<u>OHCHR submission to advance the work on the Climate Finance Work Programme</u>

6 September 2026

Introduction

The present submission follows OHCHR's previous submission on the Climate Finance Work Programme, dated 27 April 2025. It draws upon the analysis and recommendations contained in the forthcoming synthesis report of the United Nations Secretary-General to the Human Rights Council on *Actionable pathways in mobilizing sufficient climate financing and associated challenges and opportunities in the pursuit of the full realization of human rights for all people* (A/HRC/63/54). The report underscores that climate finance is essential for the realization of human rights and that current climate finance flows remain insufficient, inequitable, inaccessible and often inadequately aligned with human rights obligations. It identifies opportunities to strengthen the provision, mobilization, accessibility, transparency and accountability of climate finance in a manner consistent with States' human rights obligations, as well as the obligations and objectives of the Paris Agreement, including Article 9.

1) Views on the vision, modalities, and elements to be addressed in the next year of the work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole.

The next year of the work programme should focus on operationalizing a human rights-based approach to climate finance that is consistent with Article 9 of the Paris Agreement and responsive to the scale of needs identified by developing countries. Article 9.1 establishes that developed country Parties should provide financial resources to assist developing country Parties with mitigation and adaptation efforts. The International Court of Justice has further affirmed that Article 9 reflects a duty to cooperate and must be implemented at a level sufficient to achieve the objectives of the Paris Agreement taking into account the capacities of developed States and the needs of developing States.

The vision for the work programme should therefore be guided by four mutually reinforcing objectives:

1. Scale: rapidly increasing the quantity of climate finance to close the severe financing gap faced by developing countries;
2. Quality: ensuring climate finance is grant-based or concessional where appropriate, predictable, human rights-based, and does not exacerbate debt distress;
3. Accessibility: removing procedural and institutional barriers that prevent climate-vulnerable countries and affected people and communities from accessing finance;
4. Accountability and transparency: ensuring that finance flows, impacts, and outcomes can be monitored, assessed, and challenged where necessary and that people negatively affected by climate projects have access to justice.

The work programme should explicitly recognize that climate finance is not solely a matter of mobilizing capital. It is also a matter of fulfilling international obligations and enabling the realization of human rights, especially in countries facing the greatest climate vulnerabilities. The current state of climate finance is inadequate for achieving climate and human rights goals. International climate finance provided and mobilized by developed countries reached only USD 136.7 billion in 2024, while developing countries require substantially larger flows, estimated at USD 1.3 trillion annually from public and private sources by 2035. Adaptation and loss and damage financing remain particularly underfunded. Accordingly, the next phase of the work programme should prioritize:

- Scaling up adaptation finance and support for loss and damage;
- Increasing grant-based and non-debt-creating finance;
- Reforming international financial architecture barriers that increase borrowing costs for developing countries;
- Strengthening direct access modalities;
- Embedding human rights safeguards, participation, transparency and accountability throughout climate finance governance.

2) Provision and mobilization of "climate finance, including Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole": How can we scale up the provision and mobilization of climate finance from a wide variety of sources, instruments and channels to support climate actions in developing countries?

Scaling up climate finance requires increased public finance. Public finance is indispensable, particularly for adaptation, loss and damage, social protection, and other investments that generate substantial public benefits but may offer limited to no commercial returns. Developed countries should therefore fulfil existing commitments and substantially increase predictable grant-based finance.

Several complementary measures could increase available resources:

- Redirecting, in a progressive and equitable manner, fossil fuel subsidies toward climate action, adaptation, social protection and just transition measures.
- Strengthening international tax cooperation, including measures to combat tax avoidance and illicit financial flows, thereby generating additional fiscal space for climate action.
- Progressive taxation measures, including taxes on fossil fuel windfall profits, carbon-intensive activities, financial transactions, shipping emissions and extreme wealth, which could generate significant non-debt-creating finance.
- Multilateral development banks reform, including expanded lending capacity and greater concessionality.
- Debt relief and restructuring measures, including climate-resilient debt clauses and debt standstills following climate disasters, which can create additional fiscal space for climate and sustainable development investments.

Private finance also has a role to play. However, private finance should be governed by robust human rights due diligence frameworks and should not be used to justify reductions in public finance commitments. Private climate finance strategies should align financial flows with low-emission and climate-resilient development pathways while ensuring respect for international human rights standards.

3) Access to "climate finance, including Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole": What are concrete procedural, institutional and capacity barriers that prevent developing countries from accessing available climate finance, and how can these be addressed?

Many developing countries continue to face significant obstacles in accessing climate finance despite increasing needs. These include complex application procedures, stringent fiduciary requirements, extensive reporting obligations, eligibility conditions, co-financing requirements and reliance on intermediaries as major barriers. These constraints disproportionately affect least developed countries, small island developing States, local authorities, Indigenous Peoples, women, displaced persons and other people in vulnerable situations.

Institutional barriers are compounded by broader structural factors, including debt burdens, limited national capacity to prepare projects, limited direct access arrangements and an international financial architecture that favours larger and more established institutions. In some cases, requirements related to land tenure, collateral, or legal status exclude groups in vulnerable situations from directly benefiting from climate finance.

To address these barriers, the work programme should prioritize, among others:

- Simplification and harmonization of application and reporting procedures across climate funds and institutions;
- Expanded direct access modalities for national and local actors, as well as for Indigenous Peoples, local communities, and women;
- Increased use of small-grants mechanisms accessible to community organizations and Indigenous Peoples.

Access should be viewed not merely as a technical issue but as a matter of equity and human rights. Climate finance is most effective when affected communities can directly shape and influence funding decisions and implementation.

4) Transparency of "climate finance, including Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole": How do we enhance the transparency of climate finance and the measurement of progress on the impacts, results and outcomes of climate finance, including Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole?

Transparency is essential for accountability, effectiveness and trust. Current reporting practices are fragmented, often based on inconsistent methodologies and definitions, and frequently fail to provide sufficient information about the real value, quality and impacts of climate finance. Significant challenges arise from limited data availability, inconsistent reporting, and the lack of standardized approaches to measuring outcomes.

The next phase of the work programme should therefore support, among others:

- Development of standardized reporting frameworks for climate finance flows, including grant-equivalent reporting;
- Improved transparency regarding the financial instruments used, including grants, loans, guarantees and blended finance arrangements;
- Common methodologies for measuring impacts, results and human rights outcomes;
- Publicly accessible information platforms that allow stakeholders and affected communities to track financed projects.

Monitoring frameworks should assess not only emissions reductions or resilience outcomes but also contributions to equality, participation, gender responsiveness, Indigenous Peoples' rights, social protection, and broader human rights objectives.

Strengthened transparency must also be accompanied by stronger accountability and access to effective remedies. Affected communities should have access to accessible, independent and effective grievance mechanisms where projects cause harm or fail to comply with human rights safeguards. Lessons learned through these mechanisms should feed back into institutional reforms and future climate finance decisions.

Conclusion

In conclusion, the work programme should advance a human rights-based approach to climate finance characterized by greater scale, improved quality, enhanced accessibility, and stronger transparency and accountability. Such an approach would better support implementation of Article 9 of the Paris Agreement while helping to ensure that climate finance contributes effectively to climate-resilient development and the realization of human rights.