

## Foreword

The gravest crisis of our lifetimes is now receding, but this doesn't mean that we are going back to normal. Policy makers around the world are now confronting a triple and very delicate challenge: record unemployment, unsustainable fiscal deficits and low growth. All this in a context where environmental and climate concerns are becoming an increasingly important component of economic policy.

Tackling these challenges efficiently will require a "policy hat trick" to generate the proper conditions for a sustainable growth path. But how can we achieve this when our traditional engines of growth are moving in slow motion? We need to rely on new sources of growth. There is no easy answer, but there are two clear opportunities that we can harness: innovation and green growth.

In this challenging context, the decision taken by Ministers of 34 countries last year at the OECD Ministerial Meeting to develop a Green Growth Strategy was visionary. The mandate was clear: *growth* can – and should – go hand-in-hand with *green*. The multidisciplinary policy experience of the OECD made it the right place to begin.

The OECD has been working on tackling environmental degradation and climate change from an economic perspective for several decades. Our experience points to the need for a broad, integrated mix of policies in order to achieve strong green growth. Market mechanisms will be crucial within such policy packages. Some of the most effective tools include getting the prices right, encouraging investment in green technologies and eliminating harmful policies, like fossil fuel subsidies. Promoting these instruments is among the smartest options. Broader policies to foster innovation will also be critical for creating new green industries, businesses and jobs.

The OECD Green Growth Strategy will identify the key barriers that we need to overcome. It will develop practical policy tools for securing the shift to a greener economy. It will seek to be useful and accessible to OECD and emerging economies in their joint and individual ways to build a new sustainable growth path.

This Interim Report provides first insights to better understand the challenges and opportunities that lie ahead and assesses some of the measures taken in the context of the crisis. It is the result of the work of OECD and partner countries. It has benefitted from the perspectives of business and civil society stakeholders. The 2010 Ministerial Council Meeting will be key for taking the Strategy forward, thus making a substantive contribution to promoting growth and well-being in a sustainable, "green" way.



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