

27 October 2026

Eighth global dialogue and investment-focused event under the Sharm el-Sheikh mitigation ambition and implementation work programme

Report by the secretariat

Abbreviations and acronyms

AI	artificial intelligence
AIGCC	Asia Investor Group on Climate Change
CCUS	carbon capture, utilization and storage
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CO ₂	carbon dioxide
COP	Conference of the Parties
CTCN	Climate Technology Centre and Network
IPCC	Intergovernmental Panel on Climate Change
OECD	Organisation for Economic Co-operation and Development
NDC	nationally determined contribution
SIDS	small island developing State(s)
UNIDO	United Nations Industrial Development Organization

I. Introduction

A. Mandate

1. CMA 4 requested the secretariat to prepare, under the guidance of the co-chairs of the Sharm el-Sheikh mitigation ambition and implementation work programme, a report on each of the dialogues under the work programme, reflecting in a comprehensive and balanced manner the discussions held and including a summary, key findings, opportunities and barriers relevant to the topic, and to prepare an annual report comprising a compilation of the individual dialogue reports for consideration by the CMA and the subsidiary bodies.¹ CMA 5 requested the secretariat to include, under the guidance of the co-chairs of the work programme, information on the investment-focused events in the report on each of the global dialogues.²

B. Approach

2. This report has been prepared to reflect in a comprehensive and balanced manner the discussions held at the eighth global dialogue and investment-focused event under the work programme. It includes a summary, key findings, opportunities and barriers relevant to the topic.

3. The discussions at the eighth global dialogue and investment-focused event and presentations delivered during the dialogue and event form the basis of this report. The report highlights the relevance of all aspects raised and discussed during the eighth global dialogue and investment-focused event. The recordings of the dialogue and event and the presentations are available on the UNFCCC website.³

C. Co-chairs of the work programme

4. The Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation appointed Angela Churie Kallhauge (Sweden) and Gao Xiang (China) as the co-chairs of the work programme for 2025–2026.⁴

D. Topics for the global dialogues under the work programme in 2025–2026

5. CMA 4 decided that the scope of the work programme should be based on broad thematic areas relevant to urgently scaling up mitigation ambition and implementation in this critical decade and include all sectors covered in the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*,⁵ thematic areas in the contribution of Working Group III to the

¹ Decision 4/CMA.4, para. 15.

² Decision 4/CMA.5, para. 12.

³ <https://unfccc.int/event/eighth-global-dialogue-and-investment-focused-event-under-the-sharm-el-sheikh-mitigation-ambition>.

⁴ Pursuant to decision 4/CMA.4, para. 7. Information on the co-chairs is available at <https://unfccc.int/topics/mitigation/workstreams/sharm-el-sheikh-mitigation-ambition-and-implementation-work-programme-mwp/co-chairs-of-the-mitigation-work-programme-2025-2026>.

⁵ IPCC. 2006. *2006 IPCC Guidelines for National Greenhouse Gas Inventories*. S Eggleston, L Buendia, K Miwa, et al. (eds.). Hayama, Japan: Institute for Global Environmental Strategies. Available at <http://www.ipcc-nggip.iges.or.jp/public/2006gl>.

Sixth Assessment Report of the IPCC,⁶ and relevant enabling conditions, technologies, just transitions and cross-cutting issues.⁷

6. CMA 4 invited Parties, observers and other non-Party stakeholders to submit every year via the submission portal⁸ suggested topics in line with the scope of the work programme to be discussed under the dialogues. Considering these submissions, the co-chairs of the work programme are to decide on the topics to be discussed at the dialogues in a given year.⁹

7. In March 2025, the co-chairs of the work programme decided on and communicated to Parties and observers that the dialogues taking place under the work programme in 2025 and 2026 would focus on enabling mitigation solutions in the industry, agriculture, forestry and other land use, and waste sectors, drawing on national and regional experience.¹⁰ The fifth global dialogue focused on enabling mitigation solutions in the forest sector, drawing on national and regional experience, and the sixth focused on enabling mitigation solutions in the waste sector, including through circular economy approaches.

8. In March 2026, the co-chairs decided on and communicated to Parties and observers that the seventh global dialogue would focus on enabling mitigation ambition and implementation in industries, drawing on national and regional experience (part 1) and the eighth would focus on enabling mitigation ambition and implementation in industries, drawing on national and regional experience (part 2) and other cross cutting issues as mandated in decision 4/CMA.4, paragraph 4.¹¹

9. The eighth global dialogue and investment-focused event under the Sharm el-Sheikh mitigation ambition and implementation work programme took place in hybrid format in Sydney, Australia, from 28 to 30 September 2026, with 149 registered in-person participants and 184 registered virtual participants and was hosted with the support of the Government of Australia.

II. Summary of discussions, key findings, opportunities and barriers at the eighth global dialogue

A. Experiences of best practices and actionable solutions in addressing challenges and barriers, including the enablers of ambition and implementation of mitigation action in industries

(a) Key observations from national and regional experiences

10. Industrial decarbonization was widely discussed as requiring integrated and whole-of-systems approaches that combine technological innovation, enabling infrastructure, supportive policy and regulatory frameworks, financing mechanisms, market creation and institutional capacity. It was noted that no single technology, policy instrument or pathway can bring about such a transition in isolation and that success depends on coordination across multiple sectors and stakeholders. Participants highlighted a range of mitigation approaches and areas, including digital technologies, pertaining, inter alia, to energy efficiency,

⁶ IPCC. 2022. *Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*. P Shukla, J Skea, R Slade, et al. (eds.). Cambridge and New York: Cambridge University Press. Available at <https://www.ipcc.ch/report/ar6/wg3/>.

⁷ Decision 4/CMA.4, para. 4.

⁸ <https://submissions.unfccc.int>.

⁹ Decision 4/CMA.4, paras. 12–13.

¹⁰ <https://unfccc.int/documents/645941>.

¹¹ <https://unfccc.int/documents/655943>.

electrification, renewable energy, green hydrogen, CCUS, methane mitigation and resource efficiency, alongside the use of digital technologies to improve industrial efficiency, optimize operations and strengthen monitoring. Participants emphasized that countries' choices among these approaches are likely to vary according to their national circumstances, existing industrial structures and stage of development, with systems-based, sectoral and bottom-up approaches all presented as viable entry points.

11. Participants also emphasized that many of the technologies and approaches required for industrial decarbonization are already available and that a central challenge in advancing mitigation action is accelerating their deployment and commercialization. Discussions underscored the need to move beyond isolated pilot projects and towards implementation at scale with the support of enabling policy, financial and institutional frameworks.

12. Participants highlighted industrial decarbonization not only as a climate objective but also as an opportunity for countries to strengthen their industrial competitiveness, support economic diversification, enhance energy security, create jobs and develop new value chains. It was emphasized that industrial transformation is more likely to be sustained in cases where a country's mitigation objectives are aligned with its broader economic and development priorities.

13. Several participants emphasized that industrial decarbonization cannot be considered separately from broader systems transformation. Experience shared highlighted the importance of expanding renewable energy generation, strengthening grid infrastructure, deploying energy storage systems and improving system integration in supporting the increasing electrification of industrial processes and the deployment of other low-emission technologies. Participants noted that it may be beneficial to undertake industrial and energy system planning in a coordinated manner to support infrastructure readiness.

14. Participants highlighted the role of industrial clusters, eco-industrial parks and shared infrastructure in supporting industrial decarbonization. Experience shared demonstrated the ways in which coordinated approaches can reduce the costs associated with industrial decarbonization, facilitate deployment of emerging technologies and support the development of common electricity, hydrogen and CO₂ infrastructure. Several participants noted that such approaches can also strengthen collaboration across value chains and create opportunities for industrial symbiosis and resource sharing. Regional cooperation was noted as being a way of expanding the markets of smaller economies and the least developed countries.

15. Participants highlighted the growing role of digitalization, data systems and AI in improving industrial efficiency, optimizing operations, supporting predictive maintenance and strengthening emission monitoring. They noted that investment in institutional capacity, workforce skills and data management systems can enhance the benefits of digital technologies; that AI-based solutions should be tested under real-world conditions and results verified against reliable measurements; and that human oversight and cybersecurity are important.

16. Participants observed that challenges faced by countries with regard to industrial transformation differ according to their levels of industrial development and existing asset bases. While countries with mature industrial systems may face challenges associated with retrofitting long-standing industrial facilities and infrastructure, countries continuing to industrialize may be able to integrate low-emission technologies and infrastructure at earlier stages of development. Participants therefore stressed that industrial decarbonization pathways should reflect countries' national circumstances and development priorities. Some participants from developing countries emphasized that industrialization itself should be low carbon, resource efficient and climate resilient, and highlighted opportunities for industrial transformation to support domestic value addition, the development of local capabilities and

participation in higher-value, low-emission value chains, rather than relying primarily on the export of raw materials.

17. Many participants identified long-term policy certainty, often anchored in law, as a key enabler of industrial investment. Other enablers cited include structured dialogue between governments and industry actors, the application of carbon pricing as part of a broader policy package, including investment support, demand-side measures and infrastructure development, and the creation of demand for low-carbon products through green public procurement, shared standards and offtake arrangements. It was noted that policies that change with each government and short funding cycles tend to produce demonstration projects but may not facilitate deployment at scale.

18. Many participants noted that, while finance may often be available, a lack of investment-ready projects can constrain its mobilization. They highlighted project preparation, risk sharing for first-of-a-kind projects and transparent project-level data as being ways of bridging this gap, noting that climate finance can also be understood as the transfer of risk and not only of money. Many developing countries emphasized that their capacity to implement industrial mitigation projects depends on affordable long-term finance, de-risking and locally adapted technology transfer, including upskilling, that is tailored to local contexts. Some called for grant-based and concessional finance and cautioned against finance that adds to debt burdens.

(b) Opportunities (including actionable solutions) and barriers

19. Noting that not all of the following opportunities are applicable to every national or regional context, that there is no single solution that fits all contexts, and that the prioritization of opportunities will vary in accordance with national circumstances, opportunities mentioned by participants include:

(a) Scaling up energy efficiency measures, retrofitting, process optimization, waste heat recovery and energy management systems across industrial sectors. These cost-effective opportunities for improving the performance of existing industrial assets are capable of delivering near-term emission reductions while improving productivity and competitiveness;

(b) Expanding the deployment of electrification, renewable electricity generation, energy storage systems and supporting grid infrastructure while integrating industrial planning into broader energy system transformation with a view to ensuring reliable access to low-emission electricity and supporting the decarbonization of industrial processes;

(c) Deploying and scaling up a portfolio of mitigation technologies and approaches, including green hydrogen and CCUS, in a manner that is tailored to both national circumstances and specific sectors (particularly sectors wherein direct electrification may not be feasible), supported by enabling infrastructure, policy and finance frameworks and complemented by demand-side measures;

(d) Pursuing abatement measures for methane and other non-CO₂ emissions, including by designing methane controls into facilities from the outset rather than retrofitting them later;

(e) Promoting circular economy approaches; industrial symbiosis; recovery and recycling and the recovery and utilization of waste streams and use of secondary materials; and low-emission industrial processes. These measures can simultaneously reduce emissions, improve resource efficiency and strengthen industrial competitiveness;

(f) Developing industrial clusters, eco-industrial parks, integrated industrial hubs and shared industrial infrastructure, including electricity, hydrogen and CO₂ transport and

storage systems, as a means of reducing costs, facilitating deployment of emerging technologies and achieving economies of scale;

(g) Establishing long-term policy frameworks and industrial transition strategies, including through legislation, with the support of structured dialogue between governments and industry actors and sectoral road maps developed in cooperation with said actors;

(h) Applying carbon pricing alongside as part of a broader policy package, with revenue invested, through credible accounting processes and with national authorization, in clean energy and innovation and, where applicable, cooperative approaches under Article 6 of the Paris Agreement;

(i) Creating demand for low-carbon industrial products through green public procurement, shared standards and definitions for such products, product certification and long-term offtake arrangements;

(j) Mobilizing finance for first-of-a-kind industrial projects through project preparation and de-risking measures, including public underwriting, equipment insurance and transparent information on costs and emission reductions, using financing structures that later projects can replicate;

(k) Strengthening international cooperation to support industrial decarbonization, including through, technology cooperation and transfer, technical assistance and capacity-building (including through knowledge-sharing); facilitating access to technologies and finance; building domestic technological and institutional capabilities; and accelerating the replication and scaling of successful industrial decarbonization approaches.

20. Noting that not all of the following barriers or challenges are present in every national or regional context, and that the prioritization of actions to be considered to overcome relevant barriers and challenges will vary according to national circumstances, barriers and challenges mentioned by participants include:

(a) The high capital intensity of industrial decarbonization investments, combined with limited access to affordable and concessional finance, and perceived investment risk with regard to and challenges in mobilizing finance for first-of-a-kind projects and emerging technologies;

(b) Persistent difficulties in developing investment-ready and bankable projects due to limited capacity for project preparation, insufficient technical support, limited availability of robust data and measurement systems, and challenges associated with demonstrating commercial viability;

(c) Infrastructure gaps, including insufficient renewable energy generation, grid capacity limitations, challenges related to energy storage, hydrogen infrastructure constraints and limited CO₂ transport and storage networks. These gaps can delay deployment and increase project costs for mitigation ambition and implementation in industries;

(d) The long lifespans of industrial facilities and supporting infrastructure, which can make industrial transformation complex and necessitate strategies that balance retrofitting and optimization of existing assets with deployment of new technologies and systems;

(e) Limited long-term policy and regulatory certainty, including, in some cases, the absence of regulatory frameworks for industrial decarbonization projects, insufficient demand signals for low-emission products, and uncertainty regarding future market conditions. Such conditions can constrain investment decisions and delay the deployment of mitigation technologies at scale;

(f) Challenges associated with scaling technologies from the demonstration stage to commercial deployment, including lack of technology maturity, high costs, poor access to supporting infrastructure and limited opportunities for risk sharing among stakeholders;

(g) Limited institutional capacity, technical expertise, workforce skills and access to technology and knowledge, and other challenges associated with adapting mitigation solutions to local circumstances and ensuring that developing countries can effectively participate in and benefit from industrial transformation;

(h) Similar to the discussion under the area of discussion on cross-cutting issues, unilateral trade-related climate measures were identified by some participants as barriers and challenges to mitigation in industries, while others defined carbon border adjustment mechanisms as domestic and nationally determined policy measures aimed at addressing carbon leakage.

B. Experiences of other cross-cutting issues as mandated in decision 4/CMA.4, paragraph 4

(a) Key observations from national and regional experiences

21. Many participants emphasized that industrial decarbonization is part of a systemic transformation encompassing broader macroeconomic, environmental and social systems. While whole-of-government approaches aligning countries' climate strategies with their industrial, trade, energy and development goals ensure policy coherence in this regard, balancing mitigation ambition with concerns pertaining to the cost of living and economic resilience maintains public trust, ensures energy security and delivers health co-benefits.

22. Many participants mentioned that achieving a just transition for the workers and communities that depend on emissions-intensive industries is key for sustained mitigation action. Participants described national practices already in place, including climate acts; agencies dedicated to net zero economic transition; and national sustainable action plans designed to support workforce retraining, skill development and local economic diversification. Mechanisms for tripartite dialogue involving governments, labour representatives, and industry actors were highlighted as effective tools for anticipating workforce shifts and ensuring that quality employment can be accessed within emerging low-carbon value chains.

23. Several participants highlighted inclusive stakeholder engagement, equity and social inclusion, in accordance with respective human rights obligations as appropriate, as being key for sustainable industrial mitigation action. They described community benefit-sharing frameworks, especially those involving Indigenous Peoples and local communities, as means of securing localized socioeconomic returns. Participants also cited the importance of targeted initiatives, such as dedicated funding and mentoring for women in technical occupations and in science, technology, engineering and mathematics fields, as well as structured youth engagement in national climate planning.

24. Some participants and experts noted that the risk of carbon leakage poses a challenge for national mitigation action, with carbon border adjustment mechanisms highlighted as instruments to address leakage, ensure competitiveness and support carbon pricing. Furthermore, some participants called for an open and non-discriminatory international trade environment, expressing concern that unilateral trade-related climate measures that affect foundational commodities impose disproportionate economic burdens on developing countries, constrain fiscal space and hinder progress with regard to nationally determined mitigation pathways, and these participants also referred to Article 3.5 of the Convention. Meanwhile, other participants observed that carbon border adjustment mechanisms are

domestic and nationally determined policies and cautioned against characterizing them as unilateral trade barriers.

25. Many participants stressed that anchoring industrial mitigation action within overarching national development strategies, long-term low-emission development strategies and climate laws provides long-term policy signals to industry actors and investors across political cycles. Participants described whole-of-government governance structures, such as presidential climate commissions and interministerial committees, as practical tools for aligning climate objectives with industrial, trade, energy and fiscal portfolios and eliminating policy fragmentation in this area.

26. Several participants emphasized the importance of aligning industrial mitigation action with biodiversity conservation, activities pertaining to water security and ecosystem restoration through integrated territorial and watershed planning. They also noted that bioeconomy frameworks and renewable material substitution provide valuable synergies between industrial decarbonization and broader environmental and circularity goals. Furthermore, participants highlighted managing environmental trade-offs as being important to integrated system planning, citing industrial water recycling and life cycle assessments of capture technologies as practical means to avoid unintended ecological burdens.

27. Several participants highlighted dedicated revenue recycling from carbon pricing as a practical tool to balance mitigation ambition with social protection. Directing revenues from emissions trading systems and carbon taxes into targeted social mechanisms can mitigate the impact of rising costs on vulnerable households. Cooperative approaches under Article 6 of the Paris Agreement can direct investment toward community resilience and sustainable development priorities in host countries.

28. Participants underscored that the digital transition within heavy industry and manufacturing intersects with broader socioeconomic, institutional and governance dimensions. They emphasized that, while advanced data architecture and AI can enhance emissions transparency and life cycle emissions tracking across supply chains, their adoption requires increased electricity supply, robust digital public infrastructure, open data standards and reliable access to connectivity. Discussions highlighted the critical need to bridge the digital divide between developed and developing regions by ensuring equitable access to emerging digital solutions while prioritizing human oversight, data governance and workforce capacity-building to support an inclusive industrial transformation.

29. Many participants highlighted the important role of international cooperation, regional alliances and South–South partnerships in delivering sustainable development co-benefits. They noted that technology transfer needs to move beyond the provision of hardware and towards collaborative ecosystems encompassing joint research, local adaptation action and capacity-building. Multilateral initiatives, research platforms and project preparation support strengthen domestic capacities, avoid fragmented efforts and accelerate low-carbon industrial development across emerging markets.

2. Opportunities (including actionable solutions) and barriers

30. Noting that not all of the following opportunities are applicable to every national or regional context, that there is no single solution that fits all contexts, and that the prioritization of opportunities will vary in accordance with national circumstances, opportunities mentioned by participants include:

(a) Strengthening institutional support, tailored skills training and localized benefit-sharing approaches for communities and workers in regions undergoing economic and industrial transitions;

(b) Exploring revenue recycling approaches from carbon pricing and market mechanisms, where applicable, to support vulnerable households, assist low-income consumers and facilitate industrial modernization;

(c) Advancing gender-responsive industrial transition frameworks, including targeted grants, mentorship and capacity-building programmes, to promote the participation and leadership of women in the context of industrial transition and clean technology deployment;

(d) Strengthening the integration of industrial mitigation strategies into territorial planning, water resource management and ecosystem restoration to foster biodiversity and resilience co-benefits;

(e) Fostering international cooperation to ensure consistency between carbon accounting methodologies and cross-border regulatory requirements, improve data and accounting comparability and mitigate the adverse socioeconomic impacts of such measures on developing countries;

(f) Strengthening regional cooperation platforms, such as regional clean technology and efficiency networks, in order to more effectively share case studies, pool technical resources and expand access to clean energy solutions.

31. Noting that not all of the following barriers or challenges are present in every national or regional context, and that the prioritization of actions to be considered to overcome relevant barriers and challenges will vary in accordance with national circumstances, barriers and challenges mentioned by participants include:

(a) Competing national socioeconomic priorities and limited fiscal space in developing economies posing challenges such as severe budgetary trade-offs and constraints on committing public funding to capital-intensive mitigation projects in the context of distributing capital between industrial decarbonization and critical needs such as public health, education and poverty eradication, compounded by limited institutional capacity and resources to enforce existing environmental laws and technical standards in practice;

(b) Adverse socioeconomic impacts of industrial mitigation action on regions and workforces reliant on emission-intensive and traditional industries, including potential job displacement and localized challenges arising from economic restructuring;

(c) Potential adverse impacts of unilateral trade-related climate measures, including risks to export competitiveness, foreign exchange earnings and, in developing countries, domestic financing available for sustainable transitions;

(d) Gender-based disparities in access to technical education, quality employment and financial resources within evolving industrial and technology sectors;

(e) Environmental trade-offs, such as elevated industrial water consumption and upstream environmental pressures, arising at various stages in the life cycles of industrial technologies.

C. Closing session – facilitative exchange

32. Participants reflected on opportunities to overcome challenges in advancing mitigation action, including those emerging from discussions held under the Sharm el-Sheikh mitigation ambition and implementation work programme. Aspects of mitigation action frequently mentioned by participants include:

(a) The absence of a one-size-fits-all pathway to reducing greenhouse gas emissions and the importance of considering national circumstances, such as economic

structure, energy systems and development priorities, in order to identify actionable solutions, build trust and enhance mutual learning;

(b) The importance of international cooperation in addressing barriers to implementing mitigation solutions, including in the context of developing standards, methodologies, and research and development partnerships; improving measurement, reporting and verification practices in order to strengthen their reliability; conducting feasibility studies of first-of-a-kind projects; and enhancing the means of implementation support to developing countries, including through finance, technology development and transfer, and capacity-building;

(c) Opportunities arising from capacity-building to develop pipelines of replicable investment projects based on the best available science and technology options, including in the areas of renewable energy, energy efficiency, material efficiency, circular economy, waste heat recovery and waste management;

(d) The importance of creating enabling environments to achieve emission reductions at scale, including through predictable policy and regulatory frameworks, public procurement, carbon pricing and the development of infrastructure such as electricity networks, CO₂ transport and storage and hydrogen systems;

33. Participants mentioned areas for improvement with regard to future action under the Sharm el-Sheikh mitigation ambition and implementation work programme, including:

(a) The value that facilitative, non-prescriptive exchanges of views, information and experience offer in the context of bridging mitigation ambition and implementation, including by facilitating access to technical support, fostering enabling environments for mitigation action and supporting Parties in implementing their NDCs;

(b) A stronger focus on implementing mitigation solutions, particularly in developing countries, such as facilitation of project pipeline development, to overcome constraints related to institutional capacity and access to affordable finance;

(c) The need to move away from discussions on general opportunities, challenges and solutions pertaining to mitigation action and towards creating a platform for helping to address barriers to implementing such solutions at scale, such as a lack of institutional capacity to implement policies, prepare investable projects and access affordable finance;

(d) Increased participation of practitioners and financiers and stronger cooperation with relevant constituted bodies, including under mechanisms such as the Financial Mechanism and Technology Mechanism, organizations and capacity-building providers;

(e) Greater consideration of national circumstances, including through regional exchanges (particularly in the case of the least developed countries and SIDS);

(f) More effective outputs, including stronger messages in annual CMA decisions;

(g) A more efficient timeline of activities, including submissions, and multi-year planning.

34. Views were expressed on the cross-border impacts of mitigation and trade measures, the coverage of topics under the Sharm el-Sheikh mitigation ambition and implementation work programme and its linkages with the global stocktake and NDCs.

III. Summary of the eighth investment-focused event

A. Discussions

1. Scene-setting session

The scene-setting presentation highlighted that industrial decarbonization is one of the least financed areas of climate action, with USD 29.26 billion, or about 1.5 per cent, of the USD 2 trillion in global climate finance flows in 2024 directed towards industrial decarbonization. It was noted during the presentation that the major share of this finance was non-concessional, with equity and loans accounting for the largest shares, and that public finance accounted for 68 per cent of flows. The presentation highlighted the complementary roles of grants, concessional finance, guarantees, and equity and debt instruments, including through blended finance approaches, in supporting investment across different industrial decarbonization pathways. Barriers to mobilizing finance for industrial decarbonization identified in the presentation extended beyond the availability of capital and include data gaps with regard to emissions and decarbonization opportunities, limited capacity to develop credible and bankable project pipelines, scarcity of large-scale pilots translated into commercial ventures with structured financing plans, high capital costs and perceived investment risk. Sectoral road maps; investment planning; policy and regulatory incentives, including carbon pricing mechanisms, green public procurement and targeted fiscal incentives; updates to standards and regulations; and technical assistance and capacity-building, particularly for small and medium-sized enterprises, were highlighted as means of strengthening enabling environments for industrial decarbonization.

35. Participants of the panel discussion considered the conditions that enable industrial decarbonization projects to move from concept to implementation and attract investment at scale. Several participants noted that, while capital is often available, successful mobilization of finance depends on developing investable projects with clear commercial propositions and appropriate allocation of risk. Participants further emphasized that investment readiness also extends beyond individual projects and relates to broader enabling factors such as supportive and predictable policy environments, institutional capacity to support project development, access to project preparation and long-term market demand for low-emission products and services. The view was also raised that policy and demand signals come first, including clarity on who the prospective buyers are and why they would pay, while capital structuring comes second.

36. Participants discussed the roles of different sources of finance in supporting industrial decarbonization. They emphasized that public finance and concessional finance can play a catalytic role in transforming early-stage concepts into investment-ready projects and in mobilizing additional private sector finance, while technical assistance can support project preparation and investment readiness. Participants also discussed blended finance approaches that combine public, concessional and commercial capital to allocate risks among different sources of finance and can improve the risk-return profile of investments, particularly for technologies, markets and business models that are not yet fully mature. Furthermore, participants noted the complementary roles of development finance institutions, multilateral development banks, multilateral climate funds, commercial investors, private equity firms, institutional investors and philanthropic organizations in supporting different stages of project development and technology deployment.

37. Participants highlighted that investors have varying mandates, return expectations, risk appetites and investment horizons and that financing structures must reflect these differences. It was noted that there is no single pool of institutional capital and that sovereign funds, pension funds, insurers and other institutional investors operating within different investment parameters, including with regard to investment-grade structures, ticket sizes and exposure to currency risk. Institutional investors were described as requiring larger-scale

investment opportunities, while early-stage and higher-risk technologies were identified as often requiring more flexible sources of capital. It was noted that, through blended finance, concessional capital can be used to absorb uncertainties that commercial capital cannot, enabling investment decisions to be made on less complete information. Several participants emphasized the importance of policy clarity and long-term policy signals, including through NDCs, long-term low-emission development strategies, industrial policies and energy transition plans, in reducing uncertainty and supporting investment decisions. It was suggested that investors are increasingly considering industrial decarbonization opportunities through broader lenses such as energy security, energy affordability, and competitiveness and resilience.

38. Discussions highlighted the importance of programmatic and portfolio approaches for mobilizing finance. Participants noted that bundling projects can reduce transaction costs, diversify risk and create investment opportunities of sufficient scale to attract institutional investors. Experiences shared by participants pertained, inter alia, to programme-based approaches supporting renewable energy deployment in SIDS through project aggregation; technical assistance and capacity-building; and financing packages that combine concessional resources, guarantees, loans and equity to mobilize private and other sources of investment. Participants observed that such approaches can be particularly important in smaller and developing economies where individual projects may be too small to attract commercial investors, while noting that project aggregation approaches in developing markets still have to mature to create investment opportunities at the scale required by large institutional investors.

39. Several participants underscored the importance of upstream technical assistance and institutional strengthening in improving the readiness of countries and project developers to identify, develop and finance industrial decarbonization projects. Examples discussed include support for technology and sectoral road maps and policy development at the country and sectoral level, as well as feasibility studies, project development and financial structuring at the project level, alongside broader capacity-building. Participants emphasized that technical assistance could help countries identify viable mitigation opportunities, develop pipelines of projects aligned with national strategies and strengthen the enabling conditions necessary to attract investment.

40. During the discussion, participants raised challenges related to the accessibility of climate finance, particularly for SIDS and other developing countries. Some participants emphasized that access to finance is the main barrier in these countries rather than a lack of project pipelines or enabling policies, and that available financing opportunities do not always correspond to the scale and circumstances of their financing needs. Furthermore, some participants noted that aggregation, concessional resources and guarantees can help address barriers associated with small project size and perceived investment risk. In the Pacific, it was also noted that many investment opportunities are primarily focused on adaptation and resilience, while generating mitigation co-benefits.

2. Session on case studies and perspectives on financing mitigation in industries

41. The session on case studies and perspectives on financing mitigation in industries included presentations on project preparation, blended finance structures, country platforms and infrastructure sequencing for industrial decarbonization. Topics discussed included the use of national road maps as planning and de-risking instruments in industries; aggregate investment requirements and the high cost of capital in emerging markets and developing economies; regional aggregation and blended finance facilities for maritime transport and sustainable port infrastructure in SIDS; and the linking of large-scale renewable power, dedicated industrial hubs and national development banks to finance low-carbon export value chains.

42. Participants highlighted that industrial decarbonization requires the translation of high-level national ambition into bankable project pipelines through the alignment of policy frameworks, public finance and private capital across project life cycles, from preparation and de-risking through to construction and operation. A case study presented by the CTCN and Zimbabwe on the latter's national decarbonization road map for its cement industry illustrated how structured industry methodologies centred on clinker substitution, energy efficiency and frontier technologies can guide investment. The case study on the cement industry illustrated that near-term operational levers often face constraints related to regulatory standards, building codes and rules surrounding public procurement, while frontier solutions such as kiln electrification, low-emission hydrogen and CCUS continue to face barriers pertaining to technology maturity and commercial viability. Participants noted that sequencing capital is essential for industrial decarbonization in general; while grants and technical assistance can address barriers pertaining to policy and standard setting, concessional debt and blended finance can absorb capital expenditure risks for proven technologies, and equity combined with carbon finance can support first-of-a-kind technologies in the commercial demonstration stages.

43. Participants discussed in detail the role of international organizations, enabling policy environments and country platforms in mobilizing commercial finance for industrial decarbonization. The OECD highlighted the substantial financing gap that exists in scaling investment in the transition to near-zero emissions within industries, including steel and cement, and emphasized that a multifold increase in such capital is required over the next decade, with the vast majority needed in emerging markets and developing economies. Participants emphasized that the high cost of capital and perceived investment and market risks in developing regions are the primary obstacles to final investment decisions being made there. They also emphasized the importance of strengthening national financing platforms, interoperable sustainable finance frameworks and blended finance instruments, such as technology performance insurance, guarantees and contracts for difference, in order to de-risk capital expenditures and operating costs across value chains.

44. Participants addressed the specific challenges with regard to financing and scaling industrial mitigation action faced by SIDS, where opportunities for such action are primarily concentrated in maritime transport, ports, utilities and tourism. A case study presented by the Asian Development Bank on sustainable and resilient maritime initiatives in the Pacific, including port modernization, demonstrated how regional aggregation and programmatic project bundling can overcome barriers arising from small project size and high transaction costs. The case study highlighted that dedicated project preparation facilities, technical assistance for feasibility studies and blended finance funds are key for integrating initiatives pertaining to energy efficiency, port electrification and climate resilience into investable infrastructure assets capable of attracting institutional investors.

45. A case study presented by the International Renewable Energy Agency and Brazil on the Pecém industrial and port complex highlighted the benefits of coupling comparative advantages in abundant renewable energy resources with power grid expansions and sustainable industrial water management. Participants noted the essential role of national development banks in managing large-scale decarbonization programmes and channelling multilateral climate funds and private capital into low-emission hydrogen, near-zero-emission steel and sustainable fuels. Securing bankable long-term offtake agreements and advancing adoption of interoperable carbon accounting standards were highlighted as key to mitigating market uncertainty, and coordinating grid integration and access was seen as important for addressing infrastructure bottlenecks.

3. Session on investment readiness, project development and investor perspectives

46. Participants discussed conditions that enable industrial mitigation projects to progress from the concept stage towards a final investment decision being made. They discussed

investor perspectives, financial instruments such as blended finance and carbon market finance, and national and regional experience of mobilizing investment.

47. The investor perspectives underlined by the panellists pertain, inter alia, to:

(a) Consideration of investment readiness not only at the individual project level, but also in relation to the broader investment environment, including:

- (i) Policy and regulatory predictability;
- (ii) Demand for low-emission products;
- (iii) Availability of relevant infrastructure;
- (iv) Sovereign creditworthiness;
- (v) Cost of capital;
- (vi) Capacity to track progress of emissions targets at the national and project level;
- (vii) Current state of climate finance, including sources of finance, finance providers and types of institutional financiers;
- (viii) Integration of projects into broader investment programmes aligned with NDCs, national development strategies and industrial planning;

(b) Differing mandates, risk appetites, return expectations, time horizons and information requirements of different types of investor, including:

- (i) Domestic enterprises;
- (ii) Local and international banks;
- (iii) Development finance institutions;
- (iv) Institutional investors;
- (v) Sovereign wealth funds;
- (vi) Asset managers;
- (vii) Insurers;
- (viii) Pension funds;
- (ix) Philanthropies;
- (x) Family offices;
- (c) General required features of an investment-ready project, including:
 - (i) Clear commercial strategy;
 - (ii) Credible revenue streams;
 - (iii) Defined scope and clearly outlined costs and timelines;
 - (iv) Credible implementation and governance arrangements;
 - (v) Credible project sponsors;
 - (vi) Registry for the assessment and allocation of risks among stakeholders, including technical, commercial, policy, currency, credit and demand risks;

(d) The fact that institutional investors usually invest through intermediaries or aggregated investment vehicles and consider the track record of the investment manager (typically over three to five years), the participation of local co-investors and the risk

allocation strategies used by the institutional investors. Namely, the information they require includes:

- (i) Policy orientation of state-aligned, large-scale institutional investors such as public pension funds, sovereign wealth funds and state-backed insurance companies;
- (ii) Early-stage capital of nimble entrepreneurial institutional investors such as foundations, family offices and philanthropies;
- (iii) Commercial strategies of global insurers, asset managers and global banks.

48. The financial instruments discussed by the participants include:

- (a) Portfolio and programmatic approaches to mobilizing finance that strengthen political ownership, aggregate smaller projects, diversify risk, reduce transaction costs including through standardization and ensure continuity across political cycles;
- (b) Carbon finance as a means of providing a supplementary revenue source alongside public, concessional, equity and debt finance for projects that are technologically viable but not yet financially so
- (c) Blended finance incorporating official development finance, public finance and philanthropic resources as a means of helping reduce the cost of capital; address specific risks such as technology performance, as well as perceived risks, in the context of commercially viable project opportunities; and develop new financial models such as nature-based solutions. Blended finance typically support projects with a credible pathway to commercial viability rather than subsidizing projects that are already bankable;
- (d) Grant finance, which often supports activities that generate information on public goods, including feasibility studies and development of the first carbon accounting methodologies;

49. National and regional experience of mobilizing investment shared by participants includes:

- (a) Good practice with regard to engagement with private sector actors at the key stages of project development to understand the risks investors face and protect the return they need to make;
- (b) Exploring carbon financing an early stage in project development to demonstrate financial additionalities required to utilize carbon finance;
- (c) High demand for technical assistance for building capacity to develop investment projects such as technology assessments, financial modelling, risk structuring and preparation of project pipelines;
- (d) Challenges faced by small and highly indebted developing countries in mobilizing investment due to small project size, and the need to use international public finance and regional investment facilities to aggregate projects across sectors and countries to address such challenges;
- (e) A portfolio approach used for identifying steel decarbonization projects with higher carbon credit finance potential;
- (f) The engagement of national ministries of finance in ecological transformation planning; this allows them to study its potential implications for economic growth and employment, as well as the distributional impacts of climate policies;
- (g) The use of green hydrogen road maps, NDCs and renewable energy potential to explore carbon finance with a view to enhancing industrial decarbonization and energy security while reducing exposure to fossil fuel price volatility;

- (h) National carbon legislation that enables international carbon credits to meet a limited portion of carbon tax obligations;
- (i) Efforts to develop carbon finance taxonomies and disclosure frameworks with a view to strengthening its enabling environment for sustainable finance.

B. Pitch hub

50. Ahead of the project presentations, two previous pitch hub participants shared their experience. The Gambia explained that its solar-powered composting project secured grant funding following its pitch. Malawi described how feedback received on its landfill management and methane capture concept helped it to revise its budget, add public awareness and regulatory components and seek co-financing, including from carbon markets.

51. The feedback from the advisory panel emphasized the critical importance of clear business models, transparent cost breakdowns, staged risk management frameworks and credible revenue pathways to translate project ideas into bankable assets and attract public and commercial finance. The feedback can be summarized as follows:

- (a) The advisory panel members emphasized that project proposals need to include robust business models and structured financial requests with clear cost breakdowns by component. Proposals benefit from distinguishing committed funding from prospective co-financing, demonstrating the catalytic leverage of private capital and showing how projects will transition from grant support to long-term financial self-sufficiency;

- (b) Advisory panel members underscored the value of clearly defining the specific market barrier or commercial viability gap that concessional capital would address. Proposals benefit from identifying targeted instruments, such as guarantees, first-loss facilities and risk sharing mechanisms, while distinguishing components that are commercially investable from those requiring sustained public support;

- (c) Advisory panel members noted the utility of exploring carbon finance opportunities in the early stage of project development, including alignment of projects with emerging international crediting standards, cooperative approaches under Article 6 of the Paris Agreement, and book-and-claim mechanisms. It was observed that such instruments require structured upfront financing solutions to bridge the gap between upfront capital needs and delayed carbon revenue streams;

- (d) Advisory panel members highlighted the value of programmatic approaches in bundling distributed assets, enabling projects to reach commercial scale and lowering transaction costs. Deploying phased pilots across selected transport corridors or industrial facilities enables proponents to establish proof of concept, learn from experience and align project design and financing structures with established regional financing programmes before scaling up investment;

- (e) Advisory panel members highlighted the importance of early engagement with industrial partners and prospective buyers. They also highlighted that early collaboration with existing industrial facilities helps demonstrate market demand, supports technical validation against industry standards and strengthens the commercial case for financing;

- (f) Advisory panel members noted that quantifying emission reduction potentials of projects against defined baselines and establishing transparent monitoring, reporting and verification systems play an important role in supporting cost-effectiveness assessments and the alignment of projects with national climate priorities;

- (g) Advisory panel members observed that communicating broader sustainable development co-benefits, such as job creation and improved public health, energy security

and social inclusion, strengthens the perceived project bankability for diverse climate financiers and high-integrity carbon market participants;

(h) Advisory panel members emphasized the importance of assessing regulatory frameworks and policy environments at an early stage in project development. It also emphasized that demonstrating alignment of projects with government regulations, relevant technical standards and environmental licensing supports investment readiness, and establishing defined testing, certification and approval processes helps validate the technical performance of technologies and materials for prospective financiers;

(i) Advisory panel members noted the benefit of incorporating phased implementation milestones, stage-gated decision points and risk management frameworks into project planning. They also noted that establishing structured interim review points enables proponents and funders to evaluate technical progress against relevant standards, adapt the scope of a project prior to scaling it up and ensure that public good outputs, such as data platforms and guidelines, are maintained after grant completion.

C. Opportunities (including actionable solutions) and barriers

52. Noting that not all of the following opportunities are applicable to every national or regional context, that there is no single solution that fits all contexts, and that the prioritization of opportunities will vary in accordance with national circumstances, opportunities mentioned by participants and showcased in the regional case studies include:

(a) Aggregating projects through programmatic, portfolio and regional approaches to increase their scale and reduce transaction costs;

(b) Aligning investment pipelines with NDCs, sectoral plans and national development and investment programmes, including through coordination among ministries, regulators and financial institutions;

(c) Engaging investors, financial institutions, project developers and potential offtake partners early in project development, as well as exploring carbon finance opportunities;

(d) Strengthening domestic financial institutions and encouraging the participation of local investors in project development and financing to facilitate international investment;

(e) Strengthening project preparation through feasibility studies, financial modelling, risk assessment, clear commercial strategies and use of blended finance, guarantees and concessional resources to address clearly identified barriers;

(f) Exploring, as appropriate, aggregation and debt-conversion mechanisms, including debt-for-nature swaps, to improve access to finance in small and highly indebted developing countries;

(g) Tailoring financing structures to the risk profiles and investment requirements of different categories of investor, including sovereign wealth funds, pension funds, insurers, family offices and development finance institutions, to broaden participation in industrial decarbonization investments;

(h) Establishing stable policy frameworks, demand-side measures and disclosure requirements to improve revenue certainty and investor confidence;

(i) Leveraging synergies between climate resilience and low-carbon infrastructure to safeguard vital economic lifelines while delivering mitigation co-benefits tailored to small-scale investment contexts;

(j) Integrating wider development priorities, including resilience, adaptation, livelihood protection and energy security objectives, into mitigation investments in order to generate multiple benefits from them and strengthen investment cases;

(k) Adopting, with the support of country-led investment platforms, integrated industrial planning and cluster-based approaches that locate clean energy generation in close proximity to industrial demand and shared infrastructure, thereby alleviating grid bottlenecks, coordinating multilateral and domestic public finance and mobilizing private capital at scale;

(l) Exploring financing structures that facilitate the participation of Indigenous Peoples and local communities in mitigation investments, including guarantees, government underwriting of revenue, preferred equity structures and intermediary investment vehicles;

53. Noting that not all of the following barriers or challenges are present in every national or regional context, and that the prioritization of actions to be considered to overcome relevant barriers and challenges will vary in accordance with national circumstances, barriers and challenges mentioned by participants and showcased in the regional case studies include:

(a) Limited availability of data on emissions, mitigation potential and technology pathways, which can create uncertainty for policymakers, industries and investors when identifying viable decarbonization opportunities;

(b) Weak alignment among national priorities, sectoral plans, project pipelines and investor requirements;

(c) Limited institutional capacity to prepare bankable proposals, including revenue models and commercial strategies, and to assess technologies and financial risks;

(d) High upfront costs; long payback periods; high sovereign, credit and currency risks; and limited access to affordable long-term capital, particularly in developing countries;

(e) Diverse investor requirements and expectations with regard to liquidity, return, foreign exchange risks, investment-grade ratings and minimum transaction sizes, which may constrain investment in developing country projects;

(f) A lack of experienced sponsors; intermediaries and local co-investors with limited track records; and low creditworthiness of smaller project developers;

(g) Small project size, constrained fiscal space and high domestic interest rates, particularly in small developing countries;

(h) Fragmented technical assistance and bespoke financing structures that increase transaction costs;

(i) Policy and regulatory uncertainty and insufficient demand for low-emission products;

(j) Constraints with regard to technology, infrastructure and supply chains;

(k) Limited accessibility and suitability of available financing instruments for SIDS and other capacity-constrained countries;

(l) Divergent carbon accounting standards and complex facility-level verification protocols associated with trade-related climate policies, which place reporting and financial burdens on enterprises in emerging markets facing constraints with regard to digital infrastructure and harmonized measurement, reporting and verification systems.

Annex

Proceedings of the eighth global dialogue and investment-focused event under the Sharm el-Sheikh mitigation ambition and implementation work programme

1. The eighth global dialogue and investment-focused event under the Sharm el-Sheikh mitigation ambition and implementation work programme took place in hybrid format in Sydney, Australia, from 28 to 30 September 2026. It was attended by 149 registered in-person participants and 184 registered virtual participants.
2. The co-chairs of the work programme, considering the submissions received, decided and communicated in a message to Parties and observers¹ that the eighth global dialogue would focus on enabling mitigation ambition and implementation in industries, drawing on national and regional experience – Part 2 and other cross cutting issues as mandated in decision 4/CMA.4, paragraph 4².
3. During the dialogue, participants discussed two key areas within the topic:
 - (a) Experiences of best practices and actionable solutions in addressing challenges and barriers, including the enablers of ambition and implementation of mitigation action in industries;
 - (b) Experiences of other cross-cutting issues as mandated in decision 4/CMA.4, paragraph 4.
4. The dialogue was followed by an investment-focused event, which was organized by the secretariat under the guidance of the co-chairs of the work programme and held in hybrid format from 29 to 30 September 2026. The investment-focused event included a scene-setting presentation followed by a panel discussion on financing mitigation in industries, a session on regional case studies and perspectives on financing mitigation in industries, a session on investment readiness, project development and investor perspectives and a pitch hub session.
5. The sessions of the eighth global dialogue and investment-focused event can be revisited via the webcast links on the event web page.³
6. A poster session was organized alongside the eighth global dialogue and investment-focused event by the co-chairs of the work programme. The poster session aimed to enhance discussions and provide participants with an opportunity to explore and engage with initiatives, case studies and national experience of industrial mitigation action that are relevant to the themes of the dialogue and event. Posters to the poster session were submitted by the Global Enabling Sustainability Initiative; the Leadership Group for Industry Transition; the Ragn-Sells Group; Sweden; and UNIDO. These can be found on the poster session web page.⁴
7. The eighth global dialogue and investment-focused event began with a Welcome to Country ceremony, which is a traditional custom observed by Aboriginal and Torres Strait Islander Peoples that involves welcoming those attending events or gatherings on to their ancestral lands. The ceremony was led by Elder Brendan and accompanied by a Smoking

¹ As per decision 4/CMA.4, para. 13.

² <https://unfccc.int/documents/655943>.

³ <https://unfccc.int/event/eighth-global-dialogue-and-investment-focused-event-under-the-sharm-el-sheikh-mitigation-ambition>.

⁴ https://unfccc.int/page/Poster_session_eighth_GD_and_IFE.

Ceremony, a way of clearing the air and offering healing and connection to Country and the land.

8. The opening session followed, with welcome remarks provided by Elif Pinar Polat, representing the incoming COP 31 Presidency, and Chao Feng, representing the incoming Presidency of Negotiations for COP 31. Dan Ioschpe, Climate High-Level Champion of the COP 30 Presidency, provided remarks via video message. This was followed by an introduction to the eighth global dialogue and investment-focused event by the co-chairs of the work programme.

9. The opening session was followed by a scene-setting session, consisting of presentations and panel discussions on the two areas of discussion outlined above.

10. Under the first area of discussion, the scene-setting and panel discussions explored technology options, trends and innovation ecosystems for decarbonizing industries, drawing on national and regional experience, with a focus on building on the discussions already started at the seventh global dialogue on mitigation ambition and implementation in industries.

11. The scene-setting presentation on the first area of discussion was delivered by Tomasz Pawelec, representing UNIDO (virtual). This presentation provided an overview of experience of best practices and actionable solutions pertaining to mitigation action in industries, such as material efficiency, energy efficiency, electrification, hydrogen technologies and carbon management, and of means of overcoming barriers to implementing such solutions.

12. The scene-setting presentation was followed by a panel discussion on the first area of discussion, which was moderated by Hisham Mundol, Chief Advisor in India of the Environmental Defense Fund. Panellists included:

(a) Paul Curnow, Chief Commercial Officer and Managing Director at Akaysha Energy;

(b) Xu Dong, Chief Expert at CHN ENERGY and Director of the Carbon Neutrality Research Center at the CHN Energy New Energy Technology Research Institute (virtual);

(c) Christopher Hope, Industrial Transition Specialist at UNIDO (virtual);

(d) Yvette Manolas, Director at YMC;

(e) Breandán Skinner, Assistant Director of the COP31 Task Force; Department of Climate Change, Energy, the Environment and Water of Australia.

13. Under the second area of discussion, the scene-setting and panel discussion explored cross-cutting issues, synergies, trade-offs and co-benefits associated with mitigation action in industries, drawing on national and regional experience.

14. The scene-setting presentation on the second area of discussion was delivered by Frank Jotzo, Director at the Centre for Climate and Energy Policy at the Crawford School of Public Policy of the Australian National University. He presented on cross-cutting issues, synergies and trade-offs in the context of and co-benefits arising from mitigation action.

15. The scene-setting presentation was followed by a panel discussion on the second area of discussion, which was moderated by Charlotte Hanson, Policy Advisor at the Environmental Defense Fund. Panellists included:

(a) Antony Garae Liu, Coordinator for the Office of the Pacific Energy Regulators Alliance of the Secretariat of the Pacific Community;

(b) Frankie Muskovic, Executive Director of Policy at the Investor Group on Climate Change;

(c) Luis Neves, Chief Executive Officer at the Global Enabling Sustainability Initiative;

(d) Stig Svenningsen, member of the Technology Executive Committee.

16. Following the scene-setting presentations and panel discussions on both areas of discussion, two breakout group sessions were held so that participants could engage on the two areas of discussion. These sessions built on the themes and issues highlighted during the scene-setting presentations and panel discussions on best practices and actionable solutions in addressing challenges and barriers, including the enablers of ambition and implementation of mitigation action in industries, drawing on national and regional experience and on cross-cutting issues.

17. Each of the two breakout sessions was facilitated by one of the co-chairs of the work programme. They were held in two consecutive rounds, with two groups convening in parallel during each round. Participants were able to select the group they wished to join. Both theme,s with the themes rotating between the groups after the first round to ensure that all participants had the opportunity to address both areas of discussion.

18. The breakout session on experience of best practices and actionable solutions in addressing challenges and barriers, including the enablers of ambition and implementation of mitigation action in industries, was facilitated with following guiding questions:

(a) What are the best practices and actionable solutions from your country or region to advance innovation and the development, deployment and scale-up of solutions for decarbonizing industries?

(b) What are the key enablers of mitigation action in industries in your country or region and how have they helped address challenges and barriers such as financial, technological and governance-related barriers, among others?

19. The breakout session on experience of other cross-cutting issues as mandated in decision 4/CMA.4, paragraph 4, was facilitated with following guiding questions:

(a) Drawing on national and regional experiences, what cross-cutting approaches have effectively managed interactions between mitigation options across sectors, and with broader environmental and/or socio-economic goals?

(b) What practices, including stakeholder engagement, international cooperation, among others, have delivered co-benefits such as equity, sustainable development, poverty eradication, among others, while managing trade-offs? What enabling conditions supported this?

20. The co-chairs of the work programme opened the second day with a report back on the discussions that took place in the breakout sessions the previous day and gave participants the opportunity to provide additional input.

21. Following the reflection on the previous day's breakout sessions, the co-chairs moderated the facilitated exchange under the global dialogue closing session. This session provided an opportunity for participants to reflect collectively on opportunities for overcoming challenges in advancing mitigation action, including those emerging from discussions held under the Sharm el-Sheikh mitigation ambition and implementation work programme. The guiding questions for the session were:

(a) Drawing on the discussions held under the mitigation work programme, what key opportunities do you see for unlocking and advancing mitigation ambition and implementation in this critical decade?

(b) Reflecting on the discussions and experiences under the mitigation work programme, what lessons or approaches could be carried forward through collective action and cooperation to help accelerate mitigation ambition and implementation?

22. Following the closing session of global dialogue, the investment-focused event began with a scene-setting presentation by Remy Ruat, Climate Change Specialist at the Global Environment Facility secretariat (virtual), who provided insights from Global Environment Facility on financing mitigation action in industries. This was followed by a panel discussion during which panellists shared perspectives on different financing modalities for mitigation action in industries and discussed ways of effectively mobilizing resources, including the role of blended finance, de-risking instruments and project preparation support. The panel also examined ways of improving institutional readiness and navigating specific funding and technical assistance processes that enable financing mitigation action in industries. The panel discussion was moderated by Kar Mei Tang, Regional Head of Oceania and Asia (excluding China and Japan) at Principles of Responsible Investment.

23. The panellists for this session were:

(a) Caleb Adams, Director at IBA Asset Management and Researcher at the University of Melbourne;

(b) Muslim Anshari Bin Rahman, Director of Policy and Analytics at GenZero (virtual)

(c) Alvin Chandra, Senior Climate Change Officer at the Asian Development Bank;

(d) Davina Ho, Interim Director of Investor Practice at the AIGCC;

(e) Andrew Johnstone, Chief Executive Officer at Climate Fund Managers.

24. The investment-focused event featured a session on case studies and perspectives on financing mitigation in industries, showcasing real examples and case studies of mitigation action whereby public finance, blended mechanisms and support from global funds successfully improved bankability and accelerated project development. Case studies were presented by representatives of organizations or implementing partners, or jointly by representatives of financial institutions and their country partners, thereby providing diverse regional perspectives. The presentations illustrated innovative investment approaches, enabling policy frameworks and key lessons learned in advancing mitigation action in industries.

25. The session on case studies and perspectives on financing mitigation in industries was moderated by Deo Gabinete, Regional Manager for Asia and the Pacific and Eastern Europe at NDC Partnership. Case studies and perspectives were provided by:

(a) Alvin Chandra, who presented on advancing the creation of green ports, including through the deployment of resilient port infrastructure and low-carbon maritime gateways, in Pacific SIDS;

(b) Simon Benmarraze, Head of Energy Planning and Modelling at the International Renewable Energy Agency, who presented on the deployment of industrial decarbonization infrastructure in Brazil, including the development of the Pecém industrial hub and associated low-carbon hydrogen, green iron and steel, and low-carbon fuel value chains. This presentation was complemented by an intervention from the floor from the representative for Brazil;

(c) Deger Saygin, Industry Programme Lead at the OECD (virtual), who presented on financing industrial decarbonization with a focus on investment needs and barriers in the steel and cement sectors, enabling conditions, and public and private financing approaches;

(d) Munashe E.S. Mukonoweshuro, Acting Deputy Director of Climate Finance and Resource Mobilization at the Ministry of Environment, Climate and Wildlife of Zimbabwe and Valentin Rudloff, Climate Technology Specialist at the CTCN (virtual), who gave a joint presentation on translating Zimbabwe's cement and concrete decarbonization road map into an investable project pipeline.

26. Following the case studies and perspectives provided on the topic of financing mitigation in industries and the subsequent exchange of questions and answers, a session on investment readiness, project development and investor perspectives took place. This brought together investors, financial institutions, climate funds, development banks and project preparation experts to discuss what makes mitigation projects investment-ready and how project proponents can better navigate the path from concept to bankable proposal. The discussion considered eligibility and assessment criteria used by investors, their minimum requirements, for project assessment, common weaknesses in project proposals and ways of strengthening project preparation, including technical assistance, blended finance, de-risking instruments and partnerships. The session also explored broader enabling conditions affecting access to finance for industrial decarbonization, including creditworthiness, cost of capital, risk perception, regulatory predictability and the role of stable policy and institutional frameworks in reducing risks and mobilizing investment. The panel discussion was moderated by Deanna Morris, Manager of the Climate Finance subdivision of the Means of Implementation division of the UNFCCC secretariat. The panellists were:

(a) James Boyle, Country Lead from the Mission Possible Partnership Australia (virtual);

(b) Nathan Fabian, Chief Policy and Research Officer at Principles for Responsible Investment;

(c) Leon Heng, Senior Managing Consultant at South Pole;

(d) Guly Sabahi, Senior Climate Finance Advisor at the NDC Partnership;

(e) Steve W. Stone, Deputy Director of the Industry and Economy Division and Acting Director of the Office of Science at UNEP (virtual);

(f) Ritesh Thakkar, Senior Advisor and Head of Asia and the Pacific at Convergence Blended Finance (virtual).

27. The co-chairs of the work programme opened the third day with a report back on the previous day's discussions and an introduction to the pitch hub.

28. The pitch hub session was held to provide an opportunity for interested Parties to share their project ideas and interact with investors, financial institutions and other policymakers with a view to receiving expert advice and insights on investment project preparation. The interested Parties were requested to submit a project proposal, using a template which can be found on the event web page,⁵ to be presented at the pitch hub. Project proponents made pitches to investors and policymakers on their project proposals, which fell under various thematic areas including industrial decarbonization.

29. The pitch hub opened by showcasing two success stories from previous pitch hubs. Malang Sambou Manneh, Chief Executive Officer of the Mbololo Association and Stella Funsani Gama, Director of Biodiversity and Climate Change for the Malawi Environment Protection Authority, shared their experience of presenting at the pitch hub and the ways in which doing so helped them to improve their respective projects.

30. Following the pitch hub success story presentations, a total of 10 projects (see the table below) were presented across two parallel rooms accommodating multiple advisory

⁵ <https://unfccc.int/event/seventh-global-dialogue-and-investment-focused-event-under-the-sharm-el-sheikh-mitigation-ambition>.

panels of experts, who provided guidance on the project proposals presented. A webcast of each breakout room is available on the event page.⁶

Eighth investment-focused event – pitch hub: projects pitched and advisory panel members

<i>Project name^a</i>	<i>Advisory panel members</i>
Scaling Clean Cooking in Tanzania: A Catalytic Investment Platform for Climate Mitigation, Modern Energy Access and Inclusive Green Growth (United Republic of Tanzania)	Guly Sabahi, Senior Climate Finance Advisor, NDC Partnership Leon Heng, Senior Managing Consultant, South Pole Petra Schmitter, Research Group Leader, Climate Mitigation and Adaptation Pathways Research Group, IWMI, CGIAR (virtual)
Biogas Development from Tapioca (Indonesia)	Davina Ho, Interim Director of Investor Practice, AIGCC Guly Sabahi, Senior Climate Finance Advisor, NDC Partnership Muslim Anshari Bin Rahman, Director of Policy and Analytics, GenZero (virtual)
Brazilian National CO ₂ Infrastructure Planning and Carbon Capture and Storage Hub Development Program (Brazil)	Davina Ho, Interim Director of Investor Practice, AIGCC
Integrated Framework for Bioenergy with Carbon Capture and Storage and Carbon Capture and Storage Geological Storage Screening and Prioritization in the São Paulo-Paraná Corridor, Paraná Basin (Brazil)	Rosa-Stella Mbulu, Lead for Strategic Partnerships, Technical Support Unit of the Mitigation Action Facility (virtual)
Integrated Zero-Emissions Urban and Intermodal Transport System for Malawi (Malawi)	Guly Sabahi, Senior Climate Finance Advisor, NDC Partnership Leon Heng, Senior Managing Consultant, South Pole Maria Belinda Bendana, External Funding Head, Central American Bank for Economic Development (virtual)
Activated Clay in Flue-Gas Filter with Charged Graphene Oxide and Cationized Cellulose (Egypt)	Leon Heng, Senior Managing Consultant, South Pole Bradley Todd Hiller, Lead Climate Change Specialist, Islamic Development Bank (virtual)
Alternative Cement Clay–Ore-Based Cement – Egypt Mitigation Demonstration Project (Egypt)	Leon Heng, Senior Managing Consultant, South Pole

⁶ <https://unfccc.int/event/eighth-global-dialogue-and-investment-focused-event-under-the-sharm-el-sheikh-mitigation-ambition>.

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<i>Project name^a</i>	<i>Advisory panel members</i>
	Bradley Todd Hiller, Lead Climate Change Specialist, Islamic Development Bank (virtual)
Transforming Sri Lanka's Tire and Rubber Industry towards Low-VOC and Cleaner Production (Sri Lanka)	Davina Ho, Interim Director of Investor Practice, AIGCC Rosa-Stella Mbulu, Lead for Strategic Partnerships, Technical Support Unit of the Mitigation Action Facility (virtual)
Green Manufacturing Transformation and Investment Programme for the Republic of Mauritius (Mauritius)	Guly Sabahi, Senior Climate Finance Advisor, NDC Partnership Rosa-Stella Mbulu, Lead for Strategic Partnerships, Technical Support Unit of the Mitigation Action Facility (virtual)
Enhancing Natural Methane Biofiltration in Permafrost Soils through Methanotrophic Communities (Russian Federation)	Guly Sabahi, Senior Climate Finance Advisor, NDC Partnership Petra Schmitter, Research Group Leader, Climate Mitigation and Adaptation Pathways Research Group, International Water Management Institute, CGIAR (virtual)

^a The Pitch hub plan including links to project concept notes and presentations is available at <https://unfccc.int/documents/660866>.