HOW COP26 CAN PUT THE WORLD ON A PATH TO MEETING THE PARIS CLIMATE OBJECTIVES

September 2021
In spite of challenges from the COVID-19 pandemic, some progress has been made on efforts to tackle climate change over the past year.

We have seen some progress both by Parties to the UNFCCC and non-state actors. For example, by September 2021, more than 110 Parties have submitted updated NDCs. G7 leaders made important collective commitments on net-zero emissions by 2050, halving emissions by 2030, protecting 30 per cent of land and oceans by 2030, increasing climate finance and ending international support for coal. Non-state actors (e.g.: cities, companies, academia, civil society, and investors), are mobilizing in unprecedented ways, through the Alliances for Climate Action, the Science Based Targets initiative, and the Race to Zero campaign, among many others.

But those advances are still far from the scale and pace needed. The UNFCCC NDC Synthesis Report from September highlights we are on a pathway to 2.7°C global warming and that emissions will actually increase by 2030 compared to 2010 levels. The IPCC Sixth Assessment reminds us that the window to limit warming to 1.5°C is rapidly closing. We have already irreversibly altered the planet and can clearly attribute many worsening extreme weather events to climate change. 2021 has provided frightening examples worldwide: historic flooding in China, India, Europe and the Philippines; record shattering heat waves in the Middle East and Canada and the Mediterranean, unprecedented wildfires in North America, Greece, and Turkey; drought-induced famine in Madagascar.

Amidst all this devastation there is still hope. The IPCC report underlines that our choices do make a difference, and every fraction of a degree and every year matters.

Therefore, COP26 must build on the momentum from various parts of society, reflect the latest science and impacts and drive rapid, deep and equitable cuts to all greenhouse gas emissions in a just transition that leaves no one behind. All this must be done while protecting and restoring nature and supporting vulnerable communities and countries that are least able to deal with climate change devastation. The time to act is now if we want to stand a chance of keeping global warming to 1.5°C.

---

1 At the time of writing G20 outcomes were not available but it should be recognised that both the G7 and G20 have critical roles to play in delivering equitable, ambitious climate leadership.
To keep global warming to 1.5°C, we must:

1. **GET ALL HANDS ON DECK.**
   Mobilize non-state actors such as cities, sub-national governments, companies, academia, civil society and investors, among others to further step up action in line with the Paris objectives. Mobilize countries to advance the climate agenda, including in greening of COVID-19 pandemic recovery finance.

2. **LEVERAGE STRONGER CLIMATE PLANS AND ACCELERATE IMPLEMENTATION.**
   Build on the momentum for enhanced Nationally Determined Contributions (NDCs), the National Adaptation Plans (NAPs) and Long-Term Strategies (LTS), responding to the findings of the latest UNFCCC NDCs Synthesis report. Complement these with coordinated global and regional strategies for sectoral decarbonization.

3. **FULFILL EXISTING MANDATES UNDER THE UNFCCC AND PARIS AGREEMENT.**
   Finalise crucial elements of the Paris Agreement Rulebook to enhance implementation. These include five-year common time frames for NDCs, rules for market and non-market approaches, enhancing transparency, improving and scaling up finance, and increasing support for adaptation and Loss & Damage.

4. **RECOGNISE AND OPERATIONALIZE THE CRITICAL ROLE OF NATURE.**
   Parties must recognise the critical contribution of nature to keep warming below 1.5°C and for building resilience to climate impacts. Nature-based solutions for mitigation and adaptation must be anchored in the formal outcomes of the conference.

5. **ENSURE THE PARIS AGREEMENT IS FIT FOR PURPOSE.**
   Set out a clear, time-bound and actionable agenda for the five years after COP26. This will ensure the Paris Agreement has the tools to enable Parties to get on track to meeting its long-term climate objectives.
Climate scientists and environment ministries provided the primary impetus to the Climate Convention and Paris Agreement and its climate goals. But to achieve these goals, all sectors - government ministries and non-state actors, and ultimately all members of society - must contribute.

The profound transformations we need to achieve zero-emission societies and economies cannot be brought about without the engagement of authorities responsible for the economic sectors that must be transformed. This engagement has advanced over the years, but must be accelerated and deepened if we are to achieve our climate goals.

COP26 will be an opportunity to take full advantage of the convening power of the COPs to foster a whole-of-society approach to combat climate change and its destructive impacts. The incoming COP26 presidency team has a unique opportunity to bring about a step change in this broader engagement, through:

- **Strengthening the Marrakech Partnership for Global Climate Action (MPGCA),** as a catalytic space within the UNFCCC. It should encourage more diverse non-state actors and subnational governments (such as cities, states, business, academic institutions and others) to take immediate climate action driven by science and high-ambition goals. It should also strengthen the collaboration between Parties and non-Parties to accelerate the implementation of NDCs and long-term strategies. Finally, it should foster joint learning across constituencies, geographies and sectors to accelerate a virtuous loop of action and supportive policy-making in support of the Paris goals.

- **Expanding engagement of non-State and subnational actors,** reflected in the number of institutions engaged, their geographic diversity (with enhanced participation from the South), their constituency diversity (including youth, civil society, labour, faith groups, indigenous peoples, academia and more). Focus on immediate actions informed by high-ambition stretch goals and momentum building through the Race to Zero and Race to Resilience campaigns.

- **Greater focus on sector-specific decarbonization through alignment of goals, and collaboration between Parties and other actors.** There should be active participation of ministries responsible for the respective sectors. This should be done in collaboration with the Race to Zero emissions breakthroughs and the MPGCA’s Climate Action Pathways, and the UK COP26 Presidency’s “campaigns” (energy transition, nature and nature-based solutions, clean transport).

- **Help guarantee that efforts in both the voluntary and compliance market complement and mutually support each other** to meet the goals of Paris. Both Parties and non-state actors should strive to limit the proliferation of non-comparable markets and approaches.

- **Expanding focus on the role that the finance sector can and must play in support of the Paris goals.** It should be through the UK’s initiative to support mobilization of climate finance and voluntary carbon markets towards an accelerated transition of the global economy to net zero emissions, with environmental integrity and avoidance of greenwashing, double counting and spurious carbon neutrality claims. There should be more direct and formal engagement of finance ministers in the Paris Agreement process, building on the Coalition of Finance Ministers for Climate Action which met in conjunction with COP25.

- **Mobilizing stakeholders and resources around a just transition away from fossil-fuel dependency to viable renewable energy alternatives,** and developing support structures for affected communities.

---

2 For example, in the REDD+ space, carbon credits developed at a project-based scale can make it difficult for countries to transition towards a more impactful jurisdictional scale approach. In the design of future REDD+ interventions or any other carbon projects, governments and non-state actors alike must ensure that their actions enable greater ambition and action to achieve a 1.5 °C scenario.
2. LEVERAGE STRONGER CLIMATE PLANS AND ACCELERATE IMPLEMENTATION.

By September 2021, more than 110 Parties responded to the Paris Agreement’s call for new or updated NDCs.

This represents 58% of Parties to the Paris Agreement, according to the recently published UNFCCC Synthesis Report, considering the collective ambition in NDCs submitted before July 2021 against IPCC scenarios.

By COP26 all countries should have submitted new, updated and more ambitious NDCs. Those who haven’t yet submitted (China, Japan, South Africa, among others) should do so as soon as possible. Those which have already updated their NDCs with insufficient targets (Brazil, Mexico, South Korea, Australia, among others) should consider how to improve their own and collective global contributions to mitigation, adaptation, and channelling financial and technological resources to the climate effort.

COP26 must set the stage for ratcheting up the next round of NDCs by 2025, while significantly advancing the implementation of existing targets. Parties must respond to the findings of the latest version of the NDC synthesis report at COP26, including adopting relevant decisions on enhancing ambition and accelerating implementation.

COP26 should also lay the conditions for NDCs to be rapidly implemented.

Two elements of implementation will be especially important. First, channelling significantly scaled-up public and private finance for implementation of NDCs and National Adaptation Plans (NAPs), including the conditional elements of NDCs; and, second, developing and implementing strategies for sectoral transformation towards achieving decarbonization and building climate resilience through global, regional and local initiatives. This should include:

- Leveraging the sectoral decarbonization strategies from the Race to Zero process by incorporating them in national climate plans and with clarity about contributions expected from non-state actors.
- Expanding, coordinating and linking carbon pricing arrangements through regional or other carbon pricing systems.
- Eliminating fossil fuel subsidies and redirecting funds to promote the uptake of renewable energy using zero-carbon technologies and ramping up energy efficiency as part of a just transition.
- Ensuring that COVID-19 recovery finance and debt reduction strategies support national and/or sectoral climate action; and
- Promoting the role of nature-based solutions in NDCs, NAPs and other long-term initiatives at regional and local level, with the engagement of non-state actors.

In addition, Parties should commit to revisit and include stronger 2030 targets in their next round of NDCs by 2025, while also submitting new targets for 2035.

---

3 Information correct as of time of writing on 14 September 2021
3. FULFIL EXISTING MANDATES FROM THE UNFCCC AND PARIS AGREEMENT

Although substantial progress has been made since Paris in establishing the framework of rules for the emerging global climate regime, important issues require agreement under the Paris Agreement Work Program (PAWP) which, if not resolved, will undermine our ability to meet climate objectives.

These include:

**Agreement on Common Time Frames for NDCs**

An agreement on common time frames is essential to the effective operation of the Paris Agreement. The lack of agreement on implementation periods has already generated confusion in the first round of NDCs where parties submitted NDCs with different end points, making it difficult, if not impossible, to ensure transparency and comparability of contributions. Further delays on agreeing common time frames would undermine the efficacy of the global stocktake in 2023 and future rounds of NDC submission and assessment.

At COP26 **Parties must agree on five-year common time frames** as it carries significant advantages over a longer, 10-year period. This means that by 2025 Parties will deliver NDCs with a time frame extending to 2035, by 2030 NDCs with a time frame to 2040, and so on, providing opportunities to ratchet up ambition to respond to emerging science, falling costs and emerging technologies. It would also align the NDCs cycle with the 5-yearly global stocktakes. Crucially, Parties would have more chances to align commitments with a 1.5°C emissions pathway, compared to just two from 2031 to 2050 if 10-year implementation periods are adopted.

**Rules for market and non-market approaches under Article 6.**

Any outcome on Article 6 must:

- Ensure that corresponding adjustments will be applied for all internationally transferred mitigation outcomes (ITMOs) and for mitigation outcomes used for other purposes, such as under the ICAO Carbon Offsetting and Reduction Scheme for International Aviation, to avoid double-counting of emissions reductions. This must cover units generated under Article 6.4 and reductions both inside or outside the scope of a host country’s NDC.
- Agree on an accounting approach to ITMO with strong accountability and environmental integrity for the entire period of the NDC. Adoption of the “averaging approach”, in which a country must apply a corresponding adjustment in the target year of its NDC equal to the average annual net transfer over the covered period, is one way to achieve this.
- Require that baseline methodologies for the Article 6.4 Mechanism and baseline and crediting approaches falling under Article 6.2 are accurate and conservative.
- Adopt a partial credit cancellation rate or discount under Article 6.4 to deliver an Overall Mitigation in Global Emissions (OMGE) and establish a similar mandatory requirement for cooperative approaches under Article 6.2.
- Adopt a share of proceeds (SOP) for Article 6.2 as well as for Article 6.4.
- Include a Matching Facility under Article 6.8 to mobilize international resources, in addition to the existing US$100 billion commitment, to support scaled-up emissions reductions in developing countries.

**Transparency – Common Tabular Format Tables:**

Parties must agree on common tabular format tables for the transparency mechanism, including how climate finance is reported and counted towards pledges and commitments. This offers an opportunity to close loopholes in financial accounting such as counting loans as equivalent to grants, and counting finance for entire projects even though only a small part may be used to address climate change.

Beyond the outstanding issues of the PAWP, there are other new or long-standing negotiating issues to be resolved, and past commitments which must be addressed by Parties.

**On climate finance:**

- Providing clarity on how developed countries will deliver on their commitment to scale up finance to US$100 billion and beyond in the post-2020 period.
- Ensuring the post-2025 finance goal negotiations starting at COP26 are concluded by 2023, and scales up finance well beyond the current US$100 billion commitment. The outcome of these negotiations must be a new goal that reflects the needs of developing and particularly vulnerable countries for adaptation, loss and damage and mitigation. There must be clarity about
the role and scale of public and private finance, and which maintains the primary responsibility of developed countries in providing climate finance.

• Ensuring at least 50% of international public climate finance is allocated to climate change adaptation in developing countries.

• Ensuring financing mechanisms and flows capable of supporting the full implementation of NDCs and National Adaptation Plans (NAPs), including conditional elements.

• Providing guidance to the relevant institutions of the financial mechanism of the Climate Convention and Paris Agreement, including to the Green Climate Fund, on how to more effectively finance nature-based solutions for climate.

• Ensuring provisions of scaled up new and additional financing for nature based solutions. We encourage Parties to increase their funding for nature-based solutions to at least 30% of overall climate finance, as appropriate, both for adaptation and mitigation.

• Accelerating the implementation of Paris Agreement Article 2.1c, including through equitably redirecting harmful subsidies towards climate change solutions.

On loss and damage:

• Ensuring full operationalization of the Santiago Network on Loss and Damage, meeting its mandate to provide action and support for vulnerable developing countries.

• Establishing a loss and damage finance facility able to address loss and damage needs of vulnerable developing countries. The Standing Committee on Finance shall also engage more comprehensively and constructively to support the priorities of vulnerable developing countries.

• Ensuring inclusion of loss and damage in the discussions on the new finance goal to come into effect from 2025, with new and additional sources and levels of finance.

• Providing guidance for inclusion of loss and damage as a core element of any country’s long term climate change strategy.

On adaptation:

• Supporting the urgent implementation of the national adaptation plans (NAPs) priorities and the adaptation component of developing countries’ NDCs.

• Encouraging all developing countries to prepare and submit NAPs no later than 2022, in advance of the global stocktake (GST) process, and immediately begin implementing adaptation priorities. As of July 2021, only 24 developing countries have submitted NAPs to the UNFCCC.

• Ensuring that adaptation is a core element of long term climate change strategies.

• Operationalizing the Global Goal on Adaptation (GGA) under Article 7.1, with a COP decision with a clear process set out to measure progress, developing methodologies to translate the GGA to national framework, along with the provision of adequate financial and technical support to implement the GGA objectives on the ground.

Global Stocktake

The upcoming GST and the next round of NDCs will be a hugely important opportunity to strengthen global efforts. The first phase of the GST will commence immediately following COP26. Ahead of this, Parties must resolve the following outstanding issues at Glasgow:

• Agree on the process of collecting inputs from Non-Party Stakeholders to the GST, recognising the role of the UNFCCC in synthesising inputs and the support by observer constituencies.

• Establish a mechanism to support Non-Party Stakeholders to access this process, which recognises the role of the UNFCCC in ensuring equity, transparency and access for all parties to the GST, grassroots organizations and indigenous people.

• Agree on the guiding questions which will be used to assess collective progress, guided by the following principles:
  
  • Adequacy for a 1.5 degree scenario with appropriate benchmarking across mitigation, adaptation and means of implementation as well as key cross cutting areas.

  • Nature is a critical ally in the fight against climate change, so the GST should aim for a complete picture of connected nature and climate action and what remains to be done.

  • Assessing collective progress, the challenges, opportunities and constraints on fulfilling the objectives of Global Goal on Adaptation (GGA) as outlined in the Paris Agreement.

  • Facilitating the input of indigenous knowledge and local communities practices that are sometimes transmitted in informal ways.

  • A Human rights’ approach, considering the extent that activities across the thematic areas implemented by Parties respect Human Rights.

  • Loss and Damage as a key element to a successful response to climate change.
Achieving the objectives of the Paris Agreement and limiting global warming to 1.5°C compared to pre-industrial levels will be unachievable without a strong contribution coming from natural ecosystems to mitigation and adaptation.

In parallel, it will be impossible to halt and reverse nature loss in the next decade if fossil fuels are not urgently phased-out and our economies decarbonised.

Momentum for the inclusion of nature in the UNFCCC process is growing. Nature is one of the UK Presidency’s five priority “COP26 campaigns”, with a “Nature Day” on 6 November; the High-Level Climate Champions and Marrakech Partnership will dedicate a day to water, oceans and coastal zones (5 November), and another to land use (6 November); deforestation and land-use will also be a theme of the “World Leaders Summit” on 1 and 2 November. Parties must ensure that these efforts are mirrored by COP26 decisions and outcomes that anchor the critical contribution of nature to “keep 1.5°C alive” and build resilience to climate impacts in the UNFCCC process.

Anchoring nature in the formal COP26 text outcomes

The role and importance of nature should be recognised in the COP26 decisions to send a strong political signal on the importance of this issue through the following:

- Recognizing the crucial role played by nature for climate change mitigation and adaptation, to achieve the objectives of the Paris Agreement, including limiting global temperature rise to 1.5°C.

- Calling on countries to maximize the potential of nature for climate change mitigation and adaptation in NDCs, NAPs, long-term strategies and other domestic plans.

- Formally recognizing the link between biodiversity and climate change, building on the joint IPBES-IPCC workshop report.

- Including an explicit reference to nature-based solutions as including a diverse range of marine, coastal, freshwater and land ecosystems.

Establishing processes under the UNFCCC for further action on the role of nature in the climate negotiations is also critical, by:

- Creating a process or dialogue for further consideration of oceans and coastal ecosystems to ground them more firmly in the global climate regime, building on the IPCC report on Ocean and Cryospheres in a Changing Climate.

- Providing guidance to the relevant institutions of the financial mechanism of the UNFCCC and Paris Agreement, including to the Green Climate Fund, on how to more effectively finance nature-based solutions for climate.

Ensuring that non-negotiated outcomes related to COP26 put us on a path to a nature-positive, net-zero and equitable world

Solving the climate and biodiversity crises also requires radically changing our patterns of production, especially in the food and agriculture sector. During COP26, Parties must also deliver results on topics such as halting deforestation, securing conversion-free supply chains and reducing harmful agricultural subsidies.

The COP26 Nature Campaign creates two opportunities:

- The Forest Agriculture and Commodity Trade dialogue (FACT) should drive market shifts towards halting deforestation and fostering conversion-free supply chains. During COP26, this dialogue must deliver a roadmap with time-bound and transparent action plans and targets for sustainable production and trade that respects the rights of indigenous peoples and local communities. It must also include a transparent accountability mechanism.

- Discussions on Agricultural Subsidies must find solutions to repurpose agricultural subsidies that are harmful for nature and climate, building on the Just Rural Transition initiative.
5. ENSURE THE PARIS AGREEMENT IS FIT FOR PURPOSE

The Paris Agreement is intended to be a durable and long-term agreement, able to adapt over time to changing circumstances.

Its provisions were carefully calibrated to provide a broad framework for action from parties and non-state actors, which can be refined and further developed based on experience.

Those provisions cannot be renegotiated, but there is room for innovation and further elaboration of the strategies, approaches and tools for ensuring the full implementation of the Paris Agreement and its Article 2 objectives, within its existing framework.

The top-down elements that do exist, such as the global stocktake, the transparency mechanism and the compliance committee, have been kept at arms length or entirely separate from the process of setting national targets and contributions.

The three core elements – NDCs, a five-year pledging cycle, and a transparency mechanism – constitute a mechanism where the impetus for increased ambition depends on pressure from outside the Paris Agreement process itself. We will be in a better position to assess the success of this approach based on the outcome of the current ambition cycle, the Second Periodic Review of the Long Term Global Goal of the Convention (PR2), and the GST and subsequent submission and aggregate assessment of NDCs.

COP26 and the coming years will provide multiple opportunities to further develop and strengthen the implementation of the Paris Agreement. The outstanding elements of the Paris Agreement work programme must be resolved by COP26, but this should be seen as only the beginning of the work of enabling the Paris Agreement to deliver on the hopes and expectations the world has for it.

The next phase of the five-year ambition cycle will involve the GST and the next round of NDCs to be submitted by 2025. If global emissions do not peak and reduce sharply by 2025, the gap could very well increase. So COP26, along with completing the PAWP and fulfilling the existing mandates, must consider how the operationalization of the Paris Agreement can be strengthened over the coming five years to ensure it can meet its climate goals and pivot towards implementation.

The recent IPCC WG1 report indicates that the world is not currently on a 1.5°C emissions pathway. The NDC Synthesis Report to be prepared for COP26, as well as the outcome of the Second Periodic Review in 2022, will likely recognize that 2030 targets and measures in NDCs, and so emissions trajectories, are not compatible with meeting global climate goals. This must trigger an adequate and effective response for the coming years, which must include:

- Formally recognising the findings of Working Group 1 of the IPCC Sixth assessment report and its clear message on urgency and worsening climate impacts.
- A Call on all countries to strive to go beyond their NDCs.
- Agreement that Parties shall strive to strengthen their 2030 targets preferably before the GST or at least as part of the next round of NDCs by 2025 in addition to submitting 2035 targets.
- A call for an equitable, just and rapid end to fossil fuels, and coal in particular. Developed countries with the most capacity and responsibility have to lead the way in the transition to 100% renewable energy and should pay heed to the COP26 presidency’s ask for them to commit to phasing out coal power by 2030. Countries should also work towards eliminating internal combustion engines.
- Dramatically strengthened mobilization of public and private finance.
- Strengthening the institutional capacity, particularly of developing countries, to ensure implementation of NDCs and national climate action.
- Stronger recognition of the human rights and social justice implications of climate change impacts and mitigation measures to ensure adequate support for most affected communities and vulnerable people.
- Strengthened and coordinated sectoral decarbonization measures as part of a just transition including strategies to reach 100% renewable energy provision;
- A new parallel track or “Paris Implementation Forum” for converging real economy initiatives, engaging the MPGCA and national Ministries in charge of key sectors, to address challenges and define policy solutions for short-term and long-term implementation, and
- Recommendations for strengthening and refining the operationalization of the Paris Agreement itself, including for example improving linkages between science and target-setting processes, and the work of its Implementation and Compliance Committee.