4th Annual Global Sustainability Summit
1-2 July 2015, Intercontinental Hotel, Madrid, Spain
Panel talking points and outputs

Day 1

UN Framework Convention on Climate Change: from Lima to Paris – progress and challenges:

The opening panel of the summit comprised of the following participants:

Keynote speaker:
- Bérengère Quincy, the French presidency’s goodwill ambassador for the Paris December’s United Nations Climate Change Conference (COP-21)

Moderator:
- Jan-Peter Balkenende, EY Partner of the Dutch practice; Former Prime Minister of the Netherlands

Panellists:
- Silvia Révora, Vice Minister of Environment, Argentina
- Dr. Mariano Castro, Vice Minister of Environment, Peru
- Teresa Ribera, President, the Institute for Sustainable Development and International Relations (IDDRI)
- Diana Chávez, Director, UN Global Compact Regional Support Center for Latin America and the Caribbean

Opening keynote speech by Bérengère Quincy:

Ladies and Gentleman,

I first want to thank the organizers for giving me the opportunity to present the intentions of the future French presidency for COP21.

Within five months COP21 will open in Paris. This climate conference is crucial. It must result in a universal climate agreement, enabling us to limit global warming below 2 degrees or 1.5 degrees Celsius above pre-industrial levels. This is the threshold beyond which the scientific community warns of the irreversible effects of global warming. It is now a political objective. A joint action and an ambitious global framework are needed to put us on a path consistent with this call. It’s an honor and a responsibility for my country to chair COP21. The whole French government is coming to it and mobilized to make it a success, up to the highest level. Francois Holland launched our future presidency in Manila with the President of the Philippines. Laurent Fabius, the French Minister for Foreign Affairs and International Development, will chair it. He will chair it but the success will be the success of all. The failure would be the failure of all. We will build on the work carried out by the previous COP since Copenhagen and in particular at COP20 in Lima, for the results of which we can thank the Peruvian presidency. This year we must save the opportunity to take important decision that will shape the global future of the planet. A historical challenge, as José Luis Zapatero said in his speech. On the road to COP21, we will define how to finance development in Addis Ababa in July.
and we will adopt our new UN Sustainable Development agenda in New York in September. Eradication of poverty and fight against climate change disruption are inextricably linked. We will not succeed in both endeavors without combining the two fronts.

What do we want to achieve in Paris is December?

We want to build together a Paris climate alliance, a shared vision, enabling us to limit the planets average temperature rise to less than 2 degrees or 1.5 degrees Celsius. An alliance that can give a clear signal to citizens around the world, local authorities and businesses that we are making a resolute transition towards lower carbon and more climate resilient economies, while guaranteeing everyone fair access to sustainable development. This Paris alliance that we want to achieve relies on four strong pillars.

The first pillar, the top priority is an ambitious universal and legally binding agreement on climate change. An agreement that applies to all countries. Our ambition as a presidency is to get a durable, dynamic, equitable and solid agreement with a long-term vision able to foster more ambition over the years through cycles of contributions and reviews. There is largely shared will among countries to reach an agreement in Paris. But we still have a lot of work. Some issues, such as differentiation according to the level of development, the legal form of the agreement or the issue of transparency and accountability in the monitoring of contributions, among others, are still quite difficult. The previous sessions of negotiations have helped in building confidence among parties but now the negotiators will have to speed up their work during the two last sessions so that we can enter into the COP21 with a largely clear field. In close link with the Peruvian presidency we will facilitate the negotiations by convening two more informal meetings at the ministerial level in Paris. The first one being on the 20th and 21st of July and we thank all our partners who helped the process by convening in formal dialogue. With the UN Secretary General Mr. Ban Ki-moon, we will also help fostering the highest level of political impulse by convening some heads of state and government next September in New York in the margin of the UN General Assembly. There are difficulties but there are in the meantime growing convergences in the negotiations. For example on the issue of adaptation, who should receive a balance attention against mitigation and on accelerating and strengthening ambition and implementation before 2020. The major challenges for most of the countries is to face the consequences of climate distribution, rise of sea levels, ice melting, shortage of water in agriculture, desertification, dramatic and more frequent climatic hazards. On all these challenges COP21 will have to bring in concrete solutions without waiting for 2020. We are urged in this regards by the most vulnerable countries facing climate change such as African countries and small islands.

The second pillar of the alliance: the national contributions. What we call the intended national determine contributions. The fact is that they are voluntary and designed by the countries themselves. They represent the investment in terms of reduction of greenhouse gas emissions and for the one who wish so adaptation to climate change that each country feels able to make according to the decisions made in the COPs in Varco and in Lima in 2014. To date 44 countries have submitted their national contributions. Countries from developed and developing countries including since yesterday China, from all the continents and Mexico at the front line of the Ibero-American continent. The EU is the second party to submit the contributions. Target of 40% reduction of emissions in 2030 compared to 1990 and addressing the long-term vision with an objective of reducing its emissions by 80-95%by 2050 paving the way for ambition. The G7 countries, who are among the world’s richest, and bear a historical responsibility in climate change. The meeting under the German presidency agreed to follow on the target of de-carbonization of the global economy over the course of this century. We are counting on all countries to join in this collective effort each one according to its own capacity and to submit contributions before the deadline of the 21st of October. We expect, we hope that by this date almost 90%of emissions will be covered by national contributions. It is important because by then the Secretariat of the convention should be able to aggregate the contributions against the objective of limiting climate warming
below 2 degrees. We know that despite all the efforts; and they have to be ambitions, the national contributions to be presented by COP21 could probably not be sufficient to hit the target below 1.5 to 2 degrees. This is why we need to build an agreement going beyond 2030 with cycles, reviews and contributions.

The third pillar is the issue of climate finance, which will be a crucial component for the success of an agreement. In this regard a milestone has been reached with an initial capitalization of the green climate fund, amounting to USD10.2 billion including nearly USD1 billion from France. The green climate fund will be crucial in order to establish confidence and mobilize private investors. We have also to mobilize climate finance to support developing countries, reaching the USD 100 billion per year goal agreed in Copenhagen by 2020 from a wide variety of sources, both public and private bilateral and multi-lateral for action on mitigation and adaptation. In the longer term, climate finance must also be strengthened and clarified to increase visibility and shift investments towards a low carbon economy into low carbon infrastructure technologies and climate friendly land use. At the same time we have to strengthen resilience, especially of the most vulnerable countries against unavoidable risk and damage arising from climate change. Half of the green fund will be devoted to this task. We will also need in the future to give strong economic incentives for low carbon transformation for investors, including in the fields of energy transition. For example, encouraging carbon markets and pricing.

The fourth pillar, if we want to succeed in combating climate change, we need the involvement of the whole society of the whole stakeholders. Business, local authorities, NGOs, academic and research centers, international organizations, citizens, churches. We won't success in the transformational change we want without the involvement of all the vivid forces of societies. For the first time Peru proposed an initiative agreed by France and then finally agreed by everyone. The Lima-Paris action agenda, that we call the agenda of solutions. In Paris non stake actors are going to show commitments and make concrete contributions. This agenda of solutions relies on the multi-party initiatives presented in New York last September during the high level meeting by the UN Secretary General. Among them, are initiatives on energy efficiency and renewable energies, on sustainable cities, on industry on transportation etc. We are working with our partners to gather them on the database NASCAR launched last year in Lima.

Allow me to mention two initiatives, the wide spread adoption of an alert system in the face of disaster affecting the most vulnerable countries and the second a major renewable investment plan for the African continent. Those local, regional and global initiatives will boost mobilization and support even supplement the contributions made by governments. They will also anchor each government to more ambition by showing that solutions do exist, that this is possible feasible affordable at least less costly than the cost of inaction. Last May in Paris, we had the venue of a business dialogue followed by a climate finance day. There we could see that many businesses now include climate action in their long-term strategy and their daily activities. Business leaders from companies in over 150 countries declare their responsibility to support sustainable development. They have undertaken to review their environmental impact by setting goals to lower their emission and energy consumption. They have also committed to promoting innovative technologies and incorporating climate risk into their decision making process. They also call for receiving from the Governments clear signal that we are embarking on transformational change and for putting a price in carbon.

One thing is becoming gradually clear; investing in green growth, which is the growth of the future, investing in innovation can be a source profit and employment. A report by the carbon disclosure projects shows that businesses which actively take into account the issue of climate enjoy 80% higher returns on investment than those who do not.

COP21 has to mark the returning point, not only a point of arrival for the negotiations but a point of departure for action. It has to be the agreement the alliance of all for all. We need you now. I thank you.
The panel discussion looked to address the following three questions, as posed by Jan Peter Balkenende:

1. What can we learn from the Copenhagen experience?
2. What should be the single biggest win in Paris and what should be the single biggest failure? What are the main block roads, barriers and hindrances at the moment?
3. What is the role of the business sector?

After a great deal of discussion was made around these points, the conclusion was that there needs to be more trust and accountability with everyone being involved and the standards should be set to a unified commitment amongst all countries.

There is an awareness that climate change is here with 78% of the world’s population being aware of the importance of climate change. With everyone being aware, the question becomes how do we act and how do we ensure that what we do is on a global scale?

Green Bond funds are shaping the way we invest and ensure impact. Climate Finance must be clear, transparent and simple to help people understand how it works to create new technologies or ways to reduce our carbon.

We need to review our current carbon markets, review pricing and avoid carbon bubbles.

Countries are already making their declaration to the UNFCCC to reduce their carbon with China stating that it would increase the share of non-fossil fuels as part of its primary energy consumption to 20%.

Top quotes and tweets throughout the panel discussion:

‘There are no shortcuts, we need to have a global solution’ – Teresa Ribera

‘Everybody knows sustainability is key, everybody knows about climate change, everybody knows we must act’ – Jan Peter Balkenende

‘If we want to survive on this planet, it is not only a matter for government responsibility, it’s for the private sector too’ – Jan Peter Balkenende

Business solutions to pressing sustainability issues:

The panel comprised of the following participants:

Keynote speaker:
- Rafael Mateo, CEO, Acciona Energy

Moderator:
- Rodney Irwin, Managing Director Financial Capital, World Business Council for Sustainable Development (WBCSD)

Panellists:
- Rosa García, CEO, Siemens Spain
- David Norman, Sustainable Development Policy, SAB Miller
- Gilberto Marín, President of Consejo de Impulsora de Energías Renovables Latinoamericanas (ILER), México
- Fiorella Molinelli, Professor, Pontifical Catholic University of Lima, PUCP, Peru
- Ingö Ploger (via VC), International President, Business Council of Latin America (CEAL)**

Summary of remarks by participants:

In every element of our daily lives hydrocarbons are active but are we ready to give up our mobile phone to reduce carbon? How do we address this in the technologies we create – there is a need for better technology and better ways to produce more using less resources. Which was the question and dilemma posed by Fiorella Molinelli.
SABMiller admits that it's a win-win situation when business objectives and socio-economic objectives are achieved, which was the result achieved in the transformation of their brewing in Africa based on local resilient crops to support the environment and their farmers.

Collaborating is key to address and scale sustainable solutions but it is understandable that there is a big challenge though there is a fear of breaching regulation may sometimes hinder businesses from collaborating (Rodney Irwin).

Acciona focused on only renewables and that it is proven commercial business that doesn’t require subsidies and can be mass produced and needs to be more embedded in society and part of the grid—working with countries worldwide to produce renewable energy solutions) – ‘Renewable energies are not just green, they are now economically attractive’ (Rafael Mateo).

Wind power can generate 1.6 times more jobs than a gas powered station (Acciona).

Some quotes and tweets throughout the keynote speech and panel discussion:
‘Renewable energies are going to be the key instrument for meeting the current and future energy needs of the population’ – Rafael Mateo
‘Energy must have security of supply and long term access’ – Rafael Mateo
‘Wind power is the cheapest energy generating source’ – Rafael Mateo
‘Wind power can generate 1.6 times more jobs than a gas powered station’ – Rafael Mateo
‘Increased dependency on renewables allows us not to be dependent on the increased volatility of fossil fuels’ – Rafael Mateo
‘Climate change is not the only concern that the planet has to consider when it comes to sustainability’ – Rosa Garcia
‘We try to maximize growth but not at the expense of a sustainable growth’ – Rafael Mateo
‘Latin America has been fighting for a long time to have a sustainable society’ – Ingó Ploger
‘Fear of breaching regulation can sometimes hinder businesses from collaborating’ – Rodney Irwin
‘The next generation is more important than the next election, they are much more aware of their impact’ – Gilberto Marín

The role of human rights as the cornerstone of business practice:

The keynote speaker was Baltasar Garzón, Spanish Jurist & founder of the Baltasar Garzón Foundation.

The panel comprised of the following participants:

Keynote speaker:
- Baltasar Garzón, Spanish Jurist & founder of the Baltasar Garzón Foundation

Moderator:
- Matthew Bishop, Globalization Editor, The Economist and Author of Philanthrocapitalism

Panelists:
- Caroline Rees, President, Shift
- Lourdes Flores, Peruvian Politician and Lawyer
- Brendan LeBlanc, EY US Partner Climate Change and Sustainability Services
- Keiichi Ushijima, EY Japan Partner, Climate Change and Sustainability

Summary of remarks by participants:
- Human rights needs to be embedded and audited within the supply chain—just as if they are part of their financials—it should not be a check-the-box exercise (Brendan LeBlanc)
- Human rights are trapped in the gap between local laws and global standards—how do companies act within these areas where they differ (Keiichi Ushijima)
- ‘When we only look at the fast buck, that’s when the planet is in danger’ (Baltasar Garzon)
- Next generation is more important than the next election, they are much more aware of their impact

Some quotes and tweets throughout the keynote speech and panel discussion:
‘Human Rights are more than a check-the-box exercise, they’re the cornerstone of business practice’ – Caroline Rees
‘Sustainable solution or profitable business? Why not both?’
Investing for a sustainable future:

The panel comprised of the following participants:

Moderator:
- **María Eugenia Brizuela**, Former Minister of Foreign Affairs, El Salvador and Development Manager of A&Z Investments

Panelists:
- **Matthew Bishop**, US Business Editor & New York Bureau Chief, The Economist and Author of Philanthrocapitalism
- **Jean Pierre Sicard** - Deputy CEO of CDC Climat and Chairman of Novethic
- **Isabelle Santenac**, EY Managing Partner, European Financial Services Audit
- **Brian CK Ho**, EY Hong Kong
- **David Metcalfe**, CEO, Verdantix

Summary of remarks by participants:
- What is the role that FS plays in sustainability? What ways can business implement ESG into their everyday? (Matt Bishop)
  - FS should look into the Green Bond explosions and understand better how we can rethink products to align with social and environmental needs
  - Governments and private sector need to align to create clear and simple guidance on Fiduciary responsibility
  - Understanding how companies can create new governance structures and become a B-corporation in which they align a social mission to their business
  - Social impact Bonds – 47 of them create a financial future for public sector, charities and social enterprises to ensure that public services continue and thrive
  - Carbon bubble and Stranded Assets – What should be the value of carbon intensive companies that cannot reduce.
- There are many challenges that will face companies in terms of their assessment on how to invest (i.e. What KPIs to use? What measure or framework is applicable or understood? How does one report the ESG?)
- 300 companies are currently disclosing their green investments
- Responsible investment in China is driven by the government. Publically listed companies must release ESG information now (Brian Ho)
- When making investments we should be incorporating and applying sustainability criteria into our decisions (David Metcalf, CEO of Verdantix)
- The financial services system can make the change and accelerate change—they are at the core of it. (Isabelle Santenac)

Some quotes and tweets throughout the keynote speech and panel discussion:
- ‘We need to harness the power and impact of entrepreneurship and innovation for good’ – Marí­a Eugenia Brizuela
- ‘We need to encourage impact investment. It intentionally targets social sectors and brings a return’ – Marí­a Eugenia Brizuela
- ‘Social investing is when you have two goals, one to specifically target a social enterprise, two, to create a return’ – Matthew Bishop
- ‘We never saw more progress in gender diversity than when you had quotas. What would force directors to act differently towards sustainability? Relaxation of regulation is one way’ – Isabelle Santenac
- ‘So much of the value of companies is tied up in how people perceive a company, not actual assets’ – David Metcalfe
‘Responsible investment in China is driven by the government. It is mandatory for a publicly listed companies to release their ESG information’ - Brian Ho