

COP24 negotiations - Need for implementation guidelines ensuring effectiveness and fairness -

1. The Paris Agreement and the COP21 decisions set out an overall institutional framework, and now **it is implementation guidelines that are needed** to bring the Agreement to the implementation stage.
2. COP24 to be held in December 2018 aims at agreeing on the implementation guidelines, but negotiations are still only halfway towards agreement. **Deep-rooted differences in opinion exist between developed and developing countries.**
3. From the perspective of equal footing in the international business environment, maximum efforts are needed so that **the Paris Agreement will become a framework ensuring effectiveness and fairness.**

Key issues

**Transparency framework
(Article 13 of the Paris Agreement)**

- Article 13 provides for the establishment of a framework for reporting and review as the “transparency framework”.
- In order to compare the degree of effort by each country, transparency regarding “mitigation” and “support” as prescribed by the Agreement should be enhanced.
- In principle, reporting rules should be common to all countries. There are differences in opinion as to what extent exceptions are granted to developing countries taking into account Parties’ “different capacities”.



To secure a level playing field (fair competitive conditions), **rules prepared for developed countries should be commonly applied to emerging countries with sufficient capacities.**

**Finance
(Article 9 of the Paris Agreement)**

- Article 9 not only stipulates financial contributions by developed countries but also encourages other countries to contribute on a voluntary basis.
- Some developing countries are requesting that a review process applied to “finance” should be equivalent to that applied to “mitigation” to secure sufficient financial contributions from developed countries. There are differences in opinion with developed countries.



Rules should be worked out by which each country will make fair contributions according to its capacities.

Attention on non-state actors – For improved international presence –

1. Recently **increasing attention is being paid to actions by non-state actors** for global warming countermeasures. During COP, their side events and other activities are highlighted, demonstrating their growing complementary role to national actions.
2. As the Japanese business community, actions to **raise Japan's international presence** are important through dissemination at side events during COP24 and other activities, as well as PR to convey Japan's strengths and international contributions on global warming countermeasures. Under public-private partnership, efforts will be made to gain an understanding of contribution to avoided emissions through the global value chain.

Future actions on global warming countermeasures by the Japanese business community (Recommendations attached)

Steady promotion of Keidanren's Commitment to a Low Carbon Society

- By steadily promoting the PDCA cycle, including revising targets of participating industries, Keidanren will contribute to achieve Japan's mid-term target (26% reduction by fiscal 2030 compared to 2013), and to global warming countermeasures.

Promotion of actions to contribute to reductions through the global value chain (GVC)

- Actions will be promoted on "contributing to avoided emissions through the global value chain" as effective approach to deal with global warming countermeasures.
- In order to extend this approach globally, Keidanren has recently compiled a concept book. Future efforts will be made to gain an understanding in and outside Japan.

PR for formulation of long-term visions for 2050 of companies and organizations

- Keeping in mind SDGs and expansion of ESG investment, Keidanren will encourage companies and organizations to formulate "visions for goals and major directions" for 2050, engaging in public relations activities both in Japan and overseas on long-term actions.

Promotion of collaboration with overseas economic organizations and companies

- Keidanren will use the occasion of B20 to be held in Tokyo in March 2019 to further strengthen collaboration with economic organizations of major countries and thereby promote global actions to realize global warming countermeasures.