

THE FUTURE OF THE CLIMATE REGIME: WHAT IS NEEDED 2020–2050?

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Introduction

The next 12 months may be the most important year for climate policy yet. Five years after the 2015 Paris Agreement, and despite a temporary drop from a global pandemic, emissions continue to trend upward. COP26 in November 2021 represents the crucial first test of the Paris “ratchet mechanism,” but COVID-19-related economic relief packages already contain a worrying mix of clean and dirty stimulus. At the same time, ever-more immediate climate impacts have heightened public demands for rapid climate action, and a new Administration in the United States could offer the prospect of reigniting international cooperation.

What happens in the next 12 months will be critical, but it is the next 30 years that will ultimately determine the fate of the climate. Even if the climate regime can leap this first hurdle, it will likely need to evolve significantly to face the challenges to come.

Fortunately, the 2015 Paris Agreement shows that the climate regime *can* adapt. The last five years represent, in some important ways, an unusual example of multilateral innovation in the face of gridlock. Paris has given us an overarching framework by establishing a long-term goal, and creating a pledge, review, and ratchet system to catalyse action toward that objective.

Within this framework, more will be needed to actually *drive* decarbonisation, adapt to climate impacts, and build resilience over the next three decades and beyond.

A strength of the Paris model is that it recognises that much of the work of decarbonisation will be driven by domestic politics, particularly in the large emitters. But this does not mean that international cooperation is irrelevant. On the contrary, a complementary international governance regime can aid domestic efforts, while poorly aligned global institutions can hamper them.

Moreover, over the next decades, climate politics will re-shape many areas of global governance, which is already in a state of profound crisis. As assets revalue, economies adjust, and impacts multiply, climate will reshuffle global politics as much as any major war would. To achieve our goals, we need a global governance system that can manage the coming transitions and dislocations. If not, we risk further disruptions to international cooperation and the multilateral system that reach far beyond climate change.

Four weaknesses in climate governance

The 2015 Paris Agreement creates a broad framework to catalyse global efforts, but the UNFCCC process as it currently exists is unlikely to be sufficient, by itself, to drive the speed, scale, and depth of transformation needed. Broadly, four weaknesses and gaps loom over international climate governance in the next decades.

Economic governance institutions are not aligned to advance decarbonisation, and may actively hinder it. Despite progress in some areas to take the climate challenge seriously (e.g. financial risk through the Financial Stability Board, development finance through development bank alignment toward Paris standards), climate concerns remain peripheral or are actively resisted by significant swathes of global economic governance (e.g. trade, investment protection, technical standard-setting). Given the sheer number of forums, treaties, standards, “soft-law”, and practices that need to be repurposed, nothing short of a “Green Bretton Woods” will be sufficient. Given that the liberal international economic order is facing a governance crisis, the moment is doubly opportune for realigning global institutions to social goals.

Sectoral initiatives tend to be weak and have incomplete coverage in many areas. Huge swathes of the global economy have committed to decarbonisation through a range of laws, pledges, targets, and other commitments. However, this groundswell of climate action does not cover all sectors or all parts of the globe. Some economic sectors have intergovernmental institutions engaged in climate governance (e.g. aviation, shipping), while others have transnational coalitions or industry-led initiatives (e.g. oil and gas), though for the latter many large firms remain outside current initiatives. Other sectors are non-institutionalised (e.g. autos). Moreover, it is difficult to point to a single sectoral initiative in emissions-intensive sectors that is fully aligned with the goals of the Paris Agreement, despite individual front-runner companies and coalitions. Furthermore, these initiatives tend to include mostly publicly traded firms based in North American and Europe. Most future emissions, however, will originate in Asia and the Global South, many originating from state-owned enterprises.

Security and humanitarian institutions are poorly prepared for global risk management. The COVID-19 pandemic has revealed worrying weaknesses in our ability to manage disasters. A global pandemic of this nature has long been expected, many countries have struggled to respond effectively. At the global level, coordination between countries to manage the transnational risk has fallen woefully short of what is needed. Looking ahead, climate-induced risks are still insufficiently monitored and anticipated by core security and humanitarian institutions, nationally and globally. Migration stands out as a particularly under-prepared for risk, with weak institutions. Global institutions need a much more sophisticated and robust risk management framework to manage current impacts, to say nothing of those to come.

No rules exist to address geoengineering and negative emissions technologies.

Prevention is the best cure, but our governance frameworks must be able to manage other solutions as well. Just as adaptation was forced onto the international climate agenda by vulnerable countries, we can expect strong political contestation around negative emissions technologies and geoengineering in the coming decades. While a healthy academic debate has begun on these questions, with some efforts to engage policymakers on it, we are still far from an effective governance framework.

Overarching questions

As observers and policymakers address these four areas of weakness, three significant overarching questions arise.

First, **how to balance fragmentation and coherence?** As different institutions develop across these different areas, there is significant potential for both conflict and redundancy. At the same time, over-centralisation may limit innovation and promote lowest common denominator tendencies and institutional inertia. Finding a nuanced balance to promote coherence with productive flexibility is key.

Second, **what is the role of the UNFCCC process**, especially as it relates to other elements of the regime? Can/should the UNFCCC and the Paris Agreement continue to serve as an overarching framework and focal point for the climate regime, and how best can it do so? Can an organisation of entrenched political debate and cleavages, in which “lowest common denominator” forces often hold sway, evolve to where we need it to be?

Finally, **how will broader shifts in the politics and economics of climate over the next decades alter what international institutions can and cannot do?** As decarbonisation and climate impacts proceed over the next decades, we should not expect the politics of climate change to remain the same. These shifts will alter both what forms of international cooperation are needed, and what political possibilities for international cooperation arise. For example:

As climate becomes an increasingly salient issue in electoral democracies, how will changes in state preferences affect international cooperation?

Will current activist movements transform into enduring coalitions for climate action in major emitters, and how might global frameworks support or impair strong domestic coalitions?

How will climate link to broader social welfare concerns?

Will the growing role of cities, businesses, and other sub/non-state actors continue or evolve?

How will broader geopolitical trends toward great power competition affect, and be affected by, climate?

As the climate crisis intensifies and politics grows more existential, how will things change?

Scholarship is only beginning to grapple with these questions, but they will be amongst the variables that define the landscape of the climate regime in the years to come.

Conclusion

Over the next 12 months, we must make sure the climate regime passes this immediate critical juncture. But at the same time, we need to put in place the architecture of a stronger regime to deliver what is needed in the decades to come. More systematic thinking is needed on the weaknesses and questions defined above to understand what institutional changes might be required to make the international climate regime fit for purpose.