

Remarks to the Global Compact “Caring for Climate”  
Second Meeting of Signatories  
Geneva, 8 April 2010

By Cynthia Scharf  
Secretary-General’s Climate Change Support Team

Good afternoon. I am very pleased to be with you today. I send warm greetings from the Secretary-General and his Climate Change Support Team.

Speaking at a lunch event is always a bit of a challenge. Not only must I compete for your attention with the food and wine before you, but we also have this gorgeous view of the Alps to distract and inspire us.

These majestic mountains are a reminder why we’re here. Climate change is about something bigger than ourselves – something that extends beyond our own lifetime and will leave an indelible imprint on the future generations.

But climate change is also about the here and now. What our generation does – or fails to do - in the next few years to reduce climate risks could determine how much snow – if any - our grandchildren see on these mountains.

I’m not going to go into a long discussion of the risks we face. You’re here because you understand the risks and want to do something about them. And you want to do so in a way that creates opportunity, not despair. New products and new markets. Profit, not paralysis.

Four months now have passed since the UN climate conference in Copenhagen. Depending on one’s perspective, one could look at Copenhagen as a glass half-empty or a glass half-full.

The Secretary-General’s own view is clear. He called Copenhagen an ‘essential beginning’ – a necessary, albeit incomplete -- step forward in global efforts to address climate change.

Yesterday Ambassador Alba discussed some of the specific outcomes of Copenhagen, which I’m sure you’re familiar with. I’d like to highlight just three areas, and then discuss what the Secretary-General is doing to move the momentum forward.

First, political mobilization. Some 119 world leaders came to Copenhagen. This was the largest high level gathering in history on climate change. There is now a critical mass of world leaders who realize that climate change is a geo-strategic issue of the highest order. They understand that climate change has a direct bearing on their country’s economic competitiveness. Its growth and development. Energy independence. And its national security.

This is an historic shift in consciousness. Without it, there can be no effective global cooperation. Indeed, it is hard to think of any other international issue that has risen to the top of the global agenda so quickly, without a war or major act of violence to galvanize attention at the highest levels. Of course, consciousness is one thing. Action is another.

Second, the Copenhagen Accord provides important political impetus for the twin-track negotiations, which pick up again today in Bonn and continue throughout the year. Of course, there are other climate discussions being held outside this process in smaller groupings. But climate change is a global problem requiring a global solution. That is why the Secretary-General maintains that eventually all roads must lead back to the UNFCCC process. It remains the *only* international forum with universal legitimacy.

Third, Copenhagen saw signs of progress on a number of fronts, not least on finance. Some \$30 billion is to be mobilized over the next three years. These ‘fast-start’ funds will help jumpstart clean energy and adaptation in some of the fastest growing marketplaces in the developing world.

Looking forward, \$100 billion annually is to be mobilized by 2020. Taken together, these sums represent the largest government-directed resource flows ever specifically dedicated to mitigation and adaptation in developing countries.

Significantly, they will help leverage still larger *private* capital flows. New markets will open up, and new products will be needed.

These are all positive steps. But there is another perspective on Copenhagen, one driven by the science as well as the exigencies and expectations of the marketplace.

There remains a dangerous gap between what the science says is needed and the actions needed on the ground to meet the scale of the climate threat. We need to go much further, and much faster, if we are to meet the scientific bottom line for limiting climate risks.

To put it simply, nature is not negotiating. Nature has already set its deadline. And it seems clear we will fail to meet it if we continue business as usual. Even if all the pledges made at Copenhagen are met faithfully, many say we will exceed the two degrees threshold.

Going forward, we need more action, not more accusations. As one scientist said recently, we need to focus less attention on the vitriol permeating the blogosphere, and more attention on what’s happening in the atmosphere.

Action must be our watchword.

To that end, I’d like to describe three initiatives the Secretary-General is now undertaking to spur momentum and help build trust and support for the global climate action.

First, on the crucial issue of climate financing, the Secretary General has set up a high level Advisory Group co-chaired by Prime Minister Gordon Brown and Prime Minister Meles Zenawi of Ethiopia. Members of this Group include finance ministers and other senior officials as well as private sector participation.

The Group's primary task is to identify new, innovative and – very importantly -- *additional* resources from both the public and private sector to ramp up mitigation and adaptation in developing countries. The Group will also consider how to deliver and govern these funds, but its primary responsibility is first to identify them.

Second, the Secretary-General has also created an Advisory Group on Energy and Climate Change, which includes very strong private sector representation. The Group has come up with a set of recommendations. These include a dramatic scaling up of energy efficiency, renewable energy, and other low carbon technologies. They have also recommended a significant, rapid increase in private and public spending on R&D to support these objectives.

According to the IEA (International Energy Agency), energy demand will increase by 40 per cent over the next 20 years, with most of this rise occurring in developing countries. Some \$26 trillion will be needed to meet this demand. It is critical we invest these resources wisely to prevent carbon lock-in that will last for decades.

We have a choice. We can invest in the clean energy resources that will reduce climate risk. We can help open up affordable, clean energy access for the poor. Our choices on climate and energy must support, rather than undermine, the Millennium Development Goals.

Third, the Secretary-General is establishing a new High Level Panel on Climate Change and Development. Its task is to provide practical proposals on how countries can lift their people out of poverty while also curbing greenhouse gas emissions.

Economic models from a previous century will be of little help in providing answers to these questions. The world needs new ideas, and it needs your help in developing them.

For example, I'd like you to consider three numbers: 50-50-50. In the year 2050, there will be 50% more people on the planet. Each person will of course need food, water, shelter and access to energy. Many will aspire to the consumer comforts and lifestyle that those of us in this room enjoy – a lifestyle powered by fossil fuels. A lifestyle which many say is unsustainable for six billion people, let alone nine billion.

In that same year of 2050, scientists say the world must reduce global greenhouse emissions by 50% if we are to avoid dangerous climate tipping points.

How will we feed and provide energy to 50% more people while reducing emissions by that same amount? How do we square this circle? How do we sustain growth in a carbon-constrained world?

We need the best minds from the private sector to help provide solutions to these questions. Solutions that make sense – both on the ground, and on the bottom line of a P/L statement.

In sum, these three initiatives – on finance, energy, and development – will help further action on climate change while the global negotiations continue.

In closing, I'd like to bring this all back to the question that is foremost on your minds, namely, 'what does this all mean for me?'

Now more than ever, governments need your support, and your example, to further climate action.

You and your colleagues have the ingenuity and vision to lead where others – including governments – are lagging behind.

Together, you have the power to direct critically-needed resources to clean energy technologies. To spur innovation. And to build the green economy of tomorrow, today

You can show governments that addressing climate change is not only good for the environment – it's good for building long-term prosperity. Those companies that move first – those that figure out how to turn resource constraints into market opportunities – will be tomorrow's economic winners.

The bottom line is this. Governments will move faster when they see that there are clear benefits to be made in pursuing a low-carbon pathway. Benefits for strengthening energy security. National security. Economic competitiveness. The health and development of their people.

Last and not least, governments also need your inputs to create a viable global policy framework. You can provide advice on a better mix of 'carrots and sticks', one that includes effective price signals, incentives, and clear, consistent regulations.

I'd like to end my comments today by issuing a challenge. Push forward in creating the products, the services, and the markets that can unleash the power of the green economy. Continue to push for private-sector solutions in agriculture, water, health, insurance products and investment policies.

Mobilize your employees, clients and customers to take a stand and demand climate action from governments. Work with your trade associations and interest groups to ensure their lobbying supports an effective climate framework.

The Secretary-General has called climate change the 'defining challenge of our time' and the 'most potent game-changer for business' in the 21<sup>st</sup> century.

The challenge is great. So, too, are the opportunities. There is no time to waste. Let's get to work. Thank you.