

After Belém, rebuilding Rio *

Rethinking common but differentiated responsibility in international climate finance

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The current architecture of international climate finance, based on the differentiation inherited from Rio (1992), has become economically obsolete, politically fragile and financially unsustainable. Without an update of the principle of common but differentiated responsibilities, the multilateral climate regime risks lasting weakening, to the detriment of the poorest countries and the current main contributors, which are mainly European.



* Summary of a working paper to be published in February 2026 on the FERDI website.

► **The problem:
a climate architecture
that is running out of steam**

The international climate regime is undergoing a structural crisis, highlighted at recent Conferences of the Parties, particularly at the COP in Belém (2025). This crisis is not only due to insufficient global climate ambition, but also to a growing gap between the rules of the multilateral game and contemporary realities.

The founding principle of the Climate Convention – common but differentiated responsibilities and respective capabilities (CBDR-RC) – was based in 1992 on a relatively clear distinction between industrialised countries, historically responsible for emissions, and developing countries with low economic capacities. This differentiation structured both:

- emission reduction obligations,
- and the financing of climate actions in Southern countries.

However, this architecture has not been adapted to the major global economic and climate shift that has taken place over the last thirty years.

► **Key findings:
a world profoundly
transformed since Rio**

A major economic shift

In 1992, Annex II donor countries accounted for nearly two-thirds of global wealth. Today, they account for only about one-third. Conversely, many countries initially classified as ‘developing’ have experienced rapid growth and now have:

- income levels comparable to, or even higher than, those of some historical donors;
- significant financial and technological capacities.

The binary North/South distinction has given way to a continuum of development levels, making the legal categories of the Climate Convention increasingly inappropriate.

A shift in GHG emissions

Economic developments are leading to a reversal of effective climate responsibilities:

- Non-Annex I countries now account for more than half of annual global emissions.

Table 1: Total and per capita emissions and historical CO₂ emissions

	Total GHG emissions in 2023	Change in total GHG emissions 2022-2023	Per capita GHG emissions in 2023	Historic CO ₂ emissions 1850-2022
	MtCO ₂ e (% of total)	%	tCO ₂ e/capita	GtCO ₂ e (% of total)
China	16 000 (30)	+ 5,2	11	300 (12)
United States of America	5 970 (11)	– 1,4	18	527 (20)
India	4 140 (8)	+ 6,1	2,9	83 (3)
European Union	3 230 (6)	– 7,5	7,3	301 (12)
Russian Federation	2 660 (5)	+ 2	19	180 (7)
Brazil	1 300 (2)	+ 0,1	6	119 (5)
African Union	3 190 (6)	+ 0,7	2,2	174 (7)
Least Developed Countries (45 countries)	1 720 (3)	+ 1,2	1,5	114 (4)
G20 (excl. African Union)	40 900 (77)	+ 1,8	8,3	1 990 (77)

Source: reproduced from UNEP Gap Report, 2024, CO₂ emissions excluding LULUCF (Land Use, Land Use Change and Forestry) for current and per capita emissions.

- In terms of cumulative emissions since 1850, they are almost on a par with historically developed countries.
- China has become both the world's largest annual emitter and one of the main historical contributors to global warming, while retaining its status as a developing country in the international climate regime.

Despite this, the annexes to the UNFCCC have remained unchanged, maintaining asymmetries in rights and obligations that are increasingly difficult to justify.

► Climate finance on too narrow a basis

International climate finance currently relies on a very limited number of contributors, mainly European. A few countries – for instance Germany, France and Japan in 2022 – provide most of the bilateral and multilateral financing, while:

- some major emitters contribute little in relation to their climate responsibility;
- other economies that have become rich or very rich do not contribute and remain net beneficiaries of climate funds.

This concentration of the financial burden creates three major risks:

1. Risk to fiscal sustainability, in a context of increased constraints on European public finances.
2. Risk of political and electoral fatigue, which could lead to public development aid and climate finance being called into question.
3. Risk of loss of legitimacy of the climate regime, perceived as unfair by current contributors.

► Strategic challenges: why the status quo is untenable

Maintaining the current architecture produces two main victims:

- the poorest and most vulnerable countries, whose adaptation needs are growing rapidly

while the funding base remains too narrow;

- European countries, which have generally met their climate commitments but are now reaching the political and budgetary limits of their efforts.

Ultimately, the lack of reform threatens the very credibility of climate multilateralism and compromises the collective ability to finance a just and effective transition.

► Paths to reform: rebuilding Rio in the 21st century

The paper argues for a pragmatic reinterpretation of the CBDR-RC principle, based on two complementary rebalancing measures.

Redefining the beneficiaries of climate finance

This involves: i. gradually excluding the richest and highest-emitting countries from the pool of beneficiaries, and ii. making a clearer distinction between low-income and middle-income countries among developing countries.

With a constant budget, this reform would allow more climate finance to the poorest and most vulnerable countries, where its impact is greatest.

Broadening the base of contributors

The overhaul of the system requires the integration of new contributors that currently have:

- income levels comparable to those of historical donors;
- and significant climate responsibilities.

Work needs to be done to propose acceptable rules or criteria to assess equitable levels of countries contribution to climate finance. Based solely on per capita GDP, the potential number of contributing countries could more than double, strengthening the sustainability and legitimacy of the system.

► Implications for the international agenda

The next COPs (Antalya 2026, Addis Ababa 2027) will need to open a structured political debate on:

- the redefinition of country categories in the climate regime,
- the criteria of responsibility and capacity,
- and the consequences of these developments for international financial governance.

This debate is politically sensitive, but unavoidable. It determines the ability of climate multilateralism to remain operational in a multipolar world.

► Conclusion

Rebuilding Rio does not mean abandoning climate justice but rather updating it. Adapting the principle of common but differentiated responsibilities to the economic and climatic realities of the 21st century is an essential condition for preserving the legitimacy, effectiveness and sustainability of international climate finance.



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n° ISSN : 2275-5055

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