

Green Growth and Development - an OECD Perspective-



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OECD's Timeline on Green Growth Strategy

- Mandate given in **June 2009 (1 year ago)**
- Interim Report in **May 2010 (2 weeks ago)**
- Synthesis Report in **May 2011 (1 year later)**

Some Keywords of OECD GGS

- **Innovation**
- **Market-based instruments**
 - Removal of fossil fuel subsidies, environmental tax, tradable permits
- **Employment effect**
 - Job creation/loss, labour market transition
- **International cooperation**
 - Development aid, technological cooperation, international financing
- **Measurement**

OECD Approach to Green Growth

Conventional growth

Remove Barriers

- Reform environmentally harmful subsidies
- Remove barriers to trade in environmental goods and services
- Strengthen policy coherence

Promote Trajectory Shift

- Adopt an integrated policy mix: market and non-market based instruments
- Accelerate the innovation and diffusion of green technologies
- Encourage measures for greener consumption
- Develop innovative financial mechanisms

Support the Transition

- Smooth reallocation of labor through key labor market and training policies
- Upgrade workers' skills and competencies
- Address distributional effects of the associated structural change

International Co-operation

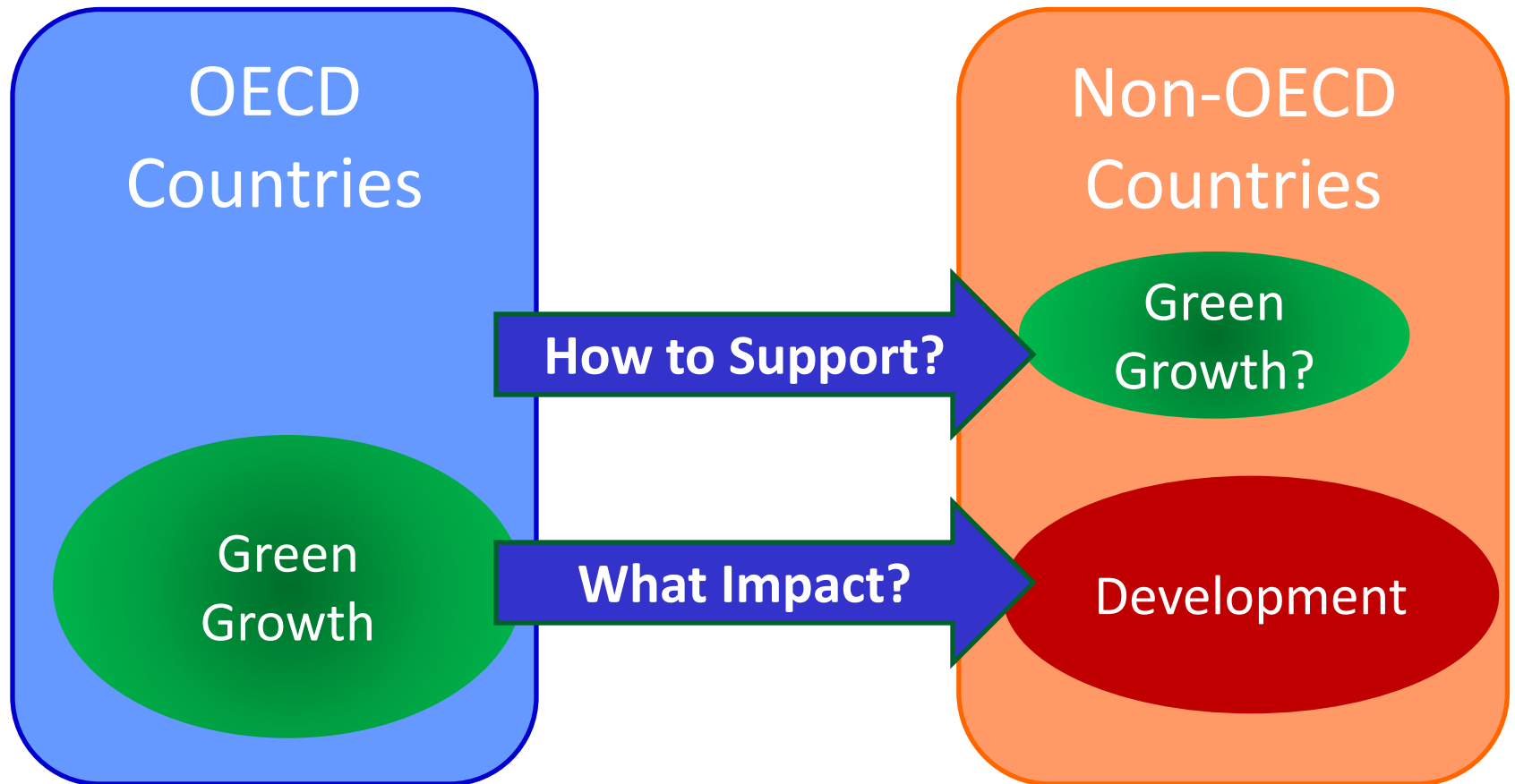
- Improve financing mechanisms for global public goods
- Enable pro-poor green growth
- Address potential competitiveness issues
- Promote technology transfer and R&D cooperation

Measure Progress

- Develop a new accounting framework and a set of green growth indicators
- Measure impact of specific policies

Greener growth

Development Perspective of OECD Green Growth



Key Pillars in Green Growth in non-OECD countries

“Pro-poor” Green Growth

Natural Resource

- Value-adding
- Governance
- Pricing

Climate Resilience

- Whole-of government approach
- Recognition of climate risk

Low-Carbon

- Focus on Co-benefits.
- Energy
- Forestry

Potential Impact of OECD Green Growth in non-OECD countries: Trade

OECD Green Growth will bring a change in trade flows, affecting the development path of non-OECD.

1. “Green” OECD will have different demand for goods and services. It will favour more of “green” goods and services.
2. Demand for low-carbon goods may give more comparative advantage to countries with abundant labour and geographical proximity to importing countries.



Thank you!

