



We create chemistry

Global Climate Politics

Background

At the 2015 United Nations climate conference the UN adopted the “Paris Agreement”, a framework in order to limit global warming to 2°C or even 1.5°C. 196 countries voluntarily committed themselves to national targets that are supposed to be tightened regularly. Developed countries support poorer countries financially to allow for more climate protection, adaptation to climate change and technology development and transfer.

The agreement came into force in Nov. 2016. How it will be implemented into national climate politics will be revealed in the years to come. Due to the bottom-up approach different paces and ambitions will remain, and even some temporary retrograde steps can be expected (e.g. the US withdrawal in 2017). If all current promises are going to be implemented the temperature will increase by approximately 3°C.

BASF point of view

BASF appreciates the agreement as an important step to curtail climate change. Governments should develop long-term strategies to avoid GHG emission with close business participation and support the UNFCCC in developing an effective Paris rule book: Thus, they can submit Nationally Determined Contributions (NDCs) with high and comparable ambition levels. A global GHG emission pricing mechanisms would be an important step to allow for a better use of existing technologies and spur research to mitigate climate change.

Climate politics must reflect all pillars of sustainability – including reliable energy supply, competitiveness, climate protection, environmental aspects, as well as social and regional development goals. Regional instruments such as the ETS or energy charges have to enable local industry to grow efficiently, balanced with significant environmental targets. A single region can't mitigate climate change by itself, independent of economic effects.

We need the innovation power of all industrial sectors in order to further develop products and solutions to reduce greenhouse gas emissions. To provide the necessary business solutions, companies need a predictable and stable climate and energy policy framework that is market-oriented, cost-effective, and strengthens competition among technologies. This way, efforts to mitigate and adapt to climate change create opportunities for the private sector.

Climate protection is an important part of BASF's sustainability strategy. Our production processes are highly energy efficient already and continuously being improved. Our products enable reducing greenhouse gas emission in many sectors such as building and living, agriculture, mobility and energy production. We are committed to further reduce greenhouse gas emission – for example with research activities that aim to develop climate protection products and efforts to minimize greenhouse gas emission along the value chain. It is our target to reduce our greenhouse gas emission per ton sold product by 40% until 2020 (base year 2002), e.g. by optimizing our energy supply and production processes.

We advocate for a binding global climate protection agreement with obligations for all countries according to their responsibilities and abilities, e.g. with our ongoing G 20 activities. In 2017, BASF headed the B20 Task Force on Energy, Climate and Resource Efficiency and facilitated a strong common statement with science and the civil society during the G20 process. In 2015, we joined the UN Caring for Climate, the largest global connection of 400 industry representatives of 60 states, working on solutions against climate change.