

Report Says Climate Change Summit Highlights The U.S. Return To The Agreement, And Ups The Ante On Decarbonization

NEW YORK, May 6, 2021 /[PRNewswire](#)/ -- A recent U.S.-sponsored Leaders Summit on Climate underscored the country's rejoining of the Paris Agreement in a key global effort with other large economies to reduce the effects of climate change. According to a report published May 4, 2021, by S&P Global Ratings, signatories will need to work out myriad details in the coming months and years as they tackle Nationally Determined Contribution targets. The report, "[The Leaders Climate Change Summit: A Decisive Decade To Cut Emissions](#)" states that these heightened public policy commitments are major benchmarks, confirming widespread momentum around the world to decarbonize. On top of the milestones achieved to date, these targets will likely result in a blend of large investment programs and new environmental regulations. In addition, the report notes that a growing pace of sustainable debt can be expected.

"Given the magnitude and speed of reductions to achieve, we anticipate transition risk to be an increasingly potent credit rating factor in the years ahead, and few sectors will be spared from the energy transition fallout, though each will likely have both winners and losers," said S&P Global Ratings analyst Michael Ferguson. "As highlighted by recent history, hastening the carbon transition will require addressing many social and political hurdles across numerous regions to maintain momentum."

The heightened goals respond to the growing urgency of climate change, as articulated in the most recent Intergovernmental Panel on Climate Change (IPCC) report. They also reflect growing optimism, globally, about the ability to meet existing targets due to improvements in cost and technology, and growing cognizance that there's an ability to decarbonize across a wide swath of sectors, with financial markets following close behind.

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<https://press.spglobal.com/2021-05-06-Report-Says-Climate-Change-Summit-Highlights-The-U-S-Return-To-The-Agreement,-And-Ups-The-Ante-On-Decarbonization>