T20 Policy Brief



Task Force 06

STRENGTHENING MULTILATERALISM AND GLOBAL GOVERNANCE

Strengthening Multilateral Climate Governance in G20: Role of Subnational and Non-State Actors

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Abstract

The importance of subnational and non-state actors is explicitly recognized by the Paris Agreement, which encourages initiatives by these actors to scale up climate commitments. Although actions by subnational (e.g., states, cities, and regions) and nonstate (e.g., civil society, private sector) entities are increasing globally, there is still a lack of representation of these actors in global climate governance. G20 being a multilateral platform strives to promote new models of hybrid governance, including multilevel/polycentric governance approaches that can foster stronger cooperation among member states. Subnational and non-state actors can complement top-down approaches by incorporating grassroots perspectives and enhancing inclusion. Therefore, it becomes crucial for the G20 to ensure adequate representation of subnational and non-state actors. This policy brief provides the following recommendations to the G20: to develop a framework to assess and quantify the impact of subnational and non-state actors on climate action; to promote the participation of civil society in shaping the agenda and priorities of the G20; to enhance partnerships between subnational and non-state actors of different engagement groups to integrate climate and sustainable development agenda; and to facilitate technical and financial support for building institutional capacity in cities.

Keywords: climate, governance, multilateralism, subnational, non-state



Diagnosis of the issue

The growing challenges associated with climate change demand for a comprehensive governance strategy involving multiple stakeholders across different levels (Nielsen, 2022) Acknowledging the importance of subnational and non-state actors, UNFCCC, in collaboration with the government of Peru, initiated the Non-state Actor Zone for Climate Action (NAZCA) portal in 2014, now known as the Global Climate Action Portal to collect and display data on global efforts by subnational and non-state entities, documenting their individual and collective initiatives aimed at tackling climate change (Mai & Elsässer, 2022). The 2018 special report by the Intergovernmental Panel on Climate Change (IPCC) on the impacts of a 1.5 °C increase in global temperatures (SR1.5) highlighted the urgent necessity for intensified climate action from all parties involved — including national governments, regional authorities, and non-governmental actors (IPCC, 2018).

Traditionally, subnational actors have primarily been seen as implementers of climate policies as guided by national and international climate policies. However, recent developments indicate that these actors can complement the efforts of national governments and international climate negotiation agencies by mobilizing resources, fostering innovation, and supporting adaptation and resilient development (Hale, 2018). Also, realizing the potential of aggregated actions by these actors can create momentum to push for more ambitious national and international targets. Subnational and non-state actions are also known to significantly support the achievement of sustainable development goals by facilitating co-benefits in the form of enhanced air quality and health, fostering inclusivity, and fostering partnerships, apart from mitigation reduction (Chan et al., 2021). The representation of these subnational and non-state actors in global



climate governance is still relatively limited.

The relevance of this issue for the G20 is three-fold. First, the G20 holds a unique position in global climate issues as it has the power to both contribute to and mitigate the problem at hand. The group consists of major world economies that contribute to the global climate crises by accounting for 3/4th of the global greenhouse gases (G20, 2021). However, by bringing together the world's largest economies and emitters, the G20 also has the potential to shape the global climate agenda and act as a catalyst to solve the climate crises through multilateral partnerships. The Brazil presidency has also proposed a temporary joint 'Task Force for Global Mobilization against Climate Change', between Sherpa and the Finance tracks, aimed at transforming financial flows, structures, and processes (G20, 2024). Therefore, utilizing the potential of subnational and non-state actors in effectively solving the climate crisis is very relevant for the G20. Second, strengthening multilateralism is already on the G20 agenda. Although the current governance of the G20 tracks is led by member states, the different G20 engagement groups involve many non-state actors which can help in providing a holistic approach and enhanced cooperation to solve multiple challenges at the same time. Enhancing the representation of subnational and non-state actors can foster this agenda at a global level. Third, the G20 member countries, especially developing countries, face various developmental challenges along with climate commitments. As the subnational and nonstate entities can help in integrating these two agendas, understanding, and enhancing their participation is crucial for the G20 member states, at both national and local levels.

The purpose of this policy brief is to highlight the importance of integrating subnational entities like cities and regions, along with non-state actors such as businesses, NGOs, and academic institutions, into the climate governance framework. The Global Climate Action Portal, as of March 2024, mentions climate actions by 34,636 actors



globally comprising countries, regions, cities, companies, investors, and other organizations. Upon explorations and analysis of the portal, it is evident that there is substantial participation by G20 member countries, the European Union, and the African Union with 17983 companies, 1522 investors, 3702 organizations, 270 regions, and 15489 cities. The distribution of different types of actors for each country is depicted in the graph (Fig.1). There is a need to delve deeper into the effectiveness of actions by these actors to resolve challenges and identify opportunities to further strengthen their efforts.

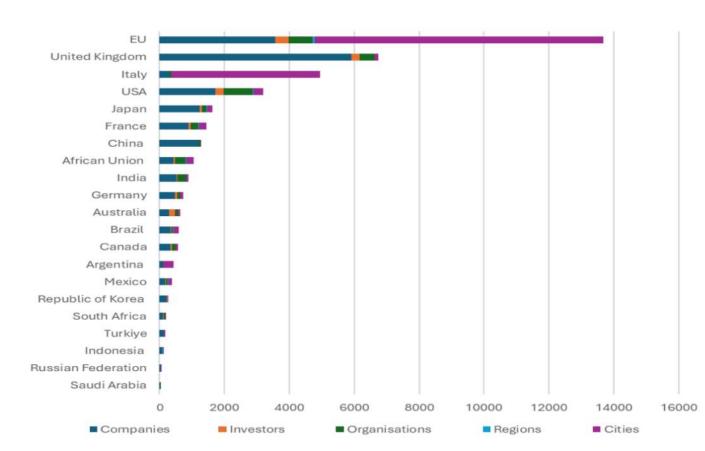


Figure 1: Subnational and non-state climate action in G20 countries. (Authors' compilation; Source: Global Climate Action Portal, as of March, 2024)¹

¹ https://climateaction.unfccc.int/

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This policy brief explores the significance of subnational and non-state actors in multilateral governance, with a particular emphasis on their role and contribution to shaping the discourse of multilateralism in the context of Climate governance. It begins with a brief introduction of the theme and an analysis of its relevance for the G20 group. It is then followed by specific recommendations for the G20 and possible scenarios for the proposed policy solutions.

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Recommendations

1. G20 should develop a framework to assess and quantify the impact of subnational and non-state actors on climate action.

The efforts of the subnational (e.g. cities, states, and regions) and non-state (e.g. NGOs, companies, or investors) actors are increasingly contributing to targets of sustainable development and climate change agendas. These actors hold pivotal positions in the multilateral governance landscape as they are known to complement international and national efforts toward sustainability (Arteev, Shlapeko & Klyszcz, 2022). However, there are significant challenges that hinder the utilization of the optimum potential of these actors. The challenges include resource limitation, strained financial capacity, and absence of an assessment mechanism to quantify the impact of non-state and subnational actions (Hale et al., 2021). G20 platform can make significant efforts to address the challenge of assessing and quantifying the impact of these actors. A platform aligned with the G20's Urban20 initiative could be proposed for developing a standard framework or assessment methodology to measure the impact of actions by these actors. Active participation of these actors in the G20 and sharing of initiatives would account for knowledge exchange and help in developing a comprehensive database repository. Such a database can identify gaps, highlight areas that need focus, improve reporting by these actors and uncover collaboration opportunities.

2. The G20 should change its current structure and include the participation of civil society in shaping the agenda and priorities of the core meeting through the active involvement of C20

As already mentioned, the different engagement groups of the G20 hold great



importance in advancing the climate and development agenda. The Civil 20 (C20) has active involvement of Civil Society Organizations (CSOs) and helps in bringing a nongovernment perspective. The different task forces of Think 20 (T20) provide effective recommendations to the G20 on various climate-related issues. The Urban 20 (U20) engages different cities in advancing sustainable development. The Women 20 (W20) is striving for 'gender-inclusive economic growth', with climate change as one of the five priority areas. The role of C20 is crucial in overcoming the limitations of G20 governance. The G20 India Presidency also highlighted the potential of C20 to impact official policy decisions and 'act as force-multipliers for the government (G20 India, 2023). There exists, however, a gap in the effective participation of these engagement groups. It can be argued that the design of C20 limits its potential in shaping the G20 agenda. The official tracks of the G20 are led by state actors and the C20 only responds to the G20 agenda and does not have the ability to add new issues (Chodor, 2020). Similarly, the other engagement groups provide recommendations only for the existing G20 priorities. The G20 should change this structure and include the participation of civil society in shaping the agenda and priorities of the core meeting through the active involvement of different engagement groups, especially the C20. This can be taken forward through the newly formed 'Task Force for Global Mobilization against Climate Change'.

3. G20 should enhance partnerships between subnational and non-state actors of different engagement groups to integrate climate and sustainable development agenda

Both the Paris Agreement and SDG agenda are a result of the multilateral governance process with synergies between the two- SDG 13 (Climate Action) being the most direct bridge between the two agendas. However, they are often treated as separate and



implemented by different state actors, at both nationally and globally. The scholarly literature also argues the synergies between climate and development agenda, and the nation-states have started to adopt a 'co-benefits' strategy (Fuso Nerini et al.,2019). The state-led initiatives, however, are not enough and there is a need for efforts at the transnational level. The literature highlights the importance of subnational and non-state actors in complementing state-led initiatives and effectively integrating the two agendas (Coenen, Glass, Sanderink, 2022). The Global Climate Action portal also shows the initiatives of these actors for climate action contributing to different SDGs. The G20 should act as an advocate for promoting the role of subnational and non-state actors in integrating climate and development agenda. The G20 already has very important engagement groups working on different issues related to climate action and sustainable development. The different engagement groups should host common meetings to enhance the existing synergies and promote holistic implementation. The G20 Social Forum, to be hosted by the G20 Brazil presidency is a good initiative towards this and this forum should focus on promoting multistakeholder partnerships.

4. G20 should facilitate technical and financial support for building institutional capacity in cities

Cities around the world, especially in developing areas need large-scale financial and technical capacity to achieve the dual objective of fostering development along with dealing with climate challenges (Tozer et al.,2022). The way forward for cities is to focus on the synergy between SDG 11 (Sustainable Cities and Communities) and SDG 17(Partnership for goals) where enhanced multilateral cooperation for the sharing of technology, knowledge, and resources for a sustainable future. The G20 platform can play a critical role in building institutional capacity in cities by promoting multilateral



cooperation for facilitating technical and financial support. The launch of U20 in 2017 has been a significant development to facilitate a lasting engagement between Urban centres under the guidance of the G20 platform. This has helped in raising the concerns of urban areas in G20 negotiations but there is a need for more institutionalized support (Urban 20, 2024). Although, G20 Delhi Declaration (2023) mentions a shared commitment to financing for cities, emphasizing increased support for developed countries for climate resilient infrastructure in the Global South (G20, 2023). However, financial support alone is not sufficient as there is a need for building technical know how to make optimum use of the provided finance. The institutionalization of knowledge regarding key areas such as circular economy, climate-sensitive infrastructure investment, the importance of nature-based solutions in urban spaces, disaster response, and recovery mechanisms need to be internalized in the long-term functioning memory of city administrators and policymakers. For this purpose, it is pivotal for G20 to facilitate and promote partnerships among the member state cities and ensure they help in building long-term capacity in the emerging cities.



Scenario of the Outcomes

The recommendations put forward can change the issue at all levels- global, national, and local. They are also aligned with the G20's vision of promoting new models of governance. There are, however, some trade-offs associated with the proposed recommendations. The first policy solution recommends building a standard assessment framework. This will promote the active participation of subnational and non-state actors in G20, fostering a collaborative environment for sustainability efforts, improving reporting, and facilitating knowledge exchange. It also helps in identifying areas that need more focus and resources through a comprehensive database and thus consequently support in realising the full potential of these actors in adaptation and mitigation efforts. However, since the initiatives and outcomes of the subnational and substate actors are influenced by different factors depending on the context of the action being taken, having a single standard assessment framework might not be able to gauge the efforts. Also, in the case of mitigation, the impact can be quantified in terms of emission reduction (CO2equivalent), but assessing the impact of adaption might be a daunting task considering the lack of adequate and reliable data on the effectiveness of adaptation actions. Ecological and social implications of adaptation actions might not be fully reflected or appreciated by the value they contribute to the context. The decision on what can be considered a successful adaptation practice is ambiguous based on subjective perspectives. The second policy solution recommends changing the issue at a structural level and will help in identifying new priority areas for the G20, from the CSO's perspective. This recommendation will help in addressing the democratic deficit of G20 governance. It will further contribute to strengthening multilateral governance and building more inclusive governance structure. However, this can conflict with the G20's agenda, and changing



the structure and participants of the G20 can be difficult to implement as the group was formed to fulfil certain set objectives. These can be resolved by undertaking an expansive approach and treating this recommendation as part of the already evolving G20 agenda. The third policy recommendation calls for interactions between various engagement groups. This is important in integrating multiple agendas of the G20, mainly the climate and sustainable development agenda. However, in addition to the synergies between these two agendas, many trade-offs also need to be managed for effective integration. A lack of proper implementation of this policy recommendation can lead to engagement groups hyper-focusing on synergies and overlooking the trade-offs. The different engagement groups should also identify strategies for maximising synergies and managing the trade offs. Lastly, the final recommendation is focused on building institutional capacity by facilitating technical and financial support and integrating knowledge on sustainability practices such as climate-sensitive investments, circular economy, and disaster response and recovery mechanisms. This can contribute to long-term functioning memory of city administrators and policymakers to build resilience within the systems. However, it could have challenges considering the adoption and internalization of sustainable practices within the city administration are guided by the political, social, and economic aspects of the concerned area. Although G20 can facilitate capacity building partnerships; blending of capacities in the institutions still be dependent on the political will, economic feasibility, social acceptance and bureaucratic capacity. Vulnerability to disasters is also one of the factors that affect capacity building, as cities with high vulnerability profiles find it hard to keep pace with the constantly evolving dynamics, so the capacities relevant today, might become obsolete in a few years.

In conclusion, this section highlights that the proposed policy recommendations have multifaceted outcomes, both positive and negative. The trade-offs and challenges



associated with the recommendations can be resolved by careful implementation and adopting some additional measures. Overall, the set of recommendations proposed provide direction to the G20 towards stronger climate governance.



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