



SUBMISSION BY THE GROUP OF 77 AND CHINA

in regards to the call from the UNFCCC's secretariat for



TOPICS FOR GLOBAL DIALOGUES

pursuant to the mandate contained in Decision 13/CP.28, 4/ CMP.18, 19/CMA.5 paragraph 18, adopted at COP 28 in relation to the Workstream on the Impact of Implementation of Response Measures

The Republic of Iraq on behalf of the Group of 77 and China offers our sincere appreciation to the UNFCCC in regards to the call for topics for Global Dialogues in respect to the Workstream on the Impacts of the Implementation of Response Measures, and hereby makes this submission.

The G77 and China appreciate the UNFCCC's continued efforts to foster inclusive and action-oriented exchanges, and reaffirm the need for continued global dialogues that are anchored in the principle of Equity, Common but Differentiated Responsibility and Respective Capabilities (CBDR-RC), and sustainable socio-economic development, especially for developing countries.

The Group urges all Parties to reaffirm and uphold their commitments to ensure that the impacts arising from the implementation of response measures—stemming from mitigation policies, programmes, and actions undertaken under the Convention, the Kyoto Protocol, and the Paris Agreement—do not result in adverse effects on other Parties, particularly developing countries.

Furthermore, the G77 and China underscores the importance of proactively addressing any negative cross-border impacts that may result from the implementation of such response measures, in full accordance with the shared climate commitments embodied in these multilateral agreements. In this context, and in response to your call for topics for global dialogues on the impacts of implementation of response measures, we respectfully submit the following topics for your consideration:

- a.) **Assessing the Equity and Developmental Implications of Unilateral Climate Measures with Related Economic and Trade Impacts on Developing Countries, in the Context of the UNFCCC, the Kyoto Protocol and the Paris Agreement**

In upholding the global commitment to the principle of equity and the foundational concept of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), it is imperative that unilateral climate-related trade measures — particularly those with significant cross-border implications — be afforded focused and urgent attention within the context of the global dialogue on response measures. This proposed topic should critically examine how unilateral measures, such as Carbon Border Adjustment Mechanisms (CBAMs), align with the principles and obligations set forth under the UNFCCC, the Kyoto Protocol, and the Paris Agreement, in particular Articles 3.5, 4.1(g) and (h), 4.8, and 4.10 of the UNFCCC, Article 4.15 of the Paris Agreement, and Article 3.14 and 10(d) of the Kyoto Protocol. It should further assess whether jurisdictions pursuing the implementation of such measures have undertaken robust and transparent impact assessments, particularly in relation to their effects on developing countries and their consistency with their legal responsibilities under these multilateral climate frameworks — including in light of the findings and outcomes of the first Global Stocktake. Moreover, the dialogue should interrogate the extent to which such measures, when linked to trade, may constitute — whether intentionally or unintentionally — arbitrary or unjustifiable discrimination or disguised restrictions on international trade inconsistent with Article 3.5 of the UNFCCC. It should also identify appropriate recommendations to prevent or mitigate negative impacts, especially those borne disproportionately by developing countries with limited capacity to absorb such shocks. In addition, this topic presents an opportunity to evaluate the role of multilateral cooperation in managing the growing intersection between trade and climate policy. We would appreciate a thoughtful examination of the extent to which Carbon Border Adjustment Mechanisms (CBAMs), as a policy instrument, are expected to effectively achieve their stated climate objectives, while ensuring alignment with the principles of equity, sustainable development, and international cooperation. Particular attention should be given to enhancing institutional coherence and synergy between the UNFCCC and the World Trade Organization (WTO), with a view to fostering inclusive, rules-based approaches to global climate action that are development-sensitive and aligned with the principle of equity. Prioritising this issue within the global dialogue is essential. It will enable Parties to engage in open, transparent, and constructive discussions on how climate-related trade measures can be designed and implemented in a manner that safeguards developmental space, promotes climate

ambition, and ensures that response measures do not give rise to adverse socio-economic impacts or trade distortions, particularly for developing countries.

b.) Equitable Approaches to the Global Demand for Critical Minerals: Addressing the Socio-Economic and Environmental Impacts on Developing Countries in the Context of Response Measures

The global transition toward low-carbon technologies has driven a rapid and intensified demand for critical minerals, prompting developed countries to implement industrial and trade strategies aimed at securing long-term value chains. A significant proportion of these minerals are sourced from developing countries, which often bear the disproportionate burden of associated economic impacts, environmental degradation, social displacement, and minimal value retention — thereby perpetuating historical patterns of inequality and extractivism between developed and developing countries. This dynamic presents a serious risk of entrenching unsustainable development trajectories, undermining efforts toward industrial diversification, and jeopardising the prospects of a truly just transition for developing countries. In this context, a dedicated dialogue is both timely and necessary. It will allow Parties to consider how discussions or existing efforts related to critical minerals can be related to the wider national priorities and plans, while advancing the sustainable development priorities of developing countries. Such a dialogue should also explore how enhanced international cooperation, finance, and technology transfer can support developing countries across the entire value chain starting from extraction to high-value segments toward greater participation in high-value segments of sustainable industrial value chains and support value addition at or near the source of extraction, thereby promoting inclusive and equitable economic development.

c.) Addressing Equity, Developmental Needs, and the Implementation of Response Measures in developing countries

For many developing countries, economic stability and growth are key priorities— providing access to food security, critical revenue, employment, and energy security, affordability and access. As the global community accelerates its shift toward low-carbon pathways, it is essential to ensure that this transition does not deepen existing inequalities or undermine the

development aspirations of developing countries.. A truly just transition must be grounded in the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), acknowledging both historical responsibilities for emissions and the varied capacities of developing countries to undertake lower carbon pathways. In this context, a global dialogue offers an important opportunity to exchange experiences, identify context-specific and nationally appropriate approaches, and foster enhanced international cooperation in support of developing countries. The discussion should focus on identifying various approaches — at both domestic and international levels — that facilitate and support inclusive and equitable pathways, particularly through international cooperation under the UNFCCC and its Paris Agreement with respect to finance, technology transfer, and capacity building. This includes ensuring that climate response measures do not impose undue burdens or constraints on developing countries, but rather support their efforts to diversify their economies, protect livelihoods, and advance sustainable development in line with their national circumstances and climate commitments.

d.) Evidence-Based Approaches and Holistic Implementation of Climate Policies

d.1.: Enhancing capacities for impact assessments: Developing countries often encounter significant challenges in carrying out comprehensive and timely impact assessments of climate response measures, due to limited technical, financial, and institutional capacities. To ensure that these measures are effective, equitable, and aligned with wider national development priorities, it is crucial to identify the tools and methodologies to support countries evaluating socio-economic implications of response measures. The Global Dialogue presents an important opportunity to support developing countries by identifying practical solutions, fostering collaboration, promoting knowledge sharing, and that address these capacity gaps. In this context, the Dialogue should focus on:

- Tools and methodologies countries can use to conduct impact assessments of response measures on their economies.
- The development and use of nationally or regionally appropriate methodologies and frameworks to assess socioeconomic impacts.
- Sharing national and regional experiences in assessing and addressing the impacts of climate response measures.

- Mobilising partnerships with UN bodies (e.g., UNCTAD, ILO, UNDP), and research institutions to facilitate knowledge exchange.
- Enhanced financial and technical support to build capacity for such assessments within developing countries.
- Accessing a compendium of good practices and case studies that can support countries in implementing impact assessments that reflect their national contexts, with the aim of developing a comprehensive toolkit, including methodologies, which countries can voluntarily use in identifying, assessing and addressing the impacts of response measures.

d.2.: Enabling technological solutions to support economic diversification and sustainable development: We stress the need for the Global Dialogue to explore and highlight technological solutions that not only reduce emissions but also enable countries' to leverage national resources as part of wider sustainable development. Choice of technological solutions must be nationally appropriate and anchored in supporting poverty eradication and sustainable development while prioritizing:

- Identifying technologies, which support countries' national circumstances and priorities. For example, many countries can benefit from the utilization of abatement and removal technologies based on local endowments, such as carbon capture utilization and sequestration.
- Taking into account local impacts and feasibility of technological solutions For example, for some countries extreme weather may constrain the ability of particular solutions available that fit the national circumstances.
- Mechanisms to enhance access to environmentally sound technologies in accordance with Article 10 of the Paris Agreement and Articles 4.1(c), (g) and (h) and 4.5 of the UNFCCC.
- Support for innovation systems in developing countries, including investments in vocational education and training aligned with the developing country Party needs.

e.) Mainstream Support to Address Response Measures in the policies of developing countries

The effective mainstreaming of support to climate response measures into national development and economic policies is critical to advancing both global climate goals and sustainable development objectives. While developed countries have made significant progress in aligning climate action with their economic frameworks, it is imperative that they fully recognize and uphold their responsibility to support developing countries in this endeavour. Developing countries often confront substantial challenges—including limited financial resources, technological capacity, and institutional frameworks—that hinder their ability to integrate climate measures effectively without compromising development priorities. This dialogue offers an important opportunity to share experiences and good practices, while emphasising the vital role of developed countries in providing enhanced financial assistance, technology transfer, and capacity-building support. Such support is essential to enable developing countries to mainstream climate response measures in a manner that is coherent, equitable, and conducive to inclusive growth. Grounded in the principles of equity and Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), this dialogue seeks to reinforce international cooperation to ensure that climate action contributes to just transitions and sustainable development for all Parties. Subtopics in this area could focus on:

e.1.: Mainstreaming Support to Address UNFCCC Response Measures into National Policies: Strategies for Integrating Response Measures in NDCs, Adaptation Plans, and LEDS.

e.2.: Enhancing Policy Coherence: Mainstreaming Support to Address UNFCCC Response Measures in Nationally Determined Contributions, Adaptation Plans, and Low-Emission Development Strategies

e.3.: From Commitments to Action: Integrating Support to Address UNFCCC Response Measures into National Climate Policies and Development Planning

e.4.: Bridging the Gap: Mainstreaming Support to Address UNFCCC Response Measures for Effective Implementation of NDCs, Adaptation Plans, and LEDS

e.5.: Towards a Just and Coherent Transition: Mainstreaming Support to Address UNFCCC Response Measures in National Climate and Development Policies

