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Boston Consulting Group



Already a Multi- Trillion-Dollar Market: CEO Guide to Growth in the Green Economy

ANNUAL REPORT

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Foreword

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Recent headlines may suggest that the climate transition is stalling. The macroeconomic context, regulatory environment, permitting bottlenecks and softer public support have brought additional uncertainties. At the same time, some green technologies have not lived up to early promises (mainly when looking at cost projections), while market valuations in nascent technologies such as low-carbon hydrogen have experienced a sharp drop.

Yet, overall growth in the green economy has not wavered. On the contrary, investments in green technologies keep jumping from record to record – the green economy now represents a multi-trillion-dollar market and is exceeded in growth rate only by the technology sector. It is set for more growth as the costs of these technologies come down further. And companies operating in these markets

often outperform and typically earn a premium in capital markets.

In last year's report, we discussed the steep cost of climate inaction – delaying investments in mitigation and resilience today will cost governments and companies far more, over time, than investing today. This year's report is a reminder that the green economy continues to represent one of the biggest growth opportunities on the planet. Drawing on the experiences of members of the World Economic Forum's [Alliance of CEO Climate Leaders](#), who have successfully scaled up their green businesses and navigated common pitfalls, we hope to share valuable inspiration and lessons for those seeking to build successful businesses in this sector. This report encourages companies to act boldly and capture the value offered by the green economy.