

## CALIFORNIA'S WORKING DEFINITION OF THE GREEN ECONOMY

Green or clean is any activity or service that performs at least one of the following:

**G**enerating and storing renewable energy

**R**ecycling existing materials

**E**nergy efficient product manufacturing, distribution, construction, installation, and maintenance

**E**ducation, compliance and awareness

**N**atural and sustainable product manufacturing

**G**enerating and storing renewable energy - Includes alternative energy generated by, but not limited to:

- Wind
- Solar
- Water
- Biofuels
- Biomass
- Hydrogen fuel cells
- Geothermal

**R**ecycling existing materials - Corporations involved in the collection and processing of recyclable materials, including firms running a recycling or wastewater plant. Includes environmental clean-up and remediation (does not include companies that provide bins for recyclable paper, glass, and cans).

**E**nergy efficient product manufacturing, distribution, construction, installation, and maintenance -- This includes companies involved in the research, development, and manufacturing of products such as solar panels, energy efficient light bulbs, and vehicles. It also includes construction companies that install and repair these products in new or existing residential or commercial real estate, as well as real estate planning and land development.

**E**ducation, compliance, and awareness -- This sector includes:

- Training providers for curricula such as solar panel installation, energy auditing, sustainability management, and environmental careers.
- Environmental consulting
- Governmental/legislative compliance
- Conservation and wildlife programs
- Trading and offsets
- Social assistance

**N**atural and sustainable product manufacturing -- Includes companies that create products using natural materials. Also includes businesses that produce safe, nontoxic products; bamboo products; products out of previously-recycled materials, and agricultural firms that practice sustainable farming.

**Note:** This definition focuses on the “supply” side of the economy, on businesses that produce products or service directly related to the functions described in this GREEN definition. LMID acknowledges that entities that have adopted sustainable business practices (the “demand” side) are equally important to California’s green economy—and that demand leads to increased pressure for additional supply. Sustainable business practices might include (but not limited to) entities that have adopted renewable energy, efficiency and conservation strategies.