



**Carbon Tracker Launch Event
London, 8 May 2014**

**Statement by
Christiana Figueres, Executive Secretary
United Nations Framework Convention on Climate Change**

Ladies and gentlemen, dear friends,

Let me first thank Carbon Tracker for inviting me here to speak this morning and for launching this important report.

This is part of a suite of practical instruments and initiatives that are assisting to guide the world to a low-carbon economy that keeps global average temperature rise limited to less than 2 degrees Celsius. I applaud Carbon Tracker for their hard work.

And, I applaud the larger trend that this report represents. It is a trend towards a deeper understanding of the relationship between action on climate change and its economic consequences.

Some say there is a binary choice between climate action and economic growth. Others say a highly complex set of factors economically determines what action can be taken based on the outmoded thinking that development depends on increasing fossil fuel use.

I believe these interpretations fall short because the fundamental value proposition has changed. Now, stable future growth depends almost entirely on a drastic decrease in the use of fossil fuels.

Science has clearly connected fossil fuel emissions with temperature rise and the inherent risk that comes with it.

Consider that the risk of heat waves, extreme precipitation and coastal flooding – some very real risks as the water-logged citizens of the UK and water-starved Californians can attest to – ticks up from moderate to high at just 1.6 degrees of warming.

And consider that above 2.6 degrees rise, there is very high risk to systems with limited capacity to adapt. Friends, these systems are the natural resources we all depend on to survive, develop and flourish. Suddenly, very high risk does not sound good.

These risk scenarios are stark reminders that we must shake ourselves out of our collective apathy and act before the risks become unmanageable and the costs uncontrollable.

Clearly, we must decouple growth from the burning of fossil fuels and the pursuit of these ephemeral resources.

In the short term, this will yield better returns by avoiding wasted expenditures on high-cost, low-return projects. And in the long-term, it avoids severe economic impacts from climate change.

People are waking up to the need for a new normal. Last night I had the honour of speaking at the beautiful and storied St Paul's Cathedral on the subject of climate science and the moral imperative to act on climate.

I sat alongside leaders of faith, business, environmental activism and a former military admiral, all voicing their support for climate action due to the co-benefit for those they represent.

I also spoke with many people who support climate action for moral reasons of leaving a safer world and boundless opportunity to our children and grandchildren and also because it immediately reduces their personal risk from extreme weather, stranded assets and economic instability.

This is what respecting the 2 degree limit means. It represents an enabling environment for economic enterprise and positive social and economic development. It is imperative we stay under the 2 degree limit.

To stay within this limit, decision makers need two things: a reason to act and a viable path to action.

The reasons are piling up. Impacts from climate change affect people worldwide. No economy developed or developing, no person poor or rich is immune. And as temperature increases, we know we will hit tipping points between 1.6 and 2.6 degrees that escalate risk of irreversible impacts.

Carbon Tracker's effort to provide a pathway to respecting the 2 degree limit is crucial. Because as the reasons to act on climate change mount for economic stability, citizen health and safety and sound governance, pathways to action remain insufficient to move to a low-carbon economy at the speed and scale required.

The Carbon Supply Cost Curve report, along with the Unburnable Carbon and Stranded Assets reports, helps put us on a path to low-carbon prosperity by increasing understanding of the evolving future of fossil fuels.

It gives investors unprecedented and unbiased insight into the high risk of business as usual and investing in high-carbon – a need increasingly recognized by shareholders, students and congregations that support divestment and diversification.

And this report in particular shines light on the use of oil and shows how drastically and quickly we must switch to efficient transportation and clean power – a need increasingly recognized by security forces, megacities and small island States across the world.

Dear friends, our development needs can be met and while leaving enough fossil fuels in the ground to stay under the 2 degree limit.

Respecting that limit is possible if we recognize reasons and open pathways to act; if shareholders and investors have an honest assessment of risk exposure; and if the implications of inaction are understood.

This report takes us further down the road of understanding and closer to a stable climate that sustains social and economic development.

And because knowledge is useless unless it is applied, I challenge everyone here today to take what is outlined in Carbon Supply Cost Curves and apply it to your own capital expenditures, to your own investment portfolios and to your own business strategies or consumer choices.

I challenge you to be part of the groundswell of momentum that strengthens the new agreement through visible action and vocal support.

I challenge you to accelerate your own action and support all other action right now, as governments prepare contributions to the new, universal climate change agreement slated for 2015.

Stronger contributions are possible with the support of people and private sector actors who understand the incredibly high social and economic costs of inaction.

It is up to us to make this report and the coming Carbon Tracker reports instruments of action in meeting this challenge and opening a path to a better future of for ourselves, for shareholders and for future generations.

Thank you.

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