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#### THE LEGAL ASPECT OF THE GREEN ECONOMY

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**Abstract:** The transition to a green economy is essential for promoting sustainable development and addressing urgent global environmental challenges. This paper explores the legal aspects of the green economy, emphasizing the function of law in both promoting and regulating this transition through qualitative research methodologies. It analyzes significant legal frameworks at international, regional, and national levels that underpin green economic policies and practices. The analysis underscores the essential role of legal instruments in fostering environmental integration, ensuring intergenerational equity, safeguarding human rights, and enhancing corporate responsibility. Additionally, the paper discusses the challenges and opportunities associated with implementing green economy policies, emphasizing the need for innovative legal approaches to overcome barriers and encourage green investments. By exploring the progression of policy dialogues and legal initiatives established at pivotal international gatherings, such as Rio+20, this research offers critical insights into the advancements and constraints of current legal frameworks. The findings underscore the essential role of law in advancing a sustainable and inclusive green economy, stressing the need for continuous legal innovation and international collaboration. This paper contributes to the ongoing discussion of sustainable development by delivering a detailed legal perspective on the green economy. It aims to engage policymakers, legal practitioners, and researchers in assessing the efficacy and deficiencies of existing legal systems in promoting a sustainable and environmentally conscious future.

**Keywords**: Green Economy, Legal aspects, Legal framework, corporate governance.

JEL Classification: Z18, D69, F69, F59, F39.

"Let us ponder this profound question: Have we truly attained, or are we nearing, the essence of our humanity and the sweet fragrance of happiness? Are we approaching our ultimate goal? If not, it appears that our aspirations may have been rooted in humanity, yet the sincerity of our intentions remains open to scrutiny."

Abrar Ashraf

#### Introduction

The green economy represents an economic model that emphasizes sustainable development through the integration of environmental health, economic growth, and social well-being. This model emphasizes the reduction of environmental risks, the promotion of resource efficiency, and the fostering of sustainable practices across diverse sectors. Central to the green economy is the legal framework that underpins it, as this framework establishes the rules, regulations, and standards that direct governmental policies, corporate behavior, and international cooperation toward sustainability.

Legal instruments, which encompass international treaties as well as national legislation, play a critical role in shaping the course of the green economy. They provide the necessary structure

for implementing environmental policies, enforcing compliance, and promoting innovation in green technologies. In the face of pressing global challenges such as climate change, resource depletion, and environmental degradation, robust legal frameworks are necessary for steering the global economy toward sustainability.

#### The international and national legal frameworks

The green economy is heavily governed by international agreements and organizations, which function as the foundation for national regulations. Several international treaties and agreements play essential part in governing environmental issues as mentioned in Table no.1 as International legal Frameworks.

**Table 1 International Legal Frameworks** 

Date	Framework	Scope	Summery
1972	Stockholm Declaration on the Human Environment	International	Initiated at the first global conference on the environment, this declaration laid down 26 principles for environmental protection and sustainable development. It emphasized the importance of international cooperation and human rights in environmental policies. <sup>1</sup>
1987	Brundtland Report (Our Common Future)	International	Authored by the World Commission on Environment and Development, it popularized the term "sustainable development," highlighting the interconnectedness of economic development and environmental sustainability. <sup>2</sup>
1992	Rio Earth Summit (Agenda 21)	International	A comprehensive action plan with strategies for sustainable development addressing issues like poverty, biodiversity, and pollution. Agenda 21 emphasizes local-level implementation and partnerships. <sup>3</sup>
1997	Kyoto Protocol	International	This legally binding agreement under the UNFCCC required developed countries to reduce greenhouse gas emissions by an average of 5.2% below 1990 levels during the commitment period (2008-2012). It introduced market-based mechanisms such as emissions trading. <sup>4</sup>
2000	Millennium Development Goals (MDGs)	International	Set of eight international development goals established following the Millennium Summit, emphasizing poverty reduction, gender equality, and environmental sustainability as key components of global development. <sup>5</sup>
2005	EU Emissions Trading System (EU ETS)	Regional (EU)	The first major carbon market, it established a cap-and-trade system for greenhouse gas emissions, aiming to reduce emissions from power plants and heavy industries in the EU.6
2006	United Nations Declaration on the	International	A comprehensive framework recognizing the rights of indigenous peoples, including their relationship to land and

<sup>&</sup>lt;sup>1</sup>UN Conference on the Human Environment, Stockholm (1972).

<sup>&</sup>lt;sup>2</sup>World Commission on Environment and Development (WCED), "Our Common Future" (1987).

<sup>&</sup>lt;sup>3</sup> UN Conference on Environment and Development (UNCED), "Agenda 21" (1992).

<sup>&</sup>lt;sup>4</sup> UN Framework Convention on Climate Change (UNFCCC), "Kyoto Protocol" (1997).

<sup>&</sup>lt;sup>5</sup> UN Millennium Summit (2000).

<sup>&</sup>lt;sup>6</sup> European Union Directive 2003/87/EC

Date	Framework	Scope	Summery
	Rights of Indigenous Peoples		resources, which is crucial for sustainable environmental practices. <sup>7</sup>
2009	Copenhagen Accord	International	This non-binding agreement sought to limit global temperature increase to 2°C above pre-industrial levels, recognizing the importance of financial and technological support for developing countries. <sup>8</sup>
2012	Green Economy Initiative (UNEP)	International	This initiative promotes transitioning to a green economy, focusing on reducing environmental risks and enhancing human well-being. It encourages low-carbon, resource-efficient, and socially inclusive practices. <sup>9</sup>
2012	Rio+20 Conference	International	Also known as the United Nations Conference on Sustainable Development, this conference resulted in "The Future We Want," emphasizing sustainable development and the green economy as essential to achieving sustainable development goals. <sup>10</sup>
2015	Paris Agreement	International	A landmark agreement to limit global warming to well below 2°C, with efforts to limit it to 1.5°C. Countries submit nationally determined contributions (NDCs) and are encouraged to increase their climate ambitions over time. 11
2015	Sustainable Development Goals (SDGs)	International	A set of 17 goals adopted by UN member states in 2015, addressing a broad range of global challenges, including poverty, inequality, and climate change, with a goal of achieving these by 2030. <sup>12</sup>
2016	Green Bond Principles	International	Voluntary guidelines that promote transparency and integrity in the green bond market, facilitating investments in environmentally sustainable projects. <sup>13</sup>
2017	EU Clean Energy Package	Regional (EU)	A legislative package aimed at achieving the EU's climate and energy targets for 2030, focusing on energy efficiency, renewable energy sources, and energy security. <sup>14</sup>
2019	European Green Deal	Regional (EU)	A strategic plan aimed at making Europe climate-neutral by 2050, involving legislative proposals to ensure sustainable economic growth while addressing climate change and protecting biodiversity. <sup>15</sup>
2020	EU Taxonomy Regulation	Regional (EU)	A framework establishing criteria for determining which economic activities can be considered environmentally

<sup>&</sup>lt;sup>7</sup> United Nations General Assembly, "Declaration on the Rights of Indigenous Peoples" (2007).

 <sup>8</sup> UNFCCC COP15, Copenhagen (2009).
 9 UN Environment Programme (UNEP), "Green Economy Initiative" (2012).

<sup>&</sup>lt;sup>10</sup> UN Conference on Sustainable Development (2012).

<sup>&</sup>lt;sup>11</sup> UNFCCC COP21, Paris (2015).
<sup>12</sup> United Nations General Assembly, "Transforming our world: the 2030 Agenda for Sustainable Development" (2015).

<sup>&</sup>lt;sup>13</sup> International Capital Market Association (ICMA), "Green Bond Principles" (2016)

<sup>&</sup>lt;sup>14</sup> European Commission, "Clean Energy for All Europeans" (2017).

<sup>&</sup>lt;sup>15</sup> European Commission, "European Green Deal" (2019).

Date	Framework	Scope	Summery
			sustainable, guiding private investment toward green projects. <sup>16</sup>
2021	Fit for 55 Package	(EU)	A comprehensive policy initiative aimed at reducing net greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels, covering multiple sectors including transport, energy, and industry. <sup>17</sup>
2022	UN Biodiversity Conference (COP15)		A significant conference aiming to adopt a new global biodiversity framework to halt and reverse biodiversity loss, linking ecological health with economic prosperity. <sup>18</sup>
2022	Inflation Reduction Act	(US)	A major piece of legislation focusing on climate change mitigation, with significant investments in renewable energy, electric vehicles, and energy efficiency measures, aiming for a 40% reduction in carbon emissions by 2030. <sup>19</sup>
2023	UN Climate Ambition Summit		A summit aimed at accelerating climate action and increasing commitments toward the Paris Agreement goals, emphasizing the need for urgent and concrete actions to mitigate climate change. <sup>20</sup>
2024	Global Stocktake (Paris Agreement)		Scheduled assessment to evaluate collective progress towards achieving the goals set in the Paris Agreement, aiming to strengthen commitments and actions globally. <sup>21</sup>
2024	EU Circular Economy Action Plan 2.0	(EII)	A strategic plan focusing on waste reduction, sustainable product design, and promoting circular economy practices across various sectors, including textiles and electronics. <sup>22</sup>

Source: own work based (collection of data)

Whereas, International agreements provide a comprehensive framework, distinct nations are responsible for performing laws and regulations that promote sustainable economic growth. Various countries have developed their legal frameworks to support the transition to a green economy as illustrated in Table no.2 as National Legal Frameworks.

**Table 2 National Legal Frameworks** 

Date	Framework	Scope	Key Details/Provisions
1994	US National Environmental Policy Act (NEPA)	National (US)	Mandates federal agencies to assess the environmental effects of their proposed actions before making decisions, promoting informed decision-making. <sup>23</sup>

<sup>&</sup>lt;sup>16</sup> European Union (Regulation 2020/852).

<sup>&</sup>lt;sup>17</sup> European Commission, "Fit for 55" Package (2021).

<sup>&</sup>lt;sup>18</sup> Convention on Biological Diversity (CBD), "COP15" (2022).

<sup>&</sup>lt;sup>19</sup> US Congress, Inflation Reduction Act (2022).

<sup>&</sup>lt;sup>20</sup> UN Climate Ambition Summit (2023).

<sup>&</sup>lt;sup>21</sup> UNFCCC COP29 (2024).

<sup>&</sup>lt;sup>22</sup> European Commission, "EU Circular Economy Action Plan 2.0" (2024)

<sup>&</sup>lt;sup>23</sup> National Environmental Policy Act, US Congress (1969).

Date	Framework	Scope	Key Details/Provisions
2008	Green Economy Strategy (Kenya)	National (Kenya)	Aimed at promoting sustainable economic growth, this strategy emphasizes the transition to a low-carbon, resource-efficient economy through sustainable practices in various sectors. <sup>24</sup>
2010	National Policy on Climate Change (India)	National (India)	Framework for India's climate action, focusing on adaptation, mitigation, and technology transfer, integrating sustainable development into national policy. <sup>25</sup>
2013	National Climate Change Action Plan (Philippines)	National (Philippines)	This action plan addresses climate change impacts, emphasizing disaster risk reduction, environmental sustainability, and integrating climate change into local planning. <sup>26</sup>
2014	U.S. Clean Power Plan	National (US)	Established emissions reduction targets for power plants, aiming to promote renewable energy and energy efficiency, although later repealed in 2019. <sup>27</sup>
2015	Nationally Determined Contributions (NDCs)	National (Various)	Every country submits its NDC under the Paris Agreement, detailing its climate action plans and emissions reduction targets to contribute to global climate goals. <sup>28</sup>
2019	Green New Deal (US Proposal)	National (US)	A proposal to address climate change and economic inequality, calling for a comprehensive national mobilization towards renewable energy and sustainable infrastructure. <sup>29</sup>
2020	National Adaptation Plan (Australia)	National (Australia)	A strategic framework to enhance the resilience of communities and ecosystems against climate change impacts, integrating adaptation measures into national policy. <sup>30</sup>
2021	National Strategy for a Sustainable Bioeconomy (Finland)	National (Finland)	Aimed at transitioning towards a bioeconomy by enhancing the sustainable use of renewable resources and promoting circular economy principles in various sectors. <sup>31</sup>

 <sup>&</sup>lt;sup>24</sup> Government of Kenya, "Green Economy Strategy" (2008).
 <sup>25</sup> Government of India, "National Policy on Climate Change" (2010).

Government of inicia, 'National Toney on Chinace Change (2010).
 Government of the Philippines, "National Climate Change Action Plan" (2013).
 US Environmental Protection Agency (EPA), "Clean Power Plan" (2014).
 UNFCCC, "Nationally Determined Contributions (NDCs)" (2015).

<sup>&</sup>lt;sup>29</sup> US Congress, "Green New Deal" Proposal (2019).

 <sup>&</sup>lt;sup>30</sup> Government of Australia, "National Adaptation Plan" (2020).
 <sup>31</sup> Government of Finland, "National Strategy for a Sustainable Bioeconomy" (2021).

Date	Framework	Scope	Key Details/Provisions
2021	South African Climate Change Bill	National (South Africa)	A legislative framework aimed at integrating climate change response measures into national policies and promoting sustainable development. <sup>32</sup>
2022	National Green Hydrogen Strategy (Germany)	National (Germany)	A framework to promote the development of hydrogen as a key element of the energy transition, supporting sustainable energy production and reducing carbon emissions. <sup>33</sup>
2023	Sustainable Development Goals (SDGs) Localization	National (Various)	Various countries are working on localizing the SDGs through national policies, emphasizing local action and stakeholder engagement for sustainable development. <sup>34</sup>
2024	U.S. Environmental Justice for All Initiative	National (US)	A commitment to advance environmental justice and promote equitable outcomes in climate policy, focusing on marginalized communities disproportionately affected by environmental hazards. <sup>35</sup>

**Source**: own work based (collection of data)

#### The green economy progress (gep) measurement framework

The Green Economy Progress (GEP) Measurement Framework is a methodical tool developed to assess and monitor the advancements made by countries in transitioning towards a green economy. This framework offers a structured approach for assessing how economic activities can promote sustainability while addressing environmental and social challenges.

#### **Key Features of the GEP Framework:**

- 1. **Integrated Assessment**: The GEP framework encompasses a wide arrange of indicators designed to measure different dimensions of sustainability, including:
- o **Resource Efficiency**: Evaluating how efficiently resources are used in economic activities.
- o **Environmental Impact**: Assessing the ecological footprint of economic practices, including emissions, waste, and biodiversity loss.
- o **Social Equity**: Measuring the fairness of economic opportunities and outcomes across different segments of society<sup>36</sup>.
- 2. **Policy Coherence**: The GEP framework encourages coherence between various national policies and international agreements. By promoting integrated approaches, it ensures that:
- o Economic, environmental, and social policies do not conflict.

<sup>&</sup>lt;sup>32</sup> Government of South Africa, "Climate Change Bill" (2021).

<sup>&</sup>lt;sup>33</sup> Federal Ministry for Economic Affairs and Energy (Germany), "National Green Hydrogen Strategy" (2022).

<sup>&</sup>lt;sup>34</sup> UN Development Programme (UNDP), "Sustainable Development Goals Localization" (2023).

<sup>&</sup>lt;sup>35</sup> U.S. Environmental Protection Agency (EPA), "Environmental Justice for All Initiative" (2024).

<sup>&</sup>lt;sup>36</sup> United Nations Environment Programme (UNEP). (2011). Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication. Retrieved from UNEP.

- o Different levels of government (local, regional, national) work towards common sustainability goals<sup>37</sup>.
- 3. **Benchmarking and Reporting**: Countries using the GEP framework can benchmark their performance against peers, allowing for:
- o Identification of best practices and innovative approaches in green economy initiatives.
- Regular reporting based on GEP indicators, which tracks progress over time and promotes accountability among stakeholders<sup>38</sup>.
- 4. **Guidance for Policymaking**: The GEP framework serves as a valuable resource for policymakers by providing:
- o Evidence-based insights that inform the design and implementation of laws and regulations aimed at promoting sustainable economic practices.
- o Identification of gaps and challenges in current legal frameworks, helping governments to craft more effective and comprehensive policies<sup>39</sup>.
- 5. **Global Context**: The GEP framework aligns with and supports with international sustainability initiatives, including:
- o The United Nations Sustainable Development Goals (SDGs), which aim to address global challenges such as poverty, inequality, and climate change<sup>40</sup>.
- o The **Paris Agreement**, which commits nations to limit global warming and adapt to climate impacts. The GEP helps facilitate global cooperation by providing a common set of metrics for evaluating progress toward shared sustainability objectives<sup>41</sup>.

The Green Economy Progress Measurement Framework is an essential tool that supports countries in their transition to sustainable economic practices. By offering a structured methodology for evaluation and reporting, the GEP framework corroborate the development of robust legal and institutional frameworks necessary for raising a green economy.

#### Legal challenges in the green economy

The path to a green economy is filled with legal challenges that originate from various sources, including policy fragmentation, enforcement weaknesses, financial limitations, and sociopolitical barriers<sup>42</sup>. Understanding these challenges is essential for policymakers, legal practitioners, and stakeholders to devise effective strategies that overcome impediments and facilitate sustainable development. As illustrated in table 3 as Legal challenges in Green Economy.

<sup>&</sup>lt;sup>37</sup> OECD. (2013). Green Growth Indicators 2013. Retrieved from OECD.

<sup>&</sup>lt;sup>38</sup> United Nations Development Programme (UNDP). (2015). The 2030 Agenda for Sustainable Development. Retrieved from UNDP.

<sup>&</sup>lt;sup>39</sup> World Resources Institute. (2019). Global Resources Outlook 2019: Natural Resources for the Future We Want. Retrieved from WRI.

<sup>&</sup>lt;sup>40</sup> United Nations. (2015). Transforming our World: The 2030 Agenda for Sustainable Development. Retrieved from UN.

<sup>&</sup>lt;sup>41</sup> United Nations Framework Convention on Climate Change (UNFCCC). (2015). The Paris Agreement. Retrieved from UNFCCC.

<sup>&</sup>lt;sup>42</sup> Organisation for Economic Co-operation and Development (OECD). "Environmental Policy and Sustainable Development." Retrieved from OECD Environment.

Table 3 Legal Challenges in the Green Economy

Category	Challenge		Impact
Policy Coherence and Integration	Fragmented Policies <sup>43</sup>	Environmental laws operate in isolation from economic and social policies.	Conflicting objectives hinder comprehensive sustainability progress.
Enforcement and Compliance	Weak Enforcement Mechanisms <sup>44</sup>	Limited monitoring, high corruption, inadequate penalties.	
Kinonciol	High Initial Costs and Limited Funding <sup>45</sup>	investments required, misaligned economic incentives.	limited project implementation.
Technological and Innovation Barriers	Regulatory Uncertainty and IP Uncertainty	strict IP protections limit	green technologies l
Institutional	Agendas and Weak	*	Disrupted green initiatives, inconsistent policy implementation.
International Coordination and Standards	Standards and Trade	standards, conflicts	Challenges in international cooperation, barriers to green trade.
Lagging Rehind	Adaptation of Laws	to technological	Legal gaps, increased uncertainty for green tech investments.
Social and Equity	Transitions and	workers, unequal access	Increased social inequalities, resistance to green policies.

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<sup>&</sup>lt;sup>43</sup> United Nations Environment Programme (UNEP). "Green Economy Report." Retrieved from UNEP Green Economy.

<sup>&</sup>lt;sup>44</sup> Organisation for Economic Co-operation and Development (OECD). "Environmental Policy and Sustainable Development." Retrieved from OECD Environment.

<sup>&</sup>lt;sup>45</sup> European Environment Agency (EEA). "Policy Coherence for Sustainable Development." Retrieved from EEA Policy Coherence.

<sup>&</sup>lt;sup>46</sup> International Renewable Energy Agency (IRENA). "Renewable Energy Costs." Retrieved from IRENA Renewable Costs.

<sup>&</sup>lt;sup>47</sup> International Labour Organization (ILO). "Just Transition." Retrieved from ILO Just Transition.

<sup>&</sup>lt;sup>48</sup> World Trade Organization (WTO). "Trade and Environment." Retrieved from WTO Trade and Environment

<sup>&</sup>lt;sup>49</sup> Brookings Institution. "Blockchain and Environmental Sustainability." Retrieved from Brookings Blockchain

<sup>&</sup>lt;sup>50</sup> United Nations Sustainable Development Goals (SDGs). Goal 10: Reduced Inequalities. Retrieved from UN SDG Goal 10.

Category	Challenge	Details	Impact
Conflicts with Existing Laws	Overlapping and Conflicting Regulations <sup>51</sup>	Legal ambiguities between new and pre-existing laws.	Legal uncertainty, implementation delays.
Unclear or Ambiguous Legislation	Vague Definitions and Lack of Specificity <sup>52</sup>		Varied interpretations, reduced effectiveness of green policies.
Resistance from Stakeholders	Opposition from Industries and Public <sup>53</sup>	regulations, economic interests in maintaining	Delayed or weakened green regulations, reduced policy effectiveness.
Capacity and Expertise Limitations	Limited Legal and Institutional Capacity <sup>54</sup>	expertise, inadequate resources for	Ineffective implementation and enforcement of green laws.

Source: own work based (collection of data)

The table 4 illustrates the regional Legal challenges.

**Table 4 Legal Challenges by Region** 

Region	Challenge	Example	Impact
North America	Stakeholders <sup>55</sup>	against carbon pricing in the	Delay in implementing effective carbon pricing mechanisms, continued high emissions.
Europe	Policy Coherence and Integration <sup>56</sup>	agricultural policies and environmental sustainability goals.	environmental laws.
Asia		environmental regulations in	Severe air and water pollution, undermining public health and environmental sustainability.

<sup>&</sup>lt;sup>51</sup> Environmental Law Reporter (ELR). "Resolving Regulatory Conflicts." Retrieved from ELR Regulatory Conflicts.

<sup>&</sup>lt;sup>52</sup> United Nations Environment Programme (UNEP). "Clarity in Environmental Legislation." Retrieved from UNEP Clarity Legislation.

<sup>&</sup>lt;sup>53</sup> Environmental Defense Fund (EDF). "Industry Lobbying against Environmental Policies." Retrieved from EDF Lobbying.

<sup>&</sup>lt;sup>54</sup> World Bank. "Environmental Governance in Developing Countries." Retrieved from World Bank Environmental Governance

<sup>&</sup>lt;sup>55</sup> International Energy Agency (IEA). "Fossil Fuel Industry and Policy Resistance." Retrieved from IEA Fossil Fuel Resistance.

Resistance.

56 European Environment Agency (EEA). "Policy Coherence for Sustainable Development." Retrieved from EEA Policy Coherence.

<sup>&</sup>lt;sup>57</sup> United Nations Environment Programme (UNEP). "Environmental Enforcement in Developing Countries." Retrieved from UNEP Enforcement.

Region	Challenge	Example	Impact
		rapidly industrializing countries like India and China.	
Africa	Capacity and Expertise Limitations <sup>58</sup>	Limited institutional capacity to implement and enforce complex environmental laws in Sub-Saharan Africa.	implementation, persistent
Latin America	International Coordination and Standards <sup>59</sup>	Deforestation in the Amazon conflicting with international climate agreements.	· ·
Middle East	Financial	revenues limiting investments	Slowed transition to renewable energy, continued reliance on fossil fuels.
Global	Lagging Behind	Inadequate regulations for emerging technologies like blockchain in carbon trading.	
Global	Concerns <sup>62</sup>		Increased social inequalities, resistance to global green initiatives.

Source: own work based (collection of data)

The transition to a green economy is essential for sustainable development, but it is accompanied by a range of legal challenges. These challenges include fragmented policies, weak enforcement mechanisms, financial constraints, technological barriers, political instability, lack of international coordination, outdated legal frameworks, social equity concerns, conflicting regulations, ambiguous legislation, stakeholder resistance, and limited institutional capacity. Addressing these challenges requires comprehensive and adaptive legal strategies that enhance policy coherence, strengthen enforcement, secure adequate funding, foster technological innovation, ensure social equity, and promote international cooperation. By tackling these legal obstacles, policymakers and stakeholders can create robust frameworks that facilitate the effective implementation of green economy initiatives, ultimately contributing to a sustainable and resilient future.

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<sup>&</sup>lt;sup>58</sup> World Bank. "Strengthening Institutional Capacity for Sustainable Development." Retrieved from World Bank Institutional Capacity

<sup>&</sup>lt;sup>59</sup> Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC). "Implementation of the Paris Agreement." Retrieved from UNFCCC Paris Agreement.

<sup>&</sup>lt;sup>60</sup> International Monetary Fund (IMF). "Subsidy Reforms for Sustainable Growth." Retrieved from IMF Subsidy Reforms.

<sup>61</sup> International Renewable Energy Agency (IRENA). "Microgrid Deployment and Regulation." Retrieved from IRENA Microgrid Regulation.

<sup>&</sup>lt;sup>62</sup> United Nations Sustainable Development Goals (SDGs). Goal 10: Reduced Inequalities. Retrieved from UN SDG Goal 10.

#### **Recommendations**

To effectively strengthen the legal frameworks of a green economy within the context of the **Green Economy Progress (GEP) measurement framework**, it is essential to adjust each Recommendation with the specific GEP indicators. The GEP framework evaluates a nation's transition to a green economy based on indicators such as resource efficiency, social inclusivity, natural capital protection, economic sustainability, environmental health, innovation, and governance. Table 5 illustrates the recommendations with GEP (Green economy progress) indicators.

**Table 5 Recommendations** 

GEP Measurement Indicators	Legal Framework Recommendations	Description and Impact
1.Resource Efficiency andcircularity	1.Establish Comprehensive Green Economy Laws and Policies	Holistic Green Economy Laws encompass environmental protection, social equity, and economic sustainability, setting clear, time-bound targets across sectors such as renewable energy, waste management, and water conservation. This alignment ensures comprehensive progress in resource efficiency and circularity, directly impacting GEP's material use and resource productivity indicators. <sup>63</sup>
	Economy Principles	Circular Economy Legislation promotes waste reduction, recycling, and resource efficiency by enforcing the principles of reduce, reuse, and recycle. Extended Producer Responsibility (EPR) mandates producers to manage the entire lifecycle of their products, thereby enhancing recycling rates and minimizing waste, aligning with GEP's resource efficiency indicators. 64 65
2. Natural Capital and Ecosystem Protection	3. Enforce Biodiversity and Ecosystem Protection Laws	Conservation and Protected Areas Laws protect biodiversity and natural habitats through legal designations of protected areas, fines for deforestation, and regulations against ecosystem disruption. Enhanced Environmental Impact Assessments (EIAs) ensure that all projects undergo rigorous environmental scrutiny, preserving natural capital and aligning with GEP's ecosystem health indicators. 66 67

<sup>&</sup>lt;sup>63</sup>Comprehensive Green Economy Laws: United Nations Environment Programme (UNEP). "Green Economy Report

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 $<sup>^{64}</sup>$  Circular Economy Legislation: European Commission. "Closing the Loop – An EU Action Plan for the Circular Economy."

<sup>&</sup>lt;sup>65</sup> Extended Producer Responsibility (EPR): Ellen MacArthur Foundation. "The Circular Economy in Detail."

<sup>&</sup>lt;sup>66</sup>Conservation and Protected Areas Laws: United Nations Environment Programme (UNEP). "Global Environment Outlook (GEO)

<sup>&</sup>lt;sup>67</sup> Enhanced Environmental Impact Assessments (EIAs): United States Environmental Protection Agency (EPA).

<sup>&</sup>quot;Environmental Impact Assessment (EIA)

GEP Measurement Indicators	Legal Framework Recommendations	Description and Impact
		Codify Environmental Rights in Constitutions to empower citizens to hold governments and corporations accountable for environmental degradation. Expand Access to Environmental Justice by enhancing mechanisms for environmental litigation and supporting public interest lawsuits, ensuring that vulnerable communities benefit from ecosystem protection. 6869
3. Social Equity and Inclusivity	5. Promote Social Equity through Legal Protections	Green Jobs Legislation supports the creation of green jobs, ensuring fair wages and labor rights in sustainable sectors. Support Vulnerable Communities by mandating that green economy policies prioritize marginalized groups, providing access to renewable energy, green infrastructure, and social protection during transitions from polluting industries. <sup>70 71</sup>
	6. Strengthen Access to Environmental Justice	Legal Frameworks for Environmental Justice ensure that communities disproportionately affected by environmental harm have legal avenues to seek redress, enhancing social inclusivity and equity in the green economy transition. <sup>72</sup>
4. Economic Sustainability	7. Develop Green Fiscal Policies	Carbon Pricing and Taxation Laws internalize the environmental costs of emissions through carbon taxes or cap-and-trade systems, promoting low-carbon investments. Subsidy Reforms phase out subsidies for harmful industries and redirect financial support towards renewable energy and green agriculture, enhancing economic sustainability. <sup>73</sup>
	8. Legalize Green Finance and Investment	Green Bonds Legislation regulates the issuance of green bonds to finance sustainable projects. Sustainable Investment Mandates require financial institutions to incorporate ESG criteria into their investment strategies, fostering green investments and reducing exposure to environmentally risky assets, thereby supporting economic sustainability. <sup>75</sup>

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<sup>&</sup>lt;sup>68</sup> Codify Environmental Rights: Bullard, Robert D. Environmental Justice: Grassroots Activism and Its Impact on Public Policy in America.

<sup>&</sup>lt;sup>69</sup> Access to Environmental Justice: Aarhus Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters.

<sup>&</sup>lt;sup>70</sup> Green Jobs Legislation: International Labour Organization (ILO). "Green Jobs and Decent Work."

<sup>&</sup>lt;sup>71</sup> Support Vulnerable Communities: United Nations Sustainable Development Goals (SDGs). Goal 10: Reduced Inequalities

<sup>&</sup>lt;sup>72</sup> Environmental Justice Frameworks: Health and Environment Alliance (HEAL). "Environmental Justice

<sup>73</sup> Carbon Pricing and Taxation Laws: World Bank. "State and Trends of Carbon Pricing."

<sup>&</sup>lt;sup>74</sup> Subsidy Reforms: International Monetary Fund (IMF). "Subsidy Reforms for Sustainable Growth."

<sup>&</sup>lt;sup>75</sup> Green Bonds Legislation: International Capital Market Association (ICMA). "Green Bond Principles."

<sup>&</sup>lt;sup>76</sup> Sustainable Investment Mandates: Principles for Responsible Investment (PRI). "What are ESG Criteria?"

GEP Measurement Indicators	Legal Framework Recommendations	Description and Impact
5. Environmental Health	9. Enhance Pollution Control and Public Health Legislation	Pollution Control Laws set stringent emission standards for air, water, and soil pollution, promoting clean technologies and ensuring access to clean water and sanitation. Clean Energy Laws mandate the transition to renewable energy sources, improving air quality and reducing health impacts associated with pollution, directly aligning with GEP's environmental health indicators. <sup>77</sup>
6. Innovation and Technology	10. Integrate Technology and Innovation in Green Legal Frameworks	Laws on Clean Technology Innovation promote R&D in green technologies through funding, tax incentives, and intellectual property protections. Data and Digital Monitoring Laws mandate the use of digital technologies for real-time environmental monitoring, enhancing transparency and regulatory enforcement, thus fostering innovation. <sup>79 80</sup>
7. Governance and Institutional Capacity	11. Enhance International Legal Cooperation on Green Economy	Harmonize International Green Economy Standards by aligning national laws with global standards on trade, environmental protection, and technology transfer. Green Trade Agreements embed sustainability clauses in trade deals, ensuring environmental standards are upheld and promoting international collaboration. 81 82
	12. Strengthen Corporate Accountability and Sustainability Reporting	Mandatory Sustainability Reporting requires corporations to disclose their environmental and social impacts using standardized metrics, enhancing transparency. Corporate Governance for Sustainability integrates sustainability goals into corporate governance structures, ensuring long-term accountability and alignment with GEP indicators. 83 84
8. Economic Diversification and Resilience	13. Promote Social Equity through Legal Protections	Green Jobs Legislation and Support for Vulnerable Communities ensure economic diversification by fostering job creation in sustainable sectors and reducing dependence

<sup>&</sup>lt;sup>77</sup> Pollution Control Laws: United States Environmental Protection Agency (EPA). "Clean Air Act."

<sup>&</sup>lt;sup>78</sup> Clean Energy Laws: National Renewable Energy Laboratory (NREL). "Renewable Energy Policies and Laws."

<sup>&</sup>lt;sup>79</sup> Laws on Clean Technology Innovation: International Renewable Energy Agency (IRENA). "Policies for Innovation."

<sup>&</sup>lt;sup>80</sup> Data and Digital Monitoring Laws: European Union. "EU Digital Strategy."

<sup>&</sup>lt;sup>81</sup> Harmonize International Green Economy Standards: Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC).

82 Green Trade Agreements: World Trade Organization (WTO). "Trade and Environment."

<sup>83</sup> Mandatory Sustainability Reporting: Global Reporting Initiative (GRI). "Sustainability Reporting Standards."

<sup>84</sup> Corporate Governance for Sustainability: Organization for Economic Co-operation and Development (OECD). "Corporate Governance and Sustainability."

GEP Measurement Indicators	Legal Framework Recommendations	Description and Impact
		on polluting industries, enhancing economic resilience and aligning with GEP's diversification indicators. 85 86
	14. Foster Sustainable Employment and Green Jobs	Laws Supporting Sustainable Employment prioritize green job creation, provide incentives for businesses to offer decent work conditions, fair wages, and opportunities for skill development in green industries, thus promoting economic resilience and diversification. <sup>87</sup>

Source: own work based (collection of data)

Coordinate the 14 legal framework recommendations with the Green Economy Progress (GEP) measurement framework ensures that each legislative action contributes directly to the measurable indicators of green economy advancement. This comprehensive alignment facilitates effective monitoring, accountability, and continuous improvement in transitioning towards a sustainable, inclusive, and resilient green economy. The utilization of this detailed mapping to implement and evaluate legal measures that drive meaningful progress in queue with both national and global sustainability objectives.

#### Conclusion

The shift towards a green economy is a crucial effort aimed at balancing economic growth with environmental sustainability and social inclusiveness. However, existing legal frameworks, both nationally and internationally, face multiple challenges in fully realizing this transformation. These challenges include fragmented policies, weak enforcement mechanisms, lack of coordination across sectors, and insufficient capacity to adapt to rapidly evolving green technologies. Moreover, conflicting trade and environmental regulations across borders hinder a global green transition.

At the national level, countries must refine their legal systems to ensure comprehensive integration of sustainability principles across sectors. This includes revising outdated laws, promoting green innovation, and addressing social equity concerns. Strong legal backing is necessary for a smooth transition that not only mitigates environmental degradation but also ensures that communities, particularly vulnerable ones, benefit from the opportunities created by the green economy.

On the international stage, harmonizing regulations is critical for addressing transboundary environmental concerns such as climate change, biodiversity loss, and resource depletion. Without international cooperation and alignment on key green economy metrics, progress will remain uneven. Global frameworks, such as the Paris Agreement and the Green Economy

<sup>&</sup>lt;sup>85</sup> Economic Diversification through Green Jobs: International Labour Organization (ILO). "Green Jobs: Towards Decent Work in a Sustainable, Low-Carbon World."

<sup>86</sup> Support for Vulnerable Communities: United Nations Environment Programme (UNEP). "Environmental Justice and Sustainable Development."

<sup>&</sup>lt;sup>87</sup> Laws Supporting Sustainable Employment and Green Jobs: International Labour Organization (ILO). "Promoting Decent Work in Green Sectors."

Progress (GEP) Measurement Framework, provide valuable guidance but need to be continuously updated to address emerging challenges like technological disruption, changing political landscapes, and trade tensions. These frameworks underline the importance of robust legal and regulatory mechanisms that encourage sustainability across all sectors of the economy.

The GEP Measurement Framework emphasizes that progress towards a green economy requires not only economic and environmental performance but also legal structures that ensure inclusivity, transparency, and accountability. This framework helps countries assess their progress and identifies gaps in their legal infrastructure, providing a roadmap for necessary reforms. The 14 recommendations outlined provide a comprehensive pathway for strengthening legal frameworks to support sustainable economic growth, environmental protection, and social equity. The legal frameworks are flexible enough to adapt to technological advancements, inclusive enough to support vulnerable populations, and robust enough to ensure long-term ecological sustainability. The legal architecture of the green economy, combined with international cooperation, will ultimately determine the success of global efforts to achieve a sustainable, resilient, and inclusive future.

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