

UN Secretary General’s Climate Action Summit – 23 September 2019

This IIGCC member update sets out briefly the main outcomes of the UN Climate Action Summit held in New York on 23 September 2019, in terms of commitments from governments and the private sector, as well as how finance featured across the event. IIGCC’s activities at the Summit and as part of Climate Week will be reported separately.

What did Governments announce at the Summit?

The bar was set high for this Summit. The Secretary General had issued a prior request for countries to “bring plans, not speeches”, and told governments in his opening address that “you are a fool if you think you can fool nature”.

But despite an incredibly powerful [speech](#) from 16-year-old Swedish activist Greta Thunberg, there was a notable absence of major new commitments from the biggest emitting countries. Many of the largest economies – including the USA, Brazil, Canada, Australia, Argentina and Mexico – did not take the stage, and others such as India and China made largely empty statements. A couple of notable exceptions include Russia announcing that it will formally join the Paris Agreement, and Germany joining the Powering Past Coal Alliance while announcing a \$60 billion climate package – but these developments are largely incremental.

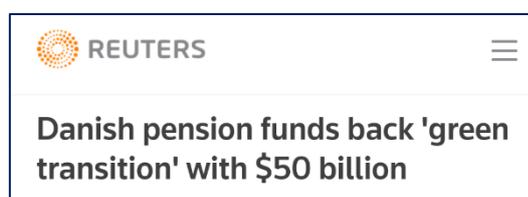
Those countries and groupings that traditionally hold the climate leadership mantle – particularly in Europe – had already made new announcements in advance of the Summit. It was already known that the EU in particular would not be ready to announce a net-zero emissions target for 2050 (though it is expected to be forthcoming in 2020).

The ray of light came from a grouping of 65 mostly smaller countries, plus the EU, who joined an alliance to get to net-zero emissions by 2050 – cementing net-zero as the benchmark for ambition going forward. The UNFCCC also counted 59 countries who stated their readiness to enhance their national emissions reduction pledges in 2020.

Private sector plugging the gap

Despite the lack of major progress from national governments, the Summit did galvanise private sector action and new commitments – particularly in relation to finance. Among these:

- Danish pension funds – led by PKA – pledged an additional \$50 billion in investments into green solutions up to 2030.
- Several IIGCC members and other investors totalling \$2.4 trillion in AUM



joined a new UN-backed Asset Owner Alliance committed to moving to carbon-neutral investment portfolios by 2050.

- Banks announced that they will subject \$2.9 trillion in assets to climate testing
- 87 companies announced emissions reductions plans in line with 1.5 degrees, with specific commitments in particular from steel, shipping and cement companies.
- The United Nations pension fund, which manages \$68 billion in assets, announced that it will divest from investments in publicly-traded companies in the coal energy sector, and will not make any new investments in it going forward.

In parallel, the [Global Investor Statement to Governments on Climate Change](#) (co-ordinated by IIGCC under the umbrella of The Investor Agenda) was re-launched with a record-breaking 515 signatories collectively managing over \$35 trillion in assets. The statement was specifically acknowledged by the UN Secretary General in his closing remarks at the Summit (video [here](#) from minute 2:30). He noted,



“the clear call by asset managers representing nearly half of the world’s invested capital – some \$34 trillion – who are demanding urgent climate action and calling on global leaders to put a meaningful price on carbon, phase out fossil fuel subsidies and thermal coal power worldwide”.

In addition, the Secretary General said, *“We need all financial institutions - public and private - to choose once and for all the green economy.”*

What next for IIGCC?

The Summit outcomes clearly necessitate a new push for political momentum over the coming months, particularly as we look forward to 2020 and COP26.

IIGCC will be working across all its programmes to ensure that investor efforts to support the full implementation of the Paris Agreement in the run up to and at COP26 in Glasgow in 2020 can be maximised. Most of this work will be anchored around the concept of net-zero emissions and 1.5 degree pathways, including via our Paris Alignment Investment Initiative. In addition, we will be working on adaptation including via the Coalition for Climate Resilient Investment. We are already working closely with the UK Government in the context of their COP26 Presidency.

In the meantime, IIGCC will be at COP25 in Santiago, Chile, in December 2019, with a range of policy engagement and showcasing opportunities for IIGCC members who are able to join us. We also anticipate that we will continue to lead the policy advocacy work of the Investor Agenda, and we are working actively via IIGCC’s Policy Group to push for rapidly increased ambition from the EU in the context of their 2050 strategy.

Contact us

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