

THE WEAK PULSE OF 1.5°C: ASSESSING THE OUTCOME OF COP26

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Introduction

From 31 October to 12 November 2021, the UK hosted the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow. The summit was a chance to evaluate the extent to which countries are taking the actions needed to limit global warming to 1.5°C, as outlined in the Paris Agreement.

COP26 was the first opportunity for world leaders to address the climate emergency in the context of the COVID-19 pandemic, which, beyond devastating health and economic impacts, has exacerbated the challenge of climate mitigation and adaptation. UN Secretary-General, Antonio Guterres, said that recent climate change forecasts signalled a “code red for humanity”.¹ This consequential meeting of the Parties took place at a moment of peril for the planet and was billed as a crucial summit to “keep the goal of 1.5°C within reach”.²

By the evening of Saturday, 13 November, after two weeks of intensive negotiations

among the Parties of the UNFCCC, and after a last-minute change to an agreed text, UK COP President Alok Sharma brought COP26 to an end with the signing of the Glasgow Climate Pact.

This paper explores the main outcomes of COP26 and is divided into three sections. The first assesses the progress made to increase emissions reductions. It examines new net zero commitments, the updated nationally determined contributions (NDCs), the global methane pledge, and evaluates the impact that these pledges could have on limiting warming to 1.5°C. It also addresses the US-China climate agreement and reflects on the references to further emissions reductions contained within the Glasgow Climate Pact.

Section II examines the state of international climate finance following COP26. It highlights the changes necessary to bridge the climate finance gap and addresses present shortcomings with respect to transparency and delivery streams. This section also assesses new measures proposed for adap-

¹ BBC News (2021) Climate change: IPCC report is 'code red for humanity' <https://www.bbc.com/news/science-environment-58130705>

² UN Climate Change Conference UK (2021) COP26 President Remarks at Closing Plenary <https://ukcop26.org/cop26-president-remarks-at-closing-plenary/>.

tation finance and the absence of a facility for loss and damage.

The final section of the paper analyses Article 6 of the Paris Rulebook, which was resolved at COP26. This section of the rulebook establishes a robust framework for countries to exchange carbon credits through the UN-FCCC and may lead to significant economic and environmental outcomes.

Section I

The core objective of COP26 was to keep the 1.5°C scenario alive. The Paris Agreement commits Parties to “hold the increase in the global average temperature to well below 2°C above pre-industrial levels” and to pursue “efforts to limit the temperature increase to 1.5°C”.³ In terms of climate impact, there is a considerable difference between a 1.5°C scenario and a 2°C scenario. As the IPCC’s recent AR6 report illustrates, “With every additional increment of global warming, changes in extremes continue to become larger”.⁴ Every additional 0.5°C of global warming causes clearly discernible increases in the intensity and frequency of hot extremes, including heatwaves, and heavy precipitation, as well as agricultural and ecological droughts in some regions.⁵

Net Zero Pledges

During the early phase of the COP26 negotiations, many states enhanced their climate plans and thirteen countries announced new net zero pledges. At present, a to-

tal of 81 countries,⁶ accounting for 73.8% of global greenhouse gas emissions and 90% of global GDP,⁷ have pledged to reach net zero by mid-century. Two of the most important net zero commitments announced in Glasgow came from India and Nigeria. If delivered, these policies would have a measurable impact in limiting global warming by the end of the century.

Both India and Nigeria are already enduring severe impacts of climate change. Vast amounts of the Indian population continue to face displacement by storms, floods, droughts, and other climate disasters.⁸ In Nigeria, sharp increases in extreme heat are affecting the many millions of people without access to air conditioning or electricity, and changes to precipitation threaten Nigeria’s largely rain-fed agricultural sector.⁹

Data from the IPCC forecast that both West Africa¹⁰ and South Asia¹¹ will suffer significantly from sustained and extreme climate events during this century. The plight of these two countries illustrates the climate dilemma, which affects many developing countries.¹² Despite the very low historical contribution to anthropogenic climate change, India and Nigeria must divest from fossil fuels to keep a 1.5°C scenario alive and will be significantly affected if the global effort fails to meet this warming target.

3 UN (2015), The Paris Agreement, https://unfccc.int/sites/default/files/english_paris_agreement.pdf.

4 The Intergovernmental Panel on Climate Change Sixth Assessment Report (2021) S AR6 Climate Change 2021: The Physical Science Basis Summary for Policymakers, p.15 https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_SPM_final.pdf

5 Ibid.

6 Climate Watch (2021) Net Zero Tracker <https://www.climatewatchdata.org/net-zero-tracker>

7 New Scientist (2021) COP26: Why India’s 2070 Net-Zero Pledge Is Better News Than It Sounds <https://www.newscientist.com/article/2295762-cop26-why-indias-2070-net-zero-pledge-is-better-news-than-it-sounds/>

8 Climate Action Tracker (2021) India <https://climateactiontracker.org/countries/india/>

9 Carbon Brief (2020) The Carbon Brief Profile: Nigeria <https://www.carbonbrief.org/the-carbon-brief-profile-nigeria>

10 IPCC Sixth Assessment Report: Working Group I - the Physical Science Basis (2021) Regional Fact Sheet: Africa https://www.ipcc.ch/report/ar6/wg1/downloads/factsheets/IPCC_AR6_WGI_Regional_Fact_Sheet_Africa.pdf

11 IPCC Sixth Assessment Report: Working Group I - the Physical Science Basis (2021) Regional Fact Sheet: Asia https://www.ipcc.ch/report/ar6/wg1/downloads/factsheets/IPCC_AR6_WGI_Regional_Fact_Sheet_Asia.pdf

12 IPCC Sixth Assessment Report: Working Group I - the Physical Science Basis (2021) Regional Fact Sheet: Asia https://www.ipcc.ch/report/ar6/wg1/downloads/factsheets/IPCC_AR6_WGI_Regional_Fact_Sheet_Asia.pdf

Nationally Determined Contributions

Although the plethora of recent net zero targets gives hope that warming can be limited, such pledges will not be met without sufficient reductions in emissions by 2030.¹³ According to the IPCC, to stand a chance of limiting global warming to 1.5°C, CO₂ emissions will need to be cut by 45% by 2030, compared to 2010 levels.¹⁴

Before COP26 over 140 countries submitted their updated 2030 nationally determined contributions (NDCs).¹⁵ The 2030 targets of many of the world's major emitters, such as Saudi Arabia and China, are so weak that they do not, at present, offer a credible pathway towards a net-zero future.¹⁶ Meanwhile, several states, including Australia, Indonesia, Russia, Singapore, Switzerland, Thailand, and Vietnam, simply re-submitted the same target as in 2015, while Brazil and Mexico submitted an even less ambitious target than previously.¹⁷ These actions disregard Article 3 of the Paris Agreement that each NDC should "represent a progression over time".¹⁸ Some countries, such as Turkey and Kazakhstan, did not submit an updated NDC whatsoever.¹⁹

It is undoubtedly a significant political challenge for world leaders to make the short-

term changes necessary to steer the planet towards a 1.5°C scenario. As Jim Seka, Co-Chair of IPCC Working Group III remarked, "limiting warming to 1.5°C is possible within the laws of chemistry and physics but doing so would require unprecedented changes".²⁰

Throughout COP26, much of the framing of the negotiations was on science and technology solutions to climate change, rather than on the need to make immediate and major changes to human behaviour.²¹ While, invariably, technology developments will be instrumental in stabilising global warming, many such solutions have not yet been developed at scale. To rely on unproven technology without accelerating systemic behavioural change is an inherent risk to delivery of climate targets.²²

The Global Methane Pledge

On 2 November, the US and EU launched the Global Methane Pledge - a global partnership to cut methane emissions by 30% by the end of the decade, compared with 2020 levels.²³ More than 100 countries, including Ireland, representing 70% of the global economy and responsible for approximately 50% of global anthropogenic methane emissions, joined the pledge.

13 BBC (2021) How Clean Cooking Helps the Climate <https://www.bbc.com/future/article/20211103-nigeria-how-clean-cooking-helps-the-climate>

14 Climate Action Tracker (2021) n Global Update: Climate Target Updates Slow as Science Demands Action <https://climateactiontracker.org/publications/global-update-september-2021/>

15 The Intergovernmental Panel on Climate Change (2018) Special Report: Global Warming of 1.5 °C Summary for Policymakers <https://www.ipcc.ch/sr15/chapter/spm/y>

16 World Resources Institute (2021) Top Takeaways from the UN World Leaders Summit at COP26 <https://www.wri.org/insights/top-takeaways-un-world-leaders-summit-cop26>

17 World Resources Institute (2021) COP26: Key Outcomes From the UN Climate Talks in Glasgow <https://www.wri.org/insights/cop26-key-outcomes-un-climate-talks-glasgow>

18 Climate Action Tracker (2021) Glasgow's 2030 Credibility Gap: Net Zero's Lip Service to Climate Action <https://climateactiontracker.org/publications/glasgows-2030-credibility-gap-net-zeros-lip-service-to-climate-action/>

19 UN (2015), The Paris Agreement, https://unfccc.int/sites/default/files/english_paris_agreement.pdf.

20 Climate Action Tracker (2021) Glasgow's 2030 Credibility Gap: Net Zero's Lip Service to Climate Action <https://climateactiontracker.org/publications/glasgows-2030-credibility-gap-net-zeros-lip-service-to-climate-action/>

21 The Intergovernmental Panel on Climate Change (2018) Special Report: Global Warming of 1.5 °C Summary for Policymakers <https://www.ipcc.ch/sr15/chapter/spm/>

22 Åberg, A. et al. Chatham House (2021) COP26: What Happened, What Does this Mean, and What Happens Next? https://www.chathamhouse.org/sites/default/files/2021-11/2021-11-15-COP26-what-happened-summary-Aberg-et-al_1.pdf

23 Ibid.

Tackling methane emissions from fossil fuel operations represents one of the best near-term opportunities for limiting the effects of climate change.²⁴ This is because of its short-lived nature in the atmosphere. While it is a potent greenhouse gas, methane is removed from the atmosphere by chemical reaction after approximately 12 years.²⁵ Concentrations of atmospheric methane emissions have increased significantly throughout the 20th century and the gas has contributed to around 30% of the global rise in temperatures to date.^{26 27} At present, there is significant scope for cost-effective methane abatement, particularly in the oil and gas sector.²⁸

Methane is the second most significant contributor to greenhouse gas emissions in Ireland and this is due to the large population of cattle.²⁹ In 2020, the Irish agriculture sector was responsible for 37.1% of national greenhouse gas emissions in 2020, and much of this was methane from livestock.³⁰ Irish policymakers will need to consider fundamental changes to agriculture if the state is to reduce its contribution to global warming.

The recognition by more than 100 countries at COP26 that methane emissions must be expeditiously curtailed to keep 1.5°C within reach is positive. However, the target of 30% is inadequate. Under the International Energy Agency's (IEA) Net Zero Emis-

sions by 2050 Scenario, methane emissions from fossil fuel operations would need to fall by around 75% between 2020 and 2030.³¹

The Potential Impact of Emissions Reductions Pledges

Prior to COP26, the IEA projected that if all climate promises were implemented, the world would be set for 2.1°C of warming in the 21st Century, missing the targets of the Paris Agreement and increasing global climate risk.³² However, in the build up to, and during COP26, many countries increased their climate commitments. Revised projections by the IEA show that warming could be held to 1.8°C by the end of the century, if all the climate pledges made by the Parties present at COP26 are implemented in full and on time.³³ This development is significant as it marks the first time that governments have produced targets of sufficient ambition to hold warming below 2°C, but it also indicates that world leaders have, thus far, been unable to outline a path to limit warming to 1.5°C.³⁴

The figure of 1.8°C of warming is a projection and not a given. Fundamental and far-reaching changes will be needed to turn this ambition into action. There is a substantial gap between climate promises and climate policies. If current policies were continued, it is estimated that end-of-century warming would be 2.7°C.³⁵ A framework

24 European Commission (2021) Launch by United States, the European Union, and Partners of the Global Methane Pledge to Keep 1.5C Within Reach https://ec.europa.eu/commission/presscorner/detail/en/statement_21_5766

25 International Energy Agency (2021) Curtailing Methane Emissions from Fossil Fuel Operations <https://www.iea.org/reports/curtailing-methane-emissions-from-fossil-fuel-operations>

26 The Guardian (2012) How Long Do Greenhouse Gases Stay in the Air? <https://www.theguardian.com/environment/2012/jan/16/greenhouse-gases-remain-air>

27 Our World in Data (2021) Atmospheric Concentrations <https://ourworldindata.org/atmospheric-concentrations>

28 International Energy Agency (2021) Curtailing Methane Emissions from Fossil Fuel Operations <https://www.iea.org/reports/curtailing-methane-emissions-from-fossil-fuel-operations>

29 Ibid.

30 Environmental Protection Agency (2021) Summary by Gas <https://www.epa.ie/our-services/monitoring--assessment/climate-change/ghg/summary-by-gas/#d.en.84366>

31 Environmental Protection Agency (2021) Agriculture <https://www.epa.ie/our-services/monitoring--assessment/climate-change/ghg/agriculture/>

32 International Energy Agency (2021) Curtailing Methane Emissions from Fossil Fuel Operations <https://www.iea.org/reports/curtailing-methane-emissions-from-fossil-fuel-operations> 33 International Energy Agency (2021) World Energy Outlook <https://www.iea.org/reports/world-energy-outlook-2021>

33 International Energy Agency (2021) World Energy Outlook <https://www.iea.org/reports/world-energy-outlook-2021>

34 International Energy Agency (2021) COP26 Climate Pledges Could Help Limit Global Warming to 1.8 °C, but Implementing Them Will Be the Key <https://www.iea.org/commentaries/cop26-climate-pledges-could-help-limit-global-warming-to-1-8-c-but-implementing-them-will-be-the-key>

35 Ibid.

towards net zero emissions, which is supported by immediate and measurable policy changes, will be necessary to limit warming to 1.8°C. While reaching net zero by mid-century will be essential to keep the temperature goals of the Paris Agreement alive, Climate Action Tracker assesses that the majority of these commitments remain inadequate.³⁶ It argues that “net zero targets can distract from the urgent need for deep emissions reductions if 2030 targets and short-term action are inconsistent with their achievement, allowing governments to ‘hide’ behind aspirational net zero targets.”³⁷

There needs to be alignment between 2030 targets and net zero goals for the latter to be believable. Mid-century targets will only be credible with the implementation of robust short-term pathways for steep emissions reductions.³⁸

US-China Climate Declaration

On Wednesday, 10 November during the second week of COP26, the US and China issued a rare joint declaration on the necessary actions to cut the ‘emissions gap’ and keep the world on course for a 1.5°C scenario.³⁹

The US and China are the world’s two largest emitters of greenhouse gases. While China has recently increased its domestic output of coal and did not sign up to the global methane pledge, it has economic and political incentives to transition its economy away from fossil fuels.

This joint declaration was symbolic rather

than substantive. One of the most tangible developments is the agreement to establish a working group to ‘enhance climate action in the 2020s’.⁴⁰ The declaration demonstrates that Beijing and Washington recognise climate change as a serious threat which requires collaboration to resolve. This joint pledge to increase cooperation on climate change from the two global superpowers was a welcome development at COP26 and provided an unexpected boost to negotiators.

The Glasgow Climate Pact

Unlike the last major climate conference, COP21 in Paris in 2015, what emerged in Glasgow was not a new treaty, but a series of decisions and resolutions that build on the Paris Agreement - the Glasgow Climate Pact.⁴¹

On Wednesday, 10 November, the first draft of an agreement, setting out how countries will cut emissions to stay on track for warming of 1.5°C, was published. This cover decision set out what negotiators hoped would be the outcome of the COP26 summit. The text, which was revised on Friday, 12 November, included a commitment to “accelerating efforts towards the phase-out of unabated coal power and inefficient fossil fuel subsidies”.⁴²

During the final plenary session in the evening of Saturday 13 November, negotiators from India and China sought a change to the draft text. To secure Chinese and Indian buy-in, the amended document called for the ‘phasedown’ rather than the ‘phase

36 Climate Action Tracker (2021) Glasgow’s 2030 Credibility Gap: Net Zero’s Lip Service to Climate Action <https://climateactiontracker.org/publications/glasgows-2030-credibility-gap-net-zeros-lip-service-to-climate-action/>

37 Ibid.

38 Ibid.

39 Climate Action Tracker (2021) Global Update: Climate Target Updates Slow as Science Demands Action <https://climateactiontracker.org/publications/global-update-september-2021/>

40 US Department of State (2021) U.S.-China Joint Glasgow Declaration on Enhancing Climate Action in the 2020s <https://www.state.gov/u-s-china-joint-glasgow-declaration-on-enhancing-climate-action-in-the-2020s/>

41 Ibid.

42 The Guardian (2021) Cop26 Draft Text Annotated: What It Says and What It Means <https://www.theguardian.com/environment/ng-interactive/2021/nov/10/cop26-draft-text-annotated-what-it-says-and-what-it-means>

out' of unabated coal.⁴³ Despite push back from many negotiators, the amendment was accepted. While the language related to coal abatement was diluted compared with previous drafts, the Glasgow Climate Pact marks the first reference to fossil fuel reduction in a COP decision.⁴⁴

COP decisions have legal force in the context of the Paris Agreement so it is important that the Glasgow Climate Pact recognises the IPCC recommendation that global CO₂ emissions should be cut by 45% by 2030, relative to 2010 levels, and that net zero emissions should be reached by mid-century.⁴⁵

Despite the strong and unprecedented language included in the Glasgow Climate Pact, world leaders will still need to convert these pledges into policies. International climate finance will play a pivotal role in helping developing countries, which lack the domestic financial resources, to reduce emissions and support sustainable development.⁴⁶

Section II

International climate finance was the issue that defined the COP26 negotiations more than any other, and it permeated virtually every aspect of the talks.⁴⁷ At COP15, in 2009, developed countries agreed to jointly mobilise \$100 billion in

annual climate finance by 2020 to support developing countries.⁴⁸ Data from the OECD show that this target has been missed and that developed countries are likely to reach the \$100 billion goal in 2023.⁴⁹

Bridging the Climate Finance Gap

The provision of climate finance for developing countries is not only critical to meet the goals set out in the Paris Agreement, but it also serves an important function in maintaining trust between developed and developing countries. Research from the World Resources Institute shows that most developed countries are not contributing an adequate amount to meet the climate finance target.⁵⁰ Several countries, including Ireland, provided less than half of their fair share of climate finance to developing countries in 2018.⁵¹

Days before the start of the summit, the UK COP26 Presidency published a Climate Finance Delivery Plan,⁵² which was supported by the OECD, and a set of guiding principles for collective actions of developed countries, to "ensure climate finance is delivered effectively, efficiently and at scale".⁵² In the lead up to COP26, and during the first days of the summit, several countries announced new climate finance pledges.⁵³ There remains a finance gap of approximately \$20 billion that must be reconciled to

43 UNFCCC (2021) Draft decision -/CMA.3 Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16E.pdf

44 UNFCCC (2021) The Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16_adv.pdf

45 The Guardian (2021) Cop26 Draft Text Annotated: What It Says and What It Means <https://www.theguardian.com/environment/ng-interactive/2021/nov/10/cop26-draft-text-annotated-what-it-says-and-what-it-means>

46 UNFCCC (2021) The Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16_adv.pdf

47 Åberg, A. et al. Chatham House (2021) COP26: What Happened, What Does this Mean, and What Happens Next? https://www.chathamhouse.org/sites/default/files/2021-11/2021-11-15-COP26-what-happened-summary-Aberg-et-al_1.pdf

48 Carbon Brief (2021) COP26: Key Outcomes Agreed at the UN Climate Talks in Glasgow <https://www.carbonbrief.org/cop26-key-outcomes-agreed-at-the-un-climate-talks-in-glasgow>

49 World Resources Institute (2021) Are Countries Providing Enough to the \$100 Billion Climate Finance Goal? <https://www.wri.org/insights/developed-countries-contributions-climate-finance-goal>

50 OECD (2021) Statement by the OECD Secretary-General on future levels of climate finance <https://www.oecd.org/newsroom/statement-by-the-oecd-secretary-general-on-future-levels-of-climate-finance.htm>

51 World Resources Institute (2021) Are Countries Providing Enough to the \$100 Billion Climate Finance Goal? <https://www.wri.org/insights/developed-countries-contributions-climate-finance-goal>

52 Ibid.

53 UK Government (2021) UK COP26 Presidency publishes Climate Finance Delivery Plan led by German State Secretary Flasbarth and Canada's Minister Wilkinson ahead of COP26 <https://www.gov.uk/government/news/uk-cop26-presidency-publishes-climate-finance-delivery-plan-led-by-german-state-secretary-flasbarth-and-canadas-minister-wilkinson-ahead-of-cop26>

meet the climate finance commitment to developing countries.⁵⁴ Following the promise of increased contributions at COP26, US climate envoy, John Kerry said he was hopeful that developed countries would be in a position to deliver on the \$100 billion commitment from 2022.⁵⁵

Transparent and Accessible Climate Finance Streams

The Glasgow Climate Pact acknowledges that the 2020 climate finance target “has not yet been met” and “emphasises the need to mobilise climate finance from all sources”.⁵⁶ The Pact “Urges developed country Parties to fully deliver on the USD 100 billion goal urgently and through to 2025, and emphasises the importance of transparency in the implementation of their pledges”.⁵⁷

While the Glasgow Climate Pact highlights the importance of transparency, at COP26 wealthy countries were unable to agree on a working definition of ‘climate finance’.⁵⁸ A 2020 report, published by Oxfam, criticises the lack of transparent financial streams and openly available data to certify [levels](#) of climate finance.⁵⁹ The report also estimates that the majority of

climate finance provided to Least Developed Countries (LDCs) and Small Island Development States (SIDS) comes in the form of loans and other non-grant instruments.⁶⁰ Many of the world’s poorest countries are unable to meet the high interest on such loans and struggle to access these financial streams.⁶¹ It is estimated that most climate finance goes to middle-income countries, not the poorest and most vulnerable countries.⁶² Speaking to Carbon Brief, Janine Felson, finance spokesperson for the Alliance of Small Island States (AOSIS), said: “If climate finance is not predictable, accessible, grants-based and most importantly significantly scaled up, it seriously undermines the entire credibility of the Paris Agreement”.⁶³

Adaptation Finance

Most public climate finance to developing countries goes to projects that reduce carbon emissions – ‘mitigation’ – rather than to help countries respond to climate change – ‘adaptation’.⁶⁴ While climate change adaptation has been historically overlooked relative to mitigation, in terms of its profile and financing, there were signs at COP26 that this is changing.⁶⁵

54 BBC News (2021) COP 26: How Much Are Poor Countries Getting to Fight Climate Change? <https://www.bbc.com/news/57975275>

55 OECD (2021) Statement by the OECD Secretary-General on future levels of climate finance <https://www.oecd.org/newsroom/statement-by-the-oecd-secretary-general-on-future-levels-of-climate-finance.htm>

56 Irish Examiner (2021) John Kerry: Developed Nations ‘Will Deliver 100 Billion Dollar Climate Target Next Year’ <https://www.irishexaminer.com/world/arid-40737513.html>

57 UNFCCC (2021) The Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16_adv.pdf

58 Ibid.

59 Carbon Brief (2021) COP26: Key Outcomes Agreed at the UN Climate Talks in Glasgow <https://www.carbonbrief.org/cop26-key-outcomes-agreed-at-the-un-climate-talks-in-glasgow>

60 Oxfam (2020) Climate Finance Shadow Report 2020: Assessing Progress Towards the \$100 Billion Commitment <https://oxfamlibrary.openrepository.com/bitstream/handle/10546/621066/bp-climate-finance-shadow-report-2020-201020-en.pdf>

61 Ibid.

62 Carbon Brief (2021) COP26: Key Outcomes Agreed at the UN Climate Talks in Glasgow <https://www.carbonbrief.org/cop26-key-outcomes-agreed-at-the-un-climate-talks-in-glasgow>

63 Nature (2021) The Broken \$100-Billion Promise of Climate Finance — and How to Fix It <https://www.nature.com/articles/d41586-021-02846-3>

64 Carbon Brief (2021) COP26: Key Outcomes Agreed at the UN Climate Talks in Glasgow <https://www.carbonbrief.org/cop26-key-outcomes-agreed-at-the-un-climate-talks-in-glasgow>

65 Nature (2021) The Broken \$100-Billion Promise of Climate Finance — and How to Fix It <https://www.nature.com/articles/d41586-021-02846-3>

Following negotiations, developing countries managed to secure a paragraph in the Glasgow Climate Pact which: “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”.⁶⁶ The LDC grouping welcomed this pledge as important progress but reiterated that the adaptation needs of climate-vulnerable developing countries outstrips this commitment.⁶⁷

Loss and Damage

The term ‘loss and damage’ is used in the UNFCCC process to refer to the harm and destruction already being caused by anthropogenic climate change. Since the adoption of the framework, the appropriate response to loss and damage has been in dispute. At the outset of COP26, the Alliance of Small Island States (AOSIS) called for “concrete outcomes on financial support for loss and damage in small island developing states”, and that such a facility be separate from the annual \$100 billion earmarked for mitigation and adaptation.⁶⁸ AOSIS received support from G77 – a coalition of 134 developing countries and China – to create a “Glasgow Loss and Damage Facility”.⁶⁹ Fearing exposure to reparations to other states for the devastation of climate change, most developed countries with high historic levels of emissions oppose such a facility. The proposal to establish funding for loss and damage at COP26 was considered a ‘red line’ by the US delegation, and alongside the

EU, UK, and Australia, blocked its inclusion in the Glasgow Climate Pact.⁷⁰

Instead, of providing a standalone fund to help the most climate-vulnerable cope with the effects of climate change, the Glasgow Climate Pact called for “dialogue between Parties relevant organisations and stakeholders to discuss the arrangements for the funding of activities to avert, minimise and address loss and damage associated with the adverse impacts of climate change.”⁷¹

In this decisive decade of climate action, it will be challenging to maintain support for the UNFCCC framework if funding for loss and damage remains absent while the effects of climate change become increasingly severe for climate-vulnerable developing countries.

Section III

The Paris Rulebook

The Paris Agreement of 2015 solidified long-term, international goals to address the climate crisis, providing an overarching framework for action. Details for how to implement this Agreement were left unresolved, however. The Paris Rulebook, broadly agreed in 2018 at COP24, contains the processes, guidelines, and tools which detail how the Paris Agreement will operate in practice.⁷² Almost every element of the rulebook was resolved at COP24, but, coming into COP26, the status of Article 6 had yet to be settled. This section of the

66 Åberg, A. et al. Chatham House (2021) COP26: What Happened, What Does this Mean, and What Happens Next? https://www.chathamhouse.org/sites/default/files/2021-11/2021-11-15-COP26-what-happened-summary-Aberg-et-al_1.pdf

67 UNFCCC (2021) The Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16_adv.pdf

68 LDC Climate Change (2021) https://www ldc-climate.org/press_release/least-developed-countries-group-react-to-cop26/

69 Alliance of Small Island States (2021) Statement on behalf of the Alliance of Small Island States (AOSIS) at the Joint Plenary of COP, CMP, CMA, SBSTA and SBI <https://www.aosis.org/statement-on-behalf-of-the-alliance-of-small-island-states-aosis-at-the-joint-plenary-of-cop-cmp-cma-sbsta-and-sbi/>

70 Politico (2021) EU, US Block Effort for Climate Disaster Funding at COP26 <https://www.politico.eu/article/eu-us-block-financial-support-climate-change-cop26/>

71 Ibid.

72 UNFCCC (2021) The Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16_adv.pdf

72 UNFCCC (2021) The Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16_adv.pdf

rulebook establishes a robust framework for countries to exchange carbon credits through the UNFCCC. The full implementation of the Paris Rulebook was one of the UK's four primary objectives at the summit.

Despite coming close to a deal at COP25 in 2019, negotiators were unable to resolve the status of Article 6. However, towards the end of the two-week summit in Glasgow, agreement was reached on cross-border coordination for carbon trading.⁷³ Fully operationalising the Paris Rulebook was a consequential outcome of COP26; Article 6 is expected to help close the gap between NDCs and the 2030 emissions reductions target. The International Emissions Trading Association estimates that international carbon trading may reduce the costs of implementing the NDCs by 50%.⁷⁴ It forecasts that, if countries are inspired to invest these cost savings in enhanced ambition, Article 6 could facilitate additional abatement under the Paris Agreement by 50% in 2030.⁷⁵

It is recognised that a transparent and trusted framework is essential for a functional international carbon market. Some analysts have raised concerns that, while the adoption of Article 6 encourages trading, emissions credits may be double-counted and that the mechanism may also enable greenwashing.⁷⁶

Conclusion

A scenario in which global warming is stabi-

lised at 1.5°C is still technically possible to achieve.⁷⁷ This would require rapid and steep emissions cuts and transformative social and economic changes, yet the policy implementation of climate pledges is moving at a slow and insufficient pace.⁷⁸ The future warming of the planet in the 21st century will be largely determined by the actions taken in this decade and the window for closing the emissions gap between NDCs and the 2030 target is closing.

Under the Paris Agreement, Parties re-visit NDCs every five years, but in an effort to accelerate climate action, the Glasgow Climate Pact "requests Parties to revisit and strengthen the 2030 targets in their nationally determined contributions as necessary to align with the Paris Agreement temperature goal by the end of 2022".⁷⁹

UN Secretary-General Guterres acknowledged that COP26 provided "some building blocks for progress".⁸⁰ COP26 saw a range of new commitments to cut emissions, which, if delivered in full and on time, could keep global warming below 2°C. Leaders of developed countries issued a renewed promise to deliver \$100 billion in annual climate finance to developing countries and pledged to establish a new facility for climate adaptation. However, as climate activist, Vanessa Nakate told leaders during the negotiations, "We are drowning in promises. Only immediate and drastic action will pull us back from the abyss."⁸¹

The Glasgow Climate Pact goes further

73 World Resources Institute (2019) Why Does the Paris Climate Agreement Need a Rulebook? 7 Questions and Answers <https://www.wri.org/insights/why-does-paris-climate-agreement-need-rulebook-7-questions-and-answers>

74 Carbon Brief (2021) COP26: Key Outcomes Agreed at the UN Climate Talks in Glasgow <https://www.carbonbrief.org/cop26-key-outcomes-agreed-at-the-un-climate-talks-in-glasgow>

75 International Emissions Trading Association (2019) The Economic Potential of Article 6 of the Paris Agreement and Implementation Challenges https://www.ieta.org/resources/International_WG/Article6/CLPC_A6%20report_no%20crops.pdf

76 Ibid.

77 Åberg, A. et al. Chatham House (2021) COP26: What Happened, What Does this Mean, and What Happens Next? https://www.chathamhouse.org/sites/default/files/2021-11/2021-11-15-COP26-what-happened-summary-Aberg-et-al_1.pdf

78 Potsdam Institute for Climate Impact Research (PIK) (2021) 10 New Insights in Climate Science 2021 <https://www.pik-potsdam.de/en/news/latest-news/10-new-insights-in-climate-science-2021>

79 Climate Action Tracker (2021) Glasgow's 2030 Credibility Gap: Net Zero's Lip Service to Climate Action <https://climateactiontracker.org/publications/glasgows-2030-credibility-gap-net-zero-s-lip-service-to-climate-action/>

80 UNFCCC (2021) The Glasgow Climate Pact https://unfccc.int/sites/default/files/resource/cma2021_L16_adv.pdf 81 United Nations (2021) <https://news.un.org/en/story/2021/11/1105792> 82 United Nations Environment Programme (2021) <https://www.unep.org/news-and-stories/story/cop26-ends-agreement-falls-short-climate-action>

81 United Nations (2021) <https://news.un.org/en/story/2021/11/1105792>

than previous COP texts and, for the first time, includes a reference to 'scale up clean power' and 'phase down dirty coal'. It is considered by many that COP26 succeeded in firming up the global commitment to accelerate action on climate change in this decade, but it remains unclear if the Glasgow Climate Pact is sufficient to limit global warming to 1.5°C.⁸²

In his closing remarks to delegates, COP26 President Alok Sharma argued that the summit had "kept 1.5°C within reach" but acknowledged that "its pulse is weak."⁸³

82 United Nations Environment Programme (2021) <https://www.unep.org/news-and-stories/story/cop26-ends-agreement-falls-short-climate-action>

83 Ibid.

84 UN Climate Change Conference UK (2021) COP26 President Remarks at Closing Plenary <https://ukcop26.org/cop26-president-remarks-at-closing-plenary/>

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