STATES & REGIONS: LEADERS IN BOLD CLIMATE ACTION

State and regional governments are critical actors in addressing the global challenge of climate change. We play a key role in delivering both mitigation and adaptation commitments made internationally. In doing so, we bring to the table a unique combination of capabilities as well as scale. Collectively, state and regional climate commitments made through the Compact of States and Regions cover 325 million citizens and a combined GDP of around US$10.5 trillion 1.

At a practical level we have responsibility for the areas that directly impact people’s everyday lives, such as industry, housing, land use, planning and transport. Our level of government is also close enough to engage with and understand the local context, but big enough and with the responsibilities to be able to act strategically.

Through the development and implementation of our policies, the administration of our budgets and the legislation we pass, we act as a key, but hitherto underutilized link between both international and national objectives and delivery at city and local government levels.

We have pioneered innovative policies, adopted ambitious climate and clean energy targets, supported national government to move forward in climate policies and incentivized low carbon business efforts. We have generated climate knowledge through our regional universities and research centers with a clear commitment to support this process.

We have demonstrated that far from being a burden, bold climate action is an essential, affordable and preferable path to more prosperous economies and healthier, more equitable societies.

We come to Paris as an alliance of governments working in partnership to support the Parties of the UNFCCC to deliver an ambitious, comprehensive and durable global climate agreement, and to demonstrate the essential role and scale we bring to tackling climate change.

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1 Based on data reported by state and regional governments to the Compact of states and regions
PARIS AGREEMENT ESSENTIALS

As governments we understand fully the challenges of crafting political agreements. But we also recognize the scientific evidence, and global consensus that provides an overwhelming imperative for taking bold climate action - and the significant opportunity for economic and social benefits that this can deliver. We therefore call on all countries to also embrace the Paris agreement as an opportunity and instrument for creating more prosperous, sustainable and equitable economies and societies. To ensure we start to move rapidly toward this future, and recognizing our specific responsibilities and expertise in the following key areas, we call for the Paris agreement to include the following:

— An ambitious long term goal: The agreement must include a clear signal of intent to achieve global net decarbonization well before the end of this century, in-line with the IPCC’s scenarios for limiting the global average temperature rise under 2°C. Doing so provides an essential benchmark against which global progress can be measured, and sends a crucial long-term low carbon investment signal.

Our contribution: Many state and regional governments have already committed through the Under2MoU to an 80-95% reduction in emissions by 2050 from 1990 levels or an emissions level below 2 tons CO2 per capita, in line with an under 2°C scenario.

— Five year renewal periods: We recognize that Paris is only the start of our journey and that the actions UNFCCC Parties have committed to so far are unlikely to put us on a 2°C or less pathway. For this reason countries must agree to regular renewal periods of no more than five years to ‘ratchet-up’ ambition beginning in 2020. Actions needed to meet these commitments should be reviewed and strengthened. New commitments must be more ambitious than existing ones.

Our contribution: Many state and regional governments have already achieved their climate targets ahead of time, and therefore strengthened the climate and energy targets they previously set themselves. Some regional governments have legislated carbon budgeting on a five year cycle.

— Finance at scale: The agreement must create the conditions for raising and unlocking the hundreds of billions of dollars needed annually for mitigation and adaptation in both developed and developing countries. It should ensure direct access to climate finance for sub-national authorities and other non-party stakeholders so that it can drive the appropriate means of implementation and empower action at all key levels of governance. The agreement must also deliver on the commitment by developed countries to mobilize US$100 billion a year from 2020 to support the poorest and most vulnerable countries.

Our contribution: State and regional governments are pioneering new financial institutions and instruments for scaling and unlocking climate finance. Many states and regions have bankable projects that are finance ready. Green banks, green bonds and other innovative financial mechanisms have been successfully implemented by state and regional governments to stimulate billions in private sector investment. These models are being shared across state and regional governments globally.

— Carbon pricing and market mechanisms: The agreement must recognize and enable the role of carbon pricing and market mechanisms within and between countries, including market mechanisms operated by sub-national governments. Carbon pricing and market mechanisms are powerful tools for scaling low carbon investment, unlocking essential private sector finance at scale, and doing so in an economically efficient and effective way. Designed and implemented correctly, carbon pricing tools, including market mechanisms to deliver equitable, least cost mitigation.
Our contribution: Carbon pricing tools, including market mechanisms are already in place in a number of state and regional governments. Examples include provincial carbon taxes, carbon codes, inter-state market-based regulatory systems as well as economy-wide, cross-border and legally-binding cap and trade GHG emission trading systems. These models are being shared around the world and carbon markets are expanding to include new states, provinces and nations.

Action on adaptation: Adaptation naturally occurs at the local and regional level in response to impacts defined by local and regional conditions. Parties must recognize and enable in the Paris agreement the critical responsibilities and role of state, regional and local governments in developing and delivering adaptation plans and actions. Effective adaptation will require a combined bottom-up and top-down approach that integrates the knowledge, skills and experience of sub-national governments and, where appropriate, the means, resources and strong support of central governments. In the case of developing countries, such an approach must also be instrumental in building up capacities.

Our contribution: State and regional governments are already developing and implementing adaptation programs, and many have developed long-term adaptation strategies in consultation and collaboration with municipal and private sector partners. We have created innovative models and solutions to adapt to climate change impacts, in areas such as infrastructure, public health and safety, water and ecosystems resources, and vulnerable economic sectors. Through the Regions Adapt initiative, we are committing to support more sub-national governments to develop and implement adaptation strategies.

Transparency and accountability: A durable agreement must be built on trust, which in turn requires openness through transparency and accountability. We call on Parties to commit to shared accounting and reporting rules, modalities, standards and guidelines, which hold all countries to account for their commitments, avoid double-counting, and track global progress toward our common purpose of maintaining global average temperature increases below 2°C. National reports should build on and incorporate regional reports and data, and regional reports should equally reflect national data.

Our contribution: Many state and regional governments have legislation in place to ensure regular and transparent reporting against climate commitments. Through the Compact of States & Regions sub-national governments publicly report on their emission levels and the actions they are taking to reduce them. The Compact has brought an unprecedented level of global transparency and accountability to the climate actions of sub-national governments, with 44 governments from 18 countries publicly reporting climate data during 2015.

Equity: Like any international treaty, and to ensure durability, equity must be integral to all areas of the Paris agreement. This must not be at the expense of ambition, however. All parties must play their part, with the agreement recognizing a wide spectrum of responsibility and capacity among Parties. The agreement should reflect the evolving nature of economic development that has occurred over the past quarter century, while also acknowledging differentiated responsibility.

Our contribution: Through existing declarations, decentralized cooperation initiatives and specific North-South and South-South partnerships, state and regional governments are demonstrating in a pragmatic way how diverse jurisdictions with differing economies, political realities, environments, and other contexts, are able to commit to a shared goal of mitigating and adapting to climate change in line with what science tells us is needed. Some regional governments have already legislated for the implementation of the UN Sustainable Development Goals.
Recognition of non-party actors: The Paris agreement must recognize as a general point, the important role that sub-national and local authorities, as well as other non-state actors, play in addressing climate change. Subnationals are, by nature, governments, and therefore should be recognized as distinct from other non-state actors. Explicit reference to our role in the agreement would serve not only to more effectively secure the further engagement of state and regional governments as true partners, but to more effectively empower innovation and action in addressing climate change nationally and internationally.

Our contribution: State and regional governments play a vital role working in partnership with other non-party actors—local governments, business and civil society—in driving climate mitigation and adaptation actions. Through global networks such as the States & Regions Alliance, sub-national governments have already committed to global collaborative initiatives to support the delivery of an ambitious, comprehensive and durable global climate agreement.

POST PARIS DELIVERY

The 21st Conference of the Parties in Paris must do more than agree the new global deal, as there is much work to be done post-Paris in the critical pre-2020 period. State and regional governments are uniquely placed to deliver and are already showcasing the innovative policies and measures that the world will need to upscale and accelerate the process of decarbonization in the remainder of the decade. We believe that our action demonstrates the importance of states and regions as laboratories for the innovation needed. We therefore call on Parties to adopt COP decisions that can help empower the work of state and regional governments to support UNFCCC Parties to deliver increased pre-2020 climate action by:

— Enhanced participation by all sub-national levels in UNFCCC: We call on Parties to adopt decisions in Paris that would formalize recognition of sub-national climate action and ambition, establish an ongoing forum for sub-national governments and other non-state actors to regularly share their climate actions and ambitions with Parties, and create a new observer category of accreditation for sub-national government entities. Such decisions would be a key enabler of the pre-2020 Action Agenda that is intended to drive increased action and ambition by non-party actors.

— Natural resource management and sustainable land-use: We call on Parties to demonstrate continued support for and recognition of actions in the land-use sector, including REDD and REDD+ mechanisms achieved at the sub-national and local levels, and to work to avoid double-counting of these efforts.

— Sectoral initiatives: We understand the contribution to global GHG emissions of key carbon-intensive sectors, inter alia transport, international bunkers, oil and gas, thermal electricity, coal mining, iron and steel, cement and petrochemical. We urge Parties to undertake specific actions in these sectors.

— Subsidies: We call on Parties to end harmful subsidies for fossil fuels urgently post Paris, taking into consideration the high risks of infrastructural lock-in they pose.

— Enhanced technology transfer and capacity building: We will mobilize efforts to enhance technology transfer, capacity building and information exchange among state and regional governments, as well as strive to have these topics enhanced at national and multilateral levels.