

Foreword

Sir David Lewis, Lord Mayor of the City of London Corporation

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In many ways the London Accord is a unique project. It is certainly the largest piece of collaborative research the City of London has ever undertaken. It also represents the most comprehensive analysis of how solutions to climate change can be funded. Yet in the most crucial sense, the London Accord is not unique at all.

Show the City a problem, and the City will show you a way of solving it - whilst finding innovative opportunities for the market at the same time.

Global warming in this century is projected to be two to ten times greater than in the last and we are heading toward a fundamental disruption of our ecology, our economy, and our society both in this country and around the world.

The task is enormous and can only be tackled by large-scale and systemic changes – and the City knows that these must involve the global investment community and those using the financial markets in all their forms, many of which are centred on London and the UK.

We have to accept that some climate change already is built in to our future, indeed, the evidence is that it is already happening. However, we do have the power to limit the scope and severity of climate change, by stabilising and reducing atmospheric levels of greenhouse gases.

Sceptics point to the size of the investment needed to do this and have questioned the feasibility. But the Stern Review made a strong macro-economic case, the UNFCCC detailed what is required, and the financial industry has identified the private sector opportunities.

Beginning in London but then rapidly including contributions from around the world, (with significant work from companies in France, Switzerland, Germany and the US), the London Accord has over the last year seen some of the finest financial minds in the world examining the opportunities for investment in climate change solutions. Their aim was to understand what drives these opportunities, what creates value for investors, and what impact of Government policy has upon them.

The results of their deliberations, contained within this report, make essential reading for anyone wishing to take effective action in combating climate change.