

## Submission to the Marrakech Partnership for Global Climate Action Stockholm Environment Institute, February 2019

Thank you for this opportunity to submit views on the future of the Marrakech Partnership.

Since our founding nearly 30 years ago, the Stockholm Environment Institute (SEI) has been at the forefront of climate change research, connecting scientific findings and insights with practical policy advice. In recent years, the [SEI Initiative on Fossil Fuels and Climate Change](#) has contributed to a growing body of literature that demonstrates the importance of **actively managing the reduction of fossil fuel production**, as well consumption, in bringing the Paris Agreement's goals within reach.

Indeed, as we highlighted in our [2018 submission to the Talanoa Dialogue](#), as well as during our participation in both the SB 48 Talanoa Dialogue, and the COP 24 Ministerial Talanoa,\* barring unexpected advances in carbon capture and storage, **some two thirds of proven fossil fuel reserves will have to be left unburned under a 2°C global warming scenario<sup>1</sup> even more if we are to limit warming to 1.5°C.**

There are several important reasons why it makes sense to pursue “supply-side” policies that limit extraction and delivery of fossil fuels, as a complement to more traditional “demand-side” policies that aim to limit their use. Adding supply-side policies to the overall climate policy mix can help achieve emissions reductions more cost-effectively than through demand-side policies alone.<sup>2</sup> Such policies can help limit lock-in to fossil-fueled development pathways that threaten to put the Paris goals out of reach.<sup>3</sup>

Policies addressing fossil fuel supply can have a range of important co-benefits for human health, the local environment, and cross-cutting areas.<sup>4</sup> Supply-side policies can make other climate policies, such as energy efficiency and renewable energy more effective, and enable greater overall climate ambition.<sup>5</sup> Supply-focused policies such as fossil fuel subsidy reform can also bring social and economic benefits, including through the reinvestment of added tax revenues from fossil fuel production,<sup>6</sup> especially if directed towards meeting sustainable development goals.<sup>7</sup> An emphasis on fossil fuel supply can also help galvanise public support for climate action, as people can more easily grasp the influence of policies focused on tangible fuels than those focused on emissions.<sup>8</sup>

**Despite such benefits, efforts by the UNFCCC process, as well as the Partnership, to align fossil fuel production with the Paris Agreement's goals have been limited to date.<sup>9</sup>**

Yet the call for such action is growing. Moratoria on new production exploration licenses, divestment from fossil fuel holdings, and transition plans for workers are gaining ground globally.<sup>10</sup> Approximately 500 non-governmental organizations have signed the Lofoten Declaration, which highlights the need to put an end to fossil fuel development and manage the decline of existing production.<sup>11</sup> Leaders from Pacific Island governments, the private sector and civil society called for dialogue on an “international moratorium on the development and expansion of fossil fuel extracting industries” in their Suva Declaration.<sup>12</sup> And, in their closing statement at COP 23, the world's 47 least developed countries requested that the Talanoa Dialogue include “managing a phase out of fossil fuels.”<sup>13</sup>

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\* On behalf of the Research and Independent NGOs Constituency (RINGOs)

**Given the potential of supply-side approaches to contribute to implementation of the Paris Agreement, we recommend the Partnership enhances its engagement with this vital aspect of climate policy.**

Below, we offer three concrete recommendations for doing so in response to questions contained in the call for inputs. These suggestions are not intended as a comprehensive overview of actions the Partnership can take in this regard but, rather, as an illustration of the Partnership's potential to help strengthen collaboration by governments and non-state actors to step up and catalyse supply-side action. In addition to the efforts outlined below, we recommend that other opportunities – such as promotion of supply-side approaches by the High-Level Champions, and during the 2019 UN Secretary-General's Climate Summit, other high-level events and roundtables, regional climate weeks, and the post-2020 period – also be explored.

**We believe such efforts fit squarely within the Partnership's mission to advance mitigation and adaptation action in the pre-2020 period and beyond. They will help give a voice to those driving forward with ambitious action, and support the growing momentum among civil society actors to help achieve meaningful climate action.**

## **Recommendations**

*Q1 Do the above priorities adequately reflect what needs to be done to accelerate pre-2020 action and support enhanced ambition, adaptation, resilience and support? If now, how could they be refined? In the context of the priorities, could specific actions be taken to achieve the desired outcomes?*

**AND**

*Q6. Considering each of the thematic areas, cross-cutting areas, SDGs and priorities outlined in the indicative work programme, should any specific high-impact topics that address the greatest needs of Parties be discussed?*

As elaborated above, supply-side approaches represent an important area of work for the Partnership that is currently overlooked. While many supply-side policies require government support or implementation, non-party stakeholders' actions can complement, promote and strengthen such efforts.

For instance, the value of over 1000 institutions' commitments to sell off fossil fuel assets as part of the "divestment movement" currently amounts to USD 8 trillion.<sup>14</sup> This includes commitments from faith-based and philanthropic organisations and pension funds, as well as key sub-national actors such as New York City. Non-Party stakeholders can also provide support for a transition away from fossil fuels, as evidenced by the Just Transition Fund set up by several philanthropic foundations, which supports grassroots organisations and trade unions in the US in securing a just transition away from coal.<sup>15</sup>

The Marrakech Partnership can help accelerate mitigation efforts in the near-term by broadening its 2019 work programme to promote and leverage such efforts.

*Q10. Is the Yearbook [of Global Climate Action], as currently formatted and presented, a useful tool for Parties? Are the key messages clear and useful? How could it be improved?*

While the Yearbook plays an important role in spotlighting initiatives and partnerships that are contributing to climate action, the publication's relevance and role could be enhanced by giving more prominence to the need for supply-side action, and actions already being undertaken in this area. In this regard, the 2018 Yearbook's reference to projects supporting the transition from coal production offers a valuable starting point for future reports to build on.<sup>16</sup>

**Q11. What is your feedback on the revamped NAZCA portal? Is the information useful for Parties? What other types of information and features should be added? What do you need to promote NAZCA and help mobilize non-Party stakeholders and initiatives to register their actions?**

The Global Climate Action portal plays a vital role in tracking and mapping commitments to address climate change from cities, regions, businesses and investors. However, the portal currently emphasises demand-side action such as renewable energy and energy efficiency. The relevance and role of the portal could be enhanced through dedicated pages or filters for supply-side actions and commitments.

## References

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- <sup>11</sup> See the Lofoten Declaration: <http://www.lofotendeclaration.org/>
- <sup>12</sup> See the Suva Declaration on Climate Change: <http://pacificidf.org/wp-content/uploads/2013/06/PACIFIC-ISLAND-DEVELOPMENT-FORUM-SUVA-DECLARATION-ON-CLIMATE-CHANGE.v2.pdf>
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- <sup>16</sup> See [https://unfccc.int/sites/default/files/resource/GCA\\_Yearbook2018.pdf](https://unfccc.int/sites/default/files/resource/GCA_Yearbook2018.pdf), p.7