OECD
BETTER POLICIES FOR BETTER LIVES

THE WELL-BEING LENS

An innovative process for **net-zero** strategies

While governments across the globe are making efforts to limit greenhouse gas emissions, the pace of climate action is not fast enough. To achieve net-zero goals and limit global warming to well-below 2˚C, as envisioned in the Paris Agreement, **systemic transformations are needed.**

The OECD has developed a process - **the well-being lens** - **to help governments achieve the transformational change needed to reach international climate goals while improving wider well-being outcomes.**

WHAT IS THE WELL-BEING LENS?

The well-being lens is a process which allows governments to **think innovatively** and **design climate strategies with the potential to accelerate climate change mitigation while improving wider well-being outcomes.**

Building on **systems thinking**, the process allows to unleash emission reduction opportunities through policies targeted at redesigning systems, often absent or at the margin of current climate strategies.

By defining outcomes in terms of **well-being** (e.g. health, affordability, equity, biodiversity) and making these outcomes central criteria guiding systems' redesign, it mainstreams well-being considerations into the decision-making process of climate strategies from the onset.

WHAT IS SYSTEMS THINKING ANYWAYS?

Systems thinking is a way of thinking that allows us to see **systems, rather than just parts**. A system is a set of elements whose interactions determine its structure and behaviour. Elements include people, factories, cars, bikes, etc. The interactions are the way the elements are organized. Interactions include rules, incentives, sanctions, and information.

By seeing whole systems, the policymaker can **unleash the potential for emission reductions** contained in the interactions between elements, i.e. can focus its attention in **redesigning the way these elements are organised, rather than just focus on optimising parts.** For example, by seeing whole systems, the policymaker can focus his/her efforts on reversing the dynamics behind car-dependency – at the source of high emissions in most transport sectors - rather than limit to electrifying vehicles within car-dependent systems.

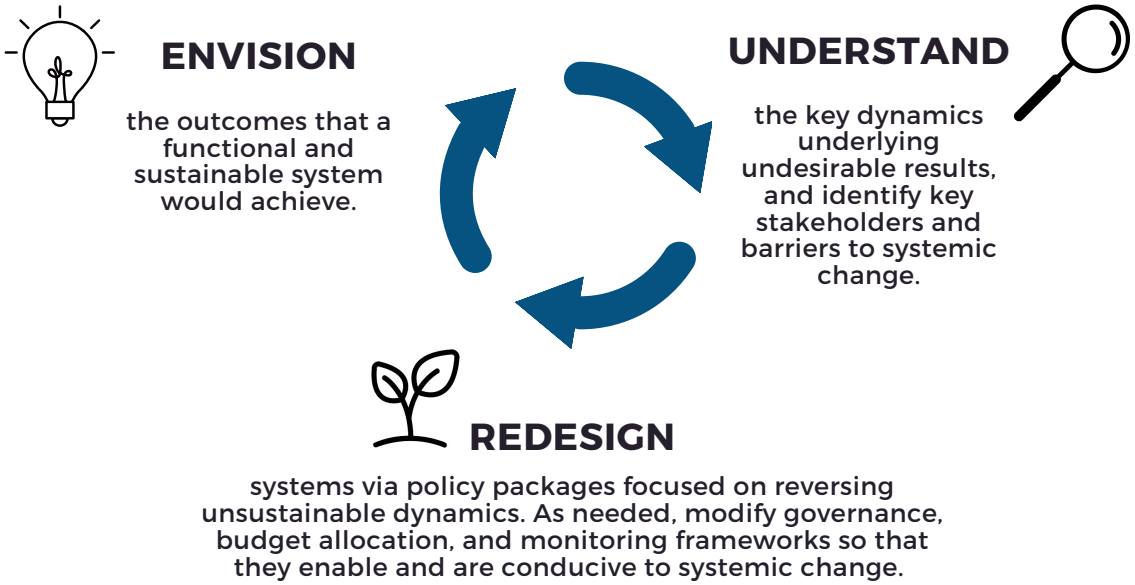
WHY IS THIS IMPORTANT?

Climate action could be more efficient and effective if focused on systems as a whole, so that – by design – systems require less energy and materials, and produce less emissions, while achieving higher well-being outcomes (e.g. biodiversity, health, equity), and subsequently better lives.

Transitioning towards systems that are **sustainable-by-design** opens up opportunities for **synergies** between climate change mitigation and other well-being outcomes. It also fosters collaboration across a multiplicity of actors (e.g. government officials across ministries, private sector, civil society), making climate action more cost-effective, feasible and publicly acceptable. While trade-offs will always exist, systems that are redesigned while making climate and wider sustainable goals (e.g. incomes and equity, health, biodiversity) a priority can reduce negative impacts, as well as better anticipate and manage the remaining trade-offs.

Yet, most climate action today focuses on optimising parts in systems that are **unsustainable-by-design.** For example, many efforts (and investments) go into replacing combustion with electric vehicles. These efforts, while necessary, can be inefficient if embedded in car-dependent systems (see more below).

THE WELL-BEING LENS PROCESS



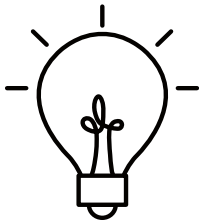
SOURCE: ADAPTED FROM SYSTEMSINNOVATIO.IO

HOW DOES THE PROCESS WORK?

AN EXAMPLE FROM THE TRANSPORT SECTOR

STEP 1: ENVISION

The first step – **envision** – is about defining the outcomes that a sustainable system should achieve. Analysis suggests that a well-functioning transport system from a well-being lens fosters accessibility, i.e. the possibility to access places with ease, by creating proximity to places, and privileging healthy, safe and sustainable transport modes (e.g. walking, cycling, by public transport). Yet most transport policies foster mobility (i.e. physical movement), most often privileging emission and space-intensive modes of transport and neglecting the creation of proximity[1]. Mobility-oriented policies often lead to increased traffic and on average, longer distances to access places, leading to car-dependent systems that are difficult to decarbonise, and are an example of what we call unsustainable-by-design systems.



ENVISION

STEP 2: UNDERSTAND

The second step – **understand** - is about **identifying**:

- **key dynamics** – or vicious cycles - in the **systems' structure** leading to undesirable results
- **relevant actors** with a stake in the system
- **barriers** to systemic change

The analysis of **key systems dynamics** can shed light on the drivers behind undesirable results and how current policies, infrastructure or other conditions (e.g. mental models) contribute to locking systems into such cycles. For example, three vicious cycles – **induced demand, urban sprawl, and the erosion of shared and active modes of transport** – are observed in most transport systems and are identified as the key drivers of car-dependency and high emissions.

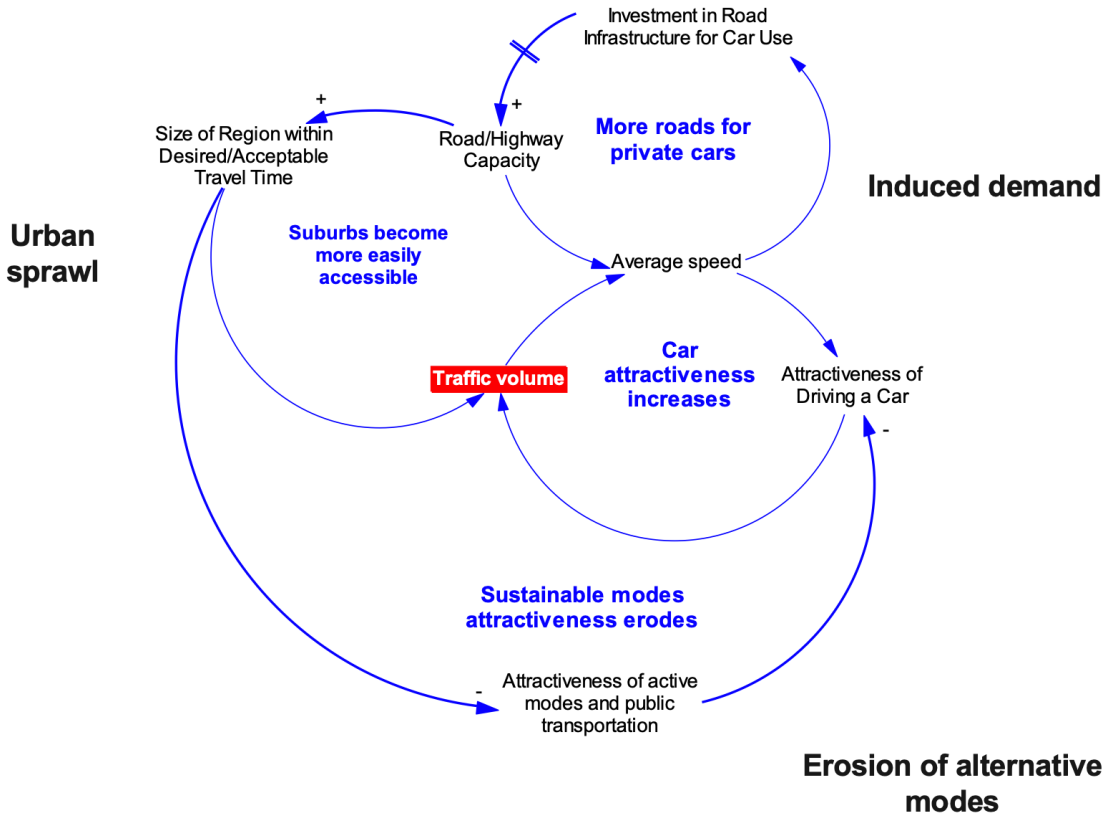
UNDERSTAND

[1]The notion of accessibility implies that people's well-being does not ultimately depend on how much and how far people can travel, but on the possibility to meet their needs with ease, including by not having to travel long distances, or at all. The creation of proximity is thus a key objective of accessibility-oriented policies.

Relevant actors with a stake in the system may include citizens, policy makers, public transport/feeder services companies, the automobile industry, etc. Understanding the actors' incentives, perspectives and interests is fundamental for transformational change. Fostering collaboration with these actors is fundamental, as it is ultimately them who will facilitate, or hinder the transition towards better systems.

Barriers to systemic change may include governance structures, budget allocation mechanisms hindering collaboration across ministries, decision-making tools (e.g. models), or misaligned goals.

KEY DYNAMICS LEADING TO CAR-DEPENDENCY



Note: Induced demand refers to the phenomenon by which investments in road expansion to reduce congestion end up having the opposite effect. They increase congestion, because the more roads, the more attractive the car becomes, and the more people choose to drive. Urban sprawl is the phenomenon by which people move further away from cities when they can get there - where the places of interest tend to be concentrated - within a reasonable time budget, e.g. 30 minutes by car. The more roads expand, the more this is possible. The daily distances with urban sprawl increase, and active modes such as walking, cycling or micro-mobility are no longer an option. As density decreases, and single-use development is fostered, public transportation is also less of an option, as it is difficult to get a good service. Both dynamics lead to the erosion of alternative modes, (the third dynamic), either because these modes are not safe, and/or because they are less convenient than driving a car for example.

STEP 3: REDESIGN

The third step - **redesign** – is about identifying **policies with the potential to reverse the vicious cycles** identified in the previous step, as well as the way forward to ensuring their implementation, and the transition towards systems that improve well-being and have low (towards net-zero) emissions.

Most climate policies focus on decarbonising the existing unsustainable system, for example, replacing combustion with electric vehicles. By design, most transport systems push people to "choose" private vehicles (i.e. cars or motorbikes), which increases traffic, often offsetting the emission reductions from vehicle electrification[2]. This also makes electrification challenging and creates large trade-offs with the wider sustainability agenda. Electrifying large and growing vehicle fleets will cause among others things, a growing demand for minerals; with mining already creating a large environmental impact (e.g. including water pollution and erosion of ecosystems). In addition, vehicle electrification will leave unsolved issues such as unequal access to opportunities and road safety challenges. Moreover, revisiting the way in which incentives for electrification are implemented is relevant, as these can sometimes exacerbate these problems by further locking-in car dependency.

REDESIGN

Systems can be redesigned. Climate policies could instead focus on redesigning transport and urban systems (by targeting the vicious cycles identified in step two). In this scenario, systems effectively deliver equitable and safe access to services and opportunities, promote healthy lifestyles, keep the air clean and keep emissions at sustainable levels.

[2] Source: Lamb et al 2021 and Shafer et al 2009

POLICY EXAMPLES

Here are some policy examples with the potential to trigger transformational **change:**

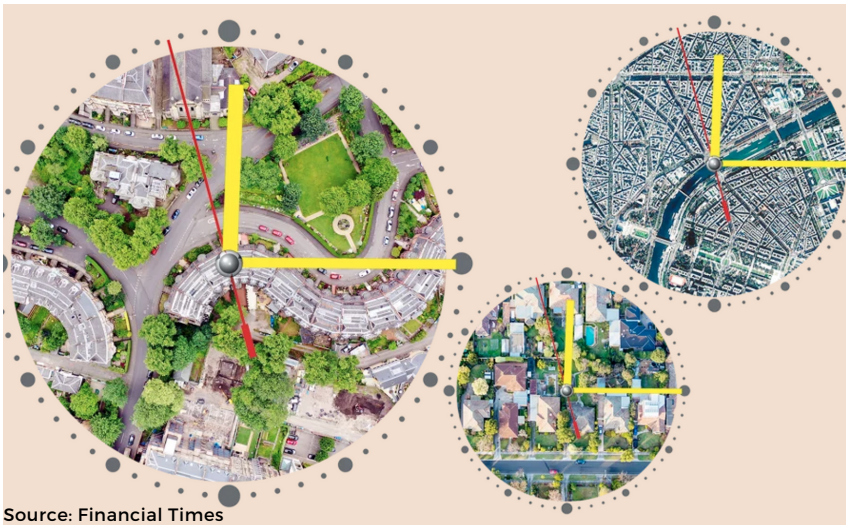
BARCELONA SUPERBLOCKS

Superblocks are an example of a road reallocation and street redesign policy with the potential to reverse the dynamic of **induced demand towards disappearing traffic**. Superblocks are polygons of 400mX400m where the street is designed to give priority to pedestrians and cyclists, rather than cars. Superblocks reduce emissions while promoting healthier lifestyles, better air quality, and social interaction, all of which contribute to better lives.

Source: Cities Today

15' CITIES

In 15' cities, urban development is centred around proximity, so that people can get to places walking and cycling in less than 15'. Rather than having urban cores surrounded by car-dependent suburbs, territories could be redesigned as networks of 15' cities, reversing **urban sprawl**, and unlocking enormous opportunities for emission reductions and better daily lives.



Source: Financial Times

POLICY EXAMPLES

INVESTMENTS IN PUBLIC TRANSPORT AND MAINSTREAMING ON-DEMAND SERVICES

The scale up of investments in public transport (e.g. increased frequency, electrification), coupled with the integration of on-demand services (e.g. vans, shared bicycles, micro-mobility) and technology (e.g. apps), has the potential to **reverse the erosion of shared and active modes.** By increasing the options available to people to access places safely and conveniently, these policies increase well-being as well as the public acceptability of other climate policies such as road re-allocation, street redesign, or carbon prices.

While the policies above are not necessarily new, today, they are marginal in climate strategies towards net-zero goals. Current climate strategies instead, place an overriding focus on vehicle electrification in unsustainable-by-design systems; leaving car-dependency unaddressed. From a well-being lens, electrification of vehicles will be key, but its power to achieve net-zero goals and contribute to wider well-being objectives depends on embedding the improvement of vehicle technologies in a wider process of systemic redesign leading to **better systems for better lives.**

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