

TIC Council Annual Summit 2023



How to reach net zero in an uncertain world:

will the EU's ambitious policy
framework speed up decarbonization
across the globe?

Introduction

On Thursday, 25 May 2023, TIC Council held its annual summit in Brussels. This year’s edition focused on the chief societal challenge that the world faces, namely the race to decarbonize the global economy and limit global warming to 1.5-2 degrees above pre-industrial levels, per the 2015 Paris Agreement.

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		Anuj Saush, ESG Center Leader for Europe, The Conference Board	
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'UNLESS WE ACT NOW, THE UN'S AGENDA 2030 WILL BE A SYMBOL FOR A WORLD THAT MIGHT HAVE BEEN'

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Introductory remarks by Elisabeth Türk, Director of Cooperation, UNECE

"If we follow current national actions and international targets, we will fall a long way short of our goal to limit global warming to a maximum of 2 degrees above pre-industrial levels."



Ms Türk spoke out on the importance of multilateral cooperation in reaching the net-zero goals for the global economy. The EU is a front-runner in developing the regulatory frameworks that move the region towards the world's SDGs. But the work cannot be limited to the government sector. The private sector and consumers must also play their part in moving the needle towards a more sustainable future. The TIC sector has a vital role to play in this, by establishing trust in the private sector's environmental claims and ensuring there is substance behind these.

UNECE is developing a sustainability pledge with a network of more than 200 experts. This aims to provide companies with a concrete framework to meet their sustainability obligations. Ms Türk pointed to the role that the TIC industry can play in verifying and monitoring the implementation of this framework.



Presentation by Ray Hammond, Futurologist

"In an era when multilateralism will be key to solve a global crisis, globalization lies in tatters, as nationalism comes to the fore."



Six trends will shape our future:

- **Population growth** is rising faster than predicted by experts, and which is likely to increase competition for vital resources including food and water.
- **Climate change** will place greater pressure on our ability to produce food, while extreme weather events will result in a significant displacement of populations.
- **Renewable energy** has dropped significantly in price. Wind and solar are becoming increasingly abundant sources of energy, and the development of battery storage technology is set to make renewable energy a cheaper, viable alternative to fossil fuels.
- **De-globalization.** Globalization has played a huge role in alleviating poverty around the globe. However, a rising tide of nationalism since 2016 has left globalization lying in tatters.
- **Healthcare.** Major breakthroughs in healthcare treatments will massively improve outcomes for populations, including preventative medicine based on DNA analysis.
- **Technology development.** We have reached the moment where generative AI is becoming indistinguishable from humans. We are reaching the point of 'technological singularity', where computers become as capable as humans. Despite the risks, these hyper-advanced computers might be able to help solve climate change.



PANEL 1: MULTILATERALISM THE ONLY WAY

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Moderated by: Mark Vanheukelen, Former EU Ambassador for Climate Diplomacy

"To keep the Paris Agreement target of 1.5 degrees of warming alive, we need to cut global emissions by 43% in the next 7 years. On current reduction plans, we will reach 15%." – Marc Vanheukelen, Former EU Ambassador at Large for Climate Diplomacy



The panel generally converged on the view that more multilateralism is the only way to tackle climate change. Different countries and regions have different natural advantages – and global cooperation is the best way to leverage these to move the world towards a solution.

Despite the need for multilateralism, we are seeing different approaches to the problem across different regions of the world. The danger is that divergence could spark competition and tit-for-tat spats. Common standards can therefore act as a guardrail against deglobalization.

The panellists agreed that innovation, collaboration and an effective reporting landscape – using digital technologies like Blockchain to substantiate claims – will be the key to finding global solutions in future.



PANEL 2: INTERNATIONAL STANDARDS PARAMOUNT TO SECURE INVESTMENT

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Moderated by Dr Michael Fübi, CEO TÜV Rheinland and President, TIC Council

“Even by 2050, we will still be generating up to 500 million tons of carbon emissions. We must get better at capturing CO2 from the atmosphere if we hope to reach net zero.”
– Christian Holzleitner,
European Commission

The European Commission’s new proposal for a legislation will help to identify the costs and benefits of varying forms of carbon capture. This will be important for companies like Mars, who have already spelled out their net zero ambitions by 2050. For such companies, the purchase of carbon removals remains a key part of the strategy.

Investors need to be able to trust in the authenticity of companies’ climate strategies– so knowing that their carbon removal schemes are credible is vital. To achieve this credibility, international standards are paramount, especially in a context where climate litigation is on the rise. Investors need all the information at hand to make the right decisions.



For countries who have committed to net zero emissions by mid-century, the challenge now becomes what role carbon removals will play in these strategies. But for any framework to be effective, sound methodologies are required.

The panel took the view that a successful implementation of the carbon removals frameworks would result in the adoption of a single methodology which is then certified by private sector entities, and which is not overly burdensome for farmers.

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About TIC Council

TIC Council brings together over 100 member companies and organisations active in more than 160 countries, spanning every continent, and speaking with one voice worldwide. TIC Council engages governments and key stakeholders to advocate for effective solutions that protect the public, facilitate trade and support innovation. With the expertise and competence of its members, TIC Council is a valuable resource to policymakers around the world on how the use of TIC services can bring value to society, promoting best practices in safety, quality, health, ethics and sustainability. TIC Council supports the development of international standards and regulations that protect consumers without hindering innovation or adding unnecessary burden on industry. Moreover, all members of TIC Council are committed to the highest standards of ethics and integrity as TIC Council membership requires the mandatory implementation of a compliance code annually verified by an external audit.

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