



Amsterdam, 27 October 2009

## **Global Assembly 2009 Climate, Energy and Economic Recovery**

*The Global Assembly of the Club of Rome met in Amsterdam from 24<sup>th</sup> to 27<sup>th</sup> October 2009, bringing together its Members and representatives from its 33 National Associations and its European Support Center and Special Guests to review and guide the global activities of the Club. On 26<sup>th</sup> and 27<sup>th</sup> October a major public event was successfully held, with over 700 participants to focus on the critical issues, which will determine the future. They analysed the roots of the various crises that confront the world community today and prepared specific proposals aimed at encouraging international agencies, governments, civil society and individual citizens to address these crises urgently and effectively and to promote immediate action in this direction at the local, national and international levels. They agreed to issue the following declaration.*

*The Club expresses its sincere thanks to former Presidents Mikhail S. Gorbachev and Ricardo Lagos and to all those Keynote Speakers, Chairmen of the Master Classes and high level participants whose willingness to present their insights from all over the world ensured the success of the Assembly. The Assembly deeply appreciated the honor of the presence of Her Majesty Queen Beatrix of the Netherlands.*

*The Club of Rome also expresses its appreciation to the generous sponsors of the events and to a large number of individuals and organisations for their commitment and participation. In particular, the Club welcomed the opportunity to hold its Assembly in the City of Amsterdam and to hear from the Mayor, Mr. Job Cohen of all the measures taken by the City to achieve energy efficient, socially inclusive development. Cities can and will play a fundamental role in the transition to sustainable economies and societies.*



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## **Amsterdam Declaration of the Global Assembly of the Club of Rome**

The Club of Rome calls for urgent action to avert the growing risk of catastrophic climate change. The most recent scientific data presented to the Assembly by the world's top climate scientists demonstrate the accelerating impacts of climate change on the natural systems of the planet. Beyond this existential threat to the future of humanity, the Club stresses the need to find a new path for world development to resolve the connected challenges in the fields of environment, global development and the restructuring of economies onto a sustainable path. We insist that responsibility for care in the use of energy and resources, responsibility for the environment and social inclusion are not simply costs to the economy, but investments in the future of humanity. Governments have directed trillions of dollars to stabilize the financial system: we call for the required levels of finance to salvage the future of the planet.

We should not aim to recover to the pre-crisis path of economic growth, which leads towards disaster. We call on governments and the business community to recognize the reality and urgency of the problems we face and to provide the leadership and sustained commitment to resolve the challenges of the 21<sup>st</sup> Century so as to leave a decent future to our children and grandchildren.

The simultaneous and apparently sudden emergence of multiple economic and ecological global crises is not a coincidence. There is now an extraordinary opportunity for nations, businesses, civil society and individuals to unite in the common efforts required to solve them.

Today's global challenges – climate change, endemic and pervasive poverty, the loss of biodiversity and species extinction, resource depletion, energy security, ocean degradation and acidification, numerous other environmental breakdowns, growing food and water insecurity and, indeed, the collapse of the global financial system – all largely stem from the same fundamental causes: our profligate consumption patterns, our inefficient and wasteful production systems, our inadequately designed and poorly regulated financial institutions and the weak and influence-ridden structures that govern our affairs.

The underlying causes are systemic and intensely connected. No one of these challenges can be resolved alone. They lie principally in obsolete social and economic models which drive our civilization: these can and must be changed. The root causes must be addressed now and they must be addressed together. The UN climate negotiations in Copenhagen will be the next opportunity to demonstrate the world's commitment to take meaningful action. And this action on climate change must resolve its underlying social and economic causes, not focus on its symptoms. The Club of Rome urges governments to adopt a strong climate treaty that will be fair, that will contribute to energy and economic security, that will respond to the growing urgency of the risks of catastrophic climate change. Governments must therefore put in place the mechanisms and the stable policy frameworks needed to reinforce the provisions of the Treaty, including a high and stable carbon price to drive innovation.

Government and business must realize that climate change mitigation and the protection of oceans and terrestrial ecosystems require drastic changes in the use of natural resources. Targets for resource efficiency must be introduced, supported by tax reform, which should increase taxes on the use of resources and lower taxes on labour.

We emphasize that the transition to an equitable, sustainable low-carbon society must also engage the business and investment community, civil society and communities at large. There is enormous potential for business in rapidly emerging markets for new sustainable low carbon products. Business leaders must commit to the re-design of business models, to innovative solutions and to new energy and resource-efficient products. They have a responsibility to regain public trust in the ethical and sustainable basis of banking and business activities.

*The goals of concerted international climate action must be:*

- To adopt, at the UN Climate Conference in Copenhagen, legally binding agreements that will initiate immediate action to achieve a stable climate with atmospheric concentrations of CO<sub>2</sub> not exceeding 350 ppm. This will primarily require action by the industrialized countries, coupled with improved energy efficiency and mitigation in all countries. The technologies to do this already exist.
- To establish financial mechanisms, including a carbon market, that will enable countries, companies and communities to reduce their net carbon emissions to the levels required.
- To accelerate support for adaptation and humanitarian assistance in developing countries as an integral component of national development so as to reduce the impacts of climate change.
- To promote the development of new models and strategies for growth, development and globalization which place a real value on natural capital and ecosystems services – including the removal of CO<sub>2</sub> from the atmosphere.
- To agree upon an international study, to be concluded within one year, which will propose how the framework of international policies and institutions must be adapted to meet the connected, systemic challenges of the 21<sup>st</sup> Century.

The economic “progress” of the past decades has been accompanied by increasing concentrations of income, wealth and by rising levels of inequality, exclusion and environmental degradation. The world of finance, in particular, has become an end in itself. The continuing dominance of the financial sector over public policy leads to a concern that the lessons learned from the recent financial crisis will quickly be forgotten and powerful interests will again demand conditions of minimum regulation that can only lead to greater crises in the future.

The finance industry must be converted into an instrument to promote ethical, equitable and sustainable world development. Banks and businesses must increasingly see their role as providing services to society: we must move from fast money to slow money. Insider trading must be prosecuted more severely as organized crime; corruption must be strongly repressed, and tax evasion through off-shore trusts and foundations must be stopped by disclosing the beneficiaries; speculation with essential commodities such as oil and food must be disallowed. Corporate incentives for bankers and money managers to seek high-risk, short-term returns should be discouraged.

We must move on various fronts. Economic growth must be reconceived, because quantitative growth in consumption has not proved to be an adequate measurement of human well-being. New measures of wealth must be defined that go beyond the current, narrow concept of GDP. New incentive structures are needed to motivate businesses and consumers to move towards sustainable development: a radical greening of tax systems is a first step. Increased technology transfer from developed to developing countries is essential, but not sufficient – affordable and simple eco-innovations must be made available throughout the world.

Massive investments in inter-disciplinary research and education are needed to generate new solutions and to enhance public understanding of the challenges ahead.

The understanding and insights of science and analysis of the realities and risks of climate change must be transmitted and understood in the process of policy formulation. The Club of Rome welcomes the participation and cooperation of GLOBE International which engages senior legislators from the G8 and G5 countries.

Recent developments in the spheres of energy, climate and economy have proved that we cannot leave world development to the dynamics of lightly-regulated markets and unleashed globalization. Change is indeed possible and it is in our hands. We call on individuals and communities across the world to commit their energies to achieving a sustainable future. The financial crisis has mobilized enormous political will to tackle a crisis of global scope - the same must now be achieved on the interconnected challenges of climate, energy and economic recovery.