

“MOROCCAN BUSINESS CLIMATE FORUM”

July 6th, 2017, Casablanca, Morocco



The adoption of the Paris Agreement represents an opportunity to identify the climate challenge and turn it into an opportunity – a chance to lead humankind towards a more carbon-neutral development and resilient to the effects of climate change.

The private sector is a key player: strong and structural involvement of companies in the dynamics of the implementation of the Paris Agreement is essential for a successful transition to a green economy that respects the environment and can open up new opportunities for creating added value and sustainable jobs.

At COP22, the private sector has made clear its willingness to support the implementation of this agreement. This was notified in the "Marrakech Declaration", signed by 47 international collaborators on the initiative of CGEM. The latter are part of the «MBA4 Climate» network created by the Confederation.

In 2016, during the preparation of COP22, CGEM felt the need to equip Moroccan companies with a "Climate" vision to allow them to accompany Morocco successfully in fulfilling its commitment made within the framework of the Paris Agreement.

In this context the Business Climate Initiative Morocco (IECM) was conceived. It is an action aiming at strengthening companies' capacities in climate governance, enabling them to access the new low carbon economy and resilient to the effects of climate change.

As part of the implementation plan for this initiative, the 1st edition of the "**Moroccan Business Climate Forum**" was held on July 6th, 2017 at Sofitel Casablanca Tour Blanche Hotel, under the theme:

"The New Low Carbon and Resilient Climate Change Economy: Opportunities for African Business"

Following the opening speeches of Mrs. Miriem Bensalah Chaqroun, President of CGEM, Mr. Salaheddine Mezouar, President of COP 22, and Mrs. Nazhat Khan, Ambassador, Chief Negotiator of the Presidency of COP23, the first panel of discussion took place.

1st Panel: The potential role of the private sector in the successful implementation of the Paris Agreement

Moderator: Mr. Faiçal Mekouar, Vice-President of CGEM

Guest speakers:

- Mrs. Nazhat Khan, Ambassador, Chief Negotiator of the Presidency of COP23
 - Mr. Aziz Mekouar, Ambassador for the Multilateral Negotiation-Morocco
 - Mrs. Norine Kennedy, Representative of Major Economies Business Forum on Energy Security and Climate Change (BizMEF)
 - Mr. Yamil Bonduki, Director of « Low Emission Capacity Building Programme Climate Change & Disaster Risk Reduction » - PNUD
 - Mr. Andrea Liverani, Director of Program « Sustainable Development, Middle East and North Africa Region » - World Bank
 - Mrs. Marie-Alexandra Veilleux-Laborie, Office Director of the Bureau of the European Bank for Reconstruction and Development (EBRD) in Morocco
 - Mr. Otman Belmahi, Expert in Climate Insurance
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- ▶ Mr. Mekouar has explained that the withdrawal of USA from the Paris Agreement may have a financial impact as there are 3 billion dollars still need to be vested by the USA into the Green Pact Fund. Despite the latter withdrawal, the support of the Paris Agreement by the private sector, the other countries signatories and the international community is growing.
 - ▶ Mrs. Khan has discussed about the implementation of new mechanisms to address the climate change. She announced that COP23 will reaffirm the vision of Paris Agreement.
 - ▶ Mrs. Kennedy has added that USA is still part of the UN framework and that US businesses should be involved in climate action and collaborates with the government.
 - ▶ Mr. Bonduki has emphasized on the importance of the participation of the private sector. According to a survey that was conducted, 70% of companies believe that climate solutions are essential to fight global warming. In addition, the field of sustainable development allows the creation of new jobs. Ideally, chambers of commerce and industries should get involved by removing trade barriers.
 - ▶ Mr. Liverani demonstrated that there will be 23 trillion of dollars climate-smart investment opportunity by 2030. USA has already vested 2 billion of dollars for the Green fund. Between 2015 and 2016, 60 billion of dollars of public resources were invested per year while private resources were amounted to 360 billion of dollars per year. To increase the financial resources, there should be less direct concessional investment and more guarantee investment.
 - ▶ Mrs. Veilleux-Laborie stated that Morocco and the European Union will be affected by the withdrawal of the USA from the Paris Agreement. Hence, there should be a mobilization of the

public and private sector. Finance Climate should rely on strategies of mitigation and adaptation to catch up.

- ▶ Mr. Belmahi asserted that climate insurance has existed since 30-40 years. The latter allows companies to cover different types of risks caused by climate change, such as drought. Once the sinister is demonstrated by the company, an insurance premium is paid which mainly depends on the adaptation cost. A new profitable insurance product has been created: parametric insurance.

2nd Panel: Visions and Climate initiatives of African businesses

Moderator: Mr. Fadel Agoumi, General Director Delegate of CGEM

Guest speakers:

- Madagascar
 - Morocco
 - Rwanda
 - Senegal
 - Tanzania
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- ▶ Senegal has a strong private sector. In addition, there is an Environmental Code that is adapted to companies and industries (decree announced in 2016). Environmental audits have been conducted for all the companies.
 - ▶ In Tanzania, it's important to establish a platform between the government and the private sector.
 - ▶ Rwanda is well -positioned in terms of environmental protection. The country benefits from a total support of the government including laws, low interest rates in addition to accessibility to studies and different types of incentives.
 - ▶ In Madagascar, the climate affects heavily the private sector.
 - ▶ Morocco has been the host of COP22. In addition, the law to prohibit the use of plastic bags has been put into practice.
 - ▶ "Finance Climat" has been created in 2009. More than 1500 projects have been in place.

3rd Panel: How Moroccan companies face Climate Change

Moderator: Mr. Fadel Agoumi, General Director Delegate of CGEM

Guest speakers:

- Mr. Abdelfattah Sahibi, Project Coordinator of Morocco's GHG Emissions Reduction Strategy – UNDP
 - Mr. Mohamed Nbou, Director of 4C Morocco and Directorate of Climate Change, Biological Diversity and Green Economy – SEDD
 - Mr. Mohamed Rahoui, Senior Technical Advisor of the Project "Adaptation of the Private Sector to Climate Change" - GIZ;
 - Mr. Mohammed Fikrat, President of COSUMAR;
 - Mr. Mohamed Chaïbi, President of the Professional Association of Cement workers
 - Mr. Jean Pascal Darriet, Chief Executive Officer of LYDEC;
 - Mr. Hamid Felloun, Director of Project Management of the Agency for Agricultural Development National Entity accredited to the Green Climate Fund in Morocco
 - Mrs. Soumia Alami Ouali, President of the SME-TPE Commission of CGEM.
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- ▶ The CEO of Lydec has presented the strategy of the group in terms of water resources management through continuous improvement of network performance by reducing water leakage. He also added that there have been initiatives to increase access of services in informal housing.
 - ▶ GIZ has presented the different strategies for its industrial sites.
 - ▶ The CEO of Maghreb Industries demonstrated how the use of solar panels has helped the company to reduce its electricity costs (by 2GwH/year).
 - ▶ AVEIRO Morocco's risk strategy relies on determining climate risks, criteria, priorities and adaptation measures. The main potential risks for the company remain in water scarcity and acceleration of fish migration.
 - ▶ There were no specific targets set in the Paris Agreement regarding carbon emissions.
 - ▶ Cosumar's CSR strategy focuses on the 3Ps: People, Planet and Profit.
 - ▶ Morocco hosted COP7 in 2001.

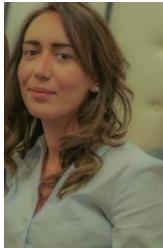
Foundation Mohammed VI for the protection of the environment:

The Foundation was created in 2001 by her Royal Highness Princess Lalla Hasnaa. Its aim is to ensure raise awareness about environmental issues and organize educational activities. The role of NGOs is political (international negotiations...), technological (energy efficiency...), and change in behavior (legal obligations...).

Conclusion & Recommendations

- ▶ The company faces the challenge of two realities: saving the economy and adopting the environmental norms and international standards.
- ▶ The vulnerability to climate change differs from one country to another.
- ▶ The protection of the environment has become a new preoccupation for industrial companies.
- ▶ There should be a new approach to sustainability instead of adaptation measures.
- ▶ Some companies lack management of resources as well as access to climate data.
- ▶ There should be an integration of both mitigation and adaptation measures in the environmental strategies of companies.
- ▶ There should be a clear definition of the commitment per each sector of activity as well as constraints.
- ▶ Tax measures and financial incentives could constitute an essential element to encourage companies to adopt climate change solutions.
- ▶ The first meeting of the Network of Employers' Associations "MBA4 Climate" has been held after the forum.

Author



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