

RAF RECOMMENDATIONS - Letter to Simon Stiell from the independent Co-chairs of the Recognition and Accountability Framework Consultation, Sarah Bloom Raskin and Bing Leng

24th May, 2024

Dear Mr. Secretary,

Thank you for the invitation to co-chair the Consultation on the Recognition and Accountability Framework (the “Consultation”). As you know, the Consultation surveyed a broad set of stakeholders to determine how best to operationalize Recommendation 8 of the High-Level Experts Group on the Net Zero Emissions Commitments of non-state Entities (‘HLEG’), with the intention of formulating recommendations that can be transformed into an implementation plan for the UNFCCC. In your invitation to undertake the Consultation, you asked us to provide recommendations related to “the technical developments required for improvements in the UNFCCC Global Climate Action Portal” and the UNFCCC Recognition and Accountability Framework and its first Draft Implementation published in June 2023, to ensure greater transparency and accountability of individual non-state entities’ net-zero pledges, transition plans and progress reporting.

Your request comes at a time at which the urgency of addressing climate change by non-state entities – i.e., firms and subnational governments including states, regions, and cities residing in countries – cannot be overstated. The world is bearing witness to a relentless barrage of extreme and dynamic climate events, with direct physical damages from droughts, hurricanes, and wildfires, with costly consequences such as sea level rise and biodiversity losses to the nature-based systems on which economic performance and human life rely. The economic consequences alone of limited ambition have been vividly demonstrated by the tolls of death, devastation, and anxiety inflicted on countries around the world. The challenges are so great that the potential value of all tools need to be understood and explored, including voluntary net zero emissions commitments and associated transition plans by non-state entities.

In recent years, there has been a significant increase in voluntary net zero emissions commitments from non-state entities, starting with a number of sector-specific net zero initiatives and the creation of Race to Zero by the High Level Champions to bring these initiatives together. The United Nations Secretary General’s Integrity Matters Report issued by the HLEG built on the work of these initiatives to develop a clear, authoritative set of principles to serve as a guiding star for high ambition, high quality voluntary net zero emissions commitments.

The Consultation was a timely opportunity to explore with non-state entities in different regions of the world, and of different sizes and levels of complexity, how to improve upon transparency and accountability of net zero emissions commitments. With the steerage and stewardship of an expert and wide-ranging Advisory Group, we took approximately four months to engage in a series of listening sessions with non-state entities.

The description of the Consultation and the synthesis of its findings is described in the Appendix.

As you will read there, from the Consultation, it became apparent that firms and subnational governments have begun to take steps in setting and attempting to meet net zero emissions commitments. (This finding is consistent with overall trends; amongst the 2,000 largest publicly traded companies in the world, 55% claim to have set a net zero emissions target of some sort. Amongst all the cities with 500,000 inhabitants or more, 38% claim to have set a net zero emissions commitment; amongst all the regions in the 25 largest emitting countries, 13% have set a net zero emissions target^{1,2}).

While success stories involving the constructive use of the net zero emissions commitments were noted, many firms and subnational governments who are participating or considering participation in voluntary net zero initiatives or other voluntary climate action described for us one or more of the following challenges:

1. A confusing landscape of voluntary net zero initiatives relevant to setting and transitioning towards net zero emission commitments
2. A lack of alignment of policy incentives to enable appropriate investments
3. A lack of granular, accurate, reliable, consistent, and comparable data
4. An insufficient understanding and linkage between Nationally Determined Contributions (NDC) and net zero emissions commitments by non-state entities
5. An underutilized potential and consideration of the United Nations Global Climate Action Portal (GCAP)
6. Challenges finding and financing the requisite degrees of technical capacity necessary for establishing and achieving net zero emissions commitments
7. An incomplete understanding of the ways in which distributional impacts associated with the establishment of net zero emissions commitments could undermine or accentuate their potential as a credible tool for driving climate action

Of note, these challenges were described by the pool of non-state entities that have put themselves forward in making net-zero commitments. Many other non-state entities have not. This selection bias, so to speak, was incorporated as we formulated recommendations; ambition requires that non-users of net zero emissions commitments become users and demonstrate the progress they are making.

After the Consultation's listening sessions were complete, we engaged in a synthesis of what we heard in order to prepare implementable recommendations to you. In short, we believe the following:

¹ Net Zero Tracker (2023). Global Net Zero Coverage Dashboard. (Accessed 25th of March 2024). [Link](#)

² The IPCC defines net zero as the moment when anthropogenic emissions of greenhouse gases are balanced out by anthropogenic removals over a specified period. However, there is currently not universally agreed definition of the concept of net zero emissions at the individual entity level. In this case the Net Zero Tracker has included in its scope entities that refer to the targets they have set as: net zero, zero emissions, zero carbon, climate neutral, climate positive, and others.

There is both significant momentum and evolving clarity on what good net zero emissions commitments look like. There are also inevitable challenges in ways to improve transparency and accountability. In particular, absent are (i) mechanisms that allow stakeholders to easily review the alignment of non-state entities' claims with their commitments, and (ii) the means to verify that action has been taken aligned with the commitments made. These absences limit the ability of the public and investors to discern differences in net zero emissions commitments and distinguish appropriate actions from greenwashing. The current inconsistencies in reporting and gaps in the availability of information exacerbate this potential for greenwashing.

Another consequence of these absences is that linkages between net zero emissions commitments of firms and subnational governments to countries' NDCs are not fully understood, limiting the benefit they can provide in supporting countries to advance the regulation and policy that is ultimately needed to achieve economy wide change. In addition, the technical expertise and capacity for engaging in the establishment of net zero emissions commitments and setting intermediate targets is not evenly available; and equity considerations are incompletely incorporated.

The UNFCCC Recognition and Accountability Framework Draft Implementation Plan proposed to address these issues. It proposed to implement a governance system whereby the UNFCCC (or entities endorsed by it) would validate the alignment of pledges, transition plans and progress reporting against the recommendations of the Integrity Matters Report, based on information that non-state entities and/or voluntary net zero initiatives would feed into the GCAP. The discussions that constituted the Consultation indicated that such a system would not be optimal. There were several reasons stated for this position, including a lack of unanimity amongst Parties and there being quicker ways to accelerate the adoption of ambitious regulatory frameworks.

Our view is that the UNFCCC should enable greater accountability of voluntary net zero emissions commitments by non-state entities by enhancing transparency and providing clarity on how the ecosystem of voluntary net zero initiatives is evolving over time. Our recommendations describe how this can be done in practice, using the GCAP as a platform to share information in a simple and comparable manner.

In light of these findings, we propose the following recommendations to assist the UNFCCC in maximizing the value of the net zero emissions commitment tool:

Recommendation 1: The UNFCCC, in collaboration with relevant partners including the High Level Champions, should implement measures that provide transparency and accountability of the voluntary net zero initiatives

How?

- The UNFCCC should work closely with Partners, including the High Level Champions, to support the transparency and accountability of voluntary net zero initiatives and to support the implementation of net zero commitments by the initiatives' members and signatories, while continuing to drive ambition.
- The UNFCCC should define a set of best practice principles to promote accountability processes in voluntary net zero initiatives (considering, e.g., the frequency of reporting of progress required; the consequences of lack of progress). This will allow comparability between accountability efforts of different voluntary net zero initiatives.
- The UNFCCC should support the disclosure of the voluntary net zero initiatives' efforts towards accountability in a consistent and comparable way, so that all stakeholders, including rating agencies, investors, and other data users are able to make assessments.

Since COP20 in Lima, there has been significant growth in climate action by non-state entities and repeated recognition by Parties to the UNFCCC of the importance of non-state entity involvement and support to achieve the goals of the Paris Agreement.

Since Paris, net zero became an increasingly high priority area of focus to keep 1.5°C in reach. Race to Zero has played the role of an umbrella campaign for other voluntary net zero initiatives. It has encouraged and supported existing voluntary net zero initiatives to come together around a shared set of best practices, to support the launch of new, high-quality net zero initiatives for stakeholder groups where they did not already exist, and to work together to mobilize even more commitments and action from a broad range of stakeholders around the world. As of today, more than 13,000 non-state entities from all corners of society and over 100 countries are part of the initiatives in the Race to Zero campaign³.

Most recently, the UNSG's Integrity Matters Report from HLEG built on the work of these initiatives to develop a clear, authoritative set of principles to serve as a guiding star for high ambition, high quality voluntary net zero initiatives. In addition to this, a range of sector-specific voluntary net zero initiatives have been created to foster collaboration and implementation for accelerating climate action in specific sectors.

This architecture has been and continues to be crucial to help non-state entities embark on a journey towards net zero emissions, driving significant awareness, momentum, and action, and bringing the concept of net zero to the mainstream. This existing architecture is foundational.

There is a need to do more to accelerate progress towards net zero. In particular, in order to ensure the effectiveness of these net zero emissions commitments in driving action and

building support for enabling policy and regulation, they must be credible. Policy makers, investors and non-state entities leaders must have enough data and information on what the commitments entail, and what progress is being made in order for this voluntary leadership to inform and support the design and implementation of the policy and regulatory environment needed to actually achieve economy-wide net zero.

To ensure continued momentum, action and the necessary scale of voluntary efforts, the UNFCCC should build on the existing work and continue to support and collaborate with partners to increase participation and action

The UNFCCC can make a significant contribution to the information architecture needed to ensure greater transparency and foster more comparability between various initiatives by updating GCAP to gather, organize, and display important information in a way that is action and decision relevant.

Voluntary net zero initiatives might report to the UNFCCC:

- 1. What net zero emissions commitments their members are signing up to:** In recent years, guidance on high integrity commitments has emerged. The UNSG's HLEG Integrity Matters Report built on emerging best practice and set out ten principles for high ambition 1.5°C aligned voluntary net zero initiatives. UNFCCC could usefully gather and organize HLEG-relevant information into GCAP to allow for greater comparability between the commitments of different initiatives.
- 2. Which accountability mechanisms they have adopted:** voluntary net zero initiatives should create robust accountability systems that reflect specific sectors and contexts. These initiatives will need to have systems and governance structures to monitor members' progress towards commitments and avoid conflicts of interest. UNFCCC could develop best practice principles to promote accountability processes in voluntary net zero initiatives, and then GCAP could gather, organize, and display information on net zero initiative accountability approaches relative to those basic principles. Initiatives should be encouraged to describe how their objectives contribute to improving regulatory frameworks and are not a deterrent for ambitious future regulation.
- 3. How they are building the capacity of their members and promoting wider participation, including from members in both developed and developing countries:** Voluntary net zero initiatives should ensure they support their members across different jurisdictions. This entails not only providing training, resources, tools, or knowledge to enhance the ability of members or signatories to meet the initiative's requirements, but also working to support the external environment. This may involve advocacy for supportive policies, the encouragement of financial flows into developing countries, collaboration with subnational governments to align regulations with the initiative's goals, and efforts to foster a more supportive industry or public environment.

Voluntary net zero initiatives are successful to the extent that they can incentivise action across a growing number of members and signatories who voluntarily decide to join them. This Consultation heard that the UNFCCC should not assess or score voluntary action; this could disincentivise voluntary commitments and action. Instead, the UNFCCC should

strengthen the voluntary response across the board by enhancing transparency. The UNFCCC can do this by providing a platform for initiatives to voluntarily disclose information on the GCAP to foster transparency and comparability.

Though some critics suggest that a focus on voluntary cooperative initiatives too exclusively addresses the “leadership cohort”, i.e. those non-state entities which are already ambitious leaders, ultimately it is the role of regulators and civil society within each jurisdiction to address those actors that are not doing enough based on clear and comparable information.

To avoid putting additional burden on voluntary cooperative initiatives, we suggest that the UNFCCC coordinate with relevant initiatives, especially Race to Zero, to consolidate the reporting requirements for those initiatives to collect the necessary information to be included in the GCAP.

To motivate the engagement in this transparency mechanism, the UNFCCC could also revise how it uses UNFCCC sponsored events, including presence at COP, to reward voluntary initiatives that make their information available on the GCAP.

Recommendation 2: The UNFCCC should highlight gaps in the ecosystem of non-state entity accountability and reporting

How?

- The Consultation has identified an initial set of gaps for UNFCCC evaluation.
- The UNFCCC should highlight gaps in a systematic manner, and encourage those best placed to fill them, such as representatives of academia, the data community, civil society, and the private sector.

Despite commendable efforts of some non-state entities and voluntary cooperative initiatives, the journey towards net zero emissions commitments remains in its infancy and the implementation of these commitments is a challenge. To promote implementation, and to lead a greater number of non-state entities to establish credible net zero emissions commitments, the UNFCCC should focus the attention of the voluntary cooperative initiatives on some issues:

- **Universal baseline for transition plans:** Despite advances in developing frameworks for climate-related metrics, a universal baseline detailing the essential elements of a transition plan is lacking. This baseline could draw from existing country initiatives with a focus on simplicity and practicality to encourage adoption worldwide and allow for verifiability of action.
- **Enhancing verification and assurance processes:** An optimal net zero emissions commitment, a transition plan to fulfil it, and the reporting of progress towards it should be subject to verification and assurance processes in the same way as financial statements. Although there is an existing community of experienced

standard setters, verification, and conformity assessment bodies willing to fulfil this function, there are gaps in the standards, code of professional ethics, self-discipline, regulation, and skillset required.

- **Promoting climate solutions:** The development of climate solutions should be prioritized. We have heard during the Consultation, and it has been documented by others, that the necessary but narrow focus on the pursuit of emissions reduction, means that many frameworks for net zero emissions commitments do not provide sufficient recognition for firms that embrace and scale climate solutions such as, for example, those that might involve low-carbon construction materials and food produced using regenerative agriculture. Some disclosure frameworks are however addressing this issue so it is important to build on existing efforts.⁴
- **Adapting to the needs of non-state entities in developing countries and in countries with indigenous wisdom:** Many voluntary cooperative initiatives have been developed with the perspectives of only high-income countries. The adaptation of these frameworks for non-state entities to better suit those in developing countries and in countries with indigenous wisdom is required. For example, many initiatives have a comprehensive inventory approach which may not be suitable for firms and subnational governments in developing countries, especially due to the complex nature of scope 3 reporting.⁵
- **Incorporating distributional and equity impacts:** There is insufficient attention given to the distributional impacts generated by the net zero commitments and transition plans of firms and subnational governments. National governments should prioritise these issues and bring them at the core of policy making. The voluntary cooperative initiatives can also help non-state entities embarking on a net zero to think about the distributional and equity impacts of their actions and provide guidance on how these requirements might be incorporated in metrics and targets and turned into actions.

New issues will emerge. Systematising a process to assess gaps and focus the attention of voluntary cooperative initiatives on specific issues and promote greater collaboration between them is necessary. Exposing these gaps will help manage investors' expectations of the level of reporting that firms and subnational governments can provide. We recommend that the UNFCCC systematise this process by ensuring that the gaps identified by the ecosystem of voluntary cooperative initiatives are methodically collected throughout the year, and highlighted, including, as appropriate, in the Yearbook of Climate Action, in close collaboration with the High-Level Champions and representatives of academia, the data community, civil society, subnational governments, and the private sector.

⁴ Idalina, L.; Elera, A.; Axelsson, K. (2023) Net Zero Regulation Stocktake Report November 2023. [Link](#)

⁵ Hsu, A. and M. Schletz. (2023). Envisioning the Future of Non-State Climate Action Data and Accountability. Data-Driven EnviroLab. [Link](#)

Recommendation 3: The UNFCCC should support Parties as they translate the standards of voluntary cooperative initiatives into enforceable legal frameworks

How?

- The UNFCCC should use the GCAP to track the adoption of mandatory regulatory frameworks across jurisdictions and promote harmonization and equivalence among different jurisdictions. Elements of net zero emissions commitments to be tracked should include specific jurisdictional actions such as proposed guidelines, related advice, relevant judicial holdings, proposed and final regulation, and statutory developments.
- The UNFCCC is not a substitute regulator. Instead, the UNFCCC should urge harmonization of efforts within and between countries to enhance domestic collaboration of efforts across relevant policymaking agencies, taking into account the consensus reached by voluntary cooperative initiatives.
- The UNFCCC should support and join the Taskforce on Net Zero Policy.

Historically, as firms and subnational governments have established their own net zero emissions commitments, voluntary cooperative initiatives have created a common jargon reflecting emerging understandings.

As work has progressed, common definitions have evolved. Notably, voluntary cooperative initiatives are providing definitional context and elaboration. This continuous innovation is essential for devising and testing varying approaches for countries to consider as they adopt particular policy frameworks.

But voluntary net zero initiatives are just that – voluntary - to those firms and subnational governments that have likely already set net zero emission commitments. Their voluntary nature means investors and the public have little visibility of the laggards that opt not to engage with those initiatives.

By contrast, mandatory climate-related disclosures permit crucial and standardized comparison and verification of net zero emissions commitments, and their associated transition plans.

In addition, in the absence of enforceable legal frameworks, accountability will be weak. To create accountability, there must be a statutory apparatus within the country that defines what the applicable consequences of non-performance should be – whether it's a fine, a penalty, or a condition – and the process for assessing any financial or non-financial penalties. It is the existence of legally articulated consequences that creates the mechanism whereby an individual firm or city is accountable for what it has committed to. The enforcement actions taken by regulators in financial markets are important to address greenwashing. They are also important to ensure that capital providers can use climate-related information prepared by reporting entities as a robust input to their investment decision-making.

The process whereby valuable elements of voluntary cooperative initiatives are embedded in national regulation is underway at different speeds across jurisdictions, especially climate related disclosure. Key jurisdictions like the United States, China, Japan, the European Union, and the State of California have adopted climate disclosure regulations. Multiple jurisdictions are establishing sustainable finance taxonomies and other requirements that set criteria that financial products, services, and corporate performance must meet to be classified and advertised as sustainable or “net zero”. According to a recent study by Oxford Net Zero, as of August 2023, 15 of the 20 members of the G20 had implemented some sort of net zero regulation^{6,7}.

As mandatory frameworks become adopted, the ability to compare standards adopted by different jurisdictions creates an opportunity to enhance transparency and accountability of net zero emissions commitments made by non-state entities across jurisdictions. Promoting cross referencing of the most mature standards will ensure more interoperability and harmonization between standards.

The involvement of quality infrastructure institutions such as the International Organization for Standardization (ISO) can also help bridge the gap between regulations and voluntary cooperative initiatives.

There is growing support for adopting specific standards, as organizations like the International Sustainability Standards Board (ISSB) create standards that become endorsed by many jurisdictions, as recommended by the G7, IOSCO, the FSB.

There may be significant potential to expand the use of ISSB Standards to large and medium non-listed firms in other jurisdictions. This could create momentum in global supply chains, where there are significant and substantial emissions. The inaugural and forthcoming *Jurisdictional Guide for the Adoption or Other Use of ISSB Standards* can serve as a fundamental assessment tool for jurisdictions' adoption of the global baseline of sustainability-related financial disclosures. Also, the ISSB plans to craft *Jurisdiction Profiles* for each jurisdiction, providing greater transparency on jurisdictional progress towards the provision of globally comparable information through the adoption or other use of ISSB Standards.

To promote the harmonization of net zero regulation, the HLEG Integrity Matters Report recommended the creation of a Taskforce on Net Zero Policy, which was launched last year at COP 28. The main objective of the taskforce is to establish a collaborative space that encourages the sharing of knowledge, practices, and insights among policymakers and regulators to advance net zero aligned policy. The UNFCCC could support the work of the taskforce by providing, in GCAP, a platform to share their mapping of mandatory regulatory frameworks across jurisdictions. Elements of net zero emissions commitments to be mapped should include specific jurisdictional actions such as type of regulation, compliance entities (size and sector), proposed guidelines, related advice, relevant judicial holdings, proposed and final regulation (including notice and comment periods), and statutory developments. This work could be done in collaboration with academia already

⁶ Idalina, L.; Elera, A.; Axelsson, K. (2023) Net Zero Regulation Stocktake Report November 2023. [Link](#)

⁷ The Oxford Net Zero Regulation Stocktake Report tracks regulations across three domains including: claims and financial product standards, climate-related risks disclosure, public procurement and transition plans.

working on similar approaches. Moreover, the UNFCCC itself could join the Taskforce on Net Zero Policy to steer it towards closer alignment with the Paris Agreement.

Recommendation 4: The UNFCCC should bridge the information gap between net zero emission commitments made by non-state entities and Nationally Determined Contributions (NDCs)

How?

- The UNFCCC should use the GCAP to create a *transparency pipeline* between NDCs and net zero emissions commitments of firms and subnational governments.
- The UNFCCC should work with UNEP to ensure the UNEP Gap report includes a systematic assessment of the impact of net zero emissions commitments from firms and subnational governments.

Many firms, subnational governments and other local governments in the Consultation expressed uncertainty about how their actual or proposed net zero emissions commitments relate to NDCs. The net zero emissions commitments and actions of firms and subnational governments can help build capacity and knowledge across economic actors in the economy, which can provide governments with confidence in the ability of these non-state entities to adapt to more ambitious climate policies.

The situation is particularly critical for subnational governments, which currently represent around 70% of global greenhouse gas emissions and host about 50% of the global population⁸. Recent research by UN-Habitat has shown that only 27% of the 194 NDCs under the Paris Agreement have strong urban elements. The remaining 63% of NDCs have either ‘moderate’, ‘low’, or ‘no’ urban content in their climate commitments⁹.

As parties to the Paris Agreement update their NDCs ahead of COP30, an immediate opportunity arises to establish a 'transparency pipeline.' This communication channel would enable the flow of information, better linking NDCs with the net zero emissions commitments of non-state entities. Initiatives supporting developing countries with their NDCs, such as NDC Partnership and UNDP Climate Promise, should actively consider the role of non-state entities' net zero commitments in supporting the delivery of NDCs and outline the financing gaps related to decarbonisation.

The 'transparency pipeline' could inform both the creation and fulfilment of national pledges, bringing national governments closer to the efforts of firms and subnational governments. It would enable a comprehensive view of the available levers to enhance ambition and help identify barriers to climate action.

Multilevel partnerships between local and national levels can play a key role. For example, the pioneering Coalition for High Ambition Multilevel Partnerships (CHAMP) initiative, announced at COP28, recommends a new process for local and regional leaders to contribute to updated and ambitious NDCs.

⁸ International Energy Agency (2021). Empowering Cities for a Net Zero Future. [Link](#)

⁹ Ranalder, L., Gasser Hidalgo, L., Jones-Langley J., Verner J., Tollin, N. (2024) Local Action for Global Goals: An Opportunity for Enhancing Nationally Determined Contributions. UN-Habitat [Link](#)

Similarly, a regular assessment of the global contribution of non-state entities in support of the NDCs will give greater confidence to governments to adopt ambitious climate action. For example, the 2018 edition of the UN Environment Programme Emissions Gap Report included a special chapter on climate action by non-state entities. At the time of the 2018 Emissions Gap Report, it was noted that a more comprehensive overview of all non-state entity global climate action was constrained due to low data availability and lack of consistent reporting. As data availability and interoperability improves, we recommend that the UNEP Gap Report includes an assessment of non-state entity ambition and progress in its yearly edition, with the view to creating greater interconnection between NDCs and non-state entity action. The Brazilian COP30 Presidency plays a crucial role to bring this issue to the fore.

Recommendation 5: The UNFCCC should promote technical capacity building and the inclusion of distributional and equity considerations to enhance the credibility of net zero emissions commitments

How?

- The UNFCCC should commission a report assessing the distributional impacts of net zero emissions commitments. This report should identify the most effective avenues to accelerate the adoption and implementation of commitments by non-state entities in developing countries. This report should look at the role of UN agencies, multilateral development institutions and development finance institutions.
- The UNFCCC and the High Level Champions through their platforms such as the GCAP and COPs, should create a map of the ecosystem of voluntary cooperative initiatives and standards to help non-state entities navigate the complexity.

Today, many firms and subnational governments don't make net zero emissions commitments because they lack the resources to track greenhouse gas emissions, a prerequisite for setting a commitment and developing an associated transition plan. Moreover, many struggle to navigate the vast and complex network of frameworks that are part of the non-state entity accountability and reporting ecosystem.

This information deficit is especially challenging for small and medium-sized firms and subnational governments in developing countries as many voluntary cooperative initiatives are more established in developed nations but overlook the challenges other countries face. The UNFCCC, in collaboration with other UN agencies and the High-Level Champions, should advocate for capacity-building efforts, offering a platform on the GCAP and at COP meetings to highlight successful examples and best practices. This could include spotlighting initiatives such as the SME Climate Hub to empower and support small and medium-sized enterprises to achieve net zero emissions commitments. In addition, multilateral development banks and development finance institutions are well positioned to support firms and financial institutions in developing countries in light of their ongoing work.

The Consultation also suggested the value of inclusive perspectives related to distributional and equitable concerns. The UNFCCC and the High-Level Champions should consider jointly commissioning further analysis to understand distributional and equity implications to help guide where more support might be needed, and which non-state entities are best equipped to lead.

Firms and subnational governments across the globe will have to be clear-eyed, not only in the technologies and policy levers needed for emissions reductions, but also in how the deployment of these technologies and policy levers will create real economic and distributional impacts. Skills in areas like biodiversity and carbon accounting will be valuable, as will learnings of indigenous communities. The cross-cutting nature of climate change as a systemic phenomenon means that multiple functions across a firm or a city will need to be familiar with the implementation of net zero emissions commitments.

In short, not only the C-suite and management leaders will need to be upskilled, but also government officials, policymakers, and regulators will need to be trained to analyze net zero emissions commitments. National accreditation bodies, a crucial part of a global quality infrastructure, should also be trained and supported to fulfil their role of providing high-quality standards and assurance.

There is a role for the UNFCCC through the GCAP to help stakeholders navigate this ecosystem, as greater clarity will support the ambition of Parties to the UNFCCC, promote coordination and cooperation towards decarbonization globally, as well as realign flows of finance towards activities that support the objectives of the Paris Agreement.

Several initiatives aim to provide further clarity on net zero emissions commitments. Notably, the Future of Climate Cooperation¹⁰ has launched an interactive map detailing key efforts and participants, facilitating analysis by function, sector, and geography. This map should be integrated in the GCAP and updated on a regular basis. This will help non-state entities navigate this intricate ecosystem, thereby improving cross-sector and geographical cooperation.

Recommendation 6: The UNFCCC should reset the vision for the Global Climate Action Portal (GCAP) to promote a race to the top through greater transparency

How?

- The GCAP should become the open and trusted source of raw climate data and data models for individual non-state entities, building on the work of existing data providers. The GCAP must be designed in a way that can evolve as new data from both voluntary and mandated sources emerge and are refined. It should be designed in a way that can integrate Net Zero Public Data Utility (NZDPU) efforts.
- In the short term:
 - The GCAP should describe the various voluntary cooperative initiatives (as opposed to individual non-state entities) in a standardized way that enables comparability.

¹⁰ The Future of Climate Cooperation (2022). Cooperative Climate Action in the Decisive Decade. [Link](#)

- The GCAP should map the evolution of regulatory frameworks, by Party jurisdiction, building upon ongoing work and providing accessible visibility.
- The GCAP should support firms, subnational governments, and Parties in understanding how the different parts of the non-state entity accountability, and reporting ecosystem work together.

Historically, the initial purpose of the GCAP was to create a platform by which non-state entities could share the ways in which they were undertaking climate action and contributing to greater climate ambition. This, in turn, was meant to serve three purposes: 1. Create a race to the top between different non-state entities; 2. Enhance collaborative learning and sharing; 3. Guide and enhance sustainable finance streams through the provision of best practice. These three goals must remain at the heart of GCAP, whatever future form it takes.

Over time, the purpose of the GCAP has evolved, with, for example, a greater focus on tracking voluntary collaborative initiatives and announcements and state and non-state entities developments at COPs. Currently, the GCAP presents aggregate data by individual non-state entities, but also joint country pledges, declarations, report releases, and other climate-related announcements. It displays general data on greenhouse gas emissions, and general corporate transition plans for some entities. Current data providers like CDP, previously known as the Carbon Disclosure Project, have played an important role in providing data to the GCAP.

To increase transparency and accountability of net zero emissions commitments, crucial data users that inform investors' decisions, such as rating agencies and civil society, should be able to utilise the information housed on the GCAP to compare the level of ambition and progress made by individual firms and subnational governments. However, currently this is impossible due to the lack of granularity and comparability of data. More data will become available over time as governments begin to implement new reporting requirements.

The long-term vision for the GCAP should be to provide a platform of climate data and information that can be easily manipulated, integrated, and used by the current accountability ecosystem; it should be a comprehensive source of reliable and accurate data.

In the short term, it is vital that the GCAP continues to integrate with the Net Zero Data Public Utility (the "NZDPU") as well as work closely with the Climate Data Expert Advisory Panel and data dashboard developed by Climate Arc and CDP. The NZDPU, which will shortly sit within the UNFCCC, has made significant progress on entity-level data, developing a tool which allows stakeholders to see where the data comes from and what might be the qualifying steps or estimates that have been applied to it, while also creating crosswalks that allow data from different disclosure frameworks to be presented uniformly. The development of this tool is likely to take time, and the GCAP should be designed to accommodate the integration of the NZDPU Application Programming Interface as well as integrating other relevant platforms, functionalities, and datasets in the future¹¹. However,

¹¹ For example, datasets for cities and other local governments that are currently not captured by NZDPU

to be an effective repository of data, NZDPU and the GCAP will need to be capable of handling the volume of data that will come as a result of mandatory disclosure regulation. According to the CDP, the number of firms disclosing is set to increase 4 times over the next 2-3 years, rising to more than 80,000 firms. In Europe alone, 50,000 companies will report data to comply with the Corporate Sustainability Reporting Directive (CSRD) from 2025 onwards¹².

Summary of changes proposed for GCAP to enhance transparency and accountability of non-state entities’ net zero emissions commitments:

Link to recommendations	Purpose	Changes required
Recommendation 1	Create more transparency and comparability around voluntary cooperative initiatives	Voluntary cooperative initiatives should opt-in to report information about the commitments requested from their members, their accountability mechanisms, and the capacity-building they provide. GCAP should not focus on entity-level company data at this stage as NZDPU will be providing this level of granularity.
Recommendations 2 and 5	Map in a simple way the ecosystem of voluntary cooperative initiatives and expose gaps	Develop and host an interactive map that allows both state and non-state entities to understand the functions, sectors, and areas of focus of the different parts of the ecosystem including standard-setters, voluntary cooperative initiatives, NGOs, and other capacity-building efforts. This should build on existing mapping efforts and should be regularly updated. ¹³
Recommendation 3	Track the adoption of mandatory regulatory frameworks across jurisdictions and promote harmonization and equivalence among different jurisdictions.	Include modules on net zero emissions commitments on the profile page of each Party that includes the different types of net zero regulations being produced across geographies, e.g. guidance, proposed rule, final regulation, and statutory authority or mandate.
Recommendation 4	Create a “transparency pipeline” between NDCs and net zero emissions commitments of firms and subnational governments.	Parties should be able to easily assess the impact of non-state entity action on global ambition, with the important caveat that mapping the action taken by companies with specific country action will be difficult given the cross-boundary activities of companies. Such a mapping exercise will be easier done with subnational governments.

As GCAP evolves, we urge the UNFCCC to incorporate digital innovation and new technologies. During the Consultation, the data community highlighted the potential of technologies such as large-language models, generative artificial intelligence, remote sensing, and distributed ledger technology to enhance transparency and accountability. To

¹²European Parliament (2022). Sustainable economy: Parliament adopts new reporting rules for multinationals. [Link](#)

¹³ For example: <https://www.futureclimatecooperation.org/climate-action-ecosystem>

fully utilize these tools, GCAP's data must be machine-readable. Additionally, making GCAP open source would enable the data community to suggest iterative improvements.

To implement the recommendations above, the technical workforce within the GCAP team will need to be strengthened to not only support the new functions suggested in these recommendations, but also to update the technical expertise vis-à-vis, the adoption of new technologies. This may require the development of a longer-term sustainable funding model for GCAP. Also, engaging with key partners of the data ecosystem will be key to alleviate the burden on the UNFCCC Secretariat to keep the GCAP relevant and up to date with the latest data innovations.

Finally, constant dialogue between the UNFCCC, Parties, and the climate data community is necessary to ensure the interoperability of GCAP and other parts of the data ecosystem and promote the development of robust data governance rules.

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The potential power of net zero emissions commitments by non-state entities to catalyse greater climate ambition is, we believe, within reach. In an era where climate realities are bearing down on the economy and creating financial risks, the application of all available climate tools needs to be considered in their optimized form.

The Consultation that you requested we launch has permitted that consideration. Together with the insights from more than 300 participants during the course of the Consultation, including the insights of an advisory board of expert distinction, we have been enabled to provide these particular recommendations to you. We stand by, ready to elaborate on any aspect of these findings and recommendations as they pertain to transparency and accountability features of net zero emissions commitments.

We are grateful to the staff of the UNFCCC for enabling the Consultation. We look forward to the progress that the UNFCCC in turn enables as it considers the implementation of our recommendations that will draw the world smoothly towards a net zero emissions future that is inclusive, secure, equitable, healthy, and economically vibrant.

Sincerely,



Sarah Bloom Raskin



Bing Leng