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THE 21ST CENTURY BAIL

WHOSE RIGHT IS
IT ANYWAY?



COP26 on Climate Change Crisis: Uniting the World to Tackle Climate Change

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INTRODUCTION

The Conference of Parties, more commonly known as COP, is the apex decision-making body that undertakes the monitoring and reviewing of effective implementation of the United Nations Framework Convention on Climate Change (UNFCCC). It is a collaboration of 197 nations that have come together to address the global climate crisis. Constituted in 1994, the apex body organized its first event in 1995, COP1, in Berlin, Germany. It has since conducted 25 of such annual events, with COP25 held in December 2019 under the Presidency of the Government of Chile in Madrid, Spain. The end of October marks the beginning of COP26, to be held in Glasgow, Scotland, from 1st to 12th November 2021.

WHAT IS COP26?

While many may consider COP26 as yet another international summit on the climate crisis, it holds much higher significance in the global community, as a pivotal movement focused on climate change. The annual event could help determine the response to climate across the globe and how well-equipped we are to combat some of the worst climate disasters that lie in the not-so-distant future.

COP21, which took place at Paris in 2015, was attended by 196 countries. It has been an instrumental event as it led to the configuration of the Paris Agreement. The upcoming COP26 aims at uniting the world to help develop mitigation strategies to address climate risks and further accelerate action towards achieving targets set under the Paris Agreement.

The Paris Agreement was adopted on 12th December 2015, and came into force on 4th November 2016. It marked the turning point in the fight against global climate crisis and comprises 194 parties committed to addressing issues pertaining to global risk in temperature levels. The Agreement requires signatories to submit their plans every 5 years to address climate change and communicate the action taken towards the 'set targets', which are known as the Nationally Determined Contributions (NDCs). Furthermore, to track the progress, the Enhanced Transparency Framework (ETF) has been established wherein, starting 2024, the signatory parties will be required to report on the action undertaken, progress on mitigation of climate crisis and the support provided or received from other nations.

The COP26 is expected to have many companies unveil their plans to reduce carbon emissions and achieve net zero



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CURB ANY FURTHER TEMPERATURE RISE

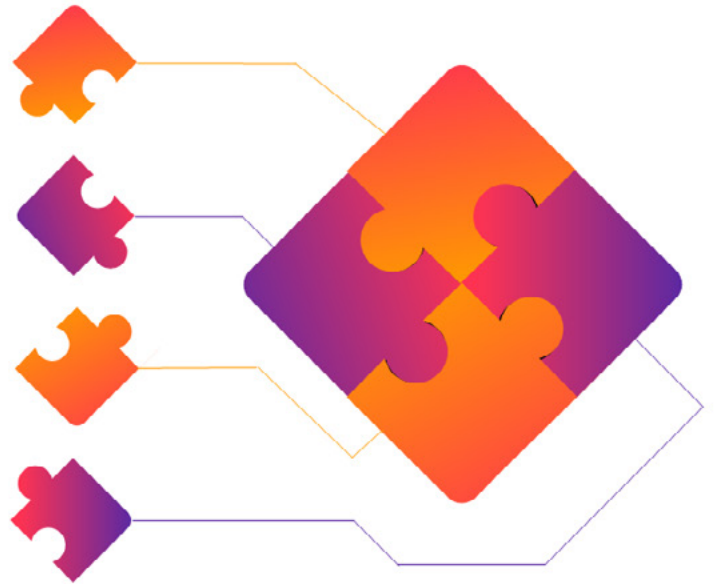
Numerous reports and expert opinions suggest urgent unprecedented level of change to maintain global average temperature as far below 1.5 degree Celsius as possible

CLIMATE JUSTICE

The negative impact while witnessed by the entire world is largely being faced by the poorer countries, who despite lower emission rates, are facing the adverse consequences of higher emissions by the developed countries. Hence, it is imperative that the developed countries take immediate corrective action to reduce emissions and help maintain the global temperature levels

MOBILIZE CLIMATE FINANCE & ENCOURAGE COLLABORATION

Encourage nations to commit and take the pledge to combat the climate crisis, extend the required support including financial assistance to poorer nations and further establish conducive policies and practices to protect the ecosystem and restore environmental damage



targets by 2030. In addition, many participating countries are also expected to undertake pledges around optimum use of resources including ending coal use, switching to electric vehicles, and integrating more sustainable and environmentally friendly activities and initiatives.

WHO IS EXPECTED TO ATTEND COP26?

About 30,000 people are expected to attend the event, including world leaders, representatives of observer organizations, and journalists. Thus, the global event facilitates three categories of attendees: representatives of Parties to the Convention and Observer States, members of the press and media, and representatives of observer organisations.¹

COP26 EXPECTED OUTCOMES

1. Achieve global net zero by mid-century and maintain 1.5 degrees temperature levels – The event is aimed at empowering nations across the globe and encouraging them to implement robust schemes and initiatives to reduce carbon emissions and carbon footprint. Furthermore, the event proposes to formulate strong synergies and plans to be carried out in a phased manner to enhance further investment in renewable energy and other sustainable development sources.

2. Protection of Communities and Natural Habitats – The climate crisis has led to devastating and catastrophic effects across the globe. Therefore, countries urgently need to adapt

to policies and standards aimed at protection and restoration of ecosystems, to further help develop the right warning systems and resilient agriculture & infrastructure to reduce harmful emissions.

3. Mobilize Finance – In the past, developed countries have made contributions and pledged large sums of monies towards climate finance; this year, nations are expected to increase their contributions and commit to substantially larger amounts in the finance sector to secure global net zero targets. According to the President of COP26, the commitment of USD 100 Billion would act as a vital support needed for on-ground changes to protect the planet & its people.



4. Collaborative Working – It is a global crisis that requires global redressal. Therefore, governments, private companies and other organizations have realised the need for collective action and are accordingly seen making conscious collaborative efforts with undaunted commitment to accelerate climate action.

RUN-UP TO COP 26 - TWO IMPORTANT REPORTS ON CLIMATE CHANGE IN 2021

Intergovernmental Panel on Climate Change (IPCC) - IPCC was created by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP) to help countries (195 member countries) at all levels including providing scientific information which can be put to use by these countries for the development of climate policies. The IPCC reports act as key input for all the international climate change negotiations and is likely to serve as the cornerstone of climate science in the coming years.

Since its constitution, the Panel has released 5 reports known as Assessment Report (AR) to provide comprehensive information and evidentiary proof on the changing climate system. This year, it released the AR6 focused on the current status of the world and its probability to pass the 1.5C and 2C warming temperature levels at the earliest. This analysis will play a crucial role in persuading various governments and people to undertake urgent action for protecting and saving the ecosystem from any further disruption. Renowned community of researchers and policymakers across the globe are more frantic about the long term effects associated with crossing the 1.5C and 2C limits which have been defined as per multi-year average rather than a single year. The latest report provides information on the different levels of risks associated with warming levels. It puts forth the interlinkage between humans and the environment alongwith the adverse impact of our activities over the years, that tantamounts to the

present crisis. Additionally, the report also highlights opportunities to adopt adequate mitigation plans and strategies on emission pathways.

CLIMATE ACTION TRACKER (CAT)

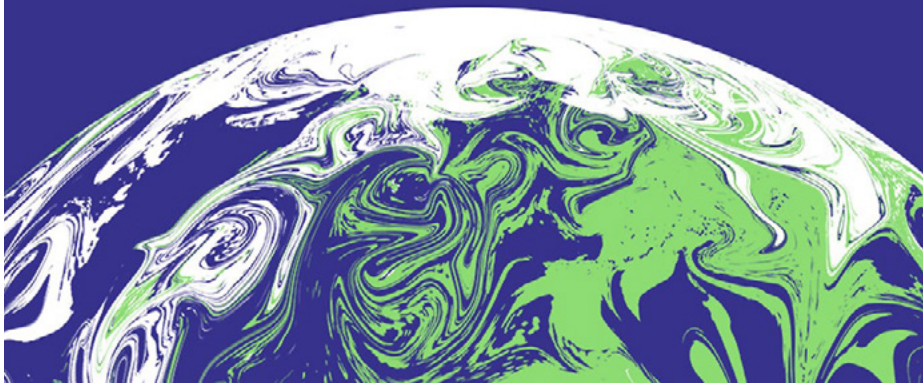
CAT is a comprehensive rating system that tracks government targets against the Paris Agreement. Its latest global update revealed how nations across the globe are significantly falling short on their commitment to achieving reduced rise in global temperature and lower emission rates. As per the report, except for a few, majority of the governments are devoid of sufficient means to combat the climate crisis. With COP26 around the corner, the only country to be on track with its target under the Paris Agreement is Gambia in Africa, scoring an overall 1.5 degree compatibility. The United Kingdom is the only industrialized nation to have a domestic target under the CAT rating system with respect to domestic action.

The global update suggests that almost all developed nations need to accelerate their efforts, strengthen targets and implement stronger policies, frameworks and action plans to reduce global rise in temperature. Furthermore, this era is heralded as the decade of change, countries must update targets and policies regularly, so as to ensure long-term achievement of goals in sync with the commitment to curb the climate crisis. The assessment also shows the need for alignment between 2030 targets and net zero goals to fully realize their ambition and achieve the desired outcome to reduce the increase in global temperature.

The third important voice discussion in 2021 happened last week of April 2021 wherein state heads of 40 countries



THE CLIMATE HAS NO BORDERS



came together on a virtual platform and showed their commitment towards climate change policies.

CONCLUSION

With the rapid increase in global climate change, it is essential to periodically track progress of nations towards achieving the global aim of reducing temperature to 2°C and further pursuing efforts to limit warming to 1.5°C in the coming decade. Organizations like IPCC, CAT, Climate Analytics, and NewClimate Institution are at the forefront of global reporting on government action and mitigation strategies implemented across the globe. The latest reports mentioned herein demonstrate how effective policy implementation has been a common concern and urgent action is

needed irrespective of the countries' performance. This reflects how crucial it is for governments to establish policies in line with global benchmark standards and further mitigate climate-related issues in alignment with the targets under the Paris Agreement and other accords focused on addressing the climate crisis. Another essential element for nations to succeed and improve their ratings is integration of international support and seeking climate finance. Leaders across the globe have time and again accepted that nations need to unite to tackle the global rise in temperatures. It requires collective effort to create, invest and scale up revolutionary contributions to achieve climate action targets. Lastly, it is crucial to manifest the USD 100 billion funding commitments for changes on the ground! 



Sonal Verma leads the ESG Practice in the firm as a Partner and Global Leader – Markets & Strategy. With his crossroad working with business & laws – he brings advice & technology for effective change management in the journey of ESG. Sonal is well acclaimed for his work in regulatory & compliance programs over the last decade. He had in the past worked with 1800 plus clients in India and 61 other countries globally. He has worked with the top 3 unicorns and many Fortune 500 companies. His clients have been across different industries, viz. Automotive and OEMs, Pharma and Life Sciences, Manufacturing, Chemical Industry, BFSI, Infrastructure and Utilities (including state-owned PSUs), e-Commerce and Fintech Companies, Diversified Conglomerates etc.



Fauzia Khan is an Associate with the firm working in the ESG domain. With the emerging change in the business landscape and awareness around sustainability, she contributes her expertise to help clients understand and adapt responsible and sustainable strategies with respect to compliance and ethics in the ESG realm.

¹For further information on getting involved at the COP26 event, please click here - <https://ukcop26.org/the-conference/get-involved/>
https://climateactiontracker.org/documents/871/CAT_2021-09_Briefing_GlobalUpdate.pdf