

“CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM”

A Statement by the Business Leaders of the UN Global Compact

UPON THE OCCASION OF THE 2007 GLOBAL COMPACT LEADERS SUMMIT (GENEVA), WE, THE BUSINESS LEADERS OF THE UN GLOBAL COMPACT:

RECOGNIZE THAT:

1. Climate Change is an issue requiring urgent and extensive action on the part of governments, business and citizens if the risk of serious damage to global prosperity and security is to be avoided.
2. Climate change poses both risks and opportunities to all parts of the business sector, everywhere. It is in the interest of the business community, as well as responsible behavior, for companies and their associations to play a full part in increasing energy efficiency and reducing carbon emissions to the atmosphere and, where possible, assisting society to respond to those changes in the climate to which we are already committed.

COMMIT TO:

1. Taking practical actions now to increase the efficiency of energy usage and to reduce the carbon burden of our products, services and processes, to set voluntary targets for doing so, and to report publicly on the achievement of those targets annually in our Communication on Progress.
2. Building significant capacity within our organizations to understand fully the implications of climate change for our business and to develop a coherent business strategy for minimizing risks and identifying opportunities.
3. Engaging fully and positively with our own national governments, inter-governmental organizations and civil society organizations to develop policies and measures that will provide an enabling framework for the business sector to contribute effectively to building a low carbon economy.
4. Working collaboratively with other enterprises nationally and sectorally, and along our value-chains, by setting standards and taking joint initiatives aimed at reducing climate risks, assisting with adaptation to climate change and enhancing climate-related opportunities.
5. Becoming an active business champion for rapid and extensive response to climate change with our peers, employees, customers, investors and the broader public.

EXPECT FROM GOVERNMENTS:

1. The urgent creation, in close consultation with the business community and civil society, of comprehensive, long-term and effective legislative and fiscal frameworks designed to make markets work for the climate, in particular policies and mechanisms intended to create a stable price for carbon;
2. Recognition that building effective public-private partnerships to respond to the climate challenge will require major public investments to catalyze and support business and civil society led initiatives, especially in relation to research, development, deployment and transfer of low carbon energy technologies and practices.
3. Vigorous international cooperation aimed at providing a robust global policy framework within which private investments in building a low carbon economy can be made, as well as providing financial and other support to assist those countries that require help to realize their own climate mitigation and adaptation targets whilst achieving poverty alleviation, energy security and natural resource management.

AND WILL:

1. Work collaboratively on joint initiatives between public and private sectors and through them achieve a comprehensive understanding of how both public and private sectors can best play a pro-active and leading role in meeting the climate challenge in an effective way.
2. Invite the UN Global Compact to promote the public disclosure of actions taken by the signatories to this Statement and, in cooperation with UNEP and the WBCSD, communicate on this on a regular basis, starting July 2008.

EXPLANATORY NOTE: “CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM”

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Origins of the Statement

The Global Compact’s commitment to environmental protection is firmly embedded in its foundational spirit and three environmental principles. There is now a consensus that the climate change agenda will affect business and society in fundamental and transformative ways. The importance of early action is increasingly recognized. As climate change has become a fundamental issue for society, the need for leadership and voluntary action is becoming ever more urgent. Against this background, a consultation group comprised of business and civil society representatives convened by the Global Compact, UNEP and the WBCSD has prepared a Statement entitled “Caring for Climate, The Business Leadership Platform”. This Statement has also found broad support among the Global Compact’s multistakeholder Board.

Endorsing the Statement

The Statement offers Global Compact business participants an opportunity to demonstrate climate leadership on both the individual and collective levels. A company’s decision to endorse the Statement should follow the Global Compact’s established leadership and organizational change model: it requires CEO-level support, strategic and operational changes within the organization, and ongoing public communication on related activities and performance in line with the “Communication on Progress” framework. Support for the Statement is, therefore, consistent with existing Global Compact engagement methodologies. The Global Compact is aware that many of its 3000-plus business participants currently do not have the capacity to measure their GHG emissions due to size and other organizational characteristics. It is established practice at the Global Compact not to discriminate on these grounds. We will continue this tradition with regard to the Business Leadership Statement on Climate.

What the Statement is NOT

The Statement is NOT a new requirement for Global Compact participation. It is an optional platform for active Global Compact participants who wish to advance climate change solutions. A decision to abstain from the Statement will not in any way be viewed as an indication of a company’s commitment to the Global Compact or impact its standing in the initiative. This Statement seeks to provide a practical platform for advancing the Global Compact’s environmental principles. At the same time, other measures taken by companies to preserve the environment and to address their carbon footprint will continue to be equally appreciated under the UN Global Compact.

The Leaders Summit and Beyond

All Global Compact business participants are invited to express their support for the Statement. It is hoped that a significant number of business Leaders will support the Statement before the Global Compact Leaders Summit (5-6 July 2007 in Geneva). The names of those companies will be listed on the Global Compact website at www.unglobalcompact.org and will be recognized at the event. During the Summit, it is expected that the United Nations Secretary-General and others will emphasize the importance of the climate change and this Business Leadership Statement. The Statement will remain open for signature during and after the Summit.

Other Explanations

It is understood that the call to governments to develop frameworks is meant to be framed under the current International framework. Moreover, the term “setting standards” under the business commitment is clearly meant to refer to environmental performance standards, such as energy consumption, environmental impact and emissions. It does not refer to “international standards” whose design is the prerogative of governments.

Furthermore, it is understood that the setting of voluntary targets as referred to in commitment 2) will be in accordance with different responsibilities and capabilities.