



Caring for Climate



CARING FOR CLIMATE: THE CONSTITUTION

Preamble

Caring for Climate is the UN Global Compact and United Nations Environment Programme's initiative aimed at advancing the role of business in addressing climate change. It was launched by UN Secretary-General Ban Ki-moon in 2007 with a view to mobilize a critical mass of business leaders to implement climate change solutions and help shape international public policy. Caring for Climate is open to all companies and is supported by nearly 400 companies in 65 countries.

This **Constitution** provides the framework for cooperation between the signatories of the Initiative, the UN Global Compact Office and UNEP and defines the governance of the Initiative.

Mission

The Caring for Climate Initiative endeavors to help prevent a climate change crisis by mobilizing a critical mass of business leaders to implement and recommend climate change solutions.

1. Nature of the Initiative

The Initiative is a non-profit voluntary initiative based on the formal endorsement of a Climate Leadership Statement by the chief executive of participating companies.

Signatories to the Initiative recognize that through individual and collective action, they can contribute to supporting broader UN goals and the realization of the Millennium Development Goals.

The progress and integrity of the Initiative, as well as the needs and expectations of its signatories are reviewed in a yearly meeting. The Initiative seeks strategic, operational and financial advice from a Steering Committee composed of Caring for Climate signatories. A Secretariat staffed by the UN Global Compact Office and UNEP provides operational support and ensures performance. The Secretariat of the UN Framework Convention on Climate Change (UNFCCC) will be invited to be an active observer in the initiative's steering committee and make substantive contributions to guide the future development of *Caring for Climate*.

2. Objectives of the Initiative

The initiative has two objectives:

1. Mobilize business on a global scale to take a stand and develop a strategy for energy efficiency and a low-carbon economy in their processes, products, services, in their supply-chains and in shaping consumer and public attitudes.
2. Inform, through the example of successful practices, the climate change global policy agenda in order to contribute to an appropriate intergovernmental climate change framework.

Those two objectives are strongly linked to the overall Global Compact framework and the holistic nature of Sustainable Development. The Initiative should therefore bring alive these linkages and demonstrate that climate and energy-centered approaches, reinforce poverty alleviation, the upholding of human rights, and water and food security.

3. Signatory Eligibility

1. Signatories of Caring for Climate must be lawfully established business enterprises, either public or private,
2. Signatories must be UN Global Compact participants or have the intention of joining the UN Global Compact after 2 years of endorsing the Caring for Climate initiative.

4. Engagement and Participation

Caring for Climate requires no membership fee and no prior level of performance when joining the Initiative.

1. Companies become Signatories of the Initiative by formally endorsing the Caring for Climate Leadership Statement (Appendix A) in a message sent on behalf of their Chair person or Chief Executive Officers to the UN Global Compact Office and UNEP.
2. In particular, signatories commit to implement over time – through individual and collective action – five elements outlined in the Statement and to set goals, develop strategies and practices, and publicly disclose emissions.
3. Signatories are required to report on an annual basis on progress in implementing the five elements through the submission of a Communication on Progress - Climate ("COP-Climate").
4. With respect to collective efforts and the related sharing of best and emerging practices, companies take part in an annual signatories meeting organized by the UN Global Compact Office and UNEP.
5. Signatories are encouraged to financially contribute to the Initiative's activities via voluntary contributions to the Foundation for the Global Compact.

5. Signatory acknowledgment

1. Upon endorsing the Initiative, the Secretariat will, in a timely manner, post the name of the signatory on the Caring for Climate section of the UN Global Compact website. With agreement of the company its name can be hyperlinked to its energy and climate information available on the internet.
2. Signatories are subject to the delisting provisions of the UN Global Compact Communication on Progress policy.

6. Governance of the Initiative – the Steering Committee

1. A Steering Committee advises UN Global Compact and UNEP on the strategic, operational and financial developments of the Initiative.
2. The Steering Committee takes its guidance from a special progress and strategy session organized at the annual meeting of signatories.
3. The Steering Committee will be composed of fourteen corporate representatives serving two-year terms, one representative of the UN Global Compact Office and UNEP. The UNFCCC Secretariat will be invited to be observers.
4. The members of the Steering Committee are invited by the UN Global Compact Office and UNEP. The Steering Committee will seek a good representation of the variety of business sectors represented by the Initiative and to fill the following regional composition:
 - i. North America (two representatives)
 - ii. Europe (four)
 - iii. Africa and Middle East (two)
 - iv. Asia and Oceania (four)
 - v. Latin America (two)
5. The Steering Committee may choose to take-on, for an appropriate duration, Special Advisors to contribute diverse stakeholder perspectives to its strategic discussions.
6. The UN Global Compact Office and UNEP will provide the Secretariat of the Steering Committee.
7. The Steering Committee will conduct at least 2 conference calls per year, to be organized and facilitated by the Secretariat.
8. The Steering Committee will seek to make decisions based on a consensus model. When consensus cannot be reached, a simple majority vote will decide matters.

7. Finances

1. The Initiative will not charge annual fees to its signatories.
2. Sponsorships will be required to cover the costs of the annual signatories meeting, the development of the Caring for Climate progress report and other projects.
3. The Foundation for the Global Compact, a registered U.S. 501(c) (3), will serve as the financial intermediary, collecting and dispersing funds.

8. Changes to the Constitution

1. This Constitution may be amended by a resolution approved by not less than 50 percent of the signatories either by letter ballot or by a vote taken by those present at a general signatories meeting.

9. Changes to the Initiative

1. Changes to the Initiative shall be led by the Steering Committee and formulated through wide consultation with signatories and other stakeholders.
2. Changes to the Initiative must be proposed by the Steering Committee after such consultation, and the procedure to be followed for its amendment is the same as for changes to the Constitution (article 8.1).

APPENDIX A - “CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM”

A Statement by the Business Leaders of the Caring for Climate Initiative

Since business leaders from around the world first came together to issue this statement in 2007, the magnitude and urgency of the climate challenge has become more apparent. Climate change is a momentous threat to development, to peace and security, and to market stability. While the pace of action by governments, businesses and society at large has increased, our efforts, individually and collectively, must be accelerated further if the threat of catastrophic climate change is to be removed effectively. It is with this in mind that we renew our call to the business community to make a lasting commitment to climate action now.

WE, THE BUSINESS LEADERS OF CARING FOR CLIMATE:

RECOGNIZE THAT:

1. Climate Change is an issue requiring urgent and extensive action on the part of governments, business and citizens if the risk of serious damage to global prosperity, sustainable development and security is to be avoided.
2. Climate change poses both risks and opportunities to businesses of all sizes, sectors and regions of the world. It is in the best interest of the business community, as well as responsible behavior, to take an active and leading role in deploying low-carbon technologies, increasing energy efficiency, reducing carbon emissions and in assisting society to adapt to those changes in the climate which are now unavoidable.

COMMIT TO:

3. Taking further practical actions to improve continuously the efficiency of energy usage and to reduce the carbon footprint of our products, services and processes, to set voluntary targets for doing so, and to report publicly and annually on the achievement of those targets in our Communication on Progress-Climate.
4. Building significant capacity within our organizations to understand fully the implications of climate change for our business and to develop a coherent business strategy for minimizing risks and identifying opportunities.
5. Engaging more actively with our own national governments, inter-governmental organizations and civil society to develop policies and measures to provide an enabling framework for business to contribute effectively to building a low-carbon and climate-resilient economy.
6. Continuing to work collaboratively with other enterprises both nationally and sectorally, and along our value-chains, to set standards and take joint initiatives aimed at reducing climate risks, assisting with adaptation to climate change and enhancing climate-related opportunities.
7. Becoming an active business champion for rapid and extensive climate action, working with our peers, employees, customers, investors and the broader public.

EXPECT FROM GOVERNMENTS:

8. The urgent creation, in close consultation with the business community and civil society, of comprehensive, long-term and effective legislative and fiscal frameworks designed to make markets work for the climate, in particular policies and mechanisms intended to create a stable price for carbon.
9. Recognition that building effective public-private partnerships to respond to the climate challenge will require major public investments to catalyze and support business and civil society led initiatives, especially in relation to research, development, deployment and transfer of low-carbon energy technologies and the construction of a low-carbon infrastructure.
10. Vigorous international cooperation aimed at providing a robust and innovative global policy framework within which private investments in building a low-carbon economy can be made, as well as providing financial and other support to assist those countries that require help to realize their own climate mitigation and adaptation targets while achieving poverty alleviation, energy security and natural resource management.

AND WILL:

11. Work collaboratively on joint initiatives between public and private sectors and through them achieve a comprehensive understanding of how both public and private sectors can best play a pro-active and leading role in meeting the climate challenge in an effective way.
12. Invite the UN Global Compact to promote the public disclosure of actions taken by the signatories to this Statement and, in cooperation with UNEP, communicate on this on a regular basis.