

COP29: Where do we go from here?

The DeHavilland guide

05 Dec 2024

Key takeaways

- As expected, the COP29 summit delivered a mixed bag of outcomes. Taking place against the backdrop of Trump's re-election, this year's summit took place against a backdrop of uncertainty.
- A particularly contentious summit has highlighted the fragility of the global climate consensus, with the urgent need to act undermined by geopolitical instability and an increase in isolationist politics.
- While momentum was achieved on day one with the agreement on Article 6 governing carbon markets, a last gasp climate finance deal fell short of what many hoped would be achieved.
- A wave of announcements by the UK, headlined by a new Nationally Determined Contribution, aimed to signal and cement its position as a global leader. The Global Clean Power Alliance will spearhead global efforts to accelerate decarbonisation and unlock private finance ahead of COP30 and beyond.

Overview

Despite a low-key build up and some challenging discussions throughout, COP29 produced some tangible outcomes towards addressing the environmental challenges faced across the world.

A final agreement was pulled from the dying embers of the two-week summit to adopt a New Collective Quantified Goal (NCQG) by 2035. However, critics felt this did not go far enough and leaves developing nations under-resourced to deal with the challenges of climate change.

This briefing assesses the extent to which the talks can be considered a success and looks at the UK's role as well as the road to COP30. With the talks always considered unlikely to achieve meaningful breakthrough, definitively gauging success is difficult. But at the very least, there does appear to be some signs for further progress.

What is clear is that all actors have quickly shifted to looking at COP30, where the stakes are undoubtedly higher, and it is likely states will take these talks more seriously than those in Baku, where the absence of several leaders was notable.



A “finance” COP?

Dubbed the “finance COP”, agreeing an NCQG was the primary aim of this conference. Yet, climate finance has consistently been a divisive issue, with developing countries becoming increasingly assertive in their calls for what they deem to be fair. Ahead of the talks we outlined an ambitious NCQG was vital to rebuild trust (See: [What to expect from COP29](#)).

Following tense discussions, a final agreement was struck in the closing hours of the summit for a “New Collective Quantified Goal for climate finance”. Negotiators adopted an NCQG set at \$300 billion annually by 2035, alongside the agreement for all parties to scale up climate finance to \$1.3 trillion per year by 2035.

Discussions this year were particularly factitious, with dozens of developing nations walking out saying: “We’re not going to be walked over, as we have been many times in the past.” ([BBC](#)). The deepening divides between delegations underscores the scale of the challenge. As a result, a number of gaps remain and decisions have largely been pushed to COP30 in Belem.

The Baku to Belem finance roadmap provides the route to scale-up climate finance to the \$1.3 trillion goal but places the onus on COP29 and COP30 presidencies to figure out how to bridge the considerable finance gap.

The NCQG outlines that finance for climate action should come from “a wide variety of sources, public and private, bilateral and multilateral, including alternative sources”. This suggests there will be efforts to engage with private finance actors and identify significant new investment opportunities.

While there had been considerable calls by the EU and “developed” countries to expand the group of contributors to emerging countries such as China and India, the deal outlines that developed countries would [continue](#) to take the lead in providing the \$300 billion via grants and low-interest loans, encouraging emerging economies such as China to make “voluntary” contributions. But most of that money, if delivered, will likely come from private finance sources.

Undoubtedly, developing countries have been left [woefully](#) disappointed. Campaigners described the final agreements around financing as a “betrayal” and a “disaster for the developing world”, with analysts noting much of the financing agreed will come from a range of yet to be determined sources ([The Guardian](#)).

A stalemate broken: carbon markets

An early win in Baku was secured on day one with the implementation of Article 6. Recognised as a long overdue priority, Article 6 is significant for the delivery of global carbon markets.

The agreement regarding rules governing country-to-country trading under Article 6 as well as international carbon markets under Article 6.4, [achieved](#) “full operationalisation”, unlocking international carbon markets and aiming to ensure environmental integrity and transparency in international carbon markets.

While this is a significant milestone which paves the way towards the operation of global carbon trading, key challenges remain. Critics warn that without strict safeguards the system could be easily exploited to greenwash climate targets ([Al Jazeera](#)).

The elephant in the room: fossil fuels

Questions loomed over the enduring legacy of fossil fuels throughout the conference. As the second consecutive COP to be held in a petro-state, and with hosts Azerbaijan planning a large expansion of fossil-fuel production in the next decade, this year's summit was always in danger of being undermined by those with a vested interest in fossil fuels.

COP28 closed with an agreement that referenced the "beginning of the end" of the fossil fuel era. Since COP28 there had been mounting concern that certain countries have been reinterpreting the pledge, viewing it as an option, not an imperative. The reality of this revelation was laid bare throughout the conference.

With a report claiming at least 1,773 coal, oil and gas lobbyists had been granted access to the talks, eclipsing the number of delegates from climate vulnerable countries, underscoring enduring presence of oil and gas and interests ([The Guardian](#)). This was further exposed by President Ilham Aliyev's description of oil and gas as a "gift of god" ([BBC](#)), and reports that Azeri officials were offering to facilitate talks on new fossil fuel deals ([Reuters](#)) amid the country's plans to expand production in this area in the coming years.

In Azerbaijan, implementing the next steps to kickstart the transition away from fossil fuels, as agreed at COP28, ignited discussions but progress has ultimately been stalled and pushed to COP30.

Saudi Arabia remained a key obstructor in talks, backsliding on previous commitments and derailing the talks. A source told Bloomberg the Saudis are "masters" in the rules that govern the process and used that "to raise oblique objections" ([Bloomberg](#)).

Without clean signals that align with the landmark COP28 commitment to transition away from fossil fuels there is an inherent risk the global transition risks stalling. The onus now rests on the delivery of ambitious Nationally Determined Contributions that accelerate the energy transition and attract private sector investment.

Key outcomes: The UK

Coming into the conference in Baku, the UK made no secret of its desire to re-establish the country as an international climate leader. The UK made efforts to demonstrate its climate ambition and to carve a clear diplomatic role with the [appointment](#) of Rachel Kyte as the UK's Special Representative for Climate in the build-up to the conference.

With the conference coming in the immediate aftermath of Donald Trump's election, the UK used the two weeks to demonstrate and deliver its narrative of global climate leadership.

This was headlined by the [announcement](#) of a new 2035 target to reduce UK greenhouse gas emissions by at least 81%. Although only a marginal increase on the previous 78% figure, it can be regarded as indicative of the Prime Minister's desire to seize the mantle on climate leadership going forward. Nevertheless, with key global leaders skipping this year's COP, Starmer's position appeared lonely.

UK actions to cement its position as a global climate leader were further underscored by the launch of the Global Clean Power Alliance in a bid to spearhead action and accelerate the rollout of clean technologies across developed and developing countries ([GOV.UK](#)).

Miliband has been clear that greater action on climate change is in the UK's national interests, while he acknowledged the disappointment felt by many following the climate finance agreement, he stated it "is a step forward for us all" ([The Independent](#)).

A look ahead to COP30

Off the back of a generally disappointing two weeks, attention has quickly shifted to COP30 in Belem, Brazil. COP30 is being recognised as a key milestone for two key reasons: firstly, its location: regarded as the gateway to the Amazon, the area will highlight the stark challenges unfolding in the region, marking a strong contrast to the previous petro-state and fossil fuel hosts.

Secondly, COP30 marks a critical milestone as the deadline for countries to submit new Nationally Determined Contributions. We previously highlighted the importance of setting ambitious NDCs early, aligned with the 1.5°C target, to encourage other countries to follow suit (See: [What to expect from COP29](#)). The UK, UAE and Brazil unveiled their Nationally Determined Contributions, with the focus on NDCs set to gather pace ahead of the February 2025 deadline to update.

Forbes identified three key challenges for COP30: the strengthening of accountability; centring of equity and the expansion of public-private collaboration ([Forbes](#)). The importance of ensuring developing countries are at the centre of negotiations has been a key theme of recent weeks, and it will be interesting to see how Brazil manages this next year.

The early indications are that next year's hosts want to take on a more proactive role. Shortly after COP29 concluded, it was [announced](#) by the EU that bilateral dialogue would be launched between EU and Brazilian think tanks to strengthen cooperation ahead of COP30. Stated areas of focus include deforestation, the energy transition and green finance.

It was a common theme throughout COP29 that delegates were already casting an eye to next year's event, where far more is expected to be achieved. Experts have already described COP30 as "the most consequential climate summit since the Paris conference in 2015" ([Politico](#)).

As the first COP under the second Trump presidency, the role the US plays in the run-up to and during COP30 looms large. The high level of Chinese engagement during COP29 did not go unnoticed ([The Conversation](#)), and with Trump's stated intention to "drill, baby, drill" coming at the expense of several existing climate agreements, there is a clear void to be filled on the international climate leadership stage.

Finally, the issue over the categorisation of countries along the binary of developed versus developing country remains a crucial barrier to overcome. Delegates from several African at COP29 countries criticised the "obsolete" classification of China and India as developing nations amid calls for them to provide assistance to less-developed countries in the so-called global south ([The Guardian](#)).

Ultimately, COP30 must be a pivotal point in accelerating climate action. For Brazil, it offers a crucial platform to amplify the demands of developing countries and bring global attention to the escalating realities of failing to mitigate the climate crisis.

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