T20 Policy Brief



Task Force 7 Towards Reformed Multilateralism: Transforming Global Institutions and Frameworks

EMPOWERING SUBNATIONAL APPROACHES THROUGH MULTILATERALISM TO COMBAT CLIMATE CHANGE

June 2023

Amlan Mishra, Research Associate, The Energy and Resources Institute (TERI) Soham Banerjee, Research Associate, The Energy and Resources Institute (TERI) Smita Chakravarty, Research Associate, The Energy and Resources Institute (TERI) Shubhi Goel, Joint Secretary, Carbon Markets Association of India (CMAI) Dorothy Ashmita Biswas, Research Associate, The Energy and Resources Institute (TERI)

Veena CP, Research Associate, The Energy and Resources Institute (TERI)

वशुंधेव कुटुम्बकम् ONE EARTH • ONE FAMILY • ONE FUTURE

Abstract



issues, including the various multilateral agreements, have largely been driven by traditional state-tostate diplomacy. Nevertheless, over the years, new diplomatic players, such as cities, public institutions, and other subnational entities, are gaining significant importance in climate diplomacy, and have brought forward ambitious commitments. Still, the United Nations Framework Convention on Climate Change remains the domain of national entities and does not recognise subnational actors as formal parties to the convention.

ialogues

climate

on

However, it is critical to acknowledge the role of subnational parties as key actors in the global system to scale up climate action, and include such entities in multilateral dialogue platforms. There is a need to institutionalise an arrangement that generates a conducive environment for subnational actors to explore knowledge sharing, peer-topeer interactions, and mutual capacity building actions that can lead to the creation of progressive and effective climate action. Such an arrangement will also be a unique opportunity for the underrepresented and indigenous groups in developing countries to have a say in intervention and policy design, and aid in the processes of inclusive and representative processes of multilateral agreements on climate change.

This policy brief aims to explore the potential for a global multilateral platform to provide a voice for subnational entities to negotiate and collaborate on climate action through the G20. The unique structure of the G20, with the presence of the Sherpa Track and engagement groups, allows for an ecosystem where such a platform can be piloted and scaled up.

The Challenge



ccording to the United Nations, by 2030, there will be 43 megacities with more than 10 million residents each.¹

More than half of humanity already lives in cities; city-dwellers will account for two-thirds of the world's population by 2050. Urban centres already produce more than 70 percent of global GDP, consume close to 70 percent of the world's energy, and produce more than two-thirds of its greenhouse gas emissions.² The cities slated to be the world's largest in the next two decades-with Delhi, Tokyo, Shanghai, Dhaka, Cairo, Mumbai, Beijing, Mexico City, Sao Paulo, and Kinshasa rounding out the top 10³-will face significant challenges. Infrastructure development, job creation, housing, public safety and law enforcement, healthcare. and climate change mitigation will all become increasingly critical issues. Several of the world's toughest multilateral problems-climate change, employment, migration, organised crime, terrorism, and income inequality - are beginning to concentrate in cities, and accordingly, city governments must be at the forefront of designing the most promising

and creative solutions, with the development of inclusive policymaking and innovative ecosystems.

Cities need to tackle the increasingly negative impacts of climate change on their residents. They also need to acknowledge the increasing contribution of their emissions to the global issue of climate change. Additionally, global warming further contributes to the issues of urban heat islands, which, along with the worsening air quality in cities, is also expected to increase the risk of poor human health and lifestyles. The increasing incidence of extreme events can further lead to the damaging of infrastructure and essential services throughout populous urban centres, which can contribute to increasingly damaging spill-over effects, such as water supply, lighting, schooling, medical centres, and housing.⁴ It is also essential to note that these incidences and problems have a magnified impact on the vulnerable and marginalised urban communities, especially the poor, migrants, and women.

The current Westphalian, nation-state diplomatic model is often engaged and focussed on the traditional issues of trade, global security and shifting alliances. While the purview of the nation-state diplomacy model remains the main system through which countries can engage with each other and carry out their responsibilities at the national and international level, past experiences have shown that these forums struggle to present a complete and holistic picture of the climatic challenges on the ground.⁵ It has been similarly difficult for the nation-states to develop and orient strategies that are able to address the challenges on the ground. Such a system also marginalises the agency of subnational actors to contribute and engage in these critical matters, limiting the ability of multilateral agents to practice inclusive diplomacy and enact grassroot-level interventions.

On a global issue like climate change, it is essential for cities to be engaged in the multilateral discussions, as, often, the city governments are both the primary source of data and the final body involved in the implementation of interventions. While cities have begun to engage in multilateral affairs, these have often been co-operative models, where cities have come together to share ideas and propose agendas to the national diplomatic bodies. Cities also have very small budgets for international activities. The traditional diplomatic summits, such as the Conference of Parties (CoP) and the G20, have also largely oriented towards discussions between nation-states, with subnational actors being largely marginalised and only engaging through voluntary, co-operative agreements. There is also a need to develop regular multilateral platforms, which can be funded through multilateral donor bodies or groups like the G20, where cities can come together and engage in peer-based learning of best practices and experiences. Cities need to move beyond simple economic or cultural exchanges, to co-ordinate through multilateral networks that are designed as global governance organisations and seek greater representation at the global high table. Such an approach will become even more pivotal as the world becomes more and more interconnected and urbanised.6

As Western countries endeavour to renew multilateralism to tackle global challenges, one should recognise the ever more important role of cities and their governments, which need the right tools to be part of the solution domestically and globally. It is evident that there cannot be success on the



climate front without the mobilisation, support, and involvement of subnational actors, especially the cities. Cities need to act as the local implementors of climate action, while increasing their roles on the global stage as drivers and facilitators of more inclusive and ambitious climate action. Cities can bring about a new and holistic dimension to the challenge of tackling climate change, while also introducing new horizons on exploring trade and investment, exchange notes on resilience and disaster risk reduction, or even building partnerships on technical exchange and best practices on public health, infrastructure, and development.

The G20's Role



t the first meeting of the Urban20 in October 2018 in Buenos Aires, the large cities of G20 economies delivered a communique to the G20 chair at the time, Argentine President Mauricio Macri (also a former mayor), to advocate for more attention to the needs and experiences of urban centres.⁷

Multilateral city networks have multiplied quickly over the past two decades. Examples of these include the United Cities and Local Governments organisation (founded in 2004), the Commonwealth Local Government Forum (founded in 1995), and the C40 Cities Climate Leadership Group, or C40 network (founded in 2005). Of these, the C40 is solely focussed on tackling the issue of climate change and acts as a multilateral organisation. It has partnerships with Bloomberg Philanthropies and a host of corporations, making it a unique publicprivate partnership model. The C40 believes that the density of cities and their sheer numbers, with its member cities representing 650 million people, requires cities to take an active role in engaging in climate action and making ambitious commitments to tackle emissions.

The proximity of city governments to the grassroots levels of the implications of climate change, as well as their essential responsibility in the implementation of adaptation and mitigation interventions leaders make them valuable partners in shaping the response to global challenges.8 Cities, local leaders, and local institutions also consistently interact with their constituents and are often afforded a higher level of trust due to their approachability and proximity to the citizens that they govern. This also feeds into their enhanced responsibilities of local service delivery, and the long-term consequences of their infrastructure investments.

These factors often ensure that cities are nimbler to respond, adapt, and innovate to the changing circumstances and the emerging challenges of climate change, as well as ensure quick implementation of interventions, with local actors further crucial in driving innovation and solutions.

Therefore, the buy-in for global cooperation on multilateral issues like climate change can be greatly enhanced by the framing of tangible problems and supported with local context and understanding. Engagement with cities can further help multilateral institutions access local information, which can lead to the design of more effective interventions and policies, while providing direct feedback. This was seen globally during the COVID-19 pandemic, where city diplomacy was crucial in ensuring collective action and co-operation. However, it is essential to note that the integration of separate city networks could potentially dilute the overall aim around climate action, as each individual network would seek to prioritise their own climate imperatives. Similarly, with the broadening agenda of the G20, there is a real risk of substate actors being subsumed and overwhelmed within the overarching priorities of the body. There is a need for the G20 to strike a balance between these two extremes, and to ensure that individual stakeholders can engage within the system effectively, while being aligned along the broader agenda of global climate action.

Therefore, the G20 has a key role in ensuring the mainstreaming of city diplomacy, with the adequate resources and finances to ensure a new level of co-operative multilateralism. While the Urban20 engagement group allows cities to come together to share best practices, as well as develop an action-oriented communique for the participating governments, the remit of this group should be further expanded to promote enhanced crossborder collaboration and problemsolving between the participating city governments. Through its influence and resources, the G20 can ensure adequate financing to sponsor experiencesharing visits between the participating cities as well as enable cities to engage with other multilateral bodies, such as multilateral development banks (MDBs). The G20 platform can also provide the resources for the building of datasets sourced from local data of the participating cities, for wider dissemination between multilateral networks. With a new set of cities being invited to join the Urban20 every year, the experience of this participation can be instrumental in building nationwide capacities of the cities of the G20 member countries. Additionally, with a complement of diplomats to ensure capacity-building, the G20 can ensure that the revolving set of participating cities are also able to build up their ability to engage in city diplomacy post the G20 summit and carry forward an action-oriented agenda.

The G20's different engagement groups, with their varied focusses and

approaches, also allows for cities to engage with them to share learnings and best practices on varied areas of action. This will enable a wider dissemination of best practices and emerging climate actions to more and more city governments throughout such summits. Such an approach will be further strengthened by facilitating the participation of the largest cities and the capitals of the G20 countries in the summit process, enabling the largest cities of the G20 to directly engage in knowledge sharing, networking, and capacity building with others as part of the G20 process. This pool of cities could also be rotated on a biannual basis, ensuring the continued and extensive participation of some of the largest subnational actors in the multilateral process of the G20. Furthermore, such an arrangement will also enable cities of regions near the G20 countries to participate in crucial knowledge sharing and capacity building arrangements. Lastly, the co-operative and successful multilateral reputation of the G20 will be of enormous support in facilitating and developing this new and co-operative multilateralism, with city diplomacy empowered and encouraged by this association.

Recommendations to the G20





Changing the multilateralism narrative

А new multilateral system that accommodates cities and includes in the decision-making them process can provide the catalyst for frameworks of new co-operation within multilateral structures. The development of these frameworks could be accelerated with clear directives from the G20 member states. A major component of these frameworks will be an acknowledgment of the potential of city governments as public institutions that can be incorporated into international policymaking while gaining the opportunity to represent themselves globally. Such a system will also enable an environment where cities can be involved as partners in problem solving, can make recommendations on the resources involved in the design of solutions, and can advance its own capacities in their execution.

The G20 can also include the space for representative city chairs in its deliberation and summit process, with the representatives holding these positions for one year. This can enable the involvement of cities in inclusive policymaking, while the revolving nature of the city chair will ensure that all disparate and representative views within the countries are considered, as are potential solutions from within the countries.

Within the G20, such a framework can also involve the space for identifying and adapting to specific challenges where cities are uniquely positioned to provide solutions. Such a space, under the expanded aegis of the Urban20, can be driven by the cities themselves. Examples of such challenges include urbanisation, slums, air pollution, and climate change reporting, among others.

In the future, such a framework can be further expanded with the support of the G20 to involve cities in the deliberations and negotiations of the different and relevant multilateral agreements and bodies, such as securing a seat for cities at the CoP and the UN Framework Convention on Climate Change, among others. Additionally, there is the potential to localise the Sustainable Development Goals to city contexts.

Increasing linkages between city networks

Over 90 percent of cities are partnering or interested in partnering with other local governments in the pursuit of transportation, renewable electricity, and energy efficiency solutions.9 Often, city networks have overlapping focusses within parallel tracks that do not intersect. This has led to the siloing and fragmenting of city networks, with multiple networks of cities pursuing similar objectives separately. The G20 can provide a unifying, supportive, and powerful multilateral platform, where city-to-city collaboration, knowledge management, and innovation sharing can be strengthened. Such a platform can also provide the impetus to further foster relationships and networks between cities, leading to a more unifying and coordinated approach to tackling climate change.

This platform can also encourage and drive its member cities to enhance their intra-city and suburban communication and governance networks to present a more inclusive and holistic picture of their issues and commitments on the multilateral stage. This will allow city governments to approach policymaking and solutions from both bottom-up and top-down approaches. Similarly, this will enable the suburban and hinterland communities in these cities to have a voice at a multilateral platform, ensuring their unique challenges are considered.

Building the capacities of cities to engage globally

Many cities, especially the medium and smaller one, do not have the requisite financial resources and the capacity to engage effectively in the multilateral system. There is the risk of city diplomacy fragmenting and becoming the purview of 'global cities' that can mobilise the resources and staff to engage in global networks. Several cities do not have budgets to engage in international travel or to host delegations from foreign countries. The G20 can facilitate the initial generation of a fund that can serve these cities to engage in global diplomacy on a rotational and capacity-building basis. It can similarly leverage its financial expertise and networks to enable cities to create such funds themselves, as well as facilitating visits between similar mid-size cities in international exchanges to ensure that perspectives beyond major metropolitan areas are also considered. The potential for multilateral financing to directly feed into cities can ensure a new format of

direct access financing, enabling the environment for more inclusive and cooperative multilateralism.

The Urban20 and the G20 can act as the mediators in engagements between the city and subnational governments and international climate funds, the Bretton Woods institutions, MDBs, and public development banks. This would increase the exposure of the cities, build upon their knowledge and capacities, and enhance finance mobilisation for effective local climate interventions.

The G20 member countries can also provide their expertise and knowledge, through policy practitioners and diplomats, to better support local government leaders on international visits. National ministries and state departments should provide advisory support to these foreign delegations, through policy briefings, meeting advice, experience sharing, and recommendations. These departments can also work with city leaders to create branches of city diplomacy institutions, which can provide early advice to city leaders planning international visits or hosting foreign delegations. Key advice from experienced diplomats on recommendations, meetings to seek, or institutions to consider for potential

partnerships will greatly enhance the diplomatic capabilities of cities.

The wider community of knowledge institutions, policy practitioners, experts and academics should look for partnerships to disseminate information both to and through city leaders, ensuring that these messages can build capacities while also filtering down and conveying their importance to regular citizens.

Aligning subnational policymaking and strategies with national policy goals

National ministries of the G20 member nations should seek to develop a model of inclusive policymaking that is bottom-up and upwardly convergent. This will deepen democratic ownership at all levels of governance in the pursuit of common goals and ensure the development of a model of knowledgeintensive policy design, with the utilisation of consultative processes, stakeholder participation, cooperation, and joint learning. This will be especially important in aligning local contexts and development priorities with the design of climate interventions, as well as ensuring that the fulfilment of national commitments is also aligned with subnational priorities.

As an additional benefit, a national interlinked ministrv more in governance and policymaking with local governments can leverage these experiences and networks to ensure that subnational expertise can be utilised in critical national and international dialoques. Such co-ordination of nation-states and cities can further improve upon their engagements with their growing linkages overseas, warding off the danger of mixed policy and commitment messages. It will also enable national ministries to further advance the international priorities of their subnational compatriots in the multilateral platforms and discussions, such as the CoP, the G20 and other summits, especially the two key upcoming UN intergovernmental summits (namely, the Summit of the Future in 2024 and the 2nd World Social Summit in 2025).

Setting up information-sharing platforms in the G20 system

The G20 platform can be further utilised to explore financial and technological solutions to reduce the costs and inequities in the communications of multilateral city arrangements, and to further strengthen the involvement of grassroots organisations in such deliberations. The G20 can provide the means for technical support, along with the finances, to drive capacitybuilding during the designing, advising, implementing, financing, and assessing of policy measures. Furthermore, the larger involvement and networks of various multilateral organisations with the G20, such as different national parliaments, economic, and social councils and global citizen bodies, can ensure the creation of a holistic and inclusive programme of training, peerlearning, and knowledge sharing.

Such a platform can also promote a drive towards increasing data availability and transparency, emanating from the multilateral level, and filtering down to the implementing bodies at the grassroots level. The enhanced data collection can drive better analytics, and understanding of climate change and knowledge of the impacts of international decisions and agreements at the local level.

The collection of such data, the corresponding policy discussions, and the associated capacity building programmes can lead to the establishment of knowledge hubs and information banks, which can aid in the dissemination and democratisation



of information. This system can also enable city and state officials to become easily aware of the activities of their counterparts, as well as refine their agendas accordingly. Such an information bank can also aid in the tracking of ongoing engagements of cities through trade delegations, linkages, and networks, and can enhance coordination, exploration of additional avenues of cooperation, and the setting up of permanent cooperation models based on past learnings and experiences.

Attribution: Amlan Mishra et al., "Empowering Subnational Approaches through Multilateralism to Combat Climate Change," *T20 Policy Brief*, June 2023.

Endnotes

- 1 United Nations, Department of Economic and Social Affairs, Population Division, World Urbanization Prospects: The 2018 Revision (ST/ESA/SER.A/420), New York: United Nations, 2019, https://population.un.org/wup/Publications/Files/WUP2018-Report.pdf
- 2 International Energy Agency, Empowering Cities for a Net Zero Future: Unlocking Resilient, Smart, Sustainable Urban Energy Systems, OECD Publishing, 2021, https://www.iea.org/ reports/empowering-cities-for-a-net-zero-future
- 3 Chen, Shiyin, Qingxu Huang, Raya Muttarak, Jiayi Fang, Tao Liu, Chunyang He, Ziwen Liu, and Lei Zhu, "Updating global urbanization projections under the Shared Socioeconomic Pathways", Scientific Data 9, no. 1 (2022): 137.
- 4 Hachigian, Nina, "Cities will determine the future of diplomacy", *Foreign Policy* 16 (2019) https://foreignpolicy.com/2019/04/16/cities-will-determine-the-future-of-diplomacy/
- 5 Ayres, Alyssa. "The New City Multilateralism." *Council on Foreign Relations, June* 27 (2018): 2018 https://www.cfr.org/expert-brief/new-city-multilateralism
- 6 Fry, Earl H. *The Expanding Role of State and Local Governments in US Foreign Affairs*. Washington D.C.: Brookings Institution, 1998.
- 7 Urban20, G20, <u>https://www.urban20.org/wp-content/uploads/2021/02/2018_PRESS_RELEASE_COMMUNIQUE_ENGLISH.original.pdf</u>
- 8 C40 Cities Climate Leadership Group, Unlocking Climate Action in Megacities, May 2016, London, C40 Knowledge Hub, 2016, https://www.c40.org/wp-content/ uploads/2021/08/54_unlocking-climate-action-in-megacities-PROOFED_REVIEWED. original.pdf
- 9 The U.S. Conference of Mayors and the Center for Climate and Energy Solutions (C2ES), Mayors Leading the Way on Climate-2020, January 2020, The Center for Climate and Energy Solutions (C2ES), 2020, https://www.c2es.org/document/mayors-leading-theway-on-climate-2020/



वशुंधेव कुटुम्बकम् ONE EARTH • ONE FAMILY • ONE FUTURE



