

<b>Committee(s):</b> Policy & Resources Committee – For Information	[Meeting Date] 20 January 2022
<b>Subject: COP26 Update</b>	<b>For Information</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<i>7. We are a global hub for innovation in finance and professional services, commerce and culture</i>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>n/a</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>n/a</b>
<b>Report of: Damian Nussbaum, Executive Director, Innovation &amp; Growth (IG)</b>	Public
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### Summary

The Corporation set high ambitions for GHS@COP26, and we delivered on those ambitions. The City Corporation, in partnership with the Green Finance Institute, not only convened the FPS industry at COP26, but also led it – through setting a strong agenda, delivering a high-quality hybrid event, providing a physical hub in Glasgow and driving collaboration and alignment.

Sponsorship from 26 commercial and institutional partners provided the bulk of finance. But the staff time commitment from the City Corporation should not be under-estimated.

Momentum on green finance will be carried into 2022, with the Innovation and Growth Department (IG) leading work on several important content workstreams.

### Recommendation(s)

P&R Committee is asked to note:

- the success GHS@COP26
- the budget summary
- the green finance follow-up activity.

### Main Report

### Background

1. The Policy and Resources Committee agreed in July on the objectives of the Green Horizon Summit @COP26 (GHS@COP26). The full paper is attached as background. These objectives were to deliver a high-profile hybrid event in parallel with COP26 to:

- advance CoLC's wider strategy in green finance
  - align with HMG and the United Nations in mobilising private finance for the transition to Net Zero
  - provide a platform to highlight the scale and expertise of UK Financial and Professional Services (FPS) in green finance
  - ensure a high profile for CoLC and its seniors at COP26.
2. This was a hugely ambitious project for the Corporation. We needed to deliver it to the highest quality to meet the expectations of major partners and take advantage of the unique opportunity.

## **Current Position**

3. GHS@COP26 was a success. We brought together over 200 speakers, more than 100 of whom were live in the Glasgow venue. These included 40 CEOs/Chairs from across Financial and Professional Services (FPS) and tech. We achieved a great diversity and balance of speakers across geographies and sectors. We reached an online audience of 10,000. We partnered with Mark Carney, HMT on Finance Day, 21 global FPS firms, and five major UK trade bodies (full list at **Annex 1**).
4. Feedback from our commercial and institutional partners, the wider industry and HMG has been strongly positive. In his summing up at GHS@COP, Mark Carney, the UN Special Envoy for Climate Finance said that the event 'showed the City at its best'. Lord Stern, a veteran of every COP since 2004, said that GHS@COP was 'a force for good, making a real difference at COP26'. HMT told us that they felt that GHS@COP26 had made a real impact on HMGs ability to deliver a deal at COP.
5. The success of GHS was due to several factors:

## **A Strong Agenda**

6. The Corporation and the GFI structured GHS@COP26 around Four Big Questions for the industry as it mobilises finance for the transition to net zero. These were;
- How can we finance transition and growth?
  - How can we build a global playbook?
  - How can we price carbon and nature?
  - And how can we mobilise investment into emerging and developing economies?
7. This strong agenda helped structure the input from partners and governments to create a clear narrative for GHS@COP26 and align to wider 'real-world-economy' discussions at COP26. It enabled us to leverage serious content onto the platform and sustain debate and challenge. It nudged partner firms away from spin and PR and towards collaboration on the issues, and –

looking forward - it will also provide a framework for further content beyond COP26 into 2022.

### ***High-Quality Hybrid Delivery***

8. The hybrid format allowed us to fulfil our objectives of being flexible, diverse and low carbon. It helped focus conference sessions on 'TV studio' style keynotes, debates and panels, aimed more at the online than the physical audience. Sessions were dynamic and fast-moving, despite the pressure of delivering more than eight hours content a day for five days. The production values were very high-quality, drawing on professional AV and events contractors.
9. The hybrid model also allowed us to bring in speakers from outside Glasgow and integrate pre-recorded material, including commissioned films and interviews. We were able to link to four events at Mansion House, which brought together City stakeholders who were not able to travel to Glasgow.

### ***A Physical Hub for Finance in Glasgow***

10. The South Rotunda venue not only hosted the 'TV studio' but also provided a prestige venue for senior figures from finance - adjacent to the COP campus. It was more user-friendly than the COP 'Blue Zone' and supported both formal meetings and informal discussions. We were able to offer office and meeting space to Mark Carney and other senior figures - indeed the CEOs of several of our strategic partners made the Rotunda their base. A 'nightcap' reception on Finance Day was well attended, drawing over 200 senior participants.

### ***Collaboration and Alignment***

11. Our neutral stance allowed us to encourage collaboration between firms across sectors and geographies. We did not allow our sponsors to 'veto' their competitors from taking part. We also made space for some critical and contentious voices. This – and the focus on the four big questions – allowed us to present the FPS industry in a positive light – engaging with the issues and working together seriously for answers and solutions.
12. Our key themes aligned well with the concerns of HMG, especially the Chancellor and HMT around Finance Day. We carried 'streams' live from the Blue Zone on Finance Day and provided HMT with video content for the Blue Zone. We were able to quickly amplify core HMG content to wider FPS audiences and analyse and comment on the announcements in real time.

### ***City of London Corporation representation***

13. GHS@COP26 was led by the Lord Mayor and Policy Chair, who both gave keynote addresses, chaired sessions and hosted events. The CEO and Acting Chair of the GFI also took leading roles. SABTAC, Sheriff Gowman and the Deputy-Chair of Policy attended and chaired sessions and/or spoke for the CoLC.

14. The Lord Mayor, Policy Chair and other City seniors were also able to participate in a wide variety of other platforms and events at COP26. These included: the formal COP 'Blue Zone', especially on Finance Day, receptions hosted by the PM, the Chancellor and HRH Prince Charles, the public-facing Green Zone, the CBI business dinner and events on COP 'Cities Day' where the City of London's Climate Action Strategy was highlighted.
15. The central GHS@COP26 stage was renamed the Sir Roger Gifford Studio for the event. It was linked virtually to Mansion House for a tribute evening to Sir Roger, broadcast as part of the programme. That event launched an annual Sir Roger Gifford Lecture on green finance, to be held at Mansion House and supported by SEB and Ninety-One.
16. A detailed summary of GHS@COP26 is attached at **Annex 2**, and several summary videos can be watched at [www.greenhorizonsummit.com](http://www.greenhorizonsummit.com).

### **Resourcing and Budget**

17. GHS@COP was an ambitious - and expensive - undertaking. To deliver it successfully, we needed to hire in professional support from PR, events and AV firms, as well as several temporary staff. But thanks to strong buy-in from sponsors, the financial costs to CoLC were modest.
18. The financial costs were not the full story however. A large team within IG was diverted from other work to deliver GHS@COP26. At the close more than 10 IG staff were working full time on the project, this inevitably meant other work around IG was de-prioritised for a period as GHS@COP took centre stage. Mansion House also supported strongly with staff time, as did Comms. And the Lord Mayor, Policy Chair and other Members gave significant time to the project. Teamwork and cross-Corporation co-ordination needed to be strong, as did the partnership with the GFI.
19. The intensity of the work should also be noted on two fronts. COP26 was a moving target because of Covid, with major issues such as agenda, venues, security and access uncertain up to the last moment. Secondly GHS@COP/COP26 was a strategic moment for FPS. There was great anxiety in firms (our sponsors) to get their participation in Glasgow right. These factors fed through into intense pressure on our teams.
20. The final budget it still being reconciled, but estimates are currently:

#### **Expenditure**

**£777,000**

In order of size, the main budget lines were:

- Event and Platform management
- AV and editing
- Venue, Catering and Sets
- Additional Staffing
- PR/Comms

- Road to COP events
- Travel and Accommodation

**Income** **£777,000**

- Sponsorship £595,000
- CoLC in-year budgets £110,000
- Projected request from PIF underwrite £72,000

**The Committee is asked to note a projected PIF draw-down of £72,000 from the £100,000 underwrite agreed by PRED in January 2021.**

## Next Steps

21. GHS@COP26 was a crucial milestone, which we will use to build momentum on the CoLC key objectives in sustainable finance through 2022: These are:

- Frameworks.** Competitive domestic policy and regulatory frameworks for sustainable finance
- Innovative Products.** New investment products capable of meeting new sustainable investment demand
- Mobilisation.** City as hub for sustainable financial flows inward to the UK & outward to emerging markets
- Promotion.** Of UK's world-leading Sustainable FPS ecosystem

22. Four topics have emerged as important priorities post-COP26, aligned with priorities in our existing sustainable finance work:

- Glasgow Financial Alliance for Net Zero (GFANZ) legacy** – ensuring centre of gravity remains in London and anchoring the Secretariat here
- International Sustainability Standard Board (ISSB) delivery** – leverage UK-based FPS community to drive work and adoption
- Scaling Voluntary Carbon Markets (VCM)** – ensure London develops as a global hub for future trading activity
- Just Transition** – a greater focus on the 'S' in ESG and showcasing UK leadership

23. The CoLC will engage in a series of discussions over the next few weeks with industry and other stakeholders to evaluate success of GHS@COP and COP26 more generally. These conversations will feed into our future strategy and detailed work programme which we will be ready to present in February 2022.

## Corporate & Strategic Implications

24. Strategic implications – GHS@COP26 delivered against 7b, 7c and 7d of the Corporate Plan under the objective 'To Support a Thriving Economy'.

## **Climate Implications**

25. The activities described in the strategy mutually reinforce the Climate Action Strategy, particularly championing sustainable growth.

## **Other implications**

26. No further **legal, security, resource, financial, risk and equalities implications** arise from the information in this report. Activities to support the implementation of the follow-up strategy will be met from existing budgets and resources.

## **Conclusion**

27. COP26 offered a unique opportunity for CoLC to convene the FPS industry and work closely in support of HMG on a global stage around a key issue for FPS, wider business and the world. We built on our strong foundations, and in GHS@COP26 delivered an agile and modern event, reflecting the innovation and global reach of our sector. We managed the project successfully, adapting to the moving target of COP26, mitigating financial and resource risks. However, delivery did require us to prioritise this above other new projects, and in some cases re-sequencing projects that were already underway.

## **Appendices**

- Appendix 1 – list of GHS@COP 26 partners
- Appendix 2 – detailed summary of GHS@COP26

## **Background Papers**

- P&R paper of 8 July 2021 (Available on request)

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## Annex 1

### List of GHJS@COP26 Partners

<b>Strategic Partners (7)</b>	Aon
	Blackrock
	EY
	LSEG
	NatWest
	Phoenix Group
	Standard Chartered
<b>Other Commerical Partners (14)</b>	ABRDN
	Aviva
	Bank of China
	DLA piper
	CFA Institute
	Fidelity
	Laudes Institute
	Macquarie Group
	Services
	Morgan Stanley
	Ninety One
	Prudential
	Société Generale
<b>Trade Association Partners (5)</b>	UBS
	Vanguard
	The Association of British
	Insurers
	BVCA
	The Investment
	Association
	UK Finance
	TCUK

## **Annex 2**

### **Detailed Summary of GHS@COP26**

1. GHS@COP was a five-day hybrid conference with a physical hub in Glasgow and global online audience. Delivered at and alongside COP26 – the Finance COP.
2. It brought together private finance to consider the big issues for finance in the transition to net zero and collaborate on answers. We focused on four 'big questions' which in turn aligned with the four 'pillars' of IG's Sustainable Finance Framework, developed in spring 2021.
3. Four key questions:
  - a. How can we finance transition and growth?
  - b. How can we build a global playbook?
  - c. How can we price carbon and nature?
  - d. And how can we mobilise investment into emerging and developing economies?
4. Delivered by City of London Corporation, working with:
  - e. UN Special Envoy for Climate Finance Mark Carney
  - f. HMG (HMT and Cabinet Office)
  - g. 26 Partner organisations from across financial and professional services

### ***Participants***

5. GHS@COP featured 200+ speakers, over 100 of whom were live in Glasgow in the South Rotunda. This included over 40 CEO/Chairs from Financial and Professional Services from a large number of geographies, sectors and backgrounds.
6. So far, we have reached an online audience of 10,000.

### ***Outcomes***

7. GHS@COP contributed to and showcased strong consensus from private finance around the answers to the four key questions:
  - a. With leadership from Mark Carney, HMT and the industry, we have made strong progress on Greening Finance and towards a global green playbook. We were able to showcase that at Glasgow.
  - b. Through GFANZ we have assembled a massive £130bln committed to financing green. This will be used to fund transition while also investing in future opportunities. Much of this will go to emerging and developing economies.
  - c. The world needs a global carbon price. And nature must be the next priority for finance.
8. GHS@COP created momentum behind crucial climate finance initiatives which will make immediate real-world impacts across the global economy,
  - a. Glasgow Financial Alliance for Net Zero (GFANZ). With Mike Bloomberg we hosted GFANZ leaders in the Rotunda on the eve of Finance Day.



- b. International Sustainable Standards Board (ISSB). GHS@COP26 supported a launch event with Carmine di Sibio (Global CEO, EY).
- c. Voluntary Carbon Markets (VCM). LSE and ICE launched new market mechanisms at GHS supported by the Chancellor of the Exchequer.

***Quotes from GHS@COP26***

- 9. "It's truly been transformational and shown the City in its best light and shown the future to the City and the world. It has given us hope that we can meet this challenge... solving problems, not just managing risk. I have every confidence because of the talent in the City and dedication of the CoLC, we can move this forward." **Mark Carney**, UN Special Envoy on Climate Finance
- 10. "The money is there... we've seen incredible collaboration across all the whole finance sector – insurance, asset managers and banks - there is a huge amount of money and commitment to finance this transition." **Alison Rose**, CEO NatWest
- 11. There is a spirit of collaboration and urgency at COP26 that has been missing. We can't let this opportunity pass. **Larry Fink**, CEO Blackrock