

# **Climate Politics & what to expect at COP 27 in Sharm-el-Sheikh**

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# UNFCCC: took effect 21 March 1994 - key takeaways

Climate change is a global problem and needs a global solution.

The largest share of historical and current global emissions of GHGs has originated in developed countries, that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs

Principle of equity and CBDR embedded in the Convention.

Developed countries to take the lead in emissions reductions.

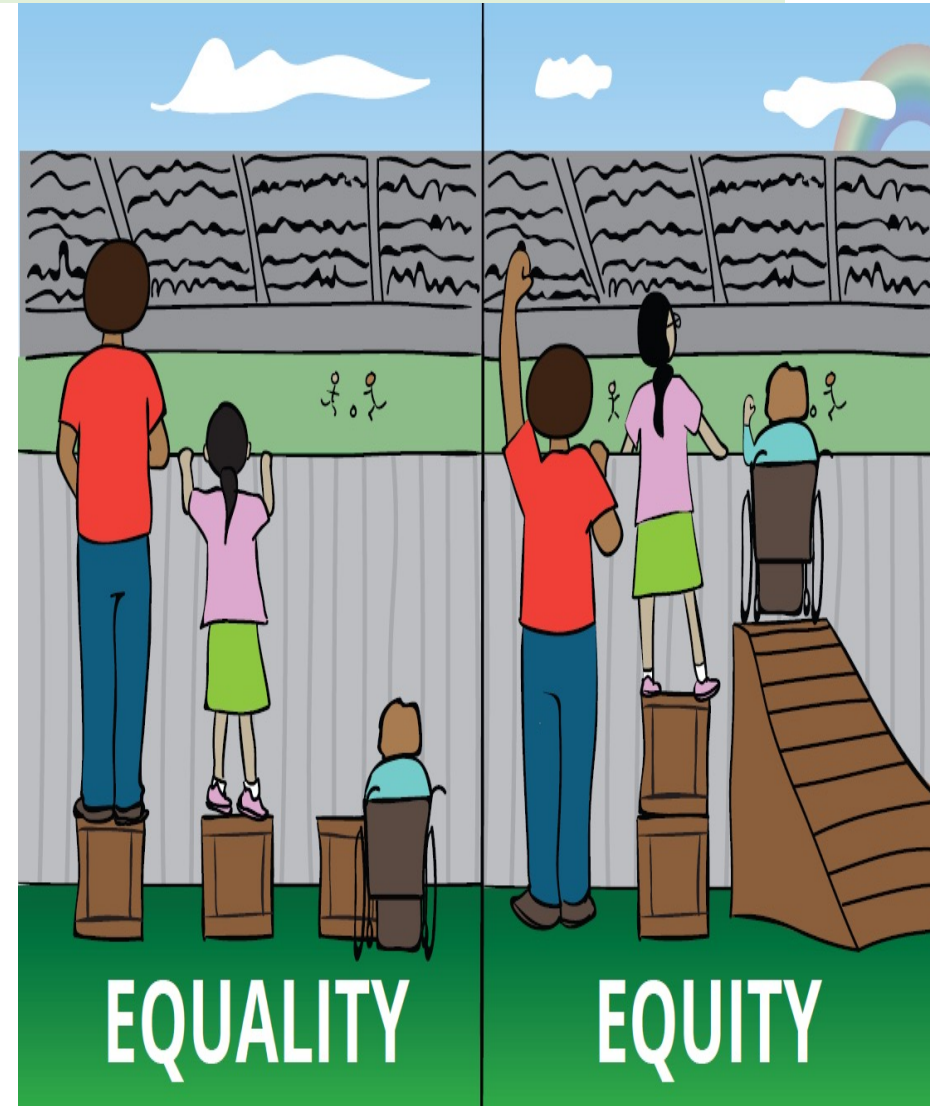
Developed countries to provide finance, technology transfer and capacity-building to developing countries for mitigation and adaptation.



# What the CBDR principle required ---

This equity principle recognised that the major contribution to pollution (including Greenhouse Gas emissions) and resource depletion was by developed countries, and that developing countries are now disadvantaged because there is little “environmental space”, including the “carbon space” or “carbon budget” left, which has implications for their future development.

Hence, developed countries must take the lead in taking action and must assist developing countries through the provision of the means to implement their actions so that equity is realised.



# Kyoto Protocol – an offspring of the UNFCCC

Came into effect on 11 Dec 1997  
US refused to ratify; so not a Party

For annex 1 countries (developed countries) to undertake targets for emission cuts. Developing countries had no emission reductions targets

First commitment period  
was from 2008 - 2012  
Aggregate cut was 5%  
reductions from 1990  
levels

Second commitment period (2CP) was meant to be from 2013-2020 (8 years).

In Doha (2012), aggregate cut was to be 18% cut from 1990 levels, with an agreement to revisit and raise further ambition by 2014, at least by 25 – 40% from 1990 levels.

Instead, several annex 1 parties left the KP or did not take on 2CP.

Canada left while Japan, New Zealand and Russia decided against a 2CP.

Only EU countries, Australia and Norway agreed to 2CP; But no one revisited their targets. So only 18% cut needed from 1990 levels.

Instead of raising their emissions targets, developed countries are actually increasing.



# Paris Agreement – a big North-South fight

The PA adopted at COP21 in Dec 2015 and came into effect in 2016, was the outcome of major battles on a multitude of issues.

Developing countries by and large had these negotiating objectives.

They wanted the following :

- (a) defend the Convention and not let it be changed or subverted;
- (b) ensure that the Agreement is non-mitigation centric with all issues (including adaptation, loss and damage, finance and technology, besides mitigation) addressed and in a balanced manner;
- (c) 1.5 degree C temperature goal esp. by Small Island States, Africa and ALBA countries;



# What developing countries wanted – continued -

(d) ensure differentiation between developed and developing countries reflected with the principles of equity and CBDR;

(e) ensure that developed countries enhance the provision of finance and technology transfer'

(f) ensure that 'loss and damage' is recognised as a separate pillar apart from adaptation and for

(g) legally binding provisions, especially on the developed countries.





# What the US and its allies wanted

The US and allies wanted the opposite of what major developing countries wanted.

They mounted an onslaught on the Convention, seeking to weaken the provisions and their obligations;

Redefine differentiation so as to blur the different obligations of developed and developing countries;

and sought a legal “hybrid” (in terms of what clauses are and are not legally binding), mainly to suit the US administration’s relations with the US Congress which is hostile to the climate change issue.



# What prevailed



Some of the key points gained by developing countries were that –

Although the temp goal is to limit temperature rise to well below 2 degree C from pre-industrial levels, there is reference to pursuing efforts to limit temperature rise to below 1.5 degree C is .

The PA is not mitigation-centric;

Loss and damage recognised as a separate pillar – apart from adaptation.

The Convention was successfully defended and the plans of developed countries to drastically re-write it was stopped;

Differentiation between developed and developing countries was retained in the main, although weakened in some areas. The principles of equity and CBDR were mentioned.

Developed countries should take the lead in mitigation and in the provision of finance.



# 2021 Glasgow Outcomes: The 'Great Escape' from historical responsibility to 'carbon colonialism'

UK Presidency's overall narrative is a pretense of keeping 1.5°C alive (or even the 2°C.), with the charade of net zero targets for all by 2050, with carbon markets/offsets in nature based solutions in developing countries.

Non-recognition of developed countries' historical responsibility and cumulative emissions of past and present. Focus only on future emissions; no account of consumption emissions.

Clear attempt to distort principle of 'common-but- differentiated responsibilities' to 'common and shared responsibilities' through only focusing on national circumstances of all countries without differentiation which is against equity, which the LMDC fought against.

Developed countries pretense of ambition in the phase-down of coal with actual expansion in fossil fuel extraction/production in their countries, including on coal. This exposes their hypocrisy.

No international cooperation but competition with push for carbon border measures.

No relaxation of intellectual property rights even in the case of the COVID-19 pandemic with the vaccine monopoly; what more in the case of monopolies over climate technologies.

# ADAPTATION

## EXPECTATIONS

Call for a concrete process on the Global Goal on Adaptation of:

- enhancing adaptive capacity;
- strengthening resilience; reducing vulnerability;
- contributing to sustainable development and
- ensuring adequate response re temperature goal

## OUTCOMES

Adaptation got its due recognition at COP 26, and it got the political importance it deserves

A two-year (2022-2023) Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation, work on which will began in 2022 in June.

Developed countries urged to at least double their collective provision of climate finance for adaptation to developing countries from 2019 levels by 2025, in the context of achieving a balance between mitigation and adaptation in the provision of scaled-up financial resources

# LOSS AND DAMAGE

## EXPECTATIONS

Additional finance from developed countries and effective mechanism and approaches for loss and damage action and support

## OUTCOMES

No additional finance. Instead of calls for a facility, the 'Glasgow dialogue' was established, where developing countries are expected to raise the issue of financing loss and damage

Functions of the Santiago Network on Loss and Damage agreed – for technical assistance to developing countries



# MITIGATION AMBITION WITH NO AMBITION IN FINANCE

Reaffirms the long-term global goal to hold the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels and **recognizes that limiting global warming to 1.5 °C requires rapid, deep and sustained reductions in GHG emissions, including reducing global carbon dioxide emissions by 45% by 2030 relative to the 2010 level and to net zero around mid-century, as well as deep reductions in other greenhouse gases.**

Also recognizes that this requires accelerated action in this critical decade, on the basis of the best available scientific knowledge and equity, reflecting CBDR-RC and in the context of sustainable development and efforts to eradicate poverty.

Decides to establish a work programme to **urgently scale up mitigation ambition** and implementation...and requests the SBs to recommend a draft decision on this matter for consideration and adoption by CMA 4, in a manner that complements the global stocktake (GST).

GST in 2023 is comprehensive – assessment of collective efforts implementing all Paris goals, ‘considering mitigation, adaptation and the means of implementation and support, and in the light of equity and the best available science

Glasgow - Mitigation-centric approach with no commensurate finance for developing countries for ramping up mitigation ambition

Requests Parties to revisit and strengthen the 2030 targets in their nationally determined contributions as necessary to align with the PA temperature goal by the end of 2022 (para 29)

Annual high-level ministerial round table on pre-2030 ambition (para 31);

# The 'controversial' coal para

## Para 36 of decision 1/CMA.3

**Calls upon Parties to accelerate the development, deployment and dissemination of technologies, and the adoption of policies, to transition towards low-emission energy systems, including by rapidly scaling up the deployment of clean power generation and energy efficiency measures, including accelerating efforts towards the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies, while providing targeted support to the poorest and most vulnerable in line with national circumstances and recognizing the need for support towards a just transition (para 36)**



# The multiple crises: challenges for developing countries

According to the United Nations Conference on Trade and Development (UNCTAD) in its latest Report (TDR) released on 3 Oct. 2022:

The monetary and fiscal policy moves in advanced economies (developed countries) risk pushing the world towards **global recession and prolonged stagnation**, inflicting worse damage than the global financial crisis in 2008 and the shock from the COVID-19 pandemic in 2020.

Already countries are facing **inflation and a cost of living crisis**, (including of **food and energy prices**).

**Government budgets** are **under pressure** from fiscal rules and highly volatile bond markets.

Developing countries have already spent **an estimated \$379 billion of reserves defending their currencies this year**, almost double the amount of new Special Drawing Rights (SDRs) they received from the International Monetary Fund in the recent 2021 general allocation.





Debt-distressed countries, including **over half of low-income countries** and about a **third of middle-income countries**, are edging ever **closer to default**.

The (Covid-19) **vaccine rollout has stalled**, leaving vulnerable countries and communities exposed to new outbreaks of the pandemic.

Against this troubling backdrop, **climate stress** is intensifying, with **mounting loss and damage** in vulnerable countries which **lack the fiscal space to deal with disasters**, let alone invest in their own long-term development.

In some countries, the economic hardship resulting from these compounding crises is already triggering **social unrest** that can quickly escalate into **political instability and conflict**.

The capacity of developing countries to borrow their way out of health, climate and economic shocks has been exhausted. **Debt in many countries is already beyond what can be considered economically or socially sustainable**.

**These debts stand in the way of unlocking the scale of financing required to address climate challenges.**

(UNCTAD)



# Rising temperatures, climate-related disasters and biodiversity loss

Global surface temperature has reached 1.1 degree C above pre-industrial levels. There is about a 40% chance of annual global temperature exceeding 1.5 degree C in at least one of the next 5 years. (from the Structured Expert Dialogue Synthesis Report, 20 Sept, 22).

Already we are witnessing unprecedented climate related disasters with unimaginable costs in losses and damages, in every continent in the developing world.

This includes increased frequency and intensity of hurricanes, tropical storms, severe floods, high temperatures, heat waves, droughts, wildfires and other grave impacts.

For e.g. in Pakistan, an estimated 30 million people were affected, with damages of USD 30 billion.

Also, biodiversity loss is accelerating with more intense competition among countries for access to and control over natural resources.



# WG-I Report to AR6 (IPCC) –

Following 4 slides are from T.Jayaraman, social scientist from India



**Increase in global temperatures** since the pre-industrial period, is **proportional to the global cumulative emissions** over this period



To limit increase in global temperature since the pre-industrial period, the cumulative emissions must stay within a **Global Carbon Budget**

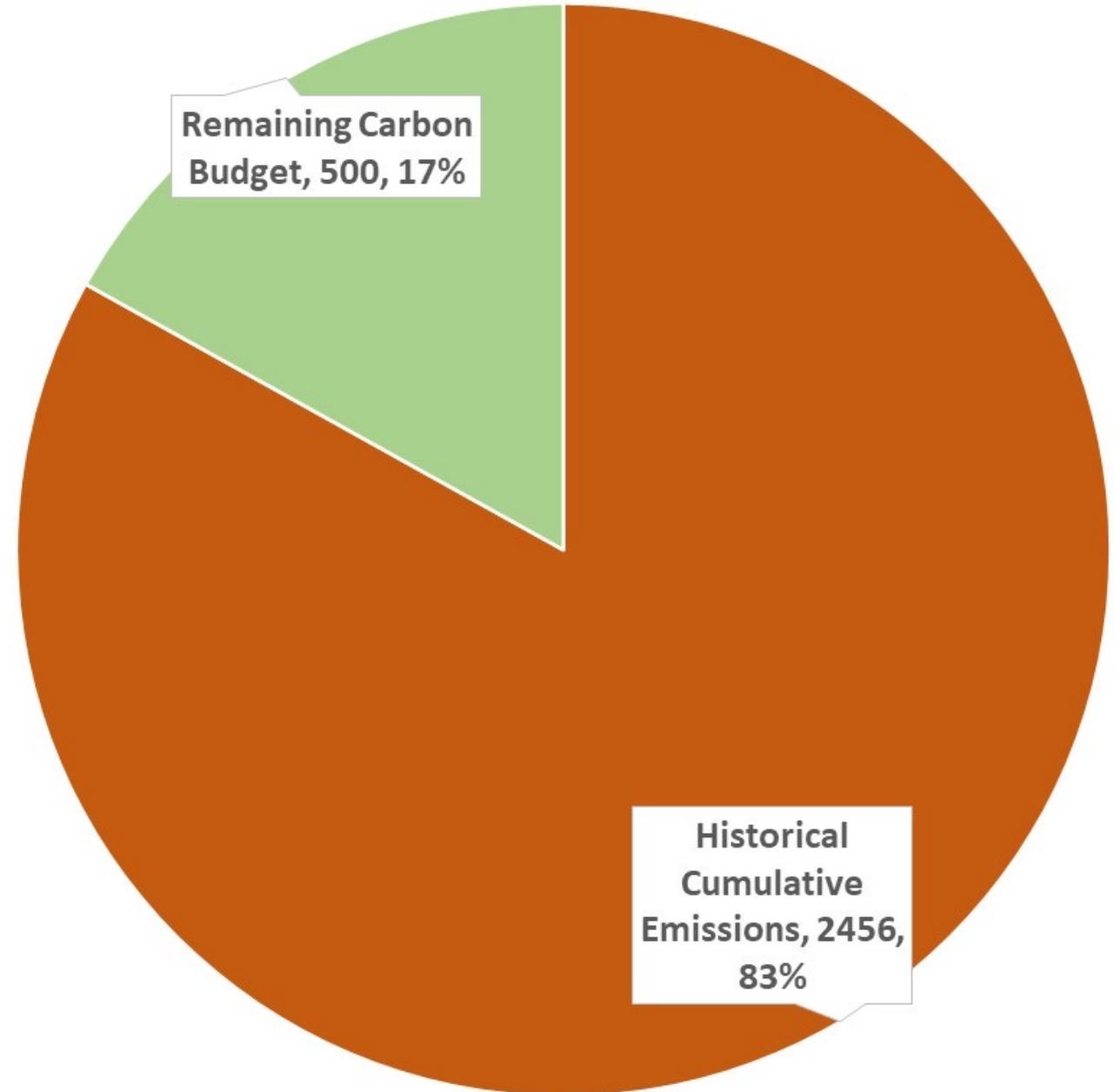


Global cumulative emissions determine the global temperature that will be reached – *not the achievement or timing of net-zero*



## 50% Probability of 1.5 deg. C

Total Carbon Budget



# Overwhelming domination of developed countries in past emissions

	Past Emissions: Cumulative Emissions 1850-1990		Present Emissions: Cumulative Emissions 1991-2018		Share of Global Population
	[GtCO <sub>2</sub> eq]	Share of Global Emissions (%)	[GtCO <sub>2</sub> eq]	Share of Global Emissions (%)	(2018)
All Annex-I	976	71%	500	46%	18%
All Non-Annex-I	395	29%	584	54%	82%

# Some of the big issues at COP 27

## Finance

\$100 billion per year goal: Will there be any real progress on delivery?

New Collective Quantified Goal on Finance:

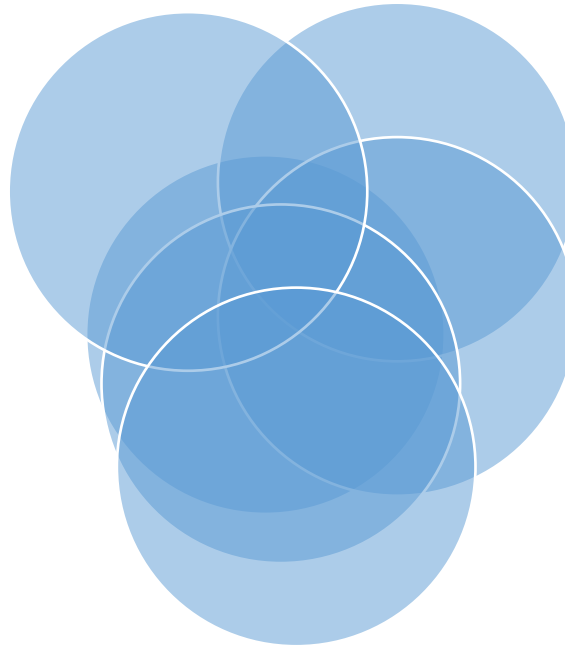
Will developed countries discuss real quantum based on the needs of developing countries?

Climate finance definition: How to hold developed countries accountable for real climate finance delivery?

How to ensure provision of grants and not more loans?

Scaling up finance for adaptation: How?

## Mitigation Work Programme – what will it be?



## Global Goal on Adaptation – what will the details be?

## Loss and Damage

Santiago Network on Loss and Damage – will it be operational with funding?

Will there be willingness to agree on need for Loss and Damage finance facility?



# Mitigation work programme

Need to support equitable access to atmospheric space – equity and fair shares approach

Fossil fuel phase out especially in developed countries with  
Just transition especially for developing countries

Keeping fossils in the ground in developing countries will require required finance to address the energy poverty through alternatives, ensure energy democracy.

# Article 6 – market and non-market mechanisms

- Good decision on Article 6.8 – non-market approaches. Need to support this.
- Articles 6.2 and 6.4 – door opened for emissions trading. Need to denounce carbon markets as a false solution;
- Also need to prevent carbon removals through geo-engineering solutions.

*Reparations for climate justice –  
payment of climate debt and ecological debt - Scale much larger – than promises made*

*100 billion per year by 2020 – in Cancun in 2010. Not based on needs. Political promise not kept. Extended to fulfilment by 2025.*

*Green Climate Fund – As of now – \$10.8 billion usd committed. According to one report (HBF) – since its inception in 2014, only \$13.9 billion delivered.*

*But currently, no funds to fund remaining projects.*

*GCF 2<sup>nd</sup> replenishment process launched.*

*For the Adaptation Fund – since started operations in 2007, less than \$1.5 billion have been delivered.*

*New Collective Quantified Goal on Finance – to be agreed by 2024 for new finance goal – based on needs of developing countries.*

*Needs Determination Report – **\$5-11 trillion** needed – based on reports from developing countries. Only **30% costed** and that too for mitigation mainly.*

*UNEP Adaptation Gap report of 2016 --- estimated finance annually for adaptation for developing countries – \$ 140 to 300 billion by 2030 and \$ 280 to 500 billion by 2050. These were for ranges due to 2 to 4 degree c temp limit.*

*Latest IPCC estimates for **adaptation - \$400 billion in annual costs by 2030 to USD 1 trillion by 2050.***

*Loss and damage – one study (2018, Markandaya) – projected costs to be **\$ 290 billion and 580 billion** for economic losses for loss and damage in developing countries.*

***Pakistan disaster – affected 30 million people and caused 30 billion \$ in damage.***



# *Debt justice and climate justice*

Also world today – **financial debt crisis is growing** across Global South – affecting ability of governments to take action on public health, alleviate poverty, undertake climate actions including adapt to climate change and go low carbon.

40 countries in serious debt in developing countries.

Global north owes **ecological and economic debts**. Global political order and climate crisis itself were built by **colonialism and slavery**. Emissions caused by Industrial Revolution.

Historical and ongoing plunder and extraction of natural resources of the Global South, and also responsible for climate and environmental pollution (both from production systems and consumption patterns) – all of which driving the debt crisis

## **Demands -**

Debt cancellation as part of reparations.

Progressive redistribution of IMF **Special Drawing Rights (SDRs)** – grant based; no conditionalities; channelled via UNFCCC Funding entities.

PM of Barbados – Mia Mottley in Glasgow– called for USD 500 billion in **Special Drawing Rights (SDRs)** allocation annually to finance the energy transition in developing countries and limit temperature rise.

Increasing loans to developing countries to address climate change is untenable.

## **Other sources of funds –**

Fossil fuel subsidies – According to ODI – the G7 countries provide at least \$100 billion a year in fossil fuel subsidies.

# COP 27 – A COP of Implementation

The COP 27 In-coming Presidency has called the COP as an ‘Implementation COP’.

This is most appropriate as decisions and commitments made under the UNFCCC and the Paris Agreement have to be implemented with even greater speed, consistent with the principles of equity and CBDR-RC.

We are living in very challenging times, and this requires a renewed spirit of multilateralism to save the poor and the planet.

Will this be possible?



for further information -

Contact [meena@twnetwork.org](mailto:meena@twnetwork.org)

Visit TWN website: <https://www.twn.my/>

See also new book by TWN – ‘A Clash of Climate Change Paradigms – Negotiations and Outcomes at the UN Climate Convention’ by Martin Khor and Meenakshi Raman at TWN bookshop on the web.

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