

At-a-glance: The Stern Review

The world has to act now on climate change or face devastating economic consequences, according to a report compiled by Sir Nicholas Stern for the UK government.

Here are the key points of the review written by the former chief economist of the World Bank.

TEMPERATURE

- Carbon emissions have already pushed up global temperatures by half a degree Celsius
- If no action is taken on emissions, there is more than a 75% chance of global temperatures rising between two and three degrees Celsius over the next 50 years
- There is a 50% chance that average global temperatures could rise by five degrees Celsius

ENVIRONMENTAL IMPACT

- Melting glaciers will increase flood risk
- Crop yields will decline, particularly in Africa
- Rising sea levels could leave 200 million people permanently displaced
- Up to 40% of species could face extinction
- There will be more examples of extreme weather patterns

ECONOMIC IMPACT

- Extreme weather could reduce global gross domestic product (GDP) by up to 1%
- A two to three degrees Celsius rise in temperatures could reduce global economic output by 3%
- If temperatures rise by five degrees Celsius, up to 10% of global output could be lost. The poorest countries would lose more than 10% of their output
- In the worst case scenario global consumption per head would fall 20%
- To stabilise at manageable levels, emissions would need to stabilise in the next 20 years and fall between 1% and 3% after that. This would cost 1% of GDP

OPTIONS FOR CHANGE

- Reduce consumer demand for heavily polluting goods and services
- Make global energy supply more efficient

- Act on non-energy emissions - preventing further deforestation would go a long way towards alleviating this source of carbon emissions
- Promote cleaner energy and transport technology, with non-fossil fuels accounting for 60% of energy output by 2050

GOVERNMENT RESPONSE

- Create a global market for carbon pricing
- Extend the European Emissions Trading Scheme (EETS) globally, bringing in countries such as the US, India and China
- Set new target for EETS to reduce carbon emissions by 30% by 2020 and 60% by 2050
- Pass a bill to enshrine carbon reduction targets and create a new independent body to monitor progress
- Create a new commission to spearhead British company investment in green technology, with the aim of creating 100,000 new jobs
- Former US vice-president Al Gore will advise the government on the issue
- Work with the World Bank and other financial institutions to create a \$20bn fund to help poor countries adjust to climate change challenges
- Work with Brazil, Papua New Guinea and Costa Rica to promote sustainable forestry and prevent deforestation