SUMMARY OF THE 5TH GLOBAL EVENT OF THE LOW CARBON TECHNOLOGY PARTNERSHIPS INITIATIVE (LCTPi 5): 1 JUNE 2016

The 5th Global Event of the Low Carbon Technology Partnerships initiative (LCTPi 5) was held on Wednesday, 1 June 2016, in San Francisco, US, and focused on the power of the private sector to implement ambitious climate action. Taking place back-to-back with the seventh Clean Energy Ministerial, around 250 participants engaged in a discussion on how to accelerate a transition to a low carbon economy.

In the morning, an opening plenary introduced the LCTPi, highlighting its focus and objective of bringing together companies and partners to accelerate the development of low carbon technology solutions to achieve the target of limiting global temperature rise to 2°C. Discussions were organized around the following sessions: insights from the policy world; insights from innovative business; partnerships for low carbon transformation; and LCTPi-the way forward. After the opening plenary, participants attended parallel breakout sessions, including on: low carbon transport fuels; renewable integration; cement; and climate-smart agriculture. In the afternoon, participants continued working in parallel sessions, which focused on: renewables finance; energy efficiency in buildings; forests; and low carbon freight.

The event also featured the launch of the “Below50” campaign, a global collaboration that brings together the entire value-chain for sustainable fuels - fuels that produce at least 50% less carbon dioxide emissions than conventional fossil fuels. The objective of the campaign is to enhance the number of actors using these sustainable low carbon transport fuels, by creating demand for the fuels and scaling up their deployment using a variety of measures such as addressing legislative and financial barriers to sourcing below50 fuels.

In his closing remarks, Peter Bakker, President and CEO, WBCSD, praised the private sector for no longer focusing on “why” but on “how” it can implement a low carbon economy.

A BRIEF HISTORY OF THE LCTPi

The Low Carbon Technology Partnerships initiative (LCTPi), led by the World Business Council for Sustainable Development (WBCSD), was launched in Lima, Peru, in December 2014 with its partners, the International Energy Agency and the Sustainable Development Solutions Network.

Supported by the French Presidency of the 21st session of the Conference of the Parties (COP21) to the UN Framework Convention on Climate Change (UNFCCC), the LCTPi has nine focal areas relating to the development of low carbon technology solutions, as follows: chemicals; forests; low carbon freight; renewables; carbon capture and storage; energy efficiency in buildings; cement; low carbon transport fuels; and climate-smart agriculture.

The LCTPi works as a collaborative platform between companies. The overarching objective is to contribute to the internationally-agreed 2°C temperature goal by cutting emissions and providing clean technological solutions at scale.

Prior to COP21, LCTPi held global roundtables in: September 2014 in Washington DC, US, to establish its vision; May 2015 in Paris, France, to raise the ambition of working groups; September 2015 in New York, US, to agree on an action plan; and in November 2015 in London, UK, to finalize the overall strategy and secure CEOs’ endorsements ahead of COP21.
that the partnership already has 150 members. He concluded that, if its ambitions are met, the LCTPi could get society 65% of the way to a 2°C emissions pathway.

Petri Peltonen, Under-Secretary of State, Ministry of Employment and the Economy, Finland, highlighted his country’s commitments to sustainable development. He stated that Finland aims to increase the use of renewables to more than 50% in the next decade and that, by the end of 2020, coal will no longer be used in energy production in the country. In closing, Peltonen called for the move from the linear to the circular economy, highlighting the role of business in this process and mentioning that smart regulation, smart public procurement and smart deregulation are the key tools for this accomplishment.

Lisa Jackson, VP Environment, Policy and Social Initiatives, Apple, emphasized the business opportunities around a low carbon economy. She noted that Apple is focusing on the promotion of low carbon solutions throughout the supply chain and mentioned that this company is already using 93% renewable energy power for its worldwide facilities. She also emphasized Apple’s commitment to the conservation of forests, noting this makes not only environmental but also business sense, given the large quantity of paper needed by the company.

Rachel Kyte, CEO, Sustainable Energy for All (SE4All) and Special Representative of the UN Secretary-General for SE4All, emphasized the need to accelerate the clean energy revolution, if the promises made in Paris are to be accomplished. She said that, as the world moves on from the year 2015, which was mainly about international negotiations under the UN, “it is time now to get things done” to ensure the 2°C pathway.

Kyte emphasized the need to unlock finance and said access to energy is a crucial part of this effort. On the policy side, she called for consistency, noting the need for the elimination of fossil fuel subsidies, clear directions for business, and carbon pricing. She pointed out, in conclusion, that women are predominantly the ones who do not have access to energy and even less to clean energy.

Maria Mendiluce, Managing Director, Climate and Energy, WBCSD, presented the work plan for the LCTPi in 2016, noting that the WBCSD is “testing ideas” in different markets, from developing to developed countries, with the goal of deliverables and changes that the partnership is achieving.

**MORNING BREAKOUT – BELOW50: LOW CARBON TRANSPORT FUELS**

Rasmus Valanko, Director Climate and Energy, WBCSD, introduced the session.

Peter Bakker opened discussions on the launch of the Below50 campaign, explaining that its major goal is to enhance the number of actors using sustainable low carbon transport fuels that are at least 50% less carbon intensive than conventional fossil fuels.

Kevin Fingerman, Director, Roundtable on Sustainable Biomaterials, spoke on the challenges and opportunities of biofuels, noting that they currently represent about 10% of US fuel demand. He added that biofuels are a very necessary solution for large emitters, such as the aviation sector, and argued that certification is the most credible tool to avoid risks of biofuels negatively impacting the environment.

Graham Noyes, Executive Director, Low Carbon Fuels Coalition, noted the importance of reducing carbon intensity and promoting long-term goals, which can help send the right signals to businesses. He emphasized that California is a first mover in the low carbon transition process, mentioning that the state aims to reduce carbon emissions by 80% by 2050 compared to 1990.

Rasmus Valanko, Director, Climate and Energy, WBCSD, further explained the rationale behind the Below50 campaign, which is to act as a global movement and platform for sustainable fuels. He said new partners are welcome to join and that this partnership must be scaled up, while showcasing how growing the global market for best-of-breed sustainable low carbon transport fuels makes both business and environment sense.

**PANEL DISCUSSION: WHY BELOW50 IS KEY TO THE INDUSTRY?**

As part of the “Below50: Low Carbon Transport Fuels breakout session, a discussion on the importance of the Below50 campaign took place in the morning.

Gerard Ostheimer, Global Lead for Sustainable Bioenergy, SE4All, moderated the session, noting the need to move the issue of sustainable fuels forward, mainly through enhanced finance and awareness raising.
Hugh C. Welsh, North America President, DSM, noted the evolution of his company’s business from petrochemicals to sustainable fuels, saying that biomass brings a large spectrum of opportunities in the US and that more investments in infrastructure could help to increase the use of clean fuels.

Sean Simpson, Co-Founder and CSO, LanzaTech, outlined opportunities in the conversion of waste to fuels, highlighting that the biggest challenge for industries is to ensure meaningful impact in terms of scale. He urged a greater focus on carbon reduction instead of biofuels feedstock.

Raffi Mardirosian, Vice President, Corporate Development, Joule, stressed that one of the reasons to participate in the LCTPi is to combat the perception that biofuels are pejorative. He said electric vehicles are only part of the solution and highlighted the need to raise the profile of low carbon fuels. In terms of risks and challenges, he outlined regulatory uncertainty, how to lower the costs of capital, and how to ensure excellence in project execution and financing mechanisms.

Edward Rogers, Global Director Sustainability, UPS, stressed the need for the “right technology” to promote clean fuels, noting that UPS was able to triple the use of sustainable diesel, reaching around 15 million gallons compared to 2015.

Tom Steyer, Founder and President, NextGen Climate, gave a keynote speech emphasizing that climate change is the greatest challenge of this generation and that businesses have a real power to drive change in terms of innovation and policy regulation. To advance this agenda, he said, clean energy and intellectual capital will be critically needed. He recalled the role of the Breakthrough Energy Coalition, which was launched by Bill Gates and promotes clean technology, to illustrate the transformative role of the private sector. In closing, he noted that initiatives such as “Below50” show the importance of adding the voice of businesses to the discourse of low carbon solutions.

Shari Friedman, Senior Strategy Officer, Climate Change, International Finance Corporation (IFC), presented on IFC green bonds and renewable energy finance activities. She noted that bonds are one of the tools to bring in additional investors and could have a multiplier effect on scaling up renewables finance. She explained that IFC’s specific solutions to boost green bonds include advisory services, bridge financing, partial credit guarantees and anchor investments.

Johana Afenjar, Director of Finance Renewables, NRG Renewables, spoke about challenges to distribute renewables financing. Focusing on bottom-up approaches to financing projects on renewables, she highlighted the following main challenges: differences in regulatory systems; the need to standardize due diligence reports at scale; the need to standardize project data and to increase synergies among project analysts; and the importance of tax incentives as a driver of renewables deployment in the US.

Jeanne Ng, Director, Group Sustainability, CLP Power Hong Kong Limited, presented on lessons learned from developing renewable energy in the Asia-Pacific Region. She noted that moving towards low carbon energy production requires a climate vision and observed that fossil fuels remain the cheapest source of energy in Asia. However, she underlined that there has been an increase in the renewable energy
portfolio since 2007, but that funding for scaling up clean new technologies remains scarce. Noting that different markets represent different opportunities, she said policy networks could help keep the new financial tools moving forward, if coherently applied.

Ray Hudson, Director, Global Solar Segment, DNV GL., spoke about project finance and securitization in the solar photovoltaic and storage sectors. He stressed that there are risks and opportunities in solar projects, but that his business is about assisting with due diligence requirements. He argued that it is good timing for solar energy finance, notably in the US, since costs are coming down, and that significant innovation is taking place. On challenges, he noted that maintaining reliability and managing risks remain difficult. He concluded that there is still a need to improve the quality control of technologies and to scale them up.

CLOSING PLENARY

Laurence Tubiana, Climate Change Champion, France, emphasized the “unprecedented” role of the private sector during COP21, noting the growing recognition of non-governmental actors in the climate change multilateral negotiations. She urged businesses to continue putting climate in their agendas and “showing solutions,” notably in the fields of technology and finance.

David Hochschild, Commissioner, California Energy Commission, gave an overview of California’s engagement with renewables and highlighted that the value of the top four US coal companies has dropped by 99% since 2011. He stressed that California plans to achieve 50% renewables use by 2030, highlighting that a lot of California’s success relates to energy efficiency improvement. Hochschild recalled that new buildings in San Francisco must have solar panels and that the city of San Diego is committed to a target of 100% renewable energy by 2035.

Nezha Larhrissi, Advisor, Technology & Sustainable Development, Ministry of Environment, Morocco, highlighted that the Paris Agreement on climate change showed the international community’s strong commitment to act on climate change, but that COP22, which will take place in Morocco, Marrakesh in November 2016, must be about action and implementation. She noted the importance of focusing on both adaptation and mitigation efforts, and urged for a fair distribution of financial resources among parties. She concluded calling for a more effective fossil fuel subsidy reform.

Closing, Peter Bakker thanked Laurence Tubiana for her support in the creation and evolution of the LCTPi and praised the private sector for no longer focusing on “why” but on “how” it can implement a low carbon economy. He brought the meeting to a close at 4.40pm.
UPCOMING MEETINGS

Asia Clean Energy Forum: The Asia Clean Energy Forum, organized since 2006, seeks to provide a space for sharing best practices in policy, technology and finance to support climate and energy security in the region. **dates:** 6-10 June 2016 **location:** Manila, Philippines **contact:** Asian Development Bank **phone:** +63-2-632-4444 **fax:** +63-2-636-2444 **email:** cleanenergy@adb.org  **www:** http://www.asiacleanenergyforum.org/

Africa Carbon Forum: The 8th Africa Carbon Forum will inform participants on the latest investment, finance and development opportunities relating to climate change. Issues for discussion include: opportunities for Africa in a post-Paris global landscape; and innovative projects, programmes and investment opportunities for climate-resilient development, such as the Africa Renewable Energy Initiative and the African Initiative on Adaptation and Loss and Damage. **dates:** 28-30 June 2016 **location:** Kigali, Rwanda **contact:** Vintura Silva, UNFCCC Secretariat **email:** vsilva@unfccc.int  **www:** http://africacarbonforum.com/

Resilient Cities 2016: 7th Annual Global Forum on Urban Resilience and Adaptation: This Forum, which is expected to bring together over 400 experts and practitioners, will focus on a range of issues related to urban resilience and climate change adaptation, including inclusive resilience strategies, financing the resilient city, measuring and monitoring progress, resilience and adaptation planning, governance and collaboration, resource management, and resilient infrastructure. **dates:** 6-8 July 2016 **location:** Bonn, Germany **contact:** ICLEI – Local Governments for Sustainability **email:** resilient.cities@iclei.org  **www:** http://resilientcities2016.iclei.org/

IPCC-44: The 44th session of the IPCC will take place in October. **dates:** October 2016, exact dates TBC **location:** Geneva, Switzerland, or Vienna, Austria, TBC **contact:** IPCC Secretariat **phone:** +41-22-730-8208/54/84  **fax:** +41-22-730-8025/13 **email:** IPCC-Sec@wmo.int  **www:** http://www.ipcc.ch

COP22 Low-Emissions Solutions Conference: The COP22 “Low-Emissions Solutions Conference: Global Brainstorming on Practical Pathways to Low Emissions” will follow up on commitments made in the Paris Agreement on climate change. Convening under the theme “Global Brainstorming on Practical Pathways to Low Emissions,” the Conference will provide an opportunity to share knowledge, exchange information, identify bottlenecks, discuss best practices and prioritize future research. The Conference is being organized by the Government of Morocco, Sustainable Development Solutions Network, WBCSD and ICLEI – Local Governments for Sustainability. **dates:** 14-16 November 2016 **location:** Marrakesh, Marrakech, Morocco **contact:** WBCSD **phone:** +41 (22) 839 3100  **fax:** +41 (22) 839 3131 **e-mail:** info@wbcsd.org  **www:** http://unsdsn.org/news/2016/05/05/cop22-low-emissions-solutions-conference-will-bring-together-cities-government-and-business-to-scale-up-climate-solutions/

UNFCCC COP 22/CMP 12: During COP 22/CMP 12, parties will meet to, _inter alia_, continue preparations for the entry into force of the Paris Agreement. **dates:** 7-18 November 2016 **location:** Marrakesh, Morocco **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000  **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int  **www:** http://unfccc.int/

GLOSSARY

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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>COP21</td>
<td>21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change</td>
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<td>Low Carbon Technology Partnerships initiative</td>
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