

SECOND SUBMISSION OF THE HIGH-LEVEL CHAMPIONS TO THE GLOBAL STOCKTAKE, AHEAD OF THE 2ND MEETING OF THE TECHNICAL DIALOGUE (TD1.2)

August 6, 2022

The High-Level Champions are pleased to present their second submission to the first Global Stocktake (GST) ahead of the second meeting of the Technical Dialogue to be held in Sharm El Sheikh in November 2022. This document aims to inform Parties on the progress made by non-Party Stakeholders (NPS) during the first half of 2022 in the achievement of the Paris Agreement's long-term goals, and to highlight forward-looking opportunities for enhanced ambition and collaboration between Parties and NPS. It is intended to build on the information provided in the [High-Level Champions first submission](#) and is informed by views and inputs from a wide variety of Marrakech Partnership stakeholders and other NPS partners.

The Glasgow Climate Pact “recognizes the important role of non-Party stakeholders, including civil society, indigenous peoples, local communities, youth, children, local and regional governments and other stakeholders, in contributing to progress towards the objective of the Convention and the goals of the Paris Agreement;” “welcomes the improvement of the Marrakech Partnership for Global Climate Action for enhancing ambition¹”, and encourages the High-Level Champions to support the “effective participation of non-Party Stakeholders in the global stocktake²”. This is an important recognition of the crucial role NPS should play in the GST process, and the specific role the Champions could take up to help facilitate NPS inputs and engagement in the GST, in each of its main components, through reporting of the contribution of the Global Climate Action agenda, and to enable coalitions, initiatives and NPS in developing countries and at the regional level to provide meaningful contributions to the process. NPS input into the GST is critical to highlight the opportunities, solutions and success stories on the ground that Parties can consider to enhance their own ambition and speed up the implementation of their commitments.

¹ See [Improved Marrakech Partnership For Global Climate Action for Enhancing Climate Ambition 2021-2025](#).

² https://unfccc.int/sites/default/files/resource/cma2021_10a01E.pdf, para.77, 88 and 89

The Global Stocktake is a critical component of the Paris Agreement ambition mechanism through which all actors take stock of progress to inform their future updated targets and actions. Inputs and contributions from leading NPS aim not only to identify where more action is needed, but also to demonstrate opportunities and approaches for accelerating climate action, and the many benefits of taking those actions. In addition to reducing emissions and accelerating adaptation actions to build resilience, climate solutions can help address pressing development needs including health, energy access and security, food security and nature and biodiversity conservation.

Over the past months the High-Level Champions engaged with a large number of NPS and Parties to collect their views and expectations on the GST, including during the UNFCCC hosted Regional Climate Weeks (RCWs) that took place in Dubai in March for the [MENA region](#), and in Santo Domingo in July for the [Latin American and Caribbean region](#), and during the [Bonn Climate Change Conference](#) in June. Their efforts to engage NPS in the GST are ongoing and will continue during the African Climate Week that will be held in Gabon from 29 August to 2 September 2022. Updates to this submission will be provided as needed following upcoming regional consultations.

What the Champions heard throughout this consultation is that to be successful and useful, the GST must not only be inclusive of all voices, but also generate clear signals, i.e. demonstrate the effective actions taken on the ground and the transformations they create in the real world in ways that are informative and actionable to decision-makers. It is paramount that it provides an honest analysis of the progress made so far, and what is yet to be done to ensure a just and equitable response to the climate emergency. In that sense, it not only needs to highlight the progress made, but also identify the gaps, particularly where finance or capacity are missing to deliver at pace and scale.

It also has to speak clearly to domestic policy makers, and give indications of what policy decisions, regulations, market and non-market mechanisms can enable, and which barriers need to be removed to speed up the decarbonization of the economy, increase our adaptive capacity and finance the transition. A key element is to be forward-looking and practical, offering concrete solutions for the way forward, including by looking through a sectoral lens. The [Climate Action Pathways](#) and [2030 Breakthroughs](#) developed by the Marrakech Partnership over the last two years are useful foundational tools for that purpose, detailing roadmaps for sectoral transformations in the short, mid and long terms, establishing clear, ambitious yet achievable targets and outlining the plan, finance and governance needed to achieve them. At the same time, the [Yearbooks on Global Climate Action](#) provide an overview of the state and scope of global climate action at the end of each year, including work carried out under the Marrakech Partnership, and key messages on what is required to accelerate sectoral systems transformation. The Marrakech Partnership is using these tools to align their collective efforts.

Finally, it is important that the GST explores regional approaches, be sensitive to specific regional contexts and the diversity of journeys towards our common goal of limiting global warming to 1.5

degrees and building resilience. Special attention needs to be given to how climate action will address questions of equity, social and gender justice, intergenerational justice, the protection and promotion of human rights, just transition, and environmental integrity.

This vision oriented the way this second submission to the GST was built. It follows and complements the [initial submission](#) from February 2022, that described the framework in which High-Level Champions are acting: the five-year plan of the [Improved Marrakech Partnership for Global Climate Action for Enhancing Ambition 2021-2025](#), welcomed by Parties at COP 26, and highlighted the unique added value, function and tools they are deploying to execute their mandate, as well as some of the references and reports available on NPS action and leadership whose information and findings should inform the GST.

This document provides a more granular look into how cities, regions, businesses, investors, and civil society actors are concretely implementing the Paris Agreement by decarbonizing key sectors of the economy, increasing adaptive capacity and shifting financial flows towards a zero-carbon, resilient society. To inform it, Marrakech Partnership stakeholders were asked to identify the emerging trends, progress and impact of their action and collaboration with national governments in the first half of 2022, with a particular focus on forward-looking opportunities that can assist countries to come forward with enhanced climate ambition, including through NDCs, as well as to implement existing commitments and strengthen international cooperation.

An example of this forward-looking, collaborative action for accelerated implementation is the series of [regional forums](#) co-organized by the incoming Egyptian Presidency of COP27, the United Nations Regional Commissions, and the UN Climate Change High-Level Champions for COP26 and COP27 to accelerate financial flows to the projects needed to reduce emissions, build climate resilience, and advance the 2030 Sustainable Development Goals. Taking place across Africa, the Middle East, Asia, Latin America, the Caribbean regions, the five forums are a targeted initiative to drive greater public and private investment in the regions where the need is greatest.

Attached is a snapshot of input collected from the Marrakech Partnership community to inform this submission. The input has been organized in four categories reflecting important areas of focus outlined in the [Marrakech Partnership 2022 Work Programme](#) that was published earlier this year: ambition, implementation, regional perspectives and accountability. While it is not comprehensive, each section aims to be a concise snapshot of climate action by businesses, investors, cities and regions in the first half of 2022 in some of the Marrakech Partnership thematic and cross-cutting areas, such as resilience, water, land-use, oceans and coastal areas, industry, energy, human settlements and finance.

This submission aims to complement (not replace) individual submissions by Marrakech Partnership stakeholders who have been encouraged to do so in advance of the August deadline. It also complements existing tools and products that show growing efforts by NPS to not only mobilize around shared goals, but to track progress toward their individual and collective commitments, such as the

Climate Action Pathways, the 2030 Breakthroughs, the Yearbook of Global Climate Action, and the [Global Climate Action portal](#), which are constantly updated, communicated to Parties, and have already been made available on the [GST information portal](#). A new Yearbook and a series of other major reports are expected to take stock of the progress made under the global campaigns (Race to Resilience, Race to Zero, and GFANZ progress reports), and sectoral work (Breakthroughs Agenda Report 2022, and State of Climate Action 2022 Report) ahead of COP 27.

Through this submission, the Champions are proud to communicate the growing breadth, vitality and ambition of climate action undertaken by leading NPS since COP 26, while highlighting key areas of focus and opportunities to transform entire sectors in the near future. In the face of multiple crises, NPS are sticking to their climate commitments, and more are continually joining the leadership movement. Reflecting on and learning from this progress is fundamental to preserve hope, inspire countries to increase their climate targets at COP 27 and beyond, accelerate the delivery of their commitments, and create enabling national environments aligned with the objectives of the Paris Agreement to support and incentivise this action further. The Champions therefore invite Parties to take every opportunity to dialogue with NPS at upcoming RCWs, or on sectors of particular interest, to inform their own submission to the GST, and deepen collaboration ahead of COP 27. The Champions would be delighted to continue supporting this dialogue and collaboration in the spirit of inclusive multilateralism, that is our best, and perhaps our only chance to tackle climate change as well as many other challenges of our time.

ATTACHMENT

Selection of Excerpts collected from Marrakech Partnership stakeholders

The following is a selection of inputs collected from Marrakech Partnership stakeholders and other NPS, highlighting examples of non-State actor leadership and progress in the first half of 2022, as well as opportunities for increasing ambition and deepening collaboration. The input has been organized in four categories reflecting important areas of focus outlined in the [Marrakech Partnership 2022 Work Programme](#) that was published earlier this year: ambition, implementation, regional perspectives and accountability. While it is not comprehensive, each section aims to be a concise snapshot of climate action by businesses, investors, cities and regions in some of the Marrakech Partnership thematic and cross-cutting areas, such as resilience, water, land-use, oceans and coastal zones, industry, energy, human settlements and finance.

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AMBITION

1. Proof points and examples of progress in terms of enhanced ambition by non-Party stakeholders since the beginning of 2022 that contribute to the achievement of the Paris Agreement's goals

Global campaigns:

- The [Race to Zero](#) campaign aims to rally leadership and support from businesses, cities, regions and investors for a healthy, resilient, zero-carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth. The campaign now has over 10,000 members from across around 110 countries, including; 7,200 companies; 1,103 cities; 52 regions; 541 financial institutions, 1,103 educational institutions, and 60 healthcare institutions.
- The [Race to Resilience](#) campaign which aims to increase resilience for 4 billion people living in vulnerable communities by 2030, has now gathered 34 Partner initiatives representing over 2,500 NPS delivering action and covering around 2.4 billion people and 100 natural systems in over 100 countries. This represents a combined global reach of over a billion people, focusing on a wide range of issues, from water resilience to nature-based solutions, disaster risk reduction, agricultural resilience, finance and insurance.
- The [Glasgow Financial Alliance for Net Zero \(GFANZ\)](#) provides a forum for leading financial institutions to accelerate the transition to a net-zero global economy. Anchored in the Race to Zero campaign to ensure credibility and consistency, it brings together over 450 firms from across the financial sector in 45 countries, collectively responsible for more than USD 130 trillion assets. By supporting the Financial Alliance Partners in Race to Zero to accelerate the delivery of their commitments to achieve a net-zero economy, GFANZ provides additional, finance-specific guidance and outlines more detailed pathways to financial institutions.

Resilience

- With almost 20 partners submitting their first report towards the collective goal and based on the metric framework developed by the technical secretariat with the advice of the “Methodological Advisory Group”, the Race to Resilience campaign is reaching a critical mass of partner initiatives that are committing to enhance their ambition in setting their goals, while also submitting to scrutiny and monitoring on how they implement and measure the impact of concrete action - a key step in advancing towards effective and transparent climate action.

Industry

- Across Heavy and Light Industry, various sub-sectors have enhanced their level of ambition via updated 2030 Breakthrough targets and the introduction of interim 2025 targets.
 - The Global Cement and Concrete Association has launched a [series of Net Zero Accelerator initiatives](#) to help national cement and concrete industries decarbonize in line with the 2050

Net Zero Global Industry Roadmap, which sets out actions to achieve 25% reduction of carbon intensity for concrete by 2030.

- In the steel industry, A.P. Moller – Maersk, Iberdrola, Siemens Gamesa, Vattenfall BA Wind, Volvo Cars, B+M Steel, Eiffage Métal France and Skanska UK joined [SteelZero](#) in the first half of 2022 pledging to procure, specify and stock 100% net zero steel by 2050.
- The ICT sector has not only committed to decarbonize 80% of industry electricity use by 2030, based on the ICT sector 1.5 decarbonization pathway approved by the Science-Based Targets Initiative (SBTi), but also set an interim target of 50% of industry electricity to be decarbonized by 2025.
- In the Pharma and Medical Technology sector, Pfizer earlier this year announced its updated 2040 net-zero commitment across its value chain – 10 years earlier than its initial commitment of 2050.

Energy

- Under the Global Checkpoint Process, IEA, IRENA, and the High-Level Champions, are collaborating to assess progress against the objectives of the [Glasgow Breakthrough Agenda](#) in high-emitting sectors, including towards its goals, and report on the state of the transition together with an assessment of the opportunities for and benefits from enhanced cooperation through the Agenda. The report will be launched in September prior to the Clean Energy Ministerial.

Land-Use, Oceans and Coastal Zones

- A number of Marrakech Partnership stakeholders and other NPS have submitted their inputs during the first round of submission to the GST addressing how and why nature should be included. Submissions from members such as [Conservation International](#), [Environmental Defense Fund](#), [The Nature Conservancy](#), [International Union for Conservation of Nature](#), as well [WWF](#) and [Climate Action Network](#) have provided comprehensive input covering the relevance of nature within the GST.
- The updated [Race to Net Zero Leadership Principles](#) call for organizations to pledge to halt deforestation and protect biodiversity, making their activities consistent with climate resilient development. Pledge to make finance consistent with climate resilient development including ending deforestation and conversion of other natural ecosystems, and respecting biodiversity. Organizations should integrate nature in their plans, drawing on the Convention on Biological Diversity, integrate the conservation and sustainable use of biological diversity into relevant sectoral or cross-sectoral plans, programmes and policies.

Human Settlements

- 73 private sector entities have joined GlobalABC, up from 51 in 2021.
- 151 design companies and 90 construction companies have joined the Race to Zero for which GlobalABC as an Accelerator; 135 business and organizations have joined the World Green Building

Council (WorldGBC) Net Zero Buildings Commitment; 436 buildings and construction companies have committed to science-based targets.

- An example of ambition on social equity is the launch of ICLEI's [Malmö Commitment](#) in May 2022, which is endorsed by 8 local and regional governments, recognizing that people and social equity are at the heart of local sustainable transition, and encouraging participation and inclusiveness in policy-making to tackle the current climate emergency.
- At the European level, the 100 Climate Neutral and Smart Cities Mission supported by ICLEI is engaging and supporting local leaders to reach 100 climate-neutral cities in Europe by 2030.

Finance

- Ahead of COP 27, the incoming Presidency of COP 27, the United Nations Regional Commissions, and the High-Level Champions are jointly organizing a series of [regional forums](#) to accelerate financial flows to the projects needed to reduce emissions, build climate resilience, and advance the 2030 Sustainable Development Goals. Kicked off in Addis Ababa on 3 August 2022, these roundtables will take place in the Middle East, Asia, Latin America and the Caribbean regions, convening countries looking to raise capital for critical climate mitigation and adaptation projects, along with significant financial institutions such as regional development banks and members of GFANZ to look at how best to de-risk investments in developing countries and help countries present their investment-ready projects.
- COP 26 and incoming COP 27 Presidencies launched a new [Independent High-Level Expert Group on “Scaling up Investment and Finance to Deliver on Climate Ambition and Development Goals”](#), to be co-chaired by Vera Songwe and Nicholas Stern. The High-level expert group will work in coordination and collaboration with the High-Level Champions to help develop and put forward policy options and recommendations to encourage and enable the public and private investment and finance necessary for delivery of the commitments, ambition, initiatives, and targets of the UNFCCC, Paris Agreement further reflected within the Glasgow Climate Pact, building momentum and further action for the Sharm el-Sheikh agenda and beyond.
- Over 574 financial firms are now committed to net zero under GFANZ, an increase of more than 100 since COP 26, with focus shifting to implementation.
- GFANZ published a number of [reports and consultations](#) on finance and real economy transition plans and pathways.
- GFANZ launched its [Asia-Pacific Network](#) to support engagement with financial institutions and policymakers across the region, enabling mutual knowledge-sharing and open dialogue on the opportunities and challenges of net zero to ensure a truly global green transition.
- The SBTi for financial institutions has published its [net-zero standard and guidance](#) for private equity firms and approved its first 29 targets.
- The [Net Zero Investment Framework](#) published guidance on sovereign bonds and consultations on Infrastructure, Derivatives and Private Markets with over 150 users of this framework.
- The Net Zero Asset Owners target setting protocol released [updated guidance](#) and increased coverage of high emitting sectors from 7 to 14.

2. Forward-looking opportunities, policy options, technology solutions and capacity-building activities emerging from the Marrakech Partnership thematic/cross-cutting areas since the beginning of 2022 that would be most helpful to address the gaps, and for Parties to enhance their ambition, including their nationally determined contributions (NDCs), and strengthen international cooperation.

Resilience

- Race to Resilience partners are now utilizing the first of its kind metrics developed last year to strengthen their ability to track progress and impact. The metrics use a people centered approach to quantify changes in characteristics associated with higher resilience. The metrics include: a) ‘quantitative’ or ‘magnitude’ metrics, which help to understand the ‘size’ of the impact; and b) ‘qualitative’ or ‘breadth’ metrics, which help to understand how the partners and their members are contributing to increasing resilience of people vulnerable to climate change. Combined, the two approaches can help better understand the extent and effectiveness of the effort on resilience-building, and point out areas for improvement. These metrics offer consistency across campaign partners and could prove a useful example or best practice or input for parties to measure the impact of their own adaptation and resilience plans.

Industry

- The Climate Group, in partnership with the World Business Council for Sustainable Development (WBCSD) and WorldGBC launched [ConcreteZero](#), a new initiative with a goal of sourcing 100% net zero concrete by 2050 and has gathered 17 pioneering businesses with ambitious short-term commitments to use 30% low emission concrete by 2025 and 50% by 2030. To meet climate change goals, the public procurement of green concrete and construction will be required. A foundation of common global green construction guidelines and standards is necessary to support the development of databases, calculation tools and carbon emissions baselines. This will help to raise the level of ambition in meeting targets for green concrete and cement.
- The enabling effect of digital technologies can reduce GHG emissions by 20% by 2050 across energy, materials, and mobility. [IntenCity](#), the Schneider Electric building, is a good example, which is equipped with the internet of things – enabled solutions, providing an end-to-end digital architecture that captures more than 60,000 data points every 10 minutes. It is smart-grid ready and energy-autonomous, with 4,000 m² of photovoltaic panels and two vertical wind turbines. Digital platforms, connectivity and fintech solutions can also improve the resilience of individual and collective enterprises.

Energy

- IRENA’s World Energy Transitions Outlook presents priority areas and actions based on available technologies that must be realized by 2030 to achieve net zero emissions by mid-century, including

electrification and energy efficiency as primary drivers, enabled by renewables, green hydrogen and sustainable modern bioenergy. WEF and IRENA, for instance, are accelerating the application of clean hydrogen by developing the [Enabling Measures Roadmaps for Green Hydrogen](#) for EU and Japan and will expand to other regions and countries such as Latin America, India, China, the Middle East and North Africa.

- National Cooling Action Plans (NCAPs) are a key macro-level policy tool to drive alignment in the sector and integrate policies that are addressed separately, to accelerate the transition to sustainable cooling for all and set direction and actionable targets for addressing access to cooling while reducing its environmentally harmful impacts and maximizing the socio-economic benefits. [Cool Coalition](#) is a pioneer in accelerating this policy by developing a guiding framework and holistic but modular methodology for the development of NCAPs that cover cooling comprehensively, including various sectors and end uses, and both met and unmet cooling needs. Currently, over 30 NCAPs are at various stages of development and several countries, including Cambodia, Indonesia and Pakistan, are piloting the Cool Coalition methodology to develop their plans, and others have leveraged the methodology to strengthen their ongoing work, which also help countries unlock climate finance as seen in India, Rwanda, Cambodia, Viet Nam, Kenya.

Finance

- GFANZ in its real economy and sector-based transition pathways work, has outlined key technology options and pathways to decarbonise steel, aviation, and oil and gas as priority sectors.
- IIGCC's [Climate Investment Roadmap](#) include a Technology Prioritisation Framework to rapidly deploy climate solutions including solar PV, onshore wind, and grid-scale storage and to develop solutions i.e., forest restoration, green steel and hydrogen as a tool to help investors accelerate the energy transition through investment and engagement.

IMPLEMENTATION

3. Concrete evidence of implementation, transformational action and collaboration with national governments and other stakeholders (including case studies, good practices and success stories) over the first half of 2022 that should be scaled and replicated:

Resilience

- Race to Resilience partner initiatives are spread almost all around the globe, with Africa as the continent where more potential beneficiaries are identified. Consistently, the initiatives focus on vulnerable groups within the geographies where they operate, most prominently women and girls, the poor, children and youth, as well as indigenous and traditional communities. Initiatives spread

fairly evenly among the key target communities, such as inland and coastal groups, urban and rural populations.

- In terms of sectors, the areas more targeted by the initiatives correspond to cities and human settlements and finance, followed by food and agriculture systems, and infrastructure and services. A fourth of the initiatives are operating transversally through oceans, coastal zones and ecosystems. More specifically, the types of actions most frequently pursued by the initiatives are early warning systems and early action, climate risk governance and capacity-building, nature-based solutions to reduce risks, as well as climate-proofing of infrastructure and services.

Land-Use, Oceans and Coastal Zones

- As part of the implementation of net zero and biodiversity related targets, leading financial institutions are [committed to tackling commodity driven deforestation](#) associated with key commodities such as palm oil, soy, beef, pulp and paper by 2025 and to increase investments in nature-based solutions.

Water

- [Global Water Leadership programme](#) has brought together integrated water resources management (IWRM) and water, sanitation, and hygiene (WASH) leaders from supporting organizations and government decision makers to develop comprehensive climate-smart water management solutions.

Industry

- 5 major UK grocery retailers are collaborating with the World Wildlife Fund (WWF) to halve the environmental impact of the weekly shop by 2030, focusing on implementing action in 7 of the most urgent and devastating environmental issues the food system has an impact on, with key areas of action including a reduction in methane from cattle to tackle climate change and ensuring that water resources in key fruit and veg sourcing regions are managed sustainably.

Human Settlements

- Building decarbonization roadmaps are underway in 30 countries, driven by national and local ministries/entities in close coordination with key buildings and construction stakeholders. For example, the [Circular Turku Roadmap](#) incorporates many of the broad actions put forward in the Action Table, putting the City of Turku, Finland, on track to reach climate neutrality by 2029 by switching to a circular economy across five priority sectors in the city.
- ICLEI Africa worked with 5 African national governments this year on NDCs-aligned work. Through the Covenant of Mayors in Sub-Saharan Africa, ICLEI supports cities to increase their capacities to provide access to secure, sustainable, affordable and clean energy services to urban and peri-urban populations in Sub-Saharan Africa.
- A sub-national “[Just Transition Taskforce](#)” launched in May is a partnership between the Scottish Government and Climate Group to accelerate progress towards an equitable Net Zero Future.

- In May, mayors and governors of 10 major African cities signed onto the C40 Clean Air Cities Declaration, recognizing that breathing clean air is a human right and committing to work toward safer air quality that meets World Health Organization Air Quality Guidelines.
- Indian subnational governments are demonstrating leadership. For example, Maharashtra & Chattisgarh have announced a new governance mechanism to act on climate, the Maharashtra government is working with all its 43 cities in Race to Zero to develop climate action plans, the state of Tamil Nadu has formed a state-owned 'Green Climate Company', and Mumbai is setting up a 'Climate Action Cell' to implement its Climate Action Plan (CAP).

Finance

- Several transition plans have been published, including LSEG Climate Transition Plan, Aviva's Climate Transition Plan, Paris-aligned benchmarks launched by FTSE Russell, Joint Committee on Climate Change (JC3) Report on the Sustainable Finance Landscape in Malaysia.
- As part of a program with the Italian Ministry of Ecological Transition, CDP started to develop a methodology to take stock of Italian NPS' contributions to achieve the 1.5°C target. This NPS assessment takes a bottom-up national perspective, while delivering a globally applicable framework, helping to showcase actions to national governments to address gaps and catalyze the ambition loop into meaningful, evidence-based policymaking.

4. Forward-looking opportunities, policy options, technology solutions and capacity-building activities emerging from the Marrakech Partnership thematic/cross-cutting areas since the beginning of 2022 that would be most helpful to address gaps and for Parties to implement their ambition, including their nationally determined contributions (NDCs), and strengthen international cooperation:

Water

- The [Water Tracker for National Climate Planning](#) is a tool and diagnostic guide by the Alliance for Global Water Adaptation to help countries self-assess and enhance water resilience in their national climate plans. It supports Parties to enhance cross-sectoral adaptation action and support capacity building and training.
- City-level strategic urban water resilience (UWR) planning is another emerging opportunity that is leveraged by the [UWR in Africa Initiative](#) by WRI, ARUP and SIWI to transition to water resilient cities through multi-stakeholder collaboration, capacity building, technological support and financing.
- In addition, the source-to-sea management approach is emerging as an opportunity to improve the management of land, water, coastal and marine linkages, which is promoted by the [Action Platform for Source-to-Sea Management](#) initiated by SIWI.

Industry

- Industry groups are increasingly recognizing the need to tackle their Scope 3 emissions. A core hurdle is the difficulty in accessing data across the value chain to create sufficient transparency of their emissions along the value chain. Interoperability, i.e. the ability to connect to one another, exchange information and understand the information exchanged, is key. WBCSD's Partnership for Carbon Transparency (PACT) released the first set of technical specifications in the first half of 2022 for the standardized exchange of carbon emissions data. The specifications will, for the first time, allow different emissions and accounting tech solutions to connect to and understand each other—making it easier for businesses to access data on their Scope 3 emissions.
- Circularity has a vital role to play to address key gaps and enable companies to implement their ambition. For example, to establish a more sustainable mobile industry, alignment is required on a more circular business model to create repairable upgradable devices made from recycled content and renewable energy that are used for longer, for example, Apple leads with approximately 18% recycled content in a smartphone, system alignment is required for exponential growth in recycling.
- Industry groups are also embracing the “materials transition”. Recirculating materials, using them more efficiently, and increasing the utilization and lifetime of vehicles and buildings (which take up most of the aluminum, steel, and cement produced) could significantly lessen demand for primary industrial materials—and thereby reduce environmental impacts. In all, these measures could cut emissions by 56%.

Energy

- At the 2022 World Economic Forum, the Cool Coalition and the Adrienne Arsht-Rockefeller Foundation Resilience Center launched an online [Heat Action Platform](#) for policymakers and planners to identify the solutions most relevant to them, based on a comprehensive guide to sustainable urban cooling launched by the Cool Coalition at COP26. In the coming months, partners will pilot use of heat action platform with select group of cities, deliver trainings on innovative approaches in heat resilience strategies, and support cities for ad-hoc activities including heat risk assessment, heat resilient planning

Human Settlements

- Climate Action Implementation (C40), with funding from the UK government, is helping 7 African cities on implementing climate action plans. There needs to be a global increase in funding dedicated to technical assistance that assists cities in implementing their climate change plans.
- ICLEI Africa has developed a number of outputs related to multi-level governance to support cities. Strong need to foster radical collaboration between governments and private sector and finance institutions to act together on achieving targets.

Finance

- The finance sector's work on technological advancements that can lead to decarbonisation will be faster if supported by regulatory and fiscal measures that allow them to be developed and deployed

at scale, with appropriate incentives and off-take agreements de-risking increased allocation to these solutions, as well as capacity building, especially for emerging markets and developing economies.

- Concepts like climate adaptation and resilience need to be integrated by financial institutions into their risk frameworks beyond a single asset's exposure, e.g. adaptive capacity of the asset on its own and within its broader societal context, and shared with Parties, sub-national governments and communities so that innovative financing mechanisms can enable the flow of funds.

5. Efforts and progress made by non-Party stakeholders over the first half of 2022 towards the mobilization and alignment of finance towards the implementation of the Paris Agreement's goals and what are the existing gaps that should be addressed:

Land-Use, Oceans and Coastal Zones

- Investment platforms to facilitate financial institutions' increased financial flows for nature-based solutions are being developed including CONVENE and Capital for Climate [NBS online investment platform](#).

Water

- Downstream water users, such as businesses, utility companies, and local governments, invest in water security through the [Upper Tana-Nairobi Water Fund Trust](#) which then builds relationships with tens of thousands of farmers upstream to implement activities upstream that are needed to conserve and restore the water source, supporting climate-resilient agriculture in the upper watershed and more resilient water supply for Nairobi, and resilient energy supply for Kenya and use nature-based solutions to sequester carbon.

Industry

- Unilever, AXA and Tikehau Capital are collaborating to create an [impact fund](#) of EUR1 billion to scale the regenerative agriculture transition, using a unique set of industry, risk, and financial expertise to drive structural change.
- Investors put USD88 billion globally into climate tech start-ups last year, showing confidence in the enabling effect of technological innovation such as AI-powered smart grids to accelerate cross-sector pathways.

Energy

- IRENA's [Energy Transition Accelerator Financing Platform](#) is the first global climate finance partnership from the Middle East to the world to advance the energy transition across 166-strong membership, with anchor funding of USD400 million from the United Arab Emirates via the Abu Dhabi Fund for Development (ADFD), aiming to mobilize approximately USD1 billion of capital by 2030 from various funding partners, investors, private sector, and donors, supporting the implementation of NDCs SDGs.

- The Clean Cooling Collaborative, a philanthropic program focused on curbing GHG emissions from cooling, announced in July 2022 a [USD25 million grant](#) from the IKEA Foundation over the next four years to advance solutions for efficient, climate-friendly cooling for all.

Human Settlements

- In 2022, the Covenant of Mayors in Sub-Saharan Africa launched a [Climate Finance Course](#) to build capacity of cities and subnational governments to understand and access finance that is relevant for their climate actions.
- The [African Cities Water Adaptation Fund](#) has been developed by a coalition of 16 partner organizations working collaboratively to deliver urban water resilience solutions in Africa. This blended finance instrument aims to leverage USD5 billion in funding and financing to implement strategic and innovative urban water resilience projects at scale in 100 African cities by 2032.

6. Forward-looking opportunities, actions and policy options emerging since the beginning of 2022 that would be most helpful to accelerate alignment of finance with the Paris Agreement's goals and scaling its deployment to developing countries:

Human Settlements

- Enhanced government incentives for green loans and retrofits in the built environment sub-sector, finance mechanisms for the informal buildings and waste and consumption group is much needed.
- There is an urgent need to increase the overall availability of quality finance for adaptation and resilience, as well as to diversify financial instruments through emphasizing grant-based rather than loan-based models, a need to support greater awareness globally on global south climate finance priorities, access to finance, and how to scale up adaptation finance and build resilience through peer learning and exchange, including innovative financing solution that are also inclusive of renters.
- The [Transformative Actions Programme](#), led by ICLEI, with 16 partners, is a subnational demand-driven project pipeline to catalyze and improve capital flows to cities, towns, and regions by strengthening their capacity to access climate finance and attract investment - the current pipeline has an estimated investment volume of 2.6 billion Euro. TAP partners raise awareness and advocate for closing the gap between local projects seeking finance and the availability as well as accessibility of finance.

Finance

- GFANZ expressed private sector support for G20 Country Platforms and G7 Just Energy Transition Partnerships (JETPs) as vehicles to support emerging markets and developing economies pursuing ambitious net-zero transition.
- In April, the International Sustainability Standards Board released [exposure drafts on climate and general sustainability-related financial disclosures](#) which provides the opportunity for a globally accepted baseline in corporate climate reporting.

- CDP's Shaping a Sustainable Financial System briefing recommended making environmental factors integral to investment criteria and corporate governance and making environmental criteria integral to financial stability considerations, and aligning public finances and fiscal policies to support environmental sustainability

REGIONAL PERSPECTIVES

7. Key regional messages and near-term opportunities emerging that should be highlighted and reflect the perspectives and needs of local/national/regional stakeholders, in particular from developing countries:

Africa

- An energy system centered on renewable energy, as laid out by IRENA's Renewable Energy Market Analysis: Africa and its Regions report, can help resolve many of **Africa's** social, economic, health and environmental challenges, overcoming energy poverty, providing needed energy services without damaging human health or ecosystems, and enabling a transformation of economies in support of development and industrialisation.
- The continent has enormous potential in wind, solar, hydro, and geothermal energy and falling costs are increasingly bringing renewables within reach.
- Central and Southern Africa have abundant mineral resources essential to the production of electric batteries, wind turbines, and other low-carbon technologies.
- Given the diversity of realities on the continent, plans for achieving zero emissions growth and building resilience must be locally relevant and tailored to the resources and constraints of each country. This diversity can also be a source of complementarities amongst countries and feed into regional visions.
- A focus need to be put on mobilizing finance for climate change adaptation and an increased access to sustainable energy

Asia

- Decarbonization of the industry sector remains key. In the first half of 2022, SteelZero was launched in India to bring global initiatives together with leading Indian organizations to speed up the transition to a net-zero steel industry, making a public commitment to buy and use 50% low emission steel by 2030, setting a clear pathway to using 100% net zero steel by 2050.
- In Southeast Asia, cooling is already expected to be the fastest growing electricity consumption sector over the next two decades, which will not only raise the overall electricity demand but also increase the strain on power grids. Offsetting the demand for cooling with efficient and low-carbon solutions is crucial not only for achievement of SDG7 but for many other SDGs and to support the region's decarbonization.

Latin America and the Caribbean

- In **Latin America and the Caribbean**, although there is a good uptake of pledges and commitments by NPS, the commitments made through the Race to Zero should be showcased to investors, demonstrating projects that can be financed, and thereby enabling investors to identify opportunities, and empowering actors to reach targets. An example of an initiative that achieves this is CDP's Matchmaker, which advances implementation of climate resilient infrastructure projects through project data disclosure and stakeholder consultation.
- Often climate related activities in cities are isolated from economic development outreach, creating communication and information barriers between cities and potential investors. Matchmaker bridges this divide by working with cities to highlight projects in flood control, waste management, sustainable transportation, renewable energy, water management, and energy efficiency.
- Regional roundtables on finance should be encouraged, to ensure public and private financial actors are brought together, facilitating communication and engagement between different actors, identifying opportunities for investment, and sharing good practices and lessons learned.
- It is also highly important to engage all stakeholders, including parliaments who not only act as executive bodies, but also hold governments accountable, the youth who play a crucial role in climate action and multilateral negotiations, as well as indigenous people in the GST process and climate action at large.

Middle East and North Africa

- Given the extreme impacts of climate change across the region, adaptation and means of implementation, including finance for climate action, are prioritized by MENA countries. At the same time, the MENA region provides opportunities for renewable energy and advanced green technology (combining tradition and innovation), which bring an advantage to help accelerate mitigation efforts.
- As one of the most water-stressed regions in the world, **Middle East and North African** stakeholders are transforming the water sector and strengthening resilience. The number of wastewater treatment plants in Egypt has increased to more than 400, and the total sanitation coverage of the country has doubled over the past decade while with more than 92% of its water reused, mostly in large scale irrigation projects.
- Jordan and UAE are also pioneering wastewater reuse with a strong, long-term vision and planning involving inter-institutional decentralized alignment mechanisms and engagement of the private sector. Water treatment processes, on the other hand, produce large amounts of sewage sludge, which, if properly treated and integrated across sectors, can be used as agricultural fertilizers and a new source of bioenergy, sustaining sustainability and implementing circularity. This has been proved as an emerging opportunity implemented by small-scale farmers and rural populations through projects implemented by GIZ and the Arab Countries Water Utilities Association and should be scaled and replicated. [ReWater MENA project](#) which is working with six communities in Egypt, Jordan and Lebanon to formulate local plans for wastewater reuse and design business models that will be attractive to the private sector, emphasizing the importance of capacity building and networking among stakeholders, as well as the role of communications to subvert negative attitudes and cultural constraints around wastewater reuse. Therefore, stronger support in capacity building for all stakeholders, cross-border collaboration for lessons learned, linking NDCs actions

with government objectives and KPI, and mainstreaming climate change into higher education are necessary.

- Further efforts need to be made to address the insufficient access to finance and strengthen accountability and transparency of climate action.

Resilience

- Cities from emerging market countries are leading in the commitments to the Race to Resilience, with nature-based solutions, social equity and water actions firmly at the center of the commitments. With urgent action required to reduce or halt climate change, industrialized cities' resilience commitments focus on energy, food systems, governance, waste, and urban-rural linkages. Cities must take a comprehensive, whole-systems approach to cool cities, without warming the planet. There is an urgent need for sustainable cooling, nature-based solutions, and heat resilience in cities.

ACCOUNTABILITY

8. Progress in terms of enhancing transparency and accountability of non-Party stakeholders' climate ambition and actions and evidence of non-Party stakeholders delivering on their commitments:

High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities (HLEG)

- The launch of the High-Level Expert Group on the Net-Zero Emissions Commitments of Non-State Entities (HLEG) by the Secretary-General of the United Nations Antonio Guterres in March 2022 is an important step to enhance transparency and accountability of non-Party stakeholders' climate ambition and actions.
- This group chaired by Catherine McKenna, former Canadian Minister of Environment and Climate Change, was announced in Glasgow in November 2021. Its mission is to develop stronger and clearer standards for net-zero emissions pledges by non-State entities – including businesses, investors, cities and regions – and speed up their implementation.
- Responding to the launch of the HLEG, and in coherence with their priority to “build credibility and trust in non-Party stakeholders' action”, the High-Level Champions have made themselves available to support the group's work.

Race to Zero Criteria and Leadership Practice 3.0

- In June 2022, Race to Zero published refined criteria that all campaign members must meet, having completed its largest international consultation bringing together over 200 independent experts ranging from scientists, academics, practitioners as well as campaign members to discuss the key topics from finance to nature, fossil fuels to carbon credits, policy to equity and justice. Major outcomes for strengthening the criteria include:

- Making explicit the requirement for members to phase down and out all unabated fossil fuels as part of a just transition, something which was previously implicit. In practice, this means corporations and investors must restrict the development, financing, and facilitation of new fossil fuel assets, which includes no new coal projects. The exact pathways and timelines naturally differ across regions and sectors.
 - Making explicit the existing requirement to publicly disclose a Transition Plan (or equivalent) within twelve months of joining Race to Zero.
 - Reiterating the need for all members committing to net zero to cover all scopes of emissions, both in their interim and long-term targets. For financial institutions, this includes all financed/portfolio/facilitated emissions.
 - Introducing a new criterion (“Persuade”), requiring members to align their lobbying and advocacy activities with net zero by proactively supporting climate policies at the subnational and national level consistent with the Race to Zero criteria.
- These updated criteria come into effect for new members joining the Race to Zero from Wednesday 15th June. All existing members and Partner organizations will need to meet the criteria by 15th June 2023 at the latest. Ensuring this implementation is now a core focus for the campaign and its Partners, which is why Race to Zero is developing an independent compliance mechanism to identify persistent non-compliance, target support where needed and ultimately to remove members in the campaign who fail to meet the criteria.

Resilience

- The Race to Resilience is launching its first Working Paper including the high-level Metrics Framework, a pioneering, world-leading approach for the high-level tracking & monitoring of NPS' resilience-building efforts that provides a comprehensive outlook on the commitments, plans, progress & evidence-grounded outcomes of the campaign partner initiatives, across a broad range of sectors, scales and action types. The Framework will be a cornerstone of the campaign and is hoped to become a point of reference for the global climate action and resilience community on how to track adaptation, allowing the Champions to support national governments on their commitment to reach the goals of the Paris Agreement, including defining a global goal on adaptation and the periodic assessment of progress under the GST.

Industry

- The World Economic Forum recently launched the [Net Zero Industry Tracker](#) to raise transparency and accelerate industrial transformation, offering a comprehensive framework for monitoring industries' progress towards net zero and providing insights to inform industry leaders, policymakers and consumers about actions that are the most critical and most effective.

Human Settlements

- City Declarations coupled with reporting and monitoring mechanisms are proving to be valuable tools to enhance transparency and accountability towards climate ambitions
- Cities Race to Zero and Cities Race to Resilience signatories are able to report their actions through a number of different reporting platforms, including CDP-ICLEI Track - with access to a helpdesk and support in submitting their city's climate-related actions.

- Making Cities Resilient 2030 offers cities a clear, three-stage roadmap to implementing resilience building actions with the goal to ensure cities become inclusive, safe, resilient and sustainable by 2030, contributing directly to the achievement of the Paris Agreement, SDGs (SDG11), the Sendai Framework for disaster risk reduction and the New Urban Agenda.
- RMI/WRI led Local Government Renewables Action Tracker: The Transaction Tracker provides an overview of the renewable energy transactions announced by cities, municipal utilities, counties, and community choice aggregations. The Engagement Tracker provides an overview of local government efforts to support or enable additional renewable energy development by engaging with their local utilities, regulators, legislators, or independent system operators/regional transmission organizations (ISOs/RTOs).

Finance

- This year, 263 financial institutions from 29 countries, representing \$31 trillion in assets, engaged more than 1,400 companies on disclosure through CDP's non-disclosure campaign. These companies represent over \$24 trillion in market capitalization and emit more than 4,800 megatonnes of CO₂ annually. With an average 38% year-on-year growth, including a significant growth across the water and forest questionnaires (51% and 37% respectively from 2021), such a campaign, alongside CDP's disclosure questionnaires more broadly, can support Parties and the UNFCCC to assess the contribution and impact of NPS to national and global climate action and targets.

9. Forward-looking opportunities, policy options, technology solutions and capacity-building activities emerging from the Marrakech Partnership thematic/cross-cutting areas since the beginning of 2022 that would be most helpful for Parties and non-Party stakeholders to enhance transparency and accountability of non-Party stakeholders' climate ambition and actions:

Resilience

- To the moment, adaptation/resilience-building efforts have been hampered by the fact that, differently from mitigation, there is not yet a clearly stated goal or standard to guide or track efforts. Changing this would at the same time contribute to enhancing ambition and implementation, and making it more transparent and accountable. For that, it is necessary to achieve at least a minimum consensus over the conceptualization of resilience (what is it and how it can be achieved) and its measurement (how do we define when an action is creating resilience?), as well as methodological guidelines on how can this measurement be brought forward (through which data? How can these be collected, processed and validated?). The Race to Resilience campaign and its Technical Secretariat are doing key work on the Framework and aligning with other initiatives in this respect.

Race to Zero updated criteria

- Race to Zero members are now encouraged to hone in on the implementation of the 5th 'P' of the campaign's criteria: embedding proactive policy engagement at the heart of their operations. As part of this, Race to Zero is contributing to a Roadmap to Regulation which will help inform NPS how to best influence standards and regulation to accelerate the delivery of the Paris Agreement thanks to the activation of the ambition loop between non-state actors and national governments.
- Race to Zero is engaging with key partners such as GFANZ, the International Organization for Standardization (ISO), the Science Based Targets initiative, the Task Force on Climate-related Financial Disclosures and others to develop a clear workstream and accelerate the development of stronger regulation. Building on its experience in converging different actors of society under a shared methodology and recognizing the impacts of - but also limits to - voluntary action, Race to Zero is keen to drive convergence across stakeholders around a call to strengthen standards and regulation.
- As part of this work, since COP 26 the Race to Zero campaign has partnered with ISO and the British Standards Institution on the our2050.world project, a collaborative initiative to support NPS to accelerate their climate commitments and action using standards and enable the planet to halve emissions by 2030 and achieve net zero by 2050 at latest. Recognizing the work already underway with the leadership of the Race to Zero campaign's Partner initiatives, our2050.world will address present and future challenges in using standards to help accelerate the implementation of Race to Zero commitments.

Industry

- WBCSD has convened a multistakeholder group of industry players and other important stakeholders (including the Climate Champions team) to build a vision to develop a harmonized, common framework for corporate accountability for net zero targets, which is envisaged to be built on existing voluntary initiatives, and conducts reporting according to consistent standards, with the data compared to corporate net zero targets and fed into regulatory bodies. There is a desire for industry voices on this topic to be brought to the forefront and to be heard, and a will to engage with national governments and multilateral organizations, especially at COP27. The development of a harmonized, common accountability framework for corporations would also provide the first and future GST with a quantitative overview of the mitigation progress made by industry towards 2050 net-zero targets and the objectives of the Paris Agreement.

Human Settlements

- It is recommended that NDCs should include a track for recording and aligning with NPS commitments and action and a platform to keep track of these commitments and actions would be conducive to greater transparency and accountability. The City Climate Intelligence platform, currently in a development and piloting phase, for example, could be expanded globally.
- Sub-national and city governments can publish climate budgets in line with their climate action plans.

Finance

- Transition plans have emerged as a key tool to demonstrate that an organization is aligning with ambitious long-term climate goals, and that its business model will transition, in order to be

relevant in a net-zero carbon economy. A credible transition plan should be guided by six principles:

- (1) Accountability: The plan has clearly defined roles and responsibilities. This includes effective governance mechanisms, where the board and C-suite executives are accountable for delivery of the plan.
- (2) Internally coherent: The plan is integrated into the overall business strategy of the organization and linked to the profit and loss statement.
- (3) Forward-looking: The plan's orientation is focused on the near-and long-term future, trending towards 2050. An emphasis on the near-term (the next five-year timeframe) is critical to achieve long term climate ambitions, which should be supported by governance mechanisms (new or existing).
- (4) Time-bound and quantitative: The plan's KPIs are quantifiable and are outlined for defined timeframes.
- (5) Flexible and responsive: The plan is reviewed and updated regularly, with a defined stakeholder (including shareholders) feedback mechanism (e.g., AGMs) in place.
- (6) Complete: The plan covers the whole organization i.e., any exclusions from the plan must not be material to the company and/or the environment (ensuring coverage of double materiality principle on exclusions).