

CATALYZING INTERNATIONAL COOPERATION ON CLIMATE CHANGE AND ECONOMIC GROWTH: THE 2015 NEW CLIMATE ECONOMY REPORT

Overview

Following the successful publication of *Better Growth, Better Climate: the New Climate Economy Report* in 2014, the Global Commission on the Economy and Climate will produce a second report in June 2015 as a contribution to the global effort to catalyze international climate action in the lead-up to COP21.

The report will demonstrate how international collaboration of various kinds among governments, businesses, cities and civil society can drive both stronger economic growth and more ambitious climate mitigation. The report is being produced in close collaboration with existing initiatives and relevant stakeholders.

The report will have two parts:

- The first part will set out an updated New Climate Economy analysis on why climate action (including INDCs) needs to be integrated into national economic growth and development plans. It will connect the 2015 climate debate to current economic arguments over lower oil prices and the G20 focus on infrastructure investment. It will advocate carbon pricing and a reduction in fossil fuel subsidies, argue that all infrastructure investment needs to be climate-smart, and suggest how public and private finance can be mobilized for such investment. It will suggest that INDCs should be able to be strengthened after COP21 as economic conditions change and through the impacts of collaborative initiatives in key fields.
- The second part will make 10 recommendations for major collaborative commitments and joint initiatives among governments, businesses, cities and civil society which have the potential both to reduce global emissions and to generate significant economic and social benefits. The New Climate Economy team is now consulting with a wide range of stakeholders on these recommendations, working closely with existing initiatives and international organizations. The recommendations are likely to be in the following fields:
 - Carbon pricing
 - Climate-smart infrastructure planning and policy
 - Financing for clean energy and energy access
 - Energy efficiency – harmonization of standards in key sectors
 - Forest financing and forest commodity supply chains
 - Climate-smart agriculture and restoration of degraded land
 - City action
 - Business action
 - Aviation and maritime sectors
 - HFCs
 - Research, development and dissemination of low carbon technologies

Rationale

As part of the international climate change process under the UN Framework Convention on Climate Change, countries will publish their 'Intended Nationally Determined Contributions' (INDCs) in 2015. These will form the core national commitments to be included in the new climate agreement due to be concluded at COP21 in Paris in December 2015.

It is widely acknowledged that the INDCs published in 2015 will likely add up, on a global basis, to less than is required to put the world on a plausible trajectory to holding global warming below 2 degrees Celsius, the internationally agreed target. For this reason it has been widely suggested that the Paris agreement should require targets to be ratcheted on a regular (perhaps five year) cycle, and should allow INDCs published in 2015 themselves to be strengthened over time.

One way of enabling countries to increase the ambition of their climate policies and targets is through international collaboration in specific fields of mitigation activity. Such collaboration can be between governments, or between non-state actors such as businesses and cities, or various kinds of public-private partnership. A number of international mitigation initiatives of these kinds are already in development, in areas such as energy efficiency, renewable energy, public transport, forest conservation, climate-smart agriculture, city and regional action, HFCs, methane capture and finance. Some of these initiatives made new commitments at the UN Climate Summit in September, and some are seeking to announce further commitments by the Paris COP. Many have significant mitigation potential if generalized commitments can be translated into action. But many also require additional policy and financing which has not yet been put in place.

The purpose of the NCE report is to identify and publicize a number of international collaborations which can catalyse and enable higher mitigation ambition than national action alone, and which can also be shown to have strong economic benefits for the countries and/or other actors undertaking them.

The report will be aimed at leading governments, international institutions and the wider climate-economic community and media. It will be published in late June 2015 under the auspices of the Global Commission on the Economy and Climate, and will be launched by its Chair, former President of Mexico Felipe Calderon.

By publishing a report highlighting the economic benefits as well as the mitigation value of such initiatives, NCE's aim is twofold. First, it is to reframe the debate on climate action around the core New Climate Economy narrative of 'better growth', showing how such action is in countries', cities' and businesses' economic self-interest even without considering its climate benefits. Second, the aim is to help drive commitments to these international initiatives from relevant actors (governments, cities, the private sector and international institutions). In both these ways the project seeks to help raise the global level of ambition for the Paris COP.

Approach

The report will make recommendations in 10 areas. It will therefore not seek to be comprehensive, but will focus on collaborative initiatives with the largest mitigation potential and likely economic benefits, and those which illustrate different kinds of international cooperation.

Most of the initiatives selected will be among those already under development, and which are considering further commitments in Paris. The report will seek to work with those initiatives, and to support them in presenting their mitigation potential and economic / business case. However the report may also include potential initiatives which are not currently under active development, offering these as new and additional propositions for cooperative climate action in key fields.

In each area covered, the report will:

- Provide analysis of the economic and social benefits of strong climate action
- Show the mitigation potential of such action
- Make a headline recommendation for international collaboration aimed at governments and leading stakeholders
- Make supplementary recommendations for how this how can be implemented

The report will be focused on recommendations for international collaboration, and will therefore not provide a comprehensive discussion of each field of climate action.

The report will provide a calculation of the range of total mitigation potential in 2030 from implementation of all the recommendations.

Outreach and communications

The report will be published in the week of 22 June 2015, in the run-up to the UN General Assembly meeting on climate change on 29 June.

Production of the report is being conducted in close collaboration, both with existing initiatives in the fields selected, and with the governments of France and Peru, the UN Secretary General's office and the UNFCCC Secretariat, which are together coordinating the 'solutions agenda' for Paris. NCE will consult with governments, international organizations and other leading stakeholders on its recommendations in advance of publication.

A major global communications programme will be conducted by NCE in support of the launch, and it is hoped that members of the Global Commission will seek to conduct further engagement with key governments and stakeholders in support of its recommendations in the months following.

Project structure

The project is being led by Michael Jacobs, Senior Adviser to the New Climate Economy and one of the lead authors of the *Better Growth, Better Climate* report. It is being conducted by the NCE team with the collaboration of various research partners. The report will be published by the Global Commission on Economy and Climate.

Further information

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