

'RACE TO THE TOP' IS CRUCIAL FOR OUR CLIMATE AND GOOD FOR JOBS AND THE GLOBAL ECONOMY

We work with more than **200** leading multi-national **BUSINESSES** from **ALL CONTINENTS**.

Smart business knows that taking climate action makes good business sense. It is prudent risk management and creates significant opportunities. But last month's UN Climate Change Conference in Copenhagen fell far short of what many businesses need to catalyze investment in low carbon solutions. Despite this disappointment, the 'Copenhagen Accord' constitutes a real step forward: for the first time all major emitting countries, including the US and China, have committed to reduce greenhouse gas emissions and developed countries have committed to provide funding to developing countries to take action.

However, The Copenhagen Accord will only be a success if it spurs a race for more ambitious action at the international, national and sub-national levels. Over the coming year – and beginning this month – governments must provide the clarity and certainty to incentivise the required scale-up of private sector investment in energy efficiency, low carbon infrastructure and RDD&D of clean technology. Business is ready to act but needs clear and strong policy signals to affect investment decisions towards a sustainable and low carbon economy.

WE CALL ON GOVERNMENTS TO:

- **SET AMBITIOUS MEDIUM AND LONG TERM EMISSIONS REDUCTION TARGETS, COMMENSURATE WITH LIMITING THE INCREASE IN GLOBAL TEMPERATURE BELOW 2°C.** This will require a cut of 50-85% by 2050 with interim targets, and peaking of global emissions within the decade. Developing countries should have clear action plans that deliver measurable and verifiable emissions reductions. For a start, **all countries should submit their higher ambition pledges for 2020 for the 31 January deadline set in the Copenhagen Accord;**
- **DEPLOY EXISTING AND INNOVATIVE FINANCING AND MARKET MECHANISMS THAT IMPROVE THE RISK-REWARD BALANCE AND DRAMATICALLY INCREASE PRIVATE SECTOR INVESTMENT IN LOW CARBON PRODUCTS, SERVICES AND INFRASTRUCTURE.** According to the UN, the private sector will need to provide more than 85% of the estimated US\$200 billion annual investment required to help meet global emissions reductions in 2020. Therefore limited public finance needs to mobilise considerable flows of private capital through carbon markets and other innovative way of leveraging private sector finance;
- **OPERATIONALIZE THE 'TECHNOLOGY MECHANISM' FOR TECHNOLOGY DEVELOPMENT AND TRANSFER, WITH A WELL-DESIGNED INTELLECTUAL PROPERTY FRAMEWORK TO PROTECT INNOVATION.** Without urgent action, there is the substantial climate risk of 'lock-in' to high-carbon technology and infrastructure, and the financial risk of needing to engineer a rapid shift away from such assets;
- **ENHANCE THE PUBLIC-PRIVATE DIALOGUE IN THE ONGOING CLIMATE TALKS PROCESS SO THAT GOVERNMENTS (INCLUDING THE NEGOTIATORS) BETTER UNDERSTAND THE NEEDS OF, AND GET COUNSEL FROM, THE BUSINESS COMMUNITY.** Business groups are willing to help design and implement this process in a collaborative manner;
- **CONCLUDE A COMPREHENSIVE, INTERNATIONAL AGREEMENT BY THE END OF THIS YEAR** (allowing for domestic legislation, e.g. in US, to be passed) with a formal review mechanism, guided by the science, starting in 2015.

We can set the **WORLD ECONOMY** on the path to a **LOW CARBON**, prosperous **FUTURE**. We call on **GOVERNMENT** to give **BUSINESS** the tools to do so.

ENDORSED BY:



THE CLIMATE GROUP



COMBAT CLIMATE CHANGE
A Business Leaders' Initiative

