

CO-CHAIR SUMMARY OF THE PETERSBERG CLIMATE DIALOGUE 2025 IN BERLIN

The Governments of the Federal Republic of Germany and the Federative Republic of Brazil co-hosted the 16th Petersberg Climate Dialogue (PCD) 2025 in Berlin on 25-26 March. Federal Minister for Foreign Affairs of Germany Annalena Baerbock and COP30 President-Designate André Corrêa do Lago brought together ministers and high-level representatives from 38 countries, to discuss the shared way forward in these challenging times.

Paris Agreement as uniting compass towards a sustainable and prosperous future: in a strong demonstration of togetherness, all Ministers stood united in their commitment to accelerating the implementation of the Paris Agreement in the real economy in order to deliver on the collective resolve to pursue efforts to limit the temperature increase to 1.5 °C while societies build resilience and adapt to the impacts of climate change. Ministers recognised the need not only for preserving multilateralism, but also for strengthening it in order to deliver real change to people's lives. Paris is already delivering but COP30 needs to be a turning point – refocusing minds on solutions, accelerating implementation of all the goals of the Paris Agreement, and consolidating its institutional legacy. This includes delivering to get to 1.5 °C compatible and climate resilient pathways, and charting the course for the next decade, in the context of sustainable development and efforts to eradicate poverty. This requires structural transformations both within and outside of the UNFCCC regime.

CO30 President-Designate championed the spirit of a global "Mutirão" – a community coming together to work on a shared task. This was widely embraced as a guiding principle for COP30 and the discussions in Berlin. This also means re-embracing a spirit of understanding, empathy, and togetherness. In the face of a multidimensional global crisis, multilateralism and effective governance are more necessary than ever. Climate action is needed to secure future prosperity, resilience, and justice for all - especially the most vulnerable populations. Connecting the climate regime with people's real lives and advancing structural transformations are needed to accelerate the implementation of the Paris Agreement in the light of the escalating risks science is warning us about.

Urgency of Climate Action - addressing escalating impacts: Ministers highlighted the rising costs of inaction, including of climate-related disasters — floods, wildfires, and drought-driven crop disruptions — as threats to ways of life and sustainable development. Science is pointing to worrisome signs that the planet's capacity to cope with global warming is diminishing. Conservative preliminary analysis by OECD/UNDP presented at the Petersberg Climate Dialogue indicates that enhanced NDCs and well-designed climate policies could help prevent significant GDP losses – at least 3% by 2050 and 13% by 2100. Adaptation remains an urgent priority for many regions. Rapid global emission reductions in line with 1.5 °C remain crucial to limiting more devastating climate impacts.

Accelerated Climate Action - an economic opportunity: The same UNDP/OECD analysis shows that well-designed climate policies drive stronger economic growth than business as usual scenarios – and greater development gains. Ministers highlighted numerous opportunities – including the clean tech market reaching over USD 2 trillion by 2035, increasing GDP while decreasing emissions, spurring innovation, reducing energy costs, and increasing energy security. Discussions highlighted the importance of both international cooperation and clear and consistent domestic policies for implementation - especially for mobilizing private finance. Integrating climate goals into national development strategies, and ensuring that investments in resilience and mitigation also support broader socioeconomic objectives are crucial to building broad public buy-in. The next NDCs and NAPs provide an opportunity to mobilize key actors to address climate and development challenges, tackle implementation gaps, and unlock finance from domestic and

international sources. In addition, ministers reiterated that the achievement of the Paris Agreement goals requires structural transformations of the international financial architecture.

Reaching USD 1.3 trillion – unlocking economic opportunities: It is clear that access to affordable finance remains a barrier for many countries seizing these opportunities. Ministers highlighted the opportunity for the Baku-to-Belem Roadmap to USD 1.3 trillion to identify options to scale up urgently needed climate finance to developing countries. Quality of finance and access for the most vulnerable is as important as quantum. The global financial system in its current format is not yet fit for purpose to enable access at scale to affordable finance for climate action in developing countries. The role of Central Banks in this transformation was highlighted as well their growing concern about huge impacts on economic growth expected in the case of inaction. Discussions highlighted the need to make good use of all opportunities this year – the Spring and annual Meetings of the WB/IMF, Financing for Development in Sevilla, and the G20 discussions.

High-Level Segment: H.E. Mr. Olaf Scholz, Federal Chancellor of Germany, stressed the importance of continued climate action even more in light of the USA's exit from the Paris Agreement which does not release them from their responsibility. He emphasized that implementing Paris goes along with great economic opportunities. He highlighted that "anyone thinking about security needs to think about climate as well". He called on ministers to continue acting on the Paris Agreement, in the existing formats, such as the Climate Club or the JETPs and reassured Germany's commitment to the Baku decisions. He underlined also that with increasing prosperity in different parts of the world, there comes increasing responsibility, not least when it comes to climate finance.

H.E. Mr. António Guterres, Secretary-General of the United Nations, pointed to the recently published Global Energy Review by the IEA that sends a positive message on the growth in renewable energies, decreasing prices and associated benefits. He stressed that to keep in line with 1.5 °C requires urgent action and leadership for which 1.5°C aligned NDCs are needed by September as well as a drive for climate finance to deliver the USD 1.3 trillion by 2035, including by credible carbon pricing. In this context, he emphasized the importance of the Brazil-UN Partnership for a Global Mobilization Against Climate Change, which he and President Luiz Inácio Lula da Silva launched in September last year to secure the highest ambition from major economies and to promote climate justice. He reminded ministers that every country needs to step up and play their part and assured them of the continued support by the UN.

The State of Climate Science: Johan Rockström, Director of the Potsdam Institute for Climate Impact Research, warned that the Earth's capacity to buffer the effects of climate change may be weakening, with potentially grave effects on planetary tipping points. This underlines the importance of keeping within the 1.5°C limit. Ministers highlighted the importance of climate science and its crucial role in guiding effective implementation.

Accelerating Action and Solutions towards the Paris Agreement Long-Term Goals and 1.5 °C Aligned NDCs: OECD and UNDP presented their joint study on Investing in Climate for Growth and Development. Based on their economic analysis, OECD underlined the importance of NDCs to provide policy advice for investment and to contribute to economic stability and long-term security. UNDP shared their experience in supporting countries' NDC implementation, illustrating that NDCs work best if they tackle the most pressing development challenges through a climate lens. Several ministers stressed the importance of NDCs not only to set mitigation targets but as actual planning documents. Many shared experiences from their countries of how economic development and development planning can be at the forefront if NDCs are detailed, concrete, actionable and integrated in national policy planning, bringing also all of society and all of government on board. Some pointed to the importance of a sectoral approach. Many stressed the importance of NDCs for mutual accountability and as a signal to the international community. There

was a strong sense in the room that there is no turning back from an economic transition to climate neutrality and that the green transition is the right economic thing to do. Key for that, according to many ministers are better access to low-cost technologies and access to climate finance.

Implementing the GST: the Global Stocktake (GST) was highlighted by many as a multilateral approach to collectively deliver on bridging ambition and implementation gaps towards a 1.5 °C pathway in line with science. There is no time to lay off. Enhanced cooperation, solidarity, and communication are the basis and the great opportunity of the multilateral system, enabling to accelerate collective implementation of the GST. NDCs should be reflected by Parties as connecting the COP-process with the outside world, while the nationally determined nature of mitigation action in NDCs was highlighted as well. Therefore, NDCs are one tool to follow up on the GST, as Parties are required to highlight their contributions in their new NDCs. In this regard, many highlighted the need for a safe space to discuss challenges and opportunities to deliver on ambition and action in the transition to net zero economies. This includes enhanced cooperation, and considering national and local circumstances when addressing barriers. Many Parties acknowledged that with the new NDCs and decisions on how to reflect the GST, implementation and ambition should be front and center of COP30. Others also highlighted the need to consider adaptation action and support as an important part of the implementation of the GST. Many called for regular follow-up of the GST outcomes and the implementation of the Paris Agreement's long-term goals. They highlighted the NDC SYR that annually assesses the gaps in ambition and action, and called for COP 30 and yearly thereafter to consider where we stand collectively on mitigation. Some parties suggested that the action agenda can contribute to the implementation of the GST.

Climate Finance: Paving the Road to USD 1.3 Trillion: The NCQG decision and the “Baku to Belém Roadmap” are key to reaching USD 1.3 trillion in climate finance and strengthening global cooperation. Participants warned that inaction could shrink global GDP by 15% by 2050. Many Ministers highlighted the need for increased focus on private finance, while reiterating that Climate finance has to be significantly scaled up by 2035, both from public and private sources. Enabling factors for this include suitable enabling environments, regulatory frameworks, blended finance, and risk reduction measures such as guarantees and reducing foreign exchange risks to mobilize capital. The readiness of developing countries in attracting private investments was seen as important by creating enabling environments and focusing more strongly on domestic markets and local banks. Many ministers stressed that public finance remains essential, particularly for adaptation, and warned against increasing debt burdens and high cost of capital. They urged more grants and concessional finance. Many emphasized that simplifying access is as important as increasing finance, especially with regards to LDCs and SIDS. Some also voiced the importance of innovative sources, especially in the sectors of shipping and aviation.

Just Transitions and Synergies: Climate – Biodiversity – Desertification - Sustainable Development: Civil society representatives highlighted the multidimensional approach needed to achieve just transition to low-carbon and climate-resilient societies. The goal is achieving sustainable development and leaving no one behind. To do so, governments should consider the environmental, economic, and social dimensions of just transition and engage the different social groups affected by the transformations, for instance in the energy sector and the labour market. Synergies between the Rio Conventions (UNFCCC, CBD, UNCCD) could be enhanced, building on the CBD COP16 decision to more closely align the climate and biodiversity agendas, in order to more effectively deliver the Sustainable Development Goals. Civil society advocated for embedding just transition approaches into transparent and interlinked national climate and biodiversity plans - both due this year.

Strengthening the UNFCCC Process and Global Climate Governance: Ministers underlined that the Paris Agreement has worked and therefore remains the cornerstone of global climate agenda. At the same time, the new NDC cycle

reveals the need for evolving to whole-of-government, whole-of-society and whole-of-economy efforts on climate, there were concerns that current governance systems – state and multilateral capacities - are not prepared for the serious risks that science is warning us about. Climate change requires us to innovate towards new models for new challenges, as past assumptions become obsolete in an exponentially changing environment and exponentially evolving and impactful solutions. Overall, there was shared understanding on the opportunity for intensifying the consideration of approaches and initiatives to increase the efficiency of the UNFCCC process towards enhancing ambition and implementation, including through related ongoing work under the SBI. It was highlighted that the need for reform must not be misunderstood that the process is not working. It is now the time to shift from negotiations to accelerated implementation and marry the inside and the outside COP world. Making it fit for purpose in the critical decade of implementation going forward, it should be more effective. Two general areas of solution were mentioned.

First, streamlining the COP process: There was broad support for streamlining the COP agenda, reducing duplication, and focusing negotiations on high-impact outcomes. Many ideas were mentioned, including having COPs every second year and to combine agenda items. There was agreement that the Bonn Intersessionals and pre-COPs must be used more effectively by e.g. coming prepared with draft texts and annotated agenda. Streamlining could also make it more inclusive allowing small delegations to participate effectively.

Second, enable implementation: Ministers mentioned that the Action Agenda plays a key role and should be stronger linked to negotiated outcomes. It should allow for practical and meaningful engagement of business, investors, sub-nationals and civil society. Also, the idea to have priority themes was voiced, rather than having too many issues at once.

Building adaptation and resilience: Participants agreed that GGA discussions are moving forward, with certain progress also in the UAE-Belém work programme on indicators. At the same time, many called for better elevating adaptation on the political level. Fostering the implementation of the GGA with an agreement on clear indicators and by supporting NAPs was stated repeatedly as priority for a successful COP30 outcome.

In regard to its current fragmentation, there was a call to simplify the adaptation negotiation agenda focussing on central issues. It was suggested to use the Baku High Level Dialogue on adaptation to strengthen coherence and elevate especially cross-cutting issues. To that end it must not become another negotiation room, but instead be a coordination platform.

On adaptation finance, various participants reported the lack of private finance as well as of business cases and suggested to focus on regulatory instruments. Several participants called for strengthening accessibility of public adaptation finance and speeding up application and distribution. Different participants shared their efforts regarding blended finance, debt-for-adaptation swaps and other innovative instruments. All participants agreed, that the cost of inaction is much higher than swift action now.