

V. Delivering the OECD Green Growth Strategy and beyond

109. The delivery of the Strategy's Synthesis Report in mid-2011 will mark the starting point of OECD's commitment and ambitious agenda to support countries' efforts to move towards greener, more sustainable economies and to fully mainstream green growth across OECD activities. As such, it would lay down the foundations for a longer-term programme of work, defining intermediate targets that could be built upon in subsequent years.

110. Further analysis is expected to be needed in the following areas to deliver the Green Growth Strategy and beyond:

- **Creating a coherent and effective policy framework:** Building on initial work, the Synthesis Report will deliver a more comprehensive framework that is essential to prevent environmental degradation and enable long-term economic growth and development. Further work would be required beyond delivery of the Strategy to help countries address the practical and policy challenges of implementing a green growth policy mix and tailoring the toolkit to the specific needs of OECD and partner countries. This would also require further analysis of political economy considerations.
- **Overcoming barriers to green growth:** The Synthesis Report will be deepening initial analysis on policy-induced distortions such as policy barriers to cross border trade and investment in environmental goods and services, inefficient regulatory interventions and environmentally-harmful subsidies to fossil fuels, agriculture, forestry or fisheries.
- **Expanding markets for green goods and services and developing green policy instruments:** the Report will identify the most appropriate policy tools to expand markets for greener goods and services and to achieve lasting systemic and behavioural change. This will include a systematic and in-depth analysis of: pricing instruments, including GHG emission trading systems and green taxes; the tax treatment of tradable permits; tax incentives for private R&D, innovation and the adoption of green technologies. It will also cover financial mechanisms (such as loan guarantees, insurance products, green bonds and green funds) directed at supporting investment in green activities, consumer policies, the role of education and the conditions under which governments intervene in markets to promote sustainable consumption; regulatory quality and policy coherence for green growth.
- **Assessing the labour market impacts of the transition to green growth:** The Synthesis Report will include an assessment of the expected long-term net employment changes associated with a shift towards green growth; possible effects on the composition of employment and the required labour mobility across firms and sectors; key policies to facilitate net increases in sustainable employment including labour market and training policy which will also take into account the need to provide existing workers with new skills.
- **Encouraging green innovation on a large scale:** the Strategy will work towards identifying new opportunities for eco-innovation across the economy as well as the policies that can support business in unlocking the potential for new value creation. It will also look at both the environmental and economic benefits that could be derived from the use of manufactured nanomaterials; further analyse the contribution of ICTs to green growth; and encourage green growth and innovation in the area of biotechnology. It would also examine new approaches to international cooperation on science, technology and innovation. Further work would develop advice and guidance on the design and implementation of green innovation policies as a follow-up to the Innovation and Green Growth Strategies.
- **Green growth for development:** in line with the Strategy's objective to mainstream green growth in development co-operation, work on the following

three policy areas will provide the key pillars of an approach for pro-poor green growth in developing countries: encouraging sound natural resource management and governance; shaping climate resilient growth; and promoting low-carbon growth. This will also include the role of donors in supporting sound natural resource management as well as analysis of the official development assistance (ODA) activities that target and those that support the objectives of the Rio Conventions.

- **Greening key sectors:** the Strategy's policy findings will be applied to enable an analysis of green growth in the case of specific key sectors including agriculture (as mandated by the 2010 OECD Committee for Agriculture at Ministerial Level - Appendix B below), fisheries, transport and the energy sector.
- **The regional and local dimension of green growth:** the Strategy will specifically consider how to foster green innovation and support the creation of green jobs in cities as well as in the context of rural development. In the latter case, work will focus on favouring the development of the renewable energy industry in rural areas and explore local initiatives to tackle climate change.
- **Moving the measurement agenda forward:** Some elements for further work would include the development of a comprehensive set of green growth indicators to measure progress towards green growth in countries and monitor the results of green growth policies. These would also cover defining and evaluating green foreign direct investment (FDI) flows in order to better understand and facilitate such flows.
- **Strengthening international dialogue:** As part of the efforts to ensure international co-ordination, the OECD will be launching an International Green Growth Dialogue, with the participation of international organisations (*e.g.* UNEP, ILO, World Bank), NGOs, the private sector and other stakeholders. This initiative will contribute to ensuring a more open and inclusive approach to fostering green growth, while providing a platform for participation and exchange between a wide range of stakeholders from OECD and partner countries.