

## Dinner

## in honour of UN SG Ban Ki-moon and Ms. Ban Soon-taek

Berlin, Mission of the Free and Hanseatic City of Hamburg, 30 January, 2014

## Climate Change and Post 2015 Agenda

Climate negotiations since Copenhagen 2009 are facing a continued stalemate. Debates on North-South financial transfers relating to loss and damage, as in Warsaw, do almost nothing to mitigate climate change.

The best way out of the stalemate I see in initiating win-win strategies. Meaning you get richer by reducing your greenhouse gas emissions.

Germany seems to demonstrate that feed-in tariffs for renewable energies can lead to a boom in renewables. True, the cost for poor households were a bit too high. This can be remedied.

What I find even more promising is a strategy of increasing energy efficiency. Currently, we are wasting energy no end, in all countries. To illustrate what I mean, let me ask a question from physics: How many kilowatt-hours would you need to lift a ten kilograms weight from sea level to the top of Mount Everest. Typical estimates would range between 100 and 1000 kilowatt-hours. Neglecting transaction costs, the answer from physics is a quarter of a kwh!

In a book called **Factor Five<sup>1</sup>**, my Australian co-authors and I are demonstrating that a five-fold reduction of energy intensity, certainly carbon intensity is available now.

Why are we then not extracting more value from barrels of oil or from kwh's? The answer is simple. At todays' energy (and carbon emission) prices investing in energy efficiency and renewable energies is not particularly profitable. In a three minutes talk, I cannot go into the sensitive question of policies to make the revolutionary improvement of energy efficiency profitable.

<sup>&</sup>lt;sup>11</sup> Ernst von Weizsäcker, Karlson Hargroves et al. Factor Five. Earthscan, London, 2009



Let me now add a few words on the post 2015 agenda. I was privileged being invited as a keynote speaker at the Seventh Open Working Group on SDG's in New York earlier this month. My talk essentially contained the same message as on climate: Improve resource productivity by a factor of five or so, and you can increase developing countries' wealth fivefold without increasing pressures on nature, and the rich countries can reduce their resource consumption five-fold and enjoy their current prosperity. Those are caricature figures. Reality will be in between. Greatly improved recycling rates, elegant logistics – and indeed some more modest consumption patterns will be the ingredients.

The G77 countries could agree, I suppose; the bigger difficulty I see is with OECD countries, notably with the USA and Canada. But the prospect of stabilizing climate and the natural environment plus North-South peace could win them over to this vision.

The duty of the states will be creating conditions making the efficiency road truly profitable for investors and reasonable for consumers. And pioneering countries including Germany and the EU should create international alliances working towards this goal.