



ALIGNING PUBLIC FINANCE FOR GREEN RECOVERY PLANS & BEYOND

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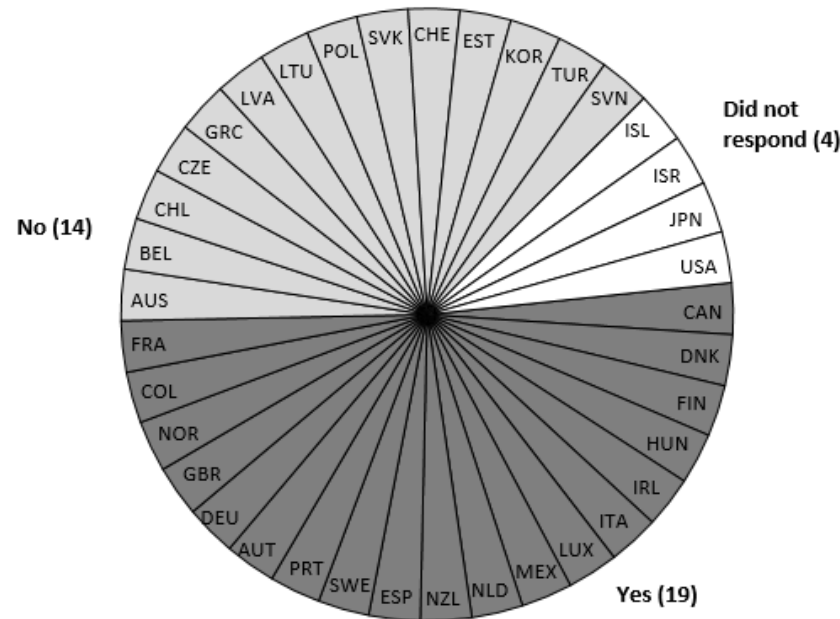


TRENDS ACROSS THE OECD



Status of green budgeting

Does your country practise some form of "green budgeting"?

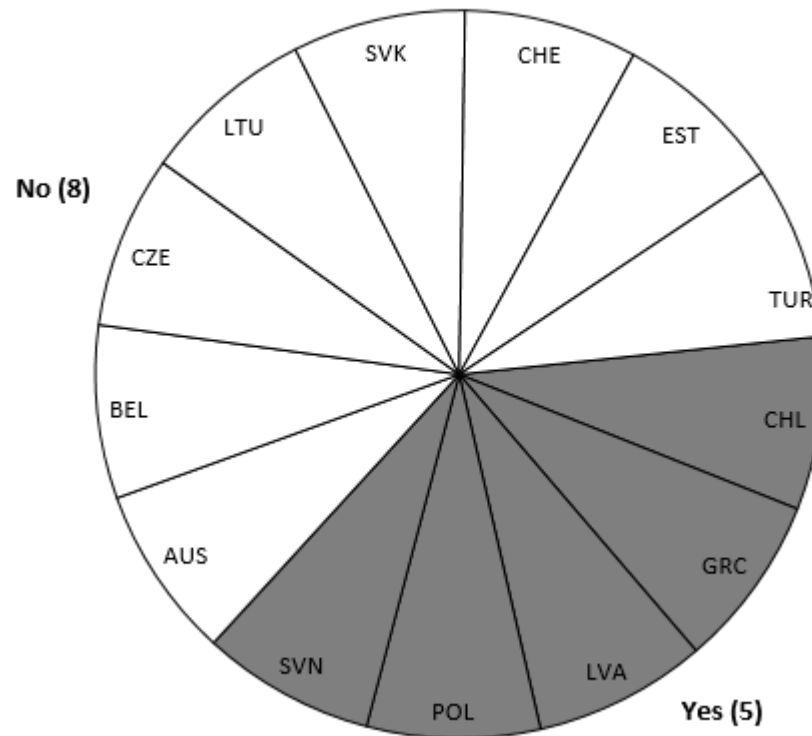


Green budgeting definition: *Using the tools of budgetary policy-making to help achieve environmental and climate goals. This includes evaluating environmental impacts of budgetary and fiscal policies and assessing their coherence towards the delivery of national and international commitments. Green budgeting can also contribute to informed, evidence-based debate and discussion on sustainable growth.*



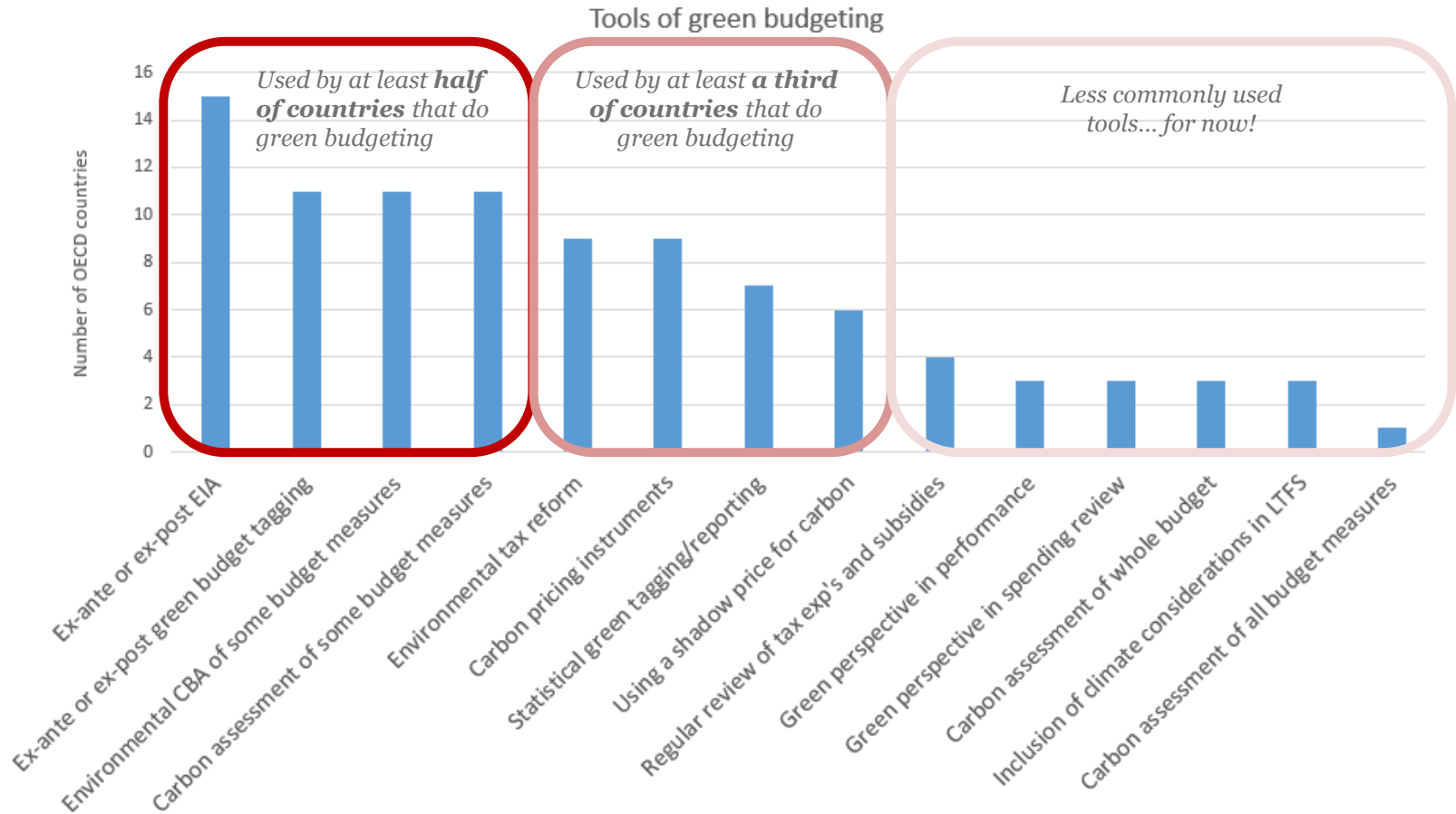
Status of green budgeting

Are there plans to introduce green budgeting?





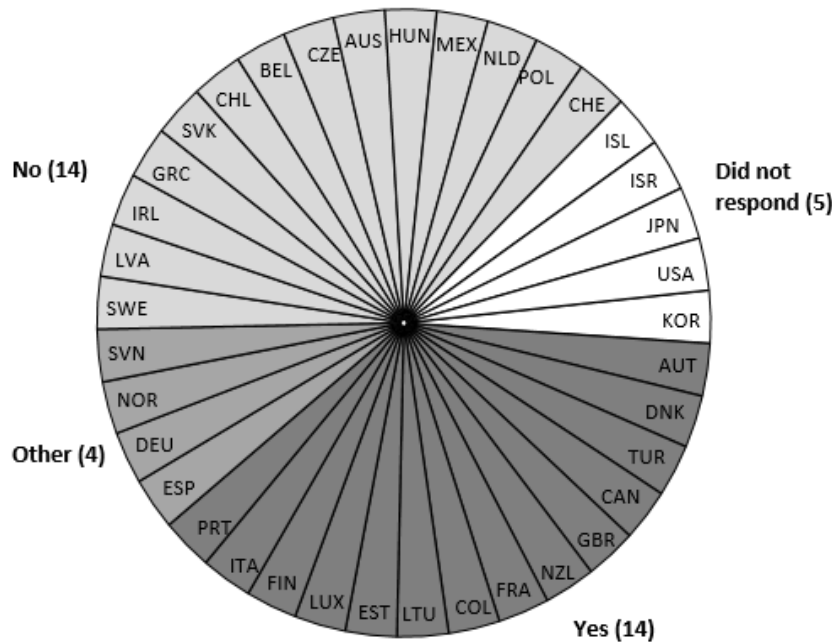
Tools and methods of green budgeting



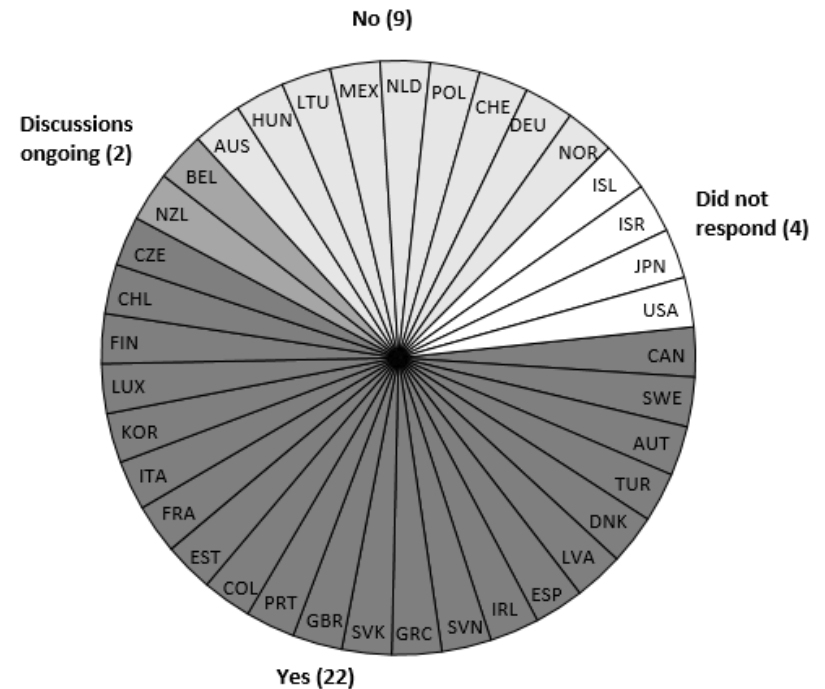


COVID-19 rescue measures and green recovery packages

Were actions taken to integrate green perspectives into recent COVID-19 rescue measures?



Does your country plan to take actions to integrate green perspectives into forthcoming recovery packages?



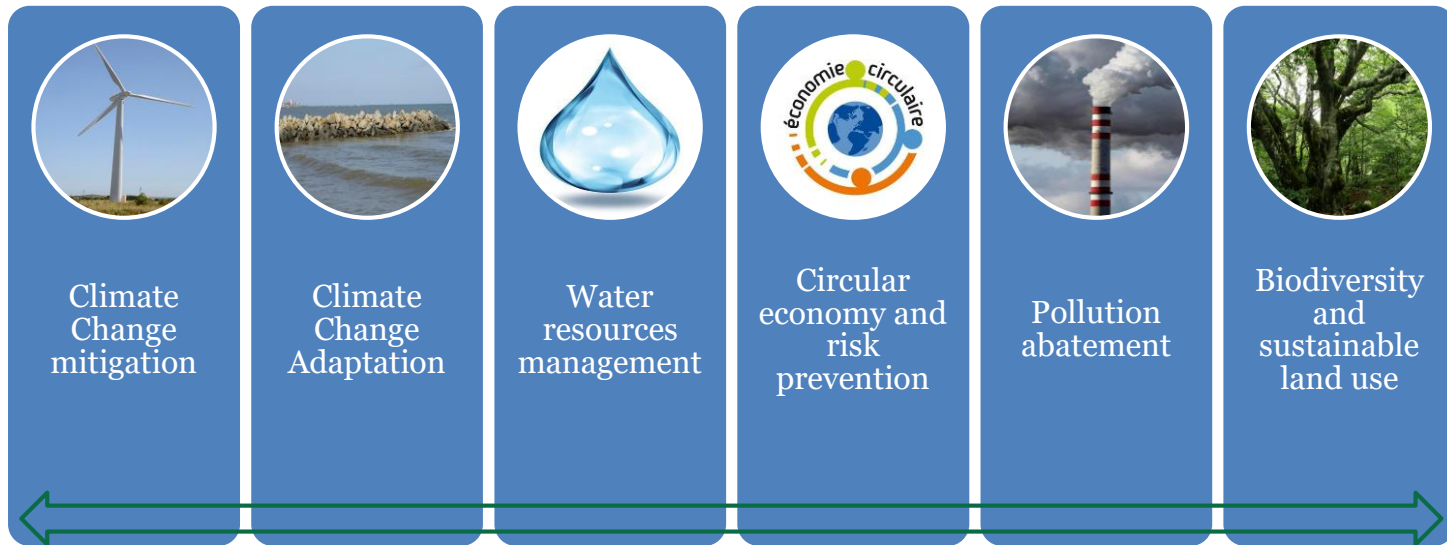


CASE STUDY: FRANCE



Green budget tagging recently introduced

- Assesses whether government expenditure measures (investment and operational) are favourable or unfavourable across six environmental objectives:





France used green budget tagging to help “green” its recovery plan

- Green budget tagging informed decision-making for the recovery plan:
 1. The French Government set an objective of having 30% of the EUR 100 billion “Plan de Relance” allocated explicitly to green measures.
 2. As a first step, planned expenses were tagged for their contribution to green objectives
 3. This allowed the government to identify expenditure measures that would help France meet its objective of having EUR 30 billion dedicated towards the green transition.
 4. It also allowed the identification of harmful expenditure measures that were counter to France’s environmental and climate objectives.

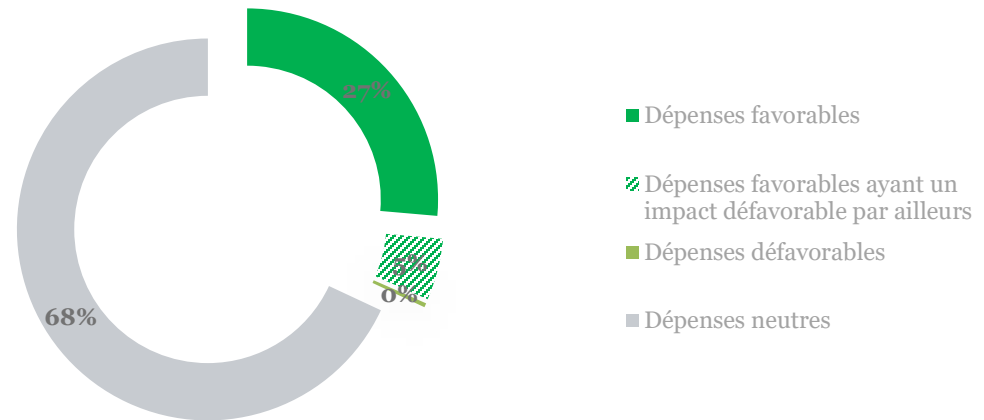
Overall, the information from green budget tagging supported efficient decision-making on the final composition of the recovery plan so that it was compatible with the government’s green objectives.



The result: green expenditure measures worth 32€bn included in recovery plan

- 32€bn favourable to at least one of the 6 objectives
- 30€bn show co-benefits to more than one of the 6 objectives
- 5€bn with ambiguous effects depending on the objective
 - Majority is green, e.g., rail infrastructure

Green expenses in the recovery plan



Green investments focussed on housing renewal, transport and innovation



OBSERVATIONS



Observations

- *Green budgeting is a growing practice across the OECD*
- *Tools of green budgeting can help ensure budget decisions progress green objectives*
- *Particularly useful in the context of implementing green recovery plans*



THANK YOU



FOR MORE INFORMATION CONTACT:
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