IDDRI

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COP28: lukewarm promises or concrete progress?

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COP28 in Dubai, which will soon be over, did not unfold as expected: from the very first days, a subject that was to be particularly debated has given rise to an agreement and commitments. But the now central issue of the possible phase-out of fossil fuels, which crystallises and polarises positions and stances, is still at the heart of the negotiations that are continuing in the United Arab Emirates, and is expected to reach a conclusion on Wedenesday, December 13. This blogpost analyses the most important issues at stake.

What progress has been made?

On the very first day, an agreement was reached on the hosting of the Loss and Damage (L&D) fund: a sign of the skill with which the COP had been prepared, and also showing that the countries preferred to have this agreement rather than risk obtaining nothing by seeking a bargain with an uncertain outcome (for example, to demand greater accountability in terms of contributions to the fund by the countries of the Global North).

The compromise reached is that the fund will be hosted by the World Bank, which was not the preference of the countries of the South because of governance dominated by the countries of the North, the important role of loans in its financing instruments, and rules and procedures perceived as too slow for the issue of Loss and Damage. The fund will therefore be hosted by the World Bank on a temporary basis, and with ad hoc governance, where the majority of management seats will be held by developing countries.

The countries of the North would have liked the financing of this fund to go only, or at least as a priority, to the most vulnerable countries, a point of attention that the compromise partly recognises, but it is the Board of Directors that will decide. The fund's governance instrument also opens the door to the possibility of the fund being replenished by multiple sources of financing (for example, philanthropy, or revenue from possible international taxes, for which a taskforce has been announced) or by other contributing countries, which remains a possibility. The countries of the South regret that the countries of the North are only "urged" and not obliged to contribute.

The first few days were also marked by a festival of declarations, initiatives and financing pledges while the Heads of State (December 1-2) were in Dubai and during COP’s Finance Day.

These were often of some interest. For example, the Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action commits signatory countries to specifying their ambitions for transforming food systems in their Nationally Determined Contribution (NDC) for 2025, taking into account both climate and biodiversity objectives.

IDDRI offers an in-depth look at this subject in this blogpost, connecting COP15 on biodiversity (December 2022) to this climate COP in Dubai, inviting the climate community to really get to grips with and integrate the issue of protecting biodiversity and therefore land use and forest protection. These will be key issues at COP30 in Brazil in 2025.

The COP was also the occasion for the first ever Health Ministerial and the first ever Declaration on Health and Climate, recognising the importance of climate impacts on health. This recognition was accompanied by financial commitments of around one billion dollars from countries, development banks, philanthropic organisations and NGOs.

It is difficult to make a general assessment of the multitude of initiatives and announcements at the start of this COP, or even to see what each of them will produce in particular, even if they continue to show, as in Glasgow two years ago, the commitment of governments, private players and communities to a variety of concrete issues.

The financial pledges for the new L&D fund have been spread out over time and have reached a significant amount (several hundred million dollars), making it possible to consider the fund now established. The Green Climate Fund (GCF) received a long-awaited pledge of funding from the United States ($3 billion), making it possible to achieve a very significant replenishment (better than the previous one: $12 billion compared with $10 billion), which sends out positive signals, even if there is still some mistrust as to whether the pledge will actually be translated into reality and whether it will be authorised by the US Congress.

In a year marked by the frank opening of the debate on the need to reform the international financial institutions, the more generic question of the international coordination of efforts to finance transition in the countries of the South also made progress during these first days, but without it being absolutely decisive and in a tense atmosphere. A new Bhattacharya Stern Songwe report on climate finance (following on from last year's report, which highlighted the need for financial transfers from North to South in the order of $1,000 billion a year, well in excess of the $100 billion a year promised for the period 2020-2025) places a welcome emphasis on country platforms and on the need for new financial sources, notably new taxes on aviation or maritime transport, inspired by the work of IDDRI.

Negotiations are focusing above all on the Global Stocktake (GST) decision. This document is one of the stages set out in the Paris Agreement, which is a dynamic agreement in that it provides for progress steps over time. Eight years after Paris, the GST does not simply look back, but recommends measures for the future. The "technical" part of the report, presented in September, raises the issue of fossil fuels phase-out. For the first time, government "technicians" are saying so, and not just the IPCC or the scientific community. But it still has to be endorsed politically by delegations' ministers at the COP. That's why this text is the most important and contentious, obviously on the issue of phasing out fossil fuels, but not only that.

A new draft text was proposed on December 11, but it sends out contradictory signals. It is a long list of options proposed to countries, and it is up to them to commit to those that resonate with their context. The notion of reducing fossil fuel consumption and production appears in the text, which is a step forward, but with qualifiers ("unabated", numerous references to carbon capture technologies) that reduce its normative scope. Nevertheless, whatever the final outcome of this COP, the feverishness of the oil-producing countries, revealed by the press, shows that they recognise the importance of what happened throughout this COP, and the weight of political pressure.

What else IDDRI is monitoring, shedding light on, analysing and proposing

Lola Vallejo, director of IDDRI's climate programme, has also been co-facilitator for the past year, with the Egyptian Amr Osama Abdel-Aziz, of a working group on mitigation mandated by the UNFCCC (Sharm el-Sheikh Mitigation Ambition and Implementation Work Programme, more simply known as the Mitigation Work Programme). Both presented their work on December 9, alongside other co-facilitators who had been working all year on the technical phase of the GST, and as an introduction to a high-level ministerial round table, attended by the President of COP28, Sultan Al Jaber, and the Executive Secretary of the UNFCCC, Simon Stiell.

At a time when several countries are calling for the GST to include strong language on improving international cooperation, which the Paris Agreement states must be one of the two key subjects of the GST, IDDRI is supporting this position.

The Deep Decarbonization Pathways (DPP) team, which works with a network of partners in several emerging countries where the challenges of decarbonisation intersect with the crucial issue of development and a just transition, issued an assessment and lessons learned from the study of Just Energy Transition Partnerships (JETPs) during the COP.

IDDRI is also following the discussions on the definition and adoption of a global adaptation goal. To measure adaptation progress on a global scale, IDDRI proposes a method based on expert judgement and informed by a series of key questions associated with a scoring system, while allowing local and national circumstances to be reflected.

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