**5 YEARS OF** STATE AND REGIONAL

## UNDER2 COALITION CLIMATE LEADERSHIP







5 YEARS OF STATE AND REGIONAL CLIMATE LEADERSHIP

CLIMATE LEADERSHIP

### O DRIVING CLIMATE LEADERSHIP

For five years the Under2 Coalition has been driving climate leadership. Now, as we enter the 'Climate Decade', the world's largest state and regional climate coalition is poised for even more.

From 2005, The Climate Group's States & Regions Alliance brought together leaders from around the world to take collective action on climate. Their efforts and achievements paved the way for the Under2 Coalition, which began life as a shared vision between California and Baden-Württemberg to unite those states and regions willing to reduce their emissions and support the global fight against climate change.

In May 2015 twelve governments united to form the Under2 Coalition. Together they have achieved real change for the environment, particularly by galvanizing regional action ahead of the United Nations Climate Change Conference of the Parties in Paris (COP21) that resulted in the Paris Agreement of December 2015.

Today, the Coalition includes more than 220 governments representing over 1.3 billion people and 43% of the global economy. This includes individual state and regional signatories to the Under2 Memorandum of Understanding (MOU) as well as national government endorsers and other supporters. They are supported by The Climate Group, which acts as Secretariat. Its mission is to accelerate climate action by focusing on the greatest global opportunities for change.

WE WORK WITH GOVERNMENTS ACROSS THREE KEY WORKSTREAMS:

#### PATHWAYS

Providing technical support and resources to help governments develop long-term emissions reduction plans.

#### POLICY ACTION

Sharing policy innovation and success to accelerate the transition to a net-zero economy.

#### TRANSPARENCY

Increasing accountability by encouraging state and regional governments to disclose their climate targets, action and progress.

# "FIVE YEARS AGO, TWELVE STATES AND REGIONS SIGNED THE UNDER2 MEMORANDUM OF UNDERSTANDING. TODAY, THE UNDER2 COALITION IS THE MOST IMPORTANT REGIONAL NETWORK FOR CLIMATE ACTION.

I am proud of this achievement and I am looking forward to further strengthening our role and impact for our climate.

"Now, as we look ahead through the 2020s, we must not waiver in fulfilling our commitments. The need for international cooperation on climate change is more important than ever if we are to build a more sustainable future. We must continue working with and through our partners in the Under2 Coalition in order to respond to a growing global climate emergency.

"States and regions are in an ideal position to influence both communities and national governments, and we must use this position as an opportunity to drive forward action of the highest level as we respond to the threat and potential consequences of climate change."

Winfried Kretschmann, Minister-President of Baden-Württemberg and Co-Founder of the Under2 Coalition



# "FIVE YEARS AGO A MODEST GROUP OF LIKE-MINDED STATE AND REGIONAL GOVERNMENT LEADERS FROM ACROSS THE GLOBE GATHERED IN CALIFORNIA'S CAPITAL CITY TO ACT ON A RADICAL IDEA.

"That day in May, a dozen of us formed what would become the Under2 Coalition and committed to doing our part to limit the increase in global average temperature to well below 2°C on behalf of our states and regions. By setting this goal more than six months ahead of the Paris Agreement, we not only provided an example for the world's nations to follow, we also made clear that we wouldn't wait for them to act.

"It's no coincidence that as time has passed, and national governments have stalled and wavered, our coalition has grown. Today, our pact includes more than 220 governments and, with the Climate Group serving as the Coalition's Secretariat, we're continuing to press forward."

Jerry Brown, Former Governor of California, Co-Founder of the Under2 Coalition and Under2 Coalition Global Ambassador



2 Under 2 Coalition

5 YEARS OF STATE AND REGIONAL CLIMATE LEADERSHIP

CLIMATE LEADERSHIP

## **J** YEARS OF HIGHLIGHTS FROM THE UNDER2 COALITION

FROM 12 TO **220**MEMBERS ACROSS

THE WORLD





15%

OF MEMBER STATES AND REGIONS NOW HAVE NET-ZERO TARGETS



### MAJOR GLOBAL PROJECTS

WITH STATES AND REGIONS IN AFRICA, ASIA, EUROPE, NORTH AMERICA AND SOUTH AMERICA





CUMULATIVE
EMISSIONS REDUCTION
POTENTIAL OF 4.6 - 5.0
GIGATONS OF CO2E
EMISSIONS PER YEAR
BY 2030 - AROUND
15% OF ANNUAL
GLOBAL EMISSIONS

## 5 YEARS OF MEMBER-LED EVENTS

MAY 2015

LAUNCH OF THE UNDER2 COALITION, SACRAMENTO, USA

**JULY 2015** 

CLIMATE SUMMIT OF THE AMERICAS, TORONTO, CANADA

**NOVEMBER 2016** 

FIRST UNDER2 COALITION GENERAL ASSEMBLY, MARRAKECH. MOROCCO

**SEPTEMBER 2018** 

GLOBAL CLIMATE ACTION SUMMIT, SAN FRANCISCO, USA

**JUNE 2019** 

CLIMATE WEEK QUEENSLAND, BRISBANE. AUSTRALIA

**SEPTEMBER 2019** 

CLIMATE SUMMIT OF THE AMERICAS, ROSÁRIO, ARGENTINA

### A MESSAGE FROM THE SECRETARIAT DIRECTOR



This year marks the fifth anniversary of the Under2 Coalition. Founded in 2015 by the governments of Baden-Württemberg and California, it was initially made up of 12 members with high ambition and a vision to establish state and regional governments as leaders, working together in tackling climate change to achieve a world of less than 2°C of warming. Five years later, with a membership base almost 20 times greater, a geographical reach that spans six continents and a representative population of over 1.3 billion, our core mission and values remain much the same.

State and regional governments have a key role to play in the fight against climate change. They are uniquely placed to take innovative climate action and to step up when national governments are unwilling or unable. We are proud to say that through the Under2 Coalition, more states and regions are becoming bolder, more ambitious and setting the standard of climate action high while influencing others to follow suit, even in the face of global emergencies such as COVID-19.

In reflecting on the years passed, there is a lot that the Under2 Coalition can be proud of - from launching and delivering successful projects on Policy Action, Transparency and Pathways, to encouraging members to disclose their climate action and targets, and empowering developing regions to act on climate change through the Future Fund.

Now, as we begin a new decade and look to the years ahead, we recognize that drastic action is needed to avoid the worst impacts of global temperature rise and believe that the power of state and regional governments in tackling this challenge is only set to increase. During this crucial Climate Decade, we look forward to continuing our work with state and regional governments around the world and I'd like to extend my greatest thanks to all Under2 Coalition members, partners and colleagues. We appreciate your dedication to the cause and your ongoing support in driving forward action on climate change.

Jinsty toh Vi.

**Tim Ash Vie,**Director of the Under2 Coalition Secretariat,
The Climate Group

4 Under2 Coalition

## 5 YEARS OF ACHIEVEMENTS FOR OUR CLIMATE

The Under2 Coalition has been recognized as one of the initiatives with the highest potential for emissions reduction globally by the Global Climate Action from Cities, Regions and Businesses

2019 report. This report highlights that the ambition of members amounts to an emissions reduction potential of 4.6 to 5.0  $\rm GtCO_2e/$  year by 2030: roughly 15% of global emissions per year.

To support state and regional governments in achieving these ambitions, the Coalition has implemented programs to help with developing

decarbonization pathways, strengthening greenhouse gas accounting capability and implementing ambitious policy.

#### LEADING THE WAY ON NET-ZERO EMISSIONS TARGETS

As ambitious climate leaders, more than 15% of Under2 Coalition members have now set net-zero emission targets. These members have been globally recognized as part of the Climate Ambition Alliance: a group bringing together countries, businesses, investors, cities and regions that are working towards achieving net-zero CO<sub>2</sub> emissions by 2050.



"WITH A PIVOTAL DECADE
AHEAD OF US, MOBILIZING
CLIMATE ACTION IN NONSTATE ACTORS AROUND THE
WORLD IS MORE IMPORTANT
THAN EVER BEFORE, TO
EMERGE FROM THIS CRISIS
WITH A STRONGER RECOVERY
TOWARDS A RESILIENT
AND NET-ZERO WORLD.

A growing number of Under2 Coalition members are committing to achieve net-zero emissions and joining the Climate Ambition Alliance – at this time, more than ever, I urge all governments to step up and join them."

Gonzalo Muñoz, COP High Level Climate Action Champion

### CLICK ON THE MARKERS TO READ ABOUT EACH PROJECT IN MORE DETAIL







5 YEARS OF STATE AND REGIONAL CLIMATE LEADERSHIP CLIMATE STRATEGIES

## SUPPORTING HIGH IMPACT CLIMATE STRATEGIES

#### Through peer-learning and policy development

Through a dedicated and trusted peerlearning model, states and regions in different parts of the world exchange best practice and work together to develop new climate policy approaches.

Through webinars, meetings, workshops and calls the Under2 Coalition has advanced climate policy exchanges around areas where decarbonization is needed the most, including implementing the energy transition, moving to low-carbon industry,

increasing adoption of <u>zero emission vehicles</u> (ZEVs), <u>reducing methane from oil and gas</u> <u>operations</u> and climate finance.

The <u>Under2 Coalition Policy Action Map</u> is the first ever global snapshot of state and regional governments' climate solutions on the ground. It now features almost 50 case studies on topics such as clean transportation, land use and energy with more examples being added every year.

#### **ZEV** COMMUNITY

The ZEV Community brings together all levels of governments to share and learn about exciting ZEV (zero emission vehicle) initiatives taking place around the world.

It enables governments in the Under2 Coalition, the ZEV Alliance, C40 Cities and the U.S. Climate Alliance to share policy insights and showcase leadership. The ZEV Community also encourages and facilitates knowledge exchange between different levels of governments to support their ambitions and accelerate integration of policies. It is supported by the Scottish government and the ClimateWorks Foundation.



#### IMPROVING ACCESS TO GREEN FINANCE IN COLOMBIA

The green finance sector is growing. In 2019 alone, Under2 Coalition members reported taking 203 actions to increase and facilitate financing of climate mitigation projects.

Many countries, however, still face significant challenges in accessing the funds they need to meet the goals of the Paris Agreement. Through the Climate Finance Accelerator in Colombia, the Under2 Coalition has been bringing together policymakers, project sponsors and financial experts to create financially viable climate projects. This is making it easier and quicker to get projects off the ground and ensure they are effective in both the short and long term.

### INDIA'S CLIMATE ACTION COMPASS

In 2019, we launched the <u>Climate Action Compass</u> to help Indian state governments assess performance on their regional climate action plans and align them with India's national ambitions.

The framework is built on key metrics around India's national climate goals, including on social performance, energy conservation efforts, waste management, emission intensity reduction, renewable energy, carbon sinks, climate change adaptation, climate finance and technology. Once states have inputted their local data, the tool generates a final report that identifies both key achievements and areas for improvement.

Interest in the Compass has increased over time, and on <u>Earth Day 2020</u> states came together to share learnings and explore further ways the tool can help to accelerate local climate action.

### THE INDUSTRY TRANSITION PLATFORM

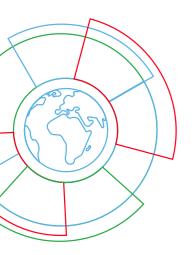
The <u>Industry Transition Platform</u> is a joint project of The Climate Group and the government of North Rhine-Westphalia, Germany.

Recognizing that industrialized states and regions are in a unique position to be at the forefront of bold climate action, the project is leveraging their power and ability to experiment and stimulate industry innovation in a way that isn't an option for national governments. As part of the project, participating governments are working in groups to identify the key challenges they face in transitioning their industry to be low-carbon. Representatives from industry, system change experts and researchers are providing participants with tailored technical support so that governments can develop impactful, innovative and ambitious industry emissions reduction strategies.









### CHAMPIONING AND ENHANCING TRANSPARENCY AROUND CLIMATE ACTION

For the last five years, through The Climate Group and CDP's Global States and Regions Annual Disclosure, Under2 Coalition members have been disclosing their climate actions and targets.

In 2019, over 70% of states and regions from the Under2 Coalition reported in the Annual Disclosure, helping The Climate Group to effectively track the collective and individual progress made by members of the Coalition over the last 5 years.

Through annual disclosure of their climate actions and targets, members have demonstrated the action and progress made towards their long-term goals, strengthening the position that state and regional governments have to significantly contribute towards achieving the Paris Agreement goals.

Measuring and understanding a region's greenhouse gas emissions is an essential part of a government's climate action plan. Through the <u>Climate Footprint Project</u> the Under2 Coalition has, to date, supported seven governments in improving their monitoring, reporting and verification (MRV) capacity, to help them effectively measure and understand their GHG emissions.

#### COALITION LEADERS IN CLIMATE TRANSPARENCY

27 members of the Under2 Coalition have reported in each year of the Annual Disclosure, demonstrating strong leadership in transparency and helping the program to grow into the most comprehensive assessment of state and regional climate action.

#### GROWING A GLOBAL COMMUNITY

In 2019, the Global States and Regions Annual Disclosure
Report summarized data from 124 states and regions from 35 countries, with a combined population of 669 million people, representing 20% of the global economy - making it the most extensive account of state and regional climate action released to date.



124 STATES AND REGIONS

35 COUNTRIES

669 MILLION PEOPLE REPRESENTED



#### LEADING THE CHARGE ON TRANSPARENT CLIMATE ACTION

In November 2019, British Columbia introduced first-of-its-kind climate legislation in North America, setting out legal accountability requirements to help ensure the province achieves its emissions reduction targets.

The new Climate Change Accountability
Act outlines a blueprint for climate
accountability and transparency that will
provide accurate, timely and publicly
accessible data to ensure climate
commitments are achieved.

To ensure the province is on track for long-term legislated emissions reductions, the government is working to set an interim emissions target on the path to the 2030 target of 40% below 2007 emissions levels. Separate 2030 sectoral targets will also be established following engagement with stakeholders, indigenous peoples and communities throughout the province.



"AS A FOUNDING MEMBER
OF THE UNDER2 COALITION,
WE KNOW THAT STRONG
CLIMATE ACTION REQUIRES
CLEAR ACCOUNTABILITY
AND TRANSPARENCY.

As part of our CleanBC plan, we enacted a new law requiring government to provide detailed reporting every year in the legislature on our progress towards meeting our climate change commitments - a first for any province in Canada.

"Each year, through our climate accountability framework, we will report on B.C.'s emissions levels, what future funding and actions we've committed to reduce them and what our performance has been on the previous year's commitment, and how we are minimizing risks from climate change.

"We also established in legislation an independent climate advisory council with members from diverse backgrounds that will provide input to help strengthen our climate and clean economy plans, and will report their views and advice to the legislature and the public. It's part of our commitment to building a cleaner, better future for everyone and to be accountable to future generations."

George Heyman, Minister of Environment and Climate Change Strategy, Province of British Columbia

### LAUNCHING MAJOR PROJECTS

#### That support states on the ground

With support from funders including the International Climate Initiative (IKI), Norway's International Climate and Forest Initiative (NICFI) and Stiftung Mercator we have established ground-breaking programs with states and regions across the world.

## THE CLIMATE PATHWAY PROJECT

The <u>Climate Pathway Project</u> supports state and regional governments to develop a transformational process or pathway to reducing emissions.

The pathway gives state and regional governments choice, so that they can make an informed decision on the best way to reduce emissions while supporting economic and social development. The seven governments participating in the project are Amazonas, Mato Grosso and São Paulo (Brazil), Querétaro and Quintana Roo (Mexico), Madre de Dios (Peru) and Santa Fe (Argentina).





The <u>Climate Footprint Project</u> operates in Pernambuco, Chhattisgarh, West Bengal, Baja California, Jalisco, Yucatán and KwaZulu-Natal.

In each location specialist teams have been assisting local governments with improving their Measurement, Reporting and Verification (MRV) capacity and knowledge, helping them to identify further opportunities for tracking and cutting emissions. Crucially this project is also making it easier for regional and national systems to speak to one another so that climate action can be more aligned across different levels of government in Brazil, India, Mexico and South Africa.









## LEVELING THE PLAYING FIELD FOR EMERGING ECONOMY REGIONS

Developing and emerging economy regions have a fundamental role to play in combatting climate change but can often struggle to access the resources required to take practical action.

Through a one-of-a-kind initiative to support state, regional and provincial governments

from emerging economies, the Under2 Coalition launched the <u>Future Fund</u> initiative at COP22 in Marrakech in 2016. The Fund is a demonstration of international cooperation in protecting the climate and links climate policy projects in developing economies with contributions from developed economies.

SINCE ITS LAUNCH, THE FUND HAS SUPPORTED 34 STATES AND REGIONS FROM THE GLOBAL SOUTH BY:

- Providing support on developing pathways, implementing innovative policy solutions and establishing robust greenhouse gas inventories.
- Facilitating participation in international climate events.
- Fostering knowledge exchange and encouraging peer-topeer learning through secondments between developing and developed regions on climate policies and actions.



14 Under2 Coalition

# PROGRESS OF THE FUTURE FUND



£400,000

More than £400,000 was to committed the Future Fund between 2017 and 2020, providing climate action development opportunities for more regional governments in developing and emerging economies.



#### 11 MAJOR SECONDMENTS

Since 2017, the Future Fund has supported **eleven major secondments** linking many governments including Querétaro with Nariño, North Rhine-Westphalia with West Kalimantan, and British Columbia with Yucatán.



#### 30% EMERGING ECONOMIES

**30% of all Under2 Coalition members** at the 2018 and 2019 General Assembly and supported by the Future Fund were from developing and emerging economies, **up from only 2% in the previous years.** 



#### **6 FUNDED PROJECTS**

Projects funded by the Future Fund cover areas such as energy efficiency, adaptation, clean transportation, carbon pricing and climate change laws.



USING FUTURE FUND SUPPORT TO SPEED UP EMISSIONS REDUCTION

In 2018, the Future Fund supported the State of Colima in Mexico to update and strengthen its emissions inventory.

The project enabled Colima to identify its most polluting sectors and understand where to focus its emissions reduction efforts.

The project found that of all Colima's emissions:

- · 83% were from the energy sector;
- · 10% came from land use;
- 4% were accounted for by industrial processes.

Knowing this, Colima has been able to work with the most polluting sectors to plan more effective mitigation strategies both for the present and in the lead up to 2050.

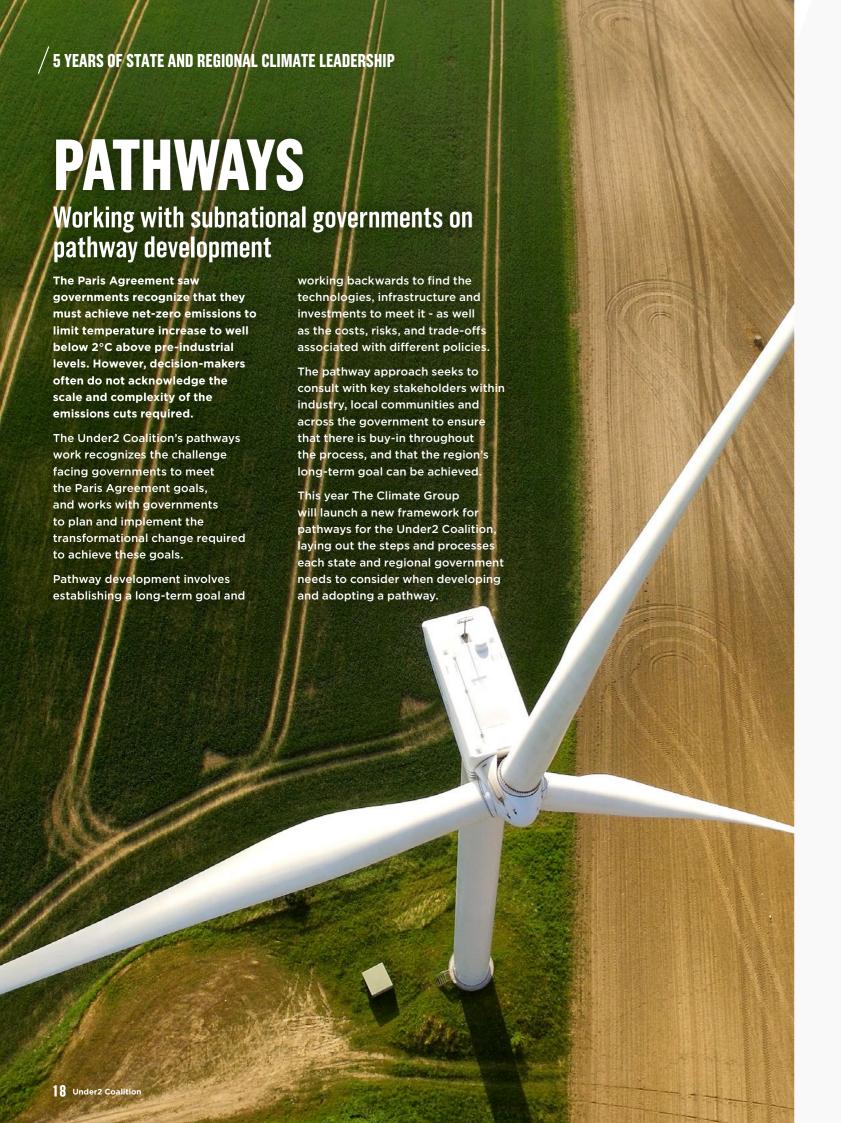


**FUTURE FUND INITIATIVE** 

"THROUGH THE FUTURE FUND COLIMA HAS BEEN ABLE TO IDENTIFY WHICH SECTORS ARE PRODUCING THE MOST EMISSIONS AND TO DEVELOP STRATEGIES TO HELP REDUCE THEM.

This has given us a real focus as we work to find the most effective ways to combat climate change locally. Without this knowledge it would have been hard to know where to start, but now we are making good progress towards our targets of 30% reductions in emissions by 2030 and 50% by 2050 based on 2010 levels. We are determined to play our part in Mexico's overall efforts on climate change."

José Ignacio Peralta Sánchez, Governor of Colim





# FOSTERING ECONOMIC GROWTH WITH EMISSIONS CONTROL

The Under2 Coalition's Climate Pathway Project is working with Querétaro and six other state governments in Latin America to develop an emissions reduction pathway.

As part of the project, Querétaro is working in collaboration with business and community stakeholders to decide the best way to reduce emissions while supporting the state's economic and social development. The pathway starts with the government's long-term greenhouse gas reduction goal, and then works backwards to identify the technologies, infrastructure and investments that will be required to achieve it.

So far, Querétaro has completed its business-as-usual carbon emissions analysis (2050 scenario) and identified priority sectors for its pathway - the energy, forestry and agriculture sectors. Additionally, Querétaro has committed to an economy-wide emissions reduction target of 65% emissions reduction by 2050 (from 2015 level). In contrast with the national target of 50% emissions reduction by 2050 (from 2000 level), Querétaro's target indicates unprecedented leadership from a subnational perspective in Mexico.

The Governor of Querétaro, Francisco Dominguez Servién, and over fifteen state secretaries are engaging in the project, showing the state's commitment to climate change at the highest level.



**CLIMATE PATHWAYS** 

"THROUGHOUT MY
ADMINISTRATION, WE
HAVE CONSOLIDATED THE
ENVIRONMENTAL AND CLIMATE
AGENDA AND FOUND THAT A KEY
ELEMENT OF EMISSIONS REDUCTION
PATHWAY DEVELOPMENT IS THE
INVOLVEMENT OF STAKEHOLDERS
FROM THE PUBLIC, PRIVATE AND
ACADEMIC SECTORS AS WELL AS
INDIGENOUS COMMUNITIES.

Through the Climate Pathway Project, we are pleased to have engaged these groups and are now developing a catalogue of policy options that will support us in achieving ambitious emissions reduction targets.

We would love to share our learning with all members of the Under2 Coalition and help other states to spread their successful experiences. We are sure that both in Mexico and in the rest of the world, subnational governments have approached the subject of climate change with both professionalism and creativity; we count on you to continue increasing these efforts and achieve our global decarbonization goals."

Francisco Dominguez Servién, Governor of Querétaro

10

**CONTRIBUTING TO** THE GLOBAL CLIMATE **ACTION AGENDA SINCE 2015** 

As part of the Marrakech Partnership for Global Climate Action, the Under2 Coalition has given greater visibility and momentum to climate action efforts at the state and regional level.

5 YEARS OF STATE AND REGIONAL CLIMATE LEADERSHIP

Every year, the Under2 Coalition also hosts its General Assembly alongside the UN Climate Change Conference of the Parties to elevate action by non-party stakeholders.







Photographs from the Under2 Coalition General Assembly 2019, 2017 and 2016



**GENERAL ASSEMBLY** 

**5 YEARS OF STATE AND REGIONAL CLIMATE LEADERSHIP OUR FOOTPRINT** 

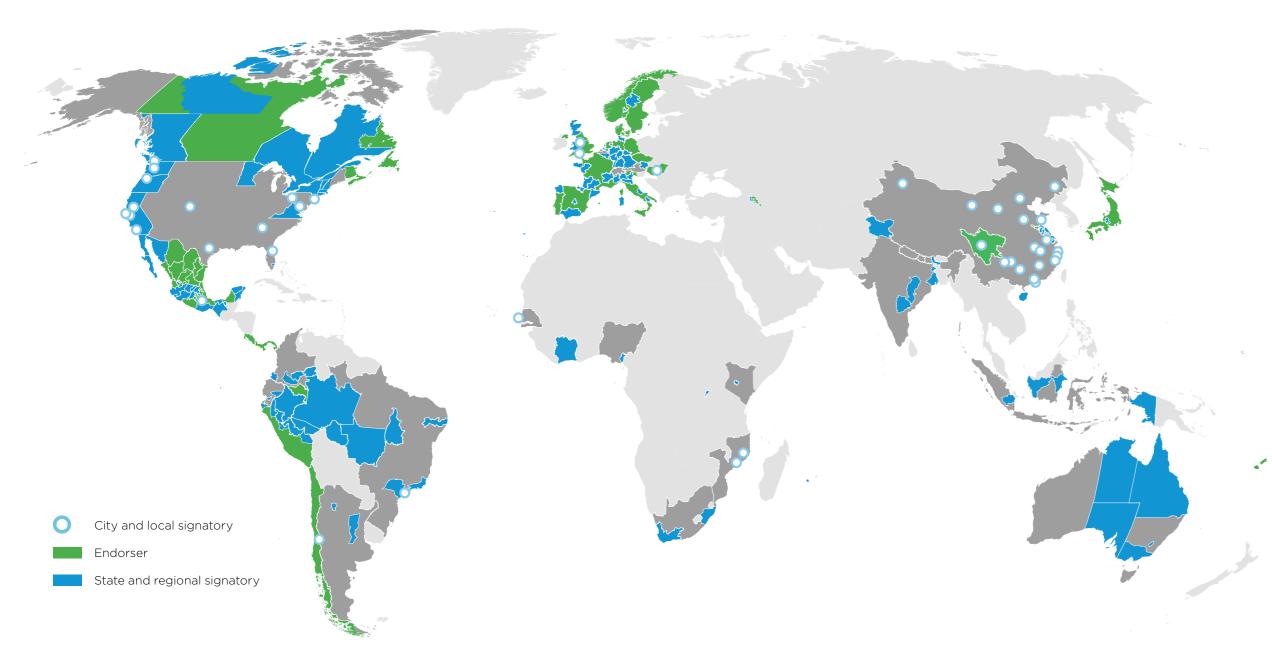
### **OUR FOOTPRINT ACROSS** 5 GLOBAL **REGIONS**



#### "AS THE WORLD SEEKS TO 'RECOVER BETTER' FROM COVID-19, THE CASE FOR **PRIORITIZING MEASURES WHICH ARE CONSISTENT WITH NET ZERO EMISSIONS** TRAJECTORIES IS OVERWHELMING.

We have an opportunity to emerge from this crisis with a global economic reset that addresses climate change and environmental breakdown while also protecting human health and tackling social inequalities. States and regions can and should be leaders in the race to build a healthy, resilient zero carbon economy."

Nigel Topping, COP High Level Climate Action Champion



#### **ASIA-PACIFIC**

Members: 20

Countries covered: Armenia, Australia, China, India, Indonesia, Japan, Nepal, South Korea

Regional highlights: Asia-Pacific Climate Leadership Forum, Driving subnational engagement on climate action in India, The Climate Footprint Project

#### **AFRICA**

Members: 3

Countries Covered: Ivory Coast, Nigeria,

South Africa

**Regional Highlights:** Finding a common language for climate action in KwaZulu Natal through The Climate Footprint Project, Future Fund

#### **EUROPE**

Members: 41

Countries Covered: Austria, Belgium, France, Germany, Greece, Italy, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom

**Regional Highlights:** Energy Transition Platform, Industry Transition Platform

#### **LATIN AMERICA**

Members: 40

Countries Covered: Argentina, Brazil, Colombia, Ecuador, Mexico, Peru

Regional Highlights: The Climate Pathway Project, The Climate Footprint Project, Climate Finance Accelerator, Future Fund

#### **NORTH AMERICA**

Members: 14

Countries Covered: Canada, United States of America

Regional Highlights: Under 2 Coalition events

at Climate Week NYC.

23

Energy Transition Platform, Industry Transition Platform, Reducing methane emissions from oil and

gas operations

22 Under2 Coalition

## THE CLIMATE DECADE

**5 YEARS OF STATE AND REGIONAL CLIMATE LEADERSHIP** 

A NEW IMPERATIVE FOR CLIMATE LEADERSHIP

Now that we have entered what The Climate Group is calling the Climate Decade, it is clear that faster progress is needed to combat climate change.

The IPCC Special Report: Global Warming of 1.5°C shows that limited action is not an option - ambition needs to be much stronger. The targets set pre-2015 no longer meet the efforts required to limit temperature rise to well below 2°C by the end of the century.

#### Instead, we must:

- Level out global CO<sub>2</sub> emissions to net-zero by 2050
- Level out all global greenhouse gas emissions to net-zero by 2070

The world is starting to pay more attention to this crisis. At least 73 countries, 16 regions, almost 400 cities and over 780 businesses have now signaled their commitment to reaching net-zero emissions by 2050 and the European Commission recently proposed new legislation that will, by law, commit the whole European Union to reach climate neutrality by 2050.



Having served as Global Ambassador for the Coalition and having witnessed its global reach expand significantly over the past five years, I am a strong advocate of the power of sub national governments - their ability to work together to promote inclusive clean energy economies has never been more important. This shared responsibility is crucial, particularly in current times when we are quickly learning that high probability/ high impact risks, such as COVID-19 and climate change, have to be acted upon in a timely manner. As we start to design the emergence from the pandemic-induced economic paralysis, building back better means strengthening our resilience to all foreseeable threats.

"2020 marks the beginning of a hugely important decade of climate action. I urge states and regions around the world to rise to the challenge this brings - to set ambitious targets and hold themselves accountable, to support their national governments in developing innovative policy solutions and to empower their leaders, businesses and citizens to act, now."

Christiana Figueres, Former Executive Secretary of the UNFCCC (2010-2016)

**5 YEARS OF STATE AND REGIONAL CLIMATE LEADERSHIP**The climate decade

#### WHAT ACTIONS CAN STATES AND REGIONS TAKE IN THE CLIMATE DECADE?

According to the <u>OECD</u> (2018), subnational governments are responsible for 64% of all climate-related spending and investment. This gives states and regions great power and influence when it comes to climate change. The following is five ways that the Under2 Coalition can contribute to a more sustainable future:

## Demonstrate global leadership by halving emissions in 10 years

The number of Under2 Coalition members with net-zero targets is steadily growing, with 16 now in place and more being developed.

Over the next ten years the priority is for this knowledge and ambition to spread so that all countries, states, regions and cities are able to set their own climate targets. Through our projects we are sharing best practice not only between our members but also with different levels of government to improve information sharing. Coalition members are in a strong position to encourage and inspire others to act so that global emissions can be halved.



#### **Develop long-term pathways**

Achieving the Under2 Coalition's potential for emissions reduction will require transformational change. Deep decarbonization with the aim of reaching net-zero carbon emissions will demand new ways of working in every sector, new climate-focused policies and legislation, and buy-in from industry, civil society and indigenous groups.

A pathway is an essential building block of a government's climate strategy. It is a transformational process that helps state and regional government make informed decisions on the best way to reduce emissions in line with their long-term goals, while supporting economic and social development, in collaboration with local businesses and communities. Over the next decade, pathways will increasingly be put in place to align with states' and regions' net-zero targets. This will translate into interim targets that support economic and social development whilst also plotting a course to significantly reduce emissions.



#### Create and implement climate policies for more resilient and sustainable systems

The Under2 Coalition is working with members on developing a strong policy learning platform for governments to connect with one another, share best practice policy, develop new policy measures and collaborate across the Coalition.

In doing so, the Coalition will ensure that governments with high ambition receive access to and implement the most impactful global policy solutions.

The Climate Group is also exploring new policy areas where we can support governments to share and learn, including sustainable food and agricultural sectors. These sectors have huge potential for emissions reduction across supply chains, they have an important role to play in a low carbon economy and we know from the Global States and Regions

Annual Disclosure Report 2019, that food and agriculture are already key areas of focus for states and regions. A new project has also recently been launched by Scotland to increase uptake of zero-emission vehicles, with this work expected to inform transport polices across other jurisdictions.



## Measure progress through comprehensive disclosure of data on climate action

The Under2 Coalition will continue working with states and regions worldwide to encourage more robust measurement of greenhouse gas emissions and public disclosure of this data on an annual basis.

This will not only help to improve transparency and communication to constituents, but will also encourage greater action amongst peer states and regions, and effectively track progress of individual and collaborative efforts of the Under2 Coalition.

The Climate Group will continue to enhance the analysis of the disclosed data to identify the priorities and needs of the Under2 Coalition. This will ensure further support can be offered to improve the technical capacity and expertise of states and regions to measure their emissions, build on current targets and demonstrate progress.

#### Push for greater action at a global level

National governments are expected to revise their Nationally Determined Contributions (NDCs) in 2020.

With ambitious targets already in place at subnational level, and with calls for a green recovery from the COVID-19 crisis of 2020, Under2 Coalition members are in a unique position to call for increased action from national governments, using evidence from their own successes to highlight the benefit.



### STAYING RELEVANT IN A CHANGING CLIMATE

Five years after the Under2 Coalition was founded, the challenge of climate change has only become more urgent.

We have seen dramatic events such as 2019's forest fires across Australia and Brazil, and more regular and extreme flooding events in countries from the UK to Bangladesh. This shows the climate consequences of inaction and the variety of challenging situations countries will continue to face in future.

Perhaps the most powerful tool for the Under2 Coalition as we continue through the Climate Decade is our collective voice. The more states and regions speak up on climate change and share their hardearned knowledge on what has worked in cutting emissions, the more the rest of the world will have to listen and act. This is not an easy challenge to face but keeping global temperature rise below 2°C is vital. It is an aim that unites all members of the Coalition and it will be at the heart of our climate actions in 2020 and beyond.



# "TODAY WE FACE UNPRECEDENTED CHALLENGES TO OUR ECONOMY AND THE HEALTH OF OUR COMMUNITIES.

As we take every action necessary to recover from the immediate challenge of the COVID pandemic, we are resolved to fight the long term threat of climate change with similar vigor. As North American Co-Chair and one of the founding signatories of the Under2 Coalition, Washington State will continue to lead on climate action and we will work with our partners in the Coalition to bring others into the fight."

Jay Inslee, Governor of Washington State



#### "WHAT'S BEEN BUILT OVER THE PAST FIVE YEARS IS REMARKABLE. BUT NOW IS NOT THE TIME FOR CELEBRATION OR COMPLACENCY.

We must shift from commitment to bold, forceful climate action. Time is running out. We have to take the steps now to reverse the rise in carbon emissions and get all nations on the path to net-zero carbon emissions by 2045. What we do in the next five years will determine whether we are headed for success or catastrophic failure.

"Fortunately, states like California, and 15 other Under2 Coalition members, have shown what the path forward looks like and set ambitious net-zero carbon emission targets. But this means little unless we bring other states, regions and countries along with us.

The whole world must be part of the solution or it won't happen. Onward."

Jerry Brown, Former Governor of California, Co-Founder of the Under2 Coalition and Under2 Coalition Global Ambassador THANK YOU TO OUR FUNDERS WHO HAVE **SUPPORTED US OVER THE LAST FIVE YEARS** 

Since taking on management of the Secretariat of the **Under2 Coalition in 2016,** the Climate Group has raised more than \$15,000,000 to support the Coalition in becoming a world-leading driver of sub-national climate action.

This funding has supported a range of high-impact projects and engagement activities which have helped our member governments build their climate mitigation capacity and expertise so that they can deliver on their commitment to the Under2 MOU.

Starting out simply as an expression of commitment from leading governments, the Under2 Coalition now houses active global projects in themes as diverse as industry transition, clean transport, mitigation of super-pollutants, 2050 pathway planning, climate finance, and establishing emissions monitoring, reporting and verification systems at the sub-national level. To achieve this success we have built numerous new partnerships with many of the world's most powerful and forwardthinking climate funding agencies and philanthropies, and we are very grateful for their vision and ongoing support.

As we celebrate the first five years of success, and look forward to scaling up action through the Climate Decade ahead, we give thanks to the generous donors who have supported our journey so far:

Children's Investment Fund Foundation (CIFF)

Climate-KIC

**ClimateWorks Foundation** 

**Energy & Climate Change Directorate** of the Scottish Government

**Energy Foundation** 

**European Climate Foundation** 

John D. and Catherine T. MacArthur Foundation

**IKEA Foundation** 

Ministry of Environment & Energy of the Government of Sweden

**Netherlands Ministry of Infrastructure and Environment** 

Norway's International Climate and Forest Initiative (NICFI)

**Pisces Foundation** 

**Rockefeller Brothers Fund** 

**Stiftung Mercator** 

The Dutch Postcode Lottery

The Initiative for Climate Action Transparency (ICAT)

The International Climate Initiative (IKI) of the German Federal Ministry for the Environment, **Nature Conservation and Nuclear Safety** 

**UK Department for Business, Energy** and Industrial Strategy (BEIS)

William & Flora Hewlett Foundation



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#### **About the Under2 Coalition**

The Under2 Coalition is a global community of state and regional governments committed to ambitious climate action in line with the Paris Agreement.

The coalition brings together more than 220 governments who represent over 1.3 billion people and 43% of the global economy. These governments include signatories to the Under2 Memorandum of Understanding as well as national endorsers and other supporters. There are 118 individual states and regions who have signed the Under2 MOU and are currently active members of the Under2 Coalition.

Signatories commit to keeping global temperature rises to well below 2°C with efforts to reach 1.5°C. Nine states and regions in the coalition have committed to reaching net-zero emissions by 2050 or earlier.

In their position between national and local governments, states and regions are uniquely placed to take innovative climate action and to influence others to do the same.

The Climate Group is the Secretariat to the Under2 Coalition and works with governments across three key workstreams. The Climate Group also works directly with state and regional governments on capacity-building projects to support the implementation of climate policy. Under2Coalition.org

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