

Global Business Day Bulletin

A Summary Report of the Doha Global Business Day

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SUMMARY OF DOHA GLOBAL BUSINESS DAY: 3 DECEMBER 2012

Doha Global Business Day took place in Doha, Qatar, on 3 December 2012, on the sidelines of the 18th session of the Conference of the Parties (COP 18) to the UN Framework Convention on Climate Change (UNFCCC). Being held under the general theme of "Diversifying Actions for Climate Impact," the one-day event was organized by the World Business Council for Sustainable Development (WBCSD) and the International Chamber of Commerce (ICC).

Business Day gathered representatives of the private sector, international financing institutions, international organizations, governments, NGOs and others to address business perspectives on diversifying the energy mix by 2050 in the framework of global green growth. The event consisted of the two sessions: the morning session addressed how to shift the balance of the energy mix towards a low-carbon economy; and the afternoon session focused on opportunities for green growth in the Middle East. Three initiatives were also presented in between different panel discussions: the Global Electricity Initiative; Low-Carbon Technology Roadmap for the Indian Cement Industry; and the ICC Business World Trade Agenda.

This report summarizes the presentations and discussions held during the day in chronological order.

BRIEF HISTORY

BALI GLOBAL BUSINESS DAY: The first Business Day was organized in parallel with COP 13 in Nusa Dua, Bali, Indonesia, on 10 December 2007. The Bali Global Business Day included panels on energy efficiency, zero-carbon technologies, large-scale carbon control and clarity in climate policy. Business participants made clear that they favored the successful completion of a new global climate change policy framework, valid beyond 2012, which promotes urgent and sustained mitigation and adaptation plans.

BUSINESS DAY AT COP 14: "Business Day at COP 14" convened in Poznań, Poland, on 9 December 2008. This event featured panel sessions on a shared long-term vision, mitigation, adaptation, technology, and financing and investing. Participants sought to contribute to the UNFCCC negotiation process by connecting the themes of the Bali Action Plan with the four main areas of business capabilities: energy efficiency and demand-side management; technology development and deployment; carbon markets and financing; and sectoral approaches.

COPENHAGEN BUSINESS DAY: The third such event, "Copenhagen Business Day," convened at the headquarters of the Confederation of Danish Industry, in Copenhagen, Denmark, on 11 December 2009, during COP 15. The event featured more than 40 speakers and panelists and included: a plenary during which then UNFCCC Executive Secretary Yvo de Boer challenged participants to consider their role in addressing climate change; sessions on fulfilling potential by 2012, setting the course for 2020 and envisioning the future in 2050; and panel discussions among chief executive officers (CEOs) titled "Taking the gloves off."

PUBLIC-PRIVATE DIALOGUES ON CLIMATE CHANGE

CHANGE: In July 2010, the Government of Mexico launched a process of informal public-private dialogues on climate change, through WBCSD and ICC, recognizing that neither governments nor business can solve the problem of climate change alone and that private sector participation increases the likelihood of the development and implementation of effective and sustainable policies to address climate change. On 15 and 16 July 2010, the "Mexican Dialogues" began in Mexico City with a dialogue titled "Preparing ourselves for green growth." It was followed by dialogues on: "Financing green growth" in Geneva, Switzerland, from 1-2 September 2010; "Markets and green growth" in Bonn, Germany, on 16 October 2010; and "Technology for green growth" in New Delhi, India, on 11 November 2010.

CANCUN GLOBAL BUSINESS DAY: Cancun Global Business Day met in Cancun, Mexico, on 6 December 2010, under the theme "Building Bridges." This fourth business day took place in parallel to the COP 16 and focused on the linkages between the private sector and policymakers under the UNFCCC, as well as between actors in developed and developing countries. Discussions during the event focused on: the experience of the Mexican Dialogues; patterns for diffusion of technology; the forms and strengths of South-South trade and its contributions to a green economy; and the global realities affecting responses to climate change and clean energy growth.

DURBAN GLOBAL BUSINESS DAY: The event took place in Durban, South Africa, on 5 December 2011. Panel discussions centered on: the relevance of a Durban deal for business; climate finance; climate adaptation; and why solutions to climate need to be driven by business. Also, the afternoon focused on the challenges for South Africa in responding to climate change.

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SUMMARY OF THE MEETING

OPENING REMARKS AND WELCOME

Peter Bakker, President, WBCSD, underscored the importance of scaling up climate policies. He outlined the conclusions of the WBCSD's recent report "Vision 2050" and said that the period 2010-2020 is the "turbulent teens" of a radical system change. He noted that a capitalist should expect returns not only from financial capital, but also from natural and social capital. He further challenged business to move beyond their conservative short-term national or sector strategies and work towards longer-term low carbon strategies which could catalyze greater universal action and political momentum.

John Kilani, Director, Sustainable Development Mechanisms, UNFCCC, emphasized that the business community is needed for the real world success of both bottom-up and top-down approaches. Citing recent solar energy targets by the Gulf region countries, he noted that "when you see the most gas and oil rich countries in the world joining in on renewable investments, you know that the change is coming".

Jean-Guy Carrier, Secretary General, ICC, emphasised the need for tailored and practical proposals from the business community to governments and stressed the ICC's work on promoting various climate-related initiatives at international fora such as G20, World Trade Organisation (WTO) and others.

LAUNCH OF THE GLOBAL ELECTRICITY INITIATIVE

Philippe Joubert, Senior Advisor, WBCSD, noted that the Global Electricity Initiative was launched by 25 electricity utilities in Durban in 2011, resulting in a report summarising early actions on climate change by the electricity sector. He highlighted that in the context of this Initiative, the WBCSD, World Energy Council and Global Sustainable Electricity Partnership agreed on a partnership to work together on establishing a baseline for the electricity sector and tracking company progress on mitigation, adaptation and improving energy access.

SHIFTING THE BALANCE OF THE ENERGY MIX FOR 2050

SCIENCE AROUND GREENHOUSE GASES AND THE CARBON CYCLE: Myles Allen, Professor of Geosystem Science, University of Oxford, stressed that the risk of dangerous climate change is driven by cumulative CO₂ emissions and, hence, policies should be about stopping emissions, not just slowing them down. He called for a "simple climate policy goal" focusing on limiting cumulative emissions through 100% carbon sequestration and noted the potential of mandatory sequestration referring to a carbon capture and storage (CCS) of the Gorgon gas project in Australia.

During the discussion, he also said that reducing black carbon emissions, due to their short life, is only relevant if there is a clear plan to achieve a temperature peak in the next 20-30 years, and that renewables help slow down the use of fossils but will not replace them due to the economics of fossil fuel production.

FORGING A PATHWAY: This morning session was moderated by Jeanne Chi Yun Ng, Director, Group Environmental Affairs, CLP, who introduced the numbers behind the pathway discussion using scenarios from the International Energy Agency (IEA) for different temperature targets, "the six degrees, four degrees, and the much awaited fantasy land of two degrees."

David Hone, Climate Change Advisor, Shell, remarked that the IEA is increasingly focusing on energy efficiency and not CCS. He expressed his concern that CCS is "not coming out of the starting gate fast enough," and highlighted the role of a carbon price as the key to changing business behavior and achieving subsequent climate objectives.

Reid Miner, Vice President, Sustainable Manufacturing, National Council for Air and Stream Improvement, said that when looking at the IEA scenarios, he sees the growing

demand for biofuels leading to fierce competition. He emphasized the significant investment needed to increase forest biomass to satisfy future demand of, *inter alia*, cooking, transport, and energy production.

Frederick Bjorndal, Public Affairs Advisor, Novozymes, stated that the two degrees scenario is still what we should be aiming for, and underscored the role of advanced biofuels, cold water washing, and sustainable farming practices in reducing emissions.

Andreas Klugescheid, Vice President Governmental Affairs, BMW, said that in the future there will be a variety of fuels for automobiles. He noted the "fuel du jour phenomenon," in which an alternative fuel receives significant public attention, emphasizing the continuously relevant role of electricity. He also underscored the emerging trend in which mobility is becoming more important to people than owning cars, and gave an example of car-sharing programs.

Giles Dickson, Vice-President, Environmental Policies and Global Advocacy, Alstom, said that energy products should be clean, reliable and affordable, and that marrying all three is a key challenge. Highlighting the role of CCS, he said that once it is operationalized, many countries can utilize their local resources. He added that bringing down the cost of CCS by 2030 is achievable with governmental support for pilots, large-scale demonstration facilities and feed-in tariffs.

Joining the discussion from the floor, Harry Verhaar, Head of Global Public and Government Affairs, Philips Lighting, added that the business community is speaking the wrong language to governments, focusing on the narrative of low-carbon pathways. He said that the Heads of States only understand "pathways to prosperity," and that climate policies should be framed in terms of investment, financing public deficits, and new jobs. Celine Charveriat, Director of Advocacy and Campaigns, Oxfam, said that she "agrees to disagree" on the focus on CCS instead of other policy options. She also raised questions on fossil fuel subsidies and certain businesses opposing the EU sustainability criteria for first generation biofuels.

DOHA DEBATE: HOW TO KEEP THE LIGHTS ON AND A COOL CLIMATE: Charles Emmerson, Senior Research Fellow, Chatham House, moderated the session. Joëlle Chassard, Carbon Finance, Climate Policy and Finance Department, Sustainable Development, World Bank, reflected on the findings of a recent report prepared for the Bank by the Potsdam Institute for Climate Impact Research and Climate Analytics that gives a snapshot of a four-degree warmer world, saying that it will have more frequent and more extreme weather events.

Gregory Barker, Minister of State for Energy and Climate Change, UK, stressed the UK's commitment to addressing climate change, noting the unilateral action to reduce 80% of emissions by 2050 from 1990 levels, and to the UNFCCC process itself. He said a higher collective ambition is needed and highlighted the economic potential of mitigation measures.

Jan Schoenig, Program Manager, Siemens WLL, stressed the availability of viable technologies such as onshore wind and said the government should look into increasing energy efficiency in buildings.

Philippe Benoit, Head of the Energy Efficiency and Environment Division, IEA, said a large amount of investment for clean energy would have to come from domestic sources in emerging and developing countries. He also highlighted the crucial importance of the power sector and energy intensive sectors.

On whether "keeping the lights on" contradicts climate objectives, Steve Lennon, Divisional Executive, Eskom, referred to their experience that energy efficiency serves as a prime vehicle for keeping the lights on. He highlighted the need to consider energy access issues for the longer term, diversifying energy sources and learning to live with inevitable negative impacts of climate change.

Simon Brooks, Vice-President responsible for Environment and Climate Action, European Investment Bank, stressed that enough money exists to invest in climate change measures, but the incentives are lacking. He also said the focus should

not only be on technology but also on selling the issue to relevant parties. Chassard added that both the European Investment Bank and the International Finance Corporation (IFC) already have a large portfolio in renewables and that the investment necessary for countries to prepare for the shift to low-carbon economy and put in place the right policies is often underestimated.

In remarks from the floor, Paul Simpson, CEO, Carbon Disclosure Project, highlighted the need for: collaboration between corporations and investors on long-term investment; progressive corporate strategies; and more research and development on technologies.

On the question of why money does not go to address climate change, Stephanie Miller, Director, Climate Business Department, IFC, highlighted the need to raise awareness among investors, noting the IFC's commissioned report on climate change risks for 12 pension funds.

During the discussion, participants also highlighted the importance of "getting the structures right" for the money to come. One participant underlined the need to engage private sector representatives from China, India and Brazil, noting the event is currently "western-dominated."

Answering Emmerson's question on the one thing that should happen to keep both the lights on and a cool climate: Chassard said patience; Lennon highlighted funding for developing countries; Schoenig noted technology development; and Barker said finance for developing countries on an equitable basis.

Bakker, WBCSD, wrapped up the discussion noting that blaming politicians or bureaucrats is not useful and that all sides should be part of the discussion.

LAUNCH OF THE LOW-CARBON TECHNOLOGY ROADMAP FOR THE INDIAN CEMENT INDUSTRY:

Philippe Fonta, Managing Director, Cement Sustainability Initiative, WBCSD, introduced the Low-Carbon Technology Roadmap for the Indian Cement Industry that had been developed collaboratively with WBCSD's Cement Sustainability Initiative and the IEA. Bakker, WBCSD, highlighted that bringing a global sector together is a powerful way of making progress and emphasised the potential for emission reductions in the rapidly growing Indian cement sector. Jean-Francois Gagné, Head of the Energy Technology Policy Division, IEA, recognized the leadership role of the Indian cement industry, noting that their per tonne emissions are already lower than global average.

KEYNOTE LUNCH EVENT "THE ICC WORLD TRADE AGENDA: MULTI-LATERAL TRADE POLICIES FOR GREENER ECONOMIES"

During the lunch event, Jean-Guy Carrier, Secretary General, ICC, reminded the audience of the founding principles of the ICC, namely, promoting international trade and reducing the risks of international conflicts. Recalling the current deadlock of the WTO Doha round, he said that there is "a systematic disengagement of our governments in multilateral efforts," which is also evident in the climate talks. He urged the business community to step up and raise its voice, and said that ICC is developing an initial proposal on what could be salvaged from the Doha round. He said that the ICC plans to go public with the World Trade Agenda once enough businesses around the world have endorsed it.

Remy Rowhani, Director General, Qatar Chamber of Commerce and Industry, introduced their partnership with the ICC on the World Trade Agenda. He underscored that the economic crisis fuels both protectionism and neglect of climate change, and that unlocking the Doha round could help raise confidence in the world economy. Concerning the Middle East region, he stated that a new economic model based on diversity, trade and private sector influence is needed.

NEW PARADIGMS IN THE MIDDLE EAST

SETTING THE SCENE: ENSURING INNOVATIVE GROWTH IN THE MIDDLE EAST:

This session took place in the afternoon and was moderated by Yvo de Boer, Special Global Advisor, KPMG. Citing a new report "Future-Proofing Business in the Gulf Cooperation Council Region,"

he identified ten megatrends: climate change, energy and fuel, urbanization, water scarcity, population growth, growth of the middle class, material scarcity, food security, and loss of forests and ecosystems. He noted that the megatrends reinforce each other, and business-as-usual in the region is no longer an option. He underscored that the new policy initiatives such as water and energy demand management, and sustainable energy production "are not green public relations, but business solutions of the future."

Badr Jafar, President, Crescent Petroleum, and Co-founder, the Pearl Initiative, outlined the challenges of uncertainty, instability and lack of investment in many parts of the Arab world, emphasizing the key issue of youth unemployment. He said that "without broad-based economic growth, it is hard to see broad-based job creation," and highlighted the need to diversify economies and energy production, and to give a healthy role for the private sector. He further introduced a non-profit "Pearl Initiative," set up to foster corporate culture and good governance in the Middle East region.

LONG-TERM VISIONS FOR ECONOMIC GROWTH OPPORTUNITIES IN THE MIDDLE EAST:

During the afternoon session, which was also moderated by de Boer, Raghavan Seetharaman, CEO, Doha Bank, highlighted the huge unemployment problem in the region and said the financial crisis offers an opportunity to implement more sustainable policies. He underlined Qatar's investments in various sectors in other countries to diversify the economy and its agreement with the US Department of Energy to explore the potential of solar energy.

Iyad Abumoghli, Regional Director for West Asia, UN Environment Programme, listed the following policy options for climate change action in the region: diversification of the economy; sustainable consumption and production; the greening of business; energy efficiency; and research and development. In this context, he said there is great potential for greening the sectors of: transportation, buildings, water resources, coastal zone management, energy, food security, and infrastructure. Abumoghli noted that governments already adopt relevant policies and strategies, for example on renewable energy, green cities, emission reductions, efficient water management, and CCS. As examples, he listed: an integrated water management system in Saudi Arabia; coding system for buildings in Kuwait; and utilization of organic waste from hotels and municipalities for bioenergy production in Jordan.

On useful lessons from other regions, Abumoghli said more can be done in terms of fostering global partnerships and interregional cooperation, in particular on water resources management and food security.

INNOVATIVE BUSINESS MODELS IN THE MIDDLE EAST:

Bakker, WBCSD, moderated the final panel discussion. Mohamed Al-Mady, CEO, SABIC, said one pillar of SABIC's strategy must be innovations for sustainability. He underscored that the company works hand-in-hand with the region's leading universities, and is committed to reducing water consumption, increasing energy efficiency and producing alternative fuels and lighter vehicle materials. Answering a question on risks, he noted that SABIC's customer base is global, and demands certain socio-environmental standards, and without constant innovation the company risks losing its market shares and reputation.

Mohammed Yousef Al Mulla, CEO, Qatar Petrochemical Company, underscored the company's investment in research and development on sustainability, focusing on projects to minimize environmental impacts of their plastic products, advancing process technology, and feedstock management.

Khalifa Al-Sowaidi, CEO, Qatar Fertilizer Company, said that "fertilizer itself is sustainability." Citing the International Fund for Agricultural Development, he underscored the importance of man-made nitrogen fertilizer products in feeding the world.

Chris Schroeder, Senior Manager, Corporate Social Responsibility, Environment and Fuel Optimization, Qatar Airways, said that sustainability and innovation are the keys to operating Qatar Airways, as the traditional business model is not possible for them. He specified that the company is

currently involved in developing alternative fuels, mentioning their recent gas-to-liquid experiment, and investigation into producing sustainable biofuels. Noting that aviation will probably be the last user of crude oil, he estimated that it will probably take more than 20 years to commercialize alternative fuels and engines.

In the ensuing discussions, panelists noted the importance of communication and explaining sustainability to stakeholders in simple terms. Responding to a question on domestic gas subsidy programs, Al-Mady, SABIC, said, "all the resources we have in this region are oil and gas," and that all other regions of the world are profiting from resources of the Middle East through joint ventures.

On the question of hopes from the current COP, Schroeder noted that the sense of urgency is still lacking. The panelists also highlighted the need for: more research and development in Qatar; sustainability innovation centers; balancing economic, social, environmental dimensions of sustainability; and taking into account the different levels of education of different audiences.

CLOSING REMARKS

Yvo de Boer closed Doha Global Business Day, summarizing the different themes and challenges outlined during the day and reciting the words of Mohamed Al-Mady, "There is no business future without sustainability."

UPCOMING MEETINGS

Third IRENA General Assembly: The third session of the International Renewable Energy Agency (IRENA) Assembly will take place on 13-14 January 2013, to finalize remaining institution-building issues, report on its progress to Member States, and renew its mandate on encouraging the global uptake renewable energy. **dates:** 13-14 January 2013 **location:** Abu Dhabi, United Arab Emirates **phone:** +971-2-4179001 **email:** secretariat@irena.org **www:** <http://www.abudhabisustainabilityweek.com/>

Abu Dhabi International Renewable Energy Conference: The Conference brings together representatives from governments, the private sector and civil society to discuss the advancement of renewable energy. The fifth such conference will be jointly organized with the sixth edition of the United Arab Emirates' World Future Energy Summit and the International Water Summit 2013, and will follow the IRENA General Assembly meeting. Objectives of the conference are to analyze and highlight the achievements of the UN Secretary General's Sustainable Energy for All initiative, and discuss the contribution of renewable energy to economic development, energy security and mitigation of climate change. The event is part of Abu Dhabi Sustainability Week. **dates:** 15-17 January 2013 **location:** Abu Dhabi, United Arab Emirates **contact:** Jonathan Skeen, REN21 Consultant **phone:** +33 1 44 37 50 98 **email:** jonathan.skeen@ren21.net **www:** <http://www.abudhabisustainabilityweek.com/>

Third Meeting of the Board of the Green Climate Fund: This meeting is expected to discuss, *inter alia*, the decisions on the Fund taken by COP 18. **dates:** 12-15 March 2013 **location:** Berlin, Germany **contact:** GCF Interim Secretariat **phone:** +49 228 815 1371 **email:** isecretariat@gcfund.net **www:** <http://gcfund.net/meetings.html>

Latin American and Caribbean Carbon Forum 2013: The Seventh Latin American and Caribbean Carbon Forum will discuss prospects for carbon projects in Latin America. The Forum is co-organized by the Inter-American Development Bank, the Latin American Development Bank, the World Bank, the International Emissions Trading Association, the Latin American Energy Organization, the UN Environment Programme Risø Centre and the UNFCCC. **dates:** 25-27 March 2013 **venue:** Centro de Convencões Sul America **location:** Rio de Janeiro, Brazil **contact:** Miriam Hinostroza, UNEP Risø Centre **phone:** +45 4677 5180 **email:** mihl@dtu.dk **www:** <http://www.latincarbon.com>

Fourth Clean Energy Ministerial (CEM) Meeting: The meeting will bring together ministers from more than 20 participating countries to discuss: progress by the 13 clean energy initiatives of CEM; enhancing cooperation between CEM governments; and the development of public-private partnerships to support clean energy development. **dates:** 17-18 April 2013 **location:** New Delhi, India **contact:** CEM Secretariat **www:** <http://www.cleanenergyministerial.org/events/cem4/index.html>

Clean Energy Financing Forum for Central America and the Caribbean: The Clean Energy Financing Forum for Central America and the Caribbean is sponsored by the Climate Technology Initiative (CTI), a multilateral initiative operating as an implementing agreement under the IEA, and the CTI's Private Financing Advisory Network, the US Agency for International Development and the International Center for Environmental Technology Transfer. The Forum will seek to bring together screened clean technology proposals, which offer environmental and social benefits, with potential investors. **date:** 26 April 2013 **location:** San Pedro Sula, Honduras **contact:** Fernando Alvarado **email:** fernando.alvarado@flexenergygroup.com **www:** http://cti-pfan.net/events_detail.php?eventsid=43

Climate Investment Funds' Committee and Sub-Committee meetings: These meetings will take place in May 2013. **dates:** 29 April-3 May 2013 **location:** Washington DC, US **contact:** CIF Administrative Unit **phone:** +1 202 458 1801 **email:** cifevents@worldbank.org **www:** http://www.climateinvestmentfunds.org/cif/partnership_forum_2012_home

UNFCCC Subsidiary Bodies Session: The 38th sessions of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and Subsidiary Body for Implementation (SBI) will take place in Bonn. **dates:** 3-14 June 2013 **location:** Bonn, Germany **contact:** UNFCCC Secretariat **phone:** +49 228 815 1000 **fax:** +49 228 815 1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

44th GEF Council Meeting: The GEF Council meets twice per year to approve new projects with global environmental benefits in the GEF's focal areas, and provide guidance to the GEF Secretariat and agencies. **dates:** 17-21 June 2013 **venue:** World Bank Headquarters **location:** Washington DC, US **contact:** GEF Secretariat **phone:** 1 202 473 0508 **fax:** +1 202 522 3240 **email:** secretariat@thegef.org **www:** http://www.thegef.org/gef/council_meetings

Climate Investment Funds' Committee and Sub-Committee meetings: These meetings will take place in the end of 2013. **dates:** 28 October-5 November 2013 **location:** Washington DC, US **contact:** CIF Administrative Unit **phone:** +1 202 458 1801 **email:** cifevents@worldbank.org **www:** http://www.climateinvestmentfunds.org/cif/partnership_forum_2012_home

COP 19: The Conference will take place in Warsaw. **dates:** 11-22 November 2013 **location:** Warsaw, Poland **contact:** UNFCCC Secretariat **phone:** +49 228 815 1000 **fax:** +49 228 815 1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

GLOSSARY

CCS	carbon capture and storage
CEOs	chief executive officers
COP	Conference of the Parties
ICC	International Chamber of Commerce
IEA	International Energy Agency
IFC	International Finance Corporation
UNFCCC	UN Framework Convention on Climate Change
WBCSD	World Business Council for Sustainable Development
WTO	World Trade Organisation