2025

November

# COP30: “The COP of Truth” and the Road to Türkiye


Energy Research Paper

The Al-Attiyah Foundation

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The COP30 conference in Brazil was the first after a series of wider Middle East-hosted COPs, but still the fifth in a row to occur in a significant oil and gas producer. Labelled "the COP of Truth" by Brazil's President Luiz Inácio Lula da Silva, it concluded with significant discussions, commitments, and implementation of important policies, but also with political controversies, with some stating that it would go down as among the most divisive in three decades of meetings aimed at forging global consensus on how to prevent and deal with climate change.

What were the key achievements, and which areas were not progressed? What are the implications for the next COP, in Türkiye? And how does COP30 modify the outlook for long-term fossil fuel demand?

## ENERGY RESEARCH PAPER

This research paper is part of a 12-month series published by the Al-Attiyah Foundation every year. Each in-depth research paper focuses on a current energy topic that is of interest to the Foundation's members and partners. The 12 technical papers are distributed to members, partners, and universities, as well as made available on the Foundation's website.

# 03 EXECUTIVE SUMMARY

- COP30 delivered incremental rather than transformational progress, but reinforced the global shift toward lower-carbon economic systems
- It exposed a sharply altered geopolitical landscape: an isolated EU, an absent US, and assertive emerging powers and fossil fuel producing and exporting states shaped a weaker deal, underscoring the redistribution of influence in global climate diplomacy
- Mitigation ambition lagged due to missing NDCs, yet global emissions are now projected to decline, signalling structural momentum in the energy transition
- Adaptation and loss-and-damage finance advanced procedurally, though major gaps persist between agreed targets and actual needs
- Nature protection emerged as a secondary pillar of COP30, with Brazil's new forest-finance facility, expanded land-tenure commitments, and growing global engagement – including from Middle Eastern states – signalling a shift toward integrated land–ocean climate governance
- Trade and carbon markets moved to the centre of climate diplomacy, exposing deep geopolitical divides between the EU, China, India, and major energy exporters
- For MENA energy producers, outcomes highlight both rising exposure to low-carbon trade standards and expanding opportunities in transition technologies, nature finance, and climate diplomacy

- Even without explicit phase-out language, COP30 reinforced the direction of travel toward reduced fossil-fuel reliance. This strengthens expectations for accelerated diversification in MENA economies and increases scrutiny of methane emissions, flaring, and oil-sector emissions intensity
- The EU's carbon border agenda – now embedded in future COP dialogues – poses competitiveness risks but also opportunities for MENA exporters of steel, aluminium, petrochemicals and fertilisers. Producers will face stronger incentives to adopt low-carbon production standards to maintain market access
- Slow progress on Article 6 raises uncertainty about carbon-credit monetisation, but also elevates the value of domestic decarbonisation, CCUS, blue hydrogen, and methane mitigation. MENA producers can differentiate by demonstrating high-integrity emissions reductions
- GCC states played a more active role in land restoration and nature-based initiatives at COP30. These emerging platforms offer new diplomatic and investment avenues for MENA countries seeking to broaden their climate credentials and expand soft-power influence
- With the US less visible and the EU politically constrained, China, India and energy-producing states (especially in the Gulf) gained influence in shaping outcomes. This opens space for MENA producers to act as bridge-builders on carbon markets, trade, and transition finance, strengthening their role in future COP cycles

# 05 COP30 OUTCOMES: NO BINDING OIL & GAS PHASE-OUT, ONLY VOLUNTARY ROADMAPS

The 2025 UN climate talks concluded on November 22, 2025 after negotiations once again pushed into overtime, driven largely by an unresolved impasse over fossil-fuel phase-out. The final decision text – known as the Global Mutirão or Global Collective Effort[i] – secured some important wins, but ultimately failed in including explicit reference to phasing out fossil fuels, despite reports that a "hugely diverse" group of over 80 (developed and developing) countries had dramatically pushed for a formal way forward on its realisation.

Once defined by a strong EU-US climate coalition, the summit highlighted a new geopolitical reality: the EU stood largely alone, the US receded, and emerging powers along with major fossil-fuel producers played a decisive role. This rebalancing of influence contributed to a softer outcome that omitted any direct reference to phasing out fossil fuels.

## FOSSIL FUELS WERE ACKNOWLEDGED (IN THE END) – BY OBLIQUELY REFERRING TO THE "UAE CONSENSUS"

Instead, the conference concluded after a consensus was reached on acknowledging the need for fossil fuel phase-out by obliquely referring to the earlier COP28 "UAE Consensus", where the term "transitioning away from fossil fuels" was included in the final decision text for the first time. Just like COP28 and COP29, efforts towards the "UAE Consensus" will take the form of a voluntary roadmap, led by the COP presidency, with plans to report progress under a non-binding side agreement at next year's COP31 conference in Türkiye.

Draft language on fossil fuel subsidy reform was also not a part of the Mutirão decision, prompting unease among climate activists who feared that petrostates led by Russia and Saudi Arabia had successfully rallied allies to forestall

additional direction on a matter declared settled at COP28, and therefore viewed by oil and gas governments as one to be implemented domestically rather than revisited in subsequent COPs.

Still, COP processes often advance in stages – endorsing a principle in one year and formalising the mechanism to implement it in later rounds. COP30 followed this pattern: its final decision essentially functioned as a roadmap to create a future roadmap. By referencing the "UAE Consensus," negotiators ensured that work on operationalising a transition pathway can now move forward.

## A FIRM TIMETABLE IS YET TO BE ESTABLISHED FOR THE REALISATION OF THE "UAE CONSENSUS"

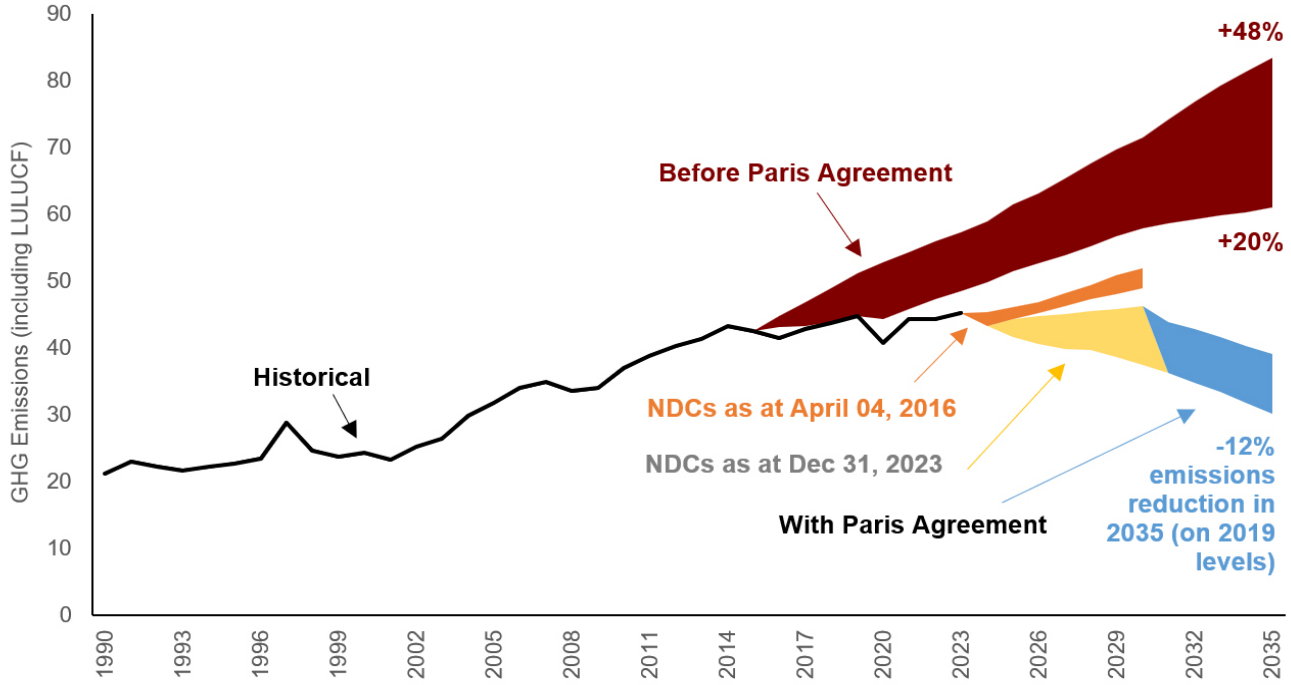
The Mutirão text's vague reference to "accelerating implementation of the UAE Consensus" is weakened (further) by the absence of a firm timeline to drive the transformational mitigation needed. When Sultan Al Jaber, President of COP28 and head of the UAE's national oil company ADNOC, galvanised the UAE Consensus, he did so by encouraging individual nations to update their own climate action plans – Nationally Determined Contributions (NDCs) – with more ambition and specific timelines. Yet, even at COP29 in Azerbaijan last year, no singular process to strengthen the NDCs was achieved, and at this year's COP30, even the biggest emitters seemed unconcerned to move first or fastest.

## MORE THAN 122 COUNTRIES SUBMITTED NEW OR UPDATED NDCS AHEAD OF COP30

Preliminary analyses project a 12% global reduction in emissions by 2035 against 2019 baseline levels[ii] (Figure 1) – still woefully short of the 55% required to limit warming to 1.5°C according to the UNEP[iii]. This is despite an overarching improvement in quality, credibility, and economic coverage, with 89% of the NDCs submitted ahead of COP30 communicating economy-wide targets[iv]. Many of the new NDCs also include responses to the first Global Stocktake (GST) – the Paris Agreement's 5-year progress check – with 88% of countries stating their NDCs were informed by the GST outcomes, and 80% explaining how[v].

This shows three things clearly: (i) the Paris Agreement is working – it has bent the global emissions curve; (ii) the world is not yet where it needs to be (in terms of emissions reduction), and; (iii) COP processes are in fact useful tools that enable collective action towards better and more ambitious targets, even if outcomes continue to fall short.

Figure 1 Based on the total number of 86 NDCs submitted by 112 Parties between January 01, 2024 and November 09, 2025, total global GHG emissions are projected to be around 12% below 2019 levels, GtCO2e/y using GWP-100 from the AR6[vi]




## MAJOR BIG EMITTERS, WHO ARE ALSO G20 MEMBERS, FAILED TO SUBMIT FINAL TARGETS OR STRONGER PLANS

Several major economies, including Brazil, Japan, Singapore, South Africa, Switzerland, the UAE, and the UK, stepped up and submitted stronger climate plans in the run-up to COP30[vii], but over 70 countries, including some of the biggest emitters in the world, failed to file any NDC. These included G20 countries like India and Saudi Arabia[viii]. Of those that did, targets were well short of what is required.

The EU was particularly criticised for missing the initial deadline to submit updated NDCs for 2035 (by early 2025), and only confirmed its new NDC just before COP30 began, with a commitment to cut 66.25% to 72.5% of GHG emissions by 2035 (compared to 1990 levels), grounded in its newly adopted 2040 target of 90% net GHG emissions reduction, marking a clear path to climate neutrality by 2050[ix].

Table 1 [1] 2035 Targets for all G20 Members compared with 2019 Emissions[x]

| Country | 2035 Target in NDC | 2035 Target Compared to 2019 Emissions Levels |
|---|---|---|
| **Argentina** | NDC not submitted | |
| **Australia** | -62%-70% / 2005 (net) | -53%-63% |
| **Brazil** | -59%-67% / 2005 (net) | -40%-52% |
| **Canada** | -45%-50% / 2005 (gross[2]) | -44%-49% |
| **China** | -7%-10% / peak (net) | +2%-5%[3] |
| **France** | Included in EU NDC | |
| **Germany** | Included in EU NDC | |
| **EU** | -66.25%-72.5% / 1990 (net) | -54%-62% |
| **India** | NDC not submitted | |
| **Indonesia** | +9.8%-30% / 2019 (net) | +9.8%-30% |
| **Italy** | Included in EU NDC | |
| **Japan** | -60% / 2013 (net) | -51% |
| **Mexico** | 332-404 $MtCO_2e$ (net) | -29%-42% |
| **Russia** | -65%-67% / 1990 (net) | -25%-29% |
| **Saudi Arabia** | NDC not submitted | |
| **South Africa** | 320-380 $MtCO_2e$ (net) | -21%-33% |
| **South Korea** | -52%-61% / 2018 (net) | -50%-59% |
| **Turkiye** | 643 $MtCO_2e$ (net) | +42% |
| **UK** | -81% / 1990 (net) | -66% |
| **USA[4]** | -61%-66% / 2005 (net) | -55%-61% |
| **Combined Total** | | -23%-29% |

1- All target numbers in the table are based on official submissions. Not all countries use the same methodology to account for their emissions and actual emissions may differ substantially from those reported by governments

2- Canada is the only G20 country that has submitted a gross emissions target, which only deals with emissions and not with land-based (LULUCF) nor industrial removals

3- China's target calculation assumes emissions would peak in 2024 and bases peak emissions on an increase of 670 Mt (as reported in the EDGAR database) above the 2021 emissions levels reported in China's Biennial Transparency Report (BTR)

Still, global emissions are now projected – for the first time – to begin declining this decade. This emerging downward trend does not reflect adequate climate ambition, but does indicate that structural shifts in the global energy system are starting to translate into measurable emissions impacts, particularly from smaller countries. In other words, while the policy gap remains large, the system appears to be changing and could do so more meaningfully and substantively if large emitters were to bump up their ambitions and processes.

Note that for the first time, parties acknowledged the likelihood of overshooting 1.5°C this century[xi].

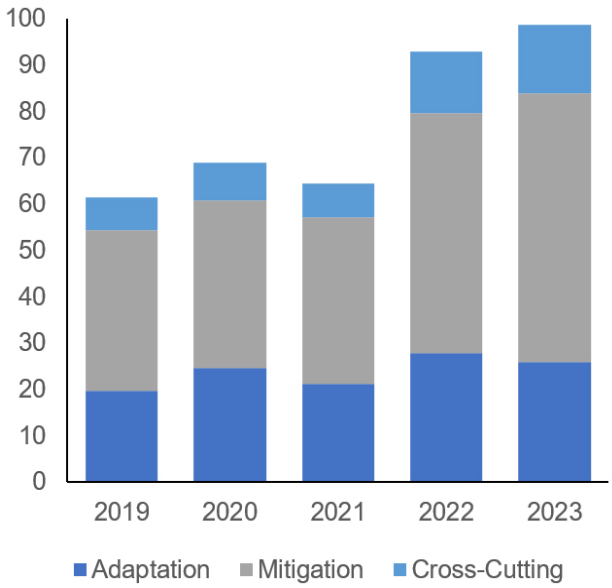
## ADAPTATION FINANCE WILL TRIPLE TO US$ 120 B FROM THE US$ 40 B GOAL ESTABLISHED AT COP26

COP30 concluded with yet another agreement to triple climate adaptation finance, with countries building on the new global climate finance goal agreed at the previous COP29 in Baku (the New Collective Quantified Goal or NCGQ), which aims to scale up support for developing countries[xii]. Participating members agreed to triple the US$ 40 B adaptation finance goal established four years ago at COP26 in Glasgow, effectively creating a new US$ 120 B target as part of the NCGQ[xiii] which calls for efforts towards US$ 300 B annually in climate finance from public sources, as part of a total of the US$ 1.3 T per year required from all sources, public and private.

## THE US$ 300 B TARGET LACKS A DEFINED BASELINE AND FALLS SHORT OF ESTIMATED NEEDS

Although the US$ 300 B target represents an important political milestone, it lacks a defined baseline and falls well short of estimated needs. Independent assessments indicate that developing countries (excluding China) will require roughly US$ 400 B annually by 2035 to meet adaptation and resilience needs[xiv]. Yet current commitments remain a fraction of this level: the COP30 agreed annual adaptation target of US$ 120 B amounts to only about 30% of the overall climate finance requirement **5**. This shortfall persists despite strong evidence that adaptation investments yield substantial returns in avoided economic losses, improved resilience, and broader social and environmental benefits.

Figure 2 International public climate finance commitments from developed countries towards developing countries from 2019-2023, US$ B (2023 constant prices)




## ULTIMATELY, NEGOTIATORS ENDORSED A SUITE OF 59 INDICATORS

These spanned seven sectors – including water, agriculture, health, and adaptation planning – as well as finance, capacity building, and technology transfer. The framework also incorporates cross-cutting considerations such as gender and human rights.

However, many of the indicators, developed over two years by a group of 78 independent experts, were revised during the final days of negotiations. The resulting set includes

**4–** Based on the existing NDC from the Biden Administration

**5–** Of the US$ 300 B annual climate finance that should flow to developing countries by 2035, US$ 120 B should go towards adaptation and resilience. The COP30 adaptation goal meets this target, but falls short of the remaining US$ 180 B needed for loss and damage, and protecting and restoring nature


elements that are "difficult to measure" or "only partially aligned" with sectoral needs, creating technical challenges that will need to be resolved in subsequent work.

Note that public commentary and technical critiques intentionally avoid naming by number or specific language which ones are flawed, instead discussing the problem at the framework level ("some are unmeasurable or vague", "some targets are not covered at all"), suggesting that issues are not limited to a handful of indicators, but perhaps scattered through the list.

The COP Presidency has promised to address objections against the final list of indicators at the Bonn climate talks in June 2026. The indicators will also need further refinement, part of which will be addressed through a 2-year "Belém-Addis vision" process. However, it is unclear if countries will be willing to start using the indicators agreed at COP30 if they may change in the next two years.

## 'LOSS AND DAMAGE' RECEIVED RELATIVELY LITTLE ATTENTION COMPARED TO PREVIOUS COPS

Loss and damage, which addresses the most severe impacts of climate change, received relatively less attention than expected, with the most significant outcome toward it being the completion of the third review of the Warsaw International Mechanism for Loss and Damage (WIM). The WIM is the oldest piece of the Loss and Damage support landscape under the UNFCCC and the Paris Agreement, and was reviewed for the first time at COP22 in 2016, and for the second time at COP25 in 2019. It was to be reviewed for the third time at COP29 last year, but agreement could not be reached.

COP30 delivered on the completion of the third review, and strengthened the WIM's mandate by establishing the foundations of a more coherent global architecture for loss and

damage support. Key outcomes included:

Table 2 Key Outcomes from the Third Review of the WIM at COP30[xv]

| | Outcomes |
|---|---|
| 1 | Agreement to produce a regular global "State of Loss and Damage Report" |
| 2 | New guidance on methodologies for assessing economic and non-economic loss and damage impacts |
| 3 | Voluntary data-management guidelines linked to countries' Biennial Transparency Reports[6] |
| 4 | Enhanced coordination mechanisms across the WIM, the Santiago Network, and the Fund for Responding to Loss and Damage (FRLD), improving the alignment of technical assistance, knowledge generation, and financial support |

## THE FRLD LAUNCHED THE CALL FOR FUNDING REQUESTS FOR ITS START-UP PHASE

The FRLD also took a significant operational step forward with the launch of the Barbados Implementation Modalities (BIM), opening the Fund's first call for proposals. Around US$ 250 M has been allocated to this start-up window, enabling developing countries to apply for grants in the range of US$ 5-20 M for urgent loss and damage interventions.

While this marks the first practical opportunity for vulnerable communities to access dedicated support, it represents only a tiny fraction of global needs – loss and damage costs are already estimated at US$ 724 B per year, and finance commitments as discussed above remain minimal, with only small new pledges from Spain and Switzerland.

As such, the gap between the scale of impacts and the resources available to address them remains severe. Even though the Mutirão decision reinforces

the importance of loss and damage, without binding commitments or a pathway to scale the FRLD beyond its pilot phase, loss and damage, much like the rest of COP30 outcomes, remains a voluntary endeavour. Add to that the persistent political resistance among several developed countries to long-term funding obligations, and vulnerable countries may continue to experience rising losses without commensurate support, deepening climate-related inequities.

6- Under the Enhanced Transparency Framework, Parties to the Paris Agreement are required to submit biennial transparency reports (BTR) every two years, with the first submission due by 31 December 2024. BTR include information on national inventory reports (NIR), progress towards NDCs, policies and measures, climate change impacts and adaptation, levels of financial, technology development and transfer and capacity-building support, capacity-building needs and areas of improvement

# 13 NATURE CONSERVATION SIMILARLY SCORED SOME (IMPERFECT) WINS

Although COP30 took place in Belém, a symbolic setting at the edge of the Amazon, negotiators did not agree to a global roadmap for ending deforestation. Nonetheless, the summit produced several notable outcomes for nature protection.

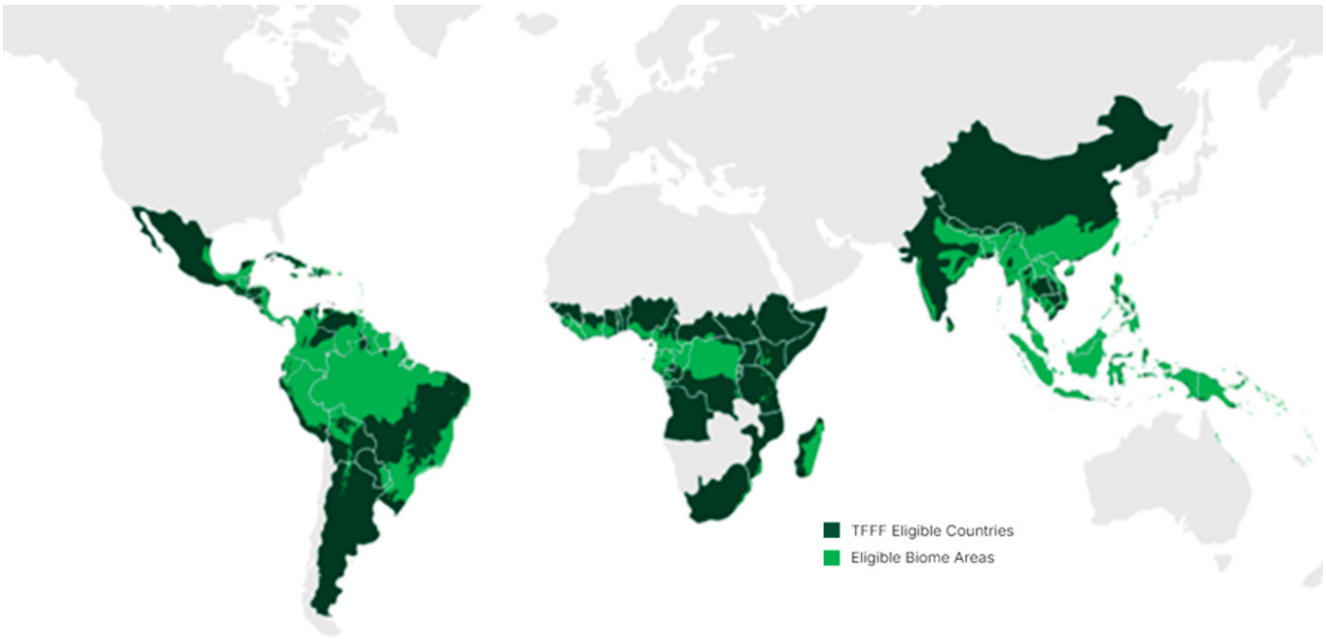
## FORESTS, SAVANNAHS, MANGROVES, AND OTHER CRITICAL ECOSYSTEMS RECEIVED NEW PLEDGES OF PROTECTION

Brazil launched the Tropical Forests Forever Facility (TFFF), designed to provide stable long-term finance to countries that conserve their tropical forests by making standing forest assets more economically attractive than land clearing. Initial contributions amounted to US$ 6.7 B from Brazil, Indonesia, France, Germany, and Norway. This remains well below Brazil's target of US$ 25 B, although additional pledges may materialise next year, including from China and the UK.

Beyond this new facility, several governments renewed the Forest and Land Tenure Pledge, committing USS 1.8 B through 2030 and expanding the focus beyond forests to savannahs, mangroves, and other critical ecosystems. Fifteen countries also launched the Intergovernmental Land Tenure Commitment, which seeks to formalise rights over 160 million hectares held by Indigenous Peoples and local communities.

Brazil announced ten new indigenous territories and Indonesia confirmed plans to expand protections as well. These developments signal a growing recognition of the central role that indigenous groups, Afro-descendant communities, and local populations play in maintaining ecological integrity, particularly as climate impacts intensify.

Figure 3 Countries eligible for the TFFF. Under Brazil's proposed initiative, nations will receive US$ 4/ha of tropical forest[xvi]



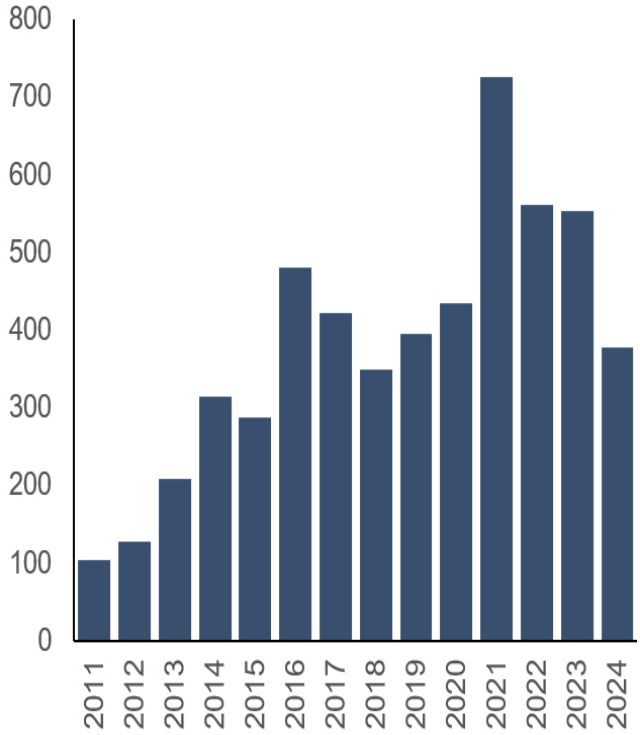

## COP30 ALSO SAW EFFORTS TO ADDRESS WILDFIRE THREATS AND PROMOTE SUSTAINABLE LAND-USE TRANSITIONS

Brazil introduced the Bioeconomy Challenge, a platform intended to mobilise investment in sustainable forest-based markets. Meanwhile, a group of ten countries, including Saudi Arabia, committed to support a Brazil-led accelerator aimed at restoring degraded and underproductive farmland worldwide.

Ocean governance advanced in parallel, with Brazil joining the Ocean Panel and committing to sustainably manage all of its national waters by 2030. Six additional countries joined the Blue NDC Challenge, signalling increasing alignment between ocean health and national climate commitments.

These outcomes collectively illustrate a broader shift toward integrating land and ocean systems into climate action, with Middle Eastern producers such as Saudi Arabia becoming more visible contributors to global ecosystem restoration initiatives.

Figure 4 Global community land rights and conservation funding (including indigenous, Afro-descent and other local communities), US$ M[xvii]




# THE "JUST TRANSITION MECHANISM" FINALLY ADOPTED A WORK PROGRAMME

COP30 finally adopted a process to develop the "just transition mechanism" after years of fragmented, inconsistent, and untracked efforts. Part of the Belém Action Mechanism (BAM) – a new global framework under the UNFCCC to operationalise a just transition – is to strengthen international cooperation, provide technical assistance and capacity-building, share knowledge, and support equitable, inclusive transitions to low-carbon economies.

At the same time, it now requires countries to coordinate their individual work towards the transition, ensuring that every country knows what is happening globally and who it is affecting. The just transition mechanism does not mandate new spending on climate finance, with negotiators keeping it firmly separate from the adaptation and loss and damage funds, but it does prioritise non-debt-inducing finance and ensures technology is shared with developing and low-income countries, particularly those with limited state capacity.

## CRITICAL MINERALS WERE EXCLUDED FROM THE FINAL TEXT OF THE MUTIRÃO DECISION

However, an exclusion of wording on the exploitation of critical minerals needed for renewable energy components – which has been linked to human rights abuses in many mining regions – has been criticised as "watering down" what could have been the most substantive COP decision yet on social protections within the just transition agenda. Observers argued that without explicit guidance on safeguarding workers and affected communities, the decision risks overlooking one of the most pressing governance challenges associated with scaling renewable energy supply chains.

## CHINA AND RUSSIA WERE BLAMED FOR THE EXCLUSION, ALTHOUGH CHINA VOICED SUPPORT FOR THE TRANSITION

The exclusion triggered political finger-pointing among Western climate advocates, who attributed the outcome to resistance from China and Russia[xviii]. Chinese negotiators, however, rejected this characterisation. The Director General of China's Department of Climate Change stated at COP30 that China supports accelerating renewable deployment, but maintains that the transition must proceed in a manner that is just, orderly and fair[xix]. Beijing's broader position has been to articulate the just transition as a pathway toward shared prosperity and international cooperation, rather than as a battleground over contentious narratives that can be politically divisive.

Negotiators and other stakeholders will share their views on the process for developing the BAM by March 2026, with a recommended process for its operationalisation to be considered in November 2026.

# THE EU HAD A BAD COP, THE US WAS ABSENT, AND GLOBAL TRADE MADE AN ENTRY


The EU came into COP30 hoping to make a case for greater global efforts to fight climate change after a year of domestic infighting that resulted in a last-minute deal on new pollution-cutting targets. However, the 27-country bloc was confronted with a stark geopolitical reality – it was suddenly isolated in its fight against the combined weight of China, India, Saudi Arabia, and other rising economic powers. An absent US – a first for the country in 30 years of COP, and yet another representation of the current administration's disdain for the climate crisis – added to the EU's woes, who in the past had been able to rely on the US to drive forth a joint Western voice towards the necessity for climate action.

## THE US' ABSENCE UNDERMINED THE EU'S POSITION AS A CLIMATE STANDARD-BEARER

Despite its internal ambitions, the bloc struggled to muster a coalition capable of advancing hard commitments – particularly against pushback from major fossil-fuel exporting states. The absence of binding commitments on fossil-fuel phase-out, and the deferral of decisive action to future, voluntary road-mapping processes, reinforced criticism that COP30 yielded "baby-steps" when science demands far more urgent action.

Major emerging economies such as China, India and Russia wielded significant leverage, aligning with hydrocarbon-producing countries' interests to resist strong fossil-fuel exit language and broader mitigation pressure. That coalition diluted EU ambitions and shifted the outcome decisively toward compromise.

## HOWEVER, IT WAS NOT ENTIRELY AN EU-VERSUS-PETROSTATES CONFRONTATION

The EU repeatedly held up progress on finance in an effort to secure gains on fossil fuel phase-out. This included taking huge unnecessary risks to block the whole negotiation package and undermine the

collaboration and trust with other parties. With the absence of the US, Europe had the rare chance to step into a genuine leadership it had prepared itself for; instead, it ended up aligning with other delayers and contributed to a diluted outcome across the board.

The final result reflects a transformed balance of power in global climate diplomacy: the EU no longer dominates – consensus now depends on accommodating a broader mix of energy-exporting and developing economies.

## FOR THE FIRST TIME, GLOBAL TRADE BECAME ONE OF THE KEY ISSUES AT COP30

Global trade emerged as a core battleground at COP30, marking a notable shift in the climate negotiations landscape. A coordinated push by several delegations ensured that trade was discussed across negotiating tracks, reflecting growing concern that climate policy is increasingly intertwined with cross-border competitiveness. The EU's forthcoming Carbon Border Adjustment Mechanism (CBAM), which will levy charges on carbon-intensive imports such as steel, cement, fertiliser, and aluminium, sat at the centre of this debate.

For many emerging economies – particularly China, India, and Saudi Arabia – the EU measure crystallised fears that climate regulation is being used as a de facto trade barrier. These states argued that unilateral carbon tariffs would erode their export competitiveness and undermine notions of equity embedded in the UN climate regime.

The EU countered that CBAM is not protectionist but rather an extension of its domestic carbon pricing architecture, designed to prevent carbon leakage and maintain the integrity of its decarbonisation strategy. By charging European producers for their emissions, Brussels argues it cannot simultaneously allow cheaper imports produced under weaker climate regulations to gain market share. Its message to trading partners was clear and uncompromising: if they impose comparable emissions fees domestically, their goods would not be penalised at the EU border. This position gained support from several OECD economies and from economists who see carbon pricing as an efficient emissions-reduction tool, even if it raises short-term costs for consumers and industry.

The political clash proved too deep for a substantive outcome at COP30, particularly given resistance from major emerging markets and growing geopolitical fragmentation. The final compromise deferred any concrete decision and instead launched a continuing dialogue on trade within future UN climate negotiations, including structured engagement with institutions such as the WTO.

While modest, this development signals growing recognition that the decarbonisation of global value chains – and the tensions provoked by unilateral climate measures – will increasingly shape multilateral climate diplomacy. It sets the stage for COP31 and COP32 to engage more directly with the difficult question of how climate ambition can be reconciled with a fair, rules-based international trading system.

## ONLY INCREMENTAL PROGRESS WAS MADE IN OPERATIONALISING ARTICLE 6 OF THE PARIS AGREEMENT

Progress on carbon markets under the Paris Agreement's Article 6 was incremental but structurally meaningful. Negotiators made headway in refining the details for the Article 6.4 market-based mechanism (the new Paris Agreement Crediting Mechanism, PACM) and advancing cooperative frameworks under Article 6.2 (internationally transferred mitigation outcomes, ITMOs). One important technical milestone was the finalisation of a revised "non-permanence and reversals" standard for PACM, which allows methodologies to tailor permanence requirements to specific project types, a move seen as improving the viability of nature-based solutions under the UN's crediting regime.

## COP30 ALSO CONFIRMED THE FORMAL SUNSET OF THE LEGACY CLEAN DEVELOPMENT MECHANISM (CDM)

A transition deadline was extended to June 2026. This gives existing CDM-registered projects a final window to migrate into PACM; after that, any unmigrated credits risk becoming stranded.

In parallel (and perhaps more consequential than formal UN negotiations) the host country launched the Open Coalition on Compliance Carbon Markets. As of COP30 the coalition counts 18 member jurisdictions, including major economies and emerging markets, spanning from the European Union and the UK to China, Brazil, Singapore, Canada, and others. The coalition aims to set shared standards for monitoring, reporting, verification (MRV), accounting, and offset integrity, thereby promoting liquidity, transparency and interoperability across national and compliance carbon markets.

Despite these structural gains, COP30 fell short of producing a fully operational, high-integrity global carbon market. The negotiated texts on Articles 6.2 and 6.4 remain provisional; key methodological and governance issues have only been partially resolved, with final sign-off still pending.

## A MAJOR POINT OF CONTENTION REMAINS AROUND LAND-BASED AND NATURE-BASED ACTIVITIES

While the revised non-permanence standard opens some flexibility, concerns persist that overly rigid permanence or baseline rules could exclude many reforestation, conservation, or ecosystem-restoration projects from PACM. If excluded, nature (a critical carbon sink) may remain marginalised in global crediting architecture.

Moreover, the six-month CDM-to-PACM transition window raises the risk of a "flood" of legacy credits being pushed into the new mechanism, potentially eroding market integrity if those credits rely on outdated or discredited methodologies.

## STILL, COP30'S FOCUS ON CARBON MARKETS REMAINED STRONG

Although COP30 made only limited progress on Article 6 and left key methodologies unresolved, the continued global focus on carbon markets reinforces the strategic value of technologies that can generate high-integrity, verifiable mitigation outcomes – most notably carbon capture, use and storage (CCUS). For MENA producers, this creates an important pathway to stay competitive in a future where credible emissions reductions are increasingly monetised and scrutinised.

Large geological storage potential, existing CO2 handling infrastructure, and export-oriented hydrocarbon sectors position the region to supply "carbon-managed" energy products while also developing tradable mitigation units once Article 6 rules mature. This makes carbon management technologies like CCUS a market-access and value-retention instrument for MENA economies as global climate regulation evolves.

# 21 CONCLUSIONS

COP30 delivered a mixed but directionally important set of outcomes that collectively reflect the evolving landscape of global climate governance. While the summit struggled to produce decisive breakthroughs in some of the most politically charged areas, it nonetheless marked progress across several fronts that matter for accelerating the transition, strengthening resilience, and addressing longstanding inequities in the global climate regime. The meeting underscored the persistent tension between ambition and political feasibility, yet it also demonstrated that multilateral climate processes continue to shape norms, expectations, and future policy trajectories.

Overall, COP30 can be seen as a summit that solidified the next phase of climate cooperation: one characterised less by headline breakthroughs and more by incremental but cumulative shifts in rules, finance, and institutional architectures.

While the outcomes fall short of what climate science demands, they reflect an increasingly pragmatic and diversified global climate ecosystem, one where mitigation, adaptation, loss and damage, nature, trade, and markets are becoming interlinked components of a broader transition trajectory. The challenge ahead lies in converting these structural steps into real-world system change at the pace required, ensuring that ambition is matched by implementation, and that global climate action remains both politically durable and economically credible.

Looking ahead to COP31 in 2026, Türkiye will host the conference in Antalya while Australia – as President of Negotiations – will lead the climate text negotiations, shaping the detailed outcomes and strategic agenda for the summit, an arrangement that reflects an unusual division of labour designed to resolve the competition to host the event, and to balance regional and thematic priorities. The preparatory framing emphasises climate finance, clean energy trade and investment, and the existential threats faced by Pacific Island states. Australia champions a Pacific-focused pre-COP and dedicated session on climate finance needs for Small Island Developing States, signalling an intensified spotlight on adaptation and resilience funding gaps.

Türkiye's role as host points to the importance of bridging perspectives between developed and developing countries, particularly on equity in climate action and financing, and integrating broader themes like energy transition, food and water security into the negotiating space. The complex contest over hosting rights and leadership also highlights longer-term political challenges: balancing regional leadership aspirations (e.g., Pacific versus broader global priorities), geopolitical influence in climate diplomacy, and the need for consensus-driven solutions amid competing national interests.

For MENA and other producer regions, COP31 presents an opportunity to engage more proactively in shaping climate finance mechanisms, adaptation agendas, and clean energy trade frameworks – areas that may gain prominence alongside traditional mitigation discussions.

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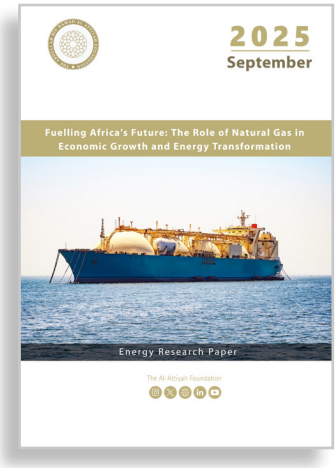


September – 2025

### Fuelling Africa's Future: The Role of Natural Gas in Economic Growth and Energy Transformation

Africa's gas sector is in a pivotal phase, with new exporters expanding the region's role alongside established players. Rising European demand creates opportunities, but export growth faces constraints from production shortfalls.

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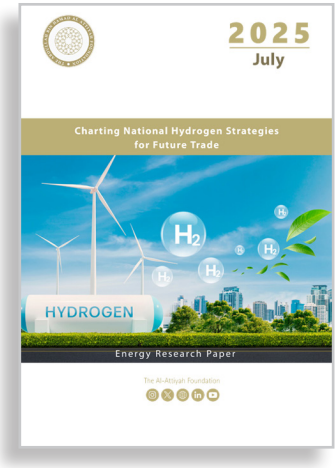


July – 2025

### Charting National Hydrogen Strategies for Future Trade

As of June 2024, 61 national hydrogen strategies have been published, revealing diverse ambitions for future trade. However, progress on firm projects has been slow. Most countries aim to become hydrogen exporters, with only 12 planning to import, primarily in Asia and Europe.

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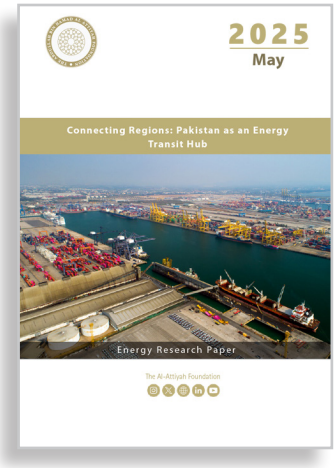


May – 2025

### Connecting Regions: Pakistan as an Energy Transit Hub

Pakistan, one of the largest markets around the Arabian Sea periphery, has the potential to become an energy transit country linking the Middle East, Central Asia, and South Asia. However, numerous economic, infrastructure, political and security obstacles hinder reliability and security of supply through Pakistan.

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Our partners collaborate with The Al-Attiyah Foundation on various projects and research within the themes of energy and sustainable development.



















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