

ROAD TO COP28

UAE

30 NOVEMBER - 12 DECEMBER
2023

TIME FOR 'A COURSE CORRECTION'

"We already know that we are way off track. The world is playing catch-up when it comes to holding global temperatures down to 1.5 degrees and the hard reality is that global emissions must fall 43% by 2030. We need a major course correction."

Sultan al-Jaber, COP28 President commenting in February 2023

The pressure is on for COP28 to deliver deep and far-reaching emissions cuts, but there are obvious questions about how this can be achieved given that the world is focused on addressing the short-term energy crisis and boosting energy seemingly through any means possible, including increasing coal-fired power generation. The COP Presidency is also seeking to promote the enormous economic opportunities in climate action, which in turn means opportunities for business.

This year, the 28th session of the Conference of the Parties (COP28) to the UNFCCC will convene from 30 November to 12 December 2023, to assess progress towards tackling climate change and mitigating its effects. It will take place in Dubai in the UAE.

The Conference has already generated some controversy with the appointment of Sultan al-Jaber as COP28's President who is also head of the UAE's state-owned oil company, which has sparked a backlash from climate activists. Despite Sultan Al Jaber stating that COP28 should focus on a 'major course correction' to get net zero back on track and stating that it will focus on finding practical solutions that ensure energy security while reducing emissions, the UAE has itself been accused of making "insufficient" progress on that task.

COP28 also takes place in a year which is predicted to be the hottest since records began - with temperatures possibly even exceeding the milestone 1.5C (the limit set by the Paris Agreement to avoid catastrophic global warming). Today, there is not a corner of the globe that is not feeling the effects of global warming, from melting polar ice caps and warming oceans, to more severe drought, flooding, extreme summer heat and erratic weather.

We will get a full picture of how the world is responding as COP28 will see the conclusion of the first UNFCCC Global Stocktake of the Paris Agreement - a worldwide audit on the progress made in delivering climate pledges and targets agreed to reduce global warming. It will also look at what more we need to do to address shortfalls in meeting the net zero by 2050 target, and ceiling for no more than 1.5C global warming.

The road to COP28 will also see the addition of a pre-COP UN conference: 'The Climate Ambition Summit' due to be held in September in New York with politicians and business leaders invited to "come with new tangible and credible climate change action to accelerate the pace of change." The hope appears to be that this conference can lay the groundwork for real progress on the NDCs (Nationally Determined Contributions) that countries will make at COP, as pledges for further reductions on emissions. There will also be hope that groundwork can be laid for breakthroughs in other areas of contention including loss and damage and reparation payments, a carbon trading framework and further action to boost biodiversity and protect nature.

In his first speech as president, al-Jaber pledged COP28 would be a "COP for Action and a COP for all, bringing together the global north and south and leaving no one behind." The key themes of mitigation, adaptation and implementation will provide the direction of travel, but we also expect

business to have a bigger role this year. There was great emphasis on seizing the economic opportunities that the green transition has to offer in the country's bid to host the Conference. And as a city of international business, there is already a sense that corporates will need to be more engaged.

Speaking at the Dubai World Government Summit in February, al-Jaber reinforced the UAE's efforts that are already underway to transition to clean and renewable energy sources: "We are not shying away from energy transition" but "running towards it", he assured listeners, asserting that the world needed a "course correction" to limit global warming.

Climate activists - who have described his appointment as "putting the fox in charge of the hen house" - will be stepping up pressure to hold the oil boss to account. Scrutiny of the Conference's outcomes will be intense.



SEC Newgate UK has in-depth knowledge of the key issues and expertise in policy areas such as climate finance regulation, the renewable energy sector, electric vehicles and the infrastructure network they require.

Developing a viable carbon offset and carbon removals market, implementing ESG reporting standards and understanding how concepts such as Scope 3 emissions and embodied carbon can best be understood are just some of the many issues to be faced in the next 12 months.

The challenges facing the delegates at COP28 in Dubai involve business at every level. It's a critical moment to engage fully with this high-profile agenda. The SEC Newgate ESG Monitor global report has shown public opinion demands it.

Shareholder activism, litigation and divestment campaigns are evident and pressure from activist groups is increasing as we edge towards the 1.5C tipping point. No business can afford to be off track. Understanding how government policy is being shaped has never been more important. Nor has the ability to engage with global politicians at the COP28 Conference, which will address crucial energy, environmental and economic issues in the year leading into the 2024 US Presidential Elections and UK General Elections.

KEY AGENDA ITEMS FOR THE CONFERENCE IN NOVEMBER 2023:

THE GLOBAL STOCKTAKE:

An iterative 2-year process began at COP26 to assess where the world is at with mitigation, adaptation, implementation and financing. This is set to conclude at COP28.

CARBON EMISSIONS:

The Nationally Determined Contributions (NDCs) debate will hot up, with G20 nations expected to step-up their commitments and increase pressure on others to keep global warming to within 1.5C, even if surpassing it now seems unavoidable.

JUST TRANSITION FOR ARAB STATES:

Many Arab countries are the largest contributors to emissions, but the region is also one of the most impacted by climate change in terms of water scarcity, desertification and loss of biodiversity. How to accelerate the Arab states' energy transition while ensuring the social dimension is enshrined?

GREEN FINANCE:

With investment pouring into carbon offsetting, capture and removals, which of those offer viable, long-term solutions and which will be discredited as "The Emperor's new clothes"? And how to unlock Islamic finance at scale for financing nature-based solutions?

LOSS AND DAMAGE:

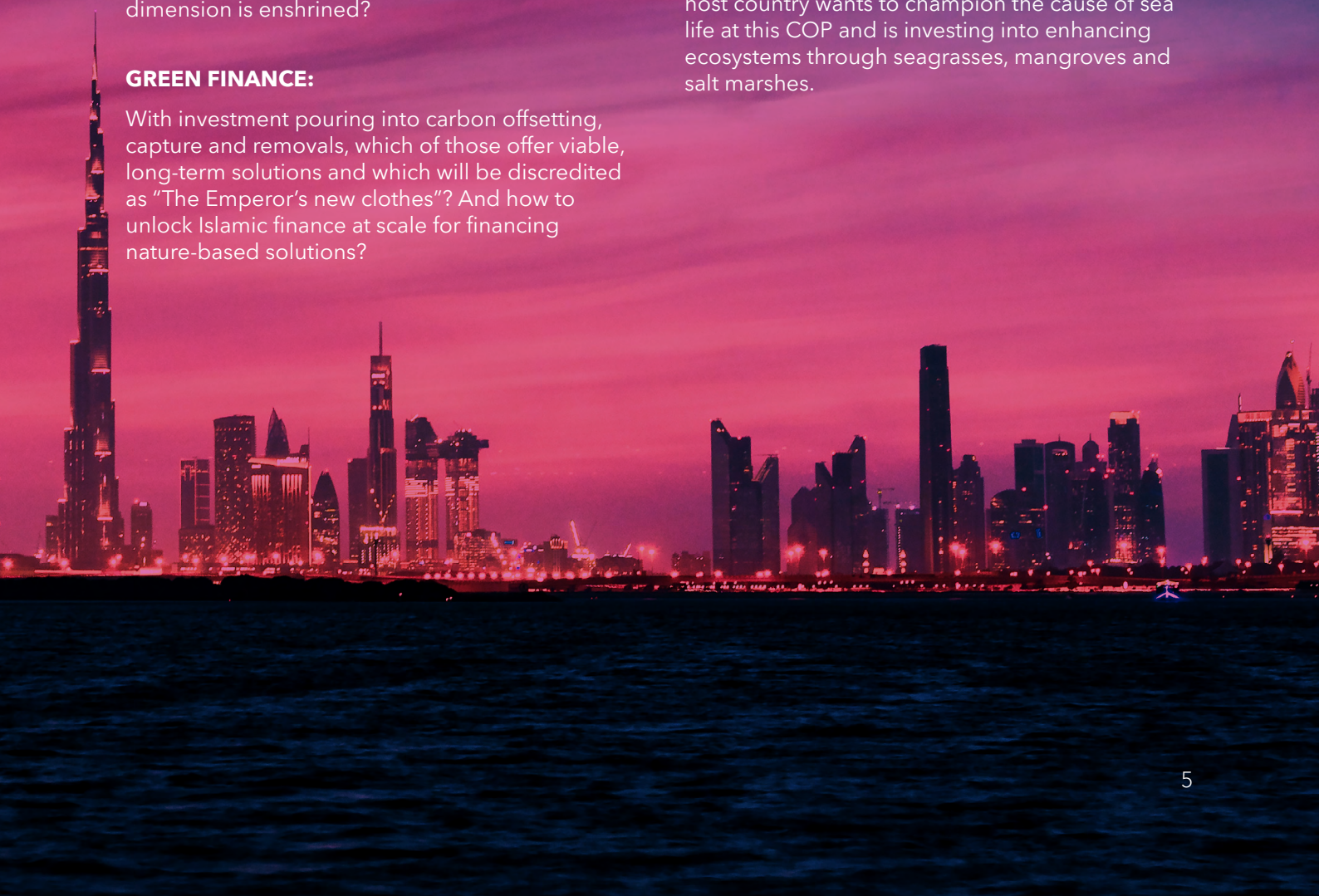
The committee was set up at COP27; now the question will be how to finance loss and damage commitments to the developing world (and the people whose lives are most directly affected by climate change)?

ADAPTATION:

A global framework for adapting to the effects of climate change was established at COP27; this year we can expect goals to be adopted. Food and water security and agricultural resilience will be top priorities. The topic of Global Cooling will also be introduced and a plan of action to expand sustainable cooling solutions to protect the communities most vulnerable to extreme heat.

OCEANIC PROTECTION:

How can we avert further biodiversity loss and species decline in our warming oceans? The host country wants to champion the cause of sea life at this COP and is investing into enhancing ecosystems through seagrasses, mangroves and salt marshes.



“We believe once 20% of key actors within each sector commit to playing their part to transform the sector consistent with the Climate Action Pathways, we have achieved “Breakthrough Ambition”. This means sufficient momentum is generated among a critical mass of key actors, enabling them to break away from the business-as-usual path and together deliver breakthrough outcomes at pace.”

The UNFCCC



WHAT WILL COP28 MEAN FOR BUSINESS?

The role of business in the net zero transition felt like a footnote to COP27 in Sharm El Sheikh. This was in stark contrast to the previous year at COP26 in Glasgow, which was nick-named the 'Business COP'. At COP27 there were no significant advances on reaching net zero or limiting global warming to 1.5C. UN Secretary-General Antonio Guterres concluded that: "Our planet is still in the emergency room. We need to drastically reduce emissions now and this is an issue this COP [COP27] did not address." While COP27 did achieve one of its key ambitions of establishing a loss and damage fund for the countries most vulnerable to the effects of climate change, the lack of progress on decarbonisation elevates expectations for this year, with business a key part of the solution.

Dubai is a city that prides itself on being a hub of international business and nurturing innovation, and as an established centre of global commerce, there was a sense that COP28 would be more productive from a business perspective before COP27 had even concluded.

When Dubai bid for the opportunity to host COP28 it talked about the enormous economic opportunities in climate action,

and in turn this means opportunity for business. There will be a significant focus on the move to renewable energy, with the UAE seeking to maintain a central role in the future of global energy while the world tries to wean itself off the country's life-blood - oil. And of course, green finance will be a crucial aspect, bringing together institutional investors and experts in the sector to find ways to fund new projects and support the green economy.

Therefore, the mood-music around this COP feels more business-friendly and we expect business engagement to be greater, both on the ground and remotely. But while the opportunities for business will be widely talked about and promoted at COP, there is and will continue to be increased scrutiny of businesses and how they are addressing climate change. What constitutes 'good' business has changed forever. Profit matters but so does social and environmental impact and purpose. Organisations are expected to deliver for all stakeholders, not just investors and owners. As such, greenwash and green hushing, continue to be reputational risk factors and businesses will be expected to deliver beyond the minimum standards of ESG reporting and compliance, with decarbonisation plans in place.

WHAT WILL COP28 MEAN FOR POLITICS?

The domestic political agenda in the UK and US will take priority over COP28 as both nations have elections in 2024 – General Election in the UK and Presidential Election in the US.

Climate action will be an important election campaign topic, with the green agenda in the UK already being targeted by Labour as a vote winner in seats they lost to the Conservatives in 2019.

While in the US, former President Donald Trump has already started campaigning and has continued to ridicule efforts to reduce planet-warming emissions from oil and gas production. But in positive news, his own environmental legacy from his time in the Whitehouse has mostly been scrubbed out by President Joe Biden who re-joined the Paris Agreement and has since passed the Inflation Reduction Act (IRA) - a \$369bn package of climate investments.

With such significant domestic elections on the horizon, international conferences and the UAE's leadership of the climate change agenda is not likely to have the same appeal for Biden or UK Prime Minister Rishi Sunak as previous conferences had.

This domestic priority teamed with the UAE's much expected PR efforts to positively boost their international reputation may result in a muted Western prioritisation for COP28.

Already the UAE has fallen foul of media reports of employing PR and lobbying agencies to promote its role as the hosts even before COP27 came to a close.

Mohammed bin Zayed Al Nahyan, the UAE President has previously said that "the UAE is a responsible energy supplier, and we will continue to play that role as we pursue a transition to alternate resources and technologies." What this in reality means is the UAE's economy is almost 100% reliant on its oil and gas reserves, so they will support the clean energy transition by continuing to supply oil and gas while others come up with low carbon solutions.

There is a serious lack of intent behind the UAE when it comes to their energy transition. This may result in seeing junior ministers from across the EU, UK and US attend COP28, rather than the global leaders that COP27 and 26 attracted. That being said, the UAE is among the world's ten largest oil producers and until the domestic energy generation and supply is shored up, Western leaders will be keen to continue friendly relations with the UAE.

KEY EVENTS ON THE ROAD TO COP28

In the run up to COP28, the year will be peppered with announcements and big climate events.

15 MARCH, UK SPRING BUDGET: The Chancellor, Jeremy Hunt, presented his first full Budget in the House of Commons - "a budget for growth". He unveiled a series of measures on childcare, pensions and disability benefits as part of a plan to help people get back to work, encourage investment in the UK economy and deliver on the priorities set by the Prime Minister.

4 APRIL, GREEN FINANCE STRATEGY: The UK government launched its consultation on regulation of ESG ratings in the first quarter of 2023.

19 - 21 MAY, G7 LEADERS' SUMMIT (JAPAN, HIROSHIMA SUMMIT): This year Japan will host the annual G7 summit in Hiroshima. Leaders of the world's largest advanced market democracies will meet to discuss the most pressing global concerns, including a range of critical economic and trade issues. As always, climate change is expected to be a key pillar of these discussions and will give insights into the position and progress likely to be seen at COP27 from the world's leading economies.

22 MAY, INTERNATIONAL DAY FOR BIOLOGICAL DIVERSITY: The International Day for Biological Diversity is a United Nations-sanctioned international day for the promotion of biodiversity issues.

05 JUNE, WORLD ENVIRONMENT DAY: 2023 is the 50th anniversary of World Environment Day. This year the host is Côte d'Ivoire in partnership with the Netherlands. This year's focus is on solutions to plastic pollution.

05 - 15 JUNE, BONN CLIMATE CHANGE CONFERENCE (BONN, GERMANY): The 58th session of the Subsidiary Body for Scientific and Technological Advice (SBSTA) will be an opportunity for participants to share information and develop advice on upcoming negotiations at COP28.

24 JUNE - 02 JULY, LONDON CLIMATE ACTION WEEK: Will be a focal point for discussions around the UK's role in driving the net zero transition and also a likely draw for climate activists and protests. It will see around 250 events with climate professionals and communities looking at new solutions to tackle the climate crisis.



09 - 10 SEPTEMBER, G20 LEADERS' SUMMIT (INDIA): The environment and sustainable and equitable growth will be a key focus for India's G20 Presidency, outlined by the theme "Vasudhaiva Kutumbakam" or "One Earth · One Family · One Future". The theme also spotlights LiFE (Lifestyle for Environment), with its associated, environmentally sustainable and responsible choices, both at the level of individual lifestyles as well as national development, leading to globally transformative actions resulting in a cleaner, greener and bluer future.

18 - 20 SEPTEMBER (DATE TBC), 2023 SUSTAINABLE DEVELOPMENT GOALS SUMMIT AND UNFCC CLIMATE AMBITION SUMMIT: Will take place during the United Nations General Assembly high-level week. Heads of State and Government will gather at the United Nations Headquarters in New York to follow-up and review the implementation of the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs). They will carry out a comprehensive review of the state of the SDGs, respond to the impact of multiple and interlocking crises facing the world, and provide high-level political guidance on transformative and accelerated actions leading up to the target year of 2030 for achieving the SDGs.

17 - 24 SEPTEMBER, CLIMATE WEEK NYC 2023: This annual event provides an opportunity for businesses and organisations to showcase leading climate action.

13 - 15 OCTOBER 2023, WORLD BANK GROUP / IMF ANNUAL MEETING, MARRAKESH: Will focus on building resilience, securing a transformational recovery and reinvigorating global cooperation. These topics will inevitably frame discussions at COP28.

30 NOVEMBER - 12 DECEMBER: COP28, DUBAI, UNITED ARAB EMIRATES, COP28 BEGINS. It also marks the end of the first Global Stocktake, which began at COP26 in Glasgow. It assesses the collective progress made under the Paris Agreement and identifies areas for additional action and support.

SUPPORTING YOUR GOALS

SEC Newgate UK Green & Good is working with clients in the lead up to COP28 and during the Conference to deliver programmes including the following elements:

Digital communications:

1

Digital campaigns that could include audience targeting; geolocation ads; support running digital campaigns; or development of virtual fringe events and thought leadership.



Integrated communications:

2

Integrated communications strategy and delivery including strategy and messaging development; content creation; thought leadership and media and stakeholder relations to position organisations and brands effectively around COP28.



Advocacy programme:

3

Public affairs engagement and strategic advice in the run up to COP28 including advice on engaging with UK delegates.



Brand protection:

4

Reputation management advice around an event that will bring heightened scrutiny and activist activity around environmental issues.



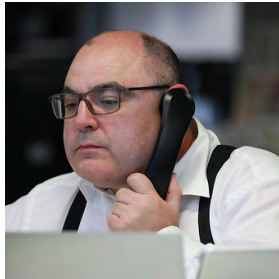
Event management:

5

Support on the development of virtual events and meetings before and during the COP28 conference, including all supporting communications, content production and media relations.



SEC NEWGATE GREEN & GOOD



SEC Newgate UK's Green & Good team works with organisations to define, articulate and communicate their environmental and social purpose.

We help organisations to interact with all the stakeholders (internal, commercial, political, consumer and activist) that surround them in order to build trust and secure buy-in for strategies that deliver purpose as well as profit and which will help the transition to a greener world.

We work with business and other organisations to set strategy, build messages and create and target content at specific audience groups through media and social channels and through direct engagement, advocacy and events.

If you'd like to discuss the challenges and opportunities that lie ahead for your business in the move to net zero and during the year ahead, please do contact us:

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**Best Banking
Communications Campaign**

PRCA City & Financial
Awards 2023

Shortlisted

**Best
Integrated Agency for
Corporate and Public Affairs**

PR Week CCPA
Awards 2023

Shortlisted

**ESG Agency
of the Year**

PR Moment Awards 2022

Shortlisted

**Purpose
Award**

PRCA Dare
Awards 2022

Shortlisted

**Communications
Agency
of the Year**

Business Green
Awards 2021/2022

Shortlisted

**Consultancy
of the Year**

PRCA Public Affairs
Awards 2022

Shortlisted

**Best Handling
of an IPO**

PR Week CCPA
Awards 2022

Winner

**Best IPO
Campaign**

PRCA City & Financial
Awards 2021/2022

Winner

**Best CSR
Content**

Corporate Content
Awards 2022

Winner

CONTACT US

If you have any questions about COP28 and potential opportunities, or how it might impact your business, please contact:

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