



COP29: Key implications for business

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01

Summary of outcomes and impact



Summary of outcomes and impact

Overall takeaways from COP29:

Despite not making as much progress as hoped for on the New Collective Quantified Goal on climate finance or on the phase out of fossil fuels, there are many reasons to be positive about COP29. It is very clear that non-state actors are moving in a constructive direction to address key challenges on the mitigation and adaptation agendas. Overall, there was more positivity than expected and a real sense of momentum across various fronts.

While COP29 was described as the “Finance COP” which it very much was, the other critical issue that dominated discussions was the requirement for signatories to the Paris Agreement to produce third generation Nationally Determined Contributions (NDCs) and the need for greater levels of ambition by February 2025 (though it is likely most countries will delay past this date).

There was significant focus on aligning NDCs with local country corporate transition plans and developing investable NDCs, highlighting the intersection of the climate finance and climate policy agendas.

Cross-cutting themes for the Business Community:

Value creation: There was broad acceptance that there needs to be an underlying value proposition if meaningful progress is going to be taken. This is important in the context of future policy developments in particular e.g. carbon taxes. Similarly, there was growing awareness that the transition to a low carbon economy presents an unprecedented economic opportunity.

Collaboration: Overall much greater sense of the need for increased collaboration across the agenda. This can be seen across many different areas including industrial decarbonization, climate finance for emerging markets, transition plans and linkages with Nationally Determined Contributions and Climate Action Plans and more.

Harmonization: There is an acknowledgement that due to the significant scale of varying national and international standards, and the increasing burden on organizations reporting against them, that harmonization across standards, and a focus on strategic action rather than just disclosure, is increasingly critical.

Resilience: Businesses recognize the importance of developing climate and decarbonization strategies that provide resilience against both transition and physical risks of climate, as well as potential future uncertainties.

Explore below for 10 key takeaways from COP29.



02

10 key takeaways from COP29



10 key takeaways from COP29

01 Climate Finance

- Climate finance was a key theme, with a particular focus on the New Collective Quantified Goal (NCQG) agreement. The agreement received significant attention and will act as an incentive to drive much greater activity in this space from both public and private funding sources.
- Next generation NDCs (National Climate Plans) will be produced by February 2025 and the focus is on making these contributions as ambitious as possible and, importantly, investable, to help create the pipelines needed for investment.
- At COP29 there was clear evidence of increased private sector interest in investing in emerging markets, with many announcements being made on collaboration between public and private sector investors.
- Various other enablers were discussed at COP29, including a strong focus on industrial decarbonization and the roles of insurance and transition finance in helping to drive capital.

02 Climate Transition Plans (CTPs)

- There was a clear consensus that CTPs are going to be mainstream across the climate agenda.
- CTPs were a key topic of discussion on the ground at COP, driven by investors, insurers, regulators and others.
- Key themes around this included increased disclosure, collaboration (across value chains and interoperability across different standards e.g. ISSB, TPT, EFRAG), and honesty.
- The focus was very much on climate mitigation transition plans, but the KPMG view is that a good transition plan should also reflect climate adaptation, nature, and social.

03 Demand-Led Decarbonization

- Given the challenges being faced by many corporates in attempting to achieve their interim targets by 2030 and their full net zero targets by 2050 through operational decarbonization measures, there is now an increasing focus on demand-led decarbonization initiatives (including product level decarbonization with a focus on LCA/PCF measurements).
- This is relevant to all sectors and will involve several approaches including designing new climate policies to create demand for low carbon products and materials and establishing buyer alliances to send demand signals for low carbon inputs to supply chains.
- One core objective is to create much greater pressure in upstream supply chains, forcing operational decarbonization in areas such as agriculture, manufacturing and transport.

04 Industrial Decarbonization

- There was a major focus on decarbonization of all key hard-to-abate sectors (steel, cement, aluminum, aviation, shipping, etc.).
- Related to this, a key initiative — Industrial Transitions Accelerator — has been established to bring capital, technology and policy together to create greater demand for the emerging technologies that will be central to industrial decarbonization and in turn help to reduce the cost of these technologies.



10 key takeaways from COP29

05 Energy Transition

- The deployment and adoption of various key energy transition technologies is crucial, however progress against COP28 global goals to triple renewable energy capacity and double energy efficiency has been slow for several reasons, including cost-competitiveness of technologies for end-users, weak economic returns for developers and policy uncertainty, lack of deployment of technology at scale, and challenging access to critical minerals.
- Broad consensus is that significant policy intervention is required to help commercialize many different energy transition solutions.
- New global pledges on storage and grid will help to meet this objective, and it is also recognized that much more progress is required in respect of the complementary objective of doubling energy efficiency installations by 2030.

06 Climate Policy

- All major countries are obligated to produce revised National Climate Plans (Nationally Determined Contributions) by February 2025.
- This is likely to lead to a significant increase in new climate policies and incentive measures around the world. Existing policy measures, in particular the EU Carbon Border Adjustment Mechanism (CBAM), was a major area of focus at COP29, as it is clearly having a material impact on those companies affected.

07 Nationally Determined Contributions

- The next generation of Nationally Determined Contributions (in effect, National Climate Plans) that will be produced by February 2025 outline how each country intends to achieve the goals of the Paris Agreement. UK, Brazil and UAE presented their new NDCs during COP29, increasing ambition from previous commitments.
- A key takeaway from COP29 was on making these National Climate Plans as ambitious as possible, aligned with corporate transition plans and, importantly, investable.
- The global investment community made it clear that investable NDCs will help to accelerate climate finance.

08 Carbon Markets

- Key developments affecting Global Carbon Markets: (1) Article 6.4 of the Paris Agreement formally adopted, establishing a UN based central mechanism for carbon trading- the Paris Agreement Crediting Mechanism (PACM). Under PACM countries can voluntarily cooperate on meeting NDCs through carbon market trading and corporates can transact directly in the carbon market using the registry. This mechanism will see additional climate financing going toward projects located in the Global South. (2) Agreement under Article 6.2 which allows countries and corporates to trade credits (ITMOs) through bilateral agreements.
- At COP29, there was also significant discussion around the voluntary carbon markets, particularly on the necessity of driving greater corporate demand given the advances made on enhancing integrity on the supply side.



10 key takeaways from COP29

09 Adaptation and Resilience

- Adaptation and Resilience (A&R) was a key part of negotiations during COP29, however the agreed NCQG does not explicitly outline Adaptation financing requirements, despite urgent needs. There was progress made on greater levels of financing for the Loss and Damage Fund, a focus on strengthening Early Warning Systems, and clear indicators for tracking Adaptation progress as part of the Global Goal on Adaptation (GGA).
- The need to crowd in private-public-MDBs finance was acknowledged to meet the significant Adaptation Financing Gap, and developments on the GGA will be critical in enabling this. Also, the COP29 stock take of National Adaptation Plans (NAPs) was deferred to COP30, meaning that corporates will have to wait for a strategic framework with identified national priorities and roadmaps for A&R investment. The submission of updated NAPs in 2025 will be a key component of the agenda in Belem at COP30.

10 Reporting developments

- The key standard setting bodies (ISSB, CSRD, GRI, SBTI, ISO, GHGP etc) continue to debate their role in driving the disclosures and related actions required to deliver on the transition. The push back on the extent of the CSRD requirements in Europe has given the ISSB a renewed energy to push for the ISSB being recognized as the global baseline, including the Transition Plan Taskforce guidance. The ISO are producing a net zero standard to be launched at COP30 that could replace the SBTI framework over time.
- At COP29, there was a significant focus on harmonization and interoperability of existing and emerging standards, as well as ongoing clarification of the roles of different standard setting bodies. It will be critical for businesses to monitor ongoing developments and ensure that strategic action is aligned with the evolving landscape.



03

Other key topics and the road to COP30



Other key topics and the road to COP30

Other key topics at COP29

1. **Avoided emissions** has become a significant area of discussion across different sectors — in particular companies that are producing products and solutions which help to lower emissions for their customers wish to establish some methodology for recognizing the carbon benefits achieved. Also, recognition of avoided emissions can help crystalize greater volumes of transition finance.
2. There was significant focus on **greenwashing** risk which has becomes an area of concern for corporates attempting to achieve net zero across their value chain by 2050.
3. The **climate: health nexus** has become an important part of the global climate agenda because of the impact that climate is having on global healthcare and also because of the emissions coming from the healthcare sector.
4. **Nature & Biodiversity** did not feature as heavily as expected at COP29, despite (and possibly because of) COP16 (the Biodiversity COP) taking place immediately ahead of it. The key themes at COP29 around e.g. finance, implementation of national plans and transition plans were also key discussions at COP16 (but from a nature viewpoint) with many key businesses pointing to the need for a more holistic approach to these two key issues, recognizing their critical linkages.

The road to COP30

1. The focus in the run up to COP30 in Belém, Brazil, will be on keeping 1.5C alive, and enhancing adaptation and resilience globally.
2. This focus in particular will be around the delivery of enhanced ambitions through the NDCs, tied to real economy commitments via National Transition Plans and Corporate Transition Plans. Leveraging finance in line with commitments made at COP29, as well as calling climate finance actors to work towards scaling up finance to at least \$1.3 trillion to developing countries from all public and private sources — the “Baku to Belém Roadmap to 1.3T”, including through grants, concessional and non-debt instruments.
3. Brazil have also announced that nature will be one of the key themes on the agenda of the Brazilian Presidency and their invitation for countries to consider a joint work program across the biodiversity and climate conventions is an early signal to the importance they are putting to bringing a more integrated approach to these issues.

04

Appendix



KPMG at COP29: Program overview

4 key objectives for KPMG

Strengthen client & stakeholder relationships

Engage and contribute to the COP program and discourse

Enhance our brand & reinforce our position as climate market leaders

Showcase the diversity of our network & inspire our people

5 key areas of focus

01
Climate Finance for Emerging Markets

02
Energy Transition

03
Corporate Decarbonization

04
Food & Agriculture

05
Adaptation & Resilience

3 cross-cutting themes

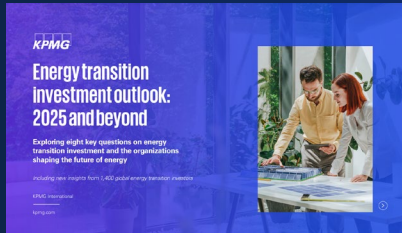
Digital Enablement – Technology, Data & AI

Nature & Biodiversity

Next Generation

KPMG at COP29: Related thought leadership

Energy transition



Energy transition investment outlook: 2025 and beyond

Exploring eight key questions on energy transition investment and the organizations shaping the future of energy.

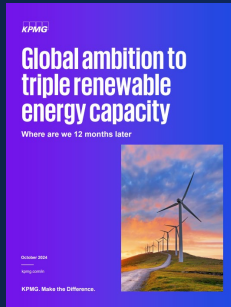
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ACED Through AI

Accelerating clean energy delivery and advancing climate action through Artificial Intelligence (AI) and Generative AI.

[Link](#)



Global ambition to triple renewable energy capacity

Tracking the progress in renewable energy from 2022 and beyond, with comparative data year-over-year.

[Link](#)

Corporate decarbonization and greenwashing



The challenge of greenwashing: An international regulatory overview

With input from 25 jurisdictions around the world, this report aims to illustrate the ways these jurisdictions tackle greenwashing.

[Link](#)

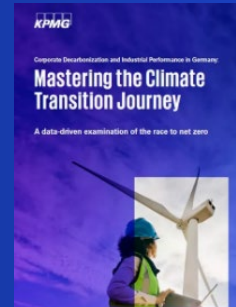


From talk to action:

Paving the way for a circular economy in the consumer goods and retail industry

Examining the progress of the consumer and retail sector towards circularity.

[Link](#)



Mastering the climate transition journey

Insights for optimizing decarbonization strategies in Germany.

[Link](#)



Chasing Net Zero: Are the ICT sector plans on track?

Insights on the adoption and reality of net-zero emissions in EMA

[Link](#)

KPMG at COP29: Related thought leadership (cont'd)

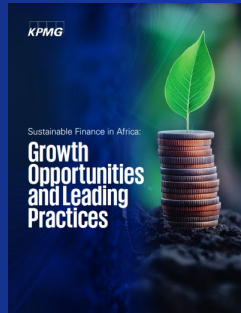
Climate finance



Gender Lens Investing: Unlocking Opportunities for Climate and Gender Impact

A training brochure aimed to empower change through gender-responsive investing for sustainable climate solutions

[Link](#)



Sustainable finance in Africa

Explore the growth opportunities and leading practices in Africa, and how sustainable finance can align capital flows with sustainability goals.

[Link](#)

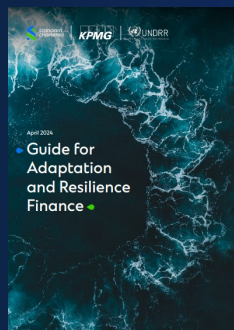


Market Assessment on Smart Energy and Industrial Decarbonization

In collaboration with UNIDO and the A2D Facility, this assessment looks at innovation on smart energy and industrial decarbonization in developing countries.

[Link](#)

Adaptation and resilience



Guide for Adaptation and Resilience Finance

In collaboration with Standard Chartered Bank and UNDRR, this guide is a practical roadmap for investment, looking at mobilizing capital for adaptation and resilience.

[Link](#)



The Climate Resilient Infrastructure Report:

A Focus on Technology

In collaboration with ICSI, this report explores the role of digitalization and AI in enhancing the inclusivity, resilience and sustainability of infrastructure.

[Link](#)

Next Gen/Leaders 2050



Perspectives from young professionals on climate, sustainability and social impact, their perception of business' role and risks, and the impacts on their careers.

[Link](#)

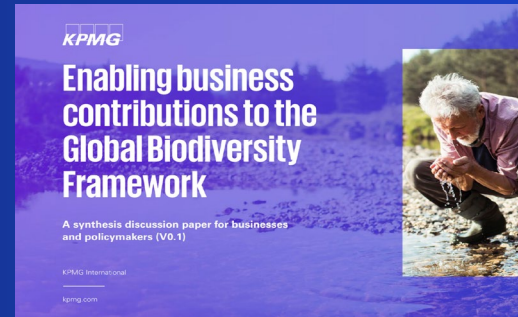
KPMG publications and announcements at COP16

Key Thought Leadership



The State of Nature Tech: Its Use and Relevance for Corporates

A report in partnership with Nature4Climate, Nature Tech Collective and Climate Collective, which focuses on nature tech's use and relevance to corporate nature journeys, including case studies of companies and nature tech providers.



Business Contributions to the Global Biodiversity Framework (GBF)

Synthesis of guidance on how businesses can contribute to the targets of the GBF and engage in implementation of National Biodiversity Strategies and Action Plans.

Key comms & marketing channels

- KPMG COP16 website [KPMG at COP16](#)
- KPMG COP16 and COP29 internal blog [COP16 and COP29 live blog](#)
- See *LinkedIn* for many more insights by our KPMG delegates.

Key announcements

KPMGI signed up as a TNFD adopter!
There are now over 500 TNFD adopters.





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