

Climate Change as an Opportunity

Achim Steiner, Executive Director of the United Nations Environment Programme (UNEP), on climate protection and globalization, the moderating force of international cooperation and the path to fair and equitable climate protection.



On a recent trip, a senior executive with one of the top energy companies was prepared to go well out of his way to hold an urgent meeting with me in a lobby bar at a major European airport. His subject was biofuels and he was keen to know how the United Nations (UN), or should I say the United Nations Environment Programme (UNEP), could help. In the past, the idea of multinationals beating a path to the multilateral system's door to secure the profitability of an emerging product may have caused a few disbelieving looks and wry smiles. Globalization, until recently, has been perceived by many companies, governments and purists as a regulation-free phenomenon in which the market would set the international rules. But one of the defining aspects of recent months has been the sea change in the attitude of private business to sustainable management of global markets. It is a sea change driven partly – if not largely – by the global challenge of our age, namely climate change. The reason why the corporate world is looking to embrace rather than shun multilateralism is not as a result of philanthropy but for decidedly more hard-nosed imperatives. For many of these technological solutions to thrive in the marketplace, international norms are and will be needed. International sustainability standards are only truly possible via the multilateral system.

Climate change is also leading to other interesting impacts apart from the direct ones on the environment. Through the United Nations Framework Convention on Climate Change and the Kyoto Protocol, we now have the Clean Development Mechanism (CDM), which has given rise to a global marketplace in cleaner energies. By some estimates, the CDM and its carbon offsets could lead to investment flows of some 100 billion dollars from the North to the South. This is not the kind of globalization that drives protests on the streets of Seattle, but a new form of globalization that is seeking, in albeit an embryonic way, a more intelligent and active rather than passive path.

So, far from receding in the face of globalization, international cooperation is in many ways re-emerging as a moderating force able to be the catalyst uniting disparate partners in common cause. 2007 and 2008 will be the litmus test as to how far we can dare to dream in this emerging era of resurgent cooperative globalization. The latest reports of the Intergovernmental Panel on Climate Change (IPCC) have illuminated the likely costs of stabilizing the atmosphere – around 0.1% of global GDP annually until 2030 is a good rule of thumb. It is a

small price to pay economically, let alone politically. I am optimistic that the next round of climate change convention talks in Bali this December and in Copenhagen next year can deliver a post-Kyoto agreement that really gets the world on track.

Climate change also offers a chance to deal with other pressing issues. These include the Millennium Development Goals (MDGs). The benefits of combating climate change may seem obvious for some of the goals – for example, the drinking water targets. But what of the others? Take sanitation, for example: poor sanitation services contribute to emissions of methane. Improved sanitation services offer a chance to harvest the methane and use it as a fuel. That is only one example of many. Climate change is also about jobs – new jobs. And it is not just the developed world that is seeing new employment growth opportunities. Long Yuan in China is among the top wind power operators in the world now and Suzlon in India is ranked in the top five manufacturers of wind power installations.

So climate change has become a trigger for a renewed sense that international cooperation at the level of states but also at the level of businesses and indeed local authorities is possible. Multilateralism is alive and learning to kick again. If more than 190 nations can move forward to a fair and equitable climate regime, it may be the trust-building exercise needed, especially between the North and the South, to deal with other difficult problems and tensions in the global community – problems like the establishment of a fair international regime on the access and benefit-sharing of genetic resources and the stalled Doha Round of the World Trade Organization talks.

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