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## **PRESS RELEASE**

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### **150 GLOBAL BUSINESS LEADERS CALL FOR LEGALLY BINDING UN FRAMEWORK TO TACKLE CLIMATE CHANGE**

The business leaders of 150 global companies have today published a communiqué to world leaders calling for a comprehensive, legally binding United Nations framework to tackle climate change. The initiative represents an unprecedented coming together of the international business community and includes some of the biggest companies and brands from around the world, including the United States, Europe, Australia and China. The initiative, which has been led by The Prince of Wales's UK and EU Corporate Leaders Groups on Climate Change [1], is likely to have a significant impact on the UN climate negotiations starting next week in Bali, Indonesia [2].

In an article published in today's (Friday's) Financial Times, The Prince of Wales congratulates the companies for showing "remarkable leadership" and expresses his "fervent hope" that the communiqué "will strengthen the resolve of those gathered in Bali to make the tough decisions the world so urgently needs". The communiqué also appears in full in a double-page advert in today's global edition of the Financial Times [3].

The communiqué notes that "The scientific evidence is now overwhelming" and that "climate change presents very serious global social, environmental and economic risks and it demands an urgent global response".

It presents a strong business case for action by stating that "As business leaders, it is our belief that the benefits of strong, early action on climate change outweigh the costs of not acting". It notes that the costs of action are "manageable" but that each year of delay will result in greater disruption. The leaders also state that "The shift to a low-carbon economy will create significant business opportunities".

The 150 global companies go on to argue that a "sufficiently ambitious, international and comprehensive legally-binding United Nations agreement to reduce greenhouse gas emissions will provide business with the certainty it needs to scale up global investment in low-carbon technologies". This is significant because there is still a debate in the international community as to whether a mandatory or voluntary approach is most appropriate.

But most significantly, the business leaders argue that “the overall targets for emissions reduction must be guided primarily by science”. This is in contrast to the argument that has previously been made by some parts of the business community that it is concerns over competitiveness and cost that should set the limit of emission cuts. The leaders note that evidence from the Intergovernmental Panel on Climate Change (IPCC) already points to a reduction being required of “at least 50% by 2050” and comment that the “greatest effort” will need to be made by those countries that have already industrialised.

In reference to the Bali meeting, the companies urge world leaders to “seize this window of opportunity” and agree a “work-plan of comprehensive negotiations” to ensure an agreement can come into force post 2012 (when the existing Kyoto Protocol expires).

US based companies in support of the communiqué include Coca-Cola, Dupont, Gap, GE, Johnson and Johnson, Nike, Pacific Gas and Electric, Sun Microsystems and United Technologies. European based companies include Anglo-American, British Airways, F&C Asset Management, Ferrovial, Nestle, Nokia, Shell, Tesco, Virgin and Volkswagen while Australian based companies include Insurance Australia Group, Macquarie, National Australia Bank, News Corporation and Westpac.

Significantly, the communiqué has also been signed by a number of Chinese companies including Shanghai Electric, Zhufeng Technology and Suntech.

James Smith, the Chair of Shell UK said:

"The message from the international business community couldn't be clearer. A comprehensive, legally-binding United Nations agreement to tackle climate change will provide business with the certainty it needs to scale up global investment in low carbon technologies. The cost of inaction far out weighs the cost of taking action now. It is crucial that, at the Bali conference, countries agree a work plan of comprehensive negotiations to ensure a robust policy framework is in place, to guide us forward over the coming decades."

Alain Grisay, CEO of F&C Asset Management said:

“Business and investors can only play their part in tackling climate change if governments take decisive action to make this possible. This problem will not get solved through market forces alone in the time that we have left to act, because climate change presents a textbook example of market failure. This means that voluntary targets won't do: business needs a level playing field in order to take on the financial risks that adequate action on climate change requires”.

Tony Juniper, Executive Director of Friends of the Earth, welcomed the initiative:

“The shift to a low carbon economy is not only an environmental imperative but also an unprecedented economic and social opportunity. Scaling up clean energy systems and using energy more efficiently could not only slash emissions, but help to improve the quality of life for billions of people and create millions of jobs. Time is now short, however, and if we are to have a good chance of cutting emissions by a sufficient amount we need to act right away, and that is why we need a strong outcome from the Bali talks, and that is why it is so important that so many companies have signalled their support for governments to negotiate a deal that is up to the task at hand”.

The Bali Communiqué has today been sent direct to the 130 Environment Ministers that will be attending the Bali conference. It has also been hand delivered to the UN Secretary General Ban Ki-Moon who will be attending the conference in its second week.

## **Editor's Notes**

[1] The Prince of Wales's UK and EU Corporate Leaders Groups have been developed by The University of Cambridge Programme for Industry.

Members of the groups include: ABN AMRO, AIG, Allianz SE, Anglian Water Group, AXA Insurance, BAA, BskyB, Centrica, Deutsche Telekom AG, Enel SpA, E.On, F&C Asset Management, John Lewis Partnership, Johnson Matthey, Kingfisher, Lloyds TSB, Philips Lighting, Reckitt Benckiser, Schneider Electric, Shell, Skanska AB, Standard Chartered Bank, StatoilHydro, Sun Microsystems, Tesco, Unilever, Vodafone.

More information on the groups is available at: [www.cpi.cam.ac.uk/bep/clgcc](http://www.cpi.cam.ac.uk/bep/clgcc)

[2] The United Nations Climate Change Conference 2007 in Bali will start on Monday, 3 December and close on Friday, 14 December 2007. The Conference will be presided over by Indonesian Environment Minister Rachmat Witoelar, with support from the UN's Climate Change Secretariat (UNFCCC), headed by Executive Secretary Yvo de Boer. The first week will involve negotiations among the Parties at the level of high-ranking government officials on a wide range of issues. On Wednesday, 12 December, the high-level segment will start with addresses by the UN Secretary-General and the President of Indonesia. It is expected to be attended by 130 Environment Ministers. More information is available at: <http://unfccc.int/>

[3] The Bali Communiqué and a full list of signatories is available at: [www.balicomunique.com](http://www.balicomunique.com)