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Massive investment needed to combat climate change: UN



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Investment of more than 200 billion dollars will be needed by 2030 just to keep greenhouse gas emissions at today's levels, according to a UN climate change report presented Tuesday in Vienna.

"Global additional investment and financial flows of 200-210 billion dollars (146.3-153.7 billion euros) will be necessary in 2030 to return global greenhouse gas emission to current levels," according to the report by the United Nations Framework Convention on Climate Change (UNFCCC).

Presenting the report, UNFCCC Executive Secretary Yvo de Boer told reporters that finding "an economic answer" was key to dealing with the peril of climate change.

The UNFCCC is holding talks in Vienna this week with government, industry and research representatives ahead of a conference in Bali, Indonesia, in December to discuss climate commitments after 2012, when the UN's Kyoto Protocol expires.

Between 0.3 and 0.5 percent of global gross domestic product and between 1.1 and 1.7 percent of global investment will have to be spent on addressing climate change, the report estimated.

Although additional funding is necessary, "a substantial part of the additional investment and financial flows needed could be covered by the currently available sources," the report also suggested.

The aim will be to "direct the financial and investment flows into new facilities that are more climate-friendly and resilient."

This will include investing in technology research, renewable energy and energy efficiency for transport, industry and construction, as well as supporting agroforestry and implementing sustainable forest management.

"Energy efficiency is in fact the most promising means to reduce emissions in the short term," De Boer told journalists.

Funding should also be provided to certain sectors in developing countries to encourage them to reduce activities that can lead to further climate change.

One way to generate additional funding is the Kyoto Protocol's Clean Development Mechanism (CDM), the report said.

Under this device, industrialised countries can invest in projects that reduce emissions in developing countries in order to offset emissions at home, where making reductions would be more costly.

An international air traffic levy -- an idea that is running into fierce opposition from the aviation industry -- could also raise between 10 and 15 billion dollars, De Boer pointed out.

The report was drawn up in cooperation with UN agencies, international financial institutions, non-governmental organisations (NGOs) and private-sector representatives.

It called on all countries to adopt common policies on technology research and development and set global efficiency standards for electrical appliances.

De Boer said the report sends "signals ... to the people out there, the governments that are going to be designing the architecture of the future climate change regime, in terms of the areas that they need to address."

More than a thousand representatives are gathering in Vienna this week as part of the UNFCCC talks.

Atmospheric levels of carbon dioxide (CO₂), the principal greenhouse gas, have so far risen by around a third since the start of the Industrial Revolution in the mid-18th century.

Over the past hundred years, the global mean air temperature has risen by around 0.75 degrees Celsius (1.33 degrees Fahrenheit), causing glacial retreat, shrinkage of the Arctic ice cap and loss of permafrost, the UN's Intergovernmental Panel on Climate Change (IPCC) said earlier this year.

Its experts forecast further warming this century of between 1.1 and 6.4 C (2.0-11.5 F) depending on how much more CO₂ is emitted. Water stress and drought, impacting on agriculture, and a greater risk of more powerful storms, affecting coastal dwellers, are among the feared outcomes.

The big source of CO₂ is pollution from the burning of oil, gas and coal, the mainstay energy in today's society. Reducing this pollution entails efficiency or a switch to cleaner fuels, which carries a cost.

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