

Second 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.

Views on the vision, modalities, and elements to be addressed in the next year 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;

- The LDC group welcomes the message from the co-chairs of the work programme on climate finance and their invitation to provide further views on this matter.
- COP 30 formally established the Work Programme through the *Mutirao* decision. However, in this decision, parties provided no further guidance on the work programme's scope, its implementation and possible outcome.
- Views expressed by Parties in the first round of submissions and during the SB64 sessions in June 2026 reflect diverging perspectives on these elements, which has delayed the start of the work.
- In this context, the LDC Group aligns with the G77+China regarding the need for an agenda item to discuss and agree on these matters before engaging on substantive deliberations.
- In addition, the LDC highlights that the COP30/CMA7 Presidency has clarified that the CFWP should be included as a sub-element of the agenda item "climate finance matters" during CMA 8. The provisional agenda for CMA 8 published on 7 September is addressing this matter.
- The LDC stresses that 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.
- The LDC reiterates its view that 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 finance-related obligations and commitments agreed under the Convention and the Paris Agreement.
- Key provisions to consider include Articles 4.3, 4.4, 4.5, 4.7, 4.8 and 4.9 of the Convention text, as well as Article 4.5 and provisions under Article 9 of the Paris Agreement, particularly its articles 9.1 and 9.4.
- Enhanced access to grant-based public finance is critical for the implementation of climate action in LDCs, especially for adaptation and loss and damage. Its importance and urgent need for LDCs and SIDS has been clearly outlined in the GST, NCQG and *Mutirao* decisions.

- The work programme and its outcome should facilitate the implementation of agreed obligations and commitments, especially the USD 300 billion goal under the NCQG and the goal for tripling adaptation finance by 2035 by providing clarity on how these goals will be delivered, particularly regarding public finance under Articles 9.1 and 9.4.
- The work programme on climate finance should assess implementation of Article 9.1 in the context of article 9 and the overall implementation of the Paris Agreement and the Convention, as well as progress made and challenges related to:
 - Scale and access to finance:
 - Channels, instruments and conditions for enhanced access to public finance.
 - Addressing the needs and special circumstances of LDCs and SIDS in accessing climate 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, and support for addressing loss and damage.
 - Enhancing gender-responsive climate finance, including relevant finance-related activities under the Belém Gender Action Plan 2026–2034.
 - Transparency and accountability
 - Reporting of climate finance provided, including elements that should be updated in the upcoming ETF MPGs review.