

Andrei Covatariu

Daniel Duma

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A successful negotiation is one that leaves no one fully satisfied with the result, but also not fully disappointed. From this viewpoint, the final COP28 statement can be considered an achievement. The text is arguably balanced and inclusive of the needs of all members. As COP28 in Dubai came to an end, some labeled it a failure, while others marked it as a significant advancement in climate action. It's probably a bit of both.

Even before its start, COP 28 was marked by the suspicions surrounding the vested interests of the oil-rich hosting country. This time, a different and more ambitious set of expectations were publicly set compared to, say, COP24, which was hosted by Poland, a fossil-fuel-dependent country – even as it came after some controversies surrounding statements made by the COP28 president. This marks an evolution in the advancement of the global conversation on climate change.

The conference started with strong commitments for the Loss and Damage Fund – a topic discussed for over 30 years, since COP13 in Bali, which was center-stage at last year's COP in Sharm el-Sheikh. The Fund is meant to compensate climate-vulnerable developing countries for climate change impacts that have not or cannot be addressed through mitigation and adaptation measures. Importantly, an agreement was reached on the operationalization of the Fund and funding arrangements. Hundreds of millions of dollars have been promised within the first days of the event, with the total pledges reaching \$792 million by the closing of the conference. The World Bank has been chosen to host the fund for the first four years.

Among COP28's main achievements were the global call for tripling renewable generation and doubling the annual energy efficiency improvement rate by 2030. While the implementation of these efforts will need to be defined more granularly through the Nationally Determined Contributions (NDC), the urgency of a faster-paced transition has not been disputed. Another one – arguably even more impactful – was the pledge of 50 oil companies to address carbon emission in their operations and, more importantly, to reach near-zero methane emissions and to end routine flaring in their activity by 2030.

As expected, the most controversial topic, given the host of this year's COP, was the language on phasing-down (instead of the expected phasing-out) fossil fuel utilization. The “transition away” wording of the final statement was celebrated by some as historic and caused dismay for the more climate ambitious Parties. The final statement certainly hinted to the knotty negotiations and, ultimately, to the complexity of giving up fossil fuel production and consumption (especially in emerging markets). In fact, fossil fuels are embedded in so many of the fundamental processes underpinning both developed and developing economies, that transitioning away to low emissions alternatives will take much more than words in the COP final agreement. Nonetheless, decarbonisation cannot be achieved without a near-complete elimination of fossil fuel use, and the final text marks a small step forward in this gargantuan challenge.

One of the most important levers to accelerate the transition, particularly in developing countries, is finance. Several announcements were made at COP28. Multilateral Development Banks announced additional climate finance commitments worth \$180 billion through various programs and country platforms. Finance pledges were also announced for nature-based solutions and green industrialization in Africa. On the private sector side, UAE announced the launch of Alterra – a catalytic fund worth \$30 billion, meant to mobilize \$250 billion in private investments in developing countries through blended finance instruments. In addition, several other initiatives were launched including a philanthropy-backed early stage climate venture fund, the Green Guarantee Company backed by USAID, the Green Climate Fund and others, and a new reinsurance scheme for smallholder farmers in Africa.

Romania's contribution to the initiatives developed in Dubai were also notable:

- The country joined the Carbon Management Challenge – an initiative launched by the US Department of Energy (DOE) – which focuses on deploying carbon capture, utilization, and storage and carbon dioxide removal, as key elements of keeping the 1.5-degree goal within reach.
- The Global Methane Pledge Ministerial has made notable progress over the last year, since COP27. More than \$1 billion new grant funding have been mobilized, with new national commitments and legislation from main emitters, including oil and gas operators. Romania was welcomed as new member, bringing the total participants to 155.
- The nuclear sector's revival of last year(s) has reached a landmark at COP28, with more than 20 countries – including Romania - launching the Declaration to Triple Nuclear Energy – an effort of signatory countries to increase threefold the global installed electrical capacity from 2020 to 2050.

- While not among the Ministerial officials attending the High-Level Roundtable on Hydrogen, Romania and its ambitious hydrogen plans can benefit from the outcomes of this initiative, which closed with a mutual recognition of certification schemes for hydrogen and hydrogen derivatives, with an ISO methodology as a global benchmark for GHG emissions, and with advancements in the cross-border trade corridors.

The 1.5C target is most likely out of reach at this point, based on current pledges. Moreover, whether ambitious or not, the agreements reached are not binding, being subject to more granular cross-national and national policies, regulations, and targets. Pledges also merely represent an indication of the effort levels needed, as measures such as tripling renewable investments or doubling energy efficiency efforts depend on very diverse starting points and contexts – technically, socially, and economically.

That being said, while highly symbolic and performative, COP28 delivered a clear message: all countries now agree that the world needs to transition away from fossil fuels. It may seem like common knowledge, but the intense negotiations needed to reach this conclusion stand as proof that it was a remarkable achievement.

The Energy Policy Group (EPG) is a Bucharest-based non-profit, independent think-tank specialising in energy and climate policy, marketanalytics and decarbonisation strategy, grounded in 2014. EPG is committed to promoting long-term decarbonisation policies and actions across all economic sectors. Through publications and public events, EPG disseminates knowledge about the green transition and provides well-documented input to stakeholders and decision-makers. Its publications are freely available as research reports, opinion papers, and policy briefs. EPG's conferences, roundtables and workshops provide a platform for informed discussion and expert analysis. EPG's funding comes mainly from research grants, but also from sponsorships and membership fees.



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