

## Oxfam input to the 2-year Work Programme on climate finance

Oxfam is grateful for the opportunity to provide the following input in response to the invitation by the co-chairs of the work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole.

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

#### Overall expectations

- The WP should **advance clarity, accountability, and ambition on climate finance**. It should contribute to the implementation of both the NCQG and Article 9 of the Paris Agreement, with particular emphasis on Article 9.1.
- It should also **contribute to make climate finance more equitable, accessible, and responsive to country and community needs**, in line with evidence highlighting persistent shortcomings in current delivery.
- The WP should **result in actionable recommendations for COP32**, strengthening the obligation of developed countries to provide finance, and ensuring climate finance serves people and communities.
- **Differentiate between technical and political outcomes**, ensuring that political outcomes, e.g., related to Article 9.1 obligations, are not sidelined.

#### Specific expectations

- Explore **pathways for, and composition and quality of, the \$300 billion target** (including timelines, milestones, and accountability mechanisms for tracking progress). The WP could discuss possible delivery pathways to meet the target and provide greater clarity on the different components across various dimensions (such as provision of public finance under Article 9.1 versus mobilisation of private finance; financial instruments; thematic allocation & balance, implementation of para 16 of the NCQG decision etc.).
- Explore **options for new sources of climate finance**, such as levies/taxes on fossil fuel industry profits, on extreme wealth and on highly polluting luxury consumption choices such as private jets.

- Explore pathways for **achieving balance between mitigation and adaptation**, including regarding the agreed **tripling adaptation finance by 2035**, in line with developing countries' priorities and needs.
- Reflect on **options for following up on the NCQG decision's recognition of the need for more action and support to address loss and damage**, thus contributing to establishing a solid foundation for predictable and adequate loss and damage finance, within and in addition to existing mechanisms.
- Advance discussions towards a **definition of climate finance**, including regarding what qualifies as climate finance towards meeting the \$300 billion target and fulfilling Article 9.1 obligations, addressing ambiguities that lead to over-reporting in current accounting practices (such as accounting loans at their face-value rather than their grant equivalent), and to ensure finance is genuinely new and additional.
- Discuss options to **strengthen transparency and accountability**, including more detailed project level reporting; disclosure of financial instrument details such as loan terms; tracking of how much finance reaches local levels and vulnerable groups; and monitoring of actual disbursements and impacts.
- Enhance understanding on (i) **the role and limits of different financial instruments in climate finance**, including regarding the impacts of climate loans on recipient countries' debt burden and **options for addressing needs for grant-based finance**, especially for adaptation and for responding to loss and damage.
- Discuss options for **improving access to climate finance**, analysing key barriers identified in practice, such as complex and resource-intensive application processes, co-financing requirements, limited capacities of local actors, etc.
- Study ways to **enhance alignment of climate finance with country and community needs**, including NDCs, NAPs and other relevant plans, including enhancing locally led, participatory approaches rather than top-down delivery models that risk reducing effectiveness and relevance.
- Discuss options **for comprehensive participation of civil society and local actors in implementing climate finance**, recognizing their role in shaping, implementing, and monitoring climate finance, and ensuring that finance systems are inclusive and accountable.
- Enable & promote **ongoing input from civil society on issues covered by the WP**, including through submissions, active participation in all events of the WP (and not limiting participation to 1-2 CSO representatives), invitations to present relevant studies and reports etc.

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

The WP could be structured around a set of coherent and mutually reinforcing thematic pillars such as

## 1. **Public Finance Provision (Article 9.1)**

- Scale, pathways, predictability, and quality of public finance
- Channels
- Instrument use in climate finance, and needs for grant-based and highly concessional finance
- Implementing the 'new and additional' paradigm
- Implementation of para 16 of the NCQG decision to triple finance through the operating entities of the Financial Mechanism, the Adaptation Fund, the Least Developed Countries Fund, the Special Climate Change Fund and other relevant mechanisms
- Fair shares in contributing to the NCQG
- New sources of climate finance such as levies/taxes on fossil fuel industry profits or extreme wealth

## 2. **Thematic allocation**

- Balance between mitigation & adaptation, while building a solid foundation for future loss and damage finance
- Alignment of finance with country needs and priorities

## 3. **Access and Implementation**

- Simplified and equitable direct access to finance, particularly for frontline communities and local actors
- Options for enhancing gender-responsive, rights-based, locally led, participatory and inclusive approaches and allocations, including to ensure benefits for women as well as local communities, peoples and populations, in particular marginalised groups

## 4. **Transparency and Accountability**

- Definitions of climate finance with respect to Article 9 and the NCQG, including to prevent double counting and overreporting
- Transparency and more detailed, standardised project-level reporting under the ETF, including improved accounting methodologies (e.g. grant-equivalent reporting)

## 5. **Mobilisation and Role of the Private Sector**

- Roles and limits of (mobilised) private finance and its complementarity with providing public finance
- Ensuring that private sector mobilisation contributes to equitable and quality outcomes and supports local economies rather than focussing on profitability for international investors
- Safeguards to ensure finance reaches vulnerable populations

Across all pillars, the WP should promote regional approaches and dialogues, enabling context-specific discussions and stronger participation from Global South stakeholders.

**(c) How should the climate finance work programme be organized to ensure that the format is inclusive, balanced, and technically robust, while addressing climate finance comprehensively and delivering outcomes that are actionable and meaningful?**

The WP should be organised to ensure inclusivity, transparency, and effectiveness, while delivering concrete and actionable outcomes.

Key elements should include:

- **Meaningful and structured participation of civil society**, including dedicated spaces for inputs<sup>1</sup>, including input from affected communities, women’s organisations, and Global South stakeholders.
- A **clear timeline and workplan**, with defined milestones, deliverables, and opportunities for input throughout the two-year process.
- A **balanced combination of technical and political discussions**, ensuring that technical work informs—but does not replace—political decision-making.
- **Regional dialogues and consultations, complementing global meetings**, to ensure diverse perspectives are reflected and participation barriers are reduced.
- Adequate financial and logistical **support to enable participation from underrepresented regions and stakeholders**.
- **Coordination and complementarity with other UNFCCC processes**, to ensure coherence and avoid duplication, such as the work of the SCF or the FM and its operating entities.

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<sup>1</sup> The WP should also be informed by existing evidence, including data from the Oxfam and CARE [Climate Finance Shadow Report 2025](#), which highlights the persistent imbalance between grants and loans in climate finance provided by developed countries.