
**UNCTAD, OECD, CDSB and GRI Workshop on
Climate Change Reporting**

16 March 2012, Room XXV
Palais des Nations, Geneva

SESSION I

**THE POLICY DIMENSION:
CURRENT NATIONAL PRACTICES
IN CLIMATE CHANGE REPORTING**

PRESENTED BY

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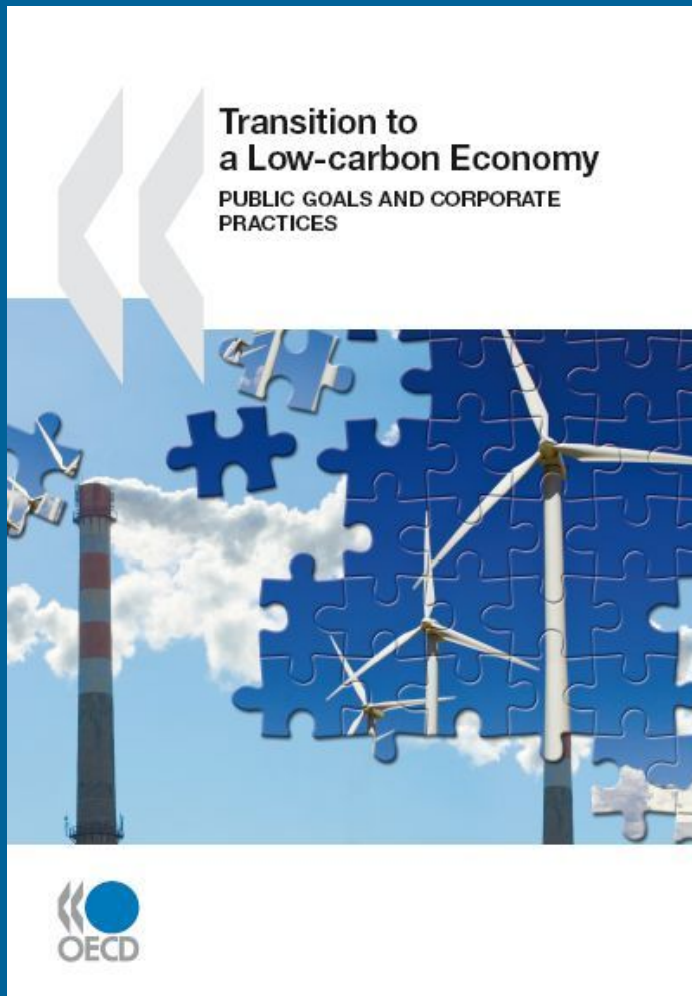
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National practices in climate change reporting: Overview of experience in OECD countries

Cristina Tébar Less / Dorothee Teichmann
Organisation for Economic Co-operation and Development
Geneva, 16 March 2012

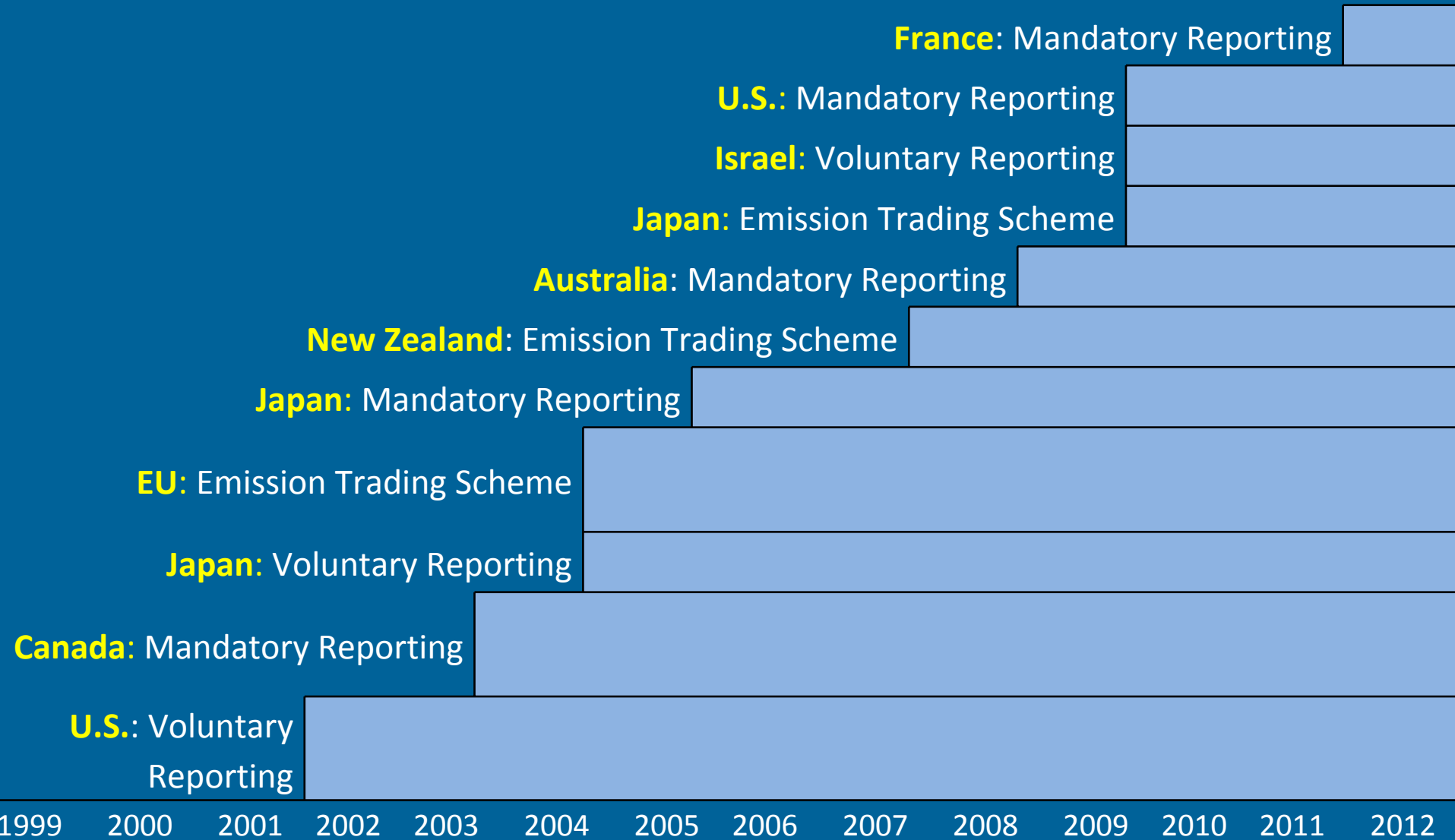
www.oecd.org/daf/cc

Business contribution to addressing climate change



- 2010: Overview of government policies and corporate practices supporting a transition to a low carbon economy
- 2011: Stocktaking on current practices in OECD (and other) countries on climate change reporting (research/consultations/survey)
- Part of joint project with the Climate Standards Disclosure Board (CDSB), Global Reporting Initiative (GRI) and UNCTAD to inform discussions on consistency of climate disclosure rules

Increase in government reporting schemes



Government drivers of carbon disclosure

Foster Green Growth

Correct for Market Failures related to Climate Change

Levering corporate action to reduce emissions

Reporting as a lever for corporate action

Design of Climate Change Policy

Accounting/ monitoring of domestic emission reductions in bottom-up approach

Overcome lack of information and asymmetries of information

Consumers

Companies

Investors

Make informed consumer choices

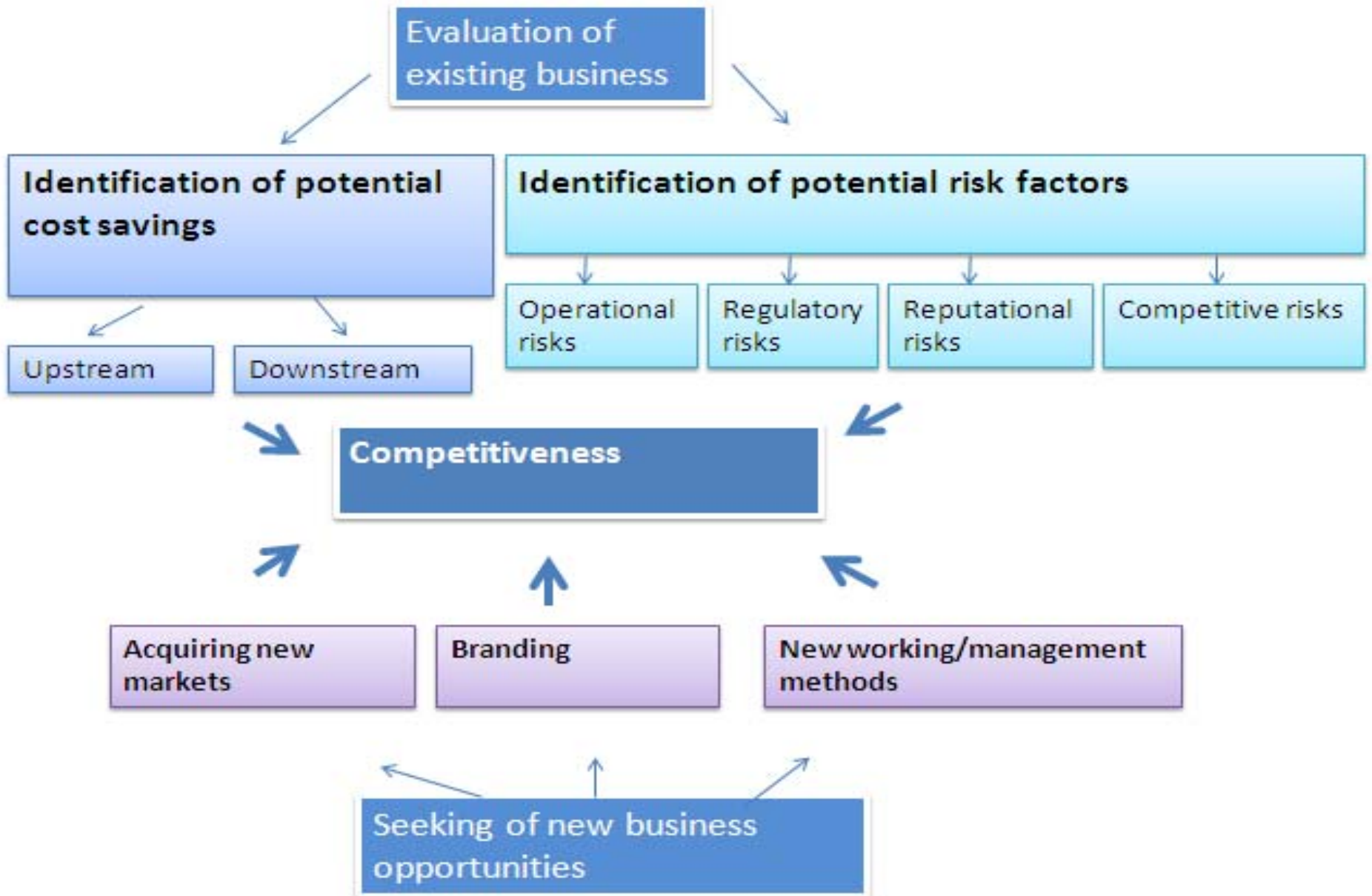
Identification of ways to reduce emissions

Management of climate change related risks

Request of information

Request of information

Business drivers



Investors' drivers

Maximisation of Investment Value (in the long run)

Evaluation of risk/return profile of investee company

Identification of potential risk factors affecting investment/company

Reputation

Litigation

Physical

Regulation

Identification of profitable investment opportunities

New technology options

New commodity markets

Evaluation of quality of management of companies

Evaluation of climate change strategy

(Anticipated) regulation: reporting requirements for investors

Challenges

Government

- Credibility/reliability of information
- Costs of reporting systems
- Use of information

Business

- Costs of generating the information
- Internal use of information
- Multiplicity of reporting requirements
- Uncertainty/lack of consistency

Investors

- Quality of information
- Comparability
- Integration into decision-making

Current research at OECD: Stocktaking of existing schemes

Research questions:

- What are the common elements of carbon reporting schemes?
- How can divergences be explained?

Methodology:

- Comparative analysis of building blocks of existing voluntary and mandatory carbon reporting provisions in the OECD
- Case study analysis of carbon reporting provisions in UK, France, Australia and Japan

Building blocks of reporting frameworks

Boundaries
(domestic,
corporate)

Reporting
companies covered
(size, industry)

Types of emissions
(Co₂, 6 Kyoto
gases)
Other information

Scope of emissions
scope 1, 2 (3)

Quality of corporate
information (external
verification)

Measurement
methodology

Type of information
(emissions,
reduction targets,
risks)

Reporting platform
(government,
company website,
other)

Use of information

Comparative analysis of building blocks

Content Requirements:

- CO2 or other Kyoto GHG
- Climate Change Risks
- Reduction Targets
- Etc.

Methodology

Measure	Calculate	Report	Verify
<ul style="list-style-type: none">-Boundaries- Scope (1,2 or 3),-Geographical scope,- Reporting threshold	<ul style="list-style-type: none">-Choice of emission factors,- Baseline etc.	<ul style="list-style-type: none">-Choice of ratio performance indicators etc.	<ul style="list-style-type: none">-Mandatory or voluntary,- Use of standards etc.

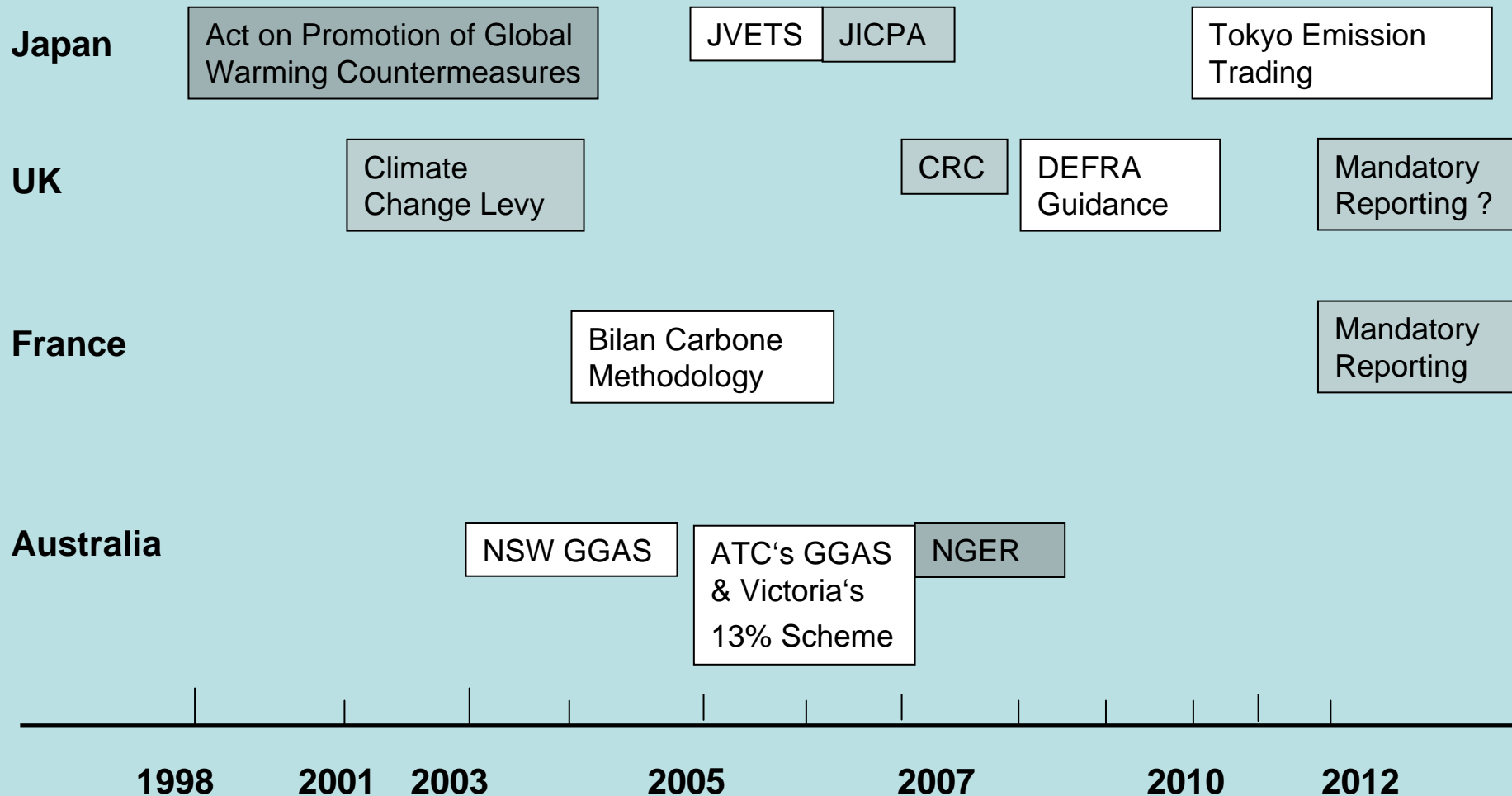
Reporting Platform

- Info available to general public?
- Internet-based platform or other

Use of info

- Emission Reduction Program,
- Pricing of emissions (taxes or emission trading)

Case Study Analysis



Preliminary Findings

1. Common elements of reporting schemes concern the measurement, calculation and reporting methodology: GHG Protocol is „quasi“ international standard.
2. Divergences are due to different motivations for governments to put in place carbon reporting provisions, the ultimate use of information and different target audiences.
3. Voluntary schemes often demand a larger scope of information than mandatory schemes.
4. Verification of information is rarely required (except where linked to emission trading scheme).
5. In countries with multiple regional initiatives a need for consistency has led to reforms.