December 20, 2022

# At COP-27, Climate Change Mitigation Takes a Back Seat

**By: Dhanasree Jayaram**

*Despite alarming evidence about the pace of global warming, COP-27 failed to raise climate mitigation ambition. While the 1.5°C limit was salvaged in the end, the lack of consensus on fossil fuel phase-down/phase-out scuttled the possibility of meaningful mitigation action in the coming years.*

The climate summit that took place in Sharm el-Sheikh in November has been hailed as "historic" by many, especially the developing world, for establishing the much-awaited Loss and Damage (L&D) finance facility. But on other fronts such as reducing global-warming emissions, all it could achieve was to not backslide on some of the existing commitments.

This is despite the alarming evidence produced by the Intergovernmental Panel on Climate Change (IPCC) Working Groups' reports released during 2021 and 2022, which led the United Nations (UN) Secretary-General António Guterres to call it "a code red for humanity".

According to the IPCC, in order to keep the temperature rise to below 2°C relative to pre-industrial levels, the atmospheric concentration of all greenhouse gases (GHGs) should remain below 450 ppm (parts per million) CO2-equivalent. Today, the world has well surpassed the 400 ppm limit, raising concerns over the window of opportunity to avoid a deeper crisis. Yet, from the beginning, expectations of the 27th Conference of Parties (COP-27) of the United Framework Convention on Climate Change (UNFCCC) on raising ambition on mitigation were low.[1]

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The COP-27 discussions occurred against the backdrop of multiple crises across the globe, energy, food, pandemic, economic, and geopolitical. The Russia-Ukraine war in particular deepened geopolitical fault lines and exacerbated mistrust, in addition to driving up energy prices. Looming large over COP-27 were concerns over whether these tensions could derail decarbonisation efforts, or if the deteriorating China-US relationship would dampen multilateral cooperation and overall climate ambitions.

While some countries and a large section of non-governmental organisations (NGOs) called for a global treaty to phase out fossil fuels at COP-27 and some for a phase-down of fossil fuels, neither of these made it into the Sharm el-Sheikh implementation plan (the COP-27 cover decision).[2] Equity and climate justice in terms of mitigation efforts did not get much traction either, as efforts to dilute the Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) continued on the part of industrialised countries. While the 2015 Paris Agreement to hold global warming below 1.5°C above the pre-industrial levels was not entirely sacrificed, the lack of meaningful progress on climate finance for developing countries, and a continued sustained emphasis on fossil fuels in the majority of industrialised countries and other major economies puts the 1.5°C 'red line' in jeopardy.

## Equity and ambition on the crossroad

In general, the updated Nationally Determined Contributions (NDCs) submitted by countries prior to COP-27 are not good enough to meet the 1.5°C limit. To keep this limit alive, GHG emissions must reduce by 43% from 2019 levels by 2030, according to the IPCC. COP-27 discussions on the work programme could not reach a consensus on raising ambition on mitigation. In fact, the industrialised countries came into COP-27 with the aim to pressurise countries such as China and India to adopt stronger mitigation goals, which would further water down the differentiation between the industrialised and developing countries.

This comes at a time when the industrialised countries' own mitigation commitments (within the NDCs) are considered insufficient to meet the 1.5°C limit. They are grossly inadequate if one accounts for the countries' historical responsibility and the need for an equitable distribution of the available carbon space. At Sharm el-Sheikh, the majority of the developing world at fiercely opposed efforts by the industrialised countries to shift the goalposts by sidestepping their pre-2020 commitments and what was agreed to in the Paris Agreement.

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The resistance shown by groups such as the Like Minded Developing Countries (LMDCs) – of which India is a member – to the mitigation work programme, which was only introduced in COP-26 (Glasgow), also stems from that fact that it could be used to delink developing countries' mitigation efforts from the climate finance promised by the industrialised countries. The broken promises, especially the $100-billion-a-year by 2020 pledged by the industrialised countries at COP-15 (Copenhagen) has driven a deep wedge between the countries of the Global North and Global South. While most of the industrialised countries have failed to transfer their fair share of payments to support adaptation and mitigation in the Global South, the few who have paid or exceeded their fair share have mostly doled out these payments in the form of repayable loans and not as grants (Timperley 2021). Since many developing countries, including India, have kept their mitigation actions conditional on climate finance from the industrialised countries, any fresh attempts to meddle with the structure of NDCs and the language of 'national circumstances' (that guide mitigation according to the Paris Agreement), are met with stiff opposition.

Even if the future of mitigation is guided by existing models and pathways specified by the IPCC, as an Indian study shows, these global mitigation pathways overlook equity. The study states, "The IPCC AR [Assessment Report] 6 scenarios disregard both the historical responsibility of the Global North for carbon emissions as well as the future energy needs of the global South required to meet developmental goals" (Kanitkar, Mythri, and Jayaraman 2022). Hence, beyond the lack of ambition, COP-27 unravelled the politics of mitigation further, raising questions about the future of mitigation that ensures that both the 1.5°C limit is achievable and equity is mainstreamed into COP decisions.

## Phasing out/down fossil fuels

The COP-27 discussions veered towards calls several times to phase out, or at least phase down, fossil fuels. The island nations of Vanuatu and Tuvalu called on other countries to join their initiative to introduce a Fossil Fuel Non-Proliferation Treaty, pushing for a ban on any new coal, oil, or gas ventures; a phase-out of existing fossil fuel ones in line with the 1.5°C limit; and a fair and just transition powered by renewable energy.

At COP-27, India tabled a proposal to phase down all fossil fuels, rather than single out coal. This proposal was reportedly supported by more than 80 parties, including the European Union (EU) and the US. However, even this language did not make it into the Sharm el-Sheikh implementation plan, as countries such as Saudi Arabia, Qatar, and even the host country, Egypt, were not keen on inclusion of all fossil fuels in a plan for phase out that would clearly place their energy and economic interests in peril. In fact, Saudi Arabia is keen on developing carbon removal technologies rather than phasing down fossil fuel production.

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Although the EU reiterated at COP-27 that the ongoing energy crisis would not derail its decarbonisation efforts, many countries within the EU are reactivating coal-fired power plants to save gas and meet energy demand during the winter. The United Kingdom (UK) has gone one step ahead to open a new coal mine in over three decades. While countries such as Germany, the Netherlands, Austria, and others that have returned to coal claim that this is only a short-term measure (maybe for one or two winters), the UK has justified its decision by calling it a necessity for steel production and that the coal mine would be carbon neutral. Clearly, existing initiatives such as the Powering Past Coal Alliance, launched by the UK and Canada in 2017 at COP-23 and joined by many other Organisation for Economic Co-operation and Development (OECD) countries as well as private entities, have taken the backseat under these circumstances.

The short-term projections for oil and gas expansion in many parts of the world also expose the reality that the momentum towards fossil fuel phase-out is minimal. Ironically, the COP-27 platform itself was used by many countries to ink several gas deals on the side-lines, with the European countries in particular leaving no stone unturned when it comes to diversifying their gas portfolios by signing deals with countries in Africa and the Persian Gulf. Despite the Inflation Reduction Act (IRA) of 2022, the US continues to focus on expanding its oil and gas production, as well as building fossil fuel-based energy partnerships with other countries.

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The Russia-Ukraine crisis has had knock-on effects on energy security across the world, including in the Global South. In addition, the post-pandemic recovery efforts have put additional pressure on developing economies to meet their rising energy requirements (Zakeri et al. 2022). This could push many developing countries deeper into fossil fuel dependency. Besides, at COP-27, several African countries, for instance, emphasised Africa's right to use its natural gas reserves, considering that more than 600 million people in Africa live in energy poverty and the continent's contribution to greenhouse gas (GHG) emissions is negligible.

With these clear divisions on fossil fuels, in the end, the COP-27 agreement only highlighted the need to accelerate "efforts towards the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies." Moreover, the final text mentions "low-emission and renewable energy," which essentially widens the scope of what can be considered pro-mitigation, possibly involving gas and even nuclear energy as these are considered low-emission and clean energy respectively. The presence of an International Atomic Energy Agency (IAEA)-led #Atoms4Climate pavilion at COP-27 in itself symbolised a shift in the COP space that has thus far largely distanced itself from nuclear energy-related discussions.

## 'Just transition'

Not only did the Egyptian presidency of COP-27 organise a roundtable on the topic of "just transition,"[3] a just transitions work programme was established. AT COP-26, a Just Energy Transition Partnership (JETP) was signed with South Africa, with France, Germany, the UK, the US, and the EU promising $95 billion. At the G-20 Summit, held in parallel with COP-27, a similar partnership was announced with Indonesia, with an assurance of $20 billion in finance over 3-5 years. Such partnerships are currently under negotiation with other coal-dependent emerging economies such as India, Vietnam, and a few African countries.

While JETPs have the potential to propel energy transition in developing economies, questions about the scope, scale, source, and nature of finance remain. Even at COP-27, discussions on increased private investments in low-carbon pathways to bridge the gap between current financial flows and the developing countries' requirements happened, as is also reflected in the cover decision. However, private finance mobilisation has remained underwhelming so far and it has remained the same in the past decade despite increased focus in the negotiations. Furthermore, the Least Developed Countries (LDCs) and other developing countries have criticised undue reliance on private sources for assistance, as they support an operational definition of climate finance that is based on overseas development assistance; and private funders are not known to offer grants.

COP-27 also witnessed discussions on what countries are interested in achieving through these partnerships. For instance, Senegal would like to explore opportunities for achieving economic development and enhancing energy security, including by exploiting its gas reserves and signing gas deals with European countries, even while negotiating a JETP with the G-7 countries. For India, more than decarbonisation or moving away from coal, the priority of a JETP should lie in boosting renewable energy investments and green jobs.

## Mitigation ambitions in jeopardy

COP-27 which was being called the "Implementation COP" could not create the necessary conditions for boosting urgent mitigation action. Furthermore, despite being labelled the "African COP" (being held in Africa for the first time since 2016), African needs for climate finance were hardly met. Much-discussed long-term net zero goals over the past few years were not backed by much-needed short-term action plans on mitigation and finance. With the nitty-gritty on the operationalisation of a Loss and Damage Fund to be chalked out in the coming months, the battle for climate justice is far from over. One can only hope that the establishment of the Loss and Damage Fund could help build momentum towards ambitious mitigation, especially on the part of the industrialised countries, to avoid losses and damages in the most vulnerable countries.

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**Footnotes:**

**1** Mitigation refers to measures to reduce greenhouse gas (GHG) emissions that are released into the atmosphere through various human activities (primarily fossil fuel consumption) and to enhance carbon sinks such as forests which is also a form of mitigation as forests absorb more carbon that they release into the atmosphere.

**2** The cover decision typically includes the main outcomes negotiated under the relevant agenda items at the COP and are often “used to capture the progress made in the negotiations and various events held adjacent to the negotiations.”

**3** “Just transition”, according to the International Labour Organization (ILO), refers to “greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind.” As decarbonization efforts pick up momentum, workers and communities that have directly or indirectly benefitted from the fossil fuel and allied sectors would be affected. Hence, it is necessary to transition in such a manner that these workers and communities are not forced to bear the costs and the benefits are shared equitably. Not only do they need to be protected from job loss, but also they are integrated into the energy transition-related planning processes.

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