

COP 27

Some Key highlights and Financial Institutions

Presented at

The Nigeria Sustainable Principles (NSBP) Champions Meeting

Presented By

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Introduction

‘Conference of the Parties (COP) -a generic phrase in International Relations-speak:

- Means a committee created after an international treaty is signed,
- tasked with making decisions about how that treaty is implemented.

COP conferences on climate change

- broadly provide a platform for the negotiation of international climate change agreements.



COP in Africa

The 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27) since 2016.

Location: took place in the Egyptian coastal city of Sharm el-Sheikh

Audience was more than 45,000 participants:

World leaders, ministers, and negotiators **discussed/negotiate** on how to address climate change and its impacts.

Civil society, businesses, international organizations, and the media serve as **observers** of proceedings to bring transparency and broader perspectives to the negotiations



Backdrop of COP27

Set against a backdrop of record-high levels of hunger and multi-year droughts that continue to grip many parts of the continent.



Framed as the **implementation COP**, lead to action.



The COP27 decisions – who signed

[package of decisions](#)

Final decision signed off by nearly 200
countries

from the major polluters and emerging
economies to small island states



Landmark deal to help vulnerable countries - Losses and Damage

- Agreement to establish a fund to compensate vulnerable nations for 'loss and damage' from climate-induced disasters.
 - pushed by developing countries that suffer the most extreme impacts despite small carbon footprints
 - agreed by wealthy polluters
- The deal sets up a transitional committee, with representatives from 24 countries, that will establish how the fund should work, and where the money should come from.
- The group to present its recommendations at Cop28 in the United Arab Emirates in 2023, with a view to getting the fund up and running.



money lent by
MDBs -
inequitable terms
for developing
and developed
countries



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- Small island states and other vulnerable countries **highlighted the vastly inequitable terms for the money lent** by MDBs to help countries recover from devastating impacts, such as hurricanes and extreme flooding

annual climate funding to poorer countries

Wealthy nations
promised to deliver
a total of \$100bn
annually for
climate funding to
poorer countries by
2020

it has not yet been
met

final agreement
from Glasgow
expressed “deep
regret” for missing
this target.

This agreement
“expresses serious
concern” and
“urges developed
country Parties to
meet the goal”.



Doubling down on the doubling of adaptation finance

to help poorer countries adapt to climate impacts, at COP26 countries signed off on doubling the amount of finance by 2025, totaling more than USD 230 million, made to the Adaptation Fund

this pledge stayed in the final Cop27 deal

Set a 'new collective quantified goal on climate finance' in 2024, taking into account the needs and priorities of developing countries



Failures of climate summit

failure to push further efforts on cutting emissions to keep alive the aspirational goal of limiting global warming to 1.5C from pre-industrial levels.



little progress from last year's COP26 meeting in Glasgow on key issues around cutting planet-heating pollution

called on countries to take steps toward "the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies," as agreed at the COP26 Glasgow summit.



keep the world's
1.5C temperature
goal- slashing
of greenhouse
gas emissions



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- Many small island states and African nations say that failure to keep “alive” the aspirational goal of limiting global warming to 1.5C from pre-industrial levels would be a death sentence for their communities.
- So emissions peaking before 2025 was seen as necessary as science tells us.
 - Not in the COP27 agreement

winding down of all fossil fuel use



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Like the COP 26, the COP 27 pact

called

- for “accelerating efforts towards the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies”.
- No new ambition

for providing “targeted support to the poorest and most vulnerable in line with national circumstances and recognising the need for support towards a just transition”.



Other issues harvested
at COP27



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Other issues harvested at COP27

launch of the [African Carbon Markets Initiative](#)

with an intention to “dramatically expand Africa’s participation in voluntary carbon markets”. The initiative involves seven African countries including Kenya, Malawi, Gabon, Nigeria and Togo and has the support of the UN “[high-level champions](#)”,



Just Transition



Some activities focused attention on the social aspects of climate change transition and the importance of building a just transition into adaptation and mitigation processes.



launch of initiative and Knowledge product on just transition

“[Green Jobs for Youth Pact](#)” initiative, which aims to help close the skills gap for young people, and

unveiling of a [Just Transition Finance Tool on Banking and Investment Activities](#), developed together with the London School of Economics’ Grantham Research Institute, to help financial institutions embed a just transition dimension throughout their operations.

[Just Transition Policy Brief series](#), designed to improve technical and policy understanding of the application of [ILO’s Guidelines for a Just Transition towards Environmentally Sustainable Economies and Societies for All](#),

a new [report on the role enterprises can play in the green transition](#).



Requirements for implementing the COP 27 Action - Finance-

Sharm el-Sheikh
Implementation Plan -
cover decision

highlights that a global transformation to a low-carbon economy is expected to require investments of at least USD 4-6 trillion a year



Requirement for delivering such funding

a swift and comprehensive transformation of the financial system and its structures and processes,

engaging governments, central banks, commercial banks, institutional investors and other financial actors.





Less money on the table for restoration of forests than the previous year,



Fears over how carbon removals would be included in opaque new carbon markets

Funds



Financial institutions- 'put on the watch'

Shareholders of multilateral development banks (MDBs) and other financial institutions urged to

financial bodies to take into account "debt burdens".

reform "their practices and priorities" to "ensure simplified access"

"define a new vision" that "fit for the purpose of adequately addressing the global climate emergency".



Net-zero greenwashing

UN Secretary-General António Guterres had earlier set up an Expert Group that came out with a report on a how-to guide to ensure credible, accountable net-zero pledges and 'zero tolerance.'



The Report provides clarity in four key areas:

environmental
integrity;

credibility;

accountability;
and

the role of
governments.



Environmental Integrity

the Intergovernmental Panel on Climate Change is our scientific North Star.

Net-zero pledges must be in line with IPCC scenarios limiting warming to 1.5 degrees.

- That means global emissions must decline by at least 45 per cent by 2030 – and reach net zero by 2050.

Pledges should have interim targets every five years starting in 2025.

And these targets must cover all greenhouse gas emissions and all scopes of emissions.



Environmental Integrity – meaning to stakeholders

For financial institutions, this means all financed activities.

For businesses, it means all emissions -- direct, indirect and those originating from supply chains.

for cities and regions, it means all territorial emissions.

For fossil fuel companies and their financial enablers with voluntary initiatives committing to net-zero it means review of their pledges and aligning them to avoid bogus 'net-zero' pledges



Credibility

Transition plans with their net-zero pledges for full and rapid decarbonization presented by Leaders from business, financial institutions and local authorities

The plans must be publicly available, with detailed, concrete actions to meet all targets.

Management must be accountable for delivering on these pledges.

This means publicly advocating for decisive climate action and disclosing all lobbying activity.

The transition to net-zero must be just and Transition plans address the needs of workers in fossil fuel industries and sectors affected by the renewable energy transition.

Private financial institutions must now fully facilitate investments for a renewable energy revolution, and proactively work with international financial institutions to address issues of cost of capital and risk perceptions.

By the first half of 2023, all existing net-zero voluntary initiatives must explain how they will align and revise their standards accordingly -- and all new initiatives must abide by these recommendations.



Accountability

full transparency

register pledges, publish transition plans, and track annual reporting on implementation. Through the Global Climate Action Portal

all net-zero voluntary initiatives to accelerate efforts to standardize progress reports, in an open format and via public platforms that feed into the UNFCCC Portal.



Governments

Provides strong political leadership.

ensure that these voluntary initiatives become the “new normal”.

provide non-state entities with a level playing field to transition to a just, net-zero future.

governments to build a net-zero regulatory environment to fit their needs and national circumstances.

G20 -- together with all OECD countries must rapidly regulate, design policies, pass legislation and approve budgets to limit warming to 1.5 degrees and thus accelerate the decarbonization of their economies and end their addiction and subsidies to fossil fuels.





Natural Eco Capital Supporting in Climate Action



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At COP27

Natural Eco Capital + Partners held three side events at COP27



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COP27
SHARM EL-SHEIKH
EGYPT 2022

SLAMDAM
easy movable dam

SIDE EVENT AT COP 27

Egypt, Africa 6TH - 18TH November, 2022

Enhancing Resilience to Climate-induced flooding and drought in Nigeria

- The Case of Slamdram Technology

VENUE
Nigerian Pavilion

DATE
November 12th

TIME
13.00 - 14.00hs EET

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ZEPHYR

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COP27
SHARM EL-SHEIKH
EGYPT 2022

AFD **IDDRI**

SIDE EVENT AT COP 27

Egypt, Africa 6TH - 18TH November, 2022

Nigeria Long-Term Strategy Elaboration

VENUE
Nigerian Pavilion

DATE
November 09th

TIME
15.00 - 16.00hs EET

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DDP DEEP DECARBONIZATION PATHWAYS NIGERIA

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COP27
SHARM EL-SHEIKH
EGYPT 2022

ANCON **EOfactory**

SIDE EVENT AT COP 27

Egypt, Africa 6TH - 18TH November, 2022

Supporting the Nigeria Energy Transition Plan through Energy Transition Fuel

- Supporting Nigeria's Decarbonisation

VENUE
Nigerian Pavilion

DATE
November 11th

TIME
10.30 - 11.30hs EET

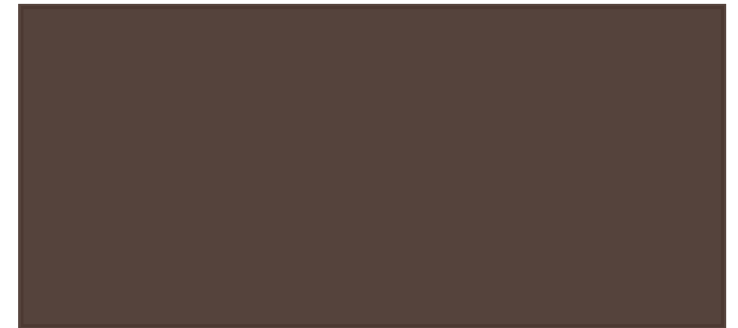
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All Sectors


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INSTITUTE OF GREEN
GROWTH SOLUTIONS

Nov. 21-24, 2022

Accra, Ghana

Climate Finance, Decarbonization and Carbon Market

A 4-Day Training on



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Natural Eco Capital supporting climate action: **Financial Sector Credit Facility for SMEs (FSCFS)**



Phase 1: Market Study

Market Assessment
Report for GCF
Proposal

Phase 2: Country Diagnostic

Enabling
Environment
Report for the
Youth Adapt
Finance and Youth
led business under
AAP

Phase 3: Credit Line Design

Design of SME
Financial Sector
Credit Facility

Phase 4: GCF Funding Proposal & Closure

GCF Funding
Proposal



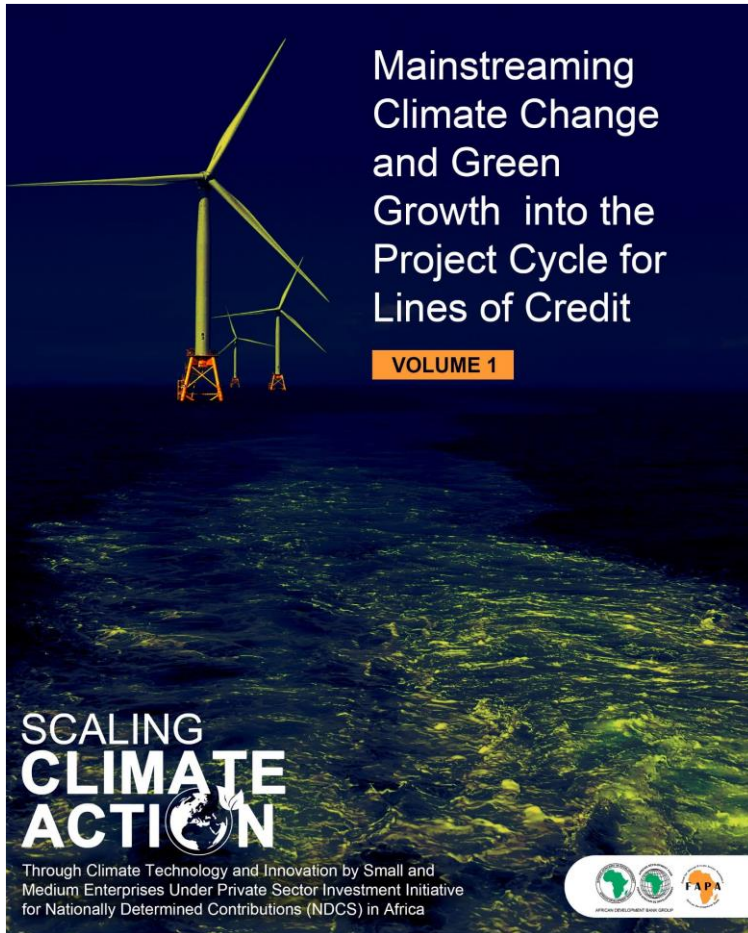
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oneworld

We build resilient futures

Supporting Financial Institutions and SMEs for Climate Action



SCALING CLIMATE ACTION 2021

THROUGH CLIMATE TECHNOLOGY AND INNOVATION BY SMES UNDER PRIVATE SECTOR INVESTMENT INITIATIVE FOR NATIONALLY DETERMINED CONTRIBUTIONS (NDCS) IN AFRICA



[AfDB releases toolkits to help SMEs access green investment \(esi-africa.com\)](https://www.esi-africa.com/industry-sectors/finance-and-policy/afdb-toolkits-to-help-smes-access-green-investment)

<https://www.esi-africa.com/industry-sectors/finance-and-policy/afdb-toolkits-to-help-smes-access-green-investment-opportunities/>

<https://ecopital.com/insights/picture-highlights-side-event-on-scaling-climate-action-through-climate-technology-and-innovation-by-smes-in-africa-jointly-organised-by-afdb-and-natural-eco-capital/>

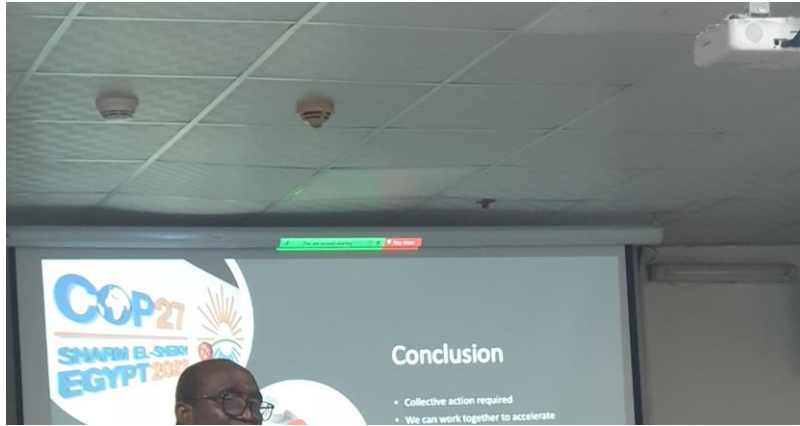


SUBMITTED TO:
AFRICAN DEVELOPMENT BANK
CLIMATE CHANGE & GREEN
GROWTH DEPARTMENT (PECG)

PREPARED BY:
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The Nigeria Sustainable Principles (NSBP) Champions Meeting



Conclusion



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Collective action
required



We can work
together to
accelerate
implementation



Bibliography

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- [Cop27 outcomes: Key takeaways from the final agreement \(yahoo.com\)](#)
- [Outcomes of COP 27: takeaways and way forward - Florence School of Regulation \(eui.eu\)](#)
- [10 key takeaways from COP27 on nature's critical role | World Economic Forum \(weforum.org\)](#)
- [What are the key outcomes of Cop27 climate summit? | Cop27 | The Guardian](#)
- [COP27: Key outcomes agreed at the UN climate talks in Sharm el-Sheikh - Carbon Brief](#)
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- [COP27: Key outcomes agreed at the UN climate talks in Sharm el-Sheikh - Carbon Brief](#)

