



United Nations  
Climate Change

## Global Climate Action and Responsible Business Conduct: What does it mean for business to act responsibly in the face of a climate emergency?

3:00 - 4:30 pm

Tuesday, 10 December 2019

Room Torres del Paine- IFEMA Feria de Madrid

### Objective

This session will discuss actions companies are expected to take in the face of the current climate crisis. The discussion will unpack linkages between climate action on the part of the private sector and international expectations and instruments on Responsible Business Conduct (RBC), including expectations under the UNFCCC process. Panellists will present the business case for climate action and share their views on available tools and instruments to mainstream climate change considerations into core business decision-making processes, including across supply chains.

### Background

Reducing emissions often results in core business cost savings as well as along supply chains. In addition, companies that are able to address the impacts of climate change on their business operations, including physical and transition risks, are better able to meet investor and consumer expectations, protect workers and communities, adapt infrastructure and technology, and access international and domestic climate financing and investment opportunities – thereby increasing business competitiveness. The failure of business to respond to the climate emergency, poses a real threat to the continued existence of business itself.

Global trends in climate change litigation, legislation and voluntary regulations related to setting targets, conducting supply chain due diligence and climate change reporting are also increasing pressure on companies to act. In addition, multiple voluntary initiatives by national governments and international organisations including the UNFCCC's Climate Neutral Now Initiative and Global Climate Action programme are enabling the private sector to scale action on climate, including with the use of carbon market mechanisms and sector wide initiatives.

These efforts have provided strong incentives, however more can be done to increase business understanding of the full range of risks climate change poses to business models and supply chains - as well as recognising the responsibility of a business to positively contribute to climate solutions whilst mitigating risks and contributions to adverse impacts.

Such expectations and actions are captured by internationally recognised and accepted standards on Responsible Business Conduct (RBC), backed by Governments and endorsed by business. This session will

discuss how these standards capture climate action and provide a both a supportive framework and practical tools in driving cohesive, comprehensive and more ambitious climate action by every business.

### **Responsible Business Conduct and climate action**

The [OECD Guidelines for Multinational Enterprises](#) (the OECD Guidelines) are the most comprehensive government-backed instrument on RBC, representing international consensus on the responsibility of companies regarding impacts on people and the planet. Many recommendations of the Guidelines are relevant to action relating to climate, including those outlined in the Environment, Disclosure, Consumer Interests, and Science and Technology Chapters.

To help business implement the recommendations of the Guidelines, a number of practical tools have been developed in close cooperation with policy makers, business, trade unions, CSOs, and NGOs. These include the [OECD Due Diligence Guidance for Responsible Business Conduct](#) which provides recommendations for companies on how to implement due diligence in accordance with the OECD Guidelines in their own operations and in their global supply chains.

In addition, the UNFCCC secretariat is developing sectoral initiatives in the fashion and sports sectors to promote specific goals and concrete actions. These initiatives provide examples of ways to define concrete climate actions for companies and enable collaboration across sectors.

### **Global Climate Action – UNFCCC process**

The Global Climate Action area of the UNFCCC secretariat leads a number of initiatives to encourage, support and recognize action by the private sector, among other stakeholders. Through these initiatives, companies that are implementing the OECD Guidelines for RBC can look for synergies and opportunities for further recognition and strengthening of their efforts. These include options to report on their commitments and progress in taking action; supporting public awareness and education initiatives; committing to climate neutrality and supporting carbon markets; or developing sectoral initiatives to promote action across the whole value chain of the sector.

## **Key discussion topics**

In exploring what it means for business to act responsibly in the face of a climate crisis and in today's context, the discussion will focus on the follow key topics:

1. **The corporate response to climate change:** How are companies responding to international expectations on business with respect to climate risks and adverse impacts, including across global supply chains?
2. **Current tools available for business action on climate change:** What tools are currently available to identify and mitigate adverse climate risks and impacts, as well as opportunities to maximise positive impact? How can we drive cohesive and comprehensive action by every business – with regard to both mitigating harms as well as contributing positively to solutions?
3. **What can governments expect from business:** How can international expectations on Responsible Business Conduct and related tools and instruments help governments enable scaled climate action by business?

## Speakers

### Opening remarks

- Mr. Ovais Sarmad, Deputy Executive Secretary, UNFCCC
- Mr. Masamichi Kono, Deputy Secretary General, OECD
- Mr. Peter Bakker, President and CEO, World Business Council for Sustainable Development

### Panellists

- Mr. Gonzalo Muñoz, High-Level Climate Champion of Chile
- Mr. David Cumming, Chief Investment Officer, Aviva Investors
- Ms. Michelle Patron, Director of Sustainability Policy, Microsoft
- Mr. Stephan Seidel, Head of Corporate Sustainability, PUMA

**Moderator:** Stephanie Venuti, Policy Advisor and Legal Expert, OECD Centre for Responsible Business Conduct