

Mr. Yalchin Rafiyev, COP29 Chief Negotiator
Ms. Lilian Chagas, COP30 Lead Negotiator
Submission to the “Baku to Belém Roadmap to 1.3T” (MOI/MTP/BtB Roadmap)

Dear Mr. Yalchin Rafiyev and Ms. Lilian Chagas,

The National Confederation of Industry (CNI) of Brazil, as an Observer to the United Nations Framework Convention on Climate Change (UNFCCC), is pleased to contribute to the “Baku to Belém Roadmap to 1.3T”.

The Roadmap is an instrumental process that will guide the achievement of the New collective quantified goal on climate finance (NCQG) and orient the transformation of the multilateral financial architecture.

The possibility to foster implementation of climate actions aimed at achieving mitigation and adaptation goals, aligned with Parties National determined contributions (NDC) relies on improvements associated not only with the availability of finance, from a variety of sources, but also with the access through multiple instruments and capacity to enrol into climate finance projects.

In line with this, CNI is pleased to join the introductory preparation of the Roadmap, in line with the Notification MOI/MTP/BtB Roadmap, based on the following proposals.

(a) What are your overall expectations for the “Baku to Belém Roadmap to 1.3T”?

The NCQG already agreed the climate finance targets that should drive the implementation of Parties NDCs, contributing to the achievement of the Paris Agreement goals. However, the NCQG did not agree how to achieve the targets using a wide variety of sources, public and private, bilateral and multilateral, including alternative sources.

The reference to multiple sources has been included at the climate finance decisions since the Copenhagen Accord, but never generated a dedicated work towards improving how to enhance availability of resources and facilitate access to all Parties.

The process of the Roadmap up to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA7) should agree on a decision that will drive the implementation of the NCQG over time. It is relevant to suggest, however, that the CMA7 Presidency should propose and mandate the work of the Roadmap during 2026 up to CMA8 as a manner to keep the momentum and the focus of Parties to push forward decisions that will enable the ambitious implementation of the NCQG.

In line with this, The Roadmap should be guided aiming to achieve specific goals that would be instrumental to the process of reforming the multilateral financial architecture, including:

- i. Agree on key guidelines towards putting climate finance at the center of the resources provided by different sources.
- ii. Agree on a set of differences that climate finance must have to incentivize projects compared to non climate finance (differentiation).

- iii. Agree on a set of financial instruments that would be dedicated to mitigation and adaptation projects.
- iv. Agree on a set of special guarantee instruments narrowed to mitigation and adaptation projects.
- v. Agree on common reporting frameworks that financial institutions and sources should be encouraged to use towards climate finance.

From a process perspective, it is relevant to avoid that the Roadmap work will be done entirely through a workshops and submissions approach. Listen to Parties, non-Parties, financial institutions, MDBs, philanthropies, among other organizations will be instrumental to create an effective roadmap that will guide the different stakeholders along the process of implementing the NCQG.

Beyond that, the Roadmap should deliver effective results as thematic building blocks that will guide and catalyse a transformation into how climate finance really takes place.

(b) Which topics and thematic issues should be explored to inform the Roadmap, within the scope of the mandate?

Considering that the NCQG must allow to diversity of sources of climate finance, including public and private, bilateral and multilateral, and also alternative sources, it is fundamentally important to discuss the role that different sources will bring.

With the aim to expand the role of multiple sources of climate finance, the Roadmap should discuss topics such as:

Topics	Questions
Expand the adoption of climate policies aligned with climate finance	<ul style="list-style-type: none"> Parties must maintain and update Nationally Determined Contributions (NDCs), Nationally Adaptation Plans (NAPs) and long-term low-emission development strategies (LT-LEDS). Parties should be encouraged to define financing policies aimed at promoting climate actions. Parties should be encouraged to develop taxonomies or green policies aimed at fostering climate finance and incentivize resource mobilization.
The role of developed countries in mobilizing resources to climate finance	<ul style="list-style-type: none"> Maintain the role of developed countries in leading resource mobilization to achieve the target of USD 300 billion per year. Donations from developed countries can be prioritized for certain types of projects such as adaptation and loss and damage.
Address risks towards climate finance	<ul style="list-style-type: none"> Regulatory risks and Institutional risks Barriers due to high borrowing costs, resulting from countries' sovereign debt risks. Countries' indebtedness and limited fiscal space.

Ensure public resources mobilization, as well as private capital by Multilateral Development Banks (MDBs)	<ul style="list-style-type: none"> • Encourage MDBs to secure public funding for climate projects. • Improve governance dedicated to climate finance and biodiversity funding. • Agree on a balanced share of public and private capital for the MDBs. • Raise lending capacity.
Strengthen guarantee arrangements to enable effective project implementation	<ul style="list-style-type: none"> • Enhance guarantee models and arrangements customized by project types (mitigation or adaptation). • Define differentiated guarantees for adaptation projects in least developed and developing countries that involve specific objectives (e.g., sanitation, urban infrastructure, transportation).
Expand access to insurance	<ul style="list-style-type: none"> • Integrate climate risks as parameters to guide financing associated with insurance instruments. • Encourage climate insurance for sectors such as agriculture and agroindustry.
Facilitate the inclusion of non-reimbursable funds in financial instruments	<ul style="list-style-type: none"> • Define guidelines to promote the inclusion of non-reimbursable resources in certain types of projects. • Ensure that public funds in the form of donations can be integrated into customized blended finance instruments to support projects.
Enhance climate finance differentiation compared to other project types	<ul style="list-style-type: none"> • Define guidelines that should serve as a basis for climate finance projects to ensure differentials related to interest rates, guarantees, payment terms, eligible funding volume, among others. • Assess options to reduce the cost of capital for climate finance.
Finance for projects in countries with carbon pricing schemes	<ul style="list-style-type: none"> • Define guidelines that encourage the financing of projects enabling the generation of carbon credits in line with the mechanisms of Article 6 of the Paris Agreement.
Establish reporting rules for all actors in the climate finance ecosystem	<ul style="list-style-type: none"> • Defines rules on how to report climate finance within the context of the NCQG.

(d) Which multilateral initiatives do you see as most relevant to take into account in the Roadmap and why?

There is a myriad of organizations related to finance that should be included at the Roadmap such as, but not limited to:

- i. Organisation for Economic Co-operation and Development (OECD).
- ii. Financial Stability Board (FSB).
- iii. G20 Finance Ministers and Central Bank Governors.
- iv. G20 International Financial Architecture Working Group.
- v. BRICS Ministers of Finance and Central Bank Governors.
- vi. IFRS Foundation.
- vii. International Accounting Standards Board (IASB).
- viii. Multilateral Investment Guarantee Agency (MIGA).
- ix. Rockefeller Foundation.
- x. Financial Stability Institute (FSI).
- xi. Bank for International Settlements (BIS).
- xii. Institute of International Finance (IIF).

- xiii. Multilateral Development Banks.
- xiv. Other stakeholders.