



OECD

Green growth strategy

Measuring progress through indicators

Horizontal Task Force on Green Growth Indicators
OECD STD, ECO, ENV, STI, IEA

- **Request by Ministers of Finance, Economy & Trade in 2009**
- **Involves 25 OECD Committees**
- **2 key deliverables:**
 - **Interim Report for the 2010 MCM**
 - **Synthesis Report for the 2011 MCM**
- **International Green Growth Dialogue**



Remove barriers to green growth

- 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 and 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

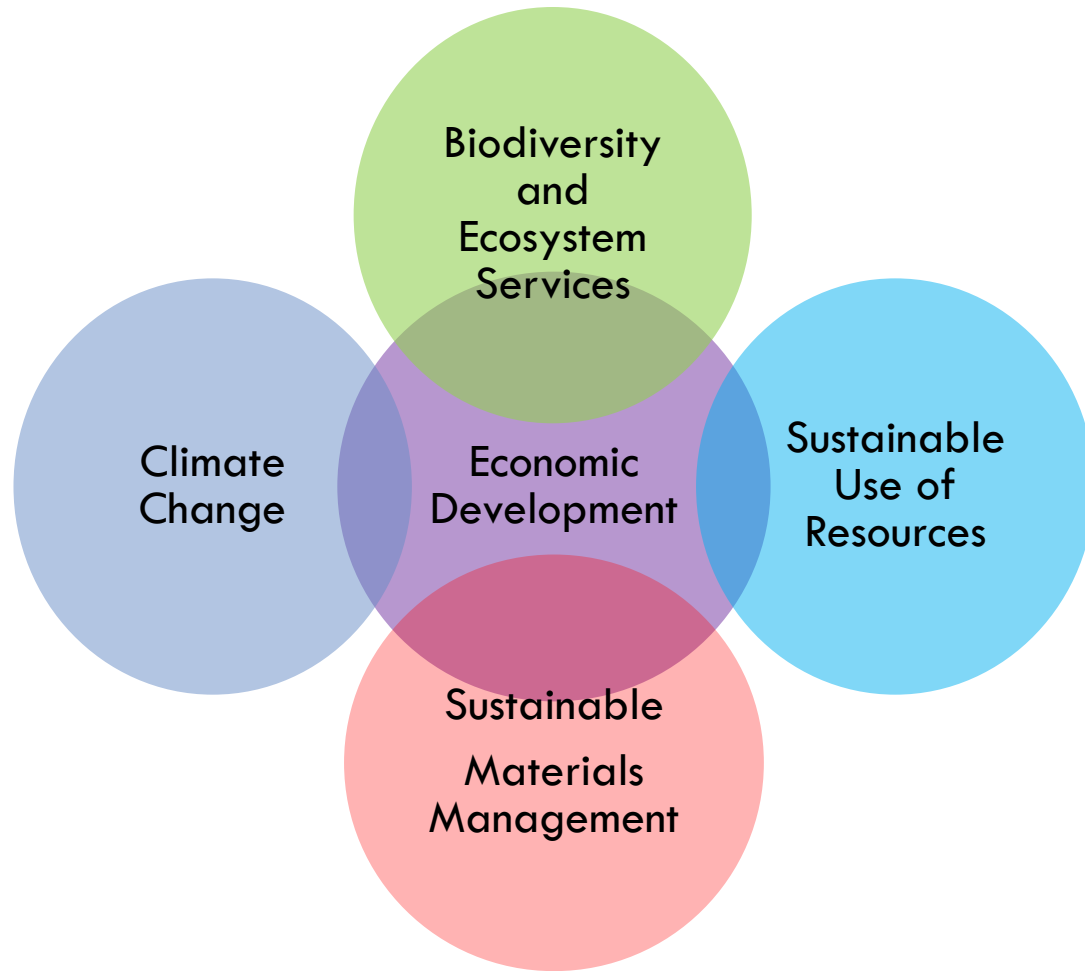
Strengthen international co-operation

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

Measure progress

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

Greener
growth



■ Purpose

- Monitoring implementation of the strategy
- Measuring progress towards GG
- Supporting policy analysis

■ Foundations

- Existing work & experience: environmental indicators, including resource efficiency, decoupling; economic indicators; energy (efficiency) indicators; S&T and (eco) innovation indicators; etc.
- Inter-Directorate Task Force
- Short term ← → long term ← → Stiglitz

- **GGI provides no rigorous definition of green growth**

...but there is working definition

- « Green growth is a way to pursue economic growth and development, while preventing environmental degradation, biodiversity loss, and unsustainable natural resource use »

...which has been used to build a framework for indicator development

- **Scope / issues**

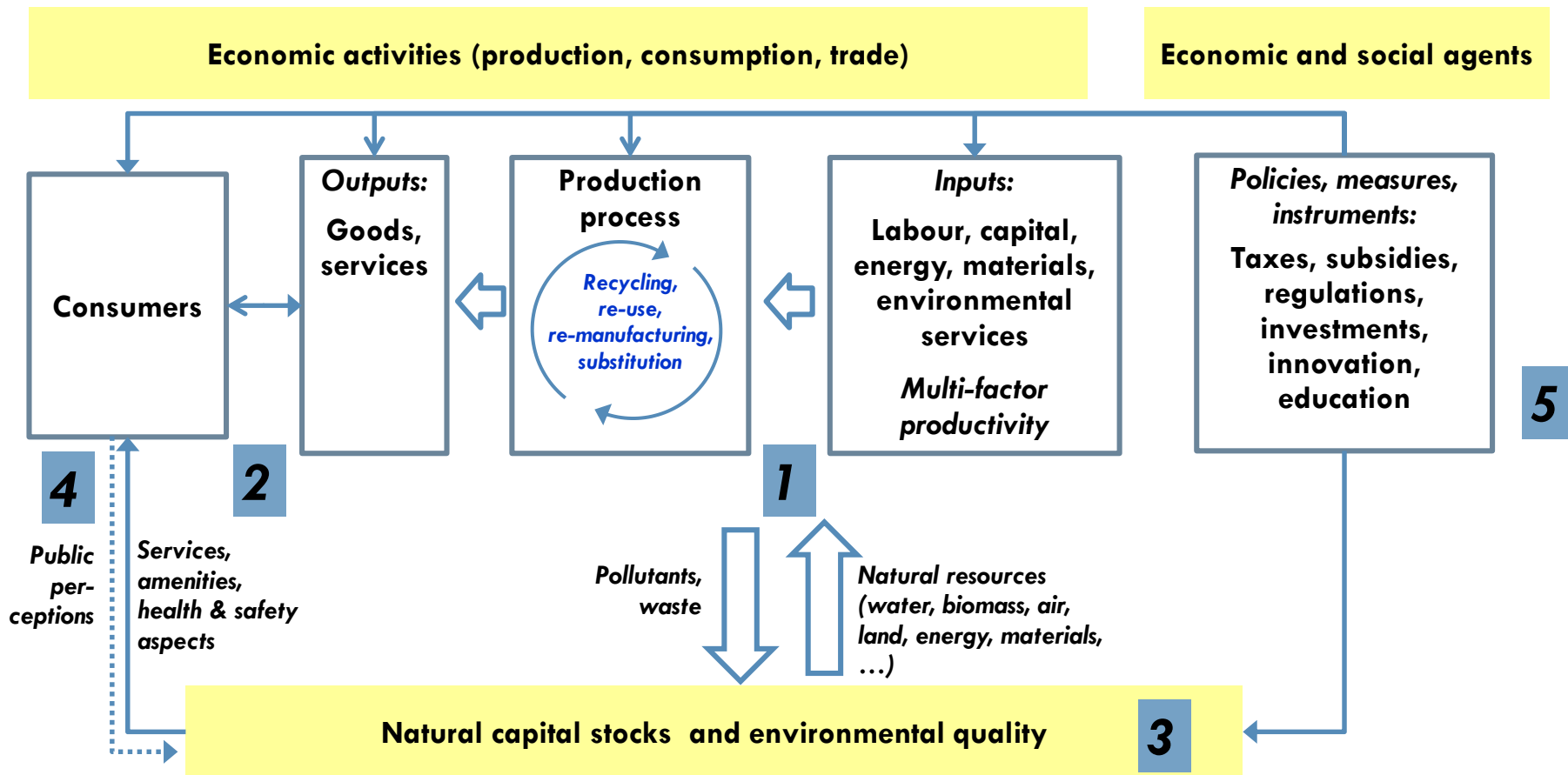
- Determinants of GG (in line with strategy)
- Start with “environmental” issues that are key to GG

■ Indicator framework

- Generally: pragmatic approach towards choice of indicators so that they respond to criteria of policy relevance, analytical soundness and measurability
- Flexibility, adaptability
- International coherence: SEEA, Stiglitz, Beyond GDP
- Growth accounting framework / issues / sectors

■ Five groups of indicators to monitor:

- the environmental efficiency of production
- the environmental efficiency of consumption
- the natural asset base of the economy, including natural resource and material stocks, and biodiversity
- the environmental quality of life
- policy responses and instruments



- 1: Indicators of environmental efficiency of production and changes in production patterns**
- 2: Indicators of environmental efficiency of consumption and changes in consumption patterns**
- 3: Indicators of stocks of natural capital and environmental quality**
- 4: Indicators of objective and subjective environmental quality of life**
- 5: Indicators of responses by economic actors**

- **Green Growth asks about how to achieve growth that is environmentally sustainable and how environmental considerations can foster growth**
- **The Progress Agenda asks ‘which growth’ and ‘whose growth’? (income or production? household perspective or economy-wide growth?)**
- **Two areas where Green Growth and Measuring Progress meet directly:**
 - Sustainability dimension of progress agenda
 - Environmental quality of life