



# **OECD ENVIRONMENTAL STRATEGY: 2004 REVIEW OF PROGRESS**

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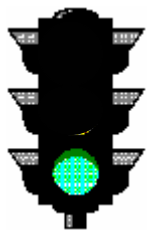
## PRESENTATION OVERVIEW

- *What is the OECD Environmental Strategy?*
- *Results of the OECD Environmental Outlook (supported development of the Strategy)*
- *5 Objectives of the OECD Environmental Strategy*
- *OECD Environment Ministerial (20-21 April 2004)*
- *Main messages of the Ministerial*
- *Progress in implementing the Strategy*
- *Main challenges that remain*
- *Conclusions*

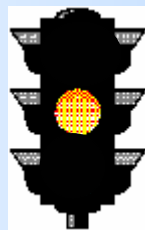
# OECD ENVIRONMENTAL STRATEGY FOR THE FIRST DECADE OF THE 21<sup>st</sup> CENTURY

- In 1998, OECD Environment Ministers asked OECD to **develop a new environmental strategy**.
- To identify the key environmental challenges to address, OECD released an **OECD Environmental Outlook to 2020**.
- **OECD Environment Ministers** adopted the Strategy and **OECD Ministerial Council** endorsed it in May 2001.
- It identifies 5 main **objectives**, the key **challenges** under each, 71 **national actions**, and 55 items of **OECD work**.
- It provides the **foundation for the Environment work programme**.

# OECD ENVIRONMENTAL OUTLOOK: WHAT ARE THE MAIN CHALLENGES?



- Some air pollutants (lead, CFCs, NOx, SOx)
- Forest coverage in OECD regions



- Water use
- Surface water quality
- Hazardous waste & toxic emissions from industry
- Energy production & use
- Forest quality in OECD regions
- Waste management



- GHG emissions
- Motor vehicle & aviation air pollution
- Agricultural pollution & groundwater quality
- Over-fishing
- Biodiversity & tropical forest coverage
- Chemicals in the environment

## 5 MAIN OBJECTIVES OF THE OECD ENVIRONMENTAL STRATEGY

- Maintaining the integrity of ecosystems through the efficient management of natural resources (climate, freshwater, biodiversity).
- De-coupling environmental pressures from economic growth (agriculture, transport, energy).
- Improving information for decision making: measuring progress through indicators.
- The social and environmental interface: enhancing the quality of life.
- Global environmental interdependence: improving governance and co-operation.

# OECD ENVIRONMENT MINISTERIAL 20-21 APRIL 2004

**Theme:** Review implementation of the Environmental Strategy.

**Topics:** assessment of progress; effective and efficient policies; policy integration; partnerships; environment & sustainable development; overcoming obstacles to subsidy reform.

**Participation:**

- 21 OECD Environment Ministers or Vice-Ministers
- 7 non-OECD countries
- Inter-governmental organisations
- Stakeholders (business, trade unions, NGOs)

## MAIN MESSAGES OF THE MINISTERIAL

- Some progress has been made, but overall we are **not on track to** meet the commitments in the OECD Environmental Strategy.
- **For successful policy implementation:** Environment Ministers need to work in partnership with other Ministers, countries, and stakeholder partners to overcome obstacles to policy implementation.



# CONSIDERABLE PROGRESS HAS BEEN MADE

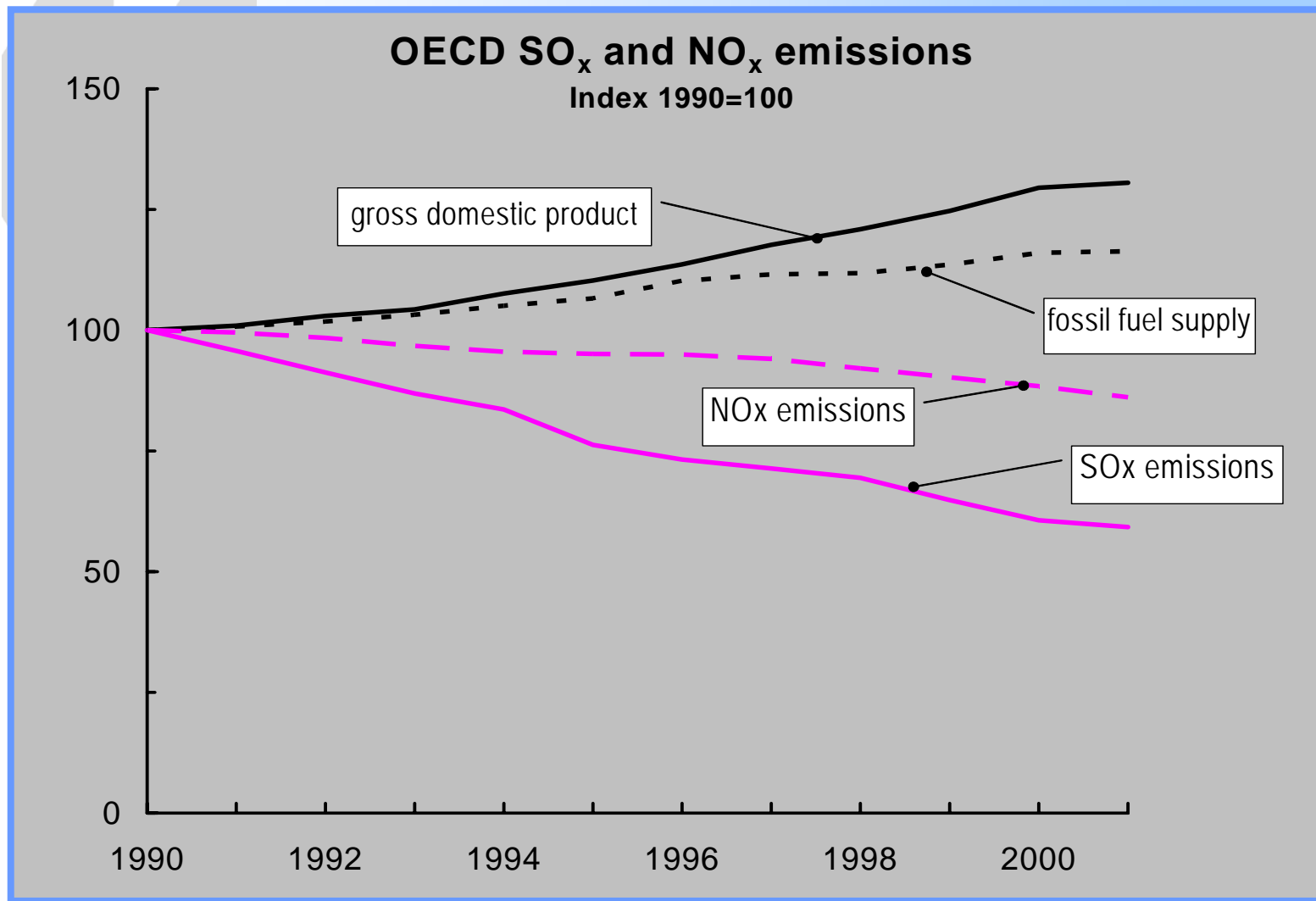
## Water management:

- Adequate supply for human needs, considering ecosystem needs.
- Water pricing, tradeable permits, river basin management, IWRM.
- Cleaned up worst polluted waters, addressed point-source pollution.
- Challenges: groundwater pollution, diffuse (e.g. agricultural) pollution.

## Reducing local air pollutants:

- Lead, Sox, NOx, CO, CFCs. OECD NOx emissions have reduced by about 15% since 1990, and SOx emissions by about 40% (see fig.).
- Regulatory timetables for air quality in all OECD regions to 2008.
- Refining transport and air pollution taxes, charges and regulations.
- Challenges: small PMs, VOCs, smog, critical loads for acid rain and eutrophication deposition still surpassed.

# REDUCTIONS IN SO<sub>x</sub> and NO<sub>x</sub> EMISSIONS





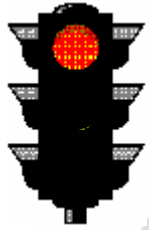
## PROGRESS (contd.)

### Environmental and health risks from chemicals & GMOs:

- Testing & assessment of endocrine disrupting chemicals, HPV chemicals, development of test guidelines, chemical accidents prevention & response, GHS for Labelling of Chemicals.
- All OECD countries have regulatory framework for assessing risks of GMOs, Unique Identifier developed.
- Challenges: bioaccumulating and toxic chemicals in the environment.

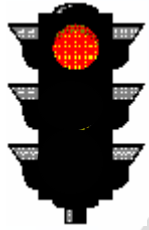
### Entry into force of multilateral environmental agreements:

- Agreement on conservation & management of straddling fish stocks and highly migratory fish stocks (Dec. 2001).
- Agreement on conservation & management of the high seas (April 2003).
- Rotterdam Convention on Prior Informed Consent (Feb. 2004).
- Stockholm Convention on Persistent Organic Pollutants (May 2004).



## BUT...MAJOR CHALLENGES REMAIN

- Addressing climate change.
- Decoupling environmental pressures from economic growth.
- Biodiversity management.
- Resource mobilisation to meet international environmental goals.

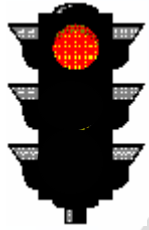


## CLIMATE CHANGE

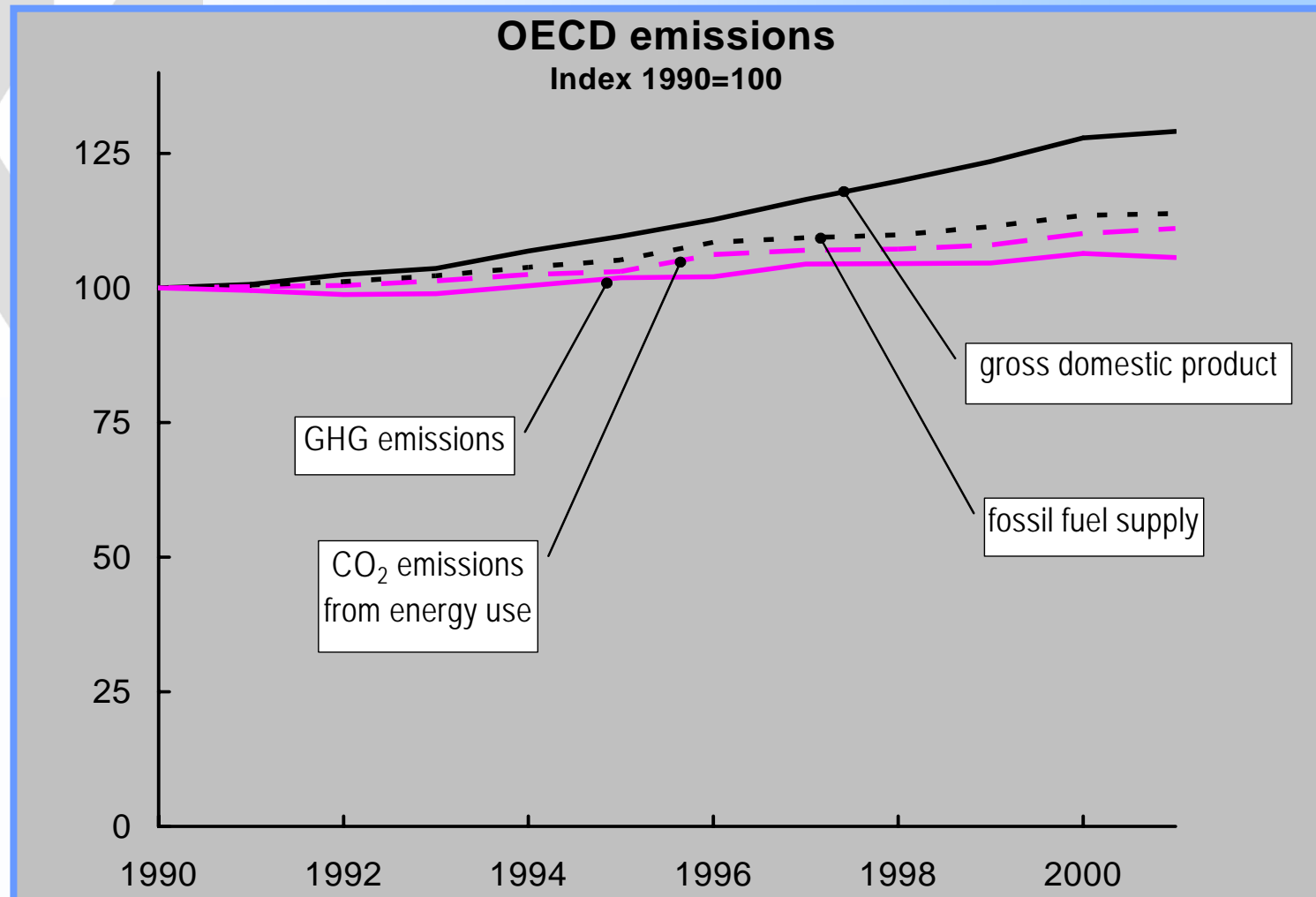
Only one-third of OECD countries have stabilised or reduced GHG emissions since 1990. Policies slowly being adopted, but insufficient.

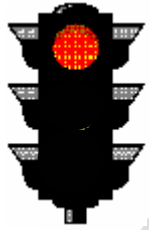
- Policy instruments: 16 OECD countries have or plan carbon/ energy taxes; 9 + EU have/plan emissions trading schemes; 16 have/plan voluntary approaches; 14 are/plan to be investors in CDM or JI.
- International co-operation: All but three OECD countries (US, Australia & Turkey) have ratified the Kyoto Protocol.

See only a slight decoupling of GHG emissions from economic growth (see figure).



## CLIMATE CHANGE contd.





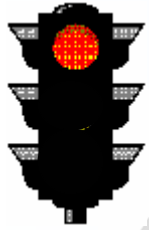
# DECOUPLING ENVIRONMENTAL PRESSURES FROM ECONOMIC GROWTH

## Agriculture

- Government support to farmers = €229 billion (2003). Equivalent to 3-4 times total development aid.
- 80% of support through environmentally damaging types.

## Transport & Energy

- Air pollution, CO2 emissions, congestion, urban sprawl.
- New technologies: promising, but development/ uptake slow.
- Need to address: rapidly growing air transport, public transport expansion, increased energy efficiency (e.g. standby power), fuel mix.



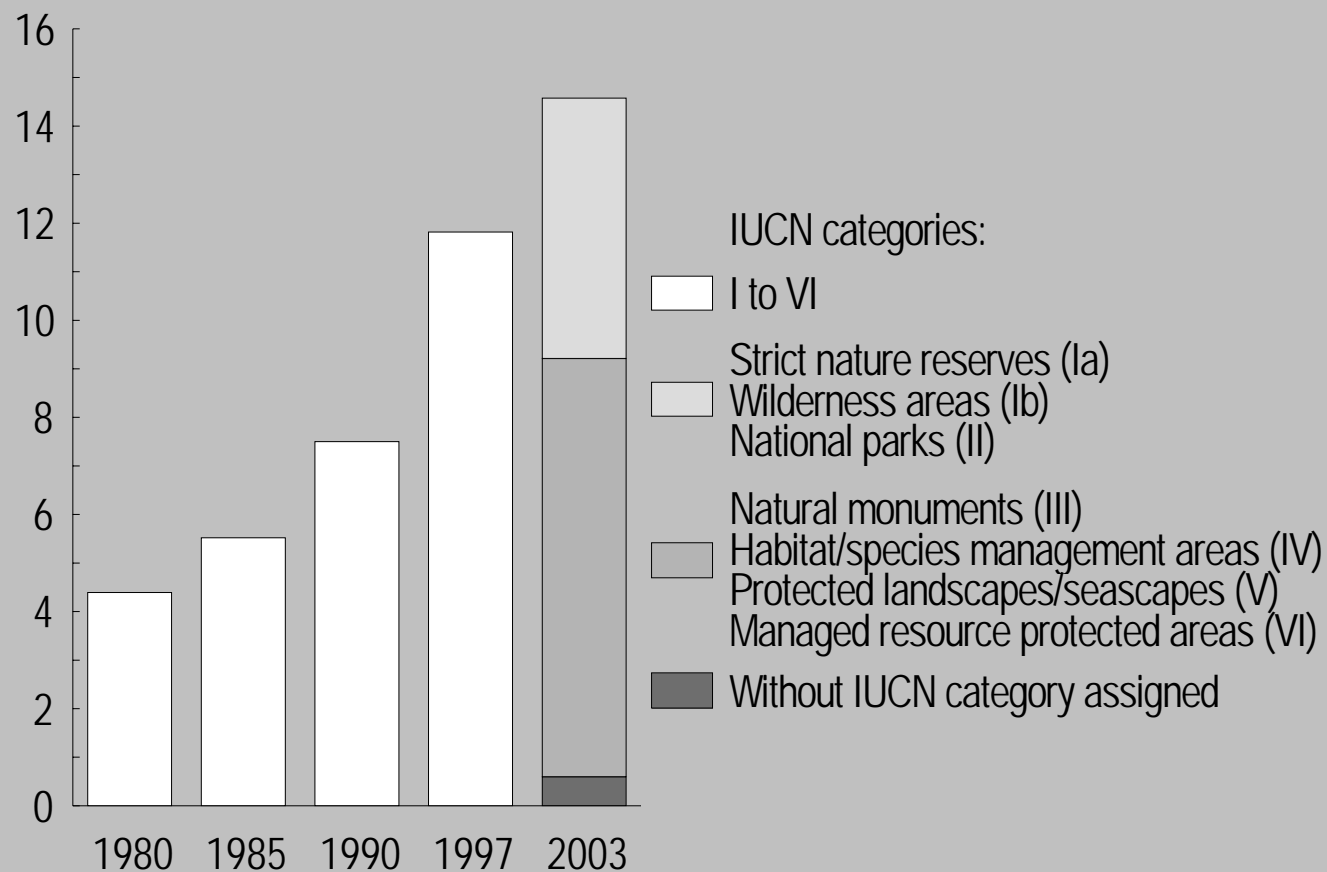
## BIODIVERSITY

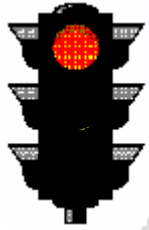
Protected areas have increased in OECD countries to 14.6% of land area (see fig.), but biodiversity loss outside these areas continues.

- Percentage of known species that are endangered continues to increase.
- 75% of marine fish stocks are fully exploited, overexploited, depleting, or recovering.
- Challenges: better management of protected areas, establishment of marine parks, integration of biodiversity concerns in sectoral policies (agriculture, forestry, fisheries, tourism)

## BIODIVERSITY (contd.)

Protected areas, OECD  
% of total area





## INTERNATIONAL RESOURCE MOBILISATION

Resource mobilisation to support international environmental objectives is insufficient:

- OECD countries provide \$50-68 billion p.a. in ODA, of which \$5-6 billion to environment-related projects.
- MDG/ WSSD goals to halve population without access to water & sanitation by 2015: expected additional investment needs = \$75 billion p.a. (current ODA and lending = \$4-4.5 billion).
- Need a mix of financing: internal revenue raising (taxes/ charges), ODA, FDI & export credits.

## OECD SUPPORT

OECD supports countries in implementing the *OECD Environmental Strategy* by:

- **Monitoring implementation** – data & indicators; OECD Environmental Performance Reviews.
- **Undertaking policy analysis** – to identify effective and least-cost environmental policies.
- **New work requested by Ministers** – (i) the costs of policy inaction and (ii) criteria for successful partnerships.



## CONCLUSIONS

- Some progress has been made, but not enough.
- There is considerable scope for more efficient and effective environmental policies (taxes, tradable permits, subsidy reform/ removal).
- Greater environmental policy integration and international co-operation is needed.



# Thank You for your attention!

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- **Further information:**

- [www.oecd.org/envmin2004](http://www.oecd.org/envmin2004)
- [www.oecd.org/env/outlook](http://www.oecd.org/env/outlook)