

“OUR EXPECTATIONS FROM COP24”

Three years after the landmark global climate agreement in Paris, this year’s COP24 in Katowice will be decisive to make further steps in the fight against climate change. A few weeks after the release of the IPCC Special Report on 1.5°C, COP24 must not only finalise the “Paris Rulebook”, which sets out the rules and procedures, but also continue the Talanoa Dialogue with a view to enhance global efforts to reduce emissions. Enterprises across Europe stand ready to provide innovative solutions to tackle climate change and reduce emissions. As representatives of 39 national employers and industry associations, our expectations from COP24 are as follows:

■ The 1.5°C global warming scenario

The Paris Agreement entrusts countries to hold the increase of global temperatures to well below 2°C above pre-industrial levels and to pursue efforts to limit the increase to 1.5°C. At COP21, countries also requested the IPCC to prepare a Special Report on 1.5°C. This report brings scientific evidence that limiting the increase to 1.5°C would significantly reduce the risks and impacts of climate change, such as less exposure to extreme weather events, water shortages and crop yield reductions. In Katowice, all governments are expected to recognize the urgency to enhance international cooperation to limit global warming to 1.5°C.

■ Adopt a strong “Rulebook”

The importance of the Rulebook for business cannot be underestimated, as it will set out the rules and procedures to successfully implement the Paris Agreement. We have repeatedly expressed concerns with the slow pace of progress to finalise the Rulebook, as this lack of transparency makes it difficult for businesses to make the necessary long-term low-carbon investment decisions. We therefore once again call on all countries to respect the spirit of the Paris Agreement and adopt a Rulebook with strong monitoring, verification and accounting rules.

■ Strive towards a global price on carbon

A long-term aim of the global climate negotiations must be to put a global price on carbon. This would create great benefits in terms of cost-efficiency, stimulate innovation, foster a global level-playing field for business, and open new markets for less carbon-intensive products. The way towards a global carbon price or market is long. For that reason, discussions and cooperation needs to be scaled up. One important step is to continue the efforts that have already started when it comes to streamlining and linking existing carbon markets, that can serve as positive examples. The EU’s experiences with its highly advanced EU ETS have much to offer here.

■ Engage in a collective effort to enhance global emissions reduction

The EU has not only agreed on a 40% emissions reduction target by 2030, but also developed a solid set of policies to reach it. This so far represents the most ambitious economy-wide policy framework of any major economy in the world to reduce emissions. It is therefore essential that in the years to come, Europe focuses on a successful implementation. In parallel, the EU must engage in Katowice via a constructive Talanoa Dialogue to share best practices and help prepare major economies to enhance their efforts. So far, we are concerned with the lack of positive actions coming from some major economies to converge their ambitions more with that of the EU. Should that happen, the EU should also be open to review its ambition as part of the collective global stocktake as foreseen in the Paris Agreement.

The European business community stands ready to work with policymakers and deliver on this ambitious agenda. We call on all businesses across the continents to take similar actions and bring forward the necessary solutions. Let that be the common goal of business at COP24.