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Submission by the World Economic Forum, relating to the consideration of outputs component of the global stocktake

15 September 2023

Pursuant to paragraph 64(a) of the [report](#) of the Subsidiary Body for Scientific and Technical Advice (SBSTA) on its 58th session (June 2023), the World Economic Forum submits the following views on elements for the consideration of outputs component of the global stocktake. The section headings below reference the paragraph headings of the [informal note](#) by the Co-Chairs of the contact group for SBSTA 58 agenda item 8 on “Matters relating to the global stocktake under the Paris Agreement.”

C.2 – Collective Progress towards achieving the purpose and long-term goals of the Paris Agreement – Adaptation

As climate adaptation becomes ever more of a global priority, the private sector will have a major role to play in helping to achieve a just transition for adaptation. However, as businesses begin grappling with climate adaptation, they are approaching the issue differently than the international community. In particular, they use different terms and they prioritize actions differently. Private sector engagement on adaptation can be seen as:

- (i) Ensuring resilience and business continuity in the face of physical climate risk in both their operations and their supply chains,
- (ii) Providing the innovation, goods, and services that businesses, governments, communities, and organizations in climate vulnerable countries will need to adapt to climate change, and
- (iii) Building collaborative outcomes in partnership with non-businesses (governments, communities, etc.) to shape the future of essential systems that will need to transform because of climate change.

These approaches were detailed in our report, [Accelerating Business Action on Climate Change Adaptation](#) from January 2023. As business make plans along these three dimensions, some leaders are already taking action. The report cites several examples, including:

- Nestlé undertook climate risk assessments at the site, project, and supplier level across the company. Based on these results it developed a comprehensive strategy to mitigate the physical risks of climate change to its business, including site-specific loss prevention, business continuity and water reduction strategies. The strategy also promoted sustainable sourcing, including promoting regenerative agriculture in the value chain. Nestlé is implementing the adaptation measures identified under the strategy across all geographies and markets where it operates.
- Yara, the world’s largest fertilizer company, has created the [Agoro Carbon Alliance](#), a business that helps farmers earn revenue from carbon credits by implementing conservation farm practices to improve soil health and build resilience to extreme weather events.
- Meta, the owner of Facebook, made a critical contribution to a multi-stakeholder effort to secure its home community against rising sea levels. Meta joined the [SAFER Bay](#) project with the city of Menlo Park and the Pacific Gas and Electric Company, and took on the cost of building levees around its main corporate campus and the surrounding community. Their contribution unlocked a Federal matching

grant from the US government, allowing the consortium to protect critical infrastructure and sections of state highways.

While these are simply examples that illustrate indicative approaches, more concrete data on the extent and potential of such initiatives is emerging. At COP28 the World Economic Forum, together with the Stockholm Environment Institute, will submit a “Business Stocktake on Adaptation” that will make a first attempt to evaluate the global contribution from business to climate adaptation along these dimensions. This report will be framed as a blueprint, based on valuable business insights to chart the course for other businesses and governments.

D. Enhancing international cooperation for climate action.

As with all challenges related to complex systems, especially those that cross national borders, climate adaptation requires a collaborative, multi-stakeholder approach. Public-private partnerships on adaptation need to be scaled up. The Forum, its partners, and other organizations that convene businesses are working to help ever more corporate leaders understand climate adaptation in their own terms and relate it to their core business strategies. External developments are helping to change minds as well, particularly the spread of mandatory reporting of climate risk, which for example comes into force in the European Union in 2024.

However, governments and the international community also need to place a greater emphasis on developing collaborative adaptation partnerships with the private sector. This could be achieved by creating a more enabling policy environment that spurs international cooperation on adaptation within and beyond the national adaptation planning process – to facilitate more cooperative and effective action on adaptation between public and private actors. Such actions should be informed by an understanding of businesses approach to adaptation, and how it differs from the prevailing view across governments and international organizations.