

What to expect at the UN climate talks in Glasgow

Glasgow, 31 Oct (T. Ajit and Meena Raman) - Amidst the ongoing COVID-19 pandemic, the annual climate talks under the United Nations Framework on Climate Change (UNFCCC), will take place by attendance by delegates in person, from 31st Oct-12 Nov, 2021, in Glasgow, Scotland, after a year of delay.

World leaders are expected to attend a summit that will take place on 1st and 2nd Nov to focus on the need for increased ambition to tackle climate change, including on boosting the provision of finance to developing countries.

BACKDROP OF THE TALKS

The Glasgow talks are taking place against the backdrop of an unprecedented combination of multiple crises in the world, which is particularly devastating for the developing world. Apart from facing climate impacts from recent extreme weather-related events, the pandemic and its impacts on peoples' health and the economy has taken a major toll on developing countries, with challenges to national budgets and increased borrowings for many, raising the level of indebtedness.

As revealed by the UN Conference on Trade and Development (UNCTAD) recently, many developing countries can no longer achieve their ambitions set out in Agenda 2030 and the Paris Agreement (PA) due to the pandemic and delivering on those ambitions will require international cooperation between the North and

South on a coordinated and unprecedented scale, across a series of deeply interconnected economic, social and environmental challenges, with estimates of the required additional investments amounting to a minimum of 2 per cent of global GDP annually (upwards of USD 1.7 trillion per year) for the next few decades.

Whether Glasgow will see the much needed international cooperation at such an unprecedented scale remains to be seen, especially on the issue of climate finance.

With many parts of the world still facing inadequate vaccine access due to the prevailing inequity between the rich and poor, the participation of delegates from the Global South has certainly been hampered.

To compound matters further, the recently released report of the Intergovernmental Panel on Climate Change (IPCC) on 'The Physical Science Basis' has been viewed as a 'code-red' for the future of humanity and the planet.

Many world leaders and negotiators will certainly refer to the warnings in this report which reaffirms the linear relationship between cumulative emissions and rise in global surface temperature. It notes that from 1850 till 2019, approximately 2,390 (GtCO₂) were emitted, and this was responsible, along with lesser contributions from other greenhouse gases (GHGs), for an increase in global surface temperatures of about 1.07°C compared to pre-industrial times.

According to experts, the report reveals that for a 50% probability of limiting temperature rise to below 1.5°C, the total carbon budget remaining is only 500 GtCO₂ of emissions, and with current emissions trends, this will be exhausted within a decade or so, and that global emissions databases reveal that developed countries have been responsible for over 60% of these past emissions.

Even with the updated nationally determined contributions (NDCs) under the PA, a recent report by the UNFCCC Secretariat reveals that there is an “urgent need for either a significant increase in the level of ambition of NDCs between now and 2030 or a significant overachievement of the latest NDCs, or a combination of both, in order to attain cost-optimal emission levels suggested in many of the scenarios considered by the IPCC”.

Meanwhile, since last year, there has been increased calls from the UN Secretary-General and the incoming COP 26 UK Presidency for all countries to declare net zero targets by 2050 at the earliest.

In a recent statement from the Like-Minded Developing Countries (LMDC), ministers said that “Demands for net-zero emissions for all countries by 2050 will exacerbate further the existing inequities between developed and developing countries”. They explained that “the PA refers to achieving a balance between emissions and removal by sinks in the second half of this century as a global aspiration rather than as national targets for all countries. Achieving this global aspiration is on the basis of equity and common but differentiated responsibilities (CBDR), in the context of ensuring sustainable development and poverty eradication in developing countries and taking into consideration equity. This means that the historical responsibility for the predominant majority of cumulative anthropogenic emissions since the Industrial Revolution among developed countries must be fully recognized as a key element in determining how such global aspiration will be achieved equitably”. (See related [TWN Update](#)).

Climate justice groups around the world have also criticized the net zero by 2050 pledges of developed countries, pointing out that far from signifying

ambition, such distant targets delay real action needed today in getting to real zero.

KEY ISSUES UNDER NEGOTIATIONS

Governments attending the 26th session of the Conference of Parties to the UNFCCC (known as COP 26), the 16th session of the Kyoto Protocol Parties (CMP 13) and the 3rd session of the Conference of Parties to the Paris Agreement (CMA 3), will meet along with the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA), to consider and decide on various issues, including a few unfinished items as well as further work dealing with the Paris Agreement (PA) implementation.

Some work has been happening on various issues through consultations convened virtually through 2020 and 2021. In Glasgow, Parties will continue to negotiate on these issues in order to adopt the final conclusions and decisions. We set out below some of the key issues to be discussed at the two-week meetings.

SECOND PERIODIC REVIEW

Related to the issue of the implementation of pre-2020 commitments, is an item on the agenda of the Subsidiary Bodies known as the “Second periodic review of the long-term global goal (LTGG) under the Convention and of overall progress towards achieving it”.

COP 25 decided that the second periodic review shall start in the second half of 2020 and conclude in 2022 in conjunction with structured expert dialogue (SEDs). The first SED was held in two parts in November 2020 and June 2021. The second SED will be convened at COP 26, and the Subsidiary Bodies will continue their consideration of matters relating to the second periodic review via a joint contact group and to determine any follow-up action.

Discussion on the second periodic review is under two themes. Theme 1 relates to the science of LTGG, and theme 2 is on means of implementation and support with respect to steps taken by Parties towards the LTGG.

These issues are also closely linked to the pre-2020 commitments of developed countries where developing countries want to ensure that the unfulfilled commitments of the former in the pre-2020 period are not transferred on to the latter in the post-2020 period. The low level of emissions reductions of developed countries in the pre-2020 timeframe as well as the failure to mobilise the USD 100 billion per year by 2020 (which got shifted to 2025) is expected to be raised by developing countries.

ADAPTATION

Currently, the COP and CMA agenda item titled 'Report of the Adaptation Committee' is the only place to discuss substantive matters related to adaptation. This is the reason why some developing countries have come up with proposals of having an overarching agenda item on adaptation where all related matters are discussed both under the COP and the CMA. Where these proposals by developing countries will be agreed to by developed countries remain to be seen and may involve wrangling over the provisional agendas prior to their adoption.

Under the report of the Adaptation Committee (for 2019, 2020, 2021), the CMA is expected to consider the [recommendations](#) from the report. The CMA had tasked the Adaptation Committee (AC) with a number of issues which include: approaches to reviewing the overall progress made in achieving the global goal on adaptation (GGA); draft supplementary guidance for voluntary use by Parties in communicating adaptation information; methodologies for assessing adaptation needs of developing countries; modalities for recognizing the adaptation efforts of developing countries; methodologies for reviewing the adequacy and effectiveness for adaptation and support; and input to the global stocktake.

(In accordance with decision 1/CMA.2, the mandate pertaining to the GGA has a reporting deadline of 2021, while delivery on the remaining mandates is scheduled for 2022 or is unspecified.)

Discussions on GGA are expected to be contentious. Developing countries are expected to push for a definition of the GGA, including a quantitative and qualitative goal, and for a process to operationalize the

goal. Developed countries have maintained in the past that there is no need to define the GGA since it is clear in the PA what the GGA means, and are likely to resist any further recommendations in this regard.

LOSS AND DAMAGE

A key issue on loss and damage relates to the operationalisation of the Santiago Network on Loss and Damage (SNLD), which was established by COP 25.

Developing countries will push for the SNLD's meaningful operationalisation, wherein the Network will provide technical assistance and finance and technology support to developing countries in addressing, averting, and minimizing the loss and damage to their territories, societies and economies. Developing countries want to have an in depth discussion on the institutional arrangements, the functions of the coordination mechanism and how support can be provided to them. Developed countries on the other hand prefer a quick institutionalisation featuring websites and such like, and do not entertain the idea of financial and technology support to developing countries for loss and damage.

Another issue relates to the governance of the Warsaw International Mechanism on Loss and Damage (WIM), including its Executive Committee (Ex-Com). The issue is whether the WIM should be exclusively under the authority and guidance of the CMA (Parties to the PA) or whether it should also continue to be governed by the COP (Parties to the Convention) as well.

Developed countries take the view that given Article 8(2) of the PA, the WIM should be governed by the CMA, while developing countries wish the WIM to be under both the COP and the CMA, as they do not want the mandate and scope of the WIM to be limited.

Article 8(2) of the PA states that the WIM shall be subject to the authority and guidance of the CMA and may be enhanced and strengthened as determined by the CMA. Further, at COP 24 and 25, Parties were invited to consider the matter of the COP authority over and guidance to the WIM, including

its ExCom. COP 24 noted the understanding among Parties that it would only consider the report of the ExCom, without prejudging outcomes of future consideration of the governance of the WIM. At COP 25 there was no consensus on governance arrangement and it noted that considerations related to the governance of the WIM will continue at COP 26.

ARTICLE 6 OF THE PA

Article 6 of the PA generally deals with what is known as cooperative approaches among Parties, which includes the use of market and non-market approaches. This is an unfinished item in finalizing the rules for implementation, which have been going on since 2016, and have been difficult, complex and contentious.

Discussions in Glasgow will focus on three cooperative approaches in the implementation of Parties NDCs. These include Article 6(2), which allows Parties to engage “on a voluntary basis in cooperative approaches that involve the use of internationally transferred mitigation outcomes (ITMOs)” towards their NDCs; Article 6(4) which is a mechanism to “contribute to the mitigation of GHGs and support sustainable development,” and Article 6(8) which deals with non-market approaches, recognizing the “... importance of integrated, holistic and balanced non-market approaches being available to Parties to assist in the implementation of their NDCs... including through, inter alia, mitigation, adaptation, finance, technology transfer and capacity-building, as appropriate...”.

Since COP 25, various informal consultations, including ministerial consultations were convened over 2020 and 2021 to get more clarity on how to arrive at consensus in Glasgow. Several sticky issues remain. The SBSTA Chair has come up with an informal [options paper](#) on the sticky issues.

Under Article 6(2), the biggest sticking point is in relation to whether there can be a share of proceeds from the use of ITMOs that goes towards resourcing the Adaptation Fund (AF). The PA is silent on the matter, while there is an express provision for the Article 6(4) mechanism to contribute a share of proceeds to the AF. Developing countries have been calling for a share of proceeds to come from both the ITMOs and

the Article 6(4) mechanism, while developed countries are against this. The matter has been elevated to the ministerial level and while bridging proposals exist in relation to resolving the issue, developing countries are likely to push for mandatory share of proceeds for the AF under Article 6(2), comparable to the share of proceeds under 6(4) mechanism.

Another contentious issue under Article 6(2) whether is the mitigation outcomes to be transferred can be measured in metrics other than the metric tonnes of carbon dioxide equivalent (tCO₂eq), which are consistent with the NDCs of the participating Parties. At COP 25, developed countries (but not including Japan) and the Alliance of Small Island States (AOSIS), were opposed to having any other metrics other than tCO₂eq, while some developing countries such as the LMDC, the Arab Group, India, and South Korea were in support for the use of other metrics as well. At COP 26, developing countries are expected to call for balanced treatment between GHG and non-GHG metrics so that the non-GHG metrics are not disadvantaged while the GHG metric ITMOs will be able to be exchanged immediately upon their operationalization.

Another contentious issue is in relation to reporting and review under Article 6(2). Some developing countries want a robust reporting and review mechanism for Article 6(2) in order for the bilateral agreements to not become more advantageous than the Article 6(4) mechanism. They are likely to call for environmental integrity in relation to exchange of ITMOs under Article 6(2).

In relation to the Article 6(4) mechanism, the biggest sticking points are around transition of Clean Development Mechanism (CDM) projects and the transition of the certified emission reduction units (CERs) under the Kyoto Protocol to the Article 6(4) mechanism. While bridging proposals exist to find possible compromises, there are likely to be differences as to whether there will be a selective approach in deciding what kind of projects will be allowed to transition from the CDM to Article 6. Some developing countries are likely to call for all projects with active credits to be able to transition to the new mechanism, with objections to be expected

over concerns over the effect of the CERs on mitigation ambition and environmental integrity. There are bridging proposals that suggest a cap on the transition of the CERs via a cut-off date and on the quantity of CERs that can be allowed.

There are also issues around baselines and additionality, which is about the basis on which emission reductions are calculated under the Article 6(4) mechanism. This involves the question over how to determine whether an activity is additional to what would otherwise have occurred, and if so, against what level the emission reducing action would be compared to, such that the resulting credits can be calculated.

For Article 6(8) on non-market approaches, the contentious issue is around how to implement the non-market approaches. Developed countries want to restrict non-market approaches to a knowledge sharing platform, whereas developing countries' preference is to expand the non-market approaches to operationalize the implementation of the several elements under thereunder such as finance, technology transfer and capacity building. Some developing countries have been calling for a balanced treatment of all the approaches under Article 6 and for them to be operational and usable for countries.

THE ENHANCED TRANSPARENCY FRAMEWORK OF ACTION AND SUPPORT

Under Article 13(1) of the PA, Parties agreed to the establishment of an enhanced transparency framework (ETF) for action and support, with built-in flexibility for developing countries to be taken into account due to their different capacities on reporting obligations.

At COP 24, the rules for the ETF were adopted, which provide comprehensive requirements regarding the information that must be reported by Parties in relation to their NDC implementation and how this information would be considered. It was also decided that Parties shall submit their first biennial transparency report (BTR) and national inventory report (NIR) in accordance with the rules, at the latest by 31st Dec 2024. Parties had also agreed that the BTRs, the technical expert review and the facilitative

multilateral consideration of progress are prepared and conducted in accordance with the rules.

The CMA requested SBSTA to undertake further technical work on a number of issues in relation to how the information to be reported and reviewed should be organised and presented, and how programmes for the training of experts taking part in reviews should be elaborated. The task of the SBSTA is to produce the operational tools for Parties to be able to implement the agreed ETF, which comprises of common reporting tables and common tabular formats.

A key issue in developing these common reporting tables and formats would be on how the flexibility provided to developing countries that need it could be reflected in the different outlines and made operational effectively. Progress was not made in COP 25 in Madrid and there were disagreements over the proposed SBSTA conclusions. Divergences are expected to continue in relation to how flexibility is provided to developing countries.

GLOBAL STOCKTAKE

Another item as regards the sources of input for the global stocktake (GST) under the PA is expected to be heated under the SBSTA. The first GST which will take place in 2023 is to assess the collective progress of Parties in achieving the PA goals, including on mitigation, adaptation and the means of implementation and support.

CMA 1 invited the SBSTA to complement the non-exhaustive lists of sources of input for the GST, at its session held prior to the information collection and preparation component of the stocktake, as appropriate, taking into account the thematic areas of the stocktake and the importance of leveraging national-level reporting.

The SBSTA has since conducted work on the matter informally and its Chair prepared an informal note to capture progress of work. At COP 26, Parties are expected to discuss the sources of input further and whether to close the list of sources or to keep it open. Developing countries are expected to push for keeping the list open, given that work on the substance

of related matters such as climate finance definition, global goal on adaptation, transparency and common timeframes for NDCs are still ongoing and may have a bearing on the inputs for the GST.

(Para 36 of decision 19/CMA.1 decided that the sources of input for the GST will consider information at a collective level on a number of areas including the state of GHGs and mitigation efforts by Parties; the overall effect of Parties' NDCs; the state of adaptation efforts; the finance flows and means of implementation and support and mobilization and provision of support; efforts to enhance understanding, action and support related to averting, minimizing and addressing loss and damage; barriers and challenges faced by developing countries; fairness considerations, including equity, as communicated by Parties in their NDCs. Para 37 of the same decision decided that the sources of input for the GST include reports and communications from Parties; the latest reports of the IPCC; reports of the Subsidiary Bodies; reports from relevant constituted bodies and forums; voluntary submissions from Parties, including on inputs to inform equity considerations under the GST, among other things.)

COMMON TIMEFRAME FOR NDCS

At COP 24 in 2018, it was agreed that Parties "shall apply common time frames to their NDCs to be implemented from 2031 onward." The SBI was tasked to consider this matter, which it did, and a draft decision with several options was discussed at COP 25. Parties are divided on whether to have just one time-frame of 5 years, or to also allow a 10-year time frame, with some variation in between of a 5 years plus 5 years. With no consensus on the matter at COP 25, the Glasgow talks will continue to discuss the matter with the existing divergences on the table.

MATTERS RELATING TO THE FORUM ON THE IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES

The impacts of implementation of response measures is understood as the effects arising from the implementation of mitigation policies and actions taken by Parties under the Convention, the KP and the PA, and how these mitigation policies/actions could have impacts on countries, particularly developing coun-

tries, including cross-border impacts. COP 17 (in 2011) established a forum on the impact of the implementation of response measures.

COP 24, CMP 14 and CMA 1 acknowledged that a single forum on the impact of the implementation of response measures covers the work of the COP, the CMP and the CMA on all matters relating to the impact of the implementation of response measures and affirmed that the forum shall report to the COP, the CMP and the CMA. Further, COP 25, CMP 15 and CMA 2 adopted the six-year workplan of the forum on the impact of the implementation of response measures and its Katowice Committee of Experts on the Impacts of the Implementation of Response Measures (KCI). The KCI was established to support the work programme of the forum on the impact of the implementation of response measures.

At COP 26, developing countries are expected to push for the workplan on response measures to be implemented in its entirety and ensure progress is made on the technical work in relation to the development of tools and methodologies to assess the impact of response measures. There is also likely to be discussion on the recommendations stemming from the KCI to the Forum, and how the recommendations make their way to a decision at the COP, CMA and CMP as well as form a basis for inputs to the GST.

MATTERS ON CLIMATE FINANCE

There will also be several important issues to be discussed in relation to climate finance under the COP and the CMA. These will be dealt with in a separate article to follow.

Given the issues above, the Glasgow talks are unlikely to be easy and its outcomes will be keenly watched and debated.