

## Poor deal on New Finance Goal bull-dozed through at COP29

Baku, Nov 26 (Radhika Chatterjee and Meena Raman): The [decision](#) to adopt a new collective quantified goal on finance (NCQG) was bull-dozed through at the closing plenary of COP29, despite a lack of consensus.

This was clearly reflected in the statements made by **India** after the gavel, which strongly objected to the adoption of the decision, and criticised the process as being “stage-managed” by the COP 29 Presidency and the UNFCCC secretariat, despite knowing that India had objections to the text. India also expressed clearly that there was insufficient climate finance in the goal and that the deal was “an optical illusion”. [See further details below].

India was not alone in its objections.

Other developing countries like **Bolivia** and **Nigeria** supported India’s stand in objecting to the adoption of the decision and criticised the goal as being inadequate for meeting the needs of developing countries. **Cuba** and **Pakistan** also called out on the very low quantum of the goal. The **Least Developed Countries (LDCs)** too expressed their disappointment with the goal and placed a reservation over the decision.

The interventions of developing countries were greeted with very loud and sustained applause,

especially from civil society observers and many developing country government delegates.

The **European Union (EU)** on the other hand welcomed the decision as “a deal that is exceptional”, saying that “we are living in a time of truly challenging geopolitics and we should simply not have the illusion that it will soon get better.” This appears to be an apparent reference to the likely exit of the **United States (US)** from the Paris Agreement.

The US negotiators (under the Biden Administration), were seen wielding enormous pressure in the negotiating halls in defining the final outcome, with a clear stance that the US could not commit to any finance goal that made it mandatory for developed countries to provide finance to developing countries. They continued to maintain their obstinate position (even before the last US elections outcome and indeed throughout the three years of negotiations on the matter), that the new finance goal was only a voluntary mobilisation figure, which required new contributors from developing countries, the Multilateral Development Banks (MDBs) and the private sector to come on board. This stance of the US was shared by other developed countries in the Umbrella Group as well as the EU.

While strong civil society actions called out that “no deal is better than a bad deal”, the stance of the developed countries and the ‘Trump effect’ lent credence to the narrative among developed and some developing countries that “a better deal was simply not possible”.

According to many seasoned observers, the fragile multilateral system was once again saved from the brink of collapse, through a poor climate finance deal that had to be secured by “hook or by crook”, as the ‘Baku Finance COP’ with no finance deal was viewed as simply unimaginable.

The main highlight of the decision adopted were in paragraphs 7 and 8. Paragraph 7 “calls on 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”.

It was decided in paragraph 8 “to set a goal, in extension of the [USD 100 billion per year goal], with developed country Parties taking the lead, of at least USD 300 billion per year by 2035 for developing country Parties for climate action – (a) From a wide variety of sources, public and private, bilateral and multilateral, including alternative sources; (b) In the context of meaningful and ambitious mitigation and adaptation action, and transparency in implementation; (c) Recognizing the voluntary intention of Parties to count all climate-related outflows from and climate-related finance mobilized by MDBs towards achievement of the goal set forth ...”

[Analysis of the poor finance deal will follow in further TWN articles.]

## DECISION BULL-DOZED THROUGH

The final plenary session which was convened very early morning of Sunday, November 24, saw several pauses, during which the COP29 Presidency’s lead negotiator, **Yalchin Rafiyev** and his team were seen consulting with different groups and country negotiators to arrive at consensus on several issues, key among which was the NCQG text. As soon as the COP29 President, **Mukhtar Babayev** announced that resolutions on key issues had been found, key documents were made available on the UNFCCC website by the

secretariat.

Instead of a quick resumption of the session, different parts of the plenary hall saw several groups and Parties in huddles, in efforts to persuade India to allow the adoption of the finance decision. The Indian negotiators were seen taken to a smaller room in the plenary area by the Presidency’s team to discuss the NCQG text further. A little while after the Indian negotiators left that room, the Presidency’s team, along with the UAE COP28 Presidency team and the UNFCCC secretariat members were seen leaving that room.

Soon after, Babayev gavelled the adoption of the finance decision, without once lifting his head up to see if there were any requests to take the floor from any Party. Suddenly, and to the complete shock of many, the hall descended into applause, mainly from some Parties, and the Presidency and UNFCCC’s secretariat team on the podium stood up to hug and congratulate each other. A few members of the Indian delegation went up to the podium at that moment and could be seen speaking to the Presidency’s team. This was followed by several countries taking the floor to share their objections and concerns regarding the decision.

[According to observers, the urgency to gavel through the NCQG decision stood in stark contrast to the way in which other decisions and outcomes were adopted, where the COP President paused to see if there were countries that wished to speak prior to the gavelling of the decisions.

[According to established UNFCCC process, the Presidency is expected to respect requests for the floor from Parties before gavelling any decision, to uphold the basic principle of consensus, which guides decision making in the UNFCCC. This method of bull-doing decisions through, despite a lack of consensus, is not new in the UNFCCC. It happened in 2010 in Cancun, Mexico and in 2012 in Doha, Qatar.]

**India** in a scathing criticism of the manner in which the finance decision was adopted, said that, “this has been an unfortunate incident and it is in continuation of several such unfortunate incidents that we have seen of not following inclusivity, [and] not respecting the positions of countries. We had informed the Presidency; [and] we had informed

the secretariat that we wanted to make a statement prior to any decision on the adoption. However, ... this [process] has been stage-managed and we are extremely, extremely disappointed with this incident ... Trust is the basis for all action and this incident is indicative of a lack of trust; a lack of collaboration on an issue [of tackling the climate crisis] which is a global challenge which is faced by all of us.”

It added that this challenge was faced “most of all by the developing countries that are not responsible for it. We are faced with one of the biggest challenges of all times. Which will determine our existence. The only thing that enables us to move beyond and undertake action in line with addressing this challenge is collaboration and trust among us. It's a fact that both have not worked today and we are extremely hurt by this action of the Presidency and the secretariat.”

Elaborating on the importance of trust, India stressed “the trust that there will be action by those who can take action. Developed countries have the wherewithal to take action. They should agree to advance their net zero objectives, the goals and become net negative soon thereafter. But there is also trust that financial resources, technology and capacity building, the means of implementation, the essence of any climate action ... that is required by the developing countries. This will enable those who want to take the action and who want to survive in this changing climate world, but are not able to do it because they need the support of the developed countries and we seek trust in that ... we need to make concerted efforts to do this because clearly what's happened today is not any indication of this. [We need] trust that we understand each other's constraints. Trust that we will move together whatever it may be for a better future”.

India said that, “unfortunately the paper on the NCQG that has been proposed does not speak or reflect or inspire confidence and trust that we will come out of this grave problem of climate change ... We have worked for ... three years on this to have a mandate before us ... to set the NCQG. The goal was envisioned and decided to be set in the context of the needs and the priorities of developing countries and based on the principles of equity and common but differentiated responsibility (CBDR). Both are fundamental to the UNFCCC and its Paris

Agreement. This is the essence of our collaboration. This is the only basis for coming to a UN body where all of our countries can together discuss and arrive at solutions to address climate challenges that we all face. The developing countries are most impacted by climate change. In addition to our development priorities, we have to contend with the additional stresses and crisis of climate. The global south is being pushed to transit to low carbon pathways even at the cost of our growth”.

India further said that “we have to face the Carbon Border Adjustment Mechanism (CBAM) measures. There are other measures that are being imposed by developed country Parties [which] make the transition ... quite difficult ... in a very, very competitive, hostile environment that we are facing at the moment ... We are disappointed with the outcome which clearly brings out the unwillingness of the developed country Parties to fulfil their responsibilities. As we struggle to deal with climate change, the outcome proposed in the paper will further affect our ability to adapt to climate change, greatly impact our nationally determined contribution (NDC) ambitions and its implementation, and create further challenges to our resilience, and above all, will severely impact growth”.

India stressed that it “does not accept the goal proposal in its present form. Developed countries taking lead for a mobilization goal of a mere sum of USD 300 billion and that too to be reached only by 2035. That's almost 11 years later. And that too from a wide variety of sources; so, it would have to be private; it would have to be multilateral. And there are large amounts of it which will be left for the developing countries to mobilize themselves. The goal is too little, too distinct, [and] distant. It is 2035, it's too far gone. Our 2030 estimates tell us that we need to do it at least USD1.3 trillion per year till 2030”.

The USD 300 billion mobilization goal, it said, “does not address the needs and priorities of developing countries. It is incompatible with the principle of CBDR-respective capabilities and equity. Regardless of our battle with impacts of climate change, it is a fact that developing countries are accused continuously of [high] emissions, forgetting the per capita emissions of the developed countries and forgetting also the

historical responsibilities of the developed countries. This only adds to the problem at hand for us and the proposed goal shall not solve anything for us. In fact, we have to implement ambitious indices and economic challenges that we need to navigate and address the adaptation needs. The amounts that is proposed to be mobilized is abysmally poor. It's a paltry sum. It is not something that will enable conducive climate action that is necessary for the survival of our country and for the growth of our people, their livelihoods" adding again that "we cannot accept it ..."

Elaborating further, India said, "we know that recapitalization of MDBs is a matter that has remained unaddressed ... In that situation, we know also that in times to come, if we participate, developing countries will be and are going to be the major contributors for financing climate action through paragraph 8c [of the decision]."

"Counting finance mobilization through MDBs into the overall goal is not a progression from the USD 100 billion goal, but is a deflection of the responsibility of the developed countries towards developing country shareholders of the MDBs", India emphasised further, saying that the decision "is nothing more than an optical illusion. This, in our opinion, will not address the enormity of the challenge we all face ... India opposes the adoption of this document. And please take note and regard what we have just said from the floor of this room ... We are very unhappy, disappointed with the process and object to the adoption of this [decision]".

**Bolivia** expressed its solidarity with India and said it supported the "position to request the rejection of this decision", adding that India has expressed the need to strengthen equity in these climate negotiations, defending the right of millions of people to live in dignity. "In the context of an unfair international context, this is not possible. Climate finance, as agreed in this COP, does not meet the requirements of developing countries and it consolidates an unfair system where developed countries do not step up to their legal obligations to provide finance and implementation measures to developing countries".

It added that "this process requires a high level of

integrity" and said that developed countries, despite the advanced technology that they have, "are ignoring the goals they need to meet for 2050. They ignore the limited resources of developing countries and they leave them responsible with very limited resources for reaching goals they cannot possibly reach ... Developed countries ... are putting pressure on others to act, [while they themselves are] responsible for the greatest expansion in the promotion and production of fossil fuels. They pass massive business deals and they, all the while, refuse to provide proper finance to developing countries".

Highlighting the plight of the Palestinian people and the hypocrisy of some countries that have supported the war against Palestine, Bolivia said, "scientists have tried to place the focus only on the human rights of people living in the global North while they ignore the dignity and the requirements of the majority of the global population. The [countries] defending human rights within the Convention [are] those [who are] committing genocide against the Palestinian people outside of the Convention, [as] they pass huge sums of money around in order to generate war while they deny the necessary funding to promote the structural solutions required to change the system".

It further said, "The developed countries put front and centre as non-negotiable the 1.5°C target but at the same time they undermine the only possible steps that are required to attain it by imposing 2030 emission reduction targets on developing countries which leads to greater poverty and economic dependence". It also said that "in this unfair and unequitable world" developed countries, who are historically responsible for causing the problem and should be carrying out a major share of the climate mitigation actions "are [not] made responsible for taking the actions. It is the developing countries who are shouldering [this].

Bolivia said "we need a finance [goal] which will properly grant us the resources we need to take the steps. The finance that is hugely below our requirements is an insult and it is a flagrant violation of justice and climate equity". The climate finance decision, "is extinguishing international cooperation. We are moving on from the time of leaving no one behind to an era of let every man

save himself. The climate finance as it stands at the moment does not tackle the unfair unequitable status around the planet”.

It reiterated that ambitious climate action by developed countries depends on the compliance with UNFCCC and Article 9.1 of the PA, “on the basis of the provision of public finance from developed countries which properly meets the requirements of the global South,” adding further that “climate finance is not charity [but] a legal obligation of developed countries. The amount of the goal agreed in this decision enshrines climate injustice and it does not meet the legitimate demands of developing countries. The payments of climate debt is a right that the people of the global South are entitled to claim,” Bolivia further stressed.

**Nigeria** in a very powerful intervention, “lent its voice to India”, adding that “it's going to be a huge disservice to my country and women ... in developing countries ... if we walk back home with [the mobilisation of] USD 300 billion and we say that the developed countries are taking the lead. This is an insult to what the Convention says”, adding that “developed countries had the largest share of historical and current global emissions.”

It said that “developed countries [are] saying that [they're] taking the lead with USD 300 billion dollars till 2035” and that this “is a joke and it's not something we should take lightly” adding that this is not “something we should clap our hands for and force us to take it”. It called on Parties to “rethink it” and not just by putting these statements in the record of the proceedings. It said forcefully that Nigeria “does not accept this” explaining that developing countries are expected “to have ambitious NDCs” and that “the NCQG was supposed to enable us to have realistic finance goals” adding that the “USD 300 billion is unrealistic” and that we should not be clapping our hands.

**Malawi**, for the **LDCs** expressed its agreement with India, Bolivia and Nigeria. It said “this goal is not what we expected to get ... It's not ambitious to us” based on the needs reflected on the climate finance gap. On the issue of a special allocation for LDCs, it said that the decision does not provide for the share of resources that should be coming to LDCs and Small Island Developing States [SIDs]. It also was disappointed that there was no reflection in

the text for specific provision of funds for loss and damage and expressed reservation on accepting the decision adopted.

**Cuba** said it “profoundly regrets the insufficient outcomes obtained regarding climate finance” and “that it does not agree with the goal on climate finance”, adding that the scope of the decision adopted demonstrates the lack of agreement among developed countries and “reflects their clear intention to renounce their responsibilities, which have been historically and legally recognised in the Convention and the Paris Agreement.”

It added that the new goal “increases the flow of resources from the global South to the global North in a continued dynamic of environmental colonialism. The new finance goal, as it stands, does not respond to the minimum requirements that have been laid down and in no way will lead to an improvement in the situation. The pledge of USD 300 billion represents less now for developing countries than what was represented by the USD100 billion in 2009”. Elaborating further, Cuba said that if inflation is accounted for over the years, the figure is low, and is “an alarming contrast with the defence budgets of developed countries,” adding that it did not see “guarantees of sufficient support to the NDCs.”

It also expressed that it rejects the attempts of developed countries to impose new standards for emissions reductions which are not aligned with the principles of the Convention and the Paris Agreement, while they also dilute their own responsibility for the means of implementation. It said further that developed countries have an ecological and climate debt to humanity that must be paid, and “cannot make us responsible for the ramifications of their unsustainable patterns of production and consumption”.

**Pakistan** said it was “leaving Baku with mixed feelings and a heavy heart” noting “critical gaps in the decisions adopted”. The finance goal put forward by the developed countries does not match with the needs for the NDCs and National Adaptation Plans of developing countries, it added, further saying that “we demand climate justice. It is not charity, it is moral obligation. Countries are forced to resort to loans to handle the challenges of climate impact. [The] climate crisis is converting

into a debt crisis because means of implementation are not clear”.

The **EU** said, “we do feel that the result of today is actually exceptionally important. We are living in a time of truly challenging geopolitics and we should simply not have the illusion that it will soon get better. So seeing a deal truly is exceptional. Last year ... COP 28 was the beginning of the end of fossil fuels and .... now ... COP 29 will be remembered as a start of a new era for climate finance and the EU and its member states will continue to play a leading role ... to ensure that there is significantly more money on the table. We're tripling the USD100 billion to USD 300 billion goal and we feel it is ambitious, it is needed, it is realistic, and it is achievable. We are confident that this will be a tale of delivery and we've worked hard to support in particular those who are the most vulnerable.” It further added, “access to finance will improve. We have agreed to further boost adaptation finance and that is an area where public money is really truly the driving force”.

On the expansion of the donor base, the EU said, “it is also a matter of fairness and of importance to us that all those with the ability to do so should contribute and therefore it is good given the size of the problem, that we enlarge the contributor base on a voluntary basis, and we're also seeing a historic expansion of the very important role of MDBs in supporting this transition. This simply will bring much more private money on the table and that is what we need and with these funds and with this structure, we are confident we will reach the USD 1.3 trillion objective”.

On mitigation, it said, “we wanted more because the world needs more of it”, and called for the redoubling of efforts at COP30, with “more ambitious new NDCs”. It also welcomed the decisions relating to Article 6 of the Paris Agreement on carbon markets, saying “we have witnessed the historical conclusion of the rulebook for carbon markets. We now have standards with a UN stamp of approval on it and this will drive investment, raise ambition and bring transparency

and higher standards.” It said at COP29, “we delivered on climate finance – on a goal and an increased donor base”, and “also delivered on creating trusted rules for international carbon markets” but it “would have wanted more on mitigation and stronger language throughout the texts on gender and human rights”.

## OTHER KEY DECISIONS ADOPTED

A few other key decisions that were adopted relate to the [Global Goal on Adaptation](#), and the Mitigation Work Programme, i.e. the [Sharm-el-Sheikh mitigation ambition and implementation work programme](#). These along with the NCQG decision and the decisions on carbon markets under Articles 6.2 and 6.4 of the Paris Agreement were declared to be the “Baku Climate Unity Pact” by the Presidency. Key decisions relating to Articles [6.2](#) and [6.4](#) were also adopted. A [decision to extend the enhanced Lima work programme on gender](#) by ten years was also adopted.

No decisions could be adopted on the UAE dialogue on implementing the global stocktake outcomes (UAE dialogue), which was among the key contentious issues at this COP. The Presidency announced that the matter would be considered at the next session [June 2025] of the UNFCCC's Subsidiary Bodies [SBs], for recommending a draft decision to be considered in Belem, Brazil at COP 30. On the UAE Just Transition Work Programme, which was another important and contentious issue, a procedural decision was adopted and discussion on the matter is expected to continue at the next session of the SBs.

The new SB chairs were also appointed at the closing plenary with **Adonia Ayebare (Uganda)** for the Subsidiary Body for Scientific and Technological Advice and **Julia Gardiner (Australia)** for the Subsidiary Body for Implementation.

[Separate articles will follow on the key issues.]