



COP27: Key outcomes and next steps for the UK

December 2022

Contents

Acknowledgements	3
Executive summary	4
1. How were climate impacts addressed at COP27?	7
2. What progress was made on emissions reduction at COP27?	12
3. Forward look: the UK's international climate leadership role	19

Acknowledgements

The team that prepared this report and its analysis: Sasha Abraham, Rose Armitage and Miriam Kennedy, led by Chris Stark, Mike Thompson, Viv Scott and Richard Millar with contributions from Marili Boufounou and Bea Natzler.

Executive summary

After COP27 the world remains on course for increasingly dangerous levels of climate change.

The UN COP27 climate summit restated the global commitment to tackling climate change in the face of the current energy crisis. However, global emissions remain at record high levels and the world is on track to warming well in excess of 2°C, with intensifying climate damages. Damaging climate impacts were already experienced around the world in 2022, reflected in a focus at COP27 on 'Loss and Damage', and a breakthrough agreement to establish the first fund explicitly for this purpose under the UNFCCC.

The UK has now completed its COP26 Presidency, a period marked by a material increase in ambitions to reduce emissions across the world and a stronger focus on pursuing efforts to limit global temperature increase to 1.5°C above pre-industrial levels. While renewables roll-out and electrification mean that emissions have almost stopped growing, stronger and concerted actions are urgently needed ahead of COP28 and beyond to keep the COP26 ambitions alive.

The UN climate talks remain a key vehicle for coordinating international efforts to tackle global climate change and respond to its impacts.

The UN COP process is an essential and evolving part of the global effort to tackle climate change. The UK should continue to engage fully and build on the significant diplomatic capital and expertise built through the Presidency. This goes beyond the formal negotiations as the COP adjusts to incorporate more actors and actions beyond nation states. As the UK now negotiates as an individual party, it will need constructive positions on Loss and Damage and on mobilising finance for climate solutions. The UK should also continue to champion a focus on limiting warming to 1.5°C, which underlines the urgency and value of every action to reduce emissions and every reduction in future warming.

(a) COP27 outcomes

While there was a breakthrough on Loss and Damage, COP27 saw limited progress on ambition to reduce emissions. With almost \$2 trillion of extra annual investment needed in clean technologies in developing and emerging countries, there was increased focus on mobilising private finance. The key developments were:

COP27 saw a breakthrough on Loss and Damage.

- **Agreement to establish a Loss and Damage fund.** COP27 established new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change to address impacts which cannot or have not been adapted to. This important breakthrough, following 30 years of discussion, demonstrates real progress and that the Paris Agreement is for all countries. However, it is only the beginning of a difficult process: key agreements are still needed on which countries will contribute to the fund, how much each country should pay in, and which countries will be able to benefit.
- **Small steps on adaptation.** Some progress was made on operationalising the Global Goal on Adaptation, but substantial questions about definitions and precise aims for the goal are still being discussed. Measurement and tracking of adaptation actions is a key focus, with some progress being made through the UN-backed Race to Resilience campaign's launch of new data tools.

Global ambition could in theory limit warming to below 2°C but targets are not being sufficiently backed by action.

Mobilising private finance will be vital if ambitions are to be delivered on.

- **Global ambition on reducing emissions remained largely unchanged.** COP27 made little progress on the advances in ambition made at COP26 a year ago. If delivered in full, these could limit warming to less than 2°C above pre-industrial levels by the end of the century. However, actions to back these targets remain limited: assessments of present policies suggest these would lead to much higher warming of around 2.5-2.7°C by the end of the century. Nonetheless, some important advances were made at country and sector level, such as Mexico, Australia and Turkey increasing their headline 2030 emissions reduction targets, the Global Methane Pledge adding more signatories and strengthening plans, and an Indonesian Just Energy Transition Partnership being established.
- **Nature-based solutions were included in the COP27 political decision for the first time.** An increased focus on forests and food reflects their importance, alongside energy and the need for integrated solutions on climate and biodiversity.
- **A renewed focus on finance.** The long-promised \$100 billion per year in climate finance from developed countries has still not been met. Mobilising private finance more broadly was identified as a key step in increasing global action, with various proposals for how this could be enabled, including through leveraging public finance from multilateral development banks. The Sharm el-Sheikh dialogue was launched to consider how financial flows can contribute towards both emissions reduction and resilient development.

(b) Implementation and the UK's role

With targets still not matched by actions, as was the case after COP26, implementation and delivery remain key global challenges. Net Zero targets in particular need greater transparency and accountability over their delivery if they are to be valuable and seen as credible. This is true at national level, for multilateral initiatives and for companies. Quality guidance, regulations and standards are likely to be needed to improve integrity and transparency. Stronger ambition and implementation are required to 2030, both to reduce emissions and to adapt to the changing climate.

The coming year is important, beginning with the UN biodiversity talks this month. By COP28 in December 2023, the first Global Stocktake is due to be completed, assessing the world's progress against the Paris Agreement goals.

The UK needs to define its leadership role in global climate talks and back it with action at home.

The UK has an important international leadership role to play in driving global implementation, underpinned by action at home:

- **Defining the UK's role.** The delayed 2030 Strategic Framework (the Government's vision for the UK's long-term international role tackling climate change and biodiversity loss) is an opportunity to set out the UK's leadership role in helping the world achieve the goals of the Paris Agreement.
- **Championing international ambition.** At COP27, the UK negotiated as an individual party for the first time following departure from the EU and holding the COP Presidency for COP26. The UK should continue to champion high climate ambition and the promising initiatives begun in Glasgow. The UK should also publish a full stocktake of these initiatives and ensure it defines its commitments under the pledges, such as the Global Methane Pledge.

The CCC will continue to support UK climate action in line with our statutory duties.

- **Mobilising finance.** As a major finance centre and sponsor of the multilateral development banks, the UK should pay particular attention to its positions on mobilising finance, which are vital to global success on climate change, and how it contributes to future Just Energy Transition Partnerships.
- **Delivering the UK's contributions to the Paris Agreement.** The UK must implement its Net Zero Strategy to deliver its legislated domestic targets and international commitments. It must strengthen its response on climate adaptation, which remains weak, with an ambitious, action-oriented third National Adaptation Programme in 2023. This must be matched by maintaining strong support for implementation internationally – to cut emissions, to adapt and to deal with climate losses and damages.

The Committee will continue to scrutinise UK climate action as required under the Climate Change Act. We will further assess trends in the global emissions outlook as part of our annual progress reporting. We will also provide technical assistance internationally as an active member of the International Climate Councils Network and within the UK Partnering for Accelerated Climate Transitions programme.

(c) This report

The annual COP marks a key moment in global climate action and is an opportunity to assess progress, trends and the latest outlook. This briefing summarises the key developments over the last year and at COP27, along with their implications for the UK and the Committee's work. The briefing is in three sections:

1. How were climate impacts addressed at COP27?
2. What progress was made on emissions reduction at COP27?
3. Forward look: the UK's international leadership role.

1. How were climate impacts addressed at COP27?

The agreement at COP27 to establish a fund for Loss and Damage is an important first step towards increasing support for developing countries that are particularly vulnerable to climate risks.

The most important breakthroughs at COP27 focused on addressing climate impacts. Climate change is already adversely affecting many countries and threatens increasing damage and destruction with every additional increment of warming. COP27 made clear that these impacts are posing severe challenges for many countries and that discussion of support for dealing with them must feature alongside established dialogues on how to prevent impacts (mitigation) and how to protect against them (adaptation).

COP27 acknowledged the need for 'new, additional, predictable and adequate' financing to help vulnerable countries to respond to the adverse effects of climate change and took the decision to establish a new 'Loss and Damage' fund with this aim.¹ The agreement to establish a fund to support climate vulnerable countries dealing with these impacts, despite initial gulfs between countries' positions, shows that the COP process can broker consensus and act as a forum for change. The future success of the fund will depend on decisions taken in coming years on the mechanism and volume of support, the definition of the donor base and how and where funds are spent.

While adaptation and Loss and Damage are separate issues, their outcomes are linked. This section will address the progress made at COP27 with respect to both areas.

This section summarises:

- (a) COP27 outcomes on climate impacts
- (b) Challenges in providing global support for climate impacts
- (c) Next steps

(a) COP27 outcomes on climate impacts

The IPCC WGII report warns that some systems are already being pushed beyond their ability to adapt.

The IPCC Sixth Assessment Cycle Working Group II report carried stark messages on climate impacts, warning that human-induced climate change has caused widespread adverse impacts, losses and damages to people and ecosystems around the world and has already led to some irreversible impacts as systems are pushed beyond their ability to adapt.² If adequate protections are not in place, these events can risk people's lives, livelihoods, homes, security and culture. The 2022 United Nations Environment Programme (UNEP) Adaptation Gap report found that the adaptation finance gap in developing countries is likely five to ten times greater than current international adaptation finance flows and is widening.³

Previous UN climate summits have focused on addressing climate impacts through mitigation and adaptation. The Global Goal on Adaptation (GGA) was established under the Paris Agreement to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change. There is currently no consensus on further definition of the goal and details on how progress will be assessed still need to be agreed. However, these issues are being discussed through the Glasgow-Sharm el-Sheikh Work Programme on the GGA (GlaSS). COP27 saw increased emphasis on the support provided for those that are already suffering from the costs of climate impacts, or 'Loss and Damage' (Box 1.1).

Loss and Damage occurs at the limits of adaptation, when climate impacts cannot or have not been adapted to.

Box 1.1 What is loss and damage?

While there is no global definition of Loss and Damage, it generally refers to the losses and damages that occur at the limits of adaptation, when climate impacts cannot or have not been adapted to. Loss and Damage covers both extreme weather and climate events and slow-onset events, and can result in both economic damages, such as destruction of property, and non-economic damages, such as loss of cultural heritage and traditional knowledge.

Who experiences Loss and Damage?

Adverse effects of climate change occur everywhere and impact communities, businesses and ecosystems all around the world. As an example, 2022 saw devastating floods in Pakistan and Nigeria and drought-induced famines in Somalia, as well as heatwaves in Europe and wildfires in North America. However, some countries suffer from adverse effects more frequently than others and are also less able to deal with the impacts of them; these are often called climate vulnerable countries. Loss and Damage refers to the COP discourse focused on the most vulnerable countries that are already experiencing impacts.

What are the impacts?

Loss and Damage is inextricably linked with development, adaptation and finance. The adverse effects of climate change can disrupt almost all aspects of a country's economy and society, with possible short-term impacts including loss of life, reduced productivity, significant reductions in GDP and physical destruction of homes and possible long-term impacts ranging from families falling into destitution to land becoming uninhabitable and populations needing to migrate.

What support is currently available?

At present, countries rely on funds from a diverse range of sources including multilateral development banks (MDBs), developed country governments and philanthropy. These pots of funding are often earmarked for adaptation, disaster relief or development. There has been an increase in calls in recent years for these funds to increase in volume and be consolidated into a reliable, accessible pot alongside wider reform of MDB lending practices.

Source: UNFCCC (2022) Approaches to address Loss and Damage associated with Climate Change impacts in developing countries.

The COP27 agreement to establish a fund for Loss and Damage represents progress on a priority issue for climate vulnerable countries.

Loss and Damage has been raised by climate vulnerable countries for decades, but there has been limited historical progress on this issue. The COP27 outcome (Box 1.2) represented a shift in ambition in this area, introducing a fund for responding to Loss and Damage alongside a number of other commitments. Fewer commitments surfaced on adaptation partly because the GlASS work programme on the Global Goal on Adaptation is only set to conclude at COP28 (in December 2023) and has not yet produced final outcomes.

Box 1.2

The COP27 outcome on support for climate impacts

COP27 agreed the following:

- **Funding.** A fund will be established to respond to Loss and Damage, as part of a wider suite of new funding arrangements, and a Transitional Committee was set up to make recommendations on operationalisation of the fund for consideration at COP28.
- **Informing funding decisions.** The UNFCCC will publish a synthesis report on existing and innovative sources of funding for Loss and Damage in 2023. The Glasgow Dialogue on Loss and Damage will be extended to 2024. The UN Secretary General has been invited to convene heads of international financial institutions to discuss funding for Loss and Damage, and the same institutions have been invited to consider this topic at Spring annual meetings.
- **Operationalisation of the Santiago Network.*** The Santiago Network will have a hosted secretariat, an Advisory Board and a network of member organisations, bodies and experts that can provide technical assistance relating to Loss and Damage. Countries have been asked to provide funds for setting up the Network after pledging to do so in Glasgow.
- **Framework to be developed for Global Goal on Adaptation.** Negotiators continued to progress discussions around defining and operationalising the global goal on adaptation. This workstream aims to improve understanding on levels of adaptation action, resilience, and vulnerability to climate change around the world.
- **Food.** COP27 acknowledged the impacts of climate change on global food security for the first time, highlighting the importance of safeguarding food supply.
- **Health.** The COP27 cover decision acknowledged the human right to a clean, healthy and sustainable environment, as recently recognised by the UN.

Countries also pledged money for Loss and Damage and adaptation and a number of initiatives made progress:

- **Global Shield against Climate Risks.** Launched by the German G7 Presidency in consultation with the V20 group of vulnerable countries. The initiative has received over €200m in funding from Germany, Denmark, Canada, the US, Ireland and France and aims to provide climate risk finance and disaster preparedness solutions that can be rapidly accessed in emergencies.
- **Other pledges.** Funds were also pledged by Scotland, Belgium, New Zealand, Austria and the UK for general Loss and Damage support, the Santiago Network and early warning systems.
- **Adaptation funding.** The UK announced a tripling of adaptation finance on 2019 levels by 2025 within existing ODA budgets and a £200m contribution to the African Development Bank's Climate Action Window. The EU and US announced €1 billion and \$150 million respectively for African adaptation and resilience programmes. New Adaptation Fund pledges and contributions totalled \$230 million, down from \$365m at COP26.
- **UN Race to Resilience.** The UN R2R initiative launched a Data Explorer to boost transparency and accountability for their partner organisations' efforts to improve resilience.

Source: UNFCCC (2022) Funding arrangements for responding to loss and damage associated with the adverse effects of climate change, including a focus on addressing loss and damage.

* The Santiago Network was established at COP25 and aims to connect vulnerable countries with information, resources and providers of technical assistance focused on implementing solutions to avert, minimise and address Loss and Damage.

(b) Challenges in providing global support for climate impacts

The progress on Loss and Damage at COP27 must be followed by constructive and inclusive discussions on the types of funding needed, who will be contributing and who will be receiving support.

There is a large adaptation gap that needs to be addressed; UNEP estimates that international adaptation finance flows are five to ten times below estimated needs and that the gap is continuing to widen. While initiatives such as the Race to Resilience have made some progress in this area, there is still not enough international funding for adaptation.

The adaptation gap leaves vulnerable countries at higher risk of experiencing losses and damages as a result of the adverse effects of climate change. The COP27 agreement to establish a Loss and Damage fund is an important acknowledgement of the need for greater global support for dealing with climate impacts. However, it is the first step in a complex process and there are many challenges that will need to be addressed on the road to establishing a comprehensive and effective system of support.

(i) Interactions between Loss and Damage, adaptation and mitigation

Loss and Damage is not the only route for dealing with climate impacts. The likelihood of future climate hazards can be reduced by rapid reductions in global emissions and in many cases, the losses and damages that result from future climate change can be reduced through adaptation efforts. Financial flows also affect these outcomes, playing an important role in advancing global mitigation efforts and in funding adaptation in developing countries.

(ii) Who should contribute?

Establishing a support mechanism for Loss and Damage through the COP process will require agreement on which countries should be paying in. Other financial commitments, such as the \$100 billion goal for climate finance, have been limited to developed countries.

- Some developed countries have called on emerging economies to contribute as well, given their status as high emission, high growth economies. However, most emerging economy countries do not believe they should be required to contribute due to the principle of common but differentiated responsibility and respective capabilities that was agreed through the UNFCCC and is central to many countries' outlook on international climate action.
- This issue was not resolved at COP27, with progress required in both Loss and Damage discussions and future discussions of the climate finance goal that will replace the \$100 billion commitment after 2025.

(iii) What type of support?

The COP27 decision makes clear that the agreed fund for Loss and Damage is only one part of a set of new funding arrangements required to address Loss and Damage, and mentions the need for a wide variety of sources of funding.

In addition to shaping the future fund, Loss and Damage discussions in 2023 will need to consider the roles that initiatives such as reform of the multilateral development banks (MDBs), early warning systems, insurance and technical assistance have in addressing this issue.

Efforts to define the donor base for Loss and Damage funding will also be relevant to future discussions on the post-2025 financial goal.

Support will be required from a variety of sources and new and existing measures should be consolidated in a coherent way.

Governments and financial institutions should come together to work out how measures, both existing and new, can be consolidated in a coherent and complementary way and ensure that the networks of support are transparent and accessible for recipient countries.

(iv) Who will receive support?

Further work is needed to define which developing countries classify as being particularly vulnerable to the adverse effects of climate change.

The funding arrangements agreed at COP27 are earmarked for 'developing countries that are particularly vulnerable to the adverse effects of climate change', a phrase used in UN climate documents since 1992 that currently does not have a precise definition.⁴ The Paris Agreement references small island developing states and the least developed countries within this category, but limiting funding to these groups would exclude countries such as Pakistan that are considered by many to be in need of Loss and Damage support.⁵ Future discussions on eligibility for funding should consider economic, environmental and social vulnerability metrics and the protection of Indigenous communities, as well as ensuring that technical assistance is provided where needed to help countries provide reliable, comparable data on vulnerability and exposure.

(c) Next steps

The UK is well-positioned to help convene discussions to build consensus and progress work on Loss and Damage through 2023.

There is a lot of work to do in the run-up to COP28 on Loss and Damage, well sign-posted by the actions set out in the decision text (Box 1.2). However, as the Global Stocktake approaches, countries must also assess their contribution to global efforts to reduce emissions and deliver action on adaptation to ensure that the likelihood and severity of future impacts is reduced.

As well as inputting into formal UNFCCC submissions and discussions on the details of future Loss and Damage funding, the UK should consider how it will contribute to efforts to resolve some of the outstanding questions mentioned in this section. The UK's technical expertise and diplomatic capital place it in a good position to convene informal discussions throughout 2023 focused on brokering consensus, particularly around who should contribute and on how different types of funding can be consolidated into a coherent and accessible network of support.

Priorities for the UK include providing effective support for adaptation in other countries and identifying, monitoring and addressing its own climate risks.

The UK must also consider what it can do to address climate impacts both at home and overseas. For example, as observed in the wake of the invasion of Ukraine, our supply chains are exposed to disruption abroad.⁶ To address its exposure to climate hazards happening internationally, it is important for the UK to ensure that its support for adaptation in other countries is deployed effectively and in adequate volumes and that its own climate risks are being identified, monitored and acted upon.

2. What progress was made on emissions reduction at COP27?

COP26 moved the world forwards on emissions reduction ambition. It called for further efforts to limit warming to 1.5°C, but little mitigation progress was made at COP27.

COP26 in Glasgow marked the first cycle of the Paris Agreement 'ratchet' – the process of increasing ambition over time. This saw Nationally Determined Contributions (NDCs) – targets for emissions reductions to 2030 – and national-level Net Zero emissions goals bringing into view a pathway that could limit warming to below 2°C. COP26 also launched multilateral pledges in key areas including ending deforestation, reducing methane emissions, and accelerating deployment of zero emissions vehicles.

The Glasgow Climate Pact called for additional efforts to limit the temperature increase to 1.5°C, requesting countries to revisit and strengthen their NDCs in time for COP27. This has been met in a very limited way, with progress stalled on keeping the 1.5°C temperature goal within reach.

The invasion of Ukraine has resulted in unprecedented fossil fuel energy price rises and supply shortages, provoking a global energy crisis. Policy responses have varied and are ongoing, from investment in new supply of fossil fuels to greater efforts to transition away from fossil fuels and reduce energy consumption.

This section summarises:

- (a) COP27 mitigation outcomes
- (b) Trends in global emissions
- (c) Financing the transition

(a) COP27 mitigation outcomes

COP27 reaffirmed the global commitment to the 1.5°C temperature goal but did not make meaningful progress since COP26 in its discussion of fossil fuel use.

The Sharm el-Sheik Implementation Plan (the COP27 political decision) reaffirms that keeping global warming to 1.5°C will require a 43% reduction in global greenhouse gases (GHGs) by 2030 relative to 2019 levels.* It actions the mitigation work programme agreed at Glasgow, which will focus on urgently scaling up mitigation ambition and implementation and the investment needed to unlock further mitigation action this decade. The work programme will progress through regular UNFCCC events, reports and the pre-2030 ambition ministerial roundtable.⁷ Discussions will continue through to COP31 in 2026 and will inform discussions at the Global Stocktake running through 2023.

It is important that in the context of the invasion of Ukraine and resulting energy crisis, language on the 1.5°C temperature goal was secured both in Egypt and in the G20 Bali Leaders' Declaration. However, the COP27 cover decision did not make meaningful progress on the Glasgow Climate Pact in its discussion of fossil fuel use. Additionally, discussions of what constitutes 'low-emission energy' as referenced in the cover decision text risks distraction from the actions needed to limit temperature rise to 1.5°C: phasing out fossil fuel use and increasing the use of renewable energy.

* Working Group III to the IPCC Assessment Report 6 states that in scenarios limiting warming to 1.5°C (with over 50% likelihood by 2100) with no or limited overshoot, GHG emissions are reduced by a median of 43% by 2030 relative to 2019 levels (5th-95th percentile range is reductions from 34-60%).

As set out in Box 2.1, while there was some progress in country-level targets and sector decarbonisation initiatives, the governance of many of the initiatives needs to be strengthened.

Some headway was made on country-level targets and sectoral decarbonisation initiatives.

Box 2.1 COP27 mitigation outcomes

Some progress was made through COP27 negotiations and country-level commitments:

- **Strengthened NDCs and targets.** From the G20, Mexico, Australia and Turkey increased their headline 2030 emissions reduction targets, while others including the UK strengthened their delivery plans. India formalised pledges made at COP26 through submission of its updated 2030 NDC target (reducing emissions intensity of GDP by 45% relative to 2005 and 50% of power capacity being low-carbon) and submitting a Long-Term Strategy for Net Zero emissions by 2070.
- **Just Transition.** COP27 established a Just Transition work programme to discuss pathways to achieve the goals of the Paris Agreement, which will convene a high-level ministerial round table. The work programme could also consider how to embed adaptation considerations into Just Transition implementation.
- **Nature-based solutions.** Nature-based solutions under forests is referenced in the cover text, encouraging Parties to implement and support nature-based solutions that target mitigation and adaptation action.
- **Article 6.** Negotiations saw progress in agreeing guidance for operationalising Article 6 mechanisms, but deferred decisions on areas such as the treatment of greenhouse gas removals. The decision text on Article 6.2 gives countries an option to withhold disclosure of trades made under that mechanism, risking poor transparency and accountability in the global system.

Outside the COP27 cover text, some of the Glasgow sector deals were updated and new alliances launched, but overall progress to close the emissions gap has been limited. Updated and new initiatives include:

- **Forest and Climate Leaders' Partnership (FCLP).** To implement the Glasgow Leaders' Declaration on Forests and Land Use, the FCLP will bring together government and non-government actors to scale up action to protect, conserve and restore forests.
- **Rainforest Protection Pact.** Brazil, Indonesia and the Democratic Republic of the Congo signed a Rainforest Protection Pact. The Pact is a call to action to establish a funding mechanism for conserving tropical rainforests and to cooperate across sustainable management and conservation, ecosystem restoration and sustainable development.
- **Global Methane Pledge.** Signatories to the Pledge now stand at 150, with the potential for China to commit in future.
- **Net Zero Emissions Commitments of Non-State Entities.** The High-Level Expert Group outlined five principles and ten recommendations to guide setting and achieving Net Zero goals. Section 3 below speaks to integrity and accountability of non-state actors in more depth.

To meaningfully contribute towards accelerating emissions reduction sector deals in general need to further strengthen their governance to ensure alignment with the Paris Agreement goals by setting out transparent and measurable delivery plans, timelines and reporting processes.

Source: UNFCCC (2022) Sharm el-Sheik Implementation Plan; UK Government (2022) Leaders will build on Glasgow legacy to establish Forests & Climate Leaders' Partnership at COP27; United States and European Union (2022) Global Methane Pledge: From Moment to Momentum; UN High Level Expert Group (2022) Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions.

(b) Trends in global emissions

Global emissions appear to have plateaued following a rebound after the COVID-19 pandemic.

Estimates for 2021 and 2022 emissions suggest a plateauing around 2019 levels following the rebound from reduced emissions in 2020 due to the COVID-19 pandemic. This follows a slowing in CO₂ emissions growth from around 3% per year during 2000-2009 to around 0.5% per year since 2010.⁸ Nonetheless the level of CO₂ in the atmosphere has continued to increase and is now over 50% higher than pre-industrial levels. Warming of the climate will continue until CO₂ emissions fall to Net Zero.

The overall ambition on emissions reduction has shifted only very slightly since COP26, while there remains a large shortfall in actions to deliver against these ambitions.

- Scenarios from the International Energy Agency (IEA),⁹ United Nations Environment Programme (UNEP),¹⁰ and Climate Action Tracker (CAT)¹¹ that fully implement all NDCs and Net Zero targets point towards 1.7°C,^{*} 1.7°C and 1.8°C of warming respectively by the end of the century.[†] These are all central estimates with 50% probability.
- These NDC and Net Zero ambitions are not fully backed by actions, with assessments of present policies suggesting warming of 2.5°C (IEA), 2.6°C (UNEP) and 2.7°C (CAT). Figure 2.1 shows the projections from CAT compared to the IPCC Sixth Assessment Report pathways for 2°C (67% likelihood), and 1.5°C (50% likelihood).
- However, the increase in the cost of fossil fuels due to the energy crisis, the continued progress in renewables deployment and countries' strengthened targets and policies (Box 2.2) suggests the world may be turning a corner (Fig 2.2).

Emissions projections based on present policies suggest warming of 2.5°C or more.

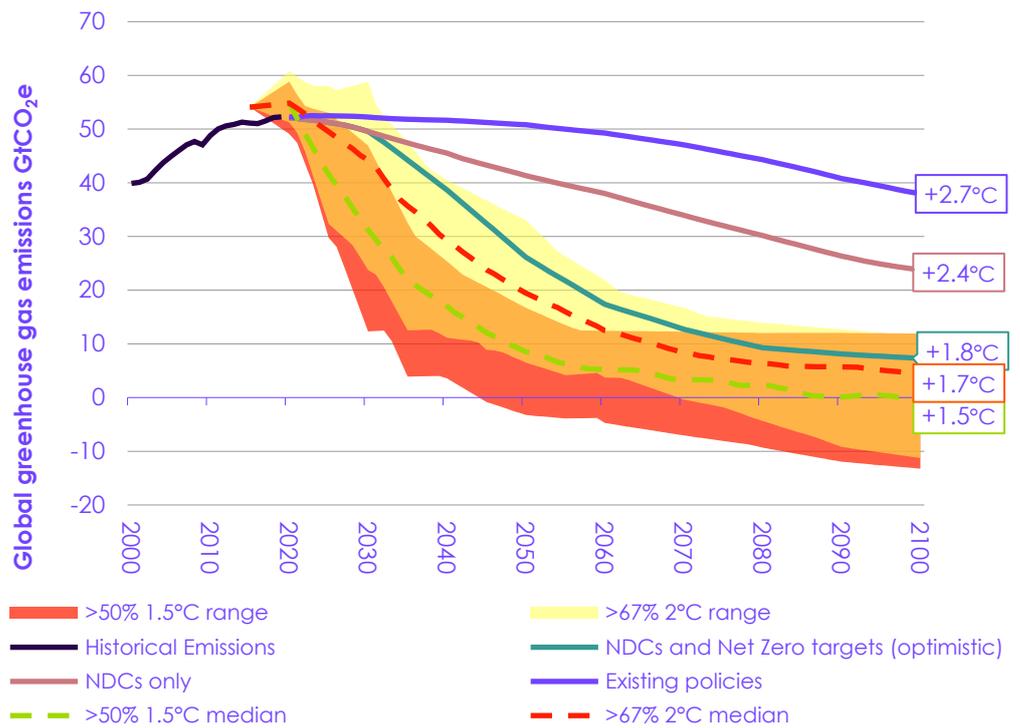
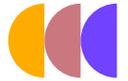
The CCC will assess trends in global emissions as part of its forthcoming advice on the UK's Seventh Carbon Budget.

The CCC is planning further work on assessing trends in the global emissions outlook as part of our regular progress monitoring and in support of the Committee's advice on the UK Seventh Carbon Budget due in 2025.

^{*} The IEA central projection is 0.1 °C lower than that following COP26 due to expectation of faster worldwide deployment and cost reductions for clean energy technologies.

[†] The projections from the IEA, UNEP and CAT reach similar conclusions but are not directly comparable as they are based on differing assessments of present policies, and how various national and sectoral commitments are weighted.

Figure 2.1 Post-COP27 global emissions pathways 2000 - 2100



Source: Climate Action Tracker (2022) *Warming Projections Global Update*, IPCC AR6 Scenario Explorer; CCC analysis.

Notes: The shaded ranges represent the upper and lower bounds of the scenarios that limit warming to a) 1.5°C with a >50% probability and b) 2°C with a >67% probability from the scenario database used by the IPCC Sixth Assessment Report. The dashed lines represent the medians of these ranges. Ranges for median end of century warming are +2.2°C to +3.4°C for the existing policies scenario, +1.9°C to +2.9°C for the NDCs only scenario ('2030 Targets only') and +1.5°C to +2.3°C for the NDCs and Net Zero targets (optimistic) scenario ('Optimistic scenario - Net Zero pledges'). Aggregation of greenhouse gas emissions is done using the global warming potential metric at time horizon of 100 years. Values from the IPCC 5th Assessment report are used.

Box 2.2

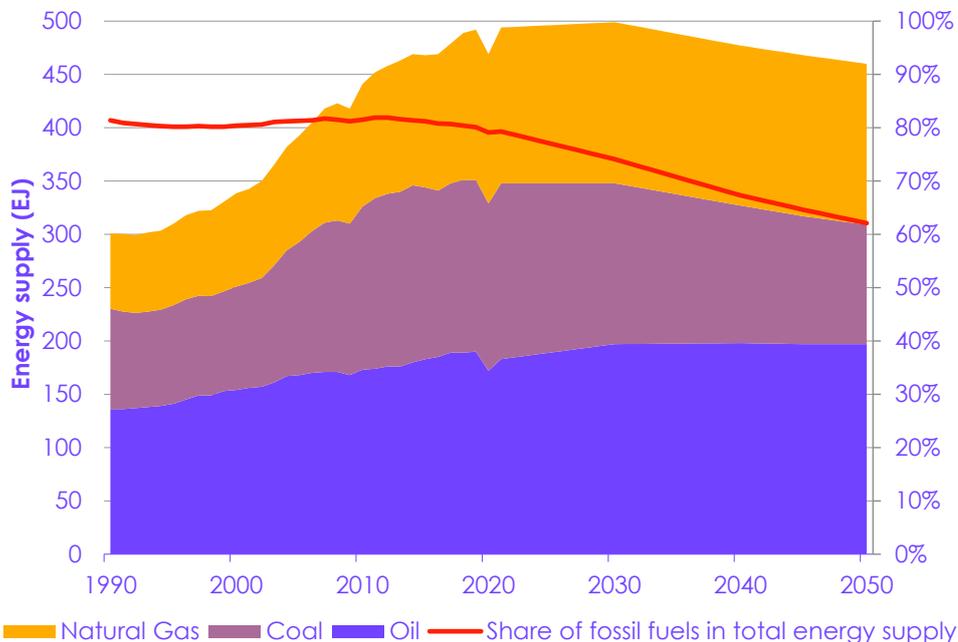
Key 2022 global emissions reduction policy developments

New climate policies continue to be introduced worldwide, and a number of key policy developments during 2022 will likely positively influence the pace of the global transition.

- The US Inflation Reduction Act directs an estimated investment of \$369 billion via tax credits to clean energy technology deployment and development across multiple sectors.
- The EU has set out measures in its REPowerEU plan including strengthening the renewables and energy efficiency targets, and recently agreed on the 2030 land and forestry carbon target and to require all new cars and vans to be zero-emission from 2035.
- China's Party Congress reaffirmed its 'dual carbon' goals to peak emissions before 2030 and reach carbon neutrality before 2060. China continues to lead the world in new renewable energy capacity installation (adding 135 GW in 2021, 45% of the global total).
- India has seen continued strong growth in renewables, especially solar, which is now close to the average installation rate required to meet the 2030 target for 50% power generation capacity to be low-carbon.
- Incoming Brazilian president Luiz Inácio Lula da Silva has pledged to end deforestation of the Amazon.

Assessing the aggregate global effect of present policies, the IEA World Energy Outlook Stated Policies Scenario (STEPS) projects that global fossil fuel use will peak in this decade (Figure B2.2). However, there are factors that could stall progress if not proactively addressed, such as the cost of capital for renewable energy installations, which is discussed later in this section.

Figure B2.2 IEA fossil fuel use in Stated Policies scenario 1990 - 2050



Source: International Energy Agency (2022) *World Energy Outlook 2022*.

Notes: Stated Policies Scenario explores where the energy system might go without a major additional steer from policy makers. Under this scenario CO₂ emissions from energy plateau in the next few years then slowly decline to 2050, resulting in a projected rise of around 2.5 °C (50% probability) in global mean temperature by 2100.

Source: Energy and Climate Intelligence Unit (2022) *The Big Four: are major emitters downplaying their climate and clean energy progress?*; International Energy Agency (2022) *Renewable net capacity additions by country and region*; IEA (2022) *World Energy Outlook 2022*.

(c) Financing the transition

Vastly increasing finance is a key challenge to supporting and accelerating the global transition.

While considerable progress is being made in cost reduction and deployment of low-carbon technologies worldwide, present levels of investment need to be increased multiple times to finance low-carbon rollout at the scale and speed required to meet the Paris Agreement temperature goal. The finance challenge is both one of making more money available, and, especially in developing countries, reducing the cost and accessibility of finance.

- The Independent High-Level Expert Group on Climate Finance for COP27 estimated investment needed for the transition, putting the figure at \$1 trillion per year by 2025 and \$2.4 trillion per year by 2030 to transform energy and agriculture systems, restore forests, land and water, and increase resilience in developing countries (excluding China).¹²
- The IEA's 1.5°C aligned Net Zero Emissions scenario estimates a need for annual clean-energy investment to triple by 2030 to \$4.2 trillion per year, with around \$2.4 trillion of this required for emerging and developing countries.¹³

Developing finance approaches to support and accelerate fossil fuel phase out is key to rapidly reducing emissions.

The financing of fossil fuel phase out, an essential part of keeping the emissions budget in line with the Paris Agreement temperature goal, received attention at COP27.

- Progress was made on Just Energy Transition Partnerships (see Box 2.3), which are a potentially vital tool for enabling and widening progress.
- The IEA published a report suggesting that reducing the cost of capital from 7% to 4% would enable a third of the global coal fleet to be retired within ten years, highlighting the role that cheaper finance can play in achieving global mitigation outcomes.
- The US announced an Energy Transition Accelerator Initiative focused on using offsets to deliver early retirement of fossil fuel assets and low-carbon energy deployment.

Given the work that still needs to be done in establishing a market of high-integrity offsets, the immediate focus in this area should be on partnerships between public and private finance such as the Just Energy Transition Partnerships and the Asian Development Bank's Energy Transition Mechanism that can quickly move funds into areas of high impact.¹⁴

Just Energy Transition Partnerships provide a model to finance early retirement of coal, drive low-carbon investment and support a sustainable transition for workforces.

Box 2.3

Progress on Just Energy Transition Partnerships

Just Energy Transition Partnerships (JETPs) provide targeted funding from groupings of developed country governments to support an accelerated transition in a developing country through facilitating early decommissioning of coal, leveraging finance for low-carbon investment and supporting a sustainable transition for workforces.

- At COP26 South Africa, France, Germany, the EU, US and UK announced the first JETP with \$8.5 billion proposed to help accelerate the decarbonisation of South Africa's economy. A joint statement made at COP27 set out the areas that the funding will support and gave an update on the funding that has been provided, including the UK's \$1.3 billion in guarantees to underpin African Development Bank lending.

- At the G20 in Bali, a JETP between Indonesia and the US, Japan, UK, Germany, France, EU, Canada, Italy, Norway, and Denmark was announced to deliver \$20 billion to target accelerated decarbonisation of Indonesia's coal-dominated power sector through early retirement of coal plants and renewable energy roll-out. The UK has put forward a \$1 billion World Bank guarantee.
- A number of other countries are exploring JETPs, with the UK supporting negotiations with Vietnam to agree a partnership this year.

Source: UK Government (2022) *South Africa Just Energy Transition Investment Plan: joint statement*; European Commission (2022) *Joint Statement by the Government of the Republic of Indonesia and International Partners Group members on the Indonesia Just Energy Transition Plan*; UK Government (2022) *COP26 President meeting with Vietnamese Minister Ha*.

The cost of capital is a major barrier for developing countries to invest in the energy transition.

Unlocking financial flows to support the energy transition will also require improvements in developing countries' ability to access finance. A large part of this lies in addressing the cost of capital developing countries face, which can be over three times higher than that of countries that issue reserve currencies (such as the US, UK and Japan).¹⁵ Governments and financial institutions must increase efforts to reduce and share the risk associated with investments where needed and ensure lending options at a lower cost of capital are available in order to avoid delay in low-cost, high-impact energy transition projects. The speed at which finance can be accessed should also be addressed, with long timelines and high administrative burdens also depressing the rate of progress.

Proposals for the reform of international financial institutions to increase the support available for developing country transition and resilience gained momentum at COP27.

The Bridgetown Agenda has proposed a widespread reform of international financial institutions such as the World Bank and the International Monetary Fund (IMF) to address these issues and improve developing countries' ability to deal with climate impacts.¹⁶ The proposals suggest implementing the recommendations of the G20 expert group on multilateral development bank (MDB) Capital Adequacy Frameworks, increasing lending including through IMF Special Drawing Rights and the use of innovative instruments such as debt-for-equity swaps. These proposals gained momentum at COP27 and resulted in a call on MDBs to reform practices and priorities in the Sharm el-Sheikh Implementation Plan.

Following COP27 and the conclusion of the COP26 Presidency, the UK has an opportunity to define its role in upcoming discussions on the international financial architecture. Building on positive Presidency action such as the Taskforce on Access to Climate Finance and the Climate and Development Ministerials, the UK should have an active presence in efforts to develop and deploy innovative financial instruments to accelerate energy transition and improve countries' resilience. JETPs offer strong potential to blend public and private finance with a targeted focus on high-impact energy transitions. Realising this potential will require dedicated focus from partner countries like the UK to ensure deal details are worked through in a timely manner and that the agreed outcomes are ambitious and aligned to the goals of the Paris Agreement.

3. Forward look: the UK's international climate leadership role

A strategy outlining the UK's international climate leadership role is needed to drive UK action on climate change in a purposeful way.

The UK's COP26 Presidency convened and agreed numerous efforts to increase adaptation, finance and mitigation ambition, and to operationalise the Paris Agreement. At COP27 it was necessary for the UK to demonstrate progress and action across the whole package to help maintain international momentum and demonstrate domestic commitment. These efforts will need to be sustained and increased to keep the Paris temperature goal within reach.

In previous years the UK has negotiated at COPs as part of the EU bloc or convened as the COP President; the UK now requires a pragmatic negotiation position as a Party in its own right, and appropriate strategic relationships with other Parties to deliver on a set of priorities. Future COPs are an opportunity for the UK to define its standalone position in UNFCCC negotiations and its role in initiatives outside the COP process.

An overarching strategy that outlines the UK's leadership role in the international climate regime would help set direction for the whole of Government and wider civil society, ensure impact is delivered (reduced global emissions and a world better prepared for climate risks), while ensuring ongoing implementation of all commitments. This section is set out as follows:

- (a) UK action since COP26
- (b) Key areas for action post COP27
- (c) Forward look
- (d) Role of the Committee

(a) UK action since COP26

Since COP26, the UK has made some headway against its international commitments and actions recommended by the CCC, but delivery gaps remain.

The CCC's COP26 Outcomes briefing in December 2021 recommended that the UK Government should prioritise raising 2030 mitigation ambition, oversee and champion sectoral pledges, and considerably strengthen its domestic adaptation policies, amongst others.¹⁷ The UK has made progress against some actions (Box 3.1). The CCC will make a fuller assessment as part of its 2023 UK Progress Reports.

Box 3.1

UK action since COP26

The UK has made progress against some actions recommended by the CCC following COP26:

- **The UK's strengthened 2030 NDC.** The recomunicated UK 2030 NDC met some of the CCC's 2022 Progress Report recommendations (such as inclusion of COP26 sectoral pledges) but did not include important detail (outlining how climate impacts will be mitigated in reaching the UK's Net Zero target).
- **Glasgow Leader's Declaration on Forests and Land Use.** The UK COP26 Presidency played a key role in building on the Glasgow Leaders' Declaration on Forests and Land Use through brokering the Forest and Climate Leaders' Partnership at COP27.
- **Zero Emissions Vehicles.** The UK Government delivered a credible delivery plan to implement the transition to Zero Emissions Vehicles. At COP27 the UK COP26 Presidency launched the Accelerating to Zero Coalition (A2Z), which has over 210 signatories and includes national governments, manufacturers, businesses and fleet owners.

However, there has been a lack of progress against other recommended actions:

- **Domestic environment targets.** The UK Government missed the statutory deadline for the creation of environment targets.
- **2030 NDC and Sixth Carbon Budget.** The CCC's 2022 Progress Report found that despite progress in some areas (electric car sales and renewable electricity deployment), tangible progress has not been demonstrated across a host of areas necessary to meet the UK's 2030 NDC and Sixth Carbon Budget.
- **Global Methane Pledge.** The UK's Methane Memorandum does not outline the UK's contribution to the overall Global Methane Pledge for 2030.
- **Phase-out of inefficient fossil fuel subsidies.** The Committee recommended the Government review the role of tax policy in delivering Net Zero, which has not yet been delivered.

In addition, reducing **consumption emissions** is an important part of the UK's contribution to global climate action. As outlined in our 2022 Progress Report, the CCC will begin to monitor and evaluate these policies in more depth as part of our cross-cutting issues work.

Source: CCC (2022) Progress in Reducing Emissions Report to Parliament; UK Government (2022) World Leaders Launch Forests and Climate Leaders' Partnership at COP26; UK Government (2022) Accelerating to Zero

(b) Key areas for action after COP27

The UK's position at COP is new post-EU Exit and COP26 Presidency – communicating the UK's high-level goals and priorities would signal to the international community what the UK's future role at COP negotiations and other climate diplomacy fora will be.

Following COP27, the UK will need to define and develop its international leadership position and back it with action at home. We identify several areas for the UK to act upon in support of global climate action across adaptation, mitigation and finance:

- **Future COPs, the UK's role and diplomatic capability.** After exiting the EU and convening COP26, the UK Government should decide what its priorities are in COP negotiations and communicate these at a high level. The COP Unit and expanded network of Embassy climate attachés established under the COP26 Presidency also built a significant base of international climate expertise and diplomatic capital. The relationships and capabilities built through the Presidency should be used to actively champion progress towards the goals of the Paris Agreement and take forward the delivery of pledges and initiatives.
- **2030 Strategic Framework.** The delayed 2030 Strategic Framework* is an opportunity to communicate how the UK Government will use the international climate and environment capability built during the COP26 Presidency to maintain a leadership role and the UK's contribution to international initiatives. The Framework should be published as soon as possible in 2023, at the latest mid-2023, to set direction for COP28 and beyond.
- **Championing adaptation.** The UK is due to publish a strengthened third National Adaptation Programme in 2023. This must start by setting out a vision for a well-adapted UK, identifying enabling policies and practices to fully address all the risks from the UK Climate Change Risk Assessment 2022, noting the important potential role of quality nature-based solutions. The UK also has international expertise and a potential leadership role in adaptation research and cooperation with developing countries and has played a key role in mobilising the finance sector for resilience. This should be defined and built upon.
- **Cutting UK emissions.** The UK can demonstrate its climate leadership to 2030 through delivery of Carbon Budgets and the ambitious 2030 NDC target. While the UK's strengthened NDC was welcome and timely, more policy is required to achieve the target. The UK Government should also begin to prepare for its 2035 NDC communication and ensure it aligns with the UK's highest ambition and Sixth Carbon Budget.
- **Delivering finance.** International climate finance is still falling far short of what is required, but increased focus on innovative solutions through the Bridgetown Agenda and the calls in the COP27 cover text for MDB reform could widen approaches to mobilising capital. The UK is a leading financial hub and major donor to MDBs; it is in a strong position to influence the shape of discussions on the mobilisation of finance.

The UK must demonstrate delivery against the adaptation, mitigation and finance goals of the Paris Agreement through both domestic and international action.

* In March 2022 the UK Government published a consultation on the UK's 2030 Strategic Framework on International Climate and Nature Action, which will define the Government's vision on the UK's long-term role in the world tackling climate change and biodiversity loss.

The growing number of initiatives that are not part of the UNFCCC process must have transparent goals, timelines and governance.

- **Global fossil fuel phase-out.** The COP27 cover text decision did not agree on language to phase out fossil fuels, but the momentum generated from the proposal could be a driving force for mitigation ambition and action at COP28. The UK should continue to leverage its COP26 Presidency legacy and experiences in rapidly reducing coal use to support and encourage energy transition across the world. The UK Government should also consider its domestic position on fossil fuels. The CCC has provided advice on how fossil fuels could feature in the UK's decarbonisation pathways in our Sixth Carbon Budget advice¹⁸ and in our letter on the compatibility of new UK oil and gas fields.¹⁹ The letter advised cutting fossil fuel consumption as quickly as possible through reducing demand, shifting to a renewables-based power system and electrifying end uses in transport, industry and heating, while recognising important considerations such as energy security. We also support a tighter limit on production, stringent tests and a presumption against exploration.
- **Implementing sector pledges.** The UK Government has not comprehensively set out what COP26 pledges and real-world initiatives it will prioritise to 2030. The UK has clear strengths - such as a strong domestic emissions reduction framework and the significant international climate expertise built during the UK's Presidency. It could use these to lead or provide a key supporting role to particular initiatives. Across other pledges the UK is falling short, such as the Global Methane Pledge, where it has not defined its contribution.
- **Integrity, accountability and transparency of non-state actor Net Zero commitments.** In 2022, the CCC's report on the role of voluntary carbon markets and offsetting focused on the UK, but its overarching conclusions are internationally applicable. This includes the need for stronger guidance, regulations and standards to ensure carbon credits are not used as a substitute for direct business emissions reductions, and to improve the integrity and transparency of carbon credits. An international transition plan standard is needed, which, as a global financial centre, and with plans to require Net Zero transition plans from UK listed companies, the UK is particularly well placed to champion.
- **Strengthening research, development and innovation.** The UK has world-class capabilities in understanding climate change, assessment of risks, and developing approaches to reduce emissions and adapt to impacts. This must be strengthened through enhanced investment to ensure continued scientific leadership, to grow UK business opportunities, and to accelerate action in countries around the world.

(c) Forward look

In the run up to COP28, the UK needs to be visibly engaged in all international climate fora.

The 2023 Global Stocktake is a significant milestone that will assess whether global efforts are on track to meet the goals of the Paris Agreement.

To 2025, progress is urgently and concurrently required across mitigation, adaptation and finance as they cannot wait to be addressed in turn.

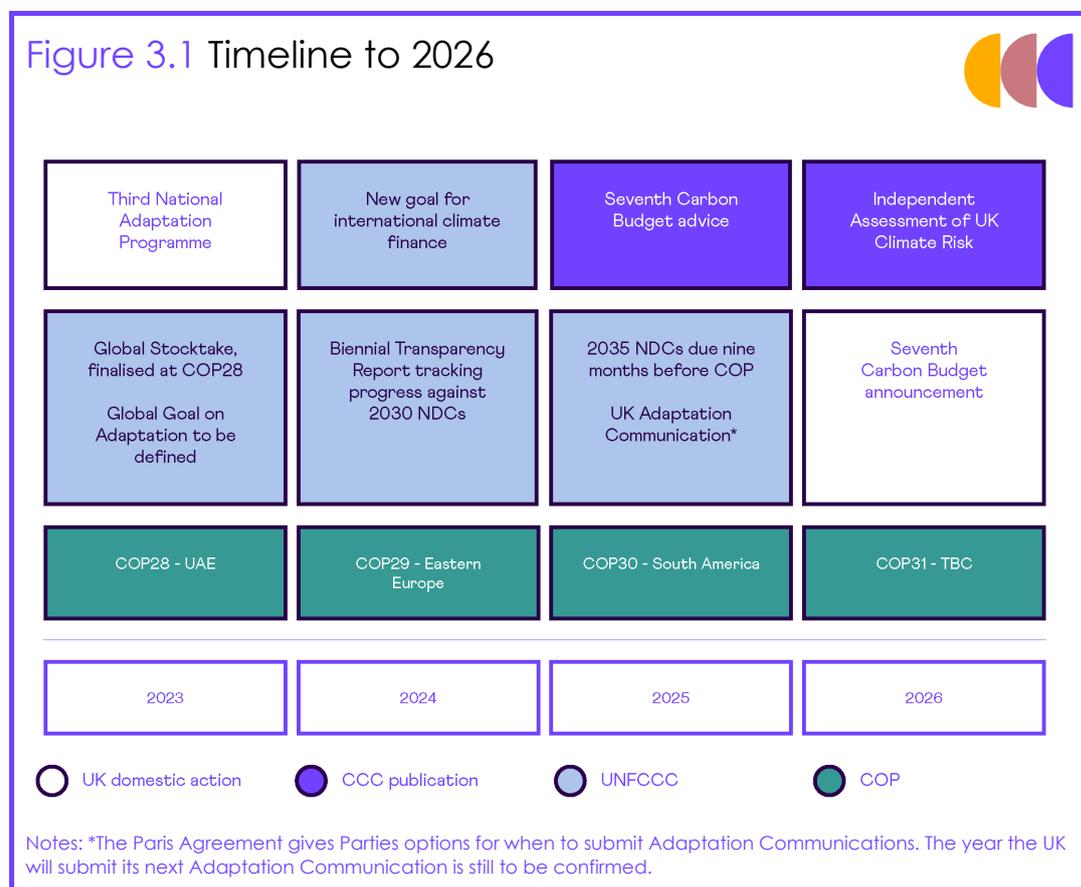
COP and UNFCCC processes are essential for bringing together world leaders (including the UK Prime Minister at COP26 and COP27) and collaborating internationally to reduce emissions and adapt to climate change. Over the next year the UK must be engaged and visibly championing climate progress in international fora, including the UN Biodiversity Conference (COP15) in December, Spring Meetings of the World Bank and IMF in April and the UN General Assembly in September, as well as the Bonn Intersessional in June.

The first Global Stocktake will be completed at COP28. Led by the UNFCCC, the Global Stocktake will assess the world's progress against the Paris Agreement's mitigation, adaptation and finance goals. The outcome will expose where progress has and has not been made. It will inform countries when updating and enhancing their national commitments and is a significant milestone in the Paris Agreement process.

The next four years will see the completion of the first Paris Agreement ratchet cycle, aimed at increasing ambition, and the beginning of a new cycle (see Figure 3.1). By 2026 the world should have a new set of ambitious 2035 NDC targets, a new goal for climate finance (replacing the \$100 billion), definition and progress against the Global Goal on Adaptation and an operationalised fund for Loss and Damage.

COPs now often substantially progress an issue every year (i.e. NDC and Net Zero targets at COP26, Loss and Damage at COP27), which is also increasingly being used to launch multilateral initiatives outside of the formal negotiations and to strengthen actions from non-state actors. While this has brought welcome progress to issue areas, to 2025, progress is urgently and concurrently required across mitigation, adaptation and finance as they cannot wait to be addressed in turn.

Figure 3.1 Timeline to 2026



(d) Role of the Committee

The Committee will continue to focus on guiding implementation of the UK's domestic and international commitments and engaging with international partners.

The CCC's COP26 Outcomes briefing and 2022 Progress Report outline how the CCC will support the UK Government's domestic and international climate ambitions. The CCC will make a fuller assessment of the UK's international climate action in the 2023 Progress Report. In line with the domestic and international imperative for domestic delivery, the Committee will focus on guiding policy delivery and monitoring progress. We will also continue to engage internationally, as set out in Box 3.2.

The Committee is preparing our approach to advising Government on setting the Seventh Carbon Budget and the fourth UK Climate Change Risk Assessment. As part of the UK Climate Change Risk Assessment, the Committee will further develop the evidence base on risks to the UK from climate change overseas and consider how adaptation actions outside the UK may be needed to reduce these risks. As always, both pieces of advice will account for the goals of the Paris Agreement and the UK's fair contribution towards meeting them.

Box 3.2 CCC international outreach

International Climate Councils Network

At COP26, the Committee in partnership with 20 other Climate Councils from across six continents launched the International Climate Councils Network (ICCN). The ICCN's mission is to foster collaboration between existing Climate Councils and act as a focal point for other governments interested in strengthening their national climate governance through the introduction of expert and independent advisors.

In 2022 the ICCN was pleased to welcome new members to the Network, including the European Scientific Advisory Board on Climate Change, bringing total membership to 23. This year through biannual meets and ongoing engagement, the ICCN has delivered working groups covering key issues such as just adaptation and contributed to the Glasgow Breakthrough Agenda. Ahead of COP27 ICCN members published a letter on the role of climate councils in supporting governments to deliver on the Paris Agreement and hosted an event at COP27.

The ICCN will continue to engage collaboratively across priority international issues and provide support to members in their role in advising governments on climate policy.

UK Partnering for Accelerated Climate Transitions programme

The CCC will continue to deliver high-impact technical support to middle and low-income countries through the UK Government's Partnering for Accelerated Climate Transitions programme. Through skillshares the CCC helps build capacity for climate governance and legislation, modelling sectoral decarbonisation pathways, setting NDC and long-term targets, and developing policies for Net Zero, as well as sharing approaches to assess climate risks.

Source: International Climate Councils Network (2022) COP27 Letter: The role of advisory climate councils in supporting world leaders to deliver on the Paris Agreement; International Climate Councils Network (2022) ICCN approaches to just adaptation and policy issues with international dimensions.

Endnotes

- ¹ UNFCCC (2022) *Funding arrangements for responding to loss and damage associated with the adverse effects of climate change, including a focus on addressing loss and damage*, https://unfccc.int/sites/default/files/resource/cma4_auv_8f.pdf.
- ² Intergovernmental Panel on Climate Change (2022) *Working Group II Summary for Policymakers*, https://www.ipcc.ch/report/ar6/wg2/downloads/report/IPCC_AR6_WGII_SummaryForPolicymakers.pdf.
- ³ United Nations Environment Programme (2022) *Adaptation Gap Report 2022*, <https://www.unep.org/resources/adaptation-gap-report-2022>.
- ⁴ United Nations (1992) *United Nations Framework Convention on Climate Change*, <https://unfccc.int/resource/docs/convkp/conveng.pdf>.
- ⁵ United Nations (2015) *Paris Agreement*, https://unfccc.int/sites/default/files/english_paris_agreement.pdf.
- ⁶ Climate Change Committee (2022) *Resilient supply chains*, <https://www.theccc.org.uk/publication/resilient-supply-chains/>.
- ⁷ UNFCCC (2022) *Sharm el-Sheikh Implementation Plan*, <https://unfccc.int/documents/624441>.
- ⁸ Intergovernmental Panel on Climate Change (2022) *Climate Change 2022: Mitigation of Climate Change*, <https://www.ipcc.ch/working-group/wg3/>.
- ⁹ International Energy Agency (2022) *World Energy Outlook 2022*, <https://www.iea.org/reports/world-energy-outlook-2022>.
- ¹⁰ United Nations Environment Programme (2022) *Emissions Gap Report 2022*, <https://www.unep.org/resources/emissions-gap-report-2022>.
- ¹¹ Climate Action Tracker (2022) *Global temperatures*, <https://climateactiontracker.org/global/temperatures/>.
- ¹² Grantham Institute (2022) *Finance for climate action: scaling up investment for climate and development*, <https://www.lse.ac.uk/granthaminstitute/publication/finance-for-climate-action-scaling-up-investment-for-climate-and-development/>.
- ¹³ International Energy Agency (2022) *World Energy Outlook 2022*, <https://www.iea.org/reports/world-energy-outlook-2022>.
- ¹⁴ Asian Development Bank (2022) *Why ADB's Energy Transition Mechanism is prioritizing Safeguards and a Just Transition*, <https://www.adb.org/news/features/why-adbs-etm-prioritizing-safeguards-just-transition>.
- ¹⁵ Grantham Institute (2022) *Finance for climate action: scaling up investment for climate and development*, <https://www.lse.ac.uk/granthaminstitute/publication/finance-for-climate-action-scaling-up-investment-for-climate-and-development/>.
- ¹⁶ Barbados Ministry of Foreign Affairs and Foreign Trade (2022) *The Bridgetown Initiative*, <https://www.foreign.gov.bb/the-2022-barbados-agenda/>.
- ¹⁷ Climate Change Committee (2021) *COP26: Key outcomes and next steps for the UK*, <https://www.theccc.org.uk/publication/cop26-key-outcomes-and-next-steps-for-the-uk/>.
- ¹⁸ Climate Change Committee (2020) *The Sixth Carbon Budget the UK's path to Net Zero*, <https://www.theccc.org.uk/publication/sixth-carbon-budget/>.
- ¹⁹ Climate Change Committee (2022) *Letter: Climate Compatibility of New Oil and Gas Fields*, <https://www.theccc.org.uk/publication/letter-climate-compatibility-of-new-oil-and-gas-fields/>.

COP27: Key outcomes and next steps for the
UK December 2022

Climate Change Committee
1 Victoria St, Westminster
London SW1H 0ET

www.theccc.org.uk
@theCCCuk