07 June 2024

Updated input paper for the second meeting under the ad hoc work programme the on new collective quantified goal on climate finance

Explanatory note from the co-chairs:

1. This updated input paper was prepared by us, the co-chairs of the ad hoc work programme on the NCQG, with the purpose of facilitating discussions at the second session of the second meeting under the ad hoc work programme. It is not exhaustive and has no status.

I. Preamble

Note: This element aims to reiterate or recall previous decisions relevant to the NCQG and/or recognize progress made

1. Recalling Articles 2 and 9 of the Paris Agreement,

2. Recalling Article 2.1c and Article 9.3 of the Paris Agreement,

3. Recall decision 1/CP.21, para. 1,

4. Recalling decisions 1/CP.21, paragraph 53, 14/CMA.1, 9/CMA.3, 5/CMA.4 and 8/CMA.5,

5. Recalling decisions 1/CP.21, paragraph 53, 14/CMA.1, 9/CMA.3, 5/CMA.4 and 1/CMA.5,

6. Recalling decision 9/CMA.3, paragraphs 3 and 4, on the creation of the ad hoc work programme,

7. Recalling decision 1/CMA.4, paragraph 56, and recognizing that existing levels of support from developed country Parties is not enough to deliver on the existing levels of ambition in developing country Parties and notes with concern the lack of progress in advancing and operationalizing Article 4, paragraph 5, of the Paris Agreement in light of Article 4, paragraph 7, of the Convention;

8. Recalls that the Paris Agreement, in enhancing the implementation of the Convention, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty;

9. Reiterates that the new collective quantified goal aims at contributing to accelerating the achievement of Article 2 of the Paris Agreement of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change; increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emission development in a manner that does not threaten food production; and making finance flows consistent with a pathway towards low greenhouse gas emission and climate-resilient development;

10. Reference to previous decisions, guiding principles under the Convention and Paris Agreement, notably Articles 2.1 and 2.2., 3.5, 9.1, 9.3, 9.5 and 9.7 of the Paris Agreement; as well as relevant decisions from Glasgow, Sharm el-Sheikh and Dubai GST outcomes;

11. Reaffirm that the NCQG and its features must be in accordance with the Paris Agreement and the principles and provisions of the Convention;

12. The NCQG must be in accordance with the Paris Agreement and the principles and provisions of the Convention, clearly capturing the provisions in writing and not just mentioning/referencing them. In particular, NCQG must be decided in accordance with Article 4 of the Convention, paragraphs 52 and 53 of decision 1 CP/21, and the full Articles 2 and 9 of the Paris Agreement;

13. The NCQG shall be set in the context of Article 9 of the Paris Agreement, and Articles 4 and 11 of the Convention, stressing the developed countries' commitment for the provision of financial resources to assist developing country Parties, and their leadership in mobilizing climate finance to developing countries, noting the significant role of public funds to support country-driven strategies and taking into account the needs and priorities of all developing countries in the implementation of the Paris Agreement;

14. Reiterates that the NCQG should be set in accordance to Article 4.3 of the Convention, with developed countries providing new and additional financial resources;

15. Reiterate past NCQG decisions as well as Art. 9.3 and Art. 2.1c of the Paris Agreement;

16. Restate paragraph 15 of 9/CMA.3, including Article 2 including chapeau and 2.2, Article 3, Article 9 and Article 4 of the Convention -for Article 2;

17. Reiterates that the consideration of the new collective quantified goal will be set from a floor of USD 100 billion per year in the context of meaningful mitigation actions and transparency of implementation and taking into account the needs and priorities of developing countries, in line with decision 14/CMA.1;

18. Reiterates that the NCQG will be set from a floor of US$100 billion per year, taking into account the needs and priorities of developing countries;

19. The NCQG must be fully in accordance and not contradict the provisions and principles of the Convention as the framework agreement governing our climate regime;

20. Article 9 of the Paris Agreement guiding the developed countries to provide and mobilize resources in line with the needs of developing countries;

21. Article 3 of the Paris Agreement, which guides developing countries to provide ambitious NDCs as part of the global effort to achieve Article 2 as a whole;

22. No reference to Article 2.1(c) as a standalone;

23. NCQG as the continuation of the USD 100 billion as per 1/CP.21 paragraph 53;

24. No reiteration of COP decisions (except paragraph 53 of 1/CP.21) or Articles of the Convention as the NCQG decision will be a CMA decision only;

25. Reference to CBDR in the context of evolving respective capabilities;

26. No reference to evolving respective capabilities in the context of CBDR.

II. Context

Options for placement:
1. As a standalone element 2. Embedded throughout various elements of the NCQG, e.g. qualitative and quantitative elements and structure of the goal

2.1 *{General context/Overarching}*

27. Recognition of the importance of just transitions, resilience building, the promotion of sustainable development, and the eradication of poverty in developing countries;

28. The NCQG is in the context of meaningful action and transparency of implementation;

29. The NCQG is in the context of efforts of all Parties to pursue climate action in line with a 1.5 degree climate resilient future;

30. The NCQG is in the context of efforts to scale up investments and Climate Action from all sources, domestic, international, public and private sources;

31. The NCQG is in the context of the efforts of all Parties to take policy actions to incentivize climate action;

32. The NCQG is in the context of the evolving needs and capacities of all Parties;

33. Recognition that climate finance is a means to a targeted end, new and additional finance, climate finance is specific to achieving objectives of the Paris Agreement;

34. The NCQG decision needs to reflect

(a) General provisions, including:

(i) how is the goal going to scale up assistance to developing countries to contribute to achieving the goals of the Paris Agreement such as sustainable development and poverty eradication;

(ii) how can science inform the goal;

(b) How will the goal respond to achieving a balance between adaptation and mitigation;

(c) How to respond to the need for public and grant based finance;

(d) How to respond to country driven strategies incl. needs and priorities of developing countries, especially of particularly vulnerable and capacity constraints such as LDCs and SIDS, to evolving needs, particularly needs responding to LnD;

(e) Operational aspects;

(i) What are developed country obligations in respect to the goal, especially in relation to provide financial resources and assist developing countries (follow structure of Art. 9);

(ii) What other developed country commitments related to taking the lead on mobilization of financial sources, instruments and channels, balance between mobilization and provision of finance;

(f) Cross-cutting issues:

(i) How can the goal respond to developed country obligations to provide transparent and consistent information;

(ii) what counts towards the NCQG;

(iii) how can the goal contribute to climate justice and fairness;

(iv) How can the goal respond to requirements on access;

(v) How can the goal ensure that those who need climate finance can get it in an efficient and effective manner;

(vi) The NCQG needs to have clear features to enhancing access, especially for LDCs and SIDS;

(vii) How can the goal respond to lessons learned from USD 100bn goal, predictability, fair burden sharing arrangements;

(viii) How can the NCQG address dis-enabler such as high-cost of capital, high transaction cost;

35. Notes the importance of commitments under Article 9 of the Paris Agreement, and agrees that the New Collective Quantified Goal will consist of finance flows that support the delivery of the long-term goals of the Paris Agreement;

36. Considers that the new collective quantified goal should be global in scope and contribute to achieving the long-term goals in Article 2 of the Paris Agreement;

37. Acknowledges that the New Collective Quantified Goal in order to support science will include a long-term aim to scale up all finance that contributes to and accelerates the achievement of all the long term goals in Article 2 of the Paris Agreement, while also providing a clear signal of action required in the next decade to keep 1.5 degrees within reach;

38. Decides that the new collective quantified goal should take into account the importance of contributing to the achievement of the long-term goals of the Paris Agreement as articulated in its Article 2.1, the need to align all financial flows with a pathway toward low greenhouse gas emissions and climate resilient development, and the needs and priorities of developing countries;

39. The NCQG should be fit for purpose, highlighting that embedded in its spirit is the purpose to support developing countries. Since the NCQG must also contribute to accelerating the achievement of Article 2, the resources mobilized under the NCQG should enable developing countries in meeting their climate goals by enhancing their adaptive capacities and transitioning to a low-carbon economy. All of this within the context of sustainable development, efforts to eradicate poverty and just transitions;

40. Acknowledge that financial support is required to advance nationally determined contributions to the Paris Agreement and recognizes that support is needed to support all low greenhouse gas emission and climate resilient pathways;

41. Recognition that current NDCs, responses to loss and damage and adaptation action are underfunded and recognize the adaptation finance gap and reflect the significant gap in climate finance, recognizing that there is a huge gap in climate

finance and that there is no shortage of public finance and that public sources of finance can be made available to developing countries if there is a political will;

42. Reference to outcomes that are relevant to the NCQG– implementation of needs and NAP and NDCs, debt, fiscal constraints;

43. Reference to the relevance of the latest science and the need to take into account science-based targets (1.5 degrees Celsius) in the NCQG outcome;

44. Reference to science and limited carbon budget available; significant funding gaps;

45. Reference to IPCC AR 6 findings that there is sufficient global capital and liquidity to close global investment gaps, given the size of the global financial system, but there are barriers to redirect capital to climate action both within and outside the global financial sector;

46. Assurance for equitable geographic consideration of finance. Inclusive process, take into consideration special circumstances of African countries and others;

47. Need for geographic balance, accountability, and leaving no region or pathway behind;

48. Decides that the New Collective Quantified Goal will also include an aim to increase the predictability of climate finance and mobilise finance to support urgent scale-up of action quantitatively. Such mobilisation of climate finance should represent a progression beyond previous efforts;

49. Affirmation of ambition to scale up financing from all sources and inputs, so as to maximise scale and impact;

50. Reference to impact and effectiveness in context section;

51. Recognition of the need to pull on all levers and to tap the full potential of the global effort – including both demand and supply side action needed, to push and pull financing to where it is needed most;

52. Reflection of the current global landscape, realities and how the goal fits into that;

53. Recognition that countries' needs and capabilities have evolved since 2015, including countries' GNIs and emissions which provides the context for broadening the contributor base, including in the context of transparency and reporting;

54. Stressing that the NCQG is a global effort with expectations of all to contributing according to the dynamic nature of their economic capabilities to contribute, expecting that all put forward ambitious climate plans and working on improving enabling conditions and environments;

55. Acknowledges that, in accordance with Article 9, paragraph 3, of the Paris Agreement, deliberations on setting the new collective quantified goal will reflect a global effort in the mobilization of climate finance in the NCQG;

56. The NCQG is voluntary for all Parties and reflects a global effort in accordance with Art. 9.3 of the Paris Agreement;

57. While contributing the least to climate change, developing countries face the impacts disproportionately of both climate change and the response to it. Despite Article 4.5, developing countries have been paying for their climate action,

including through loss and damage and addressing the adverse impacts of response measures;

58. Sustainable development and poverty eradication;

59. Effectiveness adequate finance that supports the implementation of NAPs, NDCs, other plans such as in relation to just transitions, contributions to Art. 2.1, sustainable development and poverty eradication; accessible through direct access to finance.

2.2 *{Urgency of action}*

60. Reaffirm principles of urgency needed to achieve the goals of the Paris Agreement, accelerate efforts toward achieving Article 2.1(a); the need for the goal to be a key catalyst; need to keep 1.5 degree in this decade;

61. Reference to the urgency of climate action;

62. Reference to urgency to support ambition and implementation;

63. Further recognizes the importance of urgent and sustained action to scale-up investments in climate action globally and the need for a long-term vision to contribute to achieving the long-term goals of the Paris Agreement;

64. The NCQG should reflect on the urgency of climate action and need to scale up financing globally to support achievement of all three long term goals of the Paris Agreement;

65. Reflect the urgency to respond to climate change;

66. Reflect the urgency to take climate action and limit temperature increase to 1.5°C above pre-industrial levels;

67. Acknowledge crises that are ongoing simultaneously including climate change and loss of biodiversity;

68. No reference to the Biodiversity Convention;

69. No option.

2.3 *{Needs and priorities of developing countries}*

70. The new goal must address the needs of developing countries and the urgency of climate action, being informed by the evidence that best available science is providing, as highlighted in reports such as the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, the First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement of the Standing Committee on Finance, the Adaptation Gap Report 2023: Underfinanced. prepared by UNEP;

71. Recognition of the finance gap and financial needs estimates from the GST decision;

72. Recall/ acknowledge that the NCQG must clearly be based on the priorities and needs of developing countries;

73. NCQG must accelerate the implementation of NDCs, NAPs, LTS, and other climate action plans in developing countries;

74. The 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;

75. The NCQG to enable developing countries to respond to climate change in line with the objectives of climate change regime and their needs and priorities;

76. Reference to recognizing the special needs of LDCs and SIDS must be included;

77. Recognition of the evolving needs of developing countries, especially related to loss and damage. (Dubai NCGQ and GST decisions);

78. Estimates on the needs of developing countries and reference evolving needs of developing countries;

79. Reiterates the importance of means of implementation for the fulfillment of developing Parties commitments under the Paris Agreement taking into account the evolving needs and priorities of developing Parties, and the urgent need to increase grant-based and concessional finance in particular for adaptation and loss and damage;

80. Recalls that the NCQG is to take into account needs and priorities of developing countries and underscores that the NCQG should reflect the evolving nature of needs and capacities;

81. Recognition of evolving capacities and abilities, as well as needs and priorities;

82. Evolving needs is a standalone and is not related to capacity;

83. Articulation of the immense needs of developing countries and responsibilities of developed countries to finance them – Paris Agreement articles 4.5, 9;

84. Acknowledges the needs of developing countries, and the finance required to meet Article 2 of the Paris Agreement, are in the trillions;

85. Reiterates that the new collective quantified goal on climate finance take into account the needs and priorities of developing countries, in line with paragraph 9 of decision 5/CMA.4 and recognizes that a sole focus on public climate finance flows will be insufficient to meet the needs and the overarching goals of the Paris Agreement and the quantum should be based on the breadth of contributors and sources;

86. Acknowledge the scale of needs and priorities communicated by developing countries, while recognizing that some needs are difficult to cost. Further stress that needs and priorities are evolving and dynamic and will primarily be met through domestic resource mobilisation. Encourage developing country Parties to mainstream needs and priorities into national planning and budget processes;

87. No option.

2.4 *{Ambition}*

88. Recognition that enhanced support for developing country Parties will allow for higher ambition in their actions and acknowledges the urgency of achieving the balance between mitigation and adaptation finance;

89. Reference to the urgency to support ambition and implementation and that an unambitious outcome on the NCQG means not responding to urgent needs of countries and science;

90. Public finance is a prerequisite for the NCQG and requires political will to address needs and priorities, NCQG supporting ambition in NDCs thereby contributing to Article 2, paragraphs 1 (a and b) in the context of sustainable development and poverty eradication; also contributing to a globally shared set of goals in the context of adaptation, 1.5 degrees and just transitions, recognizing that Low finance would mean low ambition;

91. We must also recognize that ambition in developing countries has increased over the years, while the delivery of finance has not been commensurate by developed countries;

92. Acknowledgement that developing countries are suffering the disproportionate impacts of climate change, bearing the increasing cost of adaptation and loss and damage while facing limited fiscal space, debt burdens and high costs of capital. Yet, these continue to demonstrate a firm commitment to actions to fulfill the Paris Agreement, reducing emissions to keep the 1.5 goal alive, adaptation measures, and actions to respond to loss and damage;

93. Referring to climate ambition as key driver for increasing global investment and the need to frame the discussions in light of Article 2.1a-c;

94. Stressing the reinforcing nature between NDCs/NAPs and the NCQG and acknowledging the need to scale up efforts to support ambitious climate plans, affirming that these should be backed by clear investment strategies, domestic resource mobilisation and supporting macro, fiscal and other polices;

95. Recognition of ambition, scale up finance from all sources and inputs, recognize that finance needs are significant; recognition of evolving needs, capabilities, capacities;

96. Agree a NCQG that incentivises the full range of actions needed to deliver the ambition of the Paris Agreement and keeps 1.5 within reach by addressing the full range of developing country needs;

97. The NCQG is ambitious and developed countries demonstrate ambition in their commitment in the context of the NDC update;

98. The NCQG will be critical to increase ambition and accelerate the realization of Article 2 of the Paris Agreement, without compromising debt sustainability of developing countries, which means that it should be framed in a context that reinforces development, rather than pose a threat to it, and also safeguard economic stability and fosters sustainable low-emissions and resilient development pathways;

99. No option.

2.5 *{Dis-enablers}*

100. Recognition of dis-enablers such as cost of capital, high transaction cost for access, unilateral measures;

101. No option.

2.6 *{Access}*

102. Reference to the challenges related to access and/or quality of finance from the GST decision.

103. Reference to the need to overcome challenges to access, particularly for LDCs and SIDS;

104. 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;

105. No option.

2.7 *{Development and climate nexus}*

106. Acknowledgement of the interdependencies and synergies between climate change and development objectives and enhance co-benefits instead of trade-offs;

107. The NCQG should ensure alignment of support with national plans;

108. No option.

2.8 *{Principles}*

109. The NCQG is envisioned with fundamental principles, including i) climate justice, ii) Just transitions, iii) non-debt inducing finance for developing countries, iv) common but differentiated responsibilities and respective capabilities, v) country-driven, vi) predictable vii) affordable, viii) accessible, ix) new and additional;

110. Need for consideration of principles to guide the implementation of the NCQG, e.g. accessibility, ambition, effectiveness and predictability;

111. 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;

112. The delivery of the NCQG must reflect the principles of historical responsibility, equity and common but differentiated responsibilities;

113. Principles as a standalone element;

114. No option.

2.9 *{Role of other actors}*

115. Recognition of the role of the wider financial system and architecture and importance of it for climate finance;

116. The NCQG is not the entirety of climate finance that it is the part that demonstrates developed countries' commitment;

117. Acknowledge the need for an improved link to climate with the broader international finance landscape and the need for reforming the international financial architecture to increase efficiency and achieve impact at scale;

118. Acknowledging that we will need a wide range of actors to contribute to the NCQG and further stress the importance of concerted action, including from MDBs and IFIs, (international) financial regulators, private sector, philanthropies, and through tackling barriers and unsupportive enabling environments;

119. No option.

2.10*{Lessons learned from USD 100 bn goal}*

120. The NCQG should build on lessons learned from the goal of developed countries of mobilizing jointly USD 100 billion per year by 2020 in the context of meaningful mitigation actions and transparency on implementation and taking into account the needs and priorities of developing countries;

121. Reiterates that deliberations on the new collective quantified goal on climate finance, as an extension of the USD 100 billion per year goal, should build on lessons learned from the goal of developed country Parties of mobilizing jointly USD 100 billion per year by 2020, taking into account the needs and priorities of developing country Parties;

122. Recognizes that the quantum of developed country Parties' USD 100 billion per year commitment was not based on the needs and priorities of developing country Parties and is insufficient to meet the nationally determined contributions of developing country Parties as outlined in the Needs Determination Report of the Standing Committee on Finance;

123. Recognise that climate finance and investments are not flowing to developing countries in sufficient degree;

124. Emphasize necessity of public support as one of the key lessons learned;

125. USD 100 billion goal as failure of delivery in 2020 and subsequent years – disagreements over the progress;

126. Recognize that USD 100 billion goal was not met;

127. Recognize that the USD 100 billion goal was met in 2022;

128. No option.

III. Principles

Options for placement:

1. As a standalone element
2. Embedded in other elements, e.g. under context and qualitative and quantitative elements

129. Options referred to in section 2.8.

IV. Structure of the goal

Options for placement: 1. As a standalone element 2. Embedded in other elements such as quantitative and qualitative elements

4.1 *{Thematic sub-goal approach}*

130. A goal structured around:

(a) Temporal scope and frequency of measurement, including an annual quantum floor of climate finance over a 10 years' time period representing climate finance that developed country Parties are obligated to provide and mobilize for climate action in developing country Parties in the context of their implementation of the Paris Agreement

(b) Substantive Scope, including sub-goals aligned to Article 9, including in particular Article 9, paragraph 4 to ensure that:

(i) all Parties collectively and effectively accelerate their pursuit of efforts of limiting the global average temperature increase to below 1.5 C within this critical decade;

(ii) developing countries have increased abilities to adapt and foster climate resilience to the worst-case projected temperature scenario

(iii) developing countries are able to address loss and damage associated with the adverse effects of climate change to the worst-case projected temperature scenario

(c) Quantum, quality and access features under each sub-goal

(d) Sources of funding in accordance with Article 9 of the Paris Agreement

(e) Transparency arrangements, based on, at minimum, the enhanced transparency framework, in particular its framework for transparency of support, and, an agreed definition of climate finance;

131. The quantum of the NCQG would be a disaggregated amount under each thematic area, i.e. for adaptation, mitigation, loss and damage, readiness support and transparency, with capacity building and technology development and transfer cutting across cutting the thematic areas to avoid double counting;

132. Quantitative elements of the goal in light of mitigation, adaptation and loss and damage needs and priorities), for instance, through possible subgoals, its relation with the instruments and channels most appropriate for countries to implement their National Adaptation Plans, Long Term Strategies and addressing loss and damage or differentiate funding gaps between adaptation and mitigation that could illuminate the order of magnitude of the quantum, understand the positive externalities of investing in each component (i.e., investment in adaptation reduces future expenditures on loss and damage or investment in mitigation generates development in countries);

133. Quantified targets for mobilization and provision across thematic areas:

(a) Overall goal for mobilization by developed countries to developing countries in the range of 1.1-1.3 trillion USD/year;

(i) Core goal for provision by developed countries to developing countries;

(b) Overall goal for mobilization of finance for mitigation by developed countries to developing countries;

(i) Core goal for provision of finance for mitigation by developed countries to developing countries;

(c) Overall goal for mobilization of finance for adaptation by developed countries to developing countries, of at least $400bn per annum by 2030;

(i) Core goal for provision of finance for adaptation by developed countries to developing countries;

(d) Overall goal for mobilization of finance for loss and damage by developed countries to developing countries;

(i) Core goal for provision of finance for loss and damage by developed countries to developing countries;

134. A goal with annual targets, thematic sub-goals and sources of public and private finance;

135. Sub-goals around themes (mitigation, adaptation, and loss and damage), country groupings/recipients, channels and sectors;

136. Decides that the structure of the NCQG should be based on the following elements: thematic scope, sources of finance, forms of provision and mobilisation of finance and channels for provision and mobilisation of finance;

137. Also decides that the NCQG will be a goal composed of quantitative and qualitative elements related to climate finance;

138. A quantified goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

139. A quantified goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage from public, private, domestic and international sources of finance and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

140. An outcome-based goal including costed sub-goals for mitigation, adaptation, and loss and damage informed by the best available science for achieving the goals of the Paris Agreement and covering the respective needs of developing countries that enable them to act towards the collective efforts;

141. A goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage that includes a specific element on the objective of the 1.5°C temperature goal;

142. A quantified goal with quantified sub-goals by thematic areas of mitigation, adaptation and new and additional resources for loss and damage (with specification that loss and damage related needs are new and additional);

143. A quantified goal with quantified sub-goals by thematic areas of mitigation, adaptation, and loss and damage, including a percentage share allocated to vulnerable groupings;

144. A goal of collectively mobilizing x% of GNI to developing countries with sub-goals for mitigation, adaptation, and loss and damage;

145. A goal of collectively mobilizing USD X to developing countries with sub-goals for mitigation, adaptation, and loss and damage, of which USD X is from public sources of finance from developed countries and USD X from other sources (e.g. private);

146. A goal and sub-goals with provisions to achieve a balance between mitigation and adaptation based on the needs of developing countries and science-based information rather than a 50:50 percentage share;

147. A mobilization goal with sub-goals for mitigation, adaptation, and loss and damage;

148. A quantified goal with quantified sub-goals by thematic areas for mitigation and adaptation (if the goal has sub-goals);

149. A goal with sub-goals for emissions, and adaptation and resilience;

150. A goal with sub-goals for emissions reduced and enhanced adaptation and resilience and including a link to the GST;

151. Reference to a goal with thematic sub-goals;

152. The NCQG should be structured in thematic areas that cover at the very least adaptation, mitigation, and loss and damage, as this is a major way to take into account the evolving needs and priorities of developing countries. A structure shaped in thematic areas acknowledges that these are addressed by different financial sources and involve different channels and actors;

153. No quantitative thematic sub-goals within the goal;

4.2 *{Multi-dimensional/multi-layered-goal/approach}*

154. Acknowledges that the new goal should be comprehensive and multidimensional and contain quantitative and qualitative elements;

155. Agree that the new goal will include both quantitative and qualitative elements, including across and within different elements of the goal;

156. Acknowledges that the New Collective Quantified Goal must be multidimensional in structure, in order to support the transformational change that is required across global financial systems to mobilize and deliver finance to support mitigation and adaptation goals;

157. Acknowledges that the structure of goal must be multidimensional in order to accommodate and balance the breath of action on finance that the goal should galvanize;

158. Also acknowledges that the multilayered structure of the goal should take into account:

(a) provision, mobilization and alignment as separate and complementary components with provision of public finance from developed country Parties to developing country Parties as a core component; and,

(b) the broader financial flows encompassing all financial sources, including international, domestic, public and private, reflecting Article 2.1c to form the transformative characteristics of the goal in accelerating the shift towards low-emission, climate-resilient development pathway;

159. Multi-layered goal, similar to the one set under the CBD, with

(a) a global investment goal for all Parties, including public and private, domestic and international sources for achieving the Paris Agreement;

(b) a sub-layer of support to support countries that are ambitious on climate action or most vulnerable;

(c) Other sub-layers: financial quantitative layers, subsidies, debt, non financial quantitative layers for outcomes to be achieved, share of alignment in percentages, gender responsiveness;

(d) Qualitative elements such as enhancing demand and supply, crosscutting elements;

(e) Calls for actions to other key players of climate finance landscape: governments (national and subnational), MDBs, IFIs, other actors.

160. The NCQG cannot follow approaches that follow structures from different regimes (e.g. CBD) as the structure and legal obligations are different to the UNFCCC process;

161. A multi-layered goal which has a broad focus on mobilising all finance flows is the only route to address all developing country needs. This includes all public, private, domestic and international sources that support developing countries;

162. A multi-layered structure for the goal, including:

(a) An overarching investment goal indicating the level of investments until 2035 to achieve Art. 2.1a and 2.1b of the Paris Agreement globally from domestic, international, public, private and innovative sources. This would set the outer layer of the goal;

(b) As a quantified sub-element to this global investment goal, we support a quantified international support core as part of the multi-layered structure stating in the context of ambitious NDCs, AdComs and transparent, accurate, complete, comparable and consistent BTRs the total amount of USD which will be provided and mobilized annually from a variety of sources with a variety of instruments by 2035 from all Parties with a GNI above xx USD and direct emissions above xx tCO_2eq to support the implementation of Art. 2.1a and 2.1b in developing countries, in particular LDCs, SIDS, fragile and conflict affected states and for the most vulnerable groups;

(c) A policy layer as a sub-element to the investment goal requesting Parties to increase the policies, which push and pull investments into the geographies and sectors, where it is most needed to finance the transition to a low-emission and climate resilient future. This policy layer of the goal could also include quantified aspects such as commitments to remove fossil fuel subsidies by 2035, restructure of x% of sovereign bilateral debt through debt-for-climate swaps by 2035 or the establishment of domestic carbon pricing policies by 2035, etc.;

163. The goal should be a multi-layered goal with:

(a) a core of public finance;

(b) The global investment target is addressed through a global effort, encompasses a variety of sources, instruments and channels and should be talking to the needs of developing countries;

164. Multilayer approach with:

(a) An overarching global investment layer of a 10-year timeframe;

(b) Articulation of an international public finance provided and mobilized goal with a 10 year timeframe an annual targets, e.g. X USD provided and mobilized annually by 2035;

(c) Articulation of context for a global investment goal and public finance provided and mobilized goal, including those elements articulated in the context section;

(d) Reflection of a contributor base: those with capacity to pay should be included in line with current economic realities, including contributors and providers who currently do not report and bring in new contributors. Determining the contributor based could be captured in a static or dynamic list which could be amended based through a set of indicators, e.g. GNI, GDP/capita, FDI;

(e) Reference to enhancing access (could be also in separate access section or in quantitative elements), including reference to adequate allocation for particular sub-groups;

(f) Reference to policy guidance and calls to action to achieve certain action and enable and achieve the investment goal;

(g) Reference to push and pull factors, such as:

(i) Recognition that there is enough global capital which is not rightly channelled;

(ii) Reference to measures to unlock, scale up attract and de-risk investment globally and particularly in developing countries;

(iii) Reference to high cost of capital, considerations with respect to bilateral sovereign debt, CDCs and other mechanisms, merits of sustainable finance taxonomies and interoperability of such, climate risk disclosures and their utility in supporting alignment of climate flows;

(h) Measurement to support scaling up of domestic flows,

(i) Reference to the need for capacity building and technology development and transfer;

(j) Reference to the role of MDBs and IFIs;

(k) Quantitative indicators such gender responsiveness, youth and children and indigenous communities;

165. Acknowledge that the goal will have:

(a) A core of public finance provision and mobilization by a defined set of contributors based on capabilities to a dynamic set of recipients. In that context:

(i) Recognize that the core layer is essential to support action and reaffirm commitment to provide public finance;

(ii) Acknowledge the role of public finance, the need to extending the breadth of contributors, recognize efforts of other developed countries already providing and mobilizing climate finance;

(iii) Mainstream qualitative elements which are related to quantitative element, such as the need for innovative instruments and sources to be leveraged to enhance the delivery of climate finance;

(iv) Reference to concessionality and links to access;

(v) Reference to the role of climate funds and calls to actions for broader ambition from actors such as MDBs to help increase and improve climate mobilization relation to public finance provided;

(b) An overarching global investment goal to embed public finance goal, capture all flows (international, domestic, public and private), to ensure the NCQG sends the right signal to all stakeholders who should unlock the finance needed to achieve goals of the Paris Agreement. This should be accompanied by qualitative elements:

(i) Linked to effectiveness;

(ii) A policy layer, encourage implementation of policies that facilitate alignment of all financial flows,

(iii) Acknowledge national circumstances (carbon markets);

(iv) Acknowledge push and pull factors to enable action and capacity building;

(v) Calls to action for the private sector to reallocate flows to climate resilient development and philanthropies;

(vi) Refer to IFI reforms and efforts from the financial sector at aligning flows;

166. The structure of the goal should have:

(a) An overall global investment goal that draws on all sources, including public, private, domestic and international from all Parties, supported by qualitative and quantitative enablers:

(i) Scope: including all sources;

(ii) Thematic scope: adaptation and mitigation;

(iii) Contributors: all sources and contributors;

(iv) Recipients: all;

(b) A quantitative support goal, similar to the USD 100 billion goal;

(i) Scope: including finance provided and mobilized, excluding domestic sources of finance;

(ii) Thematic scope: adaptation and mitigation;

(iii) Contributors: to be reflective of modern economic realities; all to be held accountable to their commitments; the NCQG needs to be explicit on who contributors are which are to be determined through a list or criteria on a dynamic basis; no differentiation in terms of reporting and obligations;

(iv) Recipients: most ambitious in terms of mitigation action and most vulnerable in terms of adaptation, with reference to LDCs and SIDS and developing countries that are particularly vulnerable to climate change;

(c) Quantitative sublayers in USD for misaligned subsidies;

(d) Layer in USD terms for realignment of sovereign public debt, fiscal space and innovative instruments, e.g. debt for climate swaps;

(e) Quantitative layer for per cent of alignment of finance flows (e.g 100 per cent);

(f) Opportunities to set quantitative outcome-based target, e.g. gender responsive (e.g. percentage goal);

167. The new goal should have an overarching investment target, which includes all finance flows (public and private, domestic and international). This will ensure that the goal responds to growing financing needs and sends a clear signal to global financial actors;

168. The goal should also have a target for international public finance provided and mobilised for developing countries. The outcome at CMA6 must reflect a contributor base which is in line with current economic realities;

169. The goal should also include clear, qualitative, policy guidance on how we will deliver tangible results and impacts on the ground to make our ambitions a reality;

170. The goal should have two quantitative layers (overarching investment target and an international public support target) with necessary information on financial sources, scope of the goal, who contributes and with clarity on timeframe;

171. A global investment goal, reflecting finance from all sources, international and domestic, public and private, supported by multiple layers quantitative and qualitative on various elements and may include:

(a) A quantified layer for international support in USD;

(b) a quantified layer for phasing down mis aligned subsidies in USD;

(c) a quantified layer for bilateral public debt for climate swaps in USD;

(d) a quantified layer for efforts to align financial flows with the long-term goals of the Paris Agreement in percentage terms;

172. A quantitative target or sub-goal for the provision of climate finance from international public sources to developing countries and for private sources mobilized through public interventions;

173. A multilayer approach with (a) quantitative target(s) for the provision of international public climate finance at the core and mobilization of financial sources;

174. A multilayer approach with a global investment target, an international public mobilization support target, and possible quantitative and qualitative targets representing realignment of finance flows with the goals of the Paris Agreement;

175. A multilayer approach in line with the Kunming–Montreal Global Biodiversity Framework consisting of quantitative targets, and qualitative elements for domestic resource mobilization, leveraging private finance, and promoting blended finance and innovative instruments;

176. No option for a multi-layered goal.

4.3 *{A quantitative goal with or without a time frame and principles and/or quantitative and qualitative elements and objectives }*

177. A quantitative goal with a time frame and underlying principles;

178. A quantitative goal for the provision of international public sources of finance to developing countries;

179. A quantitative goal of collectively mobilizing USD X per year by 20xx to developing countries;

180. A developed country goal of collectively providing USD X annually from 2025 to 2029 or 2026 to 2030 to developing countries;

181. A goal of collectively mobilizing USD X or x% of GNI/GDP per year by 20xx to developing countries;

182. A goal of collectively mobilizing USD X or X% of GNI/GDP per year by 20xx to developing countries, from public sources from developed countries and USD X or X% of GNI/GDP from other sources (e.g. the private sector);

183. As part of a global effort, provision and mobilization of USD X per year by 20xx from high emitters based on past, current and future emissions and from countries with higher economic capacities, including developed country Parties, for effective climate action in developing countries, especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing States;

184. A goal that includes quantification in monetary terms as well as quantified indicators of effectiveness of implementation;

185. A quantitative goal framed as USD X plus x% of annual inflation;

186. A goal of collectively mobilizing USD X per year by 20xx to developing countries that includes a specific element on the objective of the 1.5 °C temperature goal;

187. A goal of collectively mobilizing x% of GNI from private, domestic and international sources of finance for achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development in the context of xxx;

188. A goal of collectively mobilizing USD X from public sources from developed countries and USD X from other sources (e.g. private, domestic, international) to achieve net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

189. A goal of collectively mobilizing USD X from public, private, domestic and international sources of finance including South–South cooperation and reference to making finance flows consistent with a pathway towards low GHG emissions and

climate-resilient development and achieving net zero/1.5 °C/X GHG emissions reduced;

4.4 {Goal with other (non-thematic) sub-goals}

190. A goal with sub-goals and different time frames across the sub-goals to account for differences in data availability and data quality;

191. A quantified goal of global climate investment of USD X, comprising domestic, public, private and international sources of finance, with a defined quantitative subset to be defined for resources under Article 9 of the Paris Agreement (i.e. climate finance);

192. A goal of shifting financial flows in line with Article 2, paragraph 1(c), of the Paris Agreement with quantified sub-goals or an overarching goal of achieving net zero/1.5 °C/X GHG emissions reduced with quantified sub-goals;

193. A goal of mobilizing USD X, including USD X mobilized by 20xx, and specific sub-goals;

194. A quantified goal with sub-goals that are specified by quantitative ranges of monetary values;

195. A goal with a sub-goal on minimum floor of finance for the least developed countries;

196. A quantified goal that sets upper financial limits (caps) by geographical regions, countries or country groupings;

197. A goal with sub-goals that differentiate between concessional finance and grants, and between national and local recipients;

198. A goal with sub-goals by instruments;

199. A goal with a sub-goal on grant-based finance;

200. A goal with sub-goals that differentiate between support needs and investment needs;

201. A set of multiple sub-goals only;

202. A goal with an element or sub-goal on improving capacities to implement climate action;

203. A goal with a sub-goal on access to financial sources for vulnerable communities;

204. A goal with sub-goals for vulnerable communities as recipients and reference to gender- responsiveness;

205. A goal with a sub-goal for making financial flows consistent with a pathway towards low GHG emissions and climate-resilient development;

206. A goal with a sub-goal focusing on reducing fossil fuel finance;

4.5 {An aspirational goal with principles or objectives}

207. "A long-term aspirational goal", with quantitative and/or qualitative elements, that may or may not include sub-goals;

208. A main, principle-based goal of making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

4.6 {Outcome-oriented goal}

209. A goal of achieving net zero/1.5 °C/X GHG emissions reduced;

210. A goal of achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production;

211. A goal of achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development;

212. A collective mobilization goal of increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development and achieving net zero/1.5 °C/X GHG emissions reduced;

213. An outcome-oriented goal that is aligned with the global goal on adaptation and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production.

V. Scope/ thematic scope/ thematic elements

Options for placement:

1. As a standalone element
2. As a cross-cutting element, e.g. under structure, quantitative and qualitative elements

214. The goal must consider needs for adaptation, mitigation and loss and damage;

215. The goal should cover mitigation, adaptation, loss and damage needs;

216. It must be balanced between mitigation and adaptation and include the third pillar of loss and damage response to address developing countries' evolving needs;

217. NCQG should aim at a balanced allocation between adaptation and mitigation and adequately address loss and damage to reflect and address the evolving needs of developing countries;

218. No reference to loss and damage;

219. This should also take into consideration cross-cutting matters such as capacity building, technology transfer, gender and action for climate empowerment, so that the NCQG is not only fit for purpose but also maximizes the effectiveness of the new goal. This, in turn, will contribute to accelerating the fulfillment of Article 2 of the Paris Agreement;

220. Acknowledges the need for the new collective quantified goal to be structured in key thematic areas of climate action, as per paragraph 15 of decision 9/CMA.3, as a results-based goal that responds to the evolving needs and priorities of all developing countries for, at least, mitigation, adaptation, and loss and damage response while being periodically reviewed, flexible, and including quantitative and

qualitative aspects, clear short and long-term timeframes and milestones for the provision and the mobilization of climate finance;

221. Integration with other processes under the UNFCCC and PA such as the GST, MWP and GGA;

222. No reference to thematic scope.

VI. Timeframe

Options for placement:
1. As a standalone element 2. Embedded in other elements, e.g. quantitative elements

6.1 *{Short-term timeframe}*

223. Recognizes that the quantum of the new collective quantified goal on climate finance cannot be established without the identification of a clear timeframe for the goal and decides that the new collective quantified goal will be launched in January of 2025 and remain active until January of 2030 at which point the elements of the goal, in particular the quantum, will be updated based on the needs and priorities of developing countries and the goal renewed for an additional period of 5 years (2030 to 2035);

224. Decides that the start date of the new collective quantified goal will be 1 January 2026 [a 2026 start year will ensure a clean transition from the US$100bn goal to the NCQG and avoid any confusion in tracking progress towards the two goals];

225. The NCQG should have a 5-year timeframe with annual targets, with a 2-year review process that includes and be updated in line with NDC cycles, to increase and support ambition and ensure accountability;

226. Five-year time frame;

227. Five-year time frame with annual targets and an embedded review and revision process;

228. Five-year time frame with annual review cycles and revision process;

229. An annual quantum of climate finance over five to 10 years time period representing climate finance that developed country Parties are obligated to provide and mobilize for climate action in developing country Parties in the context of implementation of the Paris Agreement;

6.2 *{Medium-term time frame}*

230. 10-year time frame;

231. 10-year time frame with annual targets and an embedded review and revision process;

232. Implementation period for the new goal to be ten (10) years with a waypoint for its periodic review at year 5 and year 10, respectively, in said period. The new goal may be subject to any further reviews on its adequacy based on outcomes from UNFCCC process such as the Global Stocktake and the Periodic Review of the

Long-Term Global Goal. Furthermore, sub-goals and intermediate targets are important, especially in the context of an implementation 'road map' across each period;

233. 10-year timeframe, with an annual goal to be achieved by 2035, option for continuation after 2035;

234. 10-year time frame with annual review cycles;

235. 10-year time frame with biennial review cycles;

236. Differentiate between ramp up period and period of the goal, e.g. 10 year ramp and 5 year for the goal; or 15 ramp-up and 10 year period for the goal.

6.3 *{Long-term time frame}*

237. Decides that the overall timeframe of the new collective quantified goal will be set in a way that provides both long term certainty and near term predictability of action to achieve the goal;

238. 25-year time frame with milestones for 2030 and 2040;

239. 25-year time frame, linked to net zero targets, with review cycles every five years;

240. 25-year time frame, linked to net zero targets, with review cycles after 10 years;

241. 25-year time frame, linked to net zero targets, with an assessment midway.

6.4 *{Combination of timeframes}*

242. 10-year operational time frame (2025–2034 or 2026–2035) with an aspirational target to align with net zero targets by 2050;

243. Agrees that the new collective quantified goal on finance has a multilayered timeframe, including a long-term target to align with the long-term goals of the Paris Agreement outlined in Article 2.1, and a medium-term target for immediate climate action;

244. Considers that in order to effectively deliver on the long-term goals of the Paris Agreement, the new collective quantified goal should include a 10-year timeframe reflecting immediate investments and climate actions, as well as a longer term timeframe reflecting the need to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development;

245. Decides to have an aspirational [outcome based] target by 2050, complemented by quantitative milestones set at defined periods, with the first milestone to be achieved by 2035, implemented through the period 2025-2035;

246. Outcome-oriented target linked to net zero targets (which may not always be 2050 but could be 2060 or 2070) or peaking of GHG emissions;

247. We believe that a mix of short-term time frames allowing for a combination of annual targets and cumulative targets will enable us to take care of any shortfalls in the delivery of the funds and also the evolving needs of developing countries. The timeframe should be such that it takes care of current needs (as mentioned in the GST outcome) and the evolving needs of developing countries;

248. Support a goal with a long-term science-based aim to keep 1.5 within reach and increase the resilience of developing countries, as well as a near-term (10 year)

target aimed to increase predictability and scale-up support, mobilisation and investment;

249. No option.

VII. Quantitative elements/ Quantified element(s)

Options for placement:

1. As a standalone element
2. Embedded in other elements, e.g. structure of the goal

7.1 *{Quantum}*

250. Set a quantum of USD 1.1 trillion from developed to developing countries per year;

251. Quantum of over USD 1 trillion per year. This is based on the current needs and can be updated based on the availability of new needs. The evolving needs also include the requirements for loss and damage finance;

252. The post-2025 mobilization goal must reflect the ambition, progression, and the collective agreement to stay well below 2c and aspire to stay within the 1.5c temperature goal, and therefore agrees that the deliberations on the quantum mobilization target should start from a range of a commitment by developed countries to mobilize jointly at least USD 1.3 trillion per year by 2030, of which 50% for mitigation and 50% for adaptation and a significant percentage on a grant basis from a floor of USD 100 billion, taking into account the needs and priorities of developing countries outlined in the updated NDCs;

253. New goal and its sub-goals shall be phrased as a floor of the decided quantified amount noting that said floor cannot be below USD 100 billion per year (i.e. Goal –At least USD XXX trillion per year);

254. The quantum of the NCQG would address the need for a balance between adaptation, and mitigation, recognizing that loss and damage is part of that formulation;

255. The NCQG must have an ambitious, clear quantum based on the provision and mobilization of climate finance from public sources;

256. A quantified element indicating the mitigation and adaptation outcomes and results which should be achieved through the NCQG;

257. The quantum of the NCQG would address the needs and priorities of developing countries especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing States;

258. The quantum needs to be ambitious and pragmatic to be effective;

259. The quantum of the new goal should be set in trillions per year;

260. The quantified element for the global investment layer could be articulated in the context of delivering against Article 2.1a-c of the Paris Agreement and should recognise the urgency of scaling up investment in this critical decade;

7.2 *{How to determine the quantum}*

261. The NCQG would be linked to temperature especially for the three (3) main response types:

(a) The quantum under the mitigation thematic area would be linked to funds needed to ensure higher ambition in developing country Party actions in order for all Parties to collectively and effectively pursue efforts of limiting the temperature increase to 1.5 ºC, starting with the implementation of the mitigation actions outlined in their Nationally Determined Contributions;

(b) The quantum under the adaptation thematic area would be linked to the cost of enhancing developing countries' capacity and ability to brace for the climate change and its adverse effects and foster climate resilience at the worst-case projected temperature scenario. This temperature scenario use should be based on the current business-as-usual level of action by all countries;

(c) The quantum under the loss and damage response area would be linked to the cost of addressing or responding to loss and damage associated with the adverse effects of climate change in developing countries at the worst-case projected temperature scenario. This temperature scenario use should be based on the current business-as-usual level of action by all countries. While noting the data/information gaps, the current aggregate cost of loss and damage associated with the adverse effects of climate change in developing countries should also be used as the basis for understanding a floor the quantum under this thematic area;

262. The NCQG would be based on key inputs that include UNFCCC Standing Committee on Finance Needs Determination Report, Intergovernmental Panel on Climate Change reports, developing country's relevant climate change plans, policy, and reports (including National Determined Contributions, National Adaptation Plans, National Communications, Biennial Updates Reports), relevant academic papers, and relevant papers from intergovernmental organization;

263. The quantum needed to implement NDCs based on current estimated figures, which are still not sufficient as not all needs are accounted for, such as the NDR is USd 5.8 - 5.9 T until 2030;

264. The quantum to be based on needs and priorities as articulated in current NDCs until 2030, and should respond to the evolving nature of the needs; the quantum should support mitigation, adaptation, loss and damage, and just transitions;

265. Acknowledgement that needs estimates are likely underestimated and that not all needs have been expressed in monetary value or reflected in these figures. For example, information on the need for addressing loss and damage needs is very limited, as it has been acknowledged in the SCF report;

266. Underscores that the deliberations on the quantum of the new collective quantified goal should be based on the information on the evolving needs and priorities of developing countries and the best available science, while recalling the findings of report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement of the Standing Committee on Finance and the need for the new collective quantified goal to provide and mobilize the USD trillions needed by developing country Parties in implementing their commitments under the Paris Agreement;

267. Setting a quantum based on information on needs and a carve-out for the NCQG within those needs;

268. Setting a quantum based on outcomes to be achieved in the context of Article 2 of the Paris Agreement (outcome-oriented goal);

269. Setting a quantum dependent on the scope and structure of the NCQG;

270. Setting a quantum based on the breadth of contributors, including from the private sector, philanthropic organizations and others.

271. Quantum is dependent on 8 factors:

(a) Combination of providers, sources and flows;

(b) Public finance from current providers that officially report on climate finance provision;

(c) Other developed countries that do not officially report on climate finance provision;

(d) New contributors;

(e) Private finance mobilized;

(f) Private finance not mobilized;

(g) Philanthropy;

(h) Other sources;

272. Setting a quantum based on a certain percentage of the GNI or GDP of developed country Parties;

273. Setting a quantum based on a combination of options;

274. The NCQG must be concrete, measurable and be based on the best available science;

275. Evidence and recommendations from science should be taken into account when defining the quantum and its elements;

276. The quantum must reflect the bottom-up approach of the Paris Agreement responding to the priorities and needs of our countries as reflected in NDC, NAP, in the pursuit of sustainable development and poverty eradication;

277. Eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development;

278. Alignment with NDCs/NAPs and national plans of developing countries;

279. Strong linkage between quantum and timeframe;

280. The SCF's needs determination report (NDR) (approximately 6 trillion cumulative by 2030) and adaptation number from the Adaptation Gap report—embedded in the GST decision—must inform the NCQG quantum;

281. The quantum should be informed by an assessment of needs such as findings of NDR1; the figure has to be reflected as deliverable for first 5 years of the NCQG, aligned with the GST process and NDC process, recognizing that the figure needs to be updated;

282. Importance of the NCQG coming up with a 'quantitative' figure in 2024 that builds on the USD100bn as the floor and responds to the actual need of developing countries (i.e., US$5.8 – 5.9 trillion by 2030) and the latest science;

283. The NCQG must agree to adequate amounts of finance that match developing countries' needs for adaptation, mitigation and loss and damage by 2030, 2040 and 2050 so that a 1.5ºC aligned transition is enabled throughout the developing world;

284. The upcoming NDR must be considered to incorporate the evolving needs of developing countries. We should also keep in mind that less than one-third of the needs have been costed. So, the current estimates provide only a floor for the needs;

285. The quantum of the goal should be outcome-based, drawing on a responsible discussion at a high level, on how desired outcomes correspond to quantitative sums;

286. Agrees to consider, in determining the quantum for the New Collective Quantified Goal on Climate Finance, cost estimations as presented in the second Needs Determination Report which will be published in 2024 by the Standing Committee on Finance as per decision XX/CMA.4, including cost estimations related to the recently adopted Global Goal on Adaptation in decision XX/CMA5;

287. No option.

7.3 *{Contributors}*

288. Reflect the unequivocal responsibility and obligation of developed countries to provide and mobilize finance to achieve the goal;

289. NCQG is a clear responsibility of developed countries to provide and mobilize a quantified sum of finance on annual basis in line with obligations in Article 9;

290. Underscores that the new collective quantified goal should reflect a truly global effort, engaging all relevant actors, and reflect the efforts from a wide base of contributors;

291. As part of global effort, the NCQG to include a support layer to reflect modern economic realities (provision and mobilization) expand the group and amount of financing to support countries that needs support (for climate action or particularly vulnerable);

292. Maximise the delivery of public finance within the Goal, and we call on all those in a position to do so, including existing contributors, to contribute towards the NCQG;

293. All Parties contribute to the NCQG;

294. Indicator-based options for the contributor base:

(a) Parties with total/per capita emissions above x tCO2eq contribute;

(b) Parties with GNI / GDP total/per capita above x USD contribute;

(c) Parties with a space program contribute;

(d) Parties with public foreign direct investments above x USD contribute;

(e) Parties with HDI level and above contribute;

(f) Combination of options above;

(g) Include an indicator to take into account the climate vulnerability of Parties, i.e. the higher the climate vulnerability the lower the expected contributions from a particular contributor would be expected;

(h) The contributor base is dynamic based on a threshold, which is updated every two years, in line with BTR cycles – countries who meet the threshold become 'contributor' and must report on climate finance delivered in the following BTR cycle;

295. Provision of climate finance from developed to developing country Parties and voluntary contributions from private sector entities mobilized through public interventions by developed country Parties;

296. Provision of climate finance from developed country Parties, other Parties and non-Party stakeholders, such as private sector entities and philanthropic organizations, to developing country Parties;

297. 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;

298. Not our mandate the renegotiation of Art. 9 of the París 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;

299. The goal will be delivered by developed countries to developing countries. On this basis, it would also exclude any feature relating to the domestic resources of developing countries;

300. The contributor base for this goal should reflect those with a capacity to pay, in line with current economic realities – this should include current contributors and providers (including those who don't current report) and should seek to bring in new contributors;

301. No reference to contributors.

7.4 *{Sources and instruments}*

302. Public sources of finance, particularly grant-based finance for adaptation and addressing loss and damage, and (concessional) loans for mitigation;

303. 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;

304. A wide variety of sources in accordance with Article 9, paragraph 3, of the Paris Agreement;

305. The goal should include all sources of finance, including public and private, national and international sources of finance, including domestic resource mobilization and south-South flows and innovative sources of finance;

306. Acknowledges that the New Collective Quantified Goal must draw from, attract and mobilise a wide variety of sources, instruments and channels so as to maximise scale and impact, in recognition of the urgency of climate action and the scale of needs;

307. Decides that the new collective quantified goal is to be inclusive of all sources of finance, international and domestic, public and private and consider the complementary nature of different sources, instruments, and channels of finance;

308. We suggest an element titled non-climate finance flows – including ODAs, loans at market rate, purely private sector flows at the market rate of return, and non-climate specific flows;

309. Only cross border flows should be included in the NCQG. The New Goal is set in accordance with article 9 of the Paris Agreement this involves recognizing that mobilized resources must come from developed countries and noting the significant role of public funds;

310. Commitment to Article 9 of the Paris Agreement. Public finance delivery should be at the core of the NCQG;

311. Affordable fund flow driven by concessional finance - which runs across quantum and qualitative elements;

312. Quantitative elements which are a target for public (provision), public leveraging, and thematic subgoals must be included;

313. The question of sources of finance should be focussed on how we can maximise the overall finance going to tackle climate change, as well as how to substantially increase the public finance element. There is no proposal currently on the table which will rewrite the Paris Agreement. There are clear areas where Parties have reached agreement (relevant decisions are outlined at the bottom of the document), and Parties should act upon these decisions to ensure the mandate is incorporated into the NCQG;

314. Address concessionality to recognize debt sustainability, back-flows and reflows in the context of climate finance and how this can be discounted;

315. No reference to sources and instruments.

7.5 *{Burden-sharing arrangements}*

316. As the NCQG is a responsibility of developed countries, the quantum needs to reflect clear burden-sharing arrangements, responsibility and accountability;

317. Reflect on how adequacy of climate finance can be achieved in the context of burden sharing;

318. Call on developed countries to institute burden sharing arrangements and the fair share of each developed country and the reform of their budgetary processes to reflect the urgency in developing countries for support;

319. 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;

320. No reference to burden-sharing arrangements.

7.6 *{Ways to reflect the relationship between the NCQG and Article 2 of the Paris Agreement, particularly paragraph 1(c), as it relates to finance, in the outcome of the goal}*

321. Reflection of Article 2 of the Paris Agreement as a qualitative element;

322. Integration of Article 2 of the Paris Agreement as part of the NCQG;

323. Reflection of the NCQG as part of the broader picture of Article 2, paragraph 1(c), of the Paris Agreement.

324. No integration of Article 2, paragraph 1(c), of the Paris Agreement in the NCQG.

VIII. Qualitative elements/Qualitative elements, with a focus on alignment with needs and priorities and concessionality/ Qualified elements

Options for placement: 1. As a standalone element 2. As a cross-cutting element

8.1 *{Overarching}*

325. Acknowledges the need of climate finance provision to consider qualitative elements to ensure it is new, additional and adequate to the needs, priorities, and national circumstances of developing countries, and stresses the importance of predictability of finance;

326. The need to achieve a balance between mitigation, adaptation and LnD;

327. Albeit not in nominal terms, acknowledge the value of striving for a balance between financing for mitigation and adaptation, while noting that grants should primarily fund adaptation efforts;

328. Co-benefits, nature and climate resilient development, importance of nature-based solutions;

329. Ensure that synergies between finance for climate, biodiversity and SDGs are enhanced and fostered;

330. Four sections:

(a) Enhancing demand for climate investment, to incentivize investment and improve demand for activities:

(i) Policies and enabling environments;

(ii) Cost of capital;

(iii) Relevance of disclosures (voluntary disclosures, where different private sector firms can provide info on how climate is embedded in their portfolios);

(iv) Scaling up supply (could also be quantified);

(b) Actions can take to improve investment:

(i) Importance of private sector;

(ii) Importance of Blended finance;

(iii) Importance of domestic resource mobilization;

(iv) Importance of innovative resources;

(c) Cross-cutting enablers:

(i) Enhance access;

(ii) Enhance effectiveness;

(iii) Strengthening safeguards;

(iv) Enhancing transparency;

(d) Calls to action to various actor groups on their potential role in the NCQG:

(i) National governments;

(ii) Sub-national and local;

(iii) Multilateral climate funds, including the operating entities under the UNFCCC;

(iv) MDBs;

(v) Private sector financial institutions.

331. Finance should respond to needs of all regions, geographical-based needs and geographical balance;

332. Referring to the qualitative elements, some qualitative elements would be qualifiers to the quantitative elements, incl. enabling environments, covering both the international and domestic level. Support as an enabler for developing countries to build or strengthen enabling environments domestically, incl. through capacity building.

8.2 *{Sources and instruments}*

333. The NCQG must be delivered to the largest extent possible via the provision of public finance in a grants-based and concessional manner (particularly with grant-based finance for adaptation and loss and damage);

334. NCQG should ensure that sources and instruments for the provision and mobilization of climate finance have a strong focus on public, grant-based and concessional resources, particularly considering the need for scaling up public and grant- based finance for adaptation, and loss and damage response;

335. NCQG should include reference to access to finance, instruments – grants and concessional finance where grant equivalence applies;

336. Grant-based or grant equivalent concessional finance. The process of setting a new goal should not result in further indebtedness for the global south;

337. Grant based and concessional finance must have a key role in the NCQG;

338. Affordability of fund flow will be critical. Flows should not adversely impact the macroeconomic profile of developing countries. For this, the fund flow must be primarily public grant-based, concessional, and long-term in nature;

339. Acknowledge that different sources and instruments have differing respective strengths and are thus differently placed and equipped to tackle specific circumstances and challenges in particular contexts;

340. Quality of climate finance would have a definition of concessionality in line with the UNFCCC and Paris Agreement that varies depending on the response types:

(a) The quality of climate finance under the mitigation thematic area would have quality ratio which outlines its grant component, and its concessional component. Given the particular vulnerability and special circumstances of SIDS and LDCs under the Paris Agreement, these countries will afford the highest possible grant component of their quality ratio;

(b) The quality of climate finance under the adaptation thematic area would be public and grant-based and would not need a ratio, and

(c) The quality of climate finance under the loss and damage response thematic area would be public and grant-based and would not need a ratio;

341. Address the need for a wide range of financial instruments including ones that create fiscal space for developing countries such as debt-for-climate swaps and issuance/allocation of special drawing rights;

342. Other new and innovative sources of finance such as public-private partnerships, payment for environmental services, blended finance, guarantees, de-risking investments, green labelling, disclosure schemes, development of local green bond markets, guarantees, debt swaps etc., need to be explored and considered as a complement to public and grant-based finance;

343. Financing instruments for various thematic areas, regional needs and capacities;

344. A balance between adaptation and mitigation flows. For this to happen, the existing scale of adaptation finance flows needs to be enhanced significantly. Given the adverse risk-return profile of adaptation projects, the flows must be public and grant-based in line with Article 9.4 of the Paris Agreement;

345. Sources in the context of Article 9 of the Paris Agreement;

346. Instruments that are at market rates should not be included as public flows;

347. No option.

8.3 *{Recipients}*

348. Channelling meaningful support to the poorest and most vulnerable, in particular LDCs and SIDS. Accommodate the most ambitious countries who require support to implement ambitious plans;

349. Define who recipients are;

350. No reference to recipients other than developing countries;

8.4 *{Dis-enablers}*

351. Specific overarching paragraph capturing a qualitative element on the issue of debt sustainability;

352. The NCQG should help countries overcome financing barriers related to high capital costs to cover the expenses of climate change impacts;

353. Acknowledge the challenges faced by developing countries and encourage use of (innovative) instruments aimed at addressing them as part of climate finance, incl. highly concessional finance, de-risking instruments, debt-swaps etc.);

354. Address concessionally to recognize debt sustainability, back-flows and reflows in the context of climate finance and how this can be discounted;

355. Quality of climate finance would address the need for additional methods to enhance quality of climate finance beyond normal concessional features. These approaches would include, inter alia, minimum mandatory grace periods for repayments, preferential maturity date, and climatic event disaster / force majeure clauses;

356. Address concessionally, interest rates, min grace periods for repayments, preferential maturity rates, force major clauses that look at climate events, how to make concessional lending fair and standardized to avoid inequities;

357. NCQG must ensure that no additional conditionalities are imposed in the provision and/or mobilization of climate finance;

358. Calling on developed country Parties to cease unilateral measures in line with Article 3.5 of the Convention and the GST decision;

359. Guarantee that any concessional loans utilized as part of the delivery of the goal do not contribute to increased indebtedness in developing countries;

360. The NCQG should send a strong signal to address the “dis-enablers” of climate finance;

361. Dis-enablers of finance must be considered. These are, unfair competitiveness influenced by domestic subsidies in developed countries, high cost of finance, unilateral measures;

362. Dis-enabling environment: non-appropriate budgetary procedures and policy actions by developed countries such as distortionary subsidies leading to diversion of global financial flows away from developing countries;

363. No option.

8.5 *{Access}*

364. Access should be enhanced through harmonization of procedures, including through simplified access modalities, accreditation of national agencies, allowing readiness resources for project preparation, increasing resources for project implementation (i.e. implementation of NAPs), improving the articulation of the needs to the fiduciary standards as well as the speed and cost for accessing the funds. It also should facilitate access for diverse stakeholders, including subnational actors, local communities, indigenous peoples and women;

365. On access modalities, NCQG should promote direct access, simplify application and disbursement processes, reduce co-finance conditionalities and establish adequate information requirements related to climate rationale;

366. Swift access to resources – requiring simplification of access modalities and lowering of co-financing requirements;

367. Access needs to be efficient and swift across all channels for all developing countries;

368. The NCQG should address access issues, such as modalities, high cost of capital, high transaction cost in accessing the resources, and increasing need for co-financing;

369. The need for simplified access to MDBs and IFIs;

370. 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;

371. Facilitate access to all sources of climate finance, since there is an urgency for enhanced action to keep the 1.5 goal within reach;

372. Capacity building, including on how to access resources available, be it through bilateral channels or thought the Financial Mechanism and MDBs;

373. Access to all sources of finance, e.g. qualitative references or quantitative targets; e.g. programmatic approaches, capacity building for enabling environments and absorptive capacities in developing countries, encourage use of flexible finance modalities such as climate budget tagging; coordination among contributors, scaling up existing initiatives; allocation for particularly access challenged groups e.g. LDCs and SIDS;

374. Finance should flow to the most vulnerable and those that show most ambition LDCs and SIDS;

375. Simplifying access, as well as increasing coherence and complementarity of climate finance providers, should be key metrics for the success of the NCQG;

376. A specific paragraph focusing on access, which could refer to the specific access challenges of LDCs, SIDS and fragile and conflict affected states, as well as from specific underserved groups such as women, indigenous peoples and local communities and marginalized groups;

377. Capturing access as a qualitative element in the decision, reflecting the imperative of leaving no one behind;

378. NCQG should serve the objectives of the Paris Agreement, making climate finance more easily accessible for developing countries, specifically the SIDS and LDCs, and ensures processes for climate finance access are simplified, does not create an 'added' burden for developing countries on 'access', and provides relevant capacity building for increased access to climate finance;

379. Access (qualitative but could also have quantitative target for countries/regions that face capacity constraints), policy measures (qualitative), sub-targets;

380. The application of ODA eligibility criteria inhibits a number of particularly vulnerable developing countries including several SIDS from accessing climate finance. As a result, this shifts the costs of responding to climate change to those least responsible, most vulnerable, and with the least capacity, while alleviating developed country Parties of their legal obligations under the Convention and the Paris Agreement;

381. Access features of the NCQG would, inter alia:

(a) Be a disaggregated element under each thematic area;

(b) Outline any potential breakdown for access by channel. For example that a majority of funding for adaptation annually would flow through the Green Climate Fund and Adaptation Fund, and all SIDS would be prioritized for bilateral climate finance access;

(c) Establish minimum floors for certain types of recipients (such as least developed countries, small island developing States, and local non-governmental organizations);

(d) Require all climate finance support providers to collectively adopt a simplified and harmonized procedure for efficient and simplified access to climate finance, in particular for SIDS. This would include, inter alia, shorter timeframes for feedback on submitted concepts and proposals, simplified reporting processes, and flexibility to ensure specific national circumstances can be considered on a case by case basis;

382. No option.

8.6 *{Delivery}*

383. Acknowledge the value of channelling finance through the Operating Entities of the Paris Agreement, which have operating modalities that enable them to foster transformational change and encourage all Parties in a capacity to do so to contribute to the Operating Entities;

384. The NCQG should establish funding mechanisms to ensure the predictability and increasing funding for the operating entities of the Financial Mechanism, such as the GCF, GEF, Adaptation Fund, including the Fund for Loss and Damage;

385. The NCQG should enable support to flow to all developing countries, including small markets and all market sizes on our financial terms, taking into account cost of capital and transaction costs;

386. A qualitative element of delivery that could be quantified is how much one dollar from developed countries will mobilize of private investments;

387. The delivery of finance should be assessed to address high transaction and administrative costs and increase the amount of resources that reach the ground and generate real transformations in developing countries;

388. No option.

8.7 *{Additionality}*

389. Avoid double counting, how to accurately report mobilized finance, how support enables the implementation of NDCs, NAPs and other national plans, and how finance is new and additional and represents a progression over time;

390. Climate finance delivered as part of the NCQG should be new and in addition to ODA. No development finance should be redirected or labelled as climate finance;

391. Climate finance is distinct from Official Development Assistance (ODA) and humanitarian aid. While the latter two may address climate-related elements, we need to avoid double counting within these categories by ensuring amounts reported as climate finance reflect the climate-specific portion of support, rather than the entire allocation (non-climate and climate related);

392. Climate finance is distinct and therefore additional to current and future development finance (i.e. official development assistance [‘ODA’]) and/or humanitarian finance. This understanding is confirmed in Article 4(3) of the UNFCCC outlining that climate finance must be new and additional finance. Development and humanitarian finance can, however, have secondary objectives that are consistent with a pathway towards, or run concurrent and complimentary to, the objectives of responding to climate change under the UNFCCC regime;

393. No option.

8.8 *{Climate-development nexus}*

394. Recognize the importance of developing and applying safeguards to avoid greenwashing and to ensure the NCQG is not hindering sustainable development and poverty eradication;

395. It is important that developing countries are not forced to choose between climate action and poverty eradication. A substantial and needed increase in climate

finance should not be at the expense of other development objectives, so an increase in climate finance should not lead to lower levels of ODA;

396. No option.

8.9 *{Policy incentives}*

397. Addressing how finance best can be used to implement NDCs and NAPs, as part of countries budget planning;

398. Calling on governments, regulators and supervisors, public and private financial institutions, rating agencies to create and strengthen the enabling conditions to support an upscaling of flows for climate action and addressing those flows running counter to climate objectives;

399. Call on Parties to mainstream climate action into macro-economic and fiscal policy, budgeting and procurement processes, and to develop climate specific finance strategies and investment plans, including by developing fiscal incentives to tackle market failures and other barriers to investment and by future-proofing public finance by redesigning the tax system for net zero and climate resilience;

400. Policy measures: encouragements or quantitative targets, e.g. alignment of finance flows, call, or x percent of finance flows to have on alignment, quant targets on removal of subsidies, emissions pricing, disclosure, reduce cost of capital of developing countries;

401. The NCQG is an opportunity to send policy signals to Parties and other actors and key players;

402. We highlight the linkages between quantitative and qualitative elements. If we are to achieve the quanta, we also need to give directions for the actions we need to take in the form of incentives, encouragements, call to actions etc. We remain open to where these qualitative elements can be captured;

403. Providing incentives more broadly for all Parties to adopt a long-term perspective in the budget planning and to integrate climate considerations into their national development agendas;

404. No option.

8.10*{Impact and effectiveness}*

405. A specific overarching paragraph capturing the importance of effectiveness, results and impacts. The paragraph should capture ways to reward ambition, in particular for developing country Parties that set ambitious climate policies;

406. The qualitative elements must ascertain that countries have direct access to climate finance; that finance is responsive to the nature of our needs in the NDCs, and NAPs which includes nature of instruments, supporting level of ambition in developing countries. And this is reflected in the current reporting system;

407. Language on impact and effectiveness. Ensure that finance results in tangible outcomes and impacts is directed to where it is most needed, including enhancing access;

408. Thematic considerations could be captured elsewhere in the decision, e.g., in provisions relating to impact and effectiveness;

409. Finance is a means to an end and needs to enable ambitious climate action and policy on the ground in order to deliver a long-term impact in the form of emission reductions and climate resilience. Call on all actors to enhance the effectiveness, efficiency and transparency of resource provision and use;

410. Recognizes the importance of effective and quality climate finance and of provision and mobilization efforts that maximizes impact, and

(a) Includes efficiency, accessibility, and impact as key qualitative elements of the new collective quantified goal;

(b) Stresses the importance of enhancing the measurement and reporting of the results and impacts of climate finance provided, mobilized, needed and received, in line with long-term goals of the Paris Agreement outlined in Article 2;

(c) Encourages Parties to continue to enhance access to climate finance, including by making efforts to, where feasible, simplify the climate finance architectures and enhances country ownership through supporting modalities such as direct access at the subnational and local levels, readiness and project preparation facilities;

(d) Reaffirms that the NCQG and its principles must respect human rights, the rights of Indigenous Peoples, gender equality and intergenerational equity;

411. Acknowledge need for impact and effectiveness, e.g. complemented by quantitative impacts and indicators, for example % of finance to gender, GHG emissions, and beneficiaries;

412. Effectiveness and outcomes should be considered as core principles of climate finance;

413. Effective finance is finance that offers Full support of NDCs and NAPs and other national needs i.e. just transitions and plans with adequate finance and its contribution to Articles 2.1 (a and b), sustainable development and poverty eradication;

414. No option.

8.11*{Role of different actors}*

415. Call on relevant international fora to make the financial system fit for purpose, fully addressing physical and transition risks for financial institutions and investors, and call for a review of prudential frameworks and standards with a view to taking full account of the implications of climate-related financial risks for financial stability;

416. Call on relevant international fora to integrate climate risk in their standards and guidance on supervisory practices;

417. Call on MDBs and other IFIs to align their operations with the Paris Agreement objectives (do no harm) and contribute/increase their contribution to climate finance both in highly concessional forms of finance, by significantly increasing the mobilization of private finance and by better coordinating their efforts, including in recipient/client countries;

418. While recognizing the importance of and committing to a core of public finance and underscore the indispensable role of the private sector to reach financing

at scale. Further stress the role and responsibility of the fossil fuel industry to support developing countries in transitioning away from fossil fuels in energy systems;

419. Call on credit rating agencies and domestic and international regulators to ensure that the credit rating system fully integrates climate risks and transition risks, including notably also long-term time horizons;

420. In the context of speaking to MDBs, IFIs – qualitative elements should draw from the Sharm Implementation agenda that speaks to (para 61 and 62) multilateral development bank practices and priorities, align and scale up funding, ensure simplified access, deploying a full suite of instruments, from grants to guarantees and non-debt instruments, taking into account debt burdens, and to address risk appetite, with a view to substantially increasing climate finance;

421. NCQG should not be duplicating or infringing on the other track of discussions on 2.1.c, hence the discussion here is not on flows but on quantum, delivery instruments and responsibility to deliver as per Article 9.1 of the Paris Agreement;

422. We must speak to the importance of IFI reform and the role that Multilateral Development Banks can play;

423. No option.

8.12 *{Gender, children/youth, indigenous peoples and local communities}*

424. A specific paragraph capturing gender-responsiveness of climate finance and the importance of fostering broader nature and sustainable development co-benefits;

425. Take into account the needs of Indigenous People who are often at the frontlines of climate change and encourage making use of Indigenous knowledge;

426. Ensure that climate finance is gender responsive with a view to further building the capacity of women who are disproportionately affected by climate change impacts;

427. Decides the NCQG and its principles should be human rights-based and gender-responsive and consider the people and communities on the frontlines of climate change, including women, youth, children, workers, and Indigenous Peoples, as well as civil society, in recognition of their important roles in addressing and responding to climate change;

428. Reflect ambition to ensure finance is gender responsive, meaningful impact to women, girls and youth, human-rights aligned, indigenous people; could see quantitative elements incl. targets within the goal or outputs and impacts;

429. Nature positive finance, gender, Indigenous Peoples, youth, children, future generations through qualitative reference or quant targets (e.g. % share or dollar values of finance);

430. CBDR - RC and adopt a climate justice perspective;

431. Gender responsiveness climate finance could also be captured in quantitative terms;

432. The co-benefits of climate finance should also be a key element of their quality. We must ensure the NCQG maximise the co-benefits for people and nature, along with ensuring finance is gender-responsive, inclusive of children and youth and best supports the knowledge and practices of indigenous communities;

433. No option.

8.13*{Capacity building and tech transfer}*

434. A goal with an element on improving capacities to implement climate action;

435. Financing for technology transfer, actions for endogenous technology, capacity building, gender and action for climate empowerment should also be considered;

436. Acknowledge that to fully encompass the vast elements suggested incl. In relation to strengthening enabling environments (and in practical terms in implementing mitigation and adaptation action), capacity building and technology transfer plays a key role;

437. Reference to capacity building and technology transfer;

438. No option.

IX. Access features

439. Options referred to in section 8.5.

X. Transparency arrangements/Transparency arrangements and reporting/ Transparency and accountability arrangements

10.1*{Modalities}*

10.1.1 *{ETF}*

440. Decides that the Enhanced Transparency Framework of the Paris Agreement will serve as the transparency arrangements of the new collective quantified goal on climate finance and recognizes that an appropriate climate finance definition will ensure climate specificity of fund flows and commitment fulfilment by developed countries in line with Article 9 of the Paris Agreement;

441. Set the ETF as the backward-looking reporting tool without any changes - taking to account that it has very clear modalities, procedures and guidelines for developed countries that touch on issues that are key for all developing countries;

442. Recognizes the importance of transparency and accountability on financial flows for the implementation of the Paris Agreement and decides the NCQG will utilize the existing enhanced transparency framework, in line with Article 13 of the Paris Agreement, to track progress on the various elements of the goal;

443. Transparency arrangements to be in line with Articles 9.5 and 9.7 which can be used with the ETF;

444. Note that the current ETF MPGs (Modalities, Procedures and Guidelines) already foresee that all those countries who are providing climate finance should report on it. Acknowledging that this would increase transparency, while encouraging and enabling coordinated, complementary and catalytic action;

445. Recognizes that the Enhanced Transparency Framework has a fundamental role in the reporting and review of progress of the NCQG by providing the information required to keep track of the progress on the achievement the goal and underlines importance of the Biennial Communications referred to in Article 9, paragraph 5, of the Paris Agreement, in enhancing predictability and clarity of information on financial support for the implementation of the Agreement;

446. The transparency and accountability arrangements would:

(a) Allow for the accurate and reliable measuring of the 'mobilization' of climate finance which includes: public sector provision of climate finance, and climate finance mobilized through public interventions;

(b) Use the biennial transparency reports of developing countries (particularly the support received section) and developed (particularly support provided and mobilized sections) as the primary reporting tool in the NCQG transparency and accountability arrangements;

(c) Outline arrangements for transparency and periodic review to ensure mobilization of such climate finance represents a progression beyond previous efforts, including clarity on the definition of climate finance;

(d) Establish and apply a standard/harmonized method for tracking what can be counted as climate finance (linked to the established definition and scope;

(e) Establish and implement a periodic review process of the NCQG in line with the proposed temporal scope for the NCQG mentioned above;

(f) Consider whether a link should be established with the Enhanced Transparency Framework's technical expert review of the Support Section in BTRs of developed countries providing support, and if so, how would that link be made;

(g) Consider the need for a monitoring mechanism/entity under the UNFCCC to monitor implementation progress of the NCQG;

(h) Consider how developed countries will be held accountable for ensuring that future iterations of the NCQG after its reviews represents progression beyond previous efforts as they take the lead in the mobilization in line with Article 9(3) of the Paris Agreement;

447. The ETF (and BTRs) should be the main source of information for NCQG monitoring and reporting (finance provided and mobilised by developed countries);

448. The Enhanced Transparency Framework (ETF) should form the basis of Parties' reporting under the NCQG;

449. The transparency arrangements under the NCQG should be based on processes and constituted bodies already established under the UNFCCC and the Paris Agreement, including the Enhanced Transparency Framework (ETF), the Global Stocktake, and reports produced by the Standing Committee on Finance (SCF). The ETF and its detailed set of modalities, procedures and guidelines should function as the reporting system under the NCQG, allowing the effective tracking and reporting of finance flows, by each country, and the progress towards achieving the new goal, including quantitative and qualitative elements.

10.1.2 *{Changes to ETF, missing elements}*

450. Decides that the transparency arrangements for the NCQG will draw on existing reporting mechanisms, including inter alia the Enhanced Transparency Framework and additional arrangements to be considered dependent on future deliberations;

451. ETF will have to be updated based on outcomes of NDCs; ETF is beyond transparency and must also ensure:

(a) Accountability, and as such include burden sharing arrangements among climate finance contributors, aligned with Art. 9.1 of the Paris Agreement

(b) Arrangements that allow all developing countries to benefit from the NCQG;

452. The NCQG will need additional transparency arrangements to address, among other issues:

(a) Climate finance definition. Additional guidance/ elements should be in place to clarify what should be counted as climate finance and what should not;

(b) Monitoring and reporting responsibilities: frequency of reporting, the entity responsible for the consolidation of information and reporting;

(c) Adequate consideration of loss and damage as part of the transparency arrangements;

(d) How to enhance the accounting of climate finance mobilised by developed countries with the private sector?

453. The inclusion of financing for loss and damage entails defining how it would modify the ETF before the next round of BTR. Current reports will transition to what will be suitable for the NCQG;

454. Considers that the transparency arrangements for the new collective quantified goal should utilise the Enhanced Transparency Framework and complement it as necessary with other sources of information reflecting the elements and the multi-layered structure of the NCQG. The transparency arrangements should correspond to the scope of the goal and the sources of finance;

455. Acknowledge importance of additional data providers and consider building on the rich experience and quality of these data in the review of the ETF;

456. In light of the review of the ETF in 2028, transparency arrangements can be updated, including on the basis of available data, to reflect the reporting and transparency needs and requirements of the NCQG, including in order to effectively track progress;

457. Noting that the upcoming review in 2028 provides an opportunity to update the ETF in manners that address any potential elements not adequately covered as pertaining to the final composition, context and elements in the goal. One of such important elements will include capturing impact and effectiveness and progress on mobilizing wider sources of finance;

458. Articulate how to account for international finance flows currently not under reporting

(a) Current providers who report officially;

(b) Current public providers who do not report officially;

(c) Public finance from new contributors;

459. Call for voluntary action: to reflect on information earlier and account for information not captured under the ETF;

460. Decides that the transparency and reporting framework for the new collective quantified goal will draw on existing reporting arrangements under the Paris Agreement including, inter alia, the Enhanced Transparency Framework, and incorporate new arrangements as required to effective monitor progress towards the achievement of the goal;

461. Data collection, including direct the info needed as part of the transparency arrangement which could entail the following options:

(a) Contributors to determine arrangements and indicator for information they provide;

(b) Design a bespoke transparency structure;

(c) Rely on ETF, goal distinct between mobilization and provision of the finance; need update of ETF;

462. It is important that we build the transparency arrangements on the ETF, recognizing that not all aspects of the goal will be captured in the current ETF;

463. Information on the aspects not captured in the current ETF could be captured through other sources of information until the first regular review of the ETF in 2028. Parties could then consider their inclusion in the context of the first review of the ETF;

464. ETF as the backbone of transparency arrangements together with the BTRs complemented by reporting such as the Biennial Assessments. Acknowledging that the ETF will likely not cover all relevant elements for the NCQG from the outset but noting that there is already a space for voluntary reporting;

465. No option.

10.1.3 *{Aggregate reporting/compilation/Role of the SCF}*

466. Aggregate level report and GST to enhance delivery of the NCQG;

467. Collective tracking of progress could happen through the SCF, building on the Biennial Assessments and Overview of Climate Finance Flows (BA);

468. The Standing Committee on Finance (SCF) should play a role in tracking and reporting on the delivery of the NCQG. This should be done within the Biennial Assessment and Overview of Climate Finance Flows, including financial data in the BTR reports, assessing the adequacy of financial support provided and mobilized by developed countries to developing countries, providing recommendations and on its periodic update;

469. For reports on progress, the standing committee on finance to continue its work and recognize the need for improvements in their outputs. These improvements cannot be separated from an update of the SCF operational definition of climate finance - work that our group pushed for and secured in Dubai;

470. Acknowledge the value of the work of the Standing Committee on Finance. Foreseeing a continued role of the SCF, including through the Biennial Assessment;

471. Options to consider include:

(a) Contributors to determine the compilation of info into a report (similar to OECD reports);

(b) Use existing reports under the SCF (e.g. BA);

(c) SCF to prepare a new bespoke report;

472. Processes such as the SCF report on NDR will be important to take care of the evolving needs of developing countries;

473. We see a need to mandate the collection of data/information not sufficiently covered today (private flows, alignment of flows etc.), potentially as part of the BA.

We recognise the different obligations parties have under the Paris Agreement, and that private actors don't have obligations under the agreement. Still, we can capture and track private finance flows for climate action. There is scope for methodological improvements, but overview of private flows nevertheless provides accountability of private sector actions;

474. Because the goal is collective, we support a lean collective tracking progress of the NCQG based on national bottom-up reports from all contributors as well as additional sources of information, which could then be aggregated and displayed by the SCF in a collective report such as the Biennial Assessment and Overview of Climate Finance Flows;

475. A loop back to results and impact, e.g. by requesting that the collective report to track the progress of the implementation of the NCQG should also track progress of how the implementation of the NCQG and its components has supported the achievement of the foreseen collective outcomes and targets captured in the GST, the GGA framework and the MWP;

476. No option.

10.1.4 *{Forward-looking reporting/Reference to Art. 9.5 of the Paris Agreement}*

477. The Biennial Communications presented under Article 9, paragraph 5 of the Paris Agreement, as an ex-ante report, should be used to provide predictability and accountability to the climate finance flows to be provided to developing countries in the implementation of their NDCs, NAPs, LTS, and other planning strategies;

478. Decides that Biennial Reports under Article 9, paragraph 5, of the Paris Agreement will serve as the forward-looking transparency arrangements of the new collective quantified goal on climate finance;

479. Ex-ante reporting on how much-developed countries will provide as part of the existing arrangements under Article 9.5 will be very helpful. This should be complemented by an ex-ante burden-sharing mechanism between the developed countries;

480. No option.

10.1.5 *{Frequency of reporting}*

481. Annual reporting;

482. Biennial reporting, in line with established processes under the UNFCCC, such as BTRs, biennial communications;

483. Periodic reporting based on milestones;

484. Combination of reporting frequencies;

485. Longer timeline for goal review;

486. Frequency of reporting could be aligned with the

(a) ETF;

(b) NDC cycles;

(c) GST cycles;

(d) NDR cycles.

487. Frequency of reporting should be determined according to established processes under the UNFCCC and not according to budgetary cycles of developed countries.

10.1.6 *{Review}*

488. Decides that implementation of the NCQG will be periodically reported and reviewed;

489. Reference to a goal periodic review, incl. at GST and informed by the IPCC; frequency of measurement to be annually to see if goal is achieved which is linked to accountability and predictability;

490. Implementation period for the new goal to be ten (10) years with a waypoint for its periodic review at year 5 and year 10, respectively, in said period. The new goal may be subject to any further reviews on its adequacy based on outcomes from UNFCCC process such as the Global Stocktake and the Periodic Review of the Long-Term Global Goal. Furthermore, sub-goals and intermediate targets are important, especially in the context of an implementation 'road map' across each period;

491. Two-year review process;

492. The NDC and GST cycles form the basis of the goal's review and updating;

493. Review: tweaking provision of quality of finance in case of temp increase in the context of review and revision;

494. Progress in the delivery of the new goal should also be assessed as part of each Global Stocktake, considering the best available science, in particular from the IPCC;

495. Review of the quantum, whether quantum delivered and quantum needed in the future (also in the context of Art. 9.5);

496. No option.

10.1.7 *{Revision}*

497. Decides that the NCQG will be adjusted to reflect the evolving needs of developing countries and effectively support climate action;

498. Decides that the review and adjustment of the NCQG will be informed by the outcomes of the GST, among other sources;

499. Revisions of the NCQG to be in line with the NDC and GST cycles;

500. Frequency of Party-driven periodic revision:

(a) Short-term time frame (5 years);

(b) Medium-term time frame (10 years);

(c) Long-term time frame (>10 years).

501. Support a biennial collective tracking progress consistent with the ETF timeframe but does not support the review and / or revision of the goal;

502. No revision, if Parties agree on a revision it has to be on all elements of the goal;

503. An increase in temperature would require subsequent increase of the quantum to fill ambition gap, as cost of adaptation actions and responses to loss and damage would increase;

504. No revision.

10.2 *{Features}*

10.2.1 *{Principles}*

505. We envision key elements in transparency: i) avoiding double counting, ii) ensuring that resources are implemented in developing countries, iii) avoid greenwashing. The above entails defining which activities and types of resources will be counted within the NCQG and which activities or resources will definitely not be considered as climate finance. In this sense, the elements of transparency will depend on how the new goal will be structured.

10.2.2 *{Climate finance definitions and accounting method}*

506. 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;

507. Decides to define and implement a common operational definition of climate finance as part of the transparency arrangements of the NCQG;

508. Inclusion of climate finance definition and what is not to be counted as climate finance under the NCQG – which run across both transparency and qualitative elements;

509. A reflection of what does not count as climate finance for instance any market rate loan is not climate finance as it constitutes reflows or backflows and the nature of finance which includes additional to ODA, has to be grant based and concessional finance, and must consider fiscal constraints;

510. 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;

511. Identification of 'what is climate finance?' in relation to the NCQG and its objective (i.e. to actively contribute to the global climate change response), including what are its thematic areas of focus, and what cannot be deemed as climate finance;

512. Underline that the definition of climate finance is critical. In the absence of a clear definition of climate finance, understanding of the scope of the NCQG is not clear in regard to clear differentiation between adaptation, mitigation and loss and damage;

513. How to address avoidance of double counting;

514. A solid transparency reporting system on the achievement of the new goal is needed, since there is no standardized methodology with clear and detailed information on the resources mobilized, sources, channels, and instruments. That must be overcome by providing information on climate-related activities, grant equivalence of non- grant instruments, accountability of the mobilization of private finance through public interventions;

515. Climate finance definition is highly relevant in this context. Coupled with ETF, the definition will allow for more trust in the accounting of climate finance flows under the new goal. This will entail not counting ODA, non-concessional flows, and non-climate specific flows as climate finance under the NCQG. We do not agree that there is a nationally determined approach as far as the definition is considered, as there are clear mandates under the convention and its agreement, for instance, Article 9 clearly specifies that developed countries need to provide and mobilise finance;

516. No option.

10.2.3 *{Focus on outcomes}*

517. Include information on outcomes, linked to the context, including how climate finance provided relates to outcomes of NDCs and NAPs and actions undertaken;

518. The degree to which support provided and mobilized is aligned with NDCs and NAPs;

519. Alignment with NDCs/NAPs and national plans of developing countries;

520. Link to agreed outcomes such as under the GST and the GGA and how the goal supports the implementation towards the outcome goal;

521. Outcomes and results: How finance is used in context of 2.1a-c.