



British Embassy  
Stockholm



Wilton Park



Report

**UK-Nordic collaboration on post-COVID recovery:  
greening future development and economic  
recovery post-COVID**

Thursday 10 December 2020 | WP1854V1



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## **UK-Nordic collaboration on post-COVID recovery: greening future development and economic recovery post-COVID**

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**In association with the British Embassy in Stockholm**

This virtual event, delivered by Wilton Park in conjunction with the British Embassy in Stockholm, drew together over 30 participants and speakers including government representatives, climate change and environment specialists, and economics and resilience experts from the UK and across the Nordic region.

Discussion addressed both the challenges posed by COVID-19 and the opportunities that recovery from the pandemic might present to UK and Nordic partners to support a global recovery that is not only 'better' but also 'fairer' and 'safer'. It looked at how extraordinary fiscal measures being taken by governments to sustain economies in response to the global pandemic could both repair the global economy and tackle climate change. It considered how support for adaptation and clean, resilient recoveries in developing countries could better protect against future crises. And it acknowledged the importance of urgently reducing our ecological footprint by changing the way we produce and consume goods and resources as set out in UN Sustainable Development Goal (SDG12).

### **Recommendations**

1. Listen and respond to the priorities of the African Union's green recovery climate goals, to learn from their experience and to engage with them as we focus on ensuring an effective global response. Work with developing countries in COP26 and other fora to identify emblematic examples of sustainable, resilient economic growth and to establish a clear method of communicating the benefits and feasibility of sustainable change.
2. Convene institutional investors via a UK and Nordic investment roundtable, to encourage and incentivise the funnelling of investment into developing economies in a way that supports green resilient recovery.

3. Be inclusive in approach. Youth has a key role to play in the championing and directing of recovery plans to ensure there is a strong drive towards green and sustainable work. Involving civil society as vocal agents of change is important for the future, in terms of their ability to influence opportunities for societies to determine their own fates and through direct challenge to governments to ensure that the green recovery agenda remains paramount.
4. Adapt the narratives and language associated with the climate agenda to not only ensure that the urgency of the climate crisis is emphasised but also to make it more relatable to and understandable by citizens.
5. International stakeholders should integrate into their post-COVID recovery plans a circular economy system aimed at eliminating waste. The ultimate aim should be that products, equipment and infrastructure stay in use for longer, thus improving the productivity of these resources.
6. Work with developed and developing countries to promote the concepts of a global value chain (GVC). This will maximise the value of bringing together different stages in the production and consumption of materials and products of value that take place in different parts of the world.
7. Governments need to integrate biodiversity considerations into global decision-making, to recognise and acknowledge that healthy biodiversity is essential in the support of all forms of life, not just human. They must also look to support nature-based solutions to many of the most critical environmental, economic, and social challenges that we face as human society, including climate change, sustainable development, health, and water and food security. Sustainable land use, and ocean preservation will be important as we build economic and environmental resilience. COP26 needs to set the basis for continued cooperation and development on this and other climate themes.

### **The climate agenda: current global trends**

8. As the UK's presidency of COP 26 approaches, it is heartening to note that the global context has changed favourably. Recent commitments made by powerful global actors, such as China and Japan, to reach net-zero and shift societies to more climate neutral ways of living have fuelled global optimism, further strengthened by recent shifts in the priorities of political leadership in the US and ambitions surrounding the upcoming G7 and G20 presidencies.
9. To complement efforts at governmental and multilateral level, the private sector is seeing increasing commitment from firms regarding net-zero targets, climate investment and more sustainable ways of working. However, cautious optimism is recommended, as there remains a continued need for a galvanising plan to achieve broader international commitment to a green economic recovery.
10. The COVID-19 pandemic has firmly demonstrated how unprepared humanity was for a crisis of this sort, with people's health, well-being and livelihoods all affected. When placed alongside the growing impacts of the climate crisis — more extreme storms, droughts, heat waves, food crises, diseases — it is easy to understand why vulnerable populations have been hit hardest. In its response to COVID-19, the world must build an approach that makes human society more resilient, more equitable, healthier, and stronger. This will require climate resilience and adaptation to be built into decisions at all levels of government and by businesses, communities, and households, with particular focus on resilience in infrastructure and financial decisions.

## **The climate agenda: greening economic recovery and sustainable development**

11. The emergence of COVID-19 has underscored the relationship between people and nature and revealed the fundamental tenets of the trade-off we consistently face; humans have unlimited needs, but the planet has limited capacity to satisfy them. We must try to understand and appreciate the limits to which humans can push nature, before the impact is negative. Those limits must be reflected in our consumption and production patterns. The current crisis is an opportunity for a profound, systemic shift to a more sustainable economy that works for both people and the planet.
12. Transformative change is required to ensure a shared sustainable recovery. Success will demand cohesive, sustained action across and between sectors such as agriculture, forestry, marine systems, freshwater systems, urban areas, energy, finance and others. It will require the adoption of integrated management and cross-sectoral approaches that take into account food and energy production, infrastructure, freshwater and coastal management, and biodiversity conservation. But transformative change can expect opposition from those with interests vested in the status quo, so there is a need for a collaborative national and international approach to overcome this.
13. The scale and types of transformation that are needed for green recovery and sustainable agriculture are difficult to achieve both during and in the aftermath of COVID-19. Activity needs to be inclusive and engaging on every level, from small to large scale agriculture to academia and politics. The UK and Nordic governments are taking action. The UK government has committed to a 10-point plan for a green industrial revolution. The plan will work as a framework for sustainable recovery post-COVID. In a joint declaration on October 28th 2020, the Nordic Prime Ministers underlined that Nordic countries could and should take the lead on green recovery, pointed to the urgency of mobilising private green investments and stressed the interdependency of the public and private sectors in meeting climate goals.
14. COVID-19 has impacted significantly on national resources to the extent of reducing the amount that many countries feel able to devote to Official Development Aid (ODA). It is therefore crucial to ensure that those ODA funds that are made available are used as efficiently and effectively as possible.
15. Lessons can be learned from the approach being taken by the African Union, which has stressed the need for greater international collaboration to build an inclusive, sustainable and resilient energy future for people around the globe. Their own progress includes an Energy Transition Programme. This aims to create a strong continental energy system based on renewable energy sources that can support a strong manufacturing sector to spur economic growth, support livelihoods and create jobs. The AU is also developing a programmes of policy and regulatory harmonisation to increase energy investments and to create a conducive business environment. Notwithstanding the delay to COP26 to November 2021, Africa is still scheduled to host COP27 and remains keen to use the occasion to put itself at the heart of international negotiations.

## **The climate agenda: sustainable production and consumption**

16. Nature is declining at an unprecedented rate and the rate of species extinctions is accelerating, with potentially grave global impacts. Worldwide consumption and production depend on the use of the natural environment and resources in a way that continues to have destructive impacts on the planet. Sustainable consumption and production is about doing more and better with less, in a way that allows economic growth that does not come at the expense of the environment. Economic and social progress over the last century has been accompanied by environmental degradation that is endangering the very systems on which our future development depends.

17. Lessons and guidance can be drawn from such programmes as Stockholm+50 which aims to deliver an action-oriented outcome, focused on redefining our relationship to nature and to foster a green inclusive recovery by leveraging sustainable consumption and production patterns in order to achieve climate-neutral, resilient, circular, bio-based and inclusive economies. It will be centred on themes such as biodiversity, circular and biobased economy principles, strengthened technological capacity for developing countries, sustainable consumption and production to accelerate climate actions, and nature-based solutions.
18. Agriculture is a key part of the solution, given its centrality to the aims of reducing hunger and poverty, improving rural livelihoods and facilitating equitable environmentally, socially and economically sustainable development. Small scale farmer must be supported to use sustainable production techniques. The private sector and financial institutions must be encouraged to create the right frameworks and provide the right incentives to enable this.
19. Global value chains that consider and review all stages of production and consumption could provide a helpful approach to promote international collaboration. They can make a significant contribution to international development, as they can have a direct impact on the economy and create opportunities for development. They can also be an important mechanism for developing countries to enhance productive capacity, by increasing the rate of adoption of technology and through workforce skill development, thus building the foundations for long-term industrial upgrading. This is not without challenge; integrating global value chains requires all actors to adapt to technological changes, which is capital-intensive and risks being unaffordable for some developing countries.

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