

## **Keynote Speech II: Dr. habil. Ulrich Hoffmann, UNCTAD**

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### **“Climate Change mitigation and Green Economy”**

As it has been said “business as usual” is no longer an option. However, this statement is easier to be said than done, thus it requires a significant paradigm shift. Under the current conditions, it is complicated to achieve a significant, absolute, permanent and global solution for environmental issues.

Climate has been understood as the “mother of all limits” and it is indeed a challenge to understand the complexity and magnitude, which no longer requires just a techno-fix solution. Time is an unprecedented and important factor.

Real climate change mitigation is a challenge, and current discourses underplay the seriousness of the situation, which might lead to excuses for doing nothing really fundamental.

The shift to a Green Economy faces 3 major challenges:

- 1) Material/energy/resource efficiency
- 2) Renewable energies
- 3) Transformation of agriculture

A decoupling of economic growth from material/energy/resource use in absolute terms, rather than relative terms, is absolutely necessary.

Looking at historical trends, there are myths related to the Green Economy that could be questionable:

- 1) Technical feasibility limits

The need of colossal scale of required GHG emission cuts might not be realistic enough.

It is extremely challenging to completely replace fossil fuels, which may push into a coal trap.

- 2) Markets and governance structure limits

A clear vision is needed. There is still a market concentration, where different interests play the most important role. The shift towards a prosperity measurement of economic performance rather than growth is a challenge.

- 3) Systemic limits

The system underestimates that after a certain point, growth makes us poorer rather than richer.

Capitalism cannot operate without profit growth; the system promotes the idea of “expand or perish”, which actually increases the physical production and consumption instead of reducing it.

Inconvenient development truths:

- Those who have less contributed to climate change will be hit first and foremost
- Climate change does not leave a time to “catch up”
- Impact on agriculture, food security and access to cropland and water
- Scarcity of resources might lead to political conflicts