

## The grassroots Development development Revolution revolution is Herehere

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*Over nearly three decades, Achim Steiner has been a global leader on sustainable development, climate resilience and international cooperation. Prior to joining UNDP, he was Director of the Oxford Martin School, University of Oxford. Mr Steiner has served across various international organisations, looking at global challenges from both a humanitarian and a development perspective. He led the United Nations Environment Programme (2006–2016) where he first met Dirk Messner. Mr Steiner also headed the International Union for the Conservation of Nature (2001–2006) and the World Commission on Dams (1998–2001).*

Humanity is now pushing past the limits that can sustain life on this planet. One million plant and animal species are near extinction (IPBES 2019). We are not watching climate change draw near. We are living through it. The IPCC reports that, since 1970, global surface temperatures have risen faster than in any other 50-year period over the past 2,000 years (IPCC 2021). From heatwaves and wildfires like the ones experienced in Greece and Turkey to floods like those in Germany and China, “their attribution to human influence has strengthened” over the past decade. Environmental destruction and global warming have the greatest impact on the world’s poorest people and groups whose livelihoods are most dependent on natural resources. We are the wealthiest, most informed generation in human history, yet in many ways we are sitting on a branch and we are cutting, and cutting, and cutting, because we think the next branch of timber is going to make us richer. Simply put, we cannot go on like this. The 2020 Human Development Report by the United Nations Development Programme (UNDP) argues that nothing short of a great transformation in how we work, live and cooperate is needed to bring about the action we need if we are to live in balance with the planet in a fairer world (UNDP 2020).

This transformation must be founded upon a clear vision of the future. In the aftermath of the Second World War, the United Nations (UN) was tasked with imagining and delivering a new global era. The UN has helped to halt conflict, prevent war and extend a literal lifeline to people across the world through its development work. To define the next era, we must first listen. Since 2020, over 1 million people have engaged in the UN's The Future We Want conversation. Improved access to basic services like healthcare, safe water and sanitation, and education stand out as priorities. And the Peoples' Climate Vote – the world's largest-ever survey on climate change – found that just 10% of people believe that world leaders are doing enough to confront the issue (University of Oxford & UNDP 2021).

To put this vision into practice, the international community has agreed to a plan to tackle global challenges like poverty, inequality, climate change, environmental degradation, and peace and justice, with defined targets through the Sustainable Development Goals (SDGs). At this seminal moment, the UN and its partners are helping countries to make smart choices in these vital areas. UNDP's Climate Promise is the world's largest offer of support for the enhancement of countries' Nationally Determined Contributions. It is also helping to insert the 'DNA' of a green economy into COVID-19 recovery and stimulus measures. And the UN is supporting over 70 countries to align COVID-19 recovery financing with the SDGs and the Paris Agreement through Integrated National Financing Frameworks. Thanks to such support – from Serbia to Tunisia to Indonesia – countries are starting to steer away from fossil fuels and embracing clean, renewable technologies that will help to create up to 30 million new green jobs by 2050 (IEA 2021). Meanwhile, the cost of renewables continues to plunge and public opinion backing decarbonisation is soaring (University of Oxford & UNDP 2021). Yet advanced economies outspent developing countries by a factor of 17 to 1 on green COVID-19 recovery measures (Stone 2021). Developing countries need more support to implement a just transition from fossil fuels to clean, renewable energy that will bring electricity to the 759 million people worldwide without access today. We have the solutions: from clean cooking innovations and solar-powered water pumps to clean energy mini-grids. The task now is to roll them out at scale and support innovations to power homes, hospitals and schools while driving down greenhouse gas emissions.

As the COVID-19 pandemic sets back progress on the SDGs, we must re-imagine historic top-down development structures. This is daunting given that these systems are the product of deeply ingrained mindsets. Yet the pandemic has demonstrated that rigid systems and structures that have contributed to our climate and nature crisis can indeed be upended and

re-thought. Consider the unprecedented wave of home-grown innovation powered by technology in the wake of the pandemic. With one in three children missing out on remote learning globally when COVID-19 shuttered schools, countries such as Moldova rapidly deployed a new online platform to offer virtual classes. In Uganda, the UN teamed up with an e-commerce platform to allow informal market vendors to trade online for the first time as the country went into lockdown. Other green shoots are sprouting up – from the world's first-ever blockchain-powered chocolate bar that is supporting cocoa farmers to earn a fair wage and plant more trees to a solar-powered off-grid box that produces clean water and WiFi for marginalised communities.

The challenge now is to sustain this innovation surge by setting the conditions to allow the innovators and the entrepreneurs of the world to drive forward grassroots solutions in key areas like climate change and the protection and restoration of our natural world. The UN is putting increased emphasis on this bottom-up development approach. Consider the UNDP Accelerator Labs network supported by its founding investors Germany and Qatar. It is now the world's largest learning network on sustainable development challenges. Serving 115 countries, the labs supported over 1,700 grassroots solutions in 2020 alone. That support included everything from leveraging the potential of 3D-printing to rapidly produce vital personal protective equipment for healthcare workers to deploying robots in COVID-19 treatment centres in Rwanda and Kenya. Indeed, developing countries themselves are increasingly sharing their expertise through South-South and triangular cooperation. Yet many countries will need to transform their outdated systems – including updating laws and regulations and making it easier to start a business – to give grassroots innovators and entrepreneurs the space to experiment, to fail and to try again.

Hulking financial systems also need to modernise, using digital finance to boost inclusion. Overnight, thousands of small and medium-sized enterprises were forced to shut, while millions of people were confined to their homes as lockdowns took effect, unable to travel to receive social protection payments traditionally paid in cash. From Honduras to Nigeria, the UN helped countries to leverage the power of digital finance to support electronic cash transfer programmes, benefitting millions of people. We must build on this momentum and ensure that digital finance is used to bolster vital social protection programmes at a time when over half the global population lacks healthcare and social security (ILO 2019). This will help to mitigate poverty and ensure that countries are better prepared for the next crisis. Financial institutions also need to offer new

products that are desired by customers including mechanisms to channel their finances more easily towards the green economy. And digital finance will open up remarkable opportunities for local solutions including in the crowdfunding sphere. Look to new digital finance platforms like one in Bangladesh that will leverage citizens' micro-savings to help finance new green infrastructure projects – from much-needed sanitation schemes to modern healthcare facilities.

Digital technology will also be crucial to help the private sector to operate more sustainably and make a positive contribution to the SDGs. Indeed, enterprises and investors increasingly recognise that sustainable development is at the very heart of long-term value creation. However, there has been a longstanding lack of clear guidance on how private enterprises can translate intent to action. UNDP is addressing this area by developing a series of standards that apply to the different facets of SDG finance through its flagship initiative, "SDG Impact". That includes the development of standards for SDG Bonds, for instance. This assistance is already paying dividends. With UNDP's support, Indonesia issued the very first sovereign green sukuk (bond) in 2018 and Mexico became the first country in the world to issue an SDGs bond in 2020. Other innovative finance mechanisms such as debt-for-nature and debt-for-climate swaps hold enormous potential to extend debt relief and mobilise finance that can then be channelled towards decarbonisation projects as well as the restoration and protection of the environment, for instance. A promising example is the Nature Performance Bond, which rewards certified performance on agreed nature-related actions with debt relief for the target country. We need to deepen partnerships of public sector, private sector and civil society that catalyse such green financing.

There is also profound change afoot in the development finance landscape. The outdated model and mentality of 'aid' travelling as 'charity' from North to South is no longer fit for purpose. Today, development finance flows are diversifying – three-quarters of all developing countries now provide development cooperation.<sup>1</sup> Yet, the pandemic has triggered an exceptionally challenging environment for development finance while crushing debt is undermining the ability of many developing countries to build forward better from COVID-19. We are starting to witness the emergence of collective will to address vaccines, debt relief and climate finance, but more must be done. Rich countries need to extend debt relief

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1 The proportion of developing countries providing development cooperation increased from 63% to 74% in the period 2015 to 2017 (UN ECOSOC 2018: 15).

and finance to developing countries to ensure global vaccine equity – the basis to power a worldwide green recovery that will cut carbon emissions and limit global warming to 1.5°C. Remarkably, less than 1 per cent of debt service in 2021 would cover the cost of 1 billion vaccine doses under the COVAX initiative.

Economic growth, Gross Domestic Product (GDP) and per capita income have been the major variables with which we have tried to measure development, progress and success in our societies. However, they have also blocked out some very irrational elements of this measurement for too long. For instance, a large oil spill is perversely very good for economic growth, because the clean-up costs a large amount of money that adds to GDP; yet the destruction that it unleashes on communities or on ecosystems that do not recover is never captured. This irrationality is prompting the disciplines of economics and sustainable development to find better ways to measure human progress. For instance, UNDP's Human Development Index (or HDI), which measures a nation's health, education and standards of living, has been adjusted in 2020 to include two more elements: a country's per capita carbon dioxide emissions and its material footprint. With the resulting Planetary-Pressures Adjusted HDI, a new global picture emerges, painting a less rosy but clearer assessment of human progress. More than 50 countries drop out of the very high human development group, reflecting their dependence on fossil fuels and material footprint.

The digital transformation is also unlocking new and more detailed data that can better inform development decisions. As Dirk Messner points out, "For the first time, digital technologies can comprehensively trace, document, and analyse each resource and product as it flows across global supply chains. This could create circular economies, in which resources such as water or rare Earth metals arrive where they are needed, and waste does not escape to pollute the environment" (Messner 2019). He adds that "digital monitoring can also help scientists and policymakers to better understand how ecosystems around the world – such as forests, reefs or glaciers – are changing in real-time. This can help conservationists to better understand how to protect and restore the environment" (Messner 2019). Such new data will feed into efforts like #GenerationRestoration which is rallying millions of people to engage in local efforts that will stop and reverse the destruction and degradation of billions of hectares of ecosystems.

The UN is also helping to expand access to crucial data and analytics. The open-access COVID-19 Data Futures platform aggregates multiple sources of information across UN agencies, academia and the private sec-

tor. By integrating data, analysis, visualisations, expert insights and interactive tools, it can help policymakers to examine vaccine equity at a glance; explore how much a Temporary Basic Income would potentially cost; and analyse responses taken by Governments worldwide to tackle the pandemic including those that have integrated a gender lens, for instance. In addition, UN development agencies like UNDP are themselves undergoing a digital transformation effort aimed at future-proofing the organisation for the technological changes now and those yet to come. And building this knowledge is crucial for the UN to be able to share this expertise with its partners.

The COVID-19 pandemic has acutely highlighted how digital connectivity is fast becoming the global metric of inclusion and exclusion with 3.7 billion people still offline. Renewed efforts are needed to extend access to affordable broadband, the nervous system of today's new digital economy. According to the ITU, a worthwhile investment of \$428 billion could achieve universal broadband connectivity by 2030. It would allow thousands of small and medium-sized enterprises to do business online for the first time, generating new, sustainable jobs and livelihoods.

COVID-19 is starting to set off a chain reaction for the systemic change that we now need. And this change must be led by local communities in developing countries who are identified by the 2030 Agenda as co-implementers, not just beneficiaries. Indeed, those communities are the very reason why the SDGs exist. The challenge now is to ensure that all communities can benefit from the advantages of the digital transformation to help surface new, often frugal development solutions that will drive a global green economy. In this new epoch, we should not be spurred into action as a result of a crisis like COVID-19, nor should we be blindly optimistic for the future. Rather, led by the unifying strength of the UN, we now have well-founded optimism for our ability to change the future. It is based upon the fact that we now have historic levels of stimulus; access to new financial mechanisms and innovative tools; and extraordinary technology. At the same time, as Dirk Messner has demonstrated throughout his life's journey, we must harness the immense power of science, rigorous analysis and thinking to drive the change we need. Deploying all these assets will block the path of COVID-19, slash carbon emissions, and protect and restore our natural world. Though we are different, we must work together to shape a greener, more sustainable future for all.

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