

International Conference on the Green New Deal: Green Stimulus in the Post Covid-19 Era and Beyond

Excellencies, Honourable guests, Ladies and Gentlemen,

With H.E Hong Nam-Ki, Deputy Prime Minister of Korea and Minister of Economy and Finance, it is a privilege to welcome you to the International Conference on the Green New Deal. This conference is to exchange ideas on Korea's path to carbon neutrality and its contribution to global efforts to maintain climate ambition in the era of COVID-19.

The average global temperature for 2016–2020 is set to be the warmest five-year period on record, with an average global temperature of 1.1°Celsius above pre-industrial times.

Based on existing trends, we could cross the 2 °C threshold within the next three decades and reach 3°C by the end of the century. The last time we came close to a 2°C increase in average global temperature was during the last interglacial period 125,000 years ago. During that period, sea level was 7 to 12 meters above today and the world was devastated by superstorms.

As stated by President Moon, climate change has become "the most important problem of our generation".

Next year's UNFCCC Conference of Parties will be critical for climate action. Countries are expected to update their commitments to meet the temperature goals of the Paris Agreement.

They will have to do so while coping with the economic collapse created by the COVID-19 pandemic. Climate action and COVID-19

recovery measures must be mutually supportive to be effective. This is the promise of the Green New Deal. It aims to foster sustainable growth through catalysing investment in green, resilient infrastructure, technologies, business models and institutions.

Investment in priority climate solutions, including renewable energy, low-carbon cities, energy efficiency, sustainable transport, climate resilient agriculture and ecosystems restoration generate substantial socio-economic co-benefits, including job creation.

For example, the World Economic Forum estimates that a COVID-19 recovery focusing on nature-based approaches could create 400m jobs and USD 10 trillion in business value each year by 2030.

South Korea has become a model for developing countries in the way it has rapidly industrialised and built an economy based on fast internet speeds. Korea is providing an example to the world of how to deal with COVID-19 in the way it has controlled efficiently the spread of the virus through tracking and treating. The Korean government is also a strong supporter of GCF, and I am delighted to announce that this week we have signed a contribution agreement with Korea to provide USD 200M to GCF. Thank you, Deputy Prime Minister, and thank you to the people of South Korea. Thanks to this and other contributions, GCF's replenishment has now reached over USD 10B at current exchange rates.

The "Korean Green New Deal" aims to move the economy away from its heavy reliance on fossil fuels and promote environmentally friendly industries powered by digital technologies, including electric and hydrogen cars, smart grids and telemedicine. It could propel the country to global leadership in sustainable economic growth.

The commitment to establish three hydrogen cities by 2022 could dramatically accelerate the maturation of this new source of energy– contributing ultimately both to carbon neutrality and prosperity at home and abroad, whilst Korea’s road map to become a carbon-neutral society could become a source of inspiration for many other countries.

The private sector must play a key role in this transition, both in Korea and worldwide. Opportunities for private sector climate investments in emerging and developing countries alone are estimated at between \$11 to US\$ 26 trillion between now and 2030, but barriers to investment persist.

As the world’s largest dedicated climate fund, a key task of the GCF is to unlock private sector climate investment to foster low emission climate resilient development pathways in developing countries.

This includes assisting in the establishment of conducive investment climates, supporting project pipeline development through financing project preparation, leveraging blended finance to de-risk private investment, mobilizing institutional investors and deepening national financial sectors and capital markets.

GCF looks forward to working with the Korean government on fostering a New Green Deal globally.