

What are the potential contributions of non-state actors? and
how to better involve them?

Industries and companies as non-state actors?

The case of the Paris Agreement

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Outline

- 1. Introduction**
- 2. Non-state actors in the PA & COP Decision**
- 3. Different roles of business and their potential contributions**
- 4. Three possible routes for their participation**
 - NAZCA
 - High-level events
 - MM/SDM
- 5. Concluding remarks**

Introduction

- Are industries and companies non-state actors?
- How can global governance better involve them?

The Paris Agreement (PA) and an associated Decision by the Conference of Parties (COP) make a strong case.

Non-state actors in the PA & COP Decision

- No reference to non-state actor in the PA.
- ‘**Non-party stakeholders**’: civil society, the private sector, financial institutions, cities and other subnational authorities (Decision 1/CP.21, 133)
- “The **Non-state Actor** Zone for Climate Action” (Decision 1/CP.21, 134) (p.10)

Business inputs to the process

- BINGO (Business and Industry NGOs): ICC serves as a focal point with the UNFCCC secretariat
- Development and implementation of (Intended) Nationally Determined Contribution (NDC)

Different roles of business

- To implement mitigation actions
- To develop and provide technologies or technical solutions
- To invest in more climate-friendly technologies or/and divest from fossil fuels in their portfolios
- To inform consumers about impacts of products etc.

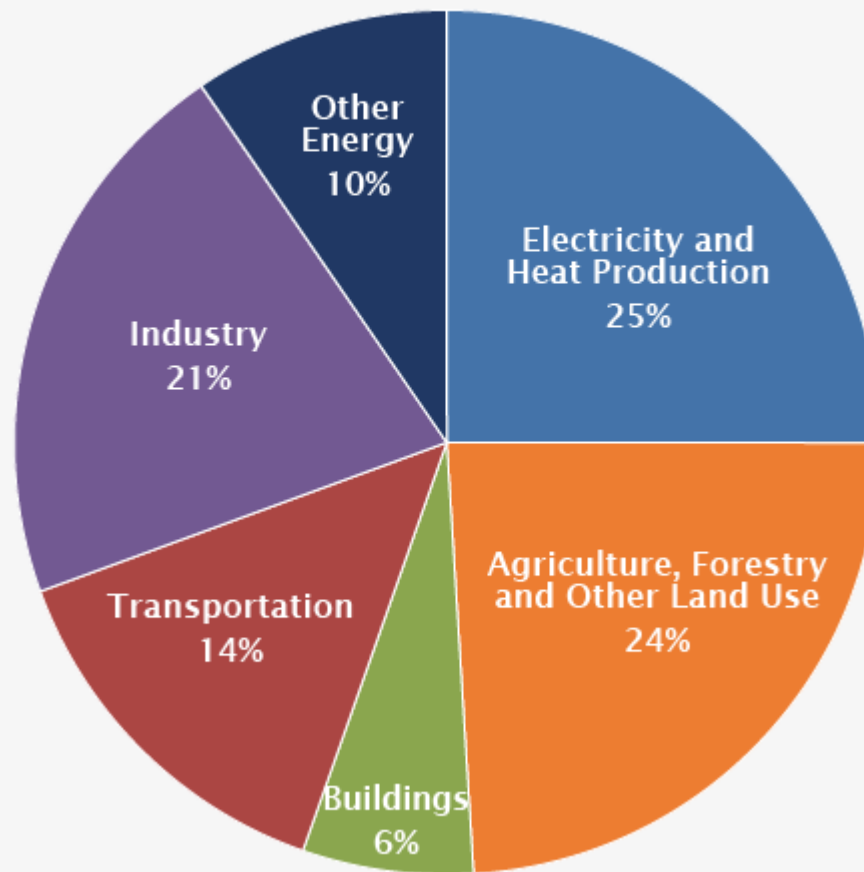
Different motives

- To achieve mitigation actions in cost-effective ways
- To reduce climate impacts and risks on assets
- As part of corporate social responsibility etc.

Potential contributions of business

- Direct emission reductions (p.7)
- Exchange good practices
 - **UNEP Climate Initiatives Platform**
- Carbon accounting
 - **CDP**, a global disclosure system for companies, cities, states & regions to measure & manage impacts
- Commitments (p.8)
 - **Science Based Targets**, requesting companies to set targets compatible with the 2°C goal
 - **We Mean Business**, 374 companies & 183 investors made 912 commitments

Global Greenhouse Gas Emissions by Economic Sector



Source: IPCC (2014) based on global emissions from 2010.
<https://www.epa.gov/ghgemissions/global-greenhouse-gas-emissions-data>

Carbon Pricing

75 Commitments

THE GOLD STANDARD

RE100

(100% Renewable Power)

57 Commitments

SBTs

(Science-Based Targets)

122 Commitments

WMB

(We Mean Business)

686 Company Commitments

226 Investor Commitments

NAZCA

(Non-State Actor Zone
for Climate Action)

2,000 Company Commitments

425 Investor Commitments

Source:
We Mean Business,
The Paris Agreement,
2016

How could the PA & COP Decisions provide a framework for business contribution?

Three possible routes for business participation

- NAZCA
- High-level events
- MM/SDM

NAZCA

- The **Non-state Action Zone for Climate Action** platform registers cooperative actions by cities, regions, companies, investors & Civil Society Organisations.
- ‘Welcomes the efforts of **non-Party stakeholders** to scale up their climate actions, and encourages the registration of those actions in the NAZCA platform’ (Decision 1/CP.21, 117)
- ‘Invites the **non-Party stakeholders** to scale up their efforts and support actions to reduce emissions and/or to build resilience and decrease vulnerability to the adverse effects of climate change and demonstrate these efforts via the NAZCA platform’ (Decision 1/CP.21, V. Non-Party Stakeholders, 134)

Search

<http://climateaction.unfccc.int>

See who's taking action

GO

Browse

2,364
CITIES

167
REGIONS

2,090
COMPANIES

448
INVESTORS

236
CSOs

**COOPERATIVE
INITIATIVES**

11,615 TOTAL COMMITMENTS

Register your commitments

High-level events (2016-20)

- A high-level event will be convened by high-level champions in conjunction with COP to discuss progress and commitments
- ‘Provides meaningful and regular opportunities for the effective high-level engagement of dignitaries of Parties, international organizations, international cooperative initiatives and **non-Party stakeholders**’ (Decision 1/CP.21, 120(d), aims of a high-level event)
- ‘Engaging with interested Parties and **non-Party stakeholders**, including to voluntary initiatives of the Lima-Paris Action Agenda’ (Decision 1/CP.21, 121(b), tasks for high-level champions)

MM/SDM

- ‘A **mechanism** to contribute to the **mitigation** of greenhouse gas emissions and support **sustainable development**’ is established (PA, Art 6.4)
 - To deliver an emission reduction against reference in the NDC
 - To ensure an overall reduction in global emissions
- ‘To incentivize and facilitate participation in the mitigation of greenhouse gas emissions by public and **private entities** authorized by a Party’ (PA, Art 6.4(b), aims of the MM/SDM)
- ‘Enhance public and **private sector participation** in the implementation of nationally determined contributions’ (PA, Art 6.8(b), aims of Parties’ approaches)

Concluding remarks

- The NAZCA has been in operation (under the Lima-Paris Action Agenda).
- High-level events and the MM/SDM require further specification in modalities and procedures.
- Nevertheless, the Paris Agreement and the COP Decision signal ways forward for enhancing business engagement.

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Thank you for your attention

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