

Greening Government Policy

Context

Action to make policy greener, together with action to make government operations more environmentally sensitive, represents a comprehensive approach to what governments can do to integrate the environment and the economy in a sustainable development context. The focus of this paper is on making government policy greener.

International cooperation on greening government policy in particular among G-7 countries and more generally among industrialized countries, would help speed up domestic progress on integrating the environment and the economy. In particular, if major industrialized countries moved in tandem to green government policy, competitiveness concerns could be less of an obstacle to change.

Focus of Discussions

Integrating the environment and the economy in the context of government policy-making has a number of important dimensions including implementing policies which link the environment and employment, environmental assessment of new policies, assessing the merits of ecological tax reform, implementing domestic integrative institutional mechanisms, and identifying and removing barriers and disincentives to sound environmental practices.

Economic issues such as the need for more well-paying jobs are currently occupying centre stage in the public policy arena in most industrialized countries. At the 1994 meeting of G-7 Environment Ministers in Florence, Italy, participants agreed that international cooperation on the environment should be seen as increasing employment and economic well-being.

Progress over the last year to implement policies which link environmental progress and employment could usefully be discussed. This discussion could focus on policies or strategies that G-7 countries have implemented on issues such as sustainable resource management, environmental industries, and investing in environmental infrastructure such as clean water supplies and sewage treatment.

Integration requires that new public policies account for economic and environmental objectives at the earliest stages of development. There is increasing recognition by many countries of the value and potential benefits of applying the principles of environmental assessment to proposed policies in order to minimize or eliminate their potential adverse effects on the environment. Experience among these countries is growing rapidly.

To learn and benefit from the experience among G 7 countries, domestic progress in implementing environmental assessment of new policies could be reported. As part of such reports, specific experiences, key successes and challenges, and possible domestic next steps could be described. Domestic policies on environmental assessment of export support activities could also be discussed.

In Florence, Ministers discussed the potential environmental and economic benefits of ecological tax reform. Following up on these discussions, domestic progress on determining the prospects for ecological tax reform, and more generally progress on moving towards greater use of economic instruments, including environmental taxes and charges, could be reviewed.

Many countries recognize that governments themselves should integrate environmental and economic considerations in their daily decision-making processes. In some cases, governments have recognized a need for innovative institutional mechanisms to encourage progress. For example, the Government of Canada will be establishing a Commissioner of the Environment and Sustainable Development which will hold the federal government publicly accountable for its progress by reporting to Parliament on the performance of federal departments in implementing sustainable development. Similar experiences on domestic institutional arrangements to encourage integration within government could be shared.

Existing government policies developed for legitimate economic or social reasons have often been developed without explicit consideration of their potential environmental consequences. The identification of existing barriers and disincentives to environmentally sound practices is an important prerequisite to further progress on integrating the environment and the economy. In addition, removing or reforming such barriers and disincentives, such as certain subsidies, would provide both economic and fiscal benefits to governments. Views and experience on domestic identification and remediation of government policies and programs that are not consistent with sound environmental practices could be exchanged.