



# The Global Stocktake's Impact on Climate Governance, Transparency, and Transitions

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# GLOBAL STOCKTAKE IMPACT



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## ABSTRACT

The Global Stocktake (GST) is an essential mechanism within the framework of the Paris Agreement, designed to assess collective progress towards addressing climate change and enhancing global climate action. The Global Stocktake serves as a pivotal component of the Paris Agreement’s overarching goal to limit global warming to well below 2 degrees Celsius above pre-industrial levels. Its cyclical nature, occurring every five years, involves comprehensive assessments of countries’ climate actions, adaptation efforts, and their contributions to the achievement of global climate goals. The inaugural Global Stocktake, undertaken during the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties 28 (COP 28), culminated in the United Arab Emirates (UAE) Consensus, with several highlights including a steer for States to “transition away from fossil fuels”. This policy brief explores the broader implications and outcomes of the GST for various stakeholders to “ratchet up” ambition, an obligation under the Paris Agreement. With the GST’s inaugural cycle now complete, this policy brief analyses how this process will intersect with and inform the evolving landscape of international law and sets higher ambition to advance action on the targets contained in Sustainable Development Goal 13 on Climate Action and Sustainable Development Goal 7 on Affordable and Clean Energy, among others.

**Key words:** Global Stocktake; climate change renewable energy

## KEY MESSAGES

- **Integration of Climate Action into National Policies and International Law:** The Global Stocktake (GST) outcomes mandate State Parties to formulate Nationally Determined Contributions (NDCs) that reflect escalating ambition and are informed by the GST findings. These contributions must encompass comprehensive climate strategies, including renewable energy expansion and transitioning away from fossil fuels. The GST also represents a transformative approach in international law, advocating for a collaborative and inclusive process that involves both state and non-state actors in climate governance.

# DEFINITIONS

## 1. GST: GLOBAL STOCKTAKE

- Comprehensive assessments of countries' climate actions, adaptation efforts, and their contributions to the achievement of global climate goals that occurs every five years.

## 2. NDC: NATIONALLY DETERMINED CONTRIBUTIONS

- Contributions that are state mandated which are reflective of escalating ambition for climate mitigation and are informed by the GST findings. These contributions must encompass comprehensive climate strategies, including renewable energy expansion and transitioning away from fossil fuels.

## 3. COP: CONFERENCE OF THE PARTIES

- The series of international climate change meetings hosted annually since 1985 (COP 1).

## 4. IPCC: INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE

## 5. CCUS: CARBON CAPTURE, UTILIZATION, AND STORAGE

- Methods to reduce, remove, or stop atmospheric carbon emissions.

## 6. UNFCCC: UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

- A international treaty to combat climate change.

## • Urgent Transition to Renewable Energy and Enhanced Climate Ambition:

The Global Stocktake (GST) emphasizes the critical need for a global transition away from fossil fuels towards renewable energy and energy efficiency. This shift is vital for achieving the Paris Agreement's goal of limiting global warming to well below 2 degrees Celsius and pursuing efforts to limit the temperature increase to 1.5-degrees. The outcomes of the GST highlight the importance of setting ambitious, measurable targets for reducing greenhouse gas emissions and increasing renewable energy capacity.

## • Collaborative Efforts and Accountability in Climate Governance:

The Global Stocktake underscores the need for heightened collaboration and synergy among various stakeholders, including policymakers, the private sector, and financial institutions, to foster innovative solutions for a low-carbon future. It calls for robust policy formulations and the scaling-up of climate law and governance capacities. The process advocates for transparency, accountability, and continuous improvement, aiming to reshape international climate law and ensure the realization of the Paris Agreement's objectives.

## INTRODUCTION

### Overview of the Global Stocktake

The Global Stocktake (GST) is a central element of the Paris Agreement, which represents a global effort to mitigate climate change by limiting global warming to well below 2 degrees Celsius above pre-industrial levels, with efforts to limit the increase to 1.5 degrees Celsius above pre-industrial levels.<sup>3</sup> The GST, which is scheduled to take place every five years, is a critical mechanism within the agreement designed to assess the collective progress towards achieving its long-term goals

### The History of Negotiations

The history of the negotiation of the Global Stocktake (GST) is testament to the international community's recognition of the need for a transparent, inclusive, and comprehensive review process. The GST draft negotiation text was introduced during the 20th Conference of the Parties (COP 20) in Lima, and concluded at the 21st Conference of the Parties (COP 21) in Paris, where the Agreement was formulated.<sup>4</sup> The detailed modalities of the GST were later agreed upon during the Conference of the Parties (COP 24) in Katowice in 2018, reflecting a complex balance of interests among various stakeholders.<sup>5</sup> This process was informed by the principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC), acknowledging the different capacities and contributions of countries to global emissions.

### Significance of the Global Stocktake

The significance of the Global Stocktake (GST) lies in its role as a periodic review mechanism that enhances transparency, builds trust, and promotes mutual learning among parties. It assesses collective progress in three areas: mitigation of climate change, adaptation to its impacts, and the means of implementation and support, including finance, technology transfer, and capacity-building. The GST is designed to provide a global overview of these efforts, highlighting successes, identifying gaps, and recommending areas for improvement.

Crucially, the GST is not merely a stocktaking exercise but is also intended to inform subsequent rounds of nationally determined contributions (NDCs), which are the commitments made by each country to reduce national emissions and adapt to the impacts of climate change. The GST therefore plays a pivotal role in the Agreement's "ratchet mechanism," which envisages progressively





more ambitious climate action over time.<sup>6</sup> By providing a regular assessment of global progress, the GST encourages countries to enhance their NDCs, ensuring that the collective response to climate change remains on track to meet the Paris Agreement’s objectives.

Moreover, the GST holds implications for international law. It reflects a changing approach toward international cooperation, moving away from a top-down imposition of targets to a more collaborative, bottom-up process that respects national sovereignty while fostering global accountability. The GST’s inclusive and participatory nature, involving not only governments but also non-state actors and civil society, marks a shift in how international law engages diverse stakeholders in addressing global challenges. By fostering a culture of transparency, accountability, and continuous improvement, the GST is indispensable in realizing the ambitious goals of the Paris Agreement and ensuring a sustainable future for all.

## **Background to the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties 28 (COP 28)**

According to the Intergovernmental Panel on Climate Change (IPCC) in its Sixth Assessment Report, the planet’s average surface temperature has risen about 1.1 degrees Celsius since the late 19th century. This change has been driven largely by increased carbon dioxide (CO<sub>2</sub>) and greenhouse gas emissions into the atmosphere caused by human activities. Most of the warming occurred in the past 40 years, with the last seven years being the warmest on record.<sup>7</sup> The World Meteorological Organization (WMO) states that global mean sea level has risen by about 8-9 inches (21-24 centimetres) since 1880, with about a third of that coming in just the last two and a half decades. The rate of increase has accelerated in recent years, posing significant risks to coastal communities, ecosystems, and infrastructure.<sup>8</sup> The United Nations Environment Programme (UNEP) highlights that climate change is increasing the frequency and severity of extreme weather events. This includes more intense heatwaves, longer drought periods, heavier rainfall, and more severe hurricanes and typhoons. These events not only have devastating immediate impacts but also long-term socio-economic repercussions for communities around the globe.<sup>9</sup>

## CONTEXT SETTING

### The United Arab Emirates Presidency's priorities

In the face of these challenges, the United Arab Emirates (UAE) was tasked with the Conference of the Parties (COP) Presidency in the year of the Global Stocktake (GST) and played a pivotal role in providing early signals and setting expectations of stakeholders. This was a moment for the Gulf region, traditionally known for its oil-based economies, to demonstrate leadership in global climate discourse. The UAE Presidency's priorities for the conference were, from the outset, reflective of both regional characteristics and a progressive vision for climate action.

A primary focus of the UAE Presidency was balancing climate action with socio-economic and sustainable development. As an oil-producing country, the UAE was keen to showcase how nations could balance economic growth with ambitious climate action. Investments in renewable energy, particularly solar power, positioned the UAE as a leader in the transition to a low-carbon economy, offering a model for other resource-rich countries.<sup>10</sup>

Innovation and technology were also central to the UAE's agenda. COP28 under the UAE Presidency aimed to emphasise advancing renewable energy technologies, carbon capture and storage, and green hydrogen.<sup>11</sup>

Adaptation and resilience were critical, given the UAE's geographical location and its exposure to climate change impacts like water scarcity and extreme temperatures. The UAE Presidency in early messaging prioritized adaptation measures for vulnerable communities and ecosystems, encompassing infrastructure development, capacity building, and knowledge sharing.<sup>12</sup>

Enhancing climate finance was another key aspect of the UAE's agenda. Recognizing the importance of financial resources for developing countries to implement their climate action plans, COP28 under the UAE Presidency focused on scaling up financial support, improving access to finance, and ensuring transparency and effectiveness in its use.<sup>13</sup>

Lastly, the UAE Presidency underscored the importance of inclusivity and global collaboration in the climate dialogue. Recognizing the role of non-state actors, including the private sector, civil society, and indigenous communities, the conference aimed to ensure broad-based engagement in climate action. This approach aligned with the collaborative spirit of the Paris Agreement and was essential for global climate efforts.<sup>14</sup>

## ANALYSIS

### Outcomes of the Global Stocktake

The negotiating setting for the Conference of the Parties 28 (COP 28) is critical to better appreciate the outcomes of the Global Stocktake (GST), which represent a pivotal moment in the international response to climate change, reflecting both progress and ongoing challenges in the collective effort to mitigate and adapt to its impacts. This section explores the key elements of the final stocktake deal, focusing on its implications, strengths, and shortcomings.

The centrepiece of the stocktake outcome is the commitment to transitioning away from fossil fuels, a crucial step given the urgency of reducing greenhouse gas emissions. This transition is contextualized within the broader goal of achieving deep, rapid, and sustained emissions reductions in line with keeping global temperature rise below 1.5°C.<sup>15</sup> The adopted text also calls for a substantial increase in renewable energy capacity and improvements in energy efficiency. Specifically, it aims to triple renewable energy and double the rate of energy efficiency improvements by 2030.<sup>16</sup> These targets are vital for reducing reliance on fossil fuels and are aligned with the broader goal of reducing emissions.

The text endorses the acceleration of zero- and low-emissions technologies, including carbon capture, utilization, and storage (CCUS).<sup>17</sup> While CCUS is recognized as a tool for reducing emissions, particularly in hard-to-abate sectors, its inclusion is seen as a potential loophole for continuing business-as-usual practices under the guise of emissions reduction. The outcome emphasizes the need to substantially reduce non-carbon dioxide greenhouse gases, particularly methane, by 2030.<sup>18</sup> Methane, a potent greenhouse gas, plays a significant role in short-term warming, and its reduction is crucial for meeting climate targets.

The GST also calls for phasing out inefficient fossil fuel subsidies that do not contribute to addressing energy poverty or just transitions.<sup>19</sup> It also recognizes the role of transitional fuels, such as natural gas, in the energy transition.<sup>20</sup> However, this acknowledgment is not linked to specific actions, raising concerns about the commitment to moving away from fossil fuels.

The GST goes beyond emissions reduction and mitigation, covering the entirety of the Paris Agreement. This includes adaptation,<sup>21</sup> finance,<sup>22</sup> capacity building, technology, loss and damage,<sup>23</sup> response measures, and international cooperation. This holistic approach is essential for addressing the multifaceted nature of climate change and ensuring that all aspects of the Paris Agreement are implemented effectively.



## Future Conference of the Parties and Global Stocktake outcomes

It provides guidance for countries in developing their next national climate pledges under the Paris regime. It stipulates that pledges should be submitted well in advance of Conference of the Parties 30 (COP 30) and should be ambitious, covering all greenhouse gases, sectors, and categories. This guidance is crucial for ensuring that future pledges are aligned with the 1.5°C target and are comprehensive in scope. The adopted text also establishes a road map under the guidance of the presidencies of COP 28, COP 29, and COP 30 to enhance international cooperation and implementation efforts.<sup>24</sup> This initiative aims to stimulate ambition and action over the critical decade ahead, keeping the 1.5°C target within reach.<sup>25</sup> It underscores

the importance of international collaboration in addressing climate change and the need for concerted efforts to meet the commitments of the Paris Agreement.

A separate dialogue will run from 2024 to 2028 to ensure the implementation of the stocktake outcomes.<sup>26</sup> This ongoing engagement is vital for maintaining momentum and ensuring that the commitments made are translated into concrete actions. The final deal also highlights the need for countries to include information on how their pledges have been informed by the stocktake, opening-up a pathway for States' peer-to-peer accountability.



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## CONSIDERATIONS

### Factors influencing a successful future stocktake

The success of the stocktake will ultimately depend on the willingness of countries to translate these commitments into action and on the strength of international cooperation in the years ahead. This decision's historical significance lies in its continuation of the Paris Agreement's ambition mechanism. The GST, henceforth a quinquennial event, serves as a precursor to the subsequent communication of increasingly ambitious Nationally Determined Contributions (NDCs). As per the Agreement, 2025 marks a mandatory juncture where each Party is legally obligated to present a successive NDC.

The essence of this decision's legal imperative is not merely in its textual use of "decides", but in its stipulation that each Party's NDC must be informed by the Global Stocktake's outcomes, as outlined in Articles 4.9 and 14.3 of the Paris Agreement. This necessitates a thorough analysis of the GST text by each State Party, culminating in a 2025 NDC that includes a detailed, country-specific plan covering renewable energy, transition from fossil fuels, and the preservation of nature, oceans, and biodiversity.

The Paris Agreement's timelines are firmly in motion, with the first Biennial Transparency Reports (BTRs) due in 2024, followed by successive NDCs and BTRs at regular intervals. Each NDC must demonstrate progression from its predecessor and embody the highest feasible ambition of the respective Party. In light of these developments, it is imperative for policymakers to recalibrate their ambitions within their NDCs, guided by international legal obligations and the collective goal of limiting global warming to 1.5°C. This approach is a legal necessity but also our most promising strategy for mitigating climate change and will require the participation of all stakeholders.

### The role of policymakers in renewable energy and decarbonisation

For actors in the renewable energy supply chain, a strategic approach should involve close engagement with policymakers. This collaboration is crucial for enhancing the competitiveness of regional manufacturing, which can be achieved through incentives and support mechanisms. Additionally, it is essential to drive for regional diversity across the entire supply chain to mitigate



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risks associated with over-reliance on specific regions. A vital component of this strategy is the creation of demand signals necessary for the build-out of renewable energy infrastructure. While not directly within the decision text, this consideration is vital to improve the prospects of achieving the United Arab Emirates (UAE) Consensus in the face of significant odds.

Policymakers play a pivotal role in enabling the scaling of low-carbon technologies. While specific recommendations while depend on the jurisdiction in question, a successful energy sector decarbonisation strategy might be achieved by accelerating permitting processes, thus reducing the time and complexity associated with launching new projects. Redesigning energy markets could be essential to accelerate and de-risk the buildout of renewable energy and energy efficiency solutions. Policymakers could also trigger anticipatory

investments into grid build-out to ensure infrastructure readiness, while driving for transparent standards and accountability is crucial for maintaining public trust and ensuring that environmental and social goals are met. Lastly, a re-examination of fossil fuel subsidies is necessary to ensure that energy prices accurately reflect the environmental and climate costs associated with their use.

Countries need to implement robust policies and regulations to accelerate methane abatement, focusing on sector-specific standards and rules. Establishing and implementing effective monitoring, reporting, and scrutiny mechanisms is essential for tracking progress and ensuring compliance. Facilitating access to funds and encouraging collaboration and knowledge transfer are crucial for the widespread adoption of methane abatement strategies.

## CONCLUSION

The culmination of the inaugural Global Stocktake (GST) under the Paris Agreement marks an important moment in the evolution of international climate governance. This comprehensive review, crystallized in the United Arab Emirates (UAE) Consensus at Conference of the Parties (COP 28), elucidates the urgent imperative to transition from fossil fuels to a paradigm anchored in renewable energy and energy efficiency. However, the aspirations encapsulated in the GST outcomes also necessitate a profound escalation in climate law and governance capacities globally.

As we progress towards 2025, the legal framework established by the Paris Agreement mandates State Parties to articulate Nationally Determined Contributions (NDCs) of escalating ambition, informed and shaped by the GST's findings. This requirement signifies a legal as well as a moral obligation for nations to integrate comprehensive climate strategies into their policy architectures. These strategies must encompass a holistic approach, addressing renewable energy expansion, the phasing out of fossil fuels, and the stewardship of natural resources.

### Policy's role in achieving the Global Stocktake's outcomes

The Global Stocktake's (GST) outcomes underscore the pivotal role of a diverse array of stakeholders in bridging the capacity chasm in climate governance. Policymakers, private sector entities, and financial institutions are called upon to synergize efforts in fostering innovative solutions, diversifying supply chains, and steering the global economy towards a low-carbon future. Central to this endeavour

is the advancement of renewable energy technologies, the acceleration of sustainable practices, and effective strategies for methane reduction.

The implications of the GST extend beyond its function as a periodic evaluative mechanism; it is poised to significantly reshape the contours of international climate law. By advocating for heightened transparency, accountability, and a commitment to continuous improvement, the GST underpins the realization of the Paris Agreement's ambitious goals. This inclusive process, engaging state and non-state actors alike, signifies a transformative shift in international legal approaches to addressing the multifaceted challenges of climate change.

### How the Global Stocktake's (GST) outcomes can be translated into climate action

Looking forward, the efficacy of the Paris Agreement and the Global Stocktake (GST) will be contingent on the global community's resolve to translate these commitments into tangible action.

The vast scaling-up of climate law and governance capacity necessitated by the GST's outcomes highlights the urgency of collaborative approaches and innovative policy formulations. As the world navigates this critical decade of climate action, the guidance provided by the GST must remain a cornerstone, steering nations towards a sustainable and resilient future. In addressing these, the international community stands not only before a legal challenge but also a profound ethical responsibility, pivotal for safeguarding the welfare of both present and future generations.

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