

Environment & Natural Resources

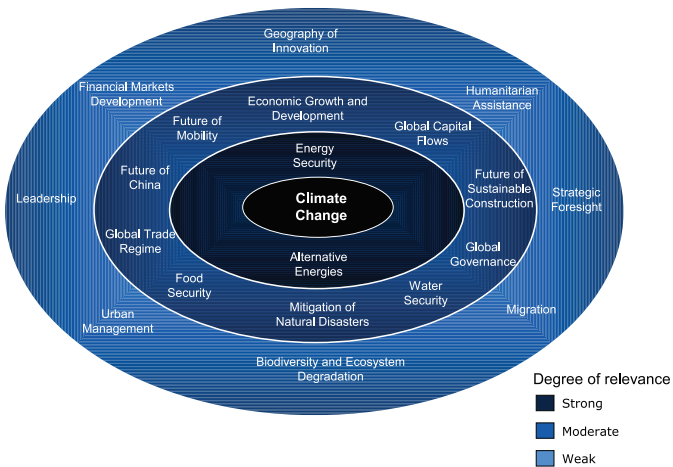
Climate Change

A. Description of the issue

Climate change is a serious and urgent challenge for the international community. The 4th Assessment of the Intergovernmental Panel on Climate Change (IPCC)¹ shows that global warming is unequivocal and already under way. Further studies indicate that climate change is occurring faster than expected. We will likely reach a “tipping point” in global emissions earlier than expected. According to the IPCC, limiting the global average temperature increase to 2° Celsius above pre-industrial levels would require that global emissions decline 50-85% by 2050. Delaying action will only make future action more costly.



Climate change requires a global solution. In a world where non-state actors are increasingly at the forefront of global issues, a multistakeholder and cross-disciplinary dialogue is needed to advance the international climate change agenda. While the science of climate change is now generally accepted, multistakeholder leadership is urgently required to elaborate a clear direction on how to put the world economy onto a low-carbon path.



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B. Dimensions

A fundamental strategy to decarbonize the world's economy is rapidly needed to meet the climate change challenge. Our highly interlinked world includes many complexities, threats and opportunities that impact this strategy.

- **Negotiating an international framework:** Although the elements of the new framework as laid down in the Bali Action Plan are clear and will be discussed and negotiated in the course of 2009,² major economies have not yet agreed on important elements. What should the global abatement goal to 2050 be? What intermediate milestones will take us there? How can developing countries be included in the future agreement?
- **Rapid economic and emissions growth in developing countries:** With developing world emissions growing at a sustained rate, what strategy exists to decouple growth from the increase in emissions and leapfrog developing countries onto a clean development path?
- **Halting rapid deforestation:** Deforestation is responsible for 20% of global emissions. What funding mechanisms will provide poorer countries with the right incentives to slow down deforestation? What public-private partnerships are needed?
- **Policy instruments:** What market instruments, regulatory policies or their combination would provide efficient ways to create incentives for business to reduce their greenhouse gas emissions?
- **Developing and deploying low-carbon and cleaner technologies:** How far can clean technologies mitigate emissions? What can be done to dramatically scale up private investment in these technologies to bring them to market? What impact do the stalled Doha trade round negotiations have with respect to technology transfer, licensing and IPR issues?
- **International security concerns:** In the context of increasing energy demand and high oil prices, climate change adds pressure by modifying patterns of energy production around the world. This in turn raises questions of energy security and could trigger conflicts over scarce resources. What will the new geopolitics of energy and climate change look like?
- **Adapting to climate change impacts:** While efforts are under way to halt and reverse the emissions trend, climate change impacts are already being felt. Despite a growing need to adapt to these effects, the debate has stalled and leadership has been inexistent. What policies are needed to unblock discussions and trigger the widespread adoption of adaptation strategies?

¹ IPCC, 2007: Climate Change 2007: Synthesis Report. Contribution of Working Groups I, II and III to the 4th Assessment Report of the Intergovernmental Panel on Climate Change IPCC, Geneva, Switzerland, 104 pp.

² For CEO recommendations on the long-term climate framework elements see <http://www.weforum.org/documents/initiatives/CEOSStatement.pdf>