



Press release

An Index for Balancing Personal Well-Being, Economic Performance, and Climate Protection

The coronavirus pandemic has created enormous social, economic and political challenges worldwide. The demand for immediate action often pushed climate policy ambitions into the background. Scientists from the University of Waterloo (Canada), together with Ortwin Renn from the IASS and Hans Joachim Schellnhuber of PIK have developed a new operational approach that provides guidance to decision-makers seeking to reconcile the demands of competing goals, including effective climate protection.

The global pandemic has placed immense pressure on national budgets, as global decision-makers were compelled to balance the demands of public health, economic objectives, and environmental sustainability. At the same time, the pandemic has deeply unsettled our collective sense of safety, security, and well-being, argue the authors in the introduction to the study "*Balancing Health, Economy and Climate Risk in a Multi-Crisis*". The convergence of an immediate threat to livelihoods in the wake of a health crisis has the potential to undermine actions aimed at mitigating the risks posed by a changing climate. Climate policy is at risk of being sacrificed to short-term considerations in the face of the coronavirus crisis, neglecting the long view and the interests of future generations.

In response to this looming threat, the authors of the study, published in a special issue of the journal *Energies* focussing on "COVID-19 Crisis Implications on the Energy Sector and on the Environment", have developed a cross-target Development and Climate Change Performance Index (DCI). The index serves as a measure of a country's overall performance and tracks performance across both development and climate risk mitigation. The index aims to reconcile efforts to improve the life quality of every global citizen with a global emissions profile that complies with the 2 °C-temperature guardrail established in the Paris Agreement with the aim of securing and enhancing economic development and social well-being for all.

"Our unique approach balances health and safety, economic performance, and the climate threat through an index that combines human development goals and climate change performance", explains Professor Ortwin Renn of the Institute for Advanced Sustainability Studies.

The four scientists created the DCI from two standardized indices: the Human Development Index and the Climate Change Performance Index (CCPI). The resulting DCI provides a statistical measure of levels of performance required to balance and reconcile equitable human development with a global greenhouse gas emissions profile. As such, it is a risk management tool intended to provide guidance to decision-makers.

Data spans 55 countries, 65 percent of the world's population

The data from the two indices on which the DCI is based spans 55 countries, comprising 65% of the world's population. The DCI shows which countries perform markedly better or worse than the rest when considering development and climate change performance together: Sweden leads this ranking, followed by Switzerland and Norway, while Germany has landed in tenth place on the list of 55 countries. Saudi Arabia placed last on the index.



Ultimately, the index will help governments to develop more nuanced policies with the capacity to reconcile the goals of safety and well-being, economic development, and climate protection. "Understanding efforts to improve climate change performance as an integral part of meeting human development goals will allow the achievement of a country's environmental, social, and economic well-being to be tracked and monitored", explains Professor Renn.

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