Consensus achieved at the International Conference on Global Climate Governance 2025 in Shanghai

The participants of the International Conference on Global Climate Governance 2025, co-hosted by the Shanghai Institutes for International Studies (SIIS) and the Friedrich-Ebert-Stiftung (FES) Shanghai Representative Office on March 27, 2025, had a constructive exchange of views on the current challenges in international climate policy. They expressed their strong interest to continue to work together to implement the goals of the Paris Climate Agreement and thereby, to counter the questioning of the multilateral order by some actors through deepened international cooperation within the Paris Agreement and beyond. They emphasized their common interest, based on the firm conviction that limiting climate change and mitigating its transboundary impacts requires coordinated and collaborative action. Participants shared the common vision of a just transition to a climate-neutral and climate-resilient world at different speeds but in the same direction for the entire global community based on a common responsibility, but also taking fully into account different national circumstances. To deviate from this approach would mean taking incalculable risks to economic prosperity, human security and environmental integrity.

The need for common climate action was never so urgent, and any disruption of collaborative action will further accelerate climate extremes as one of the most important risks to global prosperity and security. There is incomprehension and shared concern at the destructive course of the US government in climate policy. At the same time, close cooperation and the assumption of joint leadership by China, the EU, Brazil and other nations is a precondition for the preservation and further success of global climate governance. This also includes the call to enter into new climate and investment partnerships for the implementation of the Paris climate targets, to further develop carbon markets, to invest in carbon neutrality, and to support particularly climate-vulnerable states with new, appropriate financing instruments. The achievement of the New Collective Quantified Goal (NCQG), which was decided at COP29 in Baku, plays a prominent role.

The concept of carbon equity is a paradox, characterized by the diverting interests of latecomers with their legitimate interest to also develop and those, including future generations, whose future development opportunities depend on rapidly containing climate change. This spatial and temporal dilemma can only be successfully countered by promoting zero-carbon business opportunities rather than limiting the discourse to carbon constraints.

In the face of these challenges, high expectations lie on the Brazilian COP presidency, which coincides with the tenth anniversary of the Paris Agreement. It is not enough for a successful COP to simply reaffirm the common will of all parties to fulfill all their obligations under the agreement. Rather, successful implementation and ambitious new NDCs are now just as important as achieving the goals set out in the UAE Consensus on tripling global renewable energy capacity, doubling energy efficiency, and phasing out fossil fuels.

There is great hope that the chosen path of transformation will continue to be successful despite the current geopolitical and geoeconomic upheavals, particularly in view of the continued high level of global investment in transformative future technologies. However, investments are only made if there is sufficient planning security. Ensuring this, for example in the context of investment, tax and financial, industrial and foreign trade policy, is a central challenge for the vast majority of states that want to continue to work together.

Finally, there are major financial challenges that developing countries face, particularly climate-vulnerable, highly indebted states. These countries must not and cannot be faced with the decision of having to choose between investing in achieving the SDGs or achieving the climate targets. To avoid this dilemma, which many countries face and which is massively intensified by the drastic drops in official development assistance, increased financing efforts and new, innovative financing instruments, for example in the hedging of loans against payment defaults due to extreme weather events and pandemics, are considered necessary. More grants and highly concessional loans for these countries could also make a valuable contribution. Multilateral development banks, which already provide a large share of international climate finance, have a particular responsibility here. They can increasingly act as climate and transformation banks, but to do so they need to further develop their portfolio, their corporate objectives and their financing instruments.

International exchange contributes greatly to a better understanding and to the identification of common interests. Continuing this and other international formats on climate policy with the inclusion of global pluralistic voices is desirable and needed.