

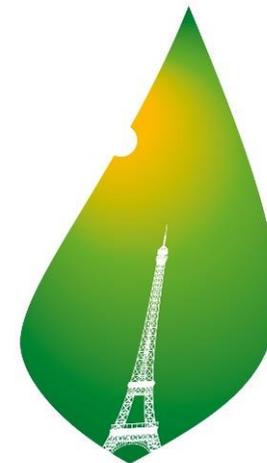
Discussion on Paris Climate Agreement

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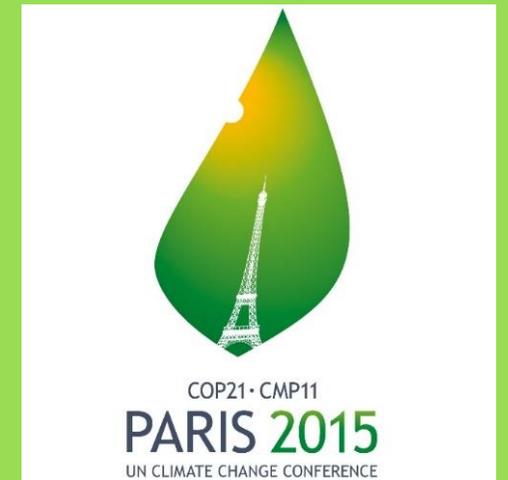
NESTE



COP21 • CMP11
PARIS 2015
UN CLIMATE CHANGE CONFERENCE

Paris Agreement 2015

1. Highlights from the Agreement
2. EU's ambitious targets
3. Conclusions



Highlights 1: Pathway to 2020

Adoption of the Paris Agreement:

- I. Adoption
- II. Intended nationally determined Contributions
- III. Decision to give Effect to the Agreement
- IV. Enhanced action prior to 2020
- V. Non-party stakeholders
- VI. Administrative and Budgetary Matters

- ❖ An elegant way to nail down immediate actions, expectations and necessary measures to prepare for 2020
- ❖ Strong focus on reporting, transparency, technology transformation and building up financing mechanisms
- ❖ Maintaining country level targets 'as is'. No top down targets
- ❖ UN Monitoring of progress

Highlights 2: Key Decisions

- Holding the increase in the global average temperature to **well below 2°C** and pursue efforts to limit the temperature increase to 1,5°C
- Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low green house gas emissions development **in a manner that does not threaten food production**
- **Making finance flows consistent** with pathway towards low greenhouse gas emissions and climate resilient development

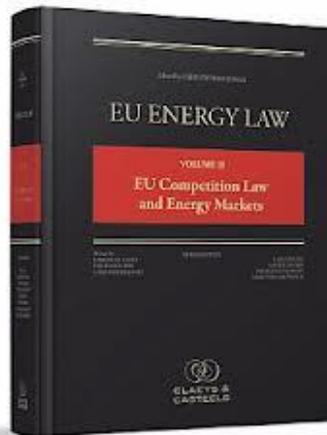
Highlights 3: It is not only about Carbon Emissions

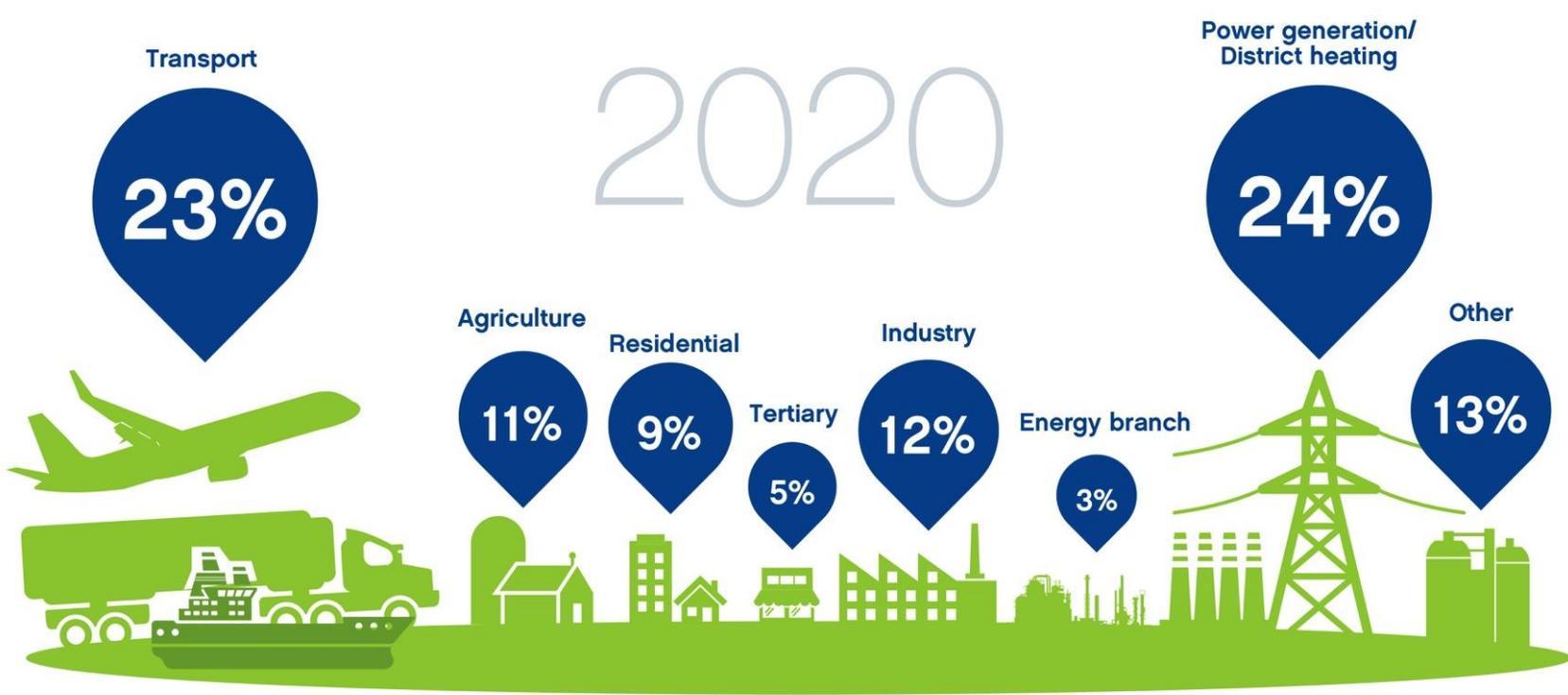
The parties..

- **Recognize** the fundamental priority of safeguarding food security and end hunger
- **Acknowledge** that climate change is a common concern of human kind. Parties should respect, promote and consider their respective obligations on human rights
- **Recognize** the importance of the conservation and enhancement, as appropriate, of sinks and reservoirs of the greenhouse gases

Implementation is a Game of Three

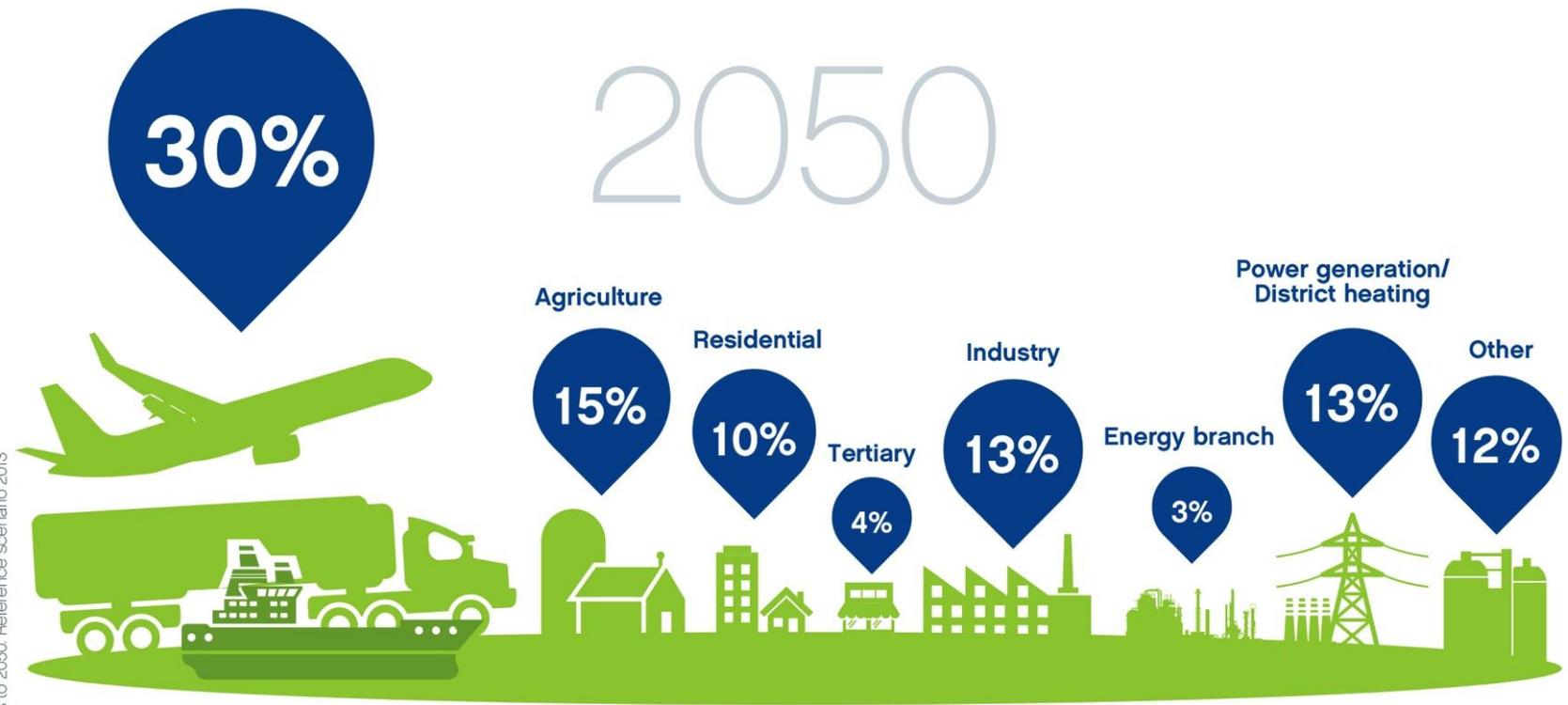
- Scientists
- Policy makers
- Companies





EU-28
Shares of total
GHG emissions
2020-2050

GHG
reduction:
**Transport
is KEY**



Source: EC 2013 Trends to 2050 Reference scenario

3: Trends to 2050. Reference scenario 2013

EU Climate and Energy policy 2030

Current target to 2020	EU 2030 targets
GHG reduction (from 1990 level) -20%	GHG reduction – 40% <ul style="list-style-type: none">• Shared to Emission Trading Scheme (ETS) and non-ETS sectors• No specific targets for transport
Renewable energy 20%	Renewable energy target 27 % <ul style="list-style-type: none">• EU level• Not binding for Member States• No specific targets for transport
Renewable energy in transport 10%	
Energy efficiency +20%	Energy efficiency – 30%

Conclusions

1. **Paris Agreement is a strong signal** and important step forward towards low carbon economy
2. **Predictable and stable regulatory environment** is important for companies
3. **Carbon should have a global price** – this may still take some time and therefore there is a risk for carbon leakage in energy intensive industries that are exposed to international competition
4. **EU is in the forefront with climate policies** – this can be positive for of EU companies, but in the same time creates a risk for EU companies through higher costs
5. **Low carbon solutions will have global and growing market** – companies should have a truly global approach
6. **New competencies and capabilities will be needed**
- e.g. in the areas of carbon assessments, reporting, supply chain management, and sustainability related matters



Thank you.

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