Contact Group on Climate Change and Sustainable Development

ISSUES NOTE

BRICS 2025

1. Background Information

Tackling the climate crisis requires unwavering political resolve. The Sixth Assessment Report (AR6) from the Intergovernmental Panel on Climate Change (IPCC) has made it clear: our actions in this decade will determine whether we can limit global warming to 1.5°C above pre-industrial levels. Meeting this challenge will require increased climate ambition translated into concrete action, driven by robust international cooperation. This includes bold commitments to expand and improve climate finance and access to technology while advancing the fight against hunger, poverty, and inequality. New leadership is needed to steer humanity towards an effective and equitable response to climate change.

As a group, BRICS countries are uniquely positioned to bridge the political gap and drive global efforts to combat the climate crisis. We account for a significant and growing share of global investment in climate solutions, the development of low-emission technologies, and the production of key inputs for renewable energy. With strong political will, our collective resources and capabilities can transform global progress. Together, we can turn the challenge of reducing emissions and building resilience into an opportunity for social inclusion and economic growth.

But the change we seek globally starts within our ranks. Leadership means taking the first step —implementing policies, forging partnerships, and driving tangible progress. By meeting and exceeding our commitments, we can inspire other nations to reevaluate their efforts and meet their overdue responsibilities. Our collective achievements will demonstrate that the path to 1.5°C begins with ownership, solidarity, and shared purpose. Notably, in 2025, Brazil's BRICS chairship will coincide with its chairship of COP30, providing a critical opportunity to lead by example.

The establishment of the Contact Group on Climate Change and Sustainable Development (CGCCSD) in 2024 provides a dedicated forum for BRICS countries to discuss and devise their own solutions to combat climate change. As part of its BRICS chairship, Brazil will host special events to facilitate the exchange of experiences and showcase efforts to enhance climate ambition and action. Member countries will be invited to share relevant data, including the scale of resources invested in mitigation and adaptation, highlighting their contributions and fostering collective progress.

2. Priorities

The Brazilian chairship will advance a BRICS climate leadership agenda focused on five concrete priorities with actionable deliverables:

2.1. BRICS Finance Framework for Climate Change

The first Global Stocktake of the Paris Agreement revealed a critical obstacle to climate action: developing countries require $5.8–$5.9 trillion by 2030 to implement their Nationally Determined Contributions (NDCs), far exceeding current financial support levels. Scaling up public and private climate finance is essential to empower countries, especially developing ones, to tackle climate change while achieving the Sustainable Development Goals (SDGs) of the 2030 Agenda.

So as to meet resource needs on this unprecedented scale, incremental and piecemeal improvements in finance management will not suffice. Governments must create fiscal space, mobilize capital for climate investments in mitigation and adaptation, and channel public and private funds toward just transition pathways and sustainable development. This requires reimagining financial architecture to improve access to affordable, long-term capital, support whole-economy strategies, facilitate domestic resource mobilization, ensure adequate funding for national and multilateral development banks, and address deficiencies in debt management frameworks.

With developed countries falling short on their climate finance commitments and developing nations facing increasing financial demands, new platforms for debating climate finance are crucial. Alongside multilateral negotiations, BRICS can lead by advancing its own solutions to mobilize finance and drive systemic change in the financial sector. Under Brazil's chairship, members will explore robust contributions to scaling up finance, aligning it with climate goals, and promoting just transition pathways that support sustainable development, eradicate hunger, and reduce poverty.

2.2. Concrete approaches to climate action in BRICS

BRICS countries are implementing strategies to ensure financial flows reach projects that enhance climate ambition and action. One example is the use of country platforms that coordinate investments from multiple sources, directing resources to the most effective areas. Cooperation among BRICS members can scale these initiatives, enabling them to deliver meaningful results. By sharing best practices and developing joint approaches, BRICS can improve the ability of projects to attract funding, align initiatives with shared priorities, and strengthen implementation capacity.

During its chairship, Brazil will promote innovative collaboration, including discussions on joint planning and execution of mitigation and adaptation projects, digital tools to connect initiatives with funding, preferential credit lines for climate projects, and addressing climate risks in financial operations. The New Development Bank (NDB) will play a critical role alongside national development banks in supporting integrated approaches to project planning, funding, and execution. BRICS will also explore how such platforms can maximize the impact of climate finance, fostering just transitions to low-carbon, climate-resilient economies.

2.3. Building bridges for climate technology cooperation and transfer

The Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) stresses the need to accelerate global technology diffusion and deployment, underscoring the importance of international cooperation on innovation systems and technology development and transfer, accompanied by capacity building, knowledge sharing, and technical and financial support. It also acknowledges a significant gap: "the adoption of low-emission technologies lags in most developing countries, particularly least developed ones, due in part to limited finance, technology development and transfer, and capacity".

Given the persistent challenges of access to technology, an effective response to the IPCC's call will require countries to break new ground and develop original frameworks for cooperation.

Intellectual property remains a largely untapped instrument for climate efforts. It can play a dual role by rewarding innovation and stimulating the development of low-emission and climate-resilient technologies, while facilitating their transfer and the dissemination of relevant knowledge, also generating positive spillover effects in developing economies. To unlock this potential, new models are needed—ones that facilitate exchanges between innovators, lower licensing costs, simplify procedures and match inventions with local needs and investors. Lessons from other fields, such as arrangements developed in response to the COVID-19 pandemic, offer valuable insights into structuring partnerships between governments, academia, and the private sector to create innovation ecosystems that foster collaborative transfer and assimilation of technology that supports climate mitigation and adaptation.

Under the Brazilian chairship, BRICS members will lead efforts to explore practical solutions that leverage intellectual property to promote the development, access to and adoption of low-emission technologies, showcasing BRICS-led scientific and technological cooperation to address the needs of the climate crisis through its own resources. Our shared goal will be to produce a portfolio of options that replicate successful experiences or introduce innovative frameworks for collaboration. Alternatives to be explored may include patent pools, the use of publicly owned patents and cross-licensing agreements among BRICS firms, as well as new ideas to be brought by members.

2.4. Synergizing trade and climate goals in BRICS cooperation

International trade is a powerful instrument to enact the economic transformation needed to meet the objectives of the Paris Agreement. It enables economies of scale and facilitates the dissemination of goods, services, technologies and knowledge essential for mitigation and adaptation. Predictable and reliable supply chains contribute to building resilience against the adverse impacts of the climate crisis. Trade plays a central role in just transitions as a lever for mobilizing, transferring and distributing resources both across countries and within societies.

Ensuring a positive trade contribution against climate change requires careful choices regarding the design and implementation of policies. Poorly conceived measures can distort markets, siphon resources away from other economies and undermine the ability of partners to address climate change. Measures that combine elements of trade and climate regulation—so-called “legal hybrids”—must be examined in terms of their economic, social and environmental effects. Enhanced impact assessment tools are needed to quantify the effects of such measures, distinguish their benefits from their drawbacks, assess their proportionality and guide policymakers on trade approaches to climate goals.

In 2025, BRICS members will exchange views on methodologies, tools and models to evaluate and project the impacts of measures that blur the line between trade and climate. Our goal is to develop our capacity to understand the effects of those measures on both our individual economies and on the BRICS group as a whole, paving the way for coordination on how to respond to these measures, minimize negative spillovers, capitalize on opportunities and shape a collective understanding of an approach to trade that supports sustainable development in all its three dimensions.

2.5. BRICS principles for common approaches to carbon accounting

Carbon intensity metrics are increasingly being used in policies and initiatives by governments and the private sector, informing tools such as taxes, subsidies, emission standards and procurement criteria. These metrics underpin decisions aimed at reducing embedded emissions at the product level, but they also present challenges. Inconsistent methodologies across sectors, countries and regions drive up measuring and reporting costs, complicate compliance and threaten the integrity of global supply chains. Their resource-intensive nature makes them a disproportionate burden for producers with reduced fiscal means, especially in developing countries, where gaps remain in administrative, technological and data-related capacity. Without coordination, regulatory complexity stemming from fragmented carbon accounting may distort international trade and exacerbate inequalities at a critical time for resuming progress on the Agenda 2030 and its Sustainable Development Goals.

Cooperation to improve technical and operational interoperability of methodologies is critical to avoid these shortfalls. Common approaches and a sharing of best practices can foster a degree of convergence on the use of carbon intensity metrics across regulatory frameworks and business initiatives. Setting broad guidelines for carbon methodologies at both general and sector-specific levels could enhance their coherence, comparability and alignment with economic and climate goals. There is growing momentum among international organizations and the private sector to develop a common understanding of carbon accounting with a view to supporting efforts to reduce embedded emissions while minimizing regulatory complexity and constraints to sustainable development.

Within this context, BRICS have a role to play in developing common approaches to ensure that our own systems can communicate in a way that facilitates collaboration and ensures fairness in carbon accounting practices. The Brazilian chairship will promote efforts to debate high-level principles for carbon accounting, aimed at fostering policies that are proportional, pro-competition, environmentally sound, open to different mitigation strategies and inclusive of producers in developing countries. This initiative will pave the way for more comprehensive work in this evolving area in the future.

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