

Arab Group Submission

Veredas Dialogue on Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement

Introduction

The Arab Group has been fully engaged in discussions in relation to Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement, offering its views on the scope and manner of implementation of Article 2, paragraph 1(c). This engagement spans from earlier discussions in Sharm el-Sheikh Dialogue (SeSD) to discussions surrounding Article 2.1(c) within the Standing Committee on Finance and beyond.

The Arab Group welcomes the decision on Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement in CMA7, which once again acknowledged that there is no common interpretation on the scope or manner of implementation of Article 2.1(c)¹, and acknowledged various concerns and the need for safeguards with respect to discussions, deliberations, and in the implementation of Article 2.1(c)². The Arab Group submits the following views on the organization of the Veredas Dialogue for 2026.

Guiding Principles

During CMA4 (2023) Parties decided to launch the Sharm el-Sheikh Dialogue between Parties, relevant organizations and stakeholders to exchange views on and enhance understanding of the scope of Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement for one year. In CMA5, Parties decided to extend this dialogue for two more years with the aim of better understanding the scope and manner of implementation of this Article. In CMA6, Parties agreed that there is no common interpretation on the scope or manner of implementation of Article 2.1(c). Building on this understanding, Parties gathered in CMA7 and decided to hold deliberations under the Veredas Dialogue on the implementation of Article 2.1(c) and its complementarity with Article 9.

Discussions must be consistent with the safeguards agreed to in the CMA7 decision. Article 2.1(c), is to be implemented in a manner consistent with the bottom-up nature of the Paris Agreement, respecting national sovereignty and taking into account different national circumstances, timeframes and approaches of Parties, in particular developing countries Parties³. Such efforts will be implemented in the context of sustainable development and poverty eradication while reflecting equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances⁴. Deliberations and discussions on the implementation of Article 2.1(c) must also be undertaken in a facilitative, enabling, non-punitive and non-prescriptive manner. These safeguards are essential to account for when organizing the dialogue, especially when selecting topics and guiding questions to facilitate discussions and deliberations.

The implementation of Article 2.1(c) cannot be discussed in a silo without the due consideration Article 9, in particular Article 9.1. A significant gap remains between the actual needs of developing countries in

¹ Paragraph 2 of decision [-/CMA.7](#)

² Paragraph 3 of decision [-/CMA.7](#)

³ Paragraph 3(c) of decision [-/CMA.7](#)

⁴ Paragraph 1 of decision [-/CMA.7](#)

implementing their NDCs and NAPs and the amount of climate finance actually flowing to developing countries. The provision and mobilization of climate finance through grants and concessional terms are necessary enablers for the implementation of Article 2.1(c) in developing countries. Discussions and deliberations must therefore strike a balance between what can be unconditionally achieved by developing countries and the conditional targets that are contingent upon support from developed countries.

Workshops for 2026

As previously stated, the Arab Group views that negotiations on the scope of Article 2.1(c) have concluded and that discussions should focus on the implementation of this Article. Paragraph 7 of the CMA7 decision⁵ recognizes that efforts are already being made by Parties, in a nationally determined manner, for making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development. The dialogue should therefore aim to support Parties in their implementation of this Article, making use of the convening power of the UNFCCC.

For far too long, top-down, one-size-fits-all and inequitable interpretations of Article 2.1(c) were formulated by the global North and prescribed upon the global South. The Arab Group views the Veredas Dialogue as a means to course correct and bring to the surface the voices of developing country Parties, truly gearing discussions towards nationally determined implementation as set out in Articles 2 and 3 of the Paris Agreement. The workshops this year as an opportunity to meaningfully and substantively integrate developing country Parties' visions and views surrounding the Article in a manner that ensures the implementation of the Article amounts to positive economic growth, foreign direct investments and increased support to enable the implementation of national plans.

For the above to be achieved, the workshops in 2026 must focus on sharing experiences in the implementation of Article 2.1c and generating meaningful dialogue between Parties on the matter. Workshops should also focus on the potential unintended consequences of existing interpretations of the Article among the global North. We therefore suggest the following topics:

1. **International cooperation to enable the nationally determined implementation of Article 2.1c:**

This workshop will explore how international cooperation, which includes support provided through Article 9 of the Paris Agreement as well as knowledge exchange and capacity building, can support the nationally determined implementation of Article 2.1c. Under this topic, participants should explore ways to fully account for different national circumstances when considering the implementation of Article 2.1c. They should also explore how to reduce the barriers, such as unilateral trade measures and top-down approaches and scale up enablers such as climate finance under Article 9.1, technology transfer and capacity building support to enable developing country Parties to benefit from economic growth, alleviate poverty, achieve sustainable development and implement their national climate action plans.

 - a. **Guiding Questions:**
 - i. How can international cooperation enhance the national implementation of Article 2.1c?
 - ii. How could the perspectives of developing countries be equitably represented in international discussions surrounding Article 2.1c?

⁵ [-/CMA.7](#)

- iii. What is the role of Article 9.1 in scaling up implementation of Article 2.1c, including through the scaling up of grant, non-debt creating and concessional instruments?
2. **Strengthening approaches for country ownership and country-driven:** The aim of this workshop is to strengthen approaches to ensuring country ownership and country drivenness, supporting national plans and pathways towards achieving the goals of the Paris Agreement. For climate finance to truly be effective, it must contribute towards the implementation of NDCs and NAPs, taking into account broader sustainable development priorities and efforts to eradicate poverty. Country ownership is the key to sustaining long-term economic and social throughput of projects, ensuring alignment with national policies and procedures.
 - a. **Guiding Questions:**
 - i. How can country ownership help deliver tangible wider social and economic benefits?
 - ii. What are existing barriers preventing country ownership and country drivenness from coming into play and how can they be addressed?
 - iii. How can country ownership enable greater implementation and support?
3. **Addressing barriers for enhancing access to international climate finance:** Significant challenges are experienced by developing countries in accessing climate finance. This workshop aims to explore the existing barriers in accessing climate finance, including but not limited to, pre-requisites and requirements for accessing finance, challenges related to direct access, and eligibility criteria, all-while considering means to address such barriers. Addressing such limitations and bottle-necks could significantly increase disbursement timelines, leading to faster responses and greater access.
 - a. **Guiding Questions:**
 - i. What are some experienced limitations, bottlenecks and barriers when it comes to accessing international climate finance?
 - ii. How can limitations in accessing international climate finance be addressed?
 - iii. How can capacity-building support institutional readiness to meet pre-requisites and requirements for accessing international climate finance?

Substantive Elements:

The Arab Group understands that there are divergent views regarding substantive elements related to Article 2.1c particularly at the policy level and therefore would like to focus workshops on broader topics that are consistent with the safeguards and focused on meaningful exchange of views without being policy prescriptive. We believe that a focus on prescriptive matters would be counterproductive and drive us away from the foundational common understanding needed to achieve meaningful progress. In that context, we wanted to communicate a more extensive list of substantive elements that our group values in relation to Article 2.1c for the record that include but are not limited to:

1. Enabling economic diversification, growth and stability.
2. Achieving sustainable development.
3. Advancing efforts to eradicate poverty.
4. Contributing to water, food, and energy security including access and affordability.
5. Enabling the Circular Carbon Economy, which includes a focus on renewable energy as well as carbon abatement and removal technologies.

6. Advancing technology development, including carbon abatement and removal technologies.
7. Attracting foreign direct investments to developing countries.
8. Enhancing the flows of sustainable and climate finance to developing countries to enable the implementation of nationally determined contributions, national adaptation plans and other national plans as relevant.
9. Operationalizing the principles of equity and common but differentiated responsibilities and respective capabilities in the light of different national circumstances.
10. Scaling up support from developed countries to developing countries.
11. Advancing international cooperation in the form of knowledge transfer, exchange of expertise and capacity building.
12. Scaling up of climate finance to include highly concessional loans, guarantees, and mechanisms that address risks to lower the cost of capital for developing countries as well as foreign exchange risks and other systemic barriers, ensuring equitable access to climate finance.
13. Enabling an open and fair international trade system and scaling down unilateral trade measures disguised as climate action.

Procedural and structural elements:

The Arab Group requests that Parties and Party Groups be central in the panel discussions this year in an equitable manner. Non-Party Stakeholders should continue to be a part of the attendance; however, the dialogues should be an avenue for them to better understand the perspectives of the global South. Furthermore, additional care should be given to ensure a fair balance between Non-Party Stakeholders from the global North and global South during panel sessions and breakout group discussion.

We request the co-chairs of the Veredas Dialogue to adopt an open-door policy for Party and Party group consultations. We also request co-chairs to hold consultations with Parties prior to selecting the topics after this round of submissions to ensure all Party groups are onboard with the direction taken. Co-chairs should also consult on the post workshop report and conduct outreach to Parties and Party groups for clarifications needed in relation to their positions and statements. We expect co-chairs to take particular care to consult on the synthesis report of the Veredas Dialogue which is to be submitted for consideration of Parties at CMA7.