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NOTE

From: General Secretariat of the Council
To: Delegations

Subject: AOB for the meeting of the Council (Environment) on 17 December 2024
29th Conference of the Parties (COP29) to the United Nations Framework
Convention on Climate Change (UNFCCC)
(Baku, Azerbaijan, 11-22 November 2024)
– Information from the Presidency and the Commission

Azerbaijan presided over the **29th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29)** that took place from 11 to 24 November 2024 in Baku, Azerbaijan.

As the primary annual global climate-related event, COP29 brought together the Parties to the UN Framework Convention on Climate Change, the Kyoto Protocol, and the Paris Agreement, as well as representatives from business, civil society and academia to accelerate action towards the goals of the Paris Agreement.

COP29 set a new collective quantified goal for climate finance (NCQG) for the post-2025 period. This concerns a call to all actors to work together to enable the scaling up of financing to developing country Parties for climate action from all public and private sources to **at least USD 1.3 trillion per year by 2035**, while developed countries agreed to take the lead in mobilising at least USD 300 billion per year by 2035.

One of the EU's key priorities with regards to the NCQG was to achieve a **broadening of the contributor group** to reflect changing economic capabilities and shares of global greenhouse gas emissions. The new goal allows developing countries to voluntarily contribute towards the goal, and that all **multilateral development bank (MDB) climate finance** to developing countries is counted, rather than just the portion attributable to developed countries. The decision also responds to a long-time request of developing countries for more climate finance to be channeled via the **UNFCCC funds**, by deciding to 'pursue efforts to at least triple annual flows from those Funds from 2022 levels by 2030'.

One of the key outcomes of COP29 was the finalisation – after nine years – of the rules needed to bring greater environmental integrity, transparency and accountability to international carbon markets under **Article 6 of the Paris Agreement**, thereby completing the rulebook for its implementation. Parties agreed on key rules and guidelines for carbon markets, including the authorisation and transfer of carbon credits under Article 6.2, and strong standards for environmental sustainability and human rights for the centralised Paris Agreement Crediting Mechanism under Article 6.4. Progress was also made on non-market approaches under Article 6.8.

Despite the EU's efforts, however, the outcome of COP29 remained below the EU's expectations when it comes to guiding **mitigation action and ambition**, as Parties were unable to agree on how to follow-up on the outcome of the first Global Stocktake (GST) under the Paris Agreement, concluded at COP28 in Dubai in 2023. The implementation of the UAE Dialogue on the GST outcomes as well as the refinement of the modalities of future GSTs or the GST NDC Dialogue will need to be re-considered in June 2025, similarly to the Just Transition Work Programme, where Parties could not agree on any outcome either. Also, the decision adopted on the Sharm el-Sheikh mitigation ambition and implementation work programme lacks strong references to the GST outcomes, the only progress compared to last year's decision is the inclusion of highlights of the discussions under the Global Dialogues.

Under the two-year UAE – Belém work programme on the development of indicators for measuring progress achieved towards the thematic and dimensional targets outlined in the UAE Framework for Global **Climate Resilience**, the COP set out further guidance on indicators. Parties also launched the Baku Adaptation Roadmap, with the aim of advancing progress in line with Article 7.1 of the Paris Agreement and established the Baku high-level dialogue on adaptation to enhance the implementation of the UAE Framework.

The COP also noted with appreciation the final arrangements for the **Fund for Responding to Loss and Damage** agreed by the Board, which is now ready to accept contributions and begin disbursements.

COP29 adopted a decision that extended the enhanced Lima Work Programme on **Gender** for a period of ten years and requested the development of a new Gender Action Plan to be initiated, with a view to recommending a draft decision by COP30.

The conference also saw a number of events, including a World Leaders Climate Action Summit and high-level roundtables and high-level special events, hosted by the COP29 Presidency on 12-13 November, and other side events. The COP29 Presidency presented a slate of Presidency initiatives, including the COP29 Global Energy Storage and Grids Pledge, the COP29 Hydrogen Declaration and the COP29 Declaration on Water for Climate Action.

The COP took place in a very geopolitically challenging context, and with a Presidency new to the COP process, both of which required even more EU leadership compared to previous COPs to reach an agreed outcome.

Looking forward, the **focus ahead of the 30th Conference of the Parties (COP30, Belém, 10-21 November 2025)** should turn towards the **post-2030 nationally determined contributions (NDCs)**, due in 2025. In an effort to signal an expectation for ambitious NDCs, particularly by major emitters, the EU together with Canada, Chile, Georgia, Mexico, Norway and Switzerland, with a Joint Press Release¹ issued on 21 November 2024, committed to submit NDCs that are consistent with the IPCC emissions trajectories and the global stocktake call for deep, rapid, and sustained reductions in greenhouse gas emissions in line with 1.5°C; absolute, economy-wide reduction targets covering all greenhouse gases, sectors, and categories; and aligned with steep and credible emissions reductions toward their respective mid-century net zero goals, consistent with a linear or steeper trajectory.

¹ https://climate.ec.europa.eu/news-your-voice/news/cop29-joint-press-release-15degc-aligned-ambition-ndcs-toward-net-zero-2024-11-21_en

Furthermore, the newly-established “Baku to Belém Roadmap to 1.3T”, aiming at scaling up climate finance to developing country Parties, in parallel to the Sharm el-Sheikh Dialogue on the scope of Article 2.1(c), are expected to offer more opportunities to discuss how financial flows and fiscal measures can become more supportive to low greenhouse gas emissions and climate-resilient development pathways and the implementation of nationally determined contributions and national adaptation plans, during COP30.

The **EU will continue to work with partners to raise global ambition** and tackle the challenge of climate change with a view towards keeping the goal of limiting global warming to 1.5°C alive.
