



Climate Action Tracker

Mid-year update

June 2022





Summary

Despite the clear warning on the extreme dangers of exceeding 1.5°C warming from the IPCC, progress on new, more ambitious 2030 climate targets and participation in sectoral initiatives have stalled since COP26 in Glasgow. This goes against the clear agreement of the Glasgow Pact to update national 2030 climate targets in 2022.

Without increased government action, the world will still emit twice the greenhouse gas emissions in 2030 than is allowed under the 1.5°C limit of the Paris Agreement. The world is heading to a warming of 2.4°C with 2030 targets and even higher, 2.7°C, with current policies.

With this looming emissions gap in 2030, it is important that *all* governments revisit and strengthen their climate targets. It is not enough for them to make marginal or no improvements.

If the EU, the USA and China were to increase their NDC values by 5 to 10 percentage points, this would only narrow the 17–20 GtCO₂e gap by a further 3–4 GtCO₂e or around 20%. The EU would be the primary candidate for being the first large country to update its NDC, as the agreement to increase the renewable target would lead to overachievement of the NDC.

Governments need to take several steps to update their climate targets in 2022. Ultimately, they need to submit a full updated NDC with a more ambitious target. Along the way they can participate in new sectoral initiatives and/or implement additional national policies, whose effect goes well beyond the originally proposed target—and then officially submit this information to the UNFCCC.

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2030 targets have barely moved in 2022 and put achieving 1.5°C at risk

The IPCC has set clear benchmarks. To keep the possibility of 1.5°C alive, the world needs to cut emissions by 45% below 2010 levels by 2030—in other words, halve emissions from present levels in eight years. The IPCC Working Group 3 report showed that this is economically possible.

As current pledges are not sufficient to meet this benchmark, at COP26, governments agreed on the Glasgow Climate Pact, which requests governments to "revisit and strengthen the 2030 targets in their nationally determined contributions as necessary to align with the Paris Agreement temperature goal by the end of 2022, taking into account different national circumstances".¹

But so far in 2022 there has been little action: no major emitter has updated its climate target and there has been little movement in expanding the level of participation in sectoral initiatives, nor implementation of ambitious policies.

Only six countries have submitted updated NDCs in 2022 (**El Salvador**, **Central African Republic**, **Guatemala**, **Bolivia**, **Côte d'Ivoire** and **Haiti**).² None of these countries had previously communicated new and updated targets, and thus these submissions do not represent a further revisiting and strengthening of targets. **Brazil's** 2030 target officially submitted in April 2022 had already been announced during COP26.

It is worth remembering that **Indonesia**, **Russia**, **Singapore**, **Switzerland**, **Thailand** and **Viet Nam** did not submit stronger targets in their 2020/2021 updates and Mexico submitted a less ambitious target. **Turkey** and **Kazakhstan** have not submitted updates, nor has Iran (who has also not ratified the Paris Agreement).

Australia did not submit a stronger target in its 2020/2021 updates; however, with a change in government in May, a new and stronger target is expected. The new Labor government's proposed target is to cut emissions by 43% below 2005 levels by 2030, and is not yet 1.5°C compatible; the new

¹ Glasgow Climate Pact paragraph 29, decision 1/CMA.3.

² As of 1 June 2022.

Parliament, however, includes a substantial number of Independents and Greens who are committed to stronger action consistent with 1.5°C.

The upcoming COP27 host, **Egypt**, has yet to submit an NDC update. Its first NDC did not contain a quantifiable target and the CAT rates its climate action as "Highly insufficient". Egypt would need to roughly stabilise emissions at today's levels to meet its fair share contribution and to cut emissions by around 25% below today's levels by 2030 (with international support) to limit warming to 1.5°C.

A <u>recent G7 ministerial communique</u> urged all countries, especially major emitters, whose NDC targets are not 1.5°C aligned, to increase the ambition of their targets before COP27. Yet, it failed to firmly, clearly and explicitly commit to fulfilling the Glasgow Pact to "revisit and strengthen" *their own* 2030 targets this year. According to <u>our analysis</u>, only the <u>UK</u> has a 1.5°C compatible domestic target and all G7 members are failing to contribute their fair share.

Fulfilling the Glasgow Pact will require leadership. The EU has put forward plans to increase its renewable target for 2030 from 40% to 45%. If this is implemented, the <u>EU would overachieve its NDC</u>. Therefore, the EU would be a prime candidate to start the NDC update process and be the first large country to update its NDC and incentivize others to follow suit.

The Glasgow sectoral initiatives have predominantly been signed by countries that had already taken these activities into account in their climate targets (Climate Action Tracker, 2021). Movement since then has been limited.

- Qatar is the only major country to join the Global Methane Pledge since the COP.³ Large methane emitters like China, India and Russia have yet to join.
- After the flurry of activity around the COP, no countries have joined the <u>coal exit</u> nor the <u>100%</u> <u>EV</u> declaration in 2022. Australia's new government should consider joining this initiative and needs to develop a coal phase out plan. Major automobile manufacturing countries such as **Germany**, **Japan**, the **United States**, **China**, or **France** are still missing.
- A recent <u>G7 ministerial communique</u>, failed to adopt a hard deadline for 100% EV sales, but did commit to achieving a 'highly decarbonised road sector by 2030'. **G7 Leaders** should adopt clear EV targets when they meet at the end of June.
- The commitment made by a coalition of countries and development banks at COP26 to stop-financing-fossil-fuel-infrastructure-abroad has been weakened, due to the pressure after the illegal invasion of Russia in Ukraine to find alternative suppliers of natural gas. For example, Germany is considering supporting Senegal in developing LNG infrastructure, which, if implemented, would undermine the initiative.

The 2020–2021 round of NDC updates only reduced the emissions gap in 2030 by 15–17%. Even after that update round, global emissions resulting from implementation of NDCs would still be twice as high as what is needed for a 1.5°C consistent pathway in 2030. Together, the NDC updates and sectoral initiatives narrow the gap by around a quarter.

³ As of 31 May 2022, the Pledge has 112 signatories, up from the 109 (as of 11 November 2022) covered in our COP26 briefing.

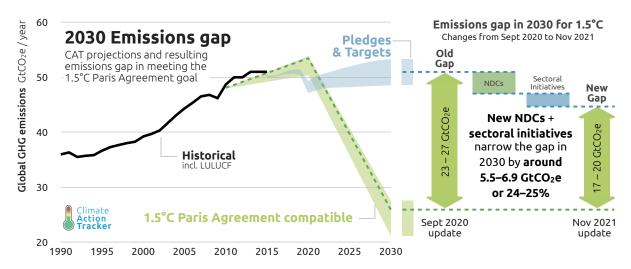


Figure 1. 2030 emissions gap between NDC targets and levels consistent with 1.5°C.

If only 2030 targets are considered, end-of-century warming would reach 2.4°C, almost a full degree above the Paris Agreement limit, at a time when every tenth of a degree matters. Under current policies, end-of-century warming would rise to 2.7°C.

If all 2030 targets and binding⁴ long-term pledges are considered (our "pledges and targets" scenario), end-of-century warming would be limited to 2.1°C. Expanding our scope to include all net zero targets that have been announced or are currently under discussion, including India's net zero announcement at COP26, warming would peak at 1.9°C before falling to 1.8°C by the end of the century.

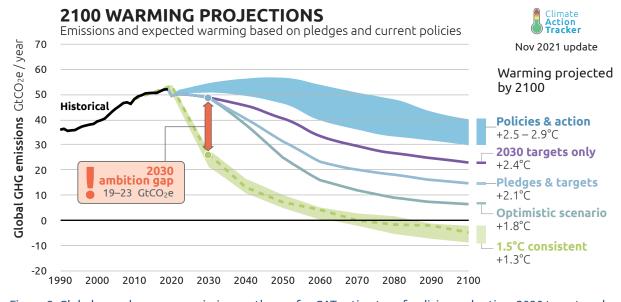


Figure 2. Global greenhouse gas emissions pathways for CAT estimates of policies and action, 2030 targets only, 2030 and binding long-term targets and an optimistic pathway based on net zero targets of over 140 countries in comparison to a 1.5°C consistent pathway.

⁴ We consider targets to be binding if they have been adopted in domestic legislation or submitted, with sufficient clarity, as long-term strategies to the UNFCCC. We exclude older submissions if we deem that the country has abandoned its target.

Ways to update NDC targets in 2022

As time is short, how can governments best fulfill the task they signed up to at COP26 to "strengthen the 2030 targets in their nationally determined contributions as necessary to align with the Paris Agreement temperature goal by the end of 2022, taking into account different national circumstances"?

Some governments claim they cannot update their NDCs in 2022 because the process for doing so would be too lengthy and cumbersome. Ultimately, they need to submit a full updated NDC with a more ambitious target. Along the way they can take a few steps to live up to the request made in Glasgow (see Table 1 for illustrative examples).

2.1 Full NDC update with more ambitious target

National governments should submit a full NDC update with a more ambitious target leading to a lower emissions level in 2030 than the previous one. The submission would need to explain why this new target is "align[ed] with the Paris Agreement temperature goal by the end of 2022, taking into account different national circumstances".

The CAT has calculated what a country's fair contribution would be, as well as the reductions that need to take place within a country's borders (with international support, where relevant) to achieve the 1.5°C limit. These benchmarks can serve as guiderails for countries as they strengthen their targets.

https://climateactiontracker.org/countries/

2.2 Expand NDC coverage

Some NDCs do not cover all emissions. Where this is the case, governments could expand the scope of the NDC by including emissions that are currently not covered. For example, a country where the NDC does not cover methane could participate in the methane pledge and submit that information to the UNFCCC.

Many countries already have targets that cover all greenhouse gas emissions, so this option is only applicable for a few. Of the G20 countries, the most significant case is China, whose NDC targets cover CO₂ emissions only.⁶

The governments would have to submit a new NDC target for the emissions not covered and provide an explanation on how this is aligned to the Paris Agreement temperature goal.

Participate in sectoral initiatives that go beyond NDC

Governments could also nationally agree to participate in sectoral initiatives that they are not yet part of, e.g. on a coal phase out. Currently countries are largely participating in sectoral initiatives where the impact is already taken into consideration in their NDCs (Climate Action Tracker, 2021). This option would primarily apply to countries that have not planned coal phase outs, reducing rates of deforestation or 100% CO₂-free road transport as part of their emissions reduction targets.

National governments would have to sign up to the initiative and submit this information to the UNFCCC, together with a quantification of the impact beyond the NDC.

2.4 Implement policies to overachieve old NDC target

Governments could implement additional domestic policies so they overachieve their original NDC target, which would make it easier to adopt and submit a new NDC target. In the end, what counts are the real actions (policies), not the promises (NDC targets). Right now, many governments need to implement additional policies to meet their current NDC targets.

In this case, the national government would implement the new policies, calculate the effect on GHG emissions beyond the original NDC target and submit that information to the UNFCCC as a first step before submitting an updated NDC target.

⁶ Some countries do not cover some or all F-gases, including Argentina, Brazil, Indonesia, Mexico, South Africa and South Korea.

Table 1. Illustrative examples how countries could strengthen their NDC targets in 2022.

Type (of action?)	Hypothetical examples	Impact on 2030 gap (17–20 GtCO ₂ e)
Full NDC target update	EU going from -55% to -65%. ⁷	Around 0.5 GtCO ₂ e
	USA going from -50%/52% to -60%.8	Around 1 GtCO ₂ e
	China increasing the target for the share of non-fossil fuels in primary energy consumption from "around 25%" in 2030 to "around 30%".	Around 1 GtCO ₂ e
Expand NDC coverage	China provides a quantitative target for methane, N ₂ O and fluorinated gases of 30% reduction (value as in the global methane pledge); these gases are currently only included as measures in NDC and not as quantified target.	0.5 to 1 GtCO ₂ e
Agree on new sectoral actions and join initiatives	Indonesia agrees to join the Powering Past Coal Alliance to phase out coal, provides a calculation of the impact on national emissions and submits that information to the UNFCCC.	Around 0.1 GtCO ₂ e
Implement policies to overachieve NDC target	EU agrees on the Fit for 55 package and shows this would lead to -65% and submits that information to the UNFCCC. ⁹	Around 0.5 GtCO ₂ e

It is not enough for countries to only make some marginal improvements (Table 1). If the EU, USA, China were to increase their NDC values by 5 to 10 percentage points, that would narrow the 17–20 GtCO₂e gap by 3–4 GtCO₂e or around 20%.

With this looming gap where global emissions in 2030 would be twice as high as needed for 1.5°C, it is important that *all* countries revisit and strengthen their NDCs.

The decision in Glasgow provides a clear indication that only increasing the transparency and reporting of NDCs without any change in climate action would not be a viable option. Also including more measures without quantifying their impact would probably be insufficient detail to be considered "revising the NDC target". Finally, to ensure accountability all actions need to be submitted to the UNFCCC and their status reported on as part of the regular reporting system.

Pallow 1990 levels. The European Parliament had earlier called for 60% (https://caneuropean-parliament-confirms-2030-climate-target-to-cut-emissions/a-55197301), the rapporteur and NGOs for 65% (https://caneuropean-parliament-s-climate-law-rapporteur-calls-for-65-emissions-cuts-by-2030).

⁸ Below 2005 levels.

The EU Commission is proposing to increase the renewable energy target for 2030 from 40% to 45% as part of the REPowerEU plan release on 18 May 2022. This would lead to a greenhouse gas reduction beyond 55% below 1990 level in 2030.



References

Climate Action Tracker (2021) COP26 Glasgow: Glasgow sectoral initiatives currently close the 2030 emissions gap by 9%. Berlin, Germany: Climate Action Tracker (Climate Analytics, NewClimate Institute). Available at: https://climateactiontracker.org/documents/1002/CAT_2021-11-11_Briefing_GlasgowSectorInitiatives.pdf.



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The Climate Action Tracker (CAT) is an independent scientific analysis produced by two research organisations tracking climate action since 2009. We track progress towards the globally agreed aim of holding warming well below 2°C, and pursuing efforts to limit warming to 1.5°C.

climateactiontracker.org



Climate Analytics is a non-profit institute leading research on climate science and policy in relation to the 1.5°C limit in the Paris Agreement. It has offices in Germany, the United States, Togo, Australia, Nepal and Trinidad and Tobago.

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NewClimate Institute is a non-profit institute established in 2014. NewClimate Institute supports research and implementation of action against climate change around the globe, covering the topics international climate negotiations, tracking climate action, climate and development, climate finance and carbon market mechanisms. NewClimate Institute aims at connecting up-to-date research with the real world decision making processes.

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