

Press release GCNL X LCA X UNDP

On the 28th of March 2018, the Global Compact Network Lebanon (GCNL) and Green Mind - Lebanon Climate Act program (LCA) launched a round table in cooperation with the UNDP entitled "*The Cost of Climate Change on the Lebanese Economy: What is in it for my Business*" at the American University of Beirut (AUB, room 334 from 2:00-4:00 PM). More than 60 people attended from both the LCA and GCNL networks. The round table started with a brief introduction about the Caring for Climate initiative, and the Global Compact Network in Lebanon by Dr. Dima Jamali (*National Representative of Global Compact Network Lebanon*). Dr. Jamali, also highlighted that Mr. Nadim Kassar, General Manager of Fransabank recently joined the SDG Council as Goal Leader for SDG 13: Climate Action.

Among the Keynote Speakers, President Charles Arbid, (President of the Economic and Social Council), talked more in depth about the mandate of the Council: to actively promote social dialogue on sustainable development, shared prosperity, inclusiveness and the preservation of natural resources. President Arbid also explained their mission, the future vision of the council and the challenges they are facing. President Arbid, shed the light on the importance of businesses to rally around the cause of the environment and adopting the environment component in the businesses strategy. The Economic and Social Council represents the workforce and the labor force of the private sector and everyone in Lebanon. By giving short examples on sustainability Mr. Arbid, strongly highlighted the need for economic development to remain within the constraints dictated by the preservation of natural resources. These resources are not ours to use or deteriorate. Economic growth will need to be understood as the result of sustainable development and not at the cost of environmental destruction. Natural resources should be seen as assets accounting for the wealth of the country. "in my vast experience as an entrepreneur, I can assure you that assets are paid for dearly in the world of business, because they are valuable, they are cared for and used with extreme frugality" Stated president Arbid. He concluded by introducing a new feature to the Economic and Social Council, "the Environment Committee" and confirmed that this committee is in the process of recommending the renaming of the council as the Socio-Economic Environmental Council. Finally, President Arbid stressed on the need for future collaborations between GCNL, AUB, and the Socio-Economic Council.

Mrs. Nada Zaarour, President of Greenmind NGO introduced the Lebanon Climate Act initiative, and the efforts the platform is promoting to support climate change in Lebanon. Mrs. Zaarour stressed on the importance of cooperation between both the private sector and the public sector and including partners such as the UNDP, the Central Bank and The Chamber of Commerce, Industry and Agriculture in the process. Mrs. Zaarour also detailed the mapping of the LCA members and their efforts to jointly work on the SDGs. Finally; Mrs. Zaarour shortly exposed the Roadmap of Lebanon Climate Act with the objective to include as many businesses as possible to raise awareness and

concrete action on Climate change. "It is a long way but we need to change the mind set of people and help them talk our language to be able to have an impact." Mrs. Zaarour concluded by stressing the importance of an active partnership with the UNDP, GCNL and the Socio Economic Council.

Mr. Kassar, GM of Fransabank and Goal Leader on the SDG Council for SDG 13 Climate Action, for his part detailed the commitment of Fransabank to climate action. Since 1999, Fransabank has been a pioneer in the banking-environmental sector, which led them to win the peace award in Oslo in 2014. Moreover Fransabank signed in 2012 with the IFC to support green projects in Lebanon. " It was not easy, we did not know how to do it, but we learned and ever since, we trained more than 150 employees to work in this field and grow environmental businesses." The challenge faced as a bank is to induce more clients -especially startups and SMEs - to adopt green loans and focus more on sustainability and especially the environment component. "To be able to do that, we need to talk business sense to people, they have to see value for money, businesses will help the environment if they feel they will have to do it." Mr. Kassar also explained how both the Ministry of Finance and the Banque du Liban are helping banks and businesses grow ever further offering many subsidized loans.

Mr. Kassar stressed on the importance of joining the UN Global Compact and Global Compact Network Lebanon and on the efforts Fransabank (member of the network and of the steering committee) is undergoing to raise continuous awareness about the SDGs and especially SDG 13.

Mr. Kassar also introduced an innovation at Fransabank in Lebanon and in the Levant Region, the creation of the Green Bonds. He detailed that these bonds are an innovation in the banking sector. Just like the bonds we use, these bonds are used to invest only in projects related to environment. A total sum of 120 million dollars will be invested. The pilot project issued 60 million dollars across many companies and businesses yet, the rest of the bonds will be open to the public to invest in. So far more than 175 projects were already funded, creating a tremendous impact on the environment and on society. Finally, Mr. Kassar summed the positive impact that Fransabank had already on the environment: 250 tons of CO2 emission reduction and 4.2 million kilowatt of saved energy.

Finally, Mrs. Celine Moyroud, Country Director of UNDP, talked about the importance of the Sustainable Development Goals (SDGs). She mentioned the need for a clear business case concerning climate change so that everyone can understand why to invest in the environment. Mrs. Moyroud stressed on the fact that Lebanon is moving in line with the efforts of the United Nations and what it is currently doing to achieve the sustainability agenda of 2030.

There is a call for partnerships to promote sustainable development and climate change especially concerning the change of our practices towards more economic and environmental models. The main aim is to promote the climate change agenda, to monitor and analyze data on the impact we have as a country, and to see how much we are contributing to Climate Change. Mrs.

Moyroud highlighted the importance of the work done by the Ministry of Environment, especially concerning Greenhouse Gas Emissions. She also stressed the need to work in cooperation with both the private and the public sector to help businesses generate more user friendly environmental products and services. Going green will increase job creation especially for companies who work directly and indirectly with savings and adopting green energy. Mrs. Moyroud pinpointed that there is still reluctance from the private sector to move from CSR to reporting on the SDGs. Companies should include the SDGs at the core of the businesses and not just at the periphery in the form of CSR. To shift the conversation towards sustainability we need more efforts and active private sector engagement.

The session was followed by a panel discussion moderated by Mrs. Lea Kai Aboujaoude project Manager at UNDP. Mrs. Aboujaoude shortly raised awareness about specific topics to keep in mind, concerning the cost of climate change on Lebanon before leaving the floor to the panelists; respectively, Mr. Ali Zhairati, Group Marketing and Strategy Manager at Unigaz, Mrs. Cynthia Raphael, Board Member of the Arab Printing Press, and Mr. Pierre El Khoury General Director and President of the Board of the Lebanese Center for Energy Conservation (LCEC).

For Mrs. Aboujaoude, there is a need to acknowledge that climate change is happening in Lebanon, and how climate change is undergoing changes in Lebanon, such as:

- The Increase in temperatures and the decrease in precipitation and the effects it has on all sectors.

- The Impact on infrastructure, on workers productivity and on the business will have a monetary cost.

- There are clear studies on potential direct disasters, diseases, and industry stress. The GDP is decreasing annually. All this will impact business over the years; the way businesses make revenues and profit and even the way they work. Some numbers:

- 320 million\$ increase cost in water provision for industries and commercial institutions

- 160 million \$ of loss on workers productivity, in 20 years

- 36 million \$ loss on damage on infrastructure

Concerned participants covered many interesting topics. Indeed each of them exposed how their company is working towards achieving SDG 13 in Lebanon. For example, Unigaz, works on a double approach, internal and external; the external approach helps customers shift from diesel to gaz, whereas internally, the company focuses on shifting their strategy to become more environmentally conscious and friendly across operations. As for APP, Mrs. Raphael talked about the importance of the support by the Banque Du Liban, with the financial mechanism that was launched by BDL in 2011. ..

Mr. Khoury assured that the LCEC has many projects they are addressing SDG 13 and that there is a need to use them and to learn from them to advance issues related to climate Change in Lebanon. Mr. Khoury also mentioned on the that Lebanon seems to be moving in the right direction and will achieve the bar of 12% by 2020

Mr. Zhairati stressed on the other hand that there is a fundamental need to raise awareness and include more people in the conversation around climate change in Lebanon. "Everyone is part of this society mostly controlled by private sector and everyone engages with the private sector. The primary impact on the society will come from initiatives by the society."

Mr. Khoury is confident about the future of environment in Lebanon: "We are preparing for the meeting in Paris in April; more than 6 billion dollars of investments will be given to Lebanon among which 2 billion will be dedicated to renewable energy projects."

Finally, for Mrs. Zaarour, the pressing challenge is to change the laws. "Our role is to enact new laws and impose them on the municipalities if we don't have any laws there will be no real advancement."

This session was followed by a short reception at AUB.