# Key takeaways from three years of discussions under the Sharm el-Sheikh Dialogue

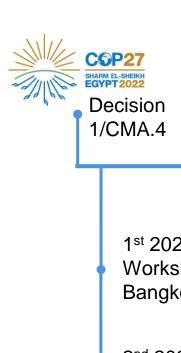
2<sup>nd</sup> Workshop in 2025

Gabriela Blatter and Ambassador Mohammad Nasr, co-chairs of the Sharm el-Sheikh dialogue on the scope of Article 2, paragraph 1(c) of the Paris Agreement and its complementarity with Article 9

6 September 2025 Rome, Italy



#### Journey so far







Decision 14/CMA.6

1st 2023 Workshop, Bangkok

2<sup>nd</sup> 2023 Workshop, Geneva

> COP-Presidency Report

1st 2024 Workshop, Bonn

2<sup>nd</sup> 2024 Workshop, Sharm el-Sheikh

> Co-Chairs annual report

1st 2025 Workshop, Bonn

2<sup>nd</sup> 2025 Workshop, Rome

> Co-Chairs report capturing the period 2023-2025

- **6** Workshops
- 414 in-person and 251 virtual participants
- **61** submissions



#### Key topics discussed across the 5 workshops

2023

Scope and complementarity of Art. 2.1(c) and Art. 9

WS2

WS1

Intended and unintended consequences

Actors involved in implementation



Making finance flows consistent with adaptation and climate resilience objectives

Linking climate consistent and scaled-up finance flows with broader sustainable **WS1** • development objectives

2024

WS2 .

Evolution of the financial system

Metrics, methodologies and approaches for tracking progress





2025

WS1

- Building capacities for nationally determined financial sector development
- Transition planning for low GHG emission and climate resilient development pathways in diverse national contexts
- Opportunities to support NCQG implementation



## Key takeaways on the scope of Article 2.1(c) and its complementarity with Article 9

- Scope applies to
  - Public and private flows, across domestic and international contexts,
  - Country-specific implementation allowing for nationally determined approaches and timelines,
  - Mitigation as well as adaptation and resilience, whereas Parties and non-Party stakeholders have less experience with adaptation and resilience.
- Convergence on need for systemic transformation of financial systems to achieve the long-term goals of the Paris Agreement, engaging all actors as needed to ensure investments support climate goals and do not undermine them.
- The implementation of Article 2.1(c) and Article 9 should support the delivery of climate commitments.
- Access to information is crucial for Article 2.1(c) implementation, e.g. models, data and scenarios.
- Complementarity with Article 9
  - Support provided and mobilized under Article 9 can and should contribute to country-driven efforts to pursue Article 2, including through support for approaches to implement Article 2.1(c),
  - No dilution or replacement of commitments under Article 9,
  - Enhance equity, support just transitions, build capacity, consider unintended consequences.



#### Challenges

- Different understandings and variety of definitions in use
- Data and methodology gaps
- Limited information available
- Significant geographic, regional and sectoral differences in benefitting from global climate finance flows
- Management of real vs. perceived risk
- Greenwashing and credibility of voluntary commitments
- Fragmentation and lack of coordination between actors within and across jurisdictions

## **Opportunities**

- Collaboration, knowledge sharing and capacity building
- Enhanced transparency including through interoperable standards
- Enhanced policy coherence through whole of government approaches
- Promoting inclusive and just transitions aligned with SDGs and poverty eradication
- Unlocking and aligning investments with national priorities through more clarity for private sector collaboration



#### Way forward

➤ What can Parties and non-Party stakeholders do to overcome these challenges and seize these opportunities?

➤ How, if at all, could the UNFCCC process facilitate and guide further action in this regard?



# Thank you

