

GROUP SUR

1st Meeting under the Ad hoc work program for the NCQG

Cartagena, Colombia. April 25-26 2024

Introductory remarks:

- The new goal must be concrete, measurable and be based on the best available science.
- 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.
- 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.
- 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.
- 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.
- It must be balanced between mitigation and adaptation and include the third pillar of loss and damage response to address developing countries' evolving needs.
- 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.
- 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.
- 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.
- NCQG must address "dis-enablers" of climate finance such as the high cost of capital or unilateral measures.

On Quantitative elements:

- 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.
- 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.
- Contributors and recipients: as stated in article 9 of the PA. Article 4 of UNFCCC is still and always relevant. Otherwise, we would be diluting historical responsibilities of developed country parties.
- Quantum: must reflect the bottom-up approach of the PA responding to the priorities and needs of our countries as reflected in NDC, NAP, in the pursuit of sustainable development and poverty eradication
- Eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development.

On thematic elements:

- Integration with other processes under the UNFCCC and PA such as the GST, MWP and GGA
- The goal should cover finance for mitigation, adaptation and loss and damage
- Do not support a structure that inadvertently can create additional barriers for accessing resources. 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.

Qualitative elements:

- Grant-based or grant equivalent concessional finance. The process of setting a new goal should not result in further indebtedness for the global south.
- CBDR-RC and adopt a climate justice perspective.
- 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.
- Facilitate access to all sources of climate finance, since there is an urgency for enhanced action to keep the 1.5 goal within reach
- Capacity building, including on how to access resources available, be it through bilateral channels or through the Financial Mechanism and MDBs.