Compact of States and Regions - Briefing

Background and objective

The Compact of States and Regions, announced at the UN Climate Summit in New York in September 2014, will provide the first single, global account of greenhouse gas reduction targets made by state and regional governments. Supported by the UN, it is a partnership between The Climate Group States & Regions, CDP, R20 and nrg4SD. The Compact will provide an annual assessment of the commitments and progress toward those commitments by state and regional governments around the world to support international climate governance processes.

To join the Compact, governments are required to:

- 1) Make a public commitment¹ to reduce greenhouse gas emissions; and
- Publicly report a standard set of greenhouse gas inventory data to Compact partners on an annual basis.

To become an observer to the Compact, governments are required to:

- Make a public commitment to adopt a greenhouse gas emissions target within a two year period; and
- Commit to report inventory data within a two-year period, while reporting existing data until that time.

Why join?

State and regional governments have a critical role to play in addressing global climate change, as they have authority over key aspects of climate policy including energy, transportation, and the built environment. States and regions across the world are recognizing that the measurement, management and reporting of greenhouse gas emissions and climate change data is of growing importance. The process of reporting helps governments understand the risks and opportunities of climate change and increase the impact of their actions both within and beyond state borders.

By signing up to the Compact, governments:

- 1. Join an ambitious global group of governments setting bold climate change commitments;
- 2. Ensure that their climate commitment(s) and economy-wide emissions are backed by reliable, publicly available and traceable data;
- 3. Demonstrate to funders, companies, investors and other governments that they are leading on climate change;
- 4. Become part of a global, standardized reporting system led by global NGOs The Climate Group, R20, nrg4SD and CDP;

¹ Includes targets that have already been adopted. This commitment includes the following types of target: base year emissions goals, fixed-level goals, base year intensity goals, and baseline scenario goals. More information on these types of target can be found in Chapter 2 of the GHG Protocol Mitigation Goal Standard report that provides guidance for designing national and subnational mitigation goals, and a standardized approach for assessing and reporting progress toward goal achievement.









- 5. Take part in CDP's global reporting system and join over 5,000 companies and 200 cities, states and regions that already measure, manage and report their vital environmental information; and,
- 6. Identify risks and cost saving opportunities through the process of reporting.

How to report?

<u>CDP's states and regions platform</u> is specifically designed for state and regional governments. The online platform hosts questions relating to both the Compact of States and Regions and other related environmental data. The Compact will require governments to provide data annually. The Compact will work with other existing reporting platforms to include the data in its assessments.

Governments with existing GHG reduction targets and inventories can submit requested data points from existing inventories.

The Compact will not endeavour to create a new protocol for collecting and reporting emissions data, instead recognizing the various methodologies currently being used by participating governments around the world.

Alignment with the UN and other initiatives

The Compact Partners will working closely with UN bodies and other key partners to ensure that data collected through the Compact of States and Regions is aligned:

- <u>UNFCCC NAZCA portal</u>: We are working with the UNFCCC to ensure that relevant data collected on state and regional government climate action is fed into the NAZCA portal (Nonstate Actor Zone for Climate Action)
- <u>States & Regions emissions reporting initiative</u>: The full emissions reporting program, <u>piloted in 2014</u>, will be online alongside the Compact of States and Regions. In addition to the Compact data, governments are encouraged to report as much information to the other sections as feasible.
- Compact of Mayors: We are working with Compact of Mayors partner organizations to ensure that data collected through both platforms can be aligned and support future research on vertical integration of climate policy.
- The Subnational Global Climate Leadership MOU (Under 2 MOU): We are working with the
 governments of California and Baden-Württemberg to align both initiatives. The Compact of
 States and Regions provides a reporting mechanism for commitments made under the MOU.

Outputs and outcomes

- Provision of data to the NAZCA database (at regular intervals through the year)
- Public announcement featuring the initial Compact data and opportunity for country profiles (June/July 2015)
- Global assessment report (November 2015)
- Comparison and benchmarking of governments' disclosed data in interactive online reports (scope dependent on funding)







