

Baku Climate Change Conference Thursday, 21 November 2024

Groups and parties were unanimous in their disappointment over new texts on the new collective quantitative goal on climate finance (NCQG) and several other outstanding issues. Ministers and Heads of Delegation not only shared their general views on these drafts, but also noted their preferred options on a laundry list of paragraphs. It is unclear how these will be captured, let alone how the entrenched positions can be bridged.

Single-setting “*Qurultay*”

President Bababyev noted the objective for the single-setting meeting to empower leaders to take important decisions and invited views on the new texts on the NCQG, the just transition work programme (JTWP), the mitigation work programme (MWP), Article 6, the Global Goal on Adaptation (GGA), the dialogue on Global Stocktake (GST) implementation, response measures, and gender. He expressed confidence that with collective effort and determination, parties can successfully conclude their work.

The EU considered the NCQG text “disappointing, imbalanced, unworkable, and unacceptable” and emphasized the need for all parties with the capacity to contribute to do so, with developed countries continuing to lead. They opposed backtracking on mitigation and urged the Presidency to step up its leadership.

The UMBRELLA GROUP lamented that the calls for energy transition spelled out in the decision on the GST are “pared-back, minimized, or hidden” in the text and urged proudly and prominently reflecting them.

The ALLIANCE OF SMALL ISLAND STATES (AOSIS) appreciated that “the contours of the package” are on the table, but said considerable work remains to achieve balance, rather than focusing solely on finance, and avoid backtracking on decisions made in Dubai. On the NCQG, they called for a quantum, stressed the need to include a minimum allocation floor for small island developing states (SIDS) and least developed countries (LDCs), and rejected an investment goal. On the dialogue on GST implementation, they urged addressing all GST outcomes, with a focus on the provision of finance and other means of implementation (MoI).

The G-77/CHINA stressed the NCQG is not an investment goal, should reflect differentiation, and include a quantum of USD 1.3 trillion by 2030. They urged for discussions on response measures to focus on the negative, not positive, cross-border impacts. On the GST implementation dialogue, they said it should be in keeping with the letter and spirit of the GST outcome. They

expressed support for the agenda item on unilateral trade measures proposed by Brazil, South Africa, India, and China (BASIC).

The COALITION FOR RAINFOREST NATIONS recognized the significant progress achieved on Article 6 market-based approaches, but objected to language on “certification mechanisms” in relation to Article 6.2, saying this nomenclature is not consistent with the Paris Agreement or previous decisions. On the NCQG, they opposed a reference to “high-integrity voluntary carbon markets,” calling this term an “oxymoron” since private standards cannot contribute to high integrity.

The INDEPENDENT ALLIANCE OF LATIN AMERICA AND THE CARIBBEAN (AILAC) stressed that developing countries will not accept anything below USD 1.3 trillion on the NCQG quantum and called for clarity on the public finance and mobilization components. They stressed that mitigation ambition cannot be achieved without MoI, and regretted the blocking of previously agreed language on transitioning away from fossil fuels. They pointed out that GST outcomes should be addressed in a comprehensive manner, including mitigation, adaptation, loss and damage, and MoI. On gender, they stressed the imperative to extend the Lima work programme and regretted that the draft decision lacks references to intersectionality. On just transition, they called for acknowledging the socio-economic opportunities of transitioning away from fossil fuels.

The LIKE-MINDED DEVELOPING COUNTRIES (LMDCs) lamented that developed countries are failing to deliver on finance and lead on mitigation ambition, citing rising emissions and domestic expansion of fossil fuels. They rejected prescriptive mitigation measures without financing for developing countries and called attempts to renegotiate the Paris Agreement’s temperature goal “a red line.” They rejected language on voluntary support and expanding the contributor base as inconsistent with the Paris Agreement; urged provision of USD 600 billion and mobilization of USD 1.3 trillion; and called for deleting language targeting fossil fuel investment and subsidies, and carbon pricing. On mitigation, they stressed that GST outcomes should not be “cherry-picked” and objected to prescriptive targets or goals.

The LDCs called for the NCQG to include a special allocation to LDCs of USD 220 billion annually, and said loss and damage must be included in the NCQG scope. On the MWP, they called for guidance on how the GST outcomes can influence and raise ambition in updated NDCs.

The ENVIRONMENTAL INTEGRITY GROUP called for a mitigation outcome that sends a political signal regarding submitting 1.5°C-aligned NDCs in 2025, expressed concern about the removal of reference to best-available science in the GGA text,

and lamented failure to advance the issue of human rights and gender, while expressing willingness to accept the text on gender.

The ARAB GROUP stressed its preference for a simple and streamlined text on the NCQG and opposed minimum allocation floors as unacceptable and unimplementable. They also objected to language on human rights. They warned that the dialogue on GST implementation should not constitute a “mitigation stocktake.”

AUSTRALIA opposed the establishment of a GGA roadmap and MoI indicators for adaptation, and emphasized the importance of transformational adaptation.

JAPAN said the nature of finance to be provided must be decided before a quantum can be determined. On mitigation, he stressed the need to consider the GST outcomes and, similarly, said the JTWP must include all relevant GST outcomes. On the GGA, he said work should prioritize indicator development and not establish new processes, such as an Intergovernmental Panel on Climate Change (IPCC) taskforce or new roadmap, and opposed work on MoI indicators.

HONDURAS lamented the completely inadequate “compilation of options” on the NCQG. He objected to including actors and stakeholders over which the climate regime has no control and noted that finance will fail to deliver if there is no additionality.

PAKISTAN described restricting access to specific countries as “unfair,” underscored that the goal should not impose burdensome conditionalities on developing countries, and, on the GGA, called for indicators that track the provision of MoI for adaptation.

ZAMBIA expressed concern that several adaptation items had not reached substantive conclusions and called for indicators to track MoI towards achieving the GGA.

NEW ZEALAND called for the IPCC assessment cycle to be aligned with the next GST and lamented that the NCQG text only reflects extreme positions, which will not bring agreement any closer.

GERMANY signaled willingness to link mitigation ambition to increased MoI in the context of “the full package,” and emphasized: phasing out all fossil fuel subsidies that do not address poverty or pursue a just transition; phasing out unabated coal; and suspending all new coal projects.

POLAND urged parties to implement the GST outcomes, and requested the Secretariat to prepare annual implementation reports for consideration by the CMA.

TÜRKIYE called for a focus on MoI, expressed support for establishing a GGA roadmap, and stressed Baku must end with a realistic NCQG that is in line with the Paris Agreement.

NORWAY highlighted the need for overall commitment to following up on the GST, particularly on the GST’s mitigation elements. He called for retaining clear language on human rights, workers’ rights, gender, youth, and children.

The US called for the GST outcomes to form the core of future work under the MWP, and lamented the NCQG text is unbalanced and does not include their proposal for a new goal.

The UK noted the current MWP text does not reflect the need to set ambitious NDCs in line with 1.5°C and called for a “1.5°C roadmap” that includes the GST.

COLOMBIA rejected the notion that the problem is a lack of available finance, emphasizing lack of political leadership; and called for leveraging efforts outside the UNFCCC, such as debt cancellation.

PANAMA called the mitigation text a “death sentence” and urged developed countries to bring forward a clear quantum.

FIJI expressed serious concern with the mitigation text and objected to backsliding on commitments. On the GGA, he called for transformational adaptation, saying the mapping phase is over.

He rejected attempts to weaken the recognition of LDCs’ and SIDS’ special circumstances.

SURINAME urged making share of proceeds and overall mitigation of global emissions “work” across both Paris Agreement Articles 6.2 and 6.4.

INDONESIA opposed conditioning climate finance on domestic reforms, emphasized the importance of transformational adaptation, and urged parties not to indulge in fights over divisive terminology on gender.

CANADA said the draft text on mitigation “misses the mark,” called for following up on the mitigation-related sections of the GST decision, and underscored the importance of gender mainstreaming.

MARSHALL ISLANDS remarked that the trillions in subsidies provided for fossil fuels “should outrage us all.” She recalled that her country’s National Adaptation Plan estimates that USD 35 billion is needed for adaptation and accused parties of “playing with people’s lives.”

ZIMBABWE stated that the text on just transition should not be limited to the workforce, and rejected the text on gender “in its totality,” saying the African Group would not accept “micro-management” under any work programme.

CHINA called for all decisions to reflect common but differentiated responsibilities (CBDR), protested singling out paragraphs of the GST decision, and stressed that language on temperature goals should correspond with the Paris Agreement. He highlighted that voluntary support provided by developing countries is different from developed countries’ responsibilities, and is not part of the NCQG, and that requirement for transparency reporting must be in line with Article 13 of the Paris Agreement (transparency arrangements). On the MWP, he called for language on the impact of unilateral trade measures.

IRAN protested targeting sectors under the NCQG as “deviating from the Paris Agreement” and stressed the MWP should not set new targets.

TUVALU urged transitioning away from fossil fuels, called for recognizing the special circumstances of LDCs and SIDS in the NCQG; and stressed that parties with no capacity to establish national registries for Article 6.2 cooperative approaches should be able to use the international registry.

SOUTH AFRICA called for mobilization of USD 1.3 trillion and provision of USD 600 billion to be reinserted in the NCQG decision. He rejected “cherry-picking” of GST outcomes in the MWP text, called for adoption of a global just transition framework, and emphasized recognizing the negative impact of response measures on developing countries.

MALAYSIA called for recognizing the CBDR principle in the NCQG, including by removing references to fossil fuel infrastructure in the draft text, and called for MoI provision in the JTWP.

KAZAKHSTAN urged developed countries to fulfill their commitments through a clearly defined NCQG and called for innovative sources, such as debt-for-nature swaps. On the GGA, she supported a geographically balanced set of indicators that respects national sovereignty and incorporates traditional knowledge.

BARBADOS stressed that an investment goal will leave SIDS further behind and outlined the reasons for an allocation floor for SIDS, including diseconomies of scale.

BANGLADESH urged for the special needs and circumstances of LDCs to be recognized across the package and said the suggestion of including investment and domestic sources in the NCQG were unacceptable.

SWEDEN assured parties of their commitment to continue to provide climate finance, and called for parties to stand together for an ambitious mitigation outcome, characterizing the current text as “far from ambitious.”

SIERRA LEONE stressed that the NCQG is payment of the “climate debt” developed countries owe to developing countries.

COSTA RICA called for an NCQG aligned with the mitigation ambitions of developing countries, with at least 20% of funds flowing through the UNFCCC Financial Mechanism and ensuring funds reach the Adaptation Fund.

The HOLY SEE highlighted the importance of recognizing non-economic loss and damage in the NCQG, saying the goal should support the energy transition in developing countries through grants. He observed that women face disproportionate impacts of climate change and are agents of change.

FRANCE stressed the importance of the Baku decisions to pave the way for an ambitious set of NDCs in 2025 and, deploring the current state of the gender text, emphasized recognition of human rights and women and girls in all their diversity.

ST. VINCENT AND THE GRENADINES opposed an investment goal, saying that “relying on the private sector to pick up the bill will not do.”

INDIA specified that the NCQG should mobilize USD 1.3 trillion, of which at least USD 600 billion should come in the form of grants and equivalent resources. On the MWP, the JTWP, and the GST dialogue, she called for adequate MoI to enable progress, saying that “what we decide here on finance will influence what we submit in the NDCs next year.”

PALAU said developing countries’ domestic finance should be excluded from the NCQG as it exceeds the scope of the Paris Agreement.

VANUATU underscored that the dialogue on GST implementation must establish a process for follow-up on all GST outcomes to keep the 1.5°C goal alive.

Speaking about the GGA, THE GAMBIA called for moving from mapping existing to developing new indicators and underlined the importance of a standalone agenda item.

ANGOLA said the MWP was not the right place to send high-level messages and opposed the “top-down” character of work under this item.

ETHIOPIA stressed the need to reach the goal of doubling adaptation finance as soon as possible.

The RUSSIAN FEDERATION opposed referencing specific paragraphs of the GST decision in the text on the GST implementation dialogue and rejected new targets in the MWP decision. Regarding the NCQG, he called for free trade to allow the flow of climate technology and urged addressing unilateral measures. On the GGA, he called for indicators on polar, mountainous, and coastal areas.

SENEGAL called for: USD 1.3 trillion mobilized under the NCQG; grant-based finance for loss and damage; and reference to MoI in the GGA text. He rejected the notion of “transformational adaptation.”

ISRAEL called for using the Dubai outcomes to inform the preparation of NDCs, populating the MWP with “real mitigation content” building upon the GST decision, and broadening the donor base, stressing it does not constitute renegotiating the obligations of developed countries.

NEPAL called for grant-based finance for adaptation and loss and damage; and stressed the need for full implementation of GST outcomes, with a focus on financial support. He highlighted the role of the MWP and urged gender-responsive climate action.

BRAZIL called for defining the NCQG at COP 29 and reaching USD 1.3 trillion, no matter how challenging it is.

MEXICO hoped for the NCQG to respond to needs of developing countries, including needs of women in all their diversity, Indigenous Peoples, and communities most affected by climate change, and stressed that finance should not depend on domestic resources of developing countries.

COP 29 Lead Negotiator Rafiyev said all parties have a role to play in fostering consensus. He announced bilateral consultations would convene with groups to refine the texts, and that appointed ministerial pairs would be asked to “unlock specific questions.” He reported that the Co-Facilitators for response measures will be asked to continue their consultations. He expected Presidency texts “late Friday.”

Finance

Long-term finance: In the COP contact group, Co-Chairs Madeleine Diouf (Senegal) and Ouafae Salmi (Belgium) invited views on a revised draft decision. The ARAB GROUP, opposed by the UK and EU, urged referencing paragraphs 22-26 of [decision 5/CP.7](#) (on Annex I and non-Annex I cooperation on, among others, technological development of non-energy uses of fossil fuels and less greenhouse gas-emitting fossil-fuel technologies).

Parties debated, at length, how to reference the various reports and different estimates related to progress in the delivery of the USD 100 billion goal. They also debated various suggested additions to the text, with developed countries recalling the mandate and context of the goal. The LMDCs called for removing a reference to gender-responsiveness, but relented when others pointed out it is a verbatim extract from the SCF report.

AILAC, supported by the AFRICAN GROUP, suggested adopting a procedural decision. The ARAB GROUP called for further engagement. After a huddle, the G-77/CHINA called for bracketing the entire text and sending it to the Presidency. The UK suggested agreeing on only the first three paragraphs, which the EU and NORWAY supported. The G-77/CHINA expressed willingness to do so, provided the placeholder on the NCQG was kept too, which the UK and SWITZERLAND opposed. The EU expressed hope to reach agreement on the first three paragraphs, noting the Presidency has a high workload already. Parties remained at a deadlock. The Co-Facilitators will report to the Presidency on the status of discussions.

Report of, and guidance to, the Green Climate Fund (GCF): In the COP contact group, co-chaired by David Kaluba (Zambia) and Pierre Marc (France), parties considered a new iteration of decision text. They agreed to delete a paragraph inviting the GCF Board to consider how the GCF can further strengthen country-driven partnerships with multilateral development banks. Parties also agreed to reword a paragraph requesting the GCF Board to simplify access to funding, with the LDCs stating that text previously in this paragraph referencing SIDS and LDCs should be included in the CMA’s guidance to the GCF.

In a paragraph urging the GCF Board to continue incorporating Indigenous Peoples’ knowledge and interests, in a way that respects their rights, perspectives, and climate priorities, including through free, prior, and informed consent, GEORGIA, supported by IRAN, AILAC, and others, proposed adding a reference to local communities, opposed by CANADA who noted local communities do not have the same international recognition as Indigenous Peoples. Parties agreed to a formulation that refers to “continue incorporating people and communities on the front lines of climate change, including Indigenous Peoples and local communities, in line with the Fund’s policies.”

Parties debated at length, and ultimately agreed to, a paragraph modifying the arrangements between the COP and the GCF with a view to moving from an annual to a biennial guidance cycle.

Parties were unable to agree on how and whether to reference the NCQG outcome, with the EU, the US, and SWITZERLAND calling for this reference to only be placed in the CMA's guidance to the GCF, while the AFRICAN GROUP, supported by AILAC, wanted it inserted in both the COP and CMA texts. The AFRICAN GROUP requested for the entire text to be bracketed.

The Co-Chairs will forward the text to the Presidency.

In the CMA contact group, parties agreed to most paragraphs in the revised draft decision, including adding the reference to LDCs and SIDS.

On a paragraph encouraging the GCF to support climate action in the context of sustainable recoveries from conflict, UKRAINE, supported by SWITZERLAND and opposed by the AFRICAN GROUP, the RUSSIAN FEDERATION, and CHINA, proposed new compromise language, noting the GCF's ongoing efforts to support sustainable recovery in all developing countries that are responding to relevant national shocks. The ARAB GROUP proposed adding a reference to the GCF Governing Instrument.

Parties also diverged on how to reference the outcome of the NCQG.

The Co-Chairs will forward the text to the Presidency.

Matters relating to the Adaptation Fund: In the CMP and CMA contact groups, co-chaired by Isatou Camara (the Gambia) and Ralph Bodle (Germany), parties agreed to forward the revised draft decisions to the CMP and CMA for adoption.

Other Issues

Procedural and logistical elements of the overall GST process: In the CMA informal consultations, Co-Facilitators Thureya Al Ali (UAE) and Patrick Spicer (Canada) recalled parties' agreement to forward the informal note on this item to SB 62 for further consideration. They presented procedural conclusions to be read out orally during the CMA's closing plenary. All parties supported adopting procedural conclusions and forwarding the informal note. SAUDI ARABIA called for production of an L-document containing the procedural conclusions, with the informal note annexed, rather than an oral presentation of the conclusions in plenary.

Concluding the meeting, the Presidency urged focus on practical solutions that will reflect the views outlined during these informal consultations, in order to prevent backtracking.

Report on the annual dialogue on the GST informing NDC preparation (referred to in paragraph 187 of Decision 1/CMA.5): During the CMA informal consultations, Co-Facilitator Noura Alissa (Saudi Arabia) noted that although there is convergence on some areas, such as on procedural conclusions, major divergences remain on other issues, specifically whether or not to include substantive messages in the draft CMA decision, as well as the timing and frequency of the dialogue.

Opposed by the LMDCs and AFRICAN GROUP, CANADA offered a bridging proposal for the Co-Facilitators to include in their report back to the Presidency, suggesting: inviting the Secretariat to present the annual NDC synthesis report to subsequent dialogues; and agreeing that the next annual GST dialogue will take place in conjunction with CMA 7. CANADA expressed willingness to forgo key messages if this bridging proposal was accepted. The US suggested that the Co-Facilitators present the Presidency with the two options discussed by parties, that is, whether to include or exclude key messages.

Parties disagreed on whether to forward the bracketed draft text to the Presidency, with the LMDCs and others opposing, and the US, GRENADA, and others supporting. There was no agreement

to forward the text. INDIA asked whether Rule 16 would apply given the lack of an outcome and the Co-Facilitators said this would be for the Presidency to decide.

The Co-Facilitators will convey the discussions to the Presidency without forwarding the draft text.

Response Measures: In COP/CMP/CMA informal consultations, Co-Facilitators Mattias Frumerie (Sweden) and Andrei Marcu (Honduras) introduced a non-paper, noting it contains options on several issues and that the work plan's outputs were "something to be reflected on."

The G-77/CHINA said they could work from the non-paper, but stressed that the forum and Katowice Committee of Experts on the Impacts of the Implementation of Response Measures must focus on the negative cross-border impacts developed countries' climate policies have on developing countries, which the EU opposed. The UK and US said the non-paper does not reflect the discussions, including the co-benefits of climate action such as the health benefits and savings from reducing air pollution. CHINA said that the text on unilateral trade measures was too weak, while the EU said that the UNFCCC did not have a mandate to assess countries' domestic policies.

SOUTH AFRICA, the US, and others suggested applying Rule 16 given the divergent views, while the AFRICAN GROUP and CHINA preferred negotiating line-by-line. The ARAB GROUP, MALDIVES, the RUSSIAN FEDERATION, and BRAZIL suggested asking for political guidance, as this item may be part of the overall package of decisions.

The Co-Facilitators will consult the Presidency.

In the Corridors

The (official) penultimate day of the Baku Climate Change Conference started with a bang. Delegates woke up to a new iteration of Presidency text on the finance goal, now reduced to a mere ten pages and confusingly labeled a "transitional" text. The new name did little to defuse its "explosive content," however. Even before the start of Presidency-led deliberations in the "Qurultay" format at noon, parties voiced their disappointment, with many saying that the text does little more than reiterate extreme positions. "This brings us not one single step closer to agreement," sighed a frustrated delegate. Others lamented that their proposals and even recently identified landing zones had been entirely eclipsed.

The "Qurultay" turned out to be little more than a regular plenary session, unlike last year's Majlis. Both negotiating groups and many individual countries took the floor in a marathon of statements to run through their preferred language or launch passionate appeals—to little avail. By halfway through, the room was nearly empty, ending with "lots of talking about, but little to, one another," as a delegate noted.

Running against the clock, prospects of a breakthrough across any of the contentious items—from the finance goal to mitigation to gender—are hanging by a thread. All of this only increased calls for the Presidency to step up its role as a decisive leader and honest broker. Progress in continued technical-level negotiations remained equally elusive, further adding to the Presidency's already full plate. "These texts are nowhere near ready to be bundled into a package," noted a worried observer, wondering what the next day(s) would bring.

The *Earth Negotiations Bulletin* summary and analysis of the Baku Climate Change Conference will be available on Tuesday, 26 November 2024 at enb.iisd.org/baku-un-climate-change-conference-cop29