

# 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"

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# 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



# 1<sup>st</sup> Global Stocktake

## 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’

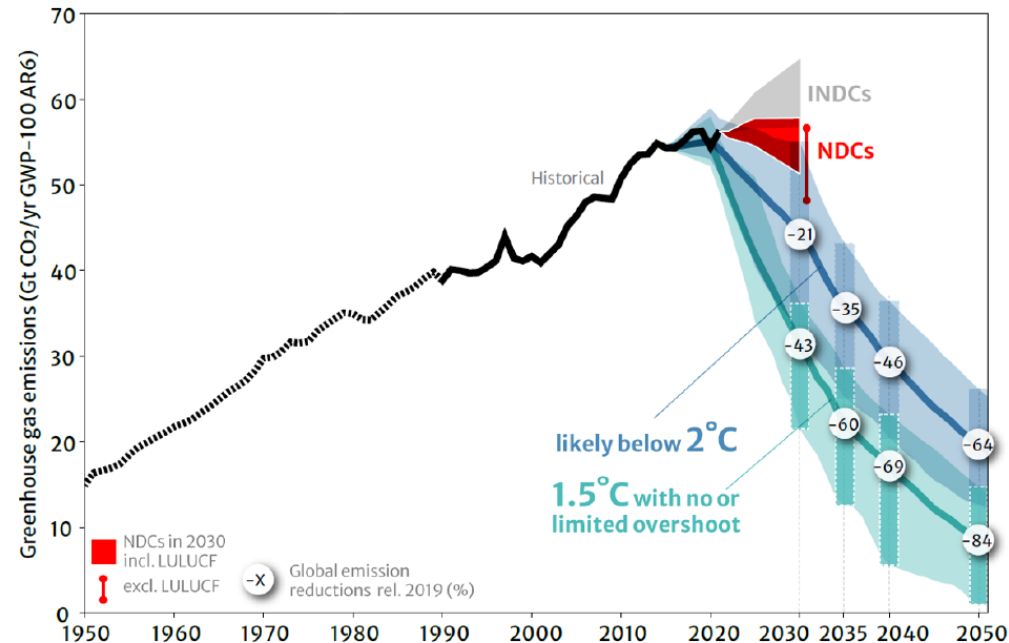
Just transitions, economic diversification

COP28: political decisions about ambition?

Next round of NDCs 2024-25



Global emissions trajectories compatible with 1.5d and 2d



# 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

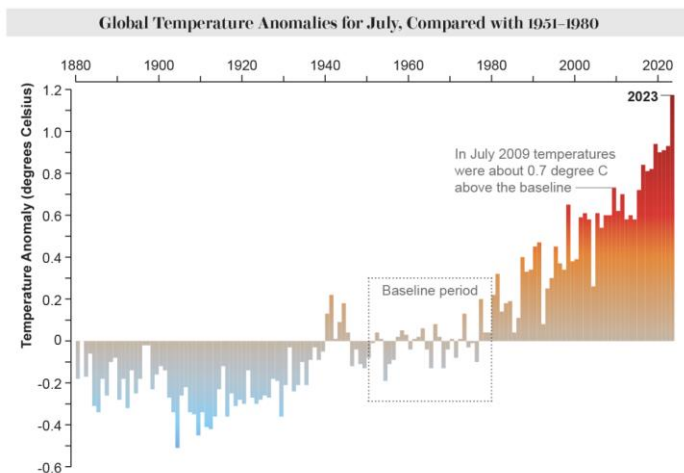
Push for a role for ‘abated’ fossil fuels (CCS, blue hydrogen...) – Gulf states and others

## 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



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