

Sustainability

More ambition required to meet global climate targets.

The United Nations has released its Emissions Gap Report for 2024, providing a global assessment of whether the world's climate policies and commitments are sufficient to reach the Paris Agreement's target of limiting global warming to 1.5°C. According to the report's modelling, **the world is on track for best-case global warming of 2.6°C this century.**

The emissions gap is the difference between the level of global greenhouse gas (GHG) emissions resulting from the full implementation of country-level policies and measures and the GHG levels under the emissions reduction pathways aligned with the Paris Agreement temperature goal.

The UN Emissions Gap report is relevant in the context of the next round of Nationally Determined Contributions (NDCs), which countries that are signatories of the Paris climate agreement are required to submit every five years. NDCs present each country's national efforts to reach the goal of limiting warming to well below 2°C. The next round of NDCs is to be communicated by February 2025 and will include mitigation targets for 2035.

If governments take the findings into account, a

ratcheting up in the level of climate ambition can be expected. Pressure on governments to do more and raise their level of ambition in connection with climate action is unlikely to ease.

The report also found that the Agriculture, Forestry and Other Land Use (AFOLU) sector globally can more than pull its weight in emissions mitigation. The sector is responsible for 18% of global emissions in 2023 but holding 31% of the total mitigation potential to 2035. The report also highlights a considerable increase in investment required in the sector, with a large gap between funding needs and actual funding flows needed to reach a 1.5°C trajectory and mitigation potential.

Although it is still technically possible to get on a 1.5°C pathway, it becomes increasingly challenging as time passes. Overcoming any policy, governance, institutional, and technical challenges and barriers would require significant global mobilisation by both governments and the private sector.

What to watch:

- **The Taskforce on Nature-Related Financial Disclosures (TNFD) has published draft guidance on nature transition planning** – This guidance outlines how corporates and financial institutions can develop and disclose nature-related impacts and dependencies in line with the TNFD's recommended disclosures.



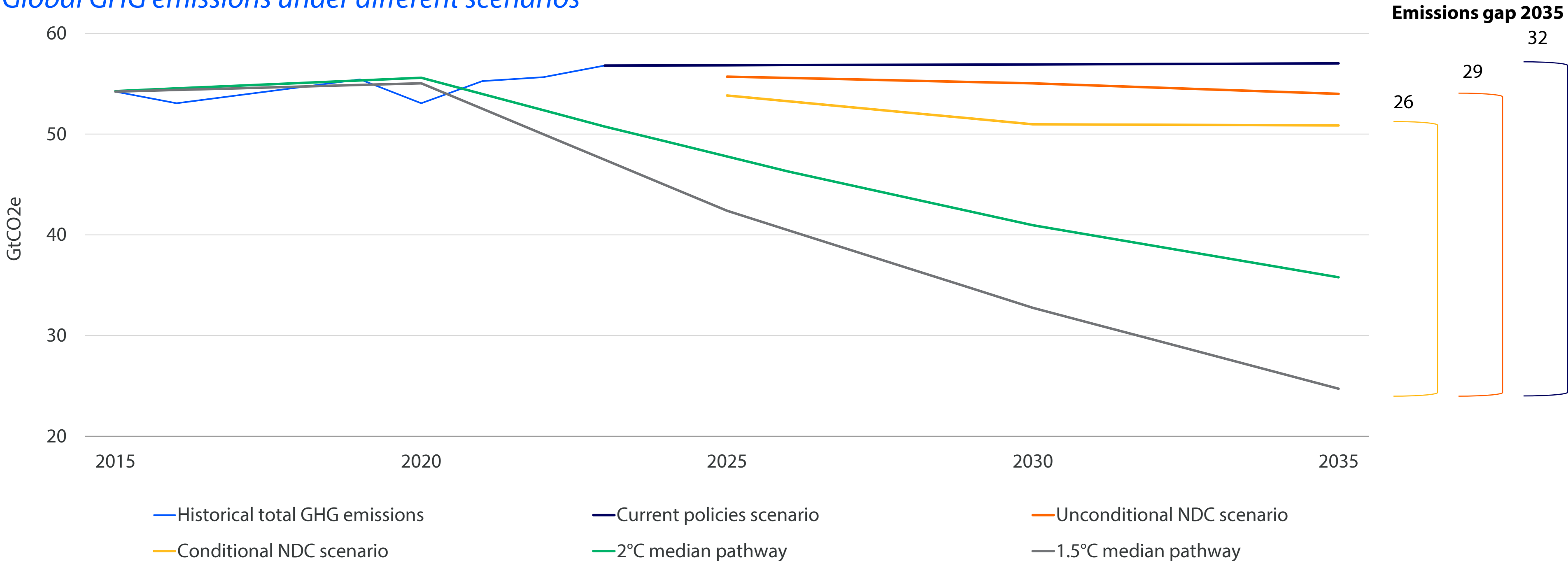
Anna Drake
Sustainability Analyst

Anna.Drake@rabobank.com
X: @itsadrake

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Gap remains between global policies and commitments and warming targets

Global GHG emissions under different scenarios



Source: United Nations, RaboResearch 2024