

Business & Climate Summit conclusions: towards a low-carbon society

- *Business calls on policymakers to leverage public funds and private sector finance towards low-carbon assets; to introduce carefully designed, robust and predictable carbon pricing; and to eliminate fossil fuel subsidies.*
- *Business & Climate Summit, lasting two days, brought together 2000 international business leaders, policymakers and investors in Paris.*
- *The summit opened by François Hollande, President of the French Republic, and concluded with video-message from US Secretary of State, John Kerry and speech by French Foreign Minister, Laurent Fabius.*

PARIS, May 21 - An unprecedented mobilisation of 25 worldwide business networks representing over 6.5 million companies from more than 130 countries pledged today to lead the global transition to a low-carbon, climate resilient economy. At the Business & Climate Summit, there was a recognition that leading businesses are already taking action to build the prosperous, low-carbon economy of the future. In all sectors, business has developed solutions, continues to innovate and is preparing to accelerate the scale and pace of deployment.

Science calls upon national and international policymakers to reach a global climate deal at this year's United Nations' COP 21 Summit in Paris that would see the emissions trajectory peaking around 2020 and globally achieve net zero emissions well before the end of the century whilst keeping cumulative carbon emissions within one trillion tonnes as required by the UN's Intergovernmental Panel on Climate Change. Business believes this objective is achievable and compatible with continued economic growth and human development if all actors work together in this urgent and long term climate battle.

Welcoming the Business & Climate Summit, Secretary General of the United Nations, Ban Ki-Moon, said:

"This is an important milestone on the way to the Paris climate conference in December. It shows that the engagement of the private sector that began at the Climate Summit in New York last September has continued. Business leaders are now in the vanguard of the movement to take climate action."

Opening the Business & Climate Summit, François Hollande, President of the French Republic, said:

"You must, here in Paris, make commitments, offer solutions and success will also be yours. Because if we take the expected actions, if we make the choices that are hoped for, I am sure it will have extremely positive consequences on economic actors, on future technologies, on employment and on growth."

Business leaders at the Business & Climate Summit made a number of calls to policymakers for more climate action and to introduce climate policies. Amongst these were:

- **Introduction of robust and effective carbon pricing mechanisms** as a key component to gear investment and orient consumer behaviour towards low-carbon solutions and achieve global net emissions reduction at the least economic costs. The first goal is to boost energy efficiency. It also includes the elimination of fossil fuel subsidies to redirect consumption to clean energy sources. Such policies need to be carefully designed and implemented to avoid competitive distortions in some specific sectors.

- **The establishment of an alliance between business and governments** leading to the integration of climate policies into the mainstream economy. This should include enhanced public-private dialogues at global and national level, backed by a commitment to raise ambition in line with developments in climate science.
- **A call for policymakers to leverage public funds and private sector finance, and to de-risk investment towards low-carbon assets**, especially in developing countries. This should surpass the \$100 billion per year pledged in Copenhagen in order to shift the trillions of dollars needed to build the low-carbon, climate-resilient economy.

Ambitious and smart policies from government – both national and international – are required to help more companies take low-carbon solutions to scale. Most businesses can be winners if this transition to a low-carbon economy is made predictable by robust, long-term policies.

Paul Polman, Chief Executive Officer of Unilever, said:

“When faced with the challenges of climate change, businesses should be part of the solution. Companies that have seized low-carbon opportunities are increasingly seeing rewards. To go further, we need a strong international climate agreement that sends a clear and credible signal to businesses that low-carbon policies will endure.”

Business called for more ambition from national governments in their Intended Nationally Determined Contributions (INDCs) and announced that they will actively support leadership from policymakers who set clear frameworks to accelerate investment and deployment of climate-friendly solutions.

Jean-Pascal Tricoire, Chief Executive and Chairman of Schneider Electric and Chairman of Global Compact France, said:

“The difference between now and three years ago is that nobody in business really dares to say climate change is not happening. Companies have actually taken commitments on emissions reductions. With bold, clear and long-term climate policies to keep within the +2°C threshold, business will create growth, jobs and continuous innovation on the way to a prosperous low-carbon economy.”

The Business & Climate Summit was initiated following the UN Secretary General’s call for the private sector to take a more active role in the world decarbonisation process at the UN Climate Summit in New York last year. As a midway point between that meeting in New York and COP 21 later this year in Paris, it marked a key moment for the business voice on climate action to be raised and heard by policymakers.

Terry McGraw, Chairman Emeritus of McGraw Hill Financial and Chairman of the International Chamber of Commerce, said:

“We hope the Business Climate Summit will be seen as a turning point for business in establishing an enhanced dialogue with national and international policymakers in the run-up to COP21. We call for an ambitious global agreement at COP21 which works with business to speed emissions reductions and build climate resilience.”

The Business & Climate Summit called on businesses to develop and implement their own sustainability strategies in line with science as described by the UN’s Intergovernmental Panel on Climate Change. Businesses should set clear climate targets, develop innovative solutions and step up large scale partnerships to accelerate transformational technology development.

Peter Bakker, President of the World Business Council for Sustainable Development, said:

“The Summit has shown the determination and readiness of business to develop solutions for climate change that mean better opportunities for all. Over 80 companies are now part of the Low Carbon Technology Partnerships initiative and more business leaders and investors are signing up every day to campaigns such as those led by We Mean Business to demonstrate their action on climate. The business world is scaling up action, fast.”

Jean-Pierre Clamadieu, CEO of Solvay and Chairman for energy & climate of French business associations AFEF and Cercle de l'Industrie, announced the launch of an initiative to mobilise international businesses for COP21:

"Fifty nine chairmen and CEOs of global companies and seven national, European and global business organisations already support the 'Business proposals for COP21'. We thank the COP presidency for having set up the proposed dialogue between business and governments. We are also aware of our key role as company leaders for taking sustainable investment decisions. We call on executives worldwide to join this initiative in the coming weeks."

Particular focus needs to be given to the developing world where funding mechanisms should be set up to fight poverty whilst leapfrogging towards a low-carbon development path.

The Business & Climate Summit addressed some of the key climate issues impacting on the investment community as well as the business community. The climate change challenge will require a re-direction and mobilisation of traditional investment flows. Innovative mechanisms to leverage public finance and to use finance effectively in all economic sectors in developed and developing countries will be critical.

Mats Andersson, Chief Executive Officer of Swedish National Government Pension Fund, AP4, said:

"Putting a price on carbon is absolutely key: it will send the right signal to the market, the investors and the polluting companies. And at the same time it will reward the leaders who take climate change seriously. Last but not least, it will push more money into investments in renewables and green infrastructure."

The Business & Climate Summit, held at UNESCO Headquarters in Paris on May 20-21, brought together 2000 leading businesses and investors - 60% from outside France - with national and international policymakers to make the case that bold action on climate will ensure economic growth while limiting global temperature rise to less than +2°C.

Pierre-André de Chalendar, Chief Executive and Chairman of Saint-Gobain and Chairman of Entreprises pour l'Environnement-EPE, said:

"This Summit is a first step to a large alliance of all actors that business needs and wants to build. We must continue to work together for this transition to a low-carbon society, to allow vulnerable populations to live in sustainable habitat and cities and to allow poorest countries to reach a low-carbon development."

Concluding, Christiana Figueres, Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC), said:

"We have reached the turning point in making our response to climate change real, viable and inevitable. Organisations here, working with over six million companies, want to work with governments to build a clean, predictable and transformative path toward a safe and profitable future."

About the Business & Climate Summit

200 days before the UN Climate Change Conference in Paris, the May 20 –21 Business & Climate Summit provides a unique forum for business and government leaders to demonstrate bold action, adopt forward-looking strategies and call for ambitious policies that will allow us to scale up solutions.

Responding to the UN Secretary General's call for the private sector to take an active role, leaders of major businesses from around the world and from all sectors have joined forces to exchange with policy makers on the best ways to deploy low-carbon solutions at the right scale and pace. Business is ready to play its role in meeting the climate challenge.

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About UNESCO

The United Nations Educational, Scientific and Cultural Organisation, UNESCO, fosters international scientific cooperation and mobilizes resources to create a more sustainable, peaceful future and greener societies. UNESCO programmes in the sciences, education, culture and communication contribute to creating knowledge, educating and communicating about climate change, and to understanding the ethical implications for present and future generations.

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