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THOUGHT LEADERSHIP



17 December 2024

FROM BAKU TO BELÉM – INSIGHTS FROM COP29



We end this year with new record-high temperatures, continuing severe weather events and geopolitical tensions. Globally, economies are still struggling to overcome the lingering impacts of the COVID-19 pandemic. **COP29**, or the “finance COP” came at a time when climate leadership has never been more needed.

From **11-22 November 2024** over **50 000 people** from nearly **200 countries** gathered in Baku, Azerbaijan for the UNFCCC’s 29th annual Conference of the Parties (COP29), with the intent of making substantive progress in key areas, most notably, adopting a new goal for climate finance.

The Finance COP

Dubbed the “finance COP”, COP29 provided a platform for the contentious debate on how to scale the financing of mitigation and adaptation in developing countries, who face severe climate change impacts but have a more limited historical contribution to carbon emissions.



Termed the "new collective quantified goal on climate finance" (NCQG), the finance goal, adopted in the final hours of COP29 set a global target to channel \$1.3tn per annum of climate finance to developing countries by 2035, but this is to be obtained from a wide range of sources, including the leveraging of private capital. After drawn-out negotiations, an agreement was reached that sees the provision of \$300bn per annum that will come as grants and low interest loans from developed countries, with the remainder of the more ambitious goal of \$1.3 trillion to be financed from private investors and other sources, such as levies and taxes.



Negotiation processes at climate COPs are fraught, so while agreement was reached in Baku there are wide ranging opinions on the COP's success.



Developed, wealthier countries hold the purse-strings and the negotiating power and so were criticised for holding out on details until the last minutes of the negotiations, giving little time for meaningful engagement. Least Developed Countries and Small Island Developing States at one point walked out of negotiations and remain highly critical of the commitments made.

More success was made by the achievement in operationalising other workstreams. Article 6 of the Paris Agreement to unlock international carbon markets has been operationalised and will allow a centralised UN trading system to launch as soon as next year. The Loss and Damage Fund has also been operationalised and intends to start distributing money in 2025, with total pledges now exceeding \$730m. COP29 also launched the Baku Adaptation Roadmap and Baku high-level dialogue on adaptation, to enhance the implementation of the UAE Framework for Global Climate Resilience, which details a series of targets to achieve adaptation goals.

The South African Position

The South African Ministry for Forestry, Fisheries and the Environment (DFFE) has welcomed the outcomes from COP, stating that the agreements are a step in the right direction to mobilising funding for climate action and “provides signals to private sector and multilateral development banks to scale up financing.”

South Africa's position on climate change is clear: having signed the Paris Agreement, the country has committed to climate action by significantly reducing its greenhouse gas emissions and building resilience into communities and landscapes. Equally so, it is acknowledged that any climate transition in South Africa needs to be a just transition that addresses climate risks, social vulnerabilities and economic challenges. This message was well communicated by the collective effort of government, civil society and business at the South Africa Pavilion at COP29.

The South African Pavilion

At COP29, our collective message as the SA Pavilion was clear:

1. A sustainable future requires a collaborative approach where businesses are integral to driving mitigation, climate solutions and social transformation.
2. Business in South Africa is collaborating in support of systemic change, enhanced resilience, and to ensure the Just Energy Transition is inclusive (stakeholders and communities) and successful in delivering desired outcomes.
3. South Africa's business sector is not just participating; together we are enhancing South Africa's competitiveness, leading the charge towards a more equitable, green, and prosperous future.

The SA Pavilion hosted 45 events over 10 days, clearly articulating the South African climate journey, hosting global discussions and showcasing evidence that implementing a just transition in SA is not only possible, but is underway. Key thematic areas at the pavilion included finance and investment, green skills and green jobs, the just transition, the role of local government, nature and climate adaptation.

NBI would like to thank the generous donations from the sponsors of the South African Pavilion who made this possible:

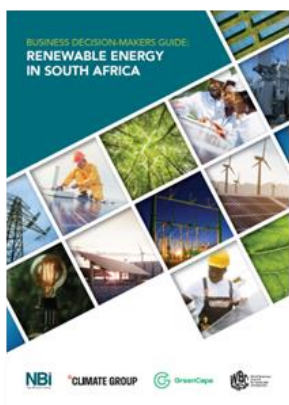
Old Mutual, Presidential Climate Commission, Development Bank of Southern Africa, Industrial Development Corporation, NinetyOne, Exxaro, Polyco, Anglo American, Eskom, Naspers, Suiso, Minerals Council of South Africa and Norton Rose Fulbright.



New Reports on Green Skills and Renewable Energy Launched

The NBI launched two reports at COP29. Our first report from the Just Energy Transition Skilling for Employment Programme (JET SEP) entitled [‘Powering Futures: The Green Skilling Opportunity’](#) looks into opportunities for green jobs in the SA economy.

This first JETSEP publication consolidates data on the specific demand for jobs and skills across technologies, value chain steps, and occupations. This data is vital for aligning our workforce development efforts with the needs of a new economy. The report covers the period to 2030 and 2050, including localised analysis for specific regions of the Country.



The second report provides an up-to-date and comprehensive guide to renewable energy for South African corporates.

The [“Business decision-makers guide: Renewable energy in South Africa”](#) provides insights into the business case, implementation options, pricing and critical factors to consider for large-scale renewable energy adoption.

The Road Ahead



While COP29 did not deliver on its most lofty ambitions, it did mark progress, with a key focus now on the pace and ‘quality’ of finance that flows from both the new quantified goal on climate finance and the Loss and Damage fund.

From COP29 in Azerbaijan we now turn our attention to COP30 in Brazil. In 2025 South Africa needs to focus on solidifying its nationally determined contribution (NDC), scaling clean energy as a key catalyst for economic growth and green industrialisation, and facilitate the implementation of the new Climate Act.

While the agreements reached in Baku may not be perfect, they do provide companies with new ways to access capital in support of a just transition. The NBI remains a committed partner to business in this transition, and in 2025 we will



continue to share key opportunities and insights towards achieving net zero targets.

The NBI in partnership with the Department of Forestry, Fisheries and the Environment (DFFE) will coordinate the South Africa Pavilion at COP30, hosted in Belém Brazil, from 10 to 21 November 2025.

This is a key moment for not just business, but the world, as all eyes will be on COP30. If you are interested in being part of this important COP, as a sponsor of the South African Pavilion, then join us on the Road to COP30.

NBI looks forward to engaging with a wide range of stakeholders and sponsors on the road to COP30.

Please contact Bhavna Deonarain BhavnaD@nbi.org.za for further information.



Minister of Forestry, Fisheries and the Environment (DFFE), Dr Dion George, with the National Business Initiative's (NBI) South African Pavilion team at COP29 in Baku, Azerbaijan.



National Business Initiative

The National Business Initiative (NBI) is an independent and voluntary coalition of South African and multinational businesses launched in 1995 by the then President, Nelson Mandela.

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