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Key Takeaways from New York Climate Week and UNGA 2024

Brunswick Climate Hub
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Climate Week NYC 2024, which took place concurrently with the 79th session of the United Nations General Assembly (UNGA), focused on the necessity of collaboration and the recognition that achieving net-zero emissions cannot be done in isolation. Attendees were focused on practical, realistic execution – not the loftier, more aspirational pronouncements of previous years.

Brunswick's climate experts identified the following key themes from events at Climate Week, which drew over 100,000 visitors to New York City, dwarfing the anticipated scale of COP29 in Baku, Azerbaijan, this November.

Businesses should develop robust transition plans to decouple growth from emissions and demonstrate their long-term value in a low-carbon economy.

A roundtable on corporate decarbonization hosted by Brunswick and the Aspen Institute emphasized the need for companies to embrace transparency in lieu of "greenhushing" about both the solutions and challenges they face in decarbonizing their value chains. Banks and insurance companies attending another panel Brunswick held with the University of Pennsylvania's Perry World House spoke about the need for corporations to align their climate-related policy advocacy with their forthcoming climate transition plans. By helping create the enabling policy conditions, banks and insurers can play a more effective role in supporting the net-zero transitions of their clients and investees.

Creating comprehensive climate transition plans will allow businesses to present a more holistic narrative of their long-term value in a net-zero economy, beyond what is shown in traditional climate targets. Publicizing these plans will help companies build credibility even as they work through complex emissions challenges.

Companies should consider integrating AI into their climate strategies thoughtfully, enabling innovation without compromising their environmental stewardship.

AI holds significant potential to slow climate change and build resilience to climate risks, from optimizing energy efficiency in data centers to improving predictive analytics for extreme weather. However, the large energy requirements of AI and large language models mean that companies must balance the benefits of AI's predictive power with its environmental footprint. It was noteworthy at this year's Climate Week how many large corporations mentioned AI-related emissions as a new challenge to their Scope 3 emission targets.

There is no net zero without nature.

The Mobilizing Capital for Nature event highlighted that natural ecosystems, which absorb 50% of human-made carbon emissions, are critical to achieving net-zero targets. Financial institutions are integrating nature into net-zero plans and regulators increasingly recognize nature-related financial risks. As an example, the event stressed the need to scale private finance for nature-based solutions, with Brazil's biodiversity-rich

Amazon and Cerrado biomes representing a $30 billion investment opportunity, aligning climate and nature goals.

A forthcoming milestone for the nature agenda is the final negotiations of the Global Plastics Treaty in South Korea in November, which aims to end plastic pollution by 2040.

Companies see the opportunity to lead industrial decarbonization by leveraging private capital and scaling existing technologies, while innovative financing and supportive regulation provide the foundation for long-term, economy-wide change.

At a CEO gathering hosted by Brunswick and Guggenheim Securities, leaders from various sectors emphasized that decarbonizing the economy will fall largely to private capital, given the financial and geopolitical constraints on governments. While motivations for action range from cost competitiveness to energy security and addressing the urgency of climate change, there was consensus that the energy transition requires an integrated, economy-wide decarbonization effort.

Country delegations at UNGA in New York last week discussed the New Collective Quantified Goal on Climate Finance (NCQG) which is set to replace the previous target of mobilizing $100 billion annually to support poorer countries in their climate mitigation and adaptation efforts. The NCQG will be a central theme of the upcoming COP29 Climate Summit in Baku, Azerbaijan, in November. It is estimated that emerging markets and developing countries will need up to $2.4 trillion annually by 2030 to shift to clean energy and prepare for the conditions of a warmer world.

Businesses should prepare to leverage both the voluntary and mandatory carbon markets.

As voluntary carbon markets scale, they can play an important role in funding the energy transition, especially of developing countries, but concerns around credit integrity and market infrastructure quality need to be addressed. The anticipated alignment of voluntary and mandatory carbon markets, as new standards and oversight mechanisms take shape, presents an opportunity for businesses to better align their carbon offsets with emerging regulations while managing reputational risks. By engaging with the emerging regulation of voluntary carbon markets in key jurisdictions now, companies can unlock substantial investment potential and turn their participation in carbon markets into a competitive advantage.

To continue the conversation

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