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Yet another wasted climate summit

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The world makes scant progress at COP31 in Antalya

This year has hardly been short of extreme weather: Europe suffered widespread wildfires and heat waves that may have claimed as many as 50,000 lives. Much of the U.S. endured drought, while a devastating glacier collapse in Nepal killed at least 1,000 people – another 5,000 are still missing. And in Indonesia, drought fueled a record-breaking wildfire season. I experienced this firsthand in Singapore in October – or rather, smelled it.

The so-called Super El Niño will probably make 2026 the hottest year on record. The previous record is just two years old. In 2015, the 197 parties to the UN Framework Convention on Climate Change agreed at COP21 in Paris to cap global warming at 1.5°C. This year, the world will probably exceed that limit.

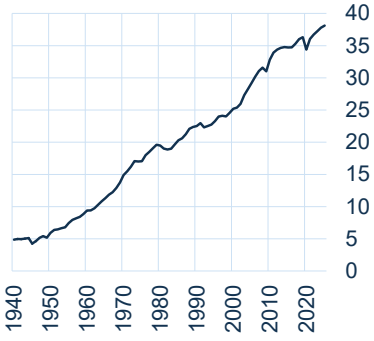
That should make governments redouble their efforts. Climate change is not only causing human suffering but also imposing ever greater economic costs. Just ask the Rhine's barge operators! This August, low water forced many vessels to carry a third of their usual cargo or less – driving up freight costs. Overall, the climate is changing faster than scientists had predicted. Every warning light is flashing red.

What more will it take?

Global emissions are still nowhere near leveling off, although their growth has slowed – not least thanks to progress in China (see fig. 1). Since some greenhouse gases linger in the atmosphere for decades, atmospheric greenhouse-gas concentrations would keep rising even if we reached net-zero nirvana tomorrow (see fig. 2).

2026 is a year of climate extremes

Fig. 1: Global CO_2 emissions (through 2025; in billion metric tonnes)



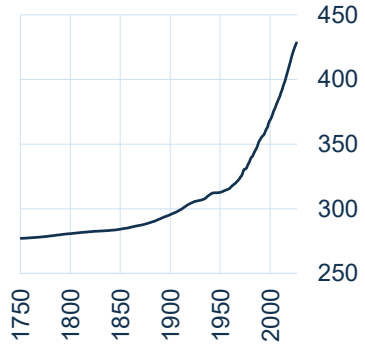
Source: Global Carbon Project, LBBW Research

Yet despite the stream of grim news and the scorching summer, the climate crisis is slipping down Germany's agenda – and not just the federal government's (see fig. 3). Chancellor Friedrich Merz's absence from Antalya fits the pattern. He stayed away partly because he wanted to celebrate his 71st birthday with a family meal "at an Italian restaurant." That does raise questions.

Unfortunately, Merz was not the only leader to skip the summit. France's president, Emmanuel Macron, and India's prime minister, Narendra Modi, were absent too. Donald Trump was an especially conspicuous no-show. But he considers climate change a "green scam" anyway and ordered the U.S. withdrawal from the Paris Agreement on his first day in office.

U.S. mayors and Democratic state governors, together representing more than half the country's population, did travel to Antalya, however – an encouraging sign in light of the U.S. midterm elections. And the reelection of Brazil's president, Lula da Silva, naturally lifted delegates' spirits. Whatever one makes of his economic policies, his government has made major strides in tackling climate change and protecting the rainforest.

Fig. 2: CO_2-concentration in the atmosphere (ppm)



Source: University of Melbourne, LBBW Research

Climate investment: the funding gap

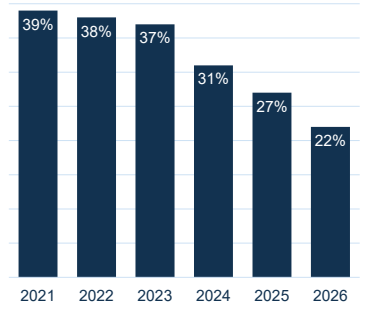
Once again, there were no firm pledges to fund climate investment in the so-called Global South. Yet rapid population growth makes such funding urgently necessary. If current trends continue, greenhouse-gas emissions from developing and emerging economies other than China will exceed those of industrialized countries, including China, by the mid-2040s.

Moreover, cutting emissions of gases such as CO_2 is often much cheaper in poorer countries than in Germany. German emissions have been falling for many years. We have probably already taken many of the easiest, cheapest steps. Much of the low-hanging fruit has already been picked. But greenhouse gases have the same effect on the climate whether emitted in Germany or Jamaica.

The sums needed in the Global South are probably smaller than the frequently cited $1.3 trillion from 2035 onward. Working with a group of other experts, we ran the numbers in a study that has yet to be published. After excluding wealthy emerging economies ("high-income countries"), we found that "only" just over $800 billion a year would be needed from external sources. Additional funds would have to be raised locally.

Securing the urgently needed breakthroughs would require different voting rules at climate summits. Under the current system, a small group of countries, most of them oil producers such as Russia or Saudi Arabia, can block a decision to move away from fossil fuels. Yet changing the rules also requires unanimity. A classic catch-22.

Fig. 3: Share of people who think that climate change should be a priority in Germany



Source: Statista, LBBW Research

Climate investment lacks funding

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