



COP28: Outcomes and charting India's Climate Commitments

Foreword



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The 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28) was expected to mark a pivotal shift towards more proactive and concrete global action on issues surrounding the rapidly deteriorating climate. The ambitious agenda delivered certain positive acknowledgements as captured in the UAE Consensus – including, importantly, the unprecedented reference to transitioning away from all fossil fuels in all energy systems in an equitable manner. That said, the conclusion of the COP for Action warrants a closer evaluation of how far the needle was moved on specific agenda priorities. Building on the legacy of previous editions, COP28 provided a global platform for continuing dialogue on crucial topics such as climate finance, ‘just’ energy transition, and global emissions reduction, including in ‘hard to abate’ sectors. The inaugural ‘Global Stocktake’ also mandated an assessment of each nation’s progress toward their Nationally Determined Contributions (NDCs) and, relatedly, of climate finance delivery – an essential determinant of this progress in the Global South. Notwithstanding the repeat recognition that finance delivery has clearly been lacking and years off-schedule, the conference took a forward-looking approach. It established consensus on initiating the formulation of a post-2025 finance target in anticipation of COP29 in Baku, Azerbaijan.

Within the broader finance priority, the Loss and Damage Fund – designed to aid vulnerable nations grappling with the most severe impacts of climate change, was expected to emerge at the front and center with much anticipation around the commitments it would draw. While it is commendable that consensus to operationalize the fund was reached on Day 1, its positioning as a landmark achievement might be a little premature. The announced fund represents only a fraction of the estimated US\$400 billion required. It is overshadowed by the historic failure of developed countries to meet the US\$100 billion annual climate finance pledge made under the Paris Agreement. The success of COP28 hinges on collective accountability for near and long-term delivery in line with evolving requirements.

The Global South and developing countries, on their part, re-emphasized concerns regarding equity, fairness, and balance in addressing climate issues. Over the past years, the strengthening of this collective voice and building momentum on these critical conversations has enabled developing countries to put up a unified front and advocate for responsible growth – the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR–RC) remaining a key aspect of their stance. At COP28, India, acting as the ‘voice of the Global South’, took this a step further with its strong reiteration of developing countries’ need to use fossil fuels for the purposes of their energy security and development.

At this confluence of global perspectives, it is also worth noting that due acknowledgements were made to commit to an eventual shift away from fossil fuels. On the domestic front, India echoes this global acknowledgement through continued delivery on its NDCs which outline the commitment to achieving net-zero by 2070, while balancing economic growth and emissions reduction. The introduction of the Green Credit Initiative at COP28 may be considered India’s most recent addition to its existing efforts in this pursuit. The setting of methodologies and measurement standards for this initiative – which aims to create a market-based incentive system for all environment-positive action, must be watched closely and will provide signals of the initiative’s potential to be a global import.

While COP28 showcased progress in addressing climate impacts and acknowledged the need for change, it fell short of fully addressing the urgency outlined by climate science. Concerns persist regarding fossil fuels, fund effectiveness, and perceived weakening of commitments. Despite ongoing progress, a gap remains between necessary actions and the accelerated movement required to achieve NDCs and other climate action goals for a just transition to a sustainable future. Recognizing the official acknowledgment of the need to move away from fossil fuels as a promising start, one can hope for more targeted and tangible global climate interventions in the future.

Introductory Note: Commentary from COP28



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It is with immense pleasure that we present this second COP28 note reflecting on the action advanced under UAE's COP Presidency and India's continued leadership in climate negotiations at the important global forum. Taking an India-focused lens, the note also looks at implications and opportunities stemming from COP28 and provides a brief commentary on how India is likely to progress on its climate and sustainable development goals as it continues its efforts to decouple economic growth and emissions.

UAE's Presidency steered COP28 as the "COP for Action". This ethos was echoed by banners on-site at Expo City Dubai that read "Hope Inspires Action" and in conference rooms across the Blue and Green Zones that discussed and drove commitments and action on priority climate action agendas. While the United Nations said it expected more than 70,000 delegates to take part in this year's climate change meeting, subsequent news reports have pegged the actual number at over 100,000 people – making it the largest COP gathering since its first meeting in 1995.

Beyond its scale, COP28 was significant for a number of reasons, including importantly that it marked the conclusion of the first-ever global stocktake. The consensus is clear – the world is significantly off-target on limiting warming to 1.5°C. The uphill challenge of arresting the expected temperature rise of 2.5–2.9°C and reverting to a safer 1.5°C pathway can only be scaled with accelerated collaboration and fixing climate finance. The latter was highlighted as a core priority for COP28 and a chief outcome from this has been the capitalization of the Loss and Damage Fund – a critical initiative which will be especially relevant for developing countries that continue to unfairly bear the brunt of the climate disaster.

On ground at COP28, cross-cutting implications of climate change on health and food systems, its unequal impact on vulnerable communities – especially those situated in the Global South, and the urgent need for multi-level action, by stakeholders including, importantly, business actors, emerged at the front and centre of the discourse.

One particularly interesting trend has been the increasing involvement of businesses and the private sector in advancing a just transition. From logistics companies to insurance providers, the most diverse businesses have been taking an active interest and have even created a strong business case for integrating sustainability and climate-positive initiatives in their practice. The presence of global businesses – the US Chamber of Commerce took its biggest business delegation to COP comprising upwards of 90 companies, indicating that there is a strong imperative for action across the board.

The announcement of the Alterra climate fund, including a \$30 billion investment by the UAE, further underscored the Presidency's intention to mobilize private capital for climate action. The fund's long-term goal is to attract \$250 billion in investments by 2030. Focused on rectifying the current challenges in climate finance, particularly in the Global South, Alterra intends to guide private investments towards climate change projects in emerging markets that have traditionally seen minimal investment due to high perceived risks.

Beyond climate financing, one key aspect dominating the conversations was the need to ensure the 'just' component of Just Energy Transition. There was agreement on the fact that the term 'just' in the context of an energy transition emphasizes fairness, social justice, and the protection of vulnerable communities, and to ensure that the transition is equitable and inclusive, it requires focus beyond transitioning to renewable energy. It would be accurate to say that as the world collectively strives to meet climate goals, the emphasis on justice in the energy transition becomes a moral imperative, ensuring that no one is left behind in the pursuit of a sustainable and resilient future. The approval of the U.N.'s new "Just Transition Work Programme" on the last day of COP28 is a step in this direction, however the effective implementation of the same remains to be seen.

While there are several perspectives to the outcome of COP28, it would be accurate to comment that the agreements reached at COP28 hope to demonstrate a heightened sense of responsibility among nations to strengthen their climate pledges, accelerate emissions reductions, and bolster adaptation efforts. The commitment to achieving the goals set forth in the Paris Agreement was evident across various discussions, with an emphasis on increased collaboration, technological innovation, and financial support for developing nations. However, the success of COP28 is contingent upon swift and effective implementation of these agreements.

Global outcomes

The 28th United Nations Climate Conference (COP28) commenced on November 30, 2023, with a resounding and unanimous call for aggressive climate action. Over the last year, the planet has witnessed an unprecedented increase in temperature and a surge in extreme weather occurrences, ranging from droughts to severe storms and devastating floods. These events have inflicted widespread harm on lives, economies, and ecosystems across the globe, underscoring the inescapable influence of climate change on every corner of the world. It is imperative to recognize that surpassing a 1.5°C increase compared to pre-industrial levels in global temperatures would result in graver and irreversible consequences for both society and the environment. This acknowledgement is being sought at a time when the latest Emissions Gap Report 2023¹ by the United Nations Environment Programme (UNEP) suggests that the planet is heading towards a 3°C increase in temperature, and delivering on all unconditional and conditional pledges by 2030 lowers this estimate to an increase of 2.5°C. It is clear that despite some progress, the world is dangerously off track, and our current actions are woefully inadequate to prevent the worst impacts of the climate crisis. A significant change in direction is essential to recalibrate both the ambition and action on climate. Keeping all this in mind, it was critical that the first ever global stocktake be a turning point, leading to more ambitious commitments and immediate action, particularly in key thematic areas like energy, industry, nature, and food systems.

As we reflect on the discussions and outcomes of the COP28, especially regarding the global stocktake, a sense of both urgency and optimism permeates the global discourse on climate action. Delegates from nations around the world convened to address the pressing challenges posed by climate change, and the results of their deliberations mark a pivotal moment in the collective effort to mitigate and adapt to the rapidly changing climate.²

The key outcomes of global climate action can be seen across the four pillars set forth by the COP 28 Presidency – (i) fast-tracking a just, orderly, and equitable energy transition; (ii) fixing climate finance; (iii) focusing on people, lives and livelihoods; and (iv) underpinning everything with full inclusivity. Over 175 announcements were made at COP 28, ranging across pledges and declarations, publications and reports, new initiatives, and progress and updates .

COP28 began on a high note, when during the opening plenary, parties adopted a decision to operationalize the new Loss and Damage Fund (LDF) that was established at COP27, and several parties announced pledges for the initial capitalization of this fund. Beyond the LDF, the parties were involved in heated negotiations focusing on the central outcomes – (i) the first Global Stocktake (GST) under the Paris Agreement, (ii) the framework for implementing the Global Goal on Adaptation (GGA), and the mitigation work programme, (iii) the work programme on just

1. <https://wedocs.unep.org/bitstream/handle/20.500.11822/43922/EGR2023.pdf?sequence=3&isAllowed=y>
 2. <https://climateaction.unfccc.int/Events/COP28>

transition pathways, and (iv) matters related to Paris Agreement Article 2.1(c), on aligning finance flows with low greenhouse gas (GHG) climate-resilient development. Key issues of contention focused on, among others, language on fossil fuel phaseout in the GST decision and references to means of implementation for the GGA.

In a significant moment for global climate action, countries at COP28 agreed to transition away from fossil fuels but failed to commit to a full phase-out at the closing plenary. The decision – termed the ‘UAE Consensus’ – acknowledges that despite significant collective progress toward aligning with the temperature goals set under the Paris Agreement, global GHG emission trajectories are not on track, and calls on Parties to transition away from fossil fuels toward net zero.

In addition to the above, the UAE Consensus also calls on parties to contribute, in a nationally-determined manner, to global efforts on – (i) tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030; (ii) accelerating efforts towards the phase down of unabated coal power; (iii) accelerating efforts globally towards net zero emission energy systems, utilizing zero- and low-carbon fuels well before or by around mid-century; (iv) transitioning away from fossil fuels in energy systems, in a just, orderly, and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science; (v) accelerating zero- and low-emission technologies, including, inter alia, renewables, nuclear, abatement and removal technologies such as carbon capture and

utilization and storage, particularly in hard-to-abate sectors, and low-carbon hydrogen production; (vi) accelerating and substantially reducing non-carbon-dioxide emissions globally including, in particular, methane emissions by 2030; (vii) accelerating the reduction of emissions from road transport on a range of pathways, including through development of infrastructure and rapid deployment of zero and low-emission vehicles; (viii) phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible; and (ix) to build momentum towards a new architecture for climate finance.

Parties adopted a decision on the GST that recognizes the need for deep, rapid, and sustained reductions in GHG emissions in line with 1.5°C pathways. The UAE Consensus encourages parties to ensure their next nationally determined contributions (NDCs) have ambitious, economywide emission reduction targets, covering all GHGs, sectors, and categories, and aligned with limiting global warming to 1.5°C. The adoption of the draft GST came with its own set of conflicts wherein there were instances where several Parties denounced the lack of a clear reference to fossil fuel phaseout, weak language on coal and methane, and the loopholes associated with so-called “transitional fuels,” which the decision says “can play a role in facilitating the energy transition while ensuring energy security.” Others found the reference to these specific global efforts too prescriptive and underscored the bottom-up and nationally-determined nature of the Paris Agreement. However, irrespective of the differing views, the decision is celebrated as the “beginning of the end of fossil fuels.”



**COP28
UAE**

ACTION BUILDS HOPE
CLIMATE FINANCE: COMMITMENT COUNTER



OVER \$85 BILLION COMMITTED SO FAR

In addition to the landmark text for the GST, COP28 saw an unprecedented amount of monies pledged by various countries to various initiatives, pledges, and declarations. As per the COP28 Presidency, more than USD 85 billion³ was committed to climate financing all throughout COP28, including USD 3.5 billion to replenish the Green Climate Fund (increasing the second replenishment to a historic USD 12.8 billion total) and almost USD 188 million toward the Adaptation Fund, setting the pace for a new era in climate action. The major win on Day 1 was an agreement and USD 700 million pledged for the loss and damage fund, which

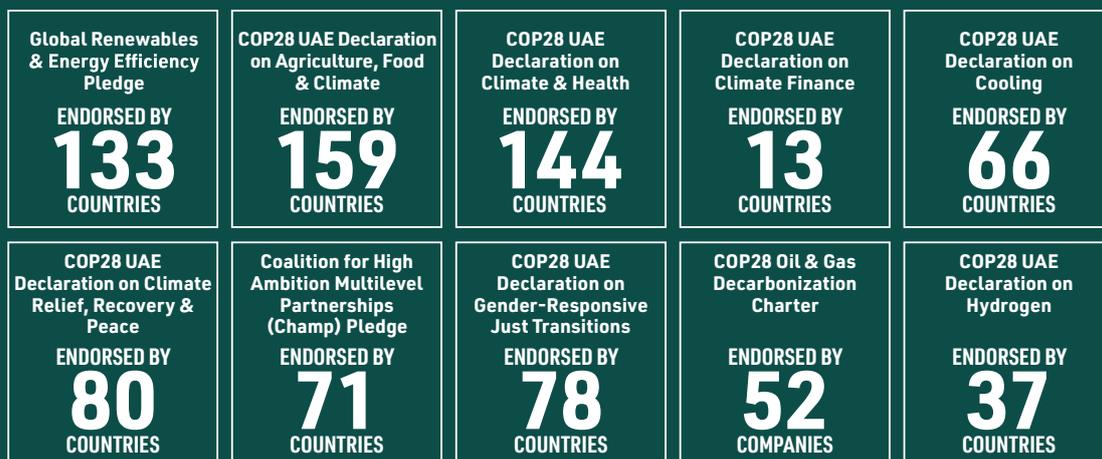
provides financial assistance to vulnerable nations facing steep economic losses from the climate crisis — though many officials say that figure falls short of what’s needed.

Further, the COP28 Presidency issued several pledges and declarations, including the first-ever declarations on food systems transformation and health, and declarations on renewable energy and efficiency, as well as initiatives to decarbonize heavy emitting industries, which saw endorsements by numerous countries.



**COP28
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ACTION BUILDS HOPE
DECLARATIONS & PLEDGES: COMMITMENT COUNTER



3. <https://www.cop28.com/en/>

India at COP28

In recent times, India has emerged as a frontrunner in spearheading global initiatives against climate change and has set noteworthy examples for other countries to emulate, by undertaking climate action to meet its obligations outlined in the Paris Agreement, and to go over and above the same. Despite representing 17% of the world's population and contributing less than 4% to global emissions, the country is making commendable progress in realizing its updated NDCs.

India, having successfully concluded its G20 Presidency recently, played a pivotal role in advancing the G20 New Delhi Declaration on climate change and promoting the voice of the global south at COP28. The commitments under this declaration involve ambitious targets and a dedication to a development path characterized by environmental sustainability. Importantly, India has demonstrated a model for achieving equilibrium between economic advancement and sustainability, prioritizing both the country's energy security and emissions reduction targets.

An inter-ministerial delegation from India attended COP28 from 30th November, 2023 to 13th December, 2023, and the Hon'ble Prime Minister of India, Narendra Modi, addressed the World Climate Action Summit making a strong pitch for countries to accelerate their green mission.

PM Modi, during his attendance, advocated for Green Credits and announced the 'Green Credits Initiative' which was conceptualized in collaboration with UAE and the COP28 Presidency. The program has been devised to encourage voluntary environment friendly actions, serving as a proactive approach to address the issues of climate change. The expectation is that if these credits are traded globally, it could drive substantial efforts to boost carbon sinks and achieve SDGs.

Further, while addressing the COP28 Presidency's Session on "Transformation of Climate Finance", PM Modi emphasized the need for significant climate financing directed towards developing countries. He focused on the urgency of making the means of implementation, particularly climate finance,

available to the developing countries to achieve their climate ambitions and implement their NDCs, He also called for COP28 to deliver on⁴ (i) Progress on the New Collective Quantified Goal on Climate Finance, (ii) Replenishment of the Green Climate Fund, and Adaptation Fund, (iii) Availability of affordable finance by Multilateral Development Banks for climate action, and (iv) elimination on carbon footprint before 2050 by Developed countries.

India also partnered with Sweden to launch the Industry Transition Platform, which is expected to connect the governments, industries, technology providers, researchers and think tanks of the two countries. This announcement came in parallel to the launch of the Phase II of the Leadership Group for Industry Transition (LeadIT 2.0)⁵ in partnership with Sweden. LeadIT 2.0 is set to focus on (i) inclusive & just industry transition, (ii) co-development and transfer of low-carbon technology, and (iii) financial support to emerging economies for industry transition.

India's national statement at COP28 was presented by the Union Minister of Environment, Forests and Climate Change, Shri Bhupender Yadav wherein India's commitments to work together for the common objective of a greener, cleaner, and healthier planet were reaffirmed. The national statement went on to detail India's various climate action achievements including (i) the successful reduction in the emission intensity vis-à-vis its GDP by 33% between 2005 and 2019, thus achieving the initial NDC target for 2030, 11 years ahead of the scheduled time; (ii) achievement of 40% of electric installed capacity through non-fossil fuel sources, nine years ahead of the target for 2030; (iii) addition of approximately 100 GW of installed electric capacity, of which around 80% is attributed to non-fossil fuel-based resources, between 2017 and 2023.

Further, in addition to its domestic initiatives, India's contribution to climate action has been significant through its international efforts such as International Solar Alliance (ISA), Coalition for Disaster Resilient Infrastructure (CDRI), creation of LeadIT and the launch

4. <https://pib.gov.in/PressReleasePage.aspx?PRID=1981733>

5. <https://pib.gov.in/PressReleasePage.aspx?PRID=1981722>

of LeadIT 2.0, Infrastructure for Resilient Island States (IRIS), the Big Cat Alliance, and the Global Biofuel Alliance, which was recently launched during the 2023 G20 Summit.

While India has committed to several declarations and pledges at COP28, it is necessary to note that India's name is conspicuously absent from the list of signatories to the Global Cooling Pledge, and the COP28 Declaration on Climate and Health.

The Global Cooling Pledge aims to reduce cooling-related emissions across all sectors by at least 68% globally by 2050, compared with 2022 levels, by promoting the adoption of energy-efficient cooling technologies, reducing refrigerant leakage, and phasing out harmful refrigerants. India's hesitance to signing this pledge is assumed to stem from the need for effective cooling for its vast population which is currently subjected to extremely high seasonal temperatures.

India's absence from the list of signatories to the Health Declaration is also assumed to be linked to the requirement of reduction of GHGs from cooling in the health sector, since this is expected to hinder the country's ability to meet the growing demand for medical services, particularly in remote and underserved areas. However, it is also important to note that India is committed to addressing the climate impact of cooling via its own Cooling Action Plan, which was launched in 2019; and has focused on resilient health in the G20 New Delhi's Declaration.

Way Forward: Implications and Opportunities for India

Over the last decade, climate change has impacted India's natural environment, economy and society with increased frequency and intensity. Heatwaves, floods, and changes in monsoon patterns are some of the extreme challenges that India is facing today. This poses a serious risk to the well-being of the population as well as the economic development of the country. The devastating economic and social costs of climate-related damages in India could potentially cost the country over US\$35 trillion over the next 50 years – with particular impact on the vulnerable population in the country and certain key sectors such as health and agriculture.

In recent years, India's climate commitments on a global platform started with the announcement of 'Panchamrit' – a climate action plan including five key elements at COP26 in Glasgow. The five elements include (i) reaching 500GW non-fossil energy capacity by 2030, (ii) meeting 50% of its energy requirements from renewable energy by 2030, (iii) reduction of total projected carbon emissions by one billion tonnes from now to 2030, (iv) reduction of the carbon intensity of the economy by 45 per cent by 2030, over 2005 levels, and (v) achieving the target of net zero emissions by 2070. This was supported by the announcement of the 'LiFE Movement' which is the promotion of Lifestyle for Environment to combat climate change. This Movement has since been taken forward as a campaign to make it a mass movement of an environmentally conscious lifestyle. Now, with the G20 New Delhi Declaration agreed upon last year and with the latest COP28 UAE Consensus, India has successfully built on its ambition to represent the interests of developing countries around the world.

2023 saw India surpass China as the most populous country in the world. With such a large country still undergoing development comes the sizable need for energy security, which brings us to our key issue of increasing greenhouse gas emissions (GHGs). At this juncture and going forward, India's success will be determined by mastering its balancing act and navigating responsible growth in a way that meets the changing needs and lifestyle aspirations of its 1.4 billion people, while also hitting national and global climate change targets.

Keeping the above in mind, it is no surprise that India has emerged at the forefront of driving global action on climate change by promoting indigenous technology to optimize its resources and endorsing the use of green energy to reduce carbon emissions. India's NDCs have encapsulated its roadmap to achieve the Net Zero by 2070 target while aiming to draw the line between economic growth and emissions. India's latest communication to the UNFCCC based on the 2019 emissions registry indicates that the country has already achieved its initial emission intensity reduction target, more than a decade in advance. India has been undertaking several initiatives to further boost energy transition in the country, including additional support to the growth of green hydrogen, setting up carbon markets, and incentivizing deep decarbonization initiatives by various industries.

An important element of India achieving its climate goal is the availability of climate financing as promised by developed countries, and the access to technology which currently is not accessible to developing countries due to either limited capital or lack of capacity.

In addition to the larger initiatives launched by the Government of India, there are several opportunities which the government may look into to promote effective climate action while also catering to the developmental goals of the country. Some of these measures include – (i) Developing a comprehensive monitoring, reporting and verification framework for efficient and transparent transaction of carbon credits, (ii) Ensuring effective implementation and utilization of various schemes like Performance Linked Incentives (PLI) to support technologies such as green hydrogen,

offshore wind, and renewable energy storage, (iii) Promoting opportunities for industries, start-ups to and financial backers/institutions to engage and potentially explore investment opportunities, and (iv) accelerating setting-up, and mobilization of various national funds set up for climate action, especially on adaptation.

As India continues to chart its path towards sustainable development and responsible growth, it is clear that while the country is not ready to completely phase out coal generated electricity as yet, there has been a steady increase in the amount of non-fossil fuel energy generated domestically. With an increasing focus on developing technology for battery storage of renewable energy, it is not difficult to envisage a future where the dependency on coal-generated electricity will slowly reduce.

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