



Compilation and synthesis of inputs for the eleventh technical expert dialogue and the third meeting under the ad hoc work programme on the new collective quantified goal on climate finance

I. Introduction

A. Mandate

1. By decision 1/CP.21, paragraph 53, Parties decided that, prior to 2025, the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) shall set a new collective quantified goal on climate finance (NCQG) from a floor of USD 100 billion per year, taking into account the needs and priorities of developing countries.

2. CMA 1 decided to initiate at its third session deliberations on setting the NCQG, in accordance with Article 9, paragraph 3, of the Paris Agreement, 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, and agreed to consider in those deliberations the aim of strengthening the global response to the threat of climate change in the context of sustainable development and efforts to eradicate poverty, including by making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.¹

3. CMA 3 established an ad hoc work programme on the NCQG for 2022–2024 and decided to conduct four technical expert dialogues (TEDs) per year thereunder.² CMA 4 acknowledged the need to significantly strengthen the ad hoc work programme in the light of the urgency of scaling up climate action with a view to achieving meaningful outcomes from the deliberations on all elements and setting the NCQG in 2024 taking into account the needs and priorities of developing countries.³

4. CMA 5 decided to transition to a mode of work that enables the development of a draft negotiating text on the NCQG for consideration at CMA 6 and requested the co-chairs of the ad hoc work programme to develop and publish by March 2024 a workplan for 2024 taking into account submissions from Parties.⁴ CMA 5 also decided to conduct at least three TEDs in 2024 to allow for in-depth technical discussions on the elements of the NCQG, to be held back-to-back with three meetings under the ad hoc work programme to enable Parties to engage in developing the substantive framework for a draft negotiating text, capturing progress made.⁵

5. CMA 5 invited Parties, constituted bodies under the Convention and the Paris Agreement, the operating entities of the Financial Mechanism, climate finance institutions,

¹ Decision 14/CMA.1.

² Decision 9/CMA.3, paras. 3 and 5.

³ Decision 5/CMA.4, para. 8.

⁴ Decision 8/CMA.5, paras. 1 and 12(a). The 2024 workplan is available at <https://unfccc.int/documents/637635>.

⁵ Decision 8/CMA.5, paras. 9–10.

observers and other stakeholders, including from the private sector, to submit views via the submission portal⁶ in advance of each TED and meeting under the ad hoc work programme.⁶

B. Background

6. On 1 July 2024, the co-chairs of the ad hoc work programme issued a notification⁷ to Parties and observer States, United Nations organizations and related organizations, and specialized agencies and intergovernmental and non-governmental organizations admitted as observers to submit by 5 August 2024 their views on TED 11 and the third meeting under the ad hoc work programme,⁸ and encouraged Parties and other stakeholders to share ideas for the topics and format of the events.

C. Scope of the report

7. This compilation and synthesis summarizes the submissions received. As at 30 August 2024, a total of 20 written submissions had been received, all of which were from non-Party stakeholders (see the annex).

8. In addition to views on the topics and format for TED 11 and the third meeting under the ad hoc work programme, the submissions include views on various elements of the NCQG, including its context and principles, quantitative and qualitative aspects and transparency arrangements including options for how to reflect those in the substantive framework to be prepared by the co-chairs of the ad hoc work programme on the NCQG.

II. Synthesis of inputs on the tenth technical expert dialogue and second meeting under the ad hoc work programme

A. Elements of the new collective quantified goal on climate finance

9. Several submissions presented and reiterated views on the **context and principles** of the NCQG, drawing on the provisions of the Convention and the Paris Agreement, including the urgent need for adequate, high-quality, and additional public, grants-based climate finance. These submissions emphasized the importance of equity, historical responsibility, and the polluter pays principle, with an emphasis on the continued obligation of developed countries under the Paris Agreement to lead the provision and mobilization of climate finance.

10. Upholding human rights, the rights of children, youth, and Indigenous Peoples, gender-responsiveness, and intergenerational justice were also highlighted in several submissions, underscoring that Indigenous knowledge should play a significant role in setting the NCQG by ensuring that the needs, perspectives, and traditional wisdom of indigenous communities are considered in climate finance strategies, policy choices, and decision-making processes. This inclusion aims to address the priorities of developing countries, contribute to climate adaptation and mitigation strategies, empower marginalized groups, and uphold human rights and intergenerational justice in climate finance decisions.

⁶ Decision 8/CMA.5, para. 14.

⁷ Available at <https://unfccc.int/documents/640009> and <https://unfccc.int/documents/640010>.

⁸ Further information on the dialogue and meeting is available at <https://unfccc.int/event/tenth-technical-expert-dialogue-under-the-ad-hoc-work-programme-on-the-new-collective-quantified> and <https://unfccc.int/event/second-meeting-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-goal-on-climate> respectively.

11. They also highlighted the necessity of aligning finance with national priorities outlined in NDCs and NAPs, ensuring transparency, accountability, debt sustainability, and focusing on sustainable development, poverty eradication, and a just transition.

12. Some submissions also emphasized that the NCQG should be set on the basis of the best available science for limiting the global average temperature increase to 1.5 °C. It should be concrete, measurable, regularly reviewed, and adapted to reflect the evolving needs of developing countries, with a clear priority for public finance and balanced distribution of finance to support mitigation, adaptation, and loss and damage actions.

13. Several submissions highlighted the importance of reflecting climate finance needs for implementing nature-based solutions, including restoring coastal habitats, and noted the need to address the significant gap in financing for nature-based solutions and to increase access to high-quality finance for communities stewarding nature and implementing nature-based solutions. Other submissions underscored the need for prioritizing systematic observation and Systematic Observations Financing Facility, strengthening the data and science foundation of climate finance.

14. On the **structure** of the NCQG, several submissions suggested that the NCQG should adopt a single-layered goal structure, with one submission suggesting adopting a multi-layered goal structure with core public commitments from developed country Parties to developing country Parties, complemented by outer layers of finance focused on private finance and innovative financing mechanisms. Additionally, some submissions proposed the inclusion of thematic sub-goals when setting the NCQG to address the current imbalance of climate finance flowing to mitigation, adaptation and loss and damage response with a view to ensuring appropriate allocation of finance across these areas and, where possible, across sectors.

15. On **quantitative elements**, several submissions contained proposals for quantitative targets for climate finance under the NCQG which could include a baseline public finance quantum provided and mobilized to developing country Parties, with additional thematic sub-goals for mitigation, adaptation, and loss and damage, aiming for trillions of US dollars a year predominantly in the form of public grants. Additionally, there was a proposal for a minimum baseline quantum of USD 1 trillion annually in grant-equivalent terms for various climate actions, including mitigation, adaptation, and addressing loss and damage to reflect the national estimates of needs indicated in NDCs and to maintain global temperatures well below 1.5 degrees Celsius, with others proposing at least USD 5 trillion per year as initial payment for the basis to determine the quantum of the NCQG aimed to address the urgent and rising climate needs of developing countries. Another submission identified the need for USD 6.9 trillion per year, with disaggregate quantitative sub-goals for mitigation, adaptation and loss and damage and per instrument. Accordingly:

(a) For mitigation, USD 4.7 trillion/ per year, of which USD 1.08 trillion per year to be in the form of grants and USD 3.6 trillion per year in the form of concessional finance and justice aligned fiscal space;

(b) For adaptation, USD 1.44 trillion per year, of which USD 1.08 trillion per year to be in the form of grants and USD 0.36 trillion per year in the form of concessional finance;

(c) For loss and damage, USD 724.43 billion per year, of which USD 724.43 billion per year to be delivered as grants.

16. Another submission proposed the NCQG should consider sectors such as agriculture, and water, and the entire agrifood systems to ensure global food security and take into account the financing and investment needs at around USD 300-400 billion per year to transform agrifood systems to meet the 1.5- degree target.

17. Some submissions shared ideas on the timeframe of the NCQG, with subgoals or targets which could be set for 2030, with indicative goals for 2035 and long-term goals for 2050, and be updated every five years in line with the cycle for the communication of

nationally determined contributions and cycle for national adaptation plans. Another submission underscored the need for increasing climate ambition when reviewing and updating the NCQG. The suggested timelines include a short-term timeframe of 5 years, a medium-term timeframe of 10 years, and a long-term target of 25 years, with optional reviews at 5- or 10-year intervals. The timelines should be based on evolving science and needs, ensuring the inclusion of developing countries and non-traditional climate finance providers. One submission proposed the timeframe of the NCQG to be dynamic, potentially starting with a 5-year on-ramp period in 2025, aligning with the 5-year cycles of the Paris Agreement, and revising the NCQG in 2030.

18. Some submissions underscored the importance of ensuring equitable burden-sharing among developed country Parties and emphasized the importance of all Parties with obligations to contribute to the NCQG to report on their climate finance mobilization and provision and their fair-share.

19. Several submissions provided views on the **qualitative elements** of the NCQG and the various aspects that should be covered thereunder, including, inter alia:

(a) Prioritizing vulnerable countries by significantly scaling up adaptation finance and finance for loss and damage, enhancing climate services, and ensuring sustainable financing for early warning systems;

(b) Prioritizing the provision of adequate, high-quality, new and additional, public, grants-based climate finance based on the actual scale of needs of developing countries, particularly for adaptation actions and loss and damage responses, and grants serving as the core qualitative financing approach for supporting and empowering local communities to avoid increasing debt burdens on developing countries;

(c) Ensuring that climate finance under the NCQG should come from a wide range of sources, channels and instruments, including blended and innovative instruments, without imposing new conditions on developing countries;

(d) Improving access to climate finance, including for vulnerable groups, including those in fragile and conflict-affected settings, through increased capacity building for the fulfilment of access requirements, simplified access modalities, reduced co-financing requirements, and by facilitating the flow of finance to subnational actors such as local communities, small-holder farmers, Indigenous Peoples, and women in critical sectors including agriculture, water, and land use;

(e) Ensuring gender-responsiveness of climate finance, the purpose of which is interlinked with ensuring enhanced and simplified access to climate finance and the participation of local communities and vulnerable groups, including women in all their diversity, children, youth, and Indigenous Peoples who often face heightened risks from climate change but have limited access to climate finance;

(f) Clarifying what should and should not count as climate finance at the outset, with proposals around finance being new and additional to official development assistance and other official flows, with mandatory provisions for climate finance contributors to report on the grant-equivalent value of support provided under the NCQG;

(g) Considering innovative finance mechanisms under the NCQG such as global taxation efforts, debt swaps, climate damages tax, blue/green bonds, international taxation, special drawing rights, and aligning investment incentives with the climate transitions, with a view to increase public finance, ensure additionality, provide direct access to climate finance for vulnerable groups, and align with the goals of the Paris Agreement;

20. Some submissions highlighted that the role of the contributor base must be in accordance with the provisions outlined in Article 9 of the Paris Agreement which stipulate that developed country Parties must provide financial resources to developing country Parties.

One non-Party stakeholder submission noted that several developing country Parties already provide significant amounts of climate finance, but that their contributions in general are likely to be underestimated owing to a lack of available data.

21. The role of private finance in the context of the finance was discussed in some submissions underscoring the potential role private sources could play in the context of the NCQG by providing investments in various areas such as renewable energy, climate services, water resource management, and health. Accordingly, it could strengthen climate finance, support the implementation of NDCs and NAPs, increase ambition and accelerate climate action through innovative sources of finance like global taxation efforts, debt swaps, blended finance, guarantees, and other measures. Some submissions emphasized that while private finance should be harnessed and encouraged, public finance should remain at the core to ensure additionality and prevent diversion of finance from existing commitments. The focus should primarily be on public finance, grants, and highly concessional finance from developed countries to address the climate debt owed to the global south.

22. Achieving Article 2, paragraph 1(c), of the Paris Agreement, as identified in some submissions, involves sending strong signals to the financial sector to support alignment of all financial flows towards implementation of the outcomes of the global stocktake and enhanced ambition in the next round of nationally determined contributions. Sharm el-Sheikh Adaptation Agenda and the Sharm el-Sheikh dialogue can provide insights from a wide range of non-Party stakeholders in harnessing the opportunities and strengthening collaboration, unlocking transition finance and driving systemic change needed to make financial flows consistent with low greenhouse gas emissions, incorporating transformative characteristics for low-emission development pathways, including for transforming food, land and water systems, focusing on resilient food production, climate smart inputs and equipment for sustainable and climate sensitive intensification, for priority consumption and income generating value chains in developing countries and on safeguarding food security.

23. Challenges related to the provision and mobilization of climate finance for consideration identified by a few submissions include, among others bureaucratic hurdles, long approval processes, and administrative burdens that hinder access to funding. Concerns were raised about the adequacy of the USD 100 billion goal to meet developing country needs, the predominance of loans exacerbating debt crises, and the necessity for a shift towards public finance, particularly grants. Additional challenges identified include the need for significant scaling of climate finance, risks of diverting funds from existing commitments, ambiguity in definitions of climate finance, and inadequate responses from private sector financing. Stakeholders also highlighted the importance of addressing the needs of vulnerable groups, ensuring transparency, and the necessity for developed countries to lead in providing climate finance.

24. High costs of capital in developing countries, especially in emerging markets that face significant barriers to financing climate action. Lack of fiscal space in developing countries, especially during economic downturns or climate emergencies and further compounds the ability of developing countries to finance climate action, particularly those facing high debt burdens. As such some submissions urged for the need for adequate grant-based climate finance, alongside debt cancellation to unblock developing countries' ability to address the climate change.

25. In relation to transparency arrangements, most submissions emphasized the need to utilize existing arrangements, notably the Enhanced Transparency Framework to track progress towards achieving the NCQG to ensure clarity and accountability. Such reporting should enable new and improved reporting on finance mobilized and provided, including on finance provided for addressing loss and damage, intergenerational and gender-responsiveness, scale of support and provision of finance for local communities and affected population groups, grant equivalence and debt sustainability.

26. The need for clarity of a definition of climate finance and transparency in reporting was mentioned by some submissions as crucial, alongside clearly defined methodologies for measuring and reporting climate finance, particularly in grant equivalent terms. Additionally, definitions of climate finance should be standardized by clearly defining elements such as guiding principles, objectives, context, references to relevant articles and provisions under the Paris Agreement and the Convention, and the distinction between different sources of finance (public, private, international, domestic). Such standardization could include addressing enablers of climate action, defining concessionality, tracking impact and outcomes of finance, and recognizing the needs of vulnerable Parties like Least Developed Countries and Small Islands Developing States. Some submissions highlighted that the NCQG should prioritize grants and concessional finance, align with the needs of developing countries, integrate equity and climate justice principles, and focus on mobilizing private finance while aligning incentives with the climate transition.

27. Some submissions emphasized the need for **reviewing** adequacy of the NCQG regularly, with one submission differentiating between midterm and end-of-goal reviews to be conducted to assess progress and make necessary adjustments of the NCQG. Accordingly, such reviews should be based on comprehensive data and involve consultations with all stakeholders, including civil society organisations and vulnerable communities, to ensure inclusivity and broad-based support.

B. Discussion topics and format for the eleventh technical expert dialogue and third meeting under the ad hoc work programme

28. Some submissions emphasized that views on and options for most elements, including on the structure, contributor base, and quantum have already been exhausted and therefore should be further discussed and negotiated during meeting under the ad hoc work programme, focusing on emerging issues and identifying convergence across elements on the basis of the updated input paper prepared by the co-chairs of the ad hoc work programme. TED 11 should in turn be devoted for more technical discussions on sources of finance, access modalities, accountability and transparency arrangements, as they relate to the NCQG as well as the quantum of the goal and its contributors, equitable burden-sharing arrangements among developed country Parties, setting subgoals for finance for mitigation, adaptation and loss and damage considering climate and development spend and the role of different actors in the NCQG. Other submissions emphasized that the TED should be organized in a manner that allows for comprehensive discussions on the NCQG and all its elements in the context of scaling up financial resources and investments needed to address the needs and priorities of developing countries, including those required to support the implementation of NDCs and NAPs and increase and accelerate ambition. Two submissions proposed that the TED be scheduled at the mid-point of the third meeting to create space for engagement and elaboration on ideas with a view to focus on finding possible common ground and to allow time for co-chairs to develop an iteration of the co-chair's input paper, with one submission proposing that the input paper be developed into a draft negotiating text.

29. One submission proposed that the co-chairs of the ad hoc work programme prepare a brief report to Ministers prior to the 2024 high-level ministerial dialogue, outlining various packages for the NCQG, explicitly linking different elements together to emphasize different types of outcomes, such as outlining options for the quantum of the goal related to its structure, sources of finance and timeframe.

30. Some submissions emphasized the importance of broad and inclusive participation at the third meeting and eleventh TED which could be achieved by removing barriers faced by some developing countries and non-Party stakeholders, particularly those from developing countries, promoting enhanced stakeholder involvement, ensuring participation from

underrepresented groups by funding their participation in the events, and using hybrid formats for virtual and in-person engagement.

31. Some submissions by non-Party stakeholders underscored the need to prioritize hearing views from non-Party stakeholders, including from women and diverse gender groups, children and youth, Indigenous Peoples and local communities, people living with disabilities and workers, on a range of issues pertaining to the NCQG and the importance of allocating sufficient time to allow for interventions to be made.

32. Sufficient and timely information should be disseminated before and after the TED and meeting to keep all stakeholders informed through various channels.

33. On facilitators and moderators, one submission underscored the importance of prioritizing individuals with expertise in climate finance and a neutral stance, ensuring inclusivity and balanced dialogue, including gender-balance and geographical balance.

Annex

Submissions for the eleventh technical expert dialogue and the third meeting under the ad hoc work programme on the new collective quantified goal on climate finance

The table below lists the group of Parties and the non-Party stakeholders that had submitted inputs for TED 11 and the third meeting under the ad hoc work programme on the NCQG as at 30 August 2024. The submissions are available on the NCQG web page.¹

<i>Group of Parties/non-Party stakeholder</i>	<i>Date received</i>
African Group of Negotiators	8 August 2024
Aviva Investors	1 August 2024
Canada	16 August 2024
Care About Climate (CAC) on behalf of Children and Youth Constituency of the UNFCCC	9 August 2024
Center for Climate and Energy Solutions (C2ES)	12 July 2024
Center for Global Development	2 August 2024
CGIAR, FAO, IFAD and WFP	5 August 2024
Climate Action Network International	6 August 2024
Conservation International	5 August 2024
European Union	13 August 2024
European Network on Debt and Development on behalf of the European Network on Debt and Development, ActionAid International, The Asian Peoples' Movement on Debt and Development, Center for Economic and Social Rights, Climate and Community Project, Debt for Climate, Debt Justice Norway, Debt Justice UK, Institute of Socioeconomic Studies, Red Latinoamericana por Justicia Económica y Social, MenaFem Movement for Economic Development and Ecological Justice, Movement for Debt and Reparations, Observatori del Deute en la Globalització, Oil Change International, Recourse, Resilient40, The Bretton Woods Project.	2 August 2024
Generation Atomic	9 August 2024
Greenpeace	5 August 2024
Heinrich Böll Foundation on behalf of Women and Gender Constituency	5 August 2024
IBON International Foundation	5 August 2024
Mercy Corps, Plan International and Concern Worldwide	31 July 2024
Prakriti Resources Centre on behalf of Loss and Damage Collaboration and Pacific Islands Climate Action Network	20 August 2024
Save the Children and UNICEF	6 August 2024
Sustainable Development Foundation	23 July 2024
The IMAL Initiative	6 August 2024
The Pew Charitable Trusts	5 August 2024
Transforma	30 August 2024
World Meteorological Organization	27 June 2024

¹ https://unfccc.int/topics/climate-finance/workstreams/NCQG/submissions-from-parties-and-non-party-stakeholders#_24-Submissions-by-Parties-and-non-Party-stakeholders.