

COP26: IMPLICATIONS AND OPPORTUNITIES FOR **FRANCE'S CLIMATE POLICY**

A STATEMENT OF THE **HIGH COUNCIL ON CLIMATE**

DECEMBER 2021

COP26 strengthened international climate ambitions and finalised the Paris Agreement, which is the reference framework for negotiations adopted by 196 signatory Parties. However, the commitments submitted in Glasgow mainly extend beyond 2030 and will not allow global warming to be limited to 1.5°C as they stand. The Glasgow Climate Pact adopted at the end of COP26 reaffirms that the current decade should be one of accelerated global climate action. This commitment, which follows the increase in EU climate targets with the release of the "Fit for 55" package, should impel France to strengthen its nationwide actions by accelerating the implementation of its National Low-Carbon Strategy and National Plan for Adaptation to Climate Change. At the international level, France must take the lead and contribute to a more ambitious global dynamic in view of the forthcoming French Presidency of the EU Council and the next COP meetings in Egypt (2022) and the United Arab Emirates (2023).

The High Council on Climate is tasked, among other missions, with evaluating France's climate strategy and its consistency with the Paris Agreement, putting France's actions into perspective in relation to third countries, and providing independent insight to discussions. In this context, the High Council on Climate issued an internal request for a statement on the progress achieved at COP26 and for recommendations as to its implications for France's action.

France played a historic role in the development of the Paris Agreement which was reached under its presidency of COP21 in 2015, and has to date been adopted by 196¹ Parties. Expectations for COP26, which took place in Glasgow from 31 October to 12 November 2021, specifically concerned the planned raising of ambitions five years after COP21, the financing of climate actions, the transparency of the process and the definition of rules needed to implement the Paris Agreement.

COP26 also followed on from the IPCC Working Group publication on the physical bases of climate change², which expresses growing concern over the increasing and widespread impacts of global warming and the urgent need to reduce greenhouse gas emissions to achieve global carbon neutrality faster and in advance of previous forecasts.

COP26 was an opportunity to make progress on three main issues:

- 1. Achieving the objective of limiting global warming to +1.5°C in line with the commitments made by the signatory countries through their Nationally Determined Contributions (NDCs);
- 2. Finalising rules for implementing the Paris Agreement in terms of transparency regarding compliance with the commitments made by the signatory countries, and emissions trading mechanisms:
- 3. Mobilising the financial resources promised to developing countries for climate change adaptation and mitigation with an initial annual target allocation of USD 100 billion at international level.

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¹ United Nations Framework Convention on Climate Change, <u>"The Paris Agreement"</u>, website accessed on 12 December 2021.

² Intergovernmental Panel on Climate Change. (2021). "<u>Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change".</u>

COP26 finalised the implementation rules for the Paris Agreement and enabled increased national contributions in accordance with the Agreement, five years after its adoption³. However, the sum of the new raised ambitions and climate funding for developing countries allocated at the end of the summit in Glasgow are not yet equal to the challenge.

More than 130 countries⁴ announced a carbon neutrality target during or prior to COP26. These announcements demonstrate a growing global commitment, but these targets are based on fragile foundations, with inadequate actions for 2030, and the vast majority have yet to be formally submitted to the United Nations.

It was estimated that current climate policies (pre-COP26) would lead to warming of around +2.7°C⁵ by the end of the century, far above the Paris Agreement target and the limits considered tolerable in terms of risks to society and ecosystems. Assuming that firm commitments and promises of carbon neutrality are fully met, with a sharp drop in emissions after 2030, the median estimate would be that of +1.8°C warming by 2100 (with an uncertainty range of 1.4 to 2.7°C), according to the International Energy Agency⁶. However, such a trajectory seems implausible given the credibility of these promises, most of which are not supported by concrete investment and infrastructure action plans.

COP26 demonstrated that the Paris Agreement is fully operational and now constitutes the reference framework for international climate negotiations. The commitment of a growing number of countries to carbon neutrality objectives, including France and the EU through the "Fit for 55" package together with the other G7 countries (by 2050 at the latest), China (by 2060) and India (by 2070), is a positive step forward from the Glasgow conference and confirms that policy-makers have integrated the imperatives of climate science. These new commitments also demonstrate that the principle of common but differentiated responsibilities established with the Paris Agreement is applicable and being implemented.

COP26 also finalised the implementation rules for the Paris Agreement (the "Rulebook"), paving the way for more ambitious future commitments based on a climate of trust, with regard to its Article 6 on emission reduction trading mechanisms between signatory countries, and its Article 13 on the enhanced transparency framework relating to national emission accounting mechanisms. COP26 also advanced the matter of the annual review of countries' commitments, by encouraging such an approach.

Multiple sectoral coalitions were also formed during COP26 outside the official process, albeit with limited impact on NDCs. The emission reductions generated by these coalitions cannot replace the national commitments of the participating countries, although they may strengthen their implementation through a knock-on effect by creating synergies between public and private stakeholders. France has joined several of these international coalitions, in particular those aimed at reducing methane emissions by 30% by 2030 compared to their 2020 levels (Global Methane Pledge), reducing the extraction of fossil fuels (Beyond Oil and Gas Alliance) and phasing out their foreign funding, ensuring a just transition and the preservation of forests, and promoting innovation for climate (Glasgow Breakthroughs among others) (see Table 1).

However, the commitment of developed countries to financing the actions of developing countries was still not achieved in Glasgow, with tensions remaining over the proportion of funds allocated to adaptation. Latest OECD data indicates that less than USD 80 billion was spent in 2019 on climate

³ Taking into account the one-year delay caused by the COVID-19 crisis.

⁴ United Nations, Net-zero Coalition, website accessed on 12 December 2021.

⁵ United Nations Environment Programme. (2021). "Emissions Gap Report 2021".

Climate Action Tracker. (2021). "Glasgow's 2030 credibility gap: net zero's lip service to climate action".

⁶ International Energy Agency. (2021). "COP26 climate pledges could help limit global warming to 1.8°C, but implementing them will be the key".

change mitigation and adaptation⁷, compared to the annual pledge of USD 100 billion from 2020 made at COP15 in 2009. The conclusions of COP26 therefore instruct developed countries to urgently reach the target of USD 100 billion by 2025 while doubling the share allocated to adaptation, underlining the need for transparency in the implementation of their financial commitments to avoid any double counting of allocated funds. In Glasgow, France announced a contribution of USD 7 billion (EUR 6 billion, with one third for adaptation), i.e. 7% of the global climate financing target.

COP26 concluded with a final declaration in the form of the Glasgow Climate Pact, which asks signatory countries to increase by 2022 their ambitions for 2030 to stay on the trajectory of the Paris Agreement⁸. The new European framework provided by the "Fit for 55" package will prompt France to raise its own ambitions and short-term actions.

France's emission reduction target which currently stands at -40% by 2030 compared to the 1990 level, is no longer equal to the challenges highlighted at COP26. The Glasgow Climate Pact specifies that a global -45% reduction in CO₂ by 2030 compared to the 2010 level is necessary in addition to reducing emissions of other greenhouse gases, according to the latest scientific estimates. Adoption of the "Fit for 55" package provides for an increase in the European targets: from -40% emissions for the EU by 2030 compared to 1990 levels in the previous "climate & energy" package to -55% emissions by 2030 in the new legislative package. Effort sharing between Member States remains to be defined and should be discussed under the French Presidency of the EU Council (PFUE) in the first half of 2022. The European target's national roll out will, however, necessarily lead to an increase in reduction targets for France, beyond those set out in the National Low-Carbon Strategy.

Above all, France needs to define operational objectives for 2030 and monitor their achievement, with the involvement of all emitting sectors. The National Low-Carbon Strategy and the National Plan for Adaptation to Climate Change must be translated from 2022 into clear and increased operational targets for 2030, while mechanisms for coordinating and monitoring climate actions need to be streamlined and consolidated to enable all stakeholders to direct their investments and efforts without delay, along a trajectory consistent with carbon neutrality. The climate plans of the ministries put in place by the government are a first step, but they must be sustained and strengthened in terms of their coordination at interministerial level, with the Ecological Defence Council playing an increased arbitration role in the definition of climate policies such as the new French climate & energy strategy currently being developed 10.

France has fallen behind on its emissions reduction trajectory, and catching up will involve accelerating the rate of emission reduction compared to initial forecasts¹¹. Nonetheless, progress – in some cases of a structural nature – has recently been made and should be highlighted in the reduction of emissions in France, particularly in the building, energy and industry sectors, although this rate is not sufficient to achieve the climate targets. In addition, emissions are stagnating for the transport sector, which is the highest emitter in France, whereas they should be decreasing rapidly, while carbon sinks in France are capturing less CO₂ than planned in the National Low-Carbon Strategy. To respect its carbon budgets in

⁷ OECD. (2021). "Climate Finance Provided and Mobilized by Developed Countries: Aggregate Trends Updated with 2019 Data".

⁸ United Nations Framework Convention on Climate Change. (2021). Decision -/CMA.3, Article 29.

⁹ High Council on Climate. (2021). "Renforcer l'atténuation, engager l'adaptation" [Strengthening mitigation, engaging adaptation]. Annual Report 2021.

¹⁰ High Council on Climate. (2021). "Avis portant sur les plans climat des ministères" [Statement on the climate plans of the ministries].

¹¹ High Council on Climate. (2021). "Renforcer l'atténuation, engager l'adaptation" [Strengthening mitigation, engaging adaptation]. Annual Report 2021.

anticipation of the increased targets, France needs to speed up its emission reduction rate significantly¹². This necessary acceleration will be facilitated by the new measures to be implemented within the "Fit for 55" package.

France's objective of carbon neutrality by 2050 is consistent with the Paris Agreement and the commitments of other countries, but it does not include emissions associated with international trade. France's objective of carbon neutrality by 2050 covers all greenhouse gases and would contribute to limiting global warming to +1.5°C, but the emissions associated with international trade must also be covered by France's actions. France must include the role of international transport (aviation and maritime transport) in its carbon neutrality objective and develop a strategy to control its imported emissions ¹³. France's actions on the international scene, including its contribution to financing developing countries and its commitments within sectoral coalitions, are allowing it to play a bigger part in the global effort, in line with its responsibilities. These contributions must be evaluated and monitored in complete transparency, in the same way as the formal emission reduction commitments submitted to the United Nations.

In line with its previous annual reports, the High Council on Climate reiterates the need to accelerate the implementation of the National Low-Carbon Strategy and strengthen its management. The French energy & climate strategy should take into account France's international commitments under the Paris Agreement and anticipate those of the European "Fit for 55" package.

As part of its mission to assess France's climate action, the High Council on Climate is issuing four recommendations to the government to help it meet its commitments at national, European and international levels and thus accelerate the international response to global warming:

- 1. Raise France's 2030 targets and clearly specify the challenges for all emitting sectors, including international maritime transport and aviation. Through its role and its duty to set an example in the signing of the Paris Agreement, which has become the reference framework for international climate negotiations, and also with regard to its future European commitments as part of "Fit for 55", France will be required to increase its current target of 40% fewer emissions by 2030, in a context where it is catching up to fill the gaps noted in its first national carbon budget results. To this end, all emitting sectors will have to be mobilised to keep to a trajectory consistent with France's ambitions and objectives.
- 2. Strengthen governance and the resources allocated to climate, as well as the management tools necessary to achieve France's set targets. The climate plans of the various ministries drawn up at the request of the Prime Minister constitute an essential first step in the roll out of the National Low-Carbon Strategy and the National Plan for Adaptation to Climate Change. These plans, which have been assessed by the High Council on Climate as regards those published at this stage¹⁴, are to be welcomed and are necessary to monitor France's commitments. They must be extended to all ministries and strengthened in terms of their interministerial management, in accordance with the guidance issued by the High Council on Climate during its hearing with the Ecological Defence Council on 27 November 2020. These action plans must be provided with the means to meet France's climate targets, particularly with regard to the pace of deployment and

¹² High Council on Climate. (2021). "Renforcer l'atténuation, engager l'adaptation" [Strengthening mitigation, engaging adaptation]. Annual Report 2021.

¹³ High Council on Climate. (2020). "Maîtriser l'empreinte carbone de la France" [Controlling France's carbon footprint].

¹⁴ High Council on Climate. (2021). "Avis portant sur les plans climat des ministères" [Statement on the climate plans of the ministries].

financing of the infrastructure needed for the electrification of uses to achieve carbon neutrality¹⁵, and adaptation to the effects of climate change.

- 3. Monitor the international commitments made by France, including within coalitions, and translate them into concrete implications for the stakeholders concerned to provide the necessary visibility for investment choices from 2022. Binding structural measures necessary to meet emission reduction commitments must be adopted in the near future to guide investments and provide all French stakeholders with visibility, particularly with regard to the discontinued marketing of internal combustion engine vehicles, the 30% reduction in methane emissions by 2030 compared to 2020 levels, the phasing out of financial support and subsidies for fossil assets including abroad, and the fight against imported deforestation. The international commitments made both at and prior to COP26 will require completely transparent monitoring. The same applies to France's contributions to international climate finance to achieve rebalancing in favour of adaptation and the just transition.
- 4. Take the lead on climate matters internationally, in the run-up to the future COP27 in Egypt and COP28 in the United Arab Emirates, by involving economic stakeholders in particular. France will be at the centre of European climate policy through its Presidency of the EU Council in the first half of 2022 and will play a major role in negotiations for the implementation of the "Fit for 55" legislative package. Going beyond European level, and in view of the future COP27 in Egypt in 2022 and COP28 in the United Arab Emirates in 2023, France must also remobilise its international diplomatic network and donors and economic stakeholders around the climate challenge to provide financial, technical and operational support to third countries in their mitigation and adaptation efforts. At the institutional level, the High Council on Climate will take part in this dynamic through the International Climate Council Network (ICCN) launched at COP26, which it will co-chair in 2022 alongside the climate councils of Canada and Guatemala.

¹⁵ RTE. (2021). "Futurs énergétiques 2050".

ABOUT THE COP

The Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change is part of a continuous negotiation process initiated at the State level since the Earth Summit in Rio in 1992, whose results must be assessed in terms of progress made, at the end of these annual meetings.

The COP21 annual session under the presidency of France in 2015 represented a major step forward with the adoption of the Paris Agreement which, based on the reports of the Intergovernmental Panel on Climate Change (IPCC), took note of the need to limit the rise in average global temperatures to +1.5°C versus the levels measured in the 19th century in the pre-industrial era.

The Paris Agreement thus establishes an international legal framework for reducing greenhouse gases generated by human activity to limit global warming to +1.5°C based on the voluntary commitments of the 196 Parties that have adopted the Agreement, in the form of Nationally Determined Contributions (NDCs) expressed in tonnes of CO₂ equivalent. In addition to the NDCs, the countries are encouraged to submit their long-term strategies, although no timeline has been specified.

The Paris Agreement also provides for a review every five years from its adoption, at which time countries are invited to increase their NDCs. This review was conducted for the first time during the COP26 annual session from 31 October to 12 November 2021 in Glasgow under the presidency of the United Kingdom in collaboration with Italy, with a one-year delay versus the initial timetable as there was no COP meeting in 2019 due to the health crisis. The Paris Agreement also calls for a global stocktake in 2023 and every five years thereafter.

France is a signatory and contributes to the Paris Agreement as a member of the EU that makes commitments on behalf of the EU and submits official documents to the United Nations.

COP27 is scheduled to take place in Egypt from 7-18 November 2022.

COP28 will be held in the United Arab Emirates from 6-17 November 2023.

TABLE 1: SECTORAL INITIATIVES LAUNCHED DURING COP26

INITIATIVES

STAKEHOLDERS

ADAPTATION		
Adaptation Research Alliance (ARA) Joint Statement on Launch	100 organisations.	
AGRICULTURE		
Agricultural Commodity Companies Corporate Statement of Purpose	Companies.	
The Global Action Agenda for Innovation in Agriculture	17 countries and more than 160 other stakeholders.	
Policy Dialogue on Accelerating Transition to Sustainable Agriculture Through Redirecting Public Policies and Support and Scaling Innovation	34 countries.	
EDUCATION		
Co-Chairs conclusions of Education and Environment Ministers Summit at COP26	Ministries of Education and Ministries of the Environment and Sustainable Development.	
ENERGY		
Joint statement in support of the UK-IEA Product Efficiency Call to Action to raise global ambition through the SEAD initiative	14 countries.	
Global Coal to Clean Power Transition Statement	as well as 43 countries, 5 subnational governments, and 26 organisations.	
International Beyond Oil & Gas Alliance (BOGA)	as well as 11 countries, nations and local governments and foundations.	
Statement on International Public Support for the Clean Energy Transition	French Development Agency and 32 countries.	
Green Grids Initiative – One Sun One World One Grid: One Sun Declaration	as well as 4 founding member countries, joined by 80 countries.	
Political Declaration on the Just Energy Transition in South Africa	as well as 4 countries.	
Mission Innovation-Breakthrough Energy collaboration agreement	as well as 21 countries, various banks and Breakthrough Energy.	

Focus of Energy Transition Council (ETC)	Energy Transition Council (ETC).	
FINANCE		
MDB Joint Nature Statement	Development banks.	
MDB Joint Climate Statement	Development banks.	
FORESTS		
Forests, Agriculture and Commodity Trade	as well as 26 countries.	
IPLC forest tenure Joint Donor Statement	5 countries, foundations, NGOs.	
COP26 Congo Basin Joint Donor Statement	as well as 9 countries and the Bezos Earth Fund.	
The Global Forest Finance Pledge	as well as 10 countries.	
Glasgow Leaders' Declaration on Forests and Land Use	as well as 139 countries.	
GOVERNANCE	3	
Breakthrough Agenda – Launching an annual Global Checkpoint <u>Process in 2022</u>	Public and private sector leaders, with support from IRENA, the IEA, the UN, the Clean Energy Ministerial (CEM) forum, and Mission Innovation (MI).	
COP26 World Leaders Summit - Presidency Summary	120 Heads of State and Government.	
INNOVATION		
New Mission Innovation Missions	, 10 countries and various organisations.	
COP26 World Leaders Summit - Statement on the Breakthrough Agenda	as well as 43 countries.	
METHANE		
International agreement to reduce methane emissions by 30% by 20 (2020 baselines)	and more than 100 countries.	
OCEAN		
Because the Ocean (BTO) initiative	as well as 19 countries.	
HEALTH		

<u>The COP26 Health Programme</u> 47 countries.

JUST TRANSITION		
Supporting the Conditions for a Just Transition Internationally	as well as 14 countries.	
TRANSPORT		
COP26 declaration on accelerating the transition to 100% zero emission cars and vans	39 countries, 43 cities, states and regions, 11 car manufacturers and 61 mobility stakeholders.	
International Aviation Climate Ambition Coalition	as well as 21 countries.	
Clydebank Declaration for green shipping corridors	as well as 21 countries.	
Zero Emission Vehicles Transition Council: 2022 action plan	among all members of the Zero Emission Vehicles Transition Council	
Call for Accelerated Electric Vehicle Charging Infrastructure	and nearly 40 signatories.	

WHAT IS THE HIGH COUNCIL ON CLIMATE?

The High Council on Climate (HCC) is an independent body tasked with issuing advice and recommendations to the French government on the delivery of public measures and policies aimed at reducing France's greenhouse gas emissions. Its purpose is to provide independent insight on government climate policy. The HCC was established on 27 November 2018 by the President of the Republic and then by Decree on 14 May 2019. Its existence was enshrined in the French Act of 8 November 2019 on energy and the climate. Its members are chosen for their expertise in the fields of climate science, economics, agronomy and energy transition.

Under the terms of its founding Decree, the HCC has two main missions:

- Every year, it issues an advisory report on France's adherence to its greenhouse gas emissions reduction trajectory and on the effective delivery of measures and policies to reduce greenhouse gas emissions and develop carbon sinks, reduce its carbon footprint and develop climate change adaptation.
- It issues a statement every 5 years on France's low-carbon strategy and carbon budget proposals, as well as on the greenhouse gas emissions reduction trajectory it has committed to follow. It monitors the coherence of the low-carbon strategy with national policies and France's European and international pledges, in particular the Paris Agreement and the carbon neutrality goal by 2050.

For these two missions, the HCC considers the socio-economic impacts of the transition for households and businesses, key sovereignty issues and environmental impacts.

Its reports, based on analyses, assess current and planned policies and measures and outline recommendations and proposals to help France achieve its targets. It yields independent, factual and rigorous insight into France's greenhouse gas emission trends and its public policies. It provides a long-term perspective. All the statements and reports of the HCC are made public.



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