



2nd Annual Conference of the Green Growth Knowledge Platform (GGKP)

4-5 April 2013

OECD Conference Centre

2-4 rue André Pascal, 75016, Paris, France

Preliminary agenda

*The second Green Growth Knowledge Platform (GGKP) Annual Conference will focus on private sector implementation aspects of green growth strategies. Private sector representatives, academics and policymakers will identify policy measures and tools to ensure that the economic benefits of green growth are spread globally and contribute to countries' development objectives. Areas of mutual interest to advanced, emerging and developing countries will be addressed, notably opportunities for strengthening North-South and South-South co-operation and ways to address related tradeoffs. The discussions will be framed around two headline themes: (i) **greening global value chains (GVCs)** and (ii) **measurement and reporting for green growth**.*

These themes build on the research priorities that emerged from the inaugural GGKP conference in January 2012, including green growth's relation to innovation and trade and competitiveness, as well as green growth indicators and measurement tools.

The Conference will also assess knowledge gaps that could be addressed by the GGKP and its network of partners.

The GGKP works with a number of knowledge partners. To date these include: AfDB, CDKN, EFD, ICLEI, ILO, ITC, UN-DESA, UNDP and UNIDO.



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4 April – Greening Global Value Chains	
08:30-09:00	– Registration
09:00-09:20	<p>Welcoming remarks</p> <ul style="list-style-type: none"> – <i>Angel Gurría, OECD Secretary-General</i> – <i>Janez Potočnik, European Commissioner for the Environment</i>
09:20-11:00	<p>Sub-session 1: Corporate incentives, motivations and patterns</p> <p><u>Moderator:</u></p> <ul style="list-style-type: none"> – <i>Pavan Sukhdev, Founder-CEO, GIST Advisory</i> <p><u>Speaker:</u></p> <ul style="list-style-type: none"> – <i>Prof. dr. Jan Peter Balkenende, Chair of the Dutch Sustainable Growth Coalition, Former Prime Minister of the Netherlands</i> <p><u>Panellists:</u></p> <ul style="list-style-type: none"> – <i>Ligia Castro, Director, CAF - Development Bank of Latin America</i> – <i>Michael Toffel, Associate Professor of Business Administration, Marvin Bower Fellow, Harvard Business School</i> – <i>Peter Bakker, President, World Business Council for Sustainable Development</i> <p><i>Examples of questions for discussion:</i></p> <ul style="list-style-type: none"> • It is often argued that firms are leading the way towards greener growth, with governments lagging behind. Why are (some) businesses taking action to green their value chain and introduce sustainability concerns into their operating practices? • What is the landscape on the greening of GVCs? What are the main patterns in the greening of GVCs? In which sectors have the greatest advances been made and which actions are being taken by firms? • What is the relative contribution of advanced, emerging and developing economies to the greening of GVCs? What are the impacts? • What are the trends in the trade of green goods and services and how do they affect countries' competitiveness and comparative advantage within green GVCs? • In which areas (if any) is there potential conflict of interest between firms located in advanced, emerging and developing countries along the GVCs? • How can the integration of sustainability into firms' business models help deliver competitive advantage? What are the benefits and risks of first-movers?
11:00-11:30	<i>Coffee break</i>
11:30-13:30	<p>Sub-session 2: Implementation challenges</p> <p><u>Moderator:</u></p> <ul style="list-style-type: none"> – <i>John Llewellyn, Founding Partner, Llewellyn Consulting</i> <p><u>Speaker:</u></p> <ul style="list-style-type: none"> – <i>Bernard Sinclair-Desgagné, International Economics and Governance Chair and Professor, HEC Montréal</i> <p><u>Panellists:</u></p> <ul style="list-style-type: none"> – <i>Doaa Abdel Motaal, Deputy Chief of Staff of the Director-General of the WTO</i> – <i>Damon Mathfield, Economic Planner, Economics Development Department, South African</i>

	<p><i>government</i></p> <ul style="list-style-type: none"> – Anders Gautschi, Head of Section Consumption and Products Section, Swiss Federal Office for the Environment (FOEN) <p><i>Examples of questions for discussion:</i></p> <ul style="list-style-type: none"> • What are the key policy-related opportunities and constraints that firms face in greening their value chains? How do differences in the stringency, coherence and predictability of countries' green growth policies influence firms' location and investment decisions? What are the implications for suppliers? • How do changes in trade barriers and policies for green growth, including market-based instruments, regulations and voluntary sustainability standards, affect the volume and pattern of investment, trade, transport and associated emissions? • What is the role of public policy and development co-operation in promoting private sector engagement in new, emerging green markets? • How can public policies in developing countries be strengthened to promote private sector engagement in the greening of GVCs in ways that can yield local economic benefits and enable them to develop higher value-added activities and market segments? • What are the challenges faced by SMEs and other small private sector actors, in developing and developed countries, in contributing to greener value chains? How can SMEs gain access to and exploit higher value opportunities in the context of greener GVCs? • What are the best ways to maximize the positive impacts of initiatives by developing country business to green their own practices, particularly with respect to how to address barriers and bottlenecks? What successfully tested business models (including partnerships with other stakeholders) can help achieve those benefits?
13:30-15:00	<p>Side event: <i>GGKP Affiliated Programmes: Green Growth Best Practice (GGBP) and Platform for Climate Smart Planning (pre-registration required)</i></p>
15:00-17:00	<p>Sub-session 3: Implications for innovation and skills</p> <p><u>Moderator:</u></p> <ul style="list-style-type: none"> – Michael Grubb, Professor, University of Cambridge <p><u>Speaker:</u></p> <ul style="list-style-type: none"> – Matthieu Glachant, Director of Cerna, Professor of economics at MINES ParisTech <p><u>Panellists:</u></p> <ul style="list-style-type: none"> – Luisa Prista, Head of Unit, Environmental Technologies, DG Research, European Commission – Reinhilde Veugelers, Professor, KU Leuven; Senior Fellow, BRUEGEL – Kevin Urama, Executive Director, African Technology Policy Studies Network, Nairobi, Kenya – Antoine Dechezleprêtre, Research fellow, Grantham Research Institute on Climate Change and the Environment, LSE <p><i>Examples of questions for discussion:</i></p> <ul style="list-style-type: none"> • How can actions by firms to green their value chains spur innovation as well as knowledge and technology transfer? • What are the policies and private sector approaches needed to encourage the development and commercialisation of green technologies for and by developing countries? • What is the role of new approaches to innovation that aim to meet the needs of emerging and

	<p>developing economies?</p> <ul style="list-style-type: none"> • What do greening of GVCs imply for job creation and skills requirements? • How can the benefits of domestic green growth policies (e.g. in terms of technology development) be shared internationally? And what is the impact of this sharing on policy sustainability and acceptability?
17:00-17:30	<i>Coffee break</i>
Filling knowledge gaps: GGKP and IOs' initiatives	
17:30-18:30	<p><u>Launch of the GGKP Indicators report</u></p> <ul style="list-style-type: none"> – <i>Achim Steiner, Executive Director, UNEP</i> – <i>Richard Samans, Director-General, GGGI</i> – <i>Jorgen Elmeskov, OECD Deputy Chief Economist, Director of the Economics Department</i> – <i>Marianne Fay, Chief Economist, Sustainable Development Network, The World Bank</i>
<p>Cocktail: Bringing Green Growth And Development Together (<i>Buffet du Parc, OECD Conference Centre</i>)</p>	
18:30-19:30	<p><u>Speaker:</u> <i>Erik Solheim, Chair of the OECD Development Assistance Committee, Former Minister of Environment and of International Development of Norway</i></p>
5 April – Measurement and reporting for green growth	
09:00 – 11:00	<p>Sub-session 4: Private sector initiatives</p> <p><u>Moderator:</u></p> <ul style="list-style-type: none"> – <i>Malcolm Preston, PricewaterhouseCoopers, Partner, Global Leader, Sustainability & Climate Change</i> <p><u>Speaker:</u></p> <ul style="list-style-type: none"> – <i>Nancy Kamp-Roelands, Director, Ernst&Young's CSR Knowledge Centre</i> <p><u>Panellists:</u></p> <ul style="list-style-type: none"> – <i>Vânia Maria da Costa Borgerth, Senior Advisor to CEO on Market Transparency, BNDES</i> – <i>Paul Dickinson, Executive Chairman, Carbon Disclosure Project</i> – <i>Martin Roberts, Development Director at University of Cambridge Programme for Sustainability Leadership</i> – <i>Philippe Martin, Directorate-General for Environment, Eco-innovation & Finance, European Commission</i> <p><i>Examples of questions for discussion:</i></p> <ul style="list-style-type: none"> • How are firms accounting for the environmental impacts of their business activity along the value chain? How widespread are such initiatives and what best practices can be identified? • What valuation methods are firms using to measure their use of ecosystem services and environmental externalities? What are the key challenges?

	<ul style="list-style-type: none"> • To what extent and under which conditions (e.g. regulatory provisions, lending standards, etc.) can incentives for such valuation be provided by financial markets? What is the role played by participation in corporate responsibility schemes (e.g. green stock market indices)? • What are the benefits and challenges of corporate environmental reporting schemes for firms, governments and investors, especially in emerging and developing countries? What lessons have been learned so far with developing and implementing such schemes, including in situations where there are governance and capacity weaknesses? • How does private reporting interact with public indicator systems?
11:00-11:30	<i>Coffee break</i>
11:30 - 13:00	<p>Sub-session 5: Public sector experience</p> <p><u>Moderator:</u></p> <ul style="list-style-type: none"> – Yolanda Kakabadse, <i>President, World Wide Fund for Nature</i> <p><u>Speaker :</u></p> <ul style="list-style-type: none"> – Carl Obst, <i>Editor, System of Environmental-Economic Accounting (SEEA)</i> <p><u>Panellists:</u></p> <ul style="list-style-type: none"> – Vannak Chhun, <i>Secretary-General and Member of National Council on Green Growth, Senior Minister's Advisor & Deputy Director-General for Inspection, Cambodia (TBC)</i> – Dahe Jiang, <i>Professor, UNEP-Tongji Institute of Environment for Sustainable Development, China</i> – Andrés Flores Montalvo, <i>General Director for Environmental Economy, National Institute of Ecology & Climate Change, Mexico</i> <p><i>Examples of questions for discussion:</i></p> <ul style="list-style-type: none"> • What has been the experience to date from countries' efforts to measure progress towards green growth? What are the main challenges with applying and interpreting green growth/green economy indicators and how do these differ between advanced and developing countries? • What are the recent advances of international organisations' initiatives on green growth/green economy indicators and measurement tools? How can research and coordination activities under the GGKP umbrella best support countries' efforts to assess their progress on green growth objectives, especially in developing countries? • Is there a need for a small set of 'headline' indicators on green growth to enable international comparability and better communication of national progress, and what would such indicators cover? • What are the challenges imposed on regulators in goods, services and financial markets by the need to account for green growth policies? • How does the measurement of well-being support the sustainable development agenda.
Working lunch: Breakout groups	
13:00-14:30	<ol style="list-style-type: none"> 1. Alignment of government and corporate measurement and reporting on green growth 2. Green growth indicators and development of SDGs 3. Integration of green growth policies in national plans to maximise the benefits of GVCs 4. Distributional and job implications of greening GVCs 5. Policy obstacles to business sector implementation of green economic activities

Wrap up	
14:30-15:30	Reporting back by the breakout groups – Chair: <i>Benjamin Simmons, GGKP Secretariat</i>
15:30 - 16:00	Conclusions and next steps <i>Soogil Young, Chairman, Presidential Committee on Green Growth, Korea</i>

Detailed description

1) Day 1: Greening global value chains

The globalisation of value chains is one important way in which firms in advanced, emerging and developing countries exploit their specific comparative advantages and adapt to changes. There is wide recognition that, overall, such globalisation has helped spread out the benefits of global growth and diffuse knowledge and technologies. These global value chains are now being affected by a trend towards greener products. However, to the extent that these reflect not only private sector initiatives and changing consumer preferences but also their reaction to public policies in some countries, the move towards greener global value chains (GVCs) has raised a number of concerns in emerging and, especially, developing countries. For instance, in developing countries the process of greening GVCs is often perceived as imposing trade conditionality and raising prohibitive costs of entry and compliance for many private actors (*e.g.* certification and labelling) rather than creating new growth opportunities.

The Conference will:

- Analyse the relationship between green growth policies and global value chains, looking at how government interventions targeting certain sectors/technologies/firms can lead to the greening of value and supply chains and how domestic green policies impact supply chains elsewhere.
- Examine the influence of trade policies and to what extent greening of GVCs generates costs and opportunities in countries at different levels of development.
- Assess how fragmented and international the green economy is, and how green growth policies can be both efficient and inclusive.
- Describe corporate initiatives to develop sustainable production methods and products.

To clarify these issues, Day 1 will focus on the distribution of costs and benefits in emerging and developing economies. Participants will outline their perspectives and priorities on topics such as how to deal with both the risk of “green protectionism” and the “pollution haven” phenomenon; how to limit risks of disruptions in value chains; and how to seize opportunities for enhancing technology and knowledge transfer, job creation and skills development.

The Conference will also look at how differences in countries' absorptive capacity and level of development affect their participation in, and benefits from, greener GVCs. It will also define the kind of support that developing countries need to become active in GVCs, gain negotiating power, and move up the value chain. Illustrative case studies could include the development of green cars and certification schemes (as an essential part of the greening of global value chains in agriculture).

Issues for discussion

Incentives, motivations and trends. How do policy and the market influence firms' responses to greening? How important are cost and efficiency considerations? Are consumer preferences and corporate image becoming more important? Does greening affect security of supply and exposure to environmental or resource constraints? What is the potential of niche markets? Are trends in trade and investment in green goods and services different from other sectors? Do producers of raw materials have any incentive to go green? or Will first movers reap benefits or expose themselves to risk? Will compliance with regulatory tools help or hinder the greening of GVCs? How can economic instruments promote green GVCs? Should public procurement be used to stimulate greening?

Implementation issues in advanced, emerging and developing countries. Will complying with green quality standards be seen as a constraint or an opportunity by SMEs and small farmers and bigger private sector actors? Who should pay for externalities? How will supply chains and logistics influence and be affected by greening? How can consumer behaviour be changed? Is there a danger that policy will create bottlenecks? Will human capital constraints stifle green innovation? Will greening be an excuse for protectionism or a stimulus to opening markets to trade and investment? What are the main governance, monitoring and enforcement issues?

Implications for knowledge-based capital such as innovation and skills. Can actions to green value chains spur R&D expenditure, patenting and licensing in cleaner and resource-saving technologies? Will greening stimulate investment in training, managerial and organizational capital, branding, and the development of new, greener products? Will there be spillovers from initiatives such as frugal or reverse innovation aimed at meeting local needs in developing countries in a more cost-effective way?

2) Day 2: Measurement and reporting

Addressing environmental pressures and achieving green growth pose measurement challenges to both firms and governments. Day 2 will focus on the interface between private and public measurement. Beyond the exchange of information between different stakeholders, this session will establish to what extent government and private sector driven approaches to measuring, verifying and monitoring economic activities through the prism of green growth are complementary and convergent. It will also discuss how international organisations can best support public and private measurement efforts and facilitate a convergence in approaches, notably through the GGKP's Research Program on green growth indicators based on a core partnership between the OECD, UNEP, World Bank and the GGGI. The conference will also consider the links between measurement and monitoring of green growth and the broader process for the development of Sustainable Development Goals (SDGs).

For the **public sector**, Day 2 will cover performance and policy measurement issues faced by governments, public institutions, regulators and international organizations:

- development of databases that are comparable across countries and able to follow the evolution of the stock of natural assets and the use of ecosystem services in economic activity;
- development of indicators for comparing green growth policies in different areas, sectors and countries;
- developed and developing countries' experiences with applying green growth/green economy indicators, including implementation challenges and insights regarding the relative usefulness of different indicators;
- the role of regulatory agencies versus self-regulation in the context of increased private sector attention to sustainability concerns.

For the **business sector**, topics will include:

- valuation methods used and the incentives, challenges and issues faced by firms and financial institutions in accounting for the use of ecosystem services in production and
- progress towards improving sustainability (including the interactions with policies aimed at pricing these services);
- assessments of the environmental impacts of resource use throughout the life cycle of materials and the products that embody them, from natural resource extraction and manufacturing to end of life management;

- development and adoption of alternative valuation approaches to account for environmental risks and uncertainty around future market conditions;
- provisioning for environmental risks (*e.g.* climate change, resource shortages, natural disasters);
- corporate reporting of green dimensions (*e.g.* environmental impact) of business activity;
- participation in green corporate responsibility schemes (*e.g.* green stock market indices).

3) Working groups

At lunchtime on the second day, conference participants will be invited to select one of five **working groups** to discuss knowledge gaps emerging from the discussions in the green GVCs and measurement sessions. The groups are:

1. Alignment of government and corporate measurement and reporting on green growth
 - How to ensure synergies in measurement of green growth by businesses and government entities? How to address private and public sector capacity constraints for green growth measurement and reporting in developing countries? What is the role of international organisations?
2. Green growth indicators and development of SDGs
 - How can green growth/green economy indicators contribute to the process of defining and developing SDGs?
3. Integration of green growth policies in policy reform agendas to maximise the benefits of GVCs
 - What policies are needed to maximise the net benefits of greener value chains across countries? How can greening GVCs benefit developing countries? How can green growth and trade policies be made coherent and better integrated across advanced, emerging and developing countries?
4. Distributional and job implications of greening GVCs
 - What are the implications of and opportunities from changes in GVCs that reflect green comparative advantages in demand for skills and social equity?
5. Policy obstacles to business sector implementation of greener economic activities
 - What policy and regulatory weaknesses need to be addressed to facilitate business sector greening of economic activities? How do they differ in advanced and developing countries?