

A light blue world map with a grid of latitude and longitude lines, serving as the background for the slide. A horizontal line is drawn across the middle of the map.

# The OECD Green Growth Strategy

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*For a stronger, cleaner, fairer world economy*



# Why Green Growth?

- Recognition that current environmental challenges and resource use pose problems for long-term economic growth
- Cost of inaction

# Why Now Green Growth?

- Global crises (economic, climate, oil, food) have highlighted the need to look for a new growth paradigm
- OECD Green Growth Declaration (June 2009, Finance Ministers)
- G8, G20

# OECD Green Growth Strategy?

Help countries to:

- Promote economic growth while reducing GHG emissions, pollution and inefficient use of resources, and maintaining biodiversity
- “Decouple” economic growth and environmental impacts
- Shift in paradigm  
(agriculture → industry → service → green)

# Elements of OECD Green Growth Strategy

- A policy framework for Green Growth
- An expanded growth accounting model
- Toolkit of policies and approaches that countries can use to better balance economic efficiency, environmental effectiveness and social equity



# Policy Priorities

- New Growth Accounting Framework
- Industrial Restructuring
- Employment
- Social Equity



# Growth Framework

- Include Environmental Capital/Services in Production Accounting
- Measure of Income to Take into Account Depreciation of Stock of Environmental Capital
- Quality of Life/Well-Being Considerations

# Industrial Restructuring

- Greener Technology
- Greening Key Sectors – maximising opportunities
  - Energy - Energy efficiency and renewable energy
  - Transport
  - Agriculture
  - Fisheries
  - Industries
  - Tourism



# Employment

- Greener Jobs
- Winners/Losers/Trade Offs
- Skills Development
- Labour Market Balance



# Social Equity

- Labor and social policies
- Distributional impacts
  - Income groups
  - Skills categories
- Global Poverty Reduction



# Ancillary Benefit: Fiscal Consolidation

- Green Taxes
- Removal of Environmentally Harmful Subsidies



# A Toolkit for Reform

- Internalizing Externalities – Getting the Prices Right
- Framework Conditions
- Innovation
- Development
- Indicators

# Getting the Prices Right

- Carbon price
- Taxes, Environmentally harmful subsidies, Emission trading systems
- Valuation of Ecosystem services
- Address market failures - regulation



# Framework Conditions

- Greener Investment and Policy Framework for Investment
- Liberalisation of trade of green goods and services (Export credits)
- Greener Production (MNE Guidelines)
- Greener Consumption – Information
- Greener Public Procurement
- Multilayer Governance
- International transfer of technology



# Innovation

- R&D Support
- ICT
- Eco-innovation
- Technology Transfer and Dissemination
- Policy recommendations in the OECD Innovation Strategy

# Development and Green Growth

- Health Benefits
- Technology Transfer and IPR
- Green Protectionism
- Integrate Green Growth in Development Co-operation

# Measuring Green Growth

- Beyond GDP
- Resource Efficiency
- Environmental Aspects
- Environmental Impacts of Consumption
- Well-being – Stiglitz/Sen Commission



# OECD Contributions

- Analysis
- Policy Framework
- Toolkit
- Peer Reviews
- Best Practices
- Indicators

# Involvement Beyond OECD

- Enhanced Engagement Countries  
(Brazil, China, India, Indonesia, South Africa)
- Other Non-Members
- Stakeholder (business and industry, trade unions, environmental and consumer NGOs)
- IGOs (UNEP, WB, ILO)



# OECD Horizontal Project

- All Directorates Involved
- IEA, NEA, ITF
- 25 Committees



# Schedule

- May 2010 – Interim Report to MCM with Preliminary Analysis
- May/June 2011 – Final Report on Green Growth Strategy to MCM

# Conclusion

- The Green Growth Strategy is not the end, but the beginning of efforts for greening the economic model
- [GreenGrowth@oecd.org](mailto:GreenGrowth@oecd.org)