Sea and our Exclusive Economic Zone.

• We would associate our sea food hub, tourism industry, land based oceanic industry and any forthcoming development strategy for our EEZ as being part of the blue economy.

• The debate is:
  – ‘Is blue economy part of the green economy or should we focus only on blue economy as this is what is more important for us SIDS?’
Components of Green Economy

- Improved human well-being and social equity
- Reduced environmental risk and ecological scarcities
- Sustainable Consumption and Production (SCP)
- Green Growth/Low Carbon Development
- Decent job creation
- Poverty alleviation
- Resilience to climate change
- Food Security
Enabling Factors for the Green Economy

- **Institutional**: creating or strengthening institutional arrangements for the Green Economy and specifying responsibilities within the public and private sectors as well as among consumers.

- **Fiscal Measures**: including economic and other instruments such as taxes, subsidies (to create incentives and remove barriers).

- Regulatory measures such as standards to encourage sustainable practice by business and consumers.

- **Voluntary**: measures limiting resource use and increasing efficiency e.g. eco-labeling, eco-design, self monitoring and reporting.

- **Infrastructural capacity**: Equipment, building etc.

- **Capacity/Skills/Competence**

- **Policy and Regulatory Framework** to facilitate the process of greening of the economy.

- **Maurice Ile Durable**, the national vision to accelerate the greening of the economy.
Framework to promote the Green Economy

- Political Commitment
- Policies, Legislation, Programmes, Projects, Activities
- Financial Mechanisms to support the Green Economy
Framework to promote green economy

• Political commitment

The **Maurice Ile Durable** is the new paradigm which Mauritius aims to adopt to achieve sustainable development. This new development framework/model aims to ensure that economic development in Mauritius is inclusive and makes sustainable use of resources.
MID CONCEPT

• The MID concept includes a participatory approach towards elaborating a national strategy for sustainable development aiming to take on board the whole society in the implementation of this ambitious project.

• “The Maurice Ile Durable project belongs not to its conceptors or to Government but to the whole Mauritian nation.

• It is a social project and is essentially a vision that seeks to transform the environmental, economic and social landscape of the country”
Framework to promote green economy

- Based on 5 Es: Economy & Employment, Energy, Environment, Education, Equity

- Employment and Economy Policy, Strategy and Project in the context of MID.

- Sectors and Activities identified in the ILO Study to accelerate the greening of the economy
  ✓ Agriculture, manufacturing and textile, services (tourism), energy.
Framework to promote green economy

• Two national budgets specifically mentioning ‘green economy’
  – 2008-2009: Building an Attractive, Modern, Inclusive, Green, Open Mauritius
  – 2010-2011: Shaping Recovery, Consolidating Social Progress, Sustaining Green Mauritius

• Maurice Ile Durable (MID) Fund
  – A specialized fund under the Finance and Audit Act which finances projects, schemes or programmes related to sustainable development.
National Framework for Sustainable Consumption and Production

- Programme on Sustainable Consumption and Production (2008 - 2013) which includes policies/ regulatory and economic instruments and awareness raising projects to promote SCP

- An Energy Efficiency Act has been enacted in March 2011 and creation of an Energy Efficiency Management Office.
- Standards have been prepared by MSB for electrical appliances such as air-conditioners, refrigerators and washing machines.
- Training of energy auditors.
- Sustainable Public Procurement Policy and Action Plan developed
Policies, Legislations, Programmes, Projects & Activities

• A Policy Paper and a Building Rating System with integrated guidelines have been developed for sustainable buildings.

• The Building Control Bill has been enacted June 2012.

• Replacement of 3200 conventional lamps by compact fluorescent ones in Government buildings.

• Awareness raising activities to promote resource use efficiency

• Solar water heater scheme to promote the use of solar energy

• Waste Audit Regulation under the Environment Protection Act (2002)
Long Term Energy Strategy (2009-2025) and an Action Plan with the objective to

- Reduce vulnerability of Mauritius to imported fossil fuels
- Introduce a more transparent and fair regulatory environment with regard to energy supply.
- Secure affordable energy to consumers
- Promote economic growth and job creation

A grid code and feed in tariff was developed to connect electricity produced by small independent producers from renewable sources of energy.
Fiscal Measures towards a Green Economy

Green taxes

- Fuel tax (MID levy):
  - Levies of 15 cents/litre on all petroleum products,
  - 15 cents/kilo on LPG and
  - 15 cents/kilo of coal are also injected to the ‘Maurice Ile Durable’ Fund to partially finance the grants under the fund.

- Vehicle ownership taxation system to encourage use of lower capacity engines

- Plastic bag levy (consolidated fund)
Environmental Protection Fee under the Environment Protection Act

EPF aims to raise fund for environmental initiatives towards pollution control and taxes items such as mobile phones, batteries, tyres, stone crushing plants, hotels and guest rooms.
Good Practice also from the Private Sector

- Voluntary Initiative: ‘Blue Carbon Award’ to reduce carbon footprint of industries.
  - Is an initiative of the Mauritius Export Association (MEXA) which comprise the export companies of Mauritius.
  - Participating industries have committed to reduce their carbon footprint through the greening of their activities.
  - The Blue Carbon Award thus reward the company that shows good carbon management and standard.
Challenges & Opportunities for promoting green economy

- The cost element and how to make actors realise the potential of a green economy/business
  - Cost involved in changing the way of doing business
  - Recovery costs for greener technologies
  - Costs of products - usually labelled / green products cost more
Challenges and Opportunities for promoting green economy

- Technology/expertise/infrastructure required to promote green activities might also be a challenge. For instance, equipment, laboratory, technical expertise for certification purposes.
- Entrepreneurial skills required for business development under the Green Economy.
- Fine tune existing policies and regulations and address conflicting policy measures.
- Funding of green economy – Money accruing from green taxes?
Challenges and Opportunities for promoting green economy

➢ Opportunities

• Green economy should be viewed as an innovative way to do business by the private sector
• Much scope for SMEs- in terms of contributing to economic growth, job creation and empowerment of people.
• More scope to find niche markets for green products
• Much opportunity for the private sector to engage in the green economy as sustainability makes good business sense in terms of savings made, demand for green products, good image, personal satisfaction of contributing to SD.
• Trade opportunities at regional and international levels.
Way Forward

- Maurice Ile Durable framework-policy, strategy and action plan to enhance sustainable development in Mauritius.
  - Integrated approach towards development
  - Systemic approach is even more significant for SIDS which have limited resources.

- Economic and Social Transformation plan that aims to graduate mauritius from a middle income to high income economy.

- Forthcoming good Practice to encourage Resource efficiency under the leaner production programme

- A reviewed Action Plan to enhance the SCP programme in Mauritius

- Implementing the Ocean economy strategy
MID Policy, Strategy & Action Plan

• MID Policy, 10 years Strategy & 3 years Action Plan presently being finalized

• Will require Government approval

• The priority areas identifies under the Action Plan:
  - Green Economy
  - Blue Economy
  - Clean & Green Mauritius
  - Energy
Thank you