

# Nationally Determined Contributions (NDCs) and contribution of Industries



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# 64% of the world's population recognizes that climate change is a global emergency\*

If we act fast, we can:



Prevent climate-related humanitarian costs of up to **US\$20 billion** per year by 2030



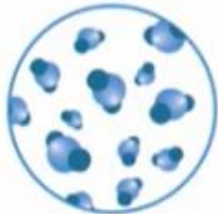
By 2050, help lift **several hundred million** people out of poverty caused by climate-related risks



Create **65 million** new jobs with a direct economic gain of up to **\$26 trillion** through 2030, supporting a green recovery



**CO<sub>2</sub>**  
concentration



**Highest**

in at least

**2 million years**

**Sea level**  
rise



**Fastest rates**

in at least

**3000 years**

**Arctic sea ice**  
area



**Lowest level**

in at least

**1000 years**

**Glaciers**  
retreat



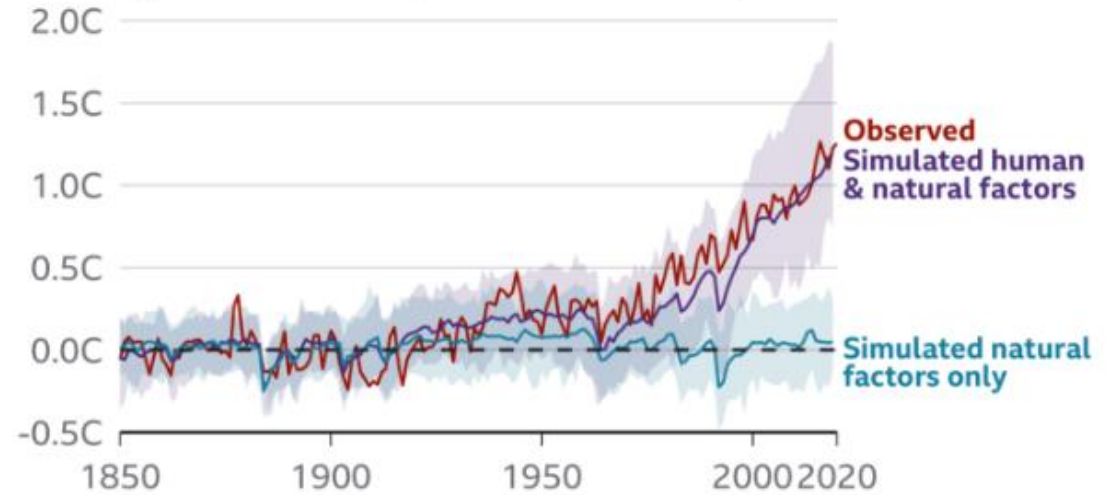
**Unprecedented**

in at least

**2000 years**

## Human influence has warmed the climate

Change in average global temperature relative to 1850-1900, showing observed temperatures and computer simulations



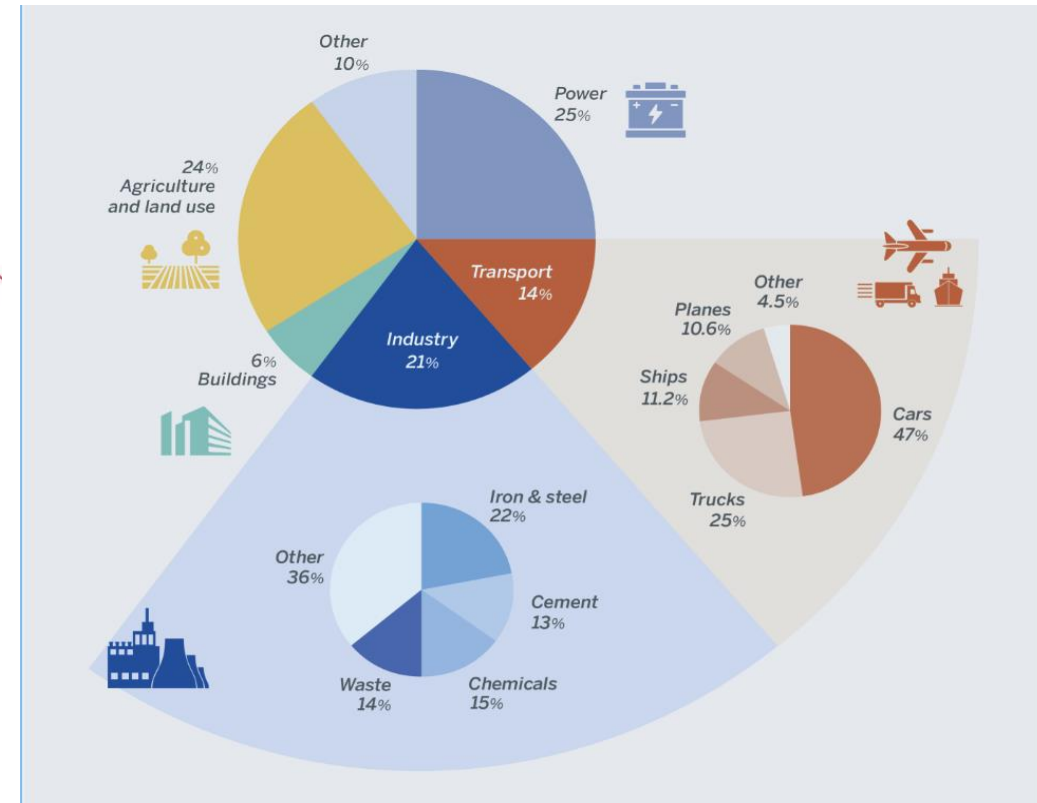
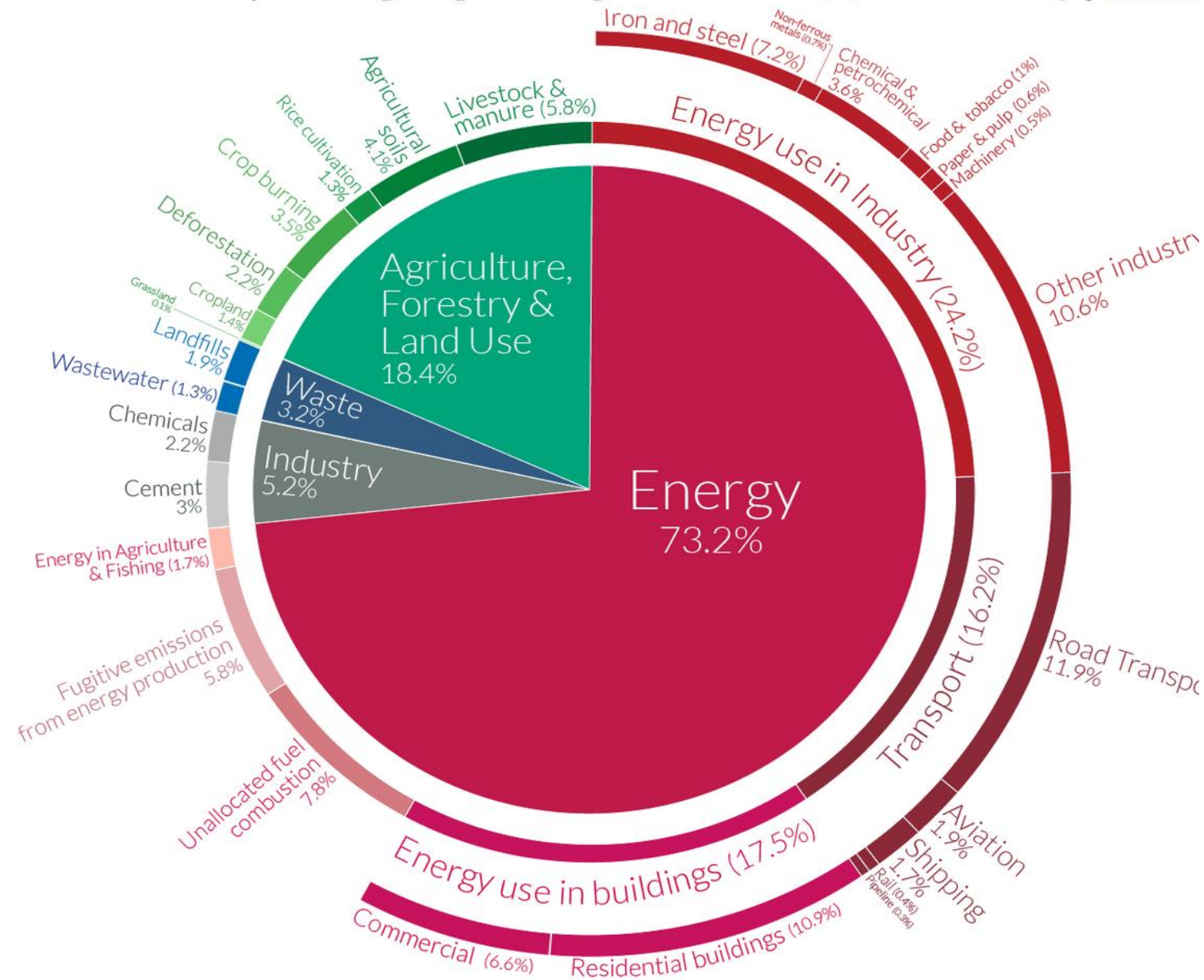
Note: Shaded areas show possible range for simulated scenarios

Source: IPCC, 2021: Summary for Policymakers

# Global greenhouse gas emissions by sector



This is shown for the year 2016 – global greenhouse gas emissions were 49.4 billion tonnes CO<sub>2</sub>eq.



Source: Emissions data is from the IPCC's Fifth Assessment Report, Working Group III, 2014, and refers to shares of total global greenhouse gas emissions. The split between cars and trucks in road transport emissions is based on the IEA's Energy Technology Perspectives, 2017, since this is not given in the IPCC source.

Sector	Global GHG Emissions Share
Energy Use	73.2%
Agriculture, Forestry & Land Use	18.4%
Industrial processes	5.2%
Waste	3.2%



## We need to keep warming below 1.5°C



- At COP 21 in Paris (12 Dec 2015), Parties to the United Nations Framework Convention on Climate Change (UNFCCC) reached a landmark agreement to combat climate change, bringing all countries together for the first time under a common cause. **The Paris Agreement's** central aim *is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 °C above pre-industrial levels and to pursue a **safer 1.5°C that science suggests.***
- Achieving this goal will require a major increase in effort by all nations – and the business community in all its diversity

**The Paris Agreement is the plan:  
Its **Nationally Determined Contributions**  
(NDCs) are the gateway for ambitious action**



**NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change**



# UNDP's Climate Promise

The world's largest offer of support to countries on NDCs

Assisting 120 countries in collaboration with 35 partners, as a contribution to the NDC Partnership.

This represents 80% of all developing countries worldwide, and 28% of global GHG emissions



28

Small Island Developing States (SIDS)

14

Higher Emitters

40

Least Developed Countries (LDCs)

47

in Fragile Settings



Build political will & societal ownership at national & sub-national levels



Review, align, & update existing targets, policies & measures



Incorporate new sectors and/or greenhouse gases



Assess costs and investment opportunities



Monitor progress & strengthen transparency

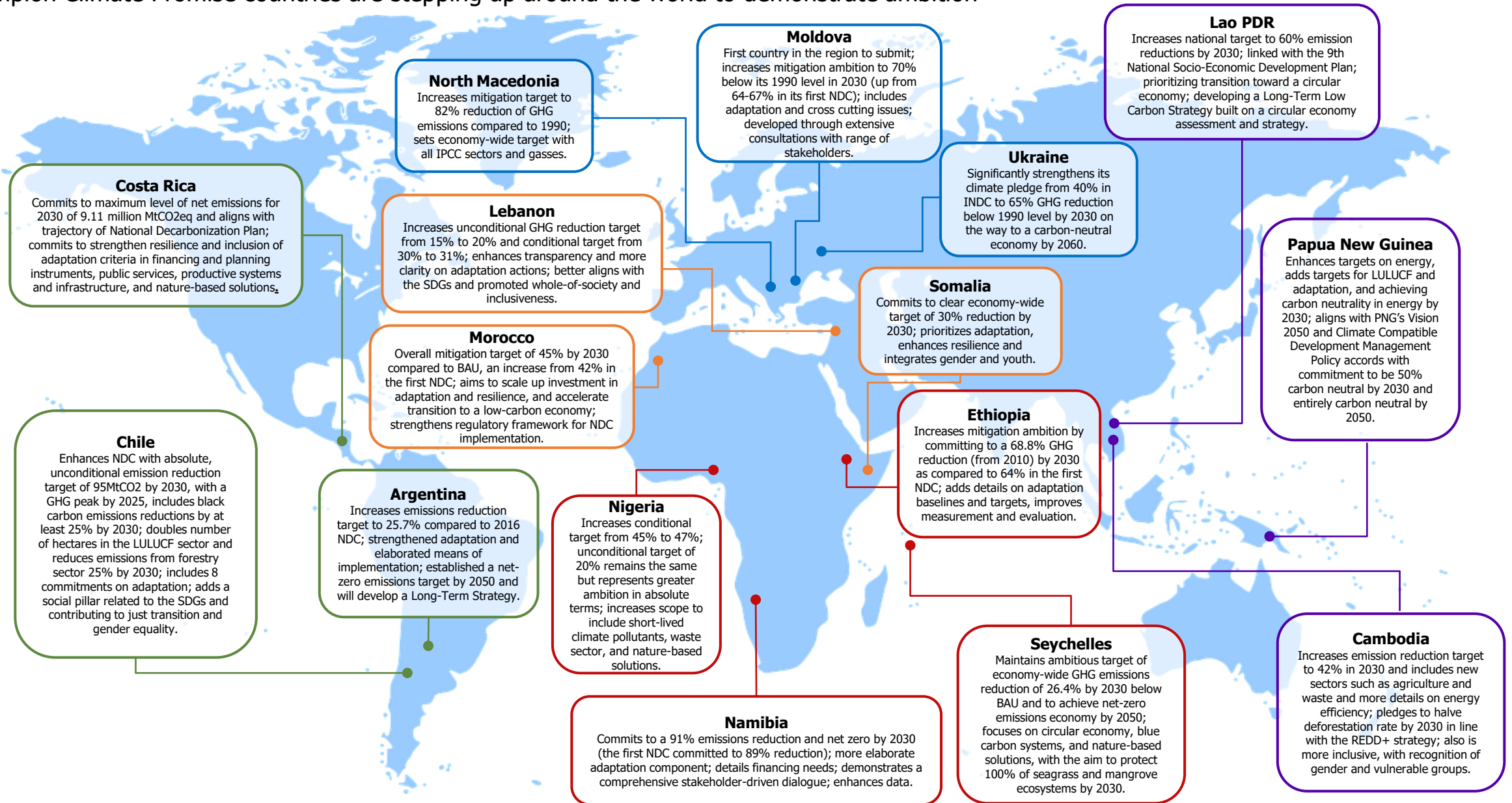
# A Snapshot of Key Results as of March 2022

- UNDP's Climate Promise engagement with 120 countries represents **80% of all developing countries, 60% of all UNFCCC Parties and 28.7% of global emissions**
- As of March 2022, 94 Climate Promise countries submitted NDCs, representing over 20% of global GHG emissions and **84% of all developing country submissions**
  - Over 90% have increased **mitigation** ambition, 100% include energy with 95% have standalone, detailed **energy targets**
  - Over 95% increased **adaptation** ambition and many link to NAPs
  - 96% have included **gender** considerations; 75% prioritizing youth
  - NDCs are of **higher quality** with better data, detailed costing, and linked to development and sectoral planning
- More than half of Climate Promise countries **link NDCs and COVID-19 green recovery**
- Global campaign to raise political will and mobilize society, through flagship **Mission 1.5 and People's Climate Vote**



# Behind the numbers: Ambition is not only possible – it's already happening

Champion Climate Promise countries are stepping up around the world to demonstrate ambition





## CLIMATE PROMISE IMPACT

# Over 100 countries engaged the private sector in the NDC revision process

UNDP's *Climate Promise* is actively committed to helping countries close the NDC investment gap by engaging with the private sector to support climate action and NDCs' enhancement and implementation

in almost all countries that are part of the initiative. According to an analysis on private sector engagement activities under UNDP's *Climate Promise*, this included:

96

countries broadly engaged private sector actors to inform climate policy decision making;

68

countries consider the private sector as a key actor and contributor in NDC implementation and planning including financing and investment strategies;

14

countries supported financial de-risking instruments, such as establishing or using carbon pricing for NDC implementation. For example, in **Peru**, the World Bank is providing support through the Partnership for Market Implementation programme, with UNDP support for direct implementation; and

15

countries committed investments from private actors for the implementation of projects that fall outside of the definition of carbon finance. For example, in **Bhutan**, a partnership has been created with the Loden Foundation to mobilise capital for climate-friendly business proposals submitted by youth and women entrepreneurs.

# Role of Industries

- Decoupling of industrial activities from an excessive use of natural resources and environmental degradation is key for the green transformation (UNIDO 2020)
- The challenges posed by climate change will have far-reaching impacts on global industry. Heavy industries, mining, metals, manufacturing, transportation and others must decarbonise at scale.
- Industry and transportation remain the fastest growing sources of greenhouse gas (GHG) emissions (Friedlingstein et al. 2019).
- The systemic changes necessary to enable such a transformation will result not only in new products and services but also in changes in production processes and business models

# NDCs & Industry

- [Nationally determined contributions \(NDCs\)](#) will frame the start of a crucial decade in which global emissions need to halve, including those from industry.
- The majority of NDCs include industry in their scope, and almost two-thirds now include detailed industry transition measures, showing progress in the coverage of industry transition.
- However, 6 out of the 15 highest industrial emitters with an updated NDC do not specify any mitigation measures that address industry, while several other high emitters have yet to submit an updated NDC.

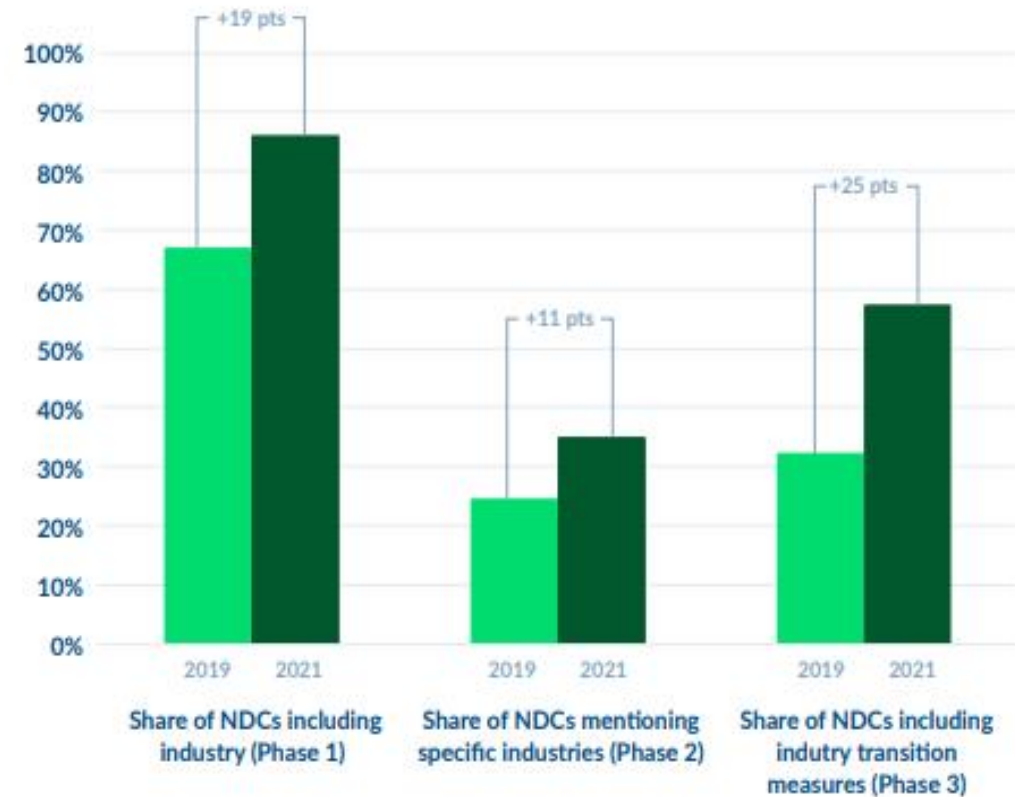


Figure 2. Differences between the first and second rounds of NDC analysis

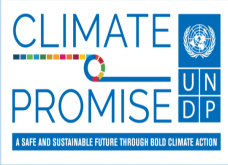
# EXAMPLE: Industry measures in NDCs

Country	Measure type	Sector/ industry	Measure
India	Regulation through policy	Cement, building	Fly Ash Utilization Policy: Only fly ash or fly ash-based products can be used in construction of buildings, roads and reclamation/compaction of land within 100 km of a coal or lignite-based thermal power plant, to reduce cement use.
	Energy efficiency, pollution control, waste mgmt	Not specified	Zero Effect, Zero Defect (ZED): Policy initiative to rate small and medium industries on their quality control and certification for energy efficiency, enhanced resource efficiency, pollution control, use of renewable energy, waste management etc.
	Energy efficiency	Not specified	Perform, Achieve and Trade (PAT): Market-based energy-efficiency trading mechanism, at present covering 478 plants (designated consumers) in eight energy-intensive industrial sectors accounting for one-third of total energy consumption in the country.
	Pollution control	Not specified	Standards related to effluent discharge modified for over 2000 industries, focusing on reducing wastewater

# EXAMPLE: Industry measures in NDCs

- UK, for example, NDC stands out from the crowd with its announcement of a £12 billion investment in the green industrial revolution, which aims to create 250,000 highly skilled green jobs in the UK.
- Net Zero strategy sets out how the UK will deliver on its commitment to reach net zero emissions by 2050 : outlines measures to transition to a green and sustainable future, helping businesses and consumers to move to clean power, supporting hundreds of thousands of well-paid jobs and leveraging up to £90 billion of private investment by 2030

# Actions are required at every level: government, private sector and the public.



## Government

- Create enabling environments
- Impose and strengthen energy efficiency standards
- Price carbon — this will facilitate the drawdown of carbon-intensive technologies and promote more sustainable alternatives
- Promote the use of efficient and renewable heating and cooling
- Incentivize and mandate less emissions of greenhouse gases, including cutting methane leaks
- Policy certainty from national governments accelerates the implementation of company targets and business investment into the net-zero emissions, climate-resilient world that is envisaged by the Paris Agreement.

## Private sector

- Scale up research and development to create new options for low-carbon industrial processes
- Audit the energy use and resource efficiency of your operations to identify cost-effective high-impact reductions
- Understand your exposure to climate risk and take precautions
- Embrace the opportunities associated with renewable energy and resource efficiency
- Be a leader in sustainable industrial practices
- Initiate social dialogue

# Industry & NDCs

- NDCs provide a strong signal – direction of travel
- At a minimum, align operations and sustainability objectives to national NDC targets.
- Explore business opportunities (e.g., investment in R&D)
- Engage in a dialogue at every step of the process: Preemptive strategic decisions aimed at cooperating with policy makers will help business maximize their positive impact on national climate change challenges and contribute towards innovative solutions in addressing national targets



# Example: North Macedonia

Private sectors are the leaders in the green economy

**Propoint** introducing a new **100% green production model**. In 2018, they switched to solar energy for their printing house by installing photovoltaic panels with a capacity of 425 KWh. They also began phasing out their old petrol -powered delivery vans and replacing them with electric vehicles. The result: In the first year alone, the clean electricity produced 500 megawatts, with CO2 emissions reduced by an impressive 470 tons. The company does not even use all the electricity produced, so any surplus is placed on the distribution network.

Propoint's success is an inspiring example of what can be achieved when the private business sector mobilises. North Macedonia's second national pledge, released in April 2021, involved the private sector committing to deliver the majority (85%) of the total investment needed for implementing green policies in industry. Thanks to this bold move, the Republic of North Macedonia has been able to revise its targets from 36% to 82% reduction in net greenhouse gas emissions by 2030, compared to 1990

# Example: Business is acting for net-zero

- 1300+ companies across 40+ sectors and countries are aligning their emission reductions with the 1.5°C target, through the Business Ambition for 1.5°C.
- This includes companies from high-emitting sectors such as cement makers LafargeHolcim and India's Dalmia Cement, plus many of the world's largest companies by market cap, including Microsoft, Apple, and Walmart.
- 300+ companies are acting to reach net-zero by 2040 with [The Climate Pledge](#), including Amazon, Colgate-Palmolive, PepsiCo and Visa.
- 4000+ small and medium-sized enterprises (SMEs) from over 100 countries have committed to net zero via the [SME Climate Hub](#).

# Just transition

- Greening requires upgrading skills and adjusting qualification requirements across occupations and industries;
- new economic activities related to the transition to a low-carbon economy create new occupations and related qualifications and skills profiles;
- structural change creates a need to reintegrate workers in the declining sectors into the labour market through re-training programs
- Social dialogue between industries, governments, and employers is key!





For more information, visit:  
<https://www.undp.org/climatepromise>



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