



## Fjordkraft's inputs for the Talanoa Dialogue

### Question 3 - How do we get there?

**Objective: Setting in motion a domino effect for climate neutral supply chains**

#### How do we get there?

*Ways in which the UN Climate Change process can help you achieve your vision and goals, and how your actions can help in expediting sustainable transitions to climate neutral societies [Maximum 300 words]*

Dear Presidencies,

We thank you for the opportunity to participate in the Talanoa Dialogue.

At Fjordkraft, we have been climate neutral since 2007. However, our own actions were not delivering the results we wanted. To make a significant impact we have implemented accelerating activities and started a domino effect for climate neutrality in our own supply chain.

Receiving the Momentum for Change Lighthouse Activity-award from the UN Climate Change secretariat has inspired us to increase our ambitions. We would therefore like to propose the following ways to reach climate neutral societies – further, faster, together:

- The UN Climate Change proposes rules to make climate neutral supply chains standard business practice, setting in motion a rules-based domino effect among Parties
- The UN Climate Change secretariat invites Fjordkraft to participate as a representative from non-Party stakeholders in the High-level round tables on Tuesday, 11 December, to tell the story of our voluntary commitment to climate neutral supply chains

Below you can read the story of what we did to get to where we are now, and how we plan to progress.

Sincerely yours,

Rolf Barmen, CEO

Arnstein Flaskerud, Director of Strategy

*Concrete solutions that have been realized while implementing your commitments, including lessons learnt from success stories and challenges, and case studies that are in line with the 1.5/2 degrees' goal and can support the Parties in achieving their NDC goals, enable higher ambition and inspire engagement of other non-state actors [Maximum 300 words]*

Delivering electricity to more than 1,3 million Norwegians involves many suppliers. In 2016, we decided to make a bold demand to all of them. By 1.1.2019 all our suppliers must be climate neutral. If not, they will lose us as a customer.

To motivate our employees and suppliers, we decided to name the project Klimanjarø. Klimanjarø combines klima, the Norwegian word for climate, with the name of Africa's highest peak, Mount Kilimanjarø. Mount Kilimanjarø is difficult to climb, but most people manage with proper preparation. In the same way, climate neutrality is ambitious, but fully feasible if we walk together.



The idea was that putting demands on suppliers would start a domino effect. To avoid discussions on methods and definitions we followed the UN Climate Neutral Now-standard. Adopting the UN standard means that the measure is scalable and replicable by any company in any industry in any country. Suppliers must present certified climate accounts based on the standards from the World Resources Institute and Greenhouse Gas Protocol.

As of October 29, 113 of our 136 suppliers have committed to become climate neutral. We estimate that Klimanjaro will reduce and compensate more than 55 820 tonnes CO<sub>2</sub>-emissions in 2019. That is equal to 6.2% of Norway's total reduction in greenhouse-gas emissions in 2016-2017, and more than 100 times greater than the emissions we neutralize on our own. Klimanjaro has received best practice awards, among them the UNFCCC Momentum for Change-award. [Watch the case video from our application in here.](#)

There are many summits to climb before climate neutrality is accepted as standard business practice. We want to inspire businesses and countries participating in the Talanoa Dialogue to use their procurement power to demand climate neutrality. Together we can start a domino effect more powerful and faster than any other climate measure.

*Collaboration models with other stakeholders and, in particular, between non-Party stakeholders, national governments and the UN Climate Change process that have been successful in helping you, or can help you, achieve your commitments [Maximum 300 words]*

To gain acceptance and legitimacy from regional government we developed Klimanjaro in close cooperation with Climate Partners Hordaland

- Climate Partners Hordaland is a private-public partnership network comprised of over 100 partners working together to reduce Green House Gas emissions and develop a green economy in the region.
- The network both shares this example and encourages other partners and companies to use this tool as part of their systematic approach towards reducing own emissions but also affecting the broader sense of own business.

To make it simple for our suppliers to become climate neutral we prepared information materials

- We made a step-by-step guide to achieve climate neutrality, with a guide on how to reach the UN standard. We have made the entire guide open source and set up a web-page with content to motivate businesses to make similar demands. [Access the web page here](#) (Norwegian only).
- An animated movie was made to tell the story about the Klimanjaro name, and explain the idea behind the domino effect. [Watch the video here.](#)

To encourage suppliers and other businesses to adopt the UN standard for climate neutrality we made our demands public

- To inform our investors we highlighted Klimanjaro on page 7 in [our Annual Report](#)
- We have made our demands public and defended the UN standard at many conferences, seminars and debates, both as a host and as a participant, among them PWC and Friends of the Earth
- We have made press releases, receiving coverage in national, local and trade press

Recognition from the [UN Climate Change secretariat as a Lighthouse Activity](#) was key to motivate others to make similar commitments

- We are currently conducting meetings and organizing workshops with four businesses outside our supply chain to help them demand climate neutral supply chains



*Opportunities to further scale up action and means to address barriers that can enable even further action by non-Party stakeholders based on the actions you have taken to implement your commitments. (“We’ve made progress and have made new commitments as described above. This is what I need from national governments, other non-Party stakeholders and the UN Climate Change process to take even further action...”) [Maximum 200 words for each item below]:*

- *Policy levers*

To further scale up action we suggest that the UN Climate Change secretariat propose rules to make climate neutral supply chains standard business practice, setting in motion a rules-based domino effect among Parties.

- *Collaboration/cooperation opportunities*

Fjordkraft is actively telling the story of Klimanjaro as a best practice case for climate neutral supply chains. We are currently increasing our efforts to encourage businesses outside our supply chain to demand climate neutral supply chains, aiming to start a voluntary domino effect among Non-Party stakeholders.

Going forward, we want to be a clear voice in support of ambitious action also internationally. We would like to lower barriers among political decisions makers afraid of demanding action from businesses and encourage other businesses to show leadership. We therefore propose that the UN Climate Change secretariat invite Fjordkraft to participate as a representative from non-Party stakeholders in the High-level round tables on Tuesday, 11 December to tell the story of our voluntary commitment to climate neutral supply chains.

We believe participation in the Talanoa Dialogue could give an additional impetus to businesses outside our supply chain to make similar commitments voluntarily.

We, Mr. Barmen and Mr. Flaskerud, will be in Katowice during the Climate Summit December 10-13 to receive the Momentum for Change Lighthouse Activity-award. We are available and willing to contribute in the High-level round tables if the UN Climate Change secretariat should you so wish.

- *Lessons learned based on the experience and progress so far*

Through implementing Klimanjaro, Fjordkraft has learned the following about climate neutrality

1. The UN standard for climate neutrality is feasible and relatively easy to implement for businesses in industrialized countries
2. Using purchasing power to demand climate neutrality from suppliers is an effective tool to spread the UN standard for climate neutrality across businesses in any sector
3. The scalability and replicability of committing to climate neutral supply chains holds the promise to exceed all other climate measures

- *Public and private financing models*

At Fjordkraft we believe that we have a social responsibility to clean up our own supply chain. Klimanjaro is therefore financed internally. As such, we do not see a need for governments to finance climate neutral supply chains in industrialized countries.



- *Impact on non-Party stakeholders if these actions by national level governments and the UN Climate Change process and other opportunities are implemented and how much further they could go*

If our proposals are implemented, businesses would be held accountable not only for their own emissions, but from all emissions in their supply chains. Adopting rules to make climate neutral supply chains standard business practice means that businesses will have to pay for their emissions. However, from our experience the additional cost to account for emissions and invest in measures to reduce or compensate for own emissions is manageable for small and medium-sized businesses in industrialized countries.

Our commitment to climate neutral supply chains can in time be extended to demand that even our supplier's suppliers must become climate neutral.