CLIMATE ACTION

FAST FACTS

On climate and the economy

1. Shifting to net zero by 2050 could result in a 7 per cent increase in global GDP compared to current policies, with the savings from avoided damages greatly outweighing investment costs.

2. Clean energy benefits the planet and the economy. It accounted for 10 per cent of global GDP growth in 2023, adding around $320 billion to the world economy. Global renewable energy jobs reached 16.2 million in 2023 and continue to grow.

3. There already are more jobs in clean energy than in fossil fuels, as growing investment in clean energy technologies – such as solar panels, windmills, batteries and electric vehicles – is driving demand for new workers in every region of the world. Every dollar invested in renewable energy creates three times more jobs than in the fossil fuel industry.

4. More than half of global GDP depends on nature and its services. A collapse in some of these services, such as wild pollination, provision of food from marine fisheries and timber from native forests, could result in a $2.7 trillion decline in global GDP in 2030.

5. Between the 1970s and the 2010s, recorded economic losses from climate-related extreme events increased from $198 billion to $1.6 trillion.

6. Investing in adaptation is key to countering climate change impacts, including climate-related economic losses. Investing in resilience – the capacity of environmental and social systems to cope with hazardous events – may cut post-disaster intervention costs by at least half.

7. Every $1 invested in adaptation could result in $2–$10 in net economic benefits. An investment of $1 in resilient infrastructure, on average, yields $4 in benefits.

8. Despite the benefits of the green economy, governments continue to heavily subsidize the use of fossil fuels. In 2023, $620 billion was spent on fossil fuel subsidies -- much more than the $70 billion spent on support for consumer-facing clean energy investments, including grants or rebates for electric vehicles, efficiency improvements or heat pumps.

Sources: IMF (1), IEA (2), IRENA (2), IEA (3), IRENA (3), World Bank (4), OECD (5), UNEP (6), IMF (6), GCA (7), World Bank (7), IEA (8)