

## Submission on views regarding the “Baku to Belém Roadmap to 1.3T”

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### I. Introduction

The **Climate Finance Group for Latin America and the Caribbean (GFLAC for its acronym in Spanish)**; the **Global Initiative for Economic, Social and Cultural Rights (GI-ESCR)**; the **Center for Economic and Social Rights (CESR)**; the **Center for Law, Justice and Society (Dejusticia)**; **Climate Action Network Latin America (CANLA)** and its **Task Force Adaptation as a Priority for COP 30**; **Sustainable Strategic Solutions (SESSA for its acronym in Spanish)**, as members of the **Latin American and Caribbean Network for a Sustainable Financial System (REDFIS for its acronym in Spanish)**, welcome the opportunity to present views on the actions; strategies; experiences, proposals or approaches; and actors and multilateral initiatives relevant to the USD 1.3 trillion goal established by the new collective quantified goal (NCQG) on climate finance and its “Baku to Belém Roadmap to 1.3T” (hereinafter Baku to Belém Roadmap).

The present **submission** builds upon the one submitted by GFLAC on behalf of REDFIS on **March 21, 2025<sup>1</sup>**, and is structured in **three main parts**. The first addresses **process**-related considerations, highlighting key elements to ensure transparency and inclusiveness in the design and implementation of the Baku to Belém Roadmap. The second part highlights some **principles** for the Roadmap developed in collaboration with other organizations. These

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<sup>1</sup> The submission is available at:

[https://unfccc.int/sites/default/files/resource/GFLAC\\_REDFIS\\_Submission\\_NCQG\\_Roadmap.pdf](https://unfccc.int/sites/default/files/resource/GFLAC_REDFIS_Submission_NCQG_Roadmap.pdf)

principles serve as a valuable guide not only for shaping the Roadmap, but also for ensuring its effective implementation in the years ahead. The third part focuses on substantive **content**, structured around the guiding questions outlined in the call, and integrates outcomes from a series of workshops convened by GFLAC on the Roadmap and its synergies and divergences with Article 2.1.c<sup>2</sup> of the Paris Agreement, on adaptation finance<sup>3</sup>, and on debt and the quality of climate finance<sup>4</sup>.

## II. Process

While REDFIS has had informal access to the first draft of the Circle of Finance Ministers, we consider it essential that the incoming COP30 Presidency **clarifies the relationship between the Circle’s process and the Baku to Belém Roadmap under the UNFCCC formal process**. In particular, it should be clearly specified how the Circle’s document will be incorporated as an input into the Roadmap, and how the effective participation of observers in the Circle’s process will be ensured in the following months, given their importance in the NCQG negotiations. Ensuring clarity at this stage will be fundamental to preserve the credibility of the Roadmap and to secure the engagement of all relevant stakeholders.

To enhance the transparency and inclusiveness of the Baku to Belém Roadmap’s design, the following **steps** are recommended:

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<sup>2</sup> “Towards ‘COP30: Synergies and Divergences between the Baku-Belém Roadmap and Article 2.1.c’. April 9 - Workshop Summary”, is available at:

<https://sustainablefinance4future.org/so/d5PYadEjF/c?w=7JhpTHtiWs2KTVq1eCOF6rTOyTstWY4l49Gp-O-AbTg.eyJ1ljoiaHR0cHM6Ly9mZDMxMDY3YS04ZTIiLTRhYjQtYTDiZS1kMzA2ODlhZDNhYTEudXNyZmIsZXMuY29tL3VnZC8zMjk0OGRfMDg1ODJkNzhhYjM0NDIkoG5M2E1Y2FjOTYyM2ViYTUucGRmP2RuPVN1bW1hcnklMjAtJTlwTkNRRyUyMFJvYWRTYXAlMjBhbmQlMjAyLjEuYy4lMjAxLnBkZiIsInliOilxYzg0ODJjOS0yYzE4LTQ3NGMtOTM1Mi1mODE0ZjdlYmY3NjAiLCJtIjoibWFpbi0iOjE0NWJjZjE3ZC0zMjA4LTQ0ZGEtYWFKNS04YjgxM2Y1ZGUxNjAifQ>

<sup>3</sup> “Highlighting the Role of Adaptation Finance in the Baku–Belém Roadmap. Opportunities and milestones towards COP30. Summary of the online workshop – May 27, 2025”, is available at:

[https://sustainablefinance4future.org/so/d2PT62qtM/c?w=0LklCicZkPndjqXx12wh8p56wgYO\\_WtVvNSrwXpYwK.eyJ1ljoiaHR0cHM6Ly9mZDMxMDY3YS04ZTIiLTRhYjQtYTDiZS1kMzA2ODlhZDNhYTEudXNyZmIsZXMuY29tL3VnZC8zMjk0OGRfMjc4ZTIwMjU4Y2UzNDY3M2ExZjNhN2E4NzZmODBmODYucGRmP2RuPVN1bW1hcnktQWRhcHRhdGlvbUyMFJvYWRTYXAlMjBhbmQlMjAyLjEuYy4lMjAxLnBkZiIsInliOilxYzg0ODJjOS0yYzE4LTQ3NGMtOTM1Mi1mODE0ZjdlYmY3NjAiLCJtIjoibWFpbi0iOjE0NWJjZjE3ZC0zMjA4LTQ0ZGEtYWFKNS04YjgxM2Y1ZGUxNjAifQ](https://sustainablefinance4future.org/so/d2PT62qtM/c?w=0LklCicZkPndjqXx12wh8p56wgYO_WtVvNSrwXpYwK.eyJ1ljoiaHR0cHM6Ly9mZDMxMDY3YS04ZTIiLTRhYjQtYTDiZS1kMzA2ODlhZDNhYTEudXNyZmIsZXMuY29tL3VnZC8zMjk0OGRfMjc4ZTIwMjU4Y2UzNDY3M2ExZjNhN2E4NzZmODBmODYucGRmP2RuPVN1bW1hcnktQWRhcHRhdGlvbUyMFJvYWRTYXAlMjBhbmQlMjAyLjEuYy4lMjAxLnBkZiIsInliOilxYzg0ODJjOS0yYzE4LTQ3NGMtOTM1Mi1mODE0ZjdlYmY3NjAiLCJtIjoibWFpbi0iOjE0NWJjZjE3ZC0zMjA4LTQ0ZGEtYWFKNS04YjgxM2Y1ZGUxNjAifQ)

<sup>4</sup> “Debt and the Quality of Climate Finance in the Baku–Belém Roadmap. Summary of the online workshop – July 30, 2025”, is available at:

<https://sustainablefinance4future.org/so/d5PYadEjF/c?w=hs1DHISYXZaBJ5AZdDoOpQwDr2Pbuxesq6XNtWgCdKI.eyJ1ljoiaHR0cHM6Ly9mZDMxMDY3YS04ZTIiLTRhYjQtYTDiZS1kMzA2ODlhZDNhYTEudXNyZmIsZXMuY29tL3VnZC8zMjk0OGRfMjlkYWM1YjhlNmMwNGY2MDhlZmNkM2E3NDRmZWJkMDgucGRmP2RuPVN1bW1hcnktRGVidCUyMGFuZCUyMFF1YWxpdHkIMjBpbUyMHRoZSUyMEJha3UtQmVsJUzUyUE5bSUyMFJvYWRTYXAlMjBhbmQlMjAyLjEuYy4lMjAxLnBkZiIsInliOilwNzE1YzYwZC00ZTc2LTQ0ZGEtYWVWmZS05MwI3ODhlZjY0NDUjLCJtIjoibWFpbi0iOjE0NWJjZjE3ZC0zMjA4LTQ0ZGEtYWFKNS04YjgxM2Y1ZGUxNjAifQ>



- 1. Official and immediate circulation of the Circle of Finance Ministers document:** The Circle's report, expected to be published on October 15, should be officially circulated among Parties and non-Party stakeholders (or observers), with a clear explanation of how the COP29 and COP30 Presidencies intend to take it into account in the Roadmap, making clear differentiations among these two processes.
- 2. Inclusive consultations:** While the mandate of the Baku to Belém Roadmap points out that it has to be done in consultation with Parties, the role of observers is critical. For this reason, the Presidencies should convene consultations before COP30 - virtual and, where feasible, in-person -, with Parties and non-Party stakeholders, including the Local Communities and Indigenous Peoples Platform (LCIPP) and observer constituencies to discuss the above point, and to gather expectations on how the official Roadmap process should unfold at COP30. This could be achieved by guaranteeing participation slots in consultations, organizing thematic sessions dedicated to civil society, Indigenous Peoples, and local communities, and ensuring that official reports systematically reflect these perspectives with the same level of consideration as Party inputs.
- 3. Timely dissemination of the Baku to Belém Roadmap:** Before the International Monetary Fund and World Bank Group Annual Meetings - October 27, 2025 -, when the Roadmap's report is scheduled to be released according the updated workplan<sup>5</sup>, it should be officially shared with Parties and non-Party stakeholders, ensuring adequate time for review ahead of COP30.
- 4. Clarity on the high-level event at COP30:** The COP30 Presidency should specify the purpose and scope of the Roadmap's high-level event at COP30, and issue a scenario note - similar to those prepared by the Subsidiary Bodies Chairs - outlining their expectations for the Roadmap's official process at the Conference.
- 5. Regular updates and follow-up:** There should be regular progress updates under the UNFCCC, so that Parties and multilateral development banks (MDBs) and international financial institutions (IFIs), among others, can demonstrate progress in line with the Roadmap's milestones.
- 6. Formal adoption of the report at CMA7, ensuring that it is not only a technical report but a formally adopted guidance document:** The CMA should clearly outline responsibilities, timelines, and mechanisms for implementation, monitoring, and accountability. It is necessary that the Roadmap is not a mere diagnostic, but rather the beginning of a process that needs to be monitored, and to ensure that it clearly supports the implementation of Nationally Determined Contributions (NDCs) and

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<sup>5</sup> Available at:

[https://unfccc.int/sites/default/files/resource/Presidencies\\_BB1.3T\\_Workplan\\_Update\\_final.pdf](https://unfccc.int/sites/default/files/resource/Presidencies_BB1.3T_Workplan_Update_final.pdf)

National Adaptation Plans (NAPs), in order to ensure coherence between the Roadmap and national implementation.

Implementing these steps is essential to safeguard the legitimacy of the Baku to Belém Roadmap, ensuring the meaningful participation of all relevant stakeholders throughout its development, and fostering their ownership in the future. The Roadmap process should also explicitly encourage cross-ministerial coordination and the active involvement of subnational or local governments.

### III. Principles

Although the Baku to Belém Roadmap requires the inclusion of several elements, its content should be primarily structured around the following **ten key principles**:

- 1. Reaffirm the central role of public finance:** The Roadmap needs to clearly state the importance of strengthening the role of public finance, including developed countries' obligations to provide public climate finance to developing countries, which remains central under Article 9.1 of the Paris Agreement, and the principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC). Public finance, particularly grants and concessional resources, are the central part of the USD 300 billion target, as well as the foundation to reach the USD 1.3 trillion target.
- 2. Accelerate the closure of the adaptation finance gap:** As part of the NCQG, the Roadmap must scale up the provision of adaptation finance to close the existing gap and meet the needs of developing countries. The resources for adaptation actions must be mainly grant-based, predictable, gender-responsive, accessible and locally led, aligned with the Global Goal on Adaptation (GGA) and future commitments (for example, the doubling or tripling of adaptation finance).
- 3. Ensure the qualitative dimensions of finance:** The Roadmap must serve as a pathway to mobilize at least USD 1.3 trillion per year by 2035, with the aim to progressively increase this number, and also has to ensure that the resources accounted for as part of this target are aligned with principles that improve the qualitative aspects of the financial flows. This includes instruments that increase the fiscal space, avoid unsustainable debt mechanisms, and also aspects such as the allocation of finance based on the respect of equity, human rights, gender equality, and local and Indigenous Peoples' rights into all financing flows. Finance must be transparent, accountable, and responsive to local contexts; it is not just about volume, and should be in line with the NCQG decision. Where applicable, qualitative benchmarks should also include social safeguards to ensure that climate-related investments contribute to equitable and just transitions and respect for human



rights. This is also related to critical principles of the UNFCCC, such as CBDR and equity principles, as well as other such as transparency, accessibility, predictability, etc.

- 4. Strengthen accessibility and direct access modalities:** The Roadmap needs to operationalize the NCQG paragraphs that call for enhanced access, providing clear steps to improve accessibility procedures of the funds under the UNFCCC and other climate funds. It is key to ensure the inclusion of simplified procedures for local communities, civil society, youth and women groups, and Indigenous Peoples.
- 5. Advance structural reforms in the international financial architecture:** The Roadmap needs to scale and optimize the role of vertical climate funds, and to strengthen the collaboration between national development banks and MDBs, as well as include key steps to increase the availability of concessional mechanisms. Furthermore, MDBs should accelerate working on program-based objectives by changing institutional mandates and also supporting the materialization of country-based platforms. It should be noted that MDBs have fallen short of acquiring callable, shareholder and private capital, limiting lending capacity and reduction of risk, which requires a bigger commitment from countries and private actors. Such reforms should also consider how financial flows can enable just transition strategies in developing countries, ensuring that climate action is aligned with employment, equity, and development objectives.
- 6. Increase the fiscal space:** The Roadmap should recommend key measures to expand countries' fiscal space - not only by raising revenues but also by improving expenditure management, particularly debt servicing. For instance, in 2021, of the total climate finance received by Latin American and the Caribbean, 92.6% was delivered through loans, while only 7.4% came in the form of grants, highlighting an excessive reliance on debt-generating instruments (GFLAC, 2024)<sup>6</sup>. This would enable developing countries to mobilize more resources needed to address climate change. Strengthening fiscal space in this way is also a critical step toward linking the Roadmap with the establishment of the UN Tax Convention.
- 7. Debt treatment:** Ensure that the Roadmap does not exacerbate unsustainable debt levels but instead promotes mechanisms and alternatives for responsible management, cancellation, or exchange of debt, according to the capacities and realities of Parties. Such options include debt for climate and debt for biodiversity swaps (recognizing their limitations in reducing debt burdens), sustainability-linked debt relief mechanisms, and debt restructuring frameworks tailored to the needs of

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<sup>6</sup> The “Índice de Finanzas Sostenibles 2024” (GFLAC, 2024) is available at: <https://www.sustainablefinance4future.org/ifs2024>



the most vulnerable countries. This must connect with other initiatives within and outside the UNFCCC, such as the Action Platforms created in Seville during the 4th International Conference on Financing for Development (FfD4) around the debt treatment.

- 8. Mobilize innovative sources of finance:** Promote further exploration and implementation of international and domestic taxes. This includes considering global taxes on activities with a high climate impact, such as fossil fuels, aviation, maritime transport, and financial transactions. Likewise, it is crucial to expand results-based financing instruments, including debt for climate swaps and payments for ecosystem services. These mechanisms should generate new, additional, stable and predictable resources, without further deepening the debt burden of developing countries. Moreover, innovative sources require hybrid financing and de-risking operations. MDBs can enable this, but tangible commitments need to come from the shareholders. Innovative sources could also be linked to national strategies that include just transition components, ensuring that resources contribute both to climate and social resilience.
- 9. Establish accountability and follow-up mechanisms:** The Roadmap must identify short-term (2025–2028) milestones and longer-term pathways toward the USD 1.3 trillion target. This includes clear timelines, sources of finance, and responsibilities for different actors, ensuring it catalyses real action in the upcoming years. The Roadmap should also provide a clear mechanism to track the financial flows towards the USD 1.3 trillion, clarifying the role of the UNFCCC's Standing Committee on Finance (SCF) in the reporting mechanisms, as it was established in the NCQG decision.

In that sense, the Roadmap has to present key steps to define what sources from the MDBs and IFIs will be counted as part of the Roadmap, and under what characteristics those flows will be counted and reported. Annual progress reports and the creation of a follow-up mechanism under the UNFCCC, ensuring the monitoring of both the quantity in grant-equivalent terms and the qualitative dimensions of finance, could be established. This should consider exclusion criteria for financial instruments and flows that do not count towards the USD 1.3 trillion, such as market-rate debt instruments, as well as financing for environmentally or socially harmful activities.

- 10. Create clear links with processes within and outside the UNFCCC:** The Roadmap must connect with processes within and outside the UNFCCC, ensuring coherence and systemic transformation, particularly:



- Within the UNFCCC: NCQG implementation, Article 9.1 obligations, Article 2.1.c and future financial alignment discussions, GGA, Global Stocktake (GST), and other relevant tracks.
- Outside the UNFCCC: G20, FfD4, International Monetary Fund's (IMF) Article IV Reviews, World Bank/IMF Debt Sustainability Analyses, UN Tax Convention, Convention on Biological Diversity (CBD)'s Resource Mobilization Strategy, and others.

## IV. Content

### A) Short and medium-to-long-term actions

What are priority short-term (by the end of 2028) and medium-to-long-term (beyond 2028) actions necessary to enable the scaling up of financing for climate action to developing countries? Based on experience to date and evidence, what can those actions contribute to in terms of progress in enabling the scaling up of financing?

In the short term, by 2028, it is essential to:

- **Set clear and measurable targets** (both quantitative and qualitative) for climate finance, aligned with the Paris Agreement's objectives, including adaptation, loss and damage, and just transition targets. These targets should be expressed, where feasible, in grant-equivalent terms and accompanied by interim milestones (2026-2028) for public provision and mobilized finance.
- **Establish a methodology to clarify public versus private contributions**, meaning clear criteria on what counts toward the USD 1.3 trillion, distinguishing clearly between public finance obligations (Article 9.1) and private finance mobilisation that is new and additional, to avoid double counting and inflated figures. Particularly, it should be **defined what part of the resources** toward the USD 300 billion target of the NCQG are coming from bilateral cooperation, this is, public resources from developed countries, to provide clarity about the availability of resources and the channels to be used in the next 1-5 years. With regards to private finance, the criteria of new and additional finance should be defined as financial flows that are mobilized specifically to contribute towards the Roadmap, rather than just re-labelling existing financial flows that would have occurred anyway.
- **Improve accessibility** by simplifying procedures and create and implement more direct access modalities, particularly in UNFCCC funds, so that resources reach the



countries, and communities and Indigenous Peoples most in need. This may include simplified approval tracks (with indicative processing times), expanded readiness support, and dedicated windows for subnational, community-led and Indigenous organizations.

- **Strengthen capacity-building** to support developing countries in effectively estimating, accessing, deploying, and monitoring climate finance. Priority areas include pipeline development aligned with NDCs and NAPs.
- **Ensure transparency and accountability** by strengthening reporting mechanisms under the Enhanced Transparency Framework (ETF), with clear metrics to assess the financial flows as part of the Roadmap and integrating Article 9.5 reporting obligations into the Roadmap process. Methodological clarity on counting rules for public provision, mobilized private finance and MDB's contributions will be essential.

**In the short and medium term, the following different channels of finance need to accelerate the transformation:**

- **Bilateral cooperation:** The Roadmap needs to emphasise the importance of bilateral cooperation from public sources, to scale up the quality and quantity of finance for climate funds, and other direct mechanisms. Bilateral cooperation in the form of grants is the critical base of climate finance for developing countries, and it represents the historical responsibilities from developed countries. The Roadmap needs to reflect these responsibilities as part of the commitments under Article 9, particularly 9.1. This should be in addition to existing Official Development Assistance (ODA) commitments, and should not substitute nor dilute existing ODA.
- **MDBs:** The Roadmap needs to establish short and medium-term actions for the MDBs, including debt treatment clauses in the short term, as well as long term debt treatment mechanisms; and changes in the politics of the banks to mainstream climate change in their operations, setting a periodic target to scale up climate finance pledges annually, where it is needed to define how much will be public mobilisation versus private investment. MDBs could expand concessional windows and countercyclical instruments; operationalise capital adequacy reforms and, where relevant, consider general capital increases; enable lending in local currency; integrate climate-resilient debt clauses; and report climate finance in grant-equivalent terms while aligning portfolios with the Paris Agreement in coordination with national development banks.
- **Climate funds:** In the short term, climate funds need to create direct access mechanisms for local communities and Indigenous Peoples, among other vulnerable groups, and create schemes to better coordinate among them to increase their



effectiveness in the allocation of resources. Climate funds should increase allocation to readiness programs, including resources to support developing countries in determining their climate finance needs. In the medium-to-long term, the climate funds need to improve the accreditation and access systems to avoid bureaucratic processes that reduce the opportunities for all countries in an equitable manner.

- **Private finance:** While private finance has an important complementary role to play, especially for mitigation, it cannot replace the obligations of developed countries to provide public climate finance under Article 9. By 2028, the Roadmap should establish clear parameters for how and under what conditions private finance is accounted for, ensuring transparency and safeguarding against overreliance on debt-creating instruments. Private finance should also be mobilised through de-risking mechanisms and blended finance approaches that are equitable and transparent. Private sector actors should be encouraged to primarily contribute to the Roadmap through funding the implementation of non-market approaches rather than the volatile and unpredictable market-based approaches.

In the medium-to-long term, beyond 2028, structural reforms must be implemented -even outside the UNFCCC, including:

- **Reform the international financial architecture:** To mainstream climate change in the operations and policies of the international financial system, particularly in the World Bank, IMF and others.
- **Tax cooperation:** Ensure that there is a UN Convention on Tax, with the aim to increase revenues from contaminating activities and the richest, in order to increase the fiscal space of developed and developing countries to invest in climate action.
- **Debt cooperation:** Create a multilateral system that can regulate and avoid unsustainable debt, including the promotion of debt relief, in order to expand fiscal space and avoid exacerbating vulnerabilities. Ensuring resources are redirected toward climate-resilient pathways, and, where appropriate, to nationally determined strategies that include just transition priorities.
- **Further explore innovative sources of finance:** Especially non-market approaches, international taxes on fossil fuels, aviation, shipping, and financial transactions, while advancing fiscal reforms that internalize environmental costs and reduce inequalities. Part of these resources could be strategically allocated to ensure that climate action contributes to equitable and inclusive transformations, consistent with just transition principles.

These measures can substantially contribute to building trust, expanding fiscal space, and reducing dependency on debt, while also addressing persistent gaps in adaptation and loss and damage finance. At the same time, they can generate the systemic changes needed to enable sustainable and scaled-up climate finance for developing countries in a manner that is more predictable, transparent, and equitable.

## B) Strategies for adaptation

What strategies can be implemented to enhance and scale up public and private financing mechanisms for climate adaptation, especially in vulnerable regions?

To correct the persistent imbalance between mitigation and adaptation finance, it is essential to adopt strategies that ensure resources effectively reach vulnerable regions and communities. The Baku to Belém Roadmap should address the historical underfunding of adaptation and loss and damage, recognizing that these are two distinct yet complementary pillars of climate action. While mitigation finance (reducing emissions) often attracts private investment due to higher returns, mainly from clean energy projects, adaptation and loss and damage finance primarily require public, grant-based, and highly concessional funding. The Roadmap should prioritize this non-debt-creating finance to avoid further burdening vulnerable nations, which bear the brunt of climate impacts they did not cause.

The Roadmap must outline a **clear strategy to surpass the existing commitment on doubling adaptation finance**, ensuring it is predictable, accessible, and scalable to meet the estimated needs of developing countries, which are significantly higher than the current flows. Furthermore, the Roadmap must provide a **dedicated and robust financial framework for loss and damage**, ensuring that the Fund for Responding to Loss and Damage receives adequate, new, and additional funding. This funding should not be double-counted as ODA or humanitarian aid. This approach will ensure that the Roadmap reflects the principles of climate justice, providing essential support for countries to both build resilience and recover from unavoidable and irreversible climate impacts.

In particular, the Roadmap should:

- **Operationalise adaptation as a priority**, securing a dedicated share of at least USD 300 billions annually for adaptation, and ensuring that the resources are grant-based, predictable and accessible to the most vulnerable countries.
- **Prioritise concessional and grant-based instruments**, reversing the current overreliance on loans that exacerbate debt vulnerabilities. Since 75% of adaptation priorities are public goods that cannot generate financial returns, only grants (non-repayable resources), concessional finance (below-market loans, still repayable), and highly concessional finance (near-zero interest, long maturities,



significant grant elements) can ensure investments in resilience such as coastal protection, health systems, and adaptive social protection (Climate Resilience Alliance, 2025)<sup>7</sup>. These include solidarity levies, debt-for-climate swaps, rechanneling of Special Drawing Rights (SDRs), and revenues from carbon markets or international transport levies. Such instruments can complement traditional ODA and climate funds, expanding fiscal space and enabling transformative adaptation.

- **Strengthen the role of public finance as the foundation for adaptation**, as resilience is built primarily through public goods, public finance is indispensable to provide predictable and catalytic resources. Without this strong base, even complementary tools such as blended finance cannot function. With private flows covering only approximately 3% of current adaptation needs (Climate Resilience Alliance, 2025), public finance must therefore lead, ensuring that any additional mechanisms remain accessible, transparent, and aligned with national and local priorities, including the priorities of Indigenous Peoples.
- **Enhance direct access modalities to channel resources to locally led adaptation initiatives:** Public funds should expand direct access through the Adaptation Fund, Green Climate Fund, national entities, and subnational climate funds, ensuring resources reach communities, Indigenous Peoples, and civil society organizations. National development banks and microfinance institutions can extend this support to small and medium enterprises and community-based organizations, complemented by guarantees, patient capital (long-term flexible finance), and digital tools for financial inclusion to make adaptation finance responsive to local contexts.
- **Integrate gender-responsive and human rights-based approaches:** Finance must be governed by the principles of equity and justice, in line with the International Court of Justice 2025 Advisory Opinion, which reaffirmed developed countries' obligations under the UNFCCC. Embedding gender equality, Indigenous rights, and human rights safeguards in decision-making, governance, and monitoring ensures that adaptation finance reaches those most affected by climate impacts and delivers fair, inclusive outcomes.
- **Improve tracking, transparency, and accountability**, to ensure that adaptation finance is predictable and measurable. The alignment of GGA indicators with national reporting systems and private sector taxonomies will strengthen coherence and accountability, while supporting the second GST.

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<sup>7</sup> "Adaptation finance and the private sector: opportunities and challenges for developing countries. Summary for policymakers", available at:

<https://www.mercycorps.org/sites/default/files/2025-09/zcra-private-finance-summary.pdf>



- **Elevate adaptation to political parity with mitigation through a new finance commitment:** In 2021, Latin America and the Caribbean received USD 9.2 billion in climate finance, of which only USD 2.4 billion went to adaptation versus USD 6.1 billion to mitigation (GFLAC, 2024). To correct this imbalance, COP30 must replace developed countries' commitment to double adaptation finance by 2025 with a new commitment to at least triple adaptation finance by 2030 (from 2025 levels), prioritising grants, concessional, and highly concessional instruments. The Baku to Belém Roadmap offers the opportunity to anchor this target in scaled-up public funding and advance a collectively agreed quantitative goal for adaptation.
- To address fragmentation and accessibility barriers, the Roadmap should structurally **prioritize simplified, trust-based channels that enable direct access** for local actors, Indigenous Peoples, and community organizations. These mechanisms must integrate gender equality, Indigenous rights, and human rights safeguards, and be anchored in country-led instruments such as NDCs, NAPs and Adaptation Communications. Transparent monitoring systems are equally critical, with an emphasis on tracking the quality - not just the volume - of adaptation finance.
- **Promote locally led and territorially grounded adaptation strategies** that reflect the diverse realities of vulnerable communities. This requires ensuring that adaptation finance is not only predictable and grant-based, but also designed to strengthen social inclusion, biodiversity conservation and just transition pathways. By integrating climate and biodiversity agendas and embedding principles of climate justice, adaptation measures can simultaneously enhance resilience, protect ecosystems, and generate co-benefits for livelihoods. Anchoring these dimensions in the NDCs 3.0 and the NAPs will ensure that adaptation finance effectively reaches the local level and drives transformative action aligned with community priorities.
- **Targeted funding for vulnerable sectors:** It is a crucial aspect of an effective adaptation strategy, as the impacts of climate change are not evenly distributed across all sectors of an economy. Therefore, the Baku to Belém Roadmap must prioritize financial support for sectors, such as agriculture, food systems, water management, and human health, which are disproportionately affected by climate impacts. This approach requires moving beyond broad-based funding and instead directing resources to the specific needs of smallholder farmers, marginalized communities, and those living in arid or flood-prone regions. By focusing on these sectors and the communities that rely on them, the Roadmap can ensure that adaptation finance builds genuine resilience where it is needed, rather than simply large-scale, top-down projects.

**The following channels should also be considered:**



- **Coalitions of the willing and solidarity levies:** The Roadmap should encourage countries to implement solidarity levies (for example, on fossil fuel extraction, aviation, or shipping), including through creating coalitions of the willing, in order to raise new and additional public funding that can be channelled through bilateral cooperation and to multilateral climate funds.
- **Bilateral Cooperation:** It should prioritize capacity-building and the provision of concessional and grant-based finance, ensuring resources reach the most vulnerable countries. Bilateral agreements may also include knowledge transfer mechanisms, technical assistance, and support for climate planning, aligning adaptation priorities with national and regional sustainable development goals.
- **MDBs:** They should expand efforts to provide concessional financing for adaptation projects, strengthening collaboration with national and regional development banks. They must integrate equity, human rights, and gender perspectives into resource allocation, ensuring finance reaches vulnerable communities and strengthens local climate resilience. MDBs also play a key role in promoting innovative financial instruments, including sustainability-linked bonds and climate-resilient debt clauses.
- **Climate funds:** In line with the NCQG decision, those under the UNFCCC, such as the Adaptation Fund - and others - should **at least triple annual disbursements by 2030**, applying differentiated access windows for least developed countries, small island developing states, and other vulnerable countries. Access channels must be territorially appropriate, transparent, and limited in terms of intermediaries, ensuring traceability and direct reach to local actors through country-led strategies.
- **Debt treatment:** The Roadmap must ensure that debt burdens are not increased in developing countries, offering clear alternatives for debt treatment, cancellation, or swaps, considering the capacities and realities of each country. This includes exploring debt for climate and biodiversity swaps, debt relief mechanisms linked to sustainable results, and debt renegotiation frameworks tailored to the most vulnerable countries, coordinating these mechanisms with other initiatives inside and outside the UNFCCC, such as the Sevilla Action Platforms, as previously mentioned.

Together, these strategies can help close the adaptation finance gap, strengthen resilience in vulnerable regions, and reduce climate-related risks in a fair, inclusive, and rights-based manner.



### C) Instruments, new sources and fiscal space

What other experiences, proposals or approaches could help inform and accelerate efforts to mobilize USD 1.3 trillion in financing, including through grants, non-debt creating instruments, new sources of finance, and strategies to create fiscal space?

Several experiences and proposals can provide valuable guidance to accelerate the mobilization of USD 1.3 trillion:

- **Implement innovative sources of finance**, such as international taxes on aviation, maritime transport, fossil fuels, and financial transactions, while also advancing progressive fiscal reforms that internalize environmental costs. Beyond traditional sources, instruments such as debt-for-climate swaps, gradual phase-out of fossil fuel subsidies, taxes on major emitters and community-based microfinance schemes should be promoted. These mechanisms not only mobilize resources but also align fiscal policies with climate and social justice objectives.
- Beyond new sources, it is fundamental to **embed debt sustainability and fiscal space considerations** into the design of climate finance. Proposals should consider unused SDRs, scaling up local-currency lending, and reforming MDBs with a “better before bigger” approach. Instruments such as debt-for-climate swaps, climate-resilient debt clauses, and sustainability-linked bonds are also pragmatic ways to prevent the Roadmap from deepening the debt burdens of the Global South.
- **Draw on the experience of regional and national development banks and financial institutions**, which are closer to local realities and can channel resources more effectively to priority sectors.
- **Inclusive co-design of finance mechanisms**: Financial instruments must integrate the active participation of Indigenous Peoples, youth, and local actors from the outset, not only as beneficiaries but as co-designers and implementers. This approach ensures that their views, priorities, and specific needs shape both the design and execution of projects and policies.
- **Linking local governments with development banks, cooperatives, and non-governmental organizations**: Strengthen connections between local governments and financial actors such as development banks, cooperatives, and non-governmental organizations, in order to create more direct and effective financing channels.
- **Fiscal incentives for sustainable production**: Adopt fiscal measures to stimulate climate and nature-positive agricultural practices, including agroforestry and



silvopastoral systems that contribute to landscape conservation. Also establish differentiated tax incentives and targeted fiscal benefits to ensure that producers implementing such conservation-oriented measures receive direct and predictable support.

- **Progressive elimination of harmful incentives:** It is important to include the progressive phase out of subsidies and fiscal incentives that currently favour ecosystem-damaging activities, in order to strengthen policy coherence and align financial flows with the transition toward low-carbon, biodiversity-resilient economies.
- **Streamlining access to climate finance:** Commit to reducing bureaucratic barriers and simplifying procedures that hinder access to finance. This includes the creation of one-stop access windows, the adoption of clear and predictable rules, and the design of simplified monitoring frameworks.
- **Strategic combination of traditional and innovative financial instruments,** ensuring that the choice of mechanism matches the type of climate action. While mitigation measures often generate financial returns and may be more suitable for instruments such as green bonds, blended finance, or guarantees, adaptation actions usually require predictable and grant-based resources given their limited revenue potential. The alignment with NDCs 3.0 and NAPs is critical to avoid mismatches that compromise effectiveness. By embedding this logic into the Roadmap, financial flows can be optimized to close both mitigation and adaptation gaps in a context-sensitive manner.

By combining these approaches, the Baku to Belém Roadmap could contribute to catalysing more ambitious, predictable, and equitable financial flows, while creating systemic conditions for sustainable and scaled-up climate finance.

We must recognize the urgency of breaking the vicious circle where climate shocks exacerbate debt burdens. Instead, it should foster a virtuous cycle where debt relief and structural reforms create the fiscal conditions for scaled-up investment in climate action.

#### D) Actors and multilateral initiatives

What key actors and existing multilateral initiatives should be considered or involved, as appropriate, to support the delivery of the USD 1.3 trillion target?

A diverse range of actors and initiatives must be engaged to ensure effective, inclusive, and sustainable delivery of the USD 1.3 trillion target:



- **MDBs and IFIs, particularly the World Bank and IMF:** Their central role in mobilizing resources requires deep reforms to enhance climate alignment, increase concessional and non-debt-creating finance, and improve accessibility through streamlined procedures, while safeguarding transparency and accountability. The decision-making process in these institutions also requires a deep transformation to ensure compliance with binding statutory and international normative obligations.
- **The UNFCCC Financial Mechanism:** Strengthen its operating entities -or funds, to guarantee predictable, grant-based, and accessible finance, particularly for adaptation and loss and damage.
- **Regional and national development banks and financial institutions:** As complementary channels, they can address local and regional realities and direct resources to climate-resilient infrastructure and community-led initiatives. General capital increase, as well as increasing risk appetite and enabling lending in local currency (included in the G20 New Delhi Leaders' Declaration) are considered relevant reforms at the national level to improve financial performance.
- To ensure inclusiveness and accountability, the Roadmap must **expand meaningful participation** for civil society, Indigenous Peoples, local communities, and groups in vulnerable situations. Their role in designing, monitoring, and evaluating financial flows is essential to ensure that climate finance is not only delivered at scale, but also aligned with justice, equity, and national and local priorities. Robust transparency mechanisms, developed in collaboration with these stakeholders, will be critical for building trust and ensuring that the USD 1.3 trillion target translates into transformative outcomes.
- The Roadmap can also acknowledge the complementarity with **Article 2.1.c** of the Paris Agreement. While the Roadmap mobilizes resources for developing countries under Article 9, Article 2.1.c provides the mandate to make financial flows consistent with low greenhouse gases and climate resilient development. Creating clear differentiation but with the recognition of the synergies, will be important in the years to come.
- **The future UN Tax Convention, currently under negotiation:** This initiative seeks to create a fair and inclusive global governance structure for international tax cooperation under the UN, articulating efforts by states to combat tax evasion and avoidance, illicit financial flows and ineffective taxation of high-net-worth individuals, among other factors hindering fiscal space to finance public policy. Notably, this framework seeks to unlock revenue potential through improved tax cooperation, particularly to the benefit of developing nations, on the basis of democratic

governance, enhanced accountability and fair allocation of taxing rights. Estimates suggest the public revenue-creating potential of some of the initiatives being discussed amid this framework amount to USD 2.6 trillion (Tax Justice Network, 2025)<sup>8</sup>, which could be sensitive resources to be allocated towards meeting the USD 1.3 trillion target.

While the negotiations for the Convention and additional Protocols are expected to last until 2027, the Intergovernmental Committee mandated with drafting this instrument is currently in the phase of defining commitments, including alignment with the Sustainable Development Goals and International Human Rights Law.

Together, these actors and initiatives can foster a coherent and equitable climate finance architecture that delivers resources at scale, addresses historical gaps, and supports sustainable development pathways consistent with equity and global climate goals.

## V. Conclusion

COP30 is a milestone in the climate finance agenda, which will require delivering an important package that includes, at least: the future of the Sharm el-Sheikh Dialogue on Article 2.1.c, Article 9.1, adaptation finance, loss and damage finance, and the Baku to Belém Roadmap.

In this context, the Baku to Belém Roadmap represents a critical opportunity to mobilize the scale and quality of finance needed to support developing countries in advancing toward low-carbon and climate-resilient development pathways, particularly considering the presentation of NDCs 3.0 and NAPs, which are not only political commitments but also serve as implementable financial blueprints, capable of translating national priorities into concrete investment pathways, and whose successful implementation will largely depend on ensuring that financing efforts are accessible, scalable, predictable, accountable, and inclusive. This requires moving beyond a mere diagnostic exercise and delivering concrete, actionable recommendations.

The Baku to Belém Roadmap must not culminate in a simple report. It is well understood that the transformations required in climate finance demand sustained efforts that extend far beyond what can be achieved in a few months. In this regard, the COP29 and COP30

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<sup>8</sup> “A total of \$2.6 trillion in urgently needed tax revenue is available to be raised by countries each year, Tax Justice Network finds, by applying a minimal wealth tax of 1.7% to 3.5% on the richest 0.5% households, and by recovering the corporate taxes unpaid by multinational corporations shifting profits into tax havens. The UNFCITC -UN Tax Convention- has the potential to deliver on the latter as well to set the foundations for tax cooperation measures that allow countries to effectively tax high net worth individuals aligned with its sovereign decisions” (Tax Justice Network, 2025). For more information, please see:

<https://taxjustice.net/press/reassert-tax-sovereignty-to-unlock-trillions-for-climate-finance/>

Presidencies could play a pivotal role by providing guidance on how this process can be carried forward in a meaningful and impactful way.

Furthermore, it is crucial that the Baku to Belém Roadmap forges strong linkages with other key processes - both within and beyond the UNFCCC -, in order to drive systemic transformations that ensure climate finance meets the scale and urgency of the global climate crisis.

In light of recent workshops, the success of the Baku to Belém Roadmap will depend not only on mobilizing USD 1.3 trillion, but on ensuring that finance is high-quality, inclusive, and just. This means aligning the Roadmap with Article 2.1.c's systemic vision, embedding debt relief and non-debt instruments to increase fiscal space, and elevating adaptation to an equal standing with mitigation. Increasing adaptation finance, simplifying access for local actors, and prioritizing grants and concessional flows are essential steps. Only by integrating these principles of equity, transparency, and debt-sensitive approaches can the Roadmap deliver the transformative outcomes needed at COP30 and beyond.

## **VI. Annex 1. The importance of scaling up the quantity and the qualitative dimensions of climate finance: Scenarios towards and beyond the USD 1.3 trillion**

In the process of defining the NCQG, GFLAC developed several scenarios to determine the optimal number for the NCQG, while also highlighting the importance of considering its qualitative aspects. Here, we present a synthesis of this analysis, aiming to contribute to the development of the Baku to Belém Roadmap.

### **1. Regressive scenario**

This scenario builds on the USD 100 billion pledged at COP15 (Copenhagen, 2009) for 2020-2025, assuming a 2% annual growth rate (observed in past years) from 2025 onwards. Under this model, climate finance would total USD 642.7 billion between 2025 and 2030: USD 246.6 billion from public provision (38.3%) and USD 384 billion from private mobilization (59.7%), based on OECD (2024) data showing USD 115.9 billion mobilized in 2022.

However, the needs identified in 98 countries' NDCs reach USD 5,012–6,852 trillion by 2030 (SCF, 2024). Taking the midpoint (USD 5,932 trillion), the regressive scenario covers just 0.011% of requirements (0.004% from provision, 0.006% from mobilization), illustrating how inadequate it is for meeting developing countries' real needs.

### **2. “Business as usual” (BAU) scenario**

This scenario starts from the USD 115.9 billion mobilized in 2022, assuming the 9.05% annual growth observed between 2018 and 2022 (OECD, 2024). By 2030, climate finance could reach USD 1.13 trillion cumulatively: USD 363.4 billion from public provision (5.7% growth rate) and USD 842.8 billion from private mobilization (13.3% growth rate).

Compared to the midpoint of developing countries' needs (USD 5,932 trillion), the BAU scenario covers only 0.019% (0.006% from provision, 0.014% from mobilization). This shows that even maintaining recent growth trends leaves a vast financing gap.

### **3. Achievable scenario**

This scenario assumes continued strong growth from MDBs, which expanded at 24% annually between 2018–2023, and private finance, growing at 13%. These assumptions are based on the MDBs' Joint Report (EIB, 2024) and OECD data (2024). Under these trends, mobilization could total USD 2.37 trillion between 2025 and 2030, while provision could reach USD 380.1 billion (including USD 359.7 billion from provision at 7% growth and USD 20.4 billion from climate funds).

Even with these improvements, the achievable scenario would cover only 0.03% of developing countries' USD 5,932 trillion needs (0.006% from provision, 0.03% from mobilization). While more ambitious than previous scenarios, it remains far from adequate.

#### 4. Ideal scenario

This scenario calls for transformative reforms: a 2% wealth tax on billionaires (Zucman, 2024), plus reallocations from fossil fuel investments (Oil Change International, 2024) and military spending (SIPRI, 2024). With accelerated growth rates (52% private finance, 43% MDBs, 30% climate funds), total finance could reach USD 19.58 trillion between 2025 and 2030: USD 12.65 trillion in provision (including redirected resources) and USD 6.2 trillion in mobilization.

In contrast to the other scenarios, this one would exceed requirements. Against the USD 5,932 trillion midpoint of developing countries' needs, the ideal scenario covers 330% overall (12.2% from standard provision, 213.5% from redirected provision, and 0.10% from mobilization). It demonstrates that, with political will, mobilizing sufficient resources is possible.

The numbers may vary depending on the sources of information, but what is important for the Baku to Belém Roadmap is to recognize that the issue is not a lack of resources worldwide, but rather the inadequate allocation of those resources. Therefore, the challenge is not only to increase the quantity of finance, but also to enhance the qualitative approach, ensuring that this commitment stands apart from previous ones.

Brazil and Azerbaijan have the opportunity to advance the agenda with decisive and meaningful actions.

## VII. Annex 2: Potential structure of the Roadmap

While the Baku to Belém Roadmap is not a negotiable item at COP30, its design is critical to create a document that is not only a diagnostic but a clear pathway towards the effective provision and mobilization of resources.

### “The Baku to Belem Roadmap that we want”

1. Introduction
2. Principles to sustain the roadmap
  - UNFCCC and Paris Agreement principles (equity and CBDR-RC)
  - Accessibility
  - Predictability
  - Concessionality (debt free, etc.)
  - Human rights and gender equity
  - Transparency (among others)
3. Developing countries’ needs (quantitative and qualitative)
  - Adaptation
  - Mitigation
  - Loss and damage
4. Instruments to tackle developing countries’ needs
  - NDCs
  - NAPs
  - Other national policies and reports
5. Sources to fulfil the needs of developing countries (quantitative and qualitative)
  - Bilateral cooperation (relationship with Article 9.1)
  - Multilateral cooperation (MDBs)
  - Climate funds
  - Innovative sources
  - Private finance
6. The future of the Roadmap
  - Acknowledgement of critical processes within the UNFCCC (GGA, GST, Article 2.1c, etc.) to implement the Roadmap
  - Acknowledgement of critical processes outside the UNFCCC (international financial architecture reform, UN Tax Convention, potential debt multilateral mechanism, FfD4, etc.) to implement the Roadmap
7. Conclusions and key steps ahead