

The Rt Hon Alok Sharma MP COP President Designate 9 Downing Street London SW1A 2AG

To: all Parties to the UNFCCC

15 July 2021

Dear Friends,

In less than four months we will meet face-to-face in Glasgow for COP26, where we must deliver on the ambitions we set out in the Paris Agreement and the Convention. Although significant progress has been made, we must be honest that collectively we have not yet delivered at the scale and pace that science requires. The world will be watching in Glasgow and it is our shared responsibility to rise to the challenge.

Our four goals for COP26 - based on the Paris Agreement and feedback from you - show us the way. To keep 1.5 degrees within reach, we must put the planet on a path to driving down emissions with mid-century net zero commitments and ambitious 2030 emissions reduction targets, protect people and nature from the impacts of climate change, get finance flowing to climate action and work together to ensure the negotiations are a success. Success at COP26 will be judged by our collective efforts to achieve these goals: through the negotiated outcome, enhancement and fulfilment of commitments by national governments, and through the collective actions of governments, business, investors, cities and regions, civil society, Indigenous Peoples and youth, to reorient our economies and societies towards a net zero and climate resilient future.

We made some progress through the meetings of the Subsidiary Bodies in June, and I thank all Parties and observers for their active engagement despite the difficult circumstances. As incoming COP President I will continue to work with all Parties, the Presiding Officers and the UNFCCC Secretariat to drive progress across all outstanding issues so that we arrive in Glasgow fully prepared. Alongside the work of our technical experts, it is vital that we as ministers sit together to discuss the overall package of political outcomes for Glasgow. I have also heard loud and clear that in order to implement the Paris Agreement and deliver for the most vulnerable, COP26 must address the ambition gaps we see in front of us on mitigation, on adaptation, and on finance.

THE JULY MINISTERIAL

In this context, the July Ministerial will be an opportunity for a representative group of ministers to come together in-person to discuss their expectations for Glasgow, the shape and substance of the potential outcome, and to provide guidance on outstanding negotiations issues. We will discuss keeping 1.5 alive; scaling up adaptation; loss and damage; Article 6; and mobilising finance. This will be an informal meeting convened under my initiative to exchange views, complementing and fully respecting the formal UNFCCC process. It will not

be the only opportunity to discuss these issues. I hope it will be a focused and frank exchange rather than colleagues reading out prepared statements. I ask all those attending to come prepared to look beyond their own positions and towards collective outcomes. We will transition between plenary discussions and breakout groups, and I will be asking a number of ministers to assist me with facilitation throughout the two days.

I have used the annex to this letter to expand on what I have heard from Parties about their expectations for outcomes in Glasgow, having now spoken with ministers and negotiators from all negotiating groups and a significant number of Parties. To ensure that everyone is moving forward together, in the annex you will also find the questions to facilitate discussions at the July Ministerial. Building on our commitment to transparency and inclusivity, discussions will be captured through a Chair's note and published online. I will continue to engage Ministers throughout the summer.

WAY FORWARD

At the 30 June stocktake many group chairs, coordinators and heads of delegation called for an acceleration of progress at all levels, while noting some sensitivities. The COP26 Presidency is responding. We have recently set out plans to drive progress on climate finance, and convened a second technical officials workshop on the Global Goal on Adaptation in conjunction with the Asia Pacific Regional Climate Week. We are taking forward informal ministerial consultations on Article 6 led by Minister Fu and Minister Rotevatn. We will also use our next meeting with all group chairs and heads of delegation to address loss and damage. The UNFCCC website will be updated to reflect the full schedule of presidencies-led events over the coming months, as plans are finalised.

We will maintain our close collaboration with Chile as COP25 Presidency and the SB Chairs, and remain guided by the principles of transparency, inclusivity, and progress. We will continue to work with the UNFCCC Secretariat to address challenges associated with working across time zones, internet connectivity, and group coordination. We will also continue to work closely with observers, recognising the significant experience and contributions they bring to climate action. I am committed to delivering an inclusive COP26, and I trust you have seen separate communications regarding our <u>vaccines initiative</u>.

Ensuring a successful outcome at COP26 is our shared responsibility. The ongoing COVID-19 pandemic reinforces the importance of cooperation, flexibility and solidarity. Ultimately, delivering an ambitious COP26 outcome depends on all voices being heard and no issues being left behind. It is on this basis that I have published this note online. I welcome written inputs from any Parties or observer constituencies that wish to provide them (Incoming-Presidency@unfccc.int) which will also be made available online.

We have much work to do if we are to deliver an outcome in Glasgow that we and future generations can be proud of. But I believe that working together we can rise to the challenge, protect people and nature, and keep 1.5 degrees within reach.

Yours faithfully,

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The Rt Hon Alok Sharma MP COP President Designate

Annex - Expectations for COP26 & July Ministerial Discussion Questions

The Presidency has heard from Parties and groups on their expectations for a Glasgow outcome that addresses the various ambition gaps - within and outside the negotiated outcome - finalises the Paris Rulebook, and leaves no issues behind. This note sets out the common themes that have been raised; to assist discussions at the July Ministerial and to help guide us towards a successful outcome in Glasgow that keeps 1.5°C within reach.

Protecting people and nature from the impacts of climate change

Enhancing adaptation action and support must be at the heart of the Glasgow package. In addition to delivering on the full set of adaptation-related mandates for COP26, we have heard the need to clearly reflect the priority that must be placed on adaptation. Parties have raised the need to discuss the Global Goal on Adaptation (GGA), and for Glasgow to initiate a process or programme of work to define a framework for assessing progress, which could be used to inform the Global Stocktake. Additionally, Parties have told us that concrete steps are required before, during and after COP26 to enhance the quantity, accessibility, predictability and effectiveness of financial and technical support for adaptation. The importance of work to develop the Santiago Network for Loss & Damage has been highlighted, as well as broader efforts to enhance action and support to avert, minimise and address loss and damage through COP26.

July Ministerial discussion questions - scaling up adaptation

- What outcomes are needed on the GGA at COP26? How can we ensure an effective assessment of collective progress towards the GGA ahead of the Global Stocktake?
- What can be done to improve the quantity, quality, and predictability of finance for adaptation, including improving the accessibility of finance for locally-led action?

July Ministerial discussion questions - loss and damage

- What does the Santiago Network need to deliver for countries most at risk of loss and damage? How can the process led by the presidencies ensure that this can be achieved?
- Beyond the Santiago Network, how can assistance and support from within and outside the UNFCCC enable enhanced action to avert, minimise and address loss and damage?

Cutting emissions to keep 1.5°C within reach

The science is clear that we must significantly increase our collective efforts to keep 1.5°C within reach. The Paris Agreement provides a clear ratchet mechanism to ensure that we have an ongoing, regular process to increase ambition. In this context, many Parties have expressed expectations that all Parties will submit highest possible ambition NDCs to 2030 ahead of COP26, noting the 30 July deadline for inclusion in the updated NDC Synthesis Report. A number of Parties have also noted that the next decade is critical for keeping 1.5 in reach, expressed their grave concern over the scale of the current mitigation gap according to the best available science, and requested that this issue be addressed in Glasgow. Related to this, a number of Parties have highlighted the importance of the Global Stocktake. Many have flagged COP26 as an opportunity to welcome the growing number of Parties that have made commitments to net zero or carbon/climate neutrality and encourage all Parties to make such commitments and reflect them in Long-Term Strategies (LTS). We have also heard the importance of accelerated action in specific sectors, nature, developed countries taking the lead, ensuring a just transition, working together with non-state actors, and reflecting on lessons learnt.

July Ministerial discussion questions - cutting emissions to keep 1.5°C within reach

- What do Parties consider to be the critical steps that we must collectively take to deliver on the temperature goal of the Paris Agreement to keep 1.5°C within reach?
- How should these steps be reflected through outcomes at COP26, and which other issues might need to be captured beyond those listed above?

Mobilising finance

Finance is crucial for ambitious climate action and COP26 marks a critical juncture. Delivering on the \$100 billion goal is of the utmost importance. Securing new and enhanced climate finance commitments - including for adaptation - has been a focus of the UK's COP26 and G7 presidencies. Parties have raised the need for developed countries to build confidence ahead of COP26 that the annual \$100bn goal will be met through to 2025. We have heard calls to consider progress towards the goal at COP26, and to address gaps in the quantity, predictability, transparency, accessibility, effectiveness, and composition of climate finance, taking into account the needs and priorities of developing countries. Many have highlighted that the economy-wide transformation required by the Paris Agreement involves all types of finance, and that Parties also need to consider what is needed to achieve the broader consistency of finance flows with a pathway towards the Paris goals. We have heard that Parties need to agree a timeline and process, with milestones, for setting the new collective quantified (post-2025) goal and that these should articulate the questions that need to be addressed in defining the goal.

July Ministerial discussion questions - mobilising finance

- How can confidence be built that the \$100bn/yr goal will be delivered through to 2025?
- What key questions do Ministers consider need to be addressed in Parties' deliberations on the new collective quantified (post-2025) goal, and what should the key components of the process to be agreed at COP26 be?

Finalising Article 6 in the Paris Rulebook

All Parties have stressed the importance of resolving the outstanding elements of the Paris Rulebook at COP26. Parties have highlighted the imperative of taking substantive decisions on all elements of Article 6 and common time frames and adopting required transparency tables and formats in a manner which enhances delivery of the Paris Agreement. We have also heard the importance of dedicated capacity building support to enable full and effective participation under Article 6, and to support developing countries to fulfil their obligations under the Enhanced Transparency Framework. At the July Ministerial the discussion will focus on Article 6; in particular on the possible solutions identified by Parties in informal ministerial consultations led by Minister Fu and Minister Rotevatn on 7 and 12 July.

Inclusive climate action

All of the above must be taken forward in a way that enables inclusive climate action and also reflects equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances. We have also heard the importance of delivering on the Gender Action Plan, on Response Measures, technology transfer, on the Local Communities & Indigenous Peoples Platform, Oceans and Nature, and expectations for COP26 to set future direction on Action for Climate Empowerment (ACE) and an improved Marrakesh Partnership to strengthen links with non-state actors, driven by the High Level Champions.