

Sustainability Tracker

Monthly Sustainability Highlights

December 2020



Latest Policy Developments

World

- **UN Secretary General**, António Guterres, [called](#) on all countries to declare a climate emergency until the world has reached net zero CO2 emissions during the UN climate summit. Guterres also criticised countries' use of COVID-recovery funding to finance high-CO2 activities, adding that climate finance was lagging badly. Joining a growing group of countries, Argentina, Jamaica, Panama, the Maldives, Malawi, Nepal, and the Vatican announced their commitment to cut emissions to net zero by 2050. The United States, Australia, Brazil, Russia and Saudi Arabia were notably absent from the summit.
- The **World Bank** [announced](#) it will dedicate 35% of its funding allocations for 2020-25 to climate projects, up from 28% for 2016-2020. Half of the climate financing will be done through its members, including the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).
- The **UN World Meteorological Organisation (WMO)** has [declared](#) 2011-2020 to be the hottest decade on record, with the past year set to be among the top three warmest years. The report also highlights that 2020 has been marked with unusual weather events, including a record-breaking hurricane season in North America and a major heatwave in the Siberian Arctic region.
- The **UN Food and Agriculture Organization (FAO)** has [published](#) a report titled State of knowledge of soil biodiversity. In the report, 300 leading scientists describe the lack of attention soil protection is receiving, with intensive farming, forest destruction, pollution and global heating among the greatest challenges faced by "the skin of the planet".

Key Takeaways

- During the **UN Climate Summit** on 12 December, a new group of countries announced their target of net zero emissions by 2050, while climate leaders warned that governments are lagging behind to meet the objectives of the Paris Agreement. 168 countries are expected to strengthen their national climate commitments ahead of COP26.
- In a month full of global cooperation, the EU presented its **EU-US Agenda for Global Change** to strengthen transatlantic ties following the US election, the EU and ASEAN upgraded their relations to a strategic partnership and Bolivia, Colombia, Ecuador, and Peru signed the **Andean Environmental Charter**.
- Making good on his climate change agenda, **President-elect Joe Biden** named Secretary of State John Kerry as Special Presidential Envoy for Climate, and is expected to appoint a White House climate chief to lead on domestic climate policy.
- British Prime Minister Boris Johnson presented the **Ten Point Plan for a Green Industrial Revolution**, and announced a new greenhouse gas emissions reduction target of at least 68% by 2030. Lawmakers in New Zealand and Canada presented legislation to commit their respective countries to net-zero emission targets by 2050.

- Climate Transparency [reported](#) that **G20 countries** will miss this year's target of preventing a drastic rise in the Earth's temperature, as established in the Paris Agreement. The global economy, as it stands, is heading towards increasing the planet's temperature by 2.7°C by the end of the 21st century; this is 0.1% below the 2018 projection, but well above the agreement's 1.5°C target.

Asia

- During the (virtual) UN climate summit, Chinese president **Xi Jinping** [detailed](#) the country's plans to meet its net zero emissions target by 2060: Jinping pledged China would cut its carbon dioxide emissions per unit of GDP by 65% by 2030, boost the share of non-fossil fuels in primary energy use by 25 percent, increase the country's forest stock from 2005 levels, and increase the total capacity of solar and wind to over 1.2 billion kilowatts. The same day, Prime Minister **Imran Khan** announced Pakistan would stop building new coal power plants and increase the share of clean energy by 2030.
- New Zealand** lawmakers passed a parliamentary motion [declaring](#) a climate change emergency and committing to a carbon-neutral government by 2025. The legislation sets up a Climate Change Commission tasked with putting the country on a path to net-zero emissions by 2050.
- As part of the implementation of the Paris Agreement, **Russia** [submitted](#) its 2020 nationally determined contribution to the UN Framework Convention on Climate Change, committing to a 30% reduction of greenhouse gas emissions by 2030 (compared to 1990 levels).
- The European Union and ASEAN [upgraded](#) their relations from "dialogue" to "**strategic partnership**", committing to regular summits between heads of states and increased cooperation on the economy, security, as well as connectivity and development. The two blocs have also established a working group on SDGs in the vegetable oil sector, with a first meeting to be held in January 2021.

Europe

- European leaders [agreed](#) to a **binding EU target** of emissions reduction by 55% by 2030, compared to 1990, a critical step to achieve carbon neutrality by 2050 in line with the Paris Agreement. The target goal will be written into the European Climate Law still under discussion among EU institutions. The European Parliament previously agreed to a 60% cut by 2030.
- Following the US election, the European Commission [presented](#) the **EU-US Agenda for Global Change**. It calls for a joint EU-US commitment to achieve net-zero emissions by 2050 (in the run up to COP-26), both sides to develop a green tech agenda by mid-2021 and the establishment of a green tech alliance to foster investments in clean and circular technologies. The EU has also encouraged the US to join the Convention on Biological Diversity and partner with them on leading the fight against global deforestation, as well as developing a global plastics treaty. The EU proposes to hold an EU-US Summit in the first half of 2021 to launch this agenda.
- Independent climate adviser the **Committee on Climate Change** [presented](#) its advice for the UK's Sixth Carbon Budget (2033-2037). The committee is optimistic that the UK can achieve its Net Zero target by

following four key steps: consumer uptake of low-carbon solutions, expansion of low-carbon energy supplies, reduced demand for carbon-intensive activities, and land and greenhouse gas removals.

- In its report on the impact of digital technologies on the environment, the **Royal Society** [found](#) that data-driven applications and service are key to support the net zero transition, tech companies should lead by example and promote the use of renewable energy and allow for greater monitoring of their energy consumption, the UK government should invest in skills to drive a data-enabled green transition and drive an ambitious research and innovation effort.
- A recent study by the European Commission [found](#) that the **energy consumption of data centres** in EU member states is expected to increase from 2.7% of the electricity demand in 2018 to 3.2% by 2030. To address this, the study suggests a series of technical and policy solutions, including the use of renewable energy and the use of green purchasing in public procurement. The recommendations will feed a further study, which explores more specific and actionable policy measures on the energy efficiency of data centres.
- According to its **new Consumer Agenda**, the European Commission will [present](#) a legislative proposal to empower consumers for the green transition with better information on products' sustainability and better protection against certain practices, such as greenwashing and early obsolescence in 2021.
- The European Commission [published](#) its **criteria for sustainable economic activities** under the EU Taxonomy Regulation. The legislation will create the world's first-ever "green list" to encourage private investments in environmentally sustainable companies and prevent greenwashing.
- British Prime Minister Boris Johnson [presented](#) the **Ten Point Plan for a Green Industrial Revolution**, intended to create up to 250,000 highly-skilled green jobs and triple private sector investment by 2030. This plan includes a ban on the sale of petrol and diesel vehicles by 2030, and mandatory reporting on the financial impacts of climate change on their businesses by 2025. The UK also [announced](#) a new greenhouse gas emissions reduction target of at least 68% by 2030 compared to 1990 level.
- **Ireland's Environmental Protection Agency** [warned](#) that Ireland's environment is "not what it should be" to meet the government's goal of climate neutrality by 2050. The report calls for a national environmental policy position, the full implementation of existing policies and establishing a greater link between environment and health.

Americas

- The governments of **Bolivia, Colombia, Ecuador, and Peru** have [signed](#) the Andean Environmental Charter (Andean Community [CAN]), a multilateral agreement intended to facilitate coordination of efforts to protect local ecosystems and tackle the climate crisis, as well as establishing shared goals for sustainable development.
- The **Brazilian Space Institute (INPE)** [released](#) images of more than 11,088 square-km of Amazon rainforest (seven times the size of London) which have been lost since August 2019, representing the highest figure since 2018. The news comes after the EU expressed that an expected trade agreement with South America

would only come to fruition if Brazil's President, Jair Bolsonaro, commits to double efforts on protecting the Amazon. This month, Brazil voted against the 2021 budget of the UN Biodiversity Conference.

- **Canadian Prime Minister** Justin Trudeau's party [tabled](#) a bill that would require the government to create new targets – including net-zero emissions by 2050 – and a plan on how it will achieve those targets, every five years between 2030 and 2050.
- Making good on his climate change agenda, President-elect Joe Biden [named](#) Secretary of State John Kerry as **Special Presidential Envoy for Climate**, the highest-ranking US official ever to have a portfolio exclusively devoted to climate change. Biden is also expected to appoint a White House climate chief who would lead an office or policy council to coordinate the President-elect's climate domestic policies. The President-elect also appointed former Chair of the Federal Reserve, Janet Yellen, as Treasury Secretary, a key position to drive the climate agenda for the next four years.

Latest Industry Developments

- **BusinessEurope**, a trade association, [questioned](#) the European Commission's economic analysis for its emissions reduction target for 2030, noting that the executive failed to account for the COVID-19 pandemic's economic impact.
- The EU Commission [received](#) criticism for appointing global asset manager, **BlackRock**, to advise on integrating sustainability into EU banking rules. Multiple stakeholders, including MEPs and the EU Ombudsman, have argued that the EUR 280,000 contract awarded is in direct conflict with BlackRock's investments in fossil fuel companies.
- Italian company **Snam**, Europe's largest gas pipeline company, [announced](#) it will aim to be carbon neutral by 2040, and increase spending to prepare its network for hydrogen sourcing.
- **Sony** is [considering](#) shifting its manufacturing from Japan due to the country's strict rules on renewable energy and carbon emissions. Sony and other industry actors have warned the Japanese government that renewable energy is scarce and too expensive. In response, Taro Kono, Japan's minister for administrative reform, announced the establishment of a government task force to examine regulations that are hampering the expansion of green energy.

Zooming In: Music Streaming and Sustainability



* Source: (a) Subscriber average consumption = 3GB/month on music streaming (b) Measured utilized 1.6 kWh/GB accounting data transmission and "internet network"

* Source: (1) Vehicle Stats 2020 – Dep. Transport UK (2) EV stock and energy consumption as per EV Global Outlook – IEA 2020 (3) EAA – Monitoring CO₂ emission under Reg 2019/631

Key Takeaways:

- Music streaming, only one vertical of a diverse global streaming industry, requires significant amounts of installed electricity capacity. We provide a sample of 5 known music streaming services (approx. 21.67 MW), of which majority have pledged to ESG commitments, including reviewing their datacentres and IT infrastructure. In a context where streaming services are only projected to increase their energy usage, enforcement of sustainability ESG-led procurement is key.
- The streaming industry as a whole has been recently criticised for producing CO₂ emissions comparable to high polluter countries such as South Africa (390 million tonnes of CO₂).
- While climate policy has not yet zeroed in on the music streaming industry, its main players have been proactive in monitoring and reducing their carbon footprint through their use of ESG data centres.
- Further private-public stakeholder collaboration is necessary to fully grasp the ecological impact of the sector, and which policies are required to address its energy consumption.

Upcoming Events

12 December 2020

[UN High-Level Climate Roundtable](#)

4 January 2021

[Competition Contributing to the European Deal](#)

17-30 May 2021

[UN Biodiversity Conference \(CBD COP 15\)](#)

31 May-4 June 2021

[EU Green Week 2021](#)

1-12 November 2021

[2021 UN Climate Change Conference, COP26](#)

About Access Partnership

Access Partnership is the world's leading public policy firm dedicated to opening markets for technology. We help companies navigate the national, regional and international policy landscape and shape regulatory frameworks that link climate solutions to technology.

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In 2021, you can subscribe to our monthly tracker and receive tailored sustainability updates that matter to your business. As government and policy approaches to sustainability continue to transform, our monthly intelligence can prepare you for the climate-conscious future of technology. We are able to offer a range of consulting services in this area, including: policy analysis, tailored monitoring, leading advocacy campaigns, and driving engagement with key stakeholders.

For more information on our subscription monitoring services, including the tracker, please contact **Gordon Mackay, Climate Sustainability Lead at Access Partnership**: gordon.mackay@accesspartnership.com

We welcome your feedback on the Sustainability Tracker, so please get in touch at the email address above to let us know how we can suit our monthly updates to your needs.

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