

## Sustainability e-News Q4 2017 Edition

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We are pleased to share the fourth edition of our GoGreen Brief – DHL Global Forwarding's Sustainability Newsletter. With this quarterly newsletter we are aiming to share our insights and knowledge climate agreement and reduction approaches. We hope you find it of value and we welcome your comments and suggestions.

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#### COP 23 in Bonn: Why it was a success



As the host city for the United Nations Climate Change Conference COP 23, Bonn, Germany, witnessed many important and historic steps during the 12-day event. Among these was the launch of Talanoa dialogue. Participants have also set out to advance the aims and objectives of the Paris Climate accord and pave the way for future negotiations at COP and longer-term implementation.

November 6–17, 2017, was this year's [United Nations Climate Change Conference COP 23](#), held in Bonn, Germany. This year marked the first time a small island developing state presided over the conference, with Frank Bainimarama, Prime Minister of Fiji, acting as president.

The Conference started with the goal to [advance the implementation guidelines](#) of the Paris Agreement and building momentum among cities, states, regions, territories, businesses and civil society to support national climate change action plans. The Paris Agreement is still an aspiration consisting of 27-page document, therefore, the details especially how to measure and compare emissions still need to be developed. At COP 23 delegates successfully agreed on a structure on how to achieve this and captured the different national views. This is the foundation for negotiations of the Paris Agreement Rule Book which is to be signed off at COP 24 in Poland.

In order to facilitate the translation of the different national views on how to implement the Paris Agreement, Fijian COP23 Presidency announced the Talanoa dialogue. [The Talanoa dialogue](#), one of the key achievements of COP23, will enable a facilitative dialogue among countries, as well as non-state actors, to take stock of the collective efforts and help move closer to the long-term goal of keeping the rise in global temperature to 2 degrees Celsius.

Following Nicaragua in late October, the Syrian Arab Republic officially ratified the Paris Agreement right at the beginning of the conference. These two countries were the last two missing from the 197 parties to the U.N. Convention that have committed to the Paris Agreement. With the U.S. president's announcement regarding the United States' withdrawal from the Paris Climate Accord, it will be the only country worldwide that is not part of the Agreement. High attention was given to the Americas Pledge, an initiative of states, cities and businesses in the United States to drive down their greenhouse gas emissions consistent with the goals of the Paris Agreement.

Throughout the conference, there was a strong focus on achieving both Nationally Determined Contributions (NDCs) and Sustainable Development Goals (SDGs). NDCs are contributions countries will use to outline efforts to reduce their national emissions and adapt to climate change. SDGs, on the other hand, address also other areas and aim to end all forms of poverty. They consist of 17 goals and are part of the United Nations' 2030 Agenda for Sustainable Development, which officially came into force in January 2016. During COP 23 discussions, it was highlighted that taking action on climate change will also support SGD goals and vice versa as many SDGs address the core drivers of climate change, such as clean water and sanitation (SDG #6), affordable clean energy (SDG #7), responsible consumption and production (SDG #12) and life underwater and on land (SDGs #14 & 15).

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## **COP 23 in Bonn: What are the implications for the international transport sector**



Transportation and the freight forwarding industry are often accused for being one of the main contributors to carbon emissions and climate change. Though air and ocean freight do account for much of this and carry a responsibility to cut their contributions to carbon emissions, much is already being done, and this is often overlooked. During COP 23, the topic of transport was addressed and its inroads explored in detail, alongside the additional action steps that should be taken.

Transport has not always played a central role in the official climate change processes, but since COP 22, transport has been included, and this year both passenger and freight transport were thoroughly addressed and discussed for the first time.

### **Key COP 23 transport takeaways include:**

- Sustainable transport initiatives will be essential for countries to meet their Nationally Determined Contributions (NDCs). Clear roadmaps for transport decarbonization go hand-in-hand with clean energy strategies, and they can work together to ensure countries are on track to fulfill their Paris Agreement commitments.
- A resolution on sustainable transport is currently being prepared for this year's U.N. General Assembly, including a call for all transport modes to come together and a proposal for a second global conference on sustainable transport, led by the U.N.
- The NDCs do not yet contain sufficiently ambitious sustainable transport goals.
- Transport decarbonization by 2050 is possible, if decisive short-term actions are taken.
- Additional finance is a precondition to making progress in advancing sustainable transport measures on a global scale.
- The debate on synthetic fuels has moved from 'why' to 'how.'

In addition to many more transport themes, the following freight-relevant topics were discussed:

[The Carbon Offsetting and Reduction Scheme for International Aviation \(CORSIA\)](#) was introduced as an incentive to reduce emissions in the aviation industry. CORSIA aims to lessen aviation's environmental impact. The program is being introduced by the ICAO, a U.N. agency specialized in managing the Convention on International Civil Aviation. CORSIA will address CO<sub>2</sub> emissions from international aviation, which are not included in the Paris Agreement and therefore are not included in countries' NDCs.

Between 2019 and 2020, CORSIA aims to determine the average level of CO<sub>2</sub> emissions from international aviation. This will become the basis for carbon-neutral growth from 2020 on, with future emissions compared against this baseline. Any year's emissions exceeding the baseline will represent the amount of offsetting necessary in that year.

CORSIA will be implemented in phases, with a pilot and first phase beginning on a voluntary basis until 2026. A total of 66 countries, representing 86.5 percent of global international aviation activity, have already announced their voluntary participation. In the second phase (2027-2035), all states with more than a 0.5 percent share in total international aviation will be required to participate. Least Developed Countries, small island developing states and landlocked developing countries will be exempt until 2035, unless they volunteer.

CORSIA applies, if both the origin and destination country are participating in the scheme. Once the offsetting amount is calculated, these emissions will be distributed among aircraft operators in each country for the corresponding year. Aircraft operators must then purchase equivalent carbon credit on the carbon market.

Maritime emissions are representing around 2 percent of global CO<sub>2</sub> emissions, and have high projected growth rates in trade and shipping. Currently, the International Maritime Organization (IMO) has only limited regulations surrounding shipping emissions in place. A regulatory change is expected in April 2018, when the IMO will release its first draft strategy on reducing Green House Gas (GHG) emissions. This draft will serve as the basis for international negotiations, with a deadline for a final version of the strategy set for 2023. Current content proposals contain various targets, including both efficiency and absolute reduction targets by 2050. Measures could include alternative fuels, zero emissions vessels and port investments, e.g. onshore power supply.