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Breakthrough on Just Transition text in Bonn: All eyes on Brazil next

Penang, 2 July (S.Hui) - The climate talks in Bonn, Germany, that ended on 26 June, saw a breakthrough in the negotiations on the Just Transition Work Programme (JTWP), with the transmission of an informal note for further consideration, setting the stage for a formidable task ahead on agreeing to a decision at COP 30, to be held in November this year in Belem, Brazil. The JTWP negotiations took place under the 62nd sessions of the UNFCCC's Subsidiary Bodies (SB62).

After intense and near breakdown negotiations until the evening of 25 June, Parties finally agreed to take note of the [informal note](#) prepared by the co-chairs **Federica Fricano (Italy)** and **Joseph Teo (Singapore)** "under their own responsibility", and continue consideration of these matters at SB63, with a view to recommending a draft decision for consideration and adoption by the Conference of the Parties to the Paris Agreement (PA) at its seventh session (CMA7) in Belém.

There were many issues of contestation among developed and developing countries. Among the two most contentious issues that emerged in relation to the informal note was on (i) a placeholder on climate change related trade-restrictive unilateral measures, and on (ii) para

11(g) which is related to the key messages emerging from the three dialogues held under the JTWP. Spread over four joint contact groups, both issues were finally resolved by having all views of Parties reflected as additional options in the informal note (to enable a level playing field when negotiations begin in Belem).

The negotiations in Belem will be tough, as there are also other areas of divergence remaining in the informal note, including on the provision of means of implementation (MOI) or support for just transitions and the possibility of having new institutional arrangements to implement the JTWP.

The effectiveness and efficiency of the JTWP will be reviewed in 2026 and its continuation will be considered next year, (as per the Dubai decision reached in 2023). The **G77 and China** has said that this year (2025) is crucial to advance discussions on the JTWP so that the work programme continues beyond 2026. The most significant issue is whether developing countries can successfully clinch a concrete outcome, bolstered by the means of implementation and international cooperation, which would meaningfully support them in their just transitions. (For background on the first week of negotiation in Bonn, please see [TWN Update 6](#))

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Third World Network

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A major bone of contention is over the proposal by the **G77 and China** for new institutional arrangements to implement the JTWP. In this regard, para 28 of the informal note provides three options for further implementation of the programme:

“Option 1: Improving existing modalities;

Option 2: New institutional arrangements [toolbox, guidance framework, global platform, technical assistance network, mechanism] and

Option 3: Defer decision to 2026”.

Developing countries, led by **G77 and China**, proposed that option 1 and 2 are not mutually exclusive and suggested combining them and Parties can work on the specific language to elaborate further. This was however not agreed by developed countries, who placed more emphasis on having key high-level messages emerging from the dialogues as important outcomes from JTWP this year, and did not agree to having any new institutional arrangement that would have additional financial implications, citing that discussions in this regard are pre-mature. Developed countries proposed that Parties should wait until the review of the JTWP in 2026.

Another key area of divergence is on para 11(g) of the informal note, which states, “The importance of facilitating universal access to clean, reliable, affordable and sustainable energy for all, including through the scaled-up deployment of renewable energy and access to clean cooking, and that such efforts may promote energy security and present significant socioeconomic opportunities associated with transitioning away from fossil fuels in a just, orderly and equitable manner, while acknowledging that pathways to energy transitions will vary by country in accordance with national circumstances.”

The **Like-Minded Developing Countries (LMDC)**, supported by the **African Group, Arab Group, Venezuela, Oman, China, India, Saudi Arabia**, and the **Russian Federation** proposed adding another option 2, as an alternative para to the above. From the interventions (see details below), it was clear that the text in para 11(g) combines the notion of facilitating the meeting of basic needs such as access to clean cooking with the idea of transitioning away from fossil fuels, and missing an important dimension of the “right to development”

in developing countries. This was viewed as a red line for these countries. (These issues relate to notions of “climate justice” and “distributional justice”, which is central to just transitions, and also involves the fair sharing of the global carbon budget for limiting temperature rise within the PA goals.)

The para 11(g) issue was the only outstanding issue holding up the joint contact group on 25 June (the penultimate day of the closing of the SB session). A breakthrough came when Parties agreed to have three options, with option 1 being the existing para as per co-chairs’ first draft; option 2 which states “The importance of facilitating universal access to clean, reliable, affordable and sustainable energy for all, including access to clean cooking, and that such efforts may promote energy security”; and option 3 being no text.

Another major point of disagreement was over the framing of text on unilateral measures in the “placeholder” of the informal note. The **G77 and China** proposed that the framing of the placeholder should reflect the title of the agenda item proposed by the Group on the opening day of the SBs on 16 June which was - “Promoting international cooperation and addressing the concerns with climate change related trade-restrictive unilateral measures”. (The proposal for a new agenda item was later withdrawn on the understanding that it can be dealt with under relevant agenda items including in the JTWP). On the other hand, developed countries including the **United Kingdom (UK), Japan, the European Union (EU), and Canada**, preferred to either retain the co-chairs’ proposed framing, i.e., “Placeholder on cross-border impacts of climate measures, including trade impacts” or add to a “no text” option. This was then resolved by reflecting all the views in three options as shown in the informal note, with option 1 being that of the G77 and China’s proposal; option 2 as the existing language in co-chairs’ initial draft; while option 3 is the no text option preferred by the developed countries.

Earlier, at the joint contact group sessions on 23 and 24 June, some Parties provide detailed comments on the changes they would like to see in the informal note, which included the missing comma after the phrase common but differentiated responsibilities and respective capabilities (CBDR-

RC) and before the phrase “in the light of different national circumstances” in the preambular para. The missing comma was raised by many developing countries wanted the text to be as in Article 2.2 of the PA, to ensure the differentiation between developed and developing countries. This call was not rectified in the informal note, but will have to be addressed in Belem.

The informal note is bracketed in its entirety with a note stating that, “This informal note has been prepared by the co-chairs under their own responsibility. The content of the paragraphs is preliminary, has not been agreed, is not exhaustive and has no formal status. It is intended to assist Parties in advancing discussions on this matter and does not prejudice further work or prevent Parties from expressing their views at any time”.

Clearly, the battle lines have been drawn for the next encounter of negotiators in Belem. (See further details and key highlights of the interventions from Parties below.)

ON THE KEY MESSAGES EMERGING FROM THE THREE DIALOGUES

Para 11 of the informal note contains a list of 11 key messages (a) to (k) from the first and second JTWP dialogues, and (l) being the placeholder on additional key messages resulting from the third and fourth dialogues.

In general, the **African Group, LMDC, India** and **South Africa** all called for more balance in the key messages in para 11 and to add more emphasis on the global dimensions.

India said that it has been raising the concern over the imbalances between national and international dimensions, in which the global dimensions are only emphasized in terms of support; while the rest of the text skewed towards domestic dimensions. (This upsets the delicate balance that Parties achieved in the decision from Dubai).

South Africa said para 11 takes on a very strong domestic and national-focus and reminded Parties that they have been raising the lack of focus on the international drivers or dimensions of opportunities and barriers and challenges. It spoke to the need to strengthen the current modalities to be able to support the focus on how we facilitate

international cooperation and address the barriers and challenges. More specifically, **South Africa** asked to include the phrases “right to development” dimension in para 11(g) and for more “balance” in terms of the dimension, scope and focus in para 11 as a whole. **Bolivia** for **LMDC** also proposed detailed textual suggestion in para 11 to bring in more international dimensions.

Fiji for the **Alliance of Small Island Developing States (AOSIS)**, **Canada**, and **Mexico** supported the inclusion of texts in para 11, with the **UK** saying many issues are of utmost importance and deserve their own paragraph. In a similar vein, the **EU** also called on Parties to act on all the key messages, with the exception of para 11(k) on the connection between just transition pathways and ensuring the integrity of all ecosystems and the protection of biodiversity which also mentions “Mother Earth”.

On para 11(g), **Bolivia** for the **LMDC** said its preference is to delete it but “we realise it is [an] important [para] for the others. [As a compromise], we need to balance it with option 2 (see above) and option 3 as “no text.” Elaborating further on its concern specifically on the second part of the para, which states, “...and present significant socioeconomic opportunities associated with transitioning away from fossil fuels...”, **Bolivia** said, “this is an issue of climate justice, the support for vulnerable groups....we are discussing critical topic affecting millions of people.... We are only asking for an addition of a different perspective regarding transitioning away from fossil fuel and energy security. The African Group wants clean cooking but this para brings a different message. It is very critical for Parties to introduce the options that we want to discuss in Belem.”

South Africa for the **African Group** concurred and said, “Regarding element 11(g), in our view, [does] not reflect an area of importance for the group that speak to facilitating energy access... and facilitating energy access through deployment of renewable energy.” It saw value “that (the) energy security issue be elevated as its own.”

According to sources, during the informal-informal consultations which were closed to observers on 24 June, the issue of para 11(g) was also being brought up by some Parties including **Russian Federation** and **India**. In response, **India** said that,

“Para 11(g) links energy access for something as basic as clean cooking fuels with transitioning away from fossil fuels is simply not possible for many of our countries in the near term.... even the richest countries have not been able to achieve it. So, if there is anywhere where we need “transition fuel”, it is for providing basic things such as access to clean cooking. And the para combines these two without a second thought to what it would mean.”

Meanwhile, in the informal-informals, according to sources, the **Russian Federation** suggested to remove the text on “transitioning away from fossil fuels” and explained that the message about “present significant socioeconomic opportunities associated with transitioning away from fossil fuels” is not even reflected in the summary report of the first and second dialogues and also stated that it cannot support para 11(g).

(It is learnt that the para 11(g) text by the co-chairs came from the draft text from the COP 29 Presidency in Baku last year. It also drew strong reactions from the LMDC and several others then in Baku. India made a similar remark last year that the summary report of the dialogues did not capture such a message. A check on the SB Chairs’ [annual summary report](#) on the JTWP dialogues [held last year] revealed that reference to “fossil fuels” was mentioned eight times and mostly are on the barriers and challenges associated with transitioning away from fossil fuels, instead of the current framing as presenting significant socioeconomic opportunities.)

ON FURTHER IMPLEMENTATION OF THE JTWP

On the implementation of the JTWP, the **G77 and China** proposed that option 1 and 2 (as reflected above under para 28 of the informal note) are not mutually exclusive and suggested combining them and work on the specific language to elaborate further.

This proposal was opposed by developed countries.

Japan asked for all options under para 28 to be deleted. The **EU** commented that “sequencing is imperative, with (a) primary focus on improving existing modalities, avoid duplication and use existing modalities, where dialogues are the primary avenue.”

(There was also a suggestion by some developing countries on how Parties can move forward with the various ideas of the new institutional arrangement interessionally between now and COP30. Some of the ideas including a call for submissions on the new institutional arrangement, and some kind of synthesis report to compile all the ideas and views for further deliberation in Brazil. There was however no consensus in the room to include this in the conclusions of the SBs. Meanwhile, a cross-constituency group of civil society have been calling for a global just transitions mechanism viz. Belém Action Mechanism [BAM].)

ON THE MEANS OF IMPLEMENTATION

Another key area of divergence is on the delivery of means of implementation (MOI) and support for just transitions, which are key for developing countries. The **UK** said the language on the support for just transition and finance was “significantly unbalanced”; while **Australia** said it should “not become a proxy for finance talks”.

Further, **Japan** said it did not support para 24 which states, “Recognizes the importance of means of implementation, including capacity-building, climate finance and technology development and transfer, as well as international cooperation, for facilitating developing country Parties in pursuing just transition pathways that promote sustainable development and the eradication of poverty, and that high debt burdens can hinder those Parties in pursuing just transition pathways.”

The **EU** said it needed more language on just transitions as the “enabler (that can) facilitate just transition pathway to 1.5- degree Celsius and climate resilience” as otherwise, it would “create a severe imbalance”. It also called for deletion of paras 24 and 25 (which is about recognising the importance of MOI, while para 25 notes that scaling up new and additional grant-based, highly concessional finance and non-debt instruments remains critical to supporting developing countries, particularly as they transition in a just and equitable manner). **Mexico** for the **Environmental Integrity Group (EIG)** also echoed similar views.

Canada also said that the MOI text as it is “heavily skewed toward one (form of) MOI on finance”,

saying referred to the decision (last year in Baku) on the new collective quantified goal (NCQG) on finance, the “NCQG has provided guidance for the next few decades”. It also called for more emphasis on tying just transition to ambitious climate actions, and the need to reference para 28 (on transitioning away from fossil fuels) of the decision from Dubai on the global stocktake (GST) and also wanted reference to Article 2.1(c) of the PA on “making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development” in the preamble.

New Zealand said that integrating the outcomes of the first GST relevant to just transitions is important and that “finance is not within the scope of the work programme, and that important to work on its mandate. It also wanted deletion of paras 24 and 25.

On the issue of critical minerals in just transitions, **Uganda** suggested to add reference to the “The UN Secretary-General's Panel on Critical Energy Transition Minerals” as one of the relevant instruments and initiatives that might provide guidance for designing and implementing just transition pathways in para 18 of the informal note. **Colombia** also mentioned the need to add a para recognising the role and risk of the extraction for critical minerals.

ON THE PLACEHOLDER TO DISCUSS UNILATERAL MEASURES

The **G77 and China** proposed that the framing of the placeholder in the informal note should be changed to reflect the title of the agenda item proposed by the Group as stated above.

Bolivia for **LMDC** said had a proposal to introduce six paragraphs into the informal-note as it was of the view that this issue is cross-cutting across all the elements in JTWP but it could be flexible with there being a “placeholder” in the informal note.

However, the **UK** said it wanted to see a no text option being added to the placeholder as it has not agreed to including this in the final decision. **Japan** said it does not agree with the placeholder and suggested bringing the issue to the World Trade Organisation (WTO).

In response to UK and Japan, **South Africa**

commented that it was clear from the (adoption of the SBs agenda) that “we create a space” to have a discussion on unilateral measures.

Paraguay also made proposals for some preambular text that can refer to unilateral measures.

The **EU** said it preferred to retain the co-chairs’ proposed framing, i.e., “Placeholder on cross-border impacts of climate measures, including trade impacts” but also emphasised that it has neither agreed to have a text in the decision, nor the framing of this issue. It reiterated the domestic and overarching nature (of just transition) and will continue to discuss the positive, domestic and cross border impacts in a non-confrontational manner.

In a similar vein, **Canada** regarded “unilateral measures” as unclear terminology and suggested not to include it in the text.

This was then resolved by reflecting all the views in three options as shown in the informal note as stated above.

(Meanwhile, in the ‘Response Measures’ contact group which was co-chaired by **Xolisa Ngwadla (Botswana)** and **Annela Anger-Kraavi (Estonia)**, the need to address concerns with climate change related trade-restrictive unilateral measures was also included in a [Conference Room Paper](#) (CRP) submitted by the **G77 and China**. Parties in that contact group adopted [conclusions](#) in Bonn and agreed to continue work in Belem on the basis of the CRP and also invited further submissions from Parties to provide additional views and inputs, as there was no consensus among Parties on the matter.)

Lastly, **Paraguay**, in the final joint contact group of JTWP said that, “Small delegation also has the right to have a voice to be heard. Some countries like ours, we have some trouble to be heard in multilateral setting, happened in other fora [as well and] we have to keep repeating our positions. If we are going to talk about inclusivity, every country has to be heard,” (reflecting the need for ‘procedural justice’ in the JTWP for global just transitions).

