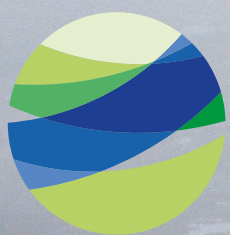




COP29

Achieving Fair Climate Finance to Deliver Resilience, Ambition and a Just Transition

Annual Policy Document



CLIMATE ACTION NETWORK
INTERNATIONAL

COP29

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Glossary

AIM: Arrangements for Intergovernmental Meetings	Mol: Means of Implementation
BA: Biennial Assessment of Climate Finance Flows	MPGs: Modalities, Procedures and Guidelines
BTR Biennial Transparency Report	MWP: Mitigation Work Programme
BTRs: Biennial Transparency Reports	MWP: Mitigation Work Programme
CAN: Climate Action Network	NAPs: National Adaptation Plans
CBD: Convention on Biodiversity	NBSAPs: national biodiversity strategies and action plans
CBDR-RC: common but differentiated responsibilities in light of respective capacities	NCQG: New Collective Quantified Goal
CMA: Conference of the Parties serving as the meeting of the Parties to the Paris Agreement	NDCs: Nationally Determined Contributions
Committee on World Food Security (CFS)	NDR: Needs Development Report
COP: Conference of Parties	NMAs: non-market approaches
ETF: Enhance Transparency Framework	ODI: Official Development Assistance
ETF: Enhanced Transparency Framework	OECD: Organisation for Economic Co-operation and Development
FGCR: UAE Framework for Global Climate Resilience	SDG: Sustainable Development Goals
FPIC: Free, Prior and Informed Consent	SIDS: small island developing states
FRLD: Fund for responding to Loss and Damage	Tw: Tera watts
GGA: Global Goal on Adaptation	UBWP: UAE- Belem Work Programme
GHG: Greenhouse Gases	UNEP: UN Environment Programme
GST: Global Stocktake	UNFCCC: United Nation Framework Convention on Climate Change
HCA: Host Country Agreements	WIM: Warsaw International Mechanism for Loss and Damage
HiAP: Health in All Policies	WMO: World Meteorological Organization
IEA: International Energy Agency	
IPCC: Intergovernmental panel for Climate Change	
ITMOs: Internationally Transferred Mitigation Outcomes	
JTWP: Just Transition Work Programme	
L&D: Loss and Damage	
LDCs: least developed countries	
LT-LEDs: Long-Term Low Emission Development Strategies	

Executive Summary

Ten years into the Paris era of climate action, the world has a lot of catching up to do. Impacts of climate change, driven by fossil fuel use, have continued to escalate in frequency and intensity, disrupting and devastating especially developing countries and populations that have been made vulnerable and that bear the least responsibility in the genesis of the climate crisis. This year is once again on its way to becoming the hottest on record, fuelling devastating impacts including heatwaves, floods, cyclones and wildfires driving deprivation and vulnerability, especially among communities on the frontlines of the climate crisis that face economic, social and political marginalization. Meanwhile, the decline of polar ice and the deterioration of the state of ecosystems on which we all rely remain alarming as ever. Despite the clear evidence of a spiraling crisis, the scale of the response so far has been woefully lacking.

This year, the 'Year of Finance', must be a turning point. COP29 carries the potential to decide the direction and fate of climate action as outlined in the Paris Agreement and the outcomes of the first Global Stocktake. COP28's agreement to transition away from fossil fuels and COP27's establishment of the Fund for Responding to Loss and Damage, lack funding. Adaptation action has also remained underfunded, with an ever-widening gap between the needs and availability of resources, especially to frontline communities bearing a disproportionate burden of the impacts of climate change. Finance is the only way to enable global climate action that will put the world on a path to limit global temperature rise to 1.5°C, enable adaptation, and address the now unavoidable loss and damage from climate change impacts falling on those least responsible.

The task confronting Parties and negotiators at COP29 is not only to set a quantitative goal for climate finance,, but to substantiate it with the high qualitative standards needed to facilitate rapid and just climate action in a way that works for all. This would need Parties to recognise justice, equity and fairness as non-negotiable dimensions underpinning the decision that unlocks the means of implementation for climate action. Failure would all but guarantee the political defeat of collective climate action and a travesty of historic proportions.

Baked into the importance of the 'COP29 moment' is also an undeniable opportunity to unlock the necessary scale of collective climate action, and the just and equitable approaches that respect and preserve the spirit of the UN Convention Framework on Climate Change and the Paris Agreement. COP 29 is a ripe moment for Parties to actualise this spirit in a way that upholds human rights and the interests of those at the frontlines of climate impacts and the collective response to the climate crisis. There is no climate action without justice.

Summary of key demands

On achieving need based and equitable climate finance in the context of the NCQG

Finance is a deciding factor of climate action. The quantity, quality and accessibility of finance will considerably dictate the future of climate action implementation. Heading into the pivotal negotiations on a new goal on climate finance, CAN demands:

- An NCQG structure that guarantees a **public finance provision goal** of *a minimum of \$1 trillion per year, predominantly in grants-based funding, from developed to developing countries*. The goal should **cover all thematic subgoals of mitigation, adaptation, and loss and damage (L&D)**, with targets for the provision of public finance for each.
- Alignment of the Goal with inclusive just transition pathways, in the context of a larger accumulating climate debt.
- A finance goal that embodies strong and **principled qualitative elements** (such as additionality, predictability, access but also affordability and non-debt inducing finance).
- Recognition of **tax justice and 'polluter pays'** principles within the frame of equity and common but differentiated responsibilities and respective capacities (CBDR-RC). This means developed countries should take the lead in re-orienting their existing public finances to do no harm, and pursuing tax justice for new sources to be able to provide new and additional climate finance under the NCQG.
- The formulation of **transparency and accountability** as core principles, which implies, among other things, agreeing on the definition of **climate finance** and on a fit-for-purpose Enhanced Transparency Framework (ETF).

On securing climate justice and equity

CAN sees the Just Transition Work Programme (JTWP) as ideally placed to ensure the **justice dimension** of the **transition towards a fossil-free, fairer, safer, cleaner and more peaceful future** is delivered. And to ensure this at COP29, the decision on the JTWP must recommend actions based on the Dialogues and agree to deliver a **Just Transition Action Plan** by COP30.

The Just Transition Action Plan could cover two key dimensions:

- Securing rights and a shared understanding of what elements of justice any just transition plan should contain.
- Delivering on international cooperation to Make Just Transition Happen

On politically elevating Adaptation to Reduce Vulnerability

While the Paris Agreement is clear in its guidance for **adaptation to be treated and financed on par with mitigation**, there has been little concrete progress in this regard and so at COP29 CAN demands:

- That developed countries urgently scale up the **provision of adaptation finance** to developing countries **based on the current needs with a clear roadmap for its delivery and implementation plan**.
- Parties start discussing the need to establish a **permanent agenda item** on the Global goal of Adaptation (GGA) to elevate political attention to adaptation.
- On the UAE- Belem Work Programme (UBWP) on indicators, that parties must agree on the **work plan for 2025 to fully operationalise GGA by COP30** and include language on Means of Implementation (MoI), especially on finance with targets and indicators in UBWP.
- That the NCQG, through a **sub-goal on adaptation**, should formally link the provision of climate finance in achieving targets under **UAE Framework for Global Climate Resilience** and ensuring that the GGA is embedded in the NCQG.
- All parties (developed and developing) to **formulate and update their National Adaptation Plans (NAPs) by 2025** with developed countries agreeing to provide finance, technology transfers, and capacity-building support to developing countries to formulate and implement their NAPs.

On Addressing Loss and Damage (L&D)

A clear commitment from developed countries to **scale up new and additional public finance to address loss and damage** is urgent. To ensure this, CAN demands that at COP29:

- A **subgoal on Loss and Damage in NCQG** is estab-

lished to provide a solid foundation for L&D finance under the UNFCCC regime.

- The **World Bank must be confirmed as the interim host of the Fund** for four years, and parties must provide guidance to the Fund for responding to Loss and Damage (FRLD) Board including recommendations for the adequate capitalisation of the Fund at scale, activities to be funded, and maximising access to funding for Indigenous Peoples, frontline communities, local CSOs, groups experiencing marginalization and people living in poverty.
- The Warsaw International Mechanism for Loss and Damage (WIM) through its third review discuss the need for a **L&D Gap report** and provide recommendation on the same.

On transforming Energy system and for Just and Equitable 1.5°C aligned NDCs

Countries are expected to deliver their next Nationally Determined Contributions (NDCs) in 2025. Although the **first Global Stocktake (GST) has provided critical guidance** on the elements that should inform countries' ambitions, the appetite for delivery on these has thus far been woefully lacking. For countries to deliver **ambitious, equitable and just climate plans that are aligned with 1.5°C** by the February 2025 deadline, we need the following:

- The COP Presidency must ensure that COP29 leads the **NDC enhancement process** through providing a 'Roadmap for 1.5 & Climate Justice'. This roadmap on the one hand should include guidance to countries on how to **ensure alignment of NDCs with climate justice and 1.5 degree pathways** at national levels as well as **how international cooperation will support the implementation of NDC's**.
- The mandated discussion on NDC Features at COP29 must reflect on how the outcome of the first Global Stocktake (GST) will be integrated in NDCs.
- The Mitigation Work Programme (MWP) has thus far not delivered on its mandate to urgently scale-up pre-2030 ambition even as the GST outcome provides guidelines for post-2030 mitigation pathways. Parties should **consider reformulating/redirecting the embattled MWP** towards concrete proposals **on delivering on the**

GST mitigation outcomes.

- The UAE Dialogue, or any other high-level convening in its stead, must provide clear signals on the **linkages between access to climate finance and the ability of nations to prepare and implement just, equitable and ambitious NDCs and LT-LEDs** that deliver progress on the outcomes of the GST, including transitioning away from fossil fuels and realising a fair, fast, and funded phase-out of all fossil fuel production and consumption.

On Article 6 and market-based mechanisms:

While NCQG negotiations take centre stage at COP29, the long standing agenda item on Article 6 is expected to see some decisive resolution on the rules for trading and reporting emission reductions. CAN would like to:

- Demand that Article 6 must guarantee the protection of human rights and the rights of Indigenous Peoples, and secure an inclusive, participatory approach including the establishment of grievance redressal mechanisms and options for freezing, cancelling and replacing Internationally Traded Mitigation Outcomes (ITMOs) in the event of repeated reporting inconsistencies on human rights-related aspects
- Underscore that revenues resulting from the trade of mitigation outcomes do not constitute climate finance, nor substitute for the climate finance commitments of developed countries
- Emphasise that Article 6 must be used by Parties to raise rather than displace ambition
- Demand that any agreement(s) on Article 6 must entail the highest standards of integrity and guarantee transparency, especially as it pertains to avoiding double counting and other accounting inconsistencies.

Finally, Respect for Human Rights and Justice should be core principles at COP29. The UN, the UNFCCC Secretariat, the COP29 Presidency, the Azerbaijan government and all Parties should guarantee freedom of expression and of peaceful protest for all participants during and after COP29.

Achieving Equitable Needs-Based Climate Finance

COP29 assumes the distinction of being a ‘Finance COP’ and must therefore deliver on a fair and ambitious finance goal, as detailed by the Paris Agreement. Finance is a necessary prerequisite for ambitious climate action and the New Collective Quantified Goal (NCQG) establishes the ways in which over the next decade and possibly beyond, sufficient and equitable public finance is generated and provided to developing countries and communities on the frontline of the climate emergency. It is the only way to enable a collective response to climate change that matches the scale of the crisis.

1.1 Elements of the finance goal

The following elements represent the essential criteria for judging whether the NCQG is fit for purpose, alongside complementary but distinct processes around Article 2.1c which mandates the alignment of financial flows and investments with low emission and climate resilient sustainable development pathways.

1.1.1 Quantitative elements

Considering the urgent need for fair, transparent and additional climate finance, CAN views the provision of public finance, as the most important part of the quantum, a distinct component within the wider mobilization goal. Based on a recent review of the current needs determination literature, which is recognized to be underestimating needs in various important respects, CAN expects:

- A minimum public finance provision target of \$1 trillion per year, measured in grant-equivalent terms, to be delivered predominantly in grant-based funding from developed to developing

countries.

- A quantum that covers subgoals of mitigation, adaptation and loss and damage as part of inclusive Just Transition Pathways
- A quantum that acknowledges and effectively responds to the context of a larger accumulating climate debt¹

1.1.2 Qualitative elements

CAN calls for a high-quality, principled NCQG built on strong qualitative features and operationalizing these in accordance with equity and common but differentiated responsibilities in light of respective capabilities. In doing so, the Goal must:

- Entail predictability, additionality, and adequacy
- Improve access, particularly for those on the frontline of the climate emergency and most marginalised
- Be an effective enabler of just transitions
- Be informed by human rights, Indigenous Peoples’ rights, including Free, Prior and Informed Consent (FPIC), and gender equality, and be responsive to the needs of marginalized communities and groups
- Be affordable, by recognising the debt crisis and prioritizing grants based finance and by not exacerbating debt challenges faced by developing countries

1 CAN stands in full solidarity with the rights-based NGO constituencies of the UNFCCC who are united in calling on the Global North to pay up at least \$5 trillion per year from the Global North to the Global South as annualized reparatory payments against the wider climate debt being incurred. This climate debt repayment demand is a critical barometer which should be considered as framing for any conversations on the NCQG.

- Create avenues for financial resources to be accessed
- at local and community levels to enable locally-led approaches to climate action, including but not limited to Just Transition and Locally-led Adaptation (LLA) interventions
- Embody science- and evidence-based approaches and integrity, especially ruling out climate finance for false solutions (such as fossil gas) and dangerous distractions (such as carbon offsets, nuclear power and technologies that perpetuate the fossil economy)
- Prioritize UN-based funding mechanisms with adequate measures to ensure transparency and accountability

1.1.3 Sources for enhancing provision

Developed countries can raise trillions of dollars in public finance for climate action (including via the NCQG) and other needs, at home and around the world — with measures toward tax justice and the redirection of public finance. In light of this capacity, the NCQG must:

- Recognise the principles of tax justice and the ‘polluter pays’ within the frame of equity and common but differentiated responsibilities in light of respective capacities (CBDR-RC)
- Call on developed countries to take the lead in introducing taxes on polluters and those profiting from the climate crisis so as to ensure that the costs of climate change are borne by those with the greatest capacities as well as the most responsibility for causing it
- Call on developed countries to instate wealth taxes on ultra rich individuals and other fair and progressive approaches such as taxing companies in high-emitting sectors, including those in the fossil fuel industry and the military industry, and redirect the resultant tax revenue and excess profits from high emitting and harmful industries towards climate action
- Urge developed countries to end climate wrecking subsidies and tax breaks, and redirect their existing public spending and subsidies currently doled out to fossil fuel companies, emission-intensive industries and other harmful activities to domestic and international climate action and just transition

1.1.4 Transparency and accountability

Transparency and accountability, as a core principle for the NCQG, must be operationalised under the NCQG decision. A **clear definition of climate finance is essential** for this, and a process must be initiated to develop a definition that addresses issues such as integrity and greenwashing, as well as additionality relative to development assistance commitments such as the 0.7% GNI goal for Official Development Assistance (ODA) set in the 1970s before climate change was factored in. The definition of climate finance should also entail an exclusion list, stating clearly what can be counted as climate finance and what should be excluded.

Moreover, a fit-for-purpose Enhanced Transparency Framework (ETF) is key to ensure clear mechanisms to track the delivery of climate finance on a regular basis, including the addition of a formal category for reporting loss and damage and a requirement for the tracking of grant-equivalent measures of finance.

1.2 Timeframes and revision

Parallel to strong transparency measures, CAN is calling for a cyclical NCQG under 5-year timeframes, with periodic review under the GST and regular upward ratcheting of NCQG ambition in alignment with the NDC cycle. This has to take into account the evolving needs of developing countries, consistent with the wider 5-year ambition mechanism of the Paris Agreement.

Within these cycles, annual monitoring of the NCQG delivery is required, along with shorter time-frame reports (such as the Biennial Transparency Report (BTR), the Biennial Assessment of Climate Finance Flows (BA), or Needs Development Report (NDR)) which provide spaces for increased accountability and clear guidance for the scale-up of finance with near-term targets.

1.3 Structure of the Goal

CAN is calling for a structure with the following :

- A public finance provision the core of the wider (mandated) mobilization goal, predominantly based on grants and measured in grant-equiva-

lent terms.

- Amid a historic debt crisis, to rebuild trust through clarity and to address the current perverse incentive for developed countries to over-prioritize loans and non-concessional public finance, a public finance provision measured in grants equivalent is essential.
- Thematic subgoals for mitigation, adaptation, and loss & damage must be established in the NCQG, with targets for provision of public finance for each. This is necessary to address the current imbalance in finance provision for adaptation and loss & damage, bridge the trust deficit and to deliver all the climate action required.

1.4 Managing the “contributor base” debate

Developed countries must fulfill their obligations under the UNFCCC and Paris Agreement in terms of providing the means of implementation (MoI) for developing countries to address climate change, in line with the principles of equity and CBDR-RC. Other countries who have the capacity to do so should make voluntary contributions in line with Article 9.2 of the Paris Agreement. Under such arrangements, the Quantified Goal of the NCQG must be for climate finance from developed countries since these are the only countries with an incontrovertible legal obligation to be contributors. Following adoption of the first NCQG at COP29, further processes can build consensus on the expectations for contributions from individual countries and on criteria for how such expectations may evolve dynamically according to key criteria based on the principle of CBDR-RC.

1.5 Managing the overlaps with Article 2.1c

Wider finance systems transformation is essential to delivering the Paris Agreement. The current financial system is not fit for purpose and deepens inequality, creating a net-outflow of finance to the Global North, and undermining the fiscal space for

climate action in the Global South. CAN highlights its seven principles for finance system transformation:

1. Challenging economic imbalances;
2. Democratising and decolonising governance;
3. Debt justice;
4. Tax justice;
5. Phasing out finance for fossils and other harmful activities;
6. Justice and access in finance; and
7. At-scale increases in international grant-based and concessional public finance from Global North to Global South

The NCQG should be understood as being a part of finance system transformation, in assuring a framework for predictable and accessible transfer of public climate finance to developing countries from developed countries. Article 2.1c is a necessary complimentary feature to streamline public and private finance flows with the objectives of the Paris Agreement and away from fossil fuels and other climate-wrecking sectors. The Sharm el-Sheikh Dialogue and any future Work Programmes on Article 2.1c (“making finance flows consistent”) are the spaces to advance other features of a broader transformation of the finance system, and must take into account the above principles to ensure a fair and equitable approach. While the Quantified Goal is for provision of public grants-based and concessional finance from developed countries to developing countries, the wider NCQG decision can establish important linkages to the wider finance system transformation agenda and further processes needed to take it forward.

CHAPTER 2

Just Transition to Secure Climate Justice and Equity

As the implementation phase of the Paris era takes shape, it has become increasingly clear that addressing climate change goes well beyond a simplistic swapping of one energy source for another. That technical imperative of the energy transition is just the tip of the iceberg. The real complexity of the transition is reflected in the emergence of justice as a key determinant of the political acceptability and sustainability of collective climate action.

Considering that just transition pathways will vary depending on the territory in which it takes place, and respond to local contexts and national capabilities, keeping justice and equity at the heart of just transition requires the negotiators at COP29 and the wider international community to collectively address how to support the journey towards a fossil-free, fairer, safer, cleaner and more peaceful future for all countries and people everywhere. The equitable scaling up and speeding up of just transition requires a whole-of-the-economy and whole-of-society approach where domestic and international efforts go hand in hand.

2.1 Ensuring Justice in climate action

CAN sees the Just Transition Work Programme (JTWP) as ideally placed to ensure the justice dimension of the transition is delivered. For this to happen, and the JTWP to deliver outcomes for real people in the real world, it should start considering, based on dialogues and information to date, what an urgent Just Transition Action Plan could look like, and start signaling the intention to agree on one by COP30.

A Just Transition Action Plan could have two key dimensions:

- Securing rights and a shared understanding of what elements of Justice any JT plan should contain. This could include Actions like the negotiation of JT safeguards, the establishment of a Just Transition Advisory Body in the UNFCCC, with observer constituencies having full membership.
- Launching a new wave of international cooperation to Make Just Transition happen, with initiatives that could include the launch of dedicated funding for justice-based and social protection policies in climate plans, an agreement on clean technology transfer to support economic diversification, the launching of a dialogue on JT in food systems, a cohesive approach to address JT challenges connected to Critical Energy Transition minerals.

Finally, CAN wants to highlight the importance of the COP29 decision on the JTWP to incorporate actionable elements, including the intention to land a Just Transition Action Plan. A summary of the dialogues will not be enough to respond to the urgency of the moment.

CHAPTER 3

Addressing Harm and Building Resilience

There is good reason to believe that the acceleration of the climate crisis, long predicted by climate science, is well and truly underway. Beyond the plethora of observed trends and scientific literature pointing to a crisis spiralling out of control, one needs only to pay attention to the near-constant strain being endured around the world of absorbing and dousing the impacts of climate change for evidence of a rapidly worsening situation. The World Meteorological Organisation, in its decadal climate report, revealed that the last decade was the warmest on record. While 2023 claimed the title of being the hottest year on record, that distinction is expected to be short-lived with the World Meteorological Organization (WMO) estimating that the 1.5°C limit will likely be breached at least once in this decade. What this means is a more than likely worsening of climate change impacts- through both extreme weather and gradual, slow onset events.

Unsurprisingly the costs of impacts have also continued to rise steeply. Even conservative estimates put the costs of loss and damage due to impacts attributable to climate change at USD 2.8 trillion at least between 2000 and 2019. The implications of a hotter planet are profound on vital and existential dimensions including food, water, livelihoods and productivity, population displacements, and health. In addition to the lack of adaptive capacity and increased vulnerability to the impacts of climate change, the burden of these impacts are also disproportionately carried by developing countries, Indigenous Peoples, frontline communities, groups experiencing marginalization and people living in poverty, who carry the least responsibility for perpetuating the climate crisis.

At COP29, negotiators cannot avoid addressing the context of rapidly worsening climate change impacts, the devastating and inequitable costs they carry, and the urgent need to bridge a widening deficit in terms

of building adaptive capacity, especially in developing countries and among communities that are disproportionately affected.

3.1 Politically Elevate Adaptation to Reduce Vulnerability

Despite the known need to enhance adaptation action, progress is slowing down. The 2023 UN Environment Programme (UNEP) Adaptation Gap Report shows a 15% decrease in public multilateral and bilateral climate finance to developing countries in 2021, while mitigation finance continues to increase. The estimated adaptation costs for developing countries range from USD 130-415 billion per year this decade. Therefore, real financial commitment is needed to support ambitious actions for adaptation.

This situation requires immediate attention and action to enhance communities' and ecosystems' ability to cope with climate change. Political attention is needed to address climate change adaptation. The UAE Framework for Global Climate Resilience (FGCR) prioritizes adaptation, but more political attention is necessary for an ambitious adaptation package.

While the Paris Agreement is clear in its guidance for adaptation to be treated and financed on par with mitigation, there has been little concrete progress in this regard. It is evident that the current goal of doubling adaptation finance by 2025 needs to be exceeded, as the adaptation finance gap continues to widen. COP29 offers an unmissable chance to correct these shortfalls.

3.1.1 Adaptation Finance and the New Collective Quantified Goal

- COP29 and the NCQG decision must ensure that developed countries urgently scale up the provision of needs-based adaptation finance to developing countries and establish a clear roadmap for its delivery and implementation plan.
- The NCQG, through a subgoal on Adaptation, can formally link the provision of climate finance to the targets of the UAE Framework for Global Climate Resilience² and their indicators under the UAE-Belém Work Programme (UBWP), effectively embedding the GGA in the NCQG.

Adaptation finance should ensure access to finance at the local level, the incorporation of the Principles for Locally Led Adaptation in the financial architecture, and the integration of locally led strategies so that they can be adopted by stakeholders at all scales and levels.

Further, developed countries must report on their progress in fulfilling their commitment to double the provision of adaptation finance. This information will help understand the extent of financial gaps for adaptation and the resources required to address the current adaptation needs.

The high-level ministerial dialogue on scaling up adaptation finance, planned during COP29, should discuss ways to increase adaptation finance in line with countries' needs identified in NAPs, NDCs, and any possible subgoal for adaptation established under the NCQG, in addition to finding new and additional sources of finance.

3.1.2 National Adaptation Plans (NAPs)

NAPs are an essential tool for ensuring increased resilience and adaptive capacities to address the impacts of climate change. However, to date, only 59 NAPs have been published and submitted to the UNFCCC³, with most African countries, least developed countries (LDCs), and small island developing states (SIDS) falling behind the global average in national adaptation planning⁴. COP29 can serve as an op-

2 As identified in [paragraphs 9 and 10 of Decision 2/CMA.5](#)

3 [Submitted NAP Inventory](#)

4 [Progress in Formulation and Implementation of NAPs](#), UNFCCC LDC Expert Group, 2023

portunity to regain lost time if developed countries recognise and commit to the provision of finance and technical support to developing countries, especially those that have been made most vulnerable, so that these countries can formulate or update their NAPs and then proceed to implement them.

At COP28, the Framework for the Global Goal on Adaptation called for country-driven NAPs in place by 2030 while the GST urged Parties to have NAPs in place by 2025 and to have made progress in implementing them by 2030. These different timelines have created confusion that needs to be resolved at COP29 with parties agreeing to align NAPs with the GST timeline so that the second GST, scheduled for 2028, can serve as a moment to truly assess progress

- All parties (developed and developing) to formulate or update their NAPs by 2025. Developing/ updating NAPs should align with the NDCs and GST timeline of 2025 to support assessing adaptation progress as part of the second GST.
- Parties must evaluate, update, and align the current NAPs with the eleven targets under the GGA Framework and fast-track the update of technical guidelines by the provisions of decision 2/CMA5 para 47.
- Establishes a link between equity and CBDR-RC principles and developed countries' provision of MoI support for NAP development and implementation. At COP29, developed countries must acknowledge the adaptation finance gap and agree to provide finance, technology transfer, and capacity-building support to developing countries to formulate and implement their NAPs.
- NAPs should be aligned with NDCs to tackle climate impacts nationally and globally and include progress in BTRs that will collectively catalyze adaptation actions.

3.1.3 UAE Framework for Global Climate Resilience (FGCR) and UAE-Belém Work Programme

The 60th Subsidiary Bodies meeting in Bonn in June 2024 laid the technical way forward for the UAE-Belém Work Programme (UBWP), establishing a preliminary roadmap for the compilation and mapping

of indicators to track GGA targets. However, while the work programme is inherently technical, the Parties must continue to guide the technical experts throughout this process to ensure that the indicators are relevant to diverse national and regional circumstances and can measure key inputs, outputs, impacts and outcomes.

The COP29 decision must articulate a way forward for the UBWP on indicators for the UAE Framework, including a clear decision on the output of the Work Programme. It should encourage a structured approach to be followed, and a process for developing additional indicators is needed. The inclusion of means of implementation (MoI) indicators, preferably tied back to the NCQG, is non-negotiable for the UAE-Belém Work Programme, as these indicators provide a concrete measure of the support provided by developed countries as inputs to enable adaptation efforts in developing countries, as outlined in paragraphs 24, 32 and 33 of decision 2/CMA5. Given that adaptation finance discussions were deferred from last year's negotiations on the GGA framework to the NCQG process, it is crucial that this COP secures ambitious and specific adaptation finance commitments within the NCQG.

Therefore,

- COP29 must recognise the need to establish a permanent agenda item on the Global Goal of Adaptation to elevate political attention to adaptation and integrate adaptation agenda items
- Identifying and including language on MoI, especially on finance with targets and indicators in UBWP
- Parties must also agree on the work plan for 2025 to ensure that we can fully operationalise GGA by 2025
- COP29 establishes a clear link between the achievement of the FGCR, UAE-Belém Work Programme, and the NCQG to address the growing adaptation finance and action gap. This linkage should mandate a technical process to quantify the needs of achieving the FGCR targets, NAPs, and NDCs.
- The leading body for the additional work under

the UAE-Belém Work Programme should be selected based on its capacity to balance technical rigor with political momentum in advancing the GGA.

- The process of developing new indicators must be designed in an intentionally inclusive and transparent manner, ensuring space for input from non-traditional actors, including grassroots organizations and impacted communities
- Protect wellbeing by including health-related indicators under the UAE Framework for Global Climate Resilience that reflect action both in healthcare systems and across health determining sectors while avoiding harmful maladaptation.

3.2 Addressing Loss and Damage

COP29 should deliver a clear commitment from developed countries to scale up new and additional public finance to address loss and damage, including through adequate capitalisation of the Fund for responding to Loss and Damage (FRLD) at scale and a loss and damage sub-goal under the NCQG.

3.2.1 Loss and Damage as subgoal under the NCQG

A subgoal on Loss and Damage is necessary to

- set up a solid foundation for loss and damage finance under the UNFCCC regime. The sub-goal would establish a formal relationship between the FRLD and the UNFCCC's global climate finance goals which will support the Fund's capitalisation, replenishment and disbursement. It would also help in facilitating the setting of a needs-based and quantifiable financing goal designated for the Loss and Damage Fund.
- To articulate proper obligations of developed countries to provide finance to address loss and damage that is transparent and accountable.
- To create an adequate balance in finance provision across mitigation, and adaptation and for addressing loss and damage.

3.2.3 Full operationalisation of the Fund for Responding to Loss and Damage

The Fund for responding to Loss and Damage (FRLD) was operationalized at COP28 and hailed as a major step forward for supporting people at the frontline of the climate crisis. While some procedural progress has been made in 2024, including the selection of the Board's host country and of the Executive Director, important decisions that will allow the fund to actually start supporting people on the frontlines of climate change-induced harm are yet to be taken. These include how the funds will be allocated, who will be able to access them and how this access can be facilitated and simplified, the triggers for finance release and what financial instruments will be used to provide funding. In addition, the COP/CMA is expected to confirm the World Bank as the interim host of the Fund for four years on the recommendation of the Board, while its capacity as host of the independent Fund secretariat to fully meet all the conditions set in the COP28/CMA5 decisions could not be fully assessed. The Fund remains severely underfunded in the light of loss and damage needs. It has so far just garnered around USD 680 million in pledges, only a fraction of which is new or additional to existing climate finance commitments.

As an operating entity under the financial mechanism of the UNFCCC and Paris Agreement, the FRLD is accountable to, and will receive regular guidance, from the COP and CMA, **It is essential that parties at COP29:**

- Fully underscore their expectation that the World Bank will work constructively and innovatively with the Fund Board as it develops core operational policies to fully meet the 11 conditions set out in the COP28/CMA5 decisions, including by providing detailed accountability on progress on meeting the conditions during the interim period, including in the mandated COP/CMA annual report.
- Provide guidance to the FRLD Board including recommendations to ensure:
 - *The adequate capitalisation of the Fund at scale.* COP29/CMA6 should formulate concrete recommendations for the mobilization of new, additional, predictable and adequate

financial resources at scale. A key objective of the LDF fundraising strategy needs to be mobilizing funds in the range of hundreds of billions.

- *Access to funding for Indigenous Peoples, frontline communities, local CSOs, groups experiencing marginalization and people living in poverty.* COP29/CMA6 should formulate concrete recommendations on modalities that allow those on the frontlines of the climate crisis to access funds. This includes setting up a community access window within the Fund that provides access to small-grants but also ensuring that enhanced and simplified direct access to funding is mainstreamed across other access modalities.
- *Criteria for Activities to be funded* must comprehensively address the full spectrum of loss and damage, including non-economic loss and damage, through human rights-consistent, gender-transformative and locally-led responses
- *Active, full and meaningful participation of observers from rights-based and rights-holder constituencies.* COP29/CMA6 should provide guidance to the Board to ensure it sets up a comprehensive framework to ensure full and meaningful participation of rights-based and rights-holder constituencies in all meetings and processes related to the Fund, including its Board, independent Secretariat and in-country coordination and engagement procedures.

3.2.4 2024 Review of the Warsaw International Mechanism (WIM)

The COP29 agenda includes the third review of the Warsaw International Mechanism for Loss and Damage (WIM). The review focuses on assessing the implementation of the WIM's mandate, including its three functions. It also includes a review of the WIM's structure (including the Executive Committee and the Santiago Network for Loss and Damage), the usefulness of its output and its cooperation, coordination, partnership and coherence with other L&D bodies. The review is of critical importance as the UNFCCC L&D landscape has been extended signifi-

cantly since the last review. It must contribute to ensuring adequate coordination and coherence between the different entities in coordination with the high-level dialogue mandated as part of the FRLD. As the WIM was created before the establishment of the FRLD, the WIM review also needs to result in a definition of its role vis-a-vis the fund and how it can contribute to supporting the fund through its functions, in particular, looking at the role of the Santiago Network in this context. One key component that the WIM, implemented by the ExCom and its expert groups, should contribute in this regard is an L&D 'gap report': a comprehensive analysis including existing solutions and gaps for addressing L&D, aggregated financial needs of Global South countries for L&D measures over time, and the availability of L&D finance. This gap report, prepared similarly to the existing UNEP adaptation and mitigation gap reports, should feed into the synthesis reports produced as per the outcome of the first Global Stocktake (GST)⁵.

3.3 Transforming Agriculture and Food Systems Security

At COP29, Parties will discuss the online Portal of the Sharm el-Sheikh Joint Work on implementation of climate action for agriculture and food security which should offer transparent information and avoid becoming a place of greenwashing of agroindustrial corporate actors. COP29 must also be a landmark for the implementation of holistic and systemic approaches to agriculture and food systems transformation, such as agroecology, which are vital to safeguard food and nutrition security while building resilience to climate change impacts.

- All Parties in the process of submitting, updating, or renewing their climate plans must work on the integration of food systems in their NDCs, NAPs, and LT-LEDs with participatory approaches that actively involve small-scale food producers, especially women and youth, who are key to food

⁵ [Matters relating to the global stocktake under the Paris Agreement](#)

systems transformation and just transition based on their contributions to sustainable land and forest management practices (such as agroforestry and agroecology)

- Governments must update or introduce binding legislation for the reduction of agricultural emissions, including methane, and the phasing out of fossil agrochemicals, including fertilisers, with concrete targets, and avoid offsets, manure methane ("biogas") schemes, and unproven short-term technological solutions.
- Parties' NDCs, NAPs, and LT-LEDs must initiate a shift to sustainable, healthy, resilient and equitable food production and consumption including through agroecology.
- For the transition to agroecology, states must adopt binding transition plans built upon workstreams and policy products endorsed by the Committee on World Food Security (CFS) that include gender-sensitive support mechanisms for small-scale food producers, in line with human rights instruments⁶.
- Adopting a One Health approach, integrating human, animal, and ecosystem health, whilst moving away from intensive farming practices that drive habitat destruction, increases human-animal conflict and disease risks, and towards agroecology is key to mitigating pathogen spillover, reducing pandemic threats and improving global health.

The indicators selected for the GGA on food and agriculture:

- Should monitor progress of the transition towards agroecology, for example through the proportion of farmers transitioning to locally-led agroecological systems, and the share of climate finance and/or subsidies they get to do so.
- Adaptation of food systems can also be measured through dietary diversity (as has been proposed for inclusion in SDG2), the phasing out of agrochemicals, and the reduction of food loss and waste.
- Should reflect a food systems approach and

⁶ Such as, for example, UNDRIP, UNDROP, ICE-SCR, ICCPR, CRC, CEDAW, ILO conventions etc.

address the need for shifts to more sustainable patterns of consumption (inclusive of diets and waste) to ensure the adequacy and equitability of food supply under climate change.

- Ways to measure small-scale farmers' adaptation also include their access and participation in early warning systems, the increased protection of their right to land and land tenure through recognition, restitution, redistribution, and restoration – all of which should be monitored through gender-disaggregated data. The importance of food systems should also be reflected where relevant throughout the indicator framework, particularly in relation to the targets on water, ecosystems, and health⁷.

3.4 Protecting and Restoring Ecosystems

At COP29, Parties should ensure that key decisions and commitments on climate, biodiversity and human rights coming out of COP28 and CBD COP16 are actively reinforced and put into practice, centering the importance of protecting and restoring ecosystem carbon reservoirs for achieving the goals of the Paris Agreement and driving forward ambitious, integrated and equitable implementation of the three Rio Conventions while delivering human well-being for all. To protect and restore ecosystems while taking a rights-based approach, Parties must:

- *Implement the GST outcome and Article 5 of the Paris Agreement:* CAN considers it essential that the UNFCCC facilitates follow-up processes to plan and drive effective implementation of the ecosystem provisions of the GST and Article 5 of the Paris Agreement.
 - Countries should consider the establishment of a **Technical Expert Group** under the CMA to develop comprehensive guidance and recommendations for supporting long-term carbon retention in ecosystems and avoiding irreversible tipping points by improving their ecological integrity⁸.

- In order to deliver on the goal of halting and reversing deforestation and forest degradation by 2030, Parties should establish a unified framework for promoting and ensuring equitable and transparent implementation among both developing and developed countries.
- *Ensure integrated and participatory climate-biodiversity planning:* The COP29 decision must send a clear political signal on the need to align NDCs, NAPS and LT-LEDs with national biodiversity strategies and action plans (NBSAPs). Countries should put forward ambitious and aligned NBSAPs and NDCs that prioritize (1) securing collective land and resource rights (2) protecting and restoring the integrity of carbon- and biodiversity-rich ecosystems, and (3) actions that avoid large-scale land use changes and geoengineering approaches. Parties must respect and adhere to CBD COP10 Decision x/33 para 8(w)⁹ and ensure that no climate related geo-engineering activities that may affect biodiversity take place. Climate action on land and ocean must never be used to compensate for a lack of ambition to reduce emissions in other sectors.

3.5 Health in Climate Action

Health is a fundamental axis of ambitious climate action, as reflected in the COP28 UAE Declaration on Climate Change and Health¹⁰. CAN:

- Calls for follow up to the Declaration by embedding health across UNFCCC negotiations and in NDCs, NAPS, LT-LEDs and other climate plans through a Health in All Policies (HiAP)¹¹ approach to climate action, with implementation supported by finance and multisectoral collaboration.
- Proposes bi-annual health and climate ministerial

[support robust implementation of Article 5 of the Paris Agreement](#), CAN, 2024

⁹ [COP 10 Decision X/33 on Biodiversity and climate change](#), UNCBD, 2010

¹⁰ [COP 28 UAE Declaration on climate and health](#), 2023

¹¹ [Promoting Health in All Policies and intersectoral action capacities](#), WHO

⁷ [CAN Submission on Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation](#)

⁸ Concept Note: [A Technical Expert Group to](#)

meetings at COPs to report on progress on issues outlined in the Declaration, and on allocation of climate and health finance committed in Dubai and subsequently and its alignment with the COP28 Guiding Principles for Financing Climate and Health Solutions¹².

- Calls for a strengthened UNFCCC Conflict of Interest Policy to protect against undue influence from harmful polluters including fossil fuel-dependent industries and agro-industrial multinationals, reflecting on lessons learned from the regulation of other unhealthy commodity industries, such as tobacco and alcohol.

12 [COP 28 UAE Guiding Principles for Financing Climate and Health Solutions](#), 2023



CHAPTER 4

Enhancing Ambition and Accountability

At COP28, Parties made historic progress – but fell short in significant ways. Paragraph 28 of the GST decision text called on Parties to undertake a series of emission reduction measures¹³ to set the world on a path to limiting global warming to 1.5°C which includes the transitioning away from fossil fuels in a just and equitable manner and tripling global renewable energy capacity by 2030. However, the risk of losing momentum and failing to build on the historic mandate of COP28 remains as pressing as ever.

The GST outcome on mitigation made a small step forward, when the need of the hour was a giant leap. The reference to transitioning away from fossil fuels was constrained only to energy systems, not economy-wide, and lacked commitments to equity, speed, completeness, and finance. What makes matters worse is that it sat alongside a number of explicit references to false solutions. Negotiators at COP29 must find space in the agenda to carry forward these discussions, pushing on for a fair, fast, full, and funded fossil fuel phaseout.

The Mitigation Work Programme (MWP), as a standing agenda item on mitigation, could be this space. The MWP is currently hosting thematic global dialogues, but so far has not delivered on its mandate to urgently scale up pre-2030 ambition in complementarity to the Global Stocktake, and is in urgent need of recalibration.

COP29 must be a clarion call for countries to deliver

13 [Report of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on its fifth session, held in the United Arab Emirates from 30 November to 13 December 2023](#), UNFCCC, 2024

change – they must operationalise these energy transition commitments in their NDCs. At COP28 Parties agreed to tripling renewable electricity, doubling energy efficiency, and transitioning fossil fuels and should demonstrate the implementation of this agreement through concrete actions included in their NDCs. Developed countries – particularly the five wealthy “Planet Wreckers”¹⁴ – must phase out their fossil fuel production first, in line with the principle of CBDR-RC.

4.1 Transforming Energy Systems

In 2023, global civil society set an expectation that COP28 must deliver a comprehensive energy package, based on the principles of equity and CBDR-RC, and the best available science for what is necessary to limit warming to 1.5°C.

The imperatives remain the same this year at COP29. To transform our energy systems in line with equity and limit warming to 1.5°C, Parties must:

1. Deploy at least 1.5 Terawatts (TW) of renewable electricity per year (primarily wind, solar and geothermal), to at least a triple renewable electricity capacity by 2030 and double energy efficiency measures¹⁵, with the aim of reducing total final energy demand by at least a quarter by 2050 compared to today, while ensuring safe energy access for all, in a manner that is just,

14 [Planet Wreckers: How Countries’ Oil and Gas Extraction Plans Risk Locking in Climate Chaos](#), Oil Change International, 2023

15 Position paper: [Global targets for clean renewables and energy efficiency must stand alongside fossil fuel phase out](#), CAN, 2024

- equitable, and rapid¹⁶; and
2. Phaseout all fossil fuel production and consumption in a way that is fast, fair, full, funded¹⁷ – and forever, including an immediate end to new fossil fuel extraction. Importantly, developed countries must take the lead by phasing out fossil fuels production and usage first and fastest
 3. Developed countries must pay their fair share of climate finance, and provide the finance required for developing countries to transition
 4. Avoid false solutions and dangerous distractions. Reliance on gas as a transition fuel, carbon capture and storage, coal co-firing with ammonia, will continue to drive climate change while also worsening the health of already overburdened communities and workers through unaddressed and even exacerbated pollution and occupational risks

The MWP, which is currently hosting thematic global dialogues, has thus far failed to deliver on its mandate even as countries seek to incorporate the GST outcomes on mitigation in their national climate plans. In order to strengthen the relevance of the MWP, we suggest redirecting the MWP to technical conversations on the nationally determined implementation of the GST mitigation outcomes, especially paragraphs 20 to 42 of 1/CMA.5. Therefore, the technical discussions in the global dialogues and investment-focused events should focus on accelerating action on those global commitments, especially on phasing out fossil fuels. In this sense, we expect the MWP decision to include implementation-focused high-level messages. Finally, we see the establishment of sectoral funded partnerships that are aligned with the just transition principles as a key indicator of success of the MWP.

We also urge the Presidency & Parties to create other opportunities for constructive mitigation discussions, such as presidential or ministerial roundtables.

16 Position paper: [The transition to 100% renewable energy must be just, equitable and rapid](#), CAN, 2023

17 Position paper: [The world needs a fair, fast, full, and funded fossil fuel phase-out](#), CAN, 2023

4.2 Just Climate Ambition - NDCs 3.0 and beyond

COP29 must deliver a ‘Roadmap for 1.5 & Climate Justice’ which provides guidance to the NDC enhancement process and sends clear messages on how the outcomes of all processes and work programmes under the COP and CMA support designing & delivering on ambitious national climate commitments. They are pieces of the puzzle that must result in an ambitious course-correction that sets the world on a just and equitable path to limiting warming to 1.5°C. Such a roadmap is connected and dependent upon a strong New Collective Quantitative Goal that responds to the needs of developing countries, especially those that have been made most vulnerable to climate change.

CAN views NDCs¹⁸ as comprehensive, rights-based and development-oriented climate action plans. As such, we expect NDCs 3.0 to prominently and explicitly include:

1. Climate Justice through

- *Equity and Fair Shares* wherein all Parties elaborate on how contributions, actions and policy measures laid out in their NDCs meet expectations of fair shares in the collective global effort toward limiting warming to 1.5°C. Fair shares and equity in climate action also require that richer countries like OECD/ANNEX II, with the historical responsibility and capability to do so, must lead with economy-wide transitions with higher ambition, stronger targets, and front-loaded implementation.
- *Coherence and maximising synergies* between NDCs and other policy interventions that deal with national planning for adaptation, loss & damage, biodiversity, health, agriculture, and just transition in a manner that upholds human rights during the transition
- *Inclusivity* wherein NDCs are developed in an inclusive and participatory process with all rights holders, especially Indigenous Peoples, women, youth and children, older people, people with

18 [Guidelines for NDCs 3.0: Delivering on the GST outcome and beyond](#), CAN, 2024

disabilities, and local communities involved in active and meaningful participation

2. 1.5°C Alignment through

- *Real zero emissions¹⁹ objectives* for developed countries by 2040 and developing countries by 2050, including phasing out of all fossil fuels within the same timeframe
- *Enhanced absolute emission reduction targets for 2030 and 2035* in line with the IPCC pathway limiting temperature rise to 1.5°C degrees (a collective GHG emissions reductions of -43% by 2030 and -60% by 2035 compared to 2019) with developed countries taking the lead, and in accordance to CBDR-RC²⁰
- *Clear Milestones for the Energy Transition* with indications in each NDC of how the country plans on implementing the mitigation outcome of the GST outcome decision text
- *Information on financial support* from developed and other financially capable Parties, which is a key condition for 1.5°C-aligned NDCs in many countries
- Clear indications in each NDC to *halt and reverse deforestation and forest degradation, and protect and restore all relevant ecosystems* by 2030
- Clear and explicit plans to *reduce and eliminate the use of fossil fuels also in sectors other than energy and transport*, especially as it pertains to the production of petrochemicals including plastics, agrochemicals and industrial chemicals

4.2.1 NDC Features

‘NDC Features’ is a mandated discussion at COP29 to develop further guidance on mitigation characteristics to be incorporated in the upcoming NDC cycle. The discussion provides a vital opportunity for Parties to reflect on how the outcome of the first GST shall be integrated in NDCs. CAN recommends that

19 [High-level principles and recommendations for transformative pathways towards “real zero” emissions](#), CAN, 2020

20 Civil Society has science-based initiatives, such as the [Climate Action Tracker](#) guidance and the [Climate Equity Reference Calculator](#), that can provide valuable input on 1.5 alignment at country level

Parties adopt the following features: characteristics of credible net targets, information on maximum share of removals & offsets²¹, and sectoral targets, GHG emission peaking (according to CBDR-RC) as well as alignment of NDCs with long-term strategies²². These elements will allow strengthening and harmonizing NDCs, while increasing transparency and trust.

4.2.2 Energy transition in the NDCs

1.5°C alignment requires rapid and sustained reductions in emissions, starting with developed countries that have the capability and bear the greatest historical responsibility to do so. While the GST provides a crucial toolkit to inform collective climate action, the NDCs are where the rubber hits the road. In terms of specific mitigation elements in NDCs, CAN expects the inclusion of:

- Economy-wide phase out timelines for coal, oil and gas use that are aligned with reaching real zero emissions by 2040 at the latest for developed countries and 2050 at the latest for developing countries, in accordance with CBDR-RC.
- Policies and measures aimed at achieving the global goal of tripling renewable energy capacity by 2030, with a view to moving to sustainable and human rights compliant, 100% renewable energy systems by 2050 at the latest, with developed countries achieving that goal earlier
- A phase out of fossil fuels in the power sector with substantial decline this critical decade to keep 1.5°C within reach
 - An immediate end to new fossil fuel power plants for all countries
 - For developed countries: plans, measures and pathways to phase out coal power by 2030 and gas by 2035
 - For developing countries: plans, measures, pathways and financial and technological support needs to phase out coal and gas power by 2040
- Plans to halt fossil fuel production through

21 CAN rejects the practice of offsetting to tackle the climate crisis and the use of offsets in meeting national climate commitments

22 [Climate Action Network Guidelines for NDCs 3.0: Delivering on the GST outcome and beyond](#)

- Commitments to immediately end approval of new fossil fuel exploration, production and fossil fuel transmission infrastructure projects.
- Commitment to removal of fossil fuel subsidies that do not address energy poverty or just transitions
- Fossil fuel production phase out trajectories that are aligned with 1.5°C scenarios with no to low (limited) overshoot in the context of equity, with production ending in the early 2030s for Global North producing countries and no later than 2050 for countries with the highest level of dependence on fossil fuels and lowest financial capacity
- Exploration of economic diversification strategies to transition away from fossil fuel dependency in Global South producing countries while increasing energy access and ensuring industrial development
- Scaling up financial support from Global North countries to low income, fossil fuel dependent countries in line with fair shares
- Policies and measures to achieve the global objective of reducing fossil fuel related methane emissions by 75% by 2030 (as per the IEA).

4.3 Ensuring Transparency in collective action

CAN appreciates that the Enhanced Transparency Framework (ETF) has provided a robust framework for all Parties to report on progress and support that ensures credibility and accountability of the global climate action and consistency in application.

The ETF plays a key role in the Paris Ambition Cycle, as it tracks the implementation of the GST outcome through follow-ups on NDCs. Following the Modalities, Procedures and Guidelines (MPGs), parties must submit their first Biennial Transparency Reports (BTRs) by 31st December 2024 at the latest. So far only three parties have submitted their BTRs while 10 have submitted their stand-alone National Inventory Documents. To ensure an effective technical expert review of the BTRs in 2025, CAN urges parties to fulfill their mandate by submitting their BTRs within the stipulated time.

4.4 Carbon Markets

CAN unequivocally rejects the practice of offsetting to tackle the climate crisis²³. While the need for scaling up climate finance is urgent and pressing, CAN underscores that revenues resulting from the trade of mitigation outcomes neither represent climate finance nor substitute for the climate finance commitments of developed countries. Any agreement on Article 6.2 and 6.4 at COP 29 must deliver the highest standards to uphold human rights and the rights of Indigenous Peoples, secure environmental integrity, and guarantee transparency. If Article 6 is voluntarily used, it must uphold Parties' intention to raise rather than displace ambition.

4.4.1 For Article 6.2, CAN expects Parties to:

- Provide clear and detailed upfront information on cooperative approaches through a mandatory standardized form upon authorisation and well before the earliest defined first transfer of the underlying Internationally Transferred Mitigation Outcomes (ITMOs)²⁴
- Deliver proper sequencing for reviewing cooperative approaches before ITMOs are permitted to be transferred and agree to clear and meaningful measures to identify and correct inconsistencies, including options that freeze the Party's existing ITMOs, halt any future issuance of ITMOs to the Party, and canceling and replacing existing ITMOs in the event of repeated reporting inconsistencies on human rights-related aspects²⁵
- Ensure that the flexibility for ITMOs with regards to definitions of "first transfer" and "authorisation", and credits from Article 6.4, do not lead to double counting or obstruct consistency in reporting
- Have equal access to registry functionalities when using Article 6.2
- Provide a mandate for the SBSTA to establish an independent grievance redress mechanism under Article 6.2 for Indigenous Peoples as well as other rights-holders that might be impacted by Article 6.2 activities

23 [CAN Position on Carbon Offsetting](#), CAN, 2022

24 As per the [draft negotiation text from SB 60](#), UNFCCC, 2024

25 In line with [Decision 2/CMA.3](#), UNFCCC, 2021

4.4.2 For Article 6.4, CAN expects Parties to:

- Ensure consistency with Article 6.2 decisions and that only authorised A6.4ERs can be transferred to the international registry or related Article 6.2 infrastructure. No revisions or revocations must be made to authorisation for A6.4ERs already transferred or used
- Carefully review the draft recommendations for methodological requirements and removal activities prepared by the Article 6.4 Supervisory Body. Requirements must be go beyond “business as usual” and ensure inclusive consultation, and grievance and appeal processes.

4.4.3 For Article 6.8, CAN expects Parties to:

- Prioritise the identification of focus areas that are likely to lead to Party-driven facilitation and matching of support to develop non-market approaches (NMAs), along with the capacity building needs of developing countries
- Engage in practical dialogue to identify the sectors and projects with high emission reduction potential and set out fit-for-purpose transparency expectations
- Consider the development of Article 6.8 as a space to develop needed non-market instruments that make polluters pay for emissions to deliver NMAs
- Consider the development of nature protection and ecosystem restoration schemes and mechanisms like the intended Tropical Forests Forever Facility and the “contribution approach”²⁶ as possible examples of NMAs. Strong investment guidelines, financial safeguards and responsive governance must apply to ensure integration of vulnerable, indigenous and local rights holders.

4.5 Implementing GST-1 and preparing the modalities of GST-2

The first Global Stocktake (GST) in Dubai in 2023 created an important and historic moment for the fight against climate change, especially with regards to its

26 [Position paper on Carbon Offsetting](#), CAN, 2022

outcome on mitigation. It also proposed new ways to collaborate and negotiate in the UNFCCC, with more participation of observers, at least during the technical phase. But it fell short on crucial issues to achieve climate justice – adaptation, loss and damage, and climate finance, in particular.

The GST can still be a useful tool to enable climate justice, but that depends on how its recommendations will be implemented and if the second GST can ratchet up inclusivity, and ambition adequately.

4.5.1 COP29 and the ideal modalities of GST-2

Since the GST-1 cycle is still active, it is perhaps too early to speak about the modalities of GST-2 which is scheduled to take place in 2028. The modalities for the next cycle, however, will be negotiated at COP29 and are crucial in ensuring accountability and ambition beyond 2025. CAN recommends the following key modalities in that regards²⁷:

- The GST’s commitment to a science-based approach should serve as a guiding principle for evidence-based decision-making. The GST outcome should, at a minimum, automatically *adopt* the findings of the IPCC Assessment Reports and that of the Synthesis Report of the Technical Phase of the Global Stocktake. Any additional sources that might inform the GST-2 must be independent and fulfill high scientific standards
- The GST’s mandate to inform more equitable NDCs can be better informed by emerging methodologies from civil society and even some Parties on ways to quantify a country’s equitable contribution to the global effort to limit warming to 1.5C. While maintaining its “collective” assessment, GST’s application of such analytical tools can measure how countries might adjust their ambition to operationalize CBDR-RC in NDCs.
- The inputs and work from the technical phases (Phase I and II) of the GST-1 were not well reflected in the political phase (Phase III). CAN recommends that Parties draw on the findings in the GST-2 Technical Dialogue Synthesis Report when implementing the GST-2 decision

27 [CAN Submission on Experience and lessons learned during the first GST](#), CAN, 2024

- Moving forward, the establishment of a Global People’s Assembly for the GST would ensure a bottom-up, intersectional and inter-generational approach. This assembly should operate through structured phases mirroring the Global Stocktake’s stages—data collection, technical assessment, and consideration of outputs—over two years. The Global People’s Assembly should be co-created by regional and local People’s Assembly in a manner that ensures that GST-2 represents the collective vision for a human-rights and people-centered approach to climate action.
- The early negotiation of the GST outcome’s structure facilitated the streamlining of the negotiation process during the political phase. Moving forward, proactive negotiation and refinement of the structure and content of the GST outcomes will be necessary to lay the groundwork for informed negotiations and decision-making during the political phase
- GST-2 must prioritize integrating cross-cutting issues, particularly gender equity, human rights and social inclusion, and ecosystems’ protection into its framework and should result in concrete measures, such as investing in gender disaggregated data collection
- GST-2 should critically assess and revamp the structure and function of high-level roundtables to enhance their effectiveness and relevance by fostering substantive dialogue and effective engagement among key stakeholders
- GST-2 must ensure that experts engaged in the process have relevant and diverse expertise, reflecting the multidisciplinary nature of climate governance
- GST-2 should recognise the distinct nature of Loss and Damage and separate it from the Adaptation section of the GST process.
- The next iteration of the GST should prioritize substantive discussions and avoid undue emphasis on dangerous distractions²⁸
- Efforts should be made to mitigate conflicts of

28 These distractions are qualified as dangerous because they are not efficient and are threatening several principles such as human rights, protection of ecosystems etc, for example [carbon, capture and storage technologies](#)

interest and undue influence from industry representatives who could stand to profit from risky and unproven solutions they promote during the GST process. Transparent guidelines and safeguards against vested interests will safeguard the integrity and credibility of the GST-2 outcomes.

4.5.2 Preserving the legacy of the GST-1

The GST created several follow-up spaces to ensure pressure and guide Parties during the preparation of their next NDCs. While NDCs are the best channel to implement the Paris Agreement, a supplementary political follow-up of the GST decision text under the UNFCCC is also required.

The UAE Dialogue seems to endorse this role. However, due to difficult negotiations at SB60 in Bonn, the modalities of the UAE Dialogue are not ready for it to happen this year. Now, COP29 must deliver modalities for the Dialogue and set a date during January 2025 in order to have a chance to influence the next NDCs which must be submitted in February 2025. Key priorities must be considered then at the COP30.

In order for collective climate action to work for all, it is crucial for GST-2 to be designed and implemented with the principles of equity and just transition at its core. Ultimately, this is the only metric that matters for the equitable absorption of political, economic and social realities of the collective climate action imperative – and the success of the shared endeavour that has been several decades in the making.

CHAPTER 5

Human Rights, Justice and Civic Space

Shrinking civic space globally is limiting the right to freedom of expression and peaceful assembly. According to CIVICUS, 73% of countries are experiencing “closed” or “obstructed” civic spaces²⁹, meaning that freedoms of association, peaceful assembly, and expression are severely restricted – a significant decline from previous years. Environmental human rights defenders - often calling for climate justice - are among those most targeted, and also pro-Palestinian demonstrations have been restrained, repressed, and banned in countries around the world, particularly in the Global North.

This shrinking civic space can lead to distrust between governments and citizens, undermining collaborative efforts to address climate change. Without diverse input, climate policies may lack ambition, effectiveness and can fail to address the social dimensions of climate change, such as equity and justice. A shrinking civic space impacts global solidarity movements, making it harder for communities worldwide to unite in the fight against climate change and other interconnected polycrises. Independent monitoring and pressure by climate activists and frontline communities is intrinsic to the success of the UNFCCC process and the implementation of its decisions.

Moreover, once again, COP29 will be held in a country with severe restrictions on civic space³⁰. Particularly alarming are the arrests that have taken place in Azerbaijan over the last year in the run up to COP29,

seeking to silence dissenting voices in the country before the conference. Reports that participants

29 [Global Findings 2023](#), CIVICUS Monitor, 2023

30 [Azerbaijan: Human rights and climate justice advocate arrested ahead of COP29](#), Amnesty International, 2024

seeking to attend international meetings earlier in the year were barred from entering Azerbaijan³¹ are also deeply concerning. In addition, the high cost of accommodation serves as an additional exclusionary practice, particularly for civil society from the Global South. All these pose a serious challenge for environmental democracy, and respecting the rights to free expression and to public participation during COP29. UNFCCC rules have also proved to be a significant limitation to civic space at previous COPs, in particular COP28, which further makes it difficult to guarantee effective participation.

The undue influence at COPs of fossil fuel and other industries whose profit-making depends on activities that harm the climate also contributes to the shrinking of civic space and poses a major obstacle in achieving ambitious outcomes. Yet again, COP will be overseen by a Presidency with close ties to the fossil fuel industry and which seems set on undermining established modes of engagement with Observer constituencies. CAN is calling for a strengthened UNFCCC Conflict of Interest Policy to protect against influence from harmful polluters including fossil fuel-dependent industries and agro-industrial multinationals.

The SB58 and SB60 Arrangements for Intergovernmental Meetings (AIM) conclusions confirmed that Host Country Agreements (HCA) should reflect obligations under international human rights law and

enable inclusive and effective participation of Parties and observer organizations to ensure that human rights and fundamental freedoms are promoted

31 [A significant number of PACE members have been banned from entering Azerbaijan](#), Institute for Human Rights

and protected at UNFCCC meetings. Additionally, the conclusions called for HCAs to be made publicly available. Regrettably, the COP29 HCA is not yet publicly available on official channels. In the interests of transparency and accessibility, the UNFCCC should publish past, current, and future agreements on its website and publicly call upon the Azerbaijani government to respect its human rights obligations and facilitate a rights-respecting climate conference.

Considering the shrinking civic space at UNFCCC events and its implications for human rights including the right to freedom of expression and to peaceful assembly, CAN recommends:

- The UNFCCC and the COP29 Presidency should ensure that logistical arrangements actively facilitate participation, including, the availability of adequate affordable accommodation, full, effective, and meaningful remote participation modalities, adequate seating in meeting rooms, accessibility for people with disabilities and guaranteeing the participation and safeguarding of children in all COP29 spaces.
- The UN, the UNFCCC Secretariat and Azerbaijan should guarantee the full respect of the freedom of expression and of peaceful protest for all participants, including those wishing to peacefully express views on the human rights costs of fossil fuels extraction, the impacts of militarisation, wars and conflict, including in Palestine, Sudan, DRC and Ukraine. and on the human rights situa-

tion in the host country, and that these rights will be protected at COP29, and in all future UNFCCC meetings.

- Parties should ensure that freedom of expression and of peaceful assembly are protected before, during and after COP29 by:
 - Urging the Azerbaijani Presidency of COP29 to guarantee independent civil society activities before, during and after COP29, to end its crackdown on civil society and journalists and to immediately release all those arbitrarily detained and to make public the steps that it has taken to do so.
 - Urging the Azerbaijani Presidency and the UNFCCC Secretariat to immediately publish the COP29 Host Country Agreement, in line with the AIM conclusions of SB58 and SB60.
 - Urging the UNFCCC Secretariat to respect all participants' rights to freedom of expression and assembly in the Blue Zone, facilitate the organization of advocacy actions without imposing onerous conditions that undermine those rights and to identify and publicize a focal point for any violations of these rights, with a mandate to collect information, to share it with the UN Assistant Secretary-General for Human Rights, and facilitate redress.

Annex

Regional / National Node Contacts:

The CAN-International Secretariat works closely with our regional/national nodes. For specific information on regional activities and projects, please contact the appropriate coordinator directly. Contact details for the node coordinators can be found on CAN's website.

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- CAN Africa
- CAN Arab World (CANAW)
- CAN-Eastern Africa (CANEAF)
- CAN Eastern Europe, Caucasus, and Central Asia (CAN-EECCA)
- CAN Europe
- CAN Latin America (CANLA)
- Pacific Islands CAN (PICAN)
- CAN South Asia (CANSAS)
- Southern African Region CAN (SARCAN)
- CAN South East Asia (CANSEA)
- CAN West and Central Africa (CANWA)

CAN National Networks

- CAN Australia (CANA)
- CAN China
- CAN RAC Canada
- RAC France
- CAN Japan
- New Zealand Climate Action Network (NZCAN)
- South Africa CAN (SACAN)
- CAN Tanzania (CAN-TZ)
- CAN-Uganda (CAN-U)
- CAN-UK
- US Climate Action Network (USCAN)
- CAN Zimbabwe (CAN ZIM)
- CAN Zambia

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