

CLIMATE ACTION NETWORK INTERNATIONAL Briefing: Pre-COP26

September 2021

Climate Action Network (CAN) is the world's largest network of civil society organizations working together to promote government action to address the climate crisis, with more than 1500 members in over 130 countries. www.climatenetwork.org

Science is clear: Emissions need to halve by 2030 to limit global heating to 1.5 degrees. But the recent <u>UNFCCC NDC synthesis report</u> warns, even after the latest mitigation pledges emissions will be "16.3 percent above the 2010 level." The world is clearly on a dangerous track. Recent <u>data from the OECD</u> showed that climate finance reached only \$80bn in 2019, falling \$20bn below the 2020 target. The world demands answers to these two glaring ambition gaps by COP26.

The elements of the COP26 package can be divided into what is required pre-Glasgow to lay the foundations for ambition, and what is achieved at COP26 in November that sets up an arc of accelerated ambition and action before the global stocktake (2023).

Climate Action Network provides this briefing outlining its expectations for deliveries at COP26 and to inform ministers and the incoming UK presidency in view of the Ministerial Pre-COP gathering held from September 30 - October 2, 2021.

Catching up on old finance promises

CAN calls for urgent action to meet the \$100bn commitment this year before COP26.

CAN welcomes the latest pledge by US president Biden to double climate finance to USD 11.4bn, but notes the US still need to ensure further increases to ensure their fair share by 2025. To rebuild trust, more rich countries must come forward with additional financial pledges well before COP26:

- Sweden and Norway need to double their climate finance, and in particular, **Spain** and **Italy** must announce to at least double their annual climate finance by 2025.
- New Zealand and in particular **France and Japan**, must urgently revisit and further increase their inadequate pledges before COP26.

We call for **Canada and Germany** and other countries to ensure the delivery plan articulates clearly how the annual \$100bn commitment will be met and how developed countries will compensate for the money they haven't delivered. CAN supports an approach where developed countries commit to a multi-year pledge of at least \$500bn over 2020-24, as the V20 has suggested, and \$600bn over 6 years when the year 2025 is included. The plan must provide clear articulation of how the aggregate will be met by achieving well beyond \$100bn a year between 2022-2025 to make up for earlier gaps.

However, this must not be used as an excuse to delay climate action to later in the 5-year period, since dollar for dollar, the benefits of early action outweigh later action. As the UNSG has rightfully pointed out, 50% of all climate finance must go to adaptation, which is also agreed in the Paris Agreement where countries commit to balancing climate finance for adaptation and mitigation. This means that the delivery plan must spell out a clear commitment to reaching \$50 billion for adaptation finance annually, ensuring that this is delivered exclusively on concessional terms, with a majority provided as grants.

Keeping 1.5°C in Reach

The IPCC WG1 of the Sixth Assessment Report shows more comprehensively and clearly than ever before that the window to comply with the 1.5-degree limit is closing fast. The instruments to still meet the 1.5°C limit are readily available. However, if global emissions do not fall rapidly and sustainably in the next few years, we will exceed that temperature threshold and increase the risk of passing thresholds for tipping points. We must succeed in reducing global emissions by at least half by 2030.

With COP 26 postponed until November 2021, countries had been given a greater window to submit new or updated NDCs, with the 'deadline' for this round of NDC submission widely understood to be well ahead of COP 26¹. As of 30 July 2021 58% of the Parties had submitted new or updated NDCs. The secretariat will publish an update to the synthesis report on 25 October, considering additional submissions up to the 12th October. CAN asks on NDC enhancement include:

- Parties especially G20 countries should submit new or updated NDCs' with 2030 targets by latest the 12th October 2021. Countries that have insufficiently ambitious NDCs should also use the opportunity to re-submit NDCs with more ambitious goals and targets, and the policies to achieve them.
- NDC enhancement should be organised in clear, inclusive, meaningful, transparent and participatory processes that enable also marginalised and often less-represented groups to make their voices heard and bring forward solutions that address the main concerns and challenges of those affected by climate change.
- A COP26 ambition decision needs to clearly spell out how governments are planning to close the 2030 ambition gap and agree on a political timeline leading up to the first Global Stocktake. Article 4.11 already permits countries to communicate an enhanced NDC at any time, and it is essential that at COP26 all countries with NDCs that are not aligned to 1.5C agree to enhance their emissions reductions in the period to 2030 well in advance of the next Paris Ambition ratchet cycle in 2025 to align with a 1.5C trajectory.
- Countries urgently need to accelerate the implementation of already agreed climate plans and policies. This process must include consultation and engagement of civil society organizations that are active, knowledgeable, and community aligned on priorities for a low carbon transition. Parties must also urgently consider their

¹ As per Decision 1/CP.21 Section III Paragraph 25: Parties shall submit to the secretariat their nationally determined contributions referred to in Article 4 of the Agreement at least 9 to 12 months in advance of the relevant session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement with a view to facilitating the clarity, transparency and understanding of these contributions, including through a synthesis report prepared by the secretariat

planning to realize a socially just, equitable, human rights-compliant and nature-positive sustainable transformation of society.

- Economic recovery plans from the COVID-19 pandemic are an important means to make transformative changes.
- Countries should maximize the potential of nature-based solutions for climate change mitigation and adaptation in NDCs, NAPs, long-term strategies and other domestic plans.

Tackling Loss and Damage

COP 26 must take adequate and needs-based action on Loss and Damage (L&D) under UNFCCC that supports most vulnerable people and communities in addressing unavoided and unavoidable climate impacts. In order to do so, the following actions and decisions should be taken:

COP26 must now decide on the operationalisation of the Santiago Network on Loss and Damage (SNLD) - this includes:²

- A clear governance structure: defining the Santiago Network as the technical arm/component of the Warsaw Mechanism. This would complement the political arm/component of the WIM, the ExCom, with a technical component to ensure that countries and communities receive the necessary support. This requires a comprehensive operationalisation of the SNLD, beyond the currently established website.
- Adequate structure and funding: establishment of a secretariat/coordinating body that can adequately assist vulnerable developing countries, as well as sufficient funding both for the network's operational capacity and for catalysing action and support on L&D.
- New and additional and needs-based: Ensure that the technical assistance catalysed is new and additional to existing funding commitments and channels and delivered based on the needs to address loss and damage in the most climate-vulnerable developing countries

Furthermore, CAN urges Parties to establish at COP26 a permanent L&D agenda item for SBs so that it is considered at each session. Ministers must lay the groundwork for such an item at pre-COP26. This would create room for political (and not solely technical) discussion on loss and damage, further raise the profile of the issue and demonstrate political will to move forward with solutions. Parties could discuss their challenges and needs in addressing loss and damage and how to mainstream the topic into other processes, particularly financial support, capacity building and technology transfer as well as progress on the Santiago Network on Loss and Damage. Agenda needs to be discussed pre COP to prevent an agenda fight.

² Link to joint constituency call for action on the SNLD:

 $[\]label{eq:https://climatenetwork.org/resource/joint-constituency-climate-action-network-demand-climate-justice-official-youth-constituency-of-the-unfccc-and -women-and-gender-constituency-in-partnership-with-the-loss-and-damage-collaboration/$

A Path Forward for the Global Goal on Adaptation

Ministers at pre-COP should lay the ground for design and development of a roadmap for the operationalization of the Global Goal on Adaptation (GGA) including:

- a clear process and guidelines to define the Global Goal on Adaptation which should be based on the understanding of resilience and local capacities and inclusion of non-party actors while recognizing no single factor can adequately assess the highly localized nature of adaptation;
- a process to measure progress on the GGA including
 - qualitative methods and participatory impact monitoring and evaluation allowing to evaluate adaptation actions to be defined and measured by the people affected who may articulate the rationale for each intervention, in particular how it will reduce vulnerability or increase adaptive capacity,
 - amalgamating national data at the global level and overall tracking of progress;
- plans to integrate the GGA into national policy framework adaptation is highly localised and contextual: no single universal indicator, or even set of indicators, can capture how adaptation happens across all countries;
- Finance, capacity, and technology support to implement the GGA objectives on the ground.

Transparency

Parties must deliver common reporting tables, common tabular formats (CTF), various report outlines, and a training program by COP26 (CMA3).

CAN believes that the existing tables for developed country Parties offer a good starting point, but must be updated to reflect the MPGs as decided in Katowice. As the Paris Agreement decision noted, Parties must not "backslide" on any of their reporting requirements. Operationalizing flexibility in the tables is a key challenge facing Parties therefore, Parties must uphold the TACCC principles (transparency, accuracy, consistency, comparability and completeness). It should be recognized that Parties have different starting points, thus, flexibility should not compromise efforts to compare reports. CAN believes deleting columns, rows, or tables is not an appropriate application of flexibility.

There are a number of linkages between Article 6 and the enhanced transparency framework and CAN believes work, during COP26, on both can proceed in parallel without prejudging outcomes. The provisions of paragraph 77(d) of 18/CMA.1 are crucial to ensuring no double counting and upholding environmental integrity. Given the risk of little international oversight to govern cooperative approaches under Article 6.2 and the need for a high level of transparency throughout Article 6, CAN reiterates the importance of paragraph 77(d), its role in upholding vital Paris Agreement principles, and applicability to Article 6 in its entirety.

Article 6

While agreeing on the implementation guidelines for Article 6 of the Paris Agreement is desirable, parties at COP26 must only agree on implementation guidelines for Article 6 which ensure that Parties avoid all forms of double counting in their internationally transferred mitigation outcomes, adopt safeguards, ensure the protection of human rights

and the rights of Indigenous Peoples, and phase out Kyoto Protocol flexible mechanisms. All existing CDM projects and methodologies should be reassessed before any potential transition to the Article 6 mechanism(s) can be effective.

Only those projects and methodologies meeting strict quality criteria including objective additionality criteria, at a minimum compliant with Article 6 rules, should be allowed to transition. No Kyoto emissions units should be used for compliance with non-Kyoto mitigation commitments. CAN welcomes the San Jose Principles as a floor of necessary safeguards and principles.

Decarbonization must occur rapidly, so baselines must be consistent with a long-term low-GHG emission strategy and a dynamic updating to increase ambition over time. CAN encourages parties to use Pre-COP to step up their commitment to strong principles for Article 6, building on the San Jose Principles announced at COP25 and bringing back human rights into the Article 6 draft texts. Until the finalization of Article 6 Guidelines, the provisions of paragraph 77(d) of 18/CMA.1 are a crucial, but not sufficient, element to ensuring no double counting and upholding environmental integrity. Given the risk of little international oversight to govern cooperative approaches under Article 6.2 and the need for a high level of transparency throughout Article 6, CAN reiterates the importance of paragraph 77(d), its role in upholding vital Paris Agreement principles, and applicability to Article 6 in its entirety.

Agreeing on 5-Year Common Timeframes

Agreement on common implementation periods for future Nationally Determined Contributions (NDCs) is essential to the effective operation of the Paris Agreement ambition mechanism. The option of 5-year Common Time Frames has clear advantages over a longer, 10-year period:

- It will provide more regular opportunities to increase ambition of targets, and readjust ambition to respond to emerging science, public concern and opportunities from falling costs of low and zero emission technologies and energy sources.
- It will align with the Paris Agreement Global Stocktake process, which takes stock of parties' progress towards meeting their objectives every five years: Parties will set their next 5-year NDC after having assessed collective progress during the previous 5-year period. This approach is more logical than reviewing 10-year NDCs every five year.
- It will reflect an existing practice from several Parties to revise and step up their targets during the implementation phase (i.e. the European Union, the US).
- It will provide more frequent and regular accountability moments to ensure countries are on track in implementing their NDC.
- Crucially, it would give negotiators more than two chances to solve the climate emergency and put the world on track to achieving climate neutrality compared to only two NDC implementation periods for 10-year Common Time Frames (in 2031-2040 and 2041-2050).

An agreement at COP26 in Glasgow is crucial for planning the post-2030 period. To be able to do so, ministers at pre-COP must narrow down options for common timeframes to no more than two.