

## **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

<b>9h00</b>	<b>Registration – coffee</b>	
<b>9h30</b>	<b>Welcome and opening remarks</b>	
(+0:20)	<b>Philippe Benoit</b>	Acting Director, Sustainable Energy Policy and Technology <b>IEA</b>
<b>9h50</b>	<b>SESSION 1 (Plenary, Room 1): Overview of the landscape – towards a typology of complementary approaches and a conceptual framework for action</b>	
(+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>	
	<b>John Moorhead</b> <i>Moderator</i>	Executive Manager <b>BSD Consulting</b>
	<b>Paul Simpson</b>	Chief Executive Officer <b>CDP</b>
	<b>Sandrine Dixson-Declève</b>	Director <b>Prince of Wales's Corporate Leaders Group</b>
	<b>Yasuji Komiyama</b>	Director, Environmental Economy Office <b>Ministry of Economy, Trade and Industry (METI), Japan</b>
	<b>Nicoletta Piccolrovazzi</b>	Director, Global Technology & Sustainability (Olympic Operations) <b>Dow Europe GmbH</b>
<b>11h00</b>	<b>Coffee break</b>	
<b>11h30</b>	<b>SESSION 2 (Plenary, Room 1): Focus on assessment – how well are these programs doing / what criteria do we use for evaluation?</b>	
(+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>	
	<b>Dietrich Earnhart</b> <i>Moderator</i>	Director, Center for Environmental Policy Professor, Economics <b>University of Kansas</b>
	<b>Hiroyuki Tezuka</b>	Chairman, Global Envir. Strategy WG General Manager, Climate Change Policy <b>Keidanren JFE Steel Corporation</b>
	<b>Keigo Akimoto</b> <i>Comments</i>	Associate Chief Researcher Group Leader, Systems Analysis <b>RITE (Research Institute of Innovative Technology for the Earth)</b>
	<b>Rory Sullivan</b>	Senior Research Fellow, Centre for Climate Change Economics and Policy <b>University of Leeds</b>
	<b>Timo Busch</b>	Professor and Chair of Sustainability and Management <b>University of Hamburg</b>
	<b>Luisa Florez</b>	Responsible Investment Analyst <b>AXA Investment Managers</b>

<b>12h45</b>	<b>Lunch</b>	
<b>14h00</b>	<b>SESSION 3 (Breakout groups with peer-to-peer sharing): Complementary programs from around the world</b>	
(+1:15)	<b>Group 3A. Voluntary agreements and government-initiated programs (Room 1)</b>	
	<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>	
	<b>Hiroki Kudo</b> <i>Moderator</i>	Senior Research Fellow Sub-Director, Green Energy Certification <b>IEEJ</b> (The Institute of Energy Economics, Japan)
	<b>Martina Otto</b>	Deputy Head of Secretariat <b>Climate and Clean Air Coalition</b>
	<b>Sagarika Chatterjee</b>	Associate Director <b>UN Principles for Responsible Investment</b>
	<b>Seonghee Kim</b>	Senior Researcher, Climate Change Policy Research Group <b>IEEJ</b> (The Institute of Energy Economics, Japan)
	<b>Clemens Rohde</b>	Coordinator of Business Unit Energy Efficiency <b>Fraunhofer ISI</b>
(+1:15)	<b>Group 3B: Business/NGO collaborations and company-led initiatives (Room 2)</b>	
	<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>	
	<b>Paul Simpson</b> <i>Moderator</i>	CEO <b>CDP</b>
	<b>Julien Colas</b>	Head, Energy and Climate Division <b>EpE</b> (Entreprises pour l'Environnement)
	<b>Eliot Metzger</b>	Senior Associate, Markets & Enterprise <b>WRI</b> (World Resources Institute)
	<b>Rory Sullivan</b>	Senior Research Fellow, Centre for Climate Change Economics and Policy <b>University of Leeds</b>
	<b>Xavier Riera-Palou</b>	CO <sub>2</sub> Strategy Manager <b>Royal Dutch Shell plc</b>
<b>15h15</b> (+0:20)	<b>Breakout Group Reports (Plenary, Room 1)</b>	
<b>15h35</b>	<b>Coffee break</b>	

**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?*

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

**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?*

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

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