



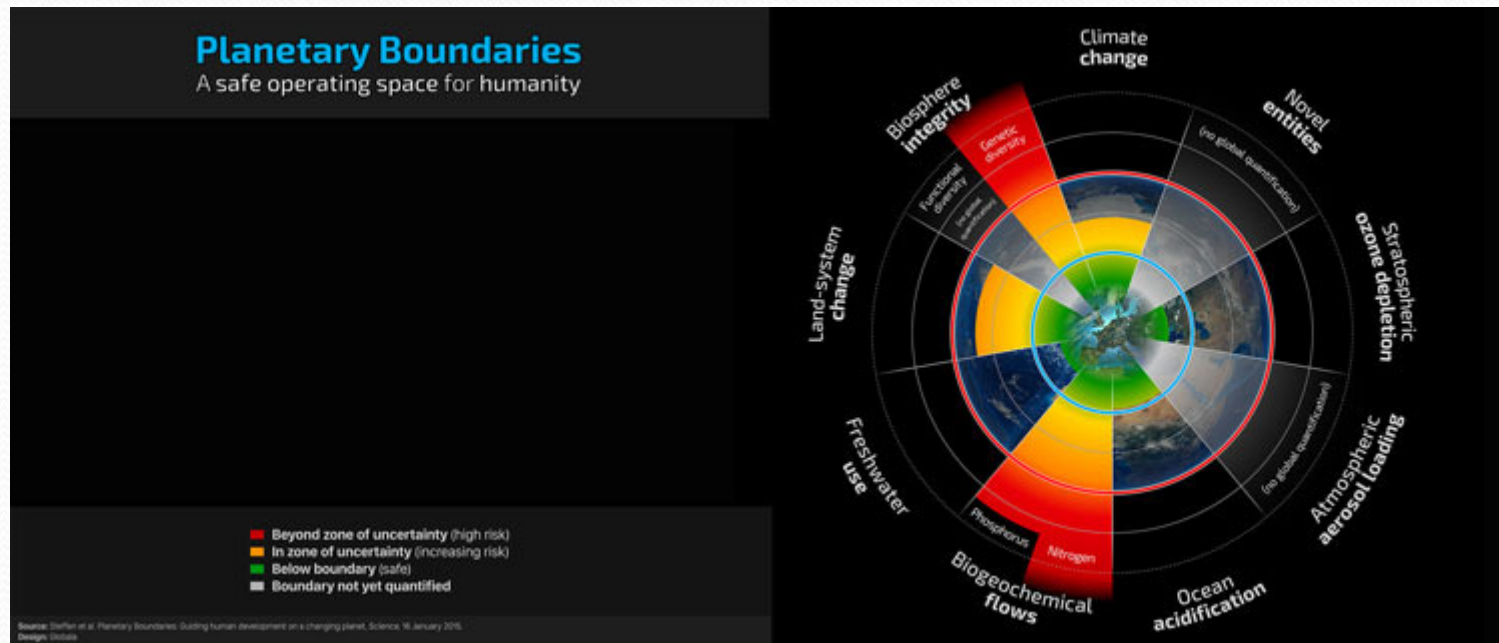
# New Climate Economy How New It Is? A View From The Sándor Palace

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# Rapid changes in the world

- Using 1,7 Earth, but have no planet B.
- **Increasing speed towards a climate disaster.**
- **By 2030 will need 50% more food, 35% more water.**
- Annually, we loose agricultural land equal to half of Hungary.
- **Water crisis on the horizon.** Since 1900 the population tripled, the water extraction grew 6 fold, the available water per capita decreased from 12.000 m<sup>3</sup> to 5.000.
- **1.5 Bn people still need access to electricity;** many countries are ahead of industrialization, while we need to reduce GHG emission.
- **Rapid urbanization:** 52% of the 7.4 Bn today, but 75% of the 8.5-9 Bn by 2050
- **We are the first generation of consequences.**
- Growing inequalities.
- Changing international balance of power. (Not the first time, but before it always happened through wars)
- Increasing number of armed conflicts – racing against time.

# Where Are We now?

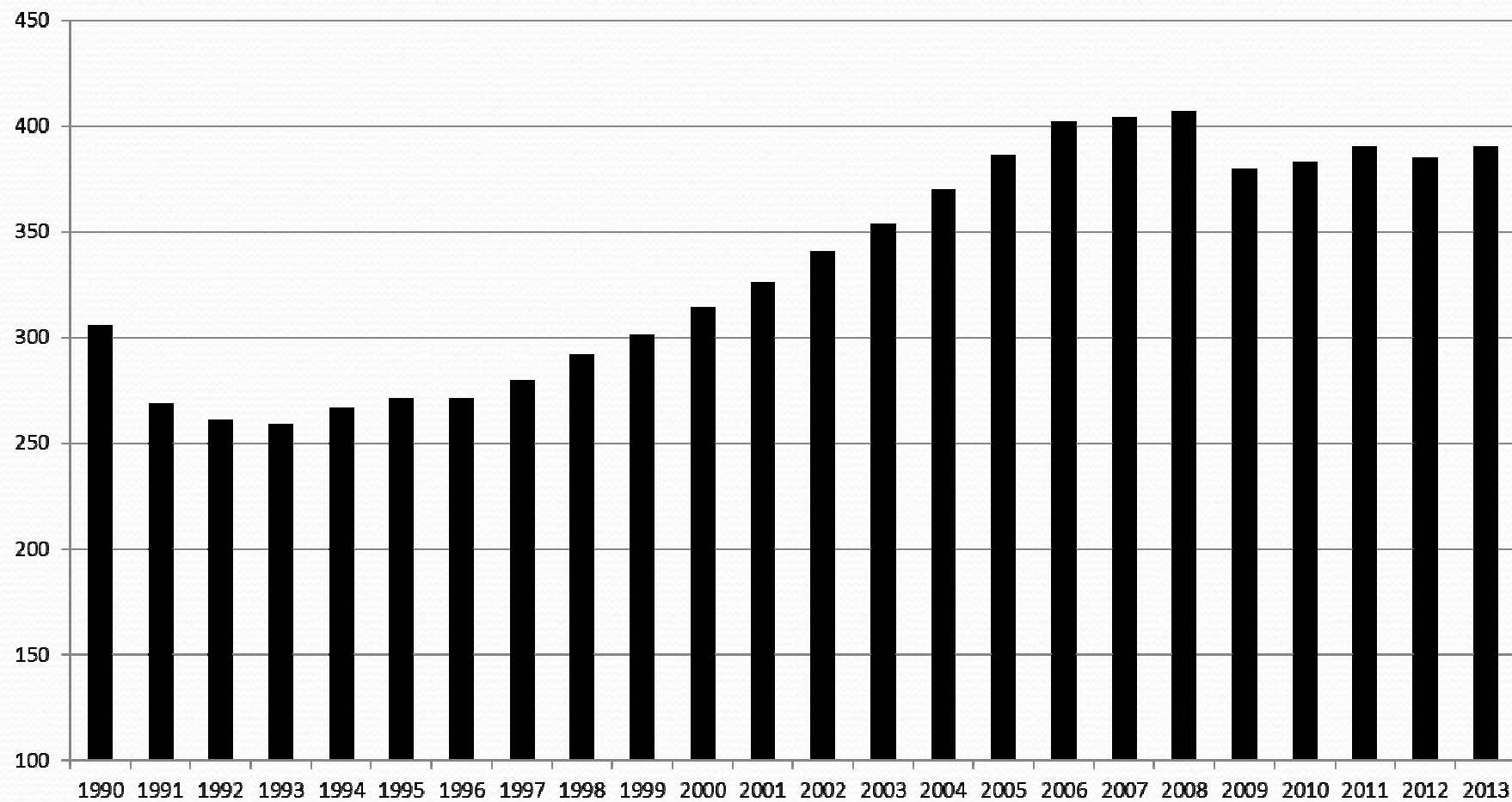




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- 4 out of 9 planetary boundaries have been crossed.
  - Climate change and biosphere integrity change are driving the Earth System into a new state.

## Hungary: Gross Domestic Product

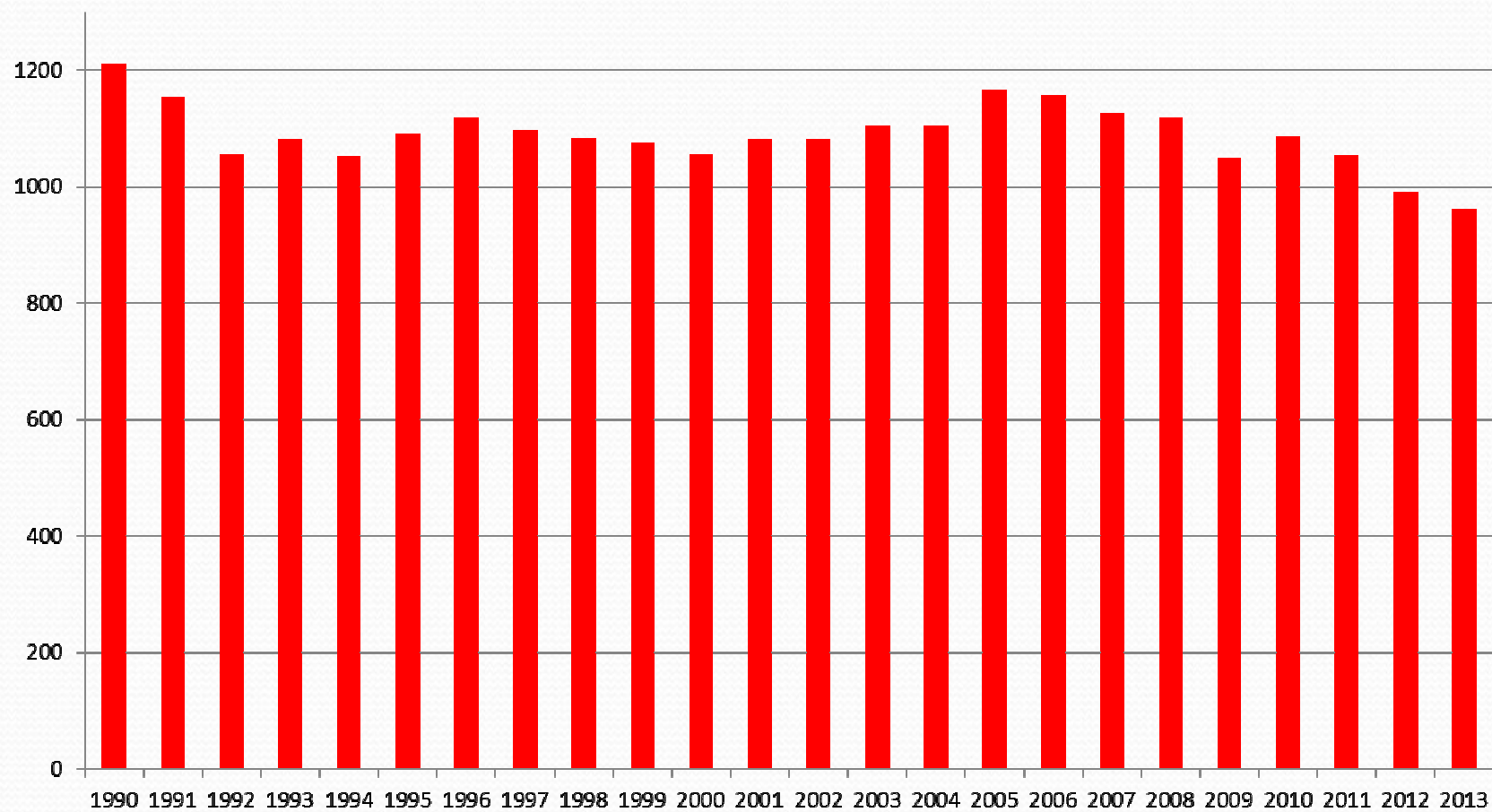
Volume index, 1960=100, 1990-2013



Source: KSH

## Hungary: energy demand

Primary energy consumption in PJ,1990-2013

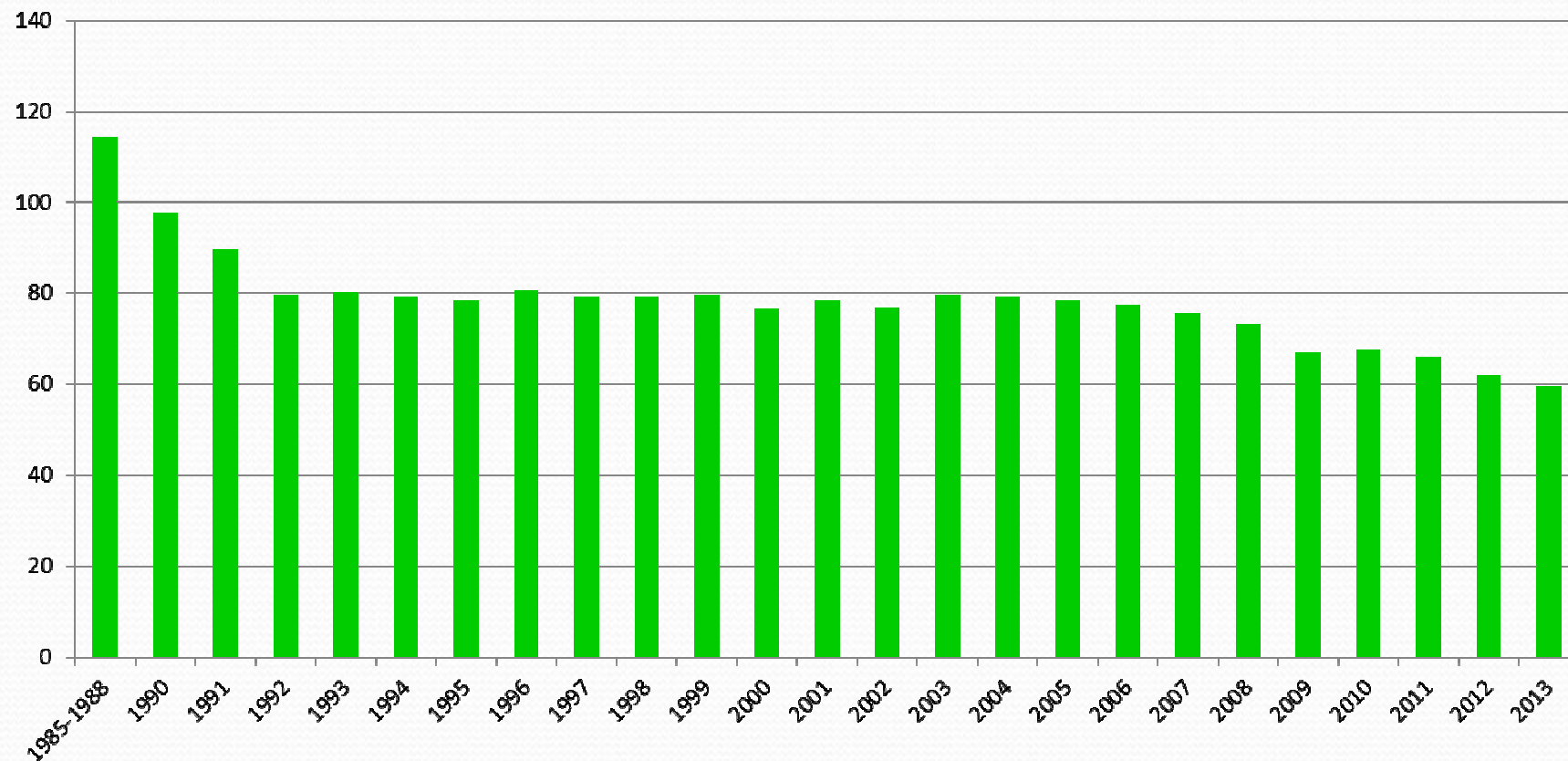


Source: KSH



## Hungary: Greenhouse gas emissions

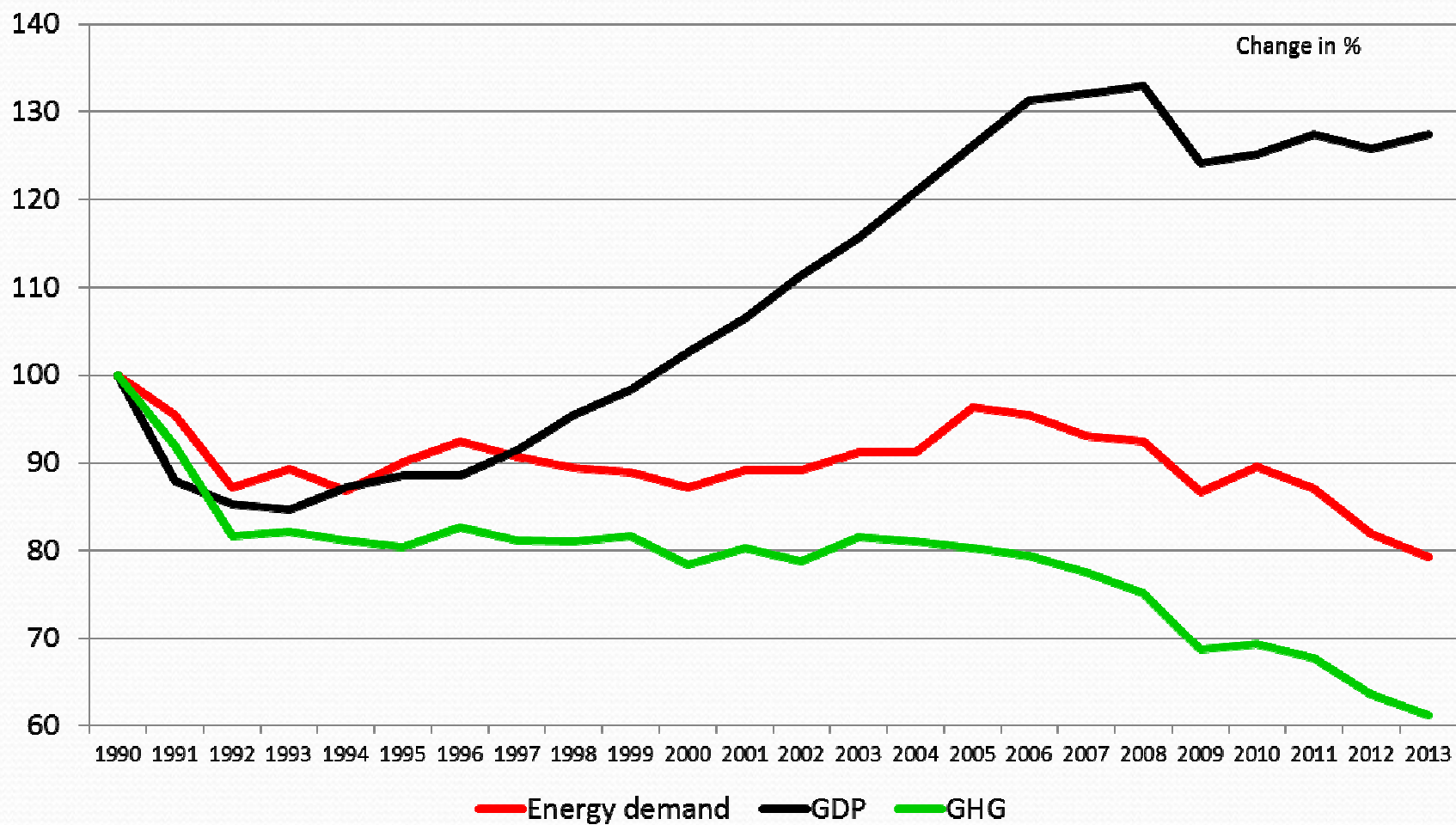
GHG emissions in million tonnes CO<sub>2</sub>eq without LULUCF, 1990-2013 and '85-'87 Kyoto base



Source: UNFCCC, EEA

## Hungary: growing economy, declining energy demand and emissions

Change of GDP, energy demand and GHG emissions, 1990-2013





# Some lessons learned

- Emission in HU peaked in 1978
- Decoupling is possible; happening now.
- Competitiveness is closely related to energy and material efficiency;
- Enhanced market positions might be supported by efficient and sustainable business conduct.
- **Transformation continues.** 20-30% of jobs in 2030 will be in businesses or market segments still not existing today.
- „HU is one of 9 EU MSs on track to meet all three 2020 targets.” (EEA)

# The Climate Change Performance Index (CCPI) Results 2015 (by Germanwatch, CAN Europe)

- Combination of emissions; efficiency; renewable energy; national and international climate policy.
- 1-3: no country qualified
- 4. Denmark 77.76; 5. Sweden 71.44; 6. United Kingdom 70.79; 7. Portugal 67.26; 8. Cyprus 66.99; 9. Morocco 65.73; 10. Ireland 65.15; 11. Switzerland 65.05; 12. France 64.11; 13. Iceland 63.07; 14. Hungary 62.82



# A View From The Sándor Palace:

## Paradigm change needed

- **Transformation: not the first time in the history.**  
Consequences of paradigm change on development now: not less than those of the industrial revolution or digital revolution.
- **Difference:** Now we *design a process* of transformation.
- **Transformation should not be a zero sum game.** (Avoid lose-lose game.)
- **193 different ways of implementation.**
- **SD requires broad cooperation among stake-holders – renewed social contracts needed**
- **Further evolution of thinking and tasking:** from challenges, -- aspirations, -- opportunities.



# Priorities of the President

- **Universal and integrated agenda** with national responsibilities.
- **Sustainability profile:** where challenges and opportunities meet: Water, climate, energy security, food security, sustainable settlements, health, education, IT solutions
- **Upgraded role** in the global value chain (technology)
- **Change the negative narrative** both in HU and abroad: transformation is possible, must have an economic rationale
- Stress the **need for agreements** leading to Paris.



THANK YOU FOR YOUR  
ATTENTION!