

CEOs want government action on climate change

Despite the ongoing and highly visible debate over global warming, it appears it is not an issue keeping many CEOs up at night. Of the 1,150 CEOs in 50 countries interviewed for PricewaterhouseCoopers' *11th Annual Global CEO Survey*, only 34% say that climate change is a cause for concern, with the remainder believing it was not a threat to their business. In addition, only 37% of the respondents said their organisation was investing significant resources to address the risks and opportunities presented by climate change; however, this number increased to 56% among large organisations with a turnover of more than US\$10 billion a year.

While the majority of companies interviewed might not be heavily proactive in helping to tackle climate change, four-fifths were supportive of greater government regulation to address the problem – a stark difference to their usual cry for less government regulation on other issues. Support for increased government intervention was highest among CEOs in Asia, at 90%, and lowest in North America, at 64%.

CEOs also favoured collaborative efforts to alleviate climate change. Overall, 73% of CEOs believed that businesses need to collaborate more effectively with industry peers and business partners to mitigate climate change. This number rose to 82% in Asia Pacific and declined to 58% in North America. There was also a strong push for developed countries to adopt more of the responsibility and greater share of the

costs to reducing climate change than developing countries, with three quarters of the respondents agreeing to the statement.

'I feel it's wrong to expect developing countries to take the lead,' said Akhil Gupta, managing director of one of India's leading business groups Bharti Enterprises. 'Since energy is an expensive commodity, I think there is plenty of incentive for every company in every industry to use it more efficiently.'

Views on regulation

- Only 26% of CEOs believe that their governments are creating a business-friendly environment.
- Most CEOs agree or strongly agree that governments should drive convergence of global tax and regulatory frameworks – only 17% oppose the idea. The UK significantly bucks this trend with 37% against the idea.
- CEOs are almost evenly divided on whether the regulatory framework is designed on the assumption that companies will act without integrity.
- 57% of CEOs believe that governments have not reduced the regulatory burden and only 18% think they have.

To find out more about how CEOs around the world are viewing climate change as well as other key global business issues, visit www.pwc.com/ceosurvey.

