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## **New BSR, Cambridge Report Outlines Climate Risks for Primary Industries, Extractive Sectors**

*13-Part Series Translates IPCC Fifth Assessment for Business*

**San Francisco—June 26, 2014**—A [new summary report](#) published jointly by [BSR](#) and the University of Cambridge’s Institute for Sustainability Leadership and Judge Business School, with support from the European Climate Foundation, distills the key findings from the recently released Intergovernmental Panel (IPCC) on Climate Change Fifth Assessment Report for the primary industry and extractive sectors—including mining, cement, iron and steel, chemicals, aluminum, and pulp and paper.

The report, one in a 13-part series that translates the IPCC assessments for business leaders, reveals that climate change will have wide-ranging impacts on primary industries and extractives, including damage to infrastructure and industrial assets and a reduction in availability of natural resources like water.

The research was conducted as part of BSR’s [Business in a Climate-Constrained World](#) initiative, which provides ambitious, actionable steps all industries can adopt today to reduce climate impacts and build resilience.

“Primary industries and extractives represent the front lines of supply chains,” said [Edward Cameron](#), a lead author of the report and BSR’s Director, Partnership Development and Research. “They rely on the extraction or exploitation of natural resources that are already being affected by global warming. These are also energy-intensive industries, which means their biggest opportunities lie in energy efficiency—efforts that will pay off for the climate and in terms of reduced operating costs.”

John Gardner, Chief Sustainability Officer at Novelis Inc., added, “We commend the analysis within the latest IPCC report and its call for radical product innovation. At Novelis, we don’t anticipate the successful and sustainable businesses of the future to be modeled on the practices of the past.”

Dr. David R. Leal-Ayala from the University of Cambridge said, “This summary report provides a succinct overview of some of the implications of climate change for the extractives sector. It clearly shows that there are opportunities for significant emissions reductions in this sector—it will, however, be critical that a new whole-systems approach be taken in order to realize these.”

Findings from the report include:

- **Physical impacts of climate change on primary industries are likely to include damage to infrastructure and industrial capital assets**, and could reduce availability of renewable natural resources, including water.
- **Total greenhouse gas emissions (GHG) from industry almost doubled between 1970 and 2010.**
- **Most sector scenarios project that global demand for industrial products will increase by 45 to 60 percent by 2050**, relative to 2010 production levels. Rising demand for products used to reduce GHG emissions and to adapt to climate impacts could, perversely, create pressures to increase industrial emissions.
- **An absolute reduction in GHG emissions will require implementation of a broad range of mitigation strategies.** Opportunities for mitigation include both production-related strategies, geared toward improving industrial process efficiencies, and demand-related strategies focused on reducing the overall use of product material.

The report also outlines production- and demand-related strategies for each industry to address climate risks and opportunities, and it highlights unique challenges in particular regions—including Africa, Asia, India, Latin America, the Middle East, and certain transitional economies such as Azerbaijan and the Ukraine—and the influence of trade on production decisions.

Download the report, “Climate Change: Implications for Extractive and Primary Industries, Key Findings from the Intergovernmental Panel on Climate Change,” at <http://www.bsr.org/en/our-insights/report-view/climate-change-implications-for-extractives-and-primary-industries>

#### **About the Series**

This report is one of a series of 13, based on the Fifth Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC). AR5 represents the most comprehensive overview of climate science to date and is the fact base that will be used by governments and businesses to formulate climate policy in the coming years. The set of summaries cover the broad implications of climate change, how the IPCC works, and gives an overview of the physical science, as well as adaptation and mitigation options. The specific summaries cover the energy sector, investors and financial institutions, the transport sector, the tourism industry, the agricultural sector, fisheries and aquaculture, the defense sector, primary industries, cities, buildings, and employment. The full set of summaries will be posted at [www.cisl.cam.ac.uk/ipcc](http://www.cisl.cam.ac.uk/ipcc).

#### **About BSR**

BSR is a global nonprofit organization that works with its network of more than [250 member companies](#) to build a just and sustainable world. From its offices in Asia, Europe, and North and South America, BSR develops sustainable business strategies and solutions through [consulting](#), [research](#), and [cross-sector collaboration](#). Visit [www.bsr.org](http://www.bsr.org) for more information about BSR’s more than 20 years of leadership in sustainability.

#### **About the University of Cambridge Institute for Sustainability Leadership (CISL)**

CISL brings together business, government, and academia to find solutions to critical sustainability challenges. Through our educational programmes, business platforms, and strategic engagement initiatives, we deepen leaders’ understanding of the context in which they operate and help them to respond in ways that benefit their organisations and society as a whole. Visit [www.cisl.cam.ac.uk](http://www.cisl.cam.ac.uk) for more information.

#### **About Cambridge Judge Business School (CJBS)**

CJBS is in the business of transformation. Many of our academics are leaders in their field, creating new insight and applying the latest thinking to real-world issues. Visit [www.jbs.cam.ac.uk/home/](http://www.jbs.cam.ac.uk/home/) for more information.

**About the European Climate Foundation (ECF)**

ECF was established in 2008 as a major philanthropic initiative to promote climate and energy policies that greatly reduce Europe's greenhouse gas emissions and to help Europe play an even stronger international leadership role to mitigate climate change. Visit <http://europeanclimate.org> for more information.