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Clashes deepen over purpose of UAE dialogue ahead of COP 30

July 4, Penang/Delhi (Meena Raman/Radhika Chatterjee): On the closing day of the Bonn climate talks on 26 June, Parties agreed to continue consideration of modalities of the United Arab Emirates Dialogue on implementing the global stocktake (GST) outcomes, referred to in paragraph 97 of Decision 1/CMA.5 (UAE dialogue), on the basis of an informal note prepared by co-facilitators Ricardo Marshall (Barbados) and Patrick Spicer (Canada), under their "own responsibility." It consists of two text versions that were produced during the second week of consultations on the dialogue.

With the entire text bracketed, the informal note reflects the wide divergences amongst Parties not only over the scope of the UAE dialogue, its timeline and outputs, but fundamentally about the purpose and objective of the dialogue itself, signaling the tough fight that lies ahead over this matter at COP30, in Belem, Brazil, which will take place in November this year.

While the scope of the UAE dialogue had always been a bone of contention and divergence (since 2024 after the adoption of the GST decision in Dubai in 2023), the Bonn session revealed the deep divide over the understanding of the Paris Agreement (PA) architecture, the purpose of the GST under the PA and the purpose of the UAE dialogue itself.

These divergences relate to the calls by countries developed and some other developing country groupings such as the Alliance of Small Island States (AOSIS), the **Independent Alliance of Latin American and** Caribbean States (AILAC), and the Least **Developed Countries (LDCs)** for reports to be produced annually from the dialogue, including the consideration of the "collective" assessment of Parties progress based on their national efforts and for adoption of decisions accordingly.

Developing country groupings and Parties like **Like-minded Developing Countries** (LMDC), the Arab Group, India, China, Philippines, Egypt, and Algeria took pains to point out that what was being asked for was a mini-GSTs to take place annually, and that this was contrary to the PA architecture, as the collective assessment of progress is to be done every five years as set out under Article 14 of the PA. Senior veteran negotiators from these groupings repeatedly explained that the GST outcomes [which are the collective assessment of progress of Parties in achieving the PA's goals] inform the preparations of Parties in the submission of their respective nationally determined contributions (NDCs) and national adaptation plans (NAPs), which are "nationally



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determined", and that the next collective assessment process is the GST itself, conducted every five years. [See details below on the various intervention highlights].

[Article 14.3 of the PA reads: "The outcome of the global stocktake shall inform Parties in updating and enhancing, in a nationally determined manner, their actions and support in accordance with the relevant provisions of this Agreement, as well as in enhancing international cooperation for climate action."]

[The first GST (GST1) was carried out in 2023 in Dubai which resulted in the decision which included para 97 establishing the UAE dialogue, which is placed in the 'finance' section of that decision. The next GST (GST2) process will start in 2026, for the collection of inputs and for the technical dialogues and assessment process to take place over 2027-2028, culminating in a decision at the end of 2028 on the collective assessment of progress].

When the developing countries led by the **LMDC**, the **African Group** and the **Arab Group** pointed out that the UAE dialogue cannot be a mini-GST for the collective assessment of Parties NDCs and NAPs annually, the response from developed countries was that they did not want a mini-GST. However, the **developed countries** and the **AOSIS**, **AILAC** and **LDCs** continued to insist on the production of annual reports from the dialogue for the collective assessment and for consequent decisions.

When the **LMDC** and the **Arab Group** pointed out that such a call was in fact a rachet mechanism yearly for updating Parties NDCs [especially in relation to mitigation ambition], the developed countries responded that this was not the case, thus raising the question from the former as to what then is the purpose of such calls, to which no reasonable explanation was forthcoming.

The **LMDC** and the **Arab Group** expressed opposition on the need for having a report from the dialogue and also pointed out that since the technical dialogues of the GST 2 process was due to begin in 2027, the UAE dialogue should end in 2026 for important logistical considerations and in

avoiding the duplication of efforts. This was not agreed to by developed countries, who wanted the dialogue to continue till 2028 [when GST 2 will take place].

On the scope issue, the **LMDC**, the **Arab Group**, India, China, Philippines, Egypt, and Algeria wanted to keep finance at the centre of the dialogue's scope. Pointing out that the mandate for the dialogue is in the finance section of the GST outcome from Dubai, they stressed the importance of the provisioning of predictable and accessible finance from developed to developing countries for the implementation of the latter's NDCs and NAPs and also highlighted the importance of tracking the delivery of finance and on operationalising the implementation of Article 9.1 of the PA. [Article 9.1 of the PA relates to the mandatory provision of finance by developed countries to developing countries for their mitigation and adaptation actions]. The African Group and South Africa also echoed similar positions on keeping finance as the central pillar of the UAE dialogue.

These Parties also expressed the need for discussing enablers and disenablers for developing countries' climate action and highlighted the fact that finance was flowing in the reverse direction from developing to developed countries. Stressing the importance of international cooperation, they pointed out the negative impacts that unilateral measures of developed countries are having on developing countries' ability to implement their climate actions.

Developed countries like the **European Union** (EU), the **Environmental Integrity Group** (EIG), **United Kingdom** (UK), **Australia**, **Norway** and **Japan** wanted the dialogue's scope to be broader and focused on the collective implementation of all GST outcomes. Stressing the need for assessing the gaps and challenges in implementation of GST outcomes, they said it was important to produce reports of these dialogues which would contain key messages. They wanted the reports to be considered by the CMA for a decision and inform the GST2 process.

On the issue of centering finance in the discussion, they said the focus should be on the mobilisation aspect, as opposed to the provision of finance. **Australia** and **EIG** wanted to include a reference to

paragraph 28 of the GST outcome [on transitioning away from fossil fuels] in the UAE dialogue text.

Other developing country groupings like **AOSIS**, **AILAC**, and **LDCs** expressed a preference for the scope of the dialogue to be aimed at the collective implementation of all GST outcomes, with a particular focus on finance outcomes. They said they wanted to see a substantive outcome from the dialogues in the form of reports which could then be considered by the CMA for a decision that would help in raising ambition further.

[The dialogue's scope has been a matter of wide divergence at previous sessions held in 2024 as well. At COP29, decision on the UAE dialogue could not be adopted because it was rejected at the last hour by the **EIG, Umbrella Group, AILAC**, and **AOSIS**. See TWN updates here, here and here. The mandate of the UAE dialogue stems from para 97 of decision 1/CMA.5, which is in the finance section of the text and states: "Decides to establish the United Arab Emirates dialogue on implementing the global stocktake outcomes."]

With such wide divergences of views and perspectives on the purpose, scope, outputs and timeline of the UAE dialogue, reaching agreement in Belem will indeed be most challenging.

Highlights of interventions

Saudi Arabia for the **LMDC** said that the GST has to be implemented through Parties' NDCs, NAPs, and other documents in line with the principles of differentiated eauity and common but responsibilities (CBDR). Referring the divergence amongst **Parties** how "implementation [of GST outcome]" is understood, it said, the "UAE dialogue on implementation of GST outcomes is under the 'finance' section of the GST text...[It] is not an annual GST and shall not be a mechanism to assess collective progress of the implementation of the PA. nor to track communication or implementation of NDCs... This dialogue should not duplicate mandates from the PA and UNFCCC."

Pointing out the lack of consensus on text in the informal note on "collective assessment of progress" it asked whether "assessing collective progress on an annual basis is core to the

implementation of GST or the PA?" Disagreeing with the idea of preparing a synthesis report of the dialogue it said such reports would be used as "some kind of ratcheting action for enhancing NDCs on an annual basis." This it said contradicts the stance of some Parties who say there is a need for enhancing ambition of NDCs but also say that this will not put pressure on Parties' NDCs.

The LMDC stressed scaling up finance from developed to developing countries as a crucial aspect for the implementation of developing countries' NDCs and NAPs. It said the dialogue can address gaps and needs of developing countries and help in identifying enablers for means of implementation (MOI) like finance, technology transfer and development, and capacity building. It said the dialogue could facilitate tracking of financial goals, opportunities and barriers in accessing finance and technology innovation.

Adding further, it said, operationalization of Article 9.1 of the PA is crucial for developing countries and that additionality and predictability of finance from developed countries would be a key part of this. It pointed out that ten years after the PA, finance "remains an obvious gap" which is "crucial if we want to implement GST ambition." It said further, "one of the major barriers to implementing climate action faced by developing countries are the "barriers to multilateralism and international cooperation. We can spend time identifying measures that take financial flows out of developing countries to developed countries." It said that the imposition of unilateral measures "will not help countries in implementing their respective obligations and GST elements." mentioned impact of taxes on imports on restricting international trade and the role such measures play in redirecting finance flows from developing countries to developed countries." It said that there is a need to assess if unilateral measures are causing "fragmentation of the system... [and] if they cause global inequality." It said further that a big component of the GST is "to enhance cooperation" and these "unilateral measures are against enhancing cooperation."

On the modalities of the dialogue, it said the dialogue should end in 2026 to ensure "coherence" and avoid duplication of GST processes since the technical assessment component of the GST2

would begin in 2027, adding that the dialogue should be "facilitative" and "should not duplicate the GST process". **India, China**, and **Arab Group** shared similar views on the timeline of the dialogue.

Philippines asked several pointed questions -"What is the purpose of the dialogue? What would be the impact of having a more normative process of having a dialogue and a follow up every year?... [would it mean that] each CMA comes up every year [to say] that Parties need to scale up their GST implementation? Would that imply a constant cycle of updating NDCs every year? What does that mean for the system of the PA? Would it mean are we mistaking the review process for implementation?" Elaborating further, it said, updating NDCs constantly is a very difficult process. If updating of NDCs is required every year, "would that mean that developed countries would be willing to enhance their commitment to provide finance, technology, and capacity building every year? Then we would be willing to consider updating our NDCs every vear."

It said there is a need to reflect on what implementing GST outcomes means for the PA architecture under Article 14. Citing decision 19/CMA.1, it said in Katowice (Poland), Parties "did not foresee any other process" other than the GST to assess the implementation of the PA every five years. It asked if we are "setting up the GST to be an annual GST in between the five-year cycle of GST? [If so] are we then not amending the PA? This kind of annual review will hamper the implementation of climate action, especially without the MOI." Adding further, it said, "it does not make sense to have a series of dialogues, and said that it should end in 2026." It said the focus of the UAE dialogue should be on provision and mobilisation of finance and other MOI.

India said there is no process under the PA for the implementation of GST outcomes. It said the GST is to inform Parties on their ambition in their NDCs. It said, "we cannot have a process which is called a dialogue [and] insist on the production of a report...It implies something more. Then there is a call for a decision. What would this decision be each year? That Parties are not doing enough? This is not provided for in the PA." It said further that the dialogue has to focus on sharing of experiences,

particularly enablers and disenablers that shape climate ambition of Parties.

It said implementing GST outcomes along with the implementation of the PA goals would amount to having "a new set of global targets" for which "some Parties want to create a process of evaluation and monitoring". It pointed out that the language of para 28 in the GST outcome "calls on Parties to consider on how they would contribute [to the targets]" and that it does not say Parties "should" contribute to those targets. "It does not call on some Parties to call on other Parties to implement those targets."

It said if the dialogue has a decision about implementing GST outcomes, "the dialogue will encroach upon the nationally determined nature of NDCs. [It would amount to a] process of implementing new targets, a ratcheting mechanism...to create a parallel structure which will not fly." It also highlighted the need for including Article 9.1 of the PA in the discussion, along with "disenablers like unilateral measures."

China said that in 2015 when Parties agreed to the PA, it was agreed that "Parties will communicate their NDCs. We will have [the] GST as a collective assessment of collective efforts. The next round of GST will conduct the review again. Follow up of the GST will be [through] the NDCs. If [the] review happens every year, we will have no time to implement." It said the "core essence" of the UAE dialogue "is to exchange views, talk to each other, share best practices, learn from each other." It asked whether the decision from the dialogue would reflect "key messages" from all Parties? Pointing out that "different countries have different capacities," it said Parties "are in a regime where NDCs are nationally determined." The scope of the UAE dialogue "should be derived from the context of the mandate [which is the] finance section of the GST outcome. Other elements are out of the scope of UAE dialogue. Some Parties want a mini-GST. That is not how the PA works." It said the UAE dialogue should facilitate the implementation of the PA in pursuit of the objectives of the Convention, and stressed that the dialogue should not "duplicate efforts under other workstreams" of the UNFCCC and PA.

The UAE dialogue should instead focus on having discussions on "gaps to implement" Parties' NDCs, especially "financial needs and challenges faced by developing countries [and] how to clear barriers, accessibility [of finance]." Adding further, it said, the discussions in the dialogue should focus on "operationalising Article 9.1 of the PA.

It also stressed the importance of having more negotiations on the matter and warned against the "dropping texts" and recalled that the failure of the Copenhagen talks was not about the substance but due to the failure of the process. [China was referring to the climate talks in Copenhagen, Demark which collapsed in 2009, when decision texts were parachuted from the Danish Presidency for Parties to adopt on a take-it or leave it basis].

Qatar for the Arab Group said that "para 97 of GST outcome falls under the finance section. It is not a general follow-up [of all outcomes]. The mandate of this dialogue must be understood as a focused, finance-specific dialogue. It is not intended to redefine implementation pathways or introduce new layers of tracking. When it comes to the overarching elements as stated in the Article 14 of PA that the outcomes of the GST shall be implemented through our national action, in line with equity and CBDR and respective capabilities. Taking that into account, there is no mandate within the dialogue or any GST outcomes that would be supersede the NDC implementation of the PA nor in duplicating the GST outcome."

It also said that "transitioning the NDCs and NAPs into tangible implementation requires scaling up finance from developed countries," adding that "the UAE dialogue needs to create a safe space to identify these areas...[of] support for developing countries, across all pathways they choose to pursue climate action and implement their NDCs and NAPs. To shed light on the cost needed for the developing countries NDCs, is between USD 5.1 to 6.8 trillion up until 2030. And the adaptation financial needs are USD 215 to 387 billion annually up until 2030. These cost estimates are lower than the actual needs since large part of the needs have not been costed by developing counties. This shows that a significant gap in mobilizing the necessary financial resources. addressing technology barriers and ensuring equitable access to capacity building opportunities. Thus, the

achievement of Article 9.1 does not only require additional public funding to achieve higher mobilisation in the context of the USD 300 billion per year, it is needed to achieve enhanced support beyond the USD 300 billion per year and in the context of the USD 1.3 trillion per year aspiration."

In addition to that, unilateral measures such as Carbon Border Adjustment Mechanisms (CBAM) are expected to reduce global emissions by 0.1% while costing developing countries around USD 6 billion in lost income. While the developed countries are set to gain USD 3 billion resulting in a USD 9 billion income gap due to this measure. We cannot be serious about implementation if we are not addressing these serious challenges."

Adding further, it said, "we need to preserve the integrity of the GST. While the UAE dialogue can contribute to follow-up actions on finance, it must not become a parallel GST or a backdoor attempt to re-open discussions on NDCs or to introduce new benchmarks, metrics, or conditionalities or rewrite the bottom-up nature of the PA. This dialogue should remain focused on enhancing international cooperation and support, not on tracking or evaluating Party actions, that role is already fulfilled by the GST."

Ghana for the African group said the dialogue should not be something that feeds into the GST2. Rather it is finance that should be central to the dialogue. It asked for including a reference to Article 9.1 of the PA in the text and preferred using the term "provision" instead of "mobilisation" of finance from developed to developing countries. It said the dialogue should "take place in a non-prescriptive manner," and asked the secretariat to prepare an annual summary report of the dialogue as that would be helpful.

South Africa said the phrase "shall inform Parties" in Article 14 of PA is "quite important." It said "collectively enhancing implementation of the PA" has to happen "through existing processes under the PA. It asked if there is a way to express finance for mitigation, adaptation, technology development and transfer and capacity building for climate action and pointed to the need for having this discussion. It said there is a need to focus on international cooperation and stressed that the "UAE dialogue is not a mini-GST."

Maldives for AOSIS said the UAE dialogue "must serve as a platform for follow up of all outcomes of GST with a particular focus on finance in all forms of climate action." It said the dialogue must be an "inclusive and engaging process" in which the focus can be on "identification of gaps and challenges" in the implementation of GST outcomes. Adding further, it said, the scope of the dialogue should "consider collective progress for implementation of all GST outcomes with particular focus on finance and MOI to support GST outcomes implementation." It said that as "a follow up mechanism", the co-facilitators of the dialogue should "develop an annual synthesis report for consideration at each CMA session. [This report] should capture... gaps and challenges in achieving" GST outcomes. Further, "each round of the UAE dialogue should result in a CMA decision," the outcomes of which "should feed into the next dialogue."

Colombia for **AILAC** said "MOI needs to be a part of the dialogue. Finance and implementation of most important finance is issue implementing **GST** outcomes...collective implementation of GST outcomes continues to be a necessary input when trying to address finance for GST outcomes." It said "implementation is nationally determined through NDCs and NAPs" and "enhanced international cooperation has a very important role to play" and that both "should be part of the dialogue's scope. It said the UAE dialogue should "consider collective progress on implementing all outcomes of GST and identify all opportunities in the provision of finance, capacity building, technology development and transfer" and support for NDCs and NAPs. It said there should be a "substantive summary report for the consideration of CMA" from the dialogue. Adding further, it said "the dialogue should lead to consequences." It said the dialogue should continue till 2028.

The **LDCs** said "implementation of GST must cover" MOI support and address loss and damage. It stressed the need for addressing gaps to ensure alignment with 1.5 °C goal. It said the scope of the dialogue "must focus on implementation of all GST outcomes with a focus on MOI. Finance gap is very key in GST outcome implementation." It also highlighted the importance of capacity building and technology transfer in this context. Adding

further, it said "enhanced international cooperation and support for implementation of NDCs and NAPs" is crucial. It also said that "raising ambition on adaptation, mitigation, MOI" and addressing loss and damage are very important to the group.

The **EU** said it is "key to have a substantive output of the UAE dialogue" in the form of a "summary report". It said there could also be synthesis report for the consideration of the CMA "to ensure the implementation of the GST decision." It asked for an annual ministerial dialogue on the outcomes of GST. Adding further, it said, "a synthesis report" by the co-facilitators will inform the GST 2 process and progress towards long term low emission development strategies (LT-LEDS) of the PA. It supported the idea of having a "broad spectrum of support for implementation of GST" which would happen at the "national level through NDCs and NAPs." It said there is also a need for "collective action" and "international cooperation." It said "GST is about action and support." In the context of support for developing countries and all MOI, it said focus should be on "mobilisation of finance, technology development and transfer, capacity building" and "not just the provision of finance." Finally, it said it "wants to see a substantive outcome with a view to agree on an annual GST dialogue. [We] would like the outcomes of UAE dialogue to feed into the GST2 process."

Switzerland for **EIG** said there would likely be some "overlap" of the UAE dialogue with other workstreams under UNFCCC. It said it had a "broad understanding of finance" and that it "would also like to see a reference to Article 2.1.c of the PA" in the text, which it said would be "pertinent if we look at implementation of GST outcomes." It stressed that it had a broader view of MOI which included not just finance but also technology and capacity building. It said it wanted to see the dialogue focus on the implementation of GST in a "comprehensive manner". It expressed concern about not finding a reference to those issues of GST outcome which do not have a "home", [making an implicit reference to para 28 of GST outcome, which has global targets related to energy transition]. It supported preparation of reports from the dialogue with key recommendations and using those reports to feed into the GST2 process.

Australia said "the outputs of the dialogue is a key issue. This was the element that prevented agreement to a decision in Baku." It said the scope of the UAE dialogue should be "comprehensive" covering "mitigation, adaptation, and all GST outcomes." It said the "dialogue should focus on implementation of the first GST." It said it "wants assessment of collective progress" of GST implementation. Adding further, it said, "there are different views about what GST within a GST means...it is hard to understand how enhancing towards implementation ambition assessment." It also asked to include a reference to para 28 of the GST outcome in the text. Regarding the discussion of finance aspects in the dialogue, it expressed a preference for the term "mobilisation" to "provision". It said that it would like to "see a report from each dialogue" which would contain "key messages."

The **UK** said it would like the UAE dialogue to focus on the collective implementation of all GST outcomes. It favoured the preparation of reports from the dialogue, which it said "could be effectively used" especially if it has "key messages".

Norway and **Japan** had similar views to those of EU, EIG, and Australia.