

COP26 President Designate Reflections Note (28 October 2021)

COP26 in Glasgow is almost upon us. The world is watching and responsibility is weighing heavily on all our shoulders. I am heartened, despite the challenges of the COVID-19 pandemic, by the progress that governments, business, civil society and youth have made together since COP 25 in Madrid. But, like so many delegates and citizens, I am also deeply concerned by the impacts of climate change that are increasingly affecting all corners of the world, and which are costing communities and economies dearly.

Recent assessments from the Intergovernmental Panel on Climate Change (IPCC) demonstrate the unequivocal nature of human influence on the climate, the impacts already being felt across the globe that will continue to worsen with every increment in global warming, and the deep emissions reductions and adaptation necessary. It is with this knowledge that everyone must come to Glasgow with a clear unity of purpose to forge a consensus that accelerates climate action across the world.

At the outset, I would like to assure all participants of my personal commitment to transparency in the negotiations. Similarly, the importance of an open and inclusive process is fundamental. I will maintain throughout the Conference my practice of engaging with all Parties and groups, as well as with civil society and the wider climate community. I see it as my responsibility to assist Parties in finding the common ground that is so crucial to meeting the expectations of citizens around the world.

Participants are coming together in difficult circumstances with the world still suffering the impacts of *COVID*-19, especially the most vulnerable. This will be an extraordinary COP in extraordinary times. I am very grateful participants are making the journey to Glasgow despite the challenges of travelling during the *COVID*-19 pandemic. I am confident that everyone wishes to meet and negotiate in as safe an environment as possible and, in this common spirit, count on everyone respecting the *COVID*-19 protocols that have been designed to achieve this, including by registering your daily lateral flow test. These measures include social distancing which will necessarily involve restrictions on numbers in rooms. I have asked the Secretariat to manage this difficult and unprecedented situation in a way that adheres to our principles of transparency and inclusivity. I intend to conduct work in accordance with the draft rules of procedure, respecting the party-driven nature of the process, and making sure that all voices are heard - including those of observers. I am aware that challenges will inevitably arise and rely on the collaboration and partnership of all participants in meeting them together. I firmly believe that, despite the accommodations necessary to meet COVID realities, it was the right decision to convene COP 26 at this critical time.

With so much to do in the limited time in Glasgow it is vital that Parties make the most of our time together, beginning on Sunday 31 October. My team and I, together with the Subsidiary Body Chairs and supported by the UNFCCC Secretariat, will work tirelessly with all Parties throughout the two weeks to maximise progress. In addressing the unprecedented negotiation agendas, I urge Parties to work diligently to make as much progress as possible in the first week of the conference, supporting the SB Chairs and their co-facilitators and engaging on the basis of text at an early stage in the negotiations, drawing on the extensive informal work undertaken during the last two years. This is in the interests of all Parties. It is my expectation that Parties, with the assistance and support of the extremely dedicated SB Chairs, will close off as many SB items as possible during week one, and the SB Chairs have been clear that they will bring their negotiations sessions to a close by 6 pm on Friday, 5 November. I will be monitoring progress closely and stand ready to assist if necessary to help speed up progress, including at ministerial level.

In parallel to the formal proceedings, the UK will host a series of events. These events aim to support the new era of climate action focused on delivery and implementation of the Paris Agreement. They begin with the World Leaders Summit, which will set a tone for our work to limit warming to well below 2 degrees, pursuing efforts to limit the increase to 1.5 degrees, and to enhance our capacity to adapt to climate change. I hope that many of you will join with colleagues, civil society, young people, business, investors and High-Level Champions Nigel Topping and Gonzalo Munoz in support of this ambition.

As I reflected in my letter prior to the Pre-COP, I very much want to support Parties to deliver on the matters you have told me are key political components of a Glasgow outcome. These include mobilising finance, keeping 1.5 alive, scaling up adaptation, addressing loss and damage, and finalising the Paris Rulebook – Article 6, the enhanced transparency framework and common time frames. In addition, there are a number of other important decisions to be taken, including on Action for Climate Empowerment and the review of the Least Developed Countries Expert Group for example. My reflections on progress are annexed below, along with some organisational suggestions. These reflections aim to assist you in your deliberations through the Party-driven process at COP 26.

I would like to end where I started in emphasising that these extraordinary times will require extraordinary levels of solidarity and cooperation. I encourage all delegates to come to Glasgow in this spirit; with respect and empathy for the challenging situation in many countries but also ready to engage, to talk, and to get to work. My door is open to all Parties, and I look forward to welcoming you in 3 days time.

MLY

The Rt Hon Alok Sharma MP COP President Designate

ANNEX A

Mobilising finance

The \$100bn Delivery Plan, led by Minister Wilkinson of Canada and State Secretary Flasbarth of Germany on behalf of developed countries was published on the 25th of October. It is disappointing that developed countries have not lived up to the commitment they first made in 2009 of delivering \$100bn per year from 2020. However, I am encouraged by developed countries' commitment to get back on track. The forward-looking climate finance projections in the Delivery Plan suggest with confidence that donors will fulfil the 100bn in 2023 and exceed it in 2024/5, and be on course to deliver \$500bn over the 5 years 2021-25. In parallel, the mobilisation of finance from the private sector is also important for supporting implementation of the Paris Agreement. Therefore, I have called upon private sector partners to increase their activities to support investment in developing countries. But more must of course be done, including to increase the amount of grant financing. Ahead of COP26 I am encouraging developed countries to increase their finance for adaptation, as well as enhancing access for the poorest and most vulnerable, to show real progress on this over the next two weeks.

The incoming Presidency has consulted widely through its <u>informal work plan on climate</u> <u>finance issues</u>. Through this, a broad spectrum of support from Parties was heard on achieving key finance objectives in Glasgow, echoing the sentiments shared at Pre-COP. These include:

- The importance of the \$100bn goal being met without further delay, and the need for greater action on both support for developing countries and the broader mobilisation and alignment of finance flows for enabling climate action.
- The continued need for enhanced predictability and access to climate finance under the Paris Agreement, particularly for adaptation finance.
- The importance of agreeing on an approach for how Parties will set the new collective quantified finance goal (post-2025) prior to 2025.

Given the large climate finance negotiations agenda for Glasgow, much of which will be taken forward under the responsibility of the President, Parties are encouraged to make appropriate use of the <u>informal work facilitated by the Presidency</u> as a resource to draw on during their formal discussions at COP26. I also urge Parties to take a constructive and collaborative approach to the negotiations in order to make the rapid progress we will need if we are to reach conclusions. I will use every tool available to ensure transparency and inclusivity in these discussions. To assist this progress, we also intend to convene an informal high-level discussion on climate finance, including on the new goal, early in the COP and to begin formal work as soon as possible. We intend to ensure that sufficient space is provided for discussions on adaption finance.

Keeping 1.5 Alive

The recent findings of the IPCC 6th Assessment Report, alongside the latest UNFCCC NDC Synthesis Report have created a strong sense of urgency to accelerate mitigation action in this crucial decade to limit the increase in the global average temperature to well below 2 degrees, and to pursue efforts to limit that increase to 1.5°C. Following the pre-COP, I

requested Minister Stiell of Grenada and Minister Jørgensen of Denmark to begin Ministerial consultations; they will report back to the Presidency ahead of COP26 and I will relay key points to you.

I have heard from many Parties the importance they attach to the IPCC findings, and to the benefits of pursuing efforts towards limiting global warming to 1.5°C, as well as the urgent need to use science as a framework for accelerated mitigation efforts to align global action with pathways consistent with the goal of staying well below 2°C, aiming for 1.5°C. Many expressed the view that Glasgow should address the "mitigation gap", including by seeking to strengthen or to exceed 2030 NDCs as necessary ahead of and through the Global Stocktake, in the spirit of Article 4.11 of the Paris Agreement. A number of Parties have also expressed the view, based on Article 4.19 of the Paris Agreement, that formulating and communicating regularly-updated long-term strategies towards net zero in light of the best available science is necessary for delivering the Paris temperature goal. Parties have also underscored the importance of finalising outstanding elements of the Paris Rulebook in a manner that supports keeping 1.5°C within reach.

Many Parties have reinforced the importance of acting in accordance with the principles of equity and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances, and all Parties doing their fair share. Many have highlighted the particular responsibility of developed countries, particularly given historical responsibilities, as well as the need for leadership by the G20 countries. Parties have made clear that action across all pillars of the Paris Agreement is needed to enhance mitigation ambition. Many have emphasised the need for increased support to developing countries, and the importance of means of implementation and ensuring a just transition. Consultations are ongoing and will be taken forward at COP 26 under discussions convened by the Presidency.

Adaptation

Countries agree that urgent and comprehensive action on adaptation is needed and this requires enhanced financial and technical support for developing countries, particularly the most vulnerable. We have heard that the global goal on adaptation should drive ambition.

In consultations and meetings we have heard from Parties that further work is needed on the Global Goal on Adaptation (GGA), in the context of Article 7 of the Paris Agreement and informing the Global Stocktake (GST). Parties have commented that this work should build on technical work conducted by the Adaptation Committee (AC), the IPCC and research organisations. Many Parties have called for more time to focus on this issue under the CMA. Some Parties proposed that agreement on a time-bound work programme at COP26 would help to deliver this work. We've heard from Parties that there are three areas where further work could be focused:

1. How the GGA could be implemented according to Article 7 of the Paris Agreement.

- 2. Approaches to reviewing progress on the GGA in the context of the GST and informed by the work of the AC. This includes through a framework of indicators, with some Parties emphasising the importance of adaptation finance in this context.
- 3. How to ensure that information is available for reviewing progress without creating undue burden for developing countries. Suggestions include urging more Parties to come forward with National Adaptation Plans (NAPs) and Adaptation Communications (Adcoms) and work to further understand how capacity, technical issues and the accessibility of finance can be improved to support the development and implementation of NAPs and Adcoms.

The Presidency will work with Parties to ensure there is sufficient space to have discussions on this issue during week one of the Conference.

Loss and Damage

Meetings through the year with negotiators and ministers have highlighted loss and damage as an area of climate action which needs renewed and urgent attention. In consultations on loss and damage, a majority of Parties recommended that the Santiago Network be supported by a dedicated secretariat and that COP26/CMA3 should adopt a decision setting out the parameters for the Network and the process for its further development. The COP 25 and COP 26 Presidencies have produced an informal document based on the consultations with Parties, technical agencies and civil society.

Some Parties have called for more focus on finance to address loss and damage. Parties have highlighted this is not only about a quantum of finance, but also how it can be better coordinated and integrated into locally-led plans and actions. We encourage all Parties to engage constructively on these issues and to bring forward practical ideas on how finance relevant to loss and damage under and outside the UNFCCC can be both increased and used effectively.

Following the adoption of the agenda, it is envisaged that these discussions will be initiated under the existing item on the Report of the Executive Committee of the Warsaw International Mechanism for Loss & Damage under the Subsidiary Bodies. The matter of the governance of the Warsaw International Mechanism falls under the authority of the governing bodies. We will consult on ways to take forward this matter.

Finalising the Paris Rulebook

Parties have stressed the importance of concluding the remaining elements of the Paris Rulebook at COP26, in a way that is inclusive, comprehensive and upholds the environmental integrity of the Paris Agreement. The world is expecting these issues to be resolved in Glasgow, six years on from Paris, and I am encouraged by the commitment that ministers and negotiators have shown to engage on the basis of possible solutions.

Across five separate ministerial discussions since May, we have consistently heard that resolving **Article 6** is a priority for many Parties. We have made progress this year, including through extensive work at the technical level. This is captured succinctly in the SBSTA Chair's <u>informal "options paper</u>", that summarises the discussions to date and the options for Parties on significant unresolved issues. This document can be a useful tool to assist Parties in

moving quickly to three consolidated texts early on in the SBSTA session. While the SBSTA Chair has covered all issues within Article 6, the ministerial process has focused on three particular issues identified by a wide range of Parties as needing political consideration. The work led by Minister Rotevatn of Norway and Minister Fu of Singapore since July, both at ministerial and Head of Delegation level, has deepened our understanding of where Parties see the scope for compromise and the trade-offs between issues. While in some areas Parties have indicated more flexibility, in general positions remain divergent, and in some cases appear to have moved further apart since COP25. In Glasgow we must come prepared to move beyond long-held positions and work together to seek solutions which can be accepted by all Parties. All issues will be on the table for discussion in the SBSTA and I encourage Parties to resolve as many as possible, leaving well-defined options on those few that remain unresolved for consideration in the second week. In addition to Article 6, it will also be important to work creatively and flexibly to adopt a complementary decision on the Clean Development Mechanism (CDM). The task at COP may not necessarily be easy, but I believe the political will is there to overcome differences and find a balanced solution across all issues within Article 6 and the CDM.

On **Common Time Frames** (CTF), the calls from Parties to resolve this outstanding issue have increased this year. Alongside this, many Parties highlighted that the nature of this issue requires political engagement to reach resolution, as decisions on NDCs are taken at a ministerial level in most governments. In response to this, I asked Minister Mujawamariya of Rwanda and Minister Sommaruga of Switzerland to initiate informal consultations on this issue, opening with a multilateral meeting in early September. At the pre-COP, Parties again called for a resolution on Common Time Frames for NDCs at COP26 that upholds the Paris Agreement and accelerates its implementation. Since then, Ministers Mujawamariya and Sommaruga have continued their informal consultations on Common Time Frames and I look forward to their upcoming summary note that will be made available prior to COP26. I strongly encourage Parties to engage constructively in the consultations that will be led by the SBI Chair, and I am confident that a political resolution is possible on this issue as Parties work closely together to resolve differences and reach a shared solution.

The **Enhanced Transparency Framework** (ETF) was rightly highlighted at the Pre-COP as a key issue to resolve at COP26. The discussion pointed to the strong need for Parties to work together in the run up to Glasgow, to work through technical issues and identify potential landing zones on more substantive issues. Requiring technical experts to advance their work ahead of and at COP26 is essential to reaching an agreement; I am encouraged to hear reports of Parties coming together for the recent Presidency informal virtual knowledge sharing sessions on greenhouse gas inventory tables. Elsewhere, many bilateral meetings to discuss key areas of divergence have been convened and these will need to continue in Glasgow if we are to find workable solutions. The SBSTA Chair, supported by the Presidencies, will organise an informal workshop to discuss outstanding technical issues for the ETF in Glasgow on 31st October. I encourage your active participation and hope this will enable all Parties to "hit the ground running" in Glasgow.