

# COP26 President Alok Sharma at launch of COP26 Private Finance Agenda

Ladies and gentlemen, Sir David, Governor Carney, Tanya.

Let me start by thanking the Lord Mayor for hosting us today.[]

It is staggering to think that over 600 years have passed since the Guildhall's master mason, John Croxton, started work on this incredible building.[]

Today, this is the only secular stone building in the City dating back from before 1666.[] In part, thanks to the choices Croxton made all those years ago.[] When the Great Fire of London ravaged the City, the Guildhall's oak frame is said to have saved it from collapse.

And when it was bombed in World War II, the roof fell in, but his stone walls stood firm.[]

With COP26 this year, we want to do what John Croxton did all those centuries ago. [] Leave a legacy which stands the test of time, and makes life better for future generations.[] Building on the foundations of past conferences, especially Paris, to create a zero-carbon economy which will benefit our children and grandchildren. []

COP26 will be the biggest summit the UK has ever organised. In this year, the Year of Climate Action, it will be the top international priority for this Government. And we are getting ready for it.[]

In my first fortnight as COP President, I have been listening to those who have done this before. Meeting people like Paris COP President Laurent Fabius, UN Deputy Secretary-General Amina Mohammed and Patricia Espinosa from the UNFCCC.

And, we are working closely with our partners in Italy. Our vision for COP26 is clear. In Glasgow, the world must ramp up momentum towards a zero-carbon economy.

Sending out a message of hope, that decarbonisation is the future. With huge opportunities for those who are prepared to act now.[]

And, of course, this transition must be fair and inclusive, leaving no-one behind. To achieve this, all countries must commit to significant further cuts to carbon emissions by 2030, and to reach net zero as soon as possible.[]

Agreeing a package that delivers the Paris Agreement and powers the UN climate process forward. And we will do that, working with all parts of the global economy and society.

But there are some areas which need particular attention in 2020. First,

adaptation and resilience, helping people, economies and the environment adapt and prepare for the impacts of climate change.

This was a personal priority for me when I was Secretary of State for International Development.

Working with Egypt, and others at the UN General Assembly, we launched a Call for Action on adaptation and resilience where 118 nations and over 80 organisations committed to raising their ambition.

The next step is to translate these political commitments into on the ground action. ☐☐

Second, nature, safeguarding ecosystems, protecting natural habitats and keeping carbon out of the atmosphere. Promoting nature-based solutions.☐☐

Third, energy transition, seizing the massive opportunities of cheaper renewables and storage.☐Cleaning our air, and helping economies shift away from a legacy of polluting fossil generation.

Fourth, clean road transport, accelerating the move to zero-carbon road transport.☐☐

And fifth, to make this all possible, unleashing the finance which will power the shift to a zero-carbon economy. From solar panels, to electric vehicles and tree planting, it is often finance that turns good intentions into action.

All of you here are in a unique position to drive the transition to a zero-carbon economy. ☐☐Helping developing countries leapfrog the polluting options of the past, to the clean, green, resilient technologies of the future.

Last month, I helped launch East Africa's first 'green bond' on the Nairobi securities exchange.

Followed by its dual listing on the London Stock Exchange. The first Green Simba bond.

A bond which UK Government funding helped to develop. Raising funds to build environmentally-friendly housing for 5,000 students in Nairobi.

The OECD estimates that we will need nearly 7 trillion dollars a year up to 2030 to meet the Paris Agreement, as well the development goals.

Much of this funding needs to come from the private sector.

Whilst I was at the Department for International Development I set up the UK's International Development Infrastructure Commission to help corral private sector money, alongside sovereign development funds, into sustainable infrastructure projects in developing countries.

Following the Commission's recommendations, the UK is now partnering with five countries in Africa to design a new facility to plan, deliver and

support funding to a range of infrastructure projects that are attractive to businesses and investors like you.

Sustainability will be central to these new infrastructure projects, focusing on investments with low carbon emissions and infrastructure that will be resilient to changing climates.

The UK and other developed countries have committed to mobilising 100 billion dollars a year by 2020, building on the 71 billion we reached in 2017.

We are firmly committed to this goal. And to meet it in a way that responds to the needs of developing countries.

And last year at the UN General Assembly, Prime Minister Boris Johnson underlined his personal commitment to tackling climate change by announcing a doubling of the UK's international climate finance commitment to 11.6 billion pounds over the period 2021-25.

This, in turn, will mobilise further finance from public and private sources. Helping us meet and indeed move beyond the 100-billion-dollar goal, as we begin discussions on the goal that will replace it from 2025.

Today, Multilateral Development Banks are the largest vehicle for channelling climate finance to developing countries.

And donor support will remain critical as we shift to low carbon investment and protect the world's most vulnerable.

Last October, I made the UK's backing for the World Bank fund dependent on putting more money into developing resilience to a changing climate.

And we will continue to work with Multilateral Development Banks and Development Finance Institutions to help them deliver Paris Alignment Plans.

But to move from billions to trillions, we will need all finance to look at aligning with the Paris Agreement.

Making the spirit of Paris felt in London, New York, Frankfurt, Tokyo, Shanghai and every other financial centre around the world.

Encouragingly today, as the financial risks and opportunities of the low carbon transition become clear, we are seeing a major shift in private finance.

This shift is based on a simple fact.

The only economy which can avoid the worst effects of climate change, and thus continue to deliver growth, is a decarbonised economy.

I know Governor Carney will be speaking about this in just a moment.

Of course we are seeing firms moving beyond Corporate Social Responsibility and funding green projects, to integrate climate and environmental factors

into decision-making across all sectors and asset classes. Focusing on impact and not just return.

We are starting to see real momentum. Campaigns like 'Make My Money Matter' are giving a voice to those who want to see their pensions invested in line with their values.

Last year, a survey by the Department for International Development found that the vast majority of UK savers wanted their investments to be made in a manner which considers the impact on people and planet, alongside financial performance.□□

As part of COP26, we will be supporting private sector coalitions to do even more, sooner, helping them look at the climate impacts of asset portfolios and loan books.

Ladies and gentlemen, I started by mentioning the origins of the Guildhall.

Centuries ago, a historian described how it grew from a "little cottage" into a "large and great house".

And, in many ways, that is what we need for COP26.

From governments, businesses, civil society, young people and so many others, we are opening up our doors and inviting absolutely everyone in.

Each of us will write the future.

Our choices will make or break the zero-carbon economy.

Together, I know we can make the right decisions.

Thank you.