

DISCUSSION PAPER

INFORMAL MEETING OF THE ENVIRONMENT MINISTERS

WORKING SESSION I – THE ROAD TO COP29

11 - 12 JULY 2024, IN BUDAPEST

COP28 delivered a historic signal for the beginning of the end of the fossil fuel era. The first Global Stocktake¹ under the Paris Agreement, concluded at COP28, has also shown that currently we are not on the path globally to meet the 1,5°C temperature goal of the Paris Agreement. Getting on that path requires a global reduction of greenhouse gas emissions of 43 per cent by 2030 and reaching net zero carbon dioxide emission by 2050. Paragraph 28 of the decision on the outcome of the Global Stocktake calls among else on tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030, and transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner.

The EU and its Member States have already agreed on a 2050 climate neutrality target and numerous legislative acts under the Fit for 55 package setting the framework to reach at least 55% emission reduction by 2030 compared to 1990, which put the EU on a path that is consistent with a global pathway to 1.5oC. At the same time the implementation of the 2030 framework also raises significant challenges, related to maintaining EU's competitiveness and support by the society, demonstrated among others by farmers' protests, these topics have been widely covered in media. The EU has always been a pioneer and continues to be in leading by example to push for higher mitigation ambition globally; at the same time, the EU's credibility in international negotiations may be also dependent on how much we are able to demonstrate sustained support for EU climate policy measures and their positive impacts on our economy and businesses and eventually, through strengthening the economic power of the Union.

¹FCCC/PA/CMA/2023/L.17

This year's UN Climate Change Conference in Baku (COP29) is referred to as the *enabling COP*. At COP29, Parties should agree on a New Collective Quantified Goal on Climate Finance for developing countries. The EU and its Member States have been the biggest contributors of climate finance, and, according to the latest OECD assessment, only in 2022 developed countries have managed to reach (and surpass) the currently applied (from 2020 through 2025) 100 billion USD goal by providing and mobilising 115,9 billion USD.

Lastly, the decision on the outcome of the Global Stocktake requests Parties that have not yet done so to strengthen the 2030 targets and align them with the temperature goals with the Paris Agreement by the end of 2024. Furthermore, the submission of the next round of Nationally Determined Contributions (NDCs) is scheduled by 2025. Many developing country Parties have signalled their intentions of tying their new emission reduction targets to the provision of financial resources by developed countries.

The Presidency is therefore looking for views and guidance of Ministers regarding the way towards COP29 under the following guiding questions. (Interventions in 2 minutes.)

Questions for discussion:

- 1) *How forthcoming should the EU be during the new finance goal discussions of 2024 as the biggest contributor of climate finance and how far should we go with our request to broaden the contributor base under the New Collective Quantified Goal? How should we build on the fact that traditional contributor countries have reached the yearly 100 billion USD target in 2022?*

- 2) *How to best showcase at international level the EU climate policy achievements specifically in relation to the adoption and implementation of the Fit for 55 package, taking also into account that the focus is being shifted towards a competitiveness approach and challenges in view of ensuring effective implementation are growing? How in your view these may impact the EU's negotiating position?*



3) How to effectively push for higher ambition among other Parties to scale-up domestic ambition in line with the 1,5 °C Paris Agreement objective while addressing the issue of conditionality of the new round of NDCs? Which Parties should the EU focus on in the run up to COP29?