



The Business Knowledge Platform

Creating strategic business opportunities from climate change

How to Create Value from Climate Change

Climate change is a global challenge affecting every part of the world, disrupting national economies and affecting communities and businesses. In 2017, the Lebanon Climate Act launched the **Business Knowledge Platform** with the aim to introduce the climate change fundamentals to Lebanese companies, help them assess and manage the carbon footprint, identify the ways to engage with stakeholders, create customized climate action plans and finally, to share companies' experiences and achievements.

To implement and support the Platform with its expertise, the **Sustainability Knowledge Group** is brought on board to conduct a series of scheduled workshops and develop an informative sustainability guide. The aim of the guide is to offer best practices and concrete actions for developing the right strategy roadmap aligned with stakeholders' requirements and government sustainability plans. With the exercises and relevant pieces of advice, a company can develop and implement a corporate climate change strategy and battle the challenges in an effective way.

Objectives of the initiative:

- To establish a network of companies and institutions actively engaged in the fight for climate change.
- To catalyze the involvement of the private sector in the wider climate change movement.
- By joining the Lebanon Climate Act, companies will demonstrate their ongoing engagement to climate action. As part of this initiative, each company will set actions to reduce its environmental and carbon footprint, increase low-carbon investments, deploy more clean energy, and build more sustainable businesses and communities to tackle climate change.



Lebanon Climate Act is also an opportunity to establish solid partnerships between leading business organizations who are showing headship in acting on climate change (Energy, Water, Transport, Waste and Forestry and/or Agriculture) and increase the adaptive capacity of the Lebanese economy, and active Non-Governmental Organizations who have planned important climate initiatives to be implemented by private and public partners.

Mrs. Aglaia Ntili, M.D. of Sustainability Knowledge Group showcased the importance of taking climate action while fulfilling company goals and stakeholder expectations. The main topics covered during this activity-based training focused on Sustainability, Stakeholder prioritization, Business Materiality, Strategy and Carbon Footprint Measurement.

Mrs. Ntili stated: "We actively support the mission of COP22 for action on Climate change and through this series of workshops, we encourage and support companies to compute their carbon footprint and develop an action plan for carbon footprint reduction according to international standards. The guidebook developed is a strategic tool to assist companies and professionals in identifying and utilising business opportunities from climate change."

The Guide: How to Create Value from Climate Change

This practical and insightful guidebook is the key tool of the Business Knowledge Platform, of Lebanon Climate Act, which Sustainability Knowledge Group supported as the Knowledge Partner.



This guidebook was created as a tool to help businesses in Lebanon ride the international climate change wave and develop and implement a plan to effectively take part in climate change action on the scale of each business. As businesses work to gain a better and deeper understanding of the risks of climate change and capitalise on opportunities arising from climate change, this guide will help them ride the international climate change wave and develop and implement a plan to effectively manage climate change impacts.

The guide is organised in eight steps. Each step helps companies develop a set of concrete actions to align the sustainability strategy with stakeholders' requirements and national commitments. It will help maximise your economic profit and develop strategic partnerships.

Steps forward to establish a solid Climate Strategy

Step 1

IDENTIFY YOUR CHAMPIONS

Objectives: Identify the right people to drive climate change internally

Step 2

IDENTIFY YOUR STAKEHOLDERS

Objectives: Identify the stakeholders who are critical to the success of your climate change strategy and actions

Step 3

DEVELOP A VISION AND POLICY

Objectives: Develop a guiding climate change vision and policy for your company

Step 4

DETERMINE THE IMPACT OF CLIMATE CHANGE ON YOUR COMPANY

Objectives: Determine how climate change can affect your business operations

Step 5

MEASURE YOUR CARBON FOOTPRINT

Objectives: Measure the carbon footprint of your company and identify how your company contributes to climate change

Step 6

DEFINE YOUR STRATEGY AND CLIMATE ACTION PLAN

Objectives: Develop an appropriate strategy and plan for your company and select the best actions to implement

Step 7

EVALUATE AND IMPROVE

Objectives: Improve your performance and maximise the benefits from your climate change actions.

Step 8

COMMUNICATE AND CELEBRATE

Objectives: Identify the best ways to communicate climate change internally and externally to achieve your goals

STEP 1: IDENTIFY YOUR CHAMPIONS

Climate Change Champions are employees within your company from different departments, business units and executive levels.

Their role is to identify the right employee with the right skills, inspire and communicate the climate change risk and opportunities, motivate and encourage contribution of employees in developing climate change solutions making sure the actions are aligned with priorities of the company. While providing tools and following up the implementation, Climate Champions increase the transparency and credibility of the projects.

We can:

- Carefully select and train your team leaders and sustainability champions to constantly lead efforts and spark great ideas throughout the company
- Develop successful culture of climate change and nurture strong champions to recognize the hidden opportunities for company's improvement
- Design, develop and successfully implement customized CSR training programs across the spectrum of your business activities

STEP 2: IDENTIFY YOUR STAKEHOLDERS

Each company needs to understand, identify, consider the stakeholders' views and ways to actively engage with them as a strategic priority in order to maximize the social impact and gain benefits. The resources are limited and an appropriate plan of their allocation is required to mitigate risks that may sabotage company's initiatives and environmental activities.

We can:

- Brainstorm with you and your climate change champions to have clear picture of the people, groups and institutions that influence or are influenced by company's decisions
- Develop tailor-made engagement strategies and methods to secure the most effective support for successful implementation of your corporate specific goals and projects
- Identify the best criteria to prioritize and classify your stakeholders according to global frameworks, including AA1000 APS on Stakeholder Engagement, ISO 26000 and GRI
- Develop effective plan for purposeful engagement and strategic communication with key stakeholders in a way to support your climate change projects

STEP 3: DEVELOP A VISION AND POLICY

Climate change vision and policies are essential in demonstrating company's commitments to climate-responsible behaviour and exceeding the legal compliance. They need to be clear and understandable in order to resonate with the internal and external stakeholders.

We can help you to:

- Develop or revise current vision and policy ensuring they contain all key elements to convey clear and straightforward messages
- Define the key principles that will act as a guideline throughout the policy design and implementation
- Strategically communicate vision and policies with all employees and partners building mutual understanding on needs and expectations
- Purposefully engage employees and board leadership in joint policy implementation
- Update your existent vision and policy after new legislation or critical events

STEP 4: DETERMINE THE IMPACT OF CLIMATE CHANGE ON YOUR COMPANY

Global challenges and opportunities are great guidance in identifying your capacity in climate change mitigation and adaptation. By clear understanding of influences, a company can engage in most efficient ways to fight environmental impacts on its operations and turn them into favorable circumstances.

We can:

- Identify the sources of environmental risks influencing all functions of your company
- Determine how you can capitalize on opportunities in a sustainable and profitable manner to a strong and effective response to climate change
- Create a rank list of risks and opportunities through an external pressure and an internal opportunity paradigms
- Transform the most important organization's economic, environmental and social impact into valid material matrix as a backbone of reporting and strategy

STEP 5: MEASURE YOUR CARBON FOOTPRINT

This step is essential for the company in reducing their environmental impact and adopting behavior which is more considerate of the climate change. Each company needs to assess how much carbon dioxide and other greenhouse gases emission it emits, identify direct and indirect sources of emission and set corrective strategies aligned with local, regional and international benchmarks.

We can:

- Introduce you and your team with Carbon footprint concept and the best approach to quantify and manage Greenhouse Gas emissions
- Identify the potential sources of emissions and most efficient ways to reduce the company's impact, costs and risks
- Ensure the results of GHG audit are truly and fairly represented in Sustainability Reports and company's strategy
- Advise you how to effectively communicate results with stakeholders

STEP 6: DEFINE YOUR STRATEGY AND CLIMATE ACTION PLAN

With completed previous steps, a solid climate change strategy and action plan can support the company's efforts in fighting environmental challenges locally.

We can collaborate with you to:

- Define a coherent sustainability strategy (or strategies) based on integrity, sound values, long-term vision that can embrace opportunities and bring risk to acceptable levels
- Overcome typical obstacles in strategy design due to lack of understanding of climate challenges or overseeing the potential threats
- Develop climate change goals and risk-control measures and incorporating them into your strategy and action plans which are reflected in the company's reputation
- Determine feasible mitigation and adaptation actions in order to reduce company's exposure to liabilities, risks and associated costs
- Effectively map action plans, carefully analyzing them and using the proper, multilevel techniques of their evaluation
- Identify the best partners and develop successful partnerships to pool resources in attaining green growth and climate-compatible development

STEP 7: EVALUATE AND IMPROVE

Successful companies should constantly adapt to new environment and challenges, assess their own performance and influence on stakeholders. There are some pitfalls that must be avoided in order to be aligned with climate change goals.

We can:

- Perform efficient assessment and benchmarking of company's performance with insightful recommendations essential for making informed decisions
- Identify measurable and appropriate SMART goals and indicators that help company in achieving key business objectives and build climate-resilient pathways
- Propose financially viable and scalable solutions in resolving climate change issues with profitable returns
- Measure your social, economic and environmental impacts through generated financial value by using Social Return On Investment (SROI) methodology

STEP 8: COMMUNICATE AND CELEBRATE

A company must carefully communicate environmental messages, values and views with internal and external audience. This means clear identification of channels, purpose, content and timing of communication. A fruitful way to instill climate change culture among employees and management is to recognize and honor the employees' contributions and company's achievements toward Sustainable Development Goals (SDGs).

We can assist you to:

- Develop meaningful sustainability reports in accordance with international standards, methodologies and national guidelines as a form of communication (GRI report)
- Incorporate practical case studies, accomplishments and initiatives undertaken by the company into the Reports as an efficient way of inspiring stakeholders
- Identify the best ways to combine your social and environmental ideas into capturing stories
- Create responsible marketing campaigns and avoid misleading and green-washing overstatements
- Acknowledge efforts and design an appropriate rewarding program for dedication and performance toward milestones
- Externally assure the content of your GRI sustainability report ensuring validity of data and credibility of the information shared in the public domain



SUSTAINABILITY KNOWLEDGE GROUP

Sustainability Knowledge Group

is a global advisory firm dedicated to creating value through strategic Sustainability & CSR solutions, including advisory, training, coaching and meetups. In recognition of the importance of sustaining competitive advantage in today's marketplace, we support companies to develop strategies that minimise risks and demonstrate leadership.

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LEBANON CLIMATE ACT

Signing the **Paris Agreement** at the Conference of the Parties COP21 in 2015, Lebanon is committed to reducing possible risks and irreversible consequences of climate change on its already stretched-economy through the publication of **Intended Nationally Determined Contribution (INDC)**. Facing the development challenges, high level of poverty and regional crisis, the government recognized the necessity to incorporate sustainable development goals into its Agenda and therefore build the climate-resilient economy.

Although Lebanon's share in global greenhouse gas emissions is just 0,07%, the governmental intention is to establish healthy legal, infrastructural and financial working environment for local private entities and align their goals with emission reduction target of 15% by 2030 called upon by the Paris Agreement. Being complementary to each other, this collaboration helps to raise the market competitiveness, maximize economic profit, create job opportunities and secure greener future.



In Lebanon, the total costs of climate change on the economy might equal USD 1,900 million in 2020, rising to USD 138,900 million in 2080. These costs may include higher food prices, higher electricity and heating/cooling bills, increased expenses on leisure activities like skiing and hiking, increased health care cost, etc.

MoE/UNDP/GEF (2016). Economic Costs to Lebanon from Climate Change: A First Look. Beirut, Lebanon.

As a result, in June 2016, The Lebanon Climate Act is presented with the aim to instill Lebanon's INDC objectives into the private sector. Partners of the **Business Knowledge Platform** are: Green Mind, United Nations Development Programme, the Central Bank of Lebanon, the Chamber of Commerce, Industry and Agriculture of Beirut, the Ministry of Environment, ClimaSouth, V4Advisors and Sustainability Knowledge Group.

The Lebanon Climate Act aims at creating economic growth in a way that also creates value for the society by addressing Climate Change challenges.

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