

TOP CHAT

GROW TO ZERO: THE CHALLENGE FOR BUSINESSES AFTER PARIS



The global climate agreement, signed in Paris at the end of last year, left a sense of hope but also a sense of insufficiency. On the one hand, the Paris Agreement sends a clear signal about the direction of travel: phase out greenhouse gas (GHG) emissions within the next thirty to fifty years in order to have good chances of keeping global temperature increase below 1.5°C or 2°C compared to pre-industrial temperatures.

On the other hand, the commitments put forward by countries ahead of COP 21 fall short of ambition to achieve this goal. Different studies estimate that the pledges made by countries are likely to lead to warming of 2.7°C to 3.5°C by the end of century: a level of warming that would be catastrophic for ecosystems and communities across the globe.

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Last week, the Gold Standard Foundation held its annual conference in Zürich, Switzerland. The focus of the agenda and the title of the event was "Grow to Zero". Beyond being a clever title for a sustainability conference, "Grow to Zero" is also a powerful concept that summarizes the challenge that we have ahead of us. Within the next three decades, global population is expected to grow by another 30 to 40% reaching 9 to 10 billion people by mid-century. It is also forecasted that by 2050 the size of the global economy could be at least three times bigger than the size of the economy today. Within the same timeframe, we need to transit towards an energy system that does not depend on fossil fuels anymore and we need to eliminate poverty while building a society that is resilient to the impacts of climate change that cannot be avoided.

The challenge is not easy, but there are signs of hope. To date, over 120 companies have committed to set GHG emission reductions in line with science and over 50 companies have already commitments to go 100% renewable. The divestment movement has continued to grow and a number of financial institutions are already in the process of decarbonising their portfolios. A few weeks ago, for the second year in a row, the International Energy Agency has estimated that global CO₂ emissions from energy have remained stable potentially indicating the beginning of a turning point.

The challenge is not easy, but I remain hopeful and I trust that in the coming months and years, the business sector will continue to play its part scaling up action for the construction of a zero carbon and resilient society.

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