

B4E CLIMATE SUMMIT 2010 – A CALL TO ACTION

Climate change is the most urgent economic, environment and development challenge of our times. It weakens economic development, competitiveness and stability, undermines the achievement of the Millennium Development Goals and has irreversible impacts on ecosystems and biodiversity on which we depend. Tackling climate change requires a common global effort from business, politics and civil society to drive delivery on a low carbon economy and support more equitable and sustainable development.

Thoughtful action to address climate change can play a critical role in stimulating a global economic recovery, creating new jobs and building more sustainable and resilient, low-carbon societies. For businesses, sustainable recovery from the global financial crisis must address the needs of our companies, our communities, our ecosystems and the livelihoods of people around the world – particularly the hundreds of millions of the poorest.

Progressive business leaders and companies around the world are already shaping a low carbon future, showing that – if the policy conditions are right – this can lead to increased investment, good returns, innovation, and sustainable jobs. They are committed to finding innovative ways to grow businesses, reduce risks and capitalize on the opportunities of the green economy.

WE, THE PARTICIPANTS AT THE B4E CLIMATE SUMMIT 2010,

- Recognize that in order to avoid a major global crisis with economic, political, health, safety and other dimensions, the increase in global temperature should be kept below 2 °C, requiring a concentration of atmospheric carbon dioxide of no more than 450ppm and a reduction in global greenhouse gas emissions of at least 50% by 2050 (over 1990 levels). Business supports these aims, and commits to playing its full part in achieving these global objectives.
- State our own commitment to embrace ambitious, clear and measurable global goals within industry sectors to achieve reductions in greenhouse gas emissions and to explore collaborative reductions across the value chain.
- Affirm the creation of a low carbon economy as a social imperative and as a business opportunity. We commit to deploying our competencies to innovate the low carbon solutions – embracing products, services, human behavior and business models, which are the pre-requisites for sustainable growth and consumption.
- Strongly call upon national policy-makers to set ambitious, clear and measurable 2020 greenhouse gas targets, in line with scientific need and adopt policy interventions at the national and global level, that create markets for low carbon solutions, thereby delivering sustainable economic growth and improved quality of life.
- Call on governments present at COP16 meeting in Cancún to move rapidly towards an agreed and ambitious outcome of their process. Specifically, we call on COP16 to include a service perspective in technology negotiations' framework designed to accelerate innovation and the uptake of low carbon solutions.

Industry Sector Perspectives and Commitments

WE, THE PARTICIPANTS AT THE B4E CLIMATE SUMMIT 2010, WISH TO DEMONSTRATE A SOLUTIONS-ORIENTED PERSPECTIVE, COMMITTING TO FURTHER ACTION IN OUR INDUSTRY SECTORS AND URGING GOVERNMENTS TO SHOW LEADERSHIP IN CANCUN AND AT HOME AS FOLLOWS.

The following outcomes reflect the composition of industry working groups convened in B4E Mexico City 2010, representing a cross-section of industry participants. These should be taken as a process, leading to reinforced commitments engaging still more widely within the industry sectors.

1. INFORMATION AND COMMUNICATION TECHNOLOGY

WHAT CAN CANCUN DELIVER TO HELP THE SECTOR STEP UP ITS COMMITMENTS?

- A roadmap in which the ICT sector is recognized as an enabler for others sectors' emissions reduction, with concrete milestones and energy efficiency codes.
- Acknowledge companies as solution providers and encourage transformative solutions that deliver reductions of the magnitude that is needed.

SPECIFIC POLICY INSTRUMENTS COUNTRIES SHOULD PUT IN PLACE TO HELP THE SECTOR STEP UP ITS NATIONAL LOW CARBON OPERATIONS

- National and regional carbon reduction plans need to recognize the role that ICT plays in achieving those objectives.
- Help to enable other economic sectors to use and accelerate the use of the technology that can deliver transformative solutions.

THE COMMITMENT OF THE SECTOR TO A LOW CARBON ECONOMY

- To maintain its carbon footprint at 2% of the total, while noting that there may be an increase beyond 2% as a result of the accelerated adoption of ICT low carbon solutions for other sectors. Further, we estimate that the industry can enable the delivery of a 7.6 GT carbon reduction elsewhere by 2020 with a supportive framework, thereby becoming net climate positive, with the possibility of a significantly higher impact with a strong focus on transformative solutions.
- To focus on lifecycle assessment and improvements in the supply chain so as to more correctly calculate the own footprint as well as the positive contribution.

2. BUILDING, CONSTRUCTION AND MATERIALS

WHAT CAN CANCUN DELIVER TO HELP THE SECTOR STEP UP ITS COMMITMENTS?

- Recognize community planning and the building industry as a top priority for achieving sustainable future;
- Enable market-based, legislation-driven financial mechanisms to support sustainable building, comprising new and existing projects that are both energy efficient and have a reduced total carbon footprint.

SPECIFIC POLICY INSTRUMENTS COUNTRIES SHOULD PUT IN PLACE TO HELP THE SECTOR STEP UP ITS NATIONAL LOW CARBON OPERATIONS

- Develop a regulatory framework for sustainable buildings and infrastructure integration that sets clear design guidelines, building codes, incentives, monitoring and reporting. This framework should include:
 - An inventory of baseline greenhouse gas emissions from national building stocks (by building type, use, climate zone and location).
 - A financing mechanism to offset initial costs and reallocate total costs along the life cycle of the building.
- Develop the next generation of green building certification programs, based on lessons learned and the experience of emerging eco-cities, addressing LCA, environmental and social issues.

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- To work with governments on policy development to facilitate market-based innovations for retrofitting existing buildings to achieve a 40% reduction in greenhouse gas emissions in new buildings by 2020 and a 40% improvement in energy efficiency for existing buildings (using a 2010 baseline).
- To develop a global Building Management System (BMS) to measure energy, water and waste usage, based on LCA principles, and in order to be able to report greenhouse gas emissions, accounting both resident behavior and building operations.
- To dedicate funding for private and public R&D to climate neutral, net-zero energy buildings.

3. TRANSPORTATION AND LOGISTICS

WHAT CAN CANCUN DELIVER TO HELP THE SECTOR STEP UP ITS COMMITMENTS?

- International negotiations on combating climate change should provide a frame for global reduction targets that are technology neutral and creating a level playing field.
- They should adopt one global standard for measurement of GHG emissions from companies.
- They should add a solutions perspective to the negotiations.

SPECIFIC POLICY INSTRUMENTS COUNTRIES SHOULD PUT IN PLACE TO HELP THE SECTOR STEP UP ITS NATIONAL LOW CARBON OPERATIONS

- Guidelines for incentives (from government) to develop carbon efficient practices and technologies.
- The application of transparency rules at the country level demanding disclosure of greenhouse gas emissions.

THE COMMITMENT OF THE SECTOR TO A LOW CARBON ECONOMY

- To measure and report greenhouse emissions.
- To improve carbon efficiency in the sector (enhance carbon distance).
- To use research and development investment to create low carbon technologies in the sector.
- To include a human behavior focus in our efforts to reduce greenhouse gases.

4. FOOD, BEVERAGE AND AGRICULTURE

WHAT CAN CANCUN DELIVER TO HELP THE SECTOR STEP UP ITS COMMITMENTS?

COP 16 should acknowledge the agri-food and beverage system as a strategic sector, with its complexities and its different components (water in products and agriculture, soils, etc.) and provide a framework that defines and promotes sustainable agriculture practices, incorporating direct carbon benefits as well as co-benefits such as improved yields, reduced soil degradation, water efficiency etc.

COP16 should agree on the need for policies promoting small-scale farmers through a value-chain approach favoring investment and linking them with government led investment schemes – such as an adaptation fund for agriculture.

SPECIFIC POLICY INSTRUMENTS COUNTRIES SHOULD PUT IN PLACE TO HELP THE SECTOR STEP UP ITS NATIONAL LOW CARBON OPERATIONS

- Promote transparency and an integral supply chain / life cycle approach.
- Promote disclosure and certification (i.e. sustainable timber). This will drive accountability and help customers make more informed decisions.
- Develop common and holistic approaches/guidance on biofuels (to avoid unintended consequences of their development or use on other resources and incentives).
- Define a common set of performance indicators and how they will be accomplished.
- Stop subsidizing energy and water and establish a price on carbon.
- Provide low interest finance for small farmers.
- Promote "intensification" of agriculture (3-6 times more carbon efficient than land expansion).
- Increase investment in basic agri-science (e.g. vaccines that could reduce methane emissions from cattle).

THE COMMITMENT OF THE SECTOR TO A LOW CARBON ECONOMY

The food/beverage/agriculture sector is committed to leading by example. Many firms in our sector have established quantitative commitments and we encourage broader adoption of commitments consistent with the UNFCCC approach of "common but differentiated responsibilities."

The multinational companies of the sector expressed a sense of obligation for technology transfer – to enable access to, and affordability of, low carbon advancements for smaller operations and/or those in developing economies.

We also have a role to play in improving farmer livelihood and further meet the needs of the 800+ million people going hungry every day – while also fulfilling the expectations of our shareholders.

5. ENERGY AND UTILITIES

WHAT CAN CANCUN DELIVER TO HELP THE SECTOR STEP UP ITS COMMITMENTS?

- Clear transparency targets, and across the board accountability (monitoring and reporting) for achieving these targets.
- Opportunities for technology transfer and uniform standards, establishing the "rules of the road" that should be clear and should reward industry leaders.
- The establishment of 'Master Frameworks' for the most successful policy solutions and best-of-breed technologies to be made available to all countries.
- The internalization of environmental externalities in the price of energy.

SPECIFIC POLICY INSTRUMENTS COUNTRIES SHOULD PUT IN PLACE TO HELP THE SECTOR STEP UP ITS NATIONAL LOW CARBON OPERATIONS

- Reward the shift away from fossil based fuels and create a well-calibrated incentive system (feed in tariffs, buy downs, etc) that sends the right signals to the marketplace long-term.
- Regulatory support is still vital for the success of the clean technology paradigm shift. Measures required include:
 - Implementation of policies that will enable a shift from the legacy of a fossil based energy system.
 - Allowing equal access to the grid and interconnection for independent producers.
 - Simplification of the process and remove bureaucratic and administrative roadblocks.
 - Incentivization of emission capture and storage technologies.
- Send the right financial signals – access to low cost funds for clean technologies, access to micro finance, etc.
- Invest in research and development as well as commercialization and deployment of new technologies.
- Step up the education and communication efforts about the technologies, the related challenges, opportunities and the solutions.

THE COMMITMENT OF THE SECTOR TO A LOW CARBON ECONOMY

The Discussion Group representatives are in agreement that the technologies needed to achieve a 100% Renewable Energy System are largely available today. What is necessary to achieve this goal is a wide spread concentrated and well supported effort based on a comprehensive set of policy frameworks, targeted financing as well as technology development and transfer mechanisms, that will make the 100% Renewable Energy solution a reality by 2050.