

We Must Be Bold on Climate: The Paris Agreement Is Signed | Blog | BSR

The Paris Climate Conference last December was a true turning point for the world, producing the first global climate agreement that requires universal action by all countries, rich and poor, to reduce greenhouse-gas emissions and to build climate resilience. The Paris Agreement sets ambitious goals to reach net zero emissions in the second half of this century and to guide global finance toward low-emission and climate-resilient investments. Ninety-six percent of countries, collectively representing nearly 99 percent of global emissions, are now implementing national climate plans^[1] under the agreement. These plans will be updated every five years to bring us ever closer to net zero emissions.

Paris was also a turning point for business. The achievement of the Paris Agreement was made possible by unprecedented business leadership, both in supporting a strong outcome and in making a broad and deep array of commitments that encourage the construction of a thriving, clean economy. In the lead-up to Paris, businesses with a total market capitalization of US\$7 trillion joined the American Business Act on Climate Pledge^[2], undergirding efforts by the United States to secure an ambitious deal. On a global scale, the organizations in the We Mean Business coalition^[3], of which BSR is a proud founding partner, are working with companies with US\$8 trillion in revenue and investors with nearly US\$21 trillion in assets under management. These companies and investors have made more than 900 commitments to ambitious climate action. And immediately after the Paris Agreement was sealed, thousands of businesses, cities, and organizations—including BSR—signed the Paris Pledge for Action^[4] to do our own part to hold warming well below 2°C.

Today, representatives of at least 160 countries will come together to sign the Paris Agreement^[5] in New York, the first day on which it will be open for signature. This monumental show of support demonstrates the united resolve of governments to tackle climate change. The United States and China—the two largest emitters—have announced that they will take the domestic steps necessary^[6] to formally join the agreement as early as possible this year.

The Paris Agreement signing ceremony is not merely a symbolic moment to celebrate our collective achievement—it is a moment for businesses to reflect on the opportunities and risks Paris presents to them, and to renew their commitment to climate action. By doing so, we move from policy ambition to climate action, from government intent to implementation, from a Paris moment to a business movement.

BSR knows that implementing the Paris Agreement and building a thriving, clean economy will happen only through continued commitment, innovation, and collaboration. If we translate the promise of the Paris Agreement into the building blocks of climate action, what businesses need to do is clear:

- Understand the opportunities and risks provided by regulations flowing from the Paris Agreement.
- Identify climate risks and develop plans to mitigate them.
- Establish an internal carbon price to guide investment decisions.
- Set an internal climate policy aligned with the Paris Agreement goals of keeping warming well below 2°C, reaching net zero emissions in the long term, and building climate resilience.
- Set science-based climate targets backed by strategies to implement them successfully.

Climate action means different things to different industries—from the procurement of renewable energy for data centers, to reducing upstream methane leakage in natural gas production, to energy-efficient industrial production, to incorporating climate-change risks into investment strategies, to reducing food waste and creating climate-resilient crops. All of these strategies and actions will be necessary to build the low-carbon, climate-resilient economy that the Paris Agreement envisages.

Paris established a powerful vision of the path to low-carbon prosperity. Now it is up to us to turn that powerful vision into reality. Today is a day to celebrate, and to recommit ourselves to action.

Referencias

- ^{1.} ^implementing national climate plans (cait.wri.org)
 - ^{2.} ^American Business Act on Climate Pledge (www.whitehouse.gov)
 - ^{3.} ^We Mean Business coalition (www.wemeanbusinesscoalition.org)
 - ^{4.} ^Paris Pledge for Action (www.parispledgeforaction.org)
 - ^{5.} ^representatives of at least 160 countries will come together to sign the Paris Agreement (www.un.org)
 - ^{6.} ^announced that they will take the domestic steps necessary (www.whitehouse.gov)
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