



Event Report - What Comes Next? Reflections on the BRICS Rio Declaration and the Path to COP30

Date: July 22, 2025

CONTEXT

This webinar is one of several initiatives promoted by the Brazilian Center for International Relations (CEBRI) to explore Brazil's role within the BRICS and assess the bloc's influence on key global issues. This particular event focused on the synergies between the BRICS agenda and the expectations surrounding the upcoming COP30, which will take place in November this year.

This is a pivotal moment for Brazil. Following its presidency of the G20 last year, the country now holds the dual chairmanship of the BRICS Summit and COP30. In this sense, this report summarizes the main discussions regarding the Rio Declaration and its possible implications for COP30.

KEY INSIGHTS ON THE BRICS SUMMIT OUTCOMES

The BRICS Summit, held on July 6 and 7, concluded with the adoption of the Rio Declaration. In their joint statement, the leaders emphasized the importance of enhancing South-South cooperation. This priority gains greater relevance for both BRICS and its expanded member nations amid the current geopolitical landscape.

- **Climate Action**

Regarding climate action, the speakers highlighted the urgent need to address the current climate crisis. Efforts promoted by the Brazilian Presidency, such as the Tropical Forests Forever Fund (TFFF) and the Baku to Belém Roadmap, are great examples of a possible way to respond to climate change.

The TFFF was highlighted as one of the most significant outcomes of the Summit, especially at a time when the geopolitical relevance of carbon markets grows, including voluntary carbon markets across many BRICS and expanded BRICS countries. In India's case, there is strong momentum behind the TFFF, driven by its ambitions to expand biodiversity initiatives and monetize them effectively. Additionally, India is exploring ways to de-risk investments, a crucial step for the successful implementation of sustainable projects. There is also interest in establishing a dedicated fund for tropical forests, aligning with India's aspirations to host COP28.

Another key initiative launched at the Summit was the Baku to Belém Roadmap, a pathway to mobilize \$1.3 trillion per year in climate finance by 2035. This roadmap was endorsed by the BRICS bloc to engage both developed and developing countries in the global response to climate change.

Emerging and developing countries are already investing significant resources in climate action, often under a high level of indebtedness. Brazilian representatives highlighted the need for a new paradigm rooted in mutual empowerment. This principle, meant for creating stronger economies through sustainable and climate-aligned policies, was underscored as the way forward.

Within this framework, a five-year work plan was adopted, comprising 14 priority areas and designed to deliver concrete results. These outcomes will be assessed at a ministerial level, raising the scope of climate policy within BRICS and helping institutionalize progress monitoring. Key components of the initiative include promoting interoperability among national taxonomies, compiling sustainable finance best practices, and reinforcing policies that link climate resilience with economic development.

These outcomes reinforce the bloc's commitment to shifting away from negotiation to implementation, placing climate finance at the center of this transition. They also reflect a strategic shift towards prioritizing adaptation, not just mitigation, as a critical pillar of climate action.

- **Climate Finance**

Building on the insights from climate action discussions, the conversation delved into the critical role of the financial sector in addressing climate change. Without climate resilience, the stability of the finance sector itself is at risk, and without adequate insurance mechanisms, investments can become virtually impossible.

This raised a central question: how can innovative financial instruments be mobilized to leverage the economic strengths of the bloc and achieve results more substantial than those that could be achieved through isolated policies?

What the Brazilian presidency offered as an answer to this question is the operationalization of the collective potential of BRICS. The use of tools such as blended finance, sustainable taxonomies, and green bonds, in coordination across BRICS countries.

The discussion also emphasized the dual responsibility of both established and new institutions. The New Development Bank (NDB), for instance, is expected to play a more active role, in collaboration with vertical funds, national development banks, and regional financial institutions. This integrated approach could enhance the interaction of financial ecosystems within BRICS.

For example, multilateral development banks (MDBs) could offer long-term financing at lower interest rates, while national development banks bring localized knowledge and access to regional project pipelines. Together, these actors can jointly design and implement projects that are both financially viable and climate-resilient. This cooperative model of finance aims to deliver transformative outcomes — mobilizing capital at scale while ensuring alignment with sustainable development priorities across the Global South.

A material outcome of this debate on the BRICS Summit was the launch of the BRICS Leaders' Framework Declaration on Climate Change and Climate Finance — a landmark achievement, as it marked the bloc's first exclusive declaration focused on climate finance. The declaration combined high-level political commitments with a forward-looking operational framework.

Regarding bilateral initiatives, the discussion highlighted the United Arab Emirates' experience in financing climate action and resilience. The ALTÉRRRA Catalytic Fund, aimed at mobilizing US\$250 billion globally by 2030, and the

pledge to the loss and damage fund for vulnerable countries are part of the country's framework for climate action.

- **Global Institutions Reforms**

In addition to climate-related priorities, the BRICS Summit in Rio de Janeiro placed strong emphasis on the reform and expansion of the NDB. Speakers reiterated the commitment to making the NDB's investment portfolio more sustainable, green, and socially inclusive. Furthermore, the discussions reflected a clear call to advance governance reforms within the institution, ensuring that its ongoing expansion is transparent, well-managed, and aligned with the broader development goals of the BRICS countries.

The reform of the global financial architecture was discussed as a critical component for advancing both climate finance and sustainable development. This includes promoting a unified agenda focused on multilateral development banks and strengthening local currency cooperation. BRICS countries also extended this call to other key multilateral platforms, particularly the G20. The bloc has expressed strong support for the G20 roadmap, advocating for "bigger, bolder, and better" MDBs, and laying out concrete steps to scale up climate finance and enhance institutional efficiency.

While the discussants acknowledged the importance of ongoing negotiations within the United Nations framework and reiterated the bloc's commitment to protecting the multilateral system, they also emphasized the urgent need to move beyond these mechanisms to effectively unlock climate finance.

ROADS TO COP30

Brazil's G20 and BRICS presidencies have sought to deliver a coherent and impactful response to the climate crisis, an effort that is expected to be reflected in the outcomes of the upcoming COP30.

In this context, the alignment between the BRICS agenda and the COP discussions is particularly critical. Ensuring that both platforms do not operate separately strengthens the coordination and effectiveness of global climate action. Since all BRICS members are also participants in the COP negotiations, there is an overlap of mandates and priorities. This alignment creates opportunities to reinforce collective efforts, foster continuity across forums, and amplify the voice of the Global South in shaping the international climate agenda.

Looking forward to COP30, there are two main areas for climate finance development. First, the Baku to Belém roadmap, which is the spotlight of the event. There are insufficiencies with the current numbers estimated for climate action. These values should not dictate all actions and initiatives; it is imperative to consider the present needs.

Similarly, the urgency of addressing the cost of capital and ensuring fairness in climate action was underscored. The more vulnerable a country is to the impacts of climate change, the greater its needs, and the higher the costs. In this scenario, integrating financial risk, including both climate-related financial risk and the risks associated with inaction, into financial assessments becomes essential. This approach not only protects investments but also highlights the economic consequences of failing to invest in adaptation and broader climate action.

The current levels of indebtedness in many developing countries were also mentioned as a major concern. Addressing debt sustainability, therefore, is not only a matter of economic stability but a necessity for meaningful climate resilience and development.

Another important topic mentioned was the ongoing discussions surrounding Article 2.1(c) of the Paris Agreement, which addresses the alignment of financial flows with the goals of the Agreement. This remains a non-negotiated outcome, meaning its advancement will largely depend on how parties choose to interpret and carry forward the associated messages and implications.

Finally, the discussants emphasized the importance of engaging a broader range of actors to advance beyond the negotiation stage. Concerns were raised, particularly by developing countries, regarding how the decision-making process has been conducted. While it is not Brazil's role to unilaterally alter this structure, the country can serve as a facilitator of dialogue within the existing framework. Meaningful progress, however, will ultimately depend on the active and constructive engagement of all parties.