

1st August 2016

To:

Her Excellency Ms Laurence Tubiana, French Ambassador for Climate Change
Her Excellency Ms Hakima El Haite, Minister Delegate to the Minister of Energy, Mines, Water and Environment of Morocco

Care of:

Secretariat to the UN Framework Convention on Climate Change (UNFCCC)

Your Excellencies,

I am delighted to present you with a submission from CDP in response to your [recent Invitation for Submissions on the Road Map for Global Climate Action](#). CDP has been honoured to have participated in some of the in-person meetings arranged to support this consultation. This document adds to the inputs that we have made in these fora and attempts to summarise our key messages.

As an organisation which collaborates extensively with other non-Party stakeholders CDP's views on these issues are informed by our own work as the global environmental disclosure system for non-Party stakeholders, and also through our ongoing involvement as a leading collaborator in numerous relevant initiatives which include (but are not limited to):

- Non-state Actors Zone for Climate Action (NAZCA) – Data Provider
- We Mean Business – Board Member and partner
- Investors on Climate Change platform and Portfolio Decarbonisation Commitment – Co-Founder
- Global Covenant of Mayors – Reporting and Data partner
- Compact of States and Regions – Co-Founder
- Carbon Pricing Leadership Coalition – Co-chair of working group II
- Business Alliance for Water and Climate – Lead-Partner
- Science Based Targets – Founding Partner
- Climate Disclosure Standards Board – Board Member and Secretariat Host
- Assessing the Low-Carbon Transition – Lead partner
- RE100 – Partner
- Groundswell – Member of Steering Committee

Given CDP's leading involvement in a number of LPAA initiatives we have also taken this opportunity to submit updated information about some of these, using the format of the recent survey.

We see the Champions role as immensely important in implementing the Paris agreement and are delighted to support and serve you in that regard,



Paul Simpson, CEO

CDP's submission to the Champions consultation

1. The current situation

The sense of urgency that led to the Paris Agreement and sustained the work on workstream 2 (pre-2020 ambition) throughout the whole of 2015 must be sustained. The high-level Champions need to make sure that we do “more, faster and now” on enhanced pre-2020 action. Pre-2020 action is a key element for the implementation and success of the Paris Agreement, equally for adaptation, mitigation and means of implementation. Notably, there is a need to quick-start implementation with a sense of urgency and ambition; create an interface with the real world and solutions, particularly the involvement of non-Party stakeholders; and maintain the political momentum.

Is this general presentation an accurate description of the current state of play? If not, what can we do more?

About CDP

CDP was founded in 2000 with the purpose of catalysing action by non-Party stakeholders (NPS) to urgently address the existential challenge posed to humanity and the planet by anthropogenic climate change. The range of NPS that CDP works with on a global basis now includes companies, institutional investors, and the 'subnational' governments of cities, states and regions.

CDP has been an accredited observer to the UNFCCC negotiations since 2008 but it is only since the emergence of the Lima-Paris Action Agenda (LPAA) in 2014-15 that CDP has truly been able to contribute to the international process directly, making the connection between the actions of NPS and those discussed by national governments and thus accelerating the ambition and action of both groups.

CDP's long track record of working within the space that is now led by the Champions gives us a unique perspective on the challenges and opportunities that exist today. The world's national governments and international institutions have come a long way since 2000 towards addressing the climate challenge – most notably by forging the Paris Agreement – yet are in some respects still lagging in ambition and implementation as compared to some of the leading NPS actors.

The current situation

The LPAA was a visionary breakthrough which succeeded in injecting NPS action into the international process in order to stimulate increased ambition by national governments. So far the LPAA has been successful on the ambition front – although more remains to be done going forward – but there is a huge task still ahead for all actors to achieve implementation. NPS hold the key to a great deal of this given their leading role in investment, infrastructure, adaptation, market mechanisms and generally almost of all the key practical measures required to reach the global goals set out by the Paris Agreement.

We agree with the general presentation of the current state of play set out by the Champions. In particular we would reinforce the following points:

- The sense of urgency must be maintained given the nature of the global threat and the increasingly challenging picture painted by new and emerging scientific findings;
- NPS action is required for the implementation and success of the Paris Agreement, and the momentum and scale of this action must both be increased between now and 2020 and beyond to 2030 and 2050 with five years reviews on progress. ;

- The Champions should focus on the triple goal of “more, faster and now” and should test all proposed actions against these principles to ensure that they are prioritising their efforts in the most impactful way.

CDP’s evaluation of the current situation would also include the following points:

- NPS action should be viewed in a holistic way and not just through a specific initiative-led lens – every action and investment made by key actors is relevant to the fight against climate change. CDP’s vision for the future includes moving away from a focus on commitments and initiatives towards ensuring the transition of all economic action towards compatibility with a well below 2-degree world. We are working with the French government on Assessing low-Carbon Transition - ACT to make this proposal a technical reality and have provided more detail about this work below.
- Climate change mitigation and adaptation are relevant to every aspect of human society and the natural world – in this respect climate change action should be seen as a cross-cutting theme that is crucial to and interdependent with the achievement of each of the Sustainable Development Goals. Implementation of the Paris Agreement goals will hence require action in additional areas, including - but not limited to - the impact of procurement on natural ecosystems, and ensuring wise stewardship of water and marine resources.

CDP is committed to continuing to support the fight against climate change. Our present strategic focus as an organisation will continue to be on driving increased quantity and quality of disclosure, managing a global database of information that can be used for tracking action and shifting investment patterns, and mobilising climate action and increasing the ambition of both NPS and national governments. Our aims are extremely aligned with those of the Champions, and we offer our support in any way that may be useful to achieve our mutual goals.

2. The role of the high-level Champions

As Champions of global climate action, we believe that we need to be an interface between action on the ground and the UNFCCC negotiation process, between non-Party stakeholders and Parties. We intend to track implementation of existing initiatives to demonstrate credibility, promote best practices and enhance delivery. We will also support new initiatives focusing on adaptation, with a view to broadening the country coverage and including more initiatives coming from developing country Parties and non-Party stakeholders.

Is this an accurate description of the role the high-level climate Champions should play with regard to the mobilization of non-state actors? Is there anything else they should do, or are there things mentioned here that they should not do?

Role of the high-level Champions

CDP welcomes the role of the Champions as an interface between global climate action on the ground and the UNFCCC process, and encourages the promotion of best practices and the amplification of success stories of climate action by investors, companies and sub-national governments. The Champions will be well-positioned to work closely with key coalitions that have played a convening role for corporate and investor climate action, such as We Mean Business or the Global Investor Coalition on Climate Change, to connect the work of the private sector with the goals of governments and the international policy process.

We believe that the Champions have an important role to play in facilitating engagement between non-Party stakeholders and Parties, and in identifying and filling in gaps in climate action.

While initiatives can profit from the support of the Champions in increasing their visibility and linking key stakeholders, we also believe that it's important to track progress against the implementation of the commitments and initiatives. This should however be delegated to organizations with a track record in data management and analysis and does not need to be done by the Champions themselves.

Apart from tracking, it will also be key for the Champions to work with NGOs and other initiative leaders to aggregate data and identify the potential impact of further climate action by NPS, as well as to identify and help address barriers to implementation.

Last but not least we believe that the Champions have a unique convening power that could be used to facilitate a dialogue between non-Party stakeholders and Parties and accelerate climate action on the ground pre-2020. As initiatives should ideally be supported by both non-Party stakeholders and Parties, there is furthermore a strong role for the Champions to encourage Parties to increase their involvement in voluntary initiatives and set incentives for engagement between both stakeholders.

3. Transparency and tracking

We need to help non-Party stakeholders achieve the recognition they seek. At the same time, we owe it to the integrity of the UNFCCC process to make sure that these initiatives and coalitions achieve the targets they set for themselves; that these targets are truly consistent with the long-term goals of the Paris Agreement; and that the participants in initiatives and coalitions are actually doing what it takes to achieve the commitments they made. Therefore we intend to work on improving transparency of action and tracking of implementation to demonstrate the credibility of their work.

How do we assess the initiatives? What would be the ideal set of criteria? Who would assess them? What should be the role of the Non-State Actor Zone for Climate Action (NAZCA)?

Criteria & assessment of initiatives

CDP welcomes the work of the Champions in establishing clear criteria for initiatives and plans to track progress against them. We believe that initiatives should:

- Be global, or open to global participation;
- Involve specific, measurable, trackable and time-bound public commitments from non-Party stakeholders including a commitment to disclose and report on the progress they have made.

In addition, we think there may be value in differentiating initiatives depending on their goal. To be more specific, we see a need for the Champions to distinguish between initiatives that:

1. Set measurable and trackable time-bound targets directly aligned with the transition to net-zero emissions by 2050 (e.g. setting a corporate science-based emissions target and commitment to 100% renewable electricity (RE100));
2. Initiatives that promote actions that will help companies pursue the low-carbon emissions pathway (e.g. adoption of internal carbon pricing or putting climate information into mainstream financial reports);
3. Initiatives that work towards creating an enabling environment (e.g. positive corporate engagement in climate policy formation.)

Any of the options listed above will require the Champions to decide on and publish an official set of criteria – a crucial action to enable assessment. CDP will shortly be submitting an additional paper to the Champions alongside this response with recommendations for their consideration in setting criteria.

In its work as lead partner for the Science Based Targets initiative, partner in the RE100 campaign, and key coalition partner on corporate engagement for We Mean Business, CDP has sought to bring

scalability, technical rigor, transparency, and accountability into all the initiatives it has worked on in the climate space. Across these initiatives, CDP has built in the expectation that companies self-report progress against their commitments, and that they use recognized frameworks to disclose this. Creating consistency of expectation on transparency and accountability mechanisms will be important toward ongoing assessment of these initiatives.

The central role of entity-level reporting, and CDP's vision for the future

We feel it is important that the Champions reflect on the fact that the reporting of action under a particular initiative will in most cases require the aggregation of individual reports made by the initiative's participants. *The fundamental reporting unit is therefore not the report at initiative level, but the underlying reporting at actor level.*

CDP is the primary global mechanism for collecting annual disclosures on progress at actor level and the MRV lead for We Mena Business. Its data can be used to track individual commitments, and can be aggregated in order to track commitments at initiative level e.g. the work that was started with the Business End of Climate Change report in partnership with We Mean Business. We will follow this up in our annual global climate change report by setting out how we will track progress on a range of initiatives and setting baselines to do so. We are actively engaged in this work and will continue to play a key role going forwards.

However - in the long run CDP's vision for the tracking of NPS action is for the global community to move beyond looking at individual commitments and instead to start focusing on tracking the overall transition towards the long-term Paris goals. Such a step will include the evaluation of progress against commitments but would also show the significance of those commitments in light of the Paris goals, and the overall progress being made by NPS towards them.

For this we require an assessment framework that is future-oriented, comprehensive and aligned with the low-carbon transition. Such an assessment would look not just at individual commitments, but at the range of commitments made by an entity and how consistent they are with its previous trajectory, its current position and investments and would derive an assessment of the future alignment of the entity with a low-carbon transition.

CDP is working with ADEME (French Environmental Agency) to develop such an approach under the pilot project ACT – Assessing low-Carbon Transition which is itself an LPAA initiative. The results of the pilot so far show that such an approach is viable and produces valuable insight for tracking companies' commitments and insights on challenges for transition. We believe that a version of the methodology could also be applied to other types of entity such as subnational governments.

The full implementation of this approach – which could be possible from 2020 onwards if we scale up the required work now - would provide a mechanism for assessing the progress of the economic and societal transformation required to meet the Paris temperature, emissions and adaptation goals. It would involve:

- Deep collaboration by different players, including UNFCCC, NGOs, academia, investors, governments and business;
- Comprehensiveness, by looking at the entirety of actor actions (climate oriented or not) through the lenses of the low-carbon transition, including mitigation and adaptation needs;
- Evaluation and benchmarking of individual actors and commitments, both in the form of a quantitative rating and commentary;

- Flexibility, leaving ample space for the frameworks to evolve and adapt to circumstances, while always grounded on the best available climate science (e.g. IPCC reports) and economic modelling;
- Catalyzing action through enabling a deeper understanding, grounded on non-Party stakeholder level analysis, of the conditions for transformational commitments, understanding the pitfalls of certain initiatives and potentially recommending actions for policy makers, NGOs or NPS to address those pitfalls.

Provided that different levels of governance were working with a certain degree of coordination, this approach could deliver valuable insights into policy gaps and synergistic effects that might currently exist between multi-national, national, regional, local and corporate levels of decision-making.

Role of NAZCA

The NAZCA portal provides a platform to amplify communication of action on climate change mitigation and adaptation by a range of NPS and celebrates the real progress that mayors, governors, CEOs, investors and civil society leaders are already achieving and plan for the future. The power of the partnership between national governments and NPS which was especially strong through 2015 was recognized by the international political system through access to negotiations at COP21, and in Paris this was formally recognized in COP decision 1/CP.21 which designated NAZCA as the home for NPS commitments. In effect Nazca is the world's aggregator and viewer of climate change commitments and action. This is made possible by the data partners such as CDP and the future Nazca strategy and resources for that to be implemented must be developed in partnership.

NPS demonstrated their willingness to act by pledging support for the Paris process, matched by their own commitments to reduce emissions and to finance the transition to a new climate economy. The best evidence of these commitments and their impact is captured in NAZCA. It presents the most comprehensive picture available, capturing 11,615 individual and cooperative commitments made by 2,090 companies, 448 investors, 2,364 cities, 167 regions, and 236 civil society organizations.

NAZCA therefore communicates the real force of NPS action and is well positioned to continue to capture non-state actor commitments and to provide an accurate picture of their aggregated impact. NAZCA should continue to work with a range of data providers to showcase NPS commitments and climate action. Working with data providers that have an established track record of data management and assessment as well as providing data quality assurance will help to ensure continued credibility of the information on the portal. In addition, we suggest introducing clear, public and consistent criteria for commitments to be added to the platform, which will further increase clarity, efficiency and credibility.

In the post-Paris era public disclosure and reporting of progress against commitments by the individual actors is expected to add further credibility, and offers Champions the option of using the NAZCA platform itself to showcase progress against the commitments on the platform. With the support of the UNFCCC Secretariat, NAZCA would then have an enhanced role not only as the global viewer for commitments that mayors, governors, CEOs, investors and civil society leaders are making but also as the place to showcase what real progress has been made against those commitments.

Tracking of implementation

As we have indicated throughout this section of our response, CDP believes that it is important in the pre-2020 period to track climate initiatives against clear and robust criteria, while also scaling up efforts to move towards assessing the low-carbon transition of individual actors on a holistic basis rather than in relation to specific initiatives over time.

In terms of tracking progress in the pre-2020 period, we do not believe that this needs to be done by the Champions themselves. There are a number of organisations (CDP included) who are well placed to conduct this work and who in fact are already starting to make such assessments. Furthermore, the

organisers of climate initiatives will on the whole tend to assess and report progress as part of their leadership role.

CDP stands ready to work with the Champions and other actors to further the tracking of implementation and to support the Champions' goals.

Support for the Champions

In the consultation document the Champions invite respondents to comment on how the Champions might be supported. The Champions occupy an unusual governance position between civil society and the UN institutions and do not have a clear support structure behind them in the form of a Secretariat. And yet, support is clearly required for the performance of the duties discussed in the Roadmap.

Stakeholder discussions in recent months have tended towards the identification of some kind of 'light touch' support structure for the Champions drawn from civil society as represented by NGOs. At this stage given the open nature of the Champions role we do not have a specific proposal, however we would like to express CDP's openness to assisting the Champions in any way helpful.

CDP occupies a unique place in the NPS space given the wide range of its active network of companies, investors and subnational governments, its unparalleled global database of evidence that can be used for tracking the progress of implementation, and its collaborative leadership role in many of the current LPAA initiatives. We therefore see that there could be a role for CDP in supporting the Champions under a 'light touch' support scenario and stand ready to discuss this further.

4. High-level event

The high-level climate Champions will facilitate, through strengthened high-level engagement in the period 2016–2020, the successful execution of existing efforts and the scaling-up and introduction of new or strengthened voluntary efforts, initiatives and coalitions. The high-level event at the Conference of the Parties (COP) is now the main annual showcase of climate action.

What do Parties and non-Party stakeholders expect from the high-level event at COP 22? To have a real impact at COP 24 in 2018, the Climate Action Summit showcasing the results of non-state actor initiatives would need to take place sufficiently in advance. Should it be organized in the summer of 2018?

High-level event at COP

Following the success of the Lima-Paris Action Agenda at COP20 and COP21, the annual high-level event at COP22 will set a precedent for subsequent high-level events to come. We welcome the organization of this high-level event in order to drive meaningful dialogue between non-Party stakeholders and senior policymakers, who should be encouraged to attend as the event must go beyond and achieve more than simply being an insular conference of the "usual suspects."

The high-level event should strengthen the implementation of policy options and actions from the technical expert processes on mitigation and adaptation and could be organized by themes, drawn from those established under the technical expert processes. In particular, we encourage the inclusion of 'water' as a relevant topic for mitigation and adaptation.

Besides showcasing climate action on the ground it should also take stock of progress of voluntary initiatives in order to build a virtuous circle of non-party stakeholder and government ambition. This information should ideally be gathered to that it can be used as input into the facilitative dialogue taking place in 2018 as well as by parties preparing and updating their NDCs. Similar to COP21 in Paris,

providing formal mechanisms for accreditation for this day for stakeholders who are not part of Party-delegations will be key to strengthen non-party stakeholder action.

Climate Action Summit in 2018

CDP also welcomes the idea of organizing a Climate Action Summit in 2018, bringing together all non-party stakeholders (business, investors, cities and states & regions) to showcase climate action on the ground, exchange information and articulate clear policy asks for COP24 and the preparation and update of NDCs. In terms of timing, CDP suggests to hold the event in the autumn of 2018 (ideally September or October) to allow time for action, disclosure and then analysis of climate data to present the greatest amount of updated information on climate action by non-party stakeholders. This is an important point as an event earlier than September would mean we may only be able to track disclosures for 2016. Being able to track 2017 data is critical as that will allow two years of progress since Paris to be assessed.

5. The role of the TEMS

We intend to use the tools created by Parties for the enhancement of climate action prior to 2020, such as the technical expert meetings (TEMs). These meetings have a whole new role to play in the dynamic and should be more concrete, focused, and connected to initiatives of the action agenda.

Do you share the belief that the format of the TEMs should evolve in the light of the Global Climate Action Agenda? How could we ensure that the TEMs are more solution-oriented?

Role of the TEMs

CDP supports the role that the TEMs could play as a vital communication window where governments and non-Party stakeholders explore specific issues in depth and create a genuine exchange. The TEMs should hence aim to address state-of-play issues, creating a feedback loop to the negotiations. To reach this level of depth, the TEMs could evolve to:

- Take place in different UN regions, piggybacking on existing sectoral convenings such as the Clean Energy Ministerial.
- Use a small roundtable format which encourages interaction and dialogue, instead of a panel format.
- Gather specialists selected from non-state actors and from relevant sectoral Ministries, such as Ministries of Energy or Transportation.
- Make use of expert facilitation to develop constructive agendas, inputs and outputs.