Submission on the Road Map for Global Climate Action
August 11, 2016

BSR is a global nonprofit organization that works with its network of more than 250 member companies and other partners to build a just and sustainable world. BSR is also the policy engagement lead for the We Mean Business coalition, and has led the development of We Mean Business publications on the Paris Agreement, including *The Business Brief: Shaping a catalytic Paris Agreement* and *The Paris Agreement: What it Means for Business*.

We are pleased to make this submission to the UNFCCC high-level champions on the Road Map for Global Climate Action. Our submission is focused on UNFCCC engagement with non-state action, and stands alongside the submission of the We Mean Business coalition on non-state action, and also the submissions of our coalition partners.

Introduction

Non-state climate action grew substantially in the lead-up to Paris, and continues to grow. Currently, the NAZCA platform lists over 11,000 non-state commitments to climate action, including the nearly 1,000 ambitious commitments made by businesses and investors as part of the We Mean Business framework, including setting science-based targets aligned with Articles 2 and 4 of the Paris Agreement, and committing to procure 100% renewable energy.

The Road Map for Global Climate Action represents a unique opportunity to capture this momentum, and to improve the foundation for UNFCCC engagement with non-state action through 2020.

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?

Through 2020, countries' national climate plans and non-state climate action must create a virtuous circle which raises ambition, reduces emissions, builds resilience to climate impacts, and unlocks the means of implementation needed to construct the low carbon economy. As

governments implement their national climate plans through domestic legislation and regulation, this will enable non-state actors to take more ambitious climate action. In turn, non-state actors will implement national climate plans on the ground, unlocking additional ambition through innovation and uncovering the specific enabling policies to allow them to go further, faster. This will make it possible for governments to achieve their national climate plans and to increase their ambition in 2020.

The UNFCCC promotes this virtuous circle by showcasing ambitious non-state climate commitments, by demonstrating progress made on these commitments, and by harvesting the innovations and the enabling policies needed to increase non-state actor ambition. This will require curated conversations among key stakeholders in specific areas. For example, representatives from RE100 companies could articulate to energy Ministries the technological innovations and enabling policies which will allow them to increase the proportion of energy they procure from renewable sources.

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?

The champions play a crucial role in strengthening pre-2020 ambition by leading and improving the interface between non-state climate action and the UNFCCC. They will accomplish this by coordinating the annual high-level event, engaging with interested Parties and non-Party stakeholders, and guiding the technical expert processes under the UNFCCC.[1]

With overlapping 2-year terms, the champions will provide the continuity this interface requires through 2020. This will prevent UNFCCC engagement with non-state actors from being made anew with each COP Presidency. It also ensures a balance between consistency from COP to COP, and the flexibility each COP Presidency needs to maximize impact.

In addition, the champions also encourage Parties to consider non-state action when formulating their own climate policies, for example through a well-planned high-level event or the champions' report to the COP. This builds the virtuous circle between non-state actors and Parties.

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[1] UNFCCC COP Decision 1/CP.21, para. 121.

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)?

Transparency and tracking of non-state climate action under the UNFCCC needs to promote the achievement of this action without stifling initiatives with burdensome requirements, and without unduly consuming resources better devoted to the completion of the Paris rulebook. The annual high-level event offers an opportunity to take stock of aggregate non-state action and to track progress made in various sectors and by collaborative initiatives which have substantial scale.

The NAZCA platform serves a unique function as the only international aggregation of non-state climate action encouraged by the COP.[2] The data providers which feed individual commitments into the NAZCA platform were selected because they had a proven history of data management and a process to allow non-state actors to report on progress towards their commitments. These data providers are best placed to fulfill disclosure and reporting functions for individual non-state actor commitments. By setting basic standards for these providers and harmonizing their data sets, the NAZCA platform can improve its ongoing aggregation of non-state actor commitments.

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?

Following the success of the Lima-Paris Action Agenda at COP21, the annual high-level event at COP22 will set an example for the subsequent high-level events through COP26. The summary for policymakers of the technical paper on pre-2020 mitigation ambition is a mandated

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[2] UNFCCC COP Decision 1/CP.21, para. 117.

input for the high-level event and can therefore be used to help design its themes and structure.[3]

While selecting high-level event structure, keeping <u>similar themes</u> through 2020 would provide a sense of continuity throughout five high-level events, and promotes the tracking of aggregate progress. From year to year, these themes can be drawn from two sources:

i. The high-level event is mandated to strengthen the implementation of policy options and actions from the technical expert processes on mitigation and adaptation.[4] Therefore in selecting the themes for the high-level event, the champions can draw from the themes of the technical expert processes. For mitigation so far, this includes renewable energy, energy efficiency, CCS, land, cities, and short-lived climate pollutants. For adaptation, themes will be established as the technical expert process gets underway.

ii. The high-level event is to engage new or strengthened voluntary efforts, initiatives, and coalitions.[5] This means that the champions can draw from themes established by non-state actor coalitions – including those submitted by the We Mean Business coalition. Of note, the themes under the mitigation technical expert process, and those proposed by the We Mean Business coalition, are both built around the New Climate Economy structure of energy, land-use, and urban systems, with other enablers and adaptation/resilience as additional themes.

Consistently drawing themes for the high-level event from these two sources would provide continuity from year to year, but retain flexibility for the champions, acting on behalf of the COP President, to focus on certain themes for maximum impact.

The annual high-level event is also mandated to <u>take stock of progress</u> on non-state climate action.[6] The champions' joint report on climate action, presented to COP22, will naturally be a part of this stocktake in Marrakesh. To effectively take stock of progress from year to year, each set of champions' could submit a joint report to the COP with a similar structure, and conduct a press conference at the end of the high-level event.

In order to build a virtuous circle in which non-state actors promote government ambition, the outputs of the high-level event and of the technical examination processes – namely the champions' joint report to the COP and the summary for policymakers of the technical paper on pre-2020 mitigation ambition – should become <u>inputs into the preparation of national climate plans</u>. The outputs could also be inputs into the facilitative dialogue taking place in 2018,[7] non-enumerated inputs for the global stocktake,[8] and inputs considered by Parties when preparing and updating and improving their national climate plans.

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[3] UNFCCC COP Decision 1/CP.21, para. 111(c).
[4] UNFCCC COP Decision 1/CP.21, para. 120(a).
[5] UNFCCC COP Decision 1/CP.21, para. 120(b) and (c).
[6] UNFCCC COP Decision 1/CP.21, para. 120(c).
[7] *See* UNFCCC COP Decision 1/CP.21, para. 20.
[8] *See* UNFCCC COP Decision 1/CP.21, para. 99.

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?

As policy engagement lead for the We Mean Business coalition, BSR has participated in several TEMs and has made a submission on behalf of the coalition articulating opportunities to scale-up ambition, and the enabling policies needed to do so. Although an assessment of the mitigation TEP will be conducted in 2017 to improve its effectiveness, Parties and non-state actors should not wait for this assessment to do so.

We support the role that TEMs should play as <u>curated conversations</u> where governments and non-state actors explore specific issues in depth, to scale up the implementation of policies which strengthen pre-2020 climate action. To reach this level of depth, the TEMs should:

- 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 or side event 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.
- Ensure that the UNFCCC Secretariat and other facilitators have the necessarily financial and human resources for success.
- Include meetings convened and curated by non-state actors, drawing on their expertise and networks.
- Be outcomes driven and tangible in their impact. To be credible over the long-term, hold the attention of non-state actors, and ultimately be successful in driving pre-2020 ambition, the TEMs need to result in tangible changes to domestic policy environments, informed by real-world experience in pioneering climate action, and consequently capable of catalyzing additional ambition from the private sector.

Conclusion

The Road Map for Global Climate Action represents an extraordinary opportunity to construct a virtuous circle between non-state climate action and government ambition. By building bridges between the non-state actor and Party siloes, the champions can ensure that they mutually support greater ambition through the update of national climate plans in 2020.