

ELG Submission on the Veredas Dialogue

Version 2, 23rd March 2026, with minor updates to the version from 28 February 2026,

The ELG is pleased to share its views on the topics for the Veredas Dialogue (including the Xingu Finance Talks) in 2026, in response to the call for submissions based on Decision 11/CMA.7, para. 19.

We very much welcome the continued dialogue among Parties and other stakeholders on “Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development” (Article 2.1c) under the Paris Agreement. We expect the Veredas Dialogue to build on the Sharm-el-Sheikh Dialogue with a clear focus on implementation and enhancing the format of exchange (including the high-level Xingu Finance talks) consistent with the safeguards contained in Decision 11/CMA.7.

We would like to hereby share the reflections of our group on the objective and desired outcome in 2026 as well as the process, format and potential participants of the dialogue.

Objective and desired outcome of the dialogue in 2026

The key objective of the Veredas dialogue should be to produce meaningful continued insights on the progress of implementation of Art. 2.1c) of the Paris Agreement, including as input for the second Global Stock Take (GST2) at COP33. These insights should cover:

- Global status of the consistency of financial flows with a pathway towards low greenhouse gas emissions and climate-resilient development, inter alia through scenario-based approaches informed by the latest available science
- Insights on policies, measures and initiatives that have been effective in advancing the implementation of Art. 2.1c) of the Paris Agreement, in particular: a stocktake and sharing of experiences, incl. lessons learnt and best practice examples related to the alignment of global financial flows with a pathway towards low greenhouse gas emissions and climate-resilient development
- Concrete recommendations for parties and other actors on how to advance efforts on the implementation of Art. 2.1.c) of the Paris Agreement based on the experiences shared during the Sharm el-Sheikh Dialogue and the Veredas Dialogue, including through capacity building.

To make meaningful progress towards this objective, the Veredas dialogue should in our view produce the **following outcome in 2026**,

- Summary of insights on status of financial flows and its gap towards 2.1c), as well as open questions,
- Summary of insights on policies, measures and initiatives that have been effective in advancing 2.1c
- Initial ideas for recommendations also reflecting insights from the annual high-level round table (Xingu Finance Talks)

This outcome should be visible in the annual report on deliberations under the Veredas Dialogue for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.

Process, format and participants

Process

- **Preparation for first session**
 - The Co-Chairs should aim to share the agenda and underlying documents at least two weeks in advance of the June session
 - The Co-Chairs should suggest an agenda around key themes. As EIG we suggest the topics of;
 - Climate transition plans of actors in the financial sector
 - Push- and pull factors to the support the channelling of financial flows to underserved sectors and geographies. Ideally these factors are discussed in sectoral sessions (agriculture, buildings, energy, forestry, industry, transport)
 - Underlying documents should include reports and insights from the Standing Committee on Finance, the IPCC and other sources of information, such as the OECD, the UN Regional Commissions (ECLAC, ESCAP, ECE, ECA, ESCWA), financial coalitions, think tanks and other relevant reports, on the status of financial flows and their alignment with the goals under the Paris Agreement.
- **First Session (in conjunction with the first regular sessions of the subsidiary bodies of the year)**
 - Place/timing: ideally two days or 4 half days during the SB session in June, with the possibility to have online participation.
 - Content: The session should be focussed on key themes (see suggestions under “preparation for first session”), for which technical experts are invited to present. There should be sufficient time available for question-and-answer sessions of participants with experts and break-out sessions for a targeted exchange among Parties based on guiding questions and with a view to inform the co-chairs to prepare concrete recommendations.
 - Participants: parties, observers, technical experts. As reflected in Decision 11/CMA.7, para. 11, the dialogue should be organized in an open, transparent and inclusive manner, be open to all Parties, and engage all actors, including governments and financial and non-financial sector actors
 - Outcome: Co-Chairs are requested to prepare a report with concrete recommendations for consideration by Parties at CMA8. In our view the recommendations should facilitate enhanced action domestically and internationally.
- **Xingu Finance talks (High-Level roundtable)**
 - Place/timing: Back-to-back or embedded in an existing event where high-level finance experts are present, e.g. World Bank annual meetings, Building Bridges in Geneva, or New York Climate Week
 - Content: The roundtable should be organized in small groups to enable a fruitful dialogue and focus on the key macroeconomic, political and regulatory questions, building on insights from the technical dialogue, with the aim to carve out recommendations, and be informed by the latest available data on the consistency of financial flows with a low-emission and climate resilient development pathway.
 - Participants: The roundtable should be organized, to the extent possible, in small groups to enable fruitful discussions. Holding sessions in a large plenary will only lead to a series of high-level statements without real dialogue. The Presidency should, in consultation with the co-chairs of the Veredas dialogue, specifically invite 15-20 high-level representatives, ensuring regional balance, from central banks and financial market regulators (e.g. from NGFS, FSB, IOSCO, BCBS), international financial institutions (e.g. from IMF, World Bank, regional development banks), national development banks (e.g. IDFC representatives) and the private sector (e.g. from GFANZ, IIGCCC, private sector representatives of PRI, Insurance Development

Forum, philanthropies) as well as all interested Parties and non-Party stakeholders, including the Climate High-Level Champions to provide inputs and lead the discussions.

- Outcome: The Presidency should write a short report on insights from the Dialogue, for consideration by the Co-Chairs of the Veredas Dialogue for their annual report, and for consideration by Parties at the next CMA.

- **Annual report**

- We expect that the Co-Chairs report will summarize the deliberations under the Veredas Dialogue, including the annual Xingu Finance talks, for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement. The report should contain, first, an assessment on progress made and gaps identified with regards to the three elements outlined above (insights on the status of financial flows, insights on policies and measures, and recommendations) and, second, recommendations on next steps under the Veredas Dialogue to generate the necessary further insights for the next Global Stocktake (GST).