

COP26 CHARTER OF ACTIONS

RALLYING THE GLOBAL COMMUNITY
FOR AN EQUITABLE CLIMATE AGENDA



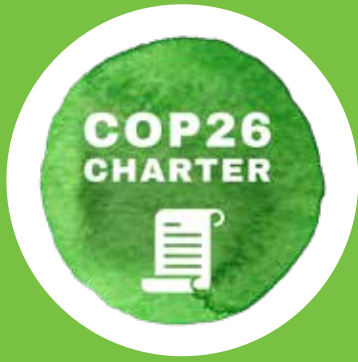
SUMMARY DOCUMENT

The 26th UN Climate Change Conference of the Parties (COP26) will aim to mobilize the action on mitigation, adaptation, and resilience and strengthen the narrative for better alignment with sustainable development goals. Global deliberations are important, but the real arena for climate action is at the national and sub-national levels and also in business and industry. It is essential that climate action be understood in both sectoral and cross-sectoral terms, including in areas of finance as well as science, technology, and innovation. It is with this rationale that The Energy and Resources Institute (TERI) is preparing a knowledge document titled the 'COP26 Charter of Actions' as an effort to rally for an equitable and ambitious global climate agenda. The Charter examines the themes of equity, green finance, adaptation and resilience, nature-based solutions, energy, clean transport, and business actions in the context of India and in the process distills messages for the global community for COP26 and beyond. The outcomes of COP26 and the messages from the Charter will also be discussed at a plenary session at the World Sustainable Development Summit (WSDS) to be organized by TERI during February 16-18, 2022.

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COP26 Charter of Actions



The COP26 Charter of Actions is an initiative of TERI. It is an effort to rally for an equitable and ambitious global climate agenda for ensuring planetary resilience at the COP26 and beyond. It is a sincere hope that this knowledge document will contribute to a meaningful discussion involving all societal stakeholders, including governments, intergovernmental bodies, civil society, research and academia, and also the youth, our future generation. The Charter is an initiative under TERI's flagship Track-II event the World Sustainable Development Summit (WSDS). The approach for the Charter is descriptive research and stakeholder consultations. The Charter covers the seven themes of equity, green finance, adaptation, nature-based solutions, business and industry, renewable energy, and transport. Five stakeholder consultations were held in August this year for validation and to get further inputs on initial findings. The outcomes of COP26 and the messages from the Charter will also be discussed at a plenary session at the WSDS to be organized by TERI during February 16–18, 2022.

Equity and Climate Justice

A principle-based approach rooted in equity, climate justice, and principles of the United Nations Framework Convention on Climate Change is needed at COP26. The paradigm of equity rooted in per capita emissions and historical responsibility is key. It is imperative that the progress made by countries is assessed considering the principles of equity well before the global stocktake, which is to take place at COP28 in 2023.

Adaptation has to be integral for a global response to climate change, as recognized in the Article 7.2 of the Paris Climate Agreement. However, long-term strategies (LTS) formulated and communicated under Article 4.19 of the Paris Agreement, at the moment, largely focus on mitigation and do not consider adequately adaptation to climate change. Long-term strategies also need to factor climate finance, technology transfer, and in situ and ex situ adaptation measures along with sustainable consumption.

Revised nationally determined contributions (NDCs) pledges and net-zero commitments by a few countries give a glimmer of hope to realize the Paris goals. A higher level of ambition is needed from developed countries, which should move towards being net negative by 2050 and will need to achieve net zero much earlier.

Equity and climate justice need to be the touchstones for climate deliberations in COP26 and beyond. In terms of cumulative CO₂ emissions since 1850, United States alone accounts for 25% of the cumulative emissions, the EU 17%, China 13%, and the UK 4.7%. India's share is just 3.1%. G7 countries alone account for 45% of the cumulative CO₂ emissions. At 1.9 tonnes, India's per capita emissions are less than half the world average and the lowest among G20 countries. India has low per capita emissions but will be an important player in terms of normative and entrepreneurial leadership when it comes to mobilizing national and international climate actions.



India can assume the role of an entrepreneurial leader by leading developments in breakthrough and disruptive technologies. Also, India can be a norm leader by building shared understanding on sustainable consumption, adaptation, and non-anthropocentric notions around equity and climate justice.

If the world needs to get to net zero by 2050, the developed world must become net carbon negative well before that so that the developing countries have the carbon space to pursue their development imperatives, which will take time. The global goalpost needs to shift to 'net negative' goals of developed countries and to the goal of climate stabilization.

Global negotiations are critical along with climate action at the national and sub-national levels and also in business and industry. It is essential that climate action be understood in both sectoral and cross-sectoral terms, including in areas of finance as well as science, technology, and innovation.

Climate Finance and Green Finance

There is also an urgent need to distinguish climate finance from green finance, the former being a subset of the latter and is a specific area of concern for climate negotiations. The global goals of financing need to be urgently realized and the USD 100 billion target needs to be fulfilled. There is a need for well-defined mechanisms under the new collective quantified goal on finance.

Decision-making processes for state budgeting and national budgeting have the potential to be reformed using NDC- and SDG-aligned budgeting or green budgeting framework. Post COVID recovery, in the short term, there is a critical need to lay the foundations for an enabling environment for green finance while building awareness and capacity of key stakeholders. There is a need to mobilize green finance from the private sector including through environmental, social, and corporate governance (ESG) investing and international finance. Transparency of information through disclosure standards in financial systems is essential.

Adaptation and Resilience

India should develop a National Adaptation Plan as per the provisions of the Paris Agreement. Research gaps need to be addressed by investing in science-based tools and building data sets; moreover, the role of private sector should be augmented in adaptation and resilience building.

A crucial question regarding COP26 is whether COP26 will be an Adaptation COP. Despite the inherent need of adaptation in strengthening climate action, a key area of concern remains the inability to quantify or map the progress in absolute terms. In the absence of such measures, the momentum in addressing adaptation needs may be lost.

Nature-Based Solutions and Agroforestry

Trees outside forest (TOF) form nearly 38% of the carbon sink in forest and tree cover of the country. Agroforestry has a huge potential in India and can contribute more than 2 billion tonnes of CO₂e by 2030 if the government puts in place appropriate incentive mechanisms for farmers or producers.

At the global level, there is a need to factor ecosystem-based approaches by considering terrestrial, coastal, and marine ecosystems. At the moment, there is not enough attention on marine-related nature-based solutions. There is also a need for larger synergies between the provisions of all the three Rio Conventions.

Business and Industry

The growing eminence of sustainability disclosures through Securities and Exchange Board of India (SEBI) introducing business responsibility and sustainability reporting (BRSR) guidelines would motivate many businesses to mainstream ESG and climate action efforts while strategizing their action plans and also aid financial institutions like banks, credit rating agencies, and other financial institutions in investment decisions.

In the medium to long term, the role of industries in developing disruptive technologies, especially in hard-to-abate sectors, would be crucial. Private sector can be leveraged to enhance country's adaptation efforts and build climate resilient infrastructure complementing the goals of initiatives such as the Coalition for Disaster Resilient Infrastructure.





Renewable Energy

India has consistently stepped up its RE capacity targets to 175 GW by the year 2022 and 450 GW by 2030. For power sector decarbonization through the large-scale deployment of renewable energy, viable energy storage alternatives will be needed to meet evening peak demand. Apart from supply-side measures, there is also a need to boost demand for renewable electricity by pushing technologies such as electric vehicles.

To realize Goal 7 of the SDGs, along with large-scale renewable energy deployment, there is a need to raise awareness and deploy innovative models for ensuring energy access for improved livelihoods and well-being in rural areas through options such as distributed renewable energy.

Sustainable Mobility

There needs to be increased adoption of electrical vehicles for two-wheelers, three-wheelers, and passenger cars, with higher budgetary provision for improving the public transport. Low carbon vehicle technologies need to be identified for long-distance bus operations as well as for the truck and freight industry. It is very important to increase the share of railways in both passenger and freight segments to bring down carbon emissions at the national level. The need of the hour is to revisit and reframe railway policies and operations.

Low carbon transport must be equitable and available to all, not just private vehicle owners. Thus, there is a need to focus on public transport. A common fund for investment in low carbon transport infrastructure can be set up. Decarbonization strategies may include electrification of road vehicles, long-term hydrogen-based fuel cells, increased usage of CNG/LNG and biofuels, enhanced fuel efficiency, and increase in market share of railways particularly in hard-to-abate freight transport.



Ways Forward

The Charter, beyond its space as a knowledge document, is also a medium to help translate principles and ambitions into much needed actions. It builds its messages with an understanding that only global-level climate deliberations can take us so far and that actual, on-ground climate action requires efforts at national and sub-national levels. By analysing and exploring the themes of equity, green finance, adaptation and resilience, nature-based solutions, energy, clean transport, and business action in the Indian context, the Charter highlights the need for cross-sectoral climate action and emphasizes moving beyond rigid silos of unidimensional action to tackle climate change. In the process, it also offers a way forward for the global community for and beyond COP26.

COP26 is said to be our last chance to agree on the ambition level to realize the goals of the Paris Agreement. However, these discussions would need to continue through other future COPs. Through the messages of the COP26 Charter of Action, we hope that TERI can contribute to meaningful deliberations on substantial actions among key stakeholders including the youth for COP26 and beyond. We stand at a critical moment in the history not only of global-level climate negotiations but also of the planet. Every action now will determine the fate of humanity.

