

Side Event of the 27th Conference of the Parties (COP27) of the United Nations Framework Convention on Climate Change (UNFCCC) at Sharm El Sheikh in Egypt

**Private Sector on the Rise of Forging Business-to-Government Partnerships and Sustainability Reporting to enhance Corporate Efforts towards Net Zero Emissions in Southeast Asia (Nov 12<sup>th</sup>, Japan Pavilion)**

Focusing on fast-growing Southeast Asia, this regional dialogue aimed to share experiences and contribute to mutual learning on policy approaches of middle-income countries to induce private sector participation in driving climate change action during the implementation phase of the Paris Agreement, as well as corporate response efforts, including sustainability reporting.

The participants discussed broadly the support and prospects for carbon pricing policy measures, which are gradually seeing institutional formation following the outcome of the Article VI negotiations, with a focus on international development assistance organizations.

First, Mr. Mitomori, Director of JICA's Climate Change Office, touched on the importance of implementation, introducing the importance of involving the private sector and JICA's support through the Project for the Implementation of Nationally Determined Contributions (NDC) to the Paris Agreement (SPI-NDC), which encompasses this area. The JICA/SPI-NDC project expert followed with a presentation on the accelerating shift to decarbonization, especially since COP26, and the progress of domestic systems requiring companies in developing countries to reduce GHG emissions, as well as the need for the financial sector to meet requirements such as transparency through sustainability reporting as typified by ESG investment. He also mentioned that many international initiatives have been launched to encourage corporate action, but the environment is still in its infancy, and that carbon pricing as a price signal is being introduced and pilot actions are beginning to be implemented.

In the first half of the discussion session, Singapore explained the gradual development of the Carbon Pricing Act (CPA), its policy timeline and outlook, and the importance of domestic stakeholder consultations and dialogue conducted by the government prior to the introduction of the system. Vietnam followed, touching on the GHG calculation and reporting requirements for specific business establishments under the revised Environmental Protection Law and its implementing regulations, and mentioned that the country is developing public-private partnerships with local associations of commerce and industry to

disseminate the regulations and support business establishments in strengthening their capacity to comply with the regulations. From Thailand, the Siam Cement Group participated in the session, introducing the significance of the company's contribution to social development through its proactive efforts to decarbonize and recycle resources from a corporate perspective.

In the latter half of the session, international organizations and development partners discussed carbon pricing support as a policy measure, with ICAP presenting the overall progress of carbon pricing in each country in the region, and the World Bank introducing its support and prospective. OECC then introduced Japan's Asia Zero Emission Initiative and the many capacity-building support programs being developed in the region. The Ministry of the Environment of Japan explained the domestic operational results of the carbon tax and mentioned the launch of the JCM and the Article 6 Partnership in terms of international support.



Mr. Khoji Mitomori, Director, Global Environment Department, Office for Climate Change, JICA



Panelist's discussions



Audience