



Information on progress made at the first meeting under the ad hoc work programme on the new collective quantified goal on climate finance, and the way forward

Input paper for the second meeting under the ad hoc work programme on the new collective quantified goal on climate finance

I. Introduction

A. Mandate

1. By decision 1/CP.21, paragraph 53, Parties decided that, prior to 2025, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) shall set a new collective quantified goal on climate finance (NCQG) from a floor of USD 100 billion per year, taking into account the needs and priorities of developing countries.¹

2. CMA 1 decided to initiate at its third session deliberations on setting the NCQG, in accordance with Article 9, paragraph 3, of the Paris Agreement, from a floor of USD 100 billion per year in the context of meaningful mitigation actions and transparency of implementation and taking into account the needs and priorities of developing countries, and agreed to consider in those deliberations the aim of strengthening the global response to the threat of climate change in the context of sustainable development and efforts to eradicate poverty, including by making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.²

3. CMA 3 established an ad hoc work programme on the NCQG for 2022–2024 and decided to conduct four technical expert dialogues (TEDs) per year thereunder.³ CMA 4 acknowledged the need to significantly strengthen the ad hoc work programme in the light of the urgency of scaling up climate action with a view to achieving meaningful outcomes from the deliberations on all elements and setting the NCQG in 2024 taking into account the needs and priorities of developing countries.⁴

4. CMA 5 decided to transition to a mode of work that enables the development of a draft negotiating text on the NCQG for consideration at CMA 6 and requested the co-chairs of the ad hoc work programme to develop and publish by March 2024 a workplan for 2024 taking into account submissions from Parties.⁵ The CMA also decided to conduct at least three TEDs in 2024 to allow for in-depth technical

¹ Decision 1/CP.21, para. 53.

² Decision 14/CMA.1.

³ Decision 9/CMA.3, paras. 3 and 5.

⁴ Decision 5/CMA.4, para. 8.

⁵ Decision 8/CMA.5, para. 1. The 2024 workplan is available at <https://unfccc.int/documents/637635>.

discussions on the elements of the NCQG, to be held back-to-back with three meetings under the ad hoc work programme to enable Parties to engage in developing the substantive framework for a draft negotiating text, capturing progress made.⁶

5. It requested the co-chairs of the ad hoc work programme to prepare a summary of the discussions at each technical expert dialogue and information on progress made at each meeting under the ad hoc work programme and the way forward following each meeting.⁷

B. Meeting details and objective

6. The first meeting under the ad hoc work programme was held on 25 and 26 April 2024 in Cartagena, Colombia, hosted by the Government of Colombia represented by the Ministry of Foreign Affairs.

7. The objectives of the first meeting was to seek views on the draft structure of the substantive framework for a draft negotiating text and options for content to be included under various elements of the structure.

C. Preparatory activities

8. Ahead of first meeting, the co-chairs of the ad hoc work programme, Zaheer Fakir and Fiona Gilbert, prepared the workplan⁸ for 2024 which includes themes for in-depth technical discussions at the technical expert dialogues and the approach to preparing the substantive framework for a draft negotiating text. The co-chairs also issued a notification to Parties and non-Party stakeholders inviting them to submit their views on the organization of the dialogue, including topics, subtopics and the format.⁹

9. In addition, the co-chairs indicated their availability for bilateral consultations upon the request of interested Parties or groups of Parties to hear their views on and expectations for the first meeting. Prior to the first meeting, the co-chairs also published an input paper¹⁰ to seek Party views on possible elements of the draft structure for the substantive framework for a draft negotiating text and options for content to be included under each element. The input paper has no status and has been prepared by the co-chairs to support discussions at the first meeting.

D. Proceedings

10. The meeting was opened by the co-chairs of the ad hoc work programme and began with an introduction by the co-chairs, presenting an overview of the work undertaken thus far under the ad hoc work programme, mandates and objectives of the meeting and organization of the first meeting under the ad hoc work programme.

11. Throughout the course of the meeting, the co-chairs invited Parties to share their initial views on elements for the development of a substantive framework for

⁶ Decision 8/CMA.5, paras. 9 and 10.

⁷ Decision 8/CMA.5, para. 12(d).

⁸ Available at <https://unfccc.int/documents/637635>.

⁹ Available at <https://unfccc.int/documents/637362>.

¹⁰ Available at <https://unfccc.int/documents/637883>.

a draft negotiating text, covering elements of structure of the draft negotiating text and structure of the NCQG, preamble, context, quantitative and qualitative elements, transparency arrangements and cross-cutting issues. After Parties' views were exhausted, the co-chairs invited for views by observers, following which a joint statement was delivered by a representative of the Trade Union Non-Governmental Organizations, on behalf of the Women and Gender Constituency, YOUNGO and Environmental non-governmental organizations.

12. To supplement the views expressed throughout the meeting, the co-chairs invited for written inputs to be submitted by 5 May 2024. In response, 13 written inputs were received and made available on the UNFCCC webpage.¹¹

13. Further information on the first meeting, including the programme and video recordings are available on the dedicated meeting web page.¹²

II. Progress made and way forward

14. Progress made: Parties engaged constructively at the first meeting under the ad hoc work programme and transitioned to a mode of work that enables the development of a draft negotiating text. Throughout the meeting, Parties provided their initial views on the structure of a substantive framework for the draft negotiating text, including the structural elements of the goal itself. Parties also provided their views on linkages between elements, options underneath each element, their possible placement and how they saw the NCQG being implemented in the future. While there remain a range of views on the structure of the draft negotiating text and the elements of the goal, Parties provided concrete proposals of how to frame such views.

Structure of the substantive framework for the draft decision text

15. On the possible **structure** of the substantive framework for a draft negotiating text, many Parties agreed with the structure proposed by the co-chairs in their input paper and identified additional elements including principles, timeframe of the goal as a standalone element, structure of the goal, follow-up activities, access features as a standalone element and scope.

16. On the **preamble**, some Parties highlighted the need to recall or restate relevant provisions of the Convention and the Paris Agreement, with some arguing that there should not be a reference to the Convention as the NCQG would be under the Paris Agreement only. Parties also viewed that decisions relevant to the NCQG should be recalled or restated. Other Parties provided alternate proposals. Some Parties listed elements around recalling aspects of the process and welcoming various products.

17. On **context**, Parties reflected a range of views on whether and how to capture the NCQG in the context of Article 2 and the global financial architecture, including their relationship in the draft negotiating text or solely in relation to Article 9 of the Paris Agreement. Other proposals include setting the NCQG in the context of:

- (a) Meaningful action and transparency of implementation;

¹¹ Available at <https://unfccc.int/event/first-meeting-under-the-ad-hoc-work-programme-on-the-NCQG/written-inputs>.

¹² Available at <https://unfccc.int/event/first-meeting-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-goal-on-climate>.

- (b) Efforts of all Parties to pursue climate action in line with a 1.5 degree Celsius climate resilient future;
- (c) Efforts to scale up investments and climate action from all sources, domestic, international, public and private sources;
- (d) Efforts of all Parties to take policy actions to incentivize climate action;
- (e) Evolving needs and capacities all Parties.
- (f) Some Parties viewed that content under this element could be placed under a standalone element and/or embedded throughout the various elements of a draft negotiating text, covering, among others, references to provisions of the Convention and the Paris Agreement, underscoring the urgency for climate action, references to the needs and priorities of developing countries, including evolving needs and capacities, the need to increase ambitious climate action which could be reinforced by an ambitious NCQG, dis-enablers of climate action, guiding principles, the role of various actors in the climate finance landscape, and lessons learned from the USD 100 billion goal.

Structure of the NCQG

18. On the goal's **structure**, Parties exchanged on a range of views and proposals. While some Parties advocated for a multi-layered goal underpinned by quantitative and qualitative features, others voiced preference for a single-layered approach with thematic sub-goals and quantitative and qualitative features.
19. On **principles**, Parties restated guiding principles which could be embedded stated under a standalone element and/or operationalized under quantitative and qualitative elements. Others argued against the inclusion of guiding principles.
20. On **timeframes**, Parties deliberated on a range of proposals, including whether the goal should have a five-year or ten-year timeframe or a combination of timeframes, whether the goal should have annual or cumulative targets, as well as whether the goal should have a ramp-up period. In this context, while some Parties proposed this element to be a standalone element, others proposed it be embedded in other elements such as quantitative elements.
21. On **quantitative elements**, Parties expressed views on the structure of the NCQG, thereby focusing on quantitative features, the quantum itself and how to determine it, the goal's timeframe, sources, possible contributors and recipients, as well as burden-sharing arrangements, recognizing that some Parties considered the latter three aspects in particular to be beyond the scope of the NCQG deliberations.
22. On **qualitative elements**, Parties engaged on issues such as sources and instruments, recipients, enablers of climate action, access, delivery channels, , climate finance definitions, additionality, the climate-development nexus, debt and fiscal space, the alignment of subsidies with the goals of the Paris Agreement, policy incentives, impact and effectiveness, safeguards, the role of various actors and references to gender, children and youth as well as Indigenous Peoples and local communities
23. On **transparency arrangements**, some Parties recognized the need to use existing arrangements established under the Paris Agreement, notably the enhanced transparency framework. However, some Parties also identified a need to establish arrangements specifically related to the NCQG which could be determined once there is a common understanding on the structure of the goal. Additionally, Parties

engaged on opportunities and concrete proposals for aggregate reports to track progress towards achieving the NCQG, with many Parties reflecting on a role for the Standing Committee on Finance and synergies with existing reports, frequency of reporting, elements that are currently not captured under the enhanced transparency framework, forward-looking reporting arrangements, review and revision aspects of the NCQG, and whether there is a need for a review, and the need for climate finance definitions as requested by some Parties.

24. **Way forward:** Parties expressed readiness to engage on iterative developments of the substantive framework for a draft negotiating text in subsequent meetings. They also expressed the need for continuity of substance, building on outcomes from one meeting to the next and sufficient allocation of time to make progress. As such, based on the views expressed and written inputs received, the co-chairs attempted to capture these in an updated input paper for consideration by Parties at the second meeting as presented in the annex.

25. The input paper presents the best efforts by the co-chairs to develop a proposed structure of what could become the substantive framework for a draft negotiating text, including the elements of the NCQG and views expressed on each element. The input paper is not exhaustive and takes into account views expressed during the meeting, written inputs made to supplement the interventions made, the options identified in the 2023 annual report by the co-chairs and earlier submissions made in 2022 and 2023. The input paper has no status and serves as a tool to facilitate discussions at the second meeting to work on iterations of the substantive framework for a draft negotiating text.

Annex

Input paper for the second meeting under the ad hoc work programme

Explanatory note from the co-chairs

1. This input paper was prepared by us, the co-chairs of the ad hoc work programme on the NCQG, with the purpose of facilitating discussions at the second meeting under the ad hoc work programme. It is NOT exhaustive and has NO status.
2. This input paper presents our best efforts to capture views expressed during the first meeting under the ad hoc work programme and written inputs to supplement the interventions made at that meeting, the options identified in the 2023 annual report by the co-chairs and submissions made in 2022 and 2023.
3. For the purpose of assisting Parties understanding and engagement with this document, we have used different levels of indentation:
 - (a) First level: Roman numbers reflect the elements proposed. Where a range of options for the placement of views under elements were proposed, these are reflected in boxes with cross-references to the respective elements.
 - (b) Second level: Sub-headers in curly brackets are introduced to structure the inputs and facilitate readability. These are without prejudice and do NOT reflect agreement on the inclusion of options grouped under each sub-header.
 - (c) Third level: in some instances, a third level of sub-headers was used where a range of options with sub-options have been introduced.
4. We would like to draw Parties' attention to the following reflections:
 - (a) The structure we used in this input paper includes headings which were used merely to group the different ideas, recognizing that many of the issues are interconnected and that the end product would be more in line with free-flowing text.
 - (b) The input paper uses sub-headings to structure the document and group different ideas together. These sub-headings are without prejudice and do not represent agreement on those sub-headings and their content, but are merely used to facilitate navigating through the document and easy readability.
 - (c) The input paper, including its headings, is a reflection of views and ideas shared by Parties and should NOT be understood as agreed elements or views. As such, we have used options of "no options" across elements to reflect different views among Parties;
 - (d) Some of the inputs contain statements of facts, overarching views, expectations or desired outcomes, whereas others relate to the elements of the goal and its operationalization or implementing;
 - (e) There are a number of substantive repetitions within and across the elements, where the same issues or views were proposed to be reflected under multiple elements or sub-headers;
 - (f) Some of the inputs may not necessarily fall within the scope of the NCQG process but could be addressed within the scope of work of the Standing Committee on Finance or under other climate finance workstreams.

5. Building on these considerations and considering our intention to develop iterations of a substantive framework for a draft negotiating text, at the second meeting under the ad hoc work programme Parties will be encouraged to share views on:

- (a) How to reflect the different types of inputs (e.g. statements of facts, overarching views, expectations or desired outcomes)?
- (b) How to best capture repetitions across elements?
- (c) Which areas could be addressed in other climate finance workstreams?

I. Preamble

Note: This element aims to reiterate or recall previous decisions relevant to the NCQG and/or recognize progress made

Options for placement:

1. As a standalone element
2. Together with the context element

(Placement option 1: Preamble as a standalone element)

1. Recalling Articles 2 and 9 of the Paris Agreement,
2. Recall decision 1/CP.21, para. 1
3. Recalling decisions 1/CP.21, paragraph 53, 14/CMA.1 and 9/CMA.3,
4. Recalling decisions 1/CP.21, paragraph 53, 14/CMA.1, 9/CMA.3, 5/CMA.4 and 8/CMA.5,
5. Reiterates that the new collective quantified goal aims at contributing to accelerating the achievement of Article 2 of the Paris Agreement of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change; increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emission development in a manner that does not threaten food production; and making finance flows consistent with a pathway towards low greenhouse gas emission and climate-resilient development,
6. Reiterates that the consideration of the new collective quantified goal will be set from a floor of USD 100 billion per year in the context of meaningful mitigation actions and transparency of implementation and taking into account the needs and priorities of developing countries, in line with decision 14/CMA.1, Recalling Article 2.1c and Article 9.3 of the Paris Agreement,
7. Recalls that Paris Agreement, in enhancing the implementation of the Convention, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty,
8. Recalls decision 9/CMA.3, paragraphs 3 and 4, on the creation of the ad hoc work programme,
9. NCQG shall be set in the context of Article 9 of the Paris Agreement, and Articles 4 and 11 of the Convention, stressing the developed countries' commitment for the provision of financial resources to assist developing country Parties), and their leadership in mobilizing climate finance to developing countries, noting the significant role of public funds to support country-driven strategies and taking into account the needs and priorities of all developing countries in the implementation of the Paris Agreement;

10. The NCQG must be fully in accordance and not contradict the provisions and principles of the Convention as the framework agreement governing our climate regime,
11. Reaffirm that the NCQG and its features must be in accordance with the Paris Agreement and the principles and provisions of the Convention,
12. Restate paragraph 15 of 9/CMA.3, including Article 2 including chapeau and 2.2, Article 3, Article 9 and Article 4 of the Convention -for Article 2,
13. Reiterate past NCQG decisions as well as Art. 9.3 and Art. 2.1c of the Paris Agreement,
14. Recalling mandating decisions,
15. Recalling decisions 1/CP.21, paragraph 53, 14/CMA.1, 9/CMA.3, 5/CMA.4 and 1/CMA.5,
16. Recalling elements from the mandate,
17. Refer to decisions/agreed language on the NCQG mandate and the process, it should be factual and concise. We emphasise that the NCQG decision will be a CMA decision only,
18. No reiteration of COP decisions (except paragraph 53 of 1/CP.21) or Articles of the Convention as the NCQG decision will be a CMA decision only,
19. No reiteration of COP decisions.

(Placement option 2: Preamble together with the context element)

20. Should include principles of the Convention and Paris agreement, and urgency to support ambition and implementation;
21. NCQG must be in accordance with the Paris Agreement and the principles and provisions of the Convention, clearly capturing the provisions in writing and not just mentioning/referencing them. In particular, NCQG must be decided in accordance with Article 4 of the Convention, paragraphs 52 and 53 of decision 1 CP/21, and the full Articles 2 and 9 of the Paris Agreement.,
22. Reiterates that the NCQG should be set in accordance to Article 4.3 of the Convention, with developed countries providing new and additional financial resources,
23. Recognise the importance of just transitions, resilience building, the promotion of sustainable development, and the eradication of poverty in developing countries,
24. Reiterates that the NCQG will be set from a floor of US\$100 billion per year, taking into account the needs and priorities of developing countries,
25. Recall/ acknowledge that the NCQG must clearly be based on the priorities and needs of developing countries,
26. NCQG must accelerate the implementation of NDCs, NAPs, LTS, and other climate action plans in developing countries,
27. Reference to the relevance of the latest science and the need to take into account science-based targets (1.5 degrees Celsius) in the NCQG outcome,

28. Reference to recognizing the special needs of LDCs and SIDS must be included,
29. Other elements to be included in the preamble/context sections include:
 - (a) Recognition of the evolving needs of developing countries, especially related to loss and damage. (Dubai NCGQ and GST decisions);
 - (b) Recognition of the finance gap and financial needs estimates from the GST decision;
 - (c) Reference to the challenges related to access and/or quality of finance from the GST decision;
 - (d) Reference to the urgency of climate action;

II. Context

Options for placement:

1. As a standalone element
2. As an element together with the preamble (see element II on preamble)
3. Embedded throughout various elements of the NCQG, e.g. qualitative and quantitative elements and structure of the goal (see sections V, VI and VII)

(Option placement 1: As a standalone element)

30. Recognition that climate finance is a means to a targeted end, new and additional finance, climate finance is specific to achieving objectives of the Paris Agreement;
31. Recognition that current NDCs, responses to loss and damage and adaptation action are underfunded and recognize the adaptation finance gap and reflect the significant gap in climate finance, recognizing that there is a huge gap in climate finance and that there is no shortage of public finance and that public sources of finance can be made available to developing countries if there is a political will;
32. Acknowledge that financial support is required to advance nationally determined contributions to the Paris Agreement and recognizes that support is needed to support all low greenhouse gas emission and climate resilient pathways;
33. Reference to IPCC AR 6 findings that there is sufficient global capital and liquidity to close global investment gaps, given the size of the global financial system, but there are barriers to redirect capital to climate action both within and outside the global financial sector.
34. Reference to science and limited carbon budget available; significant funding gaps;
35. Need for geographic balance, accountability, and leaving no region or pathway behind;
36. Assurance for equitable geographic consideration of finance. Inclusive process, take into consideration special circumstances of African countries and others;

37. While contributing the least to climate change, developing countries face the impacts disproportionately of both climate change and the response to it;
38. Despite Article 4.5, Developing countries have been paying for their climate action, including through loss and damage and addressing the adverse impacts of response measures;
39. [Multi-layered approach] The core of the goal will be complemented by an outer layer that reflects a global effort and encompasses a variety of sources, instruments and channels;
40. The NCQG is in the context of meaningful action and transparency of implementation;
41. The NCQG is in the context of efforts of all Parties to pursue climate action in line with a 1.5 degree climate resilient future;
42. The NCQG is in the context of efforts to scale up investments and Climate Action from all sources, domestic, international, public and private sources;
43. The NCQG is in the context of the efforts of all Parties to take policy actions to incentivize climate action;
44. The NCQG is in the context of the evolving needs and capacities all Parties;
45. The NCQG should reflect on the urgency of climate action and need to scale up financing globally to support achievement of all three long term goals of the Paris Agreement;
46. Recognition of evolving capacities and abilities, as well as needs and priorities;
47. Affirmation of ambition to scale up financing from all sources and inputs, so as to maximise scale and impact;
48. Recognition of the need to pull on all levers and to tap the full potential of the global effort – including both demand and supply side action needed, to push and pull financing to where it is needed most;
49. Reflection of current global landscape, realities and how the goal fits into that;
50. Recognition that countries' needs and capabilities have evolved since 2015, including countries' GNIs and emissions which provides the context for broadening the contributor base, including in the context of transparency and reporting;
51. Decides that the new collective quantified goal is to be inclusive of all sources of finance, international and domestic, public and private;
52. Further decides that the new collective quantified goal should take into account the importance of contributing to the achievement of the long-term goals of the Paris Agreement as articulated in its Article 2.1, the need to align all financial flows with a pathway toward low greenhouse gas emissions and climate resilient development, and the needs and priorities of developing countries;
53. Recognizes that the new collective quantified goal should consider the complementary nature of different sources, instruments, and channels of finance;
54. Further recognizes the importance of urgent and sustained action to scale-up investments in climate action globally and the need for a long-term vision to contribute to achieving the long-term goals of the Paris Agreement;

55. Underscores that the new collective quantified goal should reflect a truly global effort, engaging all relevant actors, and reflect the efforts from a wide base of contributors;
56. Recalls that the NCQG is to be set from a floor of USD 100bn per year
57. [Global effort] Stressing that the NCQG is a global effort with expectations of all to contributing according to the dynamic nature of their economic capabilities to contribute, expecting that all put forward ambitious climate plans and working on improving enabling conditions and environments;
58. We need to be mindful about how much text is needed in the context section - and whether elements can be covered elsewhere in the decision text, for instance in a dedicated qualitative section.

2.1 *{References to provisions of the Convention, the Paris Agreement and related decisions}*

59. Principles of Article 2.2 of the Paris Agreement – CBDR-RC, NC, and equity and chapeau of Article 2.1 - poverty eradication and sustainable development;
60. Sustainable development and poverty eradication;
61. Reference to the long-term goals of the Paris Agreement (article 2.1 a, b, c);
62. Article 3 of the Paris Agreement, which guides developing countries to provide ambitious NDCs as part of the global effort to achieve Article 2 as a whole;
63. No reference to Article 2.1(c) as a standalone;
64. Recalls decision 1/CMA.4, paragraph 56, and recognizes that existing levels of support from developed country Parties is not enough to deliver on the existing levels of ambition in developing country Parties and notes with concern the lack of progress in advancing and operationalizing Article 4, paragraph 5, of the Paris Agreement in light of Article 4, paragraph 7, of the Convention;
65. Article 9 of the Paris Agreement guiding the developed countries to provide and mobilize resources in line with the needs of developing countries;
66. Reference to previous decisions, guiding principles under the Convention and Paris Agreement, notably Articles 2.1 and 2.2., 3.5, 9.1, 9.3, 9.5 and 9.7 of the Paris Agreement; as well as relevant decisions from Glasgow, Sharm el-Sheikh and Dubai GST outcomes;
67. Should include outcomes that are relevant to the NCQG– implementation of needs and NAP and NDCs, debt, fiscal constraints;
68. Should include sources (Convention, PA legally binding) if other sources would be complementary;
69. An acknowledgement that there is huge gap in climate finance and there is no shortage of public finance;
70. Recognize that the NCQG is a continuation of the USD 100 billion goal;
71. The NCQG as the continuation of the USD 100 billion as per 1/CP.21 paragraph 53;
72. Reiterates the importance of means of implementation for the fulfillment of developing Parties commitments under the Paris Agreement taking into account the

evolving needs and priorities of developing Parties, and the urgent need to increase grant-based and concessional finance in particular for adaptation and loss and damage;

73. The mandate of the NCQG deliberations should not be a source of contention. 1/CP.21, para 53 clearly states that the NCQG should be set in accordance with Article 9.3, which begins with the words; “As part of a global effort”. Since 2015, Parties have made several decisions on the mandate for NCQG deliberations, which help place the decision in context. The subsequent decisions relevant to the NCQG decision have all been clear about the importance of:

(a) the context of meaningful mitigation actions and transparency of implementation (14/CMA.1)

(b) taking into account the needs and priorities of developing countries; (14/CMA.1)

(c) the aim to strengthen the global response to the threat of climate change; (14/CMA.1)

(d) sustainable development and efforts to eradicate poverty, including by making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. (14/CMA.1)

(e) accelerating the achievement of Article 2 (9/CMA.3, 5/CMA.4)

(f) the exigent need to support implementation of current nationally determined contributions and national adaptation plans and adaptation communications, including those submitted as adaptation components of nationally determined contributions (8/CMA.5)

(g) the need for enhanced provision and mobilization of climate finance from a wide variety of sources and instruments and channels (8/CMA.5)

74. Notes the importance of commitments under Article 9 of the Paris Agreement, and agrees that the New Collective Quantified Goal will consist of finance flows that support the delivery of the long-term goals of the Paris Agreement;

75. Decides that the New Collective Quantified Goal will also include an aim to increase the predictability of climate finance and mobilise finance to support urgent scale-up of action quantitatively. Such mobilisation of climate finance should represent a progression beyond previous efforts;

76. Considers that the new collective quantified goal should be global in scope and contribute to achieving the long-term goals in Article 2 of the Paris Agreement;

77. Acknowledges that, in accordance with Article 9, paragraph 3, of the Paris Agreement, deliberations on setting the new collective quantified goal will reflect a global effort in the mobilization of climate finance in the NCQG;

78. The NCQG is voluntary for all Parties and reflects a global effort in accordance with Art. 9.3 of the Paris Agreement;

79. Reference to the challenges related to access and/or quality of finance from the GST decision;

80. Open to discuss further elements of high importance to others such as references to the GST outcome, the GGA framework or outcomes of the MWP;

81. No reference to the Convention;

82. Having reference to CBDR in the context of evolving respective capabilities;
83. No reference to evolving respective capabilities in the context of CBDR;

2.2 *{Urgency of action}*

84. Reaffirm principles of urgency needed to achieve the goals of the Paris Agreement, accelerate efforts toward achieving Article 2.1(a); the need for the goal to be a key catalyst; need to keep 1.5 degree in this decade;
85. Further recognizes the importance of urgent and sustained action to scale-up investments in climate action globally and the need for a long-term vision to contribute to achieving the long-term goals of the Paris Agreement;
86. Reflection on urgency of climate action to deliver on the three long-term goals of the Paris Agreement, reference to outcome of GST (or in preamble);
87. Reflect the urgency respond to climate change;
88. Reflect the urgency to take climate action and limit temperature increase to 1.5°C above pre-industrial levels;
89. Acknowledge crises that are ongoing simultaneously including climate change and loss of biodiversity;
90. No reference to the Biodiversity Convention;
91. No reference to urgency of action.

2.3 *{Needs and priorities of developing countries}*

92. The new goal must address the needs of developing countries and the urgency of climate action, being informed by the evidence that best available science is providing, as highlighted in reports such as the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, the First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement of the Standing Committee on Finance, the Adaptation Gap Report 2023: Underfinanced. prepared by UNEP;
93. NCQG must respond to the priorities and needs of developing countries in implementing the Paris Agreement and support country - driven strategies, with a focus on NDCs and NAPs, in the pursuit of sustainable development and poverty eradication. Centrality of the right to development;
94. Estimates on the needs of developing countries and reference evolving needs of developing countries;
95. Reference to evolving needs of developing countries;
96. Should articulate the immense needs of developing countries and responsibilities of developed countries to finance them – PA articles 4.5, 9;
97. The evolving character of needs and capacities;
98. Evolving needs is a standalone and is not related to capacity;
99. The NCQG should be fit for purpose, highlighting that embedded in its spirit is the purpose to support developing countries. Since the NCQG must also contribute to accelerating the achievement of Article 2, the resources mobilized under the NCQG should enable developing countries in meeting their climate goals

by enhancing their adaptive capacities and transitioning to a low-carbon economy. All of this within the context of sustainable development, efforts to eradicate poverty and just transitions;

100. The NCQG to enable developing countries to respond to climate change in line with the objectives of climate change regime and their needs and priorities;

101. Acknowledges the needs of developing countries, and the finance required to meet Article 2 of the Paris Agreement, are in the trillions;

102. Reiterates that the new collective quantified goal on climate finance take into account the needs and priorities of developing countries, in line with paragraph 9 of decision 5/CMA.4 and recognizes that a sole focus on public climate finance flows will be insufficient to meet the needs and the overarching goals of the Paris Agreement and the quantum should be based on the breadth of contributors and sources;

103. [Needs and priorities] Acknowledge the scale of needs and priorities communicated by developing countries, while recognizing that some needs are difficult to cost. Further stress that needs and priorities are evolving and dynamic and will primarily be met through domestic resource mobilisation. Encourage developing country Parties to mainstream needs and priorities into national planning and budget processes;

104. The reflection of science, needs and priorities;

105. Recalls that the NCQG is to take into account needs and priorities of developing countries and underscores that the NCQG should reflect the evolving nature of needs and capacities

106. Reference to recognizing the special needs of LDCs and SIDS must be included;

107. No option.

2.4 *{Ambition}*

108. The NCQG will be critical to increase ambition and accelerate the realization of Article 2 of the Paris Agreement, without compromising debt sustainability of developing countries, which means that it should be framed in a context that reinforces development, rather than pose a threat to it, and also safeguard economic stability and fosters sustainable low-emissions and resilient development pathways;

109. We must also recognize that ambition in developing countries has increased over the years, while the delivery of finance has not been commensurate by developed countries;

110. NCQG is ambitious and developed countries demonstrate ambition in their commitment in the context of the NDC update;

111. Recognizes that enhanced support for developing country Parties will allow for higher ambition in their actions and acknowledges the urgency of achieving the balance between mitigation and adaptation finance;

112. [Climate ambition driving global investment] Referring to climate ambition as key driver for increasing global investment and the need to frame the discussions in light of Article 2.1a-c.;

113. [NDCs and NAPs] Stressing the reinforcing nature between NDCs/NAPs and the NCQG and acknowledging the need to scale up efforts to support ambitious climate plans, affirming that these should be backed by clear investment strategies, domestic resource mobilisation and supporting macro, fiscal and other policies;

114. Reference to urgency to support ambition and implementation and that an unambitious outcome on the NCQG means not responding to urgent needs of countries and science;

115. Acknowledge that developing countries are suffering the disproportionate impacts of climate change, bearing the increasing cost of adaptation and loss and damage while facing limited fiscal space, debt burdens and high costs of capital. Yet, these continue to demonstrate a firm commitment to actions to fulfill the Paris Agreement, reducing emissions to keep the 1.5 goal alive, adaptation measures, and actions to respond to loss and damage;

116. The current economic and social circumstances put pressure on developing countries, making more complex the challenge of mitigating and adapting to climate change, as committed to in the Paris Agreement. This pertains to both climate financing and technology transfer, aiming not only to meet climate ambitions but also to create enabling environments for just transitions;

117. Recognition of ambition, scale up finance from all sources and inputs, recognize that finance needs are significant; recognition of evolving needs, capabilities, capacities;

118. Agree a NCQG that incentivises the full range of actions needed to deliver the ambition of the Paris Agreement and keeps 1.5 within reach by addressing the full range of developing country needs;

119. No option.

2.5 *{Dis-enablers}*

120. Recognition of dis-enablers such as cost of capital, high transaction cost for access, unilateral measures;

121. NCQG must address “dis-enablers” of climate finance such as the high cost of capital or unilateral measures;

122. Need to overcome challenges to access, particularly for LDCs and SIDS;

123. No option.

2.6 *{Development and climate nexus}*

124. [Development and climate nexus] Acknowledge the interdependencies and synergies between climate change and development objectives and enhance co-benefits instead of trade-offs;

125. The NCQG should ensure alignment of support with national plans;

126. Should be very clear on the chapeau of article 2, that climate action is in the context of sustainable development and poverty eradication;

127. No option.

2.7 *{Principles}*

128. The NCQG is envisioned with fundamental principles, including i) climate justice, ii) Just transitions, iii) non-debt inducing finance for developing countries, iv) common but differentiated responsibilities and respective capabilities, v) country-driven, vi) predictable vii) affordable, viii) accessible, ix) new and additional;

129. Need for consideration of principles to guide the implementation of the NCQG, e.g. accessibility, ambition, effectiveness and predictability;

130. The NCQG must be in accordance with the principles and provisions of the UNFCCC and its Paris Agreement: equity and CBDR - RC; Article 9 of the Paris Agreement; NCQG as a commitment by developed country Parties, among other things;

131. As a standalone element (section III);

132. No option.

2.8 *{Role of other actors}*

133. Recognition of role of the wider financial system and architecture and importance of it for climate finance;

134. MDBs financial architecture, private sector:

Option 1: The NCQG is not the entirety of climate finance that it is the part that demonstrates developed countries' commitment;

Option 2: Not mention as part of the context ;

135. [IFA reform] Acknowledge the need for an improved link to climate with the broader international finance landscape and the need for reforming the international financial architecture to increase efficiency and achieve impact at scale;

136. To respond on other proposals on referencing MDBs financial architecture, private sector we want to suggest two options:

(a) One, an option that clearly outlines that the NCQG is not the entirety of climate finance that it is the part that demonstrates developed countries' commitment;

(b) Two, an option to not mention them as part of the context.

137. [Other actors] Acknowledging that we will need a wide range of actors to contribute to the NCQG and further stress the importance of concerted action, including from MDBs and IFIs, (international) financial regulators, private sector, philanthropies, and through tackling barriers and unsupportive enabling environments;

138. No option.

2.9 *{Lessons learned from USD 100 bn goal}*

139. Lessons learned from the USD 100 billion;

140. The NCQG should build on lessons learned from the goal of developed countries of mobilizing jointly USD 100 billion per year by 2020 in the context of

meaningful mitigation actions and transparency on implementation and taking into account the needs and priorities of developing countries;

141. Reiterates that deliberations on the new collective quantified goal on climate finance, as an extension of the USD 100 billion per year goal, should build on lessons learned from the goal of developed country Parties of mobilizing jointly USD 100 billion per year by 2020, taking into account the needs and priorities of developing country Parties;

142. Reiterates that deliberations on the new collective quantified goal on climate finance should build on the lessons learned from the goal of mobilizing jointly USD 100 billion per year by 2020;

143. Acknowledges that deliberations on the new collective quantified goal on climate finance should build on lessons learned from the goal of developed countries of mobilizing jointly USD 100 billion per year by 2020 in the context of meaningful mitigation actions and transparency on implementation and taking into account the needs and priorities of developing countries;

144. Recognizes that the quantum of developed country Parties' USD 100 billion per year commitment was not based on the needs and priorities of developing country Parties and is insufficient to meet the nationally determined contributions of developing country Parties as outlined in the Needs Determination Report of the Standing Committee on Finance;

145. Recognise that climate finance and investments are not flowing to developing countries in sufficient degree;

146. Emphasize necessity of public support as one of the key lessons learned;

147. USD 100 billion failure of delivery in 2020 and subsequent years – disagreements over the progress;

148. The lack of fulfillment of the USD 100 billion goals for over a decade;

149. Reflecting the undelivered amounts from the USD 100 billion;

150. Recognize that USD 100 billion goal was not met;

151. Recognize that the USD 100 billion goal was met in 2022;

152. No option.

III. Principles

Options for placement:

1. As a standalone element
2. Embedded in other elements, e.g. under context (section 2.7) and qualitative and quantitative elements

(Option placement 1: Principles as a standalone element)

153. The delivery of the NCQG must reflect the principles of historical responsibility, equity and common but differentiated responsibilities. We must also recognize that ambition in developing countries has increased over the years, while the delivery of finance has not been commensurate by developed countries.

IV. Timeframe

Options for placement:

1. As a standalone element
2. Embedded in other elements, e.g. quantitative elements (see section 6.3)

(Option placement 1: As a standalone element)

154. [Placeholder: Define implementation period];
155. [Placeholder: Clear timeframes for NCQG are needed to assist with costings associated to inform NCQG.]
156. Differentiate between annual or accumulative goal.

4.1 *{Short-term timeframe}*

157. A goal period of 2025-2030 with a renewal of the goal thereafter including a revision of the quantum;
158. Recognizes that the quantum of the new collective quantified goal on climate finance cannot be established without the identification of a clear timeframe for the goal and decides that the new collective quantified goal will be launched in January of 2025 and remain active until January of 2030 at which point the elements of the goal, in particular the quantum, will be updated based on the needs and priorities of developing countries and the goal renewed for an additional period of 5 years (2030 to 2035);
159. We believe alignment with the UNFCCC processes (e.g., NDC cycles) is important. It can be a mixture of short-term time frames enabling a combination of annual targets and cumulative targets. Such a combination will allow for consideration of any shortfalls in annual targets and the evolving needs of developing countries;
160. The timeframe should be such that it takes care of current needs (as mentioned in the GST outcome) and the evolving needs of developing countries;
161. The NCQG should have a 5 year timeframe with annual targets, with a 2-year review process that includes and be updated in line with NDC cycles, to increase and support ambition and ensure accountability;
162. To ensure cyclical adjustment of the NCQG's quantum (quantitative overall goal and quantitative subgoals) based on the evolving needs of developing countries, consistent with the 5-year cycle of the Paris Agreement of the Global Stock Take and for the Nationally Determined Contributions. 5-year timeframes will be essential to ensuring predictability, accountability, and proper transparency in broad sense, noting lessons from the USD 100bn goal;
163. An annual quantum of climate finance over five to 10 years time period representing climate finance that developed country parties are obligated to provide and mobilize for climate action in developing country parties in the context of implementation of the Paris Agreement;

164. Implementation period for the new goal to be ten (10) years with a waypoint for its periodic review at year 5 and year 10, respectively, in said period. The new goal may be subject to any further reviews on its adequacy based on outcomes from UNFCCC process such as the Global Stocktake and the Periodic Review of the Long-Term Global Goal. Furthermore, sub-goals and intermediate targets are important, especially in the context of an implementation 'road map' across each period;

165. Five-year time frame

166. Five-year time frame with annual targets and an embedded review and revision process

167. Five-year time frame with annual review cycles and revision process

168. Five-year time frame with biennial review cycles and revision process

4.2 *{Medium-term time frame}*

169. NCQG timeframe has a clear influence on deliberations and remains a good focus for early agreement, which would help unlock other areas. Support a goal with a long-term science-based aim to keep 1.5 within reach and increase the resilience of developing countries, as well as a near-term (10 year) target aimed to increase predictability and scale-up support, mobilisation and investment. This way, the goal can speak to the urgent need to scale up support in this critical decade, allow time to substantially increase support beyond previous efforts, as well as set the long-term direction to achieve the goals of the Paris Agreement;

170. Decides that the New Collective Quantified Goal will include a long-term aim to scale up finance that contributes to and accelerates the achievement of Article 2 of the Paris Agreement [as per the proposed text in para X], and supports science-based pathways to 1.5°C;

171. [Timeframe] 10-year time frame;

172. 10-year timeframe, with annual goal to be achieved by 2035, option for continuation after 2035;

173. Differentiate between ramp up period and period of the goal, e.g. 10 year ramp and 5 year for the goal; or 15 ramp-up and 10 year period for the goal;

174. 10-year time frame with annual targets and an embedded review and revision process

175. Considers that in order to effectively deliver on the long-term goals of the Paris Agreement, the new collective quantified goal should include a 10-year timeframe reflecting immediate investments and climate actions, as well as a longer term timeframe reflecting the need to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development;

176. The goal should have a 10 year timeframe to provide sufficient time for the provision and mobilization of climate finance;

177. The NCQG should have a 10 year timeframe as a five year timeframe is too short;

178. Decides that the start date of the new collective quantified goal will be 1 January 2026 [a 2026 start year will ensure a clean transition from the US\$100bn goal to the NCQG and avoid any confusion in tracking progress towards the two goals];

179. 10-year time frame with annual review cycles;

180. 10-year time frame with biennial review cycles.

4.3 *{Long-term time frame}*

181. Decides that the overall timeframe of the new collective quantified goal will be set in a way that provides both long term certainty and near term predictability of action to achieve the goal;

182. Agrees that the new collective quantified goal on finance has a multilayered timeframe, including a long-term target to align with the long-term goals of the Paris Agreement outlined in Article 2.1, and a medium-term target for immediate climate action;

183. 25-year time frame with milestones for 2030 and 2040;

184. 25-year time frame, linked to net zero targets, with review cycles every five years;

185. 25-year time frame, linked to net zero targets, with review cycles after 10 years;

186. 25-year time frame, linked to net zero targets, with an assessment midway.

4.4 *{Combination of timeframes}*

187. 10-year operational time frame (2025–2034 or 2026–2035) with an aspirational target to align with net zero targets by 2050;

188. Decides to have an aspirational [outcome based] target by 2050, complemented by quantitative milestones set at defined periods, with the first milestone to be achieved by 2035, implemented through the period 2025-2035;

189. A firm time frame of five years (2025–2029 or 2026–2030) and an indicative time frame of another five years (2031–2036);

190. Outcome-oriented target linked to net zero targets (which may not always be 2050 but could be 2060 or 2070) or peaking of GHG emissions.

4.5 *{No reference to timeframe}*

191. No reference to timeframe.

V. Structure of the goal

Options for placement:

1. As a standalone element
2. Embedded in other elements such as quantitative and qualitative elements (see section 6.1)

(Option placement 1: As a standalone element)

192. We propose that the NCQG be set and structured on the basis of the 3 thematic subgoals, covering mitigation, adaptation and loss and damage, making clear the public finance provision core goal within each, within a mobilisation goal;

193. A goal structured around:

(a) Temporal scope and frequency of measurement, including an annual quantum floor of climate finance over a 10 years' time period representing climate finance that developed country Parties are obligated to provide and mobilize for climate action in developing country Parties in the context of their implementation of the Paris Agreement

(b) Substantive Scope, including sub-goals aligned to Article 9, including in particular Article 9, paragraph 4 to ensure that:

(i) all Parties collectively and effectively accelerate their pursuit of efforts of limiting the global average temperature increase to below 1.5 C within this critical decade;

(ii) developing countries have increased abilities to adapt and foster climate resilience to the worst-case projected temperature scenario

(iii) developing countries are able to address loss and damage associated with the adverse effects of climate change to the worst-case projected temperature scenario

(c) Quantum, quality and access features under each sub-goal

(d) Sources of funding in accordance with Article 9 of the Paris Agreement

(e) Transparency arrangements, based on, at minimum, the enhanced transparency framework, in particular its framework for transparency of support, and, an agreed definition of climate finance;

194. the NCQG decision needs to reflect

(a) General provisions, including:

(i) how is the goal going to scale up assistance to developing countries to contribute to achieving the goals of the Paris Agreement such as sustainable development and poverty eradication

(ii) how can science inform the goal

(b) How will the goal respond to achieving a balance between A and M,

(c) How to respond to the need for public and grant based finance

(d) How to respond to country driven strategies incl. needs and priorities of developing countries, especially of particularly vulnerable and capacity constraints such as LDCs and SIDS, to evolving needs, particularly needs responding to LnD

(e) Operational aspects

(i) What are developed country obligations in respect to the goal, especially in relation to provide financial resources and assist developing countries (follow structure of Art. 9)

(ii) What other developed country commitments related to taking the lead on mobilization of financial sources, instruments and channels, balance between mobilization and provision of finance

(f) Cross-cutting issues:

- (i) How can the goal respond to developed country obligations to provide transparent and consistent information;
- (ii) what counts towards the NCQG
- (iii) how can the goal contribute to climate justice and fairness
- (iv) How can the goal respond to requirements on access
- (v) How can the goal ensure that those who need climate finance can get it in an efficient and effective manner
- (vi) The NCQG needs to have clear features to enhancing access, especially for LDCs and SIDS
- (vii) How can the goal respond to lessons learned from USD 100bn goal, predictability, fair burden sharing arrangements
- (viii) How can the NCQG address dis-enabler such as high-cost of capital, high transaction cost.

5.1 *{Thematic sub-goal approach}*

195. Sub-goals aligned to Article 9, including in particular Article 9, paragraph 4 to ensure that:

- (a) all Parties collectively and effectively accelerate their pursuit of efforts of limiting the global average temperature increase to below 1.5 C within this critical decade
- (b) developing countries have increased abilities to adapt and foster climate resilience to the worst-case projected temperature scenario
- (c) developing countries are able to address loss and damage associated with the adverse effects of climate change to the worst-case projected temperature scenario;

196. Quality and access features per sub-goal;

197. Decides that the structure of the NCQG should be based on the following elements: thematic scope, sources of finance, forms of provision and mobilisation of finance and channels for provision and mobilisation of finance;

198. Also decides that the NCQG will be a goal composed of quantitative and qualitative elements related to climate finance;

199. The quantum of the NCQG would be a disaggregated amount under each thematic area, i.e. for adaptation, mitigation, loss and damage, readiness support and transparency, with capacity building and technology development and transfer cutting across cutting the thematic areas to avoid double counting;

200. Quantitative elements of the goal in light of mitigation, adaptation and loss and damage needs and priorities., for instance, through possible subgoals, its relation with the instruments and channels most appropriate for countries to implement their National Adaptation Plans, Long Term Strategies and addressing loss and damage or differentiate funding gaps between adaptation and mitigation that could illuminate the order of magnitude of the quantum, understand the positive externalities of investing in each component (i.e., investment in adaptation reduces future expenditures on loss and damage or investment in mitigation generates development in countries);

201. Quantified targets for mobilization and provision across thematic areas:
- (a) Overall goal for mobilization by developed countries to developing countries in the range of 1.1-1.3 trillion USD/year
 - (i) Core goal for provision by developed countries to developing countries
 - (b) Overall goal for mobilization of finance for mitigation by developed countries to developing countries
 - (i) Core goal for provision of finance for mitigation by developed countries to developing countries
 - (c) Overall goal for mobilization of finance for adaptation by developed countries to developing countries, of at least \$400bn per annum by 2030
 - (i) Core goal for provision of finance for adaptation by developed countries to developing countries
 - (d) Overall goal for mobilization of finance for loss and damage by developed countries to developing countries
 - (i) Core goal for provision of finance for loss and damage by developed countries to developing countries
202. No quantitative thematic sub-goals within the goal;

5.2 *{Multi-dimensional/multi-layered-goal/approach}*

203. Multi-layered goal, similar to the one set under the CBD, with
- (a) a global investment goal for all Parties, including public and private, domestic and international sources for achieving the Paris Agreement;
 - (b) a sub-layer of support to support countries that are ambitious on climate action or most vulnerable.
 - (c) Other sub-layers: financial quantitative layers, subsidies, debt, non financial quantitative layers for outcomes to be achieved, share of alignment in percentages, gender responsiveness.
 - (d) Qualitative elements such as enhancing demand and supply, crosscutting elements
 - (e) Calls for actions to other key players of climate finance landscape: governments (national and subnational), MDBs, IFIs, other actors;
204. NCQG cannot follow approaches that follow structures from different regimes (e.g. CBD) as the structure and legal obligations are different to UNFCCC process;
205. A multi-layered goal which has a broad focus on mobilising all finance flows is the only route to address all developing country needs. This includes all public, private, domestic and international sources that support developing countries;
206. A multi-layered structure for the goal, including
- (a) An overarching investment goal indicating the level of investments until 2035 to achieve Art. 2.1a and 2.1b of the Paris Agreement globally from

domestic, international, public, private and innovative sources. This would set the outer layer of the goal;

(b) As a quantified sub-element to this global investment goal, we support a quantified international support core as part of the multi-layered structure stating in the context of ambitious NDCs, AdComs and transparent, accurate, complete, comparable and consistent BTRs the total amount of USD which will be provided and mobilized annually from a variety of sources with a variety of instruments by 2035 from all Parties with a GNI above xx USD and direct emissions above xx tCO₂eq to support the implementation of Art. 2.1a and 2.1b in developing countries, in particular LDCs, SIDS, fragile and conflict affected states and for the most vulnerable groups;

(c) A policy layer as a sub-element to the investment goal requesting Parties to increase the policies, which push and pull investments into the geographies and sectors, where it is most needed to finance the transition to a low-emission and climate resilient future. This policy layer of the goal could also include quantified aspects such as commitments to remove fossil fuel subsidies by 2035, restructure of x% of sovereign bilateral debt through debt-for-climate swaps by 2035 or the establishment of domestic carbon pricing policies by 2035, etc.;

207. The goal should be a multi-layered goal with:

(a) a core of public finance;

(b) [Global investment target] The global investment target is addressed through a global effort and should be talking to the needs of developing countries;

208. [Core] The goal should be a multi-layered goal with a core of public finance;

209. Multilayer approach with:

(a) An overarching global investment layer of a 10-year timeframe;

(b) Articulation of an international public finance provided and mobilized goal with a 10 year timeframe an annual targets, e.g. X USD provided and mobilized annually by 2035;

(c) Articulation of context for a global investment goal and public finance provided and mobilized goal, including those elements articulated in the context section;

(d) Reflection of a contributor base: those with capacity to pay should be included in line with current economic realities, including contributors and providers who currently do not report and bring in new contributors. Determining the contributor based could be captured in a static or dynamic list which could be amended based through a set of indicators, e.g. GNI, GDP/capita, FDI

(e) Reference to enhancing access (could be also in separate access section or in quantitative elements), including reference to adequate allocation for particular sub-groups

(f) Reference to policy guidance and calls to action to achieve certain action and enable and achieve the investment goal

(g) Reference to push and pull factors, such as:

(i) Recognition that there is enough global capital which is not rightly channelled;

- (ii) Reference to measures to unlock, scale up attract and de-risk investment globally and particularly in developing countries;
 - (iii) Reference to high cost of capital, considerations with respect to bilateral sovereign debt, CDCs and other mechanisms, merits of sustainable finance taxonomies and interoperability of such, climate risk disclosures and their utility in supporting alignment of climate flows
 - (h) Measurement to support scaling up of domestic flows,
 - (i) Reference to the need for capacity building and technology development and transfer
 - (j) Reference to the role of MDBs and IFIs
 - (k) Quantitative indicators such gender responsiveness, youth and children and indigenous communities;
210. Acknowledge that the goal will have
- (a) A core of public finance provision and mobilization by a defined set of contributors based on capabilities to a dynamic set of recipients. In that context:
 - (i) Recognize that the core layer is essential to support action and reaffirm commitment to provide public finance;
 - (ii) Acknowledge the role of public finance, the need to extending the breadth of contributors, recognize efforts of other developed countries already providing and mobilizing climate finance
 - (iii) Mainstream qualitative elements which are related to quantitative element, such as the need for innovative instruments and sources to be leveraged to enhance the delivery of climate finance
 - (iv) Reference to concessionality and links to access;
 - (v) Reference to the role of climate funds and calls to actions for broader ambition from actors such as MDBs to help increase and improve climate mobilization relation to public finance provided
 - (b) An overarching global investment goal to embed public finance goal, capture all flows (international, domestic, public and private), to ensure the NCQG sends the right signal to all stakeholders who should unlock the finance needed to achieve goals of the Paris Agreement. This should be accompanied by qualitative elements;
 - (i) Linked to effectiveness;
 - (c) A policy layer, encourage implementation of policies that facilitate alignment of all financial flows,
 - (d) Acknowledge national circumstances (carbon markets);
 - (e) Acknowledge push and pull factors to enable action and capacity building;
 - (f) Calls to action for the private sector to reallocate flows to climate resilient development and philanthropies,
 - (g) Refer to IFI reforms and efforts from the financial sector at aligning flows;
211. The structure of the goal should have

(a) An overall global investment goal that draws on all sources, including public, private, domestic and international from all Parties, supported by qualitative and quantitative enablers

- (i) Scope: including all sources
- (ii) Thematic scope: adaptation and mitigation
- (iii) Contributors: all sources and contributors
- (iv) Recipients: all

(b) A quantitative support goal, similar to the USD 100 billion goal,

(i) Scope: including finance provided and mobilized, excluding domestic sources of finance

(ii) Thematic scope: adaptation and mitigation

(iii) Contributors: to be reflective of modern economic realities; all to be held accountable to their commitments; the NCQG needs to be explicit on who contributors are which are to be determined through a list or criteria on a dynamic basis; no differentiation in terms of reporting and obligations;

(iv) Recipients: most ambitious in terms of mitigation action and most vulnerable in terms of adaptation, with reference to LDCs and SIDS and developing countries that are particularly vulnerable to climate change;

(c) Quantitative sublayers in USD for misaligned subsidies,

(d) Layer in USD terms for realignment of sovereign public debt, fiscal space and innovative instruments, e.g. debt for climate swaps

(e) Quant layer for per cent of alignment of fin flows (e.g 100 per cent)

(f) Opportunities to set quantitative outcome-based target, e.g. gender responsive (e.g. percentage goal);

212. The goal should have two quantitative layers (overarching investment target and an international public support target) with necessary information on financial sources, scope of the goal, who contributes and with clarity on timeframe;

213. NCQG to be structured as a multi-layered goal, designed to respond to the needs and capabilities from a wide range of sources;

214. A global investment goal, reflecting finance from all sources, international and domestic, public and private, supported by multiple layers quantitative and qualitative on various elements and may include:

- (a) A quantified layer for international support in USD
- (b) a quantified layer for phasing down mis aligned subsidies in USD
- (c) a quantified layer for bilateral public debt for climate swaps in USD
- (d) a quantified layer for efforts to align financial flows with the long-term goals of the Paris Agreement in percentage terms;

215. Suggestions about a layered approach with innumerable imaginary layers seem meaningless and they do not have any backing from the convention and its agreement. We believe that it is time for developed countries to put firm numbers on the table in line with their historic responsibilities;

216. No option for a multi-layered goal
217. The new goal should have an overarching investment target, which includes all finance flows (public and private, domestic and international). This will ensure that the goal responds to growing financing needs and sends a clear signal to global financial actors;
218. The goal should also have a target for international public finance provided and mobilised for developing countries. The outcome at CMA6 must reflect a contributor base which is in line with current economic realities;
219. The goal should also include clear, qualitative, policy guidance on how we will deliver tangible results and impacts on the ground to make our ambitions a reality;
220. We support a 10-year operational time frame. A 10-year timeframe allows for sufficient time to mobilise public and private finance, it enables more strategic planning and implementation of climate action projects, and it makes it easier to meaningfully assess progress against the goal;
221. Acknowledges that the New Collective Quantified Goal in order to support science will include a long-term aim to scale up all finance that contributes to and accelerates the achievement of all the long term goals in Article 2 of the Paris Agreement, while also providing a clear signal of action required in the next decade to keep 1.5 degrees within reach;
222. Acknowledges that the New Collective Quantified Goal must be multidimensional in structure, in order to support the transformational change that is required across global financial systems to mobilize and deliver finance to support mitigation and adaptation goals;
223. Acknowledges that the structure of goal must be multidimensional in order to accommodate and balance the breath of action on finance that the goal should galvanize;
224. Acknowledges that the New Collective Quantified Goal must draw from, attract and mobilise a wide variety of sources, instruments and channels so as to maximise scale and impact, in recognition of the urgency of climate action and the scale of needs;
225. Acknowledges the needs of developing countries, and the finance required to meet Article 2 of the Paris Agreement, are in the trillions;
226. In that context, agrees that the new collective quantified goal have a multilayered structure to contribute to accelerating the achievement of Article 2 of the Paris Agreement of holding the increase in the global average temperature to well below 2C above pre-industrial levels and pursuing effort to limit the temperature increase to 1.5C above pre-industrial levels; increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emission development in a manner that does not threaten food production; and making finance flows consistent with a pathway towards low greenhouse gas emission and climate-resilient developed in line with decision 9/CMA.3 and decision 5/CMA.4;
227. Also acknowledges that the multilayered structure of the goal should take into account:

(a) provision, mobilization and alignment as separate and complementary components with provision of public finance from developed country Parties to developing country Parties as a core component; and,

(b) the broader financial flows encompassing all financial sources, including international, domestic, public and private, reflecting Article 2.1c to form the transformative characteristics of the goal in accelerating the shift towards low-emission, climate-resilient development pathway;

228. Acknowledges that the new goal should be comprehensive and multidimensional and contain quantitative and qualitative elements;

229. Agree that the new goal will include both quantitative and qualitative elements, including across and within different elements of the goal;

5.3 *{A quantitative goal with a time frame and principles and/or quantitative and qualitative elements}*

230. A quantitative goal with a time frame and underlying principles A quantitative goal of collectively mobilizing USD X per year by 20xx to developing countries;

231. A developed country goal of collectively providing USD X annually from 2025 to 2029 or 2026 to 2030 to developing countries;

232. A goal of collectively mobilizing USD X or x% of GNI/GDP per year by 20xx to developing countries;

233. A goal of collectively mobilizing USD X or X% of GNI/GDP per year by 20xx to developing countries, from public sources from developed countries and USD X or X% of GNI/GDP from other sources (e.g. the private sector);

234. As part of a global effort, provision and mobilization of USD X per year by 20xx from high emitters based on past, current and future emissions and from countries with higher economic capacities, including developed country Parties, for effective climate action in developing countries, especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing States.

5.4 *{A goal with quantitative and qualitative elements and/or principles}*

235. A quantified goal from developed to developing countries;

236. A quantified goal of mobilizing and providing USD X annually;

237. A goal to be structured by thematic area that is accompanied by principles;

238. A quantified goal of mobilizing and providing USD X, accompanied by quantitative and qualitative elements and underlying principles;

239. A goal of collectively mobilizing USD X from public, private, domestic and international sources of finance;

240. A goal of collectively mobilizing USD X from public, private, domestic and international sources of finance including South–South cooperation and reference to making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

241. A goal that includes quantification in monetary terms as well as quantified indicators of effectiveness of implementation;

242. A quantitative goal framed as USD X plus x% of annual inflation;
243. A goal with elements around achieving a balance between mitigation and adaptation;
244. A goal with an element on improving capacities to implement climate action
- 5.5 {A quantitative goal with or without a time frame and principles and/or quantitative and qualitative elements and objectives }
245. A goal of collectively mobilizing USD X per year by 20xx to developing countries that includes a specific element on the objective of the 1.5 °C temperature goal;
246. A goal of collectively mobilizing x% of GNI from private, domestic and international sources of finance for achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development in the context of xxx ;
247. A goal of collectively mobilizing USD X from public sources from developed countries and USD X from other sources (e.g. private, domestic, international) to achieve net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;
248. A goal of collectively mobilizing USD X from public, private, domestic and international sources of finance including South–South cooperation and reference to making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development and achieving net zero/1.5 °C/X GHG emissions reduced;
- 5.6 {Goal with time frame and sub-goals }
249. A quantified goal of collectively mobilizing USD X per year from 20xx to 20xx to developing countries with sub-goals for mitigation, adaptation, and loss and damage;
250. A developed country goal of collectively providing USD X annually from 2025 to 2029 or 2026 to 2030 to developing countries with quantified sub-goals by thematic area for mitigation, adaptation, and loss and damage;
251. A goal with annual targets, thematic sub-goals and sources of public and private finance;
252. A goal with sub-goals and different time frames across the sub-goals to account for differences in data availability and data quality;
253. A goal of collectively mobilizing USD X or x% of GNI/GDP per year by 20xx to developing countries, from public sources from developed countries and USD X or x% of GNI/GDP from other sources (e.g. private sector), with sub-goals for mitigation, adaptation, and loss and damage;
254. Quantified goal of collectively mobilizing USD X per year by 20xx to developing countries, of which USD X is from public sources from developed

countries and USD X is from other sources (e.g. private sources), with sub-goals for mitigation, adaptation, and loss and damage;

255. A goal of collectively mobilizing USD X per year by 20xx to developing countries, of which USD X is from public sources from developed countries and USD X is from other sources (e.g. private sector), with sub-goals for mitigation, adaptation, and loss and damage, and reference to achieving net zero/1.5 °C/X GHG emissions reduced;

5.7 {Goal and sub-goals }

256. No sub-goals;

257. A quantified goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage, with USD X from public sources from developed countries and USD X from other sources (e.g. private sources);

258. A goal of collectively mobilizing USD X from developed countries, emphasizing the role of public sources at the core and including wider financial resources (e.g. private, domestic, South–South flows) needed to achieve the Paris Agreement goals globally;

259. A quantified goal of collectively mobilizing USD X from developed countries with sub-goals that cover mitigation, adaptation, and loss and damage, from public, private, international and domestic sources of finance;

260. A quantified goal of global climate investment of USD X, comprising domestic, public, private and international sources of finance, with a defined quantitative subset to be defined for resources under Article 9 of the Paris Agreement (i.e. climate finance);

261. A quantified goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage from public, private, domestic and international sources of finance and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

262. An outcome-based goal including costed sub-goals for mitigation, adaptation, and loss and damage informed by the best available science for achieving the goals of the Paris Agreement and covering the respective needs of developing countries that enable them to act towards the collective efforts;

263. A goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage that includes a specific element on the objective of the 1.5°C temperature goal A quantified goal with quantified sub-goals by thematic areas of mitigation, adaptation and new and additional resources for loss and damage (with specification that loss and damage related needs are new and additional);

264. A quantified goal with quantified sub-goals by thematic areas of mitigation, adaptation, and loss and damage, including a percentage share allocated to vulnerable groupings;

265. A goal of collectively mobilizing x% of GNI to developing countries with sub-goals for mitigation, adaptation, and loss and damage;

266. A goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage, of which USD X is from

public sources of finance from developed countries and USD X from other sources (e.g. private);

267. A quantified goal with quantified sub-goals by thematic areas for mitigation and adaptation (if the goal has sub-goals);

268. A quantified goal with quantified sub-goals for mitigation, adaptation, loss and damage and capacity-building as absolute values rather than shares;

269. A mobilization goal with sub-goals for mitigation, adaptation, and loss and damage;

270. A quantified goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

271. A goal of shifting financial flows in line with Article 2, paragraph 1(c), of the Paris Agreement with quantified sub-goals or an overarching goal of achieving net zero/1.5 °C/X GHG emissions reduced with quantified sub-goals;

272. A goal of mobilizing USD X, including USD X mobilized by 20xx, and specific sub-goals;

273. A quantified goal with sub-goals that are specified by quantitative ranges of monetary values;

274. A goal and sub-goals with provisions to achieve a balance between mitigation and adaptation based on the needs of developing countries and science-based information rather than a 50:50 percentage share;

275. A goal with a sub-goal on minimum floor of finance for the least developed countries;

276. A quantified goal that sets upper financial limits (caps) by geographical regions, countries or country groupings;

277. A goal with sub-goals that differentiate between concessional finance and grants, and between national and local recipients;

278. A goal with sub-goals by instruments;

279. A goal with a sub-goal on grant-based finance;

280. A goal with sub-goals that differentiate between support needs and investment needs;

281. A set of multiple sub-goals only;

5.8 {Goal including sub-goals framed as indicators of success}

282. Sub-goals around themes (mitigation, adaptation, and loss and damage), country groupings/recipients, channels and sectors;

283. A goal with sub-goals for emissions reduced and enhanced adaptation and resilience and including a link to the GST;

284. A goal with sub-goals for emissions, and adaptation and resilience;

285. A goal with an element or sub-goal on improving capacities to implement climate action;

286. A goal with a sub-goal on access to financial sources for vulnerable communities;

287. A goal with sub-goals for vulnerable communities as recipients and reference to gender-responsiveness;

288. A goal with a sub-goal for making financial flows consistent with a pathway towards low GHG emissions and climate-resilient development;

289. A goal with a sub-goal focusing on reducing fossil fuel finance;

5.9 {An aspirational goal with principles or objectives}

290. "A long-term aspirational goal", with quantitative and/or qualitative elements, that may or may not include sub-goals;

291. A main, principle-based goal of making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

5.10 {Outcome-oriented goal}

292. A goal of achieving net zero/1.5 °C/X GHG emissions reduced;

293. A goal of achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production;

294. A goal of achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

295. A collective mobilization goal of increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development and achieving net zero/1.5 °C/X GHG emissions reduced;

296. An outcome-oriented goal that is aligned with the global goal on adaptation and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production;

VI. Quantitative elements/Quantified element(s)

<p>Options for placement:</p> <ol style="list-style-type: none"> 1. As a standalone element 2. Embedded in other elements, e.g. structure of the goal

297. Public finance is a prerequisite and required political will to needs and priorities, NCQG supporting ambition in NDCs thereby contributing to A 2. 1 a , b

in the context of SD and poverty eradication. Also contributing to globally shared set of goals in the context of adaptation, 1.5, just transitions;

298. Shall focus on implementation: Current NDCs and naps (NCQG decision)

299. The quantum needs to be ambitious and pragmatic to be effective;

300. [Qualifiers] Referring to the qualitative elements, some qualitative elements would be qualifiers to the quantitative elements, incl. enabling environments, covering both the international and domestic level. Support as an enabler for developing countries to build or strengthen enabling environments domestically, incl. through capacity building;

301. NCQG must have an ambitious, clear quantum based on the provision and mobilization of climate finance from public sources.

6.1 *{Structure of the goal}*

6.1.1 *(Single-layered approach)*

302. Options referred to under section V

6.1.2 *(Thematic structure/thematic sub-goal approach)*

303. Options referred to under section V

6.1.3 *(Multi-layered approach)*

304. Options referred to under section V

6.1.4 *(The role that the NCQG can play)*

6.2 *{Quantum}*

305. The quantum of the new goal should be set in trillions per year;

306. Set a quantum of USD 1.1 trillion from developed to developing countries per year;

307. Quantum of over USD 1 trillion per year. This is based on the current needs and can be updated based on the availability of new needs;

308. The post-2025 mobilization goal must reflect the ambition, progression, and the collective agreement to stay well below 2c and aspire to stay within the 1.5c temperature goal, and therefore agrees that the deliberations on the quantum mobilization target should start from a range of a commitment by developed countries to mobilize jointly at least USD 1.3 trillion per year by 2030, of which 50% for mitigation and 50% for adaptation and a significant percentage on a grant basis from a floor of USD 100 billion, taking into account the needs and priorities of developing countries outlined in the updated NDCs;

309. The SCF's needs determination report (NDR) (approximately 6 trillion cumulative by 2030) and adaptation number from the Adaptation Gap report—embedded in the GST decision—must inform the NCQG quantum;

310. The Quantum needed to implement NDCs based on current estimated figures, which are still not sufficient as not all needs are accounted for, such as the NDR is USD 5.8 - 5.9 T until 2030;

311. Quantum should be informed by an assessment of needs such as findings of NDR1; the figure has to be reflected as deliverable for first 5 years of the NCQG, aligned with the GST process and NDC process, recognizing that the figure needs to be updated;

312. Quantitative elements which are a target for public (provision), public leveraging, and thematic subgoals must be included;;

313. The NDC and GST cycles form the basis of the goal's review and updating.

314. Must support ambition; Low finance would mean low ambition(if there is no finance, then low NDC 1 and NDC 2 ambition)

315. This is Not a global transformation goal but a developing countries needs based goal

316. The goal should cover Mitigation, adaptation, Loss and damage needs

317. Importance of the NCQG coming up with a 'quantitative' figure in 2024 that builds on the USD100bn as the floor and responds to the actual need of developing countries (i.e., US\$5.8 – 5.9 trillion by 2030) and the latest science;

318. Acknowledgement that needs estimates are likely underestimated and that not all needs have been expressed in monetary value or reflected in these figures. For example, information on the need for addressing loss and damage needs is very limited, as it has been acknowledged in the SCF report;

319. The quantum of the goal should be outcome-based, drawing on a responsible discussion at a high level, on how desired outcomes correspond to quantitative sums;

320. New goal and its sub-goals shall be phrased as a floor of the decided quantified amount noting that said floor cannot be below USD 100 billion per year (i.e. Goal –At least USD XXX trillion per year);

321. The quantum of the NCQG would address the need for a balance between adaptation, and mitigation, recognizing that loss and damage is part of that formulation;

322. The quantum of the NCQG would address the needs and priorities of developing countries especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing States;

323. A quantified element indicating the mitigation and adaptation outcomes and results which should be achieved through the NCQG;

324. The Quantified element for the global investment layer could be articulated in the context of delivering against Article 2.1a-c of the Paris Agreement and should recognise the urgency of scaling up investment in this critical decade.

6.3 *{How to determine the quantum}*

325. Setting a quantum based on information on the needs and priorities of developing countries, thereby following a bottom-up approach;

326. Quantum must reflect the bottom - up approach of the Paris Agreement responding to the priorities and needs of our countries as reflected in NDC, NAP, in the pursuit of sustainable development and poverty eradication;
327. Based on needs and priorities as articulated in current NDCs until 2030, and should respond to the evolving nature of the needs. Quantum should support mitigation, adaptation, LD, and just transitions;
328. NCQG should not have a top-down target of what contributors are willing to provide but on needs;
329. The Co-facilitators paper talks about recipients which is not agreed language in this process as all developing countries are eligible for climate finance;
330. The evolving needs also include the requirements for loss and damage finance;
331. NCQG must agree to adequate amounts of finance that match developing countries' needs for adaptation, mitigation and loss and damage by 2030, 2040 and 2050 so that a 1.5°C aligned transition is enabled throughout the developing world;
332. Decision 11/CMA4 emphasizes the importance of not penalizing or undermining ambition by promoting an increase and acceleration of ambition. The ambition that countries determine in their planning instruments such as NAPs, NDCs, TAPs and Long-Term strategies reflects the evolving needs of developing country Parties and the need for enhanced provision and mobilization of finance, through a country-driven manner;
333. Alignment with NDCs/NAPs and national plans of developing countries;
334. Eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development;
335. Strong linkage between quantum and timeframe;
336. The NCQG would be linked to temperature especially for the three (3) main response types:
- (a) The quantum under the mitigation thematic area would be linked to funds needed to ensure higher ambition in developing country Party actions in order for all Parties to collectively and effectively pursue efforts of limiting the temperature increase to 1.5 °C, starting with the implementation of the mitigation actions outlined in their Nationally Determined Contributions;
 - (b) The quantum under the adaptation thematic area would be linked to the cost of enhancing developing countries' capacity and ability to brace for the climate change and its adverse effects and foster climate resilience at the worst-case projected temperature scenario. This temperature scenario use should be based on the current business-as-usual level of action by all countries;
 - (c) The quantum under the loss and damage response area would be linked to the cost of addressing or responding to loss and damage associated with the adverse effects of climate change in developing countries at the worst-case projected temperature scenario. This temperature scenario use should be based on the current business-as-usual level of action by all countries. While noting the data/information gaps, the current aggregate cost of loss and damage associated with the adverse effects of climate change in developing countries should also be used as the basis for understanding a floor the quantum under this thematic area;

337. Evidence and recommendations from science should be taken into account when defining the quantum and its elements;

338. The NCQG would be based on key inputs that include UNFCCC Standing Committee on Finance Needs Determination Report, Intergovernmental Panel on Climate Change reports, developing country's relevant climate change plans, policy, and reports (including National Determined Contributions, National Adaptation Plans, National Communications, Biennial Updates Reports), relevant academic papers, and relevant papers from intergovernmental organization;

339. Underscores that the deliberations on the quantum of the new collective quantified goal should be based on the information on the evolving needs and priorities of developing countries and the best available science, while recalling the findings of report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement of the Standing Committee on Finance and the need for the new collective quantified goal to provide and mobilize the USD trillions needed by developing country Parties in implementing their commitments under the Paris Agreement;

340. Agrees to consider, in determining the quantum for the New Collective Quantified Goal on Climate Finance, cost estimations as presented in the second Needs Determination Report which will be published in 2024 by the Standing Committee on Finance as per decision XX/CMA.4, including cost estimations related to the recently adopted Global Goal on Adaptation in decision XX/CMA5;

341. The upcoming NDR must be considered to incorporate the evolving needs of developing countries. We should also keep in mind that less than one-third of the needs have been costed. So, the current estimates provide only a floor for the needs;

342. [Placeholder: Process informed by the TEDs and the work of the SCF (including the NDR), other sources];

343. Setting a quantum based on information on needs and a carve-out for the NCQG within those needs;

344. Setting a quantum based on outcomes to be achieved in the context of Article 2 of the Paris Agreement (outcome-oriented goal)

(a) Quantum to be based on needs and priorities, it needs to support ambition in NDCs and contribute to achieving Articles 2.1 (a and b) of the Paris Agreement and contribute to globally shared goals outlined under the GST, as well mitigation and adaptation needs and needs to enable just transitions;

345. Setting a quantum dependent on the scope and structure of the NCQG

346. Setting a quantum based on the breadth of contributors, including from the private sector, philanthropic organizations and others

(a) Quantum is dependent on 8 factors:

(i) Combination of providers, sources and flows.

(ii) Public finance from current providers that officially report on climate finance provision

(iii) Other developed countries that do not officially report on climate finance provision New contributors

(iv) Private finance mobilized

- (v) Private finance not mobilized
- (vi) Philanthropy
- (vii) Other sources.

347. Setting a quantum based on a certain percentage of the GNI or GDP of developed country Parties;

348. Setting a quantum based on a combination of options;

349. No option.

6.4 *{Timeframe}*

350. Options referred to under section IV.

351. Short-term timeframe;

352. Medium-term time frame;

353. Long-term time frame;

354. Combination of timeframes;

355. No reference to timeframes.

6.5 *{Contributors}*

356. All language regarding sources, contributors and recipients is already agreed under the Paris Agreement article 9 and must respect the principles and provisions of the UNFCCC and its Paris Agreement, including CBDR RC;

357. Not our mandate the renegotiation of Art. 9 of the Paris Agreement (or any other article of the instrument). The sources and contributors base of the NCQG should reflect the different level of obligations under the Agreement and its Article 9;

358. Reflect the unequivocal responsibility and obligation of developed countries to provide and mobilize finance to achieve the goal;

359. The goal will be delivered by developed countries to developing countries. On this basis, it would also exclude any feature relating to the domestic resources of developing countries;

360. Providers/Sources: No reinterpretation of the Paris Agreement, those who have responsibility under process. Issue of mobilization is that private sector contribution is accounted for developed countries. Do not move outside of process (cant be core subject of NCQG). Can have mobilized and provision of developed countries;

361. NCQG is a clear responsibility of developed countries to provide and mobilize a quantified sum of finance on annual basis in line with obligations in Article 9;

362. No reference to contributors.

363. Underscores that the new collective quantified goal should reflect a truly global effort, engaging all relevant actors, and reflect the efforts from a wide base of contributors;

364. Maximise the delivery of public finance within the Goal, and we call on all those in a position to do so, including existing contributors, to contribute towards the NCQG;

365. An increased contributor base should not be seen as an attempt to shy away from the commitments of existing contributors, but rather maximise the provision of public finance through an ambitious NCQG which reflects the evolving global context;

366. Option to create a list of contributors, which could be static or dynamic (changing with time as a country's capacity changes and evolves), using indicators which identify 'capacity' to provide support, in the context of a global effort;

367. The contributor base for this goal should reflect those with a capacity to pay, in line with current economic realities – this should include current contributors and providers (including those who don't current report) and should seek to bring in new contributors;

368. Contributors dependent on the following factors:

- (a) combination of providers, sources etc.
- (b) Public finance from current providers (officially reporting)
- (c) Other developed countries (not officially reporting)
- (d) New contributors
- (e) Private finance mobilized
- (f) Private finance not mobilized
- (g) Philanthropy
- (h) Other sources;

369. Contributor base: As part of global effort, the NCQG to include a support layer to reflect modern economic realities (provision and mobilization) expand the group and amount of financing to support countries that needs support (for climate action or particularly vulnerable);

370. All parties contribute to the NCQG;

371. Indicator-based options for the contributor base

- (a) Parties with total/per capita emissions above x tCO₂eq contribute;
- (b) Parties with GNI / GDP total/per capita above x USD contribute;
- (c) Parties with a space program contribute;
- (d) Parties with public foreign direct investments above x USD contribute;
- (e) Parties with HDI level and above contribute;
- (f) Combination of options above;
- (g) Include an indicator to take into account the climate vulnerability of Parties, i.e. the higher the climate vulnerability the lower the expected contributions from a particular contributor would be expected;
- (h) The contributor base is dynamic based on a threshold, which is updated every two years, in line with BTR cycles – countries who meet the threshold

become 'contributor' and must report on climate finance delivered in the following BTR cycle;

372. Contributor base needs to reflect current economic realities;

6.6 *{Sources}*

6.6.1 *(Differentiating between types of sources of climate finance and instruments)*

373. Public sources of finance, particularly grant-based finance for adaptation and addressing loss and damage, and (concessional) loans for mitigation;

374. NCQG must be delivered to the largest extent possible via the provision of public finance in a grants-based or concessional equivalent manner. The debt burden of developing countries must not be increased by the new goal;

375. Sources: NCQG must be delivered via the provision of public finance in a grants - based or concessional manner. The debt burden of developing countries must not be increased by our climate ambition;

376. Affordable fund flow driven by concessional finance - which runs across quantum and qualitative elements;

377. Only cross border flows should be included in the NCQG. The New Goal is set in accordance with article 9 of the Paris Agreement this involves recognizing that mobilized resources must come from developed countries and noting the significant role of public funds;

378. Commitment to Article 9 of the Paris Agreement. Public finance delivery should be at the core of the NCQG;

379. The question of sources of finance should be focussed on how we can maximise the overall finance going to tackle climate change, as well as how to substantially increase the public finance element. There is no proposal currently on the table which will rewrite the Paris Agreement. There are clear areas where Parties have reached agreement (relevant decisions are outlined at the bottom of the document), and Parties should act upon these decisions to ensure the mandate is incorporated into the NCQG;

380. A wide variety of sources in accordance with Article 9, paragraph 3, of the Paris Agreement;

381. [Sources] The goal should include all sources of finance, including public and private, national and international sources of finance, including domestic resource mobilization and south-South flows and innovative sources of finance;

382. Decides that the new collective quantified goal is to be inclusive of all sources of finance, international and domestic, public and private;

383. Recognizes that the new collective quantified goal should consider the complementary nature of different sources, instruments, and channels of finance;

384. A multilayer approach with international public sources at the core of the NCQG and private and innovative sources as the outer layers, with arrangements for tracking finance flows.

6.6.2 *(Differentiating between mobilization, provision and/or alignment of financial sources)*

385. The question of sources of finance should be focussed on how we can maximise the overall finance going to tackle climate change, as well as how to

substantially increase the public finance element. There is no proposal currently on the table which will rewrite the Paris Agreement. There are clear areas where Parties have reached agreement (relevant decisions are outlined at the bottom of the document), and Parties should act upon these decisions to ensure the mandate is incorporated into the NCQG;

386. A quantitative goal for the provision of international public sources of finance to developing countries;

387. A quantitative target or sub-goal for the provision of climate finance from international public sources to developing countries and for private sources mobilized through public interventions;

388. A multilayer approach with (a) quantitative target(s) for the provision of international public climate finance at the core and mobilization of financial sources;

389. A multilayer approach with a global investment target, an international public mobilization support target, and possible quantitative and qualitative targets representing realignment of finance flows with the goals of the Paris Agreement;

390. A multilayer approach in line with the Kunming–Montreal Global Biodiversity Framework consisting of quantitative targets, and qualitative elements for domestic resource mobilization, leveraging private finance, and promoting blended finance and innovative instruments;

6.6.3 *(Differentiating between the roles of various actors in the provision and mobilization of climate finance)*

391. Provision of climate finance from developed to developing country Parties and voluntary contributions from private sector entities mobilized through public interventions by developed country Parties;

392. Provision of climate finance from developed country Parties, other Parties and non-Party stakeholders, such as private sector entities and philanthropic organizations, to developing country Parties.

6.6.4 *(Identifying quantitative and qualitative elements and sources of finance that lead to a reduction in financial sources promoting emission-intensive and non-resilient development)*

393. No reference to sources

6.7 *{Burden-sharing arrangements}*

394. As the NCQG is a responsibility of developed countries, the quantum needs to reflect clear burden-sharing arrangements, responsibility and accountability;

395. Quantum is about responsibility. We know there is a burden sharing arrangement among developed countries in the context of the USD 100B. This should be included in the new goal in line with A4.3 of the Convention. Quantum - Adequacy and predictability needed to meet geographical climate needs;

396. No reference to burden-sharing arrangements.

6.8 *{Ways to reflect the relationship between the NCQG and Article 2 of the Paris Agreement, particularly paragraph 1(c), as it relates to finance, in the outcome of the goal}*

397. No integration of Article 2, paragraph 1(c), of the Paris Agreement in the NCQG;

- 398. Reflection of Article 2 of the Paris Agreement as a qualitative element;
- 399. Integration of Article 2 of the Paris Agreement as part of the NCQG;
- 400. Reflection of the NCQG as part of the broader picture of Article 2, paragraph 1(c), of the Paris Agreement.

VII. Thematic scope/ thematic elements

Options for placement:

- 1. As a standalone element
- 2. As a cross-cutting element, e.g. under structure (see section V), quantitative and qualitative elements (see sections VI and VIII)

(Option placement 1: As a standalone element)

- 401. The NCQG should be structured in thematic areas that cover at the very least adaptation, mitigation, and loss and damage, as this is a major way to take into account the evolving needs and priorities of developing countries. A structure shaped in thematic areas acknowledges that these are addressed by different financial sources and involve different channels and actors;
- 402. It is essential to include loss and damage as one of the thematic areas, as we recognize that the impacts generated by a few countries are being suffered by many countries that have contributed the least to the current climate situation. In addition, new funding arrangements to address loss and damage, including a new fund, are being operationalised;
- 403. Integration with other processes under the UNFCCC and PA such as the GST, MWP and GGA;
- 404. The goal should cover finance for mitigation, adaptation and loss and damage;
- 405. It must be balanced between mitigation and adaptation and include the third pillar of loss and damage response to address developing countries' evolving needs.;
- 406. Do not support a structure that inadvertently can create additional barriers for accessing resources;
- 407. Need to improve access to climate finance. The new goal must not impose additional conditionalities to the provision and/or mobilization of climate finance to developing countries;
- 408. Goal with thematic sub-goals;
- 409. Clear sub-goals for adaptation, mitigation and loss and damage;
- 410. NCQG must support climate action on loss and damage, in addition to mitigation and adaptation, to reflect and address the evolving needs of developing countries;
- 411. NCQG should aim at a balanced allocation between adaptation and mitigation and adequately address loss and damage;
- 412. No reference to loss and damage;

413. This should also take into consideration cross-cutting matters such as capacity building, technology transfer, gender and action for climate empowerment, so that the NCQG is not only fit for purpose but also maximizes the effectiveness of the new goal. This, in turn, will contribute to accelerating the fulfillment of Article 2 of the Paris Agreement;

414. Acknowledges the need for the new collective quantified goal to be structured in key thematic areas of climate action, as per paragraph 15 of decision 9/CMA.3, as a results-based goal that responds to the evolving needs and priorities of all developing countries for, at least, mitigation, adaptation, and loss and damage response while being periodically reviewed, flexible, and including quantitative and qualitative aspects, clear short and long-term timeframes and milestones for the provision and the mobilization of climate finance;

415. No reference to thematic scope.

VIII. Qualitative elements/Qualitative elements, with a focus on alignment with needs and priorities and concessionality/ Qualified elements

Options for placement:

1. As a standalone element
2. As a cross-cutting element

(Option placement 1: As a standalone element)

8.1 *{Overarching}*

416. *Acknowledges* the need of climate finance provision to consider qualitative elements to ensure it is new, additional and adequate to the needs, priorities, and national circumstances of developing countries, and *stresses* the importance of predictability of finance;

417. Quality of climate finance would be a disaggregated element under each thematic area;

418. Finance should respond to needs of all regions, geographical-based needs and geographical balance;

419. The need to achieve a balance between mitigation, adaptation and LnD;

420. The goal must respond to needs of all developing countries regions , and should be very clear ensuring equitable distribution of finance;

421. The goal must achieve a balance between mitigation, adaptation and loss and

422. damage, in this regard is should be based on the reports of the UN and UNFCCC, in particular NDR of SCF, UNEP adaptation gap report;

423. A reflection of Sharm Outcome Agreed language: on progression and increasing scale, enhancing access including tackling the cost of access;

424. Co-benefits, nature and climate resilient development, importance of nature-based solutions;

425. [Synergies with biodiversity and other SDGS] Ensure that synergies between finance for climate, biodiversity and SDGs are enhanced and fostered;
426. Qualitative elements across sub-goals: agree on quality rules for mit, ad and LnD;
427. Review: tweaking provision of quality of finance in case of temp increase in the context of review and revision;
428. Four sections
- (a) Enhancing demand for climate investment, to incentivize investment and improve demand for activities
 - (i) Policies and enabling environments
 - (ii) Cost of capital
 - (iii) Relevance of disclosures (voluntary disclosures, where different private sector firms can provide info on how climate is embedded in their portfolios)
 - (iv) Scaling up supply (could also be quantified)
 - (b) Actions can take to improve investment
 - (i) Importance of private sector
 - (ii) Importance of Blended finance
 - (iii) Importance of domestic resource mobilization
 - (iv) Importance of innovative resources
 - (c) Cross-cutting enablers
 - (i) Enhance access
 - (ii) Enhance effectiveness
 - (iii) Strengthening safeguards
 - (iv) Enhancing transparency
 - (d) Calls to action to various actor groups on their potential role in the NCQG
 - (i) National governments
 - (ii) Sub-national and local
 - (iii) Multilateral climate funds, including the operating entities under the UNFCCC
 - (iv) MDBs
 - (v) Private sector financial institutions.

8.2 *{Structure of the goal}*

8.2.1 *(Single-layered approach)*

8.2.2 *(Thematic structure/thematic sub-goal approach)*

429. Options referred to under section V.

8.2.3 *(Multi-layered approach)*

430. Options referred to under section V.

8.2.4 *(The role that the NCQG can play)*

8.3 *{Provision and mobilization}*

431. We recall that the NCQG is about mobilization and provision delivered by developed countries to developing countries;

432. No option.

8.4 *{Sources and instruments}*

433. Sources in the context of article 9 of the Paris Agreement;

434. NCQG should ensure that sources and instruments for the provision and mobilization of climate finance have a strong focus on public, grant-based and concessional resources, particularly considering the need for scaling up public and grant-based finance for adaptation, and loss and damage response;

435. NCQG should include reference to access to finance, instruments – grants and concessional finance where grant equivalence applies

436. A reflection of what doesn't count as climate finance for instance any market rate loan is not climate finance as it constitutes reflows or backflows and the nature of finance which includes additional to ODA, has to be grant based and concessional finance, and must consider fiscal constraints;

437. The NCQG should ensure the provision of grant-based support;

438. A specific overarching paragraph capturing a qualitative element on the issue of debt sustainability;

439. [Instruments and sources] Acknowledge that different sources and instruments have differing respective strengths and are thus differently placed and equipped to tackle specific circumstances and challenges in particular contexts;

440. Grant-based or grant equivalent concessional finance. The process of setting a new goal should not result in further indebtedness for the global south;

441. the NCQG must be delivered to the largest extent possible via the provision of public finance in a grants-based and concessional manner (particularly with grant-based finance for adaptation and loss and damage);

442. Affordability of fund flow will be critical. Flows should not adversely impact the macroeconomic profile of developing countries. For this, the fund flow must be primarily public grant-based, concessional, and long-term in nature;

443. Grant based and concessional finance must have a key role in the NCQG;

444. Instruments that are at market rates should not be included as public flows;

445. Quality of climate finance would have a definition of concessionality in line with the UNFCCC and Paris Agreement that varies depending on the response types:

(a) The quality of climate finance under the mitigation thematic area would have quality ratio which outlines its grant component, and its concessional component. Given the particular vulnerability and special circumstances of SIDS and LDCs under the Paris Agreement, these countries will afford the highest possible grant component of their quality ratio,

(b) The quality of climate finance under the adaptation thematic area would be public and grant-based and would not need a ratio, and

(c) The quality of climate finance under the loss and damage response thematic area would be public and grant-based and would not need a ratio;

446. Address the need for a wide range of financial instruments including ones that create fiscal space for developing countries such as debt-for-climate swaps and issuance/allocation of special drawing rights;

447. Loans with market interest rates should not be counted as finance provided for developing countries, since the effort is solely on the borrower side and it constitutes an additional burden on debt sustainability;

448. Guarantee that any concessional loans utilized as part of the delivery of the goal do not contribute to increased indebtedness in developing countries;

449. Also, the key to quality of finance and transparency is the need to exclude from NCQG all resources that do not qualify as climate finance;

450. We suggest an element titled non-climate finance flows – including ODAs, loans at market rate, purely private sector flows at the market rate of return, and non-climate specific flows. It is to be noted that we have proposed climate finance definition as part of the transparency arrangements;

451. Domestic resources are not part of the NCQG;

452. Would also exclude any feature relating to domestic resources of developing countries;

453. Other new and innovative sources of finance such as public-private partnerships, payment for environmental services, blended finance, guarantees, de-risking investments, green labelling, disclosure schemes, development of local green bond markets, guarantees, debt swaps etc., need to be explored and considered as a complement to public and grant-based finance;

454. A balance between adaptation and mitigation flows. For this to happen, the existing scale of adaptation finance flows needs to be enhanced significantly. Given the adverse risk-return profile of adaptation projects, the flows must be public and grant-based in line with Article 9.4 of the Paris Agreement;

455. [Balance between mitigation and adaptation] Albeit not in nominal terms, acknowledge the value of striving for a balance between financing for mitigation and adaptation, while noting that grants should primarily fund adaptation efforts. We see Loss and Damage to be out of scope of the NCQG and requires a "no L&D"-option to be captured in relevant sections;

456. Financing instruments for various thematic areas, regional needs and capacities;

457. No option.

8.5 {Recipients}

458. Recipients] Channelling meaningful support to the poorest and most vulnerable, in particular LDCs and SIDS. Accommodate the most ambitious countries who require support to implement ambitious plans;

459. Define who recipients are;

460. No reference to recipients other than developing countries.

8.6 *{Dis-enablers}*

461. The NCQG should send a strong signal to address the “dis-enablers” of climate finance;

462. The NCQG should help countries overcome financing barriers related to high capital costs to cover the expenses of climate change impacts;

463. [Debt vulnerability/fiscal space/cost of capital] Acknowledge the challenges faced by developing countries and encourage use of (innovative) instruments aimed at addressing them as part of climate finance, incl. highly concessional finance, de-risking instruments, debt-swaps etc.);

464. Quality of climate finance would address the need for enabling debt sustainability by ensuring current national debt levels are not exacerbated by climate finance flows;

465. Address concessional to recognize debt sustainability, back-flows and reflows in the context of climate finance and how this can be discounted;

466. Quality of climate finance would address the need for additional methods to enhance quality of climate finance beyond normal concessional features. These approaches would include, inter alia, minimum mandatory grace periods for repayments, preferential maturity date, and climatic event disaster / force majeure clauses;

467. Address concessional, interest rates, min grace periods for repayments, preferential maturity rates, force major clauses that look at climate events, how to make concessional lending fair and standardized to avoid inequities;

468. NCQG must ensure that no additional conditionalities are imposed in the provision and/or mobilization of climate finance;

469. Calling on developed country Parties to cease unilateral measures in line with Article 3.5 of the Convention and the GST decision;

470. Dis-enabling environment: non-appropriate budgetary procedures and policy actions by developed countries such as distortionary subsidies leading to diversion of global financial flows away from developing countries;

471. The NCQG should establish funding mechanisms to ensure the predictability and increasing funding for the operating entities of the Financial Mechanism, such as the GCF, GEF, Adaptation Fund, including the Fund for Loss and Damage;

472. Dis-enablers of finance must be considered. These are, unfair competitiveness influenced by domestic subsidies in developed countries, high cost of finance, unilateral measures;

473. No option.

8.7 *{Access}*

474. Access should be enhanced through harmonization of procedures, including through simplified access modalities, accreditation of national agencies, allowing readiness resources for project preparation, increasing resources for project implementation (i.e. implementation of NAPs), improving the articulation of the needs to the fiduciary standards as well as the speed and cost for accessing the funds.

It also should facilitate access for diverse stakeholders, including subnational actors, local communities, indigenous peoples and women;

475. On access modalities, NCQG should promote direct access, simplify application and disbursement processes, reduce co-finance conditionalities and establish adequate information requirements related to climate rationale;

476. Reflect ways of enhancing access incl. tackling cost of accessing climate finance;

477. The need for simplified access to MDBs and IFIs;

478. Improve access to climate finance in order to improve the scale of funding, reduce project processing time, approval and disbursement of funds. New financing should be structured in such a way that it does not impose additional conditionalities to the provision and/or mobilization of climate finance to developing countries;

479. Facilitate access to all sources of climate finance, since there is an urgency for enhanced action to keep the 1.5 goal within reach;

480. Swift access to resources – requiring simplification of access modalities and lowering of co-financing requirements;

481. NCQG should address access issues, such as modalities, high cost of capital, high transaction cost in accessing the resources, and increasing need for co-financing;

482. Capacity building, including on how to access resources available, be it through bilateral channels or through the Financial Mechanism and MDBs;

483. Access features of the NCQG would, inter alia:

(a) Be a disaggregated element under each thematic area;

(b) Outline any potential breakdown for access by channel. For example that a majority of funding for adaptation annually would flow through the Green Climate Fund and Adaptation Fund, and all SIDS would be prioritized for bilateral climate finance access;

(c) Establish minimum floors for certain types of recipients (such as least developed countries, small island developing States, and local non-governmental organizations)

(d) Require all climate finance support providers¹¹ to collectively adopt a simplified and harmonized procedure for efficient and simplified access to climate finance, in particular for SIDS. This would include, inter alia, shorter timeframes for feedback on submitted concepts and proposals, simplified reporting processes, and flexibility to ensure specific national circumstances can be considered on a case by case basis;

484. Access:

(a) Through process and steps, institutional, actors and needed reform; NCQG needs to reform access; could be part of the broader financial institution reforms; harmonization and simplification of access procedures; beyond multilateral climate funds; bilateral access and MDBs not transparent; NCQG opportunity to reform access

(b) Through harmonization and simplification of access procedures, beyond Multilateral Climate Funds;

485. Access to all sources of finance, e.g. qualitative references or quantitative targets; e.g. programmatic approaches, capacity building for enabling environments and absorptive capacities in developing countries, encourage use of flexible finance modalities such as climate budget tagging; coordination among contributors, scaling up existing initiatives; allocation for particularly access challenged groups e.g. LDCs and SIDS;
486. Finance should flow to the most vulnerable and those that show most ambition LDCs and SIDS;
487. Simplifying access, as well as increasing coherence and complementarity of climate finance providers, should be key metrics for the success of the NCQG;
488. A specific paragraph focusing on access, which could refer to the specific access challenges of LDCs, SIDS and fragile and conflict affected states, as well as from specific underserved groups such as women, indigenous peoples and local communities and marginalized groups;
489. [Access] We see a broad agreement on capturing access as a qualitative element in the decision, reflecting the imperative of leaving no one behind. Nevertheless, further work is required on how it should be captured in options. We recommend using the next TED to further develop these options;
490. NCQG should serve the objectives of the Paris Agreement, making climate finance more easily accessible for developing countries, specifically the SIDS and LDCs, and ensures processes for climate finance access are simplified, does not create an 'added' burden for developing countries on 'access', and provides relevant capacity building for increased access to climate finance;
491. Access (qual but could be quant as target for countries/regions that face capacity constraints), policy measures (qualitative), sub-targets;
492. No option.

8.8 *{Delivery}*

493. [Operating Entities] Acknowledge the value of channelling finance through the Operating Entities of the Paris Agreement, which have operating modalities that enable them to foster transformational change and encourage all Parties in a capacity to do so to contribute to the Operating Entities;
494. The delivery of finance should be assessed to address high transaction and administrative costs and increase the amount of resources that reach the ground and generate real transformations in developing countries;
495. The NCQG should enable support to flow to all developing countries, including small markets and all market sizes on our financial terms, taking into account cost of capital and transaction costs;
496. A qualitative element of delivery that could be quantified is how much one dollar from developed countries will mobilize of private investments.

8.9 *{Burden-sharing arrangements}*

497. Call on developed countries to institute burden sharing arrangements and the reform of their budgetary processes to reflect the urgency in developing countries for support;

498. Reflect on how adequacy of climate finance can be achieved in the context of burden sharing;

499. NCQG should provide a clear agreement on burden sharing amongst developed countries to establish their 'fair share' of their collective obligation to provide climate finance;

500. Reference under quantitative elements;

501. No option.

8.10 *{Climate finance definitions}*

502. Inclusion of climate finance definition and what is not to be counted as climate finance under the NCQG – which run across both transparency and qualitative elements;

503. What does not count as climate finance which are additional to ODA, market-rate loan, grant equivalent and concessional finance; any finance flowing to developing countries must consider fiscal constraints;

504. No option.

8.11 *{Additionality}*

505. Climate finance is distinct from Official Development Assistance (ODA) and humanitarian aid. While the latter two may address climate-related elements, we need to avoid double counting within these categories by ensuring amounts reported as climate finance reflect the climate-specific portion of support, rather than the entire allocation (non-climate and climate related);

506. Climate finance delivered as part of the NCQG should be new and in addition to ODA. No development finance should be redirected or labelled as climate finance;

507. Climate finance is distinct and therefore additional to current and future development finance (i.e. official development assistance ['ODA']) and/or humanitarian finance. This understanding is confirmed in Article 4(3) of the UNFCCC outlining that climate finance must be new and additional finance. Development and humanitarian finance can, however, have secondary objectives that are consistent with a pathway towards, or run concurrent and complimentary to, the objectives of responding to climate change under the UNFCCC regime;

508. Finance that uses ODA eligibility criteria for access is not climate finance. The COP under the UNFCCC has not agreed/established to the use of ODA eligibility requirements for eligibility criteria for accessing climate finance as provided for in Article 11(3)(a) of the UNFCCC 1992. By extension, the current operating entities of the Financial Mechanism (i.e. Global Environment Facility and Green Climate Fund) do not use these requirements;

509. The application of ODA eligibility criteria inhibits a number of particularly vulnerable developing countries including several SIDS from accessing climate finance. As a result, this shifts the costs of responding to climate change to those least responsible, most vulnerable, and with the least capacity, while alleviating

developed country Parties of their legal obligations under the Convention and the Paris Agreement;

510. No option.

8.12{Climate-development nexus}

511. It is important that developing countries are not forced to choose between climate action and poverty eradication. A substantial and needed increase in climate finance should not be at the expense of other development objectives, so an increase in climate finance should not lead to lower levels of ODA;

512. [Safeguards] Recognize the importance of developing and applying safeguards to avoid greenwashing and to ensure the NCQG is not hindering sustainable development and poverty eradication;

513. No option.

8.13{Policy incentives}

514. The NCQG is an opportunity to send policy signals to parties and other actors and key players;

515. We highlight the linkages between quantitative and qualitative elements. If we are to achieve the quanta, we also need to give directions for the actions we need to take in the form of incentives, encouragements, call to actions etc. We remain open to where these qualitative elements can be captured;

516. Providing incentives more broadly for all Parties to adopt a long-term perspective in the budget planning and to integrate climate considerations into their national development agendas;

517. Addressing how finance best can be used to implement NDCs and NAPs, as part of countries budget planning;

518. [Policy and enabling environments] Maximizing the impact of NCQG is only possible by having policies, regulations, standards and incentives in place that incentivize climate investments while at the same time reducing flows going to harmful activities, including fossil fuel subsidies. The NCQG itself can facilitate capacity-building for these enabling environments as well as for enhancing absorptive capacity. Calling on governments, regulators and supervisors, public and private financial institutions, rating agencies to create and strengthen the enabling conditions to support an upscaling of flows for climate action and addressing those flows running counter to climate objectives;

519. [Domestic macro-economic and fiscal policies] Call on Parties to mainstream climate action into macro-economic and fiscal policy, budgeting and procurement processes, and to develop climate specific finance strategies and investment plans, including by developing fiscal incentives to tackle market failures and other barriers to investment and by future-proofing public finance by redesigning the tax system for net zero and climate resilience;

520. Policy measures: encouragements or quant targets, e.g. alignment of finance flows, call, or x percent of finance flows to have on alignment, quant targets on removal of subsidies, emissions pricing, disclosure, reduce cost of capital of developing countries;

521. No option.

8.14{*Impact and effectiveness*}

522. A specific overarching paragraph capturing the importance of effectiveness, results and impacts. The paragraph should capture ways to reward ambition, in particular for developing country Parties that set ambitious climate policies;

523. Effectiveness and outcomes should be considered as core principles of climate finance;

524. Effective finance is finance that offers Full support of NDCs and NAPs and other national needs ie Just transitions and plans with adequate finance and its contribution to 2.1 a, b, to Sustainable Development and poverty eradication.

525. The qualitative elements must ascertain that countries have direct access to climate finance; the finance is responsive to the nature of our needs in the NDCs, and NAPs which includes nature of instruments, supporting level of ambition in developing countries. And this is reflected in the current reporting system;

526. Language on impact and effectiveness. Ensure that finance results in tangible outcomes and impacts is directed to where it is most needed, including enhancing access;

527. Thematic considerations could be captured elsewhere in the decision, e.g., in provisions relating to impact and effectiveness;

528. [Impact and effectiveness] Finance is a means to an end and needs to enable ambitious climate action and policy on the ground in order to deliver a long-term impact in the form of emission reductions and climate resilience. Call on all actors to enhance the effectiveness, efficiency and transparency of resource provision and use;

529. Recognizes the importance of effective and quality climate finance and of provision and mobilization efforts that maximizes impact, and

(a) Includes efficiency, accessibility, and impact as key qualitative elements of the new collective quantified goal;

(b) Stresses the importance of enhancing the measurement and reporting of the results and impacts of climate finance provided, mobilized, needed and received, in line with long-term goals of the Paris Agreement outlined in Article 2;

(c) Encourages Parties to continue to enhance access to climate finance, including by making efforts to, where feasible, simplify the climate finance architectures and enhances country ownership through supporting modalities such as direct access at the subnational and local levels, readiness and project preparation facilities;

(d) Reaffirms that the NCQG and its principles must respect human rights, the rights of Indigenous Peoples, gender equality and intergenerational equity;

530. Acknowledge need for impact and effectiveness, e.g. complemented by quant impacts and indicators, % of finance to gender, GHG emissions, and beneficiaries;

531. On impact and effectiveness we want to see an alternative option that looks at the degree to which support provided and mobilized is aligned with NDCs and NAPs;

532. Reference to impact and effectiveness in context section;

533. No option.

8.15{*Role of different actors*}

534. We must speak to the importance of IFI reform and the role that Multilateral Development Banks can play;

535. [Reforming the international financial system] Call on relevant international fora to make the financial system fit for purpose, fully addressing physical and transition risks for financial institutions and investors, and call for a review of prudential frameworks and standards with a view to taking full account of the implications of climate-related financial risks for financial stability;

536. [MDBs/IFIs] Call on MDBs and other IFIs to align their operations with the Paris Agreement objectives (do no harm) and contribute/increase their contribution to climate finance both in highly concessional forms of finance, by significantly increasing the mobilization of private finance and by better coordinating their efforts, including in recipient/client countries;

537. [Private sector] While recognizing the importance of and committing to a core of public finance and underscore the indispensable role of the private sector to reach financing at scale. Further stress the role and responsibility of the fossil fuel industry to support developing countries in transitioning away from fossil fuels in energy systems;

538. [Credit rating] Call on credit rating agencies and domestic and international regulators to ensure that the credit rating system fully integrates climate risks and transition risks, including notably also long-term time horizons;

539. [Addressing the insurance gap] Call on relevant international fora to integrate climate risk in their standards and guidance on supervisory practices;

540. In the context of speaking to MDBs, IFIs – qualitative elements should draw from the Sharm Implementation agenda that speaks to (para 61 and 62) multilateral development bank practices and priorities, align and scale up funding, ensure simplified access, deploying a full suite of instruments, from grants to guarantees and non-debt instruments, taking into account debt burdens, and to address risk appetite, with a view to substantially increasing climate finance;

541. NCQG should not be duplicating or infringing on the other track of discussions on 2.1.c, hence the discussion here is not on flows but on quantum, delivery instruments and responsibility to deliver as per article 9.1 of the PA;

542. No option.

8.16{*Gender, children/youth, indigenous peoples and local communities*}

543. The co-benefits of climate finance should also be a key element of their quality. We must ensure the NCQG maximise the co-benefits for people and nature, along with ensuring finance is gender-responsive, inclusive of children and youth and best supports the knowledge and practices of indigenous communities;

544. A specific paragraph capturing gender-responsiveness of climate finance and the importance of fostering broader nature and sustainable development co-benefits;

545. [Indigenous People / knowledge] Take into account the needs of Indigenous People who are often at the frontlines of climate change and encourage making use of Indigenous knowledge;
546. [Gender responsiveness] Ensure that climate finance is gender responsive with a view to further building the capacity of women who are disproportionately affected by climate change impacts;
547. Decides the NCQG and its principles should be human rights-based and gender-responsive and consider the people and communities on the frontlines of climate change, including women, youth, and Indigenous Peoples, as well as civil society, in recognition of their important roles in addressing and responding to climate change;
548. Children, youth, workers, local communities, gender transformative climate finance, acknowledge vulnerability of Indigenous Peoples and their role in best practices in climate finance;
549. Gender responsiveness climate finance could also be captured in quantitative terms;
550. CBDR - RC and adopt a climate justice perspective;
551. Reflect ambition to ensure finance is gender responsive, meaningful impact to women, girls and youth, human-rights aligned, indigenous people; could see quantitative elements incl. targets within the goal or outputs and impacts;
552. Nature positive finance, gender, IPs, youth, children, future generations through qualitative reference or quant targets (e.g. % share or dollar values of finance);
553. No option.

8.17{Capacity building and tech transfer}

554. Financing for technology transfer, actions for endogenous technology, capacity building, gender and action for climate empowerment should also be considered;
555. [Capacity building and technology transfer] Acknowledge that to fully encompass the vast elements suggested incl. In relation to strengthening enabling environments (and in practical terms in implementing mitigation and adaptation action), capacity building and technology transfer plays a key role;
556. Reference to capacity building and technology transfer;
557. No option.

IX. Transparency arrangements/Transparency arrangements and reporting/ Transparency and accountability arrangements

558. The new goal must be concrete, measurable and be based on the best available science;
559. Reaffirm the necessity for a common methodology and a transparency mechanism to track compliance with the goal and to correct course if necessary: what to count and what not to count as climate finance, and how to count it;

560. Decides that implementation of the NCQG will be periodically reported and reviewed;

561. Because the goal is collective, we support a lean collective tracking progress of the NCQG based on national bottom-up reports from all contributors as well as additional sources of information, which could then be aggregated and displayed by the SCF in a collective report such as the Biennial Assessment and Overview of Climate Finance Flows;

562. A solid transparency reporting system on the achievement of the new goal is needed, since there is no standardized methodology with clear and detailed information on the resources mobilized, sources, channels, and instruments. That must be overcome by providing information on climate-related activities, grant equivalence of non-grant instruments, accountability of the mobilization of private finance through public interventions;

563. transparency arrangements to be in line with Articles 9.5 and 9.7 which can be used with ETF;

564. The transparency and accountability arrangements would:

(a) Allow for the accurate and reliable measuring of the 'mobilization' of climate finance which includes: public sector provision of climate finance, and climate finance mobilized through public interventions;

(b) Use the biennial transparency reports of developing countries (particularly the support received section) and developed (particularly support provided and mobilized sections) as the primary reporting tool in the NCQG transparency and accountability arrangements;

(c) Outline arrangements for transparency and periodic review to ensure mobilization of such climate finance represents a progression beyond previous efforts, including clarity on the definition of climate finance;

(d) Establish and apply a standard/harmonized method for tracking what can be counted as climate finance (linked to the established definition and scope);

(e) Establish and implement a periodic review process of the NCQG in line with the proposed temporal scope for the NCQG mentioned above;

(f) Consider whether a link should be established with the Enhanced Transparency Framework's technical expert review of the Support Section in BTRs of developed countries providing support, and if so, how would that link be made;

(g) Consider the need for a monitoring mechanism/entity under the UNFCCC to monitor implementation progress of the NCQG;

(h) Consider how developed countries will be held accountable for ensuring that future iterations of the NCQG after its reviews represents progression beyond previous efforts as they take the lead in the mobilization in line with Article 9(3) of the Paris Agreement;

9.1 *{Modalities}*

565. Tracking and reviewing progress towards the NCQG through the ETF;

566. The Enhanced Transparency Framework (ETF) should form the basis of Parties' reporting under the NCQG;

567. Enhancement of the ETF for the NCQG to capture elements which are not currently accounted for under the ETF;
568. [ETF] ETF as the backbone of transparency arrangements together with the BTRs complemented by reporting such as the Biennial Assessments. Acknowledging that the ETF will likely not cover all relevant elements for the NCQG from the outset but noting that there is already a space for voluntary reporting;
569. [MPG] Note that the current ETF MPGs (Modalities, Procedures and Guidelines) already foresee that all those countries who are providing climate finance should report on it. Acknowledging that this would increase transparency, while encouraging and enabling coordinated, complementary and catalytic action;
570. The transparency arrangements under the NCQG should be based on processes and constituted bodies already established under the UNFCCC and the Paris Agreement, including the Enhanced Transparency Framework (ETF), the Global Stocktake, and reports produced by the Standing Committee on Finance (SCF). The ETF and its detailed set of modalities, procedures and guidelines should function as the reporting system under the NCQG, allowing the effective tracking and reporting of finance flows, by each country, and the progress towards achieving the new goal, including quantitative and qualitative elements;
571. Recognizes that the Enhanced Transparency Framework has a fundamental role in the reporting and review of progress of the NCQG by providing the information required to keep track of the progress on the achievement the goal and underlines importance of the Biennial Communications referred to in Article 9, paragraph 5, of the Paris Agreement, in enhancing predictability and clarity of information on financial support for the implementation of the Agreement;
572. Set the ETF as the backward-looking reporting tool without any changes - taking to account that it has very clear modalities, procedures and guidelines for developed countries that touch on issues that are key for all developing countries;
573. The ETF (and BTRs) should be the main source of information for NCQG monitoring and reporting (finance provided and mobilised by developed countries);
574. Decides that the Enhanced Transparency Framework of the Paris Agreement will serve as the transparency arrangements of the new collective quantified goal on climate finance and *recognizes* that an appropriate climate finance definition will ensure climate specificity of fund flows and commitment fulfilment by developed countries in line with Article 9 of the Paris Agreement;
575. It is important that we build the transparency arrangements on the ETF, recognizing that not all aspects of the goal will be captured in the current ETF;
576. We recognise the challenges raised on transparency relating to previous finance delivery, and see the ETF as a clear step in implementing a more robust and transparent process that will address many of these concerns, including shedding greater light on the accounting methodologies used, and it is because of this that we consider it to have such a crucial role;
577. To avoid duplication and make the best use of agreed structures, we should use existing mechanisms, including the Enhanced Transparency Framework (ETF), as the backbone of the goal's transparency arrangements. The ETF has been designed to speak to key policy considerations which will be included across the goal;

578. Decides that the transparency arrangements for the NCQG will draw on existing reporting mechanisms, including inter alia the Enhanced Transparency Framework and additional arrangements to be considered dependent on future deliberations;

579. Transparency arrangements based on, at minimum, the enhanced transparency framework, in particular its framework for transparency of support, and, an agreed definition of climate finance;

580. Recognizes the importance of transparency and accountability on financial flows for the implementation of the Paris Agreement and decides the NCQG will utilize the existing enhanced transparency framework, in line with Article 13 of the Paris Agreement, to track progress on the various elements of the goal, without prejudice to the outcome in 2024;

581. Decides that the transparency and reporting framework for the new collective quantified goal will draw on existing reporting arrangements under the Paris Agreement including, inter alia, the Enhanced Transparency Framework, and incorporate new arrangements as required to effectively monitor progress towards the achievement of the goal;

582. Considers that the transparency arrangements for the new collective quantified goal should utilise the Enhanced Transparency Framework and complement it as necessary with other sources of information reflecting the elements and the multi-layered structure of the NCQG. The transparency arrangements should correspond to the scope of the goal and the sources of finance;

583. Data collection, including direct the info needed as part of the transparency arrangement which could entail the following options:

- (a) Contributors to determine arrangements and indicator for information they provide
- (b) Design a bespoke transparency structure
- (c) Rely on ETF, goal distinct between mobilization and provision of the finance; need update of ETF;

584. Other tracking and reporting systems relevant to the NCQG.

9.2 *{Aggregate reporting/compilation/Role of the SCF}*

585. Collective tracking of progress could happen through the SCF, building on the Biennial Assessments and Overview of Climate Finance Flows (BA);

586. The Standing Committee on Finance (SCF) should play a role in tracking and reporting on the delivery of the NCQG. This should be done within the Biennial Assessment and Overview of Climate Finance Flows, including financial data in the BTR reports, assessing the adequacy of financial support provided and mobilized by developed countries to developing countries, providing recommendations and on its periodic update;

587. For reports on progress, the standing committee on finance to continue its work and recognize the need for improvements in their outputs. These improvements cannot be separated from an update of the SCF operational definition of climate finance - work that our group pushed for and secured in Dubai;

588. Processes such as the SCF report on NDR will be important to take care of the evolving needs of developing countries;
589. Aggregate level report and GST to enhance delivery of the NCQG;
590. [Role of the SCF] Acknowledge the value of the work of the Standing Committee on Finance. Foreseeing a continued role of the SCF, including through the Biennial Assessment;
591. Options to consider include:
- (a) Contributors to determine the compilation of info into a report (similar to OECD reports)
 - (b) Use existing reports under the SCF (e.g. BA)
 - (c) SCF to prepare a new bespoke report.

9.3 *{Frequency of reporting}*

592. Annual reporting;
593. Biennial reporting;
- (a) In line with established processes under the UNFCCC, such as BTRs, biennial communications;
594. Periodic reporting based on milestones;
595. Combination of reporting frequencies;
596. Longer timeline for goal review;
597. Frequency of reporting should be determined according to established processes under the UNFCCC and not according to budgetary cycles of developed countries;
598. Frequency of reporting could be aligned with
- (a) The ETF;
 - (b) NDC cycles;
 - (c) GST cycles;
 - (d) NDR cycles.

9.4 *{Features}*

599. We envision key elements in transparency: i) avoiding double counting, ii) ensuring that resources are implemented in developing countries, iii) avoid greenwashing. The above entails defining which activities and types of resources will be counted within the NCQG and which activities or resources will definitely not be considered as climate finance. In this sense, the elements of transparency will depend on how the new goal will be structured;
600. Include information on outcomes, linked to the context, including how Climate finance provided relates to outcomes of NDCs and NAPs and actions undertaken;

- 601. The degree to which support provided and mobilized is aligned with NDCs and NAPs;)
- 602. Link to agreed outcomes such as under the GST and the GGA and how the goal supports the implementation towards the outcome goal;
- 603. Outcomes and results: How finance is used in context of 2.1a-c.

9.5 *{Missing elements under the ETF}*

- 604. Additional transparency arrangements will need to be considered depending on what the final goal covers. This ambiguity should not stop us seeking early consensus on the role of the ETF as backbone to any NCQG transparency arrangements;
- 605. ETF will have to be updated based on outcomes of NDCs; ETF is beyond transparency and must also ensure
 - (a) Accountability, and as such include burden sharing arrangements among climate finance contributors, aligned with Art. 9.1 of the Paris Agreement;
 - (b) Arrangements that allow all developing countries to benefit from the NCQG;
- 606. Using burden sharing and the fair share of each developed country;
- 607. No reference to burden sharing arrangements;
- 608. [Review of the ETF] Noting that the upcoming review in 2028 provides an opportunity to update the ETF in manners that address any potential elements not adequately covered as pertaining to the final composition, context and elements in the goal. One of such important elements will include capturing impact and effectiveness and progress on mobilizing wider sources of finance;
- 609. [Data providers] Acknowledge importance of additional data providers and consider building on the rich experience and quality of these data in the review of the ETF;
- 610. The NCQG will need additional transparency arrangements to address, among other issues:
 - (a) Climate finance definition. Additional guidance/ elements should be in place to clarify what should be counted as climate finance and what should not;
 - (b) Monitoring and reporting responsibilities: frequency of reporting, the entity responsible for the consolidation of information and reporting;
 - (c) Adequate consideration of loss and damage as part of the transparency arrangements;
 - (d) How to enhance the accounting of climate finance mobilised by developed countries with the private sector?;
- 611. [Role of the SCF] Acknowledge the value of the work of the Standing Committee on Finance. Foreseeing a continued role of the SCF, including through the Biennial Assessment;
- 612. The inclusion of financing for loss and damage entails defining how it would modify the ETF before the next round of BTR. Current reports will transition to what will be suitable for the NCQG;

613. We see a need to mandate the collection of data/information not sufficiently covered today (private flows, alignment of flows etc.), potentially as part of the BA. We recognise the different obligations parties have under the Paris Agreement, and that private actors don't have obligations under the agreement. Still, we can capture and track private finance flows for climate action. There is scope for methodological improvements, but overview of private flows nevertheless provides accountability of private sector actions;

614. Information on the aspects not captured in the current ETF could be captured through other sources of information until the first regular review of the ETF in 2028. Parties could then consider their inclusion in the context of the first review of the ETF;

615. Call for voluntary action: to reflect on information earlier and account for information not captured under the ETF;

616. Articulate how to account for int finance flows currently not under reporting

- (a) Current providers who report officially;
- (b) Current public providers who don't report officially;
- (c) Public finance from new contributors.

9.6 *{Forward-looking reporting/Reference to Art. 9.5 of the Paris Agreement}*

617. The Biennial Communications presented under Article 9, paragraph 5 of the Paris Agreement, as an ex-ante report, should be used to provide predictability and accountability to the climate finance flows to be provided to developing countries in the implementation of their NDCs, NAPs, LTS, and other planning strategies;

618. For forward looking reporting we respected Article 9.5;

619. Ex-ante reporting on how much-developed countries will provide as part of the existing arrangements under Article 9.5 will be very helpful. This should be complemented by an ex-ante burden-sharing mechanism between the developed countries;

620. Decides that Biennial Reports under Article 9, paragraph 5, of the Paris Agreement will serve as the forward-looking transparency arrangements of the new collective quantified goal on climate finance;

621. We believe that a mix of short-term time frames allowing for a combination of annual targets and cumulative targets will enable us to take care of any shortfalls in the delivery of the funds and also the evolving needs of developing countries;

622. Progress in the delivery of the new goal should also be assessed as part of each Global Stocktake, considering the best available science, in particular from the IPCC;

623. Avoid double counting, how to accurately report mobilized finance, how support enables the implementation of NDCs, NAPs and other national plans, and how finance is new and additional and represents a progression over time. Climate finance is distinct from Official Development Assistance (ODA) and humanitarian aid;

624. Alignment with NDCs/NAPs and national plans of developing countries;

625. For forward looking reporting we respected Article 9.5;

626. A loop back to results and impact, e.g. by requesting that the collective report to track the progress of the implementation of the NCQG should also track progress of how the implementation of the NCQG and its components has supported the achievement of the foreseen collective outcomes and targets captured in the GST, the GGA framework and the MWP;

627. No option.

9.7 *{Review}*

628. Review of the quantum, whether quantum delivered and quantum needed in the future (also in the context of Art. 9.5);

629. Reference to a goal periodic review, incl. at GST and informed by the IPCC; frequency of measurement to be annually to see if goal is achieved which is linked to accountability and predictability;

630. Implementation period for the new goal to be ten (10) years with a waypoint for its periodic review at year 5 and year 10, respectively, in said period. The new goal may be subject to any further reviews on its adequacy based on outcomes from UNFCCC process such as the Global Stocktake and the Periodic Review of the Long-Term Global Goal. Furthermore, sub-goals and intermediate targets are important, especially in the context of an implementation 'road map' across each period;

631. Two-year review process;

632. No option.

9.8 *{Revision}*

633. Decides that the NCQG will be adjusted to reflect the evolving needs of developing countries and effectively support climate action;

634. Decides that the review and adjustment of the NCQG will be informed by the outcomes of the GST, among other sources;

635. An increase in temperature would require subsequent increase of the quantum to fill ambition gap, as cost of adaptation actions and responses to loss and damage would increase;

636. Revisions of the NCQG to be in line with the NDC and GST cycles;

637. Frequency of Party-driven periodic revision

(a) Short-term time frame (5 years);

(b) Medium-term time frame (10 years);

(c) Long-term time frame (>10 years).

638. Support a biennial collective tracking progress consistent with the ETF timeframe but does not support the review and / or revision of the goal;

639. No revision, if Parties agree on a revision it has to be on all elements of the goal;

640. No revision.

9.9 *{Climate finance definitions}*

641. The definition of climate finance is key for adequate accounting and transparency of the goal. For NCQG delivery, it needs to be clear what climate finance is and what is not. This is directly linked to the scope/type of activities that should be excluded from NCQG funding;

642. Climate finance definition is highly relevant in this context. Coupled with ETF, the definition will allow for more trust in the accounting of climate finance flows under the new goal. This will entail not counting ODA, non-concessional flows, and non-climate specific flows as climate finance under the NCQG. We do not agree that there is a nationally determined approach as far as the definition is considered, as there are clear mandates under the convention and its agreement, for instance, Article 9 clearly specifies that developed countries need to provide and mobilise finance;

643. Decides to define and implement a common operational definition of climate finance as part of the transparency arrangements of the NCQG;

644. [Placeholder: Underline that the definition of climate finance is critical and should be concluded at least by COP28 to inform the dialogues on NCQG going into 2024. In the absence of a clear definition of climate finance, understanding of the scope of the NCQG is not clear in regard to clear differentiation between adaptation, mitigation and loss and damage.];

645. Inclusion of climate finance definition and what is not to be counted as climate finance under the NCQG – which run across both transparency and qualitative elements;

646. How to address avoidance of double counting;

647. No reference to climate finance definitions.

X. Follow-up

648. [ETF] In light of the review of the ETF in 2028, transparency arrangements can be updated, including on the basis of available data, to reflect the reporting and transparency needs and requirements of the NCQG, including in order to effectively track progress;

649. No option.

XI. Access features

650. Access needs to be efficient and swift across all channels for all developing countries;

651. Options referred to in section 8.7.

XII. Scope

652. The goal must consider needs for adaptation, mitigation and loss and damage;

653. Identification of 'what is climate finance?' in relation to the NCQG and its objective (i.e. to actively contribute to the global climate change response), including what are its thematic areas of focus, and what cannot be deemed as climate finance;

654. No option.