

Unlocking Investment, Innovation and Clean Energy Deployment in Paris

Introduction

The coalition of clean energy industries represented by the Business Council for Sustainable Energy (BCSE) calls for governments to deliver a clear, concise and durable climate change agreement at the 21st Conference of the Parties (COP 21) of the United Nations Framework Convention on Climate Change (UNFCCC) in Paris, France in December 2015.

With over 91% of global emissions and 90% of the global population covered by the intended nationally-determined contributions (INDCs)¹ of 161 countries, nations are showing a collective commitment to spur investment, innovation and deployment of clean energy technologies in countries around the world. While the unconditional INDCs are estimated to deliver only 42% of the emissions reductions needed to reach the 2°C pathway,² the Council believes that a well-structured Paris agreement can facilitate higher levels of ambition over time.

Of note, in 2014, global investment in clean energy topped \$310 billion, proving that the low-carbon

transformation of the energy sector is underway. This transformation is driven by falling technology costs, business innovations and key policy frameworks. But as we look toward the next several decades, even higher levels of investment will be needed. The International Energy Agency estimates that \$500 billion annually by 2020 and \$1 trillion annually by 2030 will need to be invested in low-carbon energy in order to keep global warming below 2°C and avoid the worst effects of climate change.³

To learn more about the BCSE at COP 21, visit
www.bcse.org/COP21



The Council and its members participate at the annual COP to demonstrate how a diverse and clean portfolio of energy solutions – including demand-side and supply-side energy efficiency, natural gas, carbon capture utilization and storage, and renewable energy resources (biomass, biogas, geothermal, hydropower, solar, waste to energy and wind) – is a necessary element of any country strategy to reduce emissions and promote low-carbon, sustainable economic growth.

The key elements of a Paris agreement and supporting decisions include:

- » Participation by all countries to address climate change.
- » A clear and durable structure that provides transparent and predictable schedules for the monitoring, review and evaluation of emissions mitigation targets and timetables, with a built-in mechanism to adjust country goals and actions as needed over a longer time horizon.
- » Continued international climate finance support by donor countries, both to meet existing commitments and to expand public-private finance mechanisms in a post-2020 environment.
- » Protection of innovation systems that enable the deployment of existing clean energy solutions and creation of next generation low-carbon technology

solutions. When the private sector makes investment decisions in a country, it assesses a potential market based on the existence of stable policies, sound infrastructure, and effective legal frameworks that encourage competition and innovation and that protect intellectual property rights (IPRs).

- » Recognition of the role of market-based mechanisms as cost-effective cooperative tools for countries to meet mitigation and development objectives, accompanied by an accounting system to protect environmental integrity and to avoid double-counting of emissions reductions.
- » Recognition of the role of the private sector and the need for public-private partnerships to deliver the technology solutions and investment capital needed to transform the energy sector and help close the ambition gap between national targets and a 2°C pathway. The preparations for COP 21 in Paris have made new inroads toward recognizing the necessity and importance of the contributions of the private sector, cities, states and other non-state actors in addressing climate change. These actors and their contributions should be recognized in the new global framework that governs climate action into the future.

For more information on the Council, please visit: www.bcse.org and download the *Sustainable Energy in America Factbook*, 2015 edition.

ENDNOTES

1 Climate Action Tracker, climateactiontracker.org/indcs.html. November 12, 2015.

2 Climate Advisors, "Climate Diplomacy After Paris: Opportunities for US Leadership," November 2015.

3 International Energy Agency, Energy Technology Perspectives 2012: How to Secure a Clean Energy Future (Paris: 2012).

ABOUT THE BCSE

The Business Council for Sustainable Energy (BCSE) is a broad coalition of clean energy business sectors, including renewable energy, supply-side and demand-side energy efficiency, and natural gas and electric utilities in North America. The BCSE is an advocate for policies that increase the use of commercially-available clean energy technologies and drive investment into a low-carbon, diversified energy portfolio. The BCSE has represented the views of clean energy industries in the United Nations Framework Convention on Climate Change (UNFCCC) since 1992. For more information, please visit <http://www.bcse.org> to download the *Sustainable Energy in America Factbook* for the latest market data, and follow on Twitter: @BCSECleanEnergy.