Australia's Remarks in the GST Roundtable on Means of Implementation – 9 June 2023

Note our broad support for the emerging messages presented by the co-facilitators.

We see the GST as a waypoint to mark what we have achieved, where we are falling behind and how we must chart our path to course correct in this critical decade. The Global Stocktake is a critical juncture for us to reflect upon the progress we have made towards the achievement of the global goals, including 2.1c, enabled by means of implementation.

In looking back we should be frank in our assessment – substantial progress has been made.

- The OEDC report on Climate Finance, and the outcomes of the Petersburg Climate Dialogue demonstrate confidence in mobilizing" USD 100 billion in climate finance this year.

- Adaptation finance has doubled prior to 2020.

- Multilateral public finance has risen by 150% over the course of the $100bn timeframe.

- According to the IEA 1.7 trillion USD is set to be invested in clean energy in 2023.

- Australia is also proud to say that we are on track to meet our $2 billion climate finance goal, with over 66% of the spent on adaptation, the majority through grants. In addition, we have increased our Official Development Assistance by $1.4 billion, including $900 million for the Pacific, which will include working with the Pacific to strengthen climate resilience, including through climate science and renewable energy.

Our collective ambition, too has lifted: COP26 we urged for a doubling of our collective provision of adaptation finance by 2025 and at COP27 we agreed to establish new funding arrangements, and a fund, to support particularly vulnerable developing countries to address loss and damage.

We must all collectively recognise that we need rapid action and ambition to unlock and mobilise the finance necessary to deliver on the goals of the Paris Agreement. The IPCC 6th Assessment Report found with high confidence that 'There is sufficient global capital to close the global investment gaps but there are barriers to redirect capital to climate action.' We cannot ignore this, we must ensure we address the enabling conditions which are crucial to achieving our gaols, including ensuring that our international financial architecture is fit for purpose; that we increase demand for investment, to enhance market creation and confidence, and to leverage private finance at scale.

More action is needed to support particularly vulnerable developing countries, including SIDS and LDCs to address climate impacts, without exacerbating current debt burdens (which requires us to look a both the way we deliver finance, but also opportunities for creation of greater fiscal space). We are also failing to effectively mobilise finance at scale to all regions of the world, and that there are significant challenges to accessing adequate finance, particularly for SIDS. We recognise and echo points made by AOSIS colleagues, on the quality and impacts of finance, robust safeguards and the desperate need for us to contemplate new means of ensuring that wherever possible, capacity is built and held in county.

The AR6 states with high confidence that current global financial flows for adaptation are insufficient for, and constrain implementation of, adaptation options, especially in developing countries and with this we note our concern that the public sector continues to provide almost *all* adaptation financing and it represented just 14% of total public finance.

We also need to think about how we, as parties in this process can use the NCQG to help to define what it means to be aligned with 2.1C, and how we can build measurable frameworks around this goal.

The GST must demonstrate our ambition to undertake meaningful step change in aligning all global finance flows with the goals of the Paris Agreement – Not only to rapidly scale up and mobilise climate finance to address growing finance needs, but to increase synergies across our financial architecture, to enhance access to and quality of this finance. It must also direct us to look at opportunities, areas for greatest growth, particularly to ensure that this growth is available to those most vulnerable.