KEY ENERGY TRANSITION ISSUES AT COP28 AND IMPLICATIONS FOR SOUTHEAST ASIA

ENERGY TRANSITION PARTNERSHIP SOUTHEAST ASIA PRE-COP28 POLICY DIALOGUE
"ADVANCING REGIONAL COOPERATION IN SOUTHEAST ASIA'S ENERGY TRANSITION TO MEET THE PARIS AGREEMENT GOALS IN 2030"

PROF FRANK JOTZO
CRAWFORD SCHOOL OF PUBLIC POLICY AND INSTITUTE FOR CLIMATE ENERGY & DISASTER SOLUTIONS

9 OCTOBER 2023
Key themes in the UNFCCC climate negotiations relevant to SEA

**Climate Finance, adaptation and loss-and-damage**

Perennial topic: need for more climate finance for developing countries
Increasing emphasis on the need for adaptation finance & action.
COP27 Global Adaptation Goal

L&D: COP27 progress towards a Loss and Damage Fund

**International emissions trading and credits**

Article 6 Rulebook:
COP27 partial resolution on Internationally Transferred Mitigation Outcomes (ITMOs);
defining Article 6.4 “mitigation contribution emission reduction” (MCER) – credits within countries and for voluntary markets

**Announcements**

Many national/plurilateral announcements
Indonesia JETP
Overall assessment
Some action on climate change has taken place, but much more is needed
‘Governments need to support systems transformations’ ‘in the context of sustainable development’, with ‘a focus on inclusion and equity’
Much more ambition needed in future NDCs, implementation of pledges, and support for action in developing countries
Key findings for mitigation, esp energy
‘scaling up renewable energy while phasing out all unabated fossil fuels, ending deforestation, reducing non-CO2 emissions’
‘Electrification, energy efficiency and demand-side management, as well as energy storage, are also important elements in net zero energy systems’
‘systems transformations in industry, transport, buildings and other sectors’
Just transitions, economic diversification
COP28: political decisions about ambition?
Next round of NDCs 2024-25
What to expect at COP28

High level
Global ambition - Global Stocktake, next NDCs
Climate change leadership and positioning – A US-China agreement? EU/G7 ‘climate club’?
Geopolitical fractures

Energy
Push to phase out fossil fuels – EU
Push for a role for ‘abated’ fossil fuels (CCS, blue hydrogen...) – Gulf states and others

Markets, finance, adaptation
Article 6, L&D
Further increasing focus on climate change impacts and adaptation – hottest year ever, climate related natural disasters
Various national and plurilateral initiatives
Opportunities for accelerating the energy transition in SEA

Stronger ambition to drive energy transition
Stronger NDCs – as ambitious pledges

Finance
Pursue international finance to accelerate investment in clean energy
Public: transfers between countries (Art6), development assistance, international financial institutions, ‘green banks’...
Private: voluntary emissions markets, pension funds, corporate and private investment

Focus on the long term
Emphasis on the end point: zero-emissions energy systems – renewables dominated, highly electrified energy systems
Seek opportunities for national economic advantage in the transition to net zero
... eg local energy = less money for energy imports, new industries eg mining/processing
ANU Crawford School of Public Policy
ANU Institute for Climate, Energy and Disaster Solutions
The Australian National University
frank.jotzo@anu.edu.au