



ICC Comments on First Global Stocktake

The International Chamber of Commerce (ICC) – as the institutional representative of more than 45 million companies from every sector and of all sizes in over 100 countries, and as Permanent Observer to the UN General Assembly and official UN Framework Convention on Climate Change (UNFCCC) Focal Point for Business and Industry – is deeply committed to the Convention and the Paris Climate Change Agreement.

We welcome the start of the Global Stocktake (GST) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement's expression of determination in the Glasgow Climate Pact for the GST process to be comprehensive, inclusive and consistent with Article 14 of the Paris Agreement and decision 19/CMA.1, in light of the urgency of enhancing ambition and action in relation to mitigation, adaptation and finance in this critical decade. We express our sincere appreciation to the Subsidiary Bodies (SB) Chairs for developing guiding questions for components of the GST and for the opportunity to non-Party stakeholders to submit inputs ahead of the First Technical Dialogue of the Technical Assessment in June 2022.

We further welcome the recognition of the essential role of the private sector and other non-Party stakeholders in providing inputs and engaging in the GST, with the Yearbook of Global Climate Action mentioned in the non-paper of the SB Chairs as one of the potential sources of inputs. In that regard, we stand ready to provide our full support to the High-Level Champions in their efforts towards the GST.

Most recently at COP26 in Glasgow, private sector actors attended in record numbers and at the high levels, offering pledges and commitments to contribute across all four pillars: mitigation, adaptation, finance/investment and technological cooperation. These additional actions present a measurable and important addition of ambition that should be reflected in assessment of current baselines and total actions needed going forward.

In response to the call for submission, ICC offers the following reflections and suggestions regarding the scope and guiding questions for the first GST:

- **The private sector and other non-Party stakeholders have a key role to play in the GST:** The global business community stands squarely behind collective efforts to limit global temperature increase to 1.5°C and we recognise and support the need for urgent and ambitious action by business and all stakeholders to accelerate the transformation of economic, social and financial models to achieve



our common goals.

Business has played a crucial role in supporting the successful adoption of the Paris Agreement in 2015 and advancing the climate agenda since then, not only by taking voluntary climate commitments but also by being present and active in the UNFCCC and COP process, and in additional efforts at national and regional levels.

Since Paris, more and more global and local business leaders are taking bold action to tackle climate change. The increasing amount of initiatives and commitments registered on the NAZCA portal, the ever-increasing number of businesses joining the UNFCCC Race to Zero and the growing participation of business and industry representatives in UNFCCC COP and technical meetings all underline the focus of business on climate change as a priority and that momentum only continues and builds as we prepare for COP27.¹

Business involvement is indispensable to delivering a net zero future and the private sector has an essential role to play in pursuing energy transitions and transformation, driving the post-pandemic recovery, advancing the climate agenda and achieving full implementation of the Paris Agreement, by also creating value for society at large. Business is a central agent of innovation and technological development, a key engine of sustainable economic growth, employment and just transition, and a source of finance, technical expertise and real-world advice.

We believe that private sector participation and involvement in the GST is not only an invaluable resource to governments and the Convention, but also vital to animating accelerated action and increasing the deployment of resources. While we welcome the areas identified for contributions from the private sector, we recommend beginning to explore how the GST can reflect and include private sector expertise formally and substantively to proportionally reflect and thereby strengthen the scope and envisioned outcomes of the GST.

- **Integration of business contributions into all components and phases of the GST is important:** We note that the guiding questions related to the components of the GST consider business and other non-State actors' contributions and action only marginally. While we recognise the fundamental role of government action – at international, national and local level – in translating commitments into action,

¹ Today, over 5,000 businesses, 400 of the biggest investors have joined the UN Race to Zero; 1400 major companies have committed to net zero emissions before 2050 through the Science Based Targets initiative, the Exponential Roadmap initiative and the Climate Pledge. Nearly 800 B corps have committed to net zero by 2030, members of the ICC Chambers Climate Coalition total more than 2,100 chambers of commerce representing more than 10 million local businesses; and more than 450 financial firms, from 45 countries, responsible for more than \$130 trillion in financial assets, have committed to aligning their operations and financing with achieving 1.5C - as set out by the Glasgow Financial Alliance for Net Zero in its first progress report.



the contributions and inputs of business and other non-State-actors, to the political momentum and technical knowledge are needed to help Parties understand what levels of ambition are possible and how to achieve those ambitions.

To access greater business input and technical expertise, the creation of a technical business advisory body to the GST through the UNFCCC Focal Point for business and industry could be envisioned, that would operate in close collaboration with the High-Level Champions and Global Climate Action. Through a recognised channel, business could more effectively and consistently provide information on its actions (including on research and development, innovative financial mechanisms, and sectoral opportunities); analysis of the impact of its actions (particularly subnational governments, businesses, and investors); and provide direct technical input and advice to discussions throughout the GTS process.

- **Need to translate outcomes from GST into concrete action:** In the Paris Agreement ambition cycle, we see the Global Stocktake (GST) as an opportunity to collectively take stock of the progress made towards achieving the goals of the Paris Agreement across mitigation, adaptation, finance and all means of implementation, but even more importantly, (i) to identify concrete action needed; (ii) inform and strengthen NDCs; (iii) share best practices and lessons learned and (iv) ultimately to strengthen multilevel and multilateral collaboration and (v) identify and avoid any potential double counting. The GTS needs to provide the basis for concrete actions that can be acted upon by Parties, business and other non-Party stakeholders, with a particular focus on actions for governments to undertake with regards to their domestic technical and policy work in order to enhance their NDCs action and ambition.

Business sees the GTS as a building block in raising not only the ambition but also increasing the chances of successfully delivering collective action. ICC stands ready to actively contribute and engage in the process and work with the SB Chairs, governments and all stakeholders to ensure its success.