

Australia's COP27 Summary:

Joined the Global Methane Pledge

Methane accounts of 17% of global greenhouse gas emissions from human activities, principally from energy, agriculture, and waste sectors. According to Intergovernmental Panel on Climate Change, we must cut methane emissions at least 30% by 2030 in order to keep the 1.5°C temperature limit within reach.

The Global Methane Pledge is a voluntary commitment with 122 signatories to reduce global methane emissions across all sectors by at least 30% below 2020 levels by 2030. Australia, having not signed at COP26, signed the pledge in late October 2022.

Australian Government investment will include by to \$3 billion from the \$15 billion National Reconstruction Fund to support investment in low emissions technologies and component manufacturing and agricultural methane reduction.

Joined the Green Shipping Challenge

The Green Shipping Challenge encourages countries, ports, companies, and other actors in the shipping value chain to come forward with concrete announcements that will help put the shipping sector on a pathway this decade to align with the goal to limit global temperature rise to 1.5°C. Participants in the Green Shipping Challenge need to make at least one major announcement to spur the training to green shipping.

Australia has joined the challenge as of 8th November 2022. This follows Australia's membership of the *Zero Emissions Shipping Mission* under *Mission Innovation* in September, as well as Australia's signature on the Clydebank Declaration (aiming to establish at least 6 green shipping corridors by 2025 and many more in following years) developed at COP26.

Loss and Damage Fund

Establishment of new funding arrangements as well as a dedicated fund to assist developing countries in responding to loss and damage.

Governments have agreed to establish a 'transitional committee' to make recommendations on how to operationalise both the new funding arrangements and the fund at COP28. The first meeting of the transitional committee is expected to occur before the end of March 2023.

Governments also agreed on the institutional arrangements to operationalise the Santiago Network for Loss and Damage, to catalyse technical assistance of relevant organisations, bodies, networks and experts to support developing countries that are particularly vulnerable to climate change effects.

Who would contribute to the fund and who would benefit is still to be decided. The deal lays out a roadmap for future decision-making, with recommendations to be made at COP28.

The agreement calls for the funds to come from a variety of existing sources, including financial institutions.

Reforms to Multilateral Development Banks (MDBs) and International Financial Institutions (IFIs)

Minister for Climate Change and Energy, Chris Bowen, joins a number of developed and developing countries who are calling for reforms to MDB and IFI – including the World Bank and IMF. The World Bank, develop after WWII, is claimed to be no longer fit-for-purpose and has failed to provide the funding needed to help poor countries with growing debt burdens cut their greenhouse gas emissions and adapt to the impacts of climate change.

Joined the Forests and Climate Leaders Partnership

Australia has joined 26 countries and the EU to join the UK-led voluntary partnership formally announced at COP27 to maintain the momentum of global action on climate change through forest-based initiatives.

The new partnership is dedicating to advancing ambition from the Glasgow Leaders Declaration on Forests and Land Use, of which Australia is a signatory.

The partnership focuses on stepping up global efforts to halt and reverse forest loss and land degradation by 2030, and promoting sustainable production and trade.

Joined the International Mangrove Alliance for Climate

The Alliance is a joint UAE and Indonesia initiative launched at COP27.

The Alliance aims to increase and accelerate conservation, restoration and plantation efforts of mangrove ecosystems to help combat climate change and support adaptation. Mangroves absorb significant amounts of carbon and can be a key contributor to global action on climate change.

The goal of the Alliance is to increase the global area of mangrove habitat by 20% by 2030.

Australia has joined the Alliance. Minister for the Environment and Water, Tanya Plibersek, has previously announced Australia will help restore blue carbon ecosystems across Australia, including mangroves, by investing \$9.5 million to support 5 new practical restoration projects.

Bid to co-host COP31 in 2026 with Pacific Island nations

Other Announcements:

The World Bank Group announced a G7-led **Global Shield Financing Facility** to help developing countries access more financing for recovery from natural disasters and climate shocks. This facility will support the Global Shield Against Climate Risks, a joint initiative launched at COP27 by the G7 and V20 to better protect poor and vulnerable people from disasters by pre-arranging more financing before disasters strike. The GSFF will channel grants to developing countries through World Bank projects or through projects prepared by other participating partners, including UN agencies and multilateral development banks.

The **Breakthrough Agenda**, launched at COP26 with 46 country signatures including Australia, provides an agenda and aim for accelerating the innovation and deployment of clean technologies in five key emitting sectors (power, steel, road transport, hydrogen, and agriculture). It released its inaugural Breakthrough Agenda Report 2022 in September, warning that an international collaboration gap threatens to delay net zero. At COP27, countries responded with a package of 28 new collaborative actions to be delivered by COP28. The priority actions include agreements to:

- Develop common definitions for low-emission and near-zero emission steel, hydrogen and sustainable batteries to help direct billions in investment, procurement and trade
- Ramp up deployment of essential infrastructure projects including at least 50 large scale net-zero emission industrial plans, at least 100 hydrogen valleys and a package of major cross-border power grid infrastructure projects
- Set a common target date to phase out polluting cars and vehicles
- Use billions of private and public procurement and infrastructure spend to stimulate global demand for green industrial goods
- Systematically strengthen financial and technological assistance to developing countries and emerging markets to support their transitions backed up by a range of new financial measures

- Drive investment in agriculture research, development & demonstration to generate solutions to address the challenges of food insecurity, climate change and environmental degradation

UN announced a USD 3.1 billion **global early warning system for extreme weather events** plan to ensure everyone on the planet is protected within the next five years.

The **Adaptation Fund** to receive over USD 230 million in new pledges and contributions. This is 35% lower than the USD 356 million pledged at COP26. The fund is an international fund that finances projects aimed to helping developing countries to adapt to the harmful effects of climate change. So far it has committed over USD 998 million for climate change adaptation and resilience projects and programmes in developing countries.

The **Agriculture Innovation Mission for Climate** (AIM for Climate) initiative launched at COP26 has USD 8 billion committed to it at COP27, largely from 24 committed governments, including Australia, and innovation initiatives. The goal for AIM for Climate is to significantly increase investment in and support for climate-smart-agriculture and food systems innovation over 2021-2025 to address global hunger, food security and climate change.

The UN Environment Programme launched the **Methane Alert and Response System** (MARS). This initiative builds on the Global Methane Pledge by detecting and locating global emissions of methane. The data collected by the satellite-based system will be made public and allow for governments and businesses to respond and be held accountable.

The US created the **Energy Transition Accelerator** (ETA), a public-private initiative to fund renewable energy projects through carbon offsets with the overall goal of accelerating the clean energy transition in developing countries. This scheme allows developing countries to generate carbon credits by shutting down fossil fuel-based power plants and adopting cleaner energy sources, these credits can then be sold to global corporations looking to offset their own emissions.

The UNFCCC and the UN Environment Program (UNEP) launched a new **five-year work program to promote climate technology solutions** in developing countries. Using the Technology Executive Committee (TEC) and Climate Technology Centre and Network (CTCN), this joint programme includes technology roadmaps, work on gender and technology, technology and NDCs and digitization, and national systems of innovation, industry and the water-energy-food nexus.

The COP27 Presidency in collaboration with UN-Habitat launched the **Sustainable Urban Resilience for the Next Generation** initiative. The initiative will track buildings and housing, urban water, urban mobility, urban waste and consumption, and urban energy, all of which will be supported by partnerships and collaborations with organizations.