Africa Climate Talks 2025

Theme: Financing Climate Responses in Africa

6-7 April, Kampala & Online

Concept Note

COP29, billed the "Climate Finance COPA" , concluded in Baku, Azerbaijan, in November 2024 with what many consider to be minimalist outcomes on the future of financing for climate actions. Negotiations on the New Collective Quantified Goal (NCQG) on climate finance culminated in commitments to mobilize $300bn in climate finance by 2035. According to the UNFCCC's Second Needs Determination Report, a cumulative US $5.012-$6.852 trillion is required until 2030 to support developing countries in achieving their Nationally Determined Contributions. The gap in adaptation finance alone is US $194-366 billion per year. Africa alone requires at least $1.3trn annually for NDCs and adaptation. The NCQG allocates just $300 billion in public finance, with no guarantees that these funds will be accessible or sufficient. The $300bn/yr represents barely 12% of the estimated financing needs of developing countries, even without accounting for inflation. Much of the $300bn is expected to be loans or investments, not grants, further deepening the debt burdens of African countries. The NCQG also dilutes the principle of "common but differentiated responsibilities" enshrined in the Paris Agreement by relying on voluntary contributions from emerging economies and private investments. The timeline of 2035 is too late, and there are no guarantee that the $300bn will be provided before 2035. In addition, the agreed NCQG has no sub-goals for mitigation, adaptation and loss & damage, and no separation of provision or mobilization goals.

The COP reached agreement on carbon trading under Article 6 of the PA, bringing nearly a decade of negotiations to a close. Countries agreed standards for a centralized carbon market under the UN (Article 6.4 mechanism). This mechanism, known as the Paris Agreement Crediting Mechanism (PACM), is underpinned by mandatory checks for projects against strong environmental and human rights protections, including safeguards that ensure a project can't go ahead without explicit, informed agreement from Indigenous Peoples. The article 6 agreement includes:

- a mandatory "sustainable development tool" that offers environmental and human-rights safeguards,

- downward adjustment of the “baselines” against which carbon credits can be issued and
- “additionality” checks to avoid projects “locking-in” high emissions

The agreement also allows anyone affected by a project to appeal a decision or file a complaint. The decision on Article 6.2 provides clarity on how countries will authorize the trade of carbon credits and how registries tracking this will operate, and provides reassurance that environmental integrity will be ensured up front through technical reviews in a transparent process.

The article 6 outcome means that rules governing country-to-country trading under Article 6.2, as well as a new international carbon market under Article 6.4, are now more or less complete. This represents a “breakthrough” that “achieves full operationalization of Article 6”. The outcome can potentially foster the emergence of a viable, UN-backed mechanism to broaden and link carbon markets across the world.

Other significant outcomes of COP29 relate to Adaptation and Loss and damage. On adaptation, negotiations based on COP28 “framework” to guide national efforts to protect their people and ecosystems from climate change was adopted under the Global Goal on Adaptation (GGA). COP29 negotiations covered 5 areas under adaptation, with national adaptation plans (NAPs) and the global goal on adaptation (GGA) as the most prominent. Focus was on the UAE-Belém work programme on indicators for measuring the progress made and developing indicators for the 7 thematic targets. However, parties diverged on whether there should be indicators on “means of implementation” (MoI) of the GGA targets (finance), on establishing GGA as a permanent agenda item, as well as on the notion of “transformational adaptation”. Negotiations regarding the incorporation of loss and damage into the NCQG were inconclusive, with COP agreeing that L&D will not be addressed by NCQG. There was only 1 new funding pledge for the L and D fund, Sweden pledged $19M to the Fund, subject to government approval. This brings the total pledged funding to more than $759M.

In Summary, COP29 did not yield many positive results for Africa. It is thus important to review these outcomes with a view to engaging African Member States to explore innovative ways to support climate action on the continent and to seek more ambitious climate responses from the developed world in order to keep the 1.5 degrees target within reach. Given the increasing impacts of climate change on the continent, it is also urgent that ways and mechanisms be sought to expedite decisions on adequate financing for adaptation and loss and damage. The refinement of the Article 6 rule book make it imperative that the continent moves swiftly to develop the requisite capacities to engage in carbon markets through collective processes which safeguard against a race to the bottom in carbon pricing.

ACPC, in partnership with the Pan African Parliament, AUC, AfDB, and PACJA, will convene a side event at the ARFSD in Uganda. Proposed objectives of the side event will include:

1. Review of he outcomes of COP29 – implications for Africa
2. Guidance of the process of developing NDC 3.0 – the role of parliamentarians in developing comprehensive and implementable NDCS
3. Towards COP30 – engaging parliamentarians and representatives in defining Africa's agenda.