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# CLARA Responds to Report from the United Nations' High-Level Expert Group on the Net Zero Emissions Commitments of Non-State Entities

CLARA members have long advocated for "real zero" rather than net-zero targets, since net-zero targets have overwhelmingly used offsets to avoid emission reductions and greenwash problematic and harmful actions in the land sector. This is especially true for private sector companies or corporations, which have used net-zero pledges to claim climate leadership while avoiding real action. The UN Secretary-General's <a href="High-Level Expert Group Report">High-Level Expert Group Report</a> takes a step forward in recognizing and addressing these systemic problems.

In particular, the recommendations make clear that transparent absolute emissions reductions targets rather than emissions intensity reduction targets – not just a net-zero target where ongoing emissions and planned removals are combined with no transparency - are essential for any credible climate goal.

CLARA maintains that offsetting to the 1.5°C goal is not possible, and is pleased to see that offsets should not be used towards interim targets in the critical next decade of climate action. Additionally, we appreciate the emphasis on the importance of a rights-based approach for any land-based projects in markets. A genuine rights-based approach is essential to avoid harming local communities and maximizing the chances of real climate benefits.

However, CLARA members remain deeply concerned about market-based approaches and the use of offsets, as they have historically failed to live up to either their climate or human rights promises. Integrity matters, as this guidance states, but CLARA has been critical of the initiatives the report points to including the Voluntary Carbon Markets Integrity initiative.

#### **CLARA Members React**

#### Gilles Dufrasne, Carbon Market Watch

"Too many companies are making dubious net zero pledges. That is why guidance from the UN is highly welcome. But more still needs to be done to ensure companies report their emissions in full and reduce their excessive reliance on carbon offsets.

"These guidelines will not be enough to end greenwashing. They don't close the door to all loopholes, and have no regulatory power anyway. Governments need to step up and regulate advertisements from companies. Today's free-for-all situation must end as consumers and citizens are being misled into thinking that companies are doing much more than they actually are."

### Hana Heineken, Senior Attorney, Climate Financial Strategies, Center for International Environmental Law (CIEL)

"The Expert Group calls out the clear culprits of the climate emergency – the fossil fuel industry and their financiers — for using 'net zero' to greenwash their climate commitments, and rightly pegs 'net zero' to an unqualified fossil fuel phaseout and an end to fossil fuel financing. Critically, the call for regulation to ensure non-state actors are transparent about their climate footprints and held accountable for their climate actions and pledges demonstrates the need for enforceable measures to prevent greenwashing and spur meaningful climate action. Avoiding overshoot of 1.5°C requires deep emissions cuts now, and leaves no room for reliance on fossil-fuel prolonging carbon capture and storage or other technofixes, which only delay needed climate action."

#### Souparna Lahiri, Climate and Biodiversity Policy Advisor, Global Forest Coalition

"It is encouraging to notice that the HLEG report calls out the right issues and problems with the corporate net zero and how such pledges are abused. Great to listen to the UNSG calling out fossil fuel corporations to stop their toxic cover up and that carbon credits cannot undermine immediate emission cuts. Will be interesting for us to follow what happens next. There is no room for offsets, the fossil fuel industry has to be phased out and global climate action should take a rights-based gender just approach. Can the corporations be forced to take real actions and the governments to regulate their climate pledges? We are waiting and the world is waiting. Meanwhile the struggle of communities against corporations and their false solutions continues."

## Linda Schneider, Senior Programme Officer for International Climate Policy, Heinrich Boell Foundation, Germany:

"Any credible net-zero plan must reduce emissions to real zero as much as possible. The High-Level Expert Group has made it very clear: There can be absolutely no investments in new fossil fuels. There can be no offsetting with cheap credits that undermine rights and livelihoods of Indigenous Peoples and local communities. Overshoot of 1.5°C must be avoided. The only way forward is a fast and comprehensive phase-out of fossil fuels, with rich producing and consuming countries leading the way, an end to deforestation, and a deep transformation of our economies towards climate justice. Lofty net-zero plans that bet on geoengineering and land-based removals will lead into the dangerous territory of 1.5°C temperature overshoot that will inflict severe risks and irreversible damage on ecosystems and communities. We need clear and binding regulation on net-zero pledges to avoid adverse impacts and risky technofix solutions, and instead work towards real zero."

### Shefali Sharma, director of Institute for Agriculture and Trade Policy (IATP) European office

"We applaud the experts for calling on governments to regulate net-zero commitments made by corporations. There can be no room for carbon offsets in these plans. Agribusiness currently uses all kinds of tricks to meet their net-zero targets, this must stop. Strong standards for actual emissions cuts by agribusiness are critical as they are huge food systems emitters.

"Food and beverage corporations considered leaders, such as Nestle, are setting future 'business as usual' baselines from which to reduce emissions and achieve net-zero targets. To prevent catastrophic climate change, agribusiness has to cut total emissions from current levels

to get closer to real zero, otherwise we are talking about clever accounting rather than climate action."

#### Kelly Stone, Senior Policy Analyst with ActionAid USA and CLARA Coordinator

"These recommendations reflect the reality that carbon offsets cannot be used to ensure the world's temperature does not go above 1.5°C and that much more is needed to bring about real change. Our collective focus must be on rapidly reducing emissions from fossil fuels, agribusiness, and other polluting sectors instead of the smokescreen of carbon offsets and net zero targets.

"The land sector is absolutely essential for climate action, but it cannot compensate for ongoing fossil fuel emissions. Net zero targets have been used to claim the mantle of climate champion without changing emissions as usual. The world didn't have time for that when the Paris Agreement was adopted and certainly doesn't now."

## Johanna Sydow, Head of International Environmental Policy Division, Heinrich Boell Foundation, Germany:

"The UN High-Level Expert Group report on Net Zero pledges makes clear the EU has to use its due diligence on supply chain legislation that is currently being drafted and oblige companies to reduce their emissions at source, not by relying on offsets. Submitting plans is not enough, the EU must ensure companies actually implement them. The current EU proposal needs to do more in this regard."

<u>CLARA</u> (Climate Land Ambition and Rights Alliance), a global civil society alliance with more than 40 members from conservation, agroecology, land-rights, faith-based, and forest restoration organizations and communities, is providing analysis on land use, forests, agriculture, and human rights from the 27<sup>th</sup> Conference of the Parties of the United Nations Framework Convention on Climate Change (COP27) in Sharm el-Sheikh, Egypt, 6-25 November. CONTACT: Don Lehr / <u>dblehr@cs.com</u> / +1.917.304.4058