



Quick Brief

A news update from the NBI on its programmes, business leadership and issues on sustainable development.

9 December 2016

Tools and References to Make Sense of COP22

COP22 which took place in Marrakesh, Morocco from 7 to 18 November 2016, was an implementation COP. Its prime purpose was to negotiate the details of the Paris Agreement that would allow for its smooth implementation. However, as We Mean Business (WMB) put it, “A palpable feeling of anxiety hung over the negotiations in Marrakesh as delegates digested news of the US election result and contemplated its implications”. It is therefore important to keep in mind that the political signals at this COP had unusual significance. These signals included a firm resolve and commitment by governments to implement the Paris Agreement.

Despite the political uncertainty introduced by President-Elect Trump’s electioneering statements, such as his stated intention to “End the War on Coal” and to withdraw from the Paris Agreement, nearly 30 additional countries ratified the Paris Agreement in the run up to the COP. In particular, key emitters such as the UK and Australia joined after the US elections had taken place.

A key political outcome of this COP was **‘The Marrakesh Action Proclamation’**, a political statement issued by governments reinforcing the urgent need to respond to climate change and affirming their full support for implementing the Paris Agreement. The document also states that the momentum on acting on climate change “is irreversible – it is being driven not only by governments, but by science, business and global action of all types at all levels.”

The positive political dynamics of ‘shared leadership’ established ahead of COP21 in Paris endures. The general view is that no single country or stakeholder can make or break the Paris Agreement; it is a collective effort by governments and non-governmental actors.

The rise of non-state actors (cities and business) is important to watch. There is more and more discussion that

the pace of change in the UNFCCC processes is not keeping up with the pace of change in the 'real economy' and that non-state actors are driving real change. Local government is responding through a range of partnership initiatives but the global **Compact of Mayors, the US-based Cities and States Initiatives** and the **Compact of States and Regions** are notable.

The business response to the political uncertainty was unequivocal. More than 500 companies and over 180 investors, representing trillions of dollars in revenue and assets under management, have made more than 1,000 commitments to reduce greenhouse gas emissions through the **We Mean Business action framework**. During COP22 the 200 mark for companies committing to set **Science Based Targets** was crossed, with representation from 6 South African companies on the list. In response to the US election outcome, over 360 businesses issued a **letter**, co-ordinated by CERES and WMB, to President Obama and President Elect Trump requesting their commitment to the Paris Agreement and to fighting climate change.

The general theme of non-state actor-led side events was on driving solutions. This was typified by our global partner WBCSD's events during their **Low Emissions Solution Conference**. Jointly organized by the Government of Morocco, the (WBCSD), ICLEI - Local Governments for Sustainability and the UN Sustainable Development Solutions Network (SDSN), over 500 people were brought together to discuss solutions and new technologies for implementing the Paris Agreement.

The technical outcomes from COP22 were mixed. Strong progress was made on closing off old negotiations and incorporating them into the Paris Agreement process and reasonable progress on '**loss and damage**' was achieved. The key conversation in the corridors was ambition, measured in three timeframes: immediate, medium-term and long-term. The immediate ambition referred to as pre-2020 action or ambition is critical, with scientists within the negotiations and in the side events emphasising that we need to make substantial progress before 2020 to keep even a 50% chance of staying below a 2 degree centigrade increase. Critically therefore, the ability to ratchet up commitment is built into the Paris Agreement and an important outcome of COP22 was that 2018 as a key moment to take stock of progress ahead of revising climate ambition in 2020, went unchallenged.

Finance proved the most challenging component of the outcome. Whilst countries reaffirmed their commitment to raise \$100bn by 2020 and sustain this, it is not clear where the finance will actually come from. It is also in this area that the potential for inward-looking politics to dominate in the US the UK (and possibly in the EU) may inhibit the ability to raise the required funding. This would put many developing country Nationally Determined Contributions (NDCs – national climate commitments) at risk. Furthermore, progress was slow on deciding the future of the CDM and similar initiatives once the Kyoto Protocol expires. Finally, commitment was strong on adaptation but progress on the technical aspects of implementation was slow.

2017 must take the progress made at COP22, where agendas and plans were set, and really focus on implementation. The '**Paris Rulebook**' is where the discussions on fairness and ambition will take place and this is therefore critical. These issues must be settled in time for 2018.

It is within this context that the philosophy of shared leadership requires emphasis. It is also here that South African companies continue to take the lead in progressive climate action. They must continue to actively engage with civil society, government and labour partners to collaboratively develop and implement solutions. This is important for global competitiveness and for the protection of our domestic economy. We therefore encourage all local companies to consider making strong commitments under the WMB commitment

framework and work hard, alongside companies worldwide, to support collective implementation of actions that are appropriate to specific sectors.

For more information please contact [Steve Nicholls](#) or [Amy Marshall](#).

Key reports launched during COP22 were: [CDP Global Water Report](#); [The IEA Global Energy Outlook](#); [A Carbon Trust Report on Energy Efficiency Finance in Developing Countries](#); [The UNEP Emissions Gap Report](#); [The Global Carbon Project Global Carbon Budget Report](#); and an [IFC Climate Investment Opportunities in Emerging Markets Report](#) (in which the NBI gets a mention).

For more detail please also read:

The [We Mean Business Post COP22 Analysis](#) for a political view, and [Marrakesh Marks New Era in Climate Implementation](#) for a more technical analysis from We Mean Business.

Some additional important platforms and actions include:

The Capacity-building Initiative for Transparency ([CBIT](#)) to help poorer nations improve how they account and report their emissions.

The Paris Committee on Capacity Building ([PCCB](#)), created in Paris to support the realization of the ambition of the Paris Agreement.

The [NDC Partnership](#) was launched during COP22 and brings together more than 40 countries and major institutions from around the world to accelerate the implementation of NDCs.

The [High Level Champions](#) approved their framework for action, which captures the actions from non-state actors as well as hosting 'Technical Expert Meetings' aimed at stimulating collaboration in immediate ambition.

The High Level Champions launched the [2050 platform](#).

China launched its '[10, 100, 1000 South-South Cooperation Initiative](#)', which will be delivered through the \$3bn South-South Climate Cooperation Fund it established in 2015.

The Kingdom of Morocco, the Food and Agriculture Organization of the United Nations (FAO) and other partners announced that they are stepping up climate action in agriculture through the [Adaptation of African Agriculture](#) (AAA) initiative and the [Global Framework on Water Scarcity](#).

Solar Impulse launched the [World Alliance for Clean Technologies](#) as a legacy to the first ever solar flight around the world.

The initiatives outlined below were launched ahead of Paris, but advanced during COP22:

- [The International Solar Alliance \(ISA\)](#) gathered further momentum at COP22, with 20 countries –

including India, the US, China and France – signing its **Framework Agreement**.

- **Mission Innovation** continues to gather steam, with Finland and the Netherlands joining at COP22, taking the total member country count to 23, including the European Union. The seven challenge themes they identify are: 1) Smart Grids; 2) Off-Grid Access to Electricity; 3) Carbon; 4) Sustainable Biofuels; 5) Converting Sunlight; 6) Clean Energy Materials; and 7) Affordable Heating and Cooling of Buildings.
- **France provided a €6-million grant** to the Africa Development Bank to set up a delivery unit for the **African Renewable Energy Initiative**.

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