

**Submission by Timor-Leste on behalf of the Least Developed Countries (LDC) on the work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole.**

The LDC group welcomes the message from the co-chairs of the work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole and their invitation to provide views on the following guiding questions:

**a) What are your overall expectations for the climate finance work programme? What concrete outputs and outcomes should the climate finance work programme deliver?**

- The two-year work programme on climate finance should be a party-driven space to enhance clarity, examine linkages, and address critical issues in the implementation of climate finance provisions under both the Convention text and the Paris Agreement. Provisions to examine should include Article 4.3 of the Convention text, as well as Article 4.5 and Article 9 of the Paris Agreement, in particular Article 9.1.
- The COP30 decision established the work programme but provided no further guidance on its implementation and possible outcome. The LDC group believes that by COP32/CMA9 (2027) the work programme should deliver a substantive outcome for CMA consideration, leading to concrete action for effective implementation of climate finance commitments.
- The work programme and its outcome should help to provide further clarity on how the USD 300 billion goal by 2035 under the New Collective Quantified Goal on Climate Finance (NCQG) will be delivered, particularly with regard to public finance under Article 9.1.
- The implementation of the work programme should be guided by the principles of equity and fairness, taking into account the needs and priorities of the Parties that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the LDCs and SIDS.

**b) What are the thematic pillars of the climate finance work programme and the related subtopics that we should address within each pillar?**

- The work programme on climate finance could be structured around the following thematic elements relevant to the implementation of Article 9 of the Paris Agreement, particularly article 9.1:
  - Access to finance
    - Provision of climate finance by developed countries to developing countries.
    - Channels, instruments and conditions for enhanced access to public finance.
    - Consideration of the needs and special circumstances of LDCs and SIDS in accessing finance.
  - Quality of finance
    - Increasing the share of grants in the provision of public finance.
    - Minimising debt burden and fiscal stress.
    - Addressing the high cost of capital and the transaction costs.
    - Delivering a balance between finance for mitigation and adaptation.
    - Support for addressing loss and damage.
  - Transparency and accountability
    - Climate finance definition.

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- Reporting of climate finance provided, including elements that should be updated in the upcoming ETF MPGs review.
- c) How should the climate finance work programme be organized to ensure that the format is inclusive, balanced, and technically robust, while addressing climate finance comprehensively and delivering outcomes that are actionable and meaningful?**
- The LDCs consider this work programme to be a party-driven process, with dedicated sessions for engagement between Parties.
  - Balanced and effective participation of Parties should be ensured throughout the work programme, particularly for vulnerable groups of countries with capacity constraints and special circumstances, including LDCs and SIDS.
  - Discussions and progress made in sessions ahead of COP32 should not be lost and could be captured, for example, as an informal note prepared under responsibility of the co-chairs.