

Chair's Summary

The Ny-Ålesund Symposium 2012

Towards a Green Economy: The Role of Technology

Humanity is faced by unprecedented challenges to the natural environment, posing threats to future economic and social development. Most serious among them is climate change.

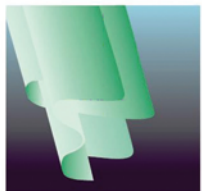
More than twenty years of climate negotiations have passed. Still man-made emissions are increasing faster than ever before. Scientific assessments show that based on current trends we may be moving towards 3° to 4° C degrees of warming.

The consequences of such a development would be catastrophic, most immediately and severely for people in low-income countries – in the form of increased frequency of extreme weather events, sea level rise, large scale migration and food production at risk.

Nowhere are the early impacts and long-term implications of global warming more visible than in the Arctic. Ecosystems as well as livelihoods are presently undergoing rapid change. In spite of all the evidence provided by science, most governments in the world so far have failed to take the necessary action. The awareness seems to be lacking that inaction on climate change will be many times more expensive than action.

Science tells us that to have a realistic chance to keep warming below 2° C degrees – to avoid dangerous climate change - would require a global peak in emissions no later than 2015. For that to happen governments would have to take action on many fronts, primarily in the form of transforming energy systems and land use patterns.

While continued investments in innovation are needed, technology is not the obstacle. Given the right incentives, global carbon emissions could be cut by more than half in 2050 at reasonable cost. A necessary prerequisite, however, would be a commitment to greatly scaled-up deployment of renewables and investments in energy efficiency.



Parallel to that land use patterns would have to be radically changed. Developing countries must be fully engaged, by linking efforts of poverty eradication to investments in sustainable technology.

Industrialized countries must take the lead. Experience within the EU in general, as well as in individual countries, show that change is possible. A combination of binding targets and marketbased instruments, for example, has led to rapid deployment of renewable technologies. The OECD gvt:s should consider:

- rethink policy frameworks so as to move beyond GDP as a measure of progress, fully apply the polluter pays principle, ensure the full accounting of natural capital and greatly enhance resource efficiency in all sectors of the economy
- strengthen governance at global and regional levels to more effectively address the threats to the global environment
- raise awareness among the public about the serious risks posed by climate change and the necessity of urgent action
- introduce a price on carbon sufficiently high to drive technology change, while developing mechanisms to prevent "carbon leakage"
- greatly enhance funding for energy R&D and demonstration projects; the development of CCS and low-carbon transport technology is of particular importance
- remove all subsidies for fossil fuels
- put in place ambitious and binding targets for both renewables and energy efficiency to be achieved by 2020 and onwards
- strengthen support mechanisms for renewables that are both long-term in nature and predictable; special attention must be given incentives to support the development of off-shore wind and concentrated solar power
- provide strong leadership with regard to the development of the necessary grid infrastructure – supergrids as well as smart grids – and the back-up capacity needed for large deployment of renewables
- review EU energy and climate policies to enhance cost-effectiveness and explore greater synergy; of immediate importance would be to raise the price of GHG emission permits and enhance renewable energy cooperation between member-states
- provide financial support for renewable support schemes in low-income countries, e g through a globally funded feed in-tariff
- make universal energy access a global priority because it serves poverty reduction and global climate goals.
- introduce mandatory reporting for all listed companies on how their investments affect the climate and environment
- oblige financial companies to identify and incorporate risks from stranded assets.

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