



## Mains Practice Question

Q. Resource efficiency is the key to a Green Economy. Elaborate. (250 words)

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### Approach

- Introduce by defining resource efficiency and green economy.
- Explain how resource efficiency can help achieve a green economy.
- Give a few points about how resource efficiency can be achieved.
- Conclude by summarizing some more advantages of resource efficiency.

### Introduction

- **Resource efficiency** is the ratio between a given benefit (or result) and the natural resource use required for it.
  - It is a strategy to achieve the **maximum possible benefit** with the **least possible resource input**.
- The United Nations define a **Green Economy** as one that results in "improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities".
  - The Green Economy is not only a simple metamorphosis of sustainable development, but it is the effective implementation of sustainable development in economic activity.

### Body

#### How resource efficiency (RE) can help achieve a green economy

- **Green economy** is a low carbon, resource-efficient and socially inclusive economy.
  - The growth in employment and income is driven by public and private investment into such economic activities, infrastructure and assets that allow **reduced carbon emissions and pollution, enhanced energy and resource efficiency**, and prevention of the loss of biodiversity and ecosystem services.
  - To achieve these objectives, resources efficiency is the first step forward.
- Resource efficiency and **reuse of secondary resources** has enormous potential to save energy.
  - **Scarcity of resources** and their measurement is at the centre of the Green Economy and resource efficiency can help solve this problem.
- **Reduced extraction pressures** due to adoption of RE strategies will help to **reduce ecological degradation** and pollution associated with mining.
  - Reduced extraction of resources has the potential to reduce conflict and displacement in mining areas, as well as improve the health and welfare of local communities.
- **Reduced waste generation** will not only reduce pollution associated with disposal but also save related costs.

- Reduced waste will also contribute to cleaner cities and rivers/water bodies through reduced disposal and associated pollution.
- Resource efficiency can contribute to **improved affordability** of and access to resources critical for poverty reduction and sustainable human development.
- There is a potential to create **new jobs** in green product certification, eco-labelling, and green marketing.

### How resource efficiency can be achieved

#### ▪ Promotion:

- **Eco-labelling** and standard certification of products.
- **Technology development** to promote quality in manufacture and performance of a product.
- Strengthen **awareness** regarding green products.
- Improve the **availability** and lowering the cost of green products in the markets.

#### ▪ Regulation, Economic instrument:

- **Viability Gap Funding (VGF)** that can help businesses overcome the barriers and become competitive over time by building scale and upgradation of technology.
- **Tax reforms** can play an important role in steering the economy towards resource-efficient practices and circular economy. Value-added taxes should be levied on value-added activities like mining, construction, and manufacturing.

#### ▪ Institutional Development:

- **Capacity development** of key actors responsible for undertaking or overseeing RE strategies, including MSMEs and also the informal sector.
- A dedicated institutional set up for development, assessment of RE measures should be established.
- Baseline data collection and **development of indicators**.

### Conclusion

- The Green Economy is simply the economy we must strive for, in which development is lasting and sustainable.
- **Increasing population, rapid urbanisation and expanding industrial production** have led to the exploitation of available limited natural resources with concerns regarding resource depletion and future availability becoming more pronounced.
- Ensuring resource security requires an **integrated, concerted and collaborative approach** in order to fulfil the needs of a vast and growing population.
- **Enhancing resource efficiency (RE)** and promoting the use of **secondary raw materials (SRM)** is a pertinent strategy to address these challenges and reduce dependence on primary resources and hence transform into a **Green economy**.