

MONTHLY NEWS UPDATE

DECEMBER 2023

COP28 Leading the Way: COP28 resulted in an agreement was reached **to triple global renewable energy capacity to at least 11,000 gigawatts by 2030**. Additionally, the conference led to voluntary agreements from oil companies to **cease routine gas flaring and reduce methane leaks by 2030**. Another agreement was made to **double the global average annual rate of energy efficiency improvements** from around 2% to more than 4% every year until 2030.

More Green Infrastructure Needed: BloombergNEF emphasized that to align with a net-zero pathway, **grid investment needs to match renewables investment dollar for dollar**. Currently, the ratio globally is at around **half of that**. This lack of infrastructure investment is currently leading to significant queues for grid connection.

Interest Rate-Driven Solar Rally: Fed announcements led to market optimism and expectations of **multiple interest rate cuts in 2024**, resulting in a significant increase in value for rate-sensitive renewable energy companies such as **Sunrun, Enphase Energy and Sunnova Energy**.

Funding Green Emerging Markets: Brookfield and ALTÉRRRA launched the Catalytic Transition Fund at COP28, a **multi-billion dollar fund for emerging markets' decarbonization**. The **Brookfield-managed fund**, aims to support COP28's Action Agenda pillars, focusing on Energy Transition, Industrial Decarbonization, Sustainable Living, and Climate Technologies.

Sustainable Football: **Xylem** and City Football Group collaborate to promote **global water sustainability**, focusing on water recycling at Manchester City's facilities, addressing water quality issues with Xylem's technology, emphasizing the sports industry's role in environmental conservation.

Fluence's First Profit: **Fluence**, a leading energy storage solutions provider, achieved its **first positive net profit** in Q4 2023 – resulting in USD 4.8mn. Their Q4 revenue reached USD 673mn, making their total annual revenue total USD 2.2bn.

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