

Good COP, bad COP... and empty vessels

Angus Leslie Melville

05/11/2021

As the first week of COP26 draws to a close, the time has come to marvel at world leaders dozing their way to oblivion and Greta Thunberg expanding her vocabulary, ably assisted by Glaswegians who consider swearing to be an art form.

Primary among thoughts is “how much longer does this pantomime run” as we’re fed a daily fare of climate change ambitions, but not an awful lot you can hang a hat on.

Oh, to be sure, we’ve written our fair share of news stories on the summit... it would’ve been rude not to.

But as you trawl through the key take-aways from the Glasgow summit, it is incumbent on those of us who peer on from the side lines to take a tally on the good, the bad and the empty vessels (which my grandmother would take great joy in pointing out make the most noise).

Flicking through the virtual news sites (does anyone buy papers any more), it’s hard to keep an eye on the ball as the generalist media prattle on about Joe Biden catching a few zeds. Come along, every last one of us has nodded off at a conference... sometimes it’s a shocker to see people awake.



Far more interesting – though it does set some people’s teeth on edge – are the campaigners of the Thunberg ilk who (love ’em or hate ’em) play a more significant role than they are given credit for.

Frankly, all strength to them. Cast your mind back to the Peasant Revolts of medieval Europe. Change can be driven from the grass roots and they should be encouraged peacefully (but noisily) to voice their opinions... even if a bleeper has to be deployed.

But for the event itself, I would hand over to James Cameron who last month was voted winner of the [IJGlobal ESG Lifetime Achievement Award](#) and said an interview with this title: “There will be a lot of initiatives launched with a genuine desire to deliver, but perhaps not quite with the resources in place. I am a lawyer by training, so I would like to see contractual obligations... a real commitment to deliver an outcome and be accountable for it.

“There won’t be a lot of that. There will be a lot more commitments that are either political rhetorical, business intention or changing the narrative for investors.”

And that’s pretty much what we’ve seen.

This COP26 thing...

With a no-show from Xi Jinping and Vladimir Putin, and Turkish president Recep Tayyip Erdogan pulling out at the last minute, from an attendance point of view COP26 didn’t get off to the best of starts.

Straight out of the trap, the world was treated to a parade of rhetoric with UN Secretary-General Antonio Guterres scooping the sabre-rattling award with a dire warning that “we are digging our own graves” only for this to be assuaged by a slew of countries committing to attaining Net Zero in fairly short order.

However, the impact of these Net Zero commitments was somewhat undermined by India being the only BRICS nation – which account for more than 40% of global emissions – to attend. Nice one Narendra Modi... but you lost the room with your commitment to hit Net Zero by 2070.

With most of the world having agreed to target 2050, China and Saudi Arabia were not toasted for splitting the difference at 2060.

The commitment to halting deforestation and reversing the process, would have been a lot more impactful had Brazil been in the room, but at least it did join the 100+ world leaders who signed up.

More than 40 world leaders signed up to a new declaration to deliver cleantech and solutions by 2030 in The Breakthrough Agenda... which sounds rather spiffing. It aims to halve emissions by 2030 and has been backed by nations representing more than 70% of the global economy.

Coal took the battering it expected with more than 40 countries committing to shift away from it. This was inevitable as we have been tracking lenders and multilaterals in recent months announcing they would not support projects in this space. Restrictions on plastics and oil and gas financing are heading the same direction.

It's only a matter of time before the likes of the Big 4 management consultancies, first tier law firms, et al take affirmative action by axing these team... only for them to set up on their own with no offices (so they can't be picketed) and make fortunes as the cowboys in dark Stetsons while the virtuous cowboys in a lighter shade of 10-gallon hat look on enviously.

What is even more worrying from the IJGlobal perspective is that people have started asking questions about whether we should be giving awards in this space. A good deal of bluster was deployed and that can was kicked firmly down the road... for this year. But we are going to have to take a look at it soon and – in all likelihood – our ESG awards that we launched this year are going to morph into the greenfield event which will have our accountants wailing with fury.

The Glasgow Financial Alliance for Net-Zero (GFANZ) was an interesting development at COP26 with former Bank of England governor Mark Carney and UK chancellor Rishi Sunak confirming its goal to unite the global financial sector in transitioning to net-zero portfolios by 2050.

GFANZ launched in April and now represents more than \$130 trillion in assets under management. Its members have to transition their portfolios to bring them in line with the Paris Agreement and now accounts for 40% of the world's total financial assets.

Oh there was so much more to report on... but while it is difficult to pick out an individual tree in a forest and – once done – even more challenging to find it again, one is rather left wondering whether it all amounts to a hill of beans.

As my grandmother took great delight in saying “empty vessels make most noise” and while she was referring to oafish teenagers daring to open their mouths, it rather makes one think of the amount of noise coming out of Glasgow and the (possible) emptiness of these words.

Maybe the time's arrived for all of us to join Greta and her chums.

Photo credit: Anders Hellberg, [CC BY-SA 4.0](#), via Wikimedia Commons

Thank you for printing this article from IJGlobal.

As the leading online publication serving the infrastructure investment market, IJGlobal is read daily by decision-makers within investment banks, international law firms, advisory firms, institutional investors and governments.

If you have been given this article by a subscriber, you can contact us through www.ijglobal.com/sign-in, or call our London office on +44 (0)20 7779 8870 to discuss our subscription options.