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English - Or. English

ENVIRONMENT DIRECTORATE
ENVIRONMENT POLICY COMMITTEE

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POLICY STATEMENT FROM THE OECD ENVIRONMENT POLICY COMMITTEE MINISTERIAL MEETING ON 29-30 MARCH 2012 TO THE RIO+20 CONFERENCE

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We, ministers[1] assembled at the OECD Headquarters on 29-30 March 2012;

We recall that sustainable development is an overarching goal of OECD governments and the OECD, as was noted in the Communiqué of the May 2001 OECD Meeting of Council at Ministerial level (MCM) [PAC/COM NEWS(2001)48]. We emphasise the importance of continuing work on sustainable development at the OECD.

We further recall that the 2009 MCM adopted the "Declaration on Green Growth" [C/MIN(2009)5/ADD1/FINAL] while the 2011 MCM welcomed the OECD's *Green Growth Strategy* [C/MIN(2011)4 and its ANN1&2; C/MIN(2011)5 and C/MIN(2011)5/FINAL]. We consider green growth a practical means of achieving many of the goals of sustainable development, not a replacement for it. We note that the aim of green growth is closely aligned with one of the two major themes of the Rio+20 Conference, namely green economy in the context of sustainable development and poverty eradication. We support the ongoing work of the OECD on green growth, and welcome the contribution that it makes to discussions at the Rio+20 Conference.

We welcome the OECD's *Environmental Outlook to 2050* (the *Outlook*) which we called for at our meeting in 2008. We consider that it contains important findings in the fields of climate, water, biodiversity and human health that should usefully inform deliberations at the forthcoming Rio+20 Conference. We also recognise the need for further attention by the OECD to other environmental issues, including resource and energy efficiency, sustainable agriculture and food security, chemical risk reduction and waste management, and environment-related spatial planning.

The *Outlook* demonstrates the need for urgent policy action to address key environmental challenges, change the course of development, and avoid potentially significant consequences and costs of inaction. We confirm the *Outlook* findings that a business-as-usual approach to growth and development would place grave pressures on the earth's biosphere. Although uncertainties remain about environmental thresholds, crossing them would entail real reductions in well-being and welfare.

We further note that strong governance and well-designed policies can significantly relieve these pressures while still meeting the legitimate development aspirations of everyone. We recognise the importance of establishing the right conditions to ensure a smooth transition to an inclusive and equitable green growth.

We consider that the OECD's *Green Growth Strategy,* released in May 2011 and augmented by subsequent analyses, provides an important policy toolkit with which to address many of the developmental challenges facing the global community. We look forward to the OECD's forthcoming report on green growth and developing countries including emerging economies, and welcome the contribution of these emerging economies to the report in order to maximise its policy relevance and usefulness.

We ask the OECD to broaden its green growth analysis both thematically and sectorally, recognising that green growth should be encouraged across all sectors and take into account the linkages between different sectors. We stress that the idea of green growth is not a replacement for the broader paradigm of sustainable development. Green growth aims to foster economic growth and development while ensuring that natural assets continue to provide the resources and environmental services on which our well-being

[1] Ministers and Representatives of Australia, Austria, Belgium, Canada, Chile, Colombia, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Russian Federation, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom, the United States and the European Union.

relies. Green growth is not a one-size-fits-all prescription, but is instead an approach that aims to take account of different levels of development, resource endowments and environmental pressures.

We support efforts to mainstream green growth into economic policy, and recognise the important role of finance and economy ministries, working together with our own ministries as well as those responsible for innovation, skills development, natural resource management, agriculture and energy amongst others. The private sector will play a major role in delivering green growth. We emphasise the need for governments to establish enabling frameworks that leverage private investment, and to work effectively in partnership with the private sector and civil society in achieving green growth. The success of green growth policies depends on the awareness of consumers and enterprises of the need and possibilities for change, and the willingness of governments to promote policies to alter incentives for these groups. This underlines the importance of access to environmental information, public awareness and participation, and effective access to judicial and administrative review of decisions that may affect the environment. We look to the OECD to work with countries to explore implementation paths and governance approaches that are adapted to different country settings.

We underline that if countries are to effectively monitor their implementation of national green growth strategies and their progress towards any goals that may be agreed at the Rio+20 Conference, practical measurement tools will need to be developed. We commend the OECD's ongoing work on green growth indicators [C/MIN(2011)5/FINAL] as a useful complement to GDP by providing a means to measure and communicate progress on the decoupling of pollution and resource consumption from growth, as well as the impact of economic activity on natural assets and human well-being, including protection of public health. We urge the OECD to work with other relevant organisations to develop a common framework that can be easily and practically used by all countries, taking into account their national circumstances and capacities. We seek wider support for such indicators at the Rio+20 Conference.

We commit to ensuring that the green growth policy agenda, open trade and investment for sustainable development, and the spread of green technologies and innovation are mutually supportive. We stress that green growth should not constitute a means of discrimination or provide a pretext for economic protectionism; at the same time, trade and investment policy must not be a barrier to green growth or sustainable development. We note that the OECD has so far found no evidence of green investment protectionism. International co-operation, including capacity building, should be strengthened to support clean production in all countries and to avoid a shift of polluting production to countries with less stringent regulations. We ask the OECD to continue to estimate and assess fossil fuel and other subsidies, with a view to supporting countries in their efforts to rationalise or phase out environmentally-harmful and inefficient subsidies, such as fossil fuel subsidies, that encourage wasteful consumption, while providing targeted support for the poorest.

We consider that work on sustainable development and environment should be a priority in OECD cooperation with enhanced engagement countries (Brazil, China, India, Indonesia and South Africa), Russia and other emerging and developing countries. We recognise the importance for all of sharing policy experiences, including through the Organisation's improved and streamlined peer review processes so that green growth can be grounded in country-specific policy advice.

We support efforts to accelerate and broaden the world-wide transition towards an inclusive green economy that promotes sustainable development and poverty eradication, and to drive international action and increase co-operation in key areas for environmental and social development such as agriculture, water, energy, employment and education. We are committed to strengthen governance structures at all levels (local, sub-national, national, regional, global) that underpin the delivery of sustainable development and the achievement of internationally agreed goals. We look forward to making progress in these areas at the Rio+20 Conference. We offer our support to the Rio+20 Conference and stand ready to contribute to the outcomes of the Conference.