



## A focus on net zero: what to expect at COP28

November 2023

**COP28 will be held in Dubai from 30 November to 12 December 2023. There is a great deal of anticipation surrounding the event.**

It will start with a review of the progress made since the signing of the Paris Agreement, which, during COP21 eight years ago, set the objective to limit global warming to a maximum of +1.5°C. But this review, known as the Global Stocktake, is not looking positive: our current commitments place us on a trajectory to meet +2.7°C of global warming at best. Pressure to find agreements and make meaningful progress is therefore high. **People are calling this the 'COP of action', and it is clear to see why: taking action is no longer an option if we want to avoid climate hell.**

All this is taking place against a backdrop of what some consider the failure of previous COPs. Indeed, COP27 simply registered the status quo on many important issues. For example, when considering damage linked to climate change, no agreement was found on the principle of global solidarity. Yet this point should have been widely supported by developed countries.

Another complication lies in the current geopolitical context, which may add to the uncertainty surrounding negotiations.

### What is at stake?

**There are three major topics that stand out.**

**First, the question of phasing out fossil fuels will be raised explicitly**, with a dividing line between the producing countries and the consuming countries. It is worth mentioning that Sultan Al Jaber, the president of COP28, is also the CEO of an oil company, something that has sparked controversy.

The phase-out of fossil fuels can be further split between those for a complete phase-out and those looking to phase down by ceasing consumption only of 'unabated' fossil fuels, that is to say, those not backed by abatement technologies such as CO2 capture and storage systems. But these technologies remain immature and costly, making the idea of carbon-neutral fossil fuels unrealistic in the short term. The stakes linked to this short adjective – 'unabated' – are enormous.

**Second comes the acceleration of the transition.** To be capable of limiting global warming to +1.5°C, the capacity of renewable electricity would need to triple and energy efficiency double by 2030. This represents a huge challenge not only for the energy sector but for all industries.

**And third, the transition must be just for the most vulnerable populations and developing countries.** Indeed, climate justice and the balance between the Global North and the Global South will be central themes of COP28.

### Who are the key actors to accelerate this transition?

Nothing will be possible without the mobilisation and commitment of private actors and private capital, in addition to government support. While the private sector was certainly present at past COPs, COP28 has put an emphasis on it, considering that the corporate world has a pivotal role to play in climate change.

**Companies in the sectors critical to the energy transition, as well as those for which decarbonisation is crucial, will be at the heart of the debate.** Their commitments to accelerate their ambitions are the subject of much speculation and anticipation. This will be the case, for example, of the construction sector, for which Accuracy has written a position paper, *Building tomorrow*, with 10 recommendations to meet the net zero objective.

**In parallel, never has a COP seen so many finance actors involved. An entire day is dedicated to the topic of sustainable finance and financing the transition.** And for good reason: in its annual *Adaptation Gap Report* published on 2 November, the United Nations Environment Programme highlighted that the sums necessary to adapt to climate change are '10 to 18 times higher than current financial flows', whilst the IPCC, in its latest report, highlights that there is a shortfall of USD 1 trillion a year up to 2050 to finance the transition.



**Finally, public institutions and governments are, of course, key.** Can stricter regulations for companies and financial institutions accelerate the redirection of financial flows? The catalysing role of new European regulatory frameworks, like the CSRD, as well as international standards, like the IFRS S1 and S2, will certainly be discussed.

And of course, nothing will be possible without the mobilisation and commitment of NGOs and civil society.

In conclusion, questions and expectations abound. Accuracy will be present at COP28 in Dubai to participate in the debates and to share the essential findings.



## Contact



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