



ALLIANCE OF SMALL ISLAND STATES

SUBMISSION

FINANCE: WORK PROGRAMME ON CLIMATE FINANCE, INCLUDING ON ARTICLE 9, PARAGRAPH 1, OF THE PARIS AGREEMENT IN THE CONTEXT OF ARTICLE 9 OF THE PARIS AGREEMENT AS A WHOLE

MANDATE

Decision 1/CMA.7, Paragraph 54: *[The CMA] decides to establish a two-year work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole*

Decision 1/CMA.7, Paragraph 55: *[The CMA] also decides that the work programme referred to in paragraph 54 above will be facilitated by co-chairs, one from a developed country and one from a developing country, appointed, in consultation with the respective constituencies, by the President of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its seventh session*

AOSIS welcomes the opportunity to provide its views on the two-year work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole, in response to the call for submissions made by the co-Chairs of the work programme.

VIEWS ON THE SCOPE, OBJECTIVES AND MODALITIES OF THE CLIMATE FINANCE WORK PROGRAMME

AOSIS recalls that the provision of climate finance under the Convention and the Paris Agreement is grounded in the principles of equity and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

The obligations of developed country Parties regarding the provision of financial resources to developing country Parties, particularly those that are especially vulnerable to the adverse effects of climate change, remain grounded in Article 4 of the Convention and Article 9 of the Paris Agreement, as clarified by the International Court of Justice in its recent advisory opinion on the Obligations of States in Respect of Climate Change. Small island developing States (SIDS) and least developed countries (LDCs) continue to face acute and disproportionate climate impacts while remaining constrained by limited fiscal space, high indebtedness, and structural barriers to accessing finance.

AOSIS further recalls that Parties established the climate finance work programme as a forum for structured discussion and exchange on climate finance-related matters. In this regard, the work programme should address the implementation of existing obligations and commitments on climate finance, including those relating to the provision of finance to developing countries, particularly SIDS and LDCs.

The work programme should remain facilitative, technical and implementation-oriented in nature, ensure meaningful participation of SIDS and LDCs, avoid duplication with other

ongoing processes within the UNFCCC, and draw on existing technical expertise and institutional knowledge under the Convention and Paris Agreement.

EXPECTATIONS FOR THE CLIMATE FINANCE WORK PROGRAMME

AOSIS considers that the climate finance work programme should focus on implementation gaps and barriers that continue to prevent developing countries, particularly SIDS and LDCs, from accessing adequate, predictable, grant-based and concessional climate finance.

The work programme should:

- support enhanced transparency of how existing obligations and commitments are being implemented
- identify barriers to the effective delivery and accessibility of climate finance
- facilitate discussion on improving the quality, accessibility, predictability and adequacy of finance flows
- strengthen the operationalization of the specific needs and special circumstances of SIDS and LDCs
- support coherence across the climate finance architecture under the Convention and the Paris Agreement, which entails the Operating Entities of the UNFCCC Financial Mechanism and the UNFCCC Funds (Green Climate Fund, Global Environment Facility and its Special Climate Change Fund, Fund for responding to Loss and Damage, and Adaptation Fund)

Given its current status within the UNFCCC regime, AOSIS emphasizes that the effectiveness of the process will depend on maintaining a practical and focused approach centered on implementation and delivery.

In this regard, discussions should remain focused on what has yet to be implemented under existing commitments and obligations, rather than diverting attention toward broader debates or attempts to redefine contributor and beneficiary categories. Such discussions risk undermining focus on those Parties with the greatest needs and vulnerabilities, including SIDS and LDCs, and may detract from urgent implementation priorities. In light of increasing geopolitical tensions and subsequent cuts in development and climate assistance, the link between climate change and security is more prominent than ever before.

FOCUS AREAS OF THE CLIMATE FINANCE WORK PROGRAMME

1. IMPLEMENTATION OF THE EXISTING CLIMATE FINANCE COMMITMENTS AND OBLIGATIONS

AOSIS stresses that the central focus of the work programme should be the implementation of existing obligations under the Convention and the Paris Agreement, including Article 9.1 of the Paris Agreement.

The work programme should facilitate discussions on:

- progress in the provision of climate finance by developed country Parties
- improving predictability of finance flows

AOSIS reiterates the importance of honoring historical commitments to particularly vulnerable developing country Parties, including SIDS and LDCs, consistent with Convention and Paris Agreement provisions.

2. QUALITY AND ACCESSIBILITY OF CLIMATE FINANCE

The work programme should give significant attention to the quality and accessibility of finance provided and mobilized, including:

- the delivery of grant-based and highly concessional finance
- addressing barriers to direct access, including access modalities related to direct budget support of national governments
- accessibility and adequacy of climate finance, particularly adaptation finance and loss and damage response finance, for SIDS and LDCs
- ensuring that climate finance does not exacerbate debt vulnerabilities in developing countries
- responsiveness of climate finance provided to country-driven priorities
- enhancing the speed of disbursement of climate finance to developing countries

For SIDS, access barriers remain among the most significant impediments to effective climate action. Discussions under the work programme should therefore prioritize practical measures to improve access and delivery, including through direct access modalities and simplified procedures.

The work programme should also consider the implications of debt-generating finance instruments for highly vulnerable countries already facing severe fiscal constraints, and necessary concessional terms that should be introduced within the climate finance architecture to alleviate such issues.

3. FOCUS ON SIDS AND LDCs

AOSIS underscores that the work programme must maintain a clear focus on the needs and priorities of SIDS and LDCs. This would require the following considerations:

- dedicated space within workshops and technical discussions for SIDS and LDC perspectives
- operationalisation of the special circumstances of SIDS and LDCs
- focused analysis on barriers faced by vulnerable countries
- engagement with institutions serving vulnerable developing countries
- attention to adaptation and loss and damage response finance needs
- consideration of the compounding impacts of climate vulnerability, indebtedness and constrained fiscal space

AOSIS would caution against broadening discussions in ways that dilute attention from the specific needs of vulnerable countries.

EXPECTED OUTPUTS

The outputs of the work programme should be practical, concise and implementation-focused. These may include:

- OP technical summaries of discussions
- synthesis reports identifying persistent barriers and implementation gaps
- compilations of best practices and lessons learned

To conclude, AOSIS reiterates that the climate finance work programme should remain focused on implementation of existing commitments and obligations, particularly as they relate to SIDS and LDCs.

The work programme should serve as a constructive discussion forum that supports improved delivery, accessibility and adequacy of climate finance. It should not become a forum for renegotiating responsibilities, reframing contributor-beneficiary relationships, or diverting attention from the urgent need to implement existing commitments to vulnerable developing countries. For SIDS, the priority remains clear: ensuring that climate finance reaches those most vulnerable, in a manner that is accessible, predictable, adequate and responsive to urgent climate finance needs.

AOSIS reserves the right to make future submissions based on developments during the CFWP.