

Industry/business use of 'complementary measures' for decarbonisation: Looking beyond pricing and regulation to voluntary and other approaches

Monday, June 22, 2015

9h30-18h15

International Energy Agency
9 rue de la Fédération, Paris, France

BACKGROUND

While pricing mechanisms (such as carbon taxes and ETSs) and regulatory mandates have a central role to play in promoting decarbonisation efforts, there are also a variety of other 'complementary approaches' being explored by policy makers and business to achieve this end. These include voluntary partnerships between the public and private sectors, business/civil society collaborations, unilateral company-led initiatives, and a variety of shareholder driven efforts (including by government as shareholders, i.e. state-owned enterprises). In Japan, China, Europe, the US, Latin America and elsewhere, these types of measures are being employed in a variety of sectors, and are under further development.

Yet, at the same time, there is often less discussion and analysis about the form and content of these approaches, the processes that drive them, their pros and cons, and their effectiveness, than there is for other mechanisms (such as carbon pricing). These kinds of measures have been employed as complementary activities to market and regulatory approaches, or as major or even primary policy approaches depending on institutional and cultural contexts. As such they deserve greater attention in policymaking and business circles.

To help disseminate information about these programs and promote learning, the IEA is organizing a workshop. The workshop will present an occasion to share experiences around the use of these complementary measures and the opportunities and challenges they pose, as well as to provide a more complete 'inventory' of these approaches and the contexts in which they are being implemented. There is potential for use of complementary measures in emerging and transition economies where traditional market mechanisms, such as carbon pricing, may be less effective given prevailing market structures (including extensive government ownership and control structures), or more broadly in any country where cultural, institutional, or political dimensions create opportunities for alternative ways of approaching the decarbonisation challenge.

The one-day workshop will bring together speakers and participants from the private sector, government, NGO, and research communities. The discussion will revolve around several themes:

- Overview of the landscape – towards a typology of complementary approaches and a conceptual framework for action
- Focus on assessment – how well are these programs doing and what criteria do we use for evaluation?
- Complementary programs from around the world: government-sponsored programs, voluntary agreements, business/NGO collaborations, and company-led initiatives
- Challenges and opportunities in developing and transition economies and state-owned enterprises
- The role of complementary actions in enhancing ambition in Paris and beyond

WORKSHOP AGENDA

9h00	Registration – coffee	
9h30	Welcome and opening remarks	
(+0:20)	Philippe Benoit	Acting Director, Sustainable Energy Policy and Technology IEA
9h50	SESSION 1 (Plenary, Room 1): Overview of the landscape – towards a typology of complementary approaches and a conceptual framework for action	
(+1:10)	<i>What are the archetypal forms of voluntary and other complementary measures being undertaken by industry and business (for example, participation in voluntary programs, industry associations, or stakeholder groups, or alternatively, unilateral company actions)? How do voluntary/alternative measures fit into the broader policy landscape that includes market and regulatory approaches? What are the behavioural drivers for businesses operating in different cultural and market environments?</i>	
	John Moorhead <i>Moderator</i>	Executive Manager BSD Consulting
	Paul Simpson	Chief Executive Officer CDP
	Sandrine Dixson-Declève	Director Prince of Wales's Corporate Leaders Group
	Yasuji Komiyama	Director, Environmental Economy Office Ministry of Economy, Trade and Industry (METI), Japan
	Nicoletta Piccolrovazzi	Director, Global Technology & Sustainability (Olympic Operations) Dow Europe GmbH
11h00	Coffee break	
11h30	SESSION 2 (Plenary, Room 1): Focus on assessment – how well are these programs doing / what criteria do we use for evaluation?	
(+1:15)	<i>How effective are voluntary programs and company actions in improving energy and emissions profiles and is there an impact on company financial performance? Are investors reacting to perceived company climate risk and what are the challenges in incorporating it into company strategies and financial analysis?</i>	
	Dietrich Earnhart <i>Moderator</i>	Director, Center for Environmental Policy Professor, Economics University of Kansas
	Hiroyuki Tezuka	Chairman, Global Envir. Strategy WG General Manager, Climate Change Policy Keidanren JFE Steel Corporation
	Keigo Akimoto <i>Comments</i>	Associate Chief Researcher Group Leader, Systems Analysis RITE (Research Institute of Innovative Technology for the Earth)
	Rory Sullivan	Senior Research Fellow, Centre for Climate Change Economics and Policy University of Leeds
	Timo Busch	Professor and Chair of Sustainability and Management University of Hamburg
	Luisa Florez	Responsible Investment Analyst AXA Investment Managers

12h45	Lunch
14h00	SESSION 3 (Breakout groups with peer-to-peer sharing): Complementary programs from around the world
(+1:15)	Group 3A. Voluntary agreements and government-initiated programs (Room 1)
<p><i>This break-out group will discuss voluntary actions and approaches that entail the involvement of government to some degree. This includes business sector-led initiatives that are developed in association with government (e.g. Japan), as well as activities that are initiated and/or supported by national governments or intergovernmental organisations. What are some factors of success, drawing on examples from specific countries and initiatives?</i></p>	
Hiroki Kudo <i>Moderator</i>	Senior Research Fellow Sub-Director, Green Energy Certification IEEJ (The Institute of Energy Economics, Japan)
Martina Otto	Deputy Head of Secretariat Climate and Clean Air Coalition
Sagarika Chatterjee	Associate Director UN Principles for Responsible Investment
Seonghee Kim	Senior Researcher, Climate Change Policy Research Group IEEJ (The Institute of Energy Economics, Japan)
Clemens Rohde	Coordinator of Business Unit Energy Efficiency Fraunhofer ISI
(+1:15)	Group 3B: Business/NGO collaborations and company-led initiatives (Room 2)
<p><i>Businesses are initiating decarbonisation programs to meet their corporate objectives. These include programs by large retailers and other companies focused on internal operations, as well as efforts to decarbonize the supply chain. This session will look at initiatives being conducted by industry acting largely independently of government, through industry/civil society collaborations or unilateral company actions.</i></p>	
Paul Simpson <i>Moderator</i>	CEO CDP
Julien Colas	Head, Energy and Climate Division EpE (Entreprises pour l'Environnement)
Eliot Metzger	Senior Associate, Markets & Enterprise WRI (World Resources Institute)
Rory Sullivan	Senior Research Fellow, Centre for Climate Change Economics and Policy University of Leeds
Xavier Riera-Palou	CO ₂ Strategy Manager Royal Dutch Shell plc
15h15 (+0:20)	Breakout Group Reports (Plenary, Room 1)
15h35	Coffee break

**16h00 SESSION 4 (Plenary, Room 1):
Challenges and opportunities in developing and transition economies and SOEs**

(+1:00) *What drives environmental actions at the enterprise level in developing and transition economies, and what lessons are there for energy use and GHG mitigation? What are special considerations for state-owned enterprises (SOEs), and how do they differ for enterprises in China, France, Brazil, etc.? What about SOEs operating overseas in environmentally sensitive sectors, such as energy?*

Liwayway Adkins <i>Moderator</i>	Environment & Climate Change Unit	IEA
Dietrich Earnhart	Director, Center for Environmental Policy Professor, Economics	University of Kansas
May Tan-Mullins	Associate Professor, International Relations	University of Nottingham Ningbo China
Jean-Yves Caneill	Head of Climate Policy	EDF (Électricité de France)

**17h00 SESSION 5 (Plenary, Room 1):
Possible role for complementary actions beyond Paris – suggestions for next steps**

(+1:15) *How can complementary actions enhance ambition in Paris and beyond? Do voluntary actions have a potentially interesting role to play in the upcoming climate agreement and ongoing UNFCCC process vis-à-vis recognition of subnational or non-state efforts? What are lessons learned and how can policy help to scale up/expand the more promising initiatives?*

Takashi Hattori <i>Moderator</i>	Head, Environment & Climate Change	IEA
Taishi Sugiyama	Leader, Climate Policy Project	CRIEPI (Central Research Institute of Electric Power Industry)
Angel Hsu	Research Scientist and Lecturer Assistant Professor of Social Sciences	Yale University Yale-NUS College Singapore
Maria Mendiluce	Director, Climate and Energy	WBCSD (World Business Council for Sustainable Development)
Emmanuel Guérin	Special Advisor to the Climate Change Ambassador	Ministry of Foreign Affairs and International Development, France

18h30- Networking reception: l'Atome Café, 29 Boulevard de Grenelle (@ Rue Saint-Saëns)