

**OECD Joint High-Level Meeting of the OECD Development Assistance Committee  
(DAC) and the Environment Policy Committee (EPOC)  
28-29 May 2009**

**Session 4: Supporting Low-Carbon Development Paths: Win-Win  
Approaches to Achieve Both Mitigation and Development Objectives.**

**Lisa P. Jackson,**

**Administrator of the Environmental Protection Agency, USA**

**Open – Eager to Work Together**

- The subject of this session – win-win approaches in advancing a low-carbon development – is a topic of extraordinary importance.
- We face two great – and greatly intertwined – global challenges: a global financial crisis and a global climate crisis.
- We’ve seen the full scope of our economic interconnectedness, and understand that our global recovery will only come through global cooperation.
- We’ve also reached a point in history where everyday human activities – for the first time ever – are affecting the health of our entire planet. That is not a problem that can be managed by one or two countries alone.

**Economy vs. Environment**

- Fortunately, both challenges can be addressed with one solution: a sustainable, clean energy, low-carbon economy. We are beginning a new era of American partnership – to collaborate with all willing nations on win-win strategies for a prosperous, low-carbon future.
- This is essential to both our immediate recovery and our future prosperity. Getting our economy back on track, building a worldwide middle class, and bringing developing nations into the economic mainstream simply won’t be possible with non-renewable, carbon-spewing fossil fuels alone.
- Without an innovative, low-carbon economy, continued growth will rush us quickly down the path of destructive climate change and natural resource depletion.
- We must find a sustainable alternative. And we must move quickly to make up for lost time.
- The U.S. is keenly aware of the urgency, responsibility, and opportunity to engage in We want to help lead the way in low-carbon development around the world. And we heed the calls for action at COP 15 in Copenhagen later this year.
- As a start, President Obama is working to revitalize and refashion the U.S. economy for the low-carbon future.

- Our recently passed Recovery Act contains more than \$80 billion for sustainable, innovative, clean energy.
- We are working to double clean energy use in the next three years, and have set an ambitious goal of cutting more than 80% of greenhouse gas emissions by the year 2050.
- The President plans to invest \$150 billion over ten years in energy research and development.
- Recently, the Environmental Protection Agency submitted a proposed endangerment finding on carbon and other heat-trapping pollutants – joining the rest of the world in recognizing the dangers posed by climate change.
- Our Congress is crafting legislation featuring market-based solutions for reducing emissions – a cap-and-trade system that will allow for possible international economic collaboration.
- We’re making biofuels part of our efforts, which has the potential to be a thriving industry and provide clean, renewable fuels.
- And we’ve brought together a coalition of stakeholders to increase fuel efficiency and reduced emissions standards for all American light trucks and cars.
- These are great first steps. But much more is needed. We recognize the promise of win-win investments in the global low-carbon economy as well.
- I want to focus on two areas that present great challenges and great opportunities: the rapid increases in urbanization and industrialization.

### **Urgency and Opportunity in Developing Country Urbanization**

- Last year, for the first time in history, the number of people living in cities around the world surpassed the number living in rural areas.
- Over the next 30 years, our population is expected to grow by 2.2 billion. 2.1 billion will be born in cities – and 95 percent of them in what are today the world’s poorest cities.
- 2.2 billion additional people will stretch the limits of our energy, water, and food supplies. They will need new urban infrastructure, housing, and economic opportunity.
- Luckily, urbanization presents many win-win, co-benefit opportunities – especially with regard to a few potentially high impact areas:
- First, improved urban planning and SmartGrowth. Investing in sustainable cities not only helps reduce energy demand, but provides health benefits and economic opportunity.
- Smaller homes that require less energy, public transportation, walkable communities, and other factors that lower carbon output can be put in place in cities around the world.
- Another opportunity is sustainable transportation. Sustainable urban growth requires improved transport systems – as well as policies and regulations supporting clean fuels and vehicles.
- And both better planning and sustainable transport reduce enormously harmful black carbon emissions from sources like cookstoves and diesel vehicles. Those emissions exacerbate climate change and local health problems. But they can be easily eliminated with existing technology and the right policies.
- Third, we should collaborate on Green Building. New efficiency standards and retrofitting commercial and residential buildings are cost effective, win-win solutions.
- The technologies and expertise exist. Implementation creates jobs where construction, weatherization, or retrofitting are taking place.

- Finally, we should explore energy efficiency and recovery in urban water and waste management.
- That's first and foremost a public health need. Clean drinking water and wastewater infrastructure are essential to keep populous urban areas from becoming centers of disease and environmental degradation.
- We can share knowledge and experience to put systems in place with enhanced energy efficiency and energy recovery.

### **Tackling Growing Industrial Energy Consumption**

- The second area we must address is increasing industrial energy consumption.
- Industrial energy use in developing countries already equals that of developed countries – and it's growing eight times faster.
- But solutions are well within our reach. Again, we have the technology. We can cut costs for businesses, promote jobs and development, and protect the environment in the bargain.
- Public-private collaboration is one way to move that forward. Industry associations in developed and developing countries are looking for efficiency strategies. And business has built a foundation through voluntary energy reduction programs. The public sector can work with them to accelerate those efforts.
- We should work together on research, development and technology diffusion. As I said, President Obama is significantly increasing investment in clean energy.
- International cooperation can accelerate innovation, create a global trade in new technologies, and open new markets for low-carbon technologies that meet the needs of developing economies.
- Finally, we should seek out savings, efficiency, and environmental benefits through smarter supply chains.
- In the global market, enormous amounts of energy and resources are used to move everything from raw materials and finished products to information and labor.
- We can ensure sound economic and environmental performance, and create new opportunities to expand markets and serve consumers.

### **Close**

- At few other times has collaboration been more critical. The carrying capacities of our planet and our economy will be tested in the coming decades. Economic and environmental win-win policies are essential to our future.
- Let me close on another critical issue we all face.
- Many of the effects of climate change will hit vulnerable populations the hardest. The youngest, oldest, and poorest face great threats, and have the least ability to respond.
- OECD calls it the “distributional impacts” of climate change – what we in the U.S. refer to as environmental justice.
- Having grown up in New Orleans, and witnessed the devastation of Hurricane Katrina – and its impact on the poorest people – this issue is very real for me.

- Within our own borders and as a global community, we must pay special attention to the distributional impacts of our climate and economic policies. We must ensure that the planet's most vulnerable populations are included in the rising tide of economic growth – and protected from the rising tide of climate change.
- And we do that by including them in this global partnership. I know others have exciting ideas about how we expand opportunity, break poverty traps that hold so many back, and preserve our earth and our economy for decades to come.
- It is gratifying and encouraging to see that this important priority is reflected in the Policy Statement Integrating Climate Change Adaptation Into Development Cooperation that we endorse today.
- I look forward to hearing your thoughts and learning from this exchange. And I look forward to working by your side.
- Thank you again.