

**Sectoral Approaches “Proof of Concept” Study
Final Conference
Session III**

The Role of Business

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Based on:

- 1. The role of Industry in Sectoral Approaches, by Noriko Fujiwara (May 2010)***
- 2. Getting Started Now: Capacity Building for the Data System Foundations of Sectoral Approaches (April 2010) by Fujiwara, Egenhofer and Georgiev***
- 3. Global sectoral Industry Approaches to address Climate Change: The Way Forward by Egenhofer and Fujiwara (2008)***

Industry is crucial to solve climate change

- 1. R&D – mainly private**
- 2. Deployment of existing technologies (investment)**
- 3. Carbon markets (MRV, CDM, SCM, Sectoral Trading, NAMAs, REDD+, ...)**
- 4. Industrial best-practice**
- 5. Monitoring, Reporting and Verification**

Industry can engage in different SA models

Sector-wide transnational, bottom-up country commitments, top-down sectoral crediting to create incentives

Specific roles

- 1. Collecting information and data on a sector (sector boundaries, performance indicators, best practice)**
 - 2. Sharing and diffusion of best-practice**
 - 3. Engaging governments and large installations in emerging economies (capacity building plus ...)**
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- 4. Joint government-industry learning**
 - 5. Industry co-operation on breakthrough technologies**
 - 6. Flexible mechanisms**

First Conclusion

Sectoral approaches provide practical/pragmatic space (role) for industry in international climate change negotiations

→ *Institutional settings to be decided*

What does industry really want ?

- 1. Accelerate speed and depth of reduction (by sector-specific measures including R&D, e.g. CSI, IAI, World Steel ...)**
- 2. Engage emerging economies**

- 3. Address/moderate competitiveness concerns**

Industry needs to come clear on its motivation

References

- 1. *The role of Industry in Sectoral Approaches*, by Noriko Fujiwara (May 2010)**
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