

COP29 Brief

Some hits and many misses in Baku



Photo by Haseeb Bakhtary

Authors: Haseeb Bakhtary and Jean-Pierre Sfeir

Key messages

- **Like COP28, COP29 will likely be remembered for its oil state host, the vast number of participants, and the smooth planning and organization.** Both COPs were hosted by large oil producing countries – United Arab Emirates (UAE) in 2023 and Azerbaijan in 2024 - and both attracted record numbers of participants ([around 83,000 in Dubai and roughly 67,000 in Baku](#)). However, both events stood out for their logistical success. The outcomes, however, present a key contrast – both from official negotiations and the launch of pledges on the sidelines.
- **Dubbed the “Finance COP” during its lead-up, COP29 had as its key agenda item the New Collective Quantified Goal (NCQG).** The decision that sets a goal to mobilize at least USD 300 billion per year by 2035 for developing countries has been met with criticism for insufficient ambition. While it calls on all actors to collectively raise climate finance from all sources – including the private sector – to USD 1.3 trillion per year, The lack of clear mechanisms for scaling and disbursing funds, and particularly for attracting private finance, remains a major concern. Effective operationalization of *the Roadmap to USD 1.3 trillion* and breaking down the NCQG into thematic subgoals for both mitigation and adaptation will be critical for achieving these targets.
- **The operationalisation of Article 6 at COP29, hailed as the “Baku Breakthrough,” removes any excuses to further delay implementation.** The final rules for Article 6.2 (cooperative approaches) and Article 6.4 (the Paris Agreement Crediting Mechanism, PACM) provide clarity on authorization and tracking of mitigation outcomes. This marks a significant milestone after nine years of Article 6 negotiations. The outcomes set the stage for critical methodological and registry developments in 2025, advancing international carbon markets.
- **Progress on adaptation in Baku was limited and lacklustre.** The implementation of the UAE Framework for Global Climate Resilience targets has been adopted to be able to measure progress towards the Global Goal on Adaptation. However, without indicators for future Stocktakes and clear steps towards transformational adaptation, progress will remain hard to assess. The COP29 decision establishes the Baku high-level dialogue on adaptation to be convened on the margins of each session of COPs with the aim of identifying ways of enhancing the implementation of the UAE Framework. This decision pushes any substantive decision to future COPs.
- **Progress on the first Global Stocktake and Just Transition took a hit.** The focus at COP29 was on how to follow up on the GST, largely through the UAE Dialogue; however, the COP29 Presidency failed to get consensus on the draft decision. The final draft decision proposed by the Presidency was rejected in the closing plenary by several Parties for lack of ambition pushing the discussion and consideration of this matter to the next intersessional meeting of Parties in Bonn in 2025, with a view to recommending a draft decision for adoption at COP30 in Brazil. Similarly, while the Just Transition Work Programme (JTWP) modalities were adopted at COP28 in Dubai, COP29 failed to reach a decision on operationalizing it.
- **Discussions on the Mitigation Work Programme (MWP) highlighted its limited progress since COP26, with minimal tangible outcomes.** Debates focused on whether transitioning away from fossil fuels should be included in its mandate, a contentious issue opposed by China and Saudi Arabia but supported by developed countries. The final decision excluded

fossil fuels and reaffirmed the nationally determined nature of nationally determined contributions (NDCs), narrowing the MWP's focus to operational emissions, clean technologies, and international collaboration. Future dialogues for 2025 will be set by March, leaving uncertainty over the MWP's potential to drive significant mitigation outcomes.

- **Outside negotiation rooms, several governments, multilateral banks, and civil society made notable announcements on climate finance.** While the Coalition for Solidarity Levies with 17 members was launched in Baku to raise finance from new sources, and multilateral development banks announcements of their estimated annual climate financing by 2030 sent a positive signal, pledges made to the Adaptation Fund and Fund for Responding to Loss and Damage (FRLD) were disappointing.
- **Several Parties, including COP30 host, Brazil, announced their new NDCs in Baku, showcasing enhanced ambitions compared to their previous NDCs.** Additionally, a coalition of developed and developing countries, including Canada, Chile, the European Union, Georgia, Mexico, Norway, and Switzerland, announced that they would take action through their 2035 NDCs in response to the first Global Stocktake, but they are yet to submit their new NDCs. Mexico committed to achieving net-zero emissions by 2050, becoming the last G20 country to set a mid-century net-zero emissions target.

The New Collective Quantified Goal (NCQG): A hit or a miss?

In the early morning of November 24th, Parties adopted a decision on the NCQG. When the Paris Agreement was adopted at COP21 in 2015, Parties agreed to establish the NCQG by 2025. Now the NCQG is set to replace the previous climate finance goal of USD 100 billion per year. The final text establishes a target to mobilize at least USD 300 billion per year by 2035 for developing countries, with developed countries "taking the lead." It also urges all actors to collaborate in scaling up climate finance from all public and private sources to at least USD 1.3 trillion per year by 2035.¹ Additionally, the decision introduces the *Baku to Belém Roadmap to 1.3 trillion* and schedules a review process for the NCQG in 2030.

The NCQG decision received mixed reactions, with developing countries expressing their dissatisfaction over its perceived lack of ambition. Immediately after the adoption of the text, India, Nigeria, and other nations expressed their disappointment and opposition to the goal, while the EU stressed the significance of [reaching a deal](#) at all amid a geopolitical context which hampers international consensus. Although the aspirational target of USD 1.3 trillion per year offers a foundation for scaling climate finance in the years to come, critics argue the NCQG decision falls short of the ambition required to keep 1.5°C target alive and implement the first Global Stocktake (GST) outcome adopted in Dubai in 2023. The Independent Expert Group on Climate Finance (IHLEG) also criticized the decision, citing their report on climate finance needs published during COP29, which estimated annual climate finance needs in emerging markets and developing countries – excluding China – at USD 3.1 to 3.5 trillion by 2035.

¹ Decision -/CMA.6 Matters relating to finance

The NCOG is vague on needed finance allocations, and falls short in establishing accountability mechanisms. The decision fails to breakdown the overall goal into subgoals for mitigation, adaptation, and loss and damages, missing an opportunity to signal the importance of these finance streams, especially for adaptation, a historically underfunded area of action.² The decision lacks clear mechanisms for scaling and disbursing funds, particularly for attracting private finance and lacks clear requirements for transparency and accountability in progress towards the USD1.3 trillion. Finally, it fails to provide assurance that sufficient public grant-based finance will be provided by developed countries.

However, the *Baku to Belém Roadmap to 1.3 trillion* as included in the NCOG decision is an opportunity to scale up climate finance. The roadmap, to be prepared by the CMA6 and CMA7 Presidencies (Azerbaijan and Brazil), has the potential to outline concrete measures for mobilizing finance, including through grants, concessional and non-debt-creating instruments, and measures to create fiscal space. The 2030 review embedded in the NCOG decision provides an opportunity for Parties to take stock of progress and to reconsider elements not included in the current decision, such as thematic subgoals or minimum allocation thresholds for Least Developed Countries (LDCs) and Small Island States (SIDS), which was a priority of Alliance of Small Island States (AOSIS) and LDC groups in Baku.

Article 6 operationalisation

COP29 in Baku will be remembered for concluding nine years of carbon market negotiations.

After nearly a decade of complex and often contentious negotiations, Parties achieved full operationalisation of Article 6, dubbed the “Baku Breakthrough”. This milestone transitions international carbon markets from years of rule-making to a new phase of implementation to support the Paris Agreement’s temperature goals. Despite geopolitical and economic challenges, the Azerbaijani Presidency guided the negotiations to a successful outcome, dispelling fears of stagnation.

Ahead of COP29, the Article 6.4 Supervisory Body (SBM) adopted key standards for methodologies and GHG removals. Its recommendations to the CMA ensured that the mechanism could remain agile and adapt to evolving developments, allowing the SBM to review and further improve the guidance wherever necessary.³ This flexibility contributed to the breakthrough agreement, which was gavelled through on the first day of the CMA. While some Parties and NGOs criticized the process for lacking transparency and due process, the decision was also celebrated for kickstarting long-awaited implementation and reflecting the SBM’s years of work. This milestone comes amid heightened scrutiny of carbon markets, particularly over environmental integrity and the additionality of certain Article 6.2 projects.⁴ COP29 sets the stage for practical action, leaving the SBM and Parties with the task of making these rules effective and ensuring the integrity of global carbon markets.

² Global Center on Adaptation and Climate Policy Initiative (2024). State and Trends in Climate Adaptation Finance 2023. At https://www.climatepolicyinitiative.org/wp-content/uploads/2023/12/State-and-Trends-in-Climate-Adaptation-Finance-2023_.pdf

³ Key Standards for UN Carbon Market Finalized Ahead of COP29. (UNFCCC, 10 October 2024). <<https://unfccc.int/news/key-standards-for-un-carbon-market-finalized-ahead-of-cop29>>

⁴ COP28: First ever Article 6.2 issuance raises additionality concerns as ITMO transfer looms, say NGOs (Carbon Pulse, 12 December 2023). <<https://carbon-pulse.com/244791/>>

Cooperative approaches under Article 6.2

The Article 6.2 negotiations exposed significant divisions between Parties over authorization processes, consequences of review, and functionalities of the international registry. While some countries advocated strict guidance to ensure internationally verified integrity, others stressed the priority of domestic policies and national legal systems.

The final decisions clarified the requirements for authorizing mitigation outcomes (MOs), balancing national priorities with the need for consistency and transparency. The timing, content, process, and potential changes for the authorization of Internationally Transferred Mitigation Outcomes (ITMOs) for use toward NDCs or other international mitigation purposes (OIMPs) required additional guidance from the CMA. Key points of contention included the level of specificity in the guidance, whether authorization should follow a single or sequential process, and the conditions under which revocations might be allowed. Some Parties, including the EU, advocated for investment certainty and strict rules, while others, such as the Like-Minded Developing Countries (LMDCs), favoured flexible approaches under national prerogatives. Ultimately, three distinct authorizations were recognized: i) the cooperative approach, ii) ITMOs, and iii) participating entities, while leaving the sequencing of these different authorizations to the cooperating countries.⁵ Authorizations must specify critical elements such as use or cancellation, as well as terms for revocation, ensuring transparency and legal certainty. Notably, retroactive revocation of ITMOs after first transfer is prohibited unless explicitly allowed by previously communicated terms. Also, the Secretariat was tasked with developing a voluntary, user-friendly authorization template and ensuring that all authorizations are uploaded to the Centralized Accounting and Reporting Platform (CARP).

An ITMO is now defined as a mitigation outcome that has been both authorised and first transferred. Parties must specify in their authorizations whether a first transfer applies. According to the Glasgow guidance, the first transfer for ITMOs authorized for use towards NDC is defined as the first international transfer, while for use towards OIMP first transfer can be defined by the host Party as i) authorization, ii) issuance, or iii) use or cancellation. The first transfer must occur no later than December 31 of the year prior to a Party's Biennial Transparency Report (BTR) submission for the relevant NDC period. This safeguard ensures proper accounting and avoids inconsistencies across reporting periods.

The Agreed Electronic Format (AEF)⁶ serves as the reporting template for Parties to annually provide data on authorizations, transfers, uses, cancellations, and holdings of ITMOs. During the negotiations, Parties disagreed over whether to finalize the AEF immediately or allow further testing, as well as whether it should include specific reporting tables for adaptation contributions and OMGE. In the final agreement, Parties adopted the updated draft AEF for provisional use and requested the Secretariat to prepare a technical paper on its application for potential updates during a 2028 review. The Secretariat was also mandated to provide capacity-building support, particularly to LDCs and SIDS, in filling in the AEF. The CARP will facilitate summary and disaggregated tables based on AEF inputs, including voluntary cancellations and contributions for adaptation and OMGE, despite the AEF lacking dedicated fields for this information.

⁵ Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement and in decision 2/CMA.3. (UNFCCC, November 2024). <https://unfccc.int/sites/default/files/resource/cma2024_L15_adv.pdf>

⁶ Hybrid workshops on the initial report and the draft agreed electronic format (OMUNFCCC, 24-26 April 2023). <https://unfccc.int/sites/default/files/resource/Article%206.2_AEF%20Introduction_Secretariat%20presentation.pdf>

To address inconsistencies, mismatches, or omissions in mandatory information submitted annually by Parties, the CMA defined two types of inconsistencies under Article 6.2: those identified during the technical expert review (A6TER) and those detected through automated consistency checks based on the AEF. It is important to note that the annual information relates to the AEF and is subject to consistency checks, whereas the A6TER relates to the initial reports rather than the annual information. The final decision requires that all inconsistencies flagged during these processes be publicly displayed on the CARP and corrected by the submitting Parties through revised AEFs, which will then undergo further verification and checks. The A6TER will assess whether inconsistencies are significant or persistent, referring unresolved issues to the Paris Agreement Implementation and Compliance Committee.

The international registry will serve as the central system for tracking authorizations, transfers and uses of ITMOs. To resolve disputes over its functionality, negotiators in Baku reached a compromise to limit the registry's role to pulling and viewing data on holdings and the action history of authorized Article 6.4 Emission Reductions (A6.4ERs). A notable exception is to permit the transfer of authorized A6.4ERs to the international registry, while the same is not enabled for ITMOs based on other underlying standards. For countries without national registries, the international registry will provide tools for participation in cooperative approaches, including the issuance of mitigation outcomes. Additionally, the Secretariat will offer optional registry services, including issuing mitigation outcomes for countries that request it, and provide capacity-building support for developing countries to establish national registries.

Centralised market mechanism under Article 6.4

The decision on Article 6.4 under COP29 clarified the contentious issue of authorizing A6.4ERs. Under Article 6.4 Rules, host Parties are required to provide a statement of authorization; however, the timing for this authorization had been a point of significant debate. Some Parties advocated for authorization statements to be provided early, prior to the issuance of A6.4ERs, to ensure transparency and predictability, while others sought flexibility, allowing host Parties to authorize A6.4ERs even retroactively, after issuance. The CMA decision allows host Parties to authorize already issued mitigation contribution A6.4ERs prior to any transfer in the mechanism registry. To address concerns over retroactive authorization, the decision ensures that corresponding adjustments, as well as contributions to the Adaptation Fund (via Share of Proceeds) and Overall Mitigation in Global Emissions (OMGE), are applied as if the authorization occurred pre-issuance. Additionally, the CMA requested the Supervisory Body to consider whether a time limit should be set for retroactive authorizations and to report back to CMA7.

COP29 enabled a new category of Clean Development Mechanism (CDM) projects to transition to the PACM. Afforestation and reforestation projects under the CDM may transition to the PACM by complying with updated PACM rules, with a transition deadline set for December 2025. Broader discussions about the future of CDM institutions stalled, leaving uncertainties about reallocating unused funds from the CDM Trust Fund—for example, to finance Article 6 operationalization and capacity-building initiatives. Notably, the CMA also agreed to exempt LDCs and SIDS from the share of proceeds (SOP), extending beyond the SBM's recommendation, which had only included LDCs.

Looking ahead

The decisions of COP29 pave the way for critical implementation efforts in 2025. The first ITMOs from A6.4ERs are expected to be issued by transitioning CDM projects in early 2025. The SBM, in collaboration with the Secretariat and its Methodological Expert Panel (MEP), has been tasked with expediting the development of methodologies and advancing work on standards, tools, and guidelines. These include baselines, downward adjustments, suppressed demand, additionality, leakage, non-permanence, and reversals, as well as post-crediting period monitoring, reversal risk

assessments, and remediation measures. To prepare for implementation, countries are expected to establish Designated National Authorities (DNAs), carbon market frameworks, and report their activities in the AEFs and Biennial Transparency Reports (BTRs).

Despite these advancements, the success of Article 6 mechanisms hinges on mobilizing demand for MOs and ITMOs. The decisions made at COP29 mark a turning point, but the coming years will test the framework's ability to deliver real climate outcomes.

Progress on the Global Goal on Adaptation

The Global Goal on Adaptation (GGA), established under Article 7 of the Paris Agreement, provides a framework to enhance adaptive capacity, bolster resilience, and reduce vulnerability to climate change, thereby contributing to sustainable development. During COP28, the UAE Framework for Global Climate Resilience was adopted as a comprehensive framework for the GGA. The framework includes seven thematic targets and four-dimensional targets, addressing adaptation across sectors such as water and cultural heritage. At CMA5 in Dubai, the two-year UAE – Belém work program was launched to develop indicators for tracking progress toward these targets.⁷ In Baku, Parties were meant to advance the identification of these indicators, with finalizations set for COP30 in Brazil.

While the GGA decision in Baku moves forward adaptation efforts, the lack of clear indicators to monitor progress will continue to delay implementation of UAE Framework. The decision launched the Baku Adaptation Road Map, aimed at advancing the GGA, tasked subsidiary bodies with developing modalities for its execution.⁹ Ahead of the final decision, there was a lack of consensus over whether indicators should address the “means of implementation”, which generally includes finance, capacity building, and technology transfer, as well as the concept of “[transformational adaptation](#)”. The final text recognizes the importance of both incremental and transformational adaptation and includes “means of implementation”, though it is considered part of the general enabling factors for UAE Framework implementation and is not specific to finance. Furthermore, while the decision calls for means of implementation indicators, these are not tied to any adaptation subgoals in the NCQG.

Indicators for the UAE Framework are to be finalized by COP30. The COP29 decision calls for the subsidiary bodies to convene technical experts to review and refine the mapping of indicators, and as needed develop new ones. The final list of indicators, which should not exceed 100, will be globally applicable and inform analysis of global trends. It will also serve as a menu of indicators that Parties can choose from based on national circumstances. The Parties also decided that the UAE–Belém work programme’s outcomes should include:

- (a) Information on the intended purpose of, potential data sources for, and mechanisms needed to develop data standards for each indicator
- (b) Outcome and output indicators for the thematic targets
- (c) Qualitative, quantitative, input, output, outcome, impact and process indicators, including both existing and new ones

⁷ Decision -/CMA.5 Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation referred to in decision 7/CMA.3

(d) Indicators that capture information on social inclusion, Indigenous Peoples, participatory processes, human rights, gender equality, migrants, children and young people, and persons with disabilities

(e) Ecosystem-specific indicators, highlighting relevant ones to Parties with similar geographical conditions

(f) Indicators reflecting the unique vulnerabilities of children to climate change impacts across thematic targets, potentially including cross-cutting indicators related to education and health

(g) Quantitative and qualitative indicators for enabling factors, including means of implementation

The decision also establishes the **Baku High-Level Dialogue on Adaptation to be convened on the margins of each COP by the COP Presidency**. Finally, the decision calls for collaboration with the IPCC to provide information relevant to the UAE Framework's implementation, including the development of indicators, metrics, and methodologies, and identifying adaptation capacity gaps, challenges, and needs of developing countries. This support is crucial for many developing countries who need guidance and technical assistance in developing national adaptation plans and indicators.

Global Stocktake: Shifting baselines?

The Global Stocktake (GST) is a key component of the Paris Agreement, mandated under Article 14. Parties to the agreement are required to undertake a GST every five years to assess collective progress toward its long-term goals on mitigation, adaptation, and means of implementation. The GST aims to guide Parties in (i) updating and enhancing, in a nationally determined manner, their actions and support as the basis for their Nationally Determined Contributions (NDCs); and (ii) enhancing international cooperation for climate action.

The GST decision from COP28 established several key processes:⁸

- The United Arab Emirates (UAE) GST Outcomes Dialogue or UAE Dialogue: A platform focusing on implementing the GST outcomes
- The GST NDC Dialogue: An annual dialogue to facilitate sharing lessons on how GST outcomes inform the preparation of Parties' next NDCs
- A high-level ministerial dialogue on scaling up adaptation finance
- A "refinement process" for the second GST (GST2)

At COP29, the Presidency failed to secure an agreement on an ambitious and credible process to follow up on the GST outcomes from COP28. The final draft decision was rejected in the closing plenary, with several Parties citing lack of ambition. Key disagreements centered on scope: some countries advocating limiting talks to scaling up finance, while others pressed for addressing all GST outcomes, including transitioning from fossil fuels.⁹ Another point of contention was whether to reaffirm the GST's conclusions on energy and nature. Many Parties emphasized that omitting

⁸ Decision -/CMA.5 on Outcome of the first global stocktake

⁹ Carbon Brief (2024). At <https://www.carbonbrief.org/cop29-key-outcomes-for-food-forests-land-and-nature-at-the-un-climate-talks-in-baku/>

references to fossil fuels would undermine previous progress. As a result, the CMA requested the SBI to continue discussions in Bonn in 2025, aiming to draft text for adoption at COP30.

The draft decision proposed by the COP29 Presidency¹⁰ faced criticism for perceived backsliding from agreements made in Dubai. It omitted explicit mention of energy-related elements in paragraph 28 of the GST decision, such as tripling renewables, doubling energy efficiency, and transitioning away from fossil fuels. In contrast, it explicitly reaffirms the role of transitional fuels in facilitating the energy transition.¹¹ On a positive note, the draft decision underscored the importance of protecting and restoring nature and ecosystems in line with the Kunming-Montreal Global Biodiversity Framework, including halting and reversing deforestation by 2030, while noting the need for enhanced support and investment towards achieving these goals.

The failure to adopt a decision on the GST at COP29 undermines the signal needed for countries to enhance their national climate plans in line with Paris Agreement targets. Due in 2025, the next round of NDCs must respond to the important collective outcomes of the GST. Although COP29 was expected to provide guidance for future NDCs based on GST outcomes, Parties failed to reach consensus. Consequently, discussions will be deferred until Bonn in June 2025.¹²

Limited progress on the MWP

At COP26 in Glasgow, the Mitigation Work Programme (MWP) was established to “urgently scale up mitigation ambition and implementation in this critical decade”. The MWP is intended to host dialogues on specific mitigation areas, providing platforms for exchange and learning to catalyse the implementation of mitigation policies. For example, in 2024, the MWP solicited submissions on energy efficiency in buildings, emissions reductions from heating and cooling, and emissions reductions from building materials. However, the MWP has so far delivered little beyond a series of workshops and conversations, prompting deliberations at COP29 on how the programme could do more to boost mitigation action.

While a decision on MWP was finally adopted, doubts remain about its potential to deliver sizable mitigation outcomes.¹³ A key contention was whether including mitigation actions such as “transitioning away from fossil fuels” would be within the MWP’s dialogue-focused mandate. The debate stemmed from the GST decision, which “invites...relevant work programmes” to integrate “relevant outcomes” of the stocktake into their future work, “in line with their mandates”.¹⁴ Counting a transition away from fossil fuels as a relevant outcome was a red line for China (on behalf of the LMDCs) and Saudi Arabia (representing the Arab group), while developed countries strongly supported it.¹⁵

¹⁰ Draft decision -/CMA.6 from 24 November 2024 on United Arab Emirates dialogue on implementing the global stocktake outcomes

¹¹ Draft decision -/CMA.6 from 24 November 2024 on United Arab Emirates dialogue on implementing the global stocktake outcomes

¹² WRI (2024). <https://www.wri.org/insights/cop29-outcomes-next-steps>

¹³ Carbon Brief (2024). <https://www.carbonbrief.org/cop29-key-outcomes-agreed-at-the-un-climate-talks-in-baku/>

¹⁴ Carbon Brief (2024). <https://www.carbonbrief.org/cop29-key-outcomes-agreed-at-the-un-climate-talks-in-baku/>

¹⁵ Decision -/CMA.6 on Sharm el-Sheikh mitigation ambition and implementation work programme

The final decision excluded references to the stocktake or fossil fuels and, rather than offering guidance on the next round of NDCs, merely “reaffirmed” their “nationally determined nature.” The text focuses narrowly on the substance and modalities of the MWP’s Global Dialogues and Investment-Focused Events, which should address reducing operational and embodied emissions, spatial planning, electrification, clean and low-emissions technologies, and cross-cutting themes like international collaboration and context-specific approaches. The decision establishes the modalities for next year’s dialogues and commits the co-chairs to decide on and communicate by 1 March 2025 the topics for each dialogue.

Just transition takes a hit

The accelerating impacts of climate change demand a rapid transition to low-carbon societies and climate-resilient development. However, this shift bears the risk of exacerbating socioeconomic challenges, such as social inequality, displacement, and unemployment, unless effective policies to ensure a just transition are implemented. Therefore, the [Just Transition Work Programme \(JTWP\)](#) was established at COP27 in 2022 to help countries transition to low-emissions and climate-resilient pathways while reducing inequalities both within and between countries.

The JTWP is meant to support knowledge-sharing and the development of best practices for climate action in line with just transition principles. It aims to foster dialogue among countries and stakeholders — such as policymakers, NGOs, and local communities — to devise effective strategies to for just transitions nationally and globally. The JTWP modalities were adopted at COP28 in Dubai, which broadly outlines the work programme’s scope, but implementation gaps remain. Progress stalled at COP29 as Parties [failed to reach a decision](#) over divisions among developing and developed countries. For example, developing countries pushed to develop a work plan, which developed countries criticized as premature. Additionally, while the EU and the Environmental Integrity Group emphasized mitigation, the G77 and China called for a stronger focus on adaptation and finance.¹⁶

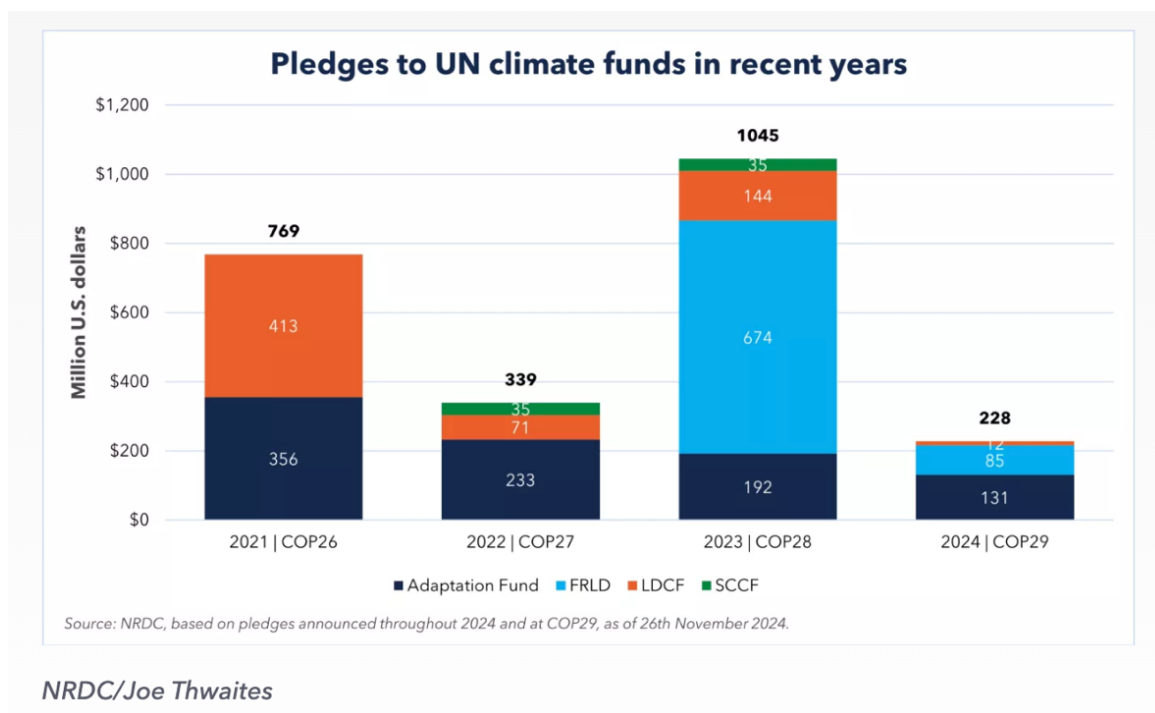
Outside the negotiation rooms

While official negotiations ended in few decisions, and several discussions were deferred to Bonn in June 2025, many announcements were made by governments and civil society.

Finance beyond NCQG

Beyond the NCQG, COP29 recorded the fewest finance pledges to UN climate funds among the past four COPs. Although multilateral development banks’ announcements on their estimated annual climate financing by 2030 sent a positive signal, pledges to the Adaptation Fund and the Fund for Responding to Loss and Damage (FRLD) were disappointing. [Ten MDBs estimate](#) that by 2030, their annual collective climate financing for low- and middle-income countries will reach USD 120 billion, including USD 42 billion for adaptation, with an aim to mobilize USD 65 billion from the private sector. However, the Adaptation Fund failed for a second year in a row to meet its funding goal of USD300 million, falling short by over 50% with only USD132.85 million pledged by 14 contributors in 2024. Similarly, only [USD85 million](#) was pledged to FRLD.

¹⁶ Carbon Brief (2024). <https://www.carbonbrief.org/cop29-key-outcomes-agreed-at-the-un-climate-talks-in-baku/>



Finding new sources of finance

The [Coalition for Solidarity Levies](#) was launched in Baku by the Global Solidarity Levies Task Force, established in 2023 and led by France, Kenya, and Barbados. Comprising 17 members (Barbados, France, Kenya, Antigua & Barbuda, Colombia, Marshall Islands, Senegal, Spain, Denmark, Sierra Leone, Zambia, Fiji, Djibouti, and Somalia) and 3 observers (the African Union, the European Commission, and Germany), the Coalition aims to secure sustainable funding for climate and development action through levies on carbon-intensive industries, based on the polluter pays principle.

Levies on sectors such as aviation, maritime shipping, and fossil fuels, are increasingly viewed as a predictable source of additional and concessional finance to support climate action in developing countries. Experts argue that solidarity levies can help restore balance to the financial system by ensuring polluters bear the cost of their emissions. For example, a levy USD100 per ton of carbon dioxide on the shipping sector could raise USD80 billion per year.¹⁷ A levy on fossil-fuel extraction of USD5 per ton of CO₂ could raise USD210 billion per year.¹⁸ These finance sources can complement official development assistance without amplifying existing debt burdens by allocating a share of the revenues to developing countries.

¹⁷ Matthieu Wemaëre, Lola Vallejo and Michel Colombier (2023). Designing a greenhouse gases (GHG) levy supporting an equitable low carbon and resilient transition of international shipping under the IMO. <https://www.iddri.org/sites/default/files/PDF/Publications/Catalogue%20iddri/Autre%20Publication/202306-Note-shipment%20levy.pdf>

¹⁸ Julie-Anne Richards, David Hillman, and Laurey Boughy (2018). The Climate Damages Tax. At https://www.stampoutpoverty.org/live2019/wp-content/uploads/2019/06/CDT_guide_web23.pdf

Prime Minister Mia Amor Mottley, Barbados, said:

“The polluter pays principle has guided us thus far: if you have contributed to the problem, you should contribute to the solution. We know that levies on shipping, aviation and fossil fuel extraction could raise a combined \$350bn a year. A 0.1% levy on all stock and bond trades could raise \$418bn a year.”

Enhanced national climate plans (NDC 3.0)

Current NDCs are not ambitious enough, as shown in the recent UNFCCC NDC Synthesis report. The report reveals that current commitments would result in only a 2.6% reduction in emissions from 2019 levels by 2030 – far short of the 43% reduction needed to avert the worst climate impacts and limit warming to 1.5°C.¹⁹ NDCs are the frameworks through which countries outline and communicate their post-2020 climate actions. They establish both targets and action plans to cut emissions and adapt to climate impacts. Submitted by Parties to the UNFCCC, NDCs must provide information necessary to facilitate clarity, transparency and understanding (ICTU), which includes quantifiable information on baselines, timeframes for implementation, planning processes, and other methodological approaches.

At COP29, several Parties, including COP30 host Brazil, announced their new NDCs showcasing enhanced ambitions. However, Azerbaijan, the COP29 host, did not deliver on its promise to have its NDC ready by the event.

- Brazil submitted its 2035 NDC, targeting a 59-67% reduction in emissions compared to 2005 levels, marking significant progress from its previous NDC. A key “national mitigation objective” is to encourage the “widespread adoption of sustainable agricultural and livestock production models with low greenhouse gas emissions, guaranteeing food security for all.” Given that agriculture is a key driver of deforestation and emissions in the country, this approach could significantly contribute to mitigation. Brazil plans its national climate plan as part of NDC implementation, which will include national mitigation and adaptation strategies. These will be broken down into 16 sectoral adaptation plans and seven sectoral mitigation plans, “which are intended to be finalized around the mid 2025”.
- The UAE pledged a 47% emissions reduction by 2035 compared to 2019 levels, aiming for net-zero emissions by 2050. [The absolute, economy-wide NDC](#) covers all greenhouse gases, with sector-specific targets focusing on clean energy and power sector cuts. However, [Climate Action Tracker](#) does not consider the UAE's NDC 1.5°C compatible, as most emissions reductions are expected to come from the buildings, industry and transport sectors, while the power sector will remain largely fossil fuel-based. The NDC also outlines an unrealistic reliance on CCS rather than renewables. CAT also highlights a lack of clarity on the proportion of technological versus nature-based CDR to provide negative emissions.
- Prime Minister Keir Starmer of the United Kingdom announced an ambitious NDC target of [an 81% GHG reduction by 2035](#) against a 1990 baseline. The target aligns with the advice of the Climate Change Committee, the UK's independent climate watchdog. While the full NDC is yet to be submitted, the announcement is welcomed, even as credible policies to meet it will be sorely needed.

¹⁹ UNFCCC (2024). NDCs: Synthesis report by the Secretariat
https://unfccc.int/sites/default/files/resource/20241025_ar_draft.pdf

- A coalition of developed and developing countries, including Canada, Chile, the European Union, Georgia, Mexico, Norway, and Switzerland, committed to bold action through their 2035 NDCs in response to the first Global Stocktake. Notably, Mexico set a net-zero emissions target by 2050, becoming the final G20 country to adopt a mid-century net-zero emissions commitment.

Food systems at COP29

The political momentum on food systems generated at COP28 in Dubai was not sustained in Baku. At COP28, food systems gained prominence through the inclusion of food in the GST text and a series of government commitments and pledges. However, despite food systems contributing over 30% of greenhouse gas emissions, driving ecosystems conversion, and being highly vulnerable to climate impacts, the issue remained sidelined at COP29.²⁰

The package of texts adopted in Baku contains minimal reference to food systems, overlooking their crucial role in mitigation, adaptation, and resilience. The only formal negotiation related to agriculture and food systems focus on the Sharm-el-Sheikh Joint Work on the Implementation of Climate Action on Agriculture and Food Security (SJWA). The debate primarily addressed the functions and structure of the Sharm-el-Sheikh online portal, where countries and observers can submit information on how climate action can support agriculture and food security.

The Global Goal on Adaptation text included indicators for specific ecosystems, health, and education but omitted agriculture and food systems. However, the decision requires the final outcome of the United Arab Emirates–Belém work programme to include indicators for thematic targets of the UAE Framework, including the agriculture and food sectors. Food systems continue to be severely underfunded: only 2.5% of public climate finance is directed toward food systems.²¹ The NCQG text does not provide remedy – no subgoals or references to food systems are included.

Nature at COP29

Like food systems, the role of nature in climate change mitigation and adaptation was largely ignored in the package of decisions coming out of COP29. It is now firmly established and recognized that achieving the 1.5°C target is impossible without protecting and restoring ecosystems.²² Tackling the ongoing climate and biodiversity crises requires concerted and coordinated efforts to not only decarbonize economies, but also reverse nature loss, and adapt to climate change while ensuring food security and sustainable development. These efforts are inextricably linked and cannot be achieved independent of one another.

Unlike the GST outcome text adopted in 2023, which recognized the role of protecting and restoring natural ecosystems for climate change mitigation and adaptation, among COP29 decisions only the

²⁰ Bakhtary et al. (2024). Biodiversity and Climate Action in Agriculture and Food Systems: Opportunities for Building Synergies. <https://climatefocus.com/publications/biodiversity-climate-action-agriculture-food-systems-building-synergies/>

²¹ Global Alliance for the Future of Food and Climate Focus (2024). Public Climate Finance for Food Systems Transformation. At <https://climatefocus.com/publications/public-climate-finance-for-food-systems-transformation/>

²² IPCC, 2022: Summary for Policymakers [P.R. Shukla, J. Skea, A. Reisinger, R. Slade, R. Fradera, M. Pathak, A. Al Khourdajie, M. Belkacemi, R. van Diemen, A. Hasija, G. Lisboa, S. Luz, J. Malley, D. McCollum, S. Some, P. Vyas, (eds.)]. In: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [P.R. Shukla, J. Skea, R. Slade, A. Al Khourdajie, R. van Diemen, D. McCollum, M. Pathak, S. Some, P. Vyas, R. Fradera, M. Belkacemi, A. Hasija, G. Lisboa, S. Luz, J. Malley, (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA. doi: 10.1017/9781009157926.001.

Global Goal on Adaptation explicitly includes ecosystems – referenced as part of the indicators to be adopted at COP30. Meanwhile, draft NCQG text dated 21 November that included a recognition of the interdependencies between finance for climate and biodiversity was dropped in the final decision.²³ Similarly, the UAE Dialogue draft decision, which was ultimately not adopted, included text which would have reaffirmed the “importance of conserving, protecting and restoring nature and ecosystems towards achieving the Paris Agreement temperature goal, including through enhanced efforts towards halting and reversing deforestation and forest degradation by 2030, and other terrestrial and marine ecosystems acting as sinks and reservoirs of greenhouse gases and by conserving biodiversity, while ensuring social and environmental safeguards, in line with the Kunming-Montreal Global Biodiversity Framework”.²⁴

²³ CMA 6 agenda item 11(a) New collective quantified goal on climate finance Version 21/11/2024 3:00

²⁴ Draft decision -/CMA.6 from 24 November 2024 on United Arab Emirates dialogue on implementing the global stocktake outcomes

Relevant resources from Climate Focus

Climate Focus, as a thought leader in the climate and nature policy space, produces a range of targeted publications to support our clients and partners in navigating international and national policy regimes and to enable accurate and timely decision making and advocacy. Below is a list of most recent relevant publications:

Article 6

- [News from Dubai: Climate Focus's COP28 Client Brief](#)
- [COP27 Sharm el-Sheikh: Success on Loss and Damage, and a flurry of new initiatives](#)
- [COP26 digest: The significance of Article 6 and CDM transition outcomes for Africa](#)
- [Article 6 Readiness Blueprint](#)
- [Registry requirements for Article 6 transactions: options for host country governments \(2024\)](#)
- [Double Claiming and Corresponding Adjustments: A Deep Dive into the Double Counting of Emission Reductions, Corresponding Adjustments, and their Implications for the Voluntary Carbon Market \(2023\)](#)

Climate Finance

- [Public Climate Finance for Food Systems Transformation \(2024\)](#)
- [Money well spent? \(2024\)](#)
- [Increasing International Finance Flow to Sustain the Congo Basin's Forests \(2023\)](#)
- [Untapped Potential: An analysis of international public climate finance flows to sustainable agriculture and family farmers \(2023\)](#)
- [Agricultural and Blue Carbon Market Opportunities in Latin America and the Caribbean \(2023\)](#)
- [Capitalizing on carbon market opportunities the agriculture sector in Latin America and the Caribbean \(2023\)](#)

Food Systems

- [Food Forward NDCs: an assessment of updated NDCs \(2024\)](#)
- [Biodiversity and Climate Action in Agriculture and Food Systems: Opportunities for Building Synergies \(2024\)](#)
- [Food Forward NBSAPs \(2024\)](#)
- [A Toolkit for National Action on Climate, Biodiversity, and Water in Agriculture and Food Systems \(2024\)](#)
- [Food Systems Insight Brief: Trends in NDC Partnership Support \(2024\)](#)
- [Food Forward NDCs: A tool for integrating food systems measures in NDCs \(2024\)](#)
- [Increasing Ambition In Nationally Determined Contributions Through Agriculture and Food Systems Innovation \(2024\)](#)
- [COP28 Agriculture, Food and Climate Action Toolkit \(2023\)](#)

Climate and Nature

- [Raising the Bar: Strengthening Forest Ambition in Nationally Determined Contributions \(NDCs\): An Assessment of Current NDCs](#)
- [Integrating deforestation and conversion-free supply chains into National Biodiversity Strategies and Action Plans \(NBSAPs\)](#)
- [The 2024 Forest Declaration Assessment: Forests under Fire \(2024\)](#)
- [Breaking Silos: Enhancing synergies across NDCs and NBSAPs \(2023\)](#)