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15

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COP 30 President asks for Climate Finance Work Programme on agenda

Kathmandu, 1 July (Chhegu Palmuu) - At the sixty-fourth session of the UNFCCC's Subsidiary Bodies (SB64) which took place from 8 June to 18 June in Bonn, Germany, **Ambassador Andre Correa do Lago (Brazil),** President of COP 30 , sent a letter on 12 June to the UNFCCC Executive Secretary, requesting the secretariat to include the two-year Climate Finance Work Programme (CFWP) established in Belem, Brazil, last year, as a sub-item under "matters relating to finance" on the provisional agenda of the Conference of Parties to the Paris Agreement (CMA). This was done on the request of the **Group of 77 and China** for inclusion of the matter on the forthcoming CMA provisional agenda.

In his letter, the COP 30 President stated "As the work programme falls under the authority of the CMA, I request that the secretariat include the following sub-item under the item "Matters relating to finance" on the provisional agenda of CMA 8 [coming up at COP 31 in Antalya, Turkey, in Nov] and CMA 9 [in 2027] to allow Parties to consider their work under the programme as they deem appropriate: "Work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole". [Footnote 1: Established in Decision 1/CMA.7, paragraph 54]

By § 54 of the "Global Mutirão" decision 1/CMA.7 Parties decided to "*establish a two-year work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole [Footnote 5: Without prejudging the process for the implementation of the new collective quantified goal on climate finance.*" The two-year CFWP is a watered-down compromise of the original agenda item proposal by the **Like-Minded Developing Countries (LMDC**) on the "Implementation of Article 9.1 of the Paris Agreement" (on the mandatory provision of climate finance by developed to developing countries) which was also supported by the **Group of 77 and China**. (See TWN Update)]

At SB 64, the CFWP took centre stage when **developing countries** represented by **G77 and China** and led by **Uruguay**, refused to accept the work plan for 2026-2027 by the CFWP Co-Chairs **Yolando Velasco (the Philippines)** and **Apollonia Miola (European Union),** which largely provided for only "engagement workshops" during the SBs and the CMA without formal consideration of work under the programme, particularly, in the form of an expected CMA agenda item.

Additionally, in the document (FCCC/SBI/2026/4) prepared by the secretariat for the consideration of Parties at SB64 on the

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Arrangements for intergovernmental meetings (AIM)', which includes elements for provisional agendas among other things, "Annex IV" on possible elements for the upcoming CMA 8, did not contain the CFWP agenda item.

It is learnt that before the opening of the SB 64, on 7 June, **Uruguay** on behalf of **G77 and China** wrote a letter to the SB Chairs, as well as to the CFWP Co-Chairs, stating that in accordance with the "Global Mutirão" decision 1/CMA.7, the CFWP "should be part of the provisional agenda for CMA 8". The letter stated that "therefore, the group requests the SBI Chair to issue a revised version of FCCC/SBI/2026/4 [AIM document] correcting the CMA provisional agenda by including the CFWP".

Further, the letter also voiced that the G77/ and China is not in the position to "accept and work" with the work plan. It recalled that under the Mutirão decision, the CMA decided to transition to a focus on the implementation of the PA and as part of this effort, the CMA decided to establish the CFWP. "The Group strongly views that the work plan and mode of work, consisting largely of engagement workshops, as presented, do not reflect a Party driven process and is not in line with the implementation-oriented mandate of the CMA 7 decision", stressed the G77 and China.

In its letter, the **G77 and China** further reminded that the "mandate from CMA 7 [in Belem] was the result of a delicate compromise to address requests for an agenda item in previous sessions, dedicated to discuss the implementation of Article 9.1 of the PA, under which developed country Parties took on an obligation to assist developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention. The CFWP must provide the space in this process for Parties to discuss Article 9.1 obligations, which remains critical for our group to enable implementation of our NDCs [nationally determined contributions] and NAPs [national adaptation plans] to meet the goals of the Paris Agreement. This is particularly significant in the context of diminishing contributions to the operating entities of the financial mechanism, even at times reneging of commitments already made, and increasing share of loans provided as climate finance".

"In this regard, the group affirms that the CFWP must be a Party driven process and aimed towards concrete outcomes. We therefore request that, in conjunction with SB64, the work programme be provided with an informal space for Parties to express their views and expectations on the scope and modalities of the work programme with the view to adopt a decision that will decisively put us on a path towards the implementation of Article 9.1. In this regard, the Co-Chairs' proposed work plan is not a basis for engagement", said the G77 and China.

Sources said that in response to the G77 and China letter, SBI Chair **Julia Gardiner (Australia)** clarified that the "Annex IV" of the AIM document (FCCC/SBI/2026/4) which contains possible elements of the CMA provisional agenda is "prepared by the secretariat in consultation with the COP Presidency and the Bureau [of the UNFCCC]. Beyond participating in the consultation as a member of the Bureau, the SBI Chair does not have a role in this process, nor the authority to make changes to possible elements of the draft provisional agenda for CMA.8 contained in the Annex". She also informed that the CFWP Co-Chairs are "addressing the other concerns you have raised and will provide an opportunity for inclusive, transparent, and Party-driven exchanges on key issues related to the work programme".

[It is learnt that the **G77 and China** letter was instrumental in changing the programme and nature of the CFWP "engagement" workshop, scheduled on 8 June, into a discussion space on the "scope and modalities" of the CFWP and the way forward. And, it was no surprise that the workshop heard strong divergences between developing and developed countries over the CFWP's scope and modalities (See TWN Update).]

In order to ensure the inclusion of the CFWP on the CMA provisional agenda, the **G77 and China** also engaged under the AIM matter. At the first informal consultations on AIM on 9 June, the group stated that it noticed the "omission" of the CFWP as an element for the CMA provisional agenda in "Annex IV" of the AIM document. The group underlined that the work programme is a "process mandated by CMA 7", in accordance with the "Global Mutirão" decision 1/CMA.7, and as such, it is the "expectation" of the G77 and China that the CFWP be reflected in the provisional agenda for CMA 8 as a "sub-item under Matters relating to finance". The **European Union (EU)** did not agree on the need to have an agenda item on the CFWP.

In the adopted draft conclusions on the AIM matter, the SBI requested the secretariat to take note of the views expressed by Parties regarding possible elements for the provisional agendas for COP 31, CMP 21 [Conference of Parties to the Kyoto Protocol] and CMA 8 and the organization of work for those sessions.

In its closing plenary statement at SB64 on 18 June, **Uruguay** for the **G77 and China** reiterated the need for reflecting the agenda item on the CFWP on the provisional agenda item of CMA8. The group also thanked the COP 30 Presidency **Brazil** for their request for the CFWP'S inclusion in the provisional agenda for CMA 8, and further stated that the group looks forward to "seeing it in the CMA 8, as an agenda item".

Whether or not, the CFWP is included in the CMA 8 provisional agenda will be keenly watched when the provisional agendas of the governing bodies COP/CMP/CMA will be released later in August this year.

VEREDAS DIALOGUE ON ARTICLE 2.1(C) OF THE PA: STATEMENT BY THE G77 AND CHINA

The first meeting of the Veredas Dialogue on the implementation of Article 2.1(c) of the PA and its complementarity with Article 9 of the PA, took place on 9-10 June in conjunction with SB 64, led by Co-Chairs **Debra-Lee Swanepoel (South Africa)** and **Ralien Bekkers (the Netherlands)**.

[Decision 11/CMA.7 taken in Belem last year, recognised that there is no common interpretation of Article 2.1(c) of the PA or the manner of its implementation and that deliberations under the Veredas Dialogue will take into account the concerns and safeguards outlined in paragraph 3 of the decision. Article 2.1(c) provides for "Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development".]

As outlined in the 2026 workplan of the Co-Chairs on the Veredas Dialogue process going forward, the two main themes of the first meeting centered on the (i) nationally determined implementation of Article 2.1(c) and its complementarity with Article 9 and (ii) international dimensions of implementing Article 2.1(c) and its complementarity with Article 9.

On the nationally determined theme, in relation to policies and instruments, case studies with presentations were made by: Egypt on the challenges and lessons learned from the implementation of its 'Nexus of Water, Food & Energy Platform'; Norway on its carbon pricing as an instrument to align financial flows with climate objectives; Lessons learned from International Development Finance Club (IDFC) members on public finance mechanisms for scaling up private capital towards national pathways, including by leveraging grants and concessional finance.

In relation to financial system and climate resilience, case studies with presentations were made by: Rwanda on aligning public finance with climate resilience; Greece on climate change and sustainability at the Bank of Greece; Centre for Impact Investing and Practices on financial sector approaches to climate risk management and investing in resilience – enhancing the business case for adaptation and mobilizing private capital for resilience; Switzerland on its Swiss Climate Alignment test; Turkiye on aligning financial flows with climate and environmental objectives; and Uganda on best practices in monitoring and evaluating finance flows to inform national policies and strategies to implement Article 2.1(c).

On the international dimensions theme, in relation to global financial policies and scaling investment, case studies with presentations were made by : Queen Mary University on making global finance work for climate-resilient development; and Barbados on international dimensions of implementing Article 2.1(c).

The plenary presentations were then followed by expert-facilitated breakout groups with guiding questions.

The following is the closing plenary statement presented by G77 and China in relation to the Dialogue:

"On behalf of the G77 we would like to congratulate the Co-Chairs on the organization of this first meeting of the Veredas Dialogue, appreciate the active engagement from Parties, and inputs from experts and stakeholders.

Across the various segments of the dialogue, we have heard about the efforts developing countries are undertaking to consider Article 2.1 in a nationally determined manner, consistent with the safeguards agreed to in Belem. We have also heard about the various challenges and constraints our countries face, including limited access to finance, fiscal constraints, the high cost of capital, as well as unintended impacts of policy measures. We would also highlight the decreasing commitments from developed countries on climate finance, as well as the impacts of unilateral measures.

Reflecting upon these experiences, one thing remains very clear to us. That is, Article 2.1c implementation cannot be implemented in isolation from delivery under Article 9. This is in particular, the delivery of developed countries on their obligations under Article 9.1 to enable developing countries to implement action in line with nationally determined pathways, reflecting our unique national circumstances and timeframes, firmly grounded in the foundational principles of equity and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

It is important to ensure a balance between observers from the global North and South and also ensure that developing country Parties and groups, especially those with smaller delegations, are able to be represented and share views during the Dialogue. Therefore, we would suggest rethinking the format to ensure meaningful participation and inclusivity is strengthened. There is also a need to ensure that questions guiding these sessions remain exploratory rather than leading in nature, enabling a balanced and open exchange of views. In doing so, they should also adequately capture the complementarity with Article 9, particularly its role in the provision and mobilization of climate finance from developed countries in support of developing countries.

We look forward to our engagement in further meetings of the Dialogue in the future, including the Xingu Finance Talks.

We further look forward to enhanced clarity and the delivery of concrete actions and outcomes on Article 9.1 under the Climate Finance Work Programme, to enable developing countries to step up our efforts to consider consistency of finance flows with a pathway towards low GHG emissions and climate resilient development in accordance with Article 2.1(c)".

The COP 30 Presidency provided a presentation on the "Xingu Finance Talks" mandated by paragraph 13 of 11/CMA.7, as "an annual high-level roundtable with a view facilitating a cooperative exchange of views among all interested Parties and non-Party stakeholders, in particular academia, international financial institutions and the private sector, on practical solutions that address the challenges and opportunities in the implementation of Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement".