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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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
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)
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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