



The Road Through **Paris**

An assessment of First Results from COP21

Road Through Paris: First Results from COP21

Meeting in Paris at COP21, 196 countries have committed to building a thriving, clean economy.

Business came to Paris looking for four critical ingredients: **ambition**, **certainty**, **confidence**, and **a level playing field**. BSR invites you for an initial assessment to see if these ingredients are present in the final **Paris Agreement**.

Members of BSR's executive and climate teams returning from Paris will provide an update on:

- The big picture: How COP21 matters for business
- Climate action by businesses and investors announced in Paris
- The diplomatic outcome: The Paris Agreement on Climate Change
- Media coverage and narratives at COP21

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Today's speakers



Eric Olson

Senior Vice President,
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Edward Cameron

Managing Director,
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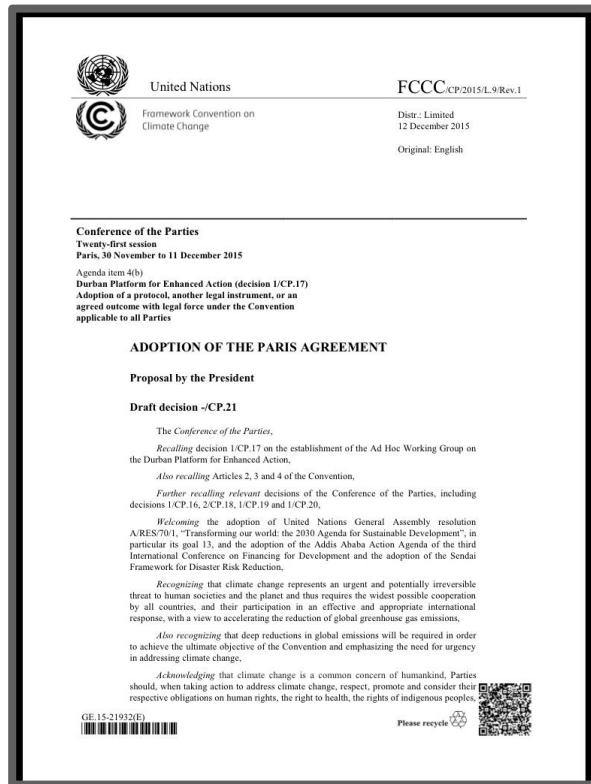
Partnering with seven business-facing networks to deliver success

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- **Seven business facing networks** working with thousands of global companies to catalyze low-carbon development
- A focus on **communications** to alter the narrative on climate change
- **Corporate engagement** including the WMB Campaign to prompt business collaboration
- **Policy engagement** to push governments to create a policy enabling environment conducive of business action & ambition

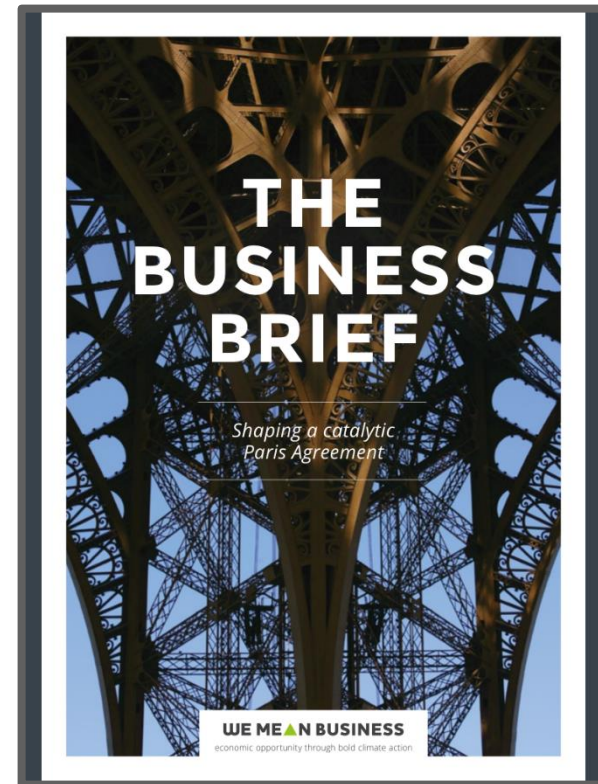
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Resources



The Paris Agreement.

Available from www.unfccc.int



The Business Brief.

Available from
www.wemeanbusinesscoalition.org/businessbrief

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The building blocks of COP21

The Action Agenda: Cooperative initiatives and individual commitments from state and non-state actors including the private sector. **B2B signals** on what the gold standard looks like for business.

Intended Nationally Determined Contributions (INDCs) or national climate action plans covering commitments out to 2030. Specific **regulatory signals** in key economies and markets.



Pre 2020 and long-term finance from public and private sources to drive the low GHG transition. Climate finance establishes **market signals** and financial incentives.

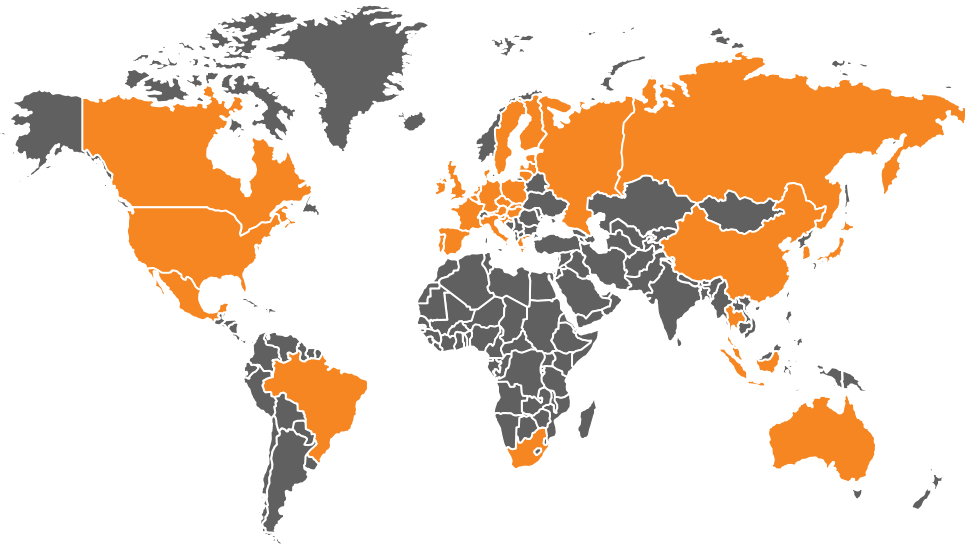
A new legal agreement for the post-2020 climate regime applicable to all, equitable and ambitious, and addressing mitigation and adaptation. The **political signal** committing governments to long-term decarbonization

Ambition

More than 180 countries representing 97 percent of global greenhouse gas emissions have put forth national climate action plans. In addition non-state actors including business have pledged to reduce GHG emissions in unprecedented numbers through the so-called “action agenda”.

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Intended Nationally Determined Contributions (INDCs)



187 countries representing 97% of global greenhouse gas emissions (GHGs) have submitted [climate action plans](#) (INDCs)



The [United States](#) has committed to reduce GHG emissions by 26 to 28% below the 2005 level



[China](#) has agreed to peak the country's carbon-dioxide emissions around 2030 and increase its non-fossil-fuel share of energy to around 20% by 2030



The [European Union](#) has committed to at least 40% domestic reductions in GHG emissions by 2030 compared to 1990 levels.

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The Action Agenda

- **Collaborative actions** and initiatives involving states and non-states actors.
- Committing to **industry or sector-wide collaboration** and plans.
- Actively **supporting the implementation of internal and public policies** for combating climate change and developing low-carbon economies, especially on carbon prices.
- Making **individual corporate commitments** that will reduce GHG emissions or increase resilience; and mainstreaming climate change in their strategies and governance.

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The Action Agenda

Working with our partners in the We Mean Business Coalition we have been driving a Campaign to persuade companies to commit to climate action. To date we have persuaded:

- ★ **359 companies worth over \$7tn in revenue.**
- ★ **160 investors with over \$19.5tn in assets under management**
- ★ **To sign up to 850 commitments across seven initiatives**

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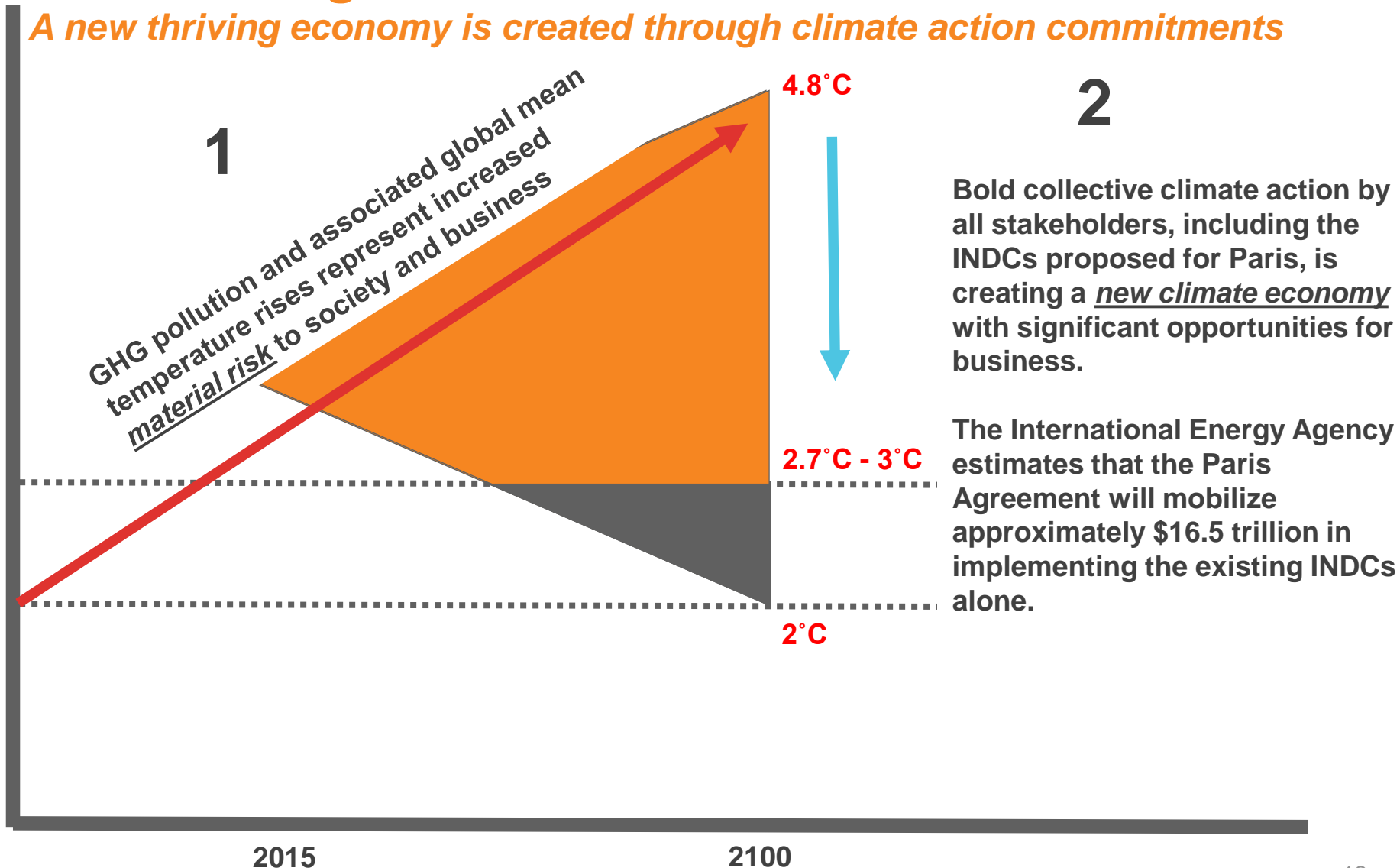
The Action Agenda

Working with our partners in We Mean Business we have been driving companies to:

- ✓ Adopt a science-based emissions reductions target.
- ✓ Put a price on carbon.
- ✓ Procure 100% of electricity from renewable sources.
- ✓ Responsible corporate engagement.
- ✓ Report climate change in information in mainstream reports as a fiduciary duty.
- ✓ Remove commodity-drive deforestation from all supply chains by 2020.
- ✓ Reduce short-lived climate pollutant emissions.

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A new thriving economy is created through climate action commitments



Certainty

Business needs to know governments are committed to a pathway to complete decarbonization. The Paris Agreement contains this certainty through the so-called “long-term goal”.

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Certainty through the Long-Term Goal (LTG)

With the Paris Agreement governments are now committed to net-zero GHGs well before the end of the century. There are five components to the goal:

- ✓ A commitment to hold the increase in the global average temperature to **well below 2 °C** above pre-industrial levels and to **pursue efforts to limit the temperature increase to 1.5 °C** above pre-industrial levels.
- ✓ A commitment to reach global peaking of greenhouse gas emissions as soon as possible and to undertake rapid reductions thereafter in accordance with **best available science**.
- ✓ A commitment to achieve **a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases**.
- ✓ A commitment to deliver this **in the second half of this century**.
- ✓ A commitment to deliver this on the basis of **equity**.

Confidence

Business needs to know that the agreement reached in Paris is not dependent on political cycles or the changing political fortunes within countries. It further needs to know that ambition will increase over time. The five-year cycles commit governments to reviewing their national climate action plans upwards every five years.

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Confidence through the Five Year Cycles

With the Paris Agreement governments are committing to returning to the negotiating table at five year intervals with the goal of progressively raising their individual and collective level of ambition.

- ✓ Governments will communicate national climate action plans **every five years**.
- ✓ Each government's successive plan will represent **a progression** beyond the current one and **reflect the highest possible ambition**.
- ✓ Government's are going to **come back in 2020** with an update on their current plans.
- ✓ The five-year cycles answer the two most vocal criticisms of the Agreement – namely that it is “not enough” and that it is “toothless”.

A Level Playing Field

Companies operate across multiple jurisdictions through a complex and extensive value chain, and they needed to know this agreement would capture the widest possible cooperation across all countries. For the first time, we have that level playing field.

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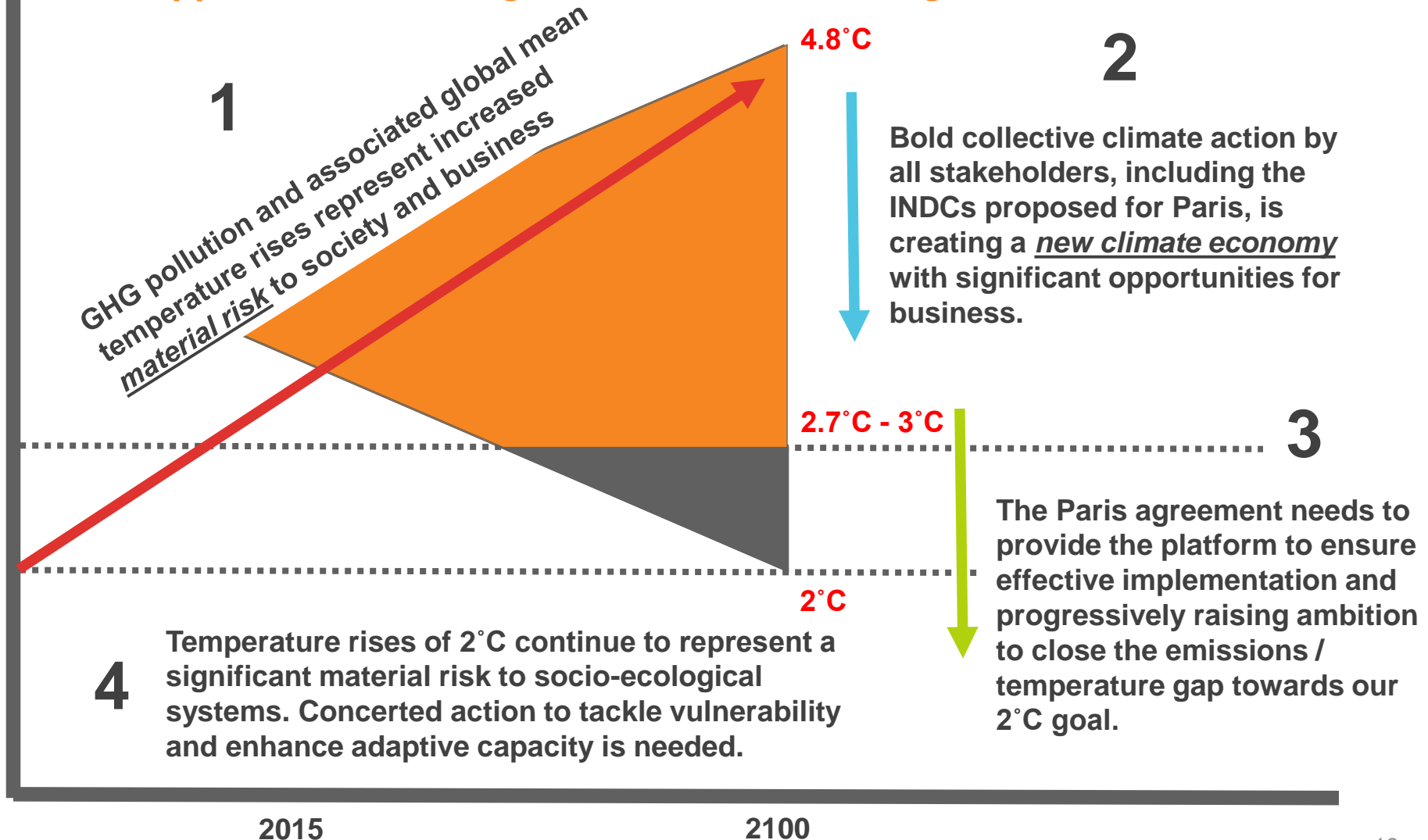
A level playing field with all countries actively engaged in climate ambition

With the Paris Agreement the commitment to climate action is universal, involving all major economies and a total of 196 Parties.

- ✓ For the first time the United States and China are both committed to emissions reductions.
- ✓ Global business now knows that all geographies spanning the entire value chain will be committed to a regulatory environment supportive of low-carbon development.
- ✓ Some of the most long-standing political arguments against action have been undermined. The idea that the US would only act if China acted has been broken. Similarly the idea that only industrialized countries should reduce emissions has been sunset.

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What happens next: Driving below 2°C and building resilience.



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The Media Reaction



Messaging through the media at COP21: The We Mean Business coalition effectively used media channels during COP21 with a combination of daily circulars, press conferences, and events. This enabled us to speak to a variety of audiences.



The Media reaction to COP21: The response has been almost entirely laudatory, with many suggesting the deal is the first sign of the end of fossil fuels, noting the strong signal the deal sends to investors and markets worldwide.

Some scientists and activists think it does not go far enough.

Some voices in the media were less welcoming with US Senate Majority Leader Mitch McConnell saying the Agreement "is subject to being shredded in 13 months."

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A level playing field with all countries actively engaged in climate ambition

Collaboration and next steps

- ✓ How did BSR work with the WMB coalition?
- ✓ How did BSR work with member companies?
- ✓ How did the private sector work with governments?
- ✓ What happens next?

Thank you!

BSR is a global nonprofit organization that works with its network of more than 250 member companies to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.

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