



International Conference on

## Investing in Climate, Investing in Growth

23 May 2017, 14 – 17:45, dbb Forum Berlin, Friedrichstraße 169, 10117 Berlin

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### PROGRAMME

#### **Background**

In the context of the German G20 Presidency, the OECD has undertaken a major project on growth and investment opportunities arising from the transition to a low-emission, climate-resilient economy. The resulting report, "[Investing in Climate, Investing in Growth](#)", will be formally released at the Petersberg Climate Dialogue in Berlin on 23 May 2017 and subsequently be discussed at this OECD international conference. The report provides an analysis of how climate goals can be achieved while simultaneously spurring economic growth, competitiveness and well-being. Its key message is that a combination of ambitious climate policies and well-aligned structural reforms and fiscal policies can lead to strong and inclusive economic growth for G20 countries and beyond.

#### **Objective of the conference**

The OECD-hosted International Conference "Investing in Climate, Investing in Growth" will take place in the context of the German G20 presidency and is being organised in collaboration with the German Ministry of Environment, Nature Conservation, Building and Nuclear Safety (BMUB), and in conjunction with the Petersberg Climate Dialogue. It will be an opportunity to discuss in more detail the key findings of the report and how policy makers can generate growth-enhancing and climate-resilient reforms.

Key questions to be discussed include:

- What are the growth and structural implications of the transition to a low-carbon and climate resilient economy?
- How can governments create the conditions to drive such a transition, nationally and internationally, including through the G20 process, and how can they ensure that climate-friendly growth policies provide a major boost to short-term growth while increasing longer-term resilience?
- What development pathways will get us to the Paris Agreement outcomes?
- How can governments help manage a prosperous and inclusive transition and what is the role of different stakeholders in this regard?

- How do investment flows, in particular investments in infrastructure, need to change to get us there? And how can the financial system be designed in a way to facilitate such changes?

### **Participants**

The conference will be attended by decision-makers from a large number of countries, business representatives, scientists, civil society, as well as members of the high-level Advisory Council guiding the project.

### **Agenda**

**14:00-14:30** Introductory remarks by **Barbara Hendricks, Minister for the Environment, Nature, Conservation, Building and Nuclear Safety, Germany** and by the **OECD Secretary-General Angel Gurría**

**14:30-15:30** **PANEL 1: POLICIES FOR A DECISIVE TRANSITION FOR CLIMATE AND GROWTH**

The "[Investing in Climate, Investing in Growth](#)" report shows how action on climate change can deliver inclusive economic growth in the short-term, in addition to securing longer-term growth and well-being for all citizens, therefore greatly strengthening the case for action. The dual benefit of short-term growth and avoided future climate damages can be achieved if governments ignite an ambitious transition towards low-carbon economies by combining country-appropriate growth-enhancing policies with well-aligned policy packages for mobilising investment in low-carbon infrastructure and technologies.

Structural policies that promote higher and more inclusive growth can be supportive of the low-carbon transition and an important part of a decisive transition for climate and growth.

The panel discussion will focus on the action Governments need to take to benefit from opportunities that arise from a combined agenda for climate and growth. It also explores the policy mix required for a decisive transition, considering structural reforms, climate policies, investment policy and finance.

**Moderator:** Simon Upton, Director, OECD Environment Directorate

#### **Panel members:**

- The Honourable Catherine McKenna, Minister of Environment and Climate Change, Canada
- Xie Zhenhua, Special Representative for Climate Change Affairs, People's Republic of China
- Jochen Flasbarth, Secretary of State, German Federal Ministry for the Environment, Nature Conservation, Buildings and Nuclear Safety
- Laurence Tubiana, Chief Executive Officer of the European Climate Foundation and Professor, *Institut d'études politiques de Paris* (SciencesPo)

- Catherine L. Mann, OECD Chief Economist and G20 Finance Deputy
- Sharan Burrow, General Secretary, International Trade Union Confederation

**15:30-16:00**      **Break**

**16:00-16:45**      **PANEL 2: A WELL-MANAGED TRANSITION MUST BE SOCIALLY INCLUSIVE AND GOOD FOR BUSINESS**

Even though action on climate change can be positive for overall economic growth and welfare, most countries face political challenges in implementing ambitious policy reform. Vested interests and incumbent actors in today's high GHG-emissions societies have an impact on the ability of governments to act decisively.

The report highlights that social inclusiveness is a key factor for a well-managed transition and that the implications for both households and businesses need to be taken into account in order to make pro-climate growth policies politically feasible. The labour force and local communities relying on GHG-intensive and climate-exposed activities should be actively engaged in the planning of the transition. Clear policy signals are also essential to guide the transformation of technologies and business models into a low-GHG economy.

The panel discussion explores the key factors for a successful transition to a low-carbon economy.

**Moderator:** Karsten Sach, Director General for Climate and International Cooperation, German Ministry of Environment, Nature Conservation, Building and Nuclear Safety

**Panel members:**

- Paddy Padmanathan, Chief Executive Officer and President, ACWA Power
- Christian Schubert, BASF Vice President and Head of Berlin Office, representative of the Chair of the B20 Energy, Climate & Resource Efficiency Taskforce
- Samantha Smith, Director, Just Transition Centre
- Wael Hmaidan, Executive Director of Climate Action Network International
- Richard Baron, Principal Advisor, OECD Environment Directorate

**16:45-17:30**      **PANEL 3: DELIVERING A DECISIVE TRANSITION REQUIRES A SUPPORTIVE INVESTMENT ENVIRONMENT AND THE RIGHT INFRASTRUCTURE**

Mobilising the investment required for a decisive transition, whether funded by the public or private sector, requires a combination of climate policies with pro-growth structural reform policies and a well-aligned investment policy

environment. In addition to coherent climate policy and a well-aligned investment framework, innovative financial instruments are required to mobilise the necessary capital and achieve low-emission and resilient pathways.

Current economic conditions afford many governments the opportunity to invest in the right infrastructure now to reignite growth at the same time as paving the way to achieve the Paris Agreement outcomes. It is also the governments' responsibility to set the framework conditions, including in the design of the financial system, so that they are conducive to private actors choosing (infrastructure) investments compatible with the goals of the Paris Agreement.

This session will explore the policy mix required for a decisive transition, considering investment, particularly in infrastructure, as well as the financial system required for the transition.

**Moderator:** Helen Mountford, Director of Economics, World Resources Institute, and Programme Director, The New Climate Economy

**Panel members:**

- Amal-Lee Amin, Chief of Climate Change and Sustainability Division, Inter-American Development Bank
- Mihir Sharma, Senior Fellow and Head, Economy and Growth Programme of the Observer Research Foundation
- Ottmar Edenhofer, Director Mercator Research Institute on Global Commons and Climate Change (MCC), Co-Chair T20 Task Force Climate Policy and Finance
- Brenda Killen, Deputy Director, OECD Development Co-operation Directorate
- Jennifer Morgan, Executive Director, Greenpeace International

**17:30-17:45 CLOSING SESSION: THE WAY FORWARD**

Remarks by **Gabriela Ramos, OECD Chief of Staff and Sherpa to the G20**, on the role of the "[Investing in Climate, Investing in Growth](#)" report in the G20 process and in follow-up work of the OECD

Remarks by **Sergio Bergman, Minister of Environment and Sustainable Development, Argentina**, on the way forward in the perspective of the forthcoming Argentinian G20 presidency

**17:45-18:45 Reception**