INTERNATIONAL

Landing the Baku to Belém Roadmap

Where does the Journey to $1.3 Trillion Take Us?

September 10, 2025

Expectations and hopes are high that the Baku to Belém Roadmap to 1.3T will lay out plans to scale climate finance into the trillions. However, the path it charts will only be effective if significant thought is given to several key factors: the current geopolitical context; the application of existing knowledge and experience onto long-standing climate finance questions; and the long-term achievement and 'hand off' of implementation responsibilities onto bodies with the remit and influence capable of carrying out the recommendations of the Roadmap.

The last decade has seen steady growth in climate finance levels which, while positive, must accelerate dramatically in the coming years and heavily prioritize developing countries. The objective of the Baku to Belém Roadmap to 1.3T (the ***Roadmap***) should be to spearhead and plan this rapid increase – but must also take the current economic and geopolitical situation into account. Recent abrupt changes in climate and development finance have shocked the international system. Some bright spots remain, with several countries and institutions seizing the opportunity to demonstrate leadership on climate action.

As a key product to enact COP29's New Collective Quantified Goal on climate finance (*NCQG*), the Roadmap has several key tasks to accomplish. In addition to charting the path forward to greatly increasing climate finance from all sources and instruments, it could also usefully acknowledge that discussions on scaling finance would be best suited to fora outside the international climate regime and 'hand off' these issues to other bodies for more effective implementation.

The Roadmap will likely need to synthesize existing work on finance, but given the constantly shifting context, it could also helpfully apply this research to answer lingering finance questions.

Strong political signals will play a crucial part in the success of the Roadmap, and international collaboration could be productively harnessed across issues, including: structural debt review and reform; improvement of enabling conditions and policy environments; and increased emphasis on domestic resource mobilization.

Ultimately, the contents of the Roadmap must be implemented in order to make real impact. Today's geopolitical context challenges the modus operandi of prior COPs and past initiatives. There are limited options to anchor the execution of the Roadmap outside the UNFCCC, each with their own drawbacks. These include: a high-level group convened by the UN Secretary-General; using the International Development Finance Club to drive a focus on national and regional development banks; employing the World Economic Forum to focus on growth and trade in a decarbonized world; or incorporating the Roadmap into the Climate Council proposed by the Brazilian COP30 Presidency.

No matter the outcome, the Roadmap must be seen as the beginning of the long path to scaling climate finance into the trillions, rather than as an end in itself to be achieved for the success of COP30. A commitment to public international finance will remain vital, but the Roadmap must be holistic in addressing the many different avenues to achieving the trillions in climate finance.

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Questions for consideration

- Once the Roadmap is formally launched, what is the vision for climate finance after COP30 and what should happen next?
- How can the Roadmap effectively drive progress on the implementation of its recommendations on international and domestic financial reforms, and will it be able to action these suggestions on its own?

A. The Challenging New Context for Climate Finance

1. The steady increase in global climate finance in the past decade[1] is a positive story which has stemmed from the Paris Agreement but also from the fall in the cost of clean technologies and improvements in the policy environment. This upward trend needs to accelerate dramatically over the coming years, with a greater prioritization of investment in developing countries. Spearheading this rapid increase should be the core objective of the Roadmap, and the task is all the more challenging given the geopolitical headwinds of today.

2. The climate regime and others working to combat climate change have been faced with a difficult set of economic circumstances. Over the last five years and particularly in the wake of the global pandemic, the cost of capital has increased, affecting clean energy investments in developing countries particularly hard.[2]

3. The current state of politics reflects the new direction of a number of developed country actors; some are not likely to make positive movement on climate until close to the end of this critical decade, and others have deprioritized climate issues and are now more likely to play an unhelpful role. As such, the ability for institutions—like the G7, G20, International Monetary Fund, World Bank, and other similar multilateral processes—to make productive headway on climate is limited. On top of this, recent abrupt changes to climate and official development aid (***ODA***) financing priorities of traditional donor countries have shocked the climate finance system. The outlook for public climate finance is bleak and will continue to undermine the ability of developed countries to meet their obligations under Article 9 of the Paris Agreement.[3]

4. There is one silver lining: this could and should prompt a discussion on the use of public funding as an enabler for other investment, especially private investment. Private finance mobilization has always been a prominent issue for discussion in all relevant fora but could use a new sense of urgency and dynamism, which the Roadmap could instill. By understanding and navigating through these challenges, the Roadmap has great potential to strengthen the tenuous link between climate action and economic growth into the virtuous cycle needed.

5. Some countries, mostly developing countries with no mandatory obligations under Article 9 but are willing to make voluntary distributions, have welcomed this sea change and are embracing the opportunity to demonstrate greater leadership on climate action. This could keep the momentum going on climate finance, with a likely near-term focus on the Indo-Pacific region which is now home to 60%

of the world's GDP and 65% of the world's population.[4] This falls in line with agreements made under the NCQG at COP29, where reported developing country commitments to multilateral development banks (***MDBs***) for climate action could be considered for inclusion in the U.S. $300 billion goal.[5]

6. China, for example, stands to benefit both politically and economically. Investment under the Belt and Road Initiative reached record levels earlier this year,[6] and China has announced plans to offer zero-tariff treatment to all African countries with which it maintains diplomatic ties, deepening economic cooperation as it positions itself as a key trade partner.[7] At the same time that Beijing's investments in oil and gas are on the rise,[8] China has also announced the creation of a new development bank and international platform for energy cooperation, including $1.4 billion in loans for its partners, by 2028.[9]

7. There are nevertheless a number of financial institutions where key reforms can be made. These include MDBs such as the Asian Infrastructure Investment Bank (***AIIB***) or the European Investment Bank (***EIB***). The AIIB has a particularly ripe opportunity to foster greater collaboration between a range of shareholders across developed and developing countries.[10]

B. Baku to Belém Roadmap to 1.3T: State of Play

8. As a key product to enact the NCQG, the Roadmap is one of the most highly anticipated climate finance deliverables of the year. To date, the Brazilian and Azerbaijani Presidencies have stated their intention to publish the final Roadmap and the Presidencies report in late October, ahead of COP30, with a high-level event to officially launch the Roadmap to be held in Belém.[11]

9. The Brazilian Government has exerted itself to make the compilation of the Roadmap robust through stakeholder convenings and its Circle of Finance Ministers. Nevertheless, the politically challenging nature of climate finance negotiations within the UNFCCC makes it likely that the Roadmap will come under pressure to become, or at least include, a synthesis of the extensive work that has been done to date on climate finance outside the process. For instance, this synthesis might include the reports of: the Independent High-Level Expert Group on Climate Finance;[12,13,14] the reform of the MDBs spearheaded by the G20;[15] the International Conference on Financing for Development (***FFD***); or the UN sovereign debt restructuring efforts.[16] This type of synthesis is important and it should be used to lay the groundwork for the next steps and to pave the way for expedited implementation.

10. Among the many instructive initiatives on finance, the Brazilian G20 Presidency's Task Force on a Global Mobilization against Climate Change (***TF CLIMA***) stands out in recent years. Incidentally spearheaded by COP30 President André Aranha Corrêa do Lago, the TF CLIMA process brought together leaders from both climate and finance ministries to make meaningful headway to address the financial implications of the climate crisis.[17] Though essential for success, this collaboration among ministries proved challenging, described privately by some stakeholders almost as a culture clash.

11. The storied history and pockmarked baggage of the climate finance negotiations within the UN Framework Convention on Climate Change (***UNFCCC***) is often a barrier to comprehensive and pragmatic discussions, in particular:
    - complicated discussions arising from views of common but differentiated responsibility and respective capabilities in light of national circumstances in relation to climate finance contributions;
    - aversion on the part of some Parties to further negotiate a definition of climate finance;
    - hesitancy on the part of other Parties to discuss domestic resource mobilization within the UNFCCC, despite its often central role in discussions in other fora (e.g. the FFD4 conference in Seville).[18]

12. In light of these challenges, it is critical that the Roadmap acknowledge that most discussions on climate finance, particularly on scaling into the trillions, might be best done outside the UNFCCC. The Roadmap could usefully 'hand off' many key climate finance issues to another forum where pragmatic discussions about implementation might take place without the baggage of the UNFCCC. At the same time, Parties could mandate a regular report back to the UNFCCC about progress made on the Roadmap so as to not lose the momentum or pressure that the climate regime can provide.

13. Given these barriers, an important goal of the Roadmap should be to send a strong political signal on climate finance objectives to give legitimacy to multilateral collaboration and accelerate the scaling of finance. This type of strong signal would in turn enable more technical work on effective methods for accelerating climate finance in less politicized fora.

C. The Vision Ahead: Options

14. Given the continually shifting context, more work is needed to effectively establish methods which unlock increased levels of climate finance. The high-level event launch of the Roadmap at COP30 has great potential to spur new momentum for collaboration to accelerate growth in climate finance globally, particularly in developing countries. To this end, **the Roadmap could usefully ensure that its synthesis of existing work answers a number of key questions**, including:
    - What have we learned in the past 10 years that can help tackle today's challenges? In particular: the stark decline of public finance in 2025; the higher cost of capital faced by developing countries; the debt crisis; and new geopolitical context that is shifting priorities in some countries. What financial instruments are most useful in the changing economic circumstances of the current moment?
    - How can we create greater synergies between climate finance and the need to design more resilient and diversified supply chains for green products? Can synergies with the trade agenda accelerate economic growth in developing countries? Will these synergies help attract more public finance?
    - What can we do differently and more effectively to improve the efficacy of private finance mobilization in a time when public sources of finance are contracting?
    - How can we ensure that progress towards the reform of MDBs continues, especially in institutions that are insulated from anti-climate efforts?
    - How do we prioritize an open discussion about the challenges related to finance for adaptation and find solutions to overcome the lack of public funding?
    - How can we maximize private finance mobilization in this new context, while using public finance in the most efficient manner to better channel private finance to a diversity of geographic settings?
    - How does climate finance relate to and take forward the outcomes laid out in the first global stocktake (***GST1***), as well as help define the priorities of GST2?
    - How can we create new forms of international collaboration that help move forward decarbonization despite strong headwinds?

15. **Strong political signals must be a crucial element of the Roadmap.** International collaboration could most productively be channeled in several areas, such as:
    - The actualization and implementation of structural debt review and reform in the various multilateral fora tackling this issue, with progress being reported to the UNFCCC in the context of climate finance discussions;
    - Greater focus on the improvement of financial enabling conditions and the policy environment through technical assistance and collaboration. Supporting the improvement of these enabling environments in developing countries through technical assistance is less costly than capital investments and can be more transformational in the long term,[19] but this must be underpinned by strong dialogue among and between governments and stable partnerships. Country platforms could be a useful avenue to prioritize support to this effect;
    - Increased emphasis on the importance of domestic resource mobilization, building on the extensive references in the Seville Commitment[20] and recognizing the growing role for national development banks to unlock domestic finance, including from private sources.[21] Willingness to provide further international capacity-building must be forthcoming to bolster existing programs such as those through the International Finance Corporation (***IFC***);

- A recognition of the need for new rationale to underline the economic benefits of climate finance to donor countries—for instance, through a link between ODA and trade. This does not mean conditional aid, rather a greater focus on creating and nurturing the development of new supply chains and fostering budding trade relationships. At a time where ODA is on the decline, this could be beneficial for all as it does not require substantial amounts of funding, rather small amounts could do outsized work to tap a greater well of private investment.

16. No matter the content of the Roadmap and its synthesis of new and existing work on climate finance, the actions and plans it suggests must ultimately be taken forward and executed to effect the desired change. The G20 or G7 of today are less viable fora for robust political discussion or signaling on climate. As noted previously, the majority of work on climate finance would likely find the greatest movement outside the realm of COP negotiations. There are, however, **limited options to anchor the necessary work of implementing the Roadmap outside the UNFCCC.** These might include the below, though each present their own drawbacks:

    - The UN Secretary-General could convene a group similar to the **High-Level Advisory Group on Climate Change Financing** (***AGF***) to take responsibility for multilateral climate finance conversations. The original AGF, established in 2008 and co-chaired by Heads of State from Ethiopia and Norway, made great strides in identifying sources of climate finance and the actions necessary to unlock them.[22] An analogous group at senior or ministerial levels brought together by the UN Secretary-General would have the weight to make real strides in continuing work to scale of finance. Recognizing however, that some Parties have previously taken issue with the activity of the Secretary-General, it will be critical to center country participation in such a follow-on process.
    - The **International Development Finance Club** (***IDFC***) could be a driver for continued climate finance discussions, using its expertise to focus on national and regional development banks. This would, however, necessitate a common understanding of the need for domestic resource mobilization, without which it would be difficult for the IDFC to make headway in scaling finance.
    - The **World Economic Forum** (***WEF***) could meaningfully take finance matters forward by using its positioning and frame the conversation to focus on future growth and trade in a decarbonized world. That said, this approach could raise issue among developing countries given the perception of the WEF's Global North-centric agenda.
    - The **Climate Council proposed by the Brazilian COP30 Presidency** could usefully be charged with taking forward the proposals of the Roadmap, though its fate remains unclear and such a council is yet to be formed.[23]

17. **No matter the outcome, the Roadmap must be seen as the beginning of the long path to scaling climate finance into the trillions, rather than as an end in itself to be achieved for the success of COP30.** Of course, greater public international finance is critical to strategically target those countries and sectors that are difficult to support with other sources of finance. Increased levels of grants must be pursued in earnest to maintain trust between developing and developed countries. But this cannot be the only avenue for finance. The myriad challenges that remain to be tackled as part of the Roadmap will be confronted with today's climate finance reality, making it necessary to think now about the long-term implementation of the Roadmap's recommendations and plans.

D. Additional C2ES Resources

- **The Baku to Belém Roadmap: Building an Effective Diplomatic Strategy (February 2025)**
  https://www.c2es.org/document/the-baku-to-belem-roadmap-to-1-3t-building-an-effective-diplomatic-strategy-discussion-paper/
- **Rising to the Climate Finance Challenge (September 2024)**
  https://www.c2es.org/document/rising-to-the-climate-finance-challenge/

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