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Season 3. Episode 10: Who Really Benefits from COP Summits? Paulo C. De Miranda On Power, Money and Climate Reality

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Hisham Allam: Hello everyone. Welcome to DevelopmentAid Dialogues. I'm your host, Hisham Allam. Today we're going to look at COP Summits from a different angle, not just as a big diplomatic show, but as a test of weather, climate, politics, finance, and impact measurements can actually align. To help us understand what COP Summits really changed and where it fell short, I'm joined by Paulo C. De Miranda.

Paulo is the chairman, co-founder of DEEP Organization. He's the senior executive in Impact Management, ESG, finance and Sustainable Innovation with more than 20 years experience working at the intersection of capital policy and ecosystem in the emerging markets like Brazil.

His work focuses on making sure that climate and development commitments are translated into measurable impact, not just political statements. Paulo, welcome to DevelopmentAid Dialogues, and thank you for joining me today.

Paulo De Miranda: Thank you. The pleasure is all my, thank you.

Hisham Allam: Paulo, let's start with context. Many people see COP meetings as political spectacles. From your lens of impact management and ESG finance, why do summits like this matter?

Paulo De Miranda: I think it matters mostly because when we decide to put a lot of time and a lot of people around the issue of societal changes, events such as the one occur here in Brazil for COP30 is more than just a political gathering. I feel that it's one of those rare moments when the whole globe pauses around one single issue and start asking questions about that.

So collectively, we are looking to what kind of future are really to build and if what we are prepared to give up to get from where we are today to where we wanted to be tomorrow. My work, at least with impact management, ESG finance, capital allocation, and a whole host of other things that relates to impact, cops matter a lot because the declarations that they produce may or may not shape the rules of the games. It may or may not create incentives and expectations that eventually flow into budgets. Balance sheets and investments mandates, and this is a very important point. When that happens, a COP stops being just a diplomacy exercise and becomes a society as it best negotiating how to align capital with livable future. It's



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one of the most important missions that I think we have today, every time that we are going to discuss the environment and the global climate agenda.

Hisham Allam: But some critics see that during COP summits there is too much noise and less achievement or outcomes.

Paulo De Miranda: Yes. I guess you have different views about this noise. Let's put it this way. But there are a lot of good noises and there are also noises that you don't want to pay much attention to it. To be honest, I don't think we have moved very far away from those balance sheets and cash flow statements that I referred to, but when I was in Belem, in conversation with that I had with people from different backgrounds, different agendas and purpose, I see that we are still not very close to closing the gap between the climate tax and the financial system. But I do believe this is a process that is evolving. We have made some progress in the language.

We have recognized the scale of the problem in a much broader sense in society, but the real challenges remain, and that is how to connect the commitments on paper with how companies plan price, risk, and deploy capital. So, in that sense, the noise may appear. To a lot of people there is more dust than anything else.

But I think there are concrete issues on the table that has evolved and that we can move forward. For me, the task is not only to address climate change; this is a huge umbrella that also includes biodiversity laws, the degradation of nature through new facilities and regulations. That many countries and constituencies are ready or willing to be ready to take on.

But it's also to confirm some of the more structured causes of climate finance that we see. Because a lot of people, when we see this issue of noise, see also a big mass. And I think we need to understand that this process is a process. It's not a product in itself. We need to construct this from bottom up.

So, when we see this whole discussion about the climate finance mass, mispriced externalities, short-term incentives in the political economic of fossil fuels are big issues. And big issues tend to be complicated, and you need to address them in a very clear and pace manner. Where do we see concrete attempts today to link, for example, transition plans to sector pathways, specifically sectors and corporate strategies to the long term of cost of capital. That's where we must see the positive outcomes because eventually this will impact how investors make decisions. So, I think in that sense, we should be more positive about it. But I still see that we have a long way to go, and this is a journey.

It's not just a process with beginning and end. We need to take a more long-term view and be more hopeful that we will be able to come to positive outcomes in the future.



Hisham Allam: I totally agree that it is a long journey. Depending on that. You have said that COP outcomes only matter when they shape real investment decisions. Did COP30 in Belem bring us closer to that, or does a gap still separate the climate text from the financial system.

Paulo De Miranda: The point that I try to make here is really the implication of this critical political and financial game that we have on the question of fossil fuels. And the answer is obviously not obvious. We still need to get more answers out of this when it comes to fossil fuel politics, let's call it.

When something is centrist phasing out fossil fuels cannot be named explicitly in a conference like COP. That tells us a lot about the true limits of the agreement. And that worries me, but I'm trying to look it with the glass of water half full and not half empty. The signals that should be treated as non-negotiable fossil fuel deforestation, the protection of vulnerable communities, and a whole host of other issues are still being treated as chips in a large game of climate diplomacy.

And we cannot, that not happen. We need to keep the pressure on. On these topics no matter what in the coming years, I think the test will be whether we are prepared to deal with this in a much higher level of commitment and compromise, or whether it can be just translated into Biden decisions that will not or will go into decisions about production, about investment, about land use, and a number of other things.

At this point, my sense is that governments are not fully prepared to take on such bold steps, except perhaps for Colombia that have come out of the halls during copying the lane and take bold, statements about fossil fuel politics. I would hope this will be a successful commitment, but we still have to wait for that.

Hisham Allam: On the political side, I have read a piece you wrote about COP30 where you called out the politics of not naming fossil fuels. Why is that a mission, such a critical signal from your point of view, and what does it reveal about the deals limits?

Paulo De Miranda: I think the most important thing is for us to realize that not naming fossil fuels explicitly, it means that we still have a global perception and more than that a global politics around the fossil fuel economy that has not break tide with the past, and we need to do that. There are today enough evidence that we have the technology to do that.

We have the resources to do that. We have policies and programs that have worked across, especially in the global south, about how to address sustainable energy in a much more effective and productive way. So, we not naming the that during COP, the Fisher statement, it's a clear indication of how tied to the password still are, and that's what I think it's a critical issue is still to be addressed.



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Hisham Allam: Turning to the finance track, we heard about the trillion-dollar investment figures and new financing mechanisms. From an impact finance view, how do you separate credible pathways from accounting, optimisms, or creative storytelling?

Paulo De Miranda: When we talk about accounting optimism or even the storytelling that we hear about that, I think we need to be very realistic.

And I learned that from someone very import to me. I think we need to understand that genuine ambition and the kind of accounting optimism that we need to see that goes beyond just creative storytelling. It's something that requires a political will and a leadership, a quality of leadership that it's not a easy thing to achieve. When you work, as I have in development programs, humanitarian aid and assistant programs, refugees and displaced people. You become very much sensitive when you see the gap between big financial pledges and what actually reach the ground. This is something that a lot of people during COP won't understand unless if they have had firsthand experience in this field. So, any global mechanism to mobilize such amount of capital in a relevant way, is an exercise of tremendous political will. As I said before, not rhetoric. And I learned that from the privileged time that I had when I worked with former President Jim Carter through the Carter Center and he showed us that the same risk exists when we put ourselves to talk about commitments into much greater causes of human needs and what actually we are able to achieve on the ground. So, we need to change the underlying rules of the game for the kind of pledges we see today in the global climate agendas. And the urgency for this is so greater that I think it's as important as if we were dealing with such humanitarian crisis that we see today around the globe.

And to be more specific in the case of impact finance for the climate urgent response, for example just for the last privileged countries, we are talking about huge amounts of money between \$200 and \$300 billion a year. How do you translate that into pledges to commitment to actually putting the money where it needs to be?

It's a huge task. So, I think we need to rethink about a lot of these issues. We need to rely on relabeling or repacking existing instrument in a way that they become actual tools, and not just desirable tools in a toolbox. We need new rules of engagement that cross over traditional market regulations and economic pacts and that redistribute risk and reward in a much more honest way.

And this is something we are not really seen today. I don't think that purely political and diplomatic spheres on their own will make that shift at the pace of change that we need to experience today.

Hisham Allam: Paulo, you have said we need, we want. Define "we" and who will satisfy the needs and wants that you are speaking about decision makers, politicians, NGOs, private sector.

Paulo De Miranda: Yes, I think it's important that we define "we". I take "we" first on the personal level. So, we as you and I and everyone that you and I knows around us who cares about these things and that we need to take action. So, I am an entrepreneur, so I like to see the world around me with a bunch of



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entrepreneurs and investors that have helped my journalism entrepreneur as part of this, we, I also think we need to consider "we" and identify all of those civil society organizations that are seriously committed to this process as part of we. But we need to voice that, and we need to be specific about that. And I don't like to say we in general terms. So, when I say we, I also say we to investors or group of investors about their role and their level of accountability and responsibility in this process.

But I see less of a, we when we are really talking about government officials and policy makers because that changes so much from time to time. And the proof of that is just what we have seen happen in the world of the last five to six years in terms of this we of political leadership that we experience today.

For me, we has to have an address, if not just on an IP address, on a social network, a real address to whom we should address to.

Hisham Allam: Paul, you also worked deeply on definitions. In your view, do COP outcomes as strengths in efforts to clarify what counts as green or transition, or are they still too vague to guide investors and regulators?

Paulo De Miranda: Maybe we're halfway there. I think we are slowly moving away from things that are vague towards a more evidence-based understanding of what green and transitional action means. I think one of the advantages when we look, when we work with data, financial data and impact data, environmental data, is that you can start looking to this evidence basing with a little bit more of objective and positive perspective.

So good taxonomies help us to see through this process. They do not solve everything, but they can give us entrepreneurs, regulators, bankers, and investors, a more consistent base of comparing such thing as risks, costs, and opportunities. And they can also help us open space for better design, green and transition regulations, this is something you have experienced in some countries already. In Brazil, we see this in two ways or two layers. We have a very active green private sector here, if you will. And they have been doing good work in terms of sustainable finance frameworks through the leadership of the Brazilian Business Council for Sustainable Development. But another side of this coin is the ongoing effort here in our country to build a national green taxonomy that speaks to international standards and respect and recognize the local realities of what a sustainable society is in Brazil. So, I think these two aspects help us move from purely sometimes vague notions or every understandings about what green transition is and come to a more clear understanding. Nevertheless, I think I'm a bit cautiously optimistic about this. Because this is a process that needs to embrace and involve a larger number of countries and governments.

And I think we don't have that process in motion. I'm not aware of how many countries have seriously adopted green taxonomies as a policy directive, as part of a country's strategy to deal with environmental or climate issues. I know Brazil has, and I know I think few other countries have, but I think we need to align this in a much, broader scale.



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And I think one problem with that is that for regulators, this seems to be not so clear at one point for private sectors and decision makers. It also takes time to make sure that they understand that. I think here in Brazil there's a lot of active and positive advocacy to make the Brazilian Green Taxonomy a real strategic instrument, not only for policy makers, but for private sectors, in general. And for me, from my entrepreneur's point of view. This can feel somewhat paradoxical because we tend to resist frameworks because we are driven by innovation always. But in the long run, I believe the approach adopted in Brazil will create more benefits than obstacles and I'm hopeful that we will see positive effects of that very soon.

Hisham Allam: Let's talk about accountability. You often discuss the gap between climate, politics, and impact accounting pledges without solid links to results. Did COP30 narrow the gap or just repackage all the problems?

Paulo De Miranda: I'm not sure whether COP30 help to narrow the gap or mainly repackage old problems into new languages. And I think this is something that we have seen a wide range of views about it. For me, nevertheless, it's too early to tell how the announcements that we saw in the lane will translate into actual changes, especially when looking to capital location regulation and accountability.

And accountability from all sides of the game, all sides of the process. But my sense from coming out of the lane is that the awareness of the gap has become much more explicit. And I think this is a positive side. Almost everyone with whom I talk about it recognize that this is a no longer a niche of sustainable to have in just one conversation.

We need to be able to introduce this in all kinds of negotiations. All kinds of issues related to the climate agenda. And I think we have to see from now on, very different realities within corporate strategies within organizations dedicated to promote social impact. And even as policy makers take that into public budgets I think we will see for those countries that are really trying to push the agenda forward and more so within those countries the private sector and the civil society that are really able to sit around table and discuss how do we move from one point to the next and to the next, and to the next, a much more progressive agenda going on. But I think the message for me was clear. The gap is definitely not to reduce climate risk. Social vulnerability and political fragmentation will continue to build up, but it'll have to stand firm, and we'll have to work with that reality.

And why I say that because I have been arguing in a much more specific settings when I have a chance to talk with people about it. Maybe we need to also start thinking about sustainable humanity. Maybe we need to start thinking about let's move come from one stage to the next evolution stage.

Maybe we should call COP a Conference for Sustainable Humanity. A platform where climate development inequality, financial stability, are treated as part of the same question because at the end of the day, you leave COP, I left Belem with the sense that we are dealing with humanity's future and how we plan to address that.



So, I think in Belem we had a sort of preamble to start thinking about that. An imperfect but important step, it was to recognize that our problem is not only emissions greenhouse gases. Our problems are much greater, but the architectures of our economies need to be addressed beyond just climate issues.

Hisham Allam: That leads me to an important question from a development perspective, and given your experience in fragile and the crisis affected settings, how will the COP address communities already living with volatility, displacement, and compounded risks?

Paulo De Miranda: I think what we experience in Belem, it was important in terms of understanding the dimension of this global agenda transcending beyond climate and environmental issues to humanitarian crisis issues, which climate and environment is part of. So, if we're serious about the idea of dealing with the humanities' future in the context of this whole set of questions that were brought in by a number in a very broad spectrum of representatives we saw in Belem. The first step to stop treating nature, the environment, and climate impact as a side effect. Or even worse, make them as hostages in any kind of negotiation about anything else if it's not to look into human's future. In my work, at least in development, finance and humanitarian programs, I have seen what volatility displacement compound risks really look like for people who are already leaving at the edge of situations that even inside the best settings of discussions at COP, people don't have idea about it. For these people, climate change is not an abstract of probability effects, it's part of their daily survival. That's why we need to move and raise a level of consciousness about COP being just a climate conference and environmental global forum, to a level of humanitarian situations where the daily survival of people it's not affected just by droughts or excessive rain, but for the whole aspect of humanity as a whole. And the issue I have with that to tell the truth is that traditional asset owners and investors who ultimately control many of the big capital decisions that sometimes even emerge after events like this, I ask them to have a more deeper understanding of what it means to endure this type of impacts over time. Losing your home twice in a decade, rebuilding our livelihoods after repeated floods or droughts, leaving out of poverty. Escaping from violence, living with a permanently uncertainty. It's not something that it's part of how asset owners, investors, even policy makers make decisions. We need to bring this whole host of actors and players to understand this reality. Sustainable living has to be recognized as a kind of asset in itself. I have been advocating for that for a long time.

Sustainable living as an asset with real financial implications in terms of productivity, stability, and long-term value. If we don't internalize that, we will keep designing products that look innovative on paper, but fail where the risks are actually happening. As an entrepreneur, I always look into the impact of any innovation and how this innovation will make our lives not easier but better.

Hisham Allam: For a man like you, that you have spent years refining impact metrics that connect capital with results. What refurbs or tools are most urgent to ensure climate finance judged by outcomes, not just disbursement volumes.



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Paulo De Miranda: I think when we look at what we read on the news about global funding, we understand that we still are in a situation that it is far below what is needed to make credible dent in the missions and adaptation gaps. We have situations that the reality of new facilities tools can help.

But I'm not so convinced yet that they will help by themselves. We need to think beyond that. We need to think about changes that will actually create benefits or changes that will diminish the risk that these changes will carry. Because at the end of the day, if we do all this, if we design all these facilities and tools, if we allocate capital inside these facility and tools, much will depend on the facts of how we prioritize projects.

How do you translate projects into realities that people can incorporate the effect of the changes that we want to produce, especially when we look into local communities and whether they may be part of a de-risking of existing flows, especially flows of capitals from one sector to another, but does not change reality.

This becomes a big problem, and I think becomes a vicious cycle. So, you do something now thinking that it's gonna be better, and you don't see the betterness having long-term effect. You just see the needed change. But in the end, what we really need to do is to make sure that any new facility tools that we create have an effective and true impact.

In the global architecture that is dealing with climate change, even with significant capital, it is not sufficient. If we fail to address the many externalities and structuring balances, there are already widening this gap between vulnerabilities and climate, actually, especially considering the poor and the more exposed regions around the globe.

This is almost a non-negotiable kind of situation. So, in my view, I think we cannot wait for perfect designs. We need to move fast with pilot structures, pilot tools, pilot trials, test them, make them happen in real context, understand, and learn from their failures. Only then start looking for more stable adaptation to more scalable frameworks, and then we will be able to see the extent of the impact over such sophisticated level of financial commitment and decisions.

But the worst outcome would be to add another layer of complexity without improving the distribution of benefits and responsibilities. And this will need to look collectively, not individually.

Hisham Allam: As an impact driven executive. What worries you most greenwashing, stranded communities or commitments that doesn't move as promised?

Paulo De Miranda: It's a little bit of those. I'm very sensitive about stranded communities. I think when you accumulate the kind of experience I have accumulated working in the development field and humanitarian assistance programs, and even to some extent impact investing. It trended communities it's something that touches deeply, it's important for us to understand that situation because. If you go to communities like that and people in situations of stress lacking opportunity or in risk of any other nature beyond just the climate risk, you have to ask yourself that question.



Are these people in this situation because they want to be and they don't see a way out? Because they were forced to be in that kind of situation, but the decisions that were taking thousands of miles away from them that had an impact in their reality were not really sensitive enough to understand how these communities were being stranded.

So, if we link that to the flow of capital, then we'll see the dimension. The linkages between how, when you move capital from one place to another, how when you decide about an investment strategy or investment program that will have disbursements elsewhere if you don't realize that the implications of that can change the realities of the entire community, then I think we are doing a great disfavor to respond to more sustainable world and sustainable. So, I think investors they have to stay close to the real. Sometimes you say the real projects, they have to go beyond understanding intuitively what an investment decision will be like, and the difference between money spent and transformation achieved, it's very great. I can tell you firsthand, policy makers and politics unfortunately often don't see that, and that is a significant part of the gap that we still see today and that we need to close.

Hisham Allam: Paulo since COP30, President Lula de Silva has asked his government to design a national roadmap to gradually reduce Brazil's dependence on fossil fuels, including an energy transition fund financed partially by oil and gas revenues, from your perspective, is using fossil fuels income to finance the transition, a smart, pragmatic solution, or does it risk creating new contradictions in Brazil's climate policy?

Paulo De Miranda: I think this is one of those very critical questions that we have to address today after COP30 in Belem, as part of the commitments and actions that the Brazilian government is taking on. But I would start by saying that it's a clever idea built-in contradiction in it. On the positive side, what I see is the logic is clear. We'll use part of the rent from the old energy system to finance the new one, and that kind of makes sense for most of us. If it is well designed, ETF funded by oil and gas revenues can send an important signal that we are willing to connect to the source of the problem directly to the financing of the solution.

And I think that's a positive step, and I think we need to see this in the right direction. However, it can also be and become a trap the more the government relies on future fossil fuel income to feed the fund, the stronger incentive to keep expanding the fossil and fuel frontier. And that's where I think the first dangers of this decision relies, or the cautionary note that we need to take, when looking to this mechanism.

In that scenario, the fund risk becoming a kind of moral license, if you will. We feel entitled to explore more. As long as a fraction of the money is labeled transition, and if it's a fraction of the money is, labeling transition, and transition is not really occurring in the long term, we'll feed the old economy.

We will feed the energy system. We'll provide more incentives to that, and a transition will be left behind the scenes. So, for me, the real test is not only where the money comes from, but the rules around it, the rules that will determine how the fund will actually, in real terms, operate here in the country.



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If the fund is guided by clear transition criteria, anchor in a solid taxonomy, for example, the one that we have today and measured by real changes in the energy mix and in people's lives, then I think we will have a valuable tool as a policy tool in the country to address the energy transition that we need.

If not, it will remain closer to a political and accounting optimism rather than to a genuine impact. So, in the general terms, that's how I see the fund strategy, will unfold here in the country. We will need to pay close attention to it.

Hisham Allam: This is really helpful context, Paulo, especially on how you see the tradeoffs in practice.

Paulo De Miranda: When we talk about such thing as transition entire new systems, of economy we cannot, be one or the other. We need to have a middle of the road approach. We need to work on steps that are possible to reach the ultimate goal, to reach the ultimate commitment that we have, to step away from the fossil fuel economy. It's not an easy task, and it must be seen, with a cautionary note in every aspect of a policy or government decision. But if you look at the broad implications and aspects related to that we need to take this decision by the Brazilian government right now, as a positive one with a caveat that it could be a trap. It could unleash other forces that are more favorable for, in terms of continue with exploration of a fossil fuel economy.

Hisham Allam: Thank you, Paulo. Let's move to another point. So, if you could address three audiences, world leaders, financial institutions, and everyday citizens, what one message would you say each about what COP30 revealed and what demand next?

Paulo De Miranda: That's a bold request. I think I can address at least try to address people close to me every day. But I feel much of what I would say to you would say to this audiences anyway. And I would try to say in a same way. I think when we think of war, the national leaders, my message will be that their responsibility is linked to the redesigning the rules of the game, and that means a lot.

It means redesigning laws, fiscal regimes, trade agreements, public investment priorities and even a country strategy. To deal with sustainable humanity. And I'm not talking about this hypothetically; I'm talking about this in concrete ways. Not only in short term political cycles, but in long-term commitment.

We cannot delay and see the higher cost in greater instability and the level of climate, environment, and all kinds of injustice being perceived. If we understand that we also have the capacity the resources, the science, the innovation at our hands. So, we must use this in favor of humanity and not in favor of a political agenda specifically.

I think to financial institutions and investors, my main message is for them to treat sustainable living as an asset class that underpins all others type of classes. They are accustomed to deal with the way you model



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risk, price, capital, define your fiduciary obligations and duties. Will determine whether this transition is inclusive or orderly, or whether it is chaotic and exclusionary.

And I think it is their role to take this very serious. You cannot outsource that responsibility to future generations or even to policy makers alone. And finally, when I, when we think about civil society organizations, I think we need to go back to that word.

We, the accountability for impact, is ours in the sense of we, for here and now, we cannot wait for a new generation to try to take leadership on this. The responsibility is ours, and I think we need to make that very clear. I met a 10-year-old from Tanzania in Belem. Her name is Georgina, and she said that she was there to help us solve the environmental problems that she did not cause, and that's what she was there for.

Hisham Allam: Paulo, thank you for joining me and for bringing such a sharp impact driven lens to what COP Summits did and didn't achieve. For our listeners, I hope this conversation helped you see why climate summits cannot be judged only by their final text or headline numbers, but by whether they reshape incentives, capital flows, and accountability in the real economy.

If you enjoyed this episode, don't forget to follow DevelopmentAid Dialogues on your favorite podcast platform. Subscribe, share the episode and stay tuned for more honest discussions with the people working at the front lines of global development and climate action. I'm Hisham Allam. Thank you for listening and see you next time. Goodbye.