

**KEYNOTE SPEECH FOR PRESIDENT & CHAIR:
GCF PRIVATE INVESTMENT CONFERENCE (DAY 2)**

October 8 (Tue), 2019; 09:05-09:25
Grand Ballroom (B1), Grand Hyatt Incheon

Expected duration: 8-10 minutes.
TelePrompter: not available.

Honorable Prime Minister of Jamaica Mr. Andrew Holness, /
Deputy Minister of the Korean Ministry of Economy &
Finance Mr. Hoe Jeong (회정) Kim, /
Governor of Danmarks Nationalbank Mr. Per Callesen, /
Executive Director of the Green Climate Fund Mr. Yannick
Glémarec, /
distinguished business leaders and guests, /
ladies and gentlemen,

Thank you for allowing me to address all of you from
governments, / intergovernmental organizations, / private
firms, / and many other institutions / from all over the world.

I am very pleased to be a part of this all-important dialogue /
and share some remarks concerning the future potential of the
private sector / to help the world meet the goals of the Paris
Climate Agreement / and the 2030 Agenda for Sustainable
Development.

As you know, / I was the United Nations Secretary-General
during the time of the creation / of the Paris Climate
Agreement and the Green Climate Fund.

I still believe that climate change is the struggle of the century that will define us for generations to come.

Two weeks ago, I was in New York City for the UN Climate Action Summit, / and I was very pleased to hear:

- the pledge from Prime Minister (Narendra) Modi of India to increase its share of renewable energy by 2022; /
- Chancellor (Angela) Merkel of Germany revealing a new \$60 billion plan to transition to clean power; /
- Russia announcing that it would ratify the Paris Climate Agreement; /
- the United Kingdom's pledge to double its overseas development funding to tackle climate change; /
- the Republic of Korea promising to double its contribution to the Green Climate Fund; /
- and more than 70 countries committing to net zero carbon emissions by 2050.

The importance of governmental efforts and ODAs / and those who work to deliver development aid / cannot be underestimated. / They absolutely make an enormous impact for the common good and in fulfilling the Sustainable Development Goals, / and they should be applauded for their dedication and the difference they make.

However, / think about this: / the private sectors of the world manage more than \$200 *trillion* in assets, / but they invest less than 5 percent in climate finance.

The threat of climate change is too big, / too grave / and too urgent to delegate governments and public institutions alone, / and our untapped potential to fight climate change is astronomical.

Considering how urgently behind we are already in the struggle against climate change, / we should be leveraging all of the available and scalable solutions, resources and technologies / without delay.

Even if we do everything right starting today, / climate-related impacts will still increase / because it will take time to reverse the damages that we have already put in motion.

Therefore, / it will be crucial to address and eliminate the risks, / including political uncertainties and technological risks, / in order for the private sector to finance and invest in green projects. Governments and companies will need to work together to remove barriers.

For example, / if a company wants to invest in energy efficiency, / the need may be primarily in a large number of small investments, / which would translate to higher transaction costs.

The public and private sectors will need to work together to address this scale barrier, / where governments can support by providing an enabling environment / and attracting private sector investments.

In the case of adaptation, / there is often no immediately visible financial return, / but only the reduced cost—or reduced risk—of damage as a result of climate change. We need to address this difficulty innovatively / to mobilize investments for adaptation.

The Green Climate Fund, / as the largest multilateral fund dedicated to climate change, / can certainly play a key role.

This is the reason the Global Green Growth Institute, / which aims to provide policy advice to governments together with the development of bankable projects to implement green policies—has built a strong partnership with GCF.

Using the bottom-up approach, / countries can also play an active role in identifying how GCF and other MDBs can support their climate change investment plans.

In this context, / Nationally Determined Contributions can be used as an entry point. If used correctly, / NDCs can present an incentive and guide for private companies and investors / who are seeking sound investment opportunities in climate infrastructure and assets.

Yes, it's true: / the transition to a low-carbon economy will require tremendous amounts of investment.

But let us not forget that, / although estimates show an investment gap of nearly \$200 billion per year to achieve the Paris Agreement targets, / this amounts to a tiny fraction—slightly more than 1%—of the European Union's GDP / and government and corporate investments already add up to a multiple of this amount.

We are already seeing a strong corporate shift towards sustainability / due to a combination of market demands, / government regulations / and technology improvements.

The corporate owners—the shareholders—are demanding their companies focus more on sustainability, / because they can foresee that future costs / in financial terms and in our livelihoods / will be immense if we continue with business-as-usual.

And thanks to the recent rapid advances in technologies, / “going green” can yield real return on investment. A good example of this is renewable energy increasingly becoming *more* cost effective, / compared to fossil fuel energy sources, / throughout the world.

In other words, / green corporate practice is not only a moral choice, / it is increasingly an economic choice.

So, / let me encourage you to share ideas to explore how we can move away from mere short-term opportunistic increments / and towards a longer-term strategic transformation to green economies.

Either we will all benefit together, / or we will all suffer together.

I say, / “Let us show the world how we can work and thrive together.” We can do it. And we need to start now.

If we succeed, / this could be perhaps the greatest contribution to our future generations.

Thank you.

/END