

CALL TO ACTION COP29
REGLOBALISING RENEWABLE ENERGY MARKETS TO BUILD A SECURE, PROSPEROUS
AND SUSTAINABLE FUTURE
Draft proposal – November 2024

Without well-functioning and cost-efficient supply chains for renewable energy, the UAE Consensus and 1.5°C Paris Agreement target will not be achieved.

At COP28, 198 parties agreed to transition away from fossil fuels by tripling global renewable capacity to 11,000 GW by 2030¹. This landmark agreement marked a hopeful moment in the history of climate action, signifying a truly global consensus to building a secure and affordable renewable energy future for all.

Renewable energies have the potential to provide secure, affordable, and reliable energy for all, but this requires resilient, robust, and efficient supply chains. The absence of a supporting policy environment to create these conditions is exposing renewable energy industries to logistical bottlenecks, commodity price volatility, and trade barriers that have so far failed to undermine increasingly threatening import dependencies.

Without coordinated global efforts to address these challenges, the world's reliance on fossil fuels will persist, pushing the 1.5°C target further out of reach and exposing the global economy to the volatility and unpredictability of fossil fuel markets.

We need free, fair, and open trade for renewable energy to scale up fast enough, deliver the global tripling of renewables, and keep the 1.5 C target within reach.

The success stories of renewable energy expansion in recent years highlight the critical need for a fair international trade framework to drive down costs and ensure a steady supply of affordable renewable energy technologies. Cooperative trade relations not only boost the cost-competitiveness of green power but also facilitate technological innovation and promote necessary improvements in energy intensity.

However, free and open trade is only one component of the broader action that the world needs. Free trade policies hold the potential to turn otherwise costly technologies into widely accessible goods when cautiously integrated with incentive-driven industrialisation initiatives. This combination will allow renewable energy industries to capitalise on local incentives for expansion, while leveraging the cost advantages embedded in global trade relations. It will allow reliable and affordable renewable energy to reach local communities across continents, fostering a sustainable, profitable and resilient renewable energy market capable of meeting the challenges of the future.

¹COP28 UAE (2023), "COP28: Global Renewables And Energy Efficiency Pledge", www.cop28.com/en/global-renewablesand-energy-efficiency-pledge

Global leaders must, therefore, leverage their convening power and expertise of multilateral institutions to coordinate the development of trade-friendly green industrialisation policies and use these to reglobalise renewable energy markets.

With this goal in mind, we call upon global leaders to:

1. Take Advantage of Existing Multilateral Frameworks to Expand the Global Dialogue on Policy Measures that can Help Reglobalise Renewable Energy Markets

Request that world leaders and policymakers use well-established international fora to explore ways to develop shared global principles for industrial development policies that uphold a level playing field in the global marketplace. This dialogue should aim to review trade-distorting industrialisation incentives and other support mechanisms, aligning them with the openness, fairness and sustainability principles that must underpin the future evolution of the global trade regime.

2. Integrate the Input from Renewable Energy Industries into Trade Discussions and Negotiations on Environmental Goods and Services

Leverage the expertise, impartial outlook, and experience of renewable energy industry representatives to strengthen global efforts aiming to reduce tariff and non-tariff barriers on goods and services essential for the green transition. The contributions of the renewable energy sector can be instrumental in supporting on-going bilateral and regional trade negotiations. They can also support World Trade Organization (WTO) Members participating in the Trade and Environmental Sustainability Structured Discussions (TESSD) to identify essential environmental goods and services for the clean energy transition.

3. Establish International Support Frameworks to Accelerate Renewable Energy Industry Development in Emerging Markets

Call global leaders to develop and implement a series of training programs, seminars, and workshops on trade-friendly green industrialisation for policymakers in developing regions. These initiatives should attempt to equip participants with the necessary skills and knowledge to create policy frameworks that support the growth of nascent renewable energy industries, while upholding free-market principles essential to a fair and open global marketplace. Most importantly, for the global fight against climate change, outputs from discussions on the optimal integration of trade policy in green industrialisation policies must account for the interests of developing countries. The global dialogue on this issue should be inclusive of the topics that most affect emerging regions including, amongst others, technology and know-how transfers, fair trade practices, and the unique potential of small scale distributed renewables.