

DRAFT TEXT

on

COP 26 agenda sub-item 8(a) Matters relating to finance Long-term climate finance

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Proposal by the President

Draft COP decision on long-term climate finance

The Conference of the Parties,

Recalling Articles 4 and 11 of the Convention,

Also recalling decisions 1/CP.16, paragraphs 2, 4 and 97–101, 1/CP.17, 2/CP.17, paragraphs 126–132, 4/CP.18, 3/CP.19, 5/CP.20, 1/CP.21, 5/CP.21, 7/CP.22, 6/CP.23, 3/CP.24, 11/CP.25, paragraph 10, and 5/CMA.2, paragraph 10,

1. *Recalls* the commitment of developed country Parties, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing country Parties in accordance with decision 1/CP.16;
2. *Welcomes* the recent pledges made to the Adaptation Fund (totalling USD 351.6 million) and to the Least Developed Countries Fund (totalling USD 431 million);
3. *Notes* the continued efforts of developed country Parties towards reaching the goal of mobilizing jointly USD 100 billion per year by 2020, in the context of meaningful mitigation action and transparency on implementation, in accordance with decision 1/CP.16;
4. *Notes with concern* the lack of private sector finance within the delivery of the goal of mobilizing jointly USD 100 billion per year by 2020 and *welcomes* that a substantial component of climate finance provided by developed country Parties is provided from public finance, and in this regard, *highlights* the importance of public climate finance in supporting developing country Parties;
5. *Notes with serious concern* the gap in relation to the fulfilment by developed country Parties of reaching the goal of mobilizing jointly USD 100 billion per year by 2020, in the context of meaningful mitigation actions and transparency on implementation, in accordance with decision 1/CP.16, and *urges* developed country Parties to continue to provide climate finance towards achieving this goal;
6. *Acknowledges* the need to support developing country Parties in implementing the Convention;
7. *Recalls* that, in accordance with decision 1/CP.21, paragraph 53, developed countries intend to continue their existing collective mobilization goal through 2025 in the context of meaningful mitigation action and transparency on implementation;
8. *Notes with appreciation* the first report of the Standing Committee on Finance on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement¹ and the fourth (2020) Biennial Assessment Report on Climate Finance Flows;²
9. *Notes* the recent pledges, *acknowledges* that some developed country Parties have already doubled their provision of adaptation finance and *requests* other developed country Parties to significantly increase their provision of adaptation finance, including by, as

¹ Available at unfccc.int/documents/307834.

² Available at <https://unfccc.int/documents/307812>.

appropriate, considering doubling adaptation finance with the aim of achieving a balance between mitigation and adaptation;

10. *Welcomes* the progress of Parties' efforts to strengthen their domestic enabling environments in order to attract climate finance and *requests* Parties to continue to enhance their enabling environments and policy frameworks to facilitate the mobilization and effective deployment of climate finance in accordance with decision 3/CP.19;³

11. *Emphasizes* the importance of an effective and coherent climate finance landscape in maximizing access to climate finance in meeting the needs and priorities of developing country Parties;

12. *Requests* the Standing Committee on Finance to continue its work on definitions of climate finance, taking into account the submissions received from Parties on this matter,⁴ with a view to providing input to the Conference of the Parties at its twenty-seventh session (November 2022) for its consideration;

13. *Also requests* the Standing Committee on Finance to undertake further work on mapping the available information relevant to Article 2, paragraph 1(c), of the Paris Agreement, including its reference to Article 9 thereof, with a view to providing input to the Conference of the Parties at its twenty-seventh session for its consideration;

14. [Placeholder for the outcome of the COP determination of resources needed in accordance with Art. 11.3 (d) and COP decisions 12/CP.2 and 12/CP.3 (GEF) and 5/CP.19 (GCF)]

15. *Notes* the biennial submissions received to date from developed country Parties on updated strategies and approaches for scaling up climate finance from 2014 to 2020 in accordance with decision 3/CP.19, paragraph 10, and *takes note* of the compilation and synthesis thereon;⁵

16. *Notes* the summary reports on the 2019⁶ and 2020⁷ in-session workshops on long-term climate finance, in particular discussions on progress in mobilizing and scaling up climate finance held by the Presidency of the Conference of the Parties at its twenty-sixth session and *invites* Parties and relevant institutions to consider the key messages contained therein;

17. *Notes with appreciation* the note by the Presidency of the twenty-fourth session of the Conference of the Parties on the third biennial high-level ministerial dialogue on climate finance,⁸ particularly the key messages contained therein;

18. *Welcomes* deliberations of the fourth high-level ministerial dialogue on climate finance and *looks forward to* the summary to be prepared by the Presidency of the Conference of the Parties;

19. *Decides* to conclude the discussions on long-term climate finance in 2027;

20. *Requests* the Standing Committee on Finance to prepare a report in 2022 on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation, taking into account the Climate Finance Delivery Plan⁹ and other relevant reports, and to continue to do so in the context of the preparation of future biennial assessments and overviews of climate finance flows;

21. *Decides* to convene biennial high-level ministerial dialogues on climate finance in 2022, 2024 and 2026 and *requests* the Presidency of the Conference of the Parties to summarize the deliberations at the dialogues;

³ Decision 3/CP.24, para. 7.

⁴ Decision 11/CP.25, para. 10.

⁵ FCCC/CP/2019/INF.1.

⁶ FCCC/CP/2019/4.

⁷ FCCC/CP/2021/6.

⁸ FCCC/CP/2019/7.

⁹ Available at <https://ukcop26.org/wp-content/uploads/2021/10/Climate-Finance-Delivery-Plan-1.pdf>.

22. *Invites* the Presidency of the twenty-seventh session of the Conference of the Parties to organize the high-level ministerial dialogue on climate finance in 2022 on the progress and fulfilment of the goal of mobilizing jointly USD 100 billion per year by 2020;

23. *Reiterates* that the secretariat, in collaboration with the operating entities of the Financial Mechanism, United Nations agencies and bilateral, regional, and other multilateral channels, will continue to explore ways and means to assist developing country Parties in assessing their needs and priorities in a country-driven manner, including their technological and capacity-building needs, and in translating climate finance needs into action;¹⁰

24. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in paragraphs 20 and 23 above;

25. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

¹⁰ Decision 6/CP.23, para. 10.