

EARTH DAY: LOOKING AHEAD TO COP26

AS THE WORLD MARKS EARTH DAY, WE EXPLAIN WHAT'S AT STAKE FOR BUSINESS AND GOVERNMENT
AT THE UPCOMING CLIMATE CONFERENCE

In just over six months, Boris Johnson is due to welcome global leaders and businesses to Glasgow for the most significant geopolitical event to take place on British soil in many years – and the most important climate milestone since the Paris Agreement was signed in 2015 – the 2021 UN Climate Change Conference (COP26). Whether the summit, hosted in partnership with Italy, can go ahead as currently planned is the subject of intense speculation. But whenever, or in whatever form, it takes place, COP26 will shape the direction of climate policy for at least the next decade. Businesses must not fail to engage with this opportunity.

Today – Earth Day – US President Joe Biden has announced that the US will aim to reduce carbon emissions by between 50-52% by 2030, based on 2005 levels. On Tuesday, the UK adopted the most ambitious emissions reduction target in the world – a 78% cut by 2035. Policymakers are moving faster than ever, and businesses need to move with them, or risk falling behind. In this note, we explain why COP26 is so important; discuss why a successful conference is critical to the UK Government's credibility, both at home and overseas; and set out how businesses can make sure they are part of the conversation as we head towards the crucial summit.

A HUGE TEST OF THE GOVERNMENT'S GREEN CREDENTIALS...

Ever since the UK was announced as the host of COP26 back in 2019, occupants of No 10 have been desperate to show off the UK's green credentials. Theresa May used her final weeks in office to commit the UK to reaching Net Zero by 2050, and Boris Johnson has announced a plethora of climate initiatives.

Judging whether the UK performs well as hosts will largely depend on how much world leaders are motivated to adopt stronger climate targets – so leading by example through a strong domestic agenda is critical. While opponents question how serious the UK government is about UK climate change, one positive factor is that the environment is central to a number of core parts of No 10's agenda, such as levelling up, economic recovery and tech. Linking the environment to overarching political priorities gives announcements credibility and a semblance of structure – rather than the piecemeal approach to climate change seen previously.

The UK has set some of the most serious Paris Agreement targets. In November, the Prime Minister published a 10-point plan for a "green industrial revolution" – which included support for offshore wind, clean hydrogen, carbon capture and storage and zero-carbon transport. At last month's Budget a new infrastructure bank – to invest mainly in green projects – was announced, alongside a new green savings scheme. In recent months the Government has published an Industrial Decarbonisation Strategy and a transition plan for the North Sea oil and gas sector.

It's not been plain sailing, however. The Government has drawn criticism for offering new licences for oil and gas exploration, cutting electric vehicle incentives and slashing international aid – seen as key in supporting the developing world in reaching climate targets.

Boris Johnson insists climate action cannot become another coronavirus victim. His Government is upping its game on how it treats the climate threat domestically. Whether the UK has the clout to influence others to do the same will be the big test in the months ahead.

...AND OF BRITAIN'S CLOUT ON THE INTERNATIONAL STAGE

As speculation mounts over whether COP26 will go ahead in November, one thing driving forward the UK Government's desire to hold the event in person will be the opportunity to demonstrate Britain's standing on the world stage. For the Government, the context is as much post-Brexit as it is post-Covid; the UK needs to show that, having left the EU, it can carve out a global leadership role in climate and environmental research, development and innovation.

Boris Johnson's premiership to date has been dominated by the COVID-19 pandemic, resulting in far fewer opportunities to publicly demonstrate his international diplomacy priorities as travel between countries has been heavily restricted. The approaching G7 summit will be one such opportunity, but involves only a handful of countries; COP26 is of a different magnitude.

Just this week, the Prime Minister's planned trip to India has been cancelled due to the worsening coronavirus situation in the country. COP can provide an opportunity for Johnson to position himself as an international statesman, and a world leader on the hottest policy issue of the day.

In particular, the Prime Minister will be hoping the event will lead to significant new commitments from around the world on tackling climate change. President Biden's pledge today to reduce carbon emissions has laid the groundwork for this progress in November and will put pressure on other nations to sign up to similarly ambitious targets. The UK already views itself a global leader in this field, committed to a target of Net Zero by 2050 with plans to go further than any other country in slashing carbon emissions compared to 1990 levels.

The Government has made much of its climate pledges, but draws criticism for being strong on rhetoric but weak on concrete action. The Prime Minister will be hoping to put those doubts to bed at the gathering in November, and to succeed in being the country and the leader that brokered a significant leap forward in the global fight to tackle climate change.

WILL IT GO AHEAD AS PLANNED?

The question on everyone's minds is – will the conference be postponed again? Although the UK Government maintains it does not intend to postpone, it has been firm in its commitment to holding the conference in person rather than shifting to a virtual or hybrid format. Environment Secretary George Eustice has said he believes the conference would be much more effective if delegates are able to attend physically.

A host of influencers have called for a postponement in recent weeks, including climate activist Greta Thunberg. Full participation from those nations without wide access to Covid vaccinations is essential, while COP's open nature, with significant participation from civil society, is seen as vital for the credibility of the process. Others point to the importance of in-person bilateral meetings that can often be the difference between success and failure of the wider conference. Those voices calling for a part-virtual event (such as the UK's Green Party) stressing the urgency of the climate crisis, appear increasingly outnumbered, with the US reportedly growing ever more sceptical. It is worth watching President Biden's Leaders Summit on Climate this week to take the temperature of other nations on the prospect of postponement.

Any postponement would have to be agreed by the United Nations, UK and Scottish Governments, the latter being responsible for keeping delegates safe under public health rules.

Should it go ahead physically, the conference area will be split into two zones: the blue zone which is UN sovereign territory, accessible only to Ministers and accredited officials and home to the international negotiations themselves as well as each nation's pavilion for showcasing action on climate change; and the green zone which is open to the public as well as officials, and serves as a platform for civil society, business and academia to showcase what they are doing to tackle climate change.

KEY STAKEHOLDERS FOR BUSINESS



RT HON ALOK SHARMA MP
COP26 President

Sharma took on the role in February of this year, stepping down as Business Secretary to focus on COP26 full time. As President, his role is to shape the agenda for the summit and to drum up international support for serious action on climate change. He will also chair the Climate Action Implementation Cabinet Committee, co-ordinating Government action towards Net Zero.



NIGEL TOPPING
COP26 High Level Champion

Previously CEO of the We Mean Business coalition, he assumed the role of High Level Champion, which he holds for two years, in January 2020. He is responsible for driving action from businesses, investors, organisations, cities, and regions on climate change, and has launched the Race to Zero campaign to rally support from businesses and other stakeholders.



MATT TOOMBS
Director of Partnerships and Engagement, COP26 Unit

Previously Director of Student Finance, he and his team sit within the Cabinet Office's COP26 Unit and oversee the delivery of the five COP26 campaigns, driving action across key sectors of the economy. This includes engagement with business, civil society, young people, investors, cities and regions in preparation for the event.



MARK CARNEY
Prime Minister's Finance Adviser for COP26

The former Governor of the Bank of England is now leading on building a sustainable financial system to support the transition to a Net Zero economy. He combines his efforts to help mobilise ambitious action on climate change across the financial system with his role as UN Special Envoy for Climate Action and Finance.



PETER HILL
Chief Executive Officer, COP26 Unit

Hill has experience in international summits, having previously led on preparations for the G7 and G20, and was also Principal Private Secretary to Prime Minister Theresa May from 2017-19. He now leads the Cabinet Office's COP26 Unit, with responsibility for managing conference policy, international negotiations, campaigns, and the event itself.

OPPORTUNITIES FOR BUSINESS

COP26 is an opportunity for businesses to showcase their environmental credentials and communicate the steps they are taking to help tackle climate change. We know the UK Government is eager to showcase businesses and organisations which have set ambitious Net Zero commitments by 2050 or earlier. The UNFCCC's Race to Zero Campaign, led by its High Level Climate Action Champion Nigel Topping, is an absolute priority and a new standard based on scientific boundaries rather than positive words – the Government is strongly encouraging businesses to sign up.

Lots of companies have come forward with Net Zero targets, but it is important to put action at the heart of these commitments. This means setting out credible short term action plans to achieve targets, including Science Based targets. For example, there is an expectation in Government for big firms to show how they can support the hundreds of smaller businesses in their supply chains to work towards a zero carbon future. At COP26 itself, there will be events, creative installations, and exhibition space within the UK Government-managed area, although the extremely competitive Expression of Interest process for organisations and businesses has closed and the organisers plan to advise on the outcome in May.

Nonetheless, there are still a variety of options for engagement. For example, businesses could explore partnerships with customers, supply chains and NGOs to make events or campaigns more impactful and boost credibility. Businesses should also consider whether they can use their physical footprint in or around Glasgow for visits or events ahead of the conference. They should tap into wider external announcements or milestones and clearly show why a visit or event would be beneficial for the UK Government, demonstrating a collaborative approach as partners in the global fight against climate change.

THE ROAD TO COP26

- 22-23 APR LEADERS SUMMIT ON CLIMATE:** President Biden hosts a virtual meeting of 40 world leaders to galvanise efforts to tackle the climate crisis
- 31 MAY-17 JUN PRELIMINARY COP26 TALKS:** Three weeks of informal climate talks will take place online, although no official decisions can be taken in relation to COP26
- 11-13 JUN G7 AND B7:** A key milestone in the build-up to COP, the UK will welcome political leaders and businesses from G7 countries in Cornwall to discuss shared global issues
- 21 JUN COMMONWEALTH HEADS OF GOVERNMENT MEETING:** The biennial event in Kigali, Rwanda, will address how Commonwealth nations can work together to combat the threat of climate change
- 30 SEP-2 OCT PRE-COP:** The final official meeting ahead of COP26 will be held in Milan and is due to be attended by 35-40 countries who will exchange views on the forthcoming negotiations
- 15-17 OCT GLOBAL INVESTMENT SUMMIT:** This UK-hosted event will attempt to attract foreign investment in the country's green industries ahead of COP26
- 30-31 OCT G20 AND B20:** A transition towards renewable energies and a green recovery, with a focus on modern, "smart" cities, is among the main priorities promoted by the Italian Presidency. The event will "pave the way" towards COP26

ADVOCACY AND PUBLIC AFFAIRS

ABOUT EDELMAN

Edelman is the world's largest public relations agency, independently owned, with more than 5,000 employees and 67 wholly-owned offices. Edelman in London is an integrated communications agency with over 500 consultants, delivering programmes for FTSE 100 companies and Global Fortune 500 companies, including the top 3 of Management Today's Most Admired companies and 5 of the top 20 Business Superbrands. Edelman was recently named PRWeek UK's Agency of the Decade.

We create specialist teams for our clients which integrate people with extensive experience from politics, corporate communications and the City. This allows us to provide you with a robust, integrated point of view on the challenges and opportunities, develop new ideas and have the experts you need to handle communications around any situation. This way of working has allowed us to maintain client relationships that span decades. We will be an extension of your team, helping deliver concrete results at the pace you need.

ADVOCACY AND PUBLIC AFFAIRS

Edelman's UK advocacy and public affairs team are recruited from a range of backgrounds including parliamentary aides from across the political spectrum and people with deep NGO, business and political party expertise. We offer the highest quality of strategic counsel, intelligence led monitoring and reliable day-to-day logistical support. Drawing on Edelman's unparalleled understanding of how to drive trust, our advocacy and public affairs team uses its campaigning experience, policy insight and network to help clients inform public policy debates and achieve better outcomes.

ANALYSIS FROM



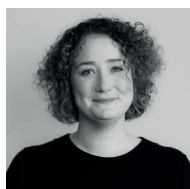
Luciana Berger
Managing Director,
Advocacy and
Public Affairs
Former MP and Shadow
Cabinet Minister



Ross Reid
Associate Director
Former Number 10
Special Adviser



Ailsa Nicol
Associate Director



Emily Richards
Account Director
Former Head of Briefings
for the Labour Party



Abigail Smith
Account Director



Elliot Langley
Senior Account Manager



William Riley-Smith
Senior Account Executive

CONTACT

Luciana Berger
luciana.berger@edelman.com