



EARTH4ALL SUBMISSION TO THE BAKU-BELEM ROADMAP TO \$1.3 TRILLION

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1. INTRODUCTION

Earth4All is pleased to provide its official submission on the “Baku to Belém Roadmap to \$1.3 Trillion” to establish pathways to mobilise at least \$1.3 trillion annually by 2035 to support climate action in developing countries.

We appreciate the opportunity to inform the next phase of consultations and the development of the official work plan for the climate finance roadmap leading up to COP30. Our submission highlights the transformative shifts and concrete policy and structural reforms needed to ensure that climate finance becomes a lever for systems change, placing social equity and planetary resilience at the core of climate finance decision-making.

About Earth4All

Earth4All is an international initiative that combines planetary boundaries science with transformative economic thinking to drive systemic change toward a just and sustainable future. We explore solutions to the systemic crises that the world is facing by investigating how environmental risks could be minimised while maximising human wellbeing for the global majority throughout the 21st century.

Earth4All brings together economists, scientists and multidisciplinary thought leaders to accelerate the shift toward wellbeing and prosperity for all on a stable planet. We draw on a combination of transformational economic systems thinking, system dynamics modelling, data-driven narrative framing, policy advocacy and citizen movement building. Earth4All’s work on economic systems reform focuses on the pathways for fundamentally reorienting the global economy toward outcomes that serve people, planet, and prosperity—rather than short-term financial gains.

We believe that reaching the \$1.3 trillion goal will require a [roadmap grounded in science, equity, and proven financial logic](#) combined with attention to the root causes of inequality, environmental degradation, and financial instability. Our proposals set out in this submission are anchored in this fundamental vision.

2. THE PROFOUND SHIFTS THAT ARE RESHAPING THE CLIMATE CHANGE POLICY SPACE

There are profound geopolitical, economic and ecological shifts, which in the past one year have fundamentally reshaped the climate policy space and more particularly, the pathway to unlocking \$1.3 trillion in climate finance. We describe this new context and urge that Member States consider their importance if the Baku-Belem Roadmap is to succeed where other efforts to mobilise climate finance have failed.

The climate crisis is cascading out of control

The climate crisis of today is no longer a singular challenge but a deeply complex, systemic one, intertwined with social, economic, and ecological dimensions that demand coordinated, far-reaching responses and a very different approach to mobilising climate finance. In 2024, the world experienced its hottest year on record with global temperatures hitting between [1.34°C and 1.41°C](#) above pre-industrial levels. Current projections now show an 86% chance that one of the next five years will cross the critical 1.5°C threshold—a Paris Agreement limit that, if breached, signals a major setback for climate ambitions. The consequences of these temperature increases are intensifying and fueling cascades of extreme weather events and impacts which reveal layers upon layers of interconnected risk. Breakdown in one area, for example critical infrastructure networks such as transport, energy, water, catalyses disruptions and destabilisation in others whilst magnifying the [social and economic costs](#).

Dangerous feedback loops between social tension and worsening climate change

Ecological and social tipping points are increasingly interconnected, creating feedback loops where rising inequality fuels social divisions that erode trust in institutions and weaken governments. This undermines their ability to implement long-term climate policies, as stagnating living standards and widening elite wealth gaps intensify social tensions, reduce cohesion, and deflate political will. Without urgent actions to reduce inequality, build social cohesion, and improve wellbeing, societies risk fragmentation, autocratic governance, and systemic collapse amid worsening climate crises. These inequality-driven tensions block transformative climate action and risk pushing societies toward fragmentation, autocracy, and systemic collapse unless urgent measures reduce inequality, build social cohesion, and improve wellbeing at scale.

The new geopolitical realities

The new geopolitical realities influencing COP30 are shaped by a deep fragmentation in global governance combined with escalating international tensions, rising protectionism, and deepening mistrust among major powers. “Great power” competition has returned, but now it is intertwined with economic nationalism, trade wars, technological decoupling, democratic backsliding, and contested supply chains, replacing the relative stability of the [US-led global order](#).

Moreover, ongoing conflicts, trade wars, and technological rivalries have depleted budgets, distracting global attention away from climate change and eroding the trust necessary for consensus action. This has, of course, been exacerbated by the US withdrawal from the Paris Agreement, which has been extremely disruptive by undermining trust and credibility in the UNFCCC process, thereby complicating efforts to achieve ambitious global compromise. On top of this, developed countries have failed to deliver adequate climate finance, offering commitments far below the \$1.3 trillion needed. This has been a serious blow for climate finance negotiations, fueling a [credibility crisis](#) for climate negotiations.

The new crisis of legitimacy

The new crisis of legitimacy in climate negotiations refers to the growing breakdown of trust, effectiveness, and credibility in the COP process amidst multiple converging crises. The central elements of this crisis include the following:

- A massive funding shortfall where despite commitments, the climate finance actually delivered to developing countries falls far short of what is needed to enable effective adaptation and mitigation. This financing gap undermines imperative equitable burden sharing and risks leaving frontline communities without adequate support.

- Serious deficits of implementation reflected in unmet promises to reduce emissions or provide finance, which are extended far into the future without concrete near-term action, weakening the urgency and accountability of the process.
- Eroding trust and confidence is worsening with countries and civil society increasingly skeptical about the COP's ability to produce tangible results. Geopolitical tensions and maneuvering among powerful states risk turning climate negotiations into arenas for advancing national agendas or strategic interests, rather than addressing the root causes of climate change.
- The rise of disinformation and misinformation is also deeply problematic. It also contributes to the growing public distrust in the credibility of COP processes. Fossil fuel lobbying campaigns often spread misleading or false climate narratives that delay action and polarize debate, making it harder to build consensus.

Against this backdrop, the [heightened polycrisis](#) demands a climate COP equipped to address meta-level challenges and seize opportunities for climate change to become a catalyst for systemic resilience, wellbeing, justice, and equity, while mobilizing the political resolve needed to avert catastrophic [tipping points](#). However, instead, we see quite the opposite, with more [geopolitical maneuvering](#), which is threatening to turn climate negotiations into platforms for advancing national agendas rather than addressing and dealing with the root causes of the climate crisis.

The impact of institutional failure for the Global South

In addition to all of the above, we believe that the barriers that are constraining climate finance today are less about scarcity of finances and more about political and institutional failure. Failure stems from the fact that regulatory frameworks and financial mechanisms have been designed in, by and for Global North contexts. As such, they fail to account for the distinct realities of the Global South. Blended finance is an important case in point where [de-risking tools](#) such as guarantees, insurance, and concessional finance can unlock large pools of private capital by reducing perceived risks. However, [in reality](#), they tend to shift contingent liabilities and debt burdens onto vulnerable countries and their citizens, thereby perpetuating dependence on external finance whilst failing to empower domestic financial systems or address underlying fiscal constraints.

3. THE FUNDAMENTAL PRINCIPLES THAT SHOULD UNDERPIN THE ROADMAP TO \$1.3 TRILLION

The increase from the Copenhagen to Baku-Belem commitment of \$1.3 trillion by 2035 is a staggering 1,300 % . This means that if governments are to stand a chance of success in mobilising this amount, several fundamental principles/safeguards are essential in the design of the Roadmap to deliver climate finance at speed and scale. We outline below the key [fundamental principles](#)/safeguards that should underpin the scaling up of climate finance to meet the \$1.3 trillion dollar goal.

Integrated strategic financing is essential to deliver at speed and scale

Earth4All [system dynamics modelling](#) shows that only integrated, strategic funding can address poverty, health, climate mitigation, and gender equity together. Fragmented investments divided by sector or geography miss the complex links and synergies needed to solve systemic crises driving climate change. Strategic, coordinated investments create positive feedback loops, tackling root causes rather than symptoms. This integrated approach unlocks rapid progress by addressing multiple challenges simultaneously and pooling resources toward shared priorities. Integrated strategic financing delivers co-benefits for social equity, resilience, and sustainability ensuring every dollar truly benefits people and the planet.

Climate finance must not be measured just by volume or returns

Earth4All also maintains that climate finance must be measured not just by its volume or returns, but by its ability to shift the global economy away from profit at all cost and instead, towards the principles of equity and planetary boundaries.

Climate finance which simply maximizes capital flows or investment returns risks reinforcing the same extractive practices that have caused the climate crisis. Effective [finance must therefore align](#) with multidimensional wellbeing and be supported by broader indicators that integrate human, social, and environmental and planetary dimensions.

Climate finance must ground public finance at its core

Climate finance depends excessively on large private investors from the global North. This leads to skewed priorities, and disregard of the local frontline and community voices. By [shifting to a model](#) where public money and market shaping through regulation are utilised to unlock catalytic private flows especially for those who need it most, notably, vulnerable frontline communities, climate finance becomes more equitable, transparent and effective. Climate finance must prioritise climate justice, grants and concessional

support over debt-creating loans and ensuring flows that strengthen national policy spaces to enable the [Global South](#) to lead their own transitions whilst safeguarding human rights and ecosystem integrity.

Fundamental reform of the global financial architecture is essential

The existing global financial system, in which \$2 trillion flows annually from the Global South to the Global North, is outdated, unjust and in need of radical transformation. The International Monetary Fund (IMF) and the World Bank exacerbate these inequities by procyclical behaviour, including imposing conditionalities through loans, deliberately creating debt crises that keep the Global South trapped in cycles of dependency. This further undermines sovereignty over food, energy and technology in the Global South. Moreover it constrains the ability of these nations to negotiate as [equals](#). A reformed global financial architecture would better support just, locally led climate action by ensuring that finance flows directly to where it is most needed, empowering frontline communities and governments, and recognizing the true environmental and social value of planetary stability.

Unlocking climate finance will require a massive shift in the flawed global economy

Unlocking climate finance at the scale needed requires a fundamental change in the global economy. Incremental changes will be insufficient to increase climate finance by 1300%. The pathway to scale up climate finance requires a radical redesign of the system—shifting from a profit-driven logic to an economy grounded in wellbeing, equity, and planetary stewardship. The current system prioritizes short-term profits, extraction, and financial gains over human well-being and the planet's limits. This has created deep inequalities and fragmented governance that block large-scale climate action. This shift aligns with growing calls for “Beyond GDP” metrics, including those championed by President Lula’s G20 Presidency and UN leadership.

The Earth4All system dynamics model shows that a Giant Leap is essential for enabling climate finance to flow quickly and fairly, addressing both environmental limits and social needs together. Taking into consideration the growing proof points around the cost of inaction to global GDP e.g. 3% will be lost per annum at an average temperature increase of 1.5 degrees and upwards of 17% and

more at 3 degrees in vulnerable and low income countries it is essential that shifting beyond GDP is combined with a finance pathway of 1.3\$ trillion.

4. EARTH4ALL PROPOSALS IN RESPONSE TO COP30 PRESIDENCY QUESTIONS

In this section of our submission, Earth4All identifies the wide array of reforms that are needed to ensure that climate finance serves human and planetary wellbeing, not just shareholder value. To this end, climate finance must become a true amplifier of systems wide transformation, if we are to prevent social and ecological collapse and ensure prosperity for future generations.

The table below provides an overview of how we have clustered our recommendations in line with the COP30 Presidency's guiding questions for the submissions.

TABLE BELOW

Overview of Earth4All proposals, all of which are described in further detail in this section of the submission

<p>Question 1</p> <p>What are priority short-term (by 2028) actions necessary to enable scaling up financing for climate action for developing countries?</p>	<p>Question 2</p> <p>What strategies can be implemented to enhance and scale up public and private financing for climate adaptation, especially in vulnerable regions?</p>	<p>Question 3</p> <p>What experiences, proposals, or approaches can accelerate efforts to mobilize \$1.3 trillion—including grants, non-debt instruments, new sources, and fiscal space creation?</p>	<p>Question 4</p> <p>What are your overall expectations for the roadmap, and which topics/issues should be explored to inform it?</p>	<p>Question 5</p> <p>What country experiences, lessons, and international initiatives are most relevant for scaling up climate finance?</p>
<p>Universally agreed standards are essential to define what qualifies as climate finance and to ensure credibility and comparability of flows</p>	<p>Redesign climate finance so that it is measured by real-world impact and not just returns or volume</p>	<p>Debt reform must be part of broader economic systems change</p>	<p>Integrated strategic financing is essential to deliver at speed and scale</p>	<p>The importance of drawing from the experience of Copenhagen failed climate commitments</p>
<p>Clear country-specific targets are needed to ensure that finance is genuinely new and additional</p>	<p>Improve mobilisation of private finance to catalyse joined-up strategic investments with regulatory changes along with reducing some risk</p>	<p>Progressive fiscal policy is essential for transforming climate finance</p>	<p>Climate finance must not be measured just by volume or returns</p>	
<p>Resource flows must be anchored in rigorous, independent reporting and verification, complemented by predictable and regular replenishments</p>	<p>Much greater role for public spending also requires greater ability to mobilize resources through progressive taxation.,</p>	<p>Shifting harmful subsidies is essential for freeing up fiscal space and driving just transition</p>	<p>Climate finance must ground public finance at its core</p>	
<p>Climate finance should prioritize grants and highly concessional flows to prevent the deepening of debt burdens in vulnerable countries</p>	<p>Greater focus on smaller decentralized projects where they can be most effective, and assisting medium, small and micro enterprises to manage both mitigation and adaptation</p>		<p>Fundamental reform of the global financial architecture is essential because it blocks flow of new and additional financing to where it is needed most</p>	

<p>Funding sources must be expanded and diversified in ways that advance equity and adaptation goals, rather than privileging only “bankable” mitigation projects</p>	<p>Much greater attention to funding and projects for both adaptation and coping with loss and damage.</p>		<p>Unlocking climate finance will require a massive shift in the flawed global economy</p>	
<p>Institutional capacity in recipient countries must be strengthened to ensure effective access, accountable use, and to develop a pipeline of bankable projects that align with human and ecological wellbeing</p>	<p>Transfer to technologies relevant for the green energy transition and adaptation are essential.</p>			
<p>Reallocate Special Drawing Rights</p>				

QUESTION 1

What are priority short-term (by 2028) actions necessary to enable scaling up financing for climate action for developing countries?

Earth4All proposes the following immediate proposals, which are essential in the short term to scale up financing and which we believe will help build trust, accountability, and effectiveness, ensuring climate finance delivers on its promises of scale, quality, and equity at COP30 and beyond.

Universally agreed standards are essential to define what qualifies as climate finance and to ensure credibility and comparability of flows

Ambiguity about what “counts” has fueled mistrust and inflated figures, where regular development aid or commercial loans are mislabeled as [climate finance](#). Clear standards are needed to ensure that flows are transparent, verifiable, and politically resilient. Standards are needed to ensure that development aid or commercial loans are not counted as climate finance.

Clear country-specific targets are needed to ensure that finance is genuinely new and additional

Country-specific targets are needed to specify annual volumes and the proportion of finance directed towards mitigation, adaptation, loss and damage. These targets should reflect each country’s vulnerabilities and unique circumstances. These country-specific targets should be aligned with the New Collective Quantitative Goal to mobilise \$100 billion annually by 2035, scaling up to \$1.3 trillion. It is equally important to provide support for low-income countries to develop bankable project pipelines. Part of the target setting in investment should focus on developing infrastructure pipelines of wind, solar, transmission, alongside disaster risk preparedness and social sectors.

Resource flows must be anchored in rigorous, independent reporting and verification, complemented by predictable and regular replenishments

Countries should commit to rigorous, independent reporting and verification mechanisms, with biennial finance progress reports starting 2028, covering the quantity, quality, regional balance, and impact of climate finance flows. Tracking mechanisms will ensure that climate finance is new and additional and actually contributes to adaptation and social equity goals, rather than only to commercially attractive mitigation projects.

Climate finance should prioritize grants and highly concessional flows to prevent the deepening of debt burdens in vulnerable countries

The prevailing reliance on loans and commercial finance risks worsening debt crises in low- and middle-income countries already squeezed by rising sovereign debt costs. At least 70% of climate finance should take the form of grants and this should be accompanied by a clear framework that regulates the use of non-concessional loans and commercial finance for climate projects in countries with high debt levels. [Grant-based finance](#) enables countries least responsible for the crisis to invest in urgently needed adaptation and

resilience without compromising fiscal sovereignty or social stability. Debt-for-climate swaps and similar instruments are inadequate or “worse than useless” without structural reform of creditor systems.

Funding sources must be expanded and diversified in ways that advance equity and adaptation goals, rather than privileging only “bankable” mitigation projects

Current climate finance flows prioritise mitigation projects with quick financial returns while leaving adaptation and resilience underfunded—despite the fact that frontline communities urgently depend on these investments. Expand direct access and [decentralised models](#) that empower national and sub-national entities to prioritise adaptation projects that are most relevant for vulnerable communities. Equally important to develop innovative finance instruments to support adaptation such as resilience bonds, climate risk insurance, community microfinance.

Institutional capacity in recipient countries must be strengthened to ensure effective access, accountable use, and to avoid repeating past failures in climate finance delivery

Many countries face barriers of bureaucracy, technical limitations, and procedural complexity that block access to funds, even when resources exist. [Strengthening national institutions](#)—through training, streamlined procedures, and inclusive governance is essential to create lasting capacity to absorb and deploy climate finance equitably. Without this, funds risk being bottlenecked or misdirected, perpetuating inequality and inefficiency.

Reallocate Special Drawing Rights

[Rechannelling SDRs](#) is an important stopgap measure to assist climate vulnerable countries. However, the \$650 billion in SDRs that were allocated in 2021 were distributed according to IMF quotas rather than actual need. As a result, 66% went to high-income countries, while African countries received just 5%. G20 countries promised to reallocate 30% of their SDR shares (totalling \$100 billion) to those countries most in need. However, to date, [only a handful of G20](#) countries have fulfilled that promise, and the IMF has failed to disburse even these small recycled amounts to countries in distress.

QUESTION 2

WHAT STRATEGIES CAN BE IMPLEMENTED TO ENHANCE AND SCALE UP PUBLIC AND PRIVATE FINANCING FOR CLIMATE ADAPTATION, ESPECIALLY IN VULNERABLE REGIONS?

Redesign climate finance to ensure that it does not reinforce global inequalities

Earth4All advocates for a fundamental redesign of climate finance in order to address deep structural inequalities embedded in the current global economic and financial system.

Earth4All recommends the [following reforms](#) for improving the design and deployment of climate finance:

- Climate finance should [prioritize public finance flows](#) from developed to developing countries rather than relying on private capital markets, which often bring conditions exacerbating inequality and financial instability.
- Climate finance must be measured and allocated based on its real impact on people and nature, focusing on restoration of ecosystems, poverty reduction, gender empowerment, and trust-building, not just profit or financial flows
- [New values and metrics](#) must be embedded in financial markets, recognizing social and natural capital alongside monetary profit, so markets stop undervaluing nature and human wellbeing.
- Climate investments must be stress-tested for impacts on planetary boundaries, social tipping points, and multi-crisis resilience, ensuring that the mobilization of \$1.3 trillion each year generates multiplier benefits across society, economies, and ecosystems.
- Fiduciary responsibilities—especially for pension funds and sovereign wealth funds—must extend to future generations, prioritizing system-level risk management, stewardship of human, social, and natural capital, and long-term market stability, not just short-term returns. Intergenerational fiduciary duty should inform incentive structures, risk metrics, and

capital allocation, and stewardship values and system-level impacts (including effects on climate, ecosystems, and social cohesion) must be accounted for in all financial decisions.

- Shift from fragmented, siloed investment to strategic, integrated funding that strengthens human wellbeing while accelerating climate resilience and just transitions for all. Earth4All research and scenarios show that fragmented investments—focusing solely on single sectors such as energy, health, or poverty—miss the opportunity to create synergies, reinforce progress, and unlock rapid, lasting change.

Improve mobilisation of private finance

Earth4All’s proposals position private finance as a [lever for systemic change](#). Financial flows must be “hard-wired” not for isolated projects or voluntary pledges, but for joined-up, strategic investment in an equitable, resilient, climate-safe future. Our proposals for mobilizing private finance are rooted in regulatory reform, new metrics, new standards, risk models, and incentive structures to ensure that private investment is directed away from harmful activities and instead drive real, sustainable progress for people and planet.

Earth4All’s recommendations for improving climate finance flows include the [following](#):

- Investment decisions should be based on Earth4All’s Wellbeing Index, which tracks dignity, fairness, access to public services, participation, and planetary health, ensuring funding supports both immediate improvements and long-term system transformation. Institutional investors and asset managers use the Earth4All Wellbeing Index as a core screening tool when assessing new investments, alongside traditional financial indicators and ESG scores.
- Set portfolio-wide benchmarks for alignment with each Wellbeing Index dimension.
- Hardwire wellbeing metrics into investment mandates, incentives, asset allocation decisions, including minimum allocation to sectors or projects that score highly on wellbeing metrics.
- Align remuneration and performance incentives for investment professionals with improvements in Wellbeing Index outcomes, not just financial returns.

- Require mandatory disclosure and impact reporting especially with regular reporting of portfolio or fund-level progress against Wellbeing Index indicators for listed companies, funds, and institutional investors, using independently verified methodologies.
- Standard setters and regulators should enforce disclosure of Wellbeing Index alignment—and penalize greenwashing or “social-washing”—in financial reporting, similar to climate disclosure rules.
- Ratings agencies should be required to integrate Wellbeing Index metrics into credit ratings, risk assessment, and systemic risk analyses.

QUESTION 3 - WHAT EXPERIENCES, PROPOSALS, OR APPROACHES CAN ACCELERATE EFFORTS TO MOBILIZE \$1.3 TRILLION—INCLUDING GRANTS, NON-DEBT INSTRUMENTS, NEW SOURCES, AND FISCAL SPACE CREATION?

Debt reform must be part of broader economic systems change

[Genuine debt relief](#) is vital for unlocking the \$1.3 trillion in climate finance and enabling countries to invest in resilient, just, and sustainable futures—prioritizing grants and public investment over further indebtedness and conditional lending. Earth4All asserts that deeper structural reforms are needed to genuinely free up fiscal space. However, freeing fiscal space is not just about debt restructuring, reallocation of Special Drawing Rights, new models of concessional finance, redirecting subsidies or adopting wealth taxation. Instead it must be framed as part of a broader economic systems transformative change process, which unlocks resources for a new model of progress that prioritises human and ecological wellbeing.

Earth4All’s debt reform proposals include the following:

- Grants and non-debt public resources should be the backbone of global climate finance, with concessional loans strictly limited to cases where debt sustainability and sufficient returns are ensured.
- Countries below \$10,000 per capita should have all of their debt cancelled. And genuine debt relief must encompass both public and private creditors with debt sustainability directly tied to progress on climate and SDG goals. Global coordination is needed to ensure private creditors participate in debt restructuring.

- [Regional currency cooperation](#) and enhanced monetary sovereignty is critical to free low- and middle-income countries from dollar dependency and foster climate-aligned local investment.
- [Concessional finance](#) (highly subsidized, long-maturity loans) is only appropriate where there is a clear capacity to repay and for investment in projects that reliably generate returns. Even then, terms should be generous and non-burdensome.
- [Private creditors](#) must participate meaningfully in debt workouts, including legal and systemic changes in UK/US financial law to compel their involvement, avoiding situations where private lenders block progress.

Progressive fiscal policy

Tax reform unlocks the scale, equity, and stability needed for transforming climate finance. Without ambitious, well-designed tax reforms—targeting extreme wealth and polluting industries—climate finance will remain inadequate, unjust, and unreliable. We believe that [tax reform](#) is the most reliable way to raise the trillions in public revenue needed for climate action, tackle inequality, and structurally realign economies toward sustainability and justice. Earth4All emphasizes that [progressive taxes](#)—in particular, wealthy and windfall taxes—are a foundation for both fiscal and behavioral change that unlocks large-scale, durable funding for climate transformation.

Earth4All’s key fiscal policy proposals include the following:

- **Wealth taxation**
 - Increasing taxes on the wealthiest 10% until their share of national income falls below 40% by 2030, with a target for ongoing decline throughout [the century](#).
 - Support for a global minimum wealth tax, with rates starting at 1.7%–3.5% levied only on the richest 0.5% of households (mirroring Spain’s [“featherlight” wealth tax model](#)).
 - \$2.1 trillion/year could be raised globally at these rates, doubling the current climate finance gap and meeting key SDG and climate targets.
 - Key factors for the success of wealth taxes include: a fair progressive tax structure, transparent administration, international coordination, and linking revenue use to poverty reduction and sustainable development.
 - Equally important is to set appropriate exemption thresholds and progressive rates so as to target the ultra-rich without burdening the middle class.

- International cooperation to address cross-border wealth and enforce reporting standards is essential for effectiveness. Public and political support requires transparent communication about how revenues will fund poverty reduction.

- **Minimum corporate tax**

- Universal [minimum corporate-tax](#) rate “close to the global average of 25%”—not 15%—as agreed by the OECD and G20. This is based on the reality that 15% is too low and allows continued tax competition and avoidance.
- Multinationals should not receive lower rates than domestic firms. Instead, [unitary taxation](#) should be used, whereby profits are taxed based on real economic activity (sales, assets, workforce) across countries.
- The current OECD global minimum tax of 15% is projected to yield only \$150–\$270 billion per year, but loopholes and carve-outs halve the real impact to under \$136 billion annually. A [25% minimum](#), universally enforced, would at least double the yield and greatly reduce global incentives for tax avoidance and “race to the bottom” competition.
- Tax windfall profits across all sectors, especially during periods of economic hardship or speculation. [clubofrome+1](#)
- Close international [tax loopholes](#) and eliminate harmful tax structures, especially those facilitating wealth hiding or fossil fuel subsidies, which contribute to climate challenges.

Shifting harmful subsidies is essential for freeing up fiscal space and driving just transition

Earth4All argues for a rapid and comprehensive shift away from harmful subsidies—especially fossil fuel and environmentally destructive agricultural subsidies—toward strategic support for sustainability, equity, and regeneration. Our proposals highlight both immediate and structural reforms needed for transformative outcomes and for unlocking fiscal space, meeting climate and biodiversity goals, and driving a just transition for people and the planet.

Earth4All’s subsidy reform proposals include the following:

- [End direct and indirect](#) subsidies to coal, oil, and gas. Remove both explicit support (tax breaks, price guarantees) and hidden incentives for fossil energy.
- [Redirect fiscal subsidies](#) to renewables and resilience for the poorest, and adaptation for climate-vulnerable communities. Redirect at least \$1 trillion in fossil fuel subsidies and lower greenhouse gas emissions by [up to 10%](#) by 2030. Allocate new

tax income to social programs, universal healthcare, workers' rights, green infrastructure, gender equality, and the transformation of energy and food systems in service of equitable development.

- Effective subsidy reform must include [social protection mechanisms](#), especially in low and middle-income countries with limited fiscal capacity. Cash transfers and expansion of essential public services must complement subsidy removal to prevent disproportionate burdens on the poor and support inclusive development.
- The key success factors include: comprehensive inventory and analysis of existing studies and their impacts; whole of government approach to policy-making, reducing barriers to participation and incentivizing change; effective communication with affected communities and interest groups; gradual sequenced implementation; targeted compensation for the poor's transparency and mentoring and institutional reform; continuous monitoring and adaptation.

QUESTION 4 - WHAT ARE YOUR OVERALL EXPECTATIONS FOR THE ROADMAP, AND WHICH TOPICS/ISSUES SHOULD BE EXPLORED TO INFORM IT?

As explained above, the increase from the Copenhagen to Baku-Belem commitment of \$1.3 trillion by 2035 is a staggering 1,300 % . Thus, if governments are to stand a chance of success in mobilising this amount, several fundamental principles/safeguards are essential in the design of the Roadmap to deliver climate finance at speed and scale. We re-list below the key fundamental principles/safeguards that should underpin the scaling up of climate finance to meet the \$1.3 trillion dollar goal. These have been further elaborated in Section 3 titled “The fundamental principles that should underpin the roadmap to \$1.3 trillion”.

- Integrated strategic financing is essential to deliver at speed and scale
- Climate finance must not be measured just by volume or returns
- Climate finance must ground public finance at its core
- Fundamental reform of the global financial architecture is essential
- Unlocking climate finance will require a massive shift in the flawed global economy

Overall, Earth4All sees the Roadmap not just as a financing instrument. It believes that it should be developed as a critical vehicle to synergize climate finance with systemic economic reform, social justice and planetary wellbeing. These foundations are critical for building the foundations for a resilient and equitable future.

To this end, Earth 4All expects the Roadmap to:

- Develop transformational finance frameworks that not only scale absolute volumes but fundamentally reform how finance flows—prioritizing grants, non-debt instruments, and concessional funding to break cycles of dependency and debt burdens in Global South countries.
- Ensure participation and leadership from frontline communities and Indigenous Peoples, embedding their knowledge and enabling direct access to finance.
- [Align finance with wellbeing and ecological boundaries](#). Finance must be redirected to support a post-growth low-carbon economy that prioritizes human wellbeing and ecological sustainability, as measured by Beyond GDP indicators recommended by Earth4All.
- Identify robust debt relief and restructuring instruments that [untangle climate finance from harmful debt](#) frameworks which currently constrain adaptation and resilience investments. This means addressing the problematic cycle where low-income countries, who most need grant finance to adapt to climate change, receive climate finance largely in the form of loans, which exacerbate their already high debt burdens.
- Mobilize private finance responsibly while redefining fiduciary duty. This means [shifting investment mandates](#) toward systemic and intergenerational wellbeing alongside financial returns, incentivizing long-term sustainability.
- Create fiscal space through progressive, [equitable taxation and subsidy reform](#). Unlock public revenue for climate action with tax reforms targeting wealth, carbon, and environmental externalities, linked with social protection and just transition mechanisms.

- Transform the financial system for climate and social resilience. This includes reforming capital markets, greening public financial institutions and central banks, and integrating social and environmental value into financial decision-making.

QUESTION 5

WHAT COUNTRY EXPERIENCES, LESSONS, AND INTERNATIONAL INITIATIVES ARE MOST RELEVANT FOR SCALING UP CLIMATE FINANCE?

We believe that it is crucially important to reflect on the reasons why the Copenhagen climate finance commitment, established at COP15 in 2009 failed to collectively mobilize \$100 billion per year by 2020 to support climate change mitigation and adaptation efforts in developing countries. We raise these factors here in the spirit of providing constructive feedback to support the Baku-Belem Roadmap in avoiding the pitfalls of the previous \$100 billion pledge and fostering real progress toward the much larger and more ambitious \$1.3 trillion climate finance goal.

Among the most relevant factors that impeded the realisation of the \$100 billion commitments included the lack of clearly assigned responsibilities between donor countries, unclear definitions of climate finance, and frequent double counting, all of which were deeply problematic.

Moreover, since much of the finance provided came as loans, the debt burden in vulnerable countries increased significantly, leaving mitigation and adaptation projects underfunded. In many cases, the terms of concessional loans often failed to address the urgent poverty, social justice and equity needs of vulnerable nations, thereby constraining access to the support for those who needed it most.

Additionally, the absence of strong accountability measures enabled many donor countries to report the full value of loans as climate finance rather than only their grant equivalent. This resulted in inflated figures that did not reflect actual new or additional support. Other relevant factors included the insufficient mobilisation of private sector finance, global and domestic fiscal pressures, and limited capacity in recipient nations further hindered progress.

The increase from the Copenhagen to Baku-Belem commitment of \$1.3 trillion by 2035 is a staggering 1,300 % and if governments are to stand a chance of success in mobilising this amount, several safeguards will be essential in the design of the Roadmap to deliver climate finance to those at speed and scale. These are further explained under Question 1 and are noted here in bullet form:

- Clear country-specific targets to ensure that finance is genuinely new and additional.
- Anchoring resource flows in rigorous, independent reporting and verification alongside regular replenishments.
- Priority focus on grants or highly concessional flows to avoid worsening debt traps for vulnerable countries.
- Universally-agreed-upon standards for what counts as climate finance.
- Expansion and diversification of funding sources that align with equity and adaptation goals, not just “bankable” mitigation initiatives.
- Strengthening of the institutional capacity of recipient countries to help avoid repeat failures to ensure that they can access climate finance more effectively.