



Welcome to the **twenty-first edition** of **P₂N₀** covering our take on the key outcomes from **COP 29** (the **COP-29 Special Edition**).

During the week commencing **December 16, 2024**, the twenty second edition of **P₂N₀** will be published, covering news items arising during **calendar year 2024**.

On **January 17, 2025**, the **twenty-third edition** of **P₂N₀** will be published, covering key news items arising during the last two weeks of November through January 16, 2024.

Access previous editions of **P₂N₀** by clicking [here](#).

Edition 21: COP-29 Special Edition

THE ARC OF COP-29

Background:

From **November 11, 2024**, to **November 24, 2024**, the twenty-ninth **Conference of Parties** of the [United Nations Framework Convention on Climate Change \(UNFCCC\)](#) took place in **Baku, Azerbaijan (COP-29)**.

As with **COP-28**, **COP-29** was extended for two days to allow space and time for the Parties to reach agreement on key matters, critically, at **COP-29** on **Finance** and the **New Collective Quantified Goal on Climate Finance**. And as with **COP-28**, the good folk at **COP-29** managed to reach a consensus which at one point seemed unlikely.

The [Paris Agreement](#) was agreed by Parties to the **UNFCCC**, and provides the focus for each Conference of Parties, at **COP-29**.

While **COP-29** was underway, the **G20 Rio de Janeiro summit** was held in Brazil on **November 18 and 19, 2024**. [Rio de Janeiro Leaders' Declaration](#), raises three key themes (generally), the second of which relates to sustainable development, energy transitions and climate action. The Declaration is affirmatory rather than revelatory.

Context:

One of the themes that has emerged during 2024 is the tacit acceptance, some may say the express acceptance, that limiting the average global temperature increase to 2°C above pre-industrial times is now the target, rather than limiting the increase to 1.5°C.

COP-29 was bookended by the other two **Big Three Climate Conventions**:

- **COP-16** is the **Sixteenth meeting of the Conference of Parties to the [Convention on Biological Diversity](#)**, held between **October 21, 2024**, and **November 1, 2024**, in **Cali, Columbia**; and
- (the other) **COP-16** being the **Sixteenth meeting of the Conference of Parties to the [Convention to Combat Desertification](#)** being held from **December 2, 2024**, to **December 14, 2024** in **Riyadh, Kingdom of Saudi Arabia**

During **COP-29**, achieving progress was not easy. In fact progress was difficult, markedly so on finance.

And while what needs to be done is known (and is now recognized clearly), it needs to be done in a way in which Parties to the **Paris Agreement** work through matters to achieve consensus. This requires further work, for as we will see, **COP-29** did not achieve, objectively viewed, that which it was hoped would be achieved.

As will be apparent from this **Edition 21** of **P₂N₀**, consensus was not reached on a number of key issues. These issues will be picked up again in **June 2025** in **Bonn, Germany**, and at **COP-30** to be held in **Belém, Brazil** from **November 10, 2025**, to **November 21, 2025**¹.

¹ **Decision - / CP.29, Dates and future sessions** at paragraph 1 reiterates appreciation for the offer of the Government of Brazil to host the thirtieth session of the Conference of Parties, the twentieth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, and the seventh session of the Conference of the Parties to the Parties serving as the meeting of the Parties to the Paris Agreement from Monday, 10 November 2025, to Friday, 21 November 2025.

Agenda setting:

COP-29 President: In **Letters to Parties and Constituencies** (in [July 2024](#), [August 2024](#), [September 2024](#), and [November 2024](#)) the **President of COP-29, H.E. Mukhtar Babayev** set the scene for **COP-29** as follows:

- In the **July 2024 letter**, defining **Two-Pillars of the COP-29 Vision: Enhance Ambition, Enable Action:**
 - **Enabling Action (Pillar 1):**
 - **Finance** and **The New Collective Quantified Goal on Climate Finance (NCQG)**;
 - **Article 6 of the Paris Agreement**; and
 - **Loss and Damage**;
 - **Enhancing Ambition (Pillar 2):**
 - **National Determined Contributions (NDCs)** and **Mitigation**;
 - **National Adaptation Plans** and **Adaptation**;
 - **Biennial Transparency Reports** and **Transparency**; and
 - **Collaborative Networks** and **Complementary Action**.
- In the **August Letter**, emphasizing the importance of the **Biennial Transparency Reports (BTRs)** and Transparency, with the first BTRs to be lodged by **December 31, 2024**²;
- In the **September Letter**, revisiting the **July Letter** to emphasize the **Two Pillars**. Also, [Annex 1](#) provides a **Summary of the COP-29 Presidency Initiatives and Outcomes**; and
- In the **November Letter** sharing [Annexes 1 to 6](#), covering **COP-29 Pledges and Declarations**.

As was apparent at the time of the **July Letter**, the agenda for **COP-29** was clear. As with all **COPs** since 2016, each agenda item has its origin in the **Paris Agreement**.

European Parliament: Ahead of **COP-29**, the **European Parliament** commissioned a study entitled [Issues at stake at the COP-29 UN Climate Change Conference in Baku](#).

The study identified the following as the key areas (in the order identified in the study) for progress:

1. Mitigation, in particular progress in respect of the increased commitments of Parties to the Convention to increase their **Nationally Determined Contributions (NDCs)** and the funding support for these purposes;
2. Voluntary Cooperation under Article 6 of the Paris Agreement in particular the operationalization of **Article 6.2**. As noted under **Headlines marking progress, Article 6.2** has been operationalized;

² Prior to the Paris Agreement, **Decision 2/CP.17** (at COP-17) required countries to prepare Biennial Update Reports (**BURs**) every two (2) years, starting from December 2014, which should contain;

- (i) updates of national GHG inventories,
- (ii) mitigation actions and their effects, and
- (iii) finance, technology and capacity-building needs.

The Paris Agreement **replaced BURs** by establishing an **Enhanced Transparency Framework (ETF)**, under which every two (2) years each Party is required to submit **Biennial Transparency Reports (BTRs)**.

BTRs should contain:

- (i) GHG data and information from national inventory reports (**NIRs**);
- (ii) progress towards NDCs under **Article 4**;
- (iii) climate change impacts under **Article 7**; and
- (iv) financial, technology transfer and capacity-building support needed and received under **Articles 9 to 11**, which captures a wider range of information than **BURs** previously required.

The **BTR** should also allow for this information to be subject to expert (technical) review process (**TER process**) in respect of data and information submitted for the purposes of **Article 13, paragraphs 7 to 9**.

3. **Adaptation**, in particular to continue work to develop the basis of measuring progress towards the **Global Goal on Adaptation (GGA)** and **National Adaptation Plans (NAPs)**. Limited progress was made on the **GGA**, and while progress was made on **NAPs**, **NAPs** were not included in COP-29 Decisions;
4. **Loss and Damage**, in particular the five yearly review of the Warsaw International Mechanism for Loss and Damage. Consensus was not reached in respect of key issues. Discussions will resume in Bonn Germany in June 2025;
5. Support, including Finance, in particular to update the commitments of developed countries to provide increased levels of funding support. As noted under **Headlines marking progress** below consensus was reached in respect of the commitment to provide USD 300 billion a year by 2030;
6. Transparency and Compliance, including progress to deliver **BTRs** by December 31, 2024;
7. Implementing the ongoing Global Stocktake (**GST**) of NDCs, including to frame thinking as Parties assess and update their national climate plans for the purposes of the **United Arab Emirates** dialogue. Consensus was not reached in respect of the subject matter of these discussions. Discussions will resume in Bonn, Germany in June 2025, with consensus hoped to be reached by **COP-30**, by which time all Parties will have provided new NDCs.

Finance COP: Ahead of **COP-29**, it was badged as the “**finance COP**”: no pressure, but there was an expectation that developed countries would increase their commitment substantially to provide funding support to developing countries.

At the upper end of expectations was an amount of USD 1 trillion a year.

Headlines marking progress at COP-29:

Without wishing to bookend **COP-29** by two achievements, the decisions on **Article 6** (on the first day of COP-29) and the consensus on **USD 300 billion of support** (on the last day of COP-29) were the headlines from **COP-29**.

- At the start of **COP-29**, consensus was reached on key matters to allow progress to the operationalization of **Article 6** of the **Paris Agreement**, critically, guidelines to allow countries to trade mitigation outcomes (**Internationally Traded Mitigation Outcomes** or **ITMOs**) for the purposes of:

- **Article 6.2**, critically, providing for the authorization of **ITMOs**; and
- **Article 6.4**, providing for recognition of the adoption of standards for the purpose of the operationalization of **Article 6.4**, and allowing the connection of **ITMOs** authorized under **Article 6.2** to be recognized under **Article 6.4**.

Article 6 of the Paris Agreement is now operational, with the result that countries that are Parties to the Paris Agreement can proceed to authorize **ITMOs** so as to allow for trading of them.

Article 6.2:

The advance unedited version of [Decision -/CMA.6, Matters relating to cooperative approached referred to in Article 6, paragraph 2, of the Paris Agreement](#) provided details in respect of the operationalization of Article 6.2.

While the entire Decision is critical reading for those interested in **Article 6**, the key paragraph of the Decision is:

5. *Decides* that each participating Party shall include in the authorization of the use of internationally transferred mitigation outcomes from each cooperative approach the following elements:
 - a) A unique identifier for the cooperative approach, obtained from the centralized accounting and reporting platform, where available;
 - b) The name(s) of the participating Party(ies) and / or entities, if known, covered by the authorization;
 - c) The date and duration of the authorization, including the final date for mitigation outcomes to be issued, or to be used or cancelled, in connection with the first transfer specified by the Party as per decision [2/CMA.3, annex, paragraph 2\(b\)](#), as applicable;

- d) The specification of the first transfer of the mitigation outcome, as specified by the participating Parties, as per decision 2/CMA.3, annex, paragraph 2(b); ...
- h) The quantity of internationally transferred mitigation outcomes [the subject of the authorization], if applicable;
- i) Identification of the registry the participating Party has, or has access to, for the purpose of tracking and recording internationally transferred mitigation outcomes;
- j) Identification of the relevant registry(ies) in the underlying regulations, frameworks, standards or procedures that (1) contain mitigation outcomes or inform their calculation by the participating Party(ies) and (2) transparently track the status of underlying mitigation activities and outcomes as well as participation and transactions by entities, as applicable;
- k) The vintage(s) covered by the [ITMOS the subject of the] authorization;
- l) The metrics and units of measurement or conversion and the greenhouse gases covered by the authorization;”

Article 6.4:

There are two Decisions in respect of **Article 6.4**:

- [Decision -/CMA.6, Guidance on the mechanism established by Article 6, paragraph 4, of the Paris Agreement](#), which notes:
 - the adoption of the Supervisory Body of the **“Standard Application of the requirement of Chapter V.B (Methodologies) for the development and assessment of Article 6.4 mechanism methodologies”** and the **“Standard requirements for activities involving removals under the Article 6.4 mechanism”**; and
 - that the Supervisory Body will “... elaborate and implement [expeditiously] the standards [adopted] ... and will report on progress made on the implementation of those standards in its annual report to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, including on the need for any further guidance, if any.”
- [Decision -/CMA.6, Further guidance on the mechanism established by Article 6, paragraph 4, of the Paris Agreement](#).

While the Decision is worth reading in full, the key paragraphs are paragraph 12 and 17 which are as follows:

“Decides that the host Party may authorize, for use towards achievement of nationally determined contributions and / or for other international mitigation purposes ... Article 6, paragraph 2, emission reductions already issued by providing to the Supervisory Body a statement of authorization ... ”

“Decides that the participating Party registries ... may voluntarily connect to the mechanism registry [administered by the UN] and the connection shall enable the transfer of authorized Article 6, paragraph 4, emission reductions ... while ensuring avoidance of double counting, and the ability to pull and view data and information on holdings and the action history of authorized Article 6, paragraph 4, emission reductions”.

In addition, the paragraph 2 of the Decision provides that “afforestation and reforestation project activities and programmes of activities registered under the clean development mechanism may transition to the mechanism established by Article 6, paragraph 4, and be registered as Article 6, paragraph 4, activities” subject to meeting specified conditions. This grandfathers CDM projects into Article 6.

- At the end of **COP-29**, consensus was reached in respect of the goal for the provision of finance support of at least **USD 300 billion a year by 2035**. In addition, there was a call on all Parties to work towards increasing finance support.

In the words of **UN Climate Change Executive Secretary, Simon Stiell**, from his closing remarks at **COP-29**: “This new finance goal is an insurance policy for humanity”.

While the deal done on the provision of finance support is an insurance policy, it is not a comprehensive insurance policy, and it is hoped that progress will continue to be made to assist developing countries.

The advance unedited version of [Decision -/CMA.6³Matters relating to finance, New Collective quantified goal on climate finance](#) provides detail in respect of finance. While the Decision is worth reading in full, the key paragraphs of the Decision are:

1. *Affirms* that the new collective quantified goal on climate finance is aimed at contributing to accelerating the achievement of Article 2 of the Paris Agreement to holding the increase in the global average temperature well below 2°C above pre-industrial levels
2. *Reaffirms* the outcomes of the first global stocktake [undertaken ahead of COP-28] and stresses the urgency of enhancing ambition and action in this critical decade to address the gaps in the implementation of the goals of the Paris Agreement;
3. *Highlights* that costed needs reported in nationally determined contributions of developing country Parties are estimated at USD 5.1 – 6.8 trillion for up until 2030 or USD 455 – 584 billion per year and adaptation finance needs are estimated at USD 215 – 387 billion annually up until 2030 and *notes with concern* the gap between climate finance flows and needs, particularly for adaptation in developing country Parties.”

As noted previously, what is needed is known.

Hot topic ahead of COP-29:

In the lead-up to **COP-29**, consistent analyses across a number of reports indicated that, globally, we are not on track to achieve the goals of the **Paris Agreement**, being:

“Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change” (Article 2.1(a) of the Paris Agreement).

In the absence of significant acceleration in the avoidance, reduction and removal (**ARR**) of greenhouse gas (**GHG**) emissions, there appears (and continues) to be a consensus that it will not be possible to achieve the **1.5°C goal**, and there appears to be a concern that holding the increase to 2°C is going to prove a considerable challenge.

As noted above, ahead of **COP-29** the achievement of the primary objective of the Paris Agreement was again the subject of discussion, discussion that seemed to accept, albeit tacit in some quarters, that the 2°C goal is now the focus.

While in the final days of **COP-28** there appeared to be a determination to keep the **1.5°C goal** within reach, in the final days of **COP-29** this same determination was not apparent.

³ For those not familiar with the formulations of Decisions, **CP.29**, connotes a decision of the Conference of the Parties of the UNFCCC, **CMP.19** connotes a decision of the Conference of the Parties of the Kyoto Protocol, and **CMA.6** connotes a decision of the Conference of the Parties to the Paris Agreement.

"There is no path to achieving the goals of the Paris Climate Agreement and keeping 1.5°C within reach, that does not [address urgently] the interactions between food systems, agriculture, and climate". (UAE Minister of Climate Change and Environment, Miriam bint Mohammed Almheri.)

Climate tracking and tracing:

- [Climate Action Tracker](#) provides an up to date analysis on the impact of the **NDCs** of, and pledges made by, countries, if implemented, tracking against the current projected profile for **GHG** emissions. Consistent with most other analyses, **Climate Action Tracker** indicates that with implementation of polices, the global average temperature is likely to increase by about 2.7°C.
- [Climate TRACE](#): **Climate TRACE** is seeking to "make meaningful climate action faster and easier by mobilizing the global tech community to track greenhouse gas (GHG) emissions with unprecedented detail and speed and provide this data freely to the public".
- [Climate Hazard Exposure Tracker](#): the **IEA** and the **OECD** interactive [Climate Hazard Exposure Tracker](#) remains a useful resource. The **Tracker** provides data and information on climate impacts on energy systems and economic activities more broadly.

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