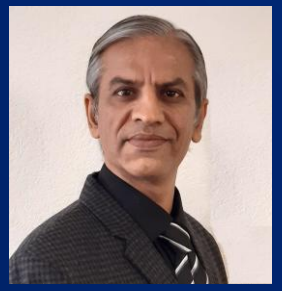
Accelerating international cooperation on CETMs for advancing the global agenda on climate action

Meeting of the ESCWA Expert Group on Extractive Industries

21 May 2025

Kapil Narula, PhD
Climate Champions Team

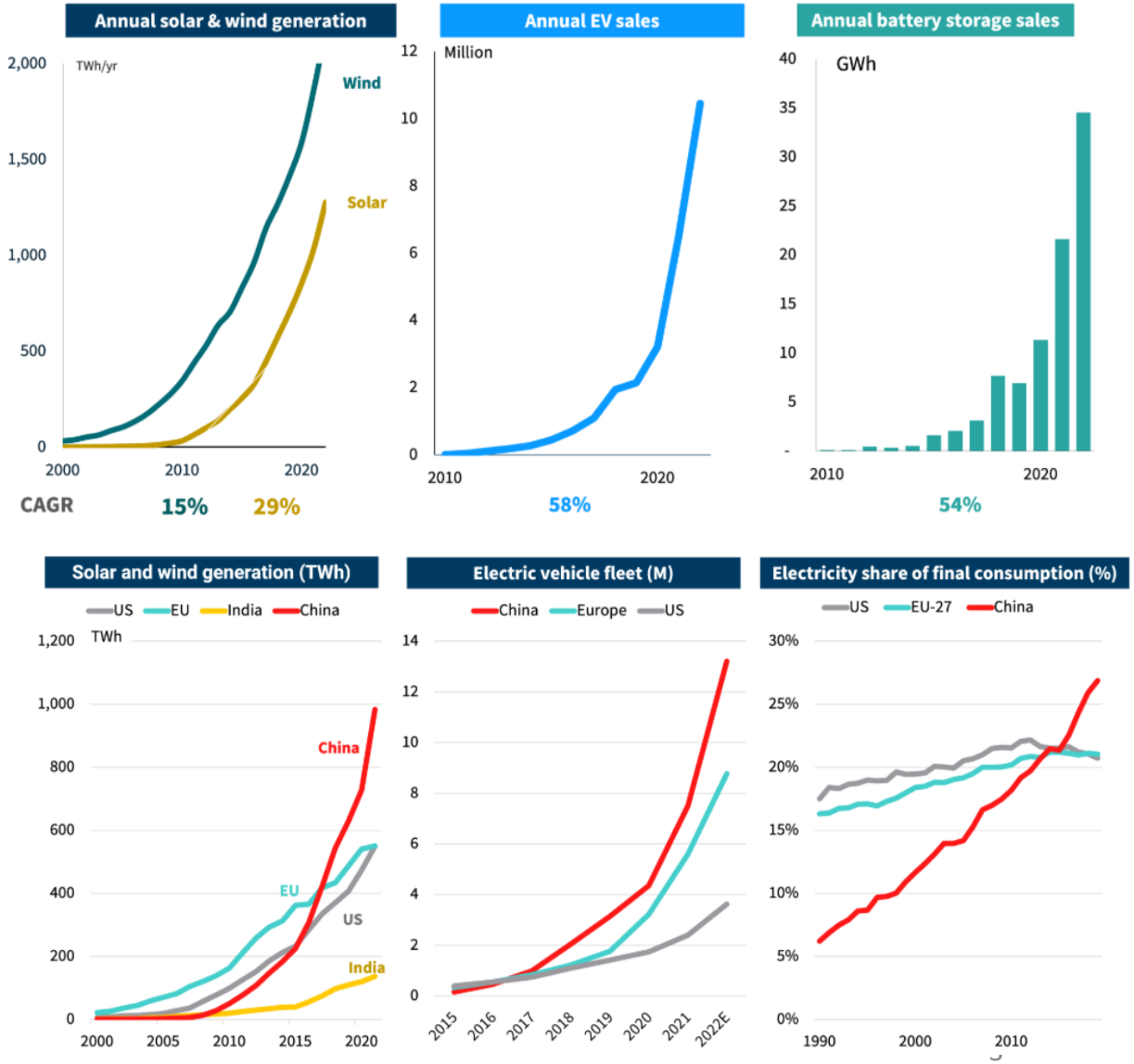


Content

- Bright spots in adoption of clean energy technologies
- Concentration in clean technology supply chains
- Advancing international cooperation on CETMs
- Accelerating climate action - The Breakthrough Agenda
- Call to Action

Adoption of clean energy technologies

- Deployment of few clean energy technologies is exponential
- Progress is uneven across sectors and geographies
- Across manufacturing, deployment, and costs, China leads the race

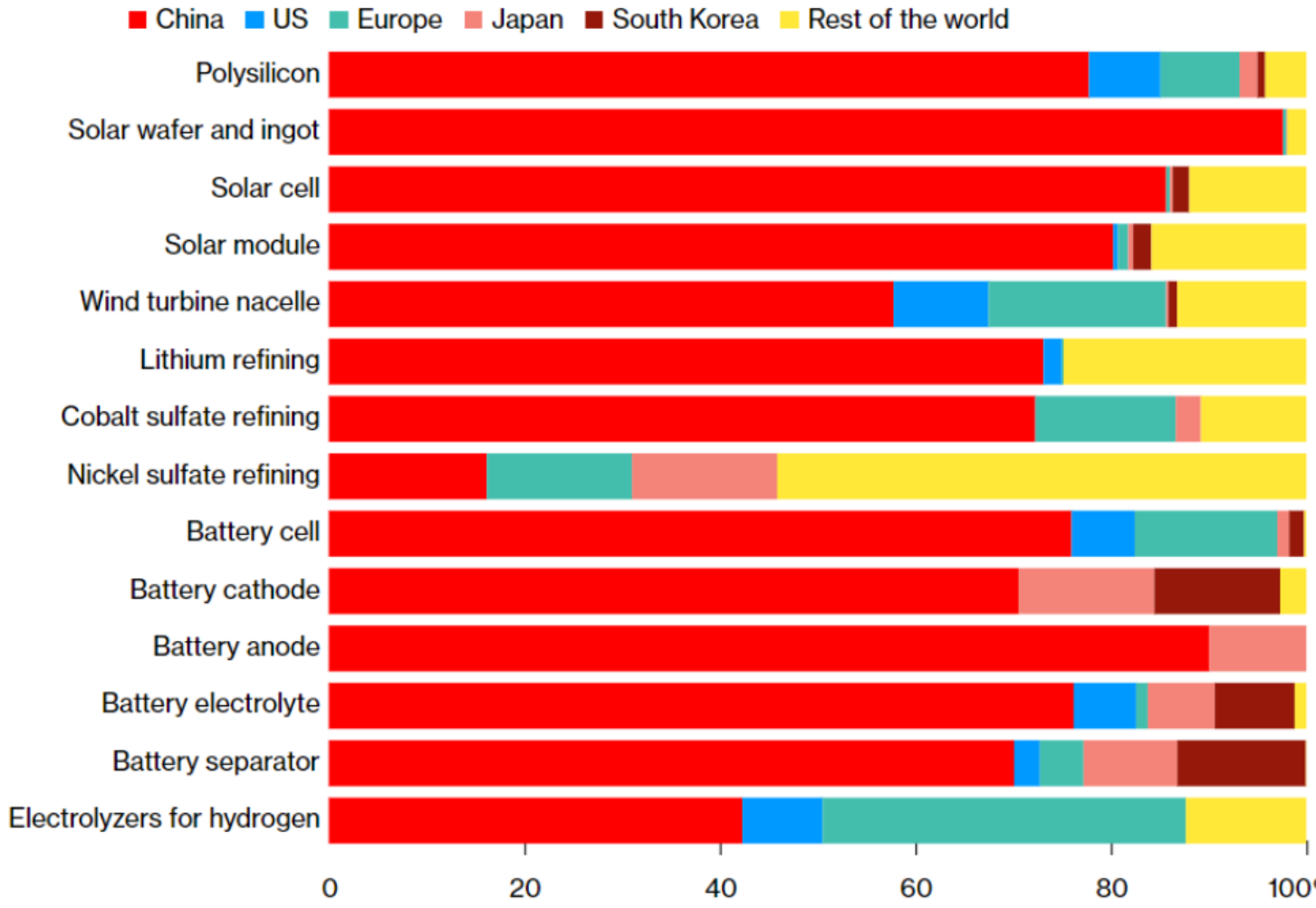


Source: RMI

Clean technology supply chains

- Clean tech manufacturing is heavily concentrated in China
- Pros: Onshoring diversifies value chains, has political support, creates local value, security
- Cons: Expensive to replicate and localize lean & efficient global supply chains, increases overall cost for energy transition

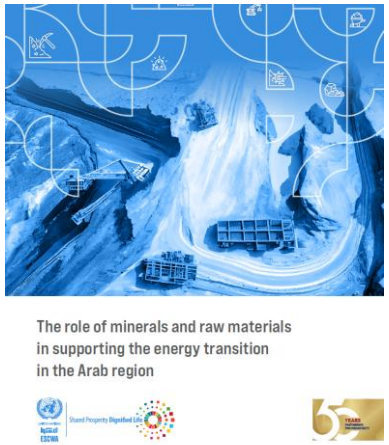
Clean energy manufacturing capacity by location



Source: BloombergNEF

Advancing international cooperation

- Creating an **International Critical Minerals Observatory (ICMO)** supported by the UN regional economic commissions
- Adopting **data reporting framework** and resource management systems. Maintaining a **central database**, including stockpiles of various CETMs
- Integrating the CETMs agenda into **existing multilateral forums**, including in discussions on climate finance
- **Mobilising a global fund for CETMs** to address investment shortages and to fund activities for **just transition in mining**
- Ensure transparent supply chains by endorsing a **global mining standard**
- Promoting **economic diversification by fostering local value addition** and providing technical, financial, knowledge services through **establishing regional Centre of Excellence**



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CONCEPT NOTE

Task Force 5: Accelerating Climate Action and the Just Energy Transition

Policy Brief 2025
Equitable CETMs Value Chains:
How can G20 help shape a holistic framework for benefit sharing for the Global South

Accelerating climate action

BREAKTHROUGH AGENDA

- An established annual process launched at COP26
- Owned and led by global south and north countries
- Reinforces & connects successive COP action agenda
- Seven sectors covering over 60% of global emissions
- Involves 150+ major international initiatives

Now backed by **61 countries** covering over **80% of global GDP**

Sector Breakthroughs - Goals

BREAKTHROUGH AGENDA

Power

Clean power is the most affordable and reliable option for all countries to meet their power needs efficiently by 2030.

Co-leads: Morocco and UK
Launched: COP26
Signatories: 36
Sector Facilitator host: IRENA

Road Transport

Zero emission vehicles are the new normal and accessible, affordable, and sustainable in all regions by 2030.

Co-leads: India, US and UK
Launched: COP26
Signatories: 34
Sector Facilitator host: ICCT

Steel

Near-zero emission steel is the preferred choice in global markets, with efficient use and near-zero emission steel production established and growing in every region by 2030.

Co-leads: Germany and UK
Launched: COP26
Signatories: 31
Sector Facilitator host: UNIDO

Hydrogen

Affordable renewable and low carbon hydrogen is globally available by 2030.

Co-leads: India, US, UK
Launched: COP26
Signatories: 37
Sector Facilitator host: IPHE

Agriculture

Climate-resilient, sustainable agriculture is the most attractive and widely adopted option for farmers everywhere by 2030.

Co-leads: Egypt and UK
Launched: COP26
Signatories: 17
Sector Facilitator: TBC

Buildings
(new at COP28)

Near zero-emission and resilient buildings are the new normal in all regions by 2030.

Co-leads: France and Morocco
Launch: at COP28
Signatories: 28 confirmed
Sector Facilitator host: Global ABC

Cement
(new at COP28)

Near zero-emission cement is the preferred choice in global markets, with efficient use and near-zero emission cement production established and growing in every region by 2030.

Co-leads: Canada and UAE
Launch: at COP29
Signatories: 5 confirmed
Sector Facilitator host: TBC

Road Transport – PA on Supply Chains

‘Zero emission vehicles the new normal and accessible, affordable and sustainable in all regions by 2030’.

GBA BATTERY PASSPORT

- Improve the sustainability and transparency of **ZEV battery supply chains** globally
- Program to achieve **full value chain transparency**
- **Global reporting framework** to govern rules around measurement, auditing, and reporting of ESG parameters across the battery value chain
- A **digital ID for batteries** containing data about ESG performance, manufacturing history, provenance, battery life extension, recycling
- A **digital platform** to collect, exchange, collate and report data among all authorized lifecycle stakeholders

Results of the 2024 Piloting Exercise

Number of consortia that participated in the piloting programme	**13**
Proportion of global cell manufacturing capacity accounted for by piloting companies	**80%**
Number of piloting consortia that successfully completed the core reporting requirements	**10**
Number of piloting consortia that engaged in additional trials of data verification	**5**
Number of cell manufacturers considered “on track” to meet due diligence expectations of EU Batteries Regulation based on piloting results	**3**
Average number of supply chain companies that participated, per successful consortium	**6.1**
Total number of supply chain sustainability reports gathered	**~200**

Call to Action – A Cooperative Path Forward

- CETMs are a **shared enabler** for climate action, energy transition and prosperity through economic diversification
- **Accelerate international cooperation** and inclusive partnerships
- Arab region has the potential — and responsibility — to **lead by example**

Image: Generated by Gemini

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