Remarks by Secretary of the Treasury Janet L. Yellen at the Leaders Summit on Climate

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Remarks as prepared

President Biden, Secretary Kerry, and other distinguished guests, I am honored to join you at today. The global community has only a short time to avoid the most catastrophic effects of climate change: We need a “sprinting start” now if we wish to achieve our goal of net-zero emissions by mid-century. President Biden has recommitted the United States to do its part to tackle this crisis and marshal the full capacity of the U.S. government.

As Treasury Secretary, I understand that finance—public and private—is crucial to enable countries to accelerate their progress toward a net-zero emissions future and cope with a climate that is already changing. But this will require economic and political choices. Government and business leaders around the world are pondering these choices, so let me mention two questions that keep me up at night.

First, how can nations best reduce emissions, while supporting economic development and growth and responding to other major challenges, such as COVID-19? This is especially challenging for low-income countries that have few available resources and pressing development needs.

Second, how should governments target public sector climate finance to mobilize the greatest private sector investments? Past efforts to support private investment have not achieved anywhere near the scale needed to green the global economy.

I can tell you that the United States Treasury will focus the full range of our tools and expertise to work with you in producing concrete and innovative answers to these questions.

Multilateral institutions are invaluable partners to the pursuit of sustainable, inclusive, and resilient development. For these reasons, we have requested $1.25 billion for the Green Climate Fund to, in part, make good on our $2 billion outstanding pledge, $485 million to support other multilateral climate initiatives, and increased support for the multilateral
development banks in our 2022 Budget. And, looking ahead, we will consider requesting funds for additional new contributions to the Green Climate Fund and other initiatives.

As you will hear from our panel, while we are making progress, there is a need for redoubled efforts to boost the flow of capital and foster the growing market demand for climate-aligned investments. This effort will involve engagement on many fronts.

U.S. Treasury is working to facilitate investments in projects that reduce greenhouse gas emissions and protect against the impacts of a changing environment. We do that in part by providing technical assistance to foreign counterparts that helps attract private sector investment in clean energy and sustainable infrastructure projects. We are also working with the G20 and co-chairing a sustainable finance working group that will establish a sustainable finance roadmap and improve the information that private investors need to make investment decisions aligned with a more healthy and prosperous future.

In the end though, we know we will only achieve our goal of curtailing climate change through collective action. Today, we as a global community, need to be ambitious, set goals, work together, and sprint toward a cleaner, safer, better future. We look forward to meeting this challenge together.

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