

COP21 - 2015 Paris Climate Conference

MEDEF's Manifesto

Opportunity - Responsibility - Competitiveness





Climate change: An ambitious challenge, opportunities for growth, companies offer solutions!

Climate change is an unprecedented challenge that companies are facing with ambition and pragmatism. Social behaviour, states' and companies' business models will inevitably and rapidly evolve to meet this challenge.

Let's anticipate and provide solutions!

The network of French business is a key factor in taking up the challenge of climate change. France benefits from sectors of excellence, the know-how, the innovations and the technologies that they have developed will provide sustainable solutions to serve an ambitious and effective strategy.

France must capitalize on the vitality of its start-ups and SMEs combined with the strength of its large companies, to differentiate and be more competitive internationally.

Whilst companies put in practice their commitments by engaging in the fight against climate change, we must also collectively recognize this fight for the future as **a huge opportunity for our country to create growth and jobs.**

Companies are taking action! The Paris-Climate Conference 2015 (COP 21) which opens at the end of November is an opportunity to set an ambitious and sustainable international framework to launch this approach.

MEDEF is committed to promote the solutions provided by companies and to work in a constructive dialogue with all stakeholders to develop a target for growth and a common responsibility.

COP 21 will be decisive and will set key objectives for our collective success:

- ◆ **Determine a carbon price, which is the most relevant means -if not the only one- to encourage economic actors to move to low-carbon solutions.**
- ◆ **Establish a framework for monitoring, reporting and verification of emissions.**
- ◆ **Enable the use of the range of available solutions and encourage innovation in technical, financial and social fields.**

Neither France nor Europe can fight alone. Business is ready to invest in a globalized approach, in a spirit of optimism and a hope for success.



A ten-point manifesto

1. MEDEF believes that the world faces an unprecedented challenge in the fight against climate change. It notes the conclusions of the IPCC regarding:

- ◆ **the need to limit global warming to 2°C** by the end of the century, compared to pre-industrial times, in order to prevent climate change from reaching dangerous levels,
- ◆ **the urgency to act in a much more determined way**: "There is still time, but not for very long."

2. The 2015 Paris Climate Conference aims to put the world on track to achieve these objectives by establishing a framework for robust, sustainable and equitable international action. MEDEF strongly supports a successful outcome to the conference and calls for an ambitious agreement.

3. MEDEF welcomes the role of France as the host country and the government's deep commitment to the success of this climate conference. Along with all the stakeholders, **MEDEF is contributing**:

- ◆ **by educating its members** and highlighting their approaches, both existing and future, with a focus on SMEs,
- ◆ **by contributing to the establishment of a Business Dialogue** which will structure corporate presence worldwide and highlight the expectations of business that will contribute to success in the fight against climate change,
- ◆ **by working towards establishing an open and constructive** dialogue with the public authorities as well as with NGOs, trade unions and other stakeholders.

4. Business, as also promoted through the UN "solutions agenda", has an essential role in the fight against climate change. Business will design and propose a very large part of the solutions to be implemented, whether they are already tried and tested or result from future innovations. In this respect, MEDEF welcomes the work carried out in the French sectors of excellence which have long been working to achieve a low-carbon economy by combining the contributions of major groups and those of SMEs.

5. The capacity of our industrial base to provide "low-carbon" solutions must be further strengthened in order to tackle the challenge head-on. This is why the issue of maintaining **competitiveness is essential**. Europe represents only a small (less than 10%) and rapidly decreasing portion of global emissions. The efforts of Europe will be meaningless if the world's major economic regions do not take proportionate action. It is by allowing its industry to compete on a level playing field in global competition that Europe will best serve the cause of the fight against climate change.



6. What is true of Europe is especially true of France, **whose emissions per unit of GDP are 58% lower than the world average.**
7. **Setting up a framework for monitoring, reporting and verifying emissions ("MRV") is a major condition for the success of the Paris Agreement.** Such a framework should indeed ensure the integrity of the commitments undertaken and provide the tools necessary to monitor actions. It must be developed for economic actors, enabling them to assess the overall footprint of their products throughout their life cycle: carbon footprint, life cycle analysis.
8. **Putting a price on carbon is the most appropriate - if not the only - way to spread the use of low-carbon solutions throughout the economic chain.** MEDEF supports the actions currently being directed under the auspices of the World Bank in an effort to enable the effective integration of a carbon pricing system in all major emitting countries. Specifically, this requires a realistic phasing-in which does not create competitive distortions, while taking into account the various different starting points. The Paris Agreement will have to mark an irreversible step towards a global economy that fully integrates the value of carbon.
9. Although decisive action must be taken using the full range of solutions already available, this range must also be broadened by **promoting progress and experimentation, and there must be faith in innovation.** Innovation - whether it is technical - or whether it is financial or social, can deeply transform the context of the challenge we face. Two examples:
 - ◆ the maturing of carbon capture and storage (CCS) will change the perspective of the advantages and disadvantages of different energy sources.
 - ◆ already a reality, the digital revolution provides major prospects for moving society towards more efficient carbon efficiency, which were unthinkable just a decade ago.

MEDEF believes that the Paris Agreement can be decisive for encouraging innovation that is compatible with the climate goals by ensuring its visibility and profitability. MEDEF is determined to contribute to that end.

- 10. The challenge is huge, but it is not insurmountable.** The challenge must be addressed so as not to pass on a “climate debt” onto our young people and future generations. Economic realism and discipline on the one hand, creativity and boldness on the other, are the combination of principles of action needed for this to be achieved.