

COP28: THE GLOBAL STOCKTAKE AND ITS IMPLICATIONS FOR ■ **FRENCH CLIMATE POLICY**

A STATEMENT OF THE
HIGH COUNCIL ON CLIMATE

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EXECUTIVE SUMMARY

- The annual Conferences of the Parties (COPs), organised under the framework of the United Nations, are essential for mobilising governments and non-state actors, promoting the implementation of the Paris Agreement, and ensuring the cohesion and follow-up of the actions taken by countries in response to climate change.
- COP28 will be the COP of the first global stocktake, that will allow the assessment of the collective progress made towards achieving the goals of the Paris Agreement. This exercise takes place every five years and covers all the pillars of climate action. It should provide inputs for the preparation of the next round of Nationally Determined Contributions (NDCs) that countries will submit in 2025. COP28 is a major political moment for raising ambition, against the backdrop of 2023 being the hottest year on record, marked by severe heat waves, droughts, forest fires, and extreme rainfall around the world.
- The inclusion of new global energy transition targets in the final COP28 decision will be at the heart of the discussions. In particular, the aim is to formulate a global vision for reducing and, as far as possible, phasing out the use of fossil fuels, giving credibility to carbon capture and storage (CCS), and setting global targets for accelerating renewable energy deployment and improving energy efficiency.
- COP28 will also focus expectations on the financing of global climate action, especially on the funding arrangements to assist countries that are particularly vulnerable to the adverse effects of climate change to respond to loss and damage, but also on defining a framework for the Global Goal on Adaptation (GGA), and on just transition.
- France plays an important role at the international level and, in a complex geopolitical context, can help to revive the global momentum at COP28 by clarifying its own objectives, working to mobilise financial resources as part of the reform of global financial system, helping to increase support for developing countries and continuing to promote more accurate and transparent emissions inventory methodologies. The recommendations made by the High Council on Climate (HCC) in its annual report for 2023 (international section) remain relevant.

The High Council on Climate is an independent organisation mandated to evaluate France's public action in response to climate change and its consistency with the Paris Agreement, putting national measures into perspective in relation to other countries, and providing independent insight for public debates. The High Council on Climate produced a summary of the issues at stake at COP28 and its views on the role that France can play in reviving international momentum in response to climate change.

THE FIRST GLOBAL STOCKTAKE AT COP28 MUST BE THE OCCASION TO REVIVE INTERNATIONAL MOMENTUM TO ACCELERATE THE GLOBAL RESPONSE TO CLIMATE CHANGE

The Paris Agreement provides for a global stocktake every five years to assess the collective progress made towards achieving the Agreement's long-term goals across all its pillars (mitigation, adaptation and means of implementation¹), in the light of equity and the best available science². The Parties must take the results of this stocktake into account when preparing their future Nationally Determined Contributions (NDCs) and strengthening their international cooperation³. COP28 will take place in Dubai, in the United Arab Emirates, from 30 November to 12 December 2023, as part of the ongoing process of coordinating the global response to climate change under the United Nations Framework Convention on Climate Change (UNFCCC).

The political phase of the global stocktake will take place at COP28 and will be an opportunity to reaffirm the importance of increasing ambition in mitigation, adaptation and support, and accelerating the implementation of the Paris Agreement. On the basis of the technical dialogue held in 2022 and 2023⁴, taking into account the conclusions of the Intergovernmental Panel on Climate Change (IPCC) in its Sixth Assessment Report, it clearly appears that action needs to be stepped up and accelerated to achieve the goals of the Paris Agreement, on all fronts and by all stakeholders. The level of global greenhouse gas (GHG) emissions⁵, which reached a new record of 57.4 GtCO₂e in 2022⁶, puts the world at this stage on a trajectory that is not compatible with the target of keeping global warming well below 2°C, and as close as possible to 1.5°C. The public policies presented in the current NDCs, if effectively implemented by governments, would lead to a plateau or only a slight fall in global emissions by 2030 compared with their current level. This would correspond to global warming of +2.9°C by the end of the century if only the unconditional commitments⁷ in the NDCs are taken into account (i.e. warming of almost +4°C in France), and +2.5°C if the conditional commitments⁸ are also included. Strong additional measures in the period 2025-2030, coupled with the full implementation of existing commitments, are therefore necessary to now change the overall trajectory of emissions.

Building on the outcome of the global stocktake, the next round of NDCs must raise the mitigation ambition in order to bring greenhouse gas emissions onto a trajectory that is compatible with the long-term goal of limiting global warming as set out in the Paris Agreement⁹. COP27 did not result in any real progress on mitigation compared to the Glasgow Pact adopted at COP26¹⁰. The decision on the Mitigation Work Programme turns this last into a platform for exchanging experiences, without any clear link to the political process for raising the ambition of national commitments. The next NDCs will be prepared in 2024 and submitted by countries to the UNFCCC in 2025, to apply from 2031 and be achieved by 2035 or 2040. In order to limit global warming to a level as close as possible to 1.5°C, they will have to set more ambitious, precise and transparent emissions targets, aiming to reduce global GHG emissions by 69% by 2040

¹ The means of implementation cover financial support, technology transfer and capacity-building.

² Paris Agreement, Article 14(1): "The [COP]...shall periodically take stock of the implementation of this Agreement to assess the collective progress towards achieving the purpose of this Agreement and its long-term goals (referred to as the "global stocktake"). It shall do so in a comprehensive and facilitative manner, considering mitigation, adaptation and the means of implementation and support, and in the light of equity and the best available science".

³ Paris Agreement, Article 14(3): "The outcome of the global stocktake shall inform Parties in updating and enhancing, in a nationally determined manner, their actions and support in accordance with the relevant provisions of this Agreement, as well as in enhancing international cooperation for climate action".

⁴ UNFCCC (2023), Doc. FCCC/SB/2023/9, "Synthesis report by the co-facilitators on the technical dialogue.

⁵ The emission gap is estimated to be around 22 GtCO₂e by 2030 (UNEP (2023) Emissions Gap Report).

⁶ According to UNEP (2023) "Emissions Gap Report 2023".

⁷ Only the 'unconditional' part of the NDCs is taken into account here, bearing in mind that the implementation of certain measures provided for in the contributions may be conditional, in particular on the receipt of financial support.

⁸ According to the IPCC (2023) "Synthesis Report: Climate Change 2023", Sixth Assessment Report (AR6) and UNEP (2023) "Emissions Gap Report".

⁹ The temperature goal set out in Article 2.1a of the Paris Agreement is as follows: "Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change". In their decisions 1/CP26 (Glasgow Pact adopted at COP26, §21) and 1/CP27 (Sharm el-Sheikh Implementation Plan adopted at COP27, §7), the Parties further recognised that the impacts of climate change will be much lower at the temperature increase of 1.5°C compared with 2°C and resolved to pursue further efforts to limit the temperature increase to 1.5°C.

¹⁰ There was no mention of phasing down of fossil fuels, or any mention of the peak in GHG emissions before 2025, despite the fact that this is considered as necessary by the IPCC to keep the 1.5°C target within reach.

compared to 2019 levels¹¹, and seeking net zero CO₂ emissions by 2050. Equity will be an important consideration in this ambition-raising process. As far as the European Union (EU) is concerned, the European Scientific Advisory Board on Climate Change¹², set up under the European Climate Law, recommends reducing the EU's GHG emissions by 90-95% by 2040 compared to 1990¹³.

The quality of countries' commitments (NDCs and long-term decarbonisation strategies) needs to be improved in order to make them credible¹⁴. COP28 must help to clarify net zero commitments, improve their consistency with climate goals and thus bolster their credibility. Net zero commitments vary widely by country, depending in particular on what they cover (only CO₂ or all GHGs), whether or not emissions associated with international transport are included, and the specification of the contribution expected from carbon sinks strengthening and carbon sequestration technologies based on CCS¹⁵ (BECCS¹⁶ and DACCS¹⁷). The Paris Agreement encourages Parties to formulate and present long-term low greenhouse gas emission development strategies¹⁸. This point was revisited at COP27 following the COP26 decision¹⁹ which reinforced this recommendation, by urging Parties that had not yet done so to present their decarbonisation strategies towards just transitions to net zero emissions by or around mid-century, taking into account different national circumstances. It also invites Parties to align their NDCs with their long-term strategies and to regularly update those strategies in line with the best available science. Net zero targets will be all the more credible if they are transparent, enshrined in national laws and linked to evaluation and monitoring processes.

For the land sector, strengthening carbon sinks and reducing agricultural emissions also means tackling other challenges: adaptation to climate change, protection of biodiversity, land degradation and desertification, sustainable management of water resources, food security and poverty eradication²⁰. Assessing net zero commitments requires strengthening national GHG inventories in the agriculture, forestry and other land use (AFOLU) sector²¹. To be reliable, carbon offset mechanisms should also be aligned with current knowledge. To that end, closer collaboration between the Parties to the UNFCCC, scientists and stakeholders would be beneficial, in particular to create a common and transparent certification framework for agricultural emissions and carbon sequestration - including its permanence – in forest biomass and soils. Greater involvement of the range of stakeholders concerned, including the civil society and citizens, will be necessary to develop ambitious, credible and fair NDCs in the land sector.

France plays an important role on the international stage, which can help to revive global climate momentum. France's net zero target for 2050 covers all GHGs and is part of an overall trajectory consistent with the 1.5°C goal, but it does not reflect France's full responsibility for global emissions. France is about to strengthen its own targets in its National Low-Carbon Strategy (SNBC 3), which is currently being revised ; it must include caps on the country's share in international transport emissions²², as well as elements on the French carbon footprint²³. France could also clarify its net zero target for CO₂ only and thus improve the transparency of its strategy towards net zero, by specifying its intentions regarding the contribution of

¹¹ IPCC (2023), AR6, Summary for Policymakers, vol. 3, section C.1.1.

¹² The European Climate Law (Regulation (EU) 2021/1119) requires the EU to set an intermediate target for 2040 for its GHG emissions reduction path, between the target of at least -55% by 2030 and net zero GHG emissions by 2050. The European Commission will have to present a legislative proposal along these lines no later than six months after the first global stocktake of the Paris Agreement, i.e. during the first half of 2024. This proposal must take account of scientific contributions and knowledge, in particular the advice of the European Scientific Advisory Board on Climate Change. The future legislative proposal must be based on a detailed impact study, which the current Commission should publish in March 2024, before the start of legislative discussions on amending the European Climate Law.

¹³ ESABCC (2023), "Scientific advice for the determination of an EU-wide 2040 climate target and a greenhouse gas budget for 2030-2050".

¹⁴ See HCC (2023), 2023 Annual Report "*Acter l'urgence, engager les moyens*" Acknowledge the urgency, commit the resources, International action, recommendation 1.2. (p. 158): "Work towards obtaining details, particularly sectoral details, for the net zero targets of countries and non-state actors, encourage and support the enhancement of short-term measures and the publication of more specific long-term strategies".

¹⁵ Carbon capture and storage (CCS).

¹⁶ Bioenergy with Carbon Capture and Storage (BECCS).

¹⁷ Direct Air Carbon Capture and Storage (DACCS).

¹⁸ Paris Agreement, Article 4(19).

¹⁹ Decision 1/CMA.3, paragraphs 32, 33 and 35.

²⁰ IPCC (2019) "Special Report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems".

²¹ See HCC (2023), HCC 2023 Annual Report "*Acter l'urgence, engager les moyens*" Acknowledge the urgency, commit the resources, International action, recommendation 1.4 on the requirement to improve the quality and transparency of carbon sink inventories in the land sector, which France is encouraged to promote within the European Union and the UNFCCC (p. 158).

²² See HCC (2023), HCC 2023 Annual Report "*Acter l'urgence, engager les moyens*" Acknowledge the urgency, commit the resources, National governance, recommendation 1.2 (p.18): "Include emissions associated with international transport in future carbon budgets (at least from the 5th carbon budget onwards) and with the aim of achieving net zero by 2050".

²³ See HCC (2019), "*Maitriser l'empreinte carbone de la France*" [Tackling France's carbon footprint], p. 9: "France's imported emissions must follow a trajectory consistent with the goal of the Paris Agreement, i.e. a 65% reduction in imported GHG emissions by 2050 compared with 2005. If France is to be carbon neutral by 2050, this would represent an 80% reduction in the carbon footprint.

the carbon sinks strengthening²⁴ and CCS in its climate policy²⁵. The implementation of the SNBC will benefit from the overall strategic support that is being built up under the authority of the Prime Minister with the coordination of the General Secretariat for Ecological Planning. The development of a substantial economic and financial policy to support France's climate strategy would give greater visibility and confidence to public and private stakeholders, including at the international level.

COP28 MUST ENABLE PROGRESS TOWARDS A GLOBAL EMISSIONS REDUCTIONS GOAL AND, AS FAR AS POSSIBLE, THE PHASING OUT OF FOSSIL FUELS, IN ADDITION TO THE NECESSARY ACCELERATION IN THE DEVELOPMENT OF RENEWABLE ENERGIES

COP28 must enable the formulation of a global vision for the world's energy transition, which includes phasing down and, as far as possible, phasing out the use of fossil fuels. According to projections by the International Energy Agency (IEA) for 2023²⁶, demand for each of the three fossil fuels (coal, oil and gas) is expected to peak by 2030²⁷. However, global CO₂ emissions from the use of fossil fuels reached a record level in 2022 (37 GtCO₂). Furthermore, by 2030, countries plan to produce around 110% more fossil fuels than the level deemed compatible with limiting global warming to +1.5°C, and 69% more than the level that would be compatible with a temperature increase of +2°C²⁸. The IEA estimates that a 25% reduction in the use of fossil fuels by 2030 and a 95% reduction by 2050 are necessary to achieve the climate goals of the Paris Agreement²⁹. A vision of the global energy transition, with the inclusion of targets for all fossil fuels in the COP28 cover decision (cross-cutting political decision), would be a step forward in strengthening the credibility of the process and the commitments that countries have made.

The role to be played by carbon capture, utilisation and storage (CCUS) technologies in the global energy transition must be limited to a credible implementation, taking into account the technical and socio-economic constraints and the level of maturity of these technologies. At this stage, CCUS technologies are not commercially viable on a large scale and their implementation costs remain high³⁰. They must not, therefore, divert countries from their commitments to making substantial, immediate and rapid cuts in GHG emissions across all sectors of the economy. On the basis of the IEA's 2023 projections, CCUS could be used to reduce global GHG emissions by around 10% and offset the residual emissions compared with the 2022 level, provided that it is effectively implemented in line with the assumptions made in the existing scenarios. As a result, CCUS is not a substitute for global efforts to reduce greenhouse gases emissions, but rather supports decarbonisation initiatives, particularly for industrial infrastructures with few decarbonisation alternatives, and the strengthening of carbon sinks. The concept of residual emissions that

²⁴ See HCC (2023), HCC 2023 Annual Report "*Acter l'urgence, engager les moyens*" Acknowledge the urgency, commit the resources, UTCAF, recommendation 1.1 (p. 141): "In the SNBC currently under review, adjust the targets for carbon sinks linked to forests, wood use, carbon storage in soils and changes in land use, and allocate targets to each of these sub-sectors".

²⁵ See HCC (2023), HCC 2023 Annual Report "*Acter l'urgence, engager les moyens*" Acknowledge the urgency, commit the resources, International action, recommendation 2.1. (p. 159): "Specify France's net zero target for CO₂ only, as well as its components for residual emissions and carbon capture and storage and include international transport in France's net zero target for all GHGs for 2050".

²⁶ International Energy Agency (2023), "World Energy Outlook".

²⁷ As part of a scenario based on existing policies ("Stated Policies Scenario" or STEPS).

²⁸ UNEP (2023), "Production Gap Report".

²⁹ IEA, Net Zero Roadmap (updated in September 2023)

³⁰ According to the IEA (net zero emissions scenario updated in Sep. 2023), only around forty CCS facilities are operational at the commercial stage, and most of them are located in North America. Their total annual capture capacity is 45 MtCO₂/year, i.e. 4% of the annual capture capacity of 1.2 GtCO₂ needed between now and 2050).

are “hard-to-abate” should itself be the subject of a framework which defines minimum international standards in line with the work of the IPCC³¹.

Advice of the High Council on Climate on the use of CCUS

In response to a referral from the Prime Minister, the High Council on Climate issued an advice on France’s strategy for carbon capture, utilisation and storage (CCUS), the conclusions of which, summarised below, are relevant to the discussions to take place at COP28.

Carbon capture and storage (CCS) technologies are taken into account in net zero scenarios at global, European or national level, and make it possible to reduce emissions in sectors where there are no alternative. Europe and the United States of America are among the geographic areas where CCS is seeing the most active commercial developments. The number of CCS projects around the world is growing, but there are currently only 37 operational facilities, which is still modest compared with the projections made in the decarbonisation scenarios.

The processes considered in CCS technologies are energy-intensive and generate an ‘energy penalty’ that needs to be taken into account for the climate relevance and economic viability of projects. Additional requirements in terms of water resources and chemical inputs for CO₂ capture also need to be taken into account.

CCS technologies have varying degrees of maturity for each segment of their respective value chains, as well as specific constraints on which their rollout is dependent and which impose deadlines for operational implementation.

CCS technology applied to biomass (‘Bioenergy with CCS’, BECCS) - whose large-scale rollout would have negative implications for food security and biodiversity, land use, including carbon sinks, land rights and water resources – or direct CO₂ capture technology (‘Direct air CCS’, DACCS) are however at a less mature stage and there has been little implementation.

The absence of a rigorous regulatory framework perpetuates uncertainties about the carbon accounting of CCS, the responsibilities of the various stakeholders, and the strategies for investing in these technologies.

Given these limiting factors in economic, energy, technological, environmental and regulatory terms, and the constraints in terms of storage sites, the use of CCS in France should be reserved as a priority, for uses seeking to reduce residual emissions that cannot be eliminated at source, in addition to energy-saving and energy-efficiency measures. The HCC’s multi-criteria analysis for France concludes that CCS is appropriate for the decarbonisation of industrial sectors whose residual emissions are large and concentrated, and for which decarbonisation solutions are limited.

The HCC concludes that CCS can be used as a lever in the projections of France’s Low-Carbon Strategy (SNBC) and its operational implementation in the industrial sector. The potential targeted by the government’s CCUS strategy for 2030 (capture of 4 to 8 MtCO₂ per year) seems ambitious in view of the projects already in place, whereas the potential targeted for 2050 (capture of 15 to 20 MtCO₂ per year) is consistent with the knowledge available. The dependence of the SNBC scenarios on negative emissions from BECCS and DACCS must, for the time being, be limited to the minimum contribution necessary to achieve net zero for all GHGs in France by 2050. These projections need to be refined with further studies and insights from current implementations to establish their operational limits.

Global targets for accelerating the rollout of renewable energies and improving energy efficiency are also expected at COP28. In line with the recommendations of the IEA³² and the International Renewable Energy Agency (IRENA)³³, the UAE Presidency is proposing to include in the final COP28 decision a target of tripling renewable energy capacity to reach 11 TW globally by 2030, as well as a target of doubling the global

³¹ IPCC (2023), AR6, Synthesis Report, SPM, p. 28, footnote 51: "In this context, 'unabated fossil fuels' refers to fossil fuels produced and used without interventions that substantially reduce the amount of GHG emitted throughout the life-cycle; for example, capturing 90% or more from power plants, or 50-80% of fugitive methane emissions from energy supply".

³² IEA, Net Zero Roadmap (updated in September 2023).

³³ COP28 Presidency, IRENA and Global Renewables Alliance (GRA) (Oct. 2023), "Tripling renewable power and doubling energy efficiency by 2030, crucial steps towards 1.5°C".

average rate of energy intensity improvement in all sectors to reach 4% by 2030. In this context, it is essential that the tripling of renewable energy is clearly associated with a commitment to phase down and as far as possible, phase out fossil fuels, which must remain one of the priorities of the COP outcome. The implementation of these collective commitments will need to be assessed with a view to the next global stocktake scheduled for 2028. The definition of sectoral sub-targets or the combination of several targets could prove useful for operational monitoring, over and above the political signals that will be sent to the markets.

France can help to strengthen the overall ambition by clarifying its own plan for reducing and phasing out fossil fuels, including gas and oil, and the use it plans to make of CCS³⁴. On 22 November 2023, the government set out the pace at which it would gradually reduce the country's dependence on fossil fuels (oil, gas and residual coal), indicating that their share in the national energy mix should fall from around 60% at present to 40% by 2030, and 30% by 2035. These elements will have to be incorporated into the future SNBC 3 and the next Multi-year Energy Programme (PPE). At international level, France is involved in various initiatives to promote the phase out of fossil fuels³⁵ and is cooperating on these issues with several developing countries³⁶ as part of the Just Energy Transition Partnerships (JET-P). These important commitments could be extended by including rainforest conservation and adaptation in the concerned action plans. At European level, the European Union's mandate for COP28³⁷ also emphasises that emissions offset technologies should not be used to delay climate action in sectors where feasible, efficient and cost-effective mitigation solutions are available, particularly during this critical decade.

FINANCIAL FLOWS MUST BE MASSIVELY REDIRECTED TOWARDS ACTIONS THAT PROMOTE A CARBON-NEUTRAL AND CLIMATE RESILIENT ECONOMY, AND ADAPTATION FINANCE MUST BE STRENGTHENED

Financing the climate transition requires a reform of the global financial system. The COP27 decision³⁸ mentioned for the first time the need to transform the financial system, by ensuring that international financial institutions (IFIs) and Multilateral Development Banks (MDBs) take greater account of the goals of the Paris Agreement. However, this is still a very preliminary discussion within the concerned institutions yet (World Bank, International Monetary Fund, etc.). At the Summit on a New Global Financing Pact (June 2023), some fifty countries signed a declaration for a common vision of the multilateral development banks: it calls for investments to be aligned with the Paris Agreement as soon as possible and for nature to be better integrated into the activities of the MDBs in order to promote the implementation of the

³⁴ See HCC (2023), HCC 2023 Annual Report "Acter l'urgence, engager les moyens" Acknowledge the urgency, commit the resources, International action, recommendation 2.2. (p.159): "Clarify France's position on phasing out all forms of emissions from fossil fuels, including gas and oil, in line with its commitment to achieving net zero by 2050".

³⁵ In particular, the Powering Past Coal Alliance and the Beyond Oil and Gas Coalition (see appendix "list of initiatives launched at COP26", HCC advice on COP26, 2021). At COP28, a coalition should be launched to bring an end to the construction of new coal-fired power stations and help countries to move away from this source of fossil fuel:

<https://www.vie-publique.fr/discours/291917-agnes-pannier-runacher-08112023-sortie-des-energies-fossiles>

³⁶ To date, Just Energy Transition Partnerships have been signed with South Africa, Indonesia, Vietnam and Senegal.

<https://www.elysee.fr/front/pdf/elysee-module-18662-en.pdf>;

<https://www.elysee.fr/en/emmanuel-macron/2022/11/15/joint-statement-indonesia-and-international-partners-secure-groundbreaking-climate-targets-and-associated-financing>;

<https://www.gov.uk/government/publications/vietnams-just-energy-transition-partnership-political-declaration/political-declaration-on-establishing-the-just-energy-transition-partnership-with-viet-nam>

https://international-partnerships.ec.europa.eu/system/files/2023-06/political-declaration-for-a-jetp-with-senegal_en.pdf

³⁷ EU Environment Council Conclusions of 16 October 2023 on preparations for COP28 (ref. doc. 14285/23, §14).

³⁸ Decision 1/CP.27, §34: "Also highlights that delivering such funding will require a transformation of the financial system and its structures and processes, engaging governments, central banks, commercial banks, institutional investors and other financial actors".

Kunming-Montreal Global Biodiversity Framework and the Sustainable Development Goals (SDGs). The principles contained in this declaration must continue to be taken forward at COP28 and at the Annual Meetings of Boards of Governors of the IMF and World Bank and be concretely translated in MDB's strategies.

Finance flows, both public and private, must gradually be made compatible with low greenhouse gas emission and climate-resilient development. This is the third long-term goal of the Paris Agreement³⁹ and its operationalisation is a major challenge for the investments needed to achieve the mitigation and adaptation goals, and to respond to the loss and damage the most vulnerable countries are coping with. At COP27, a high-level dialogue (known as the "Sharm el-Sheikh Dialogue") was set up to begin discussing the issue in the form of two workshops, the second of which will be held at COP28 in Dubai. The EU wants to anchor this reflection under the UNFCCC for the long term. To that end, it has been requesting for a dedicated item to be put at the CMA agenda since 2022. Among EU Member States, France is particularly active on this issue.

The \$100 billion pledge (amount of finance that developed countries must mobilise per year for mitigation and adaptation actions in developing countries), initially set for 2020, should have been reached in 2023, but climate finance still needs to substantially increase to meet current and future needs. According to the OECD report published on 16 November 2023⁴⁰, climate finance mobilised by developed countries reached \$89.6 billion in 2021 and the \$100 billion mark was passed in 2022. However, the level of public and private climate financing still falls short of what is needed, and its growth trajectory needs to be significantly increased. Yet the recent second replenishment of the Green Climate Fund (for the 2024-2027 period) shows a stagnation in financial voluntary contributions from developed countries in 2023. This situation is likely to affect discussions on the new collective quantified goal on climate finance for the post-2025 period. This new target is to be set at COP29 but will be the subject of intense discussions at COP28.

Adaptation finance remains particularly insufficient, as noted by the Parties at COP26⁴¹. The Glasgow Pact set a collective target for developed countries to double finance for adaptation in developing countries by 2025 compared to 2019 (i.e. a total of around \$40bn by 2025)⁴². However, UNEP Adaptation Gap Report, published on 1 November 2023, assesses annual finance needs at \$160-340bn by 2030 and \$315-565bn by 2050.

France must secure the finance needed for transition actions at home and work to promote a reform of the European and international financial systems. In its 2023 annual report, the HCC recommended introducing a multi-year programme for climate finance to the government's budget framework⁴³, and reviewing European budgetary constraints for financing public investment and spending programmes to facilitate the transition⁴⁴. At international level, it recommended that France take forward the recommendations for reforming the World Bank and multilateral banks, including the new ones (AIIB and the New Development Bank), so that they rapidly commit to aligning their strategies with the goals of the Paris Agreement. Similarly, it considered that the International Monetary Fund should systematically integrate those goals into the policies and programmes on which the loans granted to beneficiary countries are dependent⁴⁵. Generally speaking, excluding fossil fuels from socially responsible investment labels increase the transparency of capital flows regarding their climate and the environmental impact, and enable a more reliable financial monitoring. France's efforts to secure the finance necessary for national action and international support are helping to promote global cohesion and just transition.

³⁹ Paris Agreement, Article 2.1c)

⁴⁰ https://www.oecd-ilibrary.org/environment/financement-climatique-fourni-et-mobilise-par-les-pays-developpes-en-2013-2021_40558351-fr

⁴¹ Decision 1/CMA.3, §14: "Notes with concern that the current provision of climate finance for adaptation remains insufficient to respond to worsening climate change impacts in developing country Parties".

⁴² Decision 1/CMA.3, §18.

⁴³ See HCC 2023 Annual Report (p. 71) – Public action framework – recommendation 1.6.

⁴⁴ See HCC 2023 Annual Report (p.167) – European action – recommendation 2.1.

⁴⁵ See HCC 2023 Annual Report (p.158) – International action, recommendation 1.3.

THE FUTURE FRAMEWORK FOR OPERATIONALISING THE GLOBAL GOAL ON ADAPTATION MUST PROMOTE A TRANSFORMATIONAL, SCIENCE-BASED, INCLUSIVE AND FAIR ADAPTATION

COP28 must promote effective, transparent, inclusive and fair adaptation. This must be based on the latest science and take account of natural ecosystems and biodiversity, while preventing mal-adaptation. If necessary, it must be able to encourage development aid to build institutional capacity to tackle structural vulnerabilities⁴⁶. One of the three long-term goals of the Paris Agreement is to build adaptive capacity, strengthen resilience and reduce vulnerability to climate change, with a view to contributing to sustainable development and ensuring an adequate adaptation response, in the context of the temperature goal referred to in the Agreement⁴⁷. In order to operationalise this Global Goal on Adaptation (GGA), a COP26 decision established the Glasgow–Sharm el-Sheikh Work Programme⁴⁸ and COP27 agreed to the development of a framework to guide the implementation and review of the progress towards the GGA achievement⁴⁹. This framework is due to be finalised and adopted in Dubai this year. It will have to be pragmatic and help countries to progress towards transformational adaptation at national level, while responding to the specific local context. The link with existing frameworks (e.g. the SDGs) will also be important, as will the need to avoid duplicating the global stocktake on adaptation component.

Faced with the impacts of climate change, every country, including France, must move away from the reactive, curative, fragmented and incremental approach that still prevails today to a systemic, anticipatory and preventive response, forming the basis for transformational adaptation. This requires the inclusion in current reference systems of foreseeable characteristics of future events with different probabilities of occurrence, including those of low probability, but whose potential impacts would be major. This also serves to scale equipment and services, risk zoning and the development of infrastructures and existing uses, or to anticipate capacity disruption in sensitive areas such as water supply. The development of general and specialised climate services is intended to facilitate transformational adaptation, but adaptation services must be designed for each sector, such as agriculture, forestry, health and infrastructures, and in support of integrated approaches.

This should be the rationale behind the next French National Climate Change Adaptation Plan (PNACC), which is currently under review, and should be consistent with a baseline warming trajectory for adaptation to climate change. This baseline trajectory aims to adapt gradually to a global warming level of +1.5°C by 2030, +2°C by 2050 and +3°C by 2100, i.e. a level of warming in mainland France of around +2°C by 2030, 2.7°C by 2050 and 4°C by 2100. It should make it possible to develop all the technical guidelines, standards and regulations that have a climate component, support the adaptation measures of local authorities and economic sectors, and protect ecosystems from the impacts of climate change. Climate change is likely to exacerbate social inequalities in health, but also in the workplace, regional inequalities and inter-generational inequalities, particularly for vulnerable and/or marginalised groups, both within and between countries. Successful adaptation is equitable and offers co-benefits for people and for the health of ecosystems, while helping to reduce GHG emissions.

⁴⁶ See HCC 2023 Annual Report (p.159) – International action, recommendation 2.3.

⁴⁷ Paris Agreement, Article 7(1)

⁴⁸ Decision 7/CMA.3.

⁴⁹ Decision 3/CM4, §8-10.

THE ESTABLISHMENT OF NEW FUNDING ARRANGEMENTS FOR RESPONDING TO LOSS AND DAMAGE, AND IN PARTICULAR THE OPERATIONALISATION OF THE FUND CREATED AT COP27, IS A MAJOR INTERNATIONAL SOLIDARITY CHALLENGE FOR COP28

At COP28, the operationalisation of the decision taken at COP27⁵⁰ will be crucial for restoring the confidence of developing countries and meeting the needs of the most vulnerables, in a situation where loss and damage will continue to increase in the future. While COP27 did not make significant progress on mitigation ambition, it did on the issue of loss and damage : the Parties decided to establish new funding arrangements to assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to loss and damage, including through the creation of a dedicated fund. To meet the challenges, the HCC believes that a range of solutions will need to be considered both within and outside the UNFCCC, including through development aid.

The development of early warning systems⁵¹ should play a important role in the future architecture, as should the “build back better” principle, which should be fully taken into account in the general operation of existing or future arrangements. The discussions held this year, particularly those that took place within the framework of the Transitional Committee on Loss and Damage (TC), revealed profound differences between developed and developing countries’ views concerning the definition of the funding arrangements and the operating modalities of the fund (question of priority allocation of funds to the most vulnerable developing countries, broadening of the contributor base and hosting of the fund by the World Bank). The compromise text adopted on 4 November 2023⁵², which includes the TC’s recommendations to be submitted for consideration at the COP, represents a step forward for the discussions in Dubai. The issue of the replenishment of the Fund will also be raised.

France can help by promoting options for supporting the Loss and Damage Fund, particularly with regard to the development of the methodological aspects relating to impact and attribution studies⁵³, post-disaster resilient development approaches, and the identification of new financial resources. The establishment of funding arrangements, in accordance with the conclusions of COP27, must meet the very high expectations that exist with regards to assuming responsibility for and support of measures to address, prevent and minimise permanent or unusual loss and damage associated to the adverse effects of climate change. This point reflects an essential dimension of the just transition. The mechanisms concerned should make it possible to go beyond the stage of dealing with each disaster event by event and be based on assessments of the probable impacts expected area by area, anticipating the sizing of the funds in a proportionate manner⁵⁴.

⁵⁰ Decision 2/CP.27 - Funding arrangements for responding to loss and damage associated with the adverse effects of climate change, including a focus on addressing loss and damage.

⁵¹ The "Early warning systems for all" initiative, launched in 2022 by the United Nations Secretary General, with funding of \$3.1 billion, aims to ensure that everyone on the planet is protected by an early warning system by 2027. The Climate Risk Early Warning Systems (CREWS) initiative, launched in 2015, is helping to improve the availability of these systems for the benefit of the Least Developed Countries (LDCs) and Small Island Developing States (SIDS) in several regions of the world (Africa, Pacific, Caribbean).

⁵² Co-Chairs’ proposal – version of 4 November 2023 - fifth meeting of the Transitional Committee (TC5/2023/4/Rev.2) "Operationalization of the new funding arrangements, including a fund, for responding to loss and damage referred to in paragraph 2 and paragraph 3 of decisions 2/CP.27 and 2/CMA.4".

⁵³ The attribution of events to climate change is the subject of chapter 1 WGII AR6, p.149. See also King et al. (2023), "Event attribution is not ready for a major role in loss and damage", Nature Climate Change, 13, pages 415–417.

⁵⁴ Ref. Clarke et al. (2023) Nature, 623, p. 689.

THE CONTRIBUTION OF NON-STATE ACTORS TO THE IMPLEMENTATION OF THE PARIS AGREEMENT, AS WELL AS THE SECTORAL INITIATIVES MUST BE SUBJECT TO ENHANCED MONITORING AND ACCOUNTABILITY

Action by non-state actors is one of the four pillars of the Paris Agreement, which recognises the importance of their contribution to climate action. Since COP26, the presence of non-state actors at COP has grown considerably, with Conferences of the Parties bringing together between 50,000 and 70,000 participants (around 90,000 people are expected in Dubai this year). Alongside governments, various stakeholders - business, NGOs, local authorities, etc. - are making commitments on a wide range of climate related issues (transport, forests, hydrogen, oil and gas sector, etc.). For its part, the UAE Presidency plans to present a number of political declarations and initiatives, in particular to address the links between climate change and other issues, such as sustainable agriculture and food systems, emergency relief, recovery and peace, or health⁵⁵. Against this backdrop of multiple issues, it is essential to ensure that the commitments made at each COP are genuine, by checking that they really do help to raise ambition and speed up climate action, and by strengthening existing mechanisms. In this respect, the Breakthrough Agenda Initiative is a first attempt to formalise a monitoring of the sectoral commitments announced at COP26⁵⁶. With regard to the voluntary commitments made by governments, an extension of the MRV (Measurement, Reporting and Verification) mechanisms under the UNFCCC could be investigated.

Within the existing voluntary frameworks, countries should now take action and strengthen their commitments, particularly with regard to the Global Methane Pledge. Launched in 2021 by the United States of America and the European Commission, it currently brings together more than 150 countries with the ambition of reducing methane emissions by 30% between 2020 and 2030. To make their commitment credible, the signatory states should specify their respective contributions to this collective goal, which could reduce global warming by around 0.2°C by 2050, and these elements could be included in future NDCs. The methane issue has gained prominence in international discussions, but some major emitters, such as China, Russia, India and Turkmenistan, have not joined the Global Methane Pledge yet. Progress has recently been made at European level with the agreement reached on the draft regulation on methane emissions reduction in the energy sector⁵⁷, which should make European oil and gas production and imports subject to greater obligations.

France can support sectoral commitments and those of non-state actors by improving their monitoring. The conclusions of the High-Level Expert Group on the Net-Zero Commitments, presented at COP27, must be promoted by France and implemented regarding its own commitments⁵⁸. In its annual report for 2023, the HCC also encourages France to clarify its national methane reduction target and identify the sectors concerned⁵⁹. At international level, France could encourage the establishment of accountability mechanisms for non-state actors which, backed up by an MRV system, would make it possible to substantiate the specific progress made as part of the action agenda. The new cycle of ambition, which began with the global stocktake and should lead to the presentation of new, enhanced national contributions at COP30, in accordance with the requirements of the Paris Agreement 'ratchet

⁵⁵ See Letter to the Parties to the UNFCCC from the President-designate of COP28 in October 2023: https://unfccc.int/sites/default/files/resource/cop28_publish_letter_october_2023_enfinal.pdf

⁵⁶ The annual Breakthrough Agenda report, published in September 2023 by the IEA, IRENA and the UNFCCC Climate Change High-Level Champions, shows that current levels of investment in and rollout of the various initiatives are insufficient to achieve the international climate goals assigned to them.

⁵⁷ In line with the agreement reached on 15 November 2023 by the European Parliament and the EU Council, the draft regulation stipulates that from 2027, European oil and gas imports will be subject to the same obligations as EU production.

⁵⁸ See HCC (2023), HCC 2023 Annual Report "*Acter l'urgence, engager les moyens*" Acknowledge the urgency, commit the resources, International action, recommendation 3.1. (p. 159): "Publish a follow-up of the international "sectoral" measures supported by France before COP28, and annually thereafter".

⁵⁹ See HCC (2023), HCC 2023 Annual Report "*Acter l'urgence, engager les moyens*" Acknowledge the urgency, commit the resources, International action, recommendation 3.2. (p. 159).

mechanism⁶⁰, could also integrate the action of non-state actors, either in the NDCs or within a dedicated institutional mechanism⁶¹. However, political declarations and initiatives, while useful for exploring certain topics, or enabling certain stakeholders and governments to go further in their commitments, must not take precedence over the decision-making process established under the COP.

⁶⁰ Paris Agreement, Article 4(3): "Each Party's successive nationally determined contribution will represent a progression beyond the Party's then current nationally determined contribution and reflect its highest possible ambition, reflecting its common but differentiated responsibilities and respective capabilities, in the light of different national circumstances."

⁶¹ The UNEP report of 7 November 2023 entitled "Strengthening transparency of NSA" provides some ideas for integrating the actions of non-state actors into existing reporting systems.