

Paris Collaborative on Green Budgeting
High Level Political Forum
OECD side-event
16 July 2018



THE PARIS COLLABORATIVE ON GREEN BUDGETING

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Action needed to implement our sustainable development agenda

- Range of co-ordinated actions in many areas, including long-term finance for climate and biodiversity, resilient infrastructure, targets for renewable energy, ...
- **Systematic approach** to the range of existing policies needed to:
 - aid monitoring process
 - mainstream an environmentally informed approach across all policy domains
 - highlight linkages between budget, fiscal and environmental issues, interdependencies, externalities and co-benefits



“Green Budgeting”

...using the tools and processes of budgetary policy-making

- *by evaluating and improving the environmental impact (such as on climate, biodiversity, water and air quality) of budgetary policies*
- *assessing their coherence with national and international commitments*

→ help achieve environmental goals





The Paris Collaborative on Green Budgeting

- launched at One Planet Summit, 12 Dec 2017 in Paris
- convened by OECD, working in **close partnership with governments, OECD working groups and experts**



- An open **research platform** to:
 - advance the analytical and methodological **groundwork**
 - propose, develop and test potential **tools** needed to support green budgeting
 - support **peer learning** and **exchange good practices**
 - **targeted assistance** for developing a Green Budget strategy



Milestones of the Paris Collaborative

Launch at One Planet Summit,
12 Dec 2017
in Paris

May/June
OECD Senior
Expert
Workshops

16 July
HLPF side
event

26 Sept
One Planet
Summit follow-
up meeting

24 October
OECD Senior
Expert
Workshop



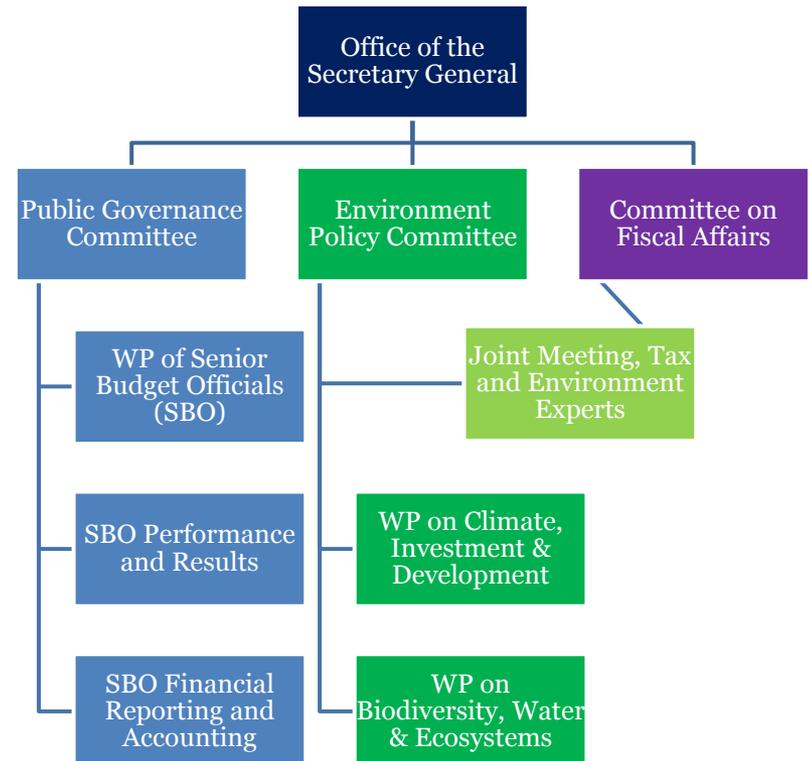
Achievements:

- Scoping paper on **objectives, definitions**, including a first set of **examples of greening public finance**
- Building towards a **Green Budgeting Senior Expert Group**
- Statement of the French Chair of the 2018 **OECD Ministerial Council Meeting** highlighted the importance of the Paris Collaborative on Green Budgeting and call member countries to support this work



Building on existing OECD work streams

- Budgeting for inclusive and sustainable growth
- Long-term fiscal sustainability
- Environmental cost-benefit analysis
- Environmental fiscal reform
- Carbon pricing and reform of potentially harmful subsidies





Envisaged future work streams

Core analytical and research work

- Refinement of definitions and sharing of existing good practice
- Indicator development

Optional work programmes

1. Designing and applying a **“Green Budget Statement”**
2. Designing and applying a **“Green Budget Baseline Analysis”**
3. Guidance to adopt **environmental cost-benefit analysis** in support of green budgeting
4. Investigating the **tax revenue effects** of environmentally-oriented tax policy and of environment-related structural economic change, including decarbonisation

Countries free to adopt tools and methodologies – or not



Thank you

<http://www.oecd.org/environment/green-budgeting/>

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