

MAKING THE PARIS VISION A REALITY



We Mean Business is a global coalition of nonprofit organizations working with the world's most influential businesses to take action on climate change. Together we catalyze business action to drive policy ambition and accelerate the transition to a low-carbon economy.

We reaffirm our commitment to the Paris Agreement,

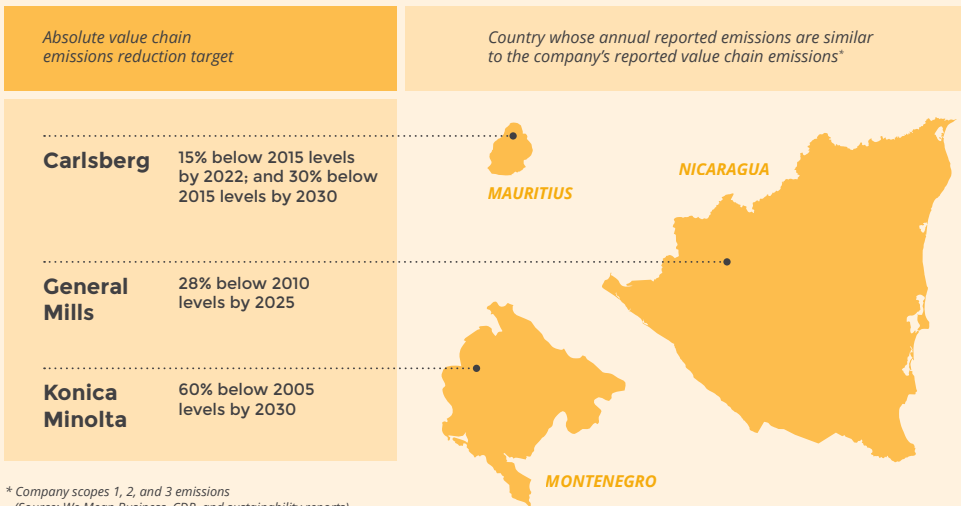
which sets a new international standard for business and government action. We call on all Parties to do the same, and to implement their nationally determined contributions (NDCs) with sound policies. We also call on cities and sub-national regions to join us with ambitious climate action. Together, our collective climate leadership will achieve the scale of transformation the Paris Agreement envisions.

To date, over 600 companies have made over 1,000 commitments to bold climate action as part of our Take Action campaign. Businesses stand behind the multilateral consensus to reduce emissions and build climate resilience, and are accelerating the deployment of innovative, inclusive and ambitious climate solutions that drive growth and competitiveness.

IMPLEMENTING THE PARIS AGREEMENT ON THE GROUND

Committed to Billions of Tonnes

The scale of corporate climate action supporting the Paris vision is unprecedented.



COMPANIES TAKING BOLD CLIMATE ACTION THROUGH THE WE MEAN BUSINESS COALITION:

- ▶ Have total market capitalization of over US\$15.5 trillion, including 32 companies each with a market capitalization over US\$100 billion
- ▶ Account for 2.31 gigatons of annual GHG emissions in their direct operations and purchased electricity, equivalent to that of the Russian Federation

Just as Parties' NDCs set emissions reduction targets, leading businesses are setting bold targets in their operations and across their value chains. These represent real progress toward achieving Parties' NDCs on the ground and open the door to further ambition.

For example, Mars Inc. has pledged to invest US\$1 billion towards its new Sustainable in a Generation Plan. This includes a commitment to reduce GHG emissions across its value chain 27% below 2015 levels by 2025 and 67% by 2050, with a value chain footprint similar in size to Panama.

BT has committed to reduce scopes 1 and 2 emissions per unit of gross value added by 87% below 2016/2017 levels by 2030, in line with holding global warming below 1.5°C, and has also committed to reduce upstream scope 3 emissions by 29% over the same time period.

Walmart's Project Gigaton asks suppliers to eliminate 1 billion tons of emissions through 2030, and Hewlett Packard Enterprise is targeting 100 million tons of reductions through 2025. The potential impact of these targets is tremendous.

A Grand Coalition to Accelerate Climate Action

We Mean Business supports the Marrakech Partnership for Global Climate Action, which strengthens collaboration between Parties and non-Party stakeholders, recognizing that everyone has a role to play in building a resilient low-carbon economy.

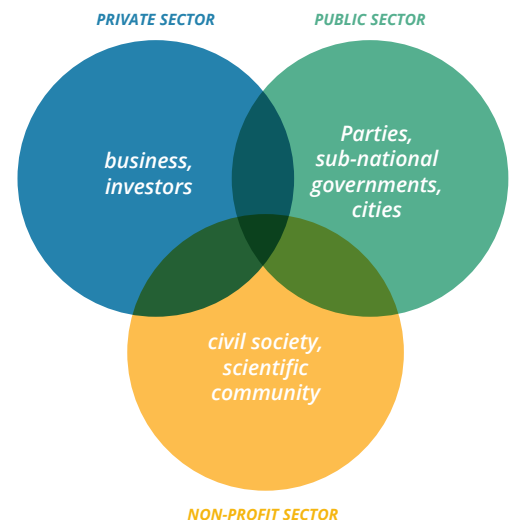
We strongly support the grand coalition envisioned by the COP23 Presidency to unite civil society, the private sector and all levels of government to build the Paris vision.

The Marrakech Partnership provides a platform to showcase success and track progress made by non-Party stakeholders. It is also intended to be a forum to build policy-enabling environments which catalyze non-Party leadership. The Technical Examination Processes (TEPs), which the Partnership enables, have been less successful at addressing domestic policies that undermine ambition and proposing high-impact policy levers to accelerate climate action, and now require reengagement.

IN THE SPIRIT OF COLLABORATION WE:

- 1 Encourage the Parties to return to the original strategic intent of the Marrakech Partnership by emphasizing pre-2020 action and the generation of **specific policy recommendations** to spur ambition. This requires **renewed investment in the TEPs**, which should be used for structured policy discussions.

- 2 Encourage the facilitators of the TEPs on mitigation and adaptation to **partner with the private sector to identify concrete opportunities** to reduce emissions and strengthen climate resilience.
- 3 Offer to **convene business leaders and government representatives outside the UNFCCC** to maximize opportunities for collaboration between Parties and non-Party stakeholders. To this end we:
 - a. Commit to preparing outputs which detail the successes, lessons learned and progress achieved by companies, complemented with specific recommendations of high-impact policy levers needed to further scale-up action.
 - b. Ask Parties to use these as inputs into the preparation of the Yearbook of Global Climate Action, the organization of TEPs, and the preparation of the next round of NDCs.
- 4 Invite Parties to **formally recognize the critical role of non-Party stakeholders** in accelerating global climate action. Specifically we:
 - a. Applaud the work of the High-Level Champions and their efforts to accelerate the pace of implementation, and to give a voice to those driving forward with ambitious action.
 - b. Encourage Parties to provide a formal role to those driving forward climate action, by establishing a panel of senior representatives from all non-Party stakeholder constituencies, with the mandate to convene outside the UNFCCC to harvest experiences, share successes, and develop specific recommendations for high-impact policies to catalyze climate leadership that will inform the Parties' deliberation.
- 5 Call on Parties to **create a firm link between the Marrakech Partnership and the 2018 Facilitative Dialogue**. A collaborative multi-stakeholder approach will support the Paris vision and provide an inclusive model for the enhancement of 2020 NDCs.



WE MEAN BUSINESS

Commit to bold climate action with the We Mean Business coalition

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A Facilitative Dialogue Which Enhances 2020 Ambition

The coalition supports the Paris Agreement mechanism through which each Party communicates successive NDCs every five years, reflecting its highest possible ambition.

We therefore welcome the 2018 Facilitative Dialogue, whose purpose must be to enhance ambition by sending a compelling message to world leaders to do more, by showcasing results, and by producing specific steps which translate into enhanced NDCs.

The Facilitative Dialogue will take stock of our collective progress towards the Article 4 goal of net zero emissions in the second half of this century. Businesses are contributing to this progress. Following the Article 4 emissions trajectory and goal, more than 300 major global companies are committed to the Science-Based Targets Initiative, over 100 of the world's most influential companies are committed to 100% renewable power through the RE100 initiative, and companies are acting collectively through the Low Carbon Technology Partnerships initiative.

We will actively contribute to the Facilitative Dialogue at key moments throughout 2018 by bringing forward business leadership, and demonstrating results towards the Paris Agreement goals.

IN THE SPIRIT OF COLLABORATION WE:

- 1 Agree that the Facilitative Dialogue should be a **process rather than a moment**, involving multiple engagements throughout 2018; should not be punitive and instead focus on assessing collective action as an opportunity to enhance ambition.
- 2 Encourage the convenors of the Facilitative Dialogue to develop an agenda which ensures **parity between the stocktake exercise and informing the preparation of the next round of enhanced NDCs**.

- 3 Fully support the **Talanoa process of inclusive, participatory and transparent dialogue** which will ensure decisionmaking for the greater good. In this light we encourage the Parties to provide opportunities for non-Party stakeholders including the private sector to engage as partners:
 - a. That non-Party stakeholders, including the private sector, be given opportunities to provide written inputs to the Facilitative Dialogue, and to speak in-person with Parties.
 - b. That inputs to the Facilitative Dialogue include key outputs from the business community, and evidence of our collective impact towards the long-term goal of net zero emissions.
- 4 Welcome Facilitative Dialogue **outputs that are solutions-oriented, will inform enhanced 2020 NDCs** across a broad range of sectors, and identify additional opportunities for climate action by the business community.
- 5 Encourage all Parties to use the Facilitative Dialogue to **affirm their collective commitment to the Paris Agreement, to enhance NDCs in 2020, and to complete long-term low GHG emission development strategies**.



Greater Climate Resilience For All

Climate change creates material risks for businesses around the world. Physical risks such as extreme weather events and sea level rise threaten operations, supply chains and the communities on which businesses depend. Transition risks including disruptive technologies, increased stakeholder demands and strengthened regulation must be managed with resilient business models. Climate change also presents second and third order effects such as natural resource scarcity and mass migration. We need to work together to ensure an orderly transition.

The coalition is therefore committed to the global goal of climate resilience established under Article 7 of the Paris Agreement. National adaptation policy and contingency planning for loss and damage help create the stability required for business investment. Like governments, we have experience with and tools to build adaptive capacity

including data, technical innovation, and business incentives. We commit to working with governments to strengthen policy-enabling environments conducive to climate resilience.

Well-managed companies with robust climate risk management systems will have lower operational costs and will eventually benefit from a lower cost of capital. To this end we will promote assessments of climate risks and the development of strategies to build climate resilience. Business leadership on resilience means strengthening supply chains and reducing vulnerabilities for people and communities.

TO SCALE UP OUR EFFORTS TO BUILD RESILIENCE, AT THE UNFCCC WE:

- 1 Ask the Adaptation Committee to **recognize the adaptation efforts of the private sector and identify ways to enhance the effectiveness of business leadership** on climate resilience.
- 2 Encourage the Executive Committee of the Warsaw International Mechanism **Task Force on displacement to engage with private sector input**.

WE CALL ON PARTIES TO:

- 3 Complete their National Adaptation Plans and **work with the private sector to identify adaptation needs and priorities to implement** across global supply chains, including enhancing early warning systems and emergency preparedness, managing slow onset events, and developing comprehensive risk assessments.
- 4 **Support the Recommendations of the Task Force on Climate-Related Financial Disclosures** to manage systemic financial risk, and to provide investors and credit agencies with better information.
- 5 **Provide finance to the world's vulnerable countries** to help them build the resilience of the communities on which we all depend.

Towards a Robust Paris Rulebook

We look forward to the completion of a robust Paris rulebook at COP24 which strengthens the integrity of the Paris Agreement.

THIS WILL REQUIRE CONCRETE RESULTS FROM COP23 THAT DEMONSTRATE REAL PROGRESS ACROSS ALL PARTS OF THE RULEBOOK, INCLUDING:

- 1 **A transparency framework for action and support** which promotes business confidence in NDC implementation.
- 2 **Accounting rules and information for NDCs** which make their impact clear and understandable to the business community.

- 3 **Global rules which align national and regional carbon pricing mechanisms** with the aim of global coverage and robust **accounting rules to prevent double counting** of emissions reductions and ensure the environmental integrity of NDCs.
- 4 **A global stocktake which supports progressively more ambitious NDCs**, bringing us ever closer to the Paris Agreement's long-term goals, and which includes inputs from the private sector.
- 5 **Recognition of the importance of both mitigation and adaptation**, in light of the impacts we already face.

THE WE MEAN BUSINESS COALITION IS GENEROUSLY SUPPORTED BY THE IKEA FOUNDATION.

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Coalition Partners



THE CLIMATE GROUP

