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COP28 Unpacked: Assessing Outcomes and Shaping the Climate Policy Agenda

COP28
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Sustainability Research Paper

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As a key event in the global climate calendar, the 28th Conference of the Parties (COP28) to the United Nations Framework Convention on Climate Change (UNFCCC), hosted by the United Arab Emirates (UAE) in Dubai, was tasked with conducting the first official assessment of the world's progress under the Paris Agreement (PA) and identifying remaining challenges. The conference was able to conclude this "Global Stocktake" (GST) and notably, also set up the previously highly contested Loss and Damage (L&D) Fund on its first day. However, despite these significant achievements, the overall success of COP28 was mixed given that several negotiation topics either did not achieve outcomes at all or the results were perceived as weak and unsatisfactory. This paper, on the outcomes of COP28, builds on the analysis presented in the Al-Attiyah Foundation's November paper,[1] which provided a detailed background on COP28 with a focus on the Middle East and North Africa (MENA) region.

SUSTAINABILITY RESEARCH PAPER

This research paper is part of a 12-month series published by the Al-Attiyah Foundation every year. Each in-depth research paper focuses on a current sustainability topic that is of interest to the Foundation's members and partners. The 12 technical papers are distributed to members, partners, and universities, as well as made available on the Foundation's website.

COP28 held at the sprawling World Expo site in Dubai, ended with significant achievements but also saw unexpected failures regarding important topics. It managed the historic operationalization of the L&D fund with a funding of about USD 0.7 billion and the groundbreaking inclusion of language regarding the weaning off fossil fuels in the GST decision. However, COP28 also suffered setbacks, notably the deferral of crucial international carbon market agenda items under Article 6 and several adaptation-related topics, such as inability to take decisions on National Adaptation Plans and the Adaptation Committee report. With 100,000 participants, COP28 was the largest UNFCCC meeting to date.

Alongside the formal negotiations, the conference saw the launch of several side deals and initiatives, championed by the proactive approach of the COP President. Notable significant initiatives include:

- the Global Renewables and Energy Efficiency Pledge – a key initiative aims to substantially boost global renewable energy generation capacity[2];
- the Emirates Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action – an endeavour to mainstream food systems in climate policy[3]; and
- the UAE Declaration on Climate and Health – an initiative that focuses on adapting health systems to climate change while ensuring they remain low-carbon, sustainable, and equitable[4].

The outcomes of COP28 have set the stage for COP29 in Baku, which may probably be the most important COP of this decade as it has to decide on the New Collective Quantified Goal (NCQG) on international climate finance and expected to remedy the failure of COP28 to resolve issues relating to the operationalisation of international carbon markets under Article 6. These areas are poised to significantly influence the agenda and expectations for COP29, underscoring the ongoing complexities and imperatives of global climate action and policy.

COP28 marked a noteworthy return of this pivotal event to the Gulf region, following COP18 in Doha, Qatar, in 2012. COP28 had several crucial tasks[1], including concluding the first GST to assess collective progress towards the Paris Agreement's goals and providing a platform for parties to adopt a roadmap for accelerated climate action. A significant focus was on the operationalization of the L&D fund, with financial pledges expected from various countries. Additionally, an ambitious and robust framework for the Global Goal on Adaptation (GGA) and the further operationalization of market and non-market-based mechanisms under Article 6 were critical points on the agenda.

In the run-up to COP28, the ambitious COP Presidency had focused on four paradigm shifts crucial for advancing the objectives of the Paris Agreement, particularly emphasizing the expansion of renewable energy and new international climate finance initiatives[5]. In addition, the UAE aimed to operationalize the GST through a three-tiered approach involving a negotiated outcome, the promotion of an action agenda, and a call to action for the parties.

COP28 was marked by its large scale, with roughly 103,000 people registered for the event[6], of which only 25,000 were government delegates and 15,000 accredited observers, while a whopping 28,000 were "party overflow" and another 5,000 "host country guests". Overall about 2,500 representatives of fossil fuel companies were accredited. The high attendance led to logistical challenges, with negotiation rooms often exceeding capacity which caused delays in coordination meetings and negotiations, especially in the first week.

In the negotiation rooms, a palpable tension was evident, with many topics being approached with a "take it or leave it" attitude, fueling frustration and discontent.

The role of the COP28 Presidency was very visible in the headline negotiations of the GST and L&D. A key and unexpected outcome was the operationalization of the L&D Fund already on the first day, with the UAE leading by example through a USD 100 million pledge made in tandem with Germany. This led to further pledges by developed nations adding up to USD 0.7 billion[7]. The effective management of the negotiations by the Presidency was shown by the "gavelling" of the final text of GST decision, without the huddles and drama that so often characterise the final plenary of a COP. The gap between NDC ambition and the path needed for 1.5°C is defined very clearly, with good reference to science. The GST decision calls for a "transition away from fossil fuels" which is a historic first in COP decisions[8]. However, more than 100 countries pushed unsuccessfully for a language referring to a "phase-out" of fossil fuels[9]. Many participants also consider that the recognition that "transitional fuels can play a role in facilitating the energy transition while ensuring energy efficiency" and "the phasedown of unabated coal power", offer a green pass for continued use of natural gas and other fossil fuels, as long as their emissions are abated[10]. The recommendations for NDC updates remain weak and the GGA decision text has only fluffy targets without clear targets and timelines for adaptation finance. The failure to adopt decisions on international carbon markets under Article 6 is seen by many as a major drawback, as this will lead to a significant delay in the operationalization of Article 6.

Source: Amended from Carbon Brief (2023)11

Table 1. Key outcomes at COP28

Topic	Status	Analysis of outcome
Loss and Damage Fund	**Agreed**	Overall, a successful outcome. Nevertheless, initial pledges are only the start. There is a significant work to do to get the Fund working before countries start receiving funding.
Global Stocktake	**Agreed**	Moderate success due to no phase out of fossil fuels language and weak commitments to peak GHG emissions by 2025.
Global Goal on Adaptation	**Agreed**	Moderate success - targets are time bounded; however they lack specificity. There is also weak language on means of implementation (MoI) and timeline for developing indicators is now set to 2026.
New Collective Quantify Goal (NCQG) (Post-2025 finance goal)	**Agreed**	Overall, successful. Procedural decision for workplan to develop negotiation texts prior to COP29.
Long-term finance	**Agreed**	Unsuccessful - Contention regarding status of 100 billion USD annual target, no new relevant pledges made.
Just Transition Work Programme	**Agreed**	Overall, successful. Work programme with all the usual components starting in 2024
Mitigation Work programme	**Agreed**	Moderate success – decision was mainly procedural without the required substance.
Article 6.2 cooperative approaches	**Postponed**	Unsuccessful - Contention regarding registries, authorization, and reporting.
Article 6.4 mechanism	**Postponed**	Unsuccessful - Contention regarding removals and methodology guidance.
Article 6.8 non-market approaches	**Agreed**	Overall, successful. Work programme further defined.

In all COP28 reached agreement on a total of 63 agenda items, and postponed 31 items on which agreement could not be reached[11]. This section presents an analysis of selected topics that were pivotal during the discussions at COP28, with Table 1 presenting a summary of the final status of the negotiated text for each topic.

Global Stocktake

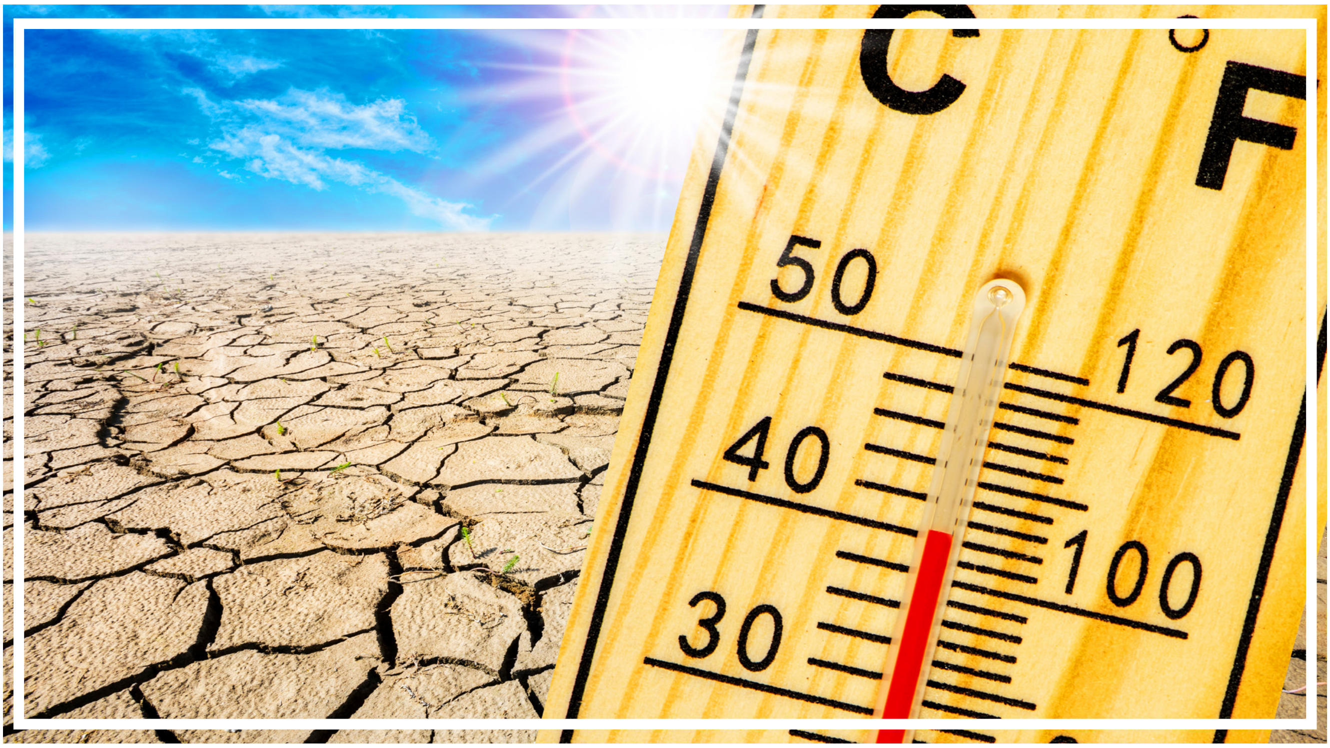
The Global Stocktake (GST) is the key process underpinning the "ratcheting up" of ambition under the Paris Agreement, to be held every five years from 2023 onwards. The GST's fundamental role is to provide a collective assessment of global progress toward the Paris Agreement's three main goals: mitigation, adaptation, and finance. It is meant to inform the update of Nationally Determined Contributions (NDCs) due two years afterwards. The GST was anticipated to culminate in a legally binding decision by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), augmented by a political declaration. Remarkably, the decision text adopted at COP28 mentioned a historic "transition from fossil fuels", marking a significant, albeit nuanced, shift in the climate dialogue.

The GST had a backward and a forward-looking dimension. Throughout the GST negotiations, various contentious elements emerged. Regarding mitigation, significant bones of contention related to the phase out vs. phase down of fossil fuels. Moreover, references to the Intergovernmental Panel on Climate Change's (IPCC) 6th Assessment report emissions pathways were opposed by Saudi Arabia, China and India, while developed countries did not want to see a reference to historical emissions and the remaining carbon budget. Regarding L&D, discussions revolved around references to human rights, indigenous rights, and gender equality, including specific references to "women" and "youth", which faced opposition from a group of parties. Regarding adaptation, the concept of "maladaptation" sparked debate, as developing countries feared they may lose financing. Objections were raised about the agreement on "doubling levels" of adaptation financing, and a related roadmap. On technology, developing countries demanded a Technology Implementation Programme, proposing funding of USD 2.5 billion from

2024-2028, renewable in every GST cycle, which faced opposition from the European Union (EU). A capacity-building fund and mentioning of Artificial Intelligence were ultimately rejected. Concerning response measures, developed countries aligned on integrating just transition concepts, while developing countries emphasized the need to include sustainable development and poverty reduction.

The agreed final text drew criticisms for its predominant use of non-binding language such as "recalls", "notes", and "welcomes", which do not mandate specific actions from countries[12]. The wording of the mitigation section is particularly noteworthy, "*calling on Parties to contribute to the following global efforts, in a nationally determined manner, taking into account the Paris Agreement and their different national circumstances, pathways, and approaches*"[118].

Fossil fuels are mentioned in various elements of the mitigation "menu". One section talks about a "just and orderly" transition away from fossil fuels in energy systems to achieve net zero in 2050. This inclusion, albeit a first, was seen as insufficient by those who advocate a complete phaseout of fossil fuels[12][13]. Elsewhere, phasing down of "unabated coal power" is mentioned like in the COP26 decision. Language on phaseout fossil fuel subsidies is heavily qualified and would permit "efficient" subsidies addressing energy poverty and just transition to persist. The text also acknowledges the role of "transitional fuels", a generally known code word for natural gas, in the energy transition. This stance was largely influenced by oil-producing parties. In aspects of climate finance and equity, the approach embedded in the decision was considered inadequate.



On a more encouraging note, the GST acknowledges the necessity of limiting global warming to 1.5°C, outlining the need for substantial, rapid, and sustained reductions in global greenhouse gas emissions - a 43% decrease by 2030 and 60% by 2035 relative to 2019 levels, culminating in net zero carbon dioxide emissions by 2050[8]. It also encourages parties to come forward in their next NDCs with ambitious, economy-wide emission reduction targets, covering all GHGs, sectors, and categories, and aligned with limiting global warming to 1.5°C. Globally, tripling renewable energy capacity and doubling energy efficiency rates by 2030 are mentioned, along with promoting zero and low-emission technologies. However, the final decision lacks the detailed numerical targets seen in previous drafts, diluting its potential impact. It also missed the opportunity of emphasizing the urgency of action in this critical decade and did not provide a clear pathway for aligning NDCs with the 1.5°C target. Links of mitigation to biodiversity, resilient food systems, oceans and mountains were explicitly mentioned, which could enable more aligned action between the different environmental conventions.

Finally, the GST set forth a "road map to mission 1.5C", brought to the table by Brazil and to be spearheaded by the presidencies of the next three COPs (UAE, Azerbaijan, and Brazil). This plan is intended to galvanize ambition, action, and implementation throughout this pivotal decade to ensure that the goal of limiting global warming to 1.5°C remains attainable. The true measure of success for the GST will ultimately be the ambitions set by parties in their forthcoming updated NDCs, due by 2025.

Loss and Damage

COP28 witnessed a historical moment with the operationalization of the L&D fund on the very first day of the conference, an unprecedented achievement in the history of climate negotiations[7]. As mentioned above, the UAE, Germany, the UK, and the EU made significant contributions, with further pledges coming from countries like Italy, France, and the Netherlands. The US, in contrast, pledged a comparatively modest USD 17.5 million, subject to congressional approval, and Japan's contribution was also limited[14]. Regardless, this leap forward in the L&D agenda at COP28 was not just unexpected but also a testament to the heightened sense of urgency and commitment at the conference.

With great consternation from developing countries, the World Bank was designated as the interim host and trustee of the L&D fund for the first four years, operating as an independent entity under the UNFCCC's financial mechanism[15]. The governance structure of the fund was also agreed upon, involving a 26-member board predominantly composed of representatives from developing countries. The bank's role is to operationalize the L&D fund as a financial intermediary fund, adhering to eleven specific conditions during its interim hosting.

While the operationalization of the L&D fund was a positive step, concerns were raised about its scale, the diluted language on equity and CBDR and the decision to establish the fund Secretariat under the World Bank. The latter has raised apprehensions that this could undermine the fund's effectiveness, since the US-based bank was perceived among developing country representatives and civil society groups as being too rigid in the ways it could accept and disperse funds, as well as charging high administrative costs, and favoring US interests[16].

Crucial issues that still need to be addressed include the pressing need for increased capitalization to meet the escalating needs arising from extreme weather events. Moreover, the current decision text does not include a mechanism for the periodic replenishment of the fund, a critical aspect that needs to be addressed to guarantee its long-term sustainability and effectiveness.

In summary, while the initiation of the L&D Fund at COP28 was an unprecedented development, it is seen by many as merely the beginning of a challenging journey. Ensuring that the fund is not only operational but also robust, responsive, and well-resourced is essential to effectively address the growing challenges of loss and damage due to climate change.

Adaptation

The GGA was a key agenda item at COP28, which marked the end of the two-year Glasgow-Sharm-el-Sheikh work programme on the Global Goal on Adaptation (GlaSS) and the deadline to adopt a framework guiding the delivery of the GGA and tracking progress towards its realization. The main objective of negotiations at COP28 centered around agreeing on the structure and content of the framework.

Negotiations on the GGA started only on the third day and first text only emerged on day 5 of COP28 which led to little time for technical discussions on the text during the first week and rather more intense ministerial and bilateral discussions during the second week.

Discussions on the GGA revealed both consensus and significant divergences. Parties agreed on certain structural elements for the GGA, such as the need for a statement on its global aspirations, dimensional targets based on the iterative adaptation cycle, stakeholder engagement, and the importance of Means of Implementation (MoI), i.e. finance, technical support and capacity building. Yet, views diverged most on how to include MoI in the framework and if there should be a specific target for it. Developing country demanded a MoI target and provision that developed countries will provide finance, while developed countries preferred to mention the need to create enabling conditions such as institutional arrangement, policy and legal framework, arguing that the target for adaptation finance is already declared (doubling adaptation finance decided at COP26) and will be further discussed next year in the context of the new post-2025 finance target (NCQG). Key differences emerged also regarding the incorporation of the principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC) from the Convention and Paris Agreement into the GGA framework, with developing countries seeing the need to explicitly mention them in the decision text and developed countries opposing it, along the lines also seen in other negotiation strands. The selection of sectors (called "themes" in the GGA context) and respective targets was another area of divergence among Parties. Developing countries such as represented by AGN demanded concrete, actionable and time-bound targets, while many developed countries prefer sectoral targets to be set at national level avoiding them being prescriptive. Parties also disagreed on including language around "maladaptation" and "transformational adaptation" in the framework as it was highlighted by some groups that there is no common understanding on what these terms mean and that this could create additional barriers for obtaining adaptation finance. Parties also discussed how the future work on indicators should be structured (e.g., developed by IPCC, guided by the Adaptation Committee, or through establishment of an expert group) and if there should be new and permanent joint agenda item under the Subsidiary Bodies on the GGA.

Although the objective of concluding GlaSS and adopting the GGA framework was achieved, the results are inadequate in several respects. The language on finance was watered down significantly over time and ended without inclusion of a specific MoI target. The final document "*reiterated the call for doubling adaptation finance" as well as "urges developed country Parties and invites other Parties to provide resources*" while prior wording that requested developed countries provide developing countries with finance was deleted. Explicit mentioning of CBDR-RC was replaced by mentioning of provisions and principles of the Convention and the PA and the included thematic targets lack clarity and a clear timeline ("by 2030, and progressively beyond"). Indicators shall be discussed in a dedicated two-year work programme, implemented by the SBs. This means that COP30 in 2025 will have the discussion of indicators for adaptation as a key task. The Secretariat is requested to undertake work to "*examine how transformational adaptation is defined and understood at different spatial scales and sectors, and how progress in planning and implementing transformational adaptation approaches might be assessed at the global level".* Instead of a new agenda item on the GGA, the SBs are requested to "initiate the consideration of matters relating to the global goal on adaptation at their sixtieth sessions (June 2024)".

Overall, the adoption of the framework advances the discussions on the GGA by providing some clarity on priorities and goals, but it fails to set a robust base for goal-oriented and coordinated adaptation action in the future. Developed and developing countries views diverged too much to come up with more concrete and actionable targets, both for themes and dimensions, and with work on indicators pushed another two years into the future, it seems likely that the second GST will face tougher challenges when assessing progress towards adaptation than the first one did. However, on a positive note, the work over the last two years turned the purely aspirational and un-measurable Article 7 of the PA into something more tangible and brought adaptation the much-needed attention in a world that inevitably will need to address the negative impacts of climate change.

Finance

COP28 saw rather limited advancements in finance-related discussions, culminating in decisions on long-term finance, the post-2025 international climate finance goal (NCQG), and the Standing Committee on Finance (SCF).

Long-term finance

At COP28, developed nations were eager to demonstrate not just their progress in fulfilling the USD 100 billion target for international climate finance – which they claim was achieved in 2022, two years late - but also to confirm that the cumulated shortfall would be made up by 2025[17]. Equally vital was the commitment to sustain this level of financing until the NCQG comes into effect, at least until 2027. Despite recognizing some progress, developing countries emphasized that the financial needs, of the order of trillions, far exceed the current commitment[18].

A key consideration in the negotiations was ensuring that this financial support does not exacerbate the debt burden of developing countries and improving access to bilateral and private finance[18]. China which is the largest creditor of developing countries with "Belt and Road"-related total loans amounting to USD 1.1 trillion fiercely opposed any mention of debt burden and proposed "fiscal space" as a replacement term. Developing countries advocated for a clear methodology to track climate finance and suggested a burden-sharing framework for delivering on developed countries' commitments, which faced opposition from developed nations emphasizing the goal's collective nature.

The new international climate finance target after 2025 (NCQG)

After seven technical dialogues, the parties were able to gather various qualitative elements to establish a NCQG. Issues discussed in the first week at COP28 included the goal's quantitative and qualitative aspects, timeframes, thematic allocations, transparency arrangements, and its multi-layered structure. Regarding the sources of finance, the emphasis was on public finance by developed countries as the foundation of the goal, complemented by the mobilization of private finance and innovative sources such as levies. Ministers also discussed combination of a short-term actionable goal and a long-term aspirational goal for 2050[18]. While the Standing Committee on Finance hoped that at COP28, aspects including improvements in access to climate finance and transparency measures regarding the goal could be adopted[17], the decision remained purely procedural outlining the work programme in the run-up to COP29. This is no surprise given the highly contentious nature of the NCQG. The decision specifies three technical dialogues to create a framework for drafting negotiation text[19], to progress the discussion early in the year, rather than waiting until COP29 where the NCQG will be the key topic of negotiation.

Standing Committee on Finance

At COP28, the SCF focused on discussing reports and addressing three critical issues: implementing Article 2.1(c) of the Paris Agreement, defining climate finance, and doubling adaptation finance[18]. On adaptation finance, several developing countries expressed concerns about the insufficiency of the target to double adaptation finance. They highlighted the low levels of adaptation finance, particularly grants and financing from multilateral development banks (MDBs), and the imbalance between mitigation and adaptation finance. The SCF faced challenges in agreeing on a baseline for the doubling effort, with some developed countries suggesting USD 20 billion as the baseline. A proposal to "double the doubling" was met with opposition from developed countries. Calls for a work programme to address systemic issues in adaptation finance were also prominent.

Under Article 2.1(c), there was a push to redirect global finance flows towards low greenhouse gas emissions and climate-resilient development. This included proposals for phasing out fossil fuel subsidies, excluding fossil fuel financing from international public finance institutions, redirecting state-owned enterprise investments, and implementing debt cancellation and tax reforms. There were concerns that the EU might be using the Article 2.1(c) agenda to avoid climate finance obligations. Contention arose regarding the priority of the process under Article 2.1(c), with some countries emphasizing the need for progress and others advocating for inclusion in the GST outcomes.

Despite initial ambition in the discussions, the final decision on key financial topics at COP28 was very weak. It tasked the SCF to "include available data and information relevant for the implementation of the GGA framework in the second report on determining the needs of developing country Parties related to implementing the Convention and the Paris Agreement"[20].Article 2.1(c) will be dealt with through at least two workshops annually. Regarding adaptation finance, Parties "contemplate" implementing recommendations to double adaptation finance.

INTERNATIONAL CARBON MARKETS UNDER ARTICLE 6

COP28's negotiations on Article 6 of the Paris Agreement, the basis for international carbon markets, garnered significant attention of stakeholders despite not being a top priority for the COP28 presidency. Unfortunately, no decisions on market-based approaches under Articles 6.2 and 6.4 could be taken. Only Article 6.8, focused on non-market approaches, saw a decision text adopted.

On Article 6.2, the key debate at COP28 centered on defining "cooperative approaches", with opinions split on the necessity of a formal definition. Proponents argued that clarifying the scope and the definition of cooperative approaches is crucial as it has implications on other elements of Article 6.2 such as authorization and reporting, while opponents found this to be overly prescriptive and going beyond the mandate provided to them. The US and emerging economies wanted the possibility for unilateral approaches, which are seen as relevant by actors on the voluntary carbon market.

The second key area of conflict related to the nature of registries. The US and "free market countries" including Singapore, Canada and New Zealand want to prevent the trading of internationally transferred mitigation outcomes (ITMOs) through the national and the international registries, because they want to protect their carbon market service providers which run such registries in the voluntary carbon market. Other countries do not want such private actors, who often are subject to conflicts of interest, to take up official functions.

Regarding timing and content of authorizations, and changes to purposes of ITMO use, emerging economies wanted to do and change authorizations at any time, while other countries wanted to prevent changes after the first transfer of an ITMO. Another conflict related to the proposal by the EU for differentiation of authorizations for cooperative approaches, entities involved in them, and ITMOs. The US, on the other hand, wanted to do a systemic authorization covering everything at the same time. Authorization is a particularly challenging topic to agree on as it is a host Party prerogative and different Parties have different legislative systems, making standardizing the authorization processes difficult.

Other issues highly relevant for effective operationalization of the Article 6.2 guidance but where Parties could not reach convergence included an agreed electronic format, sequencing of reporting and reviews, common nomenclatures and identified inconsistencies in respect to ITMOs. Widespread rejection of the proposed text led to a deadlock, with no consensus text on Article 6.2 presented to the Presidency by the end of COP28.

The same conflict lines as under Article 6.2 existed for authorization and registries under Article 6.4. But the key point of contention that ultimately led to the rejection of the Article 6.4 text was the recommendations on guidance for methodologies and removals prepared by the A6.4SB. Most Parties expressed their concerns with the removals recommendations as they found it to have significant issues related to permanence, categorization of reversal risks, post-crediting period monitoring, buffer pool composition and lack of language on environmental and social safeguards a well as human rights. Regarding the methodology guidance, emerging economies and like-minded countries wanted to water down the need for downward adjustment of baselines and their alignment to the long-term goal of the Paris Agreement. The like-minded countries and Ukraine opposed only adopting/applying one recommendation and linked both documents as "package". Due to the failure of adoption of the Article 6.4 text, the prioritization and date of delivery of future tools and (sustainable development tool, appeals and grievance procedure and tools for baselines and additionality assessment, and avoiding the risk of carbon leakage) remains unclear.

The failure to reach agreement on Articles 6.2 and 6.4 signals another year of uncertainty for the carbon markets. Specifically, the lack of guidance in Article 6.2 creates uncertainty and undermines transparency in bilateral cooperation. On the other hand, the absence of international rules leaves the voluntary carbon market (VCM) to fill the gaps. This situation complicates the development of a cohesive and effective global carbon market system, underscoring the need for clear international guidelines to ensure carbon markets contribute effectively to climate goals and channel finance where it's most needed.

Energy transition, while not a standalone negotiation topic at COP28, stood out as a critical cross-sectional issue. As discussed above, it features prominently in the GST decision. Moreover, several side deals were made regarding energy. The Global Renewables and Energy Efficiency Pledge, garnering support from 130 national governments, including the EU, commits to tripling the world's installed renewable energy generation capacity to at least 11,000 gigawatts by 2030and doubling the global average annual rate of energy efficiency improvements[2]. These targets are repeated in the GST decision. Climate Action Tracker highlighted this pledge as a COP28 highlight, noting its potential to narrow the gap between current policies and the 1.5°C target significantly by 2030[21]. A new international coalition to phase out fossil fuels was set up by 12 countries[22], and the Latin American and Caribbean Renewables Hub boosted its renewable energy target in electricity generation to 80% by 2030[23]. Additionally, the High-Level Champions partnered with the International Renewable Energy Agency (IRENA) to launch a Utilities for Zero Alliance[24]. This alliance, with 31 partners including major global utility and power companies, is committed to promoting electrification, developing renewables-ready grids, and advancing clean energy deployment, in line with the Paris Agreement's 1.5°C goal.

The just transition (JTWP) and mitigation work (MWP) programmes are closely related to the energy transition. The JTWP held its inaugural ministerial round table at COP28, focusing on planning activities for the next five years. The discussions highlighted a divide in perspectives: developed countries primarily viewed JTWP as a labour transition, whereas developing countries advocated for a broader, multilateral scope[12]. The final JTWP text acknowledges human rights but faced criticism for diluting critical language and limiting broader stakeholder involvement. Similarly, the MWP, finalized on the last day of COP28, aimed to accelerate clean-energy pathways by 2030. Originating from contentious debates in Bonn regarding the economic impact on developing countries and the phase-out of fossil fuels, the MWP encountered procedural hurdles and disagreements over its scope. The resulting text, more procedural than substantive, reflects persistent global disparities in mitigation responsibilities and equity concerns. The MWP's future role, particularly in relation to the GST outcomes, underscores the ongoing complexities in global climate mitigation efforts.

EVALUATING COP28'S SUCCESS

The success of COP28 can be evaluated against several benchmarks, reflecting the multifaceted nature of such global climate conferences. Key among these are smooth and transparent negotiation processes, successful outcomes on scheduled items, efficient logistics, and the launch of significant financial and collaborative initiatives by diverse actors, among others.

While the COP28 presidency made commendable efforts to facilitate smooth logistics, the sheer scale of attendance posed some challenges. The sprawling COP28 site made interactions difficult. In contrast to past COPs, it was impossible to have "impromptu meetings" at a central site. Initially there were big problems in assuring observer participation in negotiation sessions, as negotiation rooms were overcrowded, leading to a complicated ticket system for observer constituencies. Thus transparency of negotiations, a cornerstone of successful COPs, was only partially achieved.

NGOs could express themselves and protest on site; earlier fears of suppression of freedom of speech were unfounded.

The Presidency scored a huge success by getting the Loss and Damage Fund decision on first day, "greased" by the UAE pledging USD 100 million and generating positive dynamics reaching over USD 0.7 billion of pledges in total. The question now is whether this is the first step towards a breakthrough for climate finance provision by emerging economies.

The ambitious target set for COP28 regarding the Global Stocktake was partially met. Everyone was equally unhappy with the GST text, showing good understanding of political dynamics by the Presidency. The text was "hammered through" in final plenary without huddles or drama. It features good language on gaps and science which had previously been highly contested in the negotiations. Regarding fossil fuel reduction the language is convoluted and can be understood differently by different stakeholders. The big question is now whether NDC updates will now reflect the action items or whether GST will be forgotten quickly. A historical precedent for this is the 2005 decision on "demonstrable progress" under the Kyoto Protocol.

Besides these two headline decisions, the achievement at COP28 was generally lackluster. The decision on the Global Goal for Adaptation generated a bloodless framework with a fluffy list of voluntary targets. It will take two years before more clarity on indicators can be achieved. The market mechanisms under Article 6 fell victim of being seen as insufficiently important by the Presidency – another year was lost to operationalize the Article 6.4 Mechanism

While many side deals and initiatives were announced at COP28 it remains to be seen which of those will remain relevant in the medium and long term.

Overall, the outcome of COP28 can be characterized as multilateralism in climate policy plodding along despite global crises and challenging geopolitics.

For next year's COP29, the big question is whether Azerbaijan, a country that has never been visible in international climate policy and is a petrostate with strong links to problematic regimes be able to do the heavy lifting on the new international climate finance target and Article 6?

RELEVANCE TO THE MENA REGION AND BEYOND

COP28's significance for the MENA region was profound, especially as it hosted two consecutives UN climate conferences. The Middle East, home to half the world's oil reserves and 40% of its natural gas, faces a crucial challenge: transitioning from its high per capita emissions and fossil fuel dependency to ambitious net-zero targets[25]. Despite the region's significant energy resources, only half of MENA's 16 nations have committed to a net zero target.

At COP28 the UAE needed to chart a credible course for the Gulf and MENA region to address climate change, given that it currently has reached a crossroads between its traditional reliance on fossil fuels and ambitious net-zero targets.

The UAE, as host of COP28, led from the front by demonstrating commitment to charting a new course for the Gulf and MENA region. The UAE inaugurated the world's largest single-site solar plant[26] and announced, at the World Climate Summit, a commercial investment of USD 30 billion fund into climate change mitigation companies[27]. These actions, alongside the Waste to Zero coalition, highlight the country's drive towards innovative and sustainable solutions.

However, challenges remain for the MENA region. The plans of major oil producers like the UAE and Saudi Arabia have drawn scrutiny. For instance, the UAE's ADNOC, led by COP28 President Al Jaber, is projected to become a leading oil producer by 2050[28]. Moreover, ADNOC's collaboration with Azerbaijan's state oil company[29] on 'blue hydrogen' underscores the complexity of the region's energy transition.

In contrast, other MENA countries have differing priorities, often at odds with the climate agenda. For instance, OPEC members within the Arab Group, including Saudi Arabia, opposed language on fossil fuel phase-out at COP28[30]. Despite holding a significant share of the world's oil reserves, Saudi Arabia's role in climate discussions has been controversial, often seen as obstructive to climate progress.

Yet, there is potential for change. The UAE's endorsement of the International Energy Agency's (IEA) goal to phase down fossil fuels aligns with the 1.5°C target. This sets a precedent for other Arab countries to shift from fossil fuel dependency to embracing renewable energy solutions. The question remains whether countries like Saudi Arabia will join this transition or continue their traditional role.

The MENA region's abundant renewable resources, particularly solar energy, position it as a potential major supplier of carbon credits[25]. Breakthrough technologies such as green hydrogen, carbon capture, utilization and storage (CCUS), and direct air capture (DAC) are being actively explored by countries like Qatar, Saudi Arabia, the UAE, Oman, Egypt, and Morocco. These technologies not only align with carbon reduction projects but also offer opportunities for generating ITMOs and A6.4ERs.

In conclusion, COP28 could be a turning point for the MENA region. The region's leadership in energy markets, combined with its vast renewable resources and financial capital, positions it uniquely to lead in climate, environmental, and social action. As a heterogeneous region with varied needs and potentials, MENA stands at a crossroads. The choices made here could transform a climate tragedy into a story of success, not just regionally but globally, marking a historic shift in the narrative of climate action.

COP28 hosted by the UAE, was a landmark event with both achievements and failures. The conference achieved the historic operationalization of the Loss and Damage Fund and the inclusion of fossil fuel reduction in the Global Stocktake decision text. The COP28 presidency handled negotiations with notable professionalism. But given the need for decisive action, considering that 2023 is set to be the warmest year on record[31] and atmospheric GHG concentrations having risen by 50% above pre-industrial levels, the outcomes from COP28 may be seen as grossly insufficient. In critical areas like finance, adaptation, and international carbon markets, little or no progress was achieved by COP28.

Looking ahead, COP29 and COP30 are poised to be defining moments in the climate action journey. COP29 carries the weighty task of establishing a new climate finance goal. This goal must reflect the urgency and magnitude of the climate challenge and align with the overarching aim of the Paris Agreement. The upcoming conferences will also demand heightened commitments from governments, especially in presenting new, more ambitious Nationally Determined Contributions (NDCs) by early 2025. These commitments must encompass all greenhouse gases, cover entire economies, and align strictly with the 1.5°C temperature target.

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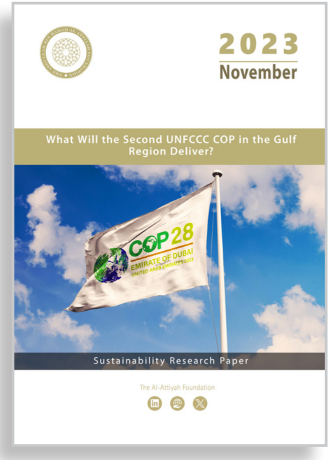

November - 2023

What Will the Second UNFCCC COP in the Gulf Region Deliver?

Since 1995 the Conferences of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC COPs) have provided a vital platform for addressing the manifold challenges posed by anthropogenic climate change.

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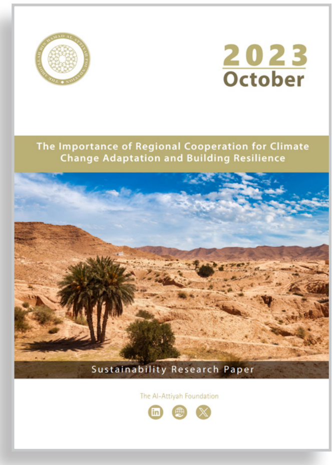

October - 2023

The Importance of Regional Cooperation for Climate Change Adaptation and Building Resilience

The global community stands at a pivotal juncture in its fight against climate change. As the impacts of a climate change become increasingly evident, the need for collective action and regional cooperation in addressing its impacts gains prominence.

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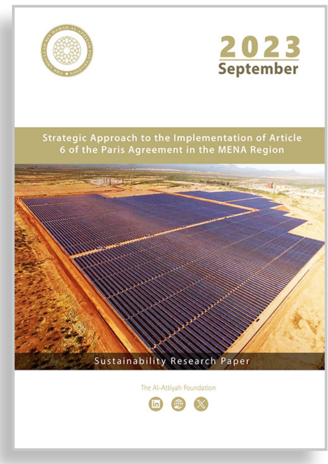

September - 2023

Strategic Approach to the Implementation of Article 6 of the paris Agreement in the MENA Region

Since the adoption of the 'rulebook' for international carbon markets and non-market approaches under Article 6 in 2021, many countries have moved towards the implementation and operationalisation of international market-based cooperation.

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