



## REGIONAL INITIATIVE

### PILOT STUDY ON GREEN GROWTH INDICATORS IN SIX LAC COUNTRIES



**Talking points for DSG Padoan  
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Ladies and gentlemen,

Thank you for participating in today's workshop on "Monitoring Progress towards Green Growth in Latin America". The event has been jointly organized with UNIDO and I am pleased to receive great interest and support from various national and international bodies. I greatly acknowledge the collaboration with other international organizations (UNEP, CAF and SELA), which is essential for advancing on the project agenda. Together we stand ready to support our guests from Latin America in their endeavor to establish a measurement system for tracking progress towards green growth.

I foremost want to thank the participants from the six Latin American countries for making the effort to come and present their valuable work. I am pleased to see that you have found our OECD work on green growth indicators useful and compatible with UNEP's environmental indicators for Latin America. It is also of our great interest to collect your feedback about the applicability of the OECD framework to specific circumstances in your countries.

This workshop is a unique opportunity to bring together experts and senior government officials from the economic, environment and statistical communities. I count on your expertise to generate a fruitful exchange of knowledge and provide practical advice on the use of green growth indicators to support policy-making. The contributions of previous users - the Netherlands, Korea and Czech Republic - will be particularly helpful in this regard.

As you know, measurability is key for countries to move towards a more sustainable growth path and indicators have been at the heart of the OECD's work from the offset. In other words, you cannot really manage what you cannot measure. For that reason, ministers have given the OECD a strong mandate to advance the measurement agenda, and initially

identified about 25 green growth indicators. This measurement framework supports the Green Growth Strategy that provides a broad toolkit of green growth policies, which countries can draw upon in developing their own nationally-specific approaches. The first set consists of broad framework policies that mutually reinforce economic growth and the environment. These include core fiscal and regulatory settings such as tax, competition and innovation policies. The second set includes policies providing incentives to use natural resources efficiently and making pollution more expensive. These policies include a mix of price-based instruments, for instance environmentally related taxes, as well as non-market instruments, such as regulations, technology support policies and information-based approaches to help shift consumer behaviour. An essential element of these policies is the phasing-out of inefficient and environmentally harmful subsidies. At the same time, we need to ensure a smooth and socially just transition. Any unintended distributional consequences need to be addressed through targeted compensatory measures.

But these are challenging times to make progress on green growth. It is not easy to keep environmental protection and conservation of natural resources at the top of policy makers' priorities. However, greening our model of growth and making it more socially inclusive is the only credible strategy we have. Green growth policies can unlock opportunities for economic growth through a number of channels: by contributing to fiscal consolidation, by enhancing productivity through greater efficiency in the use of natural resources, by opening up new markets for green technologies, goods and services. At the same time green growth policies can help ensure that our natural assets continue to provide critical resources and services on which our well-being relies.

Therefore, international co-operation is essential to achieve synergies, nonetheless by sharing best practices among countries. Green growth has been made a priority for the G20, which gives a strong signal to the international community. Last month, the OECD presented a joint report with the World Bank and the UN to the G20 Energy and Commodity Markets group on integrating green growth and sustainable development into structural reforms. The OECD also actively contributes to revision of the System of Environmental-Economic Accounting (SEEA) and cooperates with UNEP as part of Green Economy Initiative. Recently, the Green Growth Knowledge Platform (GGKP) has been established in partnership between the Global Green Growth Institute, the OECD, UNEP, and the World Bank. This is a global network of experts that helps countries to advance on measurement, design and implementation of green

growth policies. And by the end of this month, the OECD will hold a number of side-events in conjunction with partners at Rio+20 to discuss how best to tailor green growth strategies to country circumstances. At this occasion, there will be an opportunity to bring the outcomes of today's workshop to attention of a wider international audience.

In concluding, I would like to thank you again for taking part in this very important initiative for which you can count on my support. I wish you a fruitful day and look forward to the outcome of the meeting.