



# Measuring Progress: Green Growth Indicators 40 Measuring Progress: 250

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#### **Towards Green Growth**







#### **Towards Green Growth: Monitoring Progress**

OECD INDICATORS



**OECD Economic Surveys** 



# **DELIVERING ON GREEN GROWTH**











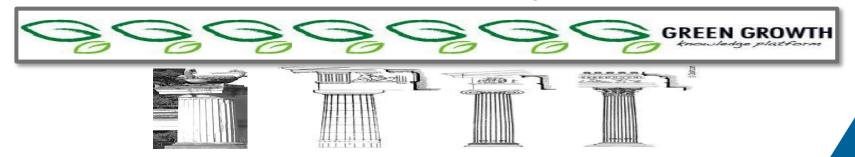
To foster economic growth and development, ensuring that natural assets are used sustainably, and continue to provide the resources and environmental services on which the growth and well-being

improve human weil-being and social equity, while reducing environmental risks and ecological

scarcities

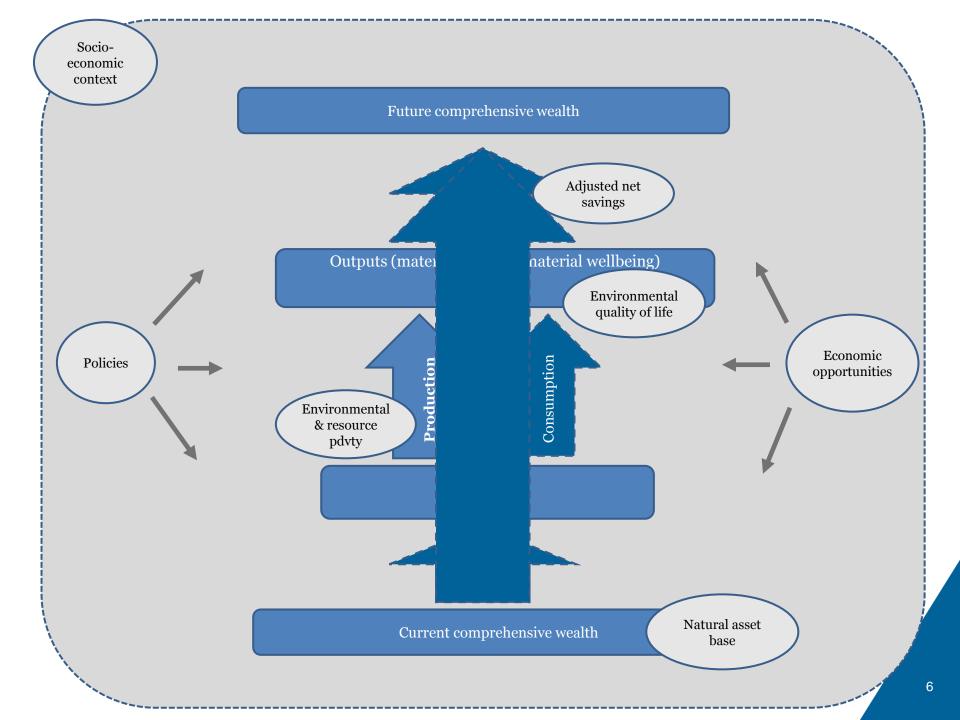
It is efficient in its use of natural resources, clean in that it minimises pollution and environmental impacts and resilient in that it accounts for natural hazards

## CONVERGING ON GREEN GROWTH / GREEN ECONOMY





# What to Measure? 40 Stepping towards a Common Basis 250



**NATURAL ASSETS** 

**Aquatic** 

Forest

Minerals and energy Land and soil

Water

**Biodiversity** 

**ENVIRONMENTAL AND RESOURCE PRODUCTIVITY** 

**Innovation** 

Energy

Materials

Carbon

Water

Waste

SOCIO-ECONOMIC AND SAFETY

Health

Risk CONTEXT m services

GG/GE POLICIES AND OPPORTUNITIES

**Employment** 

**Policy instruments** 

International cooperation

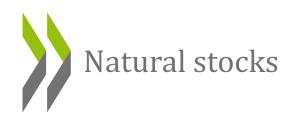
**COMPREHENSIVE WEALTH ACCOUNTS** 

Adjusted net savings

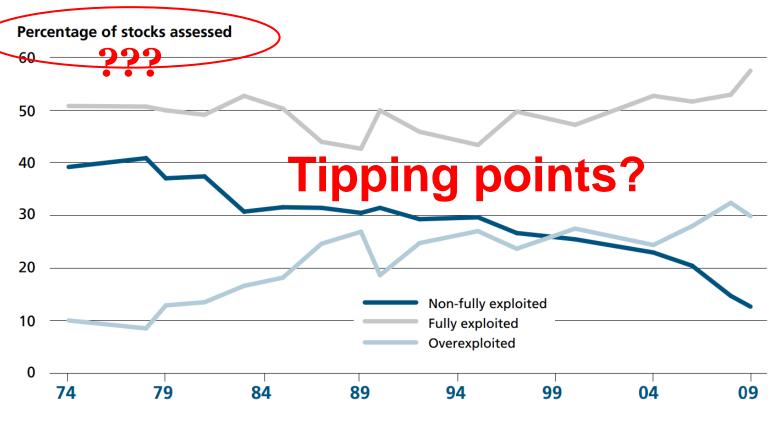
Adjusted net income







# World trends in the state of world marine stocks, since 1974





#### Production-based CO<sub>2</sub> emissions vs. GDP, OECD countries

#### Change in production-based CO<sub>2</sub> emissions (%, 1999/01-2008/10) 40 BRIICS 70NF 1: (95;73)No decoupling World 30 20 10 ZONE 2: Relative, but no absolute decoupling 0 -10 ZONE 3: Absolute decoupling -20

40

50

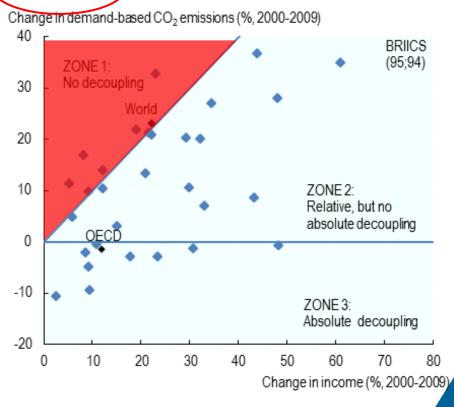
Change in GDP (%, 1999/01-2008/10)

20

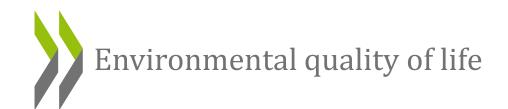
10

30

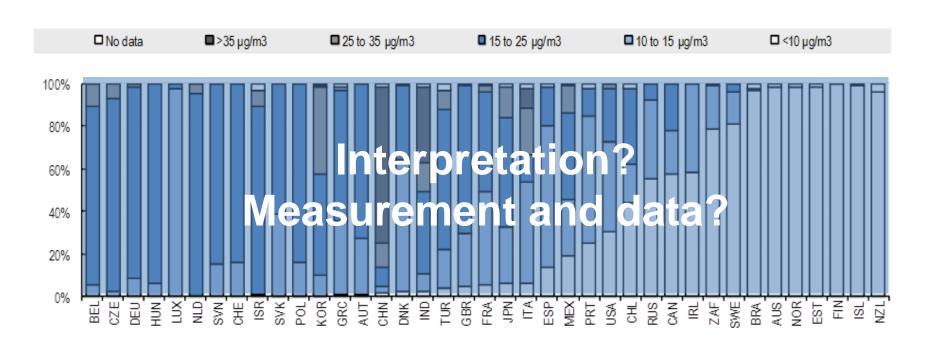
#### Demand-based CO<sub>2</sub> emissions vs. income, OECD countries



Sources: GGKP (2013): Moving towards a Common Approach on Green Growth Indicators; OECD: Green Growth Indicators Database; Carbon Dioxide Emissions Embodied in International Trade



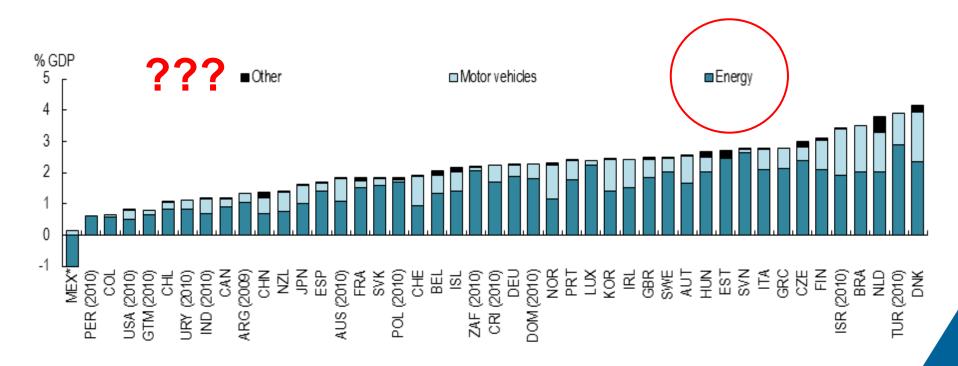
# Population exposed to air pollution by WHO PM<sub>2.5</sub> thresholds Average 2001-06, OECD and BRIICS countries



Sources: GGKP (2013): <u>Moving towards a Common Approach on Green Growth</u>
<u>Indicators</u>; OECD, Regions at a Glance 2011: Satellite-Derived Surface PM2.5 map
derived by Van -Donkelaar et al. (2010).



# Environmentally related tax revenues, 2011 or latest OECD and non-OECD countries



Sources: GGKP (2013): Moving towards a Common Approach on Green Growth Indicators; OECD: Green Growth Indicators Database; OECD Environmentally related Taxation Database.



# INCENTIVES FOR GREENER GROWTH

#### INCENTIVES <u>AGAINST</u> GREENER GROWTH

**\$22 bn**Government R&D

Is this really the right's

energy ei policy signal Ponsumption

\$88 bn

Renewables

subsidies globally

Company car & parking tax benefits, OECD countries

Sources: OECD (2013), Inventory of Estimated Budgetary Support and Tax Expenditures for Fossil Fuels; IEA (2012), World Energy Outlook; IEA (2011) Clean Energy Progress Report; OECD (2013 forthcoming).







# Applications in countries

The Netherlands, Czech Republic, Korea, Mexico, Latin America...

Green growth in the

**Feedback** on policy relevance

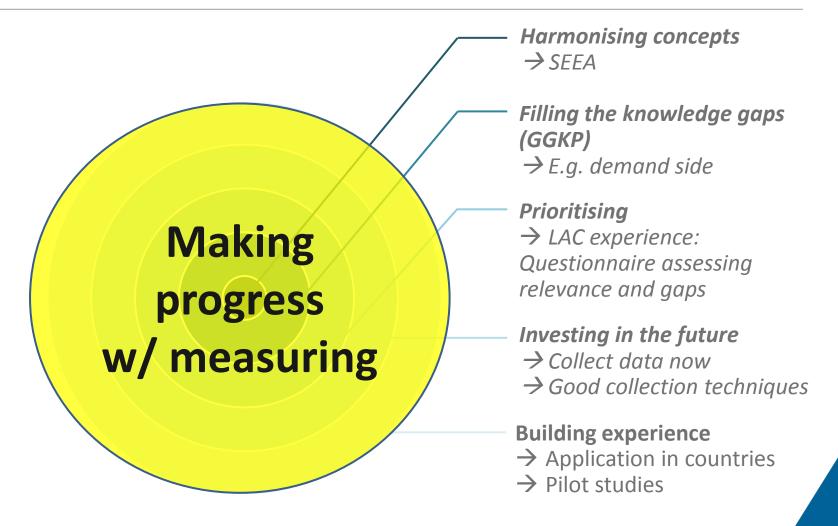
**Exchange of** experience and best practices

**Contribution to** indicator improvement

- OECD: the Netherlands the Czech Republic, Korea, Mexico, Denmark, Germany
- **OECD: New Zealand, the Slovak Republic, Slovenia**
- LAC: Colombia, Costa Rica, Ecuador, Guatemala, Paraguay, Peru
- **Eastern Europe, Caucasus and Central Asia**
- East Asia (e.g. GG strategy, Investment Policy Reviews)

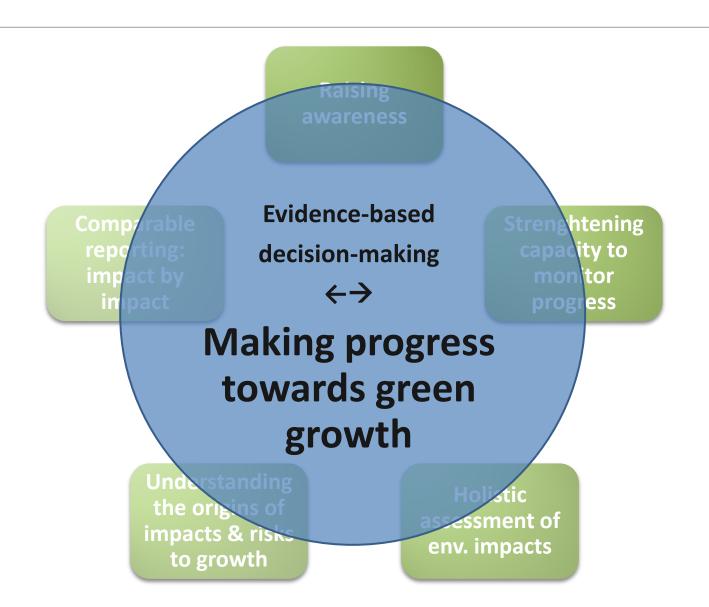


Netherlands



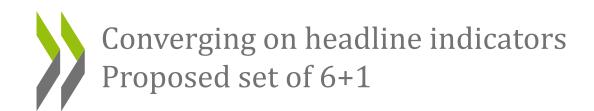


# Benefits from using GG/GE indicators









Group	Theme	Proposed headline indicator
Environmental and resource productivity	Carbon productivity	1. CO <sub>2</sub> productivity
	Resource productivity	2. Non-energy material productivity
	Multifactor productivity	3. Multifactor productivity incl. environmental services
The natural asset base	Renewable and non- renewable stocks	4. Index of natural resource use
	Biodiversity and ecosystems	5. Changes in land use and cover
Environmental quality of life	Environmental health and risks	6. Air pollution (population exposure to PM 2.5)
Economic opportunities and policy responses	Tech. and innovation, EGS, jobs, prices, taxes, transfers,	+ 1 placeholder: For countries to choose • "Green" is difficult to isolate; Cross-country variation in policies



- → Wealth is key to sustain future consumption
- → Different types of wealth

Manufactured capital

Human and social capital

Natural capital

Long-term growth

Prosperity and well-being



- ... more work in progress
- → Scope for cooperation within the GGKP

## **GREENING MULTIFACTOR PRODUCTIVITY MEASURE**

- OECD methodological note: Natural resources as input factors, selected pollutants as undesirable outputs in the production function;
- Testing for OECD and partner countries.

## **INDEX OF NATURAL RESOURCE USE**

- •OECD methodological note: Use of natural resource stocks sustainable?
- Testing for OECD and partner countries.

### **GREEN GROWTH INDICATORS DATABASE**

OECD and partner countries, time series since 1990:
 www.oecd.org/greengrowth/greengrowthindicators.htm



# Thank you!



### **Contact (OECD work on green growth):**

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- Žiga Žarnić, Policy Analyst, OECD/GG, Ziga.Zarnic[AT]oecd.org

#### **Save the Date:**

Green Growth & Sustainable Development Forum, OECD, 5-6 December 2013: "Encouraging and leveraging private investment for green infrastructure and technologies, including through innovation policies"







# SEEA - Environmental and Economic Accounting

#### Part 1

- Physical supply and use
- Monetary transactions
- Asset accounts
- Macroeconomic aggregates and indicators

#### Part 2

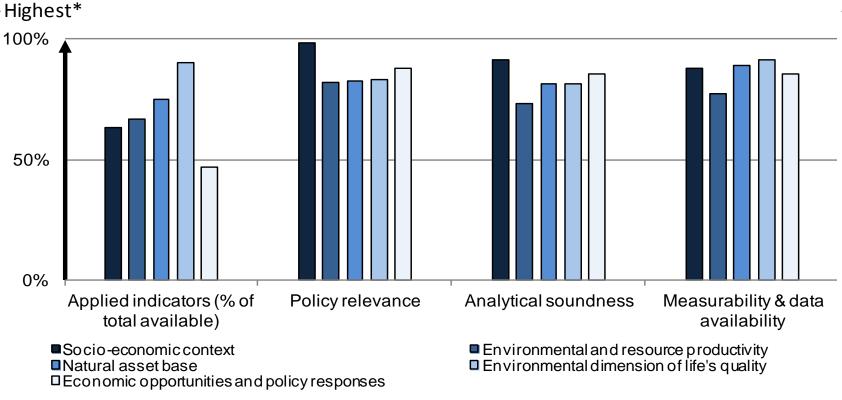
• Experimental Accounts for Ecosystem, 1st draft 2013

## Part 3

- Applications and Policy Uses, 2013
- → Needs to be populated with data.



# ANNEX: Learning from applications in the LAC Questionnaires to authorities for assessing each indicator

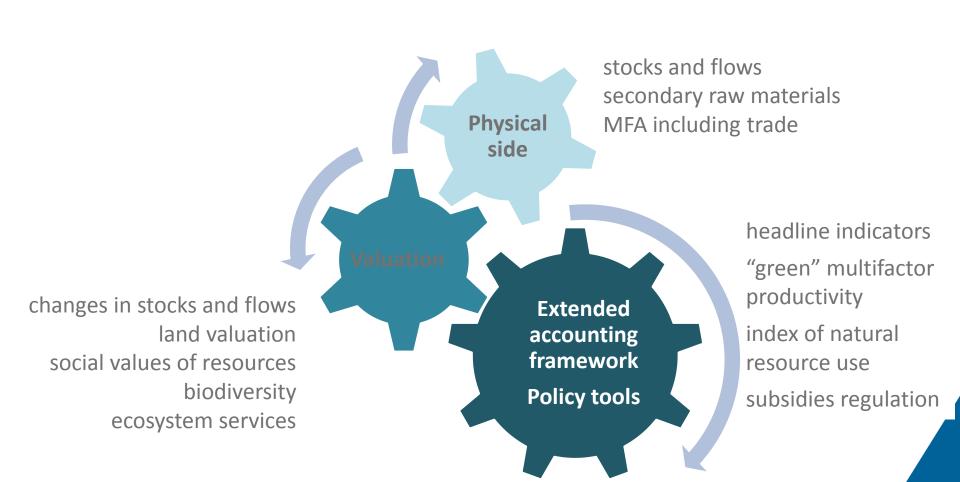


<sup>\*</sup>Refers to the highest level of i) data availability, ii) analytical soundness, iii) policy relevance, or iv) applied indicators as percent of total indicators considered in the country case studies. The underlying information is based on preliminary responses of participant countries on the applicability of green growth indicators to their national contexts (refers to Annex summary table).

Source: CAF-OECD-UNIDO (forthcoming), Monitoring GG in the LAC Region: Progress and Challenges.



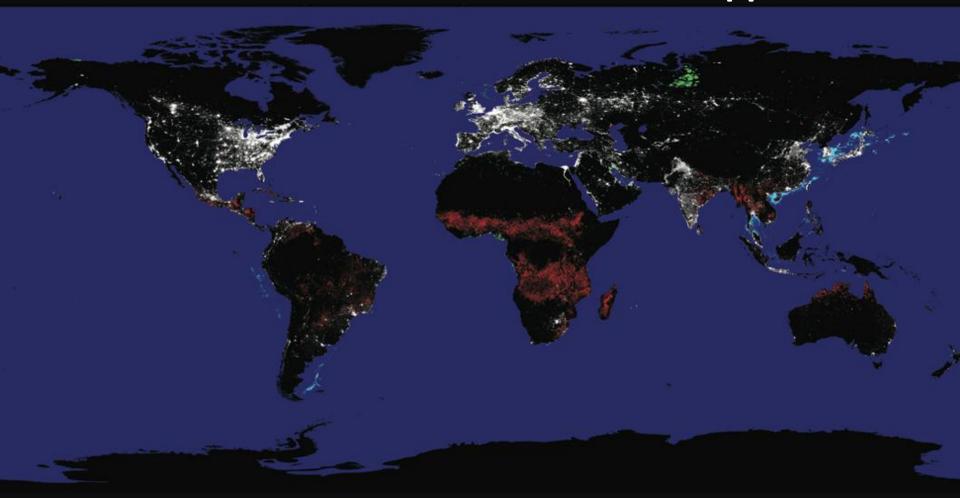
## ANNEX: Some specific measurement & data gaps to fill ...



SEEA Central Framework - **adopted** as the international statistical standard, 2012; Needs to be **implemented** to ensure consistency and comparability of measures.

# ANNEX: Spatial dimension TOWARDS A HOLISTIC INTEGRATED VIEW

Investment CITIES ENERGY TRANSPORT ... Opportunities



White: Lights

**Green: Gas flares** 

**Blue: Boats** 

**Red: Fires**