



NDC ASPECTS

Policy Brief

Maximising the Impact of the Global Stocktake:
Options for Design and Implementation

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Key messages

- The collective nature of the Global Stocktake (GST) does not allow for a Party-by-Party discussion of progress and options for the way forward. Nonetheless, the consideration of progress could be disaggregated in other ways to make best use of the rich and comprehensive information collected by breaking it down into manageable pieces. A sectoral approach to the GST would be especially useful in this regard, as sectors constitute the communities of action which climate policy needs to address. Moreover, each sector has distinct opportunities and challenges. Organising the GST to accommodate a sectoral approach would help reveal collective sectoral ambition gaps, highlight additional mitigation potentials and promote knowledge and learning on how to tap into these potentials. Involvement of sectoral ministries would amplify these effects.
- While the Paris Agreement and Decision 19/CMA.1 do not provide an explicit entry point for a sectoral approach, it could nevertheless be pursued under several of the broadly formulated ‘guiding questions’ listed in the revised non-paper by the Subsidiary Body Chairs.
- To ensure procedural fairness and boost transparency and accountability, equitable access should be guaranteed for developing country government delegations and different stakeholder groups. Equitable treatment of non-Party stakeholders’ inputs and perspectives includes early communication of time frames and procedures.
- To strengthen the follow-up of the GST outcomes, GST cycles should culminate in a high-level event at the level of heads of state and government, and an associated COP decision and/or declaration acknowledging the Paris Agreement’s long-term goal, stating collective overall and collective sectoral climate ambition and committing to further action needed. The core of a detailed technical summary of available options, best practices and recommendations could be recommendations for sectoral decarbonisation targets and roadmaps.

Introduction

The five-yearly Global Stocktake (GST) plays an essential role in the overall ambition mechanism of the Paris Agreement on climate change by ‘assess[ing] the collective progress towards achieving the purpose of this Agreement and its long-term goals’.¹ With the GST, Parties have created a mechanism through which they can collectively assess whether their ambitions and actions to achieve the Paris objectives are aligned with the latest scientific insights. The outcome of the GST ‘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’.²

¹ Paris Agreement, Article 14(1).

² Paris Agreement, Article 14(3).



Decision 19/CMA.1, adopted as part of the Paris Rulebook in 2018, distinguishes three components of the GST:

- *Information collection and preparation (GST-ICP)*, in which a wide range of inputs from both Parties and other stakeholders are compiled and synthesised.
- *Technical assessment (GST-TA)*, through which the information collected would be discussed and assessed; this component is supposed to revolve around an open, inclusive, transparent and facilitative ‘technical dialogue’, addressing the three main thematic areas of mitigation, adaptation and means of implementation, as well as the cross-cutting areas of impacts of response measures and loss and damage.
- A high-level *consideration of output (GST-CO)*, in which the outcomes of the other two components are discussed at high-level events, and which may result in the adoption of a CMA decision and/or a declaration.

While Decision 19/CMA.1 thus sets out the broad parameters for the design and implementation of the GST, it does not provide all the necessary details of how the process will be organised. To offer clarity in this respect, the Chairs of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI) have been requested to ‘develop guiding questions for all components of the global stocktake, including specific thematic and cross-cutting questions’ and to ‘organize the global stocktake in a flexible and appropriate manner, to work on identifying opportunities for learning-by-doing, including for assessing collective progress, and to take the necessary steps for the consideration of inputs as they become available’.³

With the GST-ICP due to start at COP26 in Glasgow,⁴ there is an urgent need to identify how the GST could be organised so as to maximise the effectiveness of the process. Specifically, there is a need to better understand how the GST can influence national policymaking processes so as to increase ambition. In this policy brief, we apply the concept of the governance functions of international institutions to contribute to this understanding. While we recognise the importance and interrelatedness of all three thematic areas of the GST, this policy brief focuses on mitigation. However, to strengthen collective climate ambition, it will be important to link the GST outcomes of all three thematic areas (mitigation, adaptation and means of implementation).

Governance Functions of the Global Stocktake

The GST is an international governance mechanism with a dual nature: it is both (1) an evaluative system, as the GST assesses the collective performance towards a benchmark (the long-term goals of the Paris Agreement); and (2) a decision-making/communication process of the Parties consisting of a series of events taking place over a period of two years.

³ Decision 19/CMA.1, Matters Relating to Article 14 of the Paris Agreement and Paragraphs 99–101 of Decision 1/CP.21, FCCC/PA/CMA/2018/3/Add.2 (19 March 2019), paragraphs 7 and 16.

⁴ ‘Preparing for the First Global Stocktake: Revised Non-Paper by the Chairs of the SBSTA and SBI’ (15 September 2021), https://unfccc.int/sites/default/files/resource/REV_Non-paper_on_Preparing_for_GST1_forSBs_15Sept.pdf.

To analyse how the GST may best serve to catalyse the enhancement of actions and support, this brief builds on previous scholarship on the potential functions and effects of global governance. International institutions may employ a range of governance functions to help address problems such as climate change. The GST may in particular contribute to three governance functions as summarised in the table below.⁵

Governance Function	Description	Key Features and Main Added Value
Guidance and Signal	International institutions can signal the resolve of members to pursue a certain course of action; these signals derive from the principles and objectives on which such institutions are based, which can provide direction beyond the institution	<ul style="list-style-type: none"> • Agreement on principles and objectives • Helps align actors across countries and governance levels
Transparency and Accountability	International institutions may enhance the transparency of the actions taken by their members by collecting and analysing relevant data, and identifying and addressing problems in implementation of agreed rules and standards	<ul style="list-style-type: none"> • Reporting, review, compliance • Contributes to reciprocity, effective implementation and mutual trust
Knowledge and Learning	International institutions may create knowledge as well as platforms for individual and social learning. The aim is creation and diffusion of scientific, economic, technical and policy-related knowledge on the understanding of and/or possible solutions to the problem at hand	<ul style="list-style-type: none"> • Generation and collective appraisal of information and knowledge • Policy learning • Improved and shared understanding • Improved policies

These functions can be related to the three guiding questions that were used to structure the 2018 Talanoa Dialogue. ‘Where are we now’ relates to the function of transparency and accountability; ‘where do we need to go’ relates to the guidance and signal function; and ‘how do we get there’ involves knowledge and learning.⁶

These governance functions can be achieved not only through the potential outputs of the GST, such as a COP decision and/or a political declaration, but also through the very process of the GST. Overall, the extent to which these governance functions are fulfilled determines the extent to which the GST may affect relevant behaviour and enable Parties as well as non-Party stakeholders to strengthen their climate ambitions. Conversely, the design and organisation of the GST influences the achievement of these governance functions.

Guidance and Signal – Where Do We Need to Go?

The GST is an opportunity to further strengthen and refine the guidance and signal stemming from the Paris Agreement. The Agreement’s long-term temperature goal, along with the goal to achieve greenhouse gas neutrality in the second half of the century, provide a high-level, collectively agreed vision for global transformation. Re-

⁵ Sebastian Oberthür, Lukas Hermwille and Tim Rayner, ‘A Sectoral Perspective on Global Climate Governance: Analytical Foundation’ (2021) 8 *Earth System Governance* 100104. Two additional governance functions – (1) setting rules to facilitate collective action and (2) capacity building, technology and finance – are not covered here as they are less relevant in the GST context and are covered by other elements of the international climate regime.

⁶ Wolfgang Obergassel, Lukas Hermwille, Anne Siemons and Hannah Förster, ‘Success Factors for the Global Stocktake under the Paris Agreement’ (Wuppertal Institute 2019).

fining the signal provided by the Paris Agreement could not only help guide the strengthening of existing and development of new NDCs, but could also serve as an updated reference point for a variety of initiatives (including by non-state and subnational actors) and help channel attention to the challenges that need to be overcome on the ground. Further concretising the benchmark against which collective progress will be assessed periodically in the light of the most recent science, the GST can re-iterate and strengthen the signals sent by the Paris Agreement and thereby contribute to the normalisation of ambitious climate action and shift expectations of stakeholders across all governance levels.⁷ For example, the GST could pick up on the recent wave of ‘net-zero by 2050’ announcements, which can be considered a further elaboration of the long-term goal of the Agreement and a concretisation of this goal in more specific terms. The GST could also work to unpack the relationship between the Paris Agreement’s long-term goals and short-term ambitions. For instance, the Intergovernmental Panel on Climate Change Special Report on the 1.5°C limit considered that global carbon dioxide emissions need to be roughly halved by 2030 to maintain a reasonable chance of keeping below 1.5°C.⁸ If the GST was able to adopt such findings, it would significantly strengthen the guidance and signal sent by the Paris Agreement.

The GST could also endeavour to break the global mitigation objectives down to the individual emitting sectors and develop timelines and roadmaps for each sector to achieve (net) zero emissions.⁹ Sectors constitute communities of action by which goods and services are produced and thereby establish the arenas which international climate policy needs to address.¹⁰ Policies and measures that need to be implemented to achieve NDCs are mostly sectoral, and governments are largely organised along sectoral lines. The current global net-zero goal, however, provides no clarity about which sectors and actors must reduce their emissions to zero (or below) and the time frames within which the transition should occur. A sectoral breakdown of the Agreement’s global ambitions could provide better and more detailed guidance to sectoral actors.

The GST could also assess and/or endorse existing sectoral visions (e.g., from intergovernmental or transnational sectoral governance initiatives). Work in this direction is already underway for example in the Marrakech Partnership for Global Climate Action (MPGCA), where various sectoral ‘climate action pathways’ have been identified.¹¹ However, the linkage between these activities and the UNFCCC/Paris Agreement process could still be strengthened. Holding such discussions within the framework of the GST could enhance the impact on Parties’ policies. A possible link has already been established in the revised non-paper on the GST by the Subsidiary Body Chairs, which mentions working together with the High-Level Champions and the MPGCA.

In terms of process, it would be useful if the high-level consideration of output included an event at the level of heads of state and government. This would strengthen the guidance and signal function of the GST, amplifying

⁷ Lukas Hermwille, Anne Siemons, Hannah Förster and Louise Jeffery, ‘Catalyzing Mitigation Ambition under the Paris Agreement: Elements for an Effective Global Stocktake’ (2019) 19(8) *Climate Policy* 988–1001; Louise Jeffery, Anne Siemons, Hannah Förster, Christian Nissen, Lukas Hermwille and Nico Kreibich, ‘The Challenges of Assessing “Collective Progress”: Design Options for an Effective Global Stocktake Process under the UNFCCC’ (Umweltbundesamt 2021).

⁸ IPCC, ‘Summary for Policymakers’ in *Global Warming of 1.5°C* (IPCC 2018).

⁹ Lukas Hermwille, Anne Siemons, Hannah Förster and Louise Jeffery, ‘Catalyzing Mitigation Ambition under the Paris Agreement: Elements for an Effective Global Stocktake’ (2019) 19(8) *Climate Policy* 988–1001; Louise Jeffery, Anne Siemons, Hannah Förster, Christian Nissen, Lukas Hermwille and Nico Kreibich, ‘The Challenges of Assessing “Collective Progress”: Design Options for an Effective Global Stocktake Process under the UNFCCC’ (Umweltbundesamt 2021).

¹⁰ David G. Victor, Frank W. Geels and Simon Sharpe, ‘Accelerating the Low Carbon Transition: The Case for Stronger, More Targeted and Coordinated International Action’ (2019), <http://www.energy-transitions.org/content/accelerating-low-carbon-transition>.

¹¹ UNFCCC, ‘Climate Action Pathways’, https://unfccc.int/climate-action/marrakech-partnership/reporting-and-tracking/climate_action_pathways.

the messages for national policy agendas and indicating a reinforced political commitment of Parties to the Paris Agreement and its goals in the light of the latest available science. Such an event could highlight key outcomes of the GST process and involve the commitment by Parties to taking the outcomes into account in NDC updates and revisions. If it is not possible to include such commitments in a CMA decision, individual Parties could spell out such commitments in a separate political declaration. Likewise, in line with the increased focus of the UNFCCC process on non-Party actors, such actors could also be encouraged to publish a declaration acknowledging the GST outcomes and committing to increasing ambition where needed.

Transparency and Accountability – Where Are We Now?

Generally, high levels of transparency and accountability could be argued to contribute to enhanced trust, provide reassurance to parties, facilitate acknowledgement of efforts, and promote learning and common understanding. Furthermore, transparency and accountability are interrelated with the willingness to take on more ambitious commitments.

The GST aims at enhancing the transparency of Parties' collective action and points to collective implementation successes and deficits. Parties thus collectively account for the performance of their climate policies. The UNFCCC Secretariat has begun to compile inputs into the GST, including national reports and reviews available to date (e.g., national communications, inventory reports, biennial (update) reports, long-term low greenhouse gas emission development strategies). Although the GST is a collective process, the gathering of inputs offers an opportunity for observers to place individual Party actions in a collective context, and to generate crucial data and information

The objective to assess collective progress precludes an opportunity for 'naming and shaming' within the GST. Nevertheless, the GST could still provide a sounding board for the enhanced transparency framework under Article 13. If collective progress is discussed at the global level, a next question is what progress each country has made individually. Actors such as opposition parliamentarians or national-level NGOs could use data from the enhanced transparency framework and the public attention generated by the GST to hold their governments to account.¹²

If sectoral decarbonisation visions were developed through – or alternatively served as input into – the GST, as discussed under the guidance and signal function, they could be used to strengthen transparency and accountability. The GST could not only take stock of current and projected emissions levels at the global level, but it could also provide a disaggregated picture of the status and trends of sectoral mitigation efforts. Such a sectoral focus could for example highlight that the transport sector has been performing especially poorly compared to other sectors – with a relatively strong growth of emissions in the past and projected for the future – and therefore requires particular attention.¹³

¹² Lukas Hermwille, Anne Siemons, Hannah Förster and Louise Jeffery, 'Catalyzing Mitigation Ambition under the Paris Agreement: Elements for an Effective Global Stocktake' (2019) 19(8) *Climate Policy* 988–1001; Louise Jeffery, Anne Siemons, Hannah Förster, Christian Nissen, Lukas Hermwille and Nico Kreibich, 'The Challenges of Assessing "Collective Progress": Design Options for an Effective Global Stocktake Process under the UNFCCC' (Umweltbundesamt 2021).

¹³ Wolfgang Obergassel, Oliver Lah and Frederik Rudolph, 'Driving towards Transformation? To What Extent Does Global Climate Governance Promote Decarbonisation of Land Transport?' (2021) 8 *Earth System Governance* 100098.



Transparency and accountability are closely linked to procedural fairness. The information base for the assessment of what collective progress has been achieved must take into account contributions of developing countries with limited capacities and non-Party stakeholder inputs. To ensure effective participation, the GST process should therefore provide for equitable access for Parties and ideally also for different groups of stakeholders, as well as equitable treatment of their respective inputs and perspectives. This should include not only facilitating the meaningful participation of developing country government delegations, but also participation of non-Party stakeholders. Stakeholders from developing countries will also require support to effectively engage in producing inputs to reduce the risk of inputs being dominated by developed country research and civil society organisations.¹⁴ Procedural fairness also means that non-Party stakeholders should be informed as early as possible about the time frames and procedures to ensure that their inputs can be adequately considered in the GST-TA and thereby feed into the GST-CO. This would further allow such stakeholders to coordinate inputs and avoid duplication.

Knowledge and Learning – How Do We Get There?

The GST could be a peer-learning platform for how to undertake ambitious mitigation actions. For many sectors, there remains much ambiguity about what ambitious decarbonisation pathways could look like.¹⁵

The GST can enhance knowledge and learning in various ways. It collects, aggregates and disseminates information relevant to the assessment of the Parties' contribution to the Paris Agreement. Highlighting and discussing best practices could foster learning. In addition, a process to develop sectoral decarbonisation visions and/or to discuss already existing ones – as discussed under the guidance and signal function – and tracking their implementation – as discussed for the transparency and accountability function – could become an important knowledge-building exercise. Furthermore, the GST could assess and highlight how technological, financial, and policy innovations have reduced the costs of mitigation options and thereby identify mitigation opportunities since Parties adopted their most recent NDCs.¹⁶ This may help advance the implementation of climate policies and measures by Parties and individual actors, and may lead Parties to re-interpret their interests and adapt their policies, and ultimately increase ambition.

The GST should focus on opportunities and barriers for decarbonisation, in particular on the ongoing cost reduction of mitigation options as well as on the substantial non-climate benefits that may be achieved by ambitious climate action, such as reducing local air pollution. The GST should also highlight best practices and how they may be replicated. Again, a sectoral perspective would provide a useful lens for organising such discussions.

The synthesis reports prepared by the UNFCCC Secretariat and constituted bodies can play an important role in advancing sharing knowledge and advancing policy learning. Parties – especially those with limited resources and capacities – will hardly be able to digest all the information that is supposed to be drawn on in the GST. Beyond

¹⁴ Christian Holz, Tom Athanasiou and Sivan Kartha, 'Equity in the Global Stocktake and Independent Global Stocktake' (Climate Equity Reference Project 2019).

¹⁵ Manjana Milkoreit and Kate Haapala, 'The Global Stocktake: Design Lessons for a New Review and Ambition Mechanism in the International Climate Regime' (2019) 19 *International Environmental Agreements: Politics, Law and Economics* 89–106; Louise Jeffery, Anne Siemons, Hannah Förster, Christian Nissen, Lukas Hermwille and Nico Kreibich, 'The Challenges of Assessing "Collective Progress": Design Options for an Effective Global Stocktake Process under the UNFCCC' (Umweltbundesamt 2021).

¹⁶ R.R. Constantino, S.D. Wubet and S. Herz, 'Advancing Ambition Through Socially Beneficial Climate Action: Recommendations for the Talanoa Dialogue and Paris Rulebook' (Institute for Climate and Sustainable Cities and Sierra Club 2018).

such synthesis reports, the knowledge and learning function could also be strengthened by the direct involvement of independent experts, which could also help Parties process the information. The technical dialogue under the GST-TA would be an appropriate framework for integrating their participation.

Conclusions and Recommendations

The potential governance functions of the GST (guidance and signal, transparency and accountability, knowledge and learning) can be useful criteria for the detailed organisation of the GST. The following conclusions and recommendations are directed at strengthening the political impact of the GST.

A Sectoral Approach

- The outcomes of the GST should support the enhancement of climate protection actions and support. However, the collective nature of the GST does not allow for a Party-by-Party discussion of progress and options for the way forward. Nonetheless, the consideration of progress could be disaggregated in other ways to make best use of the rich and comprehensive information collected.
- A sectoral focus would be especially useful in this regard, as sectors constitute the communities of action which climate policy needs to address. In addition, each sector is distinct in its mitigation opportunities and challenges. A sectoral perspective could therefore strengthen all three governance functions of the GST, by: (1) providing for a clear signal to sectoral stakeholders (including government ministries, businesses and investors) by specifying sectoral visions, roadmaps and timetables, and/or discussing and potentially endorsing already existing ones; (2) highlighting the progress (or lack thereof) made by individual sectors, thus boosting transparency and accountability; and (3) allowing for the effective sharing of knowledge and information to foster learning about sectoral mitigation opportunities.
- Sectoral discussions with strong involvement of line ministries of Parties, independent experts and other non-Party stakeholders, particularly from relevant business and industry, would enable detailed information sharing and better allow for transformational learning. Sectoral discussions can dovetail with ongoing processes such as the MPGCCA to ensure that information-sharing and learning continues in between GST cycles.
- Although the Paris Agreement and Decision 19/CMA.1 do not provide an explicit entry point for a sectoral approach, a sectoral approach could nevertheless be pursued under several broadly formulated ‘guiding questions’ for the GST-ICP listed in the revised non-paper by the Subsidiary Body Chairs, including:
 - What information is needed for countries to strengthen domestic emissions reductions and removals in line with Paris Agreement goals and what recommendations can be developed to increase ambition? (Question 6).
 - What climate actions have been undertaken by non-Party stakeholders and UNFCCC observer organization and what has been their impact? Which ones have worked and what obstacles or barriers have been encountered? (Question 29).

- What opportunities can be seized to further bolster cooperation and support for mitigation and adaptation? (Question 32).¹⁷

Ensuring Procedural Fairness

- Effective participation by Parties and non-Party actors is important for all three governance functions. Equitable access may require dedicated support for the participation of Parties and non-Party stakeholders with lower capacities.
- Equitable access for Parties and different groups of stakeholders matters in all stages of the GST. To allow stakeholders to adequately prepare and coordinate, the upfront communication of time frames, procedures and other relevant information is key.

Strengthening Outcomes and Follow-up

- A dedicated high-level political event at the level of heads of state and government would strengthen the messages emerging from the GST and mark a major opportunity for Parties to strengthen their political commitment to the Paris Agreement and its goals in the light of the latest available science. The outcome – in the form of a CMA decision and/or a declaration – can further be accompanied by a mirroring declaration by non-Party stakeholders that would signal their willingness and ambitions to implement the GST outcomes.
- Recommendations and roadmaps for how sectoral decarbonisation targets could be achieved could be the core of a detailed technical summary of available options and best practices, and the final CMA decision and/or political declaration should engage with and endorse these results.

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¹⁷ See ‘Preparing for the First Global Stocktake: Revised Non-Paper by the Chairs of the SBSTA and SBI’ (15 September 2021), https://unfccc.int/sites/default/files/resource/REV_Non-paper_on_Preparing_for_GST1_forSBs_15Sept.pdf.



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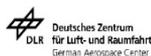
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