

## **Expectations for the International Climate Conference (COP15)**

### **Climate Change Roundtable of Business Representatives 17-18 February 2009 in Copenhagen**

*The business organisations:*

**All China Federation of Industry and Commerce**

**Brazilian National Confederation of Industry**

**BUSINESSEUROPE**

**Canadian Council of Chief Executives**

**Confederation of Indian Industry**

**Confederation of Danish Industry**

**Kenya Association of Manufacturers**

**National Business Initiative – South Africa**

**Nippon Keidanren (Japan Business Federation)**

**US Chamber of Commerce**

**US Council for International Business**

*met on their own initiative in Copenhagen on 17 and 18 February to share views on climate change and have agreed on the following statement on the upcoming international climate change conference in Copenhagen in December 2009:*

Business is committed to supporting a successful outcome at COP15 in Copenhagen, which we believe is possible in spite of the economic downturn. Fundamentally, governments need to get an international framework agreement at COP15 to move international cooperative action on climate change forward, while addressing economic recovery and promoting energy security. We recommend that this framework give equal attention to mitigation, adaptation and deforestation.

We are substantially concerned by these challenging economic circumstances, since without economic recovery, the global community's ability to take ambitious actions to address climate issues could be compromised. Still, we expect that the financial crisis will be temporary, and understand that climate change is a long-term global challenge that requires near and long-term action.

We do need to act, but in these challenging times, we have to act wisely and cost-effectively, with integrated and prioritised policies, within the UNFCCC, and in synergy with other multilateral processes to best marshal limited resources.

### **Acting Decisively in the Economic Crisis**

Governments should recognise and embrace business engagement and expertise as critical to responding to these challenges in the course of 2009.

Business is part of the solution to climate change. We are already taking major steps and actions in developed and developing countries, demonstrating that business offers a wide range of solutions and resources. Integrated approaches within governments, and across issues of energy, climate change and development, will be critical in this regard. There are many viable technology options available, and we can and must do better with supporting policies, such as standards, public-private partnerships, government procurement, etc.

We must step up funding for R&D, innovation and training and promote enabling frameworks to reduce costs for technology transfer and commerce. Improvements to CDM and JI should be advanced in terms of small projects, agriculture projects and reducing bureaucracy.

National and regional stimulus measures should include climate- and energy-oriented investments. Climate policies and implementation should contribute positively to economic recovery and growth, and countries should avoid the tendency to protectionism and other counter-productive measures. These would only compound economic challenges and undermine the needed consensus for cooperative climate change action at a global level.

We strongly recommend that governments involve ministers of finance directly in the negotiations to discuss how to move ahead on climate financing in current constrained financial conditions.

As one way to respond to these challenges, and in light of limited finances, we need better to target the investments at national level for efficiency and cost effectiveness. Overall, different funding mechanisms and needs will be required for different national and regional settings and different industries. Funding must be dedicated and predictable. We recommend, where possible, using established institutions to address financing, technology, deforestation and adaptation issues in the post-2012 framework. Institutions that address financing should be improved in the form of public-private sector partnership, with appropriate optimisation, transparency, clear rules and business-like procedures.

Adaptation must be addressed at international and local levels, in particular, water, health, agriculture and future power production and distribution issues. It must use local skills and build sustainable local infrastructure and use experience already present in developing countries.

The business organisations here, coming from five continents, representing millions of companies, from countries of different levels, are committed to work further to develop these ideas and offer more specific recommendations and solutions that will advance economic recovery, boost climate change action and enable needed sustainable development in all regions.

## **Key elements of a post 2012 UNFCCC Framework**

The UNFCCC framework should be flexible and include all countries, taking into account common but differentiated responsibilities. It should pay equal attention to adaptation and mitigation and take into account national objectives, action plans and circumstances.

The framework should:

- develop measurable, reportable and verifiable methodologies and make them a priority;
- enable innovation and energy security. It should not foreclose options, whether from energy or technology standpoints. The framework should set out international cooperative actions that balance mitigation and adaptation;
- enable and support long-term innovation and investment in cleaner technologies;
- give public and private sector funding for R&D and education and training a high priority in both technology and financing components of the framework;
- acknowledge and recognise public-private sector partnerships for technology cooperation and capacity building that have demonstrated verifiable results;
- have an increased focus on energy efficiency and provide for sharing information and experiences with measurement and energy efficiency improvement, focus on enabling frameworks for innovation at national level, removing counter-productive taxes and tariffs. We recommend providing increased energy efficiency advice and capacity building through an experts or technology panel;
- recognise and enable public-private sector partnership for technological cooperation along the lines of the APP model.

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