



# Enhancing engagement of business at UNFCCC

January 2018

## **About IETA**

*IETA is a Switzerland-registered not-for-profit entity dedicated to the objectives of the United Nations Framework Convention on Climate Change and ultimately climate protection. It was created in June 1999 to establish a functional international framework for trading in greenhouse gas emission reductions. Today, IETA is the leading voice of the business community on the subject of carbon markets. IETA continually promotes the establishment of effective market-based trading systems for greenhouse gas emissions by businesses that are demonstrably fair, open, efficient, accountable and consistent across national boundaries; and advocates for maintaining societal equity and environmental integrity while establishing these systems.*

*Since its creation, IETA has remained committed to its vision of a global greenhouse gas market. IETA's 130+ member companies include some of the world's leading corporations in oil, electricity, cement, aluminium, chemical, and other industrial sectors; as well as leading firms in the data verification and certification, brokering and trading, legal, finance, and consulting industries.*

## **Introduction**

This submission presents ways to enhance the engagement of the business sector at the UNFCCC. This is of crucial importance because:

- The business community is key to the UNFCCC process as it will play a central role in tackling climate change. It will apply its technology, finance and know-how to the global effort, if the proper incentive structures are established.
- The UNFCCC's engagement with business needs to mature in new ways. This is particularly true in areas where business can add strength to the process.
- Restrictions or prohibitions on business access would miss a huge opportunity to attract its support. In particular, it would risk the loss of private finance and technology at a time when it is needed most.



### **IETA Commitments: Engaging in UNFCCC proceedings**

As a long-time observer of UNFCCC meetings, IETA is committed to transparency and openness. Our view is that the UNFCCC's work will succeed best if it shares a similar commitment, exemplified in open meetings, transparent processes and respect for differing points of view. This is why we abide by the UNFCCC's guidance to observers in how we conduct ourselves at UN meetings.

We operate in a transparent manner daily, making the list of our members, our governance structure and principles publicly available. IETA strives to participate in the UN process with constructive ideas and an entrepreneurial "can do" spirit that is essential to the transformation required to address climate change.

We also believe that we can improve our efforts by developing best practices for business engagement in the UNFCCC process. To this end, the IETA Council adopted the following set of Guidelines for our delegation's participation at COP23. These guidelines will be renewed for future UNFCCC meetings:

- IETA, its members and those attending COP23 as members of its delegation support climate action under the UNFCCC and Paris Agreement. We pledge to assist in their implementation and are particularly engaged with helping make the negotiations on Article 6 a success.
- At COP23, we will make public IETA's Priorities for the negotiations, highlighting the policies that we believe will enable greater climate action and investment by business.
- We are clear in our support of effective market-based trading systems for greenhouse gas emissions. We make all of our position papers publicly available on our website as a matter of course.
- IETA delegates to COP23 will respect the UNFCCC's [Guidelines for the participation of representatives of non-governmental organisations at meetings](#) (October 2017).
- At COP23, we will disclose the names and affiliations of the members of our delegation. Our full membership is publicly available on our website.
- As in previous COPs, our side events will be open to any interested parties present, subject to space constraints. We will again partner and collaborate with other NGOs, negotiators and groups. We will endeavour to allow time for open, constructive discussion and dialogue in our events.



## **2018 and the Talanoa Dialogue**

2018 is a key year for international climate change negotiations. At COP22, Parties committed to deliver all of the elements needed for the implementation of the Paris Agreement - 'The Paris Rulebook' - by COP24, taking place in December in Poland. At the same time, January 2018 marked the launch of the Talanoa Dialogue, a facilitative process mandated by the Paris Agreement that will run throughout the year and will be concluded at COP24 in December 2018. The Talanoa Dialogue will be the first time Parties take stock of their cumulative effort to reduce emissions. They will then use this assessment to inform the next round of NDCs, to be submitted in 2020.

It is therefore crucial that opportunities to engage non-Party stakeholders' in the UNFCCC process are maximized during this important year. We were encouraged that the Fijian President hosted a dialogue with Parties and stakeholder groups at COP 23 in Bonn, which set the tone for this new type of engagement. In this regard, we welcome the fact that stakeholders and expert institutions are invited to prepare analytical and policy relevant inputs to inform the Talanoa Dialogue.

With regard to the broader UNFCCC process, and echoing previous submissions, below we offer our comments and suggestions on a number of areas, with a particular focus on improvements that could deliver benefits from better business engagement.

### **ACCESS TO COPs AND SBs**

- Ideally, access to all Conferences of the Parties (COP) and meetings of Subsidiary Bodies (SBs) should be open to accredited observers without restrictions placed on numbers and with no discriminations between the constituencies.
- The UNFCCC should therefore make a priority of selecting large, established venues so that temporary "tent cities" are avoided. Major convention facilities can accommodate COP-sized crowds and meet UN security requirements.
- Where restrictions are necessary due to physical or security constraints, the Secretariat should ensure that the selection process is transparent to all groups. It should ensure that priority is granted to those groups that can demonstrate a history of attendance.
- Moreover, the Secretariat should enable a badge system that allows the transfer of access badges between designated members of stakeholder delegations. This would give more flexibility to the stakeholder delegations, would maximize participation and would enhance the ability to engage in the process, while still guaranteeing full compliance with the UN security requirements.

### **ACCESS TO MEETINGS AND NEGOTIATIONS**

- Ideally, the UNFCCC should ensure that interested stakeholders enjoy access to all meetings during a COP/SB that they are interested in. We appreciate that when the final



stages of negotiations are entered, some closed meetings will be necessary. Nevertheless, there is no reason to restrict access to the earlier stages of discussion, which are normally aimed at sharing information, illuminating positions and seeking common ground. Where space is limited, we recommend that there be a fair distribution of access between stakeholder groups.

- We endorse the use of intersessional workshops to draw in broader expertise into the process. For such workshops, we urge that business engagement be coordinated through the Business Focal Point, allowing business to select their own representatives.
- Finally, we urge the expansion of access to include all designated bodies to UNFCCC (as currently is granted for the TEC, CTCN and GCF).

### **ENHANCING THE VOICE AND VISIBILITY OF BUSINESS STAKEHOLDERS**

- We urge the more frequent use of expert roundtables and technical dialogues that involve business and finance experts, along with other expert stakeholders. This is particularly true in the areas of markets, finance and technology. Expert sessions should become an integral part of policy development, taking advantage of intersessional periods to investigate issues in more detail than is possible during typical negotiations.
- We encourage the Parties to expand the opportunities for business stakeholders to provide written input on all agenda items by ensuring that pre-designated enabling language is contained in the opening paragraphs of all COP/CMP/SB decisions and conclusions.
- We encourage to continue and expand the availability of meeting rooms during COPs (in the Blue zone) and SBs for constituency side events, including reinstating a specific designated room for business organized events.

### **CREATION OF A MECHANISM/ADVISORY BODY**

- We encourage the creation of a standing mechanism(s) that allows Parties to access private sector expertise.
- The form of such a mechanism could be an advisory body, consultative mechanism or expert committee. However, it is of uttermost importance that the form embodies the following guiding principles:
  - Inclusivity and recognition of diversity – including geographical balance, sectoral diversity and size of enterprises;
  - Openness and transparency; and
  - Flexibility and adaptability.



## **MEETINGS WITH THE BUSINESS COMMUNITY**

- We endorse continuing to hold two meetings during each COP/SB between the business community and the COP Presidency, the Chairs of the appropriate Meetings (APA, SBI, SBSTA etc.) and the Executive Secretary.
- We endorse enabling individual constituencies to request individual constituency meetings with the above Chairs on specific agenda items, if deemed necessary and depending upon availability.

## **CONSTITUENCY STATEMENTS**

- We endorse allowing one constituency statement of 2 minutes at the opening plenaries of COPs/SBs.
- We endorse allowing constituency statements on individual agenda items, where requested in advance and depending upon time availability.
- We endorse allowing constituency statements at the 1<sup>st</sup> meeting of Contact Groups and Informals, where requested in advance depending upon time availability.
- We endorse publishing the aforementioned statements on the appropriate website.
- The BINGO community deeply values the possibility of delivering the aforementioned statements as a way to express its opinion on key issues.

## **DOCUMENTS AVAILABILITY**

- We encourage to continue making pre/post meeting documents publicly available through the UNFCCC website.
- We encourage to continue making in-session documents publicly available through the UNFCCC web-portal, using social media to call attention to their availability.
- The business community deeply values the availability of the aforementioned documents as a way to enhance its understanding of the negotiating process.

## **DISCUSSION OF POLICY ISSUES**

- The UNFCCC Champions should hold bilateral consultations with individual constituencies organized through the respective focal point. Those consultations should be summarized and conveyed to Parties in an informational document as part of COP documentation. In that connection, there should also be an agenda item for each COP in which the Champions present the inputs from the constituency consultations after the Opening Plenary.
- The UNFCCC Champions should moderate an annual “pre-COP” with constituencies and, where possible, hold focused formal Dialogues with individual constituencies on topics of



- interest. The Constituencies' pre-COP should be co-organized with UNFCCC secretariat and Focal Points – and feed in to the “High Level” event(s).
- The UNFCCC should create an Internet forum for the Champions and constituencies' focal points to raise and discuss relevant issues relating to the Paris Agreement and the Global Action Agenda.

#### **PREPARATION OF MANDATED MEETINGS**

- We encourage the consultation with business stakeholders during the early preparation of meetings (TEMs, High-level events, the Global Action Agenda etc.) to obtain views on priority areas, the appropriate agenda structure, timing and potential speakers from the business community.