

# COP29

*Report prepared by International Chamber of Commerce (ICC) COP29 Team*

## COP29 | Business and Industry NGOs | OUTCOMES & KEY ACHIEVEMENTS

We would like to share with you key insights from the final days of COP29 in Baku and highlight the main achievements of what was framed as the “Finance COP”.

### FINAL OUTCOME OF COP29

After eleven months of strenuous diplomatic efforts undertaken by the Azerbaijan Presidency, extensive informal work through the year, and two weeks of highly tense and complex technical and political negotiations, COP29 finally concluded in the early hours of Sunday, 24 November, over thirty hours later than originally scheduled.

Amid one of the most challenging geopolitical and economic contexts in recent years, nearly 200 countries came together to reach an agreement on, *inter alia*, an important set of outcomes referred to as the “[Baku Climate Unity Pact](#)”, which includes the major adoption of the New Collective Quantified Goal on climate finance (NCQG), as well as decisions on the Global Goal on Adaptation (GGA) and the Sharm el-Sheikh mitigation ambition and implementation work programme (MWP). Other key decisions were secured during the conference, notably the finalisation of guidance and rules to fully operationalise international carbon markets under Article 6 of the Paris Agreement.

In his closing speech, COP29 President Mukhtar Babayev described this conference as the end of a defining chapter in the climate crisis, marking the close of the first decade since the Paris Agreement, and he thanked Parties for their hard work and courage in reaching this point. As UNFCCC Executive Secretary Simon Stiell noted, “no country got everything they wanted, and we leave Baku with a mountain of work to do”.

The last days of COP29 were marked by intense technical work on a limited set of issues, alongside closed-door ministerial and presidency consultations on unresolved political matters, with signs of progress on several agenda items emerging only in the final moments before the Closing Plenary.

During an informal stocktake plenary on Wednesday, 20 November, the appointed pairs of ministers reported on their consultations, highlighting remaining key areas of divergence on the NCQG, mitigation, adaptation, and Article 6. COP29 Lead Negotiator Yalchin Rafiyev urged Parties to continue engage with a spirit of collaboration, compromise, and determination. The following day, the COP29 President convened the *Qurultay*, the traditional Azerbaijani assembly for collective and united decision-making, to hear Parties’ views on the latest texts issued that morning. In a five-hour sequence of statements, many expressed concerns and frustration about the pace of negotiations and the state of the texts on the table.

Following the Qurultay, Ministers and negotiators intensified their efforts, working tirelessly day and night, mostly behind closed doors, to build consensus. The final days of the conference were marked by anxious waiting for most observers, who eagerly awaited new iterations of the Presidency texts and updates on the potential Closing Plenary. Parties’ consultations continued

through Friday and Saturday in an extremely tense atmosphere, with fears of failing to reach an agreement rising Saturday afternoon during consultations on the NCQG, when delegates from LDCs and SIDS suspended the session, stating they were not able to engage on the text, as their needs were not being heard. Exchanges and huddles continued until just minutes before the adoption of decisions in the second part of the Closing Plenary early yesterday morning.

While the outcomes of the decisions adopted in Baku could have offered clearer signals of countries' commitment to supporting the most vulnerable and keeping the 1.5-degree limit within reach, they represent an important step forward, offering a critical foundation to build upon in the months and years ahead.

Please refer to the attached final statement delivered on behalf of Business and Industry at the Closing Plenary early this morning, reflecting progress on key elements, as well as developing countries' concerns and criticisms regarding the NCQG outcome and adoption process, particularly on the lack of transparency and inclusivity. The statement from ICC Secretary General John W.H. Denton AO can be found [here](#).

### **NCQG**

After three years of extensive technical work and two weeks of extremely complex and delicate technical and political discussions on the key issue of this COP, Parties managed to secure a hard-fought deal on the NCQG, which President Babayev described in the Closing Plenary as “the hardest task that the multilateral climate process has ever attempted”.

Ministerial consultations led by Australia and Egypt in the second week focused on the contentious issues of structure, quantum, and contributors. Technical-level work was also conducted in the format of Heads of Delegation drafting groups through the week.

Key elements to note from the adopted new goal are:

- at least \$300 billion core goal per year by 2035, with developed countries taking the lead, in the context of the broader mobilisation of \$1.3 trillion per year from all actors to support climate action in developing countries;
- encouragement to developing country Parties to make contributions, including through South–South cooperation, on a voluntary basis;
- invitation to financial institutions, including MDBs, to align their operational models, channels and instruments to be fit for purpose for urgently addressing global climate change, development and poverty;
- recognition of the importance of reforming multilateral financial architecture and the need to remove barriers faced by developing countries to access climate finance;
- launch of a “Baku to Belém Roadmap to 1.3T” to close the gap to trillions;
- decision to take stock of the implementation of the NCQG, including through a review in 2030.

While developed countries welcomed the deal as a platform from which Parties can build, with the EU referring to COP29 as the “start of a new era for climate finance”, many developing countries expressed their deep disappointment with the NCQG's inadequacy to provide the level and quality of support needed and regretted the signal it sends on the intention of developed nations to walk away from their responsibilities.

Please refer to the [decision](#) adopted in the Closing Plenary.

## Article 6

Beyond adopting the new climate finance goal, Baku will be remembered as the COP that achieved the full operationalisation of Article 6, with countries finally agreeing on provisions for carbon market mechanisms under the Paris Agreement, bringing nearly a decade of negotiations to a close until 2028. The leadership of the COP29 Presidency, alongside ministers from New Zealand and Singapore, was critical in securing this agreement. With provisions finalised, substantial focus must now shift to implementation and capacity-building to ensure effective market operations.

On Article 6.2, while bilateral collaboration was already underway, the decision adopted in Baku provides further guidance on the implementation of cooperative approaches, with a focus on rules for authorisations' content, changes, and timing, as well as inconsistencies and the registry's function. The adopted decision can be found [here](#).

Following the landmark and swift day-one endorsement by Parties of the Article 6.4 Supervisory Body's standards on methodologies and removals, discussions on the centralised crediting mechanism continued into the second week. Parties focused primarily on the mechanism's operation and the transition of CDM activities to the Article 6.4 framework. The adopted draft decision can be found [here](#).

## Global Stocktake

Following difficult discussions during the first week on the UAE dialogue to implement the GST outcomes, including before the Conference even started, divergences of views regrettably persisted in technical and Presidency consultations during the second week, notably on the scope of the dialogue and references to help implement and track progress towards the stocktake targets.

Various iterations of the text were published throughout the second week, but the [latest version](#), released shortly before the resumption of the closing plenary on Saturday, was rejected by developed countries, AILAC, and AOSIS. They cited significant weakening of the text, arguing that it failed to adequately outline the tools and procedures necessary to achieve most GST outcomes and provide clear guidance for the NDCs due next year. The COP29 President deferred consideration of this matter to the next SB session in June, aiming to finalise a deal at COP30 in Brazil.

In addition to the UAE dialogue, Parties discussed a number of related issues, which proved equally challenging. Please refer to the informal note on procedural and logistical elements of the overall GST process [here](#). Consensus could not be reached on the report on the annual GST dialogue, with discussions deferred to June. Similarly, Parties were unable to agree on further guidance for the next set of NDCs.

## Mitigation

Following a challenging start to mitigation discussions in the first week, including the application of Rule 16 at the SBs closing session to defer the consideration of the Sharm el-Sheikh mitigation ambition and implementation work programme (MWP) item to next June, the COP29 President decided to continue technical and ministerial consultations in the second week. Discussions centered on desired mitigation outcomes, key political messages to emerge from COP29, and their appropriate placement.

Strong divergences and a sense of frustration persisted to be seen in the room, particularly regarding the mandate of the work programme and its necessity to inform the next NDCs. These disagreements led to the adoption of a [procedural conclusion](#), which failed to include any reference to the 1.5-degrees limit and the GST outcomes from Dubai.

### **Global Goal on Adaptation**

Multiple streams of discussions on adaptation continued both at the technical and political levels in the second week, with ministers from Ireland and Costa Rica leading political consultations on the key item on Global Goal on Adaptation (GGA), to build bridges on the main elements of contention from week one.

The Presidency Stocktaking Plenary highlighted a shared recognition of the importance of elevating adaptation to the level of urgency and support required and the current insufficient adaptation finance on scope and number. However, divergences persisted on key issues, such as developing indicators for means of implementation, establishing GGA as a permanent agenda item, and discussing “transformational adaptation”.

The [adopted decision](#), *inter alia*, provides further guidance for compiling and developing indicators for the UAE Framework, including on means of implementation, launches the “Baku Adaptation Roadmap” and places the GGA on the agenda for future meetings.

### **Just Transition**

After challenging discussions at the Bonn SB sessions in June, Parties at COP29 resumed negotiations to further operationalise the “UAE Just Transition Work Programme” (aka JTWP), which was agreed upon in Dubai last year.

The same elements that divided countries in Bonn reemerged in Baku, notably on strong mitigation VS adaptation and finance focus in the work programme, as well as references to the GST outcome, the 1.5 goal, and unilateral, trade-restrictive measures. Progress remained slow throughout both weeks, with some Parties expressing concern over the Presidency's limited ability to support discussions in the final days. Several iterations of the text published in the second week failed to foster consensus, and Parties ultimately could not adopt a decision to establish a clear pathway for an actionable work plan in the coming year.

A copy of the “From the Ground” insights on the first week of negotiations can be found attached.

A heartfelt thank you to all who actively participated and contributed to our work leading up to and during COP29. Special thanks to the ICC team at HQ for their support, and to our production team for their tireless efforts in ensuring a smooth experience with our spaces on the ground.

We are looking forward to seeing you all again in Belém!

Kind regards,  
ICC COP29 Team