

RUSAL'S SUBMISSION
TO THE ROAD MAP FOR GLOBAL CLIMATE ACTION

Moscow

1 August 2016

RUSAL welcomes the opportunity to submit this response to the invitation from high-level champions H.E. Ambassador Laurence Tubiana and H.E. Minister Delegate Hakima El Haite (the HLCs) on aspects of the Road Map for Global Climate Action. RUSAL recognizes and appreciates the hard work and leadership of the HLCs in assuring success of early action initiatives and advancing the commitments under the United Nations Framework Convention on Climate Change (UNFCCC) on mitigation, adaptation, financing, technology, loss and damage, capacity building, and other elements of the Paris Agreement.

Role of the high-level champions (Question 2).

We believe that the HLCs will play a crucial role in implementing the Paris Agreement and advancing other decisions from COP 21. The HLCs are well-positioned to guide processes that immediately integrate on-the-ground climate activities into UNFCCC negotiations, including pre-2020 actions with non-Party Stakeholders from civil society, the private sector, financial institutions, cities and other subnational authorities.

Specifically, the HLCs can play a key advisory role prior to COP 22 to assure the inclusion of proper consideration of carbon pricing on the official agenda in Marrakesh, Morocco. We believe that the HLCs could work in unison with ongoing initiatives, including the Carbon Pricing Leadership Coalition, to prepare a carbon pricing work programme moving forward.

RUSAL believes that the HLCs could facilitate a dialogue that leads to a decision in Marrakesh at COP 22 to launch an initiative on carbon pricing among a broad representation of Parties and non-Parties, including the active participation of developing countries. Such a process established under COP 22 could lead to the promotion of best practices for national and subnational programs on carbon pricing. These activities would provide a useful step toward demonstrating the effectiveness of universal carbon pricing as a key strategy for climate mitigation, financing, and adaptation in a manner that respects the principles of inclusiveness and fosters innovation.

Beyond COP 22, the HLCs could continue to apply their leadership on carbon pricing in developing best practices through informed consideration of challenging issues such as environmental integrity, transparency, compliance, capacity building, and loss and damage.

High-level Event (Question 4). The High-level Event at COP 22 will be the main showcase in Marrakesh for climate action. The Event will provide a range of opportunities to highlight the successful climate actions to date, make recommendations to scale up efforts on approaches that are successful and introduce new initiatives and coalitions to foster innovation and enhance action.

RUSAL proposes for the HLCs to convene a broad discussion on carbon pricing among high-level officials representing Party and non-Party stakeholders, which will build on the Climate360 Forum in July 2016 held in Marrakesh. The subsequent dialogue could inform the processes under the UNFCCC and Paris Agreement as an effective mechanism for national climate action that may be deployed on a global scale. It could serve as an opportunity to launch the mobilization of new and additional, adequate, predictable, accessible, sustainable financial resources to enhance actions on mitigation, adaptation, technology, capacity building and loss and damage.

RUSAL would be delighted to work with the HLCs to plan and prepare for the potential discussion as part of the High-level Event at COP 22.

The role of the TEMs (Question 5).

Thematic technical expert meetings (TEMs) can provide an effective forum for focused work that will accelerate the implementation of scalable best practice policies. It will also bridge the gap between the ambitions of the Paris Agreement and on-the-ground actions. TEMs can contribute to better coordination and capacity-building at the local/subnational level.

RUSAL proposes a TEM dedicated to carbon pricing that focuses on best national policies, practices and actions which are scalable and replicable, foster innovation, and enable regional and global linkages. A carbon pricing TEM could include a broad representation of Parties and non-Party Stakeholders, including the active participation of developing countries.

We believe that the scientific community under the leadership of the International Panel on Climate Change (IPCC) and ministries of finance could make necessary and valuable contributions to a carbon pricing TEM. Diverse and

high-level skill sets are required to assess and identify best practices on complex issues associated with carbon pricing such: as regulatory design; economic and trade implications; societal costs of GHG emissions; the reorientation of financial flows for adaptation and climate resilience; accounting, transparency and environmental integrity; global and regional linkages; and other challenges.

RUSAL is a leading, global aluminium producer and one of the world's major producers of alumina. Environmental stewardship has always been central to RUSAL's growth and development. Approximately 90% of RUSAL's aluminium is produced using environment-friendly hydropower, generated without any harmful emissions. In November 2015 a group of Russian companies led by RUSAL launched an initiative to consolidate efforts taken by Russian businesses to mitigate environmental impact. They established the Climate Partnership of Russia to contribute to preventing the negative effects of climate change. This initiative marked another step forward toward the implementation of the Paris Agreement in Russia.

In addition, RUSAL is proud to be the first Russian company to join the Carbon Pricing Leadership Coalition.