



# Demystifying COP 26: Key takeaways and future roadmap for India

Key highlights of the Glasgow Climate Pact

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# Outline

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- Key highlights
- Partnerships of India
- Paris Rulebook
  - Markets
  - Finance
  - Enhanced Transparency Framework
  - Adaptation and Loss & Damage

# Key highlights

- The UN Climate Change Conference in Glasgow (COP26) brought together **120 world leaders** and over **40,000 registered participants**, including **22,274 party delegates**, **14,124 observers** and **3,886 media** representatives.
- Compared to previous COP negotiations, the **Glasgow results put science at the centre**.
- The main argument was that “well below 2°C” is stronger than the 1.5°C temperature limit of the Paris Agreement. The text now clearly **favours the 1.5°C temperature limit**.
- Global carbon dioxide **emissions need to be reduced by 45% by 2030 from 2010 levels**.
  - However, the NDC pledges submitted by August would only lead to **emissions reductions of around 13% in 2030**
- Transparency is particularly important for implementation. **Long-term strategies are necessary on an individual country basis**.
- The text acknowledges that we are facing important challenges in terms of climate finance. The **100 bn target is not being met**.
- This COP officially **started the Global Stocktake**, including adaptation.

# Key Partnerships of India

DATE	OUTCOME	INDIA'S INVOLVEMENT
2 <sup>nd</sup> Nov	<p><b>Green Grids Initiatives-</b> One Sun One World One Grid resolved to combine our efforts and create a more inter-connected global grid. Our next step is to develop an action agenda for global cooperation on this agenda. Through working groups of interested governments, regulators, financiers, institutions, companies, legislators and researchers, we will seek to provide a common global framework based on several efforts.</p>	YES
4 <sup>th</sup> Nov	<p><b>UK-IEA Product Efficiency Call to Action</b> (The ambition to set countries on a trajectory to double the efficiency of key products sold globally by 2030 – motors, air conditioners, refrigerators, lighting – which together currently account for over 40% of global electricity consumption (IEA assessment)) and the efforts to advance this through the Super-Efficient Equipment and Appliance Deployment (SEAD) initiative.</p>	YES
4 <sup>th</sup> Nov	<p><b>The Breakthrough Agenda's Annual Global Checkpoint Process</b> The Breakthrough Agenda's launched at the World Leaders Summit commits countries to work together to make clean technologies and sustainable solutions the most affordable, accessible and attractive option in each emitting sector globally before 2030.</p> <p><b>ETC mission and 2022 strategic priorities</b> The Energy Transition Council aims to make clean and sustainable power the most affordable and reliable option for countries to meet their power needs efficiently and accelerate their clean energy transition – moving away from coal and other fossil fuels – while ensuring a just transition and improved energy access for all.</p>	YES (but partially)

# Key Partnerships of India

DATE	OUTCOME	INDIA'S INVOLVEMENT
6 <sup>th</sup> Nov	Under the <b>Industrial Deep Decarbonization Initiative (IDDI)</b> the UK, India, Germany, Canada and UAE will work together to create new markets for low carbon steel and concrete. The IDDI launched today a campaign where member governments, including the UK, commit to the disclosure of embodied carbon of major public construction by no later than 2025, they also pledged to achieve net zero in major public construction steel and concrete by 2050, and to work towards an emission reduction for 2030 to be announced next year.	YES
9 <sup>th</sup> Nov	Four new 'Missions' to catalyze investment to accelerate technologies to facilitate urban transitions, eliminate emissions from industry, enable carbon dioxide removal and produce renewable fuels, chemicals, and materials. <ul style="list-style-type: none"> <li>• <b>Urban Transitions Mission</b></li> <li>• <b>Carbon Dioxide Removal (CDR) Mission</b></li> <li>• <b>Net Zero Industries Mission</b></li> <li>• <b>Biorefineries Mission</b></li> </ul>	YES
10 <sup>th</sup> Nov	COP 26 Declaration on Accelerating the transition to 100% <b>Zero Emission Cars and Vans</b>	YES

# Article 6: Markets

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- An agreement was reached on the ***fundamental norms related to Article 6 on carbon markets***, which will make the Paris Agreement fully operational.
- This will give ***certainty and predictability to both market and non-market approaches*** in support of mitigation as well as adaptation.
- Despite attempts to do so, REDD+ projects have not been included within Article 6 rules

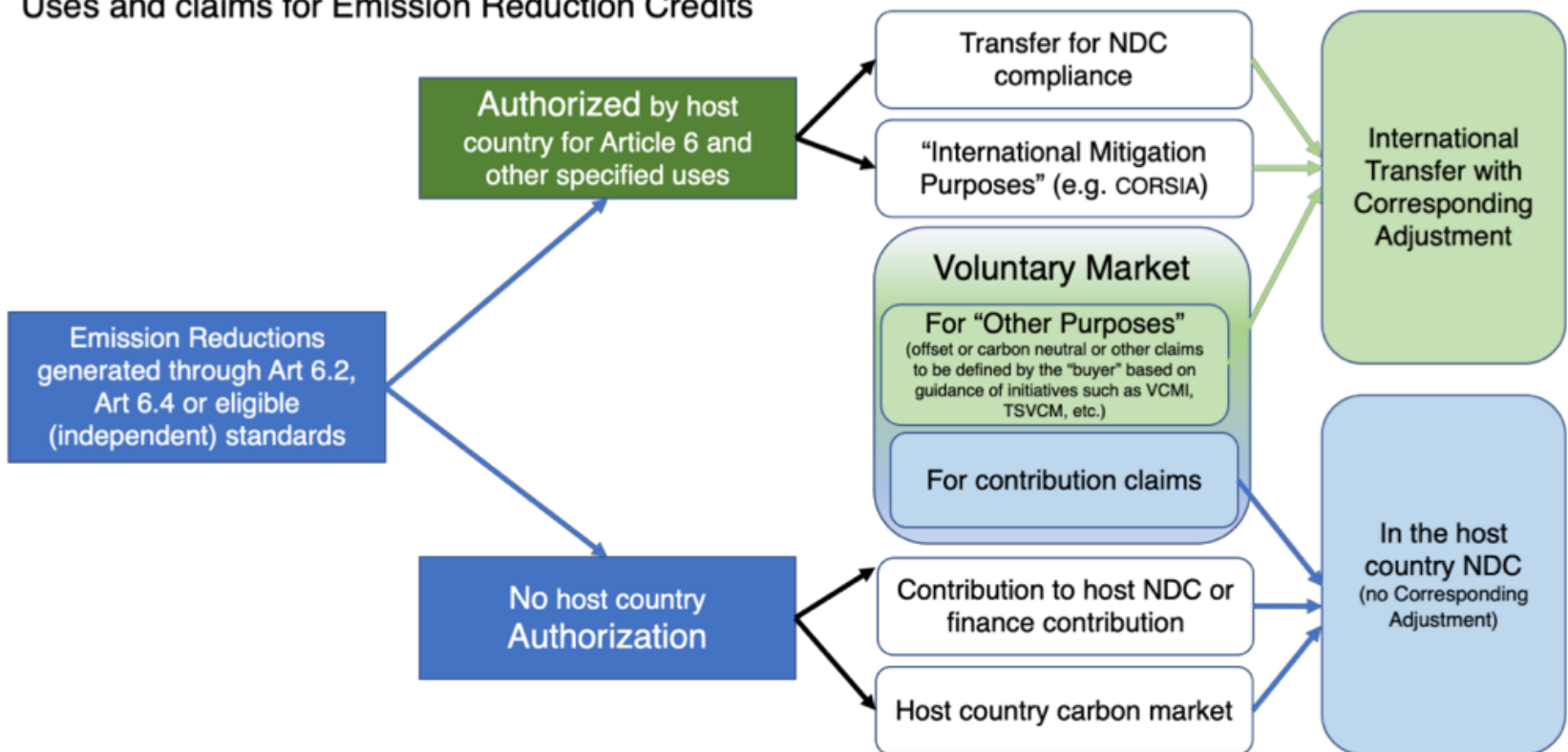
# Article 6.2

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- Covers **rules for bilateral and multilateral transfers** between countries. The focus was on whether or not to implement a transaction fee to pay for adaptation in developing countries.
- However, most developed countries pushed back on this provision, arguing that it was impossible to implement in a unified and fair way given the diversity of approaches being developed.
- The transaction fee doesn't appear in the current draft, but there is an invitation for the Adaptation Fund to report in its **annual reports to the CMA** on funding related to participation in **cooperative approaches**.
- The **SBSTA**, which is a technical negotiating track that accepts requests from the COP and also helps inform the next meeting's agenda. Among these are the treatment of corresponding adjustments after 2030 and whether **ITMOs** can include reductions or be limited to removals.

# Article 6

## Corresponding Adjustment: Uses and claims for Emission Reduction Credits





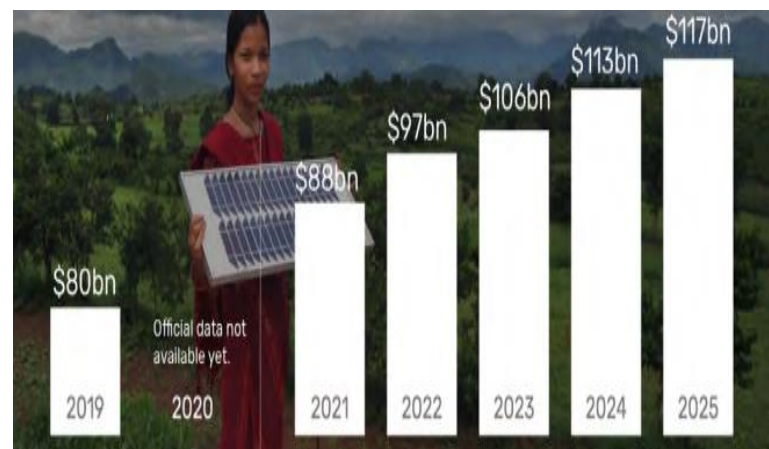
# Article 6.4

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- It covers the creation of a **centralized hub to replace the CDM**, and the biggest points of contention coming into Glasgow were whether countries would have to correspondingly adjust their carbon accounts when transferring emission reduction abroad and the degree to which Certified Emission Reductions (CERs) generated under the CDM could be applied towards NDCs.
- The proposed text sets out criteria for countries to use CERs from projects registered after January 1, 2013 to meet their first NDC or first adjusted NDC, with no corresponding adjustment since the CDM predates that requirement. It **designates a 12-member Supervisory Body** to oversee the emerging hub and tasks it with **reviewing baselines** of recognized credits.
- The negotiators had agreed to require corresponding adjustments on all new emission reductions generated under Paragraph 6.4, breaking a logjam that had existed since 2015.

# Article 9: Finance

- The serious concern is the gap in relation to the fulfillment of the goal of developed country parties to mobilize jointly **USD 100 billion per year by 2020**
- Urges developed countries to fully deliver on the \$100 bn urgently and **through to 2025**
- As a next step, the SCF is supposed to do the following:
  - **Definitions of climate finance**, to provide input for consideration by COP 27
  - To undertake further work on **mapping the available information** with a view to providing input for consideration by COP 27



Source: World Bank Group

# Article 9: Finance

- Over **400 financial firms** which control over \$130 trillion in assets committed to **aligning their portfolios to net-zero** by 2030. This new alliance makes clear that banks, asset managers and asset owners fully recognize the business case for climate action and the significant risks of investing in the high-carbon, polluting economy of that past.
  - India: PM Narendra Modi said India alone will need **\$1 trillion** to achieve net zero by 2070.
- India spoke on behalf of the BASIC countries, warned that the lack of a serious approach to climate finance will jeopardies countries' Net Zero pledges.
- India also **demanded credible mitigation pathways** by developed countries without undue reliance on cheap offsets

# Article 13- Enhanced Transparency Framework

- During COP26 the following decisions were adopted-
  - CRTs for national inventory reports
  - CTFs for tracking NDC progress
  - Outlines for the BTR, National inventory document (NID), and technical expert review report (TERR)
- Training program for technical experts participating in the TERR of BTRs
- From 2024 onwards, all Parties have common reporting requirements. This will help to understand the collective progress towards achieving the goals of the Paris Agreement, and encourage further action and ambition.
- Parties may use on a voluntary basis the 2019 Refinement to the 2006 IPCC Guidelines for National GHG Inventories;

# Article 13- Enhanced Transparency Framework

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- The parties to submit the BTR in 2024, with information on their greenhouse gas emissions and progress on their NDC.
- BTRs and NIDs are to be prepared in accordance with the respective outlines.
- Developing country parties will have a degree of flexibility in the light of their capacities may, when reporting on a provision for which they have a capacity constraint. This will further reflect their capacity and need for resources and technical support.
- New notation key “FX” (flexibility) in the relevant common reporting tables or common tabular formats, providing an explanation of how the specific flexibility provision has been applied.

# Summary 1 : Summary report for National Greenhouse Gas Inventories (Sheet 1 of 1)

SUMMARY 1 SUMMARY REPORT FOR NATIONAL GREENHOUSE GAS INVENTORIES  
(Sheet 1 of 1)

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Net CO <sub>2</sub> emissions	CH <sub>4</sub>	N <sub>2</sub> O	HFCs <sup>(1)</sup>	PFCs <sup>(1)</sup>	Unspeci- ed mix of HFCs	SF <sub>6</sub>	NF <sub>3</sub>	NO <sub>x</sub>	CO	NMVOC	SO <sub>x</sub>	Total
	(kt)	CO <sub>2</sub> equivalents (kt) <sup>(1)</sup>			(kt)					CO <sub>2</sub> equivalent (kt) <sup>(1)</sup>			
2.F. Product uses as substitutes for ODS													
2.G. Other product manufacture and use													
2.H. Other <sup>(1)</sup>													
<b>3. Agriculture</b>													
3.A. Enteric fermentation													
3.B. Manure management													
3.C. Rice cultivation													
3.D. Agricultural soils													
3.E. Prescribed burning of savannahs													
3.F. Field burning of agricultural residues													
3.G. Liming													
3.H. Urea application													
3.I. Other carbon-containing fertilizers													
3.J. Other													
<b>4. Land use, land-use change and forestry <sup>(1)</sup></b>													
4.A. Forest land <sup>(1)</sup>													
4.B. Cropland <sup>(1)</sup>													
4.C. Grassland <sup>(1)</sup>													
4.D. Wetlands <sup>(1)</sup>													
4.E. Settlements <sup>(1)</sup>													
4.F. Other land <sup>(1)</sup>													
4.G. Harvested wood products <sup>(1)</sup>													
4.H. Other <sup>(1)</sup>													
<b>5. Waste</b>													
5.A. Solid waste disposal <sup>(1)</sup>													
5.B. Biological treatment of solid waste													
5.C. Incineration and open burning of waste <sup>(1)</sup>													
5.D. Wastewater treatment and discharge													
5.E. Other <sup>(1)</sup>													
<b>6. Other (please specify) <sup>(1)</sup></b>													
<b>Memo items: <sup>(1)</sup></b>													
<b>1.D.1. International bunkers</b>													
1.D.1.a. Aviation													
1.D.1.b. Navigation													
<b>1.D.2. Multilateral operations</b>													
<b>1.D.3. CO<sub>2</sub> emissions from biomass</b>													
<b>1.D.4. CO<sub>2</sub> captured</b>													
<b>5.F.1. Long-term storage of C in waste disposal sites</b>													
<b>Indirect N<sub>2</sub>O</b>													
<b>Indirect CO<sub>2</sub></b>													

# Common tabular formats for Article 4

## Common tabular formats for the electronic reporting of the information necessary to track progress made in implementing and achieving nationally determined contributions under Article 4 of the Paris Agreement

### 1. Structured summary: Description of selected indicators

<i>Indicator(s) selected to track progress<sup>a</sup></i>	<i>Description</i>
{Indicator}	
Information for the reference point(s), level(s), baseline(s), base year(s) or starting point(s), as appropriate <sup>b</sup>	
Updates in accordance with any recalculation of the GHG inventory, as appropriate <sup>b</sup>	
Relation to NDC <sup>c</sup>	

*Notes:* (1) Pursuant to para. 79 of the MPGs, each Party shall report the information referred to in paras. 65–78 of the MPGs in a narrative and common tabular format, as applicable. (2) A Party may amend the reporting format (e.g. Excel file) to remove specific rows in this table if the information to be provided in those rows is not applicable to the Party's NDC under Article 4 of the Paris Agreement, in accordance with the MPGs. (3) The Party could add rows for each additional selected indicator and related information.

<sup>a</sup> Each Party shall identify the indicator(s) that it has selected to track progress of its NDC (para. 65 of the MPGs).

<sup>b</sup> Each Party shall provide the information for each selected indicator for the reference point(s), level(s), baseline(s), base year(s) or starting point(s), and shall update the information in accordance with any recalculation of the GHG inventory, as appropriate (para. 67 of the MPGs).

<sup>c</sup> Each Party shall describe for each indicator identified how it is related to its NDC (para. 76(a) of the MPGs).

*Custom footnotes:*

*Documentation box:*

# Summary table on the use of flexibility provisions

MPG flexibility provision	
<b>Year</b>	
<b>Sector</b>	
<b>Category</b>	
<b>Gas</b>	
<b>Description of the application of flexibility</b>	
<b>Clarification of capacity constraint</b>	
<b>Timeframe for improvement</b>	
<b>Progress made in addressing areas of improvement</b>	



# Adaptation and Loss & Damage

- COP26 adopted the **Glasgow-Sharm el-Sheikh** work program for the GGA. This will take place between **2022 and 2024**
- The Adaptation Fund reached unprecedented levels of contributions, with new pledges for **\$356 million** that represent almost three times its mobilization target for **2022**.
- Record amounts of adaptation finance have been pledged, including **committing to doubling 2019 levels of adaptation finance by 2025**.
- **88 countries** are now covered by either Adaptation Communications or National Adaptation Plans to increase preparedness to climate risks, with 45 submitted over the last year (India not part of it)

# Adaptation and Loss & Damage

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- A new Glasgow Dialogue on **Loss and Damage** funding arrangements was created. **The Santiago Network on Loss and Damage** was brought to life through clear functions and funding.
- Over **\$27 million** in additional support from the UK, India and Australia for the **Coalition for Disaster Resilient Infrastructure (CDRI)**, which aims to make people safer from climate-linked disasters. At present CDRI has 25 countries as members with Bangladesh as the latest to join.



# Thank You