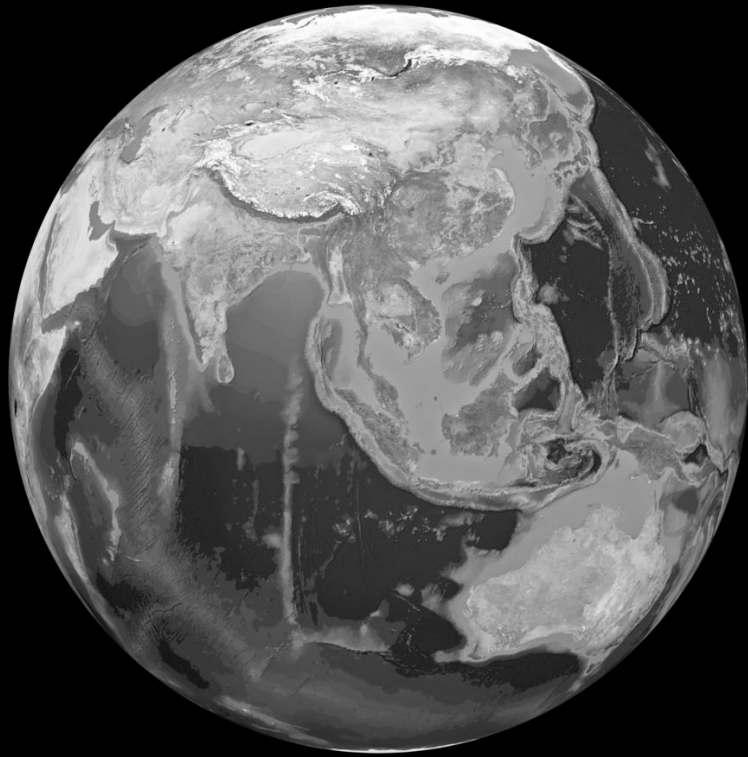


Perspectives and approaches to sustainable post-COVID-19 recovery

Dr. Saara Tamminen, Finnish Innovation Fund Sitra

Side event of the Meeting of the WTO Committee on Trade and Environment,
22.6.2021

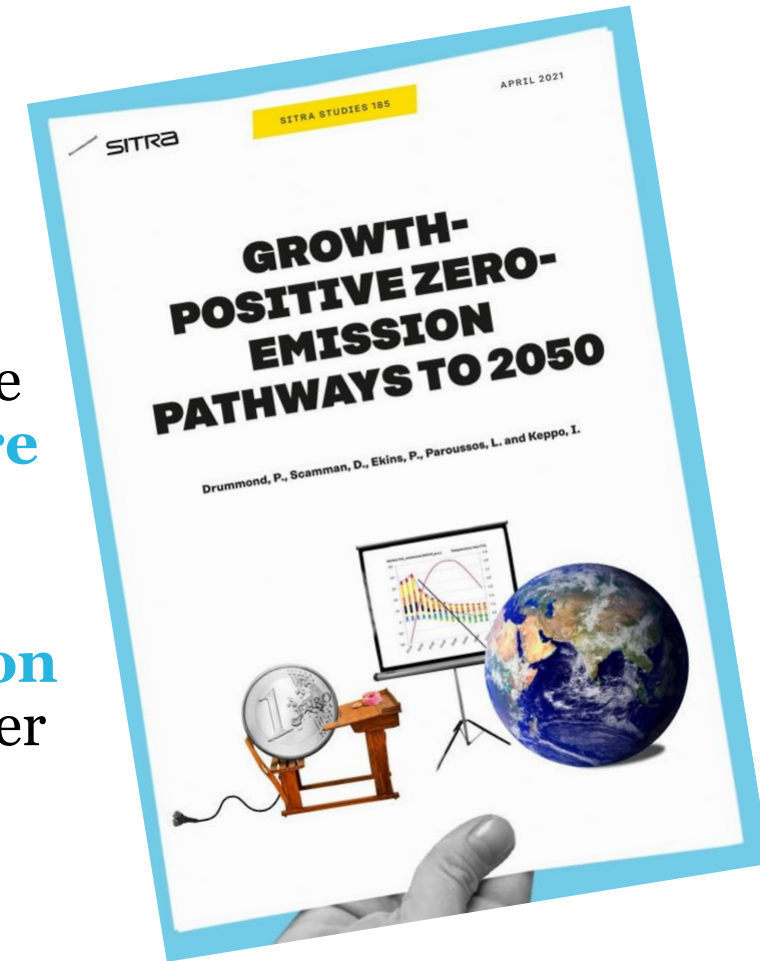


Where are we at?

- Global net emissions need to be decreased to zero by 2050 **to have a chance** to reach 1.5 degrees target (IPCC 2018)
- Global CO₂ emissions have tended to increase as the global economy has grown
- We need **sustainable economic recovery** from Covid-19 shock

Economy in Paris aligned world?

1. Strict climate targets can be achieved while the global economy grows, but annual economic growth might decline over time and **investments need to take a larger share of the gross world product.**
2. **The 1.5 degree target requires unprecedented action** from all countries, ecological action needs to be in the center of the Covid recovery.
3. **Technology leaps, behavior changes and investments crucial:** Countries need to invest heavily in **carbon sequestration** to have a better chance of reaching the 1.5 degree target this century. **Coal** has to be phased out rapidly. Similarly, heating, transport and industry need to switch to **clean electricity** as much as possible.



Key messages for policy makers (1/2)

- 1** **We need strong public policy** (for energy efficiency, renewables, coal phase-out and carbon capture etc.)
- 2** Decarbonisation at scale and at speed will require **a mix of different policy instruments and approaches**
- 3** Most of society's fundamental techno-socio-economic systems **will need to be refashioned**
- 4** **Avoiding uncertainties** (related to CCS, NETs and tipping points) **would require emissions to be reduced even faster**

Key messages for policy makers (2/2)

5

Lack of global co-operation, slow technology development, high population growth, high inequality, energy- and resource-intensive consumption and limitations around the ability to control land-use emissions **would make it very difficult to reach the 1.5 °C degree target.**

6

The policy approaches must be consistent, coherent, credible and comprehensive for decades...

No government in the world is **yet close to a policy architecture** in line with the Paris Agreement goals!

Requirements for green recovery and sustainable growth

- Long-term targets and main policy strategies to get there
-> they guide investments

- **Guidelines on how to choose best green recovery policies**

- (International) Financing

- **Trade in goods, services and international investments**

+ Remember that the world is changing now very fast! Flexibility and constant adjustments key!

**This decade is crucial to put the
world on 1.5 °C pathway**



**RISE TO
SHINE!**

