

Major Economies Business Forum

on Energy Security and Climate Change



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Major Economies Business Forum: Perspectives on the Upcoming UN Framework Convention on Climate Change COP-19/CMP-9 Meetings in Warsaw, Poland and Development of a Post-2020 Agreement

BACKGROUND

The Major Economies Business Forum on Energy Security and Climate Change (BizMEF) is comprised of national and regional cross-sectoral business organizations representing millions of companies on five continents. BizMEF has participated in and shared our views at meetings of the United Nations framework convention on climate change (UNFCCC) since COP-15 in Copenhagen in 2009.

Members regard COP-19 in Warsaw as a significant meeting because it will establish the way forward as negotiators move from sharing ideas into negotiation mode for a new, comprehensive post-2020 agreement by 2015. Discussions over the last several years have raised many ideas and possibilities for this agreement. However, with only two years remaining, and a complex and ambitious set of issues to be resolved, it will be important to establish a common framework on how the negotiations are to proceed.

Unfortunately, all too often over the past several years, agenda fights and other procedural differences have prevented negotiators from focusing on important substance. Concerning the most recent delays arising from concerns over how to address decision-making, especially in the Conference of Parties, and rules of procedure, our coalition hopes these issues can be resolved in an effective and timely fashion in Warsaw. It would be an important and useful development for Parties to agree at last on Rules of Procedure and decision-making processes as we approach potentially contentious decisions on the post-2020 negotiation.

The world has changed significantly since the UNFCCC was negotiated in the early 1990s. Economic challenges over the past five years stemming from the global financial crisis emphasize the importance of acting on a new agreement with prudence, and identifying cost-effective ways to marshal limited resources to achieve important goals. The new agreement must not jeopardize economic growth if it is to pave the way for practical actions that reduce the risks of climate change both by mitigating emissions and by enhancing capacity to adapt.

BizMEF regards it as extremely important for the new agreement to enhance the opportunities and means for business engagement. Parties have established ambitious long-term goals to address climate change that can only be met through innovation and global deployment of new technology systems and business models. Parties are also discussing a variety of new approaches to encourage action. It will be important for business to be involved more fully in the technical

discussions on ways to make progress, so that we can share our experience, skills, and capabilities in ways that promote effective and efficient outcomes.

BIZMEF PERSPECTIVES ON THE NEGOTIATION OF A POST-2020 AGREEMENT

BizMEF members share the view that a successful post 2020 agreement should display the following attributes:

- Be comprehensive, involving all parties, with commitments for developed, emerging, and developing countries according to respective capabilities;
- Address mitigation, adaptation, and means of implementation, including finance, capacity building, and a variety of recognized mechanisms and approaches for mitigation;
- Promote effective actions aligned with national priorities and circumstances in line with the Convention's principles;
- Provide clarity on existing and emerging mechanisms and approaches that can be used to meet commitments;
- Include effective and efficient measuring, reporting, and verification (MRV) for all commitments to ensure transparency and to assess progress going forward;
- Become more effective in ways to engage the business community, so that the UNFCCC can benefit from the experience and skills and expertise of the business community in designing efficient, effective and

practical ways to address climate change;

- Take advantage of Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN) to help properly identify the technological needs of developing countries and to encourage efforts aimed at reducing their emissions through technology commerce;
- Seek to work in synergy with existing, well-established processes and new ones that are emerging, to promote more effective development while addressing environmental and social challenges.

To be effective and implementable, commitments should be realistic and reflect national circumstances, capabilities, and priorities. A one-size-fits-all approach is neither appropriate nor desirable. In this respect, business welcomes the call as part of the negotiation for dialogue and discussion to better understand proposed national commitments. We see this as an opportunity for all participants to better understand governments' intentions and efforts, and the ways that business and others can contribute to effective outcomes. This may also require development of procedures for MRV that are tailored in part to national circumstances. The priority need not be for one, single, comprehensive set of all-encompassing rules and approaches to MRV. Rather, MRV needs to be efficient and effective in judging results and progress in achieving national commitments.

We hope that the negotiation will provide far more clarity on the range of approaches that might be used to address mitigation.

Currently it is unclear, even bewildering, to understand how CDM, Nationally Appropriate Mitigation Actions, new market mechanisms, non-market-based mechanisms, various approaches, sectoral approaches, and means to utilize agriculture, forests, and land use will work, either singly or in combination with one another. Going forward, BizMEF intends to share views on which approaches and processes might be most effective and efficient in allowing business to contribute to solutions, and which may prove to be inefficient. Indeed, BizMEF has already provided governments with consensus views on a broad array of topics (see the list of BizMEF issue papers below), and a new issue paper on New Mitigation Options has recently been issued.

A number of existing domestic and international processes already provide capabilities and support that can help in achieving the objectives of the UNFCCC. The agreement should not try to build a comprehensive framework that encompasses every aspect of dealing with climate change. Rather, it should work to complement and leverage ongoing approaches that are already used by business and governments every day to address environmental protection and development needs.

Business is concerned that the negotiation process has become altogether too complex. We hope that it may be possible for negotiators to simplify the process going forward by focusing less on details and more on the top-line objectives of generating effective mechanisms to mitigate and adapt to climate change. In that regard, we believe that more flexibility will be essential. Circumstances have

changed considerably since the 1990s and will continue to evolve. The global economy and roles of various nations has shifted dramatically. The ongoing financial crisis continues to constrain the resources that governments have available to address climate change. Unanticipated changes in technologies and resource availability have made clear our limited ability to forecast changes and the need for flexibility so that we can evolve to take advantage of real-world developments. Certainly, in coming decades innovation, evolving scientific understanding, and experience with policies will provide us new insights in ways to address climate change.

BizMEF members are encouraged by the interfaces that have been set up for business to work with new institutions including the Green Climate Fund, CTCN, and TEC, and we are participating in those

activities. As part of the post-2020 agreement BizMEF believes that it would be more efficient and effective to evolve towards a single business channel, for example based on the model of the OECD's business and industry advisory committee BIAC (see enhancing business role and the UNFCCC a post-2020 vision). The fundamental concept is that business itself would establish a forum open to all business groups involved in the international climate process. This would provide a means to develop responsible, representative business views across the full range of relevant issues, and to provide and exchange business views more efficiently and comprehensively with the larger spectrum of actors and activities within the UNFCCC, including parties, regional groups and the Secretariat, as well as associated institutions.

Australian Chamber of Commerce and Industry
BusinessEurope
BusinessNZ
Canadian Council of Chief Executives
Confederation of British Industry
Confederation of Indian Industry
Dansk Industri
Federation of German Industries – BDI
Iniciativa para el Desarrollo Ambiental y Sustentable — IDEAS (Mexico)
International Organisation of Employers
Mouvement des Entreprises de France
Nippon Keidanren (Japan Business Federation)
Polish Confederation Lewiatan
U.S. Chamber of Commerce, Institute for 21st Century Energy
U.S. Council for International Business

BIZMEF ISSUE PAPERS

All of the papers listed below are available at the BizMEF website at <http://www.majoreconomiesbusinessforum.org/issuepapers.html>

Business Engagement with the UNFCCC

- Enhancing Business's Role in the UNFCCC—A Proposal and Roadmap to 2020
- [Business Engagement with UNFCCC and Emerging International Climate Change Institutions](#)
- [A Business Consultative Channel to the UNFCCC](#)
- [Business Engagement with the Technology Mechanism](#)
- [Business Engagement with the Green Climate Fund](#)
- [BizMEF submits comments on the participation of business in the proceedings of the Board of the Green Climate Fund](#)

COP-19, Warsaw, Poland, November 2013

- [Perspectives on the Upcoming UN Framework Convention on Climate Change COP-19/CMP-9 Meetings in Warsaw, Poland and Development of a Post-2020 Agreement](#)
- [Climate Investment and Finance](#)
- [New Mitigation Options](#)

COP-18, Doha, Qatar, December 2012

- [Perspectives on the Upcoming UN Framework Convention on Climate Change COP-18/CMP-8 Meetings in Doha, Qatar](#)
- [Predictable Regulation](#)
- [Enhancing Business Role in UNFCCC — A Post 2020 Vision](#)
- [Adaptation](#)

COP-17, Durban, South Africa. December 2011

- [Green Climate Fund and the Role of Business](#)
- [International Offsets](#)
- [Technology Mechanism](#)
- [Trade, Investment & Competitiveness](#)
- [Enhancing the Role of Business in Climate Change and Energy Security Policymaking](#)
- [Perspectives on the Upcoming UN Framework Convention on Climate Change COP-17/CMP-7 Meetings in Durban, South Africa](#)

COP-16, Cancun, Mexico. December 2010

- [Perspectives on Technology](#)
- [Perspectives on Low-Carbon Pathways](#)
- [Perspectives on the Role of Markets](#)
- [Perspectives on Measuring, Reporting, and Verification](#)
- Issue Summaries (available in [English](#), [German](#), and [Japanese](#))

Declarations and Statements

- [The Major Economies Business Forum Urges Negotiators to Commit to a Clear and Predictable Strategy that Enables Business Solutions](#) (December 2009)
- [Declaration Of The Major Economies Business Forum On Energy Security And Climate Change](#) (September 2009)
- [Expectations for the International Climate Conference \(COP15\)](#) (February 2009)

ABOUT BizMEF

The Major Economies Business Forum on Energy Security and Climate Change (BizMEF) is a partnership of major multi-sectoral business organizations from major economies. Modeled after the government-to-government Major Economies Forum, BizMEF is a platform for these groups to:

- promote dialogue and exchange views on climate change and energy security across a broad spectrum of business interests including major developed, emerging, and developing economies;
- highlight areas of agreement among participating organizations on the most important issues for business in international climate change policy forums; and
- share these views with governments, international bodies, other business organizations, the press, and the public.

Organizations that have participated in BizMEF meetings represent business groups in Australia, Brazil, Canada, China, the European Union, Denmark, France, Germany, India, Italy, Japan, Mexico, New Zealand, South Africa, South Korea, Turkey, the United Kingdom, and the United States. Collectively, BizMEF organizations represent more than 25 million businesses of every size and sector. Because BizMEF partnering organizations represent a broad range of companies and industries—including energy producing and consuming companies as well as energy technology and service providers—the partnership is able to provide robust and balanced views on a range of issues.

For more information on BizMEF, please visit our website at:
www.majoreconomiesbusinessforum.org.