

## Climate mitigation needn't stifle development, says report

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Countries can continue to develop while pursuing low-carbon growth

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[LONDON] Countries can develop while curtailing climate change if they are 'climate-smart', the World Bank has said in a major new report.

The world need not make a decision between growth and prosperity or preservation, it argues in the latest edition of the authoritative World Development Report, so long as it takes action immediately, works together, and transforms its energy systems.

The report, 'Development and Climate Change', was launched at the Overseas Development Institute in London, United Kingdom, this week (14 September).

The authors say that climate change should not be seen as an insurmountable problem.

"We talk about a climate-smart world as opposed to a climate-resilient world because resilience is a fairly passive concept, it assumes that there's a big bad threat out there that we need to protect ourselves against and there's not much we can do to avoid that threat," said Marianne Fay, co-director of the report and incoming chief economist of the World Bank's Sustainable Development Network, at the launch.

Countries can continue to develop by employing climate-smart policies that reduce vulnerability to climate change while pursuing low-carbon growth, says the report.

"Climate change will affect the comparative advantage of a number of nations, particularly if those nations are first-movers. Therefore there will be opportunities as well as costs," said Fay.

"We will need to call on all the ingenuity and innovation that we are capable of," she added.

Lord Anthony Giddens, professor emeritus at the London School of Economics said: "This is a huge intellectual task that we face, of thinking what kind of society will have to come into being ... if we are to have a chance of containing climate change within reasonable limits".

"It's not just a matter of on-the-ground facts, it's also a matter of imagination ... [the society] has to look different from the current one. We're at the beginning of a long intellectual road."

Creating new and distributing existing technologies is a major part of achieving a climate-smart world, says the report. Investment in R&D needs to be drastically increased, from a total of US\$53–73 billion per year to several hundreds of billions.

Increasing public funding — from US\$13 billion a year — will not be enough, they say. Incentives need to be created for both the public and private sectors to pursue innovative solutions.

"The energy sector invests 0.5 per cent of its revenue in R&D. That's in contrast to innovative industries such as telecommunications which spend eight per cent and pharmaceutical sector which spend 15 per cent. Clearly the energy sector is not an innovative industry today."

Developing countries are vital to this innovation process. "You don't just go and helicopter-drop a new technology into a country. You need that country to have developed the ability to have identified the technology they need, to adopt it and to implement it," Fay told SciDev.Net.

The report acknowledges that low-carbon technology transfer to developing countries has so far been modest. Technology transfer could be boosted, by including joint production and sharing agreements for technology in any new climate deal — thus ensuring developing countries are part of the innovation process.