



# Business Engagement in Implementing National Climate Pledges and the Paris Agreement

Norine Kennedy, United States  
Council for International Business  
*October 10, 2018*



# Starting Points...

- ▶ **From incremental transition to transformation:** “Unprecedented action” for transformational change warrants out of the box thinking AND doing, yet...
- ▶ **Institutional evolution and innovation:** We are still predominantly using pre-Paris structures to respond to post-Paris tasks and realities when it comes to NSAs, notably business

# Heard at the CCXG from government reps...

- ▶ “...move beyond incremental progress towards transformational change...”
- ▶ “Governments have official information, but much more information is held by un-official actors, such as business”
- ▶ “People negotiating guidelines and rules will not be the ones using them”
- ▶ “There is still institutional inertia when it comes to tackling climate challenges”
- ▶ “No sector should be left out - all will have to act...”
- ▶ “We should not think of “winners” and “losers” - working together in the global effort will make everyone “winners”

# Outline

- ▶ About the Discussion Paper
  - ▶ Objective
  - ▶ Process
- ▶ Highlights

# USCIB BizMEF Discussion Paper: *Business Engagement in Implementing National Climate Pledges & the Paris Agreement*

**OBJECTIVE** : Explore how national governments have begun to cooperate with national and regional business communities on implementation, and how that cooperation can connect to and be replicated in the UN climate policy implementation process, leading to a proposal for a new recognized interface for business

- ▶ Strengthen implementation with a vision of near term “transition” building to long-term transformation
- ▶ Present diversity of approach & experiences; highlight **good practice design attributes**
- ▶ Proposal for new institutional infrastructure to engage business across sectors and nationalities as a resource for governments and the UNFCCC process

# How Are We Developing the Report?

- ▶ (2016: BizMEF and USCIB produce 1st report, Business Engagement in Domestic & International Implementation of the Paris Agreement: for COP22 = first observations and lessons learned from business interactions w/national governments in development of Intended NDCs (INDCS).)
- ▶ Surveys to business organizations through BizMEF and BIAC members and partners
  - ▶ BIAC and BizMEF combined include 90+ national and sectoral representative business and employers organizations inside and outside OECD
- ▶ Interviews with government representatives in Bonn and Bangkok sessions
  - ▶ Questions to business and governments:
    - National and Global Experiences and possible links
    - Transparency and information
    - Cooperative Approaches
- ▶ **October 10 Workshop discussion - inviting comments on discussion draft by October 26**
- ▶ Publish in late November
- ▶ BizMEF Business Dialogue, December 9 in Katowice

# Findings and Takeaways

- ▶ Voluntary actions are important and beneficial, but cannot substitute for strong and growing public policies to mobilize the efforts at the scale and pace required for the Paris Agreement to succeed in transforming the economy in coming decades.
- ▶ In that regard, more regular and systematic interactions between governments at all levels and business are needed.
- ▶ Formal national and international procedures to inform broader transparency discussions will be accompanied by additional informal activities by several actors: academics, think tanks, business and related institutions, especially those dealing with economic development, energy and energy access, technology, agriculture, land use, resilience and adaptation. **Business will be both a consumer and a producer of relevant information to inform the transparency processes associated with the Paris Agreement.**
- ▶ Like Parties, business has an essential interest in assuring credibility and integrity of plans and actions in all nations. As well, business has **significant experience and insight concerning both national and international transparency procedures and MRV**, and of the magnitude of the effort required for rapid transformational change.

# Good Practice Design Attributes: Some in place and others to come

- ▶ Involving business and other stakeholders at multiple points in defining and tracking NDCs
- ▶ Consulting with sectoral business groups is important, but multi-sectoral organizations can provide a full perspective on economywide impacts
- ▶ Preserving distinct business consultations (but not to the exclusion of multi-stakeholder dialogues)
- ▶ Relatively little linking (yet) between national and global processes arising from the Paris Agreement

## *What could business uniquely contribute?*

- ▶ Addressing NDCs and gaps across all areas: mitigation, finance, technology, adaptation/resilience, etc. - strengthening, improving effectiveness
- ▶ Systems Thinking and Systems Doing = joined up and integrated approaches that reflects economic, employment, trade and other elements
- ▶ Companies in global marketplace will experience the full portfolio of NDCs as implemented in ways that governments will not
- ▶ Supply, value, market connections can be reflected
- ▶ Technical and practical expertise available to inform assessments and discussions



“The best allies of all those that want to make sure that the Paris Agreement is implemented, the best allies today in the world are probably in the business sector and it is very important to fully mobilize them.”

“Without the private sector we will not have the necessary innovation, we will not have the necessary capacity to discover new markets, new products, new services and to be able to develop new areas in the economy.”

# Thank You

<http://www.majoreconomiesbusinessforum.org>

<http://www.uscib.org>

<http://www.biac.org>