

WBCSD Submission to the UNFCCC Talanoa Dialogue

October 2018

Contents

[Introduction](#)

[High Level Messages](#)

[Impact Stories](#)

[COP24 Policy Asks](#)

Introduction

The IPCC's Special Report on Global Warming of 1.5°C published on 8 October 2018, sent a clear signal: The impacts of allowing 2°C global warming are far greater and more catastrophic than 1.5°C – which we're set to surpass as early as 2040. The report states that, while a 1.5°C world is still possible, it will require radical and urgent transformation of *all* economic systems at an unprecedented scale.

This WBCSD submission to the Talanoa Dialogue builds on our [April 2018 Talanoa Dialogue submission](#) and focuses on addressing on **Question 3 of the Talanoa Dialogue – How do we get there?** It conveys high level policy messages, with relevance for the next 3-5 years, with specific focus on raising ambition towards the Paris Agreement, and emphasizes the full commitment of the private sector and its key role towards achieving the Paris Agreement objectives.

This submission includes several “impact stories” from projects under WBCSD's [Low Carbon Technology Partnerships initiative \(LCTPi\)](#). They highlight cross-cutting cooperation and impact, systemic transformation, tangible and scalable impact results, and provide insight into some of the initiatives that WBCSD members are implementing across a range of sectors, regions and economies.

Finally, this submission also includes concrete policy asks targeted at the COP24 UN Climate Change Conference in Katowice, Poland. These policy asks also focus on Question 3 of the Talanoa Dialogue, specifically, identifying what is needed from COP24 to put us on track towards achieving the Paris Agreement objectives.

High level messages

- ***Stepping up business ambition towards the Paris Agreement is crucial***
- ***An effective ratchet process is necessary to bring ambition in line with the Paris Agreement***
- ***Parties should commit to developing enhanced NDCs by 2020***
- ***Long-term climate strategies are vital for meeting the Paris Agreement objectives and the Sustainable Development Goals (SDGs)***
- ***Business plays a key role in supporting the design and implementation of ambitious NDCs and effective long-term climate strategies***
- ***Dialogue between Parties and non-Party stakeholders are needed to advance climate action***
- ***Carbon pricing is one of the most effective means of driving decarbonization across economies***
- ***Action that strengthens resilience of vulnerable communities and businesses to climate change is critical***

Stepping up business ambition towards the Paris Agreement is crucial

The World Business Council for Sustainable Development (WBCSD) is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world. Our member companies come from all business sectors and all major economies, representing a combined revenue of more than USD \$8.5 trillion and 19 million employees, and combined annual greenhouse gas emissions of over 2GT. Our member companies are key players in the global economy and society, and they also have a vital role to play in delivering the Paris Agreement objectives.

The Paris Agreement provides the critical architecture needed for the effective and ambitious response required to address the urgent threat of climate change.

We strongly urge countries to continue their support to the Paris Agreement and to strengthen their commitment by moving to its swift implementation and increasing their national commitments to secure net zero emissions as early as possible in the second half of the century and create climate-resilient societies. Developed economies, whose leadership is essential, should aim to achieve this by 2050.

The member companies of WBCSD reaffirm our strong commitment to the Paris Agreement, and in particular, the principal goal to hold the increase in global average temperature to well below 2°C above pre-industrial levels, pursuing efforts to limit the increase to 1.5°C.

We believe that we need to accelerate the transformation of our economies to deliver the stated ambition of the Paris Agreement. As engines for growth, jobs, innovation and investment, the private sector is already making investments and with companies aligning their strategies with a Paris Agreement-compliant economy and are calling on governments to speed up.

There is also huge economic opportunity in transitioning to a low-carbon, sustainable growth path. According to the [latest report by the Global Commission on the Economy and Climate](#), this transition could deliver a direct economic gain of USD \$26 trillion through to 2030, compared to business-as-usual.

WBCSD member companies are committed to leading by example, supporting implementation of the Paris Agreement globally across value chains. We want to go further and faster, in partnership with local, regional and national governments who must establish the policies to enable business to deliver.

An effective ratchet process is necessary to bring ambition in line with the Paris Agreement

To have a chance of achieving the Paris Agreement objectives requires urgent implementation, including clarity and transparency on the process to enhance ambition. We support efforts by those Parties who have reaffirmed their strong commitment to implement the Paris Agreement swiftly and encourage all Party and non-Party stakeholders to work towards the same objective and accelerated action.

It's important to note that the first round of Nationally Determined Contributions (NDCs), even if fully implemented, will not deliver the long-term goals of the Paris Agreement. Successive NDCs must be strengthened and should reflect the highest possible ambition. The private sector is committed to supporting countries in reviewing NDCs, including by informing governments about existing low-carbon investment opportunities in emission intensive sectors and providing insights from experience in other countries, assisting decision-makers in forming and implementing effective and appropriate policies at the national level.

To bring us on track to deliver the Paris Agreement objectives, WBCSD continues to support the call for ambitious climate action well in advance of 2020, taking into account the specific needs and special circumstances of developing countries, the least developed countries and those particularly vulnerable to the adverse impacts of climate change.

Parties should commit to developing enhanced NDCs by 2020

Creating a Paris-compliant pathway will require successful implementation of this first round of NDCs and progressive increase in ambition in successive rounds starting in 2020.

WBCSD fully supports those Parties who are working to achieve the Paris Agreement goals through their first NDCs and we encourage all Parties to work towards developing enhanced NDCs in the lead up to 2020, and to commit to doing so by the end of 2018. Enhanced NDCs should reflect increased ambition, and include more detail and clarity on direction, thereby providing certainty and confidence to investors. WBCSD calls on advancing common metrics for addressing the accountability of climate actions with regard to NDCs, National Adaptation Plans (NAPs), and the SDGs, as well as developing standards for all greenhouse gases including short-lived climate pollutants.

WBCSD also supports non-Party stakeholders, including companies, who are undertaking ambitious commitments and implementing concrete action towards achieving the Paris Agreement objectives as they seek to support the implementation and enhancement of the NDCs.

Long-term climate strategies are vital for meeting the Paris Agreement objectives and the Sustainable Development Goals (SDGs)

The adoption and implementation of national long-term climate strategies consistent with the Paris Agreement's goals and the SDGs will be crucial for addressing the global climate challenge. The private sector needs stability and long-term commitment from governments that provides credibility and certainty to investors. We strongly encourage all Parties to adopt such long-term strategies, and to include within them a recognition of the role of public-private partnerships in the delivery of their objectives.

These strategies should aim to achieve carbon-neutral economies as early as possible in the second half of the century, in line with the Paris Agreement objectives. Developed economies, should aim to achieve this by 2050.

Such strategies should include instruments (such as legally binding targets for 2030 and 2050, effective carbon pricing policies, and measures that support negative emissions) that maximize certainty for investors and society. They should take a broad-ranging approach covering all sectors of the economy, and addressing economic, social and environmental issues related to the transition to a carbon neutral economy. In doing so, they should also consider harmonized sectoral decarbonization roadmaps aimed at successfully addressing the above-mentioned goals. They should also incorporate measures to ensure a just transition that recognizes social impacts.

Business plays a key role in supporting the design and implementation of ambitious NDCs and effective long-term climate strategies

Business has an increasingly important role to play in helping design and implement NDCs and long-term climate strategies. Companies also play an important role in incentivizing investment, driving innovation and technological transfer, and advancing deep system transformation and structural change across developed and developing economies.

We commit to offering strong leadership from business in the spirit of distributed leadership. We can only fulfil the Paris Agreement ambitions and achieve the scale of transformation by working together in solidarity and collaboration. We support Parties and non-Parties in taking leadership in their respective communities.

[More than 480 companies have committed to setting Science-Based Targets](#) – greenhouse gas emissions reductions in line with the level of decarbonization required to keep global temperature increase well below 2°C.

Hundreds of other global businesses are making commitments to act collectively as sectors and through their value chains. This includes action such as investing to produce and purchase 100% renewable energy, scaling up sustainable transport fuels, ambitious collaborative action plans under WBCSD's [Low Carbon Technology Partnerships initiative \(LCTPI\)](#), and committing to water security by joining the Business Alliance for Water and Climate ([BAFWAC](#)).

And we are ready to do more.

Individual companies are investing in research and innovation to find the breakthrough technologies, products and services that will provide the solutions to address the climate challenge.

Through these initiatives, and others, the private sector is a full partner in collective efforts to accelerate the transition to a net zero emissions economy and climate-resilient society.

Dialogue between Parties and non-Party stakeholders are needed to advance climate action

WBCSD welcomes the 2018 Talanoa Dialogue process as a key opportunity to enhance the dialogue between the private sector, civil society organizations and national or regional governments in the implementation of the Paris Agreement. It is a crucial process to take stock of collective progress towards the long-term goals of the Paris Agreement and the consideration of the NDCs update by 2020.

The stories that emerge through this process help business better understand where Parties are seeking support for implementation and to identify new opportunities for strengthened collaboration between stakeholders. It also helps governments understand what action business is taking and how the two can be mutually supportive and reinforcing.

WBCSD has fully supported the Talanoa Dialogue process for enhanced ambition and collective action. We encourage all Parties to use the Talanoa Dialogue to affirm their commitment to enhance NDCs in 2020.

This must be the ultimate focus of the Talanoa Dialogue: to enhance ambition with a view to bringing the NDCs in line with the long-term objectives of the Paris Agreement.

In this context, we strongly support the continuation of such a Dialogue after 2018 as a key tool for Parties and non-Parties to support each other in enhancing ambition.

Carbon pricing is one of the most effective means of driving decarbonization across economies

WBCSD is committed to effective carbon pricing policies that maintain competitiveness, create jobs, encourage innovation, deliver meaningful emissions reductions, enable investment, create value to solutions, ensure environmental integrity and minimize social costs.

We believe that investment in energy system turnover, guided by a carbon price, can reach net-zero emissions globally over the course of this century and will support the near-term acceleration needed for achieving carbon-neutral economies as early as possible in the second half of this century. Revenues from such instruments should be adequately cycled back into the economy, creating a virtuous cycle to finance the decarbonization process.

We see the development of a global carbon market (comprised of links between emission trading systems and transfer of carbon units) guided by environmental integrity and aligned with the achievement of SDGs, as a huge opportunity to accelerate climate action at the global level. To achieve this, Parties must complete the key elements of Article 6 of the Paris Agreement this year.

WBCSD member companies confirm that carbon pricing is one of the most efficient means of driving change across economies and is an important tool for policymakers. We see a USD \$5-10 trillion investment opportunity across WBCSD's Low Carbon Technology Partnerships initiative (LCTPi) - carbon pricing can play a critical role in mobilizing this new investment.

Today, more than 40 national and 20 subnational jurisdictions are putting a price on carbon. We urge more Parties to implement robust and Paris-aligned carbon pricing policies mechanisms (such as carbon taxes, market-based mechanisms, standards or a combination of these and other appropriate mechanisms) to redirect investments towards low-carbon solutions.

We encourage Parties to set carbon prices that are Paris-compliant. Governments should set carbon prices consistent with the Carbon Pricing Leadership Coalition (CPLC)'s [High Level Commission on Carbon Prices](#) and other similar analysis. Its report states that an explicit carbon-price level consistent with achieving the Paris temperature target is between US\$40–80/tCO₂ by 2020 and US\$50–100/tCO₂ by 2030, provided a supportive policy environment is in place.

We also call on the Parties to explore other measures (such as [Natural Climate Solutions](#)) that will accelerate the shift towards carbon neutral economies, particularly in those markets where the implementation of effective carbon pricing is challenging.

Action that strengthens resilience of vulnerable communities and businesses to climate change is critical

WBCSD companies acknowledge that climate risk is globally relevant given the interconnected nature of our earth systems and global supply chains. This becomes clear when considering that the first consequences of climate change are affecting common goods like water and oceans, forests and soils as well as air quality and health, especially in the least developed and developing nations.

The scope and scale of climate risks and impacts are regionally diverse and complex. As such, they can be difficult to identify over the long-term. Our response must therefore be global, sustained, involving our full

supply chains and stakeholders. In addition, it must differentiate between regional adaptation objectives and requirements. Our experience shows that working beyond our own operations, with local and especially vulnerable communities is essential.

The physical impacts of climate change constitute an important risk to many businesses - experienced horizontally across complex global supply chains and vertically impacting strategy, finance, operations, human resources and compliance inside individual businesses.

In recent years, the private sector has made great strides in understanding climate risk and enabling climate resilience inside companies as well as across supply chains and frontline communities vulnerable to climate impacts.

The private sector has also proven its leadership by developing innovative business models based on the reutilization of natural resources to make value chains more sustainable. The circular economy provides a holistic approach which structurally reduces the environmental footprint of human activities while maintaining growth and ensuring resilience facing the variation of the physical parameters of the climate. Businesses are taking increased action by integrating innovative solutions and technologies, engaging with stakeholders and through diversification of data-based decision-making processes and tools.

We commit to promoting assessments of climate risks and opportunities inside individual companies and across complex supply chains with a view to encouraging implementation, taking into account vulnerable people, places and ecosystems.

We call upon the Parties, including local and regional governments, to work with the private sector to identify effective adaptation needs, priorities, practices and collaborative actions to implement across supply chains. Examples could include enhancing early warning systems; emergency preparedness; informing about and managing slow onset events; strengthening resilience of value chain; de-risking investments through enhanced tools and metrics; promoting blended finance tools; switching to circular business models and developing comprehensive risk assessments and robust data-based decision-making tools; promoting public-private partnerships across regions.

Impact Stories - Impact through collaboration: stories of business leadership

Achieving the Paris Agreement objectives requires urgent and decisive action across value chains, bringing together business, government, academia, non-governmental organizations and implementing agencies.

Through our [Low Carbon Technology Partnerships initiative \(LCTPi\)](#), WBCSD member companies are demonstrating their strong commitment to climate action and their determination to implementing solutions on the ground – many of which are already delivering positive change and impact.

The stories shared below provide insight into some of the initiatives that WBCSD members are implementing across a range of sectors, regions and economies. They illustrate the appetite and potential to go further in support of the Paris Agreement, and bring to life the spirit of the Talanoa Dialogue by showing the power of openness, shared experience and collaboration.

These stories are intended to inform policymakers and negotiators as they take steps to ramp up climate ambition, giving them confidence that the private sector will step up to meet higher targets through renewables, land use, transport solutions and more.

WBCSD's new project on Natural Climate Solutions brings together different stakeholders to mobilize investment in nature to remove and sequester carbon.

Natural Climate Solutions (NCS) include the protection, restoration and sustainable management of land and coastal ecosystems and landscapes such as forests, grasslands, agricultural lands and wetlands. NCS have huge potential and can provide over 30% of the emission reductions needed between now and 2030 to keep global temperature rise below 2°C, while keeping communities healthy and nature thriving. The IPCC's Special Report on Global Warming of 1.5° recognizes NCS as having a critical role to play as one of the most cost-effective and scalable means to remove carbon. However, these solutions are often not well understood, which results in low investment and missed opportunities.

To address this, LCTPi has launched the Natural Climate Solutions project. For the first time, large-scale private sector companies and conservation NGOs are working together to agree a shared narrative on financing NCS, showcase level of ambition and provide a clear business case to scale up and accelerate investment.

REscale demonstrates how the energy transition can be accelerated by increasing the use of corporate renewable PPAs (Power Purchase Agreements).

REscale accelerates the deployment of renewables to facilitate the transition to a low-carbon electricity system. The relationships built by companies within REscale, have led to new renewable energy deals that support companies in reducing their carbon footprint and equally contribute to emission reduction in countries.

From 2008 to 2017, 22% of the corporate renewable PPAs worldwide were signed by a WBCSD member company. In 2017, the annual increase of PPAs signed by WBCSD member companies was 54%, exceeding the global growth of 29%.

In 2018, Unilever and Acciona signed a supply contract for 23 GWh/y of mixed renewable energy in Spain; in Chile, Unilever and Enel signed a deal for solar and wind energy; while Solvay and EDP signed a contract of aggregation for 11MW new installed wind energy capacity in the south of France.

WBCSD member companies' work on sustainable rice demonstrates the potential benefits of working with the natural landscape

Rice is a food staple for over 3.5 billion people, providing livelihoods for over 1 billion - mostly smallholders in the ASEAN region. At the same time, rice production accounts for 10% of global methane emissions, is equivalent to the national GHG emissions of Germany, and uses over 30% of the world's irrigation water. Simultaneously, rice production needs to increase 25% to meet global food demand - but its climate impacts must decrease.

Companies have shown that it's possible to increase productivity, reduce emissions and improve the resilience of rural communities by applying sustainable farming and land management practices, thereby contributing to mitigation efforts and while enhancing resilience for billions of people – with combined techniques achieving emissions reductions of up to 50 percent per kilo produced.

LCTPi is now providing an engagement platform that brings companies together with multi-lateral funders, research communities and international agencies. Through this collaboration, the private sector is working to mobilize major investment to scale up **sustainable rice initiatives** in ASEAN countries, with the potential to deliver the biggest agricultural emissions reduction project in the world.

WBCSD's REmobility project enables knowledge sharing and collaboration to advance corporate electric vehicle (EV) adoption in India.

REmobility promotes widespread corporate adoption of electric vehicles, energy storage and renewable energy. The **REmobility platform in India** has emerged as a sought-after platform, facilitating collaboration to speed up adoption of solutions. Workshops on corporate EV adoption attracted over 200 participants from vehicle manufacturers, charging infrastructure providers, mobility service companies and corporate customers in 2018. The largest of these took place at the Global Mobility Summit, co-organized by NITI Aayog, a policy think tank of the Government of India.

Company specific engagements have been conducted with IKEA India and the State Bank of India (SBI). REmobility convened a group of industry experts well positioned to develop an EV adoption roadmap for IKEA, who is targeting 100% electrification of its vehicle fleet by 2025; while the SBI workshop benefitted from REmobility's reach across the value chain to support the design of EV finance products.

New Energy Solutions gives voice to the shared vision of business on the energy transition.

Companies are developing views on how decarbonization pathways and energy technologies can bridge the gap to a below 2°C world. The **New Energy Solutions** project involves companies from the whole value chain across the power, buildings, industry and transport sectors, exploring solutions across different geographies with vast potential for scalability and replicability.

To scope the potential solutions, a white paper is being developed, presenting the collective viewpoints on the necessary components of a Paris Agreement-compatible energy transition and the developments and actions needed to move onto this pathway.

In parallel, a growing library of business cases for commercial/pre-commercial solutions will raise awareness with companies and support market creation. A guideline for energy users will support energy users in formulating integrated energy strategies that decarbonize not only power, but also heat and transport.

COP24 Policy Asks

The following policy asks targeted at COP24 have been prepared together with WBCSD member companies. They focus on addressing **Question 3 of the Talanoa Dialogue: How do we get there?** Specifically, they address what is needed from COP24 to put us on track towards achieving the Paris Agreement objectives.

1. **The Paris Agreement Work Programme**
2. **The Global Stocktake and Ratchet Process**
3. **Talanoa Dialogue**
4. **Enhancing NDCs**
5. **Carbon Pricing and the Article 6 Mechanisms**
6. **Adaptation and Resilience**
7. **Just Transition**

WBCSD members agreed that the key objectives for COP24 are:

- A. The outcome of negotiations under the Paris Agreement Work Programme should reflect a robust set of implementation rules and guidelines that provide clarity to policymakers, businesses and investors in a manner that will facilitate and accelerate strengthening of ambition over time.
- B. The private sector's call for ambition under the Paris Agreement provides confidence and support for Parties to raise their climate ambition: by announcing their intention to enhance ambition in their Nationally Determined Contributions (NDCs) by 2020; by adopting ambitious targets and measures to implement their commitments; and by developing long-term climate strategies to achieve net zero emissions as early as possible this century, in a manner that provides the much-needed credibility and certainty to investors.

In this context, we call on Parties to consider the following policy messages from Business, which stands ready to support Parties in taking the next step to enhance their climate ambition:

1. The Paris Agreement Work Programme

The Paris Agreement provides the critical architecture needed for the effective and ambitious response required to address the urgent threat of climate change.

Policy certainty will help catalyze investment towards the main objective of the Paris Agreement: a low-carbon, climate resilient world. Business action requires the certainty and confidence that policy ambition will strengthen over time. COP24 must deliver robust rules that make increasing government ambition clear and predictable and serve as important drivers of ambition for decades to come.

We call on Parties to adopt a comprehensive set of implementing rules and guidelines that strengthens the integrity of the Paris Agreement, which should include:

- A **transparency framework** which promotes confidence in NDC implementation;
- **Accounting rules and information for NDCs** which make their impact clear and understandable;
- **Global rules** that link and foster convergence of national/regional **carbon pricing mechanisms**;
- **Accounting rules to prevent double counting** of emissions reductions and ensure the environmental integrity of NDCs;
- A **clear process** to deliver more ambitious NDCs over time.

2. The Global Stocktake and Ratchet Process

Achieving the Paris Agreement requires its urgent implementation, including clarity and transparency on the process to enhance ambition. We support efforts by those Parties who have reaffirmed their strong commitment to swiftly implement the Paris Agreement and encourage all Party and non-Party stakeholders to work towards the same objective and accelerated action.

We call for an effective global stocktake that:

- Generates political momentum towards the **increasing ambition every 5 years**, by effectively and efficiently assessing our collective progress towards the Paris Agreement's purpose and long-term goals.
- Uses the **best available science and information on the real economy**, including inputs from **businesses, investors** and other relevant stakeholders, to accelerate action and support for enhancement of ambition in each subsequent round of NDCs.
- Develops outputs that should be used to **inform all processes under the Paris Agreement**, including the communication of successive NDCs.

3. Talanoa Dialogue

The main objective of the Talanoa Dialogue has been to inform the stock-take of collective progress towards the long-term goals of the Paris Agreement and to launch the consideration of the update to Parties' NDCs by 2020. It is a key opportunity to enhance dialogue between the private sector, civil society organizations, and national or regional governments in the implementation of the Paris Agreement.

WBCSD has fully supported the Talanoa Dialogue process being conducted in a manner that promotes enhanced ambition and collective action. Enhanced Dialogue between Parties and non-Parties will be **crucial to driving more ambition in 2019** in the lead up to the UNSG Summit. We call on Parties to:

- Ensure that the **Talanoa Dialogue results in stronger collective ambition** and not just a review of progress. The Talanoa Dialogue outcome document must therefore reflect clear language calling for raising ambition in the NDCs.
- Use such Dialogue to affirm their commitment to **enhance NDCs by 2020**. This must be the **ultimate focus of the Dialogue: to enhance ambition in climate action and implementation**.
- Support the **continuation of such a Dialogue after 2018** as a key tool for Parties and non-Parties to support each other in enhancing ambition.

4. Enhancing NDCs

The first round of NDCs even if fully implemented, will not deliver the long-term goals of the Paris Agreement. Creating a Paris-compliant pathway will require successful implementation of this first round of NDCs and progressive ambition increase ambition in successive rounds starting in 2020. To enhance global climate ambition over time, future NDCs must represent raised ambition compared to previous NDCs and reflect the highest possible ambition.

Ensuring **improved consistency and harmonization of NDC guidance and rules** will enable business to better plan their actions across the spectrum of national commitments and strategies.

The outcome of COP24 must be framed in a manner that will enable Parties to increase their national commitments, through the enhancement of NDCs. We call on Parties to:

- Adopt enhanced NDCs in the lead up to 2020, and **to commit to doing so by end 2018**.
- **Agree common timeframes for NDCs**, so that successive NDCs are communicated **every 5 years**, and NDCs have **common end dates** (e.g. 10 years from the date of communication).
- **Adopt accounting guidelines for NDCs** which follow the fundamental accounting principles of consistency and comparability.
- Develop guidance on information to be provided by Parties that maximizes **clarity, transparency and understanding of NDCs (ICTU)**, and provides businesses with the most accurate basis on which to base investment decisions.
- **Develop common metrics** for addressing accountability of climate actions with regard to **NDCs, NAPs and SDGs**.

5. Carbon Pricing and the Article 6 Mechanisms

WBCSD is committed to effective carbon pricing policies that maintain competitiveness, create jobs, encourage innovation, deliver meaningful emissions reductions, enable investment, create value, ensure environmental integrity and minimize social costs.

We encourage more Parties to implement robust and Paris-aligned carbon pricing policies mechanisms (such as carbon tax, market-based mechanisms, standards or a combination of these and other appropriate mechanisms) to redirect investments towards low-carbon solutions.

We call on more Parties to:

- Set a **meaningful, economy-wide carbon price** to direct investment away from high-emitting activities towards cleaner, more efficient alternatives.
- Ensure the **environmental integrity** of carbon pricing mechanisms.
- Enable the **harmonization** of carbon pricing regimes to reduce legitimate competitiveness concerns.
- **Channel revenues** towards low carbon solutions (such as natural climate solutions), innovation, the implementation of long-term climate strategies and a just transition.

With regards to negotiations under Article 6 of the Paris Agreement, we call for agreement on emissions mitigation mechanism that supports Parties to take additional mitigation action and provides incentive to business to invest in cost-effective emission reductions.

We call for **strong guidance and rules that:**

- **Prevent double counting of emissions reductions** and
- **Protect the environmental integrity** of NDCs,
- **Enable the transfer of mitigation outcomes** between Parties' NDCs in order to maximize cost efficiency and support additional mitigation action.

6. Adaptation and Resilience

We call on Parties to signal continued commitment to ambitious adaptation and resilience efforts, and to recognize the adaptation efforts of the private sector. Parties should **complete and implement their National Adaptation Plans (NAPs)** and work with businesses to identify adaptation needs and priorities. We call for public-private partnerships to identify concrete opportunities for strengthening resilience across complex supply chains and within vulnerable communities.

The Paris Agreement Work Programme must deliver transparent, easily accessible and comparable information on countries adaptation efforts to enable companies to develop robust climate risk management systems for global supply chains, while facilitating sustainable investment decisions.

We call on Parties to:

- Support the **recommendations of the TCFD** to manage systemic financial risk, and to provide investors and credit rating agencies with better information
- Develop a **data-based tool to identify, measure and communicate adaptation priorities**, plans, including support needs and risk assessments
- Include the **assessment of adaptation efforts and ambition** under the Global Stocktake and NDCs/NAPs.
- Include **adaptation funding** under stakeholder collaboration while considering respective growth and development priorities.

7. Just Transition

The transformation of our economies needs to accelerate to deliver the ambition of the Paris Agreement, and will imply significant technological, social and economic disruption. The private sector is ready to deliver towards this goal but will only be able to do so if their unions, workers and communities are engaged and active participants.

Effectively navigating the transition in this challenging context is an imperative to avoid jobless growth, income inequality and social instability – and business has an integral role to play. To ensure widespread support for accelerating the transition, we must ensure that no one is left behind and that jobs are green and decent, and communities are thriving and resilient.

In this context, we call on Parties to:

- Develop **long-term climate strategies** that appropriately take into account employment planning, national skills and education policy, and social protection planning.
- For **specific regions and sectors** that will undergo a major transition, to **collaborate with business** to define responsible approaches to the implementation of new technologies, building foundations of fair and meaningful work with respect, transparency and trust.
- **Invest in training and skills** provision for workers who will need to transition from high emitting sector jobs into low emitting ones.
- Work with businesses to create tools and strategies that contribute to **building resilience in the workforce**, in businesses, in labor markets and in social support mechanisms.
- Address concerns related to climate policies, so that **climate action is seen as an opportunity by all**.
