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### Highlights from the 26<sup>th</sup> Conference of the Parties (COP26)

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# **INTRODUCTION**

From 31 October 2021 to 13 November 2021, the 26<sup>th</sup> Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change (UNFCCC) was held in Glasgow. COP26 was delayed by a year due to the COVID-19 pandemic. It aimed to close the gaps remaining in the Paris Rulebook so that the Paris Agreement can be fully operational. Therefore, in the lead-up to COP26, the conference was globally touted as<sup>1</sup> our last chance to combat the climate crisis and limit global warming to 1.5°C<sup>2</sup>.

The global climate change regime has four central goals. Firstly, it aims to limit global warming to 1.5°C and, if that fails, to 2°C.<sup>3</sup> Secondly, it aims to develop and implement adaptation and mitigation measures in states. For this, and as a third goal, it must enable the provision and mobilisation of climate finance. Therefore, the overarching goal of the climate change regime is to accelerate global climate action.

Negotiations resulted in the Glasgow Climate Pact (GCP), decisions by the Conference of the Parties, as well as several other non-binding but important political declarations. This brief will identify the major developments at COP26 and explain their significance in the context of the global climate change regime.

# THE GLASGOW CLIMATE PACT

#### Science and Urgency

Overall, COP26 was characterised by an unprecedented degree of urgency. This is reflected in how the GCP commitments began by "[expressing] alarm and utmost concern" that human activity has already caused global temperatures to rise by 1.1°C above pre-industrialisation levels<sup>4</sup>. With this and the devastating impacts of climate change in mind, Parties must double-down on efforts to enhance climate ambition and action<sup>5</sup> to limit warming to 1.5°C<sup>6</sup>. The fact that the GCP so unequivocally expresses alarm and concern about anthropogenic climate change is to be applauded. This is because such an explicit warning about limiting global warming and the resounding global support it received were absent even when the Paris Agreement was being negotiated.

#### Adaptation

The rising number of climate extremities in recent years, projected to worsen exponentially as global temperatures increase<sup>7</sup>, has brought adaptation to the forefront of discussions. Adaptation entails enhancing adaptive capacity, strengthening resilience, and reducing vulnerability to climate change<sup>8</sup>. A global goal of adaptation was established under Article 7(1) of the Paris Agreement.

Reiterating this global goal and its urgency<sup>9</sup>, the GCP urges Parties to integrate adaptation at local, national, and regional levels<sup>10</sup>, as well as to collaborate with each other to further such efforts<sup>11</sup>. Relevantly, it establishes the comprehensive Glasgow–Sharm el-Sheikh work programme on the global goal of adaptation<sup>12</sup>, which begins immediately after COP26 and runs for two years. It will be carried out jointly by

<sup>&</sup>lt;sup>1</sup> Al Jazeera English, 'What has the COP26 climate summit achieved? | Inside Story' (Al Jazeera English, 13 November 2021) <<u>https://www.youtube.com/watch?v=RGSE29eo2kg</u>> accessed 14 November 2021.

<sup>&</sup>lt;sup>2</sup> Conference of the Parties, Adoption of the Paris Agreement, 12 December 2015, U.N. Doc. FCCC/CP/2015/L.9/Rev/1 (Dec. 12, 2015). (Paris Agreement, PA) Article 2(a).

<sup>&</sup>lt;sup>3</sup> Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, 13 November 2021, U.N. Doc. FCCC/PA/CMA/2021/L.16 (Glasgow Climate Pact, GCP) paragraph 20. PA Article 2(b).

<sup>&</sup>lt;sup>4</sup> GCP paragraph 3.

<sup>&</sup>lt;sup>5</sup> GCP paragraph 5.

<sup>&</sup>lt;sup>6</sup> GCP paragraph 21.

<sup>&</sup>lt;sup>7</sup> Intergovernmental Panel on Climate Change. 2021. Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change. V Masson-Delmotte, P Zhai, A Pirani, et al. (eds.). Cambridge: Cambridge University Press. Available at <u>https://www.ipcc.ch/report/ar6/wg1/</u>.

<sup>&</sup>lt;sup>8</sup> PA Article 7(1).

<sup>&</sup>lt;sup>9</sup> GCP paragraph 6.

<sup>&</sup>lt;sup>10</sup> GCP paragraph 8.

<sup>&</sup>lt;sup>11</sup> GCP paragraph 6.

<sup>&</sup>lt;sup>12</sup> GCP paragraph 11. Decision -/CMA.3 Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation.

the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation.<sup>13</sup> It aims to enhance national understanding, planning and implementation of the global goal of adaptation; it will also inform the first global stocktake that will take place in 2023.<sup>14</sup>

Parties are requested to submit their adaptation communications before COP27 next year<sup>15</sup>. Adaptation communications were established under PA Articles 7(7), 7(10) and 7(11). They contain information about the current circumstances and needs of each state vis-à-vis adaptative capacity. However, Parties had no fixed deadline and were only encouraged to submit the communications as soon as possible<sup>16</sup>. A public registry was established under PA Article 7(12), but no design was confirmed until COP26<sup>17</sup>, at which a prototype was confirmed for operationalisation in June 2022.

Adaptation communications, and hence this COP26 decision, are significant for a number of reasons. Firstly, they reflect how adaptation has become duly recognised since the Paris Agreement as being equal in importance to mitigation. Secondly, adaptation communications are designed to enhance countries' understanding and planning capacities so that, *inter alia*, climate finance and capacity building efforts can be directed more effectively. Thirdly, by stipulating the synthesis and publication of adaptation information, adaptation communications help countries fulfil the enhanced transparency obligations that are foundational to the Paris Agreement. Having a public registry will also enable non-governmental stakeholders to monitor adaptation action and hold governments accountable to their adaptation pledges.

#### Mitigation

The GCP reiterates how rapid, deep and sustained reductions of global greenhouse gas (GHG) emissions critical in this decade<sup>18</sup> for climate change mitigation (i.e., limiting global warming to 1.5°C, or 2°C at most<sup>19</sup>). In particular, this includes reducing global carbon dioxide emissions by 45% by 2030 (relative to 2010 levels) and achieving net-zero GHG emissions by 2050.<sup>20</sup>

The GCP is the first COP document to target specific fossil fuels explicitly – it calls for the phase-down of unabated coal power and the phase-out of inefficient fossil fuel subsidies<sup>21</sup>. Initially, a "phase out" of coal was proposed. While most Parties were prepared to sign for this, several Parties, including China and India, had pressed for "phase down" instead. This change watered down the strength of the commitment caused widespread disappointment. Such polarity could also be seen in the Parties' commitment to phase out "inefficient" fossil fuel subsidies. This qualification embodies resistant countries' view that there is a difference between efficient and inefficient fossil fuel subsidies, although the reality is that fossil fuel subsidies are never efficient in the context of climate change<sup>22</sup>. Though these concessions were accepted to enable as much progress as possible, these tensions demonstrate that climate equity remains the sticking point in the global energy transition.<sup>23</sup>

That said, many Parties have shown themselves prepared to take on greater climate ambition and action. A transition statement signed by 46 states, five subnational governments and 26 organisations was released in tandem with this, committing to:

1. Rapidly scale up the deployment of clean power generation and energy efficiency measures in our economies, and to support other countries to do the same;

<sup>&</sup>lt;sup>13</sup> Decision -/CMA.3 Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation paragraph 4.

<sup>&</sup>lt;sup>14</sup> Decision -/CMA.3 Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation paragraph 7.

<sup>&</sup>lt;sup>15</sup> GCP paragraph 10.

<sup>&</sup>lt;sup>16</sup> Decision 1/CMA.2 paragraph 12.

<sup>&</sup>lt;sup>17</sup> Decision -/CMA.3 Modalities and procedures for the operation and use of a public registry referred to in Article 7, paragraph 12, of the Paris Agreement.

<sup>&</sup>lt;sup>18</sup> GCP paragraph 23.

<sup>&</sup>lt;sup>19</sup> GCP paragraph 20. PA Article 2(b).

<sup>&</sup>lt;sup>20</sup> GCP paragraph 22.

<sup>&</sup>lt;sup>21</sup> GCP paragraph 36.

<sup>&</sup>lt;sup>22</sup> Al Jazeera English, 'What has the COP26 climate summit achieved? | Inside Story' <<u>https://www.youtube.com/watch?v=RGSE29eo2kg</u>> Accessed 14 November 2021.

<sup>&</sup>lt;sup>23</sup> https://www.theguardian.com/environment/2021/nov/14/india-criticised-over-coal-at-cop26-but-real-villain-was-climate-injustice

- 2. Rapidly scale up technologies and policies to achieve such a transition in major economies by 2030 (or as soon as possible thereafter) and globally by the 2040s (or as soon as possible thereafter);
- 3. Cease issuance of new permits for new unabated coal-fired power generation projects; and
- 4. Strengthen domestic and international efforts to make a just and inclusive transition away from unabated coal power this includes providing a robust framework of financial, technical, and social support to affected workers, sectors and communities; and expanding access to clean energy.

Mitigation efforts will also be advanced by finalised rules for market-based approaches (e.g., the carbon market<sup>24</sup> and sustainable development mechanism<sup>25</sup>) and non-market approaches<sup>26</sup> established under Article 6 of the Paris Agreement. Article 6 rules, particularly for carbon markets, proved to be the largest gap in the Paris Agreement that had eluded resolution at COP24 and COP25.<sup>27</sup> Carbon markets can encourage emission reductions by engaging a wider variety of stakeholders (e.g., private sector) and increasing green financial flows.<sup>28</sup> However, without clear and standardised rules that prevent problems (e.g., double counting, improper qualification of carbon credits), carbon trading can worsen emissions.

Article 6 rules were finalised at COP26, becoming part of the Paris Rulebook. Parties decided that carbon credits can either be counted under a Party's national targets or sold to another, not both.<sup>29</sup> Furthermore, a 5% levy would be imposed on voluntary trades made under Article 6.4 to fund climate action in developing countries<sup>30</sup>, which will enhance mitigation action alongside the improved climate finance arrangements.

Parties also sought to enhance collective and national ambition through setting standard time frames for the updating of nationally determined contributions (NDCs). It was previously agreed at COP24 that Parties shall apply a common time frame for NDCs from 2031 onwards, but details were not finalised.<sup>31</sup> At COP26, Parties passed a decision (to be read in the context of decision 6/CMA.1) agreeing to five-year cycles. To illustrate, Parties will communicate in 2025 what will take effect from 2030 and finish in 2035; communicate in 2030 what will take effect from 2030 and so on.<sup>32</sup>

### Finance, Technology and Capacity Building

Developed countries had pledged in 2009 to jointly mobilise USD100 billion per year to developing countries by 2020.<sup>33</sup> However, only USD 79.6 billion was provided in 2019 and the goal is projected<sup>34</sup> to remain unmet in 2020. The GCP recognises that the necessary balance<sup>35</sup> between adaptation and mitigation has not been achieved: mitigation actions received almost two-thirds of climate funds provided and mobilised in 2019<sup>36</sup>; adaptation finance has proven insufficient<sup>37</sup>. These inadequacies have left developing countries with insufficient funds and, consequently, limited adaptive capacity. Countries that are especially vulnerable to the effects of climate change and already feeling its adverse impacts are, therefore, facing immense risks.

The GCP urges developed country Parties to at least double their collective provision of climate finance for adaptation to developing country Parties from 2019 levels by 2025<sup>38</sup>. More broadly, the developed countries

<sup>&</sup>lt;sup>24</sup> Paris Agreement Article 6(2).

<sup>&</sup>lt;sup>25</sup> Paris Agreement Article 6(4).

<sup>&</sup>lt;sup>26</sup> Paris Agreement Article 6(8).

 <sup>&</sup>lt;sup>27</sup> A Tan and D Fogarty, 'Carbon Copy: The state of play on the six key issues at UN climate conference COP26' *The Straits Times* (20 November 2021)
 <sup>28</sup> A Tan and D Fogarty, 'Carbon Copy: The state of play on the six key issues at UN climate conference COP26' *The Straits Times* (20 November 2021)
 <sup>29</sup> Decision -/CMA.3 *Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement*.

<sup>&</sup>lt;sup>30</sup> A Tan and D Fogarty, 'Carbon Copy: The state of play on the six key issues at UN climate conference COP26' *The Straits Times* (20 November 2021) <sup>31</sup> Decision 6/CMA.1.

<sup>&</sup>lt;sup>32</sup> Decision -/CMA.3 Common time frames for nationally determined contributions referred to in Article 4, paragraph 10, of the Paris Agreement.

<sup>&</sup>lt;sup>33</sup> Decision 2/CP.15

<sup>&</sup>lt;sup>34</sup> Actual data for 2020 will not be available until 2022.

<sup>&</sup>lt;sup>35</sup> PA Article 9(4).

<sup>&</sup>lt;sup>36</sup> COP26, 'Climate Finance Delivery Plan: Meeting The Us\$100 Billion Goal', page 6.

<sup>&</sup>lt;sup>37</sup> GCP paragraph 14.

<sup>&</sup>lt;sup>38</sup> GCP paragraph 18.

also released a climate finance delivery plan at COP26, which foresees the fulfilment of the 100-billion goal by 2023 and renews their commitment to providing this through to 2025.<sup>39</sup> Adding to this, the GCP also recognises the need to mobilise climate finance from various sources to provide support for developing countries beyond USD 100 billion annually<sup>40</sup>, including through voluntary contributions by non-developed countries<sup>41</sup>.

Developed countries will also continue to scale up technology transfers to and capacity building in developing countries. Foundational to these commitments is the enhanced transparency framework (ETF), which was established under PA Article 13 but fleshed out only at COP26. Until COP26, no common reporting format and requirements had been established. This proved a hindrance to climate action in terms of transparency, accountability, and planning. This also compromised the quality of reporting by both developing countries (i.e., on aid needed and received) and developed countries (i.e., on aid provided and applied), thereby reducing the extent and efficacy of global collaboration.

Therefore, at COP26, Parties standardised ETF reporting formats and requirements<sup>42</sup> and confirmed this in the GCP<sup>43</sup>, including on how Parties should report their emissions and removals; progress in implementing and achieving NDCs; and their needs or contributions in terms of finances, technology and capacity-building support.<sup>44</sup> Standard reporting tools will also be developed in a collaborative manner with the goal of integrating them into each Party's national GHG inventory arrangements.<sup>45</sup>

# **OTHER DEVELOPMENTS**

COP26 negotiations also resulted in other non-binding but important political agreements.

Co-led by the United States (US) and the European Union (EU), the *Global Methane Pledge*<sup>46</sup> was one such significant development. This was the first time that methane has been addressed, despite how it is a greenhouse gas has a 100-year global warming potential 28-34 times that of carbon dioxide.<sup>47</sup> In other words, this means that methane traps 84 to 86 times more heat than carbon dioxide in a 20-year period. it was signed by 110 countries, which constitutes 70% of the global economy and accounts for almost half of global methane emissions<sup>48</sup>. Signatories pledge to take voluntary actions in a collective effort to reduce global methane emissions by at least 30% of 2020 levels by 2030, in hopes of preventing 0.2°C of global warming by 2050. Signatories also commit to improving GHG reporting in line with UNFCCC and Paris Agreement obligations by, *inter alia*, applying the highest tier of IPCC good practice inventory methodologies.

While this is positive development, it should be noted this pledge would not be effective if methane reductions are being doubly counted under both NDCs and this pledge.<sup>49</sup> Furthermore, sceptics contend that this will prove merely aspirational, remain unsubstantiated, and is therefore likely to fail.<sup>50</sup> Concerns about

<sup>&</sup>lt;sup>39</sup> COP26, Climate Finance Delivery Plan: Meeting The Us\$100 Billion Goal,.

<sup>&</sup>lt;sup>40</sup> GCP paragraph 43

<sup>&</sup>lt;sup>41</sup> GCP paragraph 40

<sup>&</sup>lt;sup>42</sup> Decision -/CMA.3 Guidance operationalizing the modalities, procedures and guidelines for the enhanced transparency framework referred to in Article 13 of the Paris Agreement.

<sup>&</sup>lt;sup>43</sup> GCP paragraph 78

<sup>&</sup>lt;sup>44</sup> Decision -/CMA.3 Guidance operationalizing the modalities, procedures and guidelines for the enhanced transparency framework referred to in Article 13 of the Paris Agreement.paragraph 1

<sup>&</sup>lt;sup>45</sup> Decision -/CMA.3 Guidance operationalizing the modalities, procedures and guidelines for the enhanced transparency framework referred to in Article 13 of the Paris Agreement.paragraphs 8, 10-18

<sup>&</sup>lt;sup>46</sup> Global Methane Pledge <<u>https://www.ccacoalition.org/en/resources/global-methane-pledge</u>> accessed 22 November 2021.

 <sup>&</sup>lt;sup>47</sup> UNECE, 'Sustaiable energy – Methane Management – The Challenge' <<u>https://unece.org/challenge</u>> Accessed 2 December 2021.
 <sup>48</sup> US Department of State, 'United States, European Union, and Partners Formally Launch Global Methane Pledge to Keep 1.5C Within Reach'<<<u>https://www.state.gov/united-states-european-union-and-partners-formally-launch-global-methane-pledge-to-keep-1-5c-within-reach/> Accessed 24 November 2021.
</u>

<sup>&</sup>lt;sup>49</sup> Climate Action Tracker, 'Warming Projections Global Update (November 2021)', page 8.

<sup>&</sup>lt;sup>50</sup> https://www.theguardian.com/environment/2021/nov/02/joe-biden-plan-cut-global-methane-emissions-30-percent

ineffective implementation and double counting are also echoed<sup>51</sup> about the *Global Forest Finance Pledge*<sup>52</sup> and the *Glasgow Leaders' Declaration on Forests and Land Use*<sup>53</sup>, which aim to halt deforestation by 2030 and increase conservation and reforestation action.

Global agreements to reduce GHG emissions from various industrial sectors were also created. For example, they launched the *Breakthrough Agenda*, committing to work together to accelerate the development, deployment, affordability, and accessibility the clean technologies to meet collective Paris Agreement goals. This agenda featured "Glasgow Breakthroughs", the first set of global goals to be pursued under this Agenda: clean energy, road transport, near-zero-emission steel and hydrogen power<sup>54</sup>. Progress will be reviewed annually through the Annual Global Checkpoint Process, beginning from 2022.<sup>55</sup> In the *COP26 Declaration on Accelerating the Transition To 100% Zero Emission Cars and Vans*, localities, countries, regional governments, and private entities had committed to work towards selling only zero-emission new cars by 2035 in leading markets and by 2040 globally.

# CONCLUSION

Though COP26 had aimed to keep the 1.5°C temperature goal alive, it is, in reality, "on life support"<sup>56</sup>. The outcomes of COP26 are not ambitious enough to limit global warming to 1.5°C. Even if all pledges made were fulfilled, we are still on track for 1.8°C of global warming.<sup>57</sup> Indeed, most ambitions can be enhanced and better implemented. However, despite these limitations, the Paris Agreement has clearly been successful in engaging almost all countries in the world – 194 countries (all 193 Parties to the Paris Agreement and one non-Party, Eritrea) have pledged to take climate action and submitted at least one Nationally Determined Contribution. Thus, this supports that developments made at COP26 were the small but important steps we need to move in a better direction. It is imperative that all Parties and non-Party stakeholders act on COP26 decisions without delay, and that civil society continues to be engaged and hold governments accountable to the promises that they have made – only then can we return to COP27 with higher, realistic ambitions and more effective means of implementation.

<sup>&</sup>lt;sup>51</sup> *Reuters*, 'Will COP26 deforestation pledge be game-changer or just more broken promises?' *The Straits Times* (2 November 2021) <<u>https://www.straitstimes.com/asia/se-asia/will-cop26-deforestation-pledge-be-game-changer-or-just-more-broken-promises</u>> Accessed 13 November 2021.

<sup>&</sup>lt;sup>52</sup> COP26, 'The Global Forest Finance Pledge' (2 November 2021) <<u>https://ukcop26.org/the-global-forest-finance-pledge/</u>> Accessed 22 November 2021.

<sup>&</sup>lt;sup>53</sup> COP26 'Glasgow Leaders' Declaration on Forests and Land Use' (2 November 2021) <<u>https://ukcop26.org/glasgow-leaders-declaration-on-forests-and-land-use/</u>>Accessed 22 November 2021.

<sup>&</sup>lt;sup>54</sup> COP26, 'COP26 World Leaders' Summit Statement on the Breakthrough Agenda' (2 November 2021) <<u>https://ukcop26.org/cop26-world-leaders-</u> summit-statement-on-the-breakthrough-agenda/> Accessed 22 November 2021.

<sup>&</sup>lt;sup>55</sup> COP26, 'Breakthrough Agenda – Launching An Annual Global Checkpoint Process In 2022' (9 November 2021) <<u>https://ukcop26.org/breakthrough-agenda-launching-an-annual-global-checkpoint-process-in-2022/</u>> Accessed 22 November 2021.

<sup>&</sup>lt;sup>56</sup> S Borenstein and F Jordans, '1.5°C Climate Goal Is 'On Life Support' At COP26, Says United Nations Secretary-General' *TIME* (211 November 2021) <<u>https://time.com/6116566/climate-goal-on-life-support/</u>> Accessed 22 November 2021.

<sup>&</sup>lt;sup>57</sup> Climate Action Tracker, 'Warming Projections Global Update (November 2021)', page ii.