

Encouraging Progress at COP28

We are concluding Day 5 at [COP28](#), and both of us have found the experience so far here on the ground in Dubai to be remarkable—and more hopeful than what you may be reading in the press.

We thought we would use this Weekly Brief to update you on what has been achieved so far and the impressions we have gathered in discussions with other leaders across government, business, and NGOs. Here are some highlights:

A Major Breakthrough on Loss and Damage. Establishing a fund to support the most climate-vulnerable countries has been a divisive issue at the heart of the COP for many years. Building on progress at COP27, the Presidency announced a breakthrough agreement on the eve of the conference. This was quickly followed by over \$700 million in commitments, including \$100 million from the UAE. Everyone recognizes these initial contributions are dwarfed by the scale of climate impact, but directly addressing this issue in the spirit of solidarity contributes to a more conducive atmosphere for the broader negotiating agenda.

Landmark Announcement on Climate Finance. The UAE President Mohammed bin Zayed Al Nahyan announced a \$30 billion fund for global climate solutions that aims to draw in \$250 billion in investments by 2030. Included in this fund are \$5 billion of concessionary capital to support the energy transition in low- and middle-income countries. The World Bank announced an additional \$9 billion for projects related to climate finance for the fiscal year 2024-2025.

Progress on Food and Agriculture. The Presidency announced that 134 world leaders have signed on to its landmark declaration on agriculture, food, and climate action, supported by more than \$2.5 billion in funding, including the launch of the [COP28 Action Agenda on Regenerative Landscapes](#), which

will mobilize \$2.2 billion of that funding. This initiative brings together more than 25 leading organizations partnering with 3.6 million farmers to transition 160 million hectares to regenerative agriculture (nearly three times the size of France). BCG is co-chairing this work with World Business Council for Sustainable Development, the COP28 Presidency, and the UN High-Level Champions.

Momentum on Renewable Energy. The numbers here are impressive, with more than 120 countries agreeing to triple renewable power generation capacity to 11,000 GW and double energy efficiency by the end of this decade. The hope is that this pledge makes its way into a more binding commitment in the negotiations themselves.

A Big Step Forward on Industry Decarbonization. Fifty oil and gas companies pledged to reach near-zero methane emissions by 2030 and to submit a plan to meet those targets by 2025. A fund was also announced for methane abatement projects in emerging markets and developing economies. The US, China, and the UAE held a Methane Summit, with China releasing a methane strategy and the US committing to cut methane emissions by 80% over the next 15 years. The UAE launched the Industry Transition Accelerator to drive decarbonization across seven hard-to-abate sectors, including cement, steel, and aluminum.

Beyond these wins, we have seen important commitments on cities, hydrogen, and nuclear energy. The [First Movers Coalition](#), where BCG serves as knowledge partner in creating demand for new climate technologies, has continued to expand. There's deep engagement on the [role of AI](#) to address climate mitigation and adaptation.

We have spoken to hundreds of leaders, including senior government officials, negotiators, CEOs, and heads of NGOs. The consistent view is that this has been a very strong start for the COP, well ahead of expectations and with important wins that will accelerate decarbonization and support the hardest-hit countries, communities, and people.

The Tough Negotiations Ahead

We are only at the halfway point, and there is heavy lifting left to do. The focus of the next week will be on the negotiated statement. Because of the requirement for unanimous alignment across nearly 200 countries, this has been a daunting challenge in the past. Since

1995, we are 0 for 27 in getting a bold and sharp enough statement about transforming the global energy system and reducing our dependence on fossil fuels. Let's hope that in nine days we can report we are now 1 for 28, but that won't be easy and will require a remarkable degree of collaboration in an often-divided world.

If nothing else, we hope this update leaves you with some optimism that progress in Dubai is greater than the media headlines you are likely reading. Soon it will be on all of us to turn that progress into sustained action and impact.

Until next time,



**Christoph
Schweizer**

Chief Executive Officer



Rich Lesser

Global Chair

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