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ASSOCIATION OF OIL, GAS AND
RENEWABLE ENERGY COMPANIES
OF LATIN AMERICA AND THE CARIBBEAN

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COP30 Belém A Milestone for the Association

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COP30, held in Belém (Brazil) from 10 to 21 November 2025, delivered relevant political signals and operational agreements which, while not resolving major structural bottlenecks, help orient public and private action for 2026 and beyond. For the business and financial sectors, the emphasis is on mobilizing capital at scale, turning roadmaps into bankable projects, and operationalizing just transition and adaptation mechanisms.

Arpel's participation marked a milestone in its regional positioning within the global climate agenda. In a context of growing demands for adaptation, just transition and decarbonization, the Association co-organized for the first time an **official side event** together with *Ipieca* and the *United States Council for International Business (USCIB)*, focused on **"Just Transition and Adaptation: A Global Business Dialogue".** This forum elevated the voice of the regional energy sector in key debates on the **Global Goal on Adaptation (GGA)** and the **Just Transition Work Programme (JTWP)**, reaffirming its relevance in the effective implementation of the Paris Agreement.

01.

Context and relevance

The international landscape leading into COP30 was marked by **increasing climate urgency**, evidenced by record temperatures, wildfires, glacier ice loss and extreme events, reinforcing pressure for more ambitious decisions. This context was compounded by a **deeply fragmented geopolitical environment,** including the absence of key actors such as the United States and increasingly rigid positions among strategic blocs, adding complexity to the negotiations.

Against this backdrop, the **negotiation process advanced with difficulty,** culminating in a procedurally fragile closure. The Presidency declared consensus amid open objections in plenary, exposing institutional weaknesses in the multilateral process and generating discomfort among delegations.

02.

Key decisions

2.1 Loss and damage: more resources and operational agenda 2026

Throughout the session, countries announced an **additional US$817.01 million** to strengthen the **Loss and Damage Response Fund (LDRF),** a clear sign that the international community is beginning to mobilize resources more decisively in the face of the irreversible impacts of climate change. The new contributions—from Iceland, Japan, Latvia, Luxembourg, Spain, and the Walloon Region of Belgium—significantly expanded the mechanism's financial capacity, reinforcing its role as a key instrument for supporting the most vulnerable nations.

This financial boost is accompanied by a defined operational agenda for **2026,** which aims to transform resources into concrete solutions: **rapid disbursement mechanisms** will be developed, along with a small grant policy tailored to emergency contexts, a resource mobilization strategy to attract additional capital, and a risk management framework to channel funds more securely and efficiently. All of this will be facilitated through closer coordination with the Santiago Network, strengthening technical assistance for implementation.

For the private sector —both businesses and financial institutions— this strengthening of the FRLD opens new **avenues for co-financing**, especially for **reconstruction, resilience, and essential infrastructure** initiatives in highly vulnerable countries. In practical terms, this means more opportunities to participate in internationally supported projects, reduced risk for investors, and a growing demand for technological and management solutions that accelerate recovery from extreme weather events.

2.2 Technology: from extension to implementation

The conference also yielded significant technological advances. It was agreed to **extend the mandate of the Climate Technology Committee (CTC) until 2041,** reaffirming its role as a central platform for driving long-term climate innovation. Building on this, the **Technology Implementation Programme** was launched, an initiative designed to bridge the gap between countries' technological priorities and the availability of projects that can actually be funded.

The program seeks to **strengthen national innovation systems,** improve **enabling environments** —regulatory, institutional, and market-related— and develop the **necessary capacities to prepare robust project proposals** capable of attracting international financing and mobilizing public and private capital.

For the business sector, this approach represents a concrete opportunity: a way to **unblock project pipelines** that often stall due to a lack of technical or financial preparedness, and to **accelerate the scaling of solutions** in key areas such as clean energy, industrial efficiency, water management, and ecosystem restoration. In practice, it means a more favorable environment for transforming ideas and pilot projects into real investments, with a tangible impact on competitiveness and resilience.

2.3 Adaptation: 59 indicators and a governance yet to be defined

The adoption of a set of **59 indicators for the Global Goal on Adaptation (GGA)** was one of the most controversial outcomes of the conference. Although the move aims to establish a common framework for measuring global progress on adaptation, the process was marked by strong objections, both regarding **the way the text was presented and the lack of consensus on its content,** which quickly ignited debate about its legitimacy and feasibility.

In this context, several countries cautioned that the indicators might **require future revisions** and that their **applicability will vary significantly across regions,** given the diversity of institutional capacities and climate realities. For the executive sector, this means that measuring adaptation performance will remain a **moving target,** subject to political and technical adjustments in the coming years.

Therefore, the practical recommendation for governments, businesses, and financial institutions is clear: **align adaptation metrics with criteria already accepted by international funders,** such as the GCF and GEF, as well as by insurers and risk management agencies. This strategy not only reduces uncertainty but also facilitates access to financing and improves the comparability of results in an evolving regulatory environment.

It is highlighted that an agreement was reached to double the funding for adaptation in 2026, and to triple it by 2035.

2.4 Climate finance: ambitious goals, implementation pending

In terms of financing, the conference delivered one of its most powerful messages: the international community set a **new collective goal of mobilizing US$1.3 trillion annually** by 2035 for climate action, with developed countries leading the way, combining public and private resources. This target builds upon the **previously agreed baseline of US$300 billion per year** and reflects the magnitude of the financial leap needed to sustain the climate transition on a global scale.

However, achieving that level of capital depends not only on political commitment but also on the actual capacity of financial systems to operationalize it. To approach that scale, it will be essential to **quadruple the available equity, reform multilateral development banks** to allow for more flexible and higher-risk instruments, and **expand direct access and simplify processes** in funds such as the **GCF, GEF, LDCF, and SCCF.** In other words, the resources exist, but the system is not yet designed to mobilize them with the speed and predictability that the climate crisis demands.

The real **bottleneck** lies not in political will, but in **implementation**: approval times that are still too long, complex accreditation procedures, a lack of adequate guarantees, and **blended finance** structures that are not yet being implemented at the necessary scale. For executives and investment managers, this means that the key skill will not only be presenting climate projects but also **structuring them correctly** to navigate a financial ecosystem that continues to adapt to the challenges of the 21st century.

2.5 New initiatives

The **Global Implementation Accelerator** was launched to close the ambition gaps, and the **Belém Mission** was launched with the aim of limiting warming to 1.5°C in the coming years, to help countries meet their nationally determined contributions (NDCs) and their national adaptation plans (NAPs).

2.6 Climate misinformation

For the first time, the need to address climate misinformation is recognized, with a commitment to promoting the integrity of information and countering false narratives that undermine science-based action.

03.

Strategic themes for competitiveness

3.1 Trade and decarbonization.

International trade has once again taken center stage in the climate debate. Today, nearly **25% of global emissions** come from goods crossing borders, which has fueled discussion about the need for **common methods to account for import-related emissions.** Adopting these criteria could **profoundly reshape value chains,** impacting everything from logistics flows to the competitiveness of exporters in multiple regions.

Meanwhile, instruments like the **European CBAM** are generating diplomatic and trade tensions, especially among developing countries that fear these measures will act as disguised barriers. In this context, exporting companies face increasing pressure: they must demonstrate a **verifiable carbon footprint,** ensure **robust traceability throughout the supply chain,** and back their operations with **clean energy contracts** that validate effective emissions reductions.

In practice, this new regulatory environment not only redefines the rules of trade, but also determines who will be able to access—and under what conditions—the most climate-sensitive markets.

Additionally, there is **growing international pressure for the adoption of formal and credible transition plans,** particularly in carbon-intensive sectors. The proliferation of roadmaps and frameworks outside the formal UNFCCC regime can lead to increasing **reputational and regulatory risks** for companies or countries that fail to demonstrate clear and verifiable pathways for emissions reductions and production conversion.

For exporters of fuels and derivatives, this scenario reinforces the need to anticipate, strengthening the measurement of carbon footprint, the traceability of supply chains and the coherence between public commitments and current performance, in a context where climate demands are beginning to directly impact access to markets.

3.2 Methane.

Despite the political impetus of the **Global Methane Pledge,** progress in reducing methane emissions remains **slow and uneven,** particularly in sectors where leaks, venting, and routine flaring continue to be widespread practices. The lack of coordinated international pressure is increasing the risk of **unilateral regulations** emerging, many of them supported by new high-precision s**atellite measurement** capabilities, which could translate into greater demands and costs for operators.

In this context, the recommendation for companies and financial institutions is to act without waiting for new regulatory obligations. The immediate priority is to implement **leak detection and repair (LDAR)** programs that allow for rapid and verifiable emissions reductions, and to develop **methane capture and utilization projects** with accelerated returns. These measures not only reduce reputational and regulatory risks but can also generate operational efficiencies and new revenue streams in the short term.

3.3 Carbon markets.

In the area of carbon markets, the negotiations revealed that **significant challenges remain regarding integrity, infrastructure, and double-counting risks** —factors that currently limit the credibility and growth of these mechanisms. In response, Brazil assumed a leading role, promoting the expansion of **nature-based carbon credits** and fostering **interoperability between systems,** with the aim of facilitating international carbon trading and raising associated environmental standards.

For issuers and buyers —both public and private— this context demands immediate progress on **robust quality standards,** transparent verification processes, and **independent audits,** even as multilateral rules continue to mature. The prudent strategy is not to wait for global architecture to stabilize, but to **anticipate future requirements** by building reliable markets now that reduce regulatory and reputational risks and enable access to climate finance on better terms.

In parallel, COP30 signaled the acceleration of **carbon management technologies,** including carbon capture, utilization, and storage (CCUS). For Latin America, this opens a **strategic window of opportunity** for companies that adopt early pilot and commercial-scale projects, positioning themselves as solution providers in a market that, while still undergoing regulatory consolidation, shows clear potential for growth and competitive differentiation.

04.

Political signals and the Belém package.

In an attempt to prevent the negotiations from stalling, the Presidency introduced the **"Mutirão"**, a mechanism that grouped particularly sensitive issues —finance, trade, transparency, and climate ambition— into a single negotiation. This strategy **prevented the process from collapsing,** although the resulting progress was largely **procedural,** reflecting the deep divergences between countries and the difficulty of reaching substantive consensus in critical areas.

In parallel, **two non-binding roadmaps** were launched, one on **deforestation** and the other on **energy transition,** conceived as long-term coordination tools. Although they lack legal force, they represent an important first step toward **aligning governments, academia, businesses, and civil society** around common objectives. Their technical rigor is based on methodologies developed by organizations such as the **IEA, IRENA, and OPEC**, providing a more structured and reliable framework for progress.

For the private sector, these developments open up a significant opportunity: the possibility of **co-creating metrics, milestones, and timelines** that can be transformed into bankable projects, especially in areas where investment requires regulatory clarity and credible transition plans. In other words, roadmaps offer the space to influence, from the outset, the standards that will guide future investments.

05.

Financial architecture: GCF, GEF, LDCF/SCCF.

The financial landscape also showed signs of transformation. The Green Climate Fund (GCF) is promoting an agenda aimed at streamlining approval processes, with an explicit goal of reducing timelines to nine months or less, while simultaneously expanding direct access for national entities, strengthening mechanisms for Indigenous participation, and fostering new partnerships with SMEs to boost innovation and implementation at the local level.

Meanwhile, the GEF, LDCF, and SCCF funds are facing a critical shortage of available resources, which has reignited the debate about the urgent need to simplify and align their procedures with those of other financial mechanisms. This administrative convergence aims to reduce redundancies, expedite disbursements, and improve the coherence of international support.

All of this is framed within the discussion on the New Collective Finance Goal (NCQG), which sets an unprecedented target: to mobilize US$1.3 trillion per year by 2035. To achieve this, it will be necessary to deploy risk-sharing vehicles, design specific guarantees for climate projects, and scale the use of blended finance as a tool to attract private capital to sectors that would otherwise be too risky or nascent.

For sponsors, CFOs, and structuring teams, the message is clear: competition for these funds will be fiercer. Presenting comprehensive, approval-ready investment packages, including technical studies, permits, off-take agreements, risk analyses, and guarantee schemes, will be crucial. Likewise, it will be essential to move toward replicable structures across platforms or portfolios, capable of scaling faster and with lower transaction costs.

06.

Governance and tension points

At the institutional level, the conference once again highlighted the structural limitations of the climate regime. The long-awaited reforms to the rules of procedure, including the possibility of introducing voting mechanisms, failed to advance, as did the review of the financial mechanism, which continues without a clear roadmap for adapting to the growing demands for implementation.

Tampoco prosperaron los esfuerzos por fortalecer los vínculos entre el Mecanismo de Tecnología y el Mecanismo Financiero, una integración considerada clave para que la innovación climática pueda traducirse en proyectos financiables y escalables. A esto se sumó la falta de consenso en dos temas políticamente sensibles: el reconocimiento explícito de la "mejor ciencia disponible" del IPCC y la inclusión de las "necesidades especiales de África" en las decisiones finales, ambos puntos que quedaron fuera del texto negociado.

The result is a reminder of the political volatility that characterizes multilateral climate governance. Faced with this scenario, the recommendation for executives, investors, and policymakers is clear: anchor decision-making in objective fundamentals, such as physical risk, financial materiality, and standards already established by markets and funders, rather than relying on uncertain regulatory expectations or those subject to unpredictable political cycles.

Adding to this context is a growing concern about **disinformation and the risk of greenwashing** in climate matters. The explicit mention of the need to combat deceptive practices anticipates **stricter transparency** standards, strengthened audits, and reputational sanctions for actors who fail to align their public messages with their actual performance. For the energy sector, this implies a clear call to strengthen reporting, traceability, and verification systems, reducing exposure to legal, financial, and market challenges.

07.

Operational priorities towards 2026.

The agenda for 2026 and beyond is taking shape with a set of strategic tasks aimed at moving from declarations to implementation. The first challenge is to **transform the announced accelerators into genuine national plans,** with **verifiable milestones between 2026 and 2030 and clearly assigned institutional responsibility,** so that each country can demonstrate concrete and measurable progress.

In parallel, the priority is to **finance at scale.** This involves **aligning projects with the criteria of funds such as the GCF and GEF,** leveraging **blended finance** instruments and guarantees, and strengthening **direct access** platforms to enable faster resource mobilization. To achieve this, it will be essential to prepare **pipelines of bankable projects,** supported by standardized documentation, risk analyses, and preliminary agreements that reduce uncertainty for investors and banks.

In terms of adaptation, the recommendation is to move towards a selection of **pragmatic indicators**—especially in water, health and critical infrastructure—that are **attractive to funders and insurers,** avoiding the dispersion in metrics that still generate controversy or lack practical application.

The **Just Transition Mechanism,** for its part, will require anticipating its future operationalization, integrating from the outset **social plans, job retraining programs, territorial compensation,** and an explicit articulation with **public procurement and local supply chains,** to ensure that the transition does not leave regions or communities behind.

On the technological front, **the Technology Implementation Program** calls for the creation of **national portfolios for each country,** capable of integrating **R&D, pilot projects, and scaling up,** supported by clear cost and impact metrics, and with **identified sources of repayment.** Partnerships with **development banks and climate funds** will be key to transforming these portfolios into viable investments.

Fossil and forest roadmaps should be enriched with **timelines, robust metrics, and incentives**—such as carbon prices, permits, and satellite MRV systems—and linked to **financial instruments** that can accelerate action, including **transition bonds** and **pay-for-performance** schemes.

In terms of mitigation, methane reduction requires immediate measures: the implementation of **LDAR programs** and the progressive elimination of **routine venting and flaring,** supported by **satellite traceability and gas recovery** schemes that generate economic returns in the short term.

Finally, in an international trade increasingly conditioned by carbon footprints, countries and companies must prepare themselves with **verified product footprints, renewable PPAs**, and **certificates of origin** in order to mitigate the risks arising from CBAM and equivalent mechanisms that are beginning to proliferate in different markets.

08.

Implications for senior management.

The implications for senior management are becoming increasingly operational and strategic. First, capital allocation will need to prioritize projects with multilateral co-financing and rapid development capabilities, especially in areas such as **urban water, critical asset resilience, energy efficiency, and methane reduction,** where international organizations are already showing a greater appetite for investment.

It will also be crucial to strengthen internal governance by creating dedicated **Transition and Resilience** teams, comprised of representatives from finance, operations, legal, and sustainability. This will enable them to prepare project proposals, manage accreditations, and ensure the technical consistency of initiatives submitted to climate funds and development banks.

In this context, geopolitical fragmentation and weakening multilateral cooperation increase regulatory uncertainty and reduce long-term predictability. For senior management, this reinforces the importance of **grounding strategic decisions in objective foundations**—physical risk, financial materiality, and standards already established by funders and markets—rather than in regulatory expectations subject to volatile political cycles or still-unfinished international agreements.

In parallel, risk management must evolve toward an approach that explicitly links physical and transition risks with investment plans, corporate insurance, and financial covenants. Aligning reporting with the most widely accepted Global Risk Assessment (GGA) indicators for financiers and insurers will not only facilitate access to resources but also reduce exposure to regulatory and climate shocks. Anticipating this, Arpel developed a tool for prioritizing and analyzing these risks at the corporate level, which is now available to all its members (https://www.arpel.org/en/publications/arpel-climate-risk-analysis-tool).

Finally, it will be crucial for the sector to strengthen **institutional relationships** by actively participating in the Technology Implementation Programme and the national working groups that will define eligibility criteria and sectoral prioritization. This will allow it to position itself as a relevant stakeholder, anticipate funding opportunities, and co-create the rules that will guide climate implementation in the coming years.

09.

Conclusion.

Ultimately, **COP30 failed to resolve the structural dilemmas** that have hampered global ambition for years—insufficient financing, incomplete rules for carbon markets, and a metrics framework that remains controversial. However, it did provide **clear signs of progress through implementation,** with concrete instruments that are beginning to bring the climate agenda closer to operational reality: **more resources for loss and damage, a more direct link between technology and financing,** and a **roadmap to 2026** focused on implementation, technical coordination, and mobilizing capital at scale.

The message for the business sector is unequivocal: the opportunity lies in the **rigorous technical preparation of projects,** the design of **smart financial structures,** and **public-private collaboration** that allows companies to take advantage of the financing and implementation windows that will open in the next **12 to 18 months.** In a volatile international environment, those who anticipate these changes with solid and bankable proposals will be the ones who set the pace of the transition.

Appendix: Glossary

GCF/GEF/LDCF/SCCF
Main multilateral funds for financing climate projects (mitigation and adaptation).

GGA
Global Adaptation Goal; indicator framework for measuring progress in resilience and vulnerability reduction.

CTC/TEC
Technology arm of the UNFCCC; coordinates technical assistance and now focuses on bankable implementation until 2041.

RDFR
Loss and Damage Response Fund; finances recovery and reconstruction after severe weather events.

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ARPEL is a non-profit association gathering oil, gas and renewable energy sector companies and institutions in Latin America and the Caribbean. Founded in 1965 as a vehicle of cooperation and reciprocal assistance among sector companies, its main purpose is to actively contribute to industry integration and competitive growth, and to sustainable energy development in the region.

Its members currently operate in more than 30 countries in Latin America and the Caribbean, including national and international operating companies; technology, goods and services providers for the value chain, and national and international institutions in the sector.

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