



# THE °C CLIMATE GROUP

Beyond National

**STATES AND REGIONS Alliance for a global deal**

**Low carbon development Workshop**

**Zaragosa, Aragon**

**October 20<sup>nd</sup>, 2009**



# THE °CLIMATE GROUP



- Focus on promoting leadership on climate & influencing change

- Develop & disseminate best practice
- Positive approach – low carbon prosperity
- Network & incubator for new initiatives: Together.com, Voluntary Carbon Standard, Breaking the Climate Deadlock

- Membership drawn from Fortune 100, States, Cities



# STRATEGIC FOCUS (2009-2012)

## Global Deal:

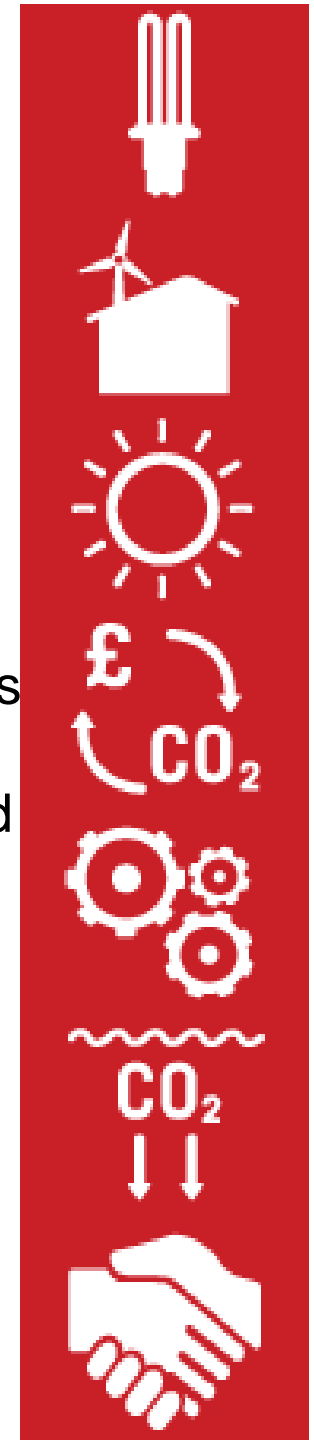
- > Objective to mobilise policymakers & businesses from the EU, US, China and India to support a successful global deal on climate change, its ratification and implementation into national (and EU) and subnational legislation.

## Global Demonstration:

- > Objective to accelerate the implementation of selected technologies / technology clusters, supporting activities ranging from piloting to financing and policy support., working with corporates, national and subnational governments.

## Delivering current commitments:

- > The Climate Group will continue to deliver current commitments on the Together campaign , States and Regions Alliance and the Climate Principles for the finance sector.



# TCG's CORPORATE MEMBERS AND PARTNERS

## **FINANCE**

Barclays ()  
ABN AMRO (NL)  
Allianz Group (DE)  
Baker & McKenzie ()  
Cheyne Capital (US)  
HSBC Holdings ()  
JP Morgan (US)  
Man Group ()  
Munich Re Group (DE)  
Standard Chartered (UK)  
Swiss Re (CH)

## **CONSUMER PRODUCTS**

Interface (US)  
Johnson & Johnson (US)  
Timberland (US)  
Nike (US)  
IWC (CH)

## **RETAIL**

M&S ()  
Tesco ()  
Starbucks (US)  
Target (US)

## **MEDIA**

BSkyB ()  
NewsCorp (US)  
Bloomberg (US)

## **POWER**

Austin Energy (US)  
BP ()  
Florida Power & Light (US)  
Duke Energy (US)  
Severn ()

## **BUILT ENVIRONMENT**

Arup(UK)  
Broad (China)  
HDR (US)  
MWH (US)  
Swire Properties (HK)  
Vanke (China)

## **HEAVY INDUSTRY**

Alcan Inc ()  
Catalyst (US)  
Dow (US)  
Pratt Industries (US)

## **AVIATION**

Cathay Pacific (HK)  
Virgin ()

## **ICT**

BT ()  
Dell (US)  
Hewlett Packard (US)  
Lenovo (China/US)  
Google (US)

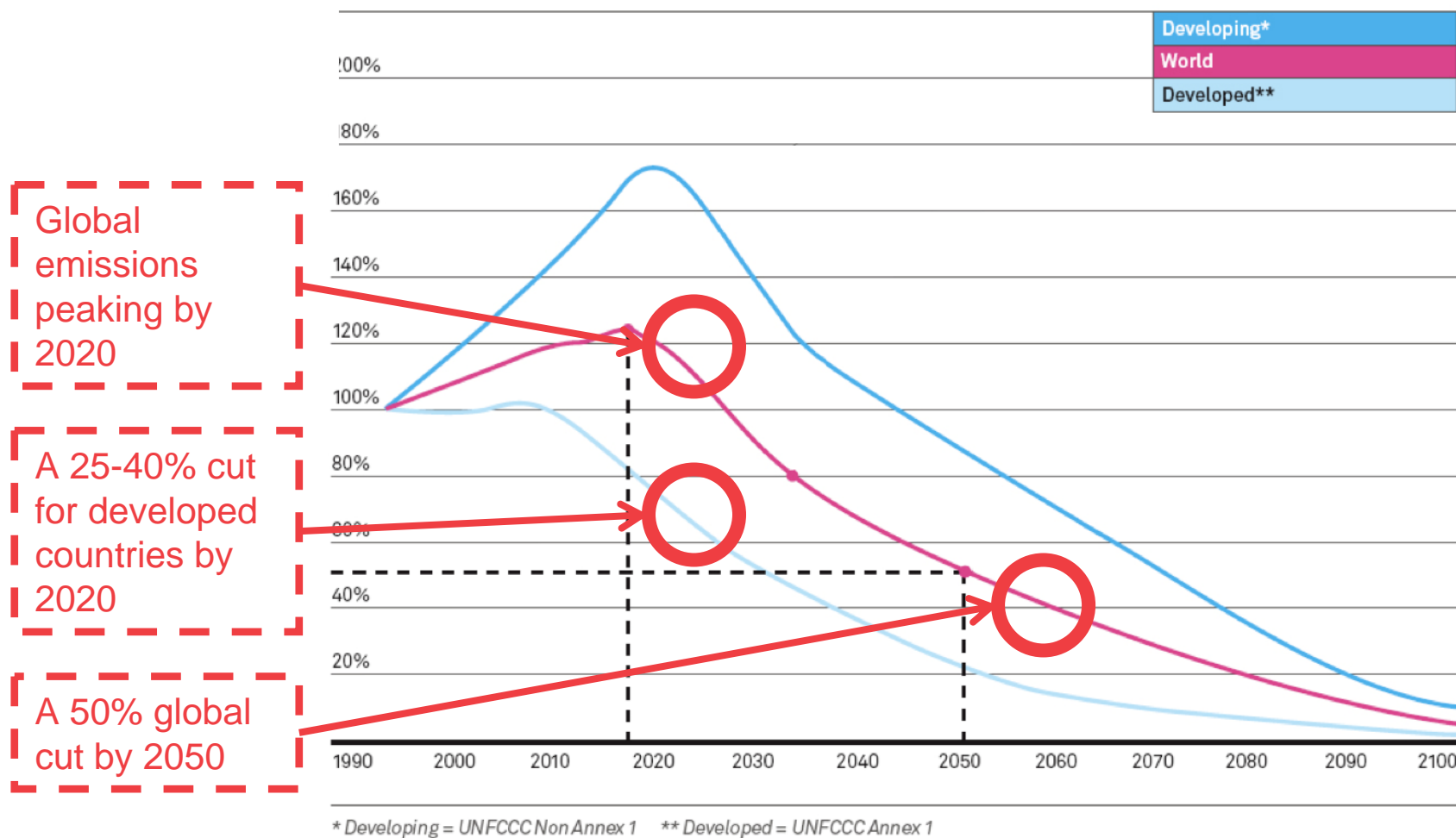
## **CORPORATE PARTNERS:**

ANZ Banking Group  
AXA  
Ben & Jerry's  
Dresdner Bank AG  
Goldman Sachs  
HBOS, Insight Investment  
Honda  
IBM  
Ikea  
Insight  
Kingfisher  
Mizuho Corporate Bank  
Munich Re  
O<sub>2</sub>  
Rabobank, Netherlands  
RBC Financial Group  
Royal Bank of Canada  
SAB Miller  
UBS  
Unilever  
Vodafone  
Wells Fargo & Company  
  
First Chinese members  
China Mobile, Broad and  
Suntech



# The Scale of the Challenge 1

## Potential Pathway to Stabilise Greenhouse Gases

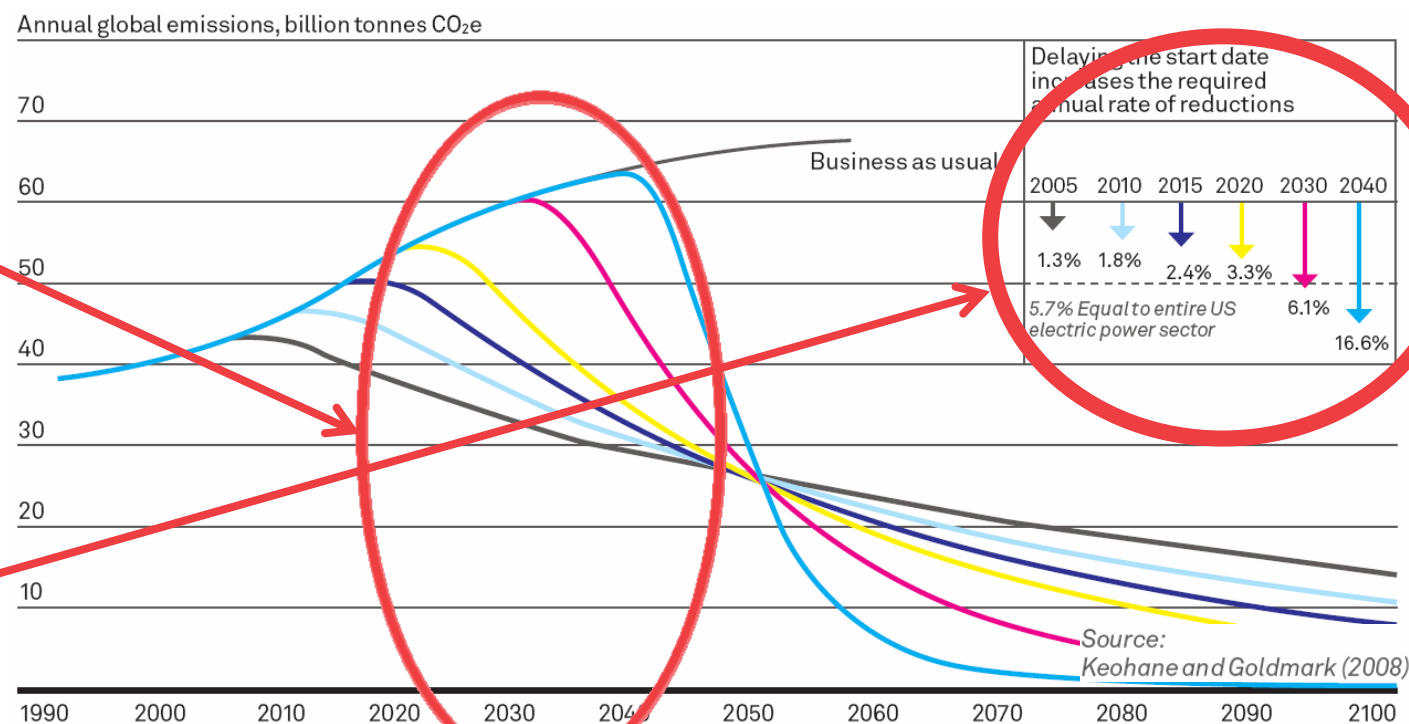


# The Scale of the Challenge 2

Pathways for Global Emissions that would yield at least a 50% chance of avoiding 2°C

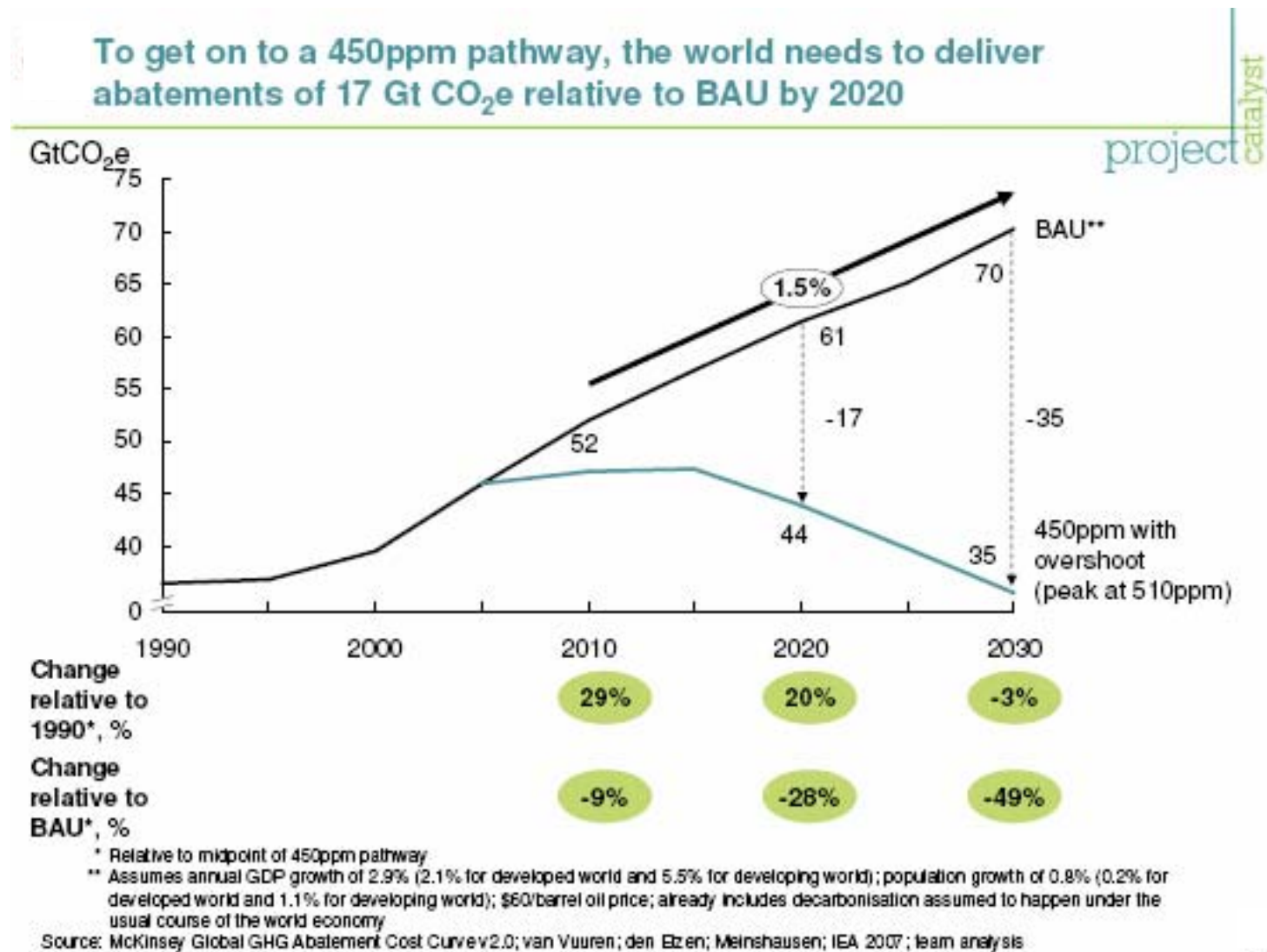
Less time for businesses and consumers to adjust

Increased annual rate of emission reductions

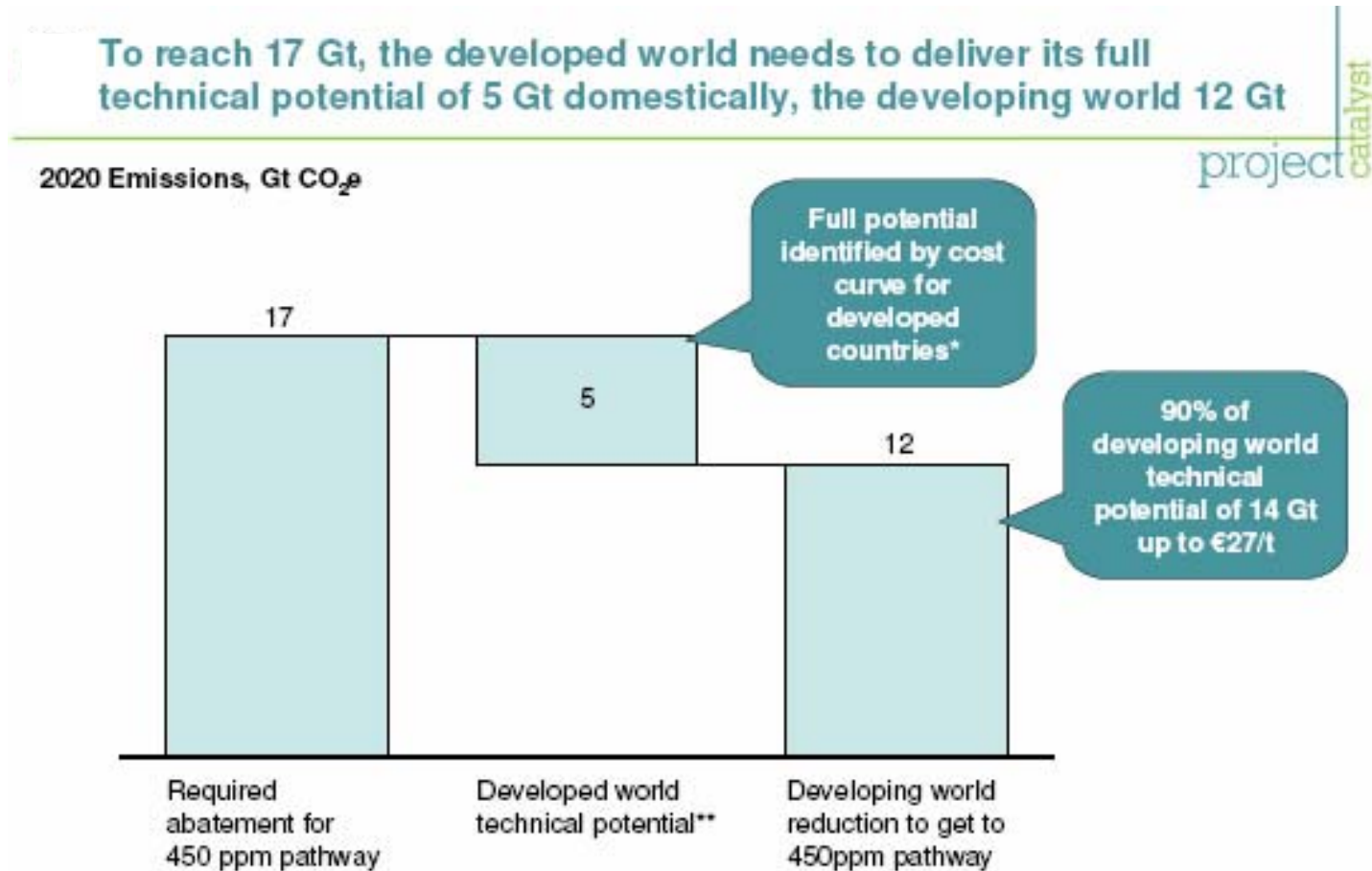




# The Scale of the Challenge 3



# The Scale of the Challenge 4



\* High cost lever could increase potential by 20-25%; Cost curve identifies 5 Gt of measures between €60-100 and 4 Gt of behaviour change in addition to 2030 technical potential of 38 Gt

\*\* The developed world could potentially further reduce CO<sub>2</sub>e emissions by ~1Gt from technical potential of €60-100/t, and behavioural change

Source: McKinsey Global GHG Abatement Cost Curve v2.0, team analysis



# CORE ELEMENTS OF A GLOBAL DEAL



# Core elements of a Global Deal

Four criteria:

- *Environmental effectiveness*: Agreement must be seen to place world on pathway to a 2C future delivering climate security for all. Deal will not be agreed in detail, but direction of travel must be clear: businesses, governments & public must see that new world is coming;
- *Economic effectiveness*: Agreement must build conditions for high prosperity low carbon economic growth;
- *Fairness*: recognition of imperative of a shared and equitable future for rich and poor everywhere. Agreement must be seen as fair by all countries;
- *Trust*: delivering agreement will require high levels of trust between countries; managing the success and failures of implementing the agreement beyond Copenhagen will require even more.



# Core elements of a Global Deal 2

## Industrialised countries

- All – including rich developing countries e.g. Korea, UAE - adopt national binding caps that collectively reduce emissions by 25-40% below 1990 levels by 2020;
- US takes on comparable level of effort but, due to late start, 2020 target is lower, compensated by providing additional financial support for developing countries and deeper targets in 2030/2050;
- EU commits to 30% by 2020 if others follow



# Core elements of a Global Deal 4

## Developing countries

- Significant incentives for developing countries to move beyond BAU (peaking no later than 2020); undertake no-regrets actions alone;
- Countries to submit low carbon development plans (with unilateral domestic action & further commitments with international financial support);
- Clear signal that major emerging economies, esp.China, will have binding caps by 2020, if developed countries meet their full obligations;

(EU urges for 15-30% below business as usual levels by 2020)



# Core elements of a Global Deal 6

## Financing

- In addition to expanded carbon market, financing needed for new adaptation, REDD and technology funds. Mainly private sector but public funding necessary:
- Access to finance conditional on dev'g countries implementing significant “no regrets” actions in low carbon development plans, including potentially removing unjustified subsidies, trade barriers and restrictive regulations;
- EU-commission communication:  
(estimated annual costs 100billion euro/ public 22-50b/ EU 2-15b)



# STATES & REGIONS

- The Climate Group launched the **states and regions climate alliance** based on the commitments made by sub national governments in the **Montreal Declaration in 2005**.
- The alliance **focuses on practical solutions to climate change**, in particular sharing best practice on **effective policy implementation**.
- The Climate Group works to strengthen the alliance and drive the process forward **through meetings, briefings and publications**, such as “Low Carbon Leader: States and Regions”





# STATES AND REGIONS

## Signatories of the **Montreal Declaration**

California

British Columbia

New South Wales

Manitoba

Massachusetts

New York State

Victoria (Australia)

Quebec

South Australia

Connecticut

Ontario

Maine

Brittany

Fatick

Wielkopolska

Western Cape

Bavaria

North-Rhine Westphalia

Scotland

Catalonia

Upper-Austria

Sao Paulo

Wallonia

Flanders

Jamtland

Carinthia

Wales

Basque country

Aragon

South Holland

Ile de France



# Goals of the work program

- Create practical and direct opportunities to showcase R&S-actions to the international community
- exchange best practices amongst themselves,
- gain better access to low carbon technologies,
- overcome obstacles in the implementation of climate actions,
- develop new partnerships with the business community and
- foster stronger partnerships with national and municipal governments.





# Current other initiatives on interregional cooperation

- NRG4SD
  - Working on many SD-issues including climate change
- ENCORE
  - Environmental conference of the regions in Europe
- CPMR
- OLAGI
- Northern Forum
- FOGAR
- AER
- ....



# Opportunities

- Direct region to region sharing of best practices
- Implementation and planning level
- Interlocutor between local and national governments
- Climate policy plans as framework for investments
- Integration in Poverty reduction strategies

# Challenges

- Governance Capacity for receiving support for climate change policies
- Human resources to deliver best practice sharing
- Empowerment



# Examples of regional government action

- Scotland's recent Climate Bill includes a legally binding commitment on all future Scottish governments to deliver at least 80% cuts in emissions by 2050 and a goal of 50% total renewable energy generation by 2020.
- Catalonia is implementing cleaner transportation policies and tax incentives to promote cleaner, less polluting vehicles.
- North Rhine Westphalia is undertaking an initiative aiming to achieve a 20% reduction in overall primary energy consumption across the economy by 2020 compared to 2006
- Bavaria has set the goal of doubling its primary energy consumption from renewables – from 8% to 16% - by 2020.





# Sao Paulo initiative on Global Renewable Energies:

- Parliament voted a 20% GHG-reduction target by 2020(2005)
- Sao Paulo drafted the 2002 WSSD proposal for a 10% global target on renewables which has created the momentum for the Johannesburg Renewable Energy Coalition (JREC) and the following International Conference on renewable energy (Bonn, Beijing and Washington).



# Western Cape

- The Department has embarked on a roll out of 1000 solar water geysers in the Western Cape. The objective with this programme is to deal with 3 challenges facing the Western Cape, i.e. Poverty, Energy Efficiency and Climate Change.



# Towards carbon neutral and resilient climate change territories



# An integrated territorial approach to face climate change

**Towards carbon neutral and climate change resilient territories**

## Phase 1: Awareness raising and training

- Mitigation/adaptation
- UNFCCC, Kyoto, RDH
- Best practices
- Technical solutions
- Financial instruments and public policy

**Identification of  
regions to  
prepare  
ITCPs**

## Phase 2: analysis, assessment and action plan

- Carbon assessment (mitigation)
- Vulnerability assessment and mapping (adaptation)
- Integrated Climate Plan
- Definition of adequate regulatory and financial instruments

**From  
action plan  
to project  
implementation**

## Phase 3: Projects

- Identification
- Set up
- Certification
- Financing
- PPPs
- Management



# Regions agreed to UNDP program including allocated funds

- **A. Already signed**
- **Brittany (F), Poitou Charente (F), Rhône-Alpes (F) and Catalonia (S), Limousin (F), Geneva (CH), Toscana (I), Basque Government (S), Manitoba (C) and Province of Quebec (C),**
- 
- **B. Have or are in procedure to allocate funds**
- **Brittany (F), Poitou Charente (F), Rhône-Alpes (F) and Catalonia (S), Limousin (F), Geneva (CH), Toscana (I), Basque Government (S)**
- 
- **c. Considering signing**
- **Flanders (B), Wallonia (B) California (USA), Zuid Holland (N).**



**UNFCCC recognition  
of the  
Subnational level of government**





- ***“The Subnational level of government “***
- ***largest and first level of political /governmental sub-division within an individual UN-member State***
- ***above the municipal level.***

# Background

- Climate leaders summit, Montreal Declaration 2005
- Saint Malo Summit and Declaration of the Network of Regional Governments for Sustainable Development (nrg4SD)
- Governor's International Climate change Summit, California
- 2<sup>nd</sup> Climate leaders summit, Poznan Statement of Action (The Climate Group)
- GA of nrg4SD in Quintana Roo
- NY climate week



# Example of amendment

- **Clause 199**
- 199. International cooperation {shall}{should} be enhanced to support developing country Parties to implement capacity-building actions, including:
  - (a) Creation of enabling environments at ***national, subnational and local levels of government*** for enhanced action on adaptation and mitigation, including the establishment of appropriate policy and legal and regulatory frameworks;
  - ***NEW CLAUSE (g) Recognizing the important roles of state and regional governments by supporting and encouraging subnational partnerships to promote information sharing and best practices;***

# Some synergies between local and regional governments

- Local and sub national governments are key players in the implementation of any agreement
- Both will have to produce practical solutions which will directly affect society
- Sub national governments share common goals but differentiated responsibilities with local authorities
- We (local and sub national governments) should be taken into account for the next negotiation round
- We are bound to work together for this recognition and for the implementation of the Copenhagen agreement
- But representation roles should be well agreed and defined



# Road to Copenhagen

- Climate week NYC Subnational delegation at UN (21<sup>st</sup> September)
  - Subnational Statement for recognition
- Taller Sao Paulo (22-24 September)
  - Latin American regions preparation for COP15
- Governor's Summit California (1,2 October)
- Brussels meeting Nrg4SD with other networks(13 October)
- Zaragosa Low carbon technology event(19-20 October)
- Barcelona Government Business UNFCCC-event(2-3 November)
- Queensland summit Australia (November 10<sup>th</sup>)
- EU-members meeting The Climate Group (24<sup>th</sup> November)
- General Assembly of the European regions(26-27 November)
- Climate leaders Summit Copenhagen December 15th



# Climate leaders Summit Copenhagen 15/12/2009

- Premier Mike Rann, Premier of South Australia and Chair of the States and Regions Alliance Premier Jean Charest (Quebec),
- President Jean-Yves Le Drian (Brittany), Co-Chair of the NRG4SD
- Co-Chair of the NRG4SD
- President Claudio Martini (Tuscany)
- President Ségolène Royal (Region of Poitou Charentes)
- President Jean-Paul Huchon (Ile-de-France)
- Minister Mark Söder (Bavaria)
- Minister Thoben(NRW)
- Minister Jane Davidson(Wales),
- The United Nations Development Program
- The State of California
- The Network of Regional Governments for Sustainable Development (NRG4SD)





# Climate leaders Summit Copenhagen

## 15/12/2009

- 9.30-11.30 Closed session for Premiers/Governors/ Ministers
- 9.30-12.00 Concurrent Sessions focusing on major technology developments
- 11.30-12.00 Press conference – Leaders reporting back on their closed session
- 12.00-1.00 VIP lunch for Premiers, Ministers, CEOs and other key stakeholders.
- 1.00 High level summit.
- Focus on action. Includes presentations by Premiers/ Governors/ First Ministers
- Panel sessions will feature 'smart' low carbon technologies and partnerships with developing countries.
- Event concludes with short statements by Premiers/Ministers/CEOs and others announcing their commitments.
- 5.00-6.30 Cocktail event – Awards Ceremony tbc

