

## Statement on Industry Transition and Green Recovery

The disruption caused by the COVID-19 pandemic must not divert attention from reaching the goals of the Paris Agreement and working towards low-carbon emissions from heavy industry. Instead, green recovery can and must be a motor for the transition and for resilient and sustainable economic growth. We undersigned ministers, who are members of the Leadership Group for Industry Transition, call for continued momentum and ambitious action on policy, technology and finance to ensure an industry transition that tackles the climate crisis, creates decent jobs and delivers prosperity for all.

We reaffirm our commitment to accelerating the transition of all industry sectors to low carbon pathways in line with the goals of Paris Agreement, while pursuing efforts to reach net-zero carbon emissions by 2050, and to working in partnership with industry to make this happen.

To deliver a recovery that puts the industry transition on track, supports efforts to build back better, and establishes an ecosystem for transformation, we call for action in three areas:

### Policy

- The industry transition will only take off if there is a market for climate neutral and circular products. Ambitious procurement policy, standards for low-carbon products and other measures can incentivise companies to get onto a low-carbon pathway by catalysing demand for green products and services.
- In addition, companies can be incentivised to pursue a low-carbon pathway by emphasizing national commitments to the Paris Agreement, encouraging documented plans for low-carbon transitions and requiring and enabling investments in technology and processes that reduce emissions.

### Technology

- Low-carbon transitions requires the rapid scaling-up of clean technologies and associated necessary infrastructure with research, innovation and deployment. Accelerating and supporting the industrial transition can even create significant economic benefits and enable a faster economic recovery.
- It is crucial to grasp the challenge of technology transfer to ensure that innovations for low-carbon emissions can be implemented and scaled up. We call on the UN to strengthen use of existing structures to facilitate sharing of technology, know-how and infrastructure for the industry transition.

## Finance

- We recognise that an industry transition aligned with the Paris Agreement requires large capital investments around the world. We call on the private finance sector and multilateral development banks to work with us to develop risk sharing business models to take necessary innovations from blueprint to pilot, from demonstration to commercialization.
- We call on the parties of UNFCCC to honour the commitment of financial flows to developing countries to ensure required support for the transition towards low carbon pathways.

Cooperation between countries and private entities can enable faster progress in each of these areas. As members of the Leadership Group for Industry Transitions, we are committed to this and look forward to working closely together in the run-up to COP26 and beyond to ensure a green recovery for the industrial sectors and the economy as a whole.

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Isabella Lövin

Minister for Environment and Climate, and Deputy Prime Minister, Sweden

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**The Leadership Group for Industry Transition (LeadIT)** was launched by the prime ministers of Sweden and India during the UN Secretary General's Climate Action Summit on 23 September 2019. LeadIT gathers countries and companies that are committed to reaching net-zero carbon emissions from industry by 2050. It is supported by the World Economic Forum (WEF). The Secretariat is hosted by Stockholm Environment Institute (SEI).

