



THE PRINCE OF WALES'S

CORPORATE LEADERS' GROUP ON CLIMATE CHANGE

DEVELOPED BY THE UNIVERSITY OF CAMBRIDGE PROGRAMME FOR INDUSTRY

## **The Poznań Communiqué on Climate Change**

This communiqué comes from the business leaders of over 140 global companies. It is being issued by The Prince of Wales's Corporate Leaders Group on Climate Change during The United Nations Climate Change Conference (COP 14) taking place from December 1<sup>st</sup> to 12<sup>th</sup> 2008 in Poznań, Poland and it builds on **The Bali Communiqué** which was issued by the group this time last year.

Climate change poses global social, environmental and economic risks and demands a transformational change in how we manage our global economy. We must deliver deep and rapid cuts in greenhouse gas emissions to mitigate severe climate change, and must adapt to cope with the climatic changes we are already experiencing and those we are predicted to face.

At a time when the global economic downturn may cause some to question whether now is the time to act, we believe that decisive action will stimulate global economic activity. Delaying action would increase the costs of meeting any temperature or greenhouse gas concentration goal and raises the risk of irreversible impacts as temperature thresholds are exceeded.

Climate change is too complex to address with a single approach; action will be needed at local, state, national and regional levels and by all stakeholders: governments, businesses, investors, civil society and consumers. A sufficiently ambitious, international, comprehensive and legally-binding United Nations agreement is needed as a matter of urgency to provide context for national actions and policies, to facilitate international cooperation, and to ensure the overall scale of the challenge will be met. Crucially, it would also provide business with the certainty and frameworks it needs to scale up global investment in low-carbon technologies.

Any credible comprehensive agreement must include mechanisms to reduce tropical deforestation. The continuing destruction of these ecosystems accounts for up to a fifth of annual greenhouse gas emissions. Stopping deforestation represents an immediate and cost-effective means of combating climate change.

COP 14 in Poznań represents a key point on the road from Bali to Copenhagen. Every effort must be made now to ensure that an agreement of sufficient ambition and scope can be adopted at COP 15 in Copenhagen in December 2009. We strongly urge that the basic shape of such an agreement should be as follows:

- **The agreement must establish a long-term global emissions reduction pathway**, for all greenhouse gas emissions and sources, for the period 2010 to 2050 (with interim targets). These targets will need to be guided by science to ensure global greenhouse gas concentrations are stabilised below critical thresholds. Even an immediate peaking in global emissions would require a subsequent reduction of 50-85% by 2050, according to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, and the later the peak in emissions, the greater and costlier the required reduction.
- **Developed countries need to take on immediate and deep economy-wide emission reduction commitments** which are much higher than the global average reduction target. The developed countries need to provide the example of low carbon growth and demonstrate that institutions and frameworks can provide the necessary financial and technological support to developing countries.
- **Developing countries will also need to play their part by drawing up their own emission reduction plans in line with their common but differentiated responsibilities and capabilities.** For example, rapidly emerging economies should continue to develop strong action at the sector level, building towards the adoption of appropriate and economy-wide commitments by 2020. Action at the sector level will help accelerate the large-scale deployment of clean technologies through robust funding solutions and capacity building.

Key supporting elements of the agreement would include:

- **Measures to deliver a robust global greenhouse gas (GHG) emissions market** in order to provide the most effective, efficient and equitable emission reductions. It would be comprised of a growing series of national or regional “cap-and-trade” markets linked together, in which the “caps” are brought down in line with the targets that have been adopted for emission reduction. Whilst the majority of developed country emissions cuts should take place domestically, mechanisms should also exist to enable the purchase of reduction certificates from developing countries, which would then benefit from funding and technology transfer, enabling low carbon development.
- **A revised Clean Development Mechanism (CDM)** to facilitate financial support and technology transfer to developing countries on the scale required. To do this, the CDM will need to move from a project-based mechanism (supporting ad-hoc or one-off projects) to a wholesale mechanism (supporting programmatic, sector-specific or technology based mitigation strategies at the regional or national level). This would facilitate major reductions through energy efficiency, carbon-capture and storage, the application of renewable technologies and the removal and/or destruction of GHGs in developing countries. Revision of the CDM should improve integration with national development planning, including through meeting internationally adopted sustainability criteria and contributing to technology transfer.
- **Non-price interventions** because a strong carbon price alone will not be enough to deliver the level and nature of change required across the whole economy. Other policy measures are needed to promote the rapid development, demonstration and wide deployment of low carbon technologies and also to stimulate new markets through rolling performance standards, public procurement commitments and the development of incentives.
- **A framework for developing countries**, operating at a sectoral level to accelerate the large-scale deployment of clean technologies through robust funding solutions, leading to the adoption of emission reduction commitments. Such a framework will require access to international funding (such as through various Clean Technology Funds), a link through to the international carbon market, and technology transfer and capacity building.
- **An adaptation strategy** and funding solution to assist the poorest countries which are particularly vulnerable to the effects of climate change, while being the least responsible for the problem. Adaptation funding needs to be additional, predictable, stable and adequate. It also needs to be integrated into development spending to deliver development goals in a sustainable way.
- **A mechanism to Reduce Emissions from Deforestation and Forest Degradation in Developing Countries (REDD)** which should ensure substantial, predictable, results based, and long term financial flows to developing countries that achieve measurable and verifiable reductions in emissions from deforestation and forest degradation. Mechanisms to cut emissions from deforestation must also aim to conserve biodiversity and to protect the livelihoods of the many millions of people who depend on forests.

It will also be important that the agreement includes a comprehensive global approach to emissions from international aviation and shipping.

At the Poznań meeting, we urge countries to agree on a plan of action for the final year of negotiations; reach a “shared vision” for a new international climate change regime; and renew their commitment to reach agreement on the new framework at the Copenhagen meeting in December 2009.

In return, we pledge to engage positively with governments to help develop the policies and measures that are needed internationally and nationally for the business sector to contribute effectively to the shift to a low carbon economy.

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AN INITIATIVE DEVELOPED BY:



**Signed by members of the UK and EU Corporate Leaders Group on Climate Change:**

- Joachim Faber, Member of the Board of Allianz SE/Chief Executive Officer Allianz Global Investors, Allianz SE/Allianz Global Investors
- Jonson Cox, Chief Executive Officer, Anglian Water Group
- Colin Matthews, Chief Executive Officer, BAA
- Ben Stimson, Director of Responsibility & Reputation, BSKyB
- Dr. Ignacio Campino, Representative of the Board of Management for Sustainability and Climate Change, Deutsche Telekom
- Paul Golby, Chief Executive Officer, E.ON UK plc
- Alain Grisay, Chief Executive Officer, F&C Management Limited
- Ken Dalton, Chief Executive Officer, Faber Maunsell, AECOM Europe
- Lex Kloosterman, Chief Executive Officer Asset Management & Private Banking, Fortis
- B-H. Koch, Member of the Executive Committee, Holcim Group Support
- Charlie Mayfield, Chairman, John Lewis Partnership
- Neil Carson, Chief Executive, Johnson Matthey
- Ian Cheshire, Chief Executive, Kingfisher
- Truett Tate, Head Wholesale Banking, Lloyds TSB
- Garrett Forde, Chief Executive, Philips Lighting
- Bart Becht, Chief Executive Officer, Reckitt Benckiser Group
- James Smith, Chairman, Shell UK, Shell
- Ioannis Alafouzou, Chairman & Chief Executive Officer, Skai
- Johan Karlström, President and CEO, Skanska
- Dr Tim Miller, Director, People, Property and Assurance Organisation, Standard Chartered Bank
- Crawford Beveridge, Executive Vice President and Chairman, Europe, Middle East and Africa, Sun Microsystems
- Lucy Neville-Rolfe, CMG Corporate and Legal Affairs Director, Tesco plc
- Gavin Neath, National Manager UK, SVP Global Corporate Responsibility, Unilever
- Simon Lewis, Group Corporate Affairs Director, Vodafone

**The Poznań Communiqué has also been signed by:**

- Juan Ramón Silva Ferrada, General Director Corporate Social Responsibility and Corporate Image, ACCIONA
- Frank Henke, Global Director Social & Environmental Affairs, Adidas Group
- Catherine Cameron, Director, Agulhas: Applied Knowledge
- Jan Roger Bjerkestrand, Chief Executive Officer, Aker Clean Carbon
- Dr. Andre Veneman, Corporate Director Sustainability, AkzoNobel
- Samir Brikho, Chief Executive, AMEC plc
- Terry Hill, Chairman, Arup Group Ltd
- Timothy John Hanlin, Managing Director, Australian Climate Exchange Limited
- Ann Byrne, Chief Executive Officer, Australian Council of Superannuation Investors

- Rafael T. Codoñer, Chief Executive Officer, Bancaja Habitat SL
- John Varley, Chief Executive Officer, Barclays Bank plc
- Clésio Antonio Balbo, Chief Executive Officer, Bioenergia Cogeneradora S/A
- David Rapin, Business Development Director, BlueNext
- Dr Tony Hayward, Group Chief Executive, BP plc
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- Cassandra Gardiner, Group Director CSR, Cable & Wireless Plc
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- Danielle Johnston, General Manager, Climate Positive
- Sam Gomersall, Director, CO2DeepStore Ltd
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- Paul S Walsh, Chief Executive, Diageo
- Nigel Knowles, Joint Chief Executive Officer, DLA Piper UK LLP
- Iain Miller, Chief Executive Officer, Doosan Babcock Energy Ltd
- Rufus Warner, Chief Executive Officer, Earth Capital Partners LLP
- Nigel Murphy, Director, Earth Systems Consulting Pty Ltd & Earth Systems Technologies Pty Ltd
- Nicholas J. Cox, Managing Director, Earthcare Products Ltd
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- Fiona Wain, Chief Executive Officer, Environment Business Australia
- Peter Portlock, Managing Director, Enviros Consulting
- Jon Doumbos, Chairman, EnviroTech Management Pty Limited
- Carl-Henric Svanberg, Chief Executive Officer, Ericsson
- Robin Bidwell, Group President, ERM
- James S. Turley, Chairman & Chief Executive Officer, Ernst & Young
- Richard Howard Brown, Chief Executive Officer, Eurostar Group Ltd
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- Hugo Schonbeck, Director, GPX International Ltd
- Arantza Lascurain Artetxe, Director of Consumption, Grupo Eroski
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- José M<sup>a</sup> Rábade Blanco, Director of Environment, Grupo Tragsa
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- Patricia Gail Walters, Head of Corporate Affairs, Hollard Insurance Group
- Mark McNamara, Chief Executive Officer, Hydrodec PLC
- José Luís González Besada, Communications Director, IBERDROLA
- Abdallah Nauphal, Chief Executive Officer, Insight Investment
- Michael Wilkins, Managing Director & Chief Executive Officer, Insurance Australia Group
- Daniel Hendrix, Chief Executive Officer, Interface, Inc.
- Ajit Shetty, Corporate Vice President Worldwide Operations, Johnson & Johnson
- Edward Bonham Carter, Chief Executive, Jupiter Asset Management
- Julian Baust, Chairman & Managing Director, Kodak Limited
- John Griffith-Jones, UK Chairman & Senior Partner, KPMG
- Ian McCaig, Chief Executive Officer, Lastminute.com
- Maria Atkinson, Global Head of Sustainability, Lend Lease Corporation
- Peter Fox, Executive Chairman, Linfox
- Richard Ward, Chief Executive Officer, Lloyd's of London
- Jean-Paul Agon, Chief Executive Officer, L'Oréal
- Sir Stuart Rose, Chairman, Marks and Spencer PLC
- Idefonso de Matías, Chief Executive Officer, Metro de Madrid
- Andrew Honey, Chief Executive Officer, Microgeneration Ltd
- Nicholas Collishaw, Managing Director, Mirvac
- David Labistour, Chief Executive Officer, Mountain Equipment Co-op
- John Stewart, Chief Executive Officer, National Australia Bank Limited
- Steve Holliday, Chief Executive Officer, National Grid
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- Hannah Jones, Vice President of Corporate Responsibility, Nike Inc.
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- Antonio Brufau, Chairman & Chief Executive Officer, Repsol YPF

- Teymour Abdulla Alireza, Chairman, Rezayat Group
- Shiro Kondo, President and Chief Executive Officer, Ricoh Company, Ltd.
- Charles E Blundel, Director - Public Affairs, Rolls-Royce plc
- Yingzhuo (Charlie) Du, Director, Ryle Technology Ltd
- Justin King, Chief Executive Officer, J Sainsbury's plc
- Alan Brown, Chief Investment Officer, Schroders
- Rupert Steele, Director of Regulation, ScottishPower
- Fanxiaohong, General Manager, Sewind Co. Ltd (Shanghai Electric Wind Turbine Corporation)
- Chris Kirk, Chief Executive Officer, SGS SA
- Paul Douglas, Chief Executive Officer & Managing Director, Sinclair Knight Merz Pty Limited
- Jeremy Leggett, Executive Chairman, Solarcentury
- Hideki 'Dick' Komiyama, President, Sony Ericsson Mobile Communications
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- Andy Middleton, Founder Director, The TYF Group
- Simon Fineman, Chief Executive Officer, Timbmet
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- Christopher Cole, Chief Executive Officer, WSP Group Plc
- Jerry Yang, Chief Executive Officer, Yahoo!