



Climate Action Network

Key Messages: Petersberg Climate Dialogue

March 2025

Climate Action Network (CAN) is a global network of more than 2000 civil society organisations in over 130 countries driving collective and sustainable action to fight the climate crisis and to achieve social and racial justice.

Immense shifts of recent years compounded by ongoing upheavals around the world have raised the stakes at COP30 to halt the dangerous trend of delaying meaningful action while also rebuilding relevance of and trust in the process. The Petersberg Dialogue is the first formal step in this year-long process which will seek to identify some concrete stepping stones to make COP30 the point of much needed course correction. The two-day Petersberg Climate Dialogue (PCD) convening agenda is built around cross-cutting themes of just transition, climate finance, adaptation and the implementation of GST outcomes.

On the imperative to deliver a Just Transition

The pace and depth of the transformation needed to respond to the climate crisis, and the context of disinformation, pushback and a new version of climate negationism held by a growing number of political leaders in the face of a compounding challenge makes the discussion about Just Transition a critical one. Globally, **majorities are still to be convinced** that solid economic planning and social protection can be put in place to generate job and income creating opportunities *for them* when addressing the climate crisis, that governments *can* act in support of economic diversification and global cooperation, that their interests and rights can be protected while transitioning away from fossil fuels and transforming agriculture and food systems. These are fundamental conversations that must find common ground if we are to deliver on what humanity needs: to live in dignity within planetary boundaries.

The impacts of the transition are felt locally, regionally, nationally and between countries. Policy frameworks must therefore be developed in a convergent way across those levels.

The concept of Just Transition has grown in scope and ambition in the years since its inclusion in the preamble of the Paris Agreement. The time has come to ensure its ambitious intentions are not diluted in a fragmented policy landscape, which begins with a clear signal on key principles of Just Transition and the creation of an institutional framework to act towards convergence and acceleration of efforts, **notably addressing the limited policy and fiscal space in global south countries to advance a Just Transition.**

What multilevel capacities (global, multilateral, national and subnational), and investment factors need to be in place to accelerate a 1.5°C aligned just transition?

Keeping justice at the heart of Just Transition **requires recognizing that a majority of countries lack the policy and fiscal space to absorb or compensate** for disruptions to labour markets, government revenue, or to implement the economic diversification and just transition activities that are needed to transition away from polluting industries, in the energy and other sectors. Achieving the pace and ambition required by the Paris Agreement therefore requires a **new wave of multilateral cooperation and solidarity**, where attention is given to both: 1) the policy space, challenging global rules that allow double standards when it comes to industrial policy capacity and environmental and social protection levels, and 2) the fiscal space, taking a courageous multilateral approach to funding a Just Transition.

From this perspective, international support includes creating the right conditions for countries to implement domestic policies, as well as to address the loss of revenue associated with polluting industries. The facilitation of economic diversification and investments into new economic activities is key for imagining prosperity pathways. In order to facilitate rapid economic diversification a major overhaul of the global trade, investment and finance regime, including debt cancellation, or the global intellectual property rights regime will be required.

In the context described above, COP30 can play a significant role in rebuilding relevance for billions of working people and putting justice at the heart of the climate architecture. This can be done through a series of decisions under the Just Transition Work Programme:

1. **The establishment of the Belem International Mechanism for Just Transition (BIM)** to accelerate, consolidate and achieve a holistic Just Transition across the whole economy within and between countries, through international cooperation based on the principles of equity and Common But Differentiated Responsibilities and Respective Capacities (CBDR-RC). The Mechanism will explicitly address **Just Transition pathways related to transitioning away from fossil fuels, advancing agriculture and food systems transitions, industrial processes, deploying Renewable Energies, handling increased demand for transition minerals, and the role of care in advancing Just Transition strategies** among other key areas.
2. **An agreement on principles/safeguards for Just Transition**, which must include, among others, the need for JT to deliver towards the Paris Agreement objectives and be transformational in its intent, respect human rights, invest in decent work opportunities and fundamental labour rights, promote social dialogue and inclusion of all rightholders in shaping up just transition plans, social protection for all those in vulnerable situations, the right to energy, food and water and the restoration of health and environment, and international cooperation to making these principles happen through provision of finance, capacity and technology and international policy reforms on debt, trade, investments, etc.
3. **An agreement on a Just Transition Action Plan**, outlining activities and initiatives that will be undertaken at the UNFCCC to advance and accelerate a Just Transition

4. Recognition that the design and implementation of **Just Transition policies, plans, programmes and practices are supportive of climate ambition and therefore eligible to receive climate finance**
5. **A commitment from Parties to develop comprehensive Just Transition plans** in line with the above principles and the ILO Guidelines and incorporate them in NDCs

COP30 provides a critical opportunity for enhancing international cooperation and synergies across the three Rio Conventions. Participants are urged to work with their Convention on Biological Diversity (CBD) counterparts to submit views on enhanced policy coherence across the Rio Conventions under CBD COP16 decision 22. They are also urged to participate in the Joint Liaison Group-hosted technical information exchange to push for ambitious outcomes at COP30 on linkages with the biodiversity and land degradation agendas, including the consideration of potential landing zones in the agenda. Key actions to deliver synergies at COP30 include establishing a Joint Work Programme across the Rio Conventions and an Ad-hoc Technical Expert Group to support the role of ecosystems under the UNFCCC in delivering the ecosystems provisions of the Global Stocktake (paragraph 33) and the Paris Agreement (Article 5).

On the urgent need to elevate Adaptation

The World Meteorological Organisation recently confirmed fears that the world had breached the 1.5 degree threshold in 2024 and that the world is firmly on track to continue warming. Despite the broad recognition of worsening impacts of climate change, real tangible progress on collective adaptation action has been practically non-existent. COP30 Brazil has a unique opportunity to change this and put adaptation firmly on the political agenda.

Ten years since the establishment of the Global Goal on Adaptation under the Paris Agreement, the cost of adaptation continues to grow while political, finance and resource barriers persist.

- At COP30, Parties should **agree and fully operationalise a fit-for-purpose Global Goal on Adaptation** with the right set of indicators that enable assessment of progress made on adaptation, especially on finance and other resources.
- This year concludes the two-year UAE - Belem Work Programme on Indicators and the **outcome of the agreed set of indicators should be robust and aligned with the principles of justice and equity with cross-cutting aspects and include indicators on Means of Implementation (MoI)**
- The Paris Agreement is clear in its guidance for adaptation to be treated and financed on par with mitigation, but there has been little concrete progress in this regard. The current **goal of doubling adaptation finance by 2025 needs to be exceeded**, as the adaptation finance gap continues to widen
- Parties at COP30 **must agree on a new financial goal for adaptation** based on current needs covering both qualitative and quantitative dimensions, and linked to the NCQG and Baku-Belem \$1.3tn roadmap
- The new adaptation finance **should be additional and should not compete with financing for loss and damage**, and be accompanied by a concrete delivery plan for

the implementation of NAPs and adaptation actions as part of NDCs, especially through public resources.

On Financial Justice

The UNFCCC Standing Committee on Finance (SCF) Second Report on the Determination of the Needs of Developing Country Parties estimates that the financial needs outlined in countries' NDCs total approximately USD 5.0–6.8 trillion by 2030. In addition, based on current needs determination literature, which is recognized to be underestimating needs in various important respects, a minimum of **USD 1 trillion per year in grants and grant-equivalent terms** is needed from developed to developing countries, to cover mitigation, adaptation, and addressing loss and damage as part of inclusive just transition pathways¹. Relative to these estimates, the USD 1.3 trillion target of the Baku to Belem Roadmap stands highly insufficient to even address the needs of the next five years. Recognising this, the Roadmap must

- Consist of **high-quality climate finance**, composed of a **vast majority of public grants**, that is new, additional, predictable and adequate and measured in grant-equivalent terms. This has to be read in the context of a larger accumulating climate debt that the Global North owes to the Global South of 5 trillion a year².
- Be embedded in the **principles of CBDR-RC and equity**
- **Not pursue an agenda where limited public grant based finance is used to attract, leverage and derisk private finance** and not distract Parties from delivery of the USD 300bn per year
- Protect developing countries' and communities' **access to public finance**. It is also critical that the **Roadmap's focus remains on the provision of finance to developing countries** and developed countries' leading role to scale up and deliver qualitative finance, instead of putting the onus on developing countries to create "enabling" environments or having the ability to 'attract' investments.
- **Not create a race to the bottom on quality of climate finance** in order to reach the numeric target and therefore becoming an accounting exercise, counting anything to get to USD 1.3tn

In parallel, COP30 is the opportunity to **assess and address the harmful role of debt, debt distress and debt repayment finance flows, including** their contribution to the expansion of climate-harming industries such as fossil fuels, the role of climate impacts in deepening the vicious cycle of debt in a vicious cycle, and how addressing this indebtedness can unlock public finance for mitigation and adaptation. Parties should bridge climate finance with discussions on a UN debt convention at the Financing for Development conference.

On Ambition and the Global Stocktake

¹ Climate Action Network International (2024), CAN Submission on the New Collective Quantified Goal. <https://climatenetwork.org/resource/climate-action-network-submission-ncqg/>

² Climate Action Network International (2024), Ibid.

The Global Stocktake (GST) process and outcomes are central to the implementation of the Paris Agreement. Unfortunately, the outcomes and the spirit of the first GST are starkly absent in countries' domestic and international commitments, especially in rich and developed countries. At the UNFCCC, this lack of political will is evident in the deadlock that has plagued the UAE Dialogue. **COP30 must be a turning point in this dangerous slide**, and the collective implementation of the Paris Agreement and the GST is brought back on track, **underpinned by the urgent need for just transition and equitable climate action.**

- The GST annual dialogue can facilitate valuable peer-to-peer knowledge sharing and mutual capacity building among Parties on devising and implementing national climate policies, -however this can not be the only space to build or maintain pressure for ambition
- The UAE dialogue on implementing the GST outcomes, which could have served as this space, is stuck in limbo without consensus among parties on the scope of the dialogue
- It is concerning that without a decision on the Dialogue in Baku, **the earliest moment for the UAE dialogue to be back on the agenda will not come before the second half of 2025.** This will be too late for any alignment of the Dialogue with NDC preparations
- **The UAE Dialogue still holds value but not indefinitely.** In order to reach consensus and to retain value and relevance with the real world, the **Dialogue must focus on what is holding ambition and implementation back** in a manner that is participatory, inclusive and open to contributions from observers
- In the absence of a Dialogue at SB62 in Bonn, the COP Presidency Troika **should consider alternative space such as a Presidency Dialogue** to issue the needed political calls for alignment of NDCs with the GST
- As climate action evolves from planning to implementation, regional Climate Weeks are significant moments to build climate ambition, similar spaces should be considered in collaboration with representatives from local levels of governance in order to strengthen the global-regional-local pathways of climate policy and implementation

The GST decision agreed in Dubai provided the world with policy guidance to limit warming to 1.5°C in a just and equitable manner. How this guidance is translated into national policies is up to governments through their respective NDCs. This is why the current round of NDCs, to be submitted this year, gain special significance in the era of implementation. Worryingly however, **the relatively few NDCs that have been submitted to date, especially from developed countries, neither align with equitable 1.5°C pathways, nor do they incorporate principles of climate justice.**

NDCs are comprehensive, rights-based and development-oriented climate action plans³. As such, **the current NDCs should to prominently and explicitly include:**

I. Climate Justice through

³ [Guidelines for NDCs 3.0: Delivering on the GST outcome and beyond](#), CAN, 2024

- *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 and equitable distribution in the collective global effort toward limiting warming to 1.5°C with richer countries like OECD/ANEX II leading through economy-wide transitions with higher ambition, stronger targets, and front-loaded implementation.
- *Coherence and maximising synergies* between NDCs and other relevant national policy instruments 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 disabilities, and local communities are involved in active and meaningful participation

II. 1.5°C Alignment through

- *Real zero emissions⁴ objectives* for developed countries by 2040 and developing countries by 2050, including phasing out of all fossil fuels within the same timeframe and no reliance on or support for dangerous distractions like carbon capture technologies, geoengineering, or offsets.
- *Enhanced absolute emission reduction targets for 2030 and 2035* in line with the IPCC pathway limiting temperature rise to 1.5°C degrees with developed countries taking the lead, and in accordance to CBDR-RC⁵
- *Clear Milestones for the Energy Transition* indicating the implementation of the mitigation outcome of the GST
- *Information on financial support* from developed Parties, which is a key condition for 1.5°C-aligned NDCs and just transition in many developing countries
- Clear indications in each NDC to *halt and reverse deforestation and forest degradation, and protect and restore all relevant ecosystems* by 2030
- 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

Given the massive political and economic shifts of recent years and deepening doubts over the ability of the UNFCCC to deliver on its objective, COP30 will be expected to signal a path forward that ensures the implementation of the Paris Agreement in a manner that is just and equitable.

The Mitigation Work Programme is the only vehicle to host discussions on mitigation implementation within the COP/CMA space. While the MWP is currently hosting thematic global dialogues, it has increasingly failed to deliver on its mandate with persistent deadlocks. In order to strengthen the relevance of the MWP, **the MWP should be redirected to technical conversations on the nationally determined implementation of the GST mitigation outcomes**, especially paragraphs 20 to 42 of 1/CMA.5. Technical discussions in the global

⁴ [High-level principles and recommendations for transformative pathways towards “real zero” emissions](#), CAN, 2020

⁵ 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

dialogues and investment-focused events should focus on accelerating action on those global commitments.

Additionally, the establishment of sectoral funded partnerships that are aligned with principles of just transition would be a key indicator of success of the MWP. The COP Presidency & Parties should also explore and create other opportunities such as presidential or ministerial roundtables that enable constructive discussions on mitigation as it pertains to the implementation of GST outcomes.

Collectively, the biggest contributions countries can make is through **collaboration on unlocking systemic and structural barriers to a just transition in all multilateral forums** including but not limited to those related to the international financial architecture, energy cooperation, trade and technological cooperation. A worrying trend that has undermined the effectiveness of UNFCCC, and multilateralism, has been the growing influence of non-rights based actors and vested commercial interests in negotiation spaces. COP30 could take a decisive step in curtailing this risk by adopting a **conflict of interest policy for the UNFCCC**.