EXPERIENCE AND LESSONS LEARNED IN CONDUCTING THE FIRST GLOBAL STOCKTAKE
CDP Submission

In the Paris Agreement, the Global Stocktake (GST) is the central mechanism to track global progress towards the long-term goals of the Agreement. Well-designed and well-implemented GSTs are therefore critical to ensuring that Parties’ actions match their levels of ambition and are in line with what is needed to reach the goals of the Paris Agreement.

CDP has greatly appreciated the opportunity to provide submissions to the first GST process and to participate in all three technical dialogues over the past two years. In ‘The Paris Agreement’s Global Stocktake: Recommendations for Including Non-Party Climate Action’¹, we set out three principles for a successful and useful stocktake:

- **Purpose-driven**: The GST should be driven by the need to accelerate global ambition.
- **Inclusive**: The GST should be inclusive, fostering participation and engagement from all Parties as well as non-Party stakeholders (NPS).
- **Evidence-focused**: High quality data should be front and centre of the GST process.

**Recommendations**

Based on these recommendations, CDP has three reflections and recommendations for future GSTs.

- **Non-Party stakeholder data must be incorporated into tracking progress towards the goals of the Paris Agreement.**
  - The final GST decision makes little reference to the transparency and accountability of NPS. A Stocktake should be a measurement based on transparent data. By not fully incorporating the data of companies, financial institutions, cities, states and regions, there is a risk of being left with a restricted view of the problem and little means to hold all entities, in particular, those with disproportionate impacts on climate change, to account. For example, CDP data demonstrates that as little as 24% of disclosing companies are on track to meet their targets, while only 23% of cities have set a fully aligned science-based climate target.
  - CDP sees the UNFCCC Global Climate Action Portal as a key input to the GSTs, offering insight into the progress of NPS. The UNFCCC Recognition and Accountability Framework will play an important role here. The link between the Framework as a source of input to the GST should be clearly emphasized, as a

pathway for reporting to increase transparency, track progress, build accountability, and enhance ambition under the Paris Agreement.

- Furthermore, as highlighted in the GST decision, the Biennial Transparency Reports are also due at the end of 2024. Including NPS data in these reports is also important, both to ensure the provision of accurate information that can guide decision-making, and to accurately track progress towards achieving nationally determined contributions (NDCs). At COP28, CDP launched “The Enhanced Transparency Framework: The critical role of non-Party stakeholder data to effectively track progress”, which explores this in detail.

Future GSTs must continue to be inclusive, with engagement from all Parties and non-Party stakeholders.

- CDP welcomes the broad representation and participation of NPS in the first GST. The GST process has shown the momentum and willingness of NPS in working with Parties to participate in the UNFCCC processes and in helping to achieve the goals of the Paris Agreement. Future stocktakes should build on this engagement of NPS. Only with the participation of all actors across society will reaching the goals of the Paris Agreement be possible.

Parties must translate the results of the GST into enhanced NDCs and policies.

- The GST decision highlighted many positive actions for Parties to take, including transitioning away from fossil fuels, increasing renewable energy capacity and joining efforts with NPS to accelerate delivery. Parties must now take action to update and enhance their NDCs to reflect the highest possible ambition at least 9 to 12 months in advance of COP30. These NDCs must be supported by robust NPS data and evidence, as well as stakeholder engagement with companies, financial institutions, cities, states and regions.

- Additionally, key work for COP29, including the Mitigation Work Programme and New Collective Quantified Goal on Climate Finance should build upon the GST decision on transitioning finance away from fossil fuels, including the role of NPS. CDP data shows that almost 50% of the 575 financial institutions that disclosed in 2023 report holding an estimated US$9 trillion in fossil fuel financing across their portfolios – equivalent to the combined GDP of Japan and Germany – demonstrating the importance of engaging these actors.