

# Non-State and Subnational Action Guide

## Executive summary

Download the guide at

<https://climateactiontransparency.org/icat-toolbox/non-state-subnational-action>

*The unprecedented challenge of climate change requires a concerted effort by national governments and a diverse range of non-state and subnational actors, such as states and cities, businesses and civil society. Non-state and subnational climate actions can help achieve national mitigation targets and even go beyond them to raise ambition. Non-state and subnational actions therefore need to be fully integrated into the national vision to maximize synergies, ensure buy-in and fully realize the mitigation potential of countries.*

*The Paris Agreement recognizes the importance of non-state and subnational actions, and explicitly encourages non-state and subnational actors to scale up their climate actions. Worldwide, action by non-state actors (e.g. companies, investors) and subnational actors (e.g. cities, states, regions) is accelerating, with a growing number of commitments and initiatives being announced and implemented. This can have a direct impact on national greenhouse gas (GHG) emissions trajectories, national policy implementation and the achievement of national targets.*

*National governments often do not yet fully consider the impacts of mitigation activities of these actors when determining national climate policies and nationally determined contributions (NDCs). A better understanding of climate actions at different scales and by different actors in a country can support the development of realistic and comprehensive targets, support effective policy planning to achieve the temperature goal of the Paris Agreement, and help countries identify promising subnational and non-state approaches that can be scaled up or supported by the national government or other partners.*

*The Initiative for Climate Action Transparency (ICAT) Non-State and Subnational Action Guide assists policymakers and analysts in determining the impact of non-state and subnational actions. This knowledge can inform and improve the development of national GHG emissions trajectories and climate policies. The guide provides steps for users to identify, quantify and aggregate the impact of non-state and subnational actions, and integrate them into mitigation targets, projections and scenarios in support of policy development, policy evaluation and target setting.*

### Assessing non-state and subnational action

Developing an understanding of potential GHG emissions reductions from non-state and subnational actions can boost national governments' confidence that current targets can be met or, alternatively, provide insight into the emissions gap that needs to be bridged. It can also support development of more ambitious national mitigation targets.

Application of the guide can improve awareness about non-state and subnational actions, and facilitate coordination and communication between national, non-state and subnational actors for efficient implementation and aligned decision-making. This can help national governments set targets, and put in place the right policies to enable action and ambition by non-state and subnational actors. The guide can also be used to assess the impact of non-state and subnational actions on specific policy targets, such as a national energy efficiency scheme, renewable energy targets or penetration of electric vehicles. It may offer insights into whether non-state or subnational actions are effective or are likely to enjoy a broad mandate if enacted at the national level.

This forward-looking guide is fundamentally different from existing national GHG emissions accounting-related guidance in the context of reporting under the United Nations Framework Convention on Climate Change, which covers past and current emissions within a country's jurisdiction. It is not intended as a means to attribute achieved emissions reductions to specific non-state or subnational actors, or to apportion the national or sectoral target to subnational actors. Instead, the guide helps to determine the potential impact of existing (and pledged) non-state and subnational actions, which, if realized, will be reflected as reductions in emissions over time in the national GHG inventory.

## Series of ICAT assessment guides

ICAT aims to help countries assess the impacts of their climate actions, and to support greater transparency, effectiveness, ambition and trust in climate policies worldwide. The *Non-State and Subnational Action Guide* is part of the ICAT series of guides for assessing the GHG, sustainable development and transformational impacts of policies and actions in an integrated way. The guides are a result of collaboration with technical experts from around the world. The ICAT *Non-State and Subnational Action Guide* can be used on its own or together with other ICAT guides.

### SERIES OF ICAT ASSESSMENT GUIDES

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Transport Pricing



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Agriculture



Buildings Efficiency



Sustainable Development



Transformational Change



Non-State and Subnational Action

#### Process guides



Stakeholder Participation



Technical Review

The assessment guides have been used to support capacity-building for transparency in more than 20 countries. Case studies are available on the ICAT website. To learn more about how ICAT supports countries, visit [www.climateactiontransparency.org](http://www.climateactiontransparency.org).

Applying the guide to the national or sectoral context can help policymakers answer questions such as:

- What non-state and subnational climate actions are occurring in the country?
- Which of these actions, or sums of actions, of various stakeholders will have a climate mitigation impact in the country or a specific sector?
- How big is their impact for a national or sectoral mitigation pathway?
- How can non-state and subnational actions contribute to meeting or overachieving NDC mitigation targets?
- Which actions reflect ambition and go beyond existing policies, and by how much?
- How can non-state and subnational actions enable new, more ambitious NDC mitigation targets to be set?
- What insights can the analysis of potential impacts from non-state and subnational actions provide for future national and international policies?

## Intended audience

The primary intended users of the *Non-State and Subnational Action Guide* are national government agencies, research institutions and non-governmental organizations (NGOs). The guide can also be used by non-state and subnational actors to inform their own actions, and understand the relationship between these actions and national action.

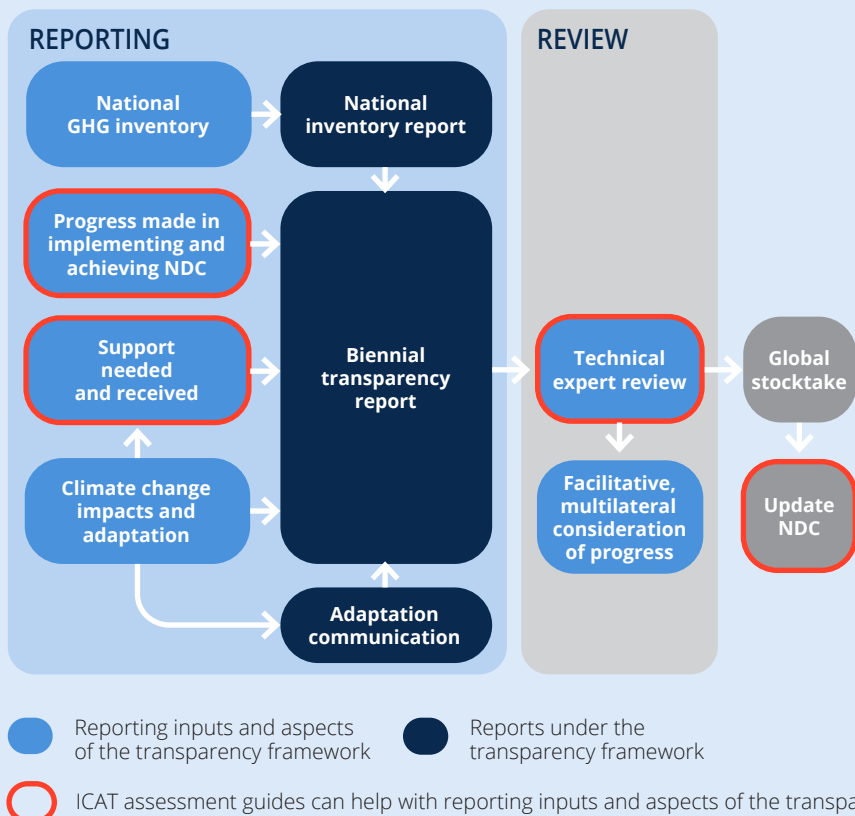
The following examples demonstrate how different types of users can apply the guide:

- National government agencies. Identify and quantify the impact of non-state and subnational mitigation actions, and integrate them into national and/or sectoral mitigation assessments and scenarios, policy development and target setting.
- Research institutions and NGOs. Identify and assess the mitigation potential or contribution of non-state and subnational mitigation actions in comparison with national policies or NDCs, and provide support to decision makers.
- Non-state and subnational actors. Identify and assess the mitigation potential or contribution of non-state and subnational mitigation actions towards meeting and/or supplementing sectoral, national and international targets.

## Advancing climate action through the enhanced transparency framework

By helping policymakers assess the impacts of policies and actions, the ICAT assessment guides can help countries track progress in implementation and further develop their NDCs towards enhanced ambition. The ICAT assessment guides can also help provide the necessary information for countries to report under the Paris Agreement’s enhanced transparency framework.

Although tracking progress of, and reporting specifically on, the impacts of non-state and subnational actions are not mandatory under the enhanced transparency framework, the assessment results can support a better understanding of the full scope and scale of domestic mitigation efforts, and complement national monitoring, reporting and verification systems. If non-state and subnational mitigation actions are found to be less ambitious than existing national climate mitigation targets, and the objective is to understand their potential impact nationally,



users of the guide can better understand where further action and support are needed. This would facilitate engagement with relevant non-state and subnational actors to accelerate efforts. In contrast, if non-state and subnational action targets are found to be more ambitious than national mitigation targets, the assessment could support an upward revision in the national targets. Through repeated assessments, the guide could help track progress of non-state and subnational actions domestically.

Achieving global goals on climate change will be impossible without non-state and subnational climate actions. Assessment of non-state and subnational actions collectively is one way to help understand their potential, and identify areas for further action and ambition at all levels.

## Types of non-state and subnational action

The guide specifically focuses on mitigation action, and uses the term “action” for all mitigation efforts by non-state and subnational actors. Non-state and subnational action is any kind of activity that reduces GHG emissions and is led by these actors. The guide also considers actions that target other, non-GHG impacts but also reduce GHG emissions, such as energy efficiency improvements and renewable energy expansion. Some actions can be legally binding (e.g. a state government setting a GHG emissions reduction target), while others are voluntary (e.g. a company committing to 100% renewables).

Actions can be put forward and pursued individually (by one subnational or non-state actor) or cooperatively in the form of initiatives (by a group of actors, including non-state and/or subnational actors, with or without national governments). A huge variety of individual and cooperative actions exist, including general statements calling for action, political declarations, quantifiable targets for reducing emissions, commitments, pledges, plans, initiatives, strategies, and concrete policies and programmes.

## Examples of individual actions

### Non-state actions

- Iberdrola, a Spanish utility, aims to become carbon neutral by 2050 through increased energy efficiency and renewable energy installations.
- ACC, an Indian cement company, aims to reduce operational GHG emissions intensity by 35% per tonne of product by 2030 compared with 2005 levels through increased energy efficiency.
- ANZ Bank of Australia issues green bonds worth \$470 million for projects in renewable energy and energy efficiency in buildings.
- BNP Paribas, a French bank, sets aside €100 million for investment in start-ups working on innovative solutions for energy transition.
- Mahindra Lifespace Developers Limited, an Indian investor, aims to reduce operational GHG emissions intensity by 10% per square metre of facility area from 2012 to 2020 through increased energy efficiency and solar energy installations.

### Subnational actions

- The city of Glasgow, United Kingdom, aims to reduce GHG emissions from government operations by 30% from 2005 to 2020.
- The province of Alberta, Canada, commits to reducing methane emissions from the oil and gas sector by 45% by 2025.
- The Oriental Region of Morocco pledges to increase the share of renewables for the community to 42% by 2020.
- The state of California, United States, sets a goal to reduce petroleum consumption by cars and trucks by 50% by 2030.
- Uppsala County, Sweden, aims to reduce carbon dioxide (CO<sub>2</sub>) emissions from government business travel, patient travel and commuting by 10% from 2014 to 2018.

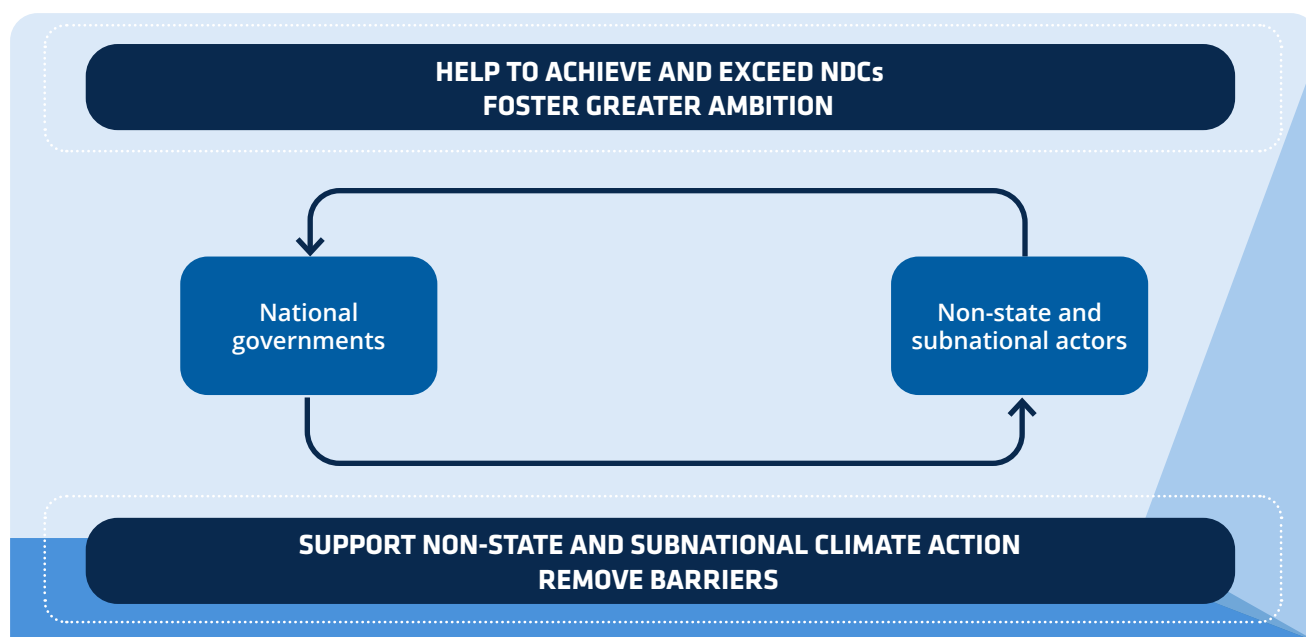
### Cooperative actions

- Under the RE100 initiative, companies in different countries each commit to procuring 100% of their electricity consumption from renewable energy.
- Under the CCAC Agriculture Initiative, several international organizations and countries aim to reduce methane and black carbon emissions from key agricultural sectors by sharing and implementing best practices.
- The New York Declaration on Forests – which has been endorsed by national and subnational governments, companies, indigenous peoples and civil society organizations – calls for halving the loss of natural forests globally by 2020, and striving to end it by 2030.
- The Cement Sustainability Initiative aims to reduce CO<sub>2</sub> emissions from cement production and report annually on progress, including independent third-party assurance.
- The Alliance of Energy Efficiency Financing Institutions – led by the European Bank for Reconstruction and Development, and the United Nations Environment Programme Finance Initiative – aims to scale up energy efficiency financing, and work with institutional and public financiers to provide climate finance to clients.

## Using the guide

The guide is intended for ex-ante (forward-looking) assessments, to understand the expected future impacts of non-state and subnational actions. Ex-post (backward-looking) assessments are not included in the guide, although they can also be helpful for guiding future plans and tracking the performance of past actions. The forward-looking approach means that the guide can be applied on an ongoing basis as new non-state and subnational actions are implemented, and more information becomes available.

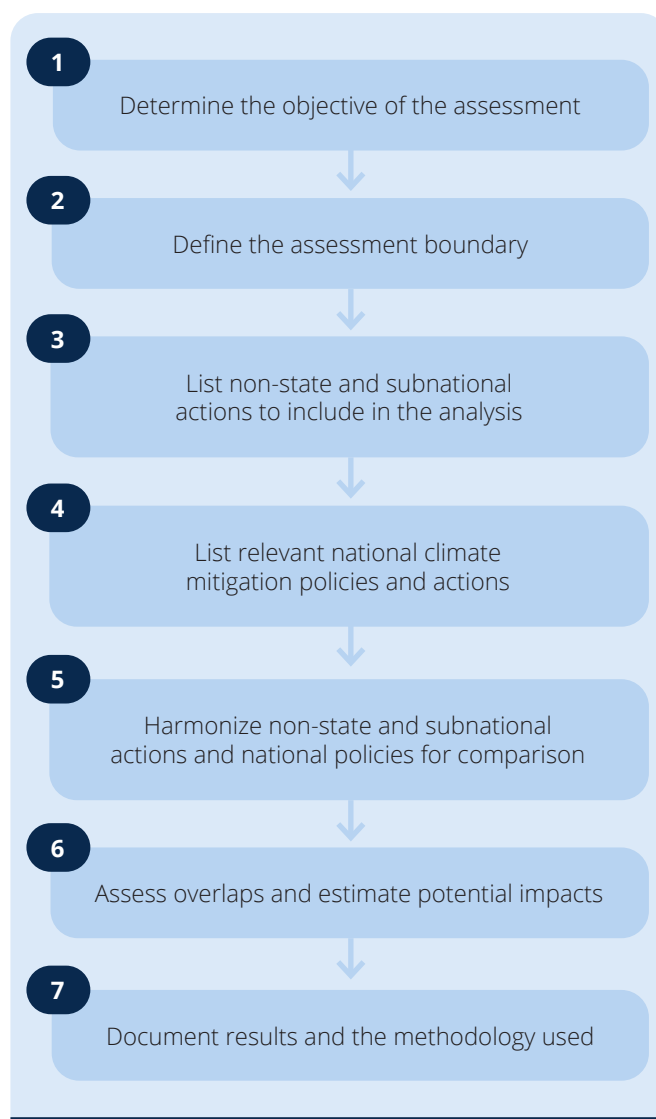
When applying the guide, users should bear in mind that national government actions and non-state and subnational actions can mutually reinforce each other. They operate in a single system. Where national governments set climate targets or adopt new policies, these influence non-state and subnational actions. The actions of non-state and subnational actors, in turn, contribute to national goals. In many cases, it is impossible or unnecessary to determine which comes first.

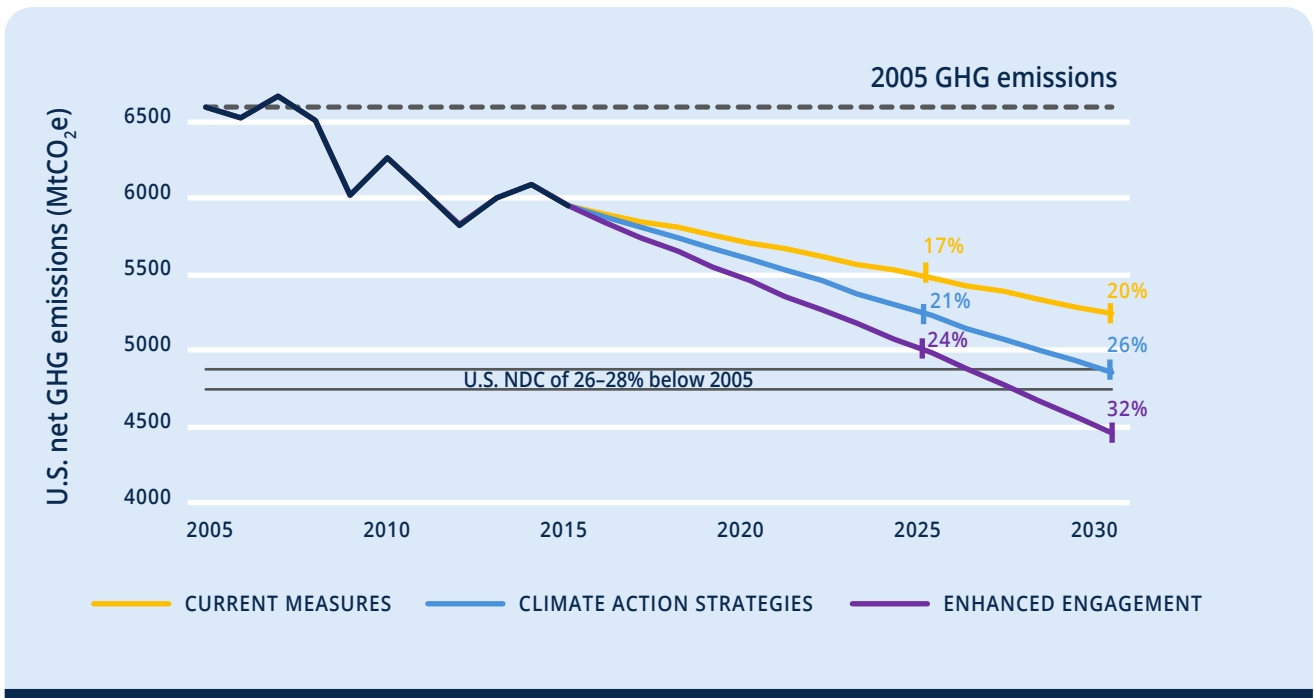


## Main steps of the guide

The guide provides a stepwise approach to estimating the potential impacts of non-state and subnational actions. The guide can be used to address various objectives, and users can skip through parts that are not relevant to their objectives.

As an example, the assessment done by the America's Pledge initiative demonstrated the extent of non-state and subnational actions in the United States, and their potential impact in key sectors. It also showed the potential impact if non-state and subnational actors further step up their actions. The assessment showed that non-state and subnational actors can have a substantial impact in reducing national emissions, and illustrated how existing and pledged non-state and subnational actions can deliver in specific sectors – for example, by increasing the amount of renewable electricity generated or the number of electric vehicles on the road. It also identified actions taken by a small number of actors that are having a big impact (e.g. on hydrofluorocarbons) and actions that are not leading to a big impact. The latter highlights where there is potential for non-state and subnational actors to deliver enhanced ambition.





In another example, WRI India and the Confederation of Indian Industry used the guide to analyse voluntary targets of 53 companies (representing 28% of India’s industrial sector emissions in 2014) to understand how they relate to India’s national GHG emissions projections for 2020 and 2030. The assessment concluded that these voluntary actions could lead to a 12% absolute

reduction by 2030 relative to a business-as-usual scenario. The study also found that almost 50% of the companies were likely to fully meet their commitments, after analysing companies’ plans to achieve these targets, historical emissions trends, progress already made towards targets, and other public commitments such as those relating to renewable energy.

