



UN NEWS CENTRE

Financial crisis should spur 'clean' growth in developing nations – UN



8 February 2010 – Instead of belt-tightening in this time of financial crisis, resources must be redirected to spur 'clean' economic growth in developing nations, according to a report from the United Nations trade agency issued today.

Such progress towards growth that is economically efficient, environmentally friendly and more socially equitable is possible and affordable with existing technology, the "[Trade and Environment Review 2009/2010](#)" by the

UN Conference on Trade and Development ([UNCTAD](#)) noted.

Precisely because so little has been done in developing nations, huge gains can be realized in job creation, energy efficiency, sustainable agriculture and the use of 'off-grid' renewable energy.

To ensure these kinds of successes, governments must take a more proactive role, the report emphasized, shedding market barriers and policies preventing capital flow into these sectors. Better incentives are also essential to trigger private investment and cumulative technological changes to support diversification.

In the realm of energy efficiency, UNCTAD said that strides can be made in many low-income and least developed countries at negative net cost, since 'green' buildings are not much more expensive to build than normal construction and also pay off in the long run in the form of reduced energy bills.

The report suggested that government encourage organic farming, integrated pest management minimizing the use of agro-chemicals and other methods to promote sustainable agriculture.

'Off-grid' energy sources, including solar panels, windmills and biogas generators using agricultural waste, can enhance agricultural production, improve air quality and create jobs, it adds.

The study cites the example of the Grameen microcredit bank in Bangladesh, which has helped more than 2 million people in 40,000 rural villages access renewable energy, while the Employment and Power Partnership Programme of Decentralized Energy Systems of India has proven that self-sustained growth is possible through rural electrification supporting micro-enterprises.

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