

COP26: an insider's guide

Key point

-  The United National Framework Convention on Climate Change (UNFCCC) is a global agreement to reduce greenhouse gas emissions. It was established in 1992. The annual meetings are part of ongoing negotiations to evolve technical details of the agreement and report national commitments to reduce emissions. They are called the Convention of the Parties (COP). They have been held every year since COP3 in Kyoto in 1997.
-  The COP meetings have evolved into a global climate festival driven mainly by environment groups (NGOs). This provides colour and movement on top of otherwise dull and complex negotiations. It also reinforces the perception that global climate agreement is a cause, rather than a process. The UNFCCC negotiations are unlikely to deliver a major deal on their own, but the process is critical to provide a global framework to formalise and ratify agreement between key players at these negotiations.
-  There are strategic alliances, formal and informal blocs at these meetings. This is typical of most global negotiations.
-  The Glasgow meeting is unlikely to deliver any new climate action among major economies. The two weeks at the start of November will be used to focus global attention onto the issue of climate change. Presidents (Biden) and activists (Thunberg) will address the meeting.
-  The Kyoto Protocol was replaced by the Paris Agreement in 2015. These are the major international climate agreements around which future, and hopefully more substantive deals, are framed. The current Paris Agreement commitments are still inadequate to reduce emissions sufficiently to prevent serious climate risk in the second half of this century.
-  Australian Prime Minister Scott Morison will attend the Glasgow COP if he is able to announce a net zero by 2050 target.
-  Currently the most critical change agent of global climate agreement is the US. The direction of America's political future is likely to be decided by a handful of US swing states – in particular industrial heartland states of Pennsylvania, Wisconsin and Michigan. Maybe the next COP should be in Detroit.

Introduction

The UN Climate change Conference, [the 26th Convention of the Parties](#) (COP26), will be held in Glasgow from October 31 until Friday 12 November 2021. It is being jointly hosted by the UK and Italy. It was postponed from 2020 due to the COVID-19 pandemic, the first time since 1997 that a COP was not held.

The COPs are the formal staging post for global climate change negotiations and political deals. They are curious events: attended by formal government delegations as well as thousands of activists, business observers and media. These climate negotiations have become such a spectator sport that numbers have been capped at more popular meetings. This climate-Woodstock vibe imbues broader qualities to the meetings: they are part environmental activism, part political circus, part technical negotiation.

As climate change is a global problem requiring a coordinated, global response, the United National Framework Convention on Climate Change (UNFCCC) remains the leading formal global instrument to implement global agreement. Fossil fuels have underpinned the industrialisation of most of the globe over the past two centuries. The Convention is the global framework to decarbonise human activity. This is proving challenging given the scale, complexity and economic implications for most countries.

History and origins

The annual COP meeting is held around November-December each year. The process dates back to the origins of the modern environmental movement. Greenpeace was founded in 1971. The [first UN Earth Summit focussing on environmental issues](#) was held in Stockholm in 1972. These early Earth Summits focussed on the issues of the day: air and water quality, biodiversity, oceans. Earth Summits were held every 10 years.

The third Earth Summit was held in [Rio de Janeiro in 1992](#). This was the first Earth Summit since [scientists had formed a consensus view in the late 1980s](#) that human activity was driving climate change. The Rio Summit was attended by President George Bush (Snr) but not Australian Prime Minister Paul Keating.

The [Conference produced the Rio Declaration](#) which covered agreed action on a suite of environmental issues. A specific outcome of the summit was the creation of the [United National Framework Convention on Climate Change](#) (UNFCCC). Developed countries and signatories to the Convention were required to report their emissions annually, set and meet specific emissions reductions targets under the [Kyoto Protocol](#). Kyoto was established in 1997 and entered into force in 2005. Australia [ratified the Kyoto Protocol at the COP13 in Bali](#) in 2007. The UNFCCC also set up funding mechanisms to support climate-related investment in developing economies through a [clean development mechanism \(CDM\)](#). This enables developed countries to meet their own Kyoto targets by delivering abatement in developing economies.

In 2012 at COP18 in Doha the Kyoto Protocol was extended until 2020. In 2015 the Paris Agreement was negotiated. It did not set specific targets, but [rather a series of rolling five year voluntary emissions objectives](#) (nationally determined contributions or NDCs) set by signatory nations. While Kyoto placed requirements on developed economies, Paris applies to all signatories.

Geopolitics

While there are 197 signatories to the UNFCCC, the negotiations have evolved some [key strategic groupings](#) and alliances. The three biggest emitters: China, the US and Europe, are the three key players in climate negotiations. The fourth biggest emitter, and emerging key player, is India. Getting their alignment has proved difficult, yet it is central to a successful global framework to reduce emissions.

Formally there are five regional groups in the negotiations: Africa, Asia, Eastern Europe, Latin America and Western Europe and others (including Europe, the US and Australia).

Informally more functional groups have evolved. Developing countries organise under the G-77, which represents more than 150 economies. China is not a member but it organises with them for strategic reasons, and to remind others that China straddles developed and developing economy status. India is the world's fourth biggest emitter and is a member of the G-77. This includes the Small Island Developing States and the Least Developed Countries (LDCs).

The 22 Arab states organise together, and sometimes Russia may loosely organise together on oil and energy issues.

Australia is part of what is called the Umbrella Group, a loose coalition of about a dozen countries, including New Zealand, Canada, Japan, Norway, Russia and the US.

The relative independence and “plain speaking” manner of smaller Anglo countries like Canada, Australia and New Zealand is often why they are asked to chair critical committees inside the negotiations.

Understanding the politics – the Kyoto Protocol

The Kyoto Protocol was negotiated during the late 1990s. It was during the second term of the Clinton administration and at a time when the European Union was at its most expansive, united and politically powerful. At the time the EU was moving towards finalising its emissions trading scheme (agreed in 2000).

The European approach to climate negotiations has been incrementalist: get countries to sign up to a soft agreement, then ratchet up emissions reductions over time. The US disagreed with this approach. Specifically, they opposed the exclusion of developing economies, in particular China. The US view was these large and growing economies needed to be part of any binding agreement from the outset. The US did not want to cede further economic advantage to China through global climate agreements, given China was already disrupting US manufacturing and emerging as a major economic and geopolitical rival.

Because greenhouse gases are a stock accumulating in the atmosphere, most of the anthropogenic forcing of climate has been the result of the activity of developed, industrialised economies. Poorer, developing economies have produced fewer emissions. They also want to be able to access low cost, high emissions energy to enable development. Alternatively, they would like the additional money and investment needed to develop with cleaner technologies.

The developing economies organise together, even though they range significantly in size, emissions and political economy. China and India sit with this group (the G-77), even though they are very large economies with large and growing emissions and large and growing middle classes.

While Vice President Al Gore symbolically signed the Kyoto Protocol in 1997, it required the ratification of the US Senate to become law. The US Senate [voted 95-0 in opposition to ratification](#) of the Kyoto Protocol in 1998 and formally rejected it in 2001. Australia supported the US position. The US and Australia were then subjected to lobbying and shaming at the COPs by other delegations and activists.

The US never ratified Kyoto. Australian Prime Minister, Kevin Rudd, ratified it at Bali in 2007, when the plenary gave Australia a standing ovation (even though Rudd hadn't arrived yet). This is illustrative of the theatrical and populist tone of aspects of the COP meetings.

Australia's Kyoto emissions target was [8 per cent above its 1990 emissions level](#) between 2008-12. In the second Kyoto commitment period, Australia then committed to 5 per cent emissions reduction by 2020 based on year 2000 levels. Australia has been widely criticised for negotiating weaker Kyoto targets than most OECD economies.

Climate negotiations - a spectator sport

The UNFCCC process is an important global negotiation run as a spectator sport. Alongside the formal delegations from signatory nations, there has been an expanding cohort of thousands of observers and media who also attend these events. More than 10,000 people attended the Bali meeting in 2007. More than 26,000 attended the Copenhagen meeting in 2009. Despite the Paris terror bombings, [40,000 people attended the Paris talks](#) in 2015. Around 25,000 people are expected to attend the Glasgow COP26 this year; a large number during a global pandemic.

COP meetings are major events in the broadest sense of the word. The surrounding buildings are filled with stands set up by hundreds of non-government organisations (NGOs), research institutes, business groups and companies. This is dominated by activist NGOs and affiliated research groups (many run by ex-activists who re-present their messaging as technical advice).

Over the two weeks these agencies [run side events](#), issue media releases, meet with each other, and, being activists, conduct media events. For example, every day of the meeting the [Climate Action Network awards the Fossil of the Day](#) award to the country that it thinks is doing the most to slow progress at the negotiations.

This event regularly finds its way into media reporting at the COP, as journalists look to find something relatable to report. Australia is a regular recipient.

The COP meetings have evolved into a self-feeding media event. Around 3000 journalists attend each year. Many mainstream media struggle to understand or explain most of the detailed technical discussions that the COP negotiators are dealing with. Having to report every day for a week with limited real news options, they are a prime target for pre-packaged media events, including speeches by high profile activists like Greta Thunberg and Al Gore. This can portray a distorted image of what the COP process is doing. At times it can feel more like a Womad Festival than complex and critical global negotiations.

The scale of this side show activity and attendees depends on the venue, access and the importance of the meeting. There are more people attending headline meetings in major western cities (or resorts) like Bali, Copenhagen or Paris. As the location of the COPs is shared around the world, less decisive meetings tend to be scheduled in less accessible locations like Nairobi (2006), Poznan (2008) or Lima (2014).

It is becoming increasingly difficult to maintain the growing “civil society” element of the COP meetings, and whatever political impact this is perceived to have, and share the hosting role with more remote and poorer economies.

The lesson from Copenhagen

The Copenhagen COP15 in 2009 provided a useful illustration of the mechanics of climate negotiations. After the election of US President Obama in 2008, the possibility of a more ambitious global deal seemed a real possibility. Obama had prioritised climate change during his campaign. Copenhagen was framed as the COP where this ambition would be ratified. This ambition faltered once the scale and impact of the global financial crisis (GFC) became clear. It weakened the resolve of the US Congress. Other developed economies similarly prioritised economic recovery.

Before the COP15 meeting began in Denmark, it was already dead in the water. The final communique was underwhelming. [Copenhagen was portrayed as a failure](#), but that is unfair. The promise of meaningful commitments to emission reduction in the lead up to the meeting was jettisoned because of other more immediate

economic and political priorities. Copenhagen didn't fail, it simply had little to work with, and so delivered little.

The Paris Agreement

The [Paris Agreement was brokered in 2015](#) as the replacement for the Kyoto Protocol. It has 191 signatories. The delivery of a post-Kyoto agreement was delayed six years because of the flow-on impacts of the GFC.

The Paris COP was attended by President Obama and Chinese President Xi Jinping. This time the US got what they wanted – a fully global deal. The trade-off was a watering down of the national commitments process. There was no target commitment by signatories. Targets were replaced by five-year national determined contributions (NDCs). In short, Paris was wider, but weaker. The Paris Agreement did not outline how emissions would remain within safe limits by mid-century. As with the Kyoto Protocol, there is no liability or formal action able to be taken against a signatory that does not deliver against their targets.

In 2015, Australia made its first commitment to emissions reductions of 26 to 28 per cent below 2005 levels by 2030. It [recommitted to this in 2020](#). The aggregate emissions reductions of current NDCs lodged under the Paris agreement [are insufficient to keep global temperature increases](#) at or below 1.5 degrees by mid-century. The ratcheting to more ambitious NDCs is one of the stated objectives of the Glasgow COP.

The Glasgow meeting

The UNFCCC process is continuous. Meetings and pre-meetings are held throughout the year. Most signatories' commitments are known and the attendance of most leaders is finalised well in advance. This year is unusual because of COVID-19. As in previous COPs, the Glasgow meeting is a political event, using the media focus to raise awareness of climate change and the need for a global response. It also will continue discussions around some specific technical areas. Some of this work has been delayed because of COVID-19:

This includes:

- Further work is needed on [how vulnerable countries might be compensated for loss and damage](#) arising from a changing climate. Adaptation measures, and this in particular, are a high priority for the least developed countries.
- While there has been in-principle agreement on raising [\\$100 billion to finance abatement and adaptation in developing economies](#), \$80 billion has been committed but \$20 billion remains outstanding.
- There is emerging work on how to accelerate the use of [nature-based solutions](#) (carbon sinks like re-forestation) can be used to absorb carbon.
- Continuing slow moving negotiations on [formal rules for voluntary trading of emissions reductions between countries](#). This could create the technical foundation for future global trading in abatement, allowing developed countries to invest in and claim abatement for actions in developing countries.

The COP meetings are *designed* to be a high-profile event. They are *designed* to draw attention to climate change. They are created as a spectator event to enhance this aspect of the meeting. They are the biggest climate PR event/stunt in the world.

US President Joe Biden will be attending the Glasgow meeting, as will UK Prime Minister Boris Johnson. Australian Prime Minister Scott Morrison would like to go and share the stage with these world leaders, but it will only be politically possible if he can take and deliver a net zero emissions target by 2050 to the meeting.

Realpolitik – the blue wall

The UNFCCC negotiations are a process which will broker the detailed rules that frame climate agreements. Most of the real game-changing deals will be brokered well ahead of any COP meeting.

There is a meeting of the [G-20 in Rome just prior to Glasgow](#). These smaller, more decisive meetings (and the G-7) are more likely to make progress. The G-20 meeting was timed deliberately to help corral world leaders ahead of Glasgow, but President Xi from China and Vladimir Putin from Russia won't be attending.

China's economy is [slowing due to energy shortages](#) and weaker building and manufacturing sectors. Balancing sustained growth and decarbonisation for the world's biggest emitter will not be easy. China has already demonstrated it is highly sensitive to the threat of reduced access to key developed economy markets.

The EU claims it [has designed its CBAM consistent with WTO](#) rules. This is disputed by some other countries and is [likely to be tested in the WTO disputes resolution process](#) if it is adopted. A CBAM is not possible under existing WTO rules without being used as part of a national carbon price.

The most important country in current global climate negotiations is probably the US. President Biden would like to introduce a carbon price, so he could [introduce a carbon border adjustment mechanism](#) (CBAM) against China (to protect US manufacturing jobs). This could align with a similar proposal from the EU to create an effective carbon price on imports to these two major economic blocs. The threat of a joint EU-US carbon price has already galvanised [China and other major Asian economies](#) like Japan and Korea to greater climate ambition. Australia would almost certainly follow suit.

Biden's ability to deliver meaningful climate policy – his Clean Energy Performance Plan – appears [unlikely to get Senate support before Glasgow](#). Meaningful climate policy in the US will only work with the support of both major parties, otherwise when the Senate majority changes the climate policy goes with it.

The critical issue for the US is to get meaningful bipartisan agreement, which means the support of Republicans. As in Australia, bipartisan support is critical to delivering a durable climate strategy. The real challenge here is likely to be the dominant Trump faction of the Republican Party. While Trump retains Republican Party control, it is all but impossible for the US to strategically increase its climate ambition and drive the big three, and thus the world, towards a real global agreement.

The Glasgow Form Guide

Position	
The world	Requires significant and aggressive reduction in greenhouse gas emissions over the first half of this century. Has industrialised over the past two centuries by exploiting low-cost energy from fossil fuels, which produce most of the greenhouse gas emissions. Still struggling with the adequate technology alternatives, issues around competitiveness and equity.
US	The world's biggest economy, the world's second biggest greenhouse gas /emitter. A net energy exporter. The most important change agent in the current negotiations. Has reduced emissions primarily by switching from coal to gas. Biden wants to support more aggressive climate action, specifically to introduce a carbon price and carbon border mechanism against China. To do this it will need bipartisan support for a US carbon price. This may be possible with "traditional" republicans, but not with Trump Republicans. In the interim, the Biden Administration is talking a big game on technology and investment.
Europe	The unofficial world leader on global climate action. Imports 60 per cent of its energy as fossil fuels. Implemented EU wide carbon price in 2005. As energy importers enjoys broad political support for climate action. Still highly protective of its key industries in the transition. Carbon Border Mechanism proposed in 2019 but not yet introduced. Recent energy shortages the result of over-political approach to energy policy.
China	The world's biggest greenhouse gas emitter and second biggest economy. Net energy importer. Has dragged more than a quarter of a billion people out of poverty this century using cheap high emissions energy. Challenged to maintain economic growth while decarbonising. Exposed to global energy supply shortages like Europe. Most to lose from carbon border mechanism. Tries to run with the developing countries.
UK	The host of COP 26. Has tough climate policies as a legacy of its previous involvement in the EU. But no longer has anyone to trade carbon permits with. Warming up for its hosting role with a pledge to make its electricity system carbon free by 2035. Facing an acute energy crisis.
India	Net energy importer and fast-growing energy consumer. Has likely already overtaken the EU as third largest emitter, but flies under the radar due to its status as an emerging economy. Sits inside the G-77, but for how much longer?
Australia	One of the few OECD energy exporters. A constant target for activists at the COP meetings, although its diplomats and officials are thought of highly. Internal political divisions and genuine economic risks have made it a slow follower on climate policies. Not in a major power block at the negotiations. Has aligned with the US in the past, and this remains its most likely future alliance.
G77	The Group of 77 developing economies are mostly energy importers, see the COPs as an opportunity for investment and wealth re-distribution. Each economy has its own challenges and constraints. Some of these economies will benefit from decarbonised future, but not all. The Least Developed Countries are more focussed on lobbying for increased funding for adaptation (like Pacific Island nations).
NGOs	See the COP as an opportunity to sway global negotiations and exploit media attention. They do less of the former and more of the latter.
Business	Increased attention over years both to watch proceedings firsthand and, for some companies and industries, to demonstrate their support for the accelerated progress. Renewables and related sectors are always predictably well represented.