



## Engaging Gulf Non-state and Subnational Actors in Implementing the Paris Agreement

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## Abstract

This EDA Working Paper explores ways in which non-state and subnational actors in the Gulf Cooperation Council (GCC) countries can help in implementing the Paris Agreement on climate change and makes some suggestions on how GCC governments could support this participation.

It does so by answering three questions: (i) how can these actors leverage the UN Framework Convention on Climate Change (UNFCCC)/Paris Agreement to support national climate ambition and action; (ii) where are the main opportunities for these actors to participate in transnational climate initiatives; and (iii) how can GCC governments enable and support these actors in all the above?

The Working Paper draws from academic and technical literature, UNFCCC documents, observation and interviews. It puts forward a series of action-oriented recommendations for both GCC non-state and subnational actors and governments.

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## 1. Introduction

In the past decade, global climate governance and action, which has traditionally been considered the responsibility of national governments, has seen a notable change in dynamics. The number and size of transnational climate initiatives, formed by both governmental and non-governmental actors, working on different thematic or sectoral aspects of climate change mitigation and action, has grown significantly.<sup>1</sup> Simultaneously, the role and importance of non-state and subnational actors has received increasing recognition under the UN Framework Convention on Climate Change (UNFCCC).

Efforts by non-state and subnational actors to address climate change are increasingly seen as complementary to those of national governments. The collective ambition embedded in countries' national-level climate plans under the Paris Agreement is currently insufficient to prevent a dangerous increase in global temperatures of 1.5–2°C. In the run-up to the 2015 Paris Climate Change Conference, UNFCCC-led efforts mobilised over 70 global multi-stakeholder initiatives, which involved greenhouse gas (GHG) reduction and other climate action commitments from 7,000 local authorities and 2,000 businesses (Tubiana and El Haite 2016, 2). Recent studies suggest that such initiatives, if fully implemented, could make a significant contribution to closing the gap between countries' existing climate plans and what is required according to science to stay below 2°C (UNEP 2016; Graichen et al. 2016).

Businesses, investors, researchers, environmental groups, subnational governments, trade unions, indigenous peoples' groups, and regional and international organisations can perform multiple functions in supporting the implementation of the Paris Agreement. These actors incorporate a wealth of expertise, which they can make available to support the intergovernmental process under the UNFCCC. Non-state and subnational actors can also draw from resources and networks available through the UNFCCC to support national ambition and action, in other words, climate policy target-setting and mitigation and adaptation measures. Even more importantly, they can engage with transnational climate initiatives to scale up their own actions and complement national efforts.

Gulf Cooperation Council (GCC) countries are becoming increasingly involved in supporting global efforts to tackle climate change. Their participation in the UNFCCC has evolved over the past few years to include a broader group of actors. Some GCC governments have taken on prominent roles, including hosting major conferences and actively promoting the Global Climate Action Agenda aimed at raising short-term ambition by engaging non-state and subnational actors. All GCC states have prepared (intended) nationally determined contributions, or multi-year national climate plans, and signed the Paris Agreement. By the time of writing, four GCC states had become party to the agreement.

<sup>1</sup> "The term 'transnational climate initiatives' is used in this paper for simplicity and consistency. Academic literature uses different terms such as transnational governance networks, transnational municipal networks and international cooperative initiatives, all of which are encompassed in the term 'transnational climate initiatives'. A more detailed elaboration is provided in section 2.4 of the paper.

Most of the GCC countries' national contributions to the Paris Agreement ('NDCs') have been articulated through the lens of economic diversification. This bears close resemblance with the broader national development strategies of the region. In many cases, these strategies assign clear roles to non-state and subnational actors: for example, Saudi Arabia's economic planning document Vision 2030 and its National Transformation Program 2020 outline plans to increase the share of renewables in the energy mix with private sector involvement in a competitive tendering process and to create a US\$1 billion fund to support small and medium-sized enterprises (KSA 2016a, b). The UAE has similarly ambitious diversification plans, and a key pillar in its recently-approved National Climate Change Plan 2017–2050 is to advance its implementation through private sector involvement (MoCCA 2017).

The potential of GCC non-state and subnational actors to support national and global climate action and ambition has not yet been fully explored. Understanding this potential is key to maximising it. This EDA Working Paper attempts to identify sectors, areas and concrete steps by which GCC non-state and subnational actors – collectively referred to under the UNFCCC as 'non-party stakeholders' – can most efficiently contribute to climate action and ambition. It also suggests ways in which national governments can encourage these contributions. The paper does so by answering the following questions:

- i. How can GCC non-state and subnational actors leverage the UNFCCC to increase their own climate action and ambition and, thereby, support national action and ambition?
- ii. How can GCC non-state and subnational actors leverage thematic and sectoral transnational climate initiatives to increase their own climate action and ambition and, thereby, further support national action and ambition?
- iii. How can GCC governments encourage and enable their non-state and subnational actors in the above?

The study draws from academic and technical literature, UNFCCC documents, observations at UNFCCC climate change conferences and stakeholder interviews. In Section 2, the study starts with a short review of the role of non-state and subnational actors in global change governance and action. Section 3 reviews how GCC non-state and subnational actors have been engaging in the UNFCCC so far.

Sections 4–5 then address questions i–ii, namely: how can GCC non-state actors leverage the UNFCCC and how can they leverage transnational climate initiatives beyond the UNFCCC. Section 4 first presents an overview of how the UNFCCC is seeking to 'orchestrate' non-state actors' efforts. It then identifies the main ways in which non-state actors can leverage these efforts and suggests ways in which GCC non-state actors could benefit from these to support domestic climate action and ambition. Section 5 evaluates the extent to which transnational climate initiatives are relevant for non-state actor participation from GCC countries. The section identifies opportunities for participation that would both generate climate action benefits and contribute to economic diversification. The paper concludes by addressing question iii: it draws conclusions and presents recommendations on how GCC governments could support non-state and subnational actors in order to achieve higher ambition domestically and globally.

## 2. Non-state Actors in the Global Climate Regime

The Paris Agreement of 2015 marked a major breakthrough in engaging actors beyond national governments with global climate governance and action. While this engagement had already begun in the 1990s, it saw a fast acceleration after the unsuccessful Copenhagen Climate Change Conference of 2009. Experts have examined the evolution of the global climate change regime from this perspective, and have provided several useful tools for analysing the different roles that non-state actors can play and for mapping the core competencies of different actor groups. Drawing from such literature, this section explains how non-state actors' participation in the global climate change regime has grown and become more specialised.

### 2.1. Defining Non-state Actors

The definition of 'non-state actors' in the strictest sense refers to civil society and private businesses and investors only. Subnational actors – cities, municipalities and regional and state-level governments – form another large group of actors that are active in global climate governance but (similarly to the previous groups of actors) cannot participate in the intergovernmental negotiations under the UNFCCC or be bound by the Convention. In order to capture both these groups, the term 'non-party stakeholders' has become a commonly used in the UNFCCC negotiations and also appears in the Paris Agreement decision (Section V, Decision 1/CP.21).

This study, however, adopts a broad definition of 'non-state actors', and uses it interchangeably with the term 'non-party stakeholder'. This broad definition incorporates civil society actors (such as environmental non-governmental groups, indigenous peoples' groups and local communities and trade unions), researchers and scientists, businesses, industries and investors, but also subnational actors, such as state-level governments, regional governments, cities and municipalities (see e.g. Bäckstrand 2017, 562). These same groups are represented as observers in the UNFCCC process (see Box 1).

### **Box 1. Diversity of Observers in the UNFCCC Process**

The nine UNFCCC observer constituencies are: business and industry NGOs (BINGOs); environmental NGOs (ENGOs); farmers; indigenous peoples organisations; local government and municipal authorities (LGMA); research and independent NGOs (RINGOs); trade unions (TUNGOs); women and gender; and youth NGOs (YOUNGOs).

In the UNFCCC, there is great heterogeneity both between and within different observer constituencies. Constituencies can be highly divided on substantive issues, the desired approach and modus operandi. BINGOs and ENGOs are prime examples of groups with highly varied interests and positions vis-à-vis the international climate change regime and climate action: for example, groups representing both renewable energy and fossil fuel interests participate under the BINGO constituency. In the ENGO constituency, one large umbrella organisation, Climate Action Network, is focused on influencing the process through working within it whereas another one, Climate Justice Now!, could be characterised as seeking a 'system change'. A North-South imbalance in representation at the UNFCCC meetings is also a long-standing issue. Constituencies should therefore not be examined as monolithic blocs, even if their roles and competencies may be similar.

## **2.2. From Exclusion in Copenhagen to Hybrid Multilateralism in Paris**

Two major trends can be identified in the evolution of the global climate change governance architecture under the UNFCCC over the past 25 years. First, on the intergovernmental side, there has been an evolution from (1) the Kyoto Protocol's top-down and legally-binding approach centred around 'sharing the burden' of global emissions reductions, through (2) the purely bottom-up and non-binding approach of the Copenhagen Accord based on pledge-and-review, to (3) the Paris Agreement, which is based on a bottom-up approach (the nationally determined contributions, NDCs) but incorporates mechanisms aimed at eventually closing the gap between actions and science.

Second, reflecting a broader trend of a growing influence of transnational and non-state actors in international affairs, the UNFCCC has increasingly incorporated elements of 'hybrid multilateralism'. Experts have identified two trends in this regard: non-state actors are being increasingly involved in supporting the work of the UNFCCC in a variety of roles, such as conducting informal reviews of collective ambition or sharing their expertise at side events; and the UNFCCC is actively seeking to mobilise non-state actors to take climate action through sectoral or thematic multi-stakeholder coalitions, often around the annual meetings of the Conference of the Parties, 'COPs' (see e.g. Bäckstrand et al. 2017, 563).

Non-governmental organisations (NGOs) and 'epistemic communities' have been involved in the UNFCCC since the beginning (Raustiala 2001, 95–6). As the agenda has become broader and more technical, and as international attention to the issue has grown, this participation has similarly grown in numbers and scope. A total of 8,300 observers attended the Paris COP of

2015, where the organisers had to place caps on their participation. The first post-Paris COP, in Marrakesh in 2016, attracted 5,500 registered observer participants (UNFCCC 2017a).

Environmental NGOs and business and industry NGOs have been engaging actively in the negotiations since the early negotiations on the UNFCCC (Raustiala 2001, 100; UNFCCC 2014). A number of other observer constituencies have been recognised since (see Box 1). In addition, UN and other intergovernmental organisations participate in the process in observer capacity.

The Copenhagen COP of 2009 has come to be considered as the low point in multilateral efforts to agree on a solution to climate change. At the same time, many have pointed out that it also paved the way for the Paris Agreement architecture and sparked broader non-state actor engagement in the process (see e.g. Helen Plume in IISD RS 2015). After Copenhagen, a large share of scholarly attention turned to 'climate clubs' that were hoped to provide a more efficient – even if less democratic – alternative to the UNFCCC (see e.g. Naim 2009). Also at this point, 'cities, NGOs and corporations began to take climate change into their own hands, with the rise of urban engagement and transnational city networks in climate governance' (Hoffman 2011 quoted in Bäckstrand et al. 2017, 568).

Copenhagen was also characterised by highly restrictive access policies towards observers (with only a few hundred observers allowed to attend the final days' plenaries) and violent protests outside the venue. It has been suggested that this lack of transparency and distrust helped to prompt discussions that have eventually enabled a much more inclusive approach to non-state actors' participation in the process. (See Section 4.1 for a further discussion on this.)

### 2.3. Non-state Actor Roles and Comparative Advantages

Different non-state actors have diverse interests in climate action. The areas where they can best contribute also vary depending on the type of actor. Several scholars have studied these actors' roles, functions and competencies, as well as their legitimacy in the UNFCCC. Based on a review of studies on the roles and functions for non-state actors in the UNFCCC process and global climate action (Raustiala 2001, 103; Bulkeley et al. 2012, 604; Nasiritousi et al. 2016, 113; Bäckstrand et al. 2017, 572–3; Lövbrand et al. 2017, 580; UNFCCC 2017b; Zelli et al. 2017, 672), the following ones can be identified:

- **Agenda-setter:** articulating problems for the UNFCCC and national policymaking, and popularising these for media and the public in general;
- **Mobiliser:** raising public awareness and mobilising action by individuals;
- **Watchdog:** monitoring implementation and compliance by national governments;
- **Information provider:** providing scientific information and analysis, and policy-relevant research to support both policymaking and implementation in the UNFCCC and by national governments;
- **Advisor:** supporting policymaking in the UNFCCC (both as part of national delegations and in observer capacity) and at national level through expertise;

- **Capacity builder:** sharing information and knowledge, building capacity;
- **Lobbyist:** seeking to influence policymaking in the UNFCCC and at the national level based on a specific interest, or representing the voice of a specific interest group or a marginalised group;
- **Networker:** building contacts and learning from other actors, creating epistemic communities and coalitions of the willing;
- **Policymaker:** setting standards, rules or guidelines in a specific area or sector where the non-state actor has jurisdiction;
- **Funder:** financing climate action at home or in another country; and
- **Implementer:** implementing mitigation and/or adaptation actions

Despite the heterogeneity within the different non-state actor constituencies, there are clear areas of comparative advantage and it is possible to identify certain roles and functions that specific groups are better positioned for than others (see also Box 2):

- **Environmental NGOs** commonly take on the roles of agenda-setters, mobilisers and watchdogs but can also act as information providers and capacity-builders.
- **Research organisations** usually provide information and advice and contribute to agenda-setting, as do intergovernmental organisations.
- **Various groups**, including environmental NGOs, business and industry NGOs, indigenous peoples, women and youth, seek to influence the negotiations and national positions and policies based on their specific interests, either directly (at the negotiations) or indirectly (through national processes).
- **Cities, municipalities, regional governments and even businesses** can set policies in their own right, either because the power has been delegated to them from a higher level of government or because they choose to do so independently (private companies setting their own emissions standards or targets being one example).
- **All non-state actors** can also take climate action themselves, and it has been pointed out that this means that non-state actors can act both as 'scrutinisers' and be the source of scrutiny. (Ibid.)

## Box 2. Perceptions of Non-state Actors' Roles in the UNFCCC

A study by Nasiritousi et al. (2016) attempted to distil 'governance profiles' for the different non-state actor constituencies in the UNFCCC. The study surveyed more than 500 people to find out what roles non-state actors are perceived to be playing in global climate governance.

Environmental NGOs were perceived to be playing the biggest role in raising awareness (71%) and representing public opinion (41%). Business and industry NGOs' strongest contributions were perceived to be in the areas of influencing decisions (35%) and the agenda (31%). BINGOs themselves indicated a strong perception of playing a role taking mitigation action (63%), but this did not exactly match the perceptions of others (25%).

Researchers are generally perceived to play a role in providing information and expertise (65%), proposing solutions (36%) and evaluating consequences (53%). Local governments and municipalities perceived their own strengths to lie in taking mitigation (68%) and adaptation (54%) action, even if other actors did not appreciate this contribution as highly (25% and 36%, respectively).

## 2.4. Role of Transnational Climate Initiatives

Another area where the roles and functions of non-state actors in global climate governance have been studied is in relation to transnational governance networks/initiatives and international cooperative initiatives.<sup>2</sup> The term 'transnational climate initiatives' is used in this paper to refer to such initiatives, unless they are specifically referred to with a different term in cited literature. Transnational climate initiatives are a distinct form of global governance consisting of public and private actors interact and operate across political spheres and national borders. Their efforts are designed to complement national action and the multilateral rules-based regime of the UNFCCC, and to enable non-state actors to self-organize and work with like-minded organisations around the world.

Public-private partnerships, a specific form of transnational governance (which can also include initiatives with no governmental participation), first rose to a higher prominence on the global sustainable development agenda at the 2002 Johannesburg World Summit on Sustainable Development (see e.g. Bulkeley et al. 2012, 593). The Johannesburg Summit has been described as a point when environmental NGOs and businesses first entered the sphere of intergovernmental diplomacy in a significant way (Witte et al. 2003, 59). For example, at this summit, the 'Clean Energy Initiative' saw the US proposing to invest US\$43 million in 2003 to leverage up to US\$400 million other investments from governments, the private sector and development organisations (UN 2002).

<sup>2</sup> The term 'international cooperative initiative' has been used in the UNFCCC context to denote any intergovernmental or transnational network or arrangement that brings together a variety of actors around a common denominator, which can be an issue (e.g. mitigation or finance), a constituency (e.g. cities or businesses) or a sector (e.g. transport or oil and gas sector).

As climate change cuts across sectors and borders in ways that other environmental topics do not, the issue has been more exposed to indirect influence and initiatives of non-state actors because the space has been more 'densely populated' by advocacy and business interests (Andonova 2009). Traditionally, initiating actors of transnational climate initiatives have been mainly based in North America and Europe, and less so in developing and emerging economies. This may have resulted in initiatives being designed that are less suited or accessible for non-state actors from developing countries, which in turn further reinforces their lack of participation.

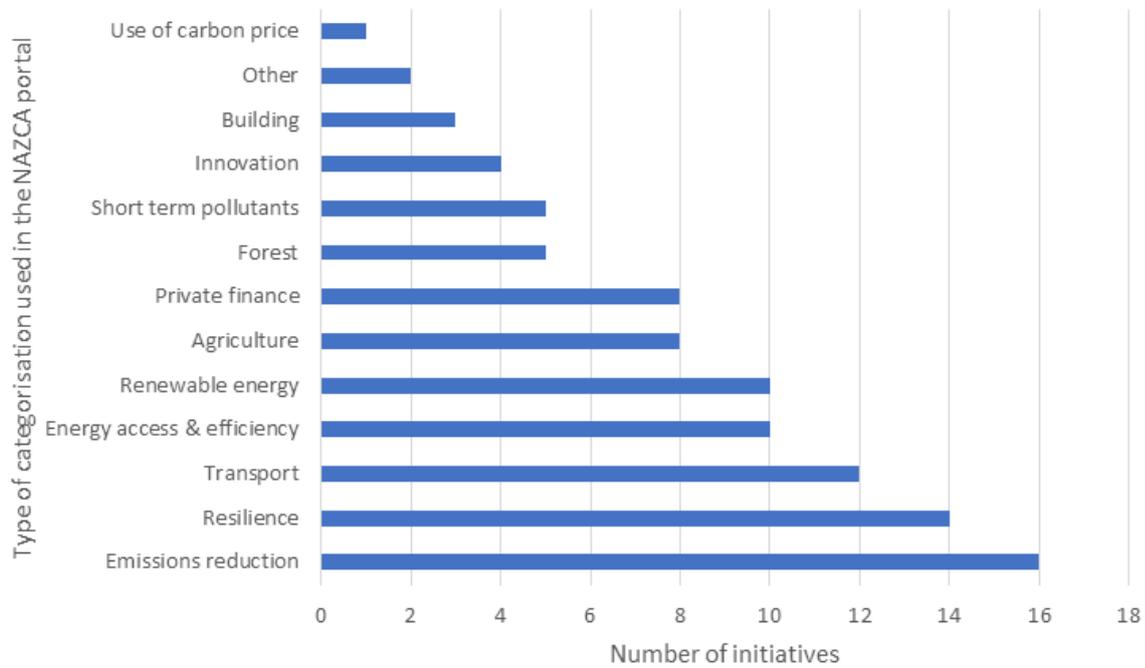
Trust building plays an important role when crafting new transnational climate initiatives in order to mitigate fears of free-riding. For instance, studies have found that, in some industries, sector-wide approaches are more likely to succeed since mitigating greenhouse gas emissions may require large investment costs for the individual firm which then risks losing competitiveness (Widerberg 2017, 727).<sup>3</sup>

Transnational climate change initiatives may or may not coordinate their activities through the UNFCCC. At the time of writing, the UNFCCC Non-State Actor Zone for Climate Action (NAZCA) portal, a voluntary registry of non-state actor's individual and collective climate action pledges, contained in total more than 12,549 commitments, of which 4,456 were pledges made through cooperative initiatives. There were a total of 77 cooperative initiatives tackling different areas of climate change action, all being undertaken by a variety of companies, cities, subnational regions, investors and civil society organisations often in partnership with countries (UNFCCC 2017c). Figure 1 on the next page presents a breakdown of these transnational climate initiatives based on their issue/sectoral focus.

The following sections of this study draw from the conceptual tools introduced in this section to examine the potential roles and contributions of GCC non-state actors in two contexts: (i) how they could benefit from the 'orchestrating' activities of the UNFCCC to engage in climate action themselves; (ii) how they could benefit from the multitude of existing transnational climate initiatives, similarly with an eye on contributing to mitigation or adaptation at home and internationally. First, however, the paper turns to an examination of how GCC countries' non-state actors have engaged in the UNFCCC process to date.

<sup>3</sup> Academic studies on transnational governance initiatives have also sought to understand how authority is formed therein and seeking to identify different categories, namely public, hybrid and purely private arrangements (see e.g. Linnér and Lövbrand 2011, 4). Some networks specialise in advocacy, where a useful distinction can be made between 'macrodemands', which relate to overarching objectives, such as keeping global warming below 1.5°C, and 'microdemands', which relate to more specific objectives, such as including sufficient inputs the global stocktake that consider progress towards this goal (see e.g. Rietig 2016, 269–70).

**Figure 1. Types of Transnational Climate Initiatives<sup>4</sup>**  
 Out of 77 listed in the NAZCA portal in April 2018



<sup>4</sup> Note that the categorisation in the y-axis is replicated from the NAZCA portal. In reality, there is some overlap between initiatives. For example, transport initiatives that reduce GHG emissions are found in 'emissions reduction' and 'transport' categories.

### 3. GCC Non-state Actors in the UNFCCC to Date<sup>5</sup>

Government delegations from GCC countries have participated in the UNFCCC negotiations since their early days in the 1990s. Since the 2010s, a growing number of non- or semi-governmental and subnational actors have been attending COPs. This arguably indicates a broader, even if still thin, interest in climate action in the region, mainly as a business or investment opportunity but also as a new area of policy-oriented and applied scientific research. This section first examines GCC non-states actors' participation in the UNFCCC over the past two and half decades. It then identifies the main roles performed by these actors by using the categorisations presented in the section above.

#### 3.1. Historical Participation by GCC Non-state Actors

As a defining characteristic since the 1990s, GCC non-state actors' participation in the UNFCCC as part of the national delegation – as opposed to as observers – has been a norm rather than an exception. In the 1990s, based on UNFCCC lists of COP participants, GCC government delegations occasionally included representatives of research and academic institutions, including the King Abdul Aziz City for Science and Technology, Kuwait Institute for Scientific Research and Qatar University. Representatives of the GCC OPEC members' national oil companies, including Saudi Aramco, Qatar Petroleum, ADNOC and the Kuwait Petroleum Corporation, have also attended as part of GCC countries' national delegations since the 1990s.

Only in the late 2000s, companies from the region interested in the emerging business opportunities around climate action began attending the negotiations as part of national delegations. These included ones interested in carbon markets, such as Abu Dhabi's Masdar and the Dubai International Finance Centre.

From the 2010s, reflecting a broader trend in the UNFCCC, additional non-state actors, often represented by one or two individuals, joined most GCC countries' delegations. These included the Sultan Qaboos University of Oman, Qatar Airways, real estate developer Qatari Diar and Abu Dhabi-listed energy company Taqa. A number of new actors also participated in the 2012 COP held in Doha, Qatar, through the national delegations of Bahrain (Gulf Petrochemical Industries Company, Bahrain Petroleum Company and Arabian Gulf University), Kuwait (Petrochemical Industries Company) and the UAE (Dubai Electricity and Water Authority, Dubai Carbon Centre of Excellence, Dubai Supreme Council of Energy, Dubai Airports, aluminium company DUBAL and Masdar Institute). A number of Qatari non-state actors also participated in the Doha COP under a temporary accreditation arrangement (based on author observations in 2012).

In 2013–2015, many new non-state actors joined the COPs from the GCC. UAE non-state and subnational actors in particular stood out and included private, semi-private and government-owned companies and investors (mall operator Majid Al Futtaim, ventilation systems company Empower, electricity sector company AMEA Power, industrial investments company Alnowais, investment company Mubadala and energy services company Etihad Esco), industry groups (Emirates Green Building Council), research and academic institutions (Emirates Diplomatic

<sup>5</sup> Unless indicated otherwise, this subsection is based on UNFCCC COP lists of participants 1996–2016.

Academy, International Center for Biosaline Agriculture and New York University Abu Dhabi) and subnational agencies (Abu Dhabi Urban Planning Council).<sup>6</sup>

Throughout the past decade, of all the GCC non-state actors described above, only the UAE's clean energy company Masdar has sustained a relatively stable presence (of more than one registered participant at each COP). Overall, the most active non-state actor participation levels in have come from the UAE, with the 2016 COP in Marrakech representing a high point with more than 40 registered delegates listed as representing Emirati non-state or subnational entities.<sup>7</sup> A special characteristic of the UAE delegation in recent years has been an increasing cohort of youth delegates that attend COPs under the country delegation's umbrella, which can be seen as part of a government-wide strategic push to enhance youth participation across different sectors. Both in 2016 and 2017, approximately 30 university students and young professionals attended at least one week of the COP.

With the exception of individuals representing Gulf academic institutions, based on the official lists of participants, other GCC countries' delegations in the UNFCCC COPs continue to be mainly comprised by participants from ministries and other national government entities, including national oil companies.

It should be noted that, compared to the other GCC countries, the UAE is a special case given its federal structure, which delegates a large amount of authority and competencies to the emirate level in certain policy areas. It is therefore understandable and logical that the subnational actors from the UAE, and the two largest emirates Abu Dhabi and Dubai in particular, would seek representation in UNFCCC meetings. At the same time, the UAE's active participation is also explained by the country's proactive policy approach to climate change, which dates back by a decade (see e.g. Luomi 2009).

### 3.2. GCC Non-state Actor Roles

There are two ways for non-state actors to participate in UNFCCC meetings: as part of national delegations or as observers. There are several examples of countries that have consistently allowed non-state and subnational actors to participate in the COPs as part of their national delegations for at least the past decade. Examples include Brazil, which has included trade unions, researchers and state and city governments on its delegation, and Finland, which similarly has provided accreditation to researchers and trade unions. Chinese COP delegations, too, for example, include a large number of representatives from academic institutions.

Participating in UNFCCC meetings as part of the national delegation provides non-state actors with broader access to both the negotiating rooms (given that a large part of negotiating sessions, in particular ones categorised as 'informal consultations', are closed to observers) and to the national delegation (in some cases enabling access to daily delegation briefings or

<sup>6</sup> New non-state actors from other GCC countries included the College of Technological Studies (Kuwait), Global Dryland Alliance (Qatar) and King Abdullah City for Atomic and Renewable Energy (Saudi Arabia).

<sup>7</sup> Depending on the definition of 'non-state' and 'subnational', this number could be higher or lower. This count includes emirate-level business-oriented governmental entities, such as DEWA and Etihad Esco, but excludes the national oil company ADNOC and the government-led youth initiative Emirates Youth Council.

coordination meetings). Anecdotal evidence suggests that this practice has become increasingly common in recent years, which some feel creates inequalities in non-state actor participation in the negotiations. At the same time, being part of a national delegation may limit the range of activities a non-state actor can carry out at a COP, for example in situations where the actor's interest or position differs from that of the national government.

There are few non or semi-governmental organisations or subnational entities from the GCC with a separate observer status. This arguably reflects the broader way in which society and the political systems are structured in the GCC. As of October 2017, only the Kuwait Environment Protection Society (environmental NGO) and the Gulf Research Center Foundation (research institute, registered in Saudi Arabia) were included on the UNFCCC website in a list of more than 2,000 accredited observer organisations worldwide.

A culture of NGOs and other groups acting as 'watchdogs' vis-à-vis the government, or companies or other interest groups openly pushing for an 'non-aligned' position is somewhat alien to many parts of the Gulf region. This also partly explains the dearth of locally-based NGOs active in climate change policy. The notion of 'lobbying' is unfamiliar to the region given the close links between the state and the private sector in many areas and given decision-making structures that are based on consultation rather than open and public (confrontational) debates. Non-state and subnational actors from the region, however, have begun engaging with not only domestic climate action but also global climate governance through sending delegates to attend COPs in national delegations, as shown above.<sup>8</sup>

GCC non-state actors that have participated in the UNFCCC COPs over the past decade arguably fall in three broad categories:

- **Companies and investors** interested in networking and learning from other actors, and promoting the company's interest and/or its climate actions (or those of the country it represents) internationally;
- **Researchers and students** interested in learning about new developments in clean technologies and global climate action and governance either from a scientific-technical or policy-oriented perspective; and
- **Subnational authorities or implementing entities** interested in learning about best global practices and promoting subnational/national climate actions internationally (in the case of the UAE).

Of the non-state actor roles and functions identified in Section 2.3 of this paper, GCC non-state actors participating in the COPs seem to fall in the following categories: **networkers** who participate to build contacts and gain/share information; **information providers, advisors and capacity builders** at the domestic level (but not in the UNFCCC context); and **implementers and policymakers** at the subnational level (in the case of the UAE). Also, the leading motives for GCC non-state actors to attend COPs seem to be **information-gathering and networking** (based on author observations at COPs during the 2010s). A thematic emphasis on **energy** is strong and understandable, given the importance of the energy sector in the GCC economies.

<sup>8</sup> Two notable non-state actor 'outliers' that actively participate from the GCC region in UNFCCC COPs are the UAE-based International Renewable Energy Agency (IRENA), which is an international organisation, and the UAE chapter of the environmental NGO WWF, which sends participants to attend COPs as part of the global WWF observer delegation.

## 4. How Non-state Actors Can Leverage the UNFCCC

Since the Copenhagen COP of 2009, and in particular since the Lima COP of 2014, the role of non-state actors in supporting climate action has become increasingly recognised. The UNFCCC has taken active steps to 'orchestrate' the efforts of these actors and their cooperative initiatives and networks. This section first presents a short overview of how this orchestration has come about and evolved in recent years. It then identifies the main ways in which non-state actors can leverage these efforts and makes suggestions on how GCC non-state actors in particular could benefit from these to support climate action and ambition at home.

### 4.1. Emergence of the UNFCCC as an 'Orchestrator'

Discussions on the role of observer organisations in the UNFCCC process began under its Subsidiary Body for Implementation after the 2009 Copenhagen conference and are still ongoing (UNFCCC 2010). To date, the intergovernmental negotiations under the UNFCCC continue to remain a highly controlled space, with observer access to negotiating rooms sometimes restricted at the whim of individual party delegates (author's personal observations).

Recent UNFCCC meetings – Bonn 2016 and 2017 – have heard calls for differentiation in the level of access allowed to different types of non-state actors. Some countries have called for limiting the participation of those actors whose interests conflict with those of the Convention, such as fossil fuel companies. Most countries, however, are supportive of finding ways to further engage non-state actors in the negotiations, within certain caveats: for example, from a legal standpoint, it is difficult to envisage how actors operating within national jurisdictions could engage with the currently purely intergovernmental obligations that the UNFCCC negotiations are geared towards. Also, a danger of double counting of efforts (in particular emissions reductions) could also emerge if non-state actors' actions were accounted for alongside efforts by nation states (author discussions in Bonn, November 2017).

In contrast to the intergovernmental space at the core of the UNFCCC agenda, the situation and dynamism, however, are very different outside it. In this space, the UNFCCC has been taking on an increasingly active role as the 'orchestrator' of non-state actors' efforts.

The first building blocks for the expansion of the space for non-stakeholder engagement were placed in 2011 when the Durban COP established a pre-2020 ambition workstream under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP). Under this workstream, governments were willing to include experts and other stakeholders beyond national governments, including at so-called 'Technical Expert Meetings', TEMs, organised since 2014. This was particularly the case for TEM discussions that involved leveraging subnational actors' potential to contribute to pre-2020 mitigation.

In the run-up to the Paris COP, non-state actor involvement grew even more prominent. A major expansion of the space for engagement with non-state actors came with the establishment of

the Lima-Paris Action Agenda by the UN and the Peruvian and French COP presidencies. The Agenda had the goal of mobilising further ambition and action by all actors through showcasing success stories and commitments.<sup>9</sup> The UN Secretary-General's 2014 Climate Summit also played an important role in bringing together sectoral actors around voluntary initiatives. The Paris Agreement itself consolidated the role of non-state actors in the UNFCCC regime, particularly pre-2020, but also beyond. Box 3 on the next page presents a timeline of UNFCCC orchestration milestones.

With the UNFCCC now in 'implementation mode', post-Paris, it seems likely that the COPs are 'increasingly evol[ing] from a place where parties negotiate multilateral climate rules to a place where parties and non-state actors collaborate to reduce emissions and build climate resilience' (Wei 2016, 1). It is now generally recognised that incorporating non-state actors is a strength for the global climate change regime, and there is broad-ranging support for the Global Climate Action Agenda and its role in raising ambition in the pre-2020 era.

The announcement in June 2017 by US President Donald Trump of his intention to withdraw the United States from the Paris Agreement has been pushing non-state actors, in particular subnational governments, to the forefront more than ever before. For example, the 'We Are Still In' coalition was formed, which organises US businesses, cities and states as a group that is still committed to the Paris Agreement. Two major climate summits are planned in the next two years that will involve subnational governments in key roles: the 2018 Global Climate Action Summit (convened by Governor of California Jerry Brown) and a 2019 UN Secretary-General's Climate Summit (spearheaded by former Mayor of New York Michael Bloomberg).

Another positive sign, of broadening of the space for non-state actor involvement within the UNFCCC, is the depth at which these have been invited to contribute to the 2018 Talanoa Dialogue, a process mandated by the Paris COP to take stock of progress on countries' efforts in relation to the Agreement's long-term global goal that will draw from inputs by both states and non-state actors (UNFCCC 2018a).

<sup>9</sup> A factor influencing the decision to establish the 'LPAA' was growing frustration among non-governmental stakeholders regarding their exclusion from the negotiations, which begun with the Copenhagen COP in 2009 and continued through COP 19 in Warsaw, where NGOs staged a walkout protest, citing slow speed and lack of ambition at the talks (author conversation with an environmental NGO leader, February 2017; Vidal and Harvey 2013).

### Box 3. UNFCCC Orchestration of Non-state Actors under the Pre-2020 Track

**2011:** COP 17 establishes the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP), which includes a 'workplan on enhancing mitigation ambition to identify and to explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all parties', also known as 'workstream 2'. The UNFCCC also launches the Momentum for Change initiative, which awards scalable and replicable activities by state and non-state actors worldwide.

**2012:** ADP workstream 2 launches work, including by organising a roundtable on enhancing pre-2020 mitigation ambition and planning for work in 2013 and beyond.

**2013:** Based on proposals by countries to establish a structured process to explore mitigation options to enhance pre-2020 ambition, COP 19 in Warsaw, Poland, decides to: intensify, from 2014 onwards, the technical examination of opportunities for scalable actions with high mitigation potential; and to facilitate the sharing of experiences and best practices of cities and subnational authorities in identifying and implementing mitigation and adaptation actions.

**2014:** The first Technical Expert Meetings (TEMs) take place on: renewable energy; energy efficiency; the urban environment; land use; carbon capture and non-carbon dioxide greenhouse gases. Also, France, Peru, the UN Secretary-General and the UNFCCC Secretariat launch the Lima-Paris Action Agenda, aimed at accelerating pre-2020 action, including by showcasing related success stories. At COP 20 in Lima, Peru and the UN also launch the NAZCA Portal as a web-based climate change commitments platform for non-state actors (as of January 2018, the portal contained more than 4,000 emission reduction goals).

In parallel, outside the UNFCCC, the UAE hosts the Abu Dhabi Ascent, a high-level meeting in preparation for the UN Secretary-General's Climate Summit. The Summit takes place in September in New York, attracting an unprecedented number of pledges from states and non-state actors.

**2015:** TEMs on energy efficiency and renewable energy take place. At COP 21 in Paris, France, non-state actors' role in the post-2020 climate regime is consolidated in the decision on the Paris Agreement, which 'welcomes efforts of all non-party stakeholders to address and respond to climate change' and 'invites non-party stakeholders... to scale up their efforts and support actions to reduce emissions and/or to build resilience and decrease vulnerability to the adverse effects of climate change' (paragraphs 134–5).

COP 21 also decides to strengthen the 'technical examination process on mitigation' (i.e. TEMs, henceforth known as TEP-M), including by bringing in more inputs from experts, systematically recording findings, organising an annual high-level event and appointing two 'high-level champions', and to launch a technical examination process on adaptation, TEP-A. (continued)

**Box 3. (continued)**

**2016:** TEMs convene on energy efficiency, renewable energy, transport and the value of carbon. COP 22, in Morocco, relaunches the Lima-Paris Action Agenda as the 'Marrakech Partnership for Global Climate Action'.

**2017:** TEMs are organised on the urban environment and land use. The High-level Champions outline a workplan for the Marrakech Partnership for 2017–2018 and launch a 'Climate Action Leadership Network' to help the Champions in advocacy (with a UAE minister as one of the Founding Members). At COP 23, the COP also launches the 'Talanoa Dialogue' to review countries' progress on mitigation so far, as a process that draws inputs from both state and non-state actors.

Sources: UNFCCC COP decisions; UNFCCC press releases; NAZCA portal; Talanoa Dialogue website; Bäckstrand et al. 2017, 565.

## 4.2. Suggestions for GCC Non-state Actor Engagement with the UNFCCC

Non-state actor engagement with the UNFCCC can be roughly divided into two areas: supporting and influencing the intergovernmental negotiations; and promoting action and ambition outside the intergovernmental negotiations. In the former area, there are at least three issues in which researchers have identified scope for expert inputs: the transparency framework; the compliance mechanism; and the global stocktake, including the Talanoa Dialogue (e.g. van Asselt and Hale 2016). Since the GCC non-state actors generally fall in categories of participation outside the intergovernmental negotiations (see Section 3.2), the focus in the following is on related engagement opportunities. Here, four main areas can be identified around the TEMs, the Action Agenda, side events and domestic NDC-related processes. The first two are most conducive to engagement by companies and subnational entities, and side events mainly cater for researchers, students and subject matter experts. However, each area offers engagement opportunities for most GCC non-state actor groups.

### 4.2.1. Technical Examination Process/Technical Expert Meetings

Part of the UNFCCC Technical Examination Process, Technical Expert Meetings (TEMs) 'facilitate the identification of policy options, practices and technologies with high mitigation potential' and target government and subnational government experts, and representatives of the private sector, financial institutions and relevant international organisations. TEM proceedings are summarised in 'technical papers' by the UNFCCC Secretariat. (UNFCCC 2018b.) The role and form of TEMs post-2020 is still under discussion, but current proposals include a closer involvement of the UNFCCC's technology bodies (TEC and CTCN) as well as non-state actors (IISD RS 2017).

- **Gathering information:** All types of GCC non-state actors, including scientists, companies and subnational authorities, can explore the material available on TEMs on a dedicated UNFCCC [website](#). This website includes all past presentations (PPT and webcast) by experts and country representatives, and summaries by TEM facilitators.
- **Sharing information:** non-state actors participating at the COPs as part of GCC delegations could take part in TEMs and proactively report back, for example through the national UNFCCC delegation, to other domestic stakeholders on relevant discussions and resources.
- **Raising ambition:** In 2018, the global mitigation TEMs will be focused around the themes/question of the Talanoa Dialogue (a yearlong stocktaking of collective action and ambition) and will feed back into the Global Climate Action Agenda's work programme (UNFCCC 2018c). These TEMs can indirectly assist both GCC governments and non-state actors in raising their own level of ambition through furthering understanding of how other actors in different sectors and regions perceive the desired collective future trajectory for emission reductions and climate-resilient development.
- **Shaping the agenda:** Through their governments, GCC non-state actors can also propose to the UNFCCC their preferences regarding themes for TEMs, based on their own information and knowledge needs.
- **Networking:** Since they are part of the core UNFCCC agenda, global TEMs are organised in the negotiating area of UNFCCC conferences (i.e. the UN zone) and therefore are well-suited for exchanges between country delegates and international experts and practitioners (including ones from the Gulf region). TEMs can also be organised regionally, in which case they allow for a focus on region-specific exchanges and identification of opportunities. Abu Dhabi, for example, hosted a global adaptation TEM in March 2018, which included a regional stream of sessions focusing on Gulf-specific adaptation issues.

#### 4.2.2. Global Climate Action Agenda (i.e. Marrakech Partnership)

Originally known as the Lima-Paris Action Agenda and later the Marrakech Partnership, the Global Climate Action Agenda (generic name for the agenda) has become the foundation for recognising non-state actors' efforts in relation to the Paris Agreement and for providing an action-oriented platform to incorporate their agendas and contributions into discussions on global climate governance under the UN. The Agenda has seven thematic areas: energy; human settlements; industries; land use; oceans and coastal zones; transport; and water. Its main meetings usually take place at the COPs, but in 2018 the Government of California will host a Global Climate Action Summit in San Francisco, US, three months ahead of the COP.

- **Gathering and sharing information:** Similarly to the TEMs, the Global Climate Action Agenda events allow for GCC non-state actors to gain (and later share domestically) knowledge about best practices and lessons from other countries in various thematic areas. These

events generally require attendance at COPs (at the non-UN zone) as many are not recorded or captured. A dedicated UNFCCC [website](#) provides some resources from past events. An annual Summary for Policy Makers presents an update on each thematic area and identifies areas for further action. The 2017 summary is available [here](#).

- **Networking:** Taking place at the COP non-state actor engagement zone, the Action Agenda events are part of a large number of 'side events' that run through the two weeks of every COP. These spaces have grown to be the world's most important annual meeting place for climate change stakeholders. Any (GCC) non-state actor seeking to build networks in any thematic area, topic or region is likely to find contacts at this two-week gathering.
- **Raising ambition:** The UNFCCC is seeking to build 'coalitions' around each of the seven thematic areas. Previous COPs have served as convening places for exchanging information, hearing progress updates and building sectoral multi-stakeholder coalitions that set collective long-term targets for climate action. Participating at a relevant thematic day of the Action Agenda could help GCC non-state actors identify the most relevant transnational climate initiatives in their respective sectors and benchmark themselves against global leaders in climate action. Participating in a global coalition, such as on rail transport (see next bullet) can also give actors confidence to adopt ambitious pledges when they know that others are taking similar steps.
- **Showcasing success stories, signalling ambition:** (1) GCC non-state actors, in particular subnational authorities, implementing agencies and companies, can also sign up to showcase their examples of climate action or ambition (e.g. targets) as part of the Agenda and at related events. (2) Similar opportunities are available through the UNFCCC's Momentum for Change initiative (which precedes the Global Climate Action Agenda), which awards 'innovative and transformative solutions that address both climate change and wider economic, social and environmental challenges' (UNFCCC 2018d). In 2017, the Dubai Police won this award for its 2020 carbon neutrality target. (3) Making a pledge in the NAZCA portal is also a way to signal ambition. At the time of writing, eight GCC non-state actors had submitted their pledges:
  - The Dubai Municipality has pledged to reduce city-wide CO<sub>2</sub> equivalent emissions by 16% by 2021, reduce energy demand by 30% by 2030 and increase the share of solar energy to 7% by 2020 and 15% by 2030 of total energy production.
  - The Dubai Electricity and Water Authority, Dubai-based Al Tajir Glass Industries and Kuwait-based United Arab Shipping Company have pledged to set an internal carbon price.
  - Abu Dhabi-based water management solutions company Metito has pledged to improve energy efficiency, reduce CO<sub>2</sub> emissions and report publicly and annually on progress towards these goals.
  - The Saudi Railways Organisation, UAE's Etihad Rail and Qatar Railway Company have subscribed to a collective pledge of reducing average global emissions from train operations by 50% by 2030 and 75% by 2050 based on 1990 levels (UNFCCC 2017c).

### 4.2.3. Side Events

Hundreds of side events – one to two-hour presentations, panel discussions or other types of speaker events – are organised during each COP and, in smaller numbers, during the mid-year intersessional UNFCCC meetings. Official side events, as the UNFCCC describes them, ‘are a platform for admitted observer organizations, which have limited speaking opportunities in the formal negotiations, to engage with [p]arties and other participants for knowledge sharing, capacity building, networking and exploring actionable options for meeting the climate challenge’ (UNFCCC 2018e). National governments can also present when they partner with an observer organisation. In addition, informal side events are organised by both governments and non-state actors at their pavilions or at separate sites not far from the COP venue. Since 2012, GCC countries have organised numerous side events – some official and others at a dedicated GCC COP pavilion (author observations and IISD RS reporting archives).

- **Gathering and sharing information:** Similarly to the TEMs and Action Agenda events, side events are a rich source of information about the latest science and policy developments.
- **Showcasing success stories, signalling ambition:** GCC subnational authorities, implementing entities, companies and experts could organise side events themselves, for sharing information on domestic developments and experience, but also for signalling ambition and demonstrating engagement.

### 4.2.4. Support to Development, Delivery and Review of NDCs

The UNFCCC does not specify a role for non-state actors – on the domestic side – in the development or review of NDCs, which countries are expected to revise upwards every five years and submit to the Convention. Researchers have suggested that non-state actors could play a role in holding countries accountable to delivering on their NDCs (e.g. Bäckstrand et al. 2017, 567). Many research institutions have already engaged in collective and individual reviews of countries’ existing NDCs (see e.g. the Climate Action Tracker). A number of governments, however, have expressed reluctance to be subjected to international comparisons or external evaluations of how ambitious their commitments are. These countries often stress the nationally-determined and voluntary nature of the *content* of the NDCs. Also, obvious difficulties lie in operationalizing the notions of ‘equity’ and ‘fairness’ when evaluating countries’ contributions against each other and science. However, there are a number of ways in which GCC non-state actors could support action and ambition at the *domestic* level, including:

- **Target-setting:** When GCC countries’ governments plan for their NDC revisions, engaging non-state actors can strengthen the exercise: scientists, economists and policy experts can provide data and knowledge to support decision-making; and businesses and subnational authorities can share information about their own climate action goals, aspirations and needs regarding regulatory and policy frameworks, as well as financing, technology and capacity building support.

- **Implementation:** Non-state actors can directly support the achievement of goals enshrined in countries' NDCs (such as emission reduction targets or clean energy capacity targets), both through taking climate action themselves or supporting government efforts through financing, technology and/or capacity support. However, in order to avoid double counting of intended climate actions, it is crucially important for non-state actors to clearly communicate whether their targets are already counted in the NDC or not.
- **Review:** Under the Paris Agreement, all countries are expected to regularly report to the UNFCCC information that tracks the country's progress in implementing its NDC. Non-state actors can provide valuable inputs to related preparatory processes and the closely-related target-setting process.

## 5. How Non-state Actors Can Leverage Transnational Climate Initiatives

As explained in Section 2.4, non-state actors are also engaging in transnational climate initiatives as a way to help address climate change. Given the increasing participation by non-state actors from the GCC in the UNFCCC COPs and the ratification of the Paris Agreement by four GCC members, this section explores the potential for enhanced participation by non-state actors from key economic sectors of these countries.

This section evaluates some relevant transnational climate initiatives and identifies strategic ways in which non-state actors could participate and bring benefits to climate action and national goals of diversifying GCC economies away from oil and gas. Given that Saudi Arabia and the UAE are the two largest economies of the GCC, most of the contextual analysis and examples of national policies in this section relate to these countries. However, certain initiatives have been selected because they have the potential address issues and concerns that are applicable to the other GCC countries as well.

### 5.1. Emergence of Transnational Climate Initiatives

With a few notable exceptions, transnational climate initiatives are a relatively recent phenomenon – a 2012 database compiled by a team of governance experts included 60 transnational climate governance initiatives. Only six of these initiatives had been founded before 1997 – the year when the Kyoto Protocol and its flexibility mechanisms were first agreed. The first transnational climate initiatives were set up by local government and business organisations, and NGOs after that. They have tended to be largely focused on mitigation: only two of the initiatives in the experts' database worked on adaptation (Bulkeley et al. 2012, 598–599).

The first initiatives included the Climate Alliance (a European city network of 1,700 municipalities and a variety of regional governments, NGOs and other organisations, established since the early 1990s), ICLEI Cities for Climate Protection (local governments network ICLEI's campaign, established in 1993, which has had more than 1,000 members), Climate Savers (environmental NGO WWF's global platform for engaging businesses and industries, established in 1999) and the Carbon Disclosure Project (a NGO that runs a global disclosure system for companies, cities, states and regions to measure and manage their environmental impact, established in 2002) (Bulkeley et al. 2012, 599–600; Climate Alliance 2018; ICLEI 2018; UNFCCC 2015; CDP 2018).

The engagement of national governments and international organisations in transnational climate initiatives is a more recent phenomenon, which saw a peak around the time of the UN Secretary General's 2014 Climate Summit.

## 5.2. Impact of Transnational Climate Initiatives

There has been an increased focus on the role of non-state actors to develop transnational climate initiatives that would support closing the emissions gap that still exists between governments' existing pledges and those required to achieve the temperature goals of the Paris Agreement. However, there is limited evidence that action by non-state actors will, in practice, be able to fill a significant part of this gap. A report by the United Nations Environment Programme in 2015 highlighted that implementing only 15 cooperative initiatives would contribute to closing the gap by 2.9 GtCO<sub>2</sub>e, a fact that was further reinforced in 2017 by a follow-up report which states that savings could be 'a few GtCO<sub>2</sub>e by 2030 if the initiatives reach their stated goals and if these reductions do not displace actions elsewhere' (UNEP 2015, 2017).

Other studies have argued that increased monitoring and reporting on these actions will be needed to make sure that emissions reductions compared to pledges are credible and transparent. A study of 13 transnational municipal networks found that most do not generally set quantified targets to begin with and that the ambition level of the four that did was highly variable, with only two (Climate Alliance and Covenant of Mayors) setting targets that were more ambitious than the average of 11.3% reductions by 2020 compared to 1990 levels set by parties to the UNFCCC (Bansard et al. 2017). The same study found that nine of these networks did not have any monitoring, reporting or verification mechanisms.

Another study (Michaelowa and Michaelowa 2015) that assessed 109 transnational climate governance initiatives concluded that these initiatives cannot be expected to make up for the lack of ambition by governments in UNFCCC processes. The study assessed the initiatives through a 'mitigation quality indicator'<sup>10</sup> and found that about half did not fulfil any basic quality criteria, a tenth met three of them and only one satisfied all four criteria. The result was particularly true for entrepreneurial initiatives with few cases meeting the criteria in this category. Transnational climate initiatives, led by either subnational governments or supported by large numbers of NGOs, showed some potential in setting incentives for mitigation and developing baselines. However, the study concluded that they too lacked sufficient quality based on the chosen criteria.

Arguably, some newer non-state actor-led initiatives have the potential to enhance both quality and credibility on the mitigation side. One example is the Science Based Targets (2017) Initiative (SBTI), which (as of 20 May 2018) is a group of 411 businesses that have committed to setting GHG reduction targets in line with a 2°C world. The businesses operate transnationally and nationally and, of the total, 105 companies (57 from Europe, 25 from North America, 20 from Asia and three from Oceania) have approved targets that follow consistent methodologies for specific sectors and activities.<sup>11</sup> SBTi is coordinated by a partnership of non-state actors, namely the environmental NGO WWF, the business-oriented charity Carbon Disclosure Project, the research organisation World Resources Institute and the voluntary business initiative UN Global Compact, all of which work to bring more companies to the initiative, develop technical methodologies and engage with companies to set and approve targets.

<sup>10</sup> Quality indicators include: existence of target, provision of incentives for mitigation, baseline for mitigation and measurement, reporting and verification (MRV) provisions.

<sup>11</sup> Data extracted from <http://sciencebasedtargets.org/companies-taking-action/> in May 2018.

Other criticisms of transnational climate initiatives include lack of accountability (Backstrand et al. 2017, 571), which could result from an inability to pinpoint 'individual' causes behind failures to reach set targets when many organisations are working together under one initiative. Also, inequalities may arise when some participants have more (financial) resources or power than others: researchers have noted that most coordinating entities of transnational climate initiatives are from North America and that these initiatives generally achieve low participation by poor countries (ibid., 570). Furthermore, it has been pointed out that giving more visibility to non-state actors can also be used as a way for governments to avoid responsibility, and critics have reminded that transnational climate initiatives therefore should not be regarded as the 'only' solution (Michaelowa and Michaelowa 2015).

Given this, it will be important to maintain a level of perspective on the potential role of these initiatives to fill the mitigation gap of the Paris Agreement. It is important to keep in mind that efforts by non-state actors in their present state cannot fully replace national action by governments or the global governance functions of the UNFCCC. It will also be important for coordinators of transnational climate initiatives and the UNFCCC to work closely to ensure some of the issues summarised above are appropriately addressed.

On the positive side, there are areas where the full potential of transnational climate initiatives remains to be further explored: studies that have criticised non-state actor initiatives have not investigated the prospects for action in other important areas of climate change, such as adaptation, technology development and financing, which could also benefit from greater non-state actor involvement.

### 5.3. Making a Case for GCC Non-state Actor Participation

Not all transnational climate initiatives listed on the UNFCCC NAZCA platform (see Section 2.4) will be strategically relevant for GCC non-state actors. Considering this, and the criticism of these initiatives, it will be important to select ones that are most strategic for the involvement of non-state actors from the region. There are a few examples of GCC non-state actors participating in transnational climate initiatives listed on the NAZCA platform (see Section 4.2.2), as well as some that are taking individual actions that could be linked to relevant transnational climate initiatives. The NAZCA platform mainly lists transnational climate initiatives being taken by cities and businesses and has a good spread of initiatives for mitigation, adaptation and finance. However, there are some gaps where there may only be a few initiatives relevant for GCC-specific issues. For example, in the 'resilience' category of the NAZCA cooperative initiatives platform, there are no GCC regional adaptation initiatives (even though many exist for other regions).

In order to demonstrate the potential that exists to catalyse further involvement by GCC non-state actors, this section highlights the pre-existing momentum in GCC countries by presenting a few examples of how some non-state actors have joined transnational climate initiatives or taken individual action that could be linked to such initiatives, as well as of domestic policies and actions that may be leveraged to catalyse further involvement of GCC non-state actors in transnational climate initiatives (including the creation of new ones).

For example, the UAE is a partner of the SIDS Lighthouse Initiative, which is coordinated by IRENA and aims to mobilise US\$500 million and deploy 100 MW of solar photovoltaic and 20 MW of wind power capacity, and significant quantities of other renewable energy technology in small island developing states by 2020 (IRENA 2017).

In the (I)NDCs submitted by the GCC countries to the UNFCCC, different actions have largely been framed by the need for the economies to diversify away from oil and gas revenue dependence. The NDCs also have different types of quantitative and non-quantitative targets. Of the former, Oman's (intended) NDC is the only one with a quantified economy-wide GHG emissions limitation target, of 2% compared to a business-as-usual trajectory by 2030, while Saudi Arabia's NDC includes a goal to achieve annual mitigation co-benefits of up to 130 Mt of CO<sub>2</sub>e by 2030, and that of the UAE includes a target to increase the share of clean energy in the energy mix to 24% by 2021. Some of these targets are also included in, or will help frame, a number of major national policy initiatives to accelerate economic diversification, clean energy development and climate action. These national policies and plans already include language on the importance of involving non-state actors such as the private sector and subnational governments.

Saudi Arabia, through its Economic Vision 2030 and National Transformation Program 2020, is planning to generate 9.5 GW of renewable energy by 2030, which is being tendered in a competitive procurement process that has attracted involvement by private companies across the. Most recently, a very low bid (2.3417 US\$ cents/kWh) was secured by Saudi company Acwa Power to build a 300 MW Solar photovoltaic plant (ACWA Power 2018). Saudi Arabia also has plans to start privatising its national oil company Saudi Aramco through an initial public offering, which is projected to value the company at US\$1.5 trillion – almost twice the value of Apple Inc and four times larger than Exxon (Winkler et al. 2018). This kind of public profile would also open the company for greater shareholder and investor scrutiny and expectations for action on climate change. There are also other major companies in the region that are already publicly listed, all of which will likely face similar scrutiny.

The UAE has developed a multitude of national policies and vision documents aimed at fostering completely new sectors of the economy, such as:

- The UAE Energy Strategy 2050, aiming to increase the share of renewable energy and energy efficiency;
- The Dubai Tourism Strategy, aiming to increase the number of international tourists coming to the emirate; and
- The National Climate Change Plan, approved in 2017, including a programme to promote private sector-driven economic diversification to help achieve the plan's goals of bolstering nationwide actions for climate mitigation and adaptation until 2050 (MoCCA 2017).

Some UAE companies (for example Majid Al Futtaim<sup>12</sup>) are already actively measuring their emissions and setting mitigation targets, and have plans to install more renewable energy. Dubai Ports World and the First Abu Dhabi Bank (formerly National Bank of Abu Dhabi) have been regularly monitoring their corporate GHG emissions by participating in the Carbon Disclosure

<sup>12</sup> See the [Majid Al Futtaim website](#) for different position papers and sustainability reports.

Project (CDP) (author personal communication, April 2018). Also, the Sustainable City in Dubai (a community built on sustainability principles by Diamond Developers) has formed an innovative partnership with Emirates Wildlife Society – WWF, a local non-governmental conservation organisation, to monitor its GHG emissions and make recommendations to improve the performance of the development in line with its design (EWS-WWF 2016).

As a demonstration of the potential for action by subnational governments, Dubai has joined the C40 Cities network. The Government of Dubai has a carbon abatement strategy with a target to reduce GHG emissions by 16% by 2021 compared to a business-as-usual trajectory and is currently developing an adaptation strategy for climate change (Dubai Government Media Office 2017).

In the UAE, there are also other active networks for businesses, which are convening non-state actors around sustainability issues. For example, the UN Global Compact, which is actively promoting action on climate change, has a network of 125 businesses across different sectors in the country (UNGC 2018).

#### 5.4. Strategic Areas for GCC Non-state Actor Participation

The emerging picture of action from the GCC, especially the UAE, is encouraging and, with the right kind of stimulation, there could arguably be significant scaling up of non-state actor involvement in strategic areas. From a mitigation perspective, stimulating action in the energy sector would be a clear priority for GCC countries. The energy sector comprises the majority of emissions in national GHG inventories, amounting to 86% in Saudi Arabia in 2010 (Climate Transparency 2015) and 78% in the UAE in 2012 (MoENR 2014).

The UAE government's Green Growth Strategy also identifies numerous initiatives in the areas of energy efficiency, green buildings, cleaner road transportation and renewable energy, all of which have been assessed and found to bring carbon abatement, economic growth and job creation opportunities. Implementation of these initiatives is projected to result in total GDP growth of 4–5.5% above business as usual by 2030, boost foreign trade, reduce carbon emissions by 18–25% of cumulative emissions between 2013–2030 and create 139,000–165,000 new jobs (MoEW 2014).

Non-state actors are increasingly involved in collaborating with governments to implement these domestic policies – examples include businesses bidding for competitive tenders to build solar plants, and the development of the energy services companies (ESCOs) sector in Dubai to retrofit existing buildings and meet energy efficiency goals.

While the UAE economy is more diverse and less reliant on oil than others in the GCC, many of the same characteristics and solutions identified in the UAE Green Growth Strategy would also apply elsewhere in the region. These new areas all offer possibilities for GCC non-state actors to become involved in relevant transnational climate initiatives.

There is also an opportunity for GCC non-state actors to develop new, issue-specific transnational climate initiatives. A precedent has already been set for desalinated water, which is a crucial technology needed by all GCC countries evidenced by the fact that they produced 45% of global desalinated water in 2010. UAE company Masdar was a founding signatory of the Global Clean Water Desalination Alliance, which also included the government of Saudi Arabia as a member. This alliance has set the following targets to increase use of clean energy for desalination: 10% clean energy supply by 2020 for existing desalination plants; 20% for new plants from 2020-2025; 40% for new plants from 2026-2030, 60% for new plants from 2031-2035; and 80% for new plants after 2035. (Masdar 2018).

The overwhelming reliance of GCC economies' on oil and gas for income, coupled with their strategic drives to diversify economies, could leave other interesting options for non-state actor involvement (such as climate action in downstream petrochemicals, renewable energy or transportation). An important issue to navigate for national governments is how much effort is placed on encouraging participation from traditional vs new sectors of the economy in transnational climate initiatives. Given the importance of the oil and gas sectors, one could argue that it will be important to spend more time encouraging operating companies to participate in relevant transnational climate initiatives. However, as highlighted by one interviewee, there is also a case for national governments to spend more effort to encourage non-state actors from newer sectors, such as renewable energy and energy efficiency, to participate, as this could simultaneously help accelerate their maturity and deployment (author interview in Dubai, November 2017).

Given the GCC political systems and culture, any engagement from non-state actors will likely need to be encouraged or endorsed by the state and be based on the specific circumstances of each country. Participation by GCC non-state actors will also depend on their own appetite and interest and whether there is sufficient external pressure (such as from shareholders or investors) on them to do so. Therefore, the analysis below provides some examples where non-state actors from all key economic sectors could participate.

Transnational climate initiatives have been categorised around important non-state actors, such as cities and businesses, as well as important climate change issues that would generate momentum in more nascent areas. The sectors and initiatives in the subsections below have been selected based on an understanding of the strategic areas for mitigation action and areas that would help benefit economic diversification of GCC countries. Table 1 (on page 30) highlights a few illustrative examples of these topics, which are cross-referenced in the text below.

### 5.4.1. Energy Efficiency and Cooling

With growing demand for energy and high energy intensity of their economies, energy efficiency has been a focus of strategic importance for GCC countries. The regional standardization body, GCC Standardization Organization, works to set energy efficiency standards for products and appliances and has recently developed a fuel economy label for light-duty vehicles in the GCC. Many GCC countries are reducing subsidies in electricity and fuel pricing, which is leading a drive towards greater energy efficiency initiatives. The UAE and other GCC countries are also setting green building codes and demand management targets, and have established a market for energy services companies to retrofit buildings. These types of initiatives all provide fruitful areas to encourage participation by non-state actors. (For further details, see Table 1.)

Air conditioning accounts for the major share of electricity consumption in the GCC. The Middle East region is also projected to see the third highest rise in energy demand from cooling due to climate change by 2050, after China and the US (IEA 2013, 90). Furthermore, as specified in the Kigali Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer, GCC countries will need to freeze growth of hydrofluorocarbon emissions (a GHG with high global warming potential that is used in air conditioning and refrigeration technologies) in 2028 (compared to 2024–26 levels) and start reducing from 2032 (EIA 2016). This means that GCC countries will need to transition to technologies that provide sufficient cooling in ways that are less 'climate polluting'. There are some emerging transnational initiatives related to district cooling and innovation in cooling technologies such as the 'Cooling for All' and 'District Energy in Cities Initiative' that GCC non-state actors (especially cooling companies) could be strategically positioned to join and add value. As an area of common interest for GCC countries, non-state actors could be encouraged by national governments to collaborate further to share best practices, technologies and innovation.

### 5.4.2. Renewable Energy

Some major changes in the economics of renewable energy, especially solar power, have been occurring in the power and utilities sector in the GCC. All GCC countries have set renewable energy targets and utility companies are responding by increasing their deployment of solar power, with world record low prices being secured for utility scale photovoltaic and concentrated solar power. One key example is the Dubai Electricity and Water Authority (DEWA), which is aiming to produce 75% of the emirate's energy from renewable sources by 2050 and has pledged to contribute 50% towards Dubai's carbon reduction target of reducing emissions by 16% of business as usual emissions by 2021. DEWA is also diversifying its business activities into energy efficiency by creating a market for energy services company, spearheading a 'green energy fund', investing in charging infrastructure for electric vehicles in Dubai and starting the development of a climate change adaptation strategy (DEWA 2017).

An interesting approach could be for utility companies from the GCC to form a regional transnational climate initiative under which those that are further ahead in their thinking (e.g. DEWA) could share best practices and approaches with others to increase deployment of renewable energy. Such an initiative would also enable GCC utility companies to explore ways to start transforming their business models by considering climate change as a strategic opportunity.

The net metering law in Dubai (2015) and more recently in Abu Dhabi, are also driving demand from UAE businesses to deploy renewable energy on site. This could be an important factor that drives more businesses to join transnational climate initiatives such as RE100 and Renewables LCTPi (see Table 1).

### 5.4.3. Oil and Gas

There are some fruitful options for the oil and gas sector, where some major international oil companies are already setting targets to develop an internal carbon price, reducing emissions from flaring and setting targets for emissions reductions, renewable energy generation and energy efficiency. For example, Total and Statoil have joined the Business Leadership Criteria on Carbon Pricing and the Oil and Gas Methane Partnership. However, no GCC oil and gas companies have joined these initiatives or pledged any individual actions on the NAZCA platform. Joining such transnational climate initiatives could help build momentum for action among national oil and gas companies from GCC countries. Taking a proactive stance could also provide these companies with opportunities to learn from their international peers and be exposed to dialogue about how the sector will need to evolve as the Paris Agreement is implemented.

### 5.4.4. Transportation

GCC countries are characterised by heavy reliance on road transport, but some efforts have been made to improve efficiency of the overall vehicle fleet (for example Saudi Arabia's standard for fuel economy – SASO 2014), increase options for public transport (for example the Dubai metro) and electrify the fleet. Over the last three years, the region has seen increased awareness of the benefits of electric vehicles and the installation of charging infrastructure by governments, private sector and the Global Electric Vehicle Road Trip (Global EVRT 2018).

The region is also a major hub for international maritime and air transport, with large global airlines operating from several countries, especially the UAE and Qatar. Two GCC governments have signed up to the voluntary period of the international aviation emissions offsetting scheme 'CORSIA' agreement under the International Civil Aviation Organization. Furthermore, Etihad Airways is also part of the Sustainable Bioenergy Research Consortium with Masdar Institute and Boeing, which is piloting the production of aviation-grade biofuel from salt-tolerant plants (Etihad 2014). This momentum provides opportunities for companies operating in the transport sector to join relevant transnational initiatives (outlined in Table 1).

The International Maritime Organization has also adopted an initial strategy to reduce GHG emissions from international shipping by at least 50% compared to 2008 and phase them out as soon as possible in this century (IMO 2018). Given that the region is a major global shipping hub, the implementation of this agreement could benefit from GCC non-state actor involvement in related transnational climate initiatives (e.g. Global Maritime Energy Efficiency Partnerships).

### 5.4.5. Cities

Major GCC cities could also follow in Dubai's footsteps and join some of the transnational cities' networks, such as C40 and the Global Compact of Mayors (see Table 1). Building up a GCC-

wide city network could add a great deal of value to these initiatives and translate into more peer-to-peer learning in the region, as well as sharing of common approaches and challenges. Furthermore, many major GCC cities are located on the coast and face common risks from climate change, such as temperature and sea level rise, as well as reliance on desalination and cooling. Action across GCC cities would therefore be an opportunity for a greater regional collaboration on these important topics and could help build resilience to climate change.

#### **5.4.6. Finance**

GCC non-state actors from the financial services sector can also play an important and proactive role in improving understanding of the impacts of climate change on this sector and develop financial products to enable climate action. For example, the recent recommendations of the Task Force on Climate-related Financial Disclosures contain guidelines for companies to voluntarily disclose their climate change-related risks to their assets in order to make better-informed business strategy decisions and provide investors with information that they increasingly seek.

The GCC also has some of the largest sovereign wealth funds in the world. It will be important for these funds to assess the extent to which their assets are at risk from climate change impacts and potentially being stranded due to action on climate change. The same would apply for regional banks, insurance companies and financial centres. In December 2017, a Sovereign Wealth Fund Group was created at the One Planet Summit, which pledged to develop and publish an Environmental, Social and Governance framework for climate issues in 2018. GCC members of this group included Abu Dhabi Investment Authority, Kuwait Investment Authority, the Public Investment Fund of the Kingdom of Saudi Arabia and the Qatar Investment Authority (One Planet SWF Working Group 2017). Table 1 lists several initiatives that GCC financial institutions could join to start gauging the level of climate change risks in their assets.

#### **5.4.7. Real Estate, Buildings and Construction**

For at least a decade, development of commercial and residential real estate has been of strategic importance to GCC economies. More recently, some low-carbon communities and developments have been built, such as Masdar City and The Sustainable City in Dubai. There may be opportunities for major companies in this sector to join transnational initiatives that help build in sustainable and low carbon design principles. For example, the Global Alliance for Buildings and Construction (detailed in Table 1) is one such initiative that aims to mobilise climate action in the buildings and construction sector. This could be a good avenue for participation of private developers. In the cement industry, GCC producers could join the Cement Sustainability Initiative of the World Business Council for Sustainable Development (see Table 1 for details).

#### **5.4.8. Private Sector Carbon Measurement and Management**

As explained above, some businesses from the GCC are beginning to measure and manage their GHG emissions by participating in initiatives such as CDP and through sustainability reporting. Renewable energy and energy efficiency are also becoming more cost-effective mitigation measures for GCC-based businesses due to reduced costs of technologies, removal of subsidies and increases in energy prices. This means that being able to accurately track GHG emissions

and set targets to reduce them are also becoming more strategic business drivers. There may be some opportunities for businesses to start developing mitigation strategies by joining tried and tested networks such as CDP. In addition, local companies that are interested to set targets in line with the goals of the Paris Agreement could join newer initiatives such as the SBTI. WWF and UNGC, both partners of SBTI, are based in the UAE and could be well placed to coordinate participation by any businesses that are interested. Some of these initiatives for private sector carbon measurement and management are detailed in Table 1.

#### 5.4.9. Adaptation

While certain adaptation measures will be driven through some of the areas of action identified earlier, there is arguably a need for a coordinated adaptation approach in the GCC. Best practice approaches to adaptation usually create sound local climate change knowledge, conduct quantitative climate risk assessments and develop adaptation plans that are flexible to changing circumstances and improvements in knowledge. Engaging in adaptation is a strategic opportunity for collaboration between GCC non-state actors: this could entail both involvement in existing initiatives and creating a GCC-specific adaptation initiative.

The Abu Dhabi Global Environment Data Initiative (AGEDI) climate change programme has already started identifying some of the key climate change-related impacts and trends that are projected for the GCC region. The UAE is developing a national adaptation strategy, Muscat has already developed one and Dubai is building one specific for the emirate. There may be opportunities for GCC non-state actors from different economic sectors to collaborate on assessing common vulnerabilities and issues. Universities from the region could play an important role in forming a climate risk research hub that collaborates with global experts and builds much needed knowledge and capacity on adaptation in the GCC. This would also help create a more sustainable and longer-term knowledge base to provide cutting-edge information for GCC countries to make well-informed decisions on adaptation. Some adaptation initiatives such as 'Weadapt' and the 'Global Adaptation Network' (see Table 1) could be useful avenues for participation by GCC non-state actors.

Table 1. Some strategic Transnational Climate Initiatives for GCC Non-state Actors<sup>14</sup>

Strategic topic	Transnational climate initiative
Energy efficiency & cooling	<a href="#">Industrial Energy Efficiency Accelerator</a> – coordinated by United Nations Industrial Development Organisation, aiming to reduce industrial energy use by 25%.
	<a href="#">Global Energy Efficiency Accelerator Platform</a> – coordinated by SE4ALL and its Energy Efficiency Hub, Copenhagen Centre on Energy Efficiency.
	<a href="#">Building Efficiency Accelerator Platform</a> – coordinated by the World Resources Institute, aiming to double the improvement rate of building energy efficiency by 2030. Dubai is already participating.
	<a href="#">Cooling for All</a> – coordinated by UN SE4All and aims to embed growing cooling demands that can reach everyone within a clean energy transition, and in turn, support faster progress to achieve the goals of the Montreal Protocol's Kigali Amendment agreed in 2016 in Rwanda.

Strategic topic	Transnational climate initiative
Energy efficiency & cooling (continued)	<p><a href="#">Advanced Cooling Challenge</a> – a campaign coordinated by the Clean Energy Ministerial as part of its Super-Efficient Equipment &amp; Appliance Deployment (SEAD) initiative, seeking commitments from governments, foundations, companies, and other private sector leaders to make, sell, support, or install superefficient and low-GWP (global warming potential) equipment in buildings around the world.</p> <p><a href="#">District Energy in Cities</a> – aims to accelerate the transition of cities in emerging economies and developing countries to low-carbon, climate resilient societies through modern district energy systems.</p>
Renewable energy	<p><a href="#">Renewables Low Carbon Technology Partnerships Initiative</a> – coordinated by the World Business Council on Sustainable Development (WBCSD), to support the deployment of 1.5 TWh of additional renewable energy globally by 2025.</p> <p><a href="#">Renewable Energy 100</a> – coordinated by The Climate Group and CDP, they are working with interested companies to help ensure they procure 100% of electricity from renewable sources.</p>
Oil and gas sector	<p><a href="#">Oil and Gas Methane Partnership</a> – coordinated by UNEP, where participants aim to reduce methane emissions in their operations by systematically surveying for nine key emission sources and publicly report the share of their operations being controlled for those sources.</p>
Transportation	<p><a href="#">Urban Electric Mobility Initiative</a> – coordinated by UN Habitat, aiming to increase sale of electric vehicles by 30% by 2030 to achieve a 30% reduction of CO2 emissions in urban areas by 2050.</p> <p><a href="#">Global Fuel Economy Initiative</a> – coordinated by the FIA Foundation, this initiative aims to double global vehicle fuel efficiency by 2050.</p> <p><a href="#">Collaborative Climate Action Across the Air Transport World</a> – coordinated by the International Civil Aviation Organisation &amp; Air Transport Action Group initiative, aiming to improve air transport fuel efficiency and stabilize the sector's net CO2 emissions from 2020.</p> <p><a href="#">Global Maritime Energy Efficiency Partnerships</a> – coordinated by the Marine Environment Division of the IMO, this initiative aims to support the uptake and implementation of energy efficiency measures for shipping and reduce GHGs from shipping.</p>
Cities	<p><a href="#">C40 Cities</a> – coordinated by the C40 secretariat, this initiative is focused on tackling climate change and driving urban action that reduces greenhouse gas emissions and climate risks, while increasing the health, wellbeing and economic opportunities of urban citizens. Dubai is a member of the leadership group.</p> <p><a href="#">Covenant of Mayors for Climate and Energy</a> – coordinated by the UN Secretary-General's Special Envoy for Cities and Climate Change, this initiative has 7518 cities (majority from Europe) registered to commit to reduce greenhouse gas emissions, report publicly and annually on progress and prepare for the impacts of climate change. There are 45 cities from the Middle-East and West Asia region, of which only Dubai is from the GCC region.</p>

Strategic topic	Transnational climate initiative
Finance	<p><a href="#">Cities Climate Finance Leadership Alliance</a> – coordinated by Fonds Mondial pour le Développement des Villes (FMDV) and aims to catalyse and accelerate additional capital flows to cities, maximize investment in low-carbon and climate-resilient infrastructure, and close the investment gap in urban areas by 2030.</p> <p><a href="#">Climate Bonds Initiative</a> – an international organisation working solely to mobilize the largest capital market of all, the US\$100 trillion bond market, for climate change solutions.</p> <p><a href="#">Climate Change Reporting and Fiduciary Duty</a> – coordinated by the Climate Disclosure Standards Board – a voluntary reporting framework designed to elicit climate change-related information of value to investors in mainstream financial reports.</p> <p><a href="#">Business Leadership Criteria on Carbon Pricing</a> – coordinated by UNGC, the initiative seeks to mobilise business support towards the long-term objective of applying a carbon price throughout the global economy.</p>
Real estate, buildings & construction	<p><a href="#">Global Alliance for Buildings and Construction</a> – coordinated by UN Environment, this initiative aims to mobilise all stakeholders, including member states and non-state actors from the buildings and construction sector to scale up climate action. The UAE is the only GCC member.</p> <p><a href="#">Cement Sustainability Initiative</a> – coordinated by WBCSD, aiming to reduce CO2 emissions from cement production and report annually on progress including independent third-party assurance.</p>
Private sector carbon measurement and management	<p><a href="#">Carbon Disclosure Project</a> – a charity that runs a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts, including GHG emissions.</p> <p><a href="#">Science Based Targets Initiative</a> – coordinated by a partnership between CDP, World Resources Institute, WWF and UNGC, this initiative works with currently 411 companies to adopt a science-based GHG emissions reduction target.</p> <p><a href="#">WWF Climate Savers</a> – coordinated by the World-Wide Fund for Nature, this initiative aims to develop low, zero or carbon-positive business models and demonstrate that reductions in GHG emissions can go together with economic growth.</p>
Adaptation	<p><a href="#">Weadapt</a> – developed and maintained by the Stockholm Environment Institute, this is a collaborative platform on climate adaptation issues allowing practitioners, researchers and policy-makers to access information and connect with one another.</p> <p><a href="#">Global Adaptation Network</a> – coordinated by UN Environment, GAN aims to build climate resilience of vulnerable communities, ecosystems and economies through the mobilization of knowledge for adaptation.</p>

## 6. Conclusion and Recommendations: How GCC Governments Can Support Non-state Actors

The previous sections of this study have explored GCC non-state actor engagement opportunities in two contexts: under the UNFCCC umbrella and through transnational climate initiatives. Section 4 identified opportunities under the UNFCCC in four areas: the Technical Examination Process for pre-2020 action and ambition; the Global Climate Action Agenda (i.e. Marrakech Partnership); side events; and support to development, delivery and review of NDCs. Section 5 presented proposals in nine strategic areas for engagement in transnational climate initiatives: energy efficiency and cooling; renewable energy; oil and gas; transportation; cities; finance; real estate, buildings and construction; private sector carbon measurement and management; and adaptation. This section makes suggestions on how GCC governments could enable and support their non-state actors in all the above.

But why should a government invest in efforts to encourage and support its non-state actors in taking climate action? There are at least four reasons:

- Non-state actors could help GCC states **reach, and even go beyond, their existing national climate action targets**, both in terms of emissions reductions and adaptation;
- Their engagement could help generate momentum for the GCC countries' emphasis on **climate action that simultaneously helps diversify the economy** away from oil and gas revenue dependence;
- Non-state actors' efforts can help increase the **overall ambition of GCC countries' future NDCs** (as long as their efforts are not double counted); and
- They can also help build and expand **awareness about the benefits of climate action** in their respective sectors.

How can GCC governments engage with their non-state actors?

- **State consultation** is most likely to be the best-functioning mechanism for engaging non-state actors, given the socio-political fabric of the GCC. It is likely that any non-state actors looking to participate in UNFCCC-orchestrated activities or in transnational climate initiatives will need to coordinate closely with the relevant lead entities in national governments.
- In areas where there is high overlap between the national government and 'non-state actors', such as government companies, the national lead entities could **actively encourage strategic partnerships**, such as in the financial services sector (e.g. central banks' or sovereign wealth funds' engagement with the Task Force on Climate-related Financial Disclosures recommendations).

- Lead national entities on climate change could also **raise awareness** among non-state actors, in particular businesses, **about the benefits of measuring and managing GHG emissions**, and of energy efficiency and renewable energy as cost-effective mitigation measures. This could help drive greater interest among non-state actors to join relevant transnational climate initiatives.

What specific steps could GCC governments take?

- In the **UNFCCC context**, national governments could seek to **systematically partner** with and engage non-state actors (for specific areas, see Section 4). They can also actively encourage city and business leaders to take up leading roles in multi-stakeholder initiatives under the UNFCCC and outside it. These include events and initiatives under the Global Climate Action Agenda, city networks, such as the C40, and different sectoral and crosscutting business coalitions.
- To support non-state actor engagement in transnational climate initiatives, the lead national entities for climate change policy could undertake a quick **inventory of relevant initiatives for key sectors** (similar to the one conducted in Section 5 of this paper) and then to organise awareness sessions for non-state actors in these sectors.
- In terms of prioritising which sectors to encourage, the oil and gas sector is an obvious key area where GCC governments can support national oil companies in exploring the benefits of existing multi-stakeholder initiatives. However, it may be beneficial to **initially place more emphasis on encouraging actors in the newer economic sectors** to engage in voluntary transnational climate initiatives. Such sectors could include utilities and energy companies (electricity, cooling and water), clean energy businesses, financial services (in terms of risk disclosure and climate finance), international transport (in the area of emission reductions and offsets) and construction (in terms of energy efficiency and climate resilience), as well as adaptation as a cross-cutting focus. Encouraging these sectors to build in low-emission and climate-resilient thinking from the early stages of their development would also support broader diversification efforts by enhancing economic competitiveness in an increasingly carbon-constrained global economy.
- GCC governments could also look into **leading in the development of new multi-stakeholder climate initiatives in areas/issues of regional interest** that involve both governments and non-state actors. Possible ones include **a global high-level platform focused on economic diversification** with climate action benefits, a regional adaptation and resilience network or a regional utility transformation network (see Section 5.4.2).
- Governments in the region could also look into **supporting the leveraging of coordination roles in global initiatives of/through locally-based non-state actors**. Some non-state actors that coordinate transnational climate initiatives also have GCC regional offices, and forming strategic partnerships with them could help accelerate the implementation of those initiatives in the region and generate more momentum for participation by regional non-state actors. For example, the environmental NGO WWF, which has a presence in the UAE, is

a coordinating partner of the Science Based Targets Initiative (SBTI) and the Climate Savers. Another example is the UN Global Compact, which has a UAE chapter in Dubai, which is a coordinating partner of SBTi and numerous other relevant initiatives for the private sector. In addition, GCC governments could also seek to invite other coordinators of transnational climate initiatives to open offices in the region and catalyse engagement with non-state actors on important areas.

There is a need to maintain a level of perspective regarding the potential of non-state actors and multi-stakeholder initiatives to support the implementation of the Paris Agreement. Criticism, as described in this paper (see Section 5.2), is often valid, and there are many areas for improvement in order to maximise this potential. These include a more methodological and transparent approach to target-setting by non-state actors, more rigorous monitoring and follow-up mechanisms for tracking non-state actors' progress towards their voluntary targets (since there is no such mechanism under the Paris Agreement), and the need for governments to maintain leadership in taking climate action.

At the same time, as has been demonstrated in this paper, GCC non-state actors can support global and domestic climate action and ambition in multiple ways.

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