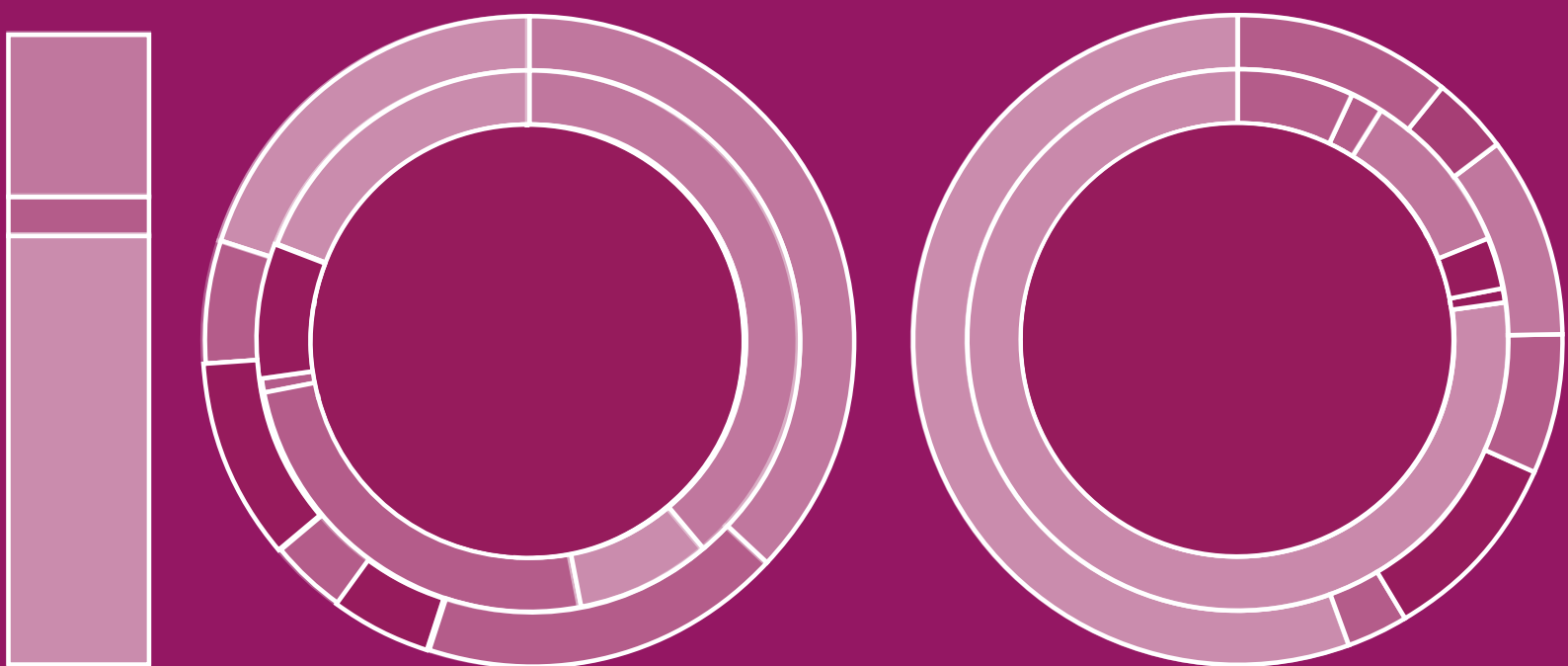


UNFCCC Standing Committee on Finance

Third report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation



United Nations
Framework Convention on
Climate Change

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EXECUTIVE SUMMARY BY THE STANDING COMMITTEE ON FINANCE

Abbreviations and acronyms

adcom*	adaptation communication
Annex I Party	Party included in Annex I to the Convention
BA	biennial assessment and overview of climate finance flows
BR	biennial report
BTR	biennial transparency report
BUR	biennial update report
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CO₂ eq	carbon dioxide equivalent
COP	Conference of the Parties
ETF	enhanced transparency framework under the Paris Agreement
LDC	least developed country
MDB	multilateral development bank
MRV	measurement, reporting and verification
NAP	national adaptation plan
NC	national communication
NDC	nationally determined contribution
NDR	report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement
non-Annex I Party	Party not included in Annex I to the Convention
OECD	Organisation for Economic Co-operation and Development
SCF	Standing Committee on Finance
SIDS	small island developing State(s)

* Used exclusively in figure 5.

I. Introduction

A. Context and mandate

1. In 2010, COP 16 recognized that developed country Parties committed, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing countries.¹ Subsequent decisions provided some elaboration on the nature of the goal. COP 17 adopted biennial reporting guidelines for developed country Parties that recognize that the goal includes private financial sources,² while COP 18 urged developed country Parties to scale up climate finance from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources, towards the goal.³ COP 21 extended the goal from 2020 through to 2025.⁴

2. In 2022, the SCF prepared the first report on progress towards achieving the goal⁵ in response to a mandate from COP 26.⁶ COP 27 requested the SCF to prepare biennial reports, including a summary of key findings, on progress towards achieving the goal, taking into account other relevant reports, for consideration at COP 29, COP 31 and COP 33, and noted that the final report will be considered in the context of matters relating to the SCF.⁷

3. In 2024, the SCF prepared the second report on progress towards achieving the goal.⁸ COP 29 noted with appreciation the report and its key findings, as well as the executive summary thereof and the recommendations therein.⁹

B. Scope and approach

4. The third report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on

implementation comprises a technical report¹⁰ and this executive summary. The technical report was subject to extensive stakeholder input and expert review.

5. The report presents quantitative and qualitative information from a wide variety of sources relevant to the three dimensions of the goal, namely (1) mobilizing jointly USD 100 billion per year by 2020 through to 2025, (2) addressing the needs of developing countries and (3) achieving the goal in the context of meaningful mitigation actions and transparency on implementation. In addition, the report, where possible, analyses the interlinkages between the three dimensions of the goal to gain insight into overall progress towards its achievement.

6. In terms of scope, for the first dimension of the goal as referred to in paragraph 5 above (mobilizing finance), the report considers the most recent available backward- and forward-looking information and data for 2010–2025; for the second dimension (addressing needs), the report considers information that is both backward- and forward-looking in nature that has varying time frames, such as up until 2025 or 2030; and for the third dimension (context), the report considers the most recent backward-looking information such as trends in emissions, climate action and reporting transparency, as well as forward-looking information on mitigation ambition for 2025, 2030 and beyond.

7. The approach followed in preparing the third report, as for the previous such reports, was to consider the following sources of information across all three dimensions of the goal: Parties' national reports and submissions under the Convention and the Paris Agreement; technical reports prepared by the SCF or the secretariat, such as the BA and the NDR; and other reports with specific relevance to the goal. Where possible, the report presents information disaggregated by thematic area (mitigation, adaptation or cross-cutting), financial instrument and sector, and according to the geographical distribution of the finance (including for the LDCs and SIDS). The impacts and outcomes of climate

1 Decision 1/CP.16, para. 98.

2 Decision 2/CP.17, annex I, para. 19.

3 Decision 1/CP.18, para. 66.

4 Decision 1/CP.21, para. 53.

5 SCF. 2022. *Report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation*. Bonn: UNFCCC. Available at <https://unfccc.int/process-and-meetings/bodies/constituted-bodies/standing-committee-on-finance-scf/progress-report>.

6 Decision 4/CP.26, para. 19.

7 Decision 13/CP.27, para. 15.

8 SCF. 2024. *Second report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation*. Bonn: UNFCCC. Available at <https://unfccc.int/process-and-meetings/bodies/constituted-bodies/standing-committee-on-finance-scf/progress-report>.

9 Decision 1/CP.29, para. 3.

10 To be made available at <https://unfccc.int/SCF>.

finance are also reflected on in the report.

8. In addition to gathering information and data from those sources and conducting a literature review, the SCF issued a call for evidence, including in relation to sources of information, trends, challenges and lessons learned, from Parties and other stakeholders for preparing the third report.¹¹

C. Limitations on the data and information presented

9. There is no multilaterally agreed accounting methodology for tracking progress towards achieving the USD 100 billion per year goal.

10. The use of different methodologies by Parties and data aggregators poses challenges when aggregating data on climate finance to inform the assessment of progress towards the collective goal. The reporting system under the Convention and the ETF provide a framework for a bottom-up approach to transparency whereby countries can follow self-determined methodologies for tracking, measuring and reporting on climate finance provided, mobilized, needed and received, as well as to defining climate finance. Challenges underlying the aggregation of information on this basis include individual Parties' abilities to report on climate-relevant finance flows from unearmarked general contributions to multilateral institutions, the use of various definitions of 'mobilization', the determination of whether climate finance committed and/or disbursed is counted towards progress, the use of different time frames (e.g. calendar year or fiscal year) for accounting and the variety of time periods that apply to recipient-level reporting, and the use of different currencies and exchange rates for reporting and differing approaches to calculating the climate-specificity of finance.

11. There are also challenges in assessing the nature and extent of causal linkages between the three different dimensions of the goal owing to the non-standardized nature of available data (e.g. on needs, meaningful mitigation actions and projected levels of climate finance) and lack of available information that considers all three dimensions holistically and over the same time frame. Given these limitations, the report reflects qualitatively on how these dimensions have evolved over time and any

potential relationship between them.

II. Key findings

A. Mobilizing jointly USD 100 billion per year

12. In the absence of a multilaterally agreed accounting methodology for assessing progress towards achieving the goal of mobilizing jointly USD 100 billion per year by 2020 through to 2025, the assessment in this report is guided by the wording of the goal and subsequent relevant decisions (see para. 1 above). On this basis, the aim is to assess progress by drawing on the available sources of information that refer to measuring progress towards the goal, which apply different accounting methodologies and take into account different sources, channels and financial instruments, as well as analysing official data on financial support submitted by developed country Parties in their BRs and BTRs.

13. The OECD report series on climate finance and the USD 100 billion goal¹² pursues an approach and methodology that account for finance from a wide variety of sources, including bilateral finance based on advanced official reporting in BRs under the Convention and BTRs under the Paris Agreement, multilateral public finance outflows from MDBs and multilateral climate funds attributed to developed countries, export credits and private finance mobilized by developed countries for developing countries. The OECD report series also covers the face value of instruments such as grants, loans and equity finance. According to the latest such OECD report,¹³ published in 2026, in 2023 and 2024 developed country Parties provided and mobilized USD 132.8 billion and USD 136.7 billion respectively in climate finance for developing country Parties, thereby reaching their collective annual goal of mobilizing USD 100 billion for climate action in developing country Parties for the second and third consecutive years (see figure 1).

14. Compared with the forward-looking projections for 2021–2025 outlined in the Climate Finance Delivery Plan published in October 2021,¹⁴ the estimates in the latest OECD report for 2022, 2023 and 2024 show that the threshold of USD 100 billion was achieved for the first time one year earlier than expected (although still two years after the initial goal year of 2020) and surpass the 2025 projection of USD 113–117 billion (see figure 1).

11 As at 30 June 2026, six submissions had been received; available at <https://unfccc.int/topics/climate-finance/resources/standing-committee-on-finance-info-repository>.

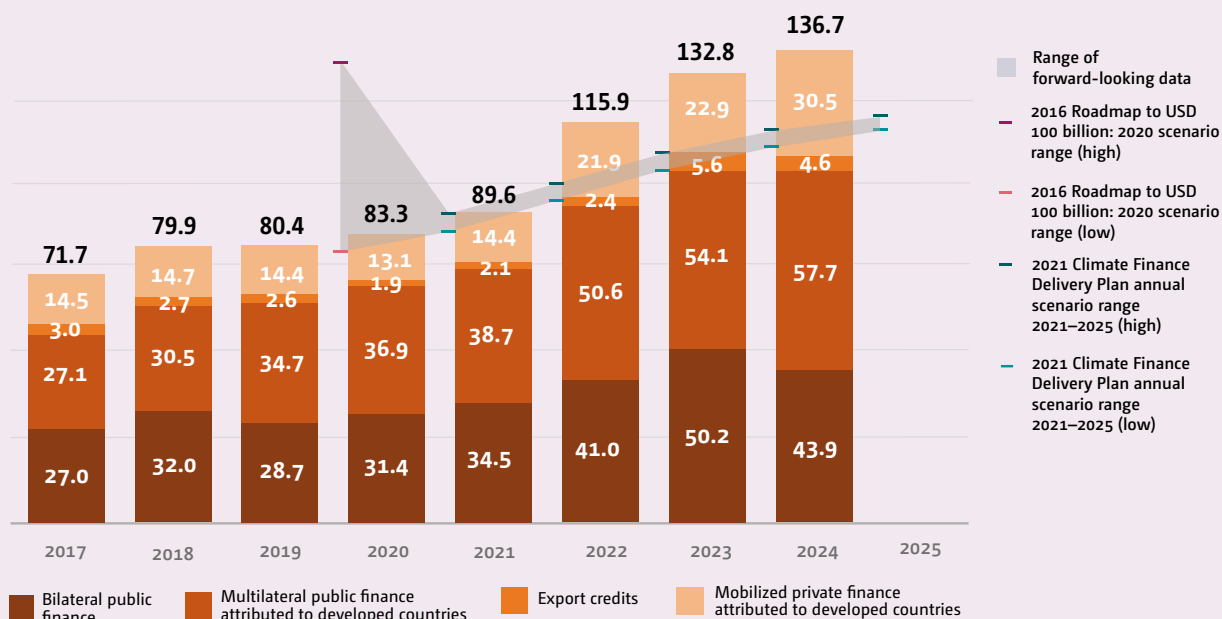
12 See <https://www.oecd.org/climate-change/finance-usd-100-billion-goal/>.

13 OECD, 2026, *Climate Finance Provided and Mobilised by Developed Countries in 2013–2024*, Paris: OECD Publishing, Available at <https://doi.org/10.1787/ab5eb9ad-en>.

14 Ministry of Environment and Climate Change of Canada and Federal Foreign Office of Germany, 2021, *Climate Finance Delivery Plan: Meeting the US\$100 Billion Goal*, Available at <https://www.canada.ca/en/services/environment/weather/climatechange/canada-international-action/climate-finance/delivery-plan.html>.

Figure 1

Trends in aggregate estimates of climate finance in the context of the USD 100 billion per year goal, and forward-looking scenarios, based on Organisation for Economic Co-operation and Development analysis (Billions of United States dollars)



Sources: OECD. 2026. *Climate Finance Provided and Mobilised by Developed Countries in 2013–2024*. Paris: OECD Publishing. Available at <https://doi.org/10.1787/ab5eb9ad-en>; Government of the United Kingdom and Government of Australia. 2016. *Climate Finance Roadmap to US\$100 Billion*. London. Available at <https://www.gov.uk/government/publications/climate-finance-roadmap-to-us100-billion>; and Ministry of Environment and Climate Change of Canada and Federal Foreign Office of Germany. 2021. *Climate Finance Delivery Plan: Meeting the US\$100 Billion Goal*. Available at <https://www.canada.ca/en/services/environment/weather/climatechange/canada-international-action/climate-finance/delivery-plan.html>.

Notes: (1) The components of the columns may not sum to the totals owing to rounding; and (2) the forward-looking data comprise pledges made up to 20 October 2021 in the Climate Finance Delivery Plan.

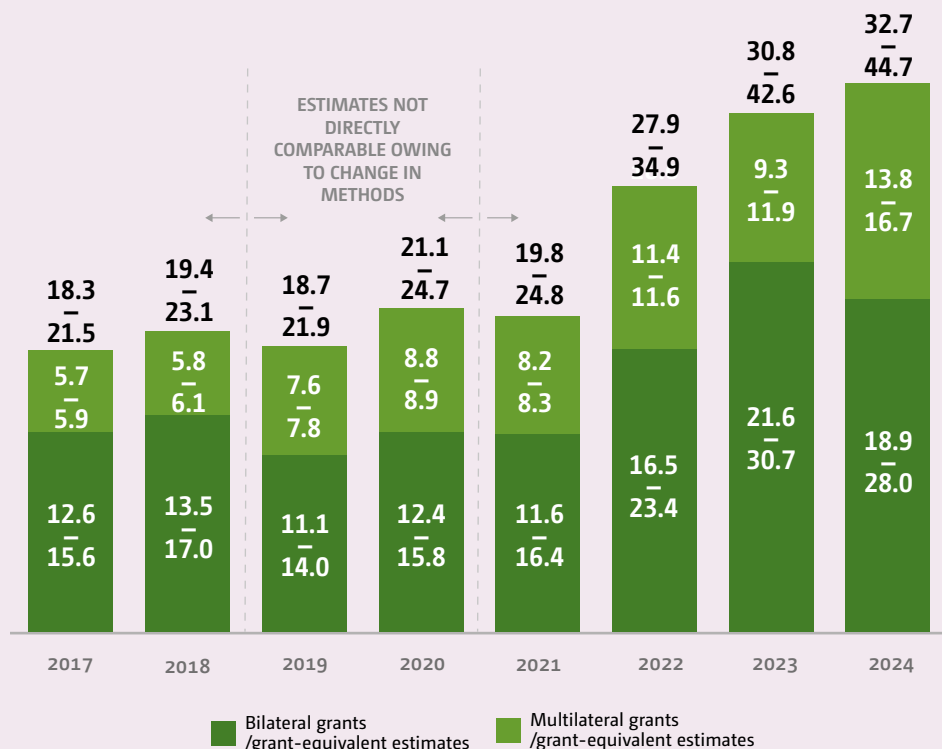
15. Oxfam's assessment in *Climate Finance Short-Changed 2026 Update*¹⁵ does not contest the technical accuracy of the OECD report series in measuring progress according to the methodology agreed by developed countries, but states that its aim is to measure the financial effort of developed countries through discounting loan repayments and excluding certain instruments. The assessment used data reported to the OECD Development Assistance Committee on climate-related development finance to calculate grant-equivalent values and applied a more conservative approach to accounting for the climate relevance of provided funds (i.e. the proportion of a project's funding volume that

can be considered to specifically support climate action) than the approach applied by Parties in their BRs and BTRs. The assessment did not include the full range of financial instruments or private or innovative sources of finance. In the assessment, estimates of climate finance provided in grants and grant-equivalent amounts were in the range of USD 30.8–42.6 billion in 2023 and USD 32.7–44.7 billion in 2024 (see figure 2). According to Oxfam, its estimates indicate that the actual financial effort of developed countries to support climate action in developing countries is vastly lower than the figures the OECD report seems to suggest.

¹⁵ Oxfam. 2026. *Climate Finance Short-Changed 2026 Update: Estimating the real value of the \$100 billion commitment for 2023–2024. Climate-Specific Net Assistance Methodology Note*. Oxfam. Available at <https://oxfam.app.box.com/s/7w14yy5up7717nbokoh30ma4hoi6mvor>.

Figure 2

Trends in aggregate estimates of 'climate-specific net assistance' in the context of the USD 100 billion per year goal based on Oxfam analysis
(Billions of United States dollars)



Sources: Oxfam, 2026. *Climate Finance Short-Changed 2026 Update: Estimating the real value of the \$100 billion commitment for 2023–2024. Climate-Specific Net Assistance Methodology Note*. Oxfam. Available at <https://oxfam.app.box.com/s/7w14yy5up7717nbokoh30ma4hoi6mvor>.

Notes: (1) Ranges reflect highest and lowest estimates; (2) Oxfam's analysis makes assumptions on financial sources and instruments that are not aligned with the wording of the USD 100 billion per year goal; and (3) dashed lines indicate values for which data are not comparable with those for previous years owing to a change in method.

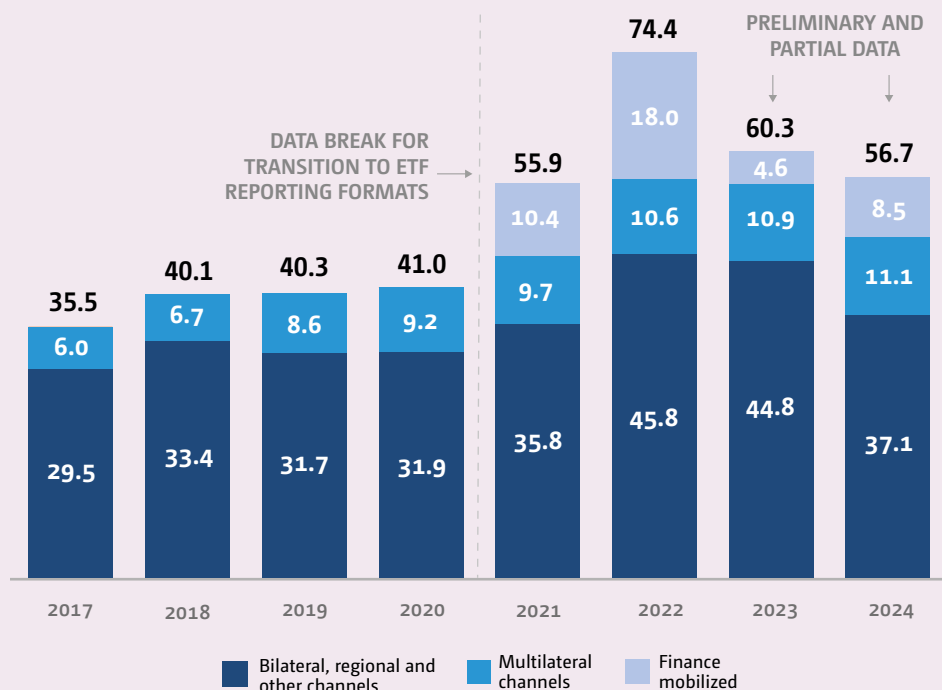
16. Preliminary estimates collected from a subset of Parties by the SCF in preparing the seventh BA¹⁶ include climate-specific finance provided and mobilized of USD 60.3 billion in 2023 and USD 56.7 billion in 2024 (see figure 3). These preliminary estimates are partial given that data from developed country Parties are not consistently available for 2023–2024, in contrast to the data series for up to 2022, and are subject to change once the BTR2s have been submitted by the end of 2026. An analysis of the BTR1s received as at 30 June 2026 found that 37 developing country Parties reported a total of

USD 8.0 billion in climate finance received in 2023 and 27 developing country Parties reported a total of USD 4.0 billion in climate finance received in 2024. The estimates of climate-specific finance provided and mobilized do not include the full range of sources and channels of finance, such as outflows from multilateral institutions or private finance mobilized by multilateral institutions, while the estimates of climate finance received do not include all bilateral and multilateral climate finance flowing to developing country Parties.

16 SCF, 2026. *Seventh Biennial Assessment and Overview of Climate Finance Flows*. Bonn: UNFCCC. Available at <https://unfccc.int/topics/climate-finance/resources/biennial-assessment-and-overview-of-climate-finance-flows>.

Figure 3

Climate-specific finance provided and mobilized, as reported by developed country Parties in biennial reports and biennial transparency reports
(Billions of United States dollars)



Sources: SCF, 2026. *Seventh Biennial Assessment and Overview of Climate Finance Flows*. Bonn: UNFCCC. Available at <https://unfccc.int/topics/climate-finance/resources/biennial-assessment-and-overview-of-climate-finance-flows>.

Notes: The values for climate-specific finance reported by Parties for 2023–2024 are partial and preliminary data that are subject to change after the submission deadline for BTR2s of 31 December 2026. Therefore, the data for 2023–2024 are not directly comparable with those for 2021–2022.

17. In aggregate, both the OECD report and Oxfam's assessment showed robust growth between 2022 and 2024. OECD estimates growth in climate finance provided and mobilized by developed countries of 18 per cent between 2022 and 2024, while Oxfam estimates growth of 17–28 per cent depending on whether the low or high end of its estimated range of finance is considered. Preliminary and partial estimates collected from a subset of Parties by the SCF in preparing the seventh BA include climate finance figures for 2024 that were 4 per cent lower than the amounts reported by the same subset of Parties in their BTR1s for 2022. Further variation was observed in the information reported in relation to channels of finance, thematic areas and financial instruments used.

Channels

18. For public climate finance provided through bilateral channels, the rate of growth from 2022 to 2024 was 7 per cent (reaching USD 43.9 billion in 2024) in the OECD report, and 15–20 per cent (reaching USD 18.9–

28.0 billion in 2024) according to Oxfam's assessment. These sources of information show a peak in the provision of bilateral public finance in 2023, which then declined in 2024 but remained higher than in 2017–2022. In contrast, preliminary and partial estimates from the same subset of Parties indicate a 5 per cent decrease from 2022 to 2024 (reaching USD 37.1 billion in 2024), although with a more volatile annual trend: a significant increase of 15 per cent in 2023 followed by a 17 per cent decline in 2024.

19. Public climate finance through multilateral channels saw an increase from 2022 to 2024, of 14 per cent according to the OECD report (USD 57.7 billion), 21–44 per cent according to Oxfam's assessment (USD 13.8–16.7 billion) and 17 per cent according to preliminary and partial estimates from the same subset of Parties, with the key driver of growth in climate finance provided through multilateral channels being outflows from multilateral climate funds.

20. A significant increase in private finance mobilized through both bilateral and multilateral channels of 39 per cent from 2022 to 2024 (USD 30.5 billion) was reported in the OECD report, driven by a strong rise in finance mobilized by MDBs as they continue to strengthen their mobilization efforts, alongside stronger mobilization by multilateral climate funds. Preliminary estimates from Parties were too limited in this regard to warrant comparison with previous years.

Thematic areas

21. Across all relevant sources of information, adaptation-specific climate finance increased by 7 per cent from 2022 to 2023–2024, according to the OECD report (reaching USD 34.7 billion in 2024), and by 13–22 per cent in that period according to Oxfam’s assessment (reaching USD 14.4–18.2 billion in 2024).

22. Climate finance for mitigation showed substantial growth in 2023 compared with 2022, followed by a slight decline in 2024. OECD reported a 25 per cent annual growth rate in 2022–2023, reaching USD 87.3 billion, before a slight decline to USD 86.9 billion in 2024. Oxfam similarly reported a 26–35 per cent rise between 2022 and 2023, followed by a slight fall in mitigation finance (reaching USD 13.6–16.8 billion in 2024). Preliminary and partial estimates from the same subset of Parties indicate an increase of 16 per cent in 2023, followed by a 15 per cent decline in 2024.

23. While dealing with relatively smaller amounts, climate finance for cross-cutting mitigation and adaptation actions also grew in 2022–2024, by 11 per cent according to the OECD report and 26–39 per cent according to Oxfam’s assessment, while preliminary and partial estimates from the same subset of Parties indicate a 15 per cent decline over the same period.

Financial instruments

24. A 10–16 per cent growth in the volume of grant finance, including for adaptation, was reported in the available sources of information between 2022 and 2024.¹⁷ The OECD report indicates a 16 per cent increase in grant finance from public bilateral and multilateral sources between 2022 and 2024 (reaching USD 29.7 billion), while Oxfam reports a 10–14 per cent increase between 2022 and 2024 (reaching USD 22.3–30.4 billion). The volume of loans from bilateral and multilateral sources increased by 19 per cent from 2022 to 2023, before declining by 9 per cent in 2024, according to the

OECD report, reaching USD 75.6 billion in 2023 and USD 68.5 billion in 2024. The OECD report does not provide an aggregate of concessional and non-concessional loans owing to definitional differences in use across bilateral and multilateral finance. For bilateral finance, 73 per cent of loans were concessional in 2023–2024, representing a slight decline from previous years. For multilateral climate funds and MDBs, the share of concessional loans remained stable in 2023–2024 compared with the level in 2016–2022, at slightly below half and a quarter respectively. According to Oxfam, the grant-equivalent value of concessional loans from bilateral and multilateral sources rose and then slightly declined between 2022 and 2024 to reach USD 10.5–14.3 billion.

B. Addressing the needs of developing countries

25. This subchapter presents an overview of how climate finance flows in 2020–2024 compared with the needs identified by developing countries. It draws primarily on the second NDR,¹⁸ complemented by more recent information from the 2025 NDC synthesis report,¹⁹ Parties’ BTR1s and other relevant assessments. It examines the extent to which climate finance provided and mobilized corresponds to identified needs across thematic areas, sectors, financial sources and instruments, and geographical regions, while recognizing the methodological differences, varying time frames and data limitations that affect direct comparisons between needs assessments and finance flows.

26. While the USD 100 billion per year goal was not set with the intention of meeting all of the needs of developing countries, the wording states that the goal is to address those needs. Comparing the proportional distribution of cumulative climate finance flows over the time frame of the goal with the distribution of needs of developing countries, identified in the second NDR, which are also expressed cumulatively, can be relevant for a qualitative assessment.

Thematic areas

27. Since the publication of the second NDR in 2024, additional information on the needs of developing countries has become available through updated NDCs and BTR1s. The 2025 NDC synthesis report indicates that 33 Parties reported costed needs, mostly out to

¹⁷ Preliminary estimates from some Parties do not include information on instruments.

¹⁸ SCF. 2024. *Second report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement*. Bonn: UNFCCC. Available at <https://unfccc.int/topics/climate-finance/workstreams/needs-report>.

¹⁹ FCCC/PA/CMA/2025/8.

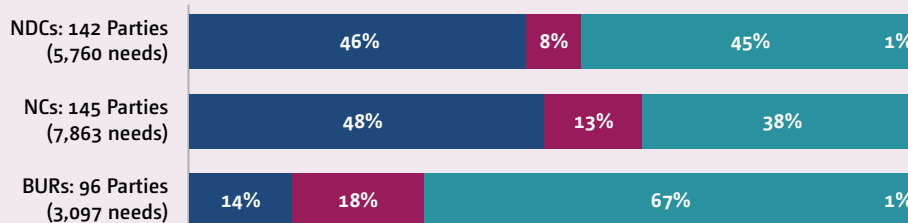
2035, amounting to approximately USD 1,340 billion for mitigation (68 per cent) and approximately USD 561–565 billion for adaptation (28–29 per cent), with the remainder allocated to cross-cutting, loss and damage or unspecified thematic areas, while the 2025 BTR synthesis report²⁰ indicates that 37 developing country Parties reported finance needs of approximately USD 3.4 trillion, mostly for before 2030, with 60 per cent dedicated to mitigation, 22 per cent for adaptation and the remainder

identified as being for cross-cutting or unspecified needs. As the second NDR remains the most comprehensive and systematically compiled source of information on developing country needs, reflecting broader coverage of developing country Parties and the breadth of needs assessed, these need estimates mostly out to 2030 are reflected in figure 4. It is understood that the costed needs presented in NDCs do not reflect the entirety of needs across developing country Parties and regions.

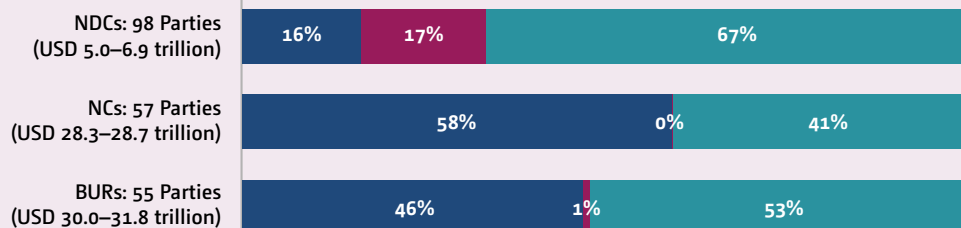
Figure 4

Needs identified by developing countries and finance provided and mobilized by developed countries, by thematic area

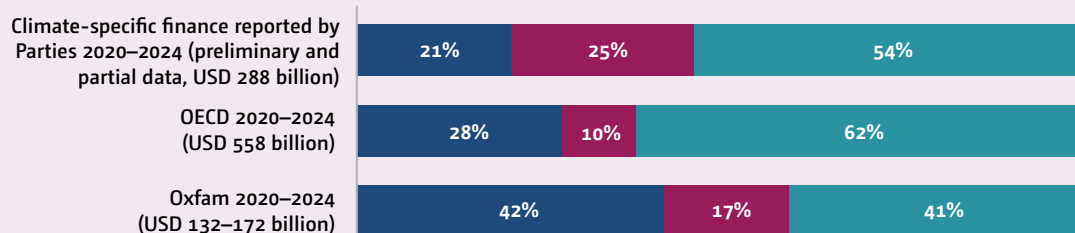
Expressed needs



Costed needs



Finance provided and mobilized (cumulative amounts 2020–2024)



■ Adaptation ■ Cross-cutting ■ Mitigation ■ Other

Sources: SCF. 2024. *Second report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement*. Bonn: UNFCCC. Available at <https://unfccc.int/topics/climate-finance/workstreams/determination-of-the-needs-of-developing-country-parties/first-report-on-the-determination-of-the-needs-of-developing-country-parties-related-to-implementing>; SCF. 2026. *Seventh Biennial Assessment and Overview of Climate Finance Flows*. Bonn: UNFCCC. Available at <https://unfccc.int/topics/climate-finance/re-sources/biennial-assessment-and-overview-of-climate-finance-flows>; OECD. 2026. *Climate Finance Provided and Mobilised by Developed Countries in 2013–2024*. Paris: OECD Publishing. Available at <https://doi.org/10.1787/ab5eb9ad-en>; Oxfam. 2026. *Climate Finance Short-Changed 2026 Update: Estimating the real value of the \$100 billion commitment for 2023–2024*. *Climate-Specific Net Assistance Methodology Note*. Oxfam. Available at <https://oxfam.app.box.com/s/7w14yy5up7717nbokoh30ma4hoi6mvor>.

Notes: The time frames for expressed and costed needs vary across report types. For example, for costed needs identified in NDCs the time frames start from 2015, 2021 or 2022 and extend to 2030; in NCs the time frames start from 2021 or 2023 and extend to 2060; and in BURs the time frames start from 2021 or 2023 and extend to 2060. For costed needs and Oxfam data, the midpoint of ranges was used to calculate thematic shares.

28. Estimates of climate finance provided and mobilized continue to indicate that mitigation accounts for the largest share of finance flows. According to the OECD report, mitigation finance accounted for 62 per cent of the total climate finance in 2020–2024, with adaptation and cross-cutting accounting for 28 and 10 per cent respectively. Compared with the cumulative shares reported in the second report on progress towards the goal, the share of adaptation finance has declined slightly, from 30 per cent in 2020–2022, as mitigation and cross-cutting finance grew at a higher rate. Owing to how it accounts for grants and the grant-equivalent value of concessional loans, Oxfam’s estimates show a larger proportion of adaptation finance in overall finance, as adaptation activities typically receive a greater amount of grant financing than mitigation activities. The average share of adaptation in overall climate finance assessed by Oxfam changed from 44 per cent in 2020–2022 to 42 per cent in 2020–2024, the share of mitigation finance remained at 41 per cent and the share of cross-cutting finance increased from 15 to 17 per cent (noting that Oxfam’s 2020 estimates are not directly comparable with those for later years owing to a change in methodology). Preliminary data from Parties show mitigation increasing its share of the finance from 52 per cent in 2020–2022 to 54 per cent in 2020–2024, while the share of adaptation remained static at 21 per cent.

Sectors

29. The needs identified by developing countries continue to span a broad range of sectors, reflecting different mitigation and adaptation priorities. The 2025 NDC synthesis report indicates that costed mitigation needs of approximately USD 1,340 billion are concentrated in the energy, industry, transport and waste sectors, while costed adaptation needs of approximately USD 561–565 billion are focused on agriculture, water, infrastructure, health, biodiversity and disaster risk management. These findings are broadly consistent with those in the second NDR.

30. Climate finance provided and mobilized remains concentrated in a limited number of sectors. According to the OECD report, a significant share of the finance in 2020–2024 continued to be directed towards energy generation (25 per cent) and sustainable transport systems (14 per cent), while sectors such as agriculture, forestry and fishing (8 per cent), and water supply and sanitation (7 per cent) received relatively lower shares. This suggests some degree of alignment between finance

flows and mitigation investment priorities in key sectors. However, adaptation needs continued to be distributed across a wider range of sectors that generally receive comparatively smaller shares of finance, highlighting continuing challenges in addressing resilience-related investment needs. Comparisons should nevertheless be interpreted with caution, given differences in sectoral classifications, methodologies for assessing and categorizing finance flows and needs, and reporting coverage across the available sources of information.

Finance sources and instruments

31. Developing countries identify grants and highly concessional finance as particularly important for addressing adaptation, capacity-building and other activities that generate limited direct financial returns. Information from the second NDR and the 2025 NDC and BTR synthesis reports indicates continued demand for international public finance, concessional resources, technology transfer and capacity-building support, particularly for adaptation and implementation of conditional components of NDCs, in addition to domestic and private finance sources.

32. Climate finance provided and mobilized continues to comprise a mix of public and private finance delivered through a range of financial instruments. According to the OECD report, public climate finance remained the largest component (79 per cent) of finance provided and mobilized in 2020–2024, with concessional and non-concessional loans accounting for most of it (70 per cent), reflecting the business models of MDBs. Bilateral providers and multilateral climate funds continued to provide a larger share of their finance through grants, while mobilized private finance remained concentrated on sectors and projects offering clearer commercial returns. Overall, the comparison suggests that, although grant finance has continued to increase, differences remain between the types of finance identified as most needed by developing countries and the financial instruments most used to deliver climate finance. Comparisons should be interpreted with caution, however, given differences in data gaps, definitions, methodologies and reporting practices, including variations in how concessionality and grant equivalence are measured.

Geographical distribution

33. Available evidence indicates that the needs of developing countries continue to vary across regions and country groupings, with the LDCs and SIDS accounting

for significant shares of those needs. An analysis of data in the second NDR²¹ found that 53 countries that are African States accounted for 52 per cent of identified needs, 51 of which accounted for 27–32 per cent of costed needs expressed in NDCs; 49 countries that are Asia-Pacific States accounted for 27 per cent of identified needs, 29 of which accounted for 66–71 per cent of costed needs; 31 countries that are Latin American and Caribbean States accounted for 17 per cent of identified needs, 17 of which accounted for 1–2 per cent of costed needs; 8 countries that are Eastern European States accounted for 5 per cent of identified needs, 1 of which accounted for less than 1 per cent of costed needs; and 1 country from Western European and other States accounted for less than 1 per cent of identified needs and reported no costed needs. The 45 LDCs²² accounted for approximately 45 per cent of identified needs, 41 of which accounted for 16–21 per cent of costed needs expressed in NDCs, while the 38 SIDS accounted for approximately 25 per cent of identified needs, 28 of which accounted for only around 1 per cent of reported costed needs. More recent information from the 2025 NDC synthesis report indicates that many developing country Parties, including the LDCs and SIDS, continue to identify implementation of substantial elements of their NDCs as conditional upon the availability of international support. These findings reflect the continuing challenges faced by countries with high climate vulnerability, constrained fiscal space and limited access to capital.

34. According to the OECD report, climate finance provided and mobilized from 2016 to 2024 reached a broad range of developing countries, with countries in Asia receiving the largest share (39 per cent), followed by Africa (29 per cent). Asia's share decreased from 46 per cent in 2016 to 36 per cent in 2024, while Africa's increased from 24 per cent in 2016 to 31 per cent in 2024. Countries in Latin America and the Caribbean, Europe and Oceania retained smaller but broadly stable shares of 18.0, 5.0 and 0.8 per cent respectively in 2016–2024. Finance directed towards the LDCs and SIDS continued to increase, particularly for adaptation. OECD estimated that the LDCs received approximately 19 per cent of climate finance provided and mobilized, while SIDS received approximately 3 per cent, in 2020–2024, with allocations to the LDCs peaking in 2023 and declining in 2024.

C. Context of meaningful mitigation actions and transparency on implementation

35. The USD 100 billion per year goal is set out in the context of meaningful mitigation actions and transparency on implementation. Therefore, assessing trends in mitigation actions and transparency on implementation is relevant to assessing progress related to the contextual dimension of the goal. Beyond a contextual consideration, a direct causal link, if relevant, between finance flows that address the needs of developing countries and any improvements in mitigation actions and/or transparency on implementation, and vice versa, remains difficult to establish owing to the fact that data and published reports that could support such a link are lacking.

Trends related to meaningful mitigation action

36. Observed trends related to mitigation action and ambition illustrate a mixed assessment:

- a. The growth in global greenhouse gas emissions (including land use, land-use change and forestry) between 2022 and 2024 shows a rebound to the levels witnessed between 2000 and 2009 at 2.2 per cent on average per year, a reversal of the deceleration trend seen in 2010–2019 of 0.6 per cent growth per year;
- b. A total of 46 non-Annex I Parties had communicated nationally appropriate mitigation actions as at 2010, while, as at 30 June 2026, 152 non-Annex I Parties (99 per cent) had submitted an NDC, with 138 (90 per cent) submitting an updated NDC between 2020 and 2023. Regarding Annex I Parties, in 2010 all had submitted a quantified emission limitation or reduction commitment for 2020, followed by the submission of intended nationally determined contributions in 2015–2016 and 95 per cent of Annex I Parties submitting an updated NDC thereafter. NDCs due to be communicated in 2025 had been submitted by all Annex I Parties and 100 non-Annex I Parties (65 per cent of non-Annex I Parties) as at 30 June 2026 (see figure 5 top right). Concerning the 64 new NDCs analysed for the 2025 NDC synthesis report, their economic coverage had improved compared with the previous NDCs;

²¹ As noted in the second NDR, data and information on needs expressed in national reports are dynamically changing and may therefore be incomplete. Lower numbers of (costed) needs communicated in national reports for some geographical regions than others do not necessarily mean that those regions have fewer needs. Rather, this may be due to lack of available data, tools and capacity for determining and costing needs.

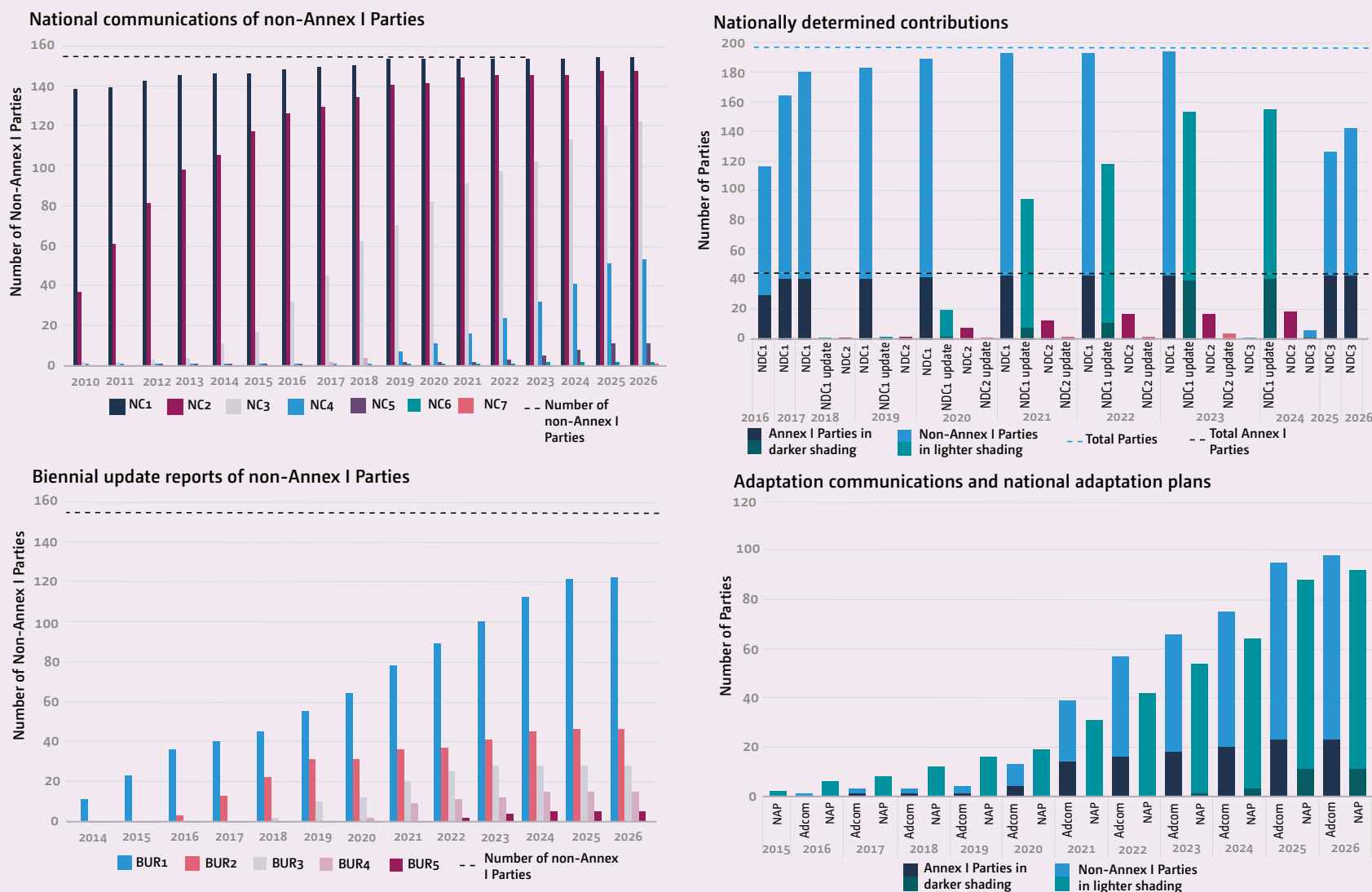
²² This report, which covers a reporting period until the end of 2024, considers 45 LDCs (Sao Tome and Principe graduated from LDC status at the end of 2024). For the full list of LDCs, see annex A in the seventh BA.

- c. While global emissions have continued to increase overall, mitigation results have been observed relative to pre-Paris Agreement projections of ‘business as usual’ scenarios by the Intergovernmental Panel on Climate Change, as shown in the 2025 NDC synthesis report. In the implementation period of the USD 100 billion per year goal from 2020 to 2023, according to the latest emission data available, actual emissions were on average 8 per cent (range of 3–13 per cent) below the pre-Paris Agreement projections. Furthermore, the mitigation ambition signalled by NDCs has improved over time. For 2030, the mitigation ambition represented in the 2016

intended nationally determined contributions amounted to aggregate emissions 18 per cent below pre-Paris Agreement projections for 2030 (range of 15–20 per cent), while the mitigation ambition represented in the 2025 NDCs amounted to aggregate emissions 23 per cent below pre-Paris Agreement projections for 2030 (range of 21–25 per cent). In addition, the 2025 NDC synthesis report indicates that aggregate emissions are estimated to be 35 per cent below pre-Paris Agreement projections in 2035.

Figure 5

Trends in the transparency of climate action and support



Note: (1) The figure shows the cumulative number of Parties submitting national reports under the Convention and the Paris Agreement as at 30 June 2026; (2) no further submissions from Annex I Parties of NCs or biennial reports have been received since 2024; see the second report on progress towards the USD 100 billion per year goal for information on those submissions.

Trends related to transparency on implementation

37. Many sources of information based on Party submissions point to the importance of transparency on implementation with regard to climate action and support for enhancing mutual trust among and accountability of Parties. Since the second report on progress towards the USD 100 billion per year goal, Parties have reported information on climate action and support in their BTR1s and NDCs submitted in 2025. Trends show significant progress in transparency on implementation since the USD 100 billion per year goal was established, although some gaps remain (see figure 5):

- (a) Under the Convention, non-Annex I Parties have reported information on climate action and support needed, as well as climate support received, in NCs and BURs. Since the beginning of 2024, a further 52 NCs to those reported on in the second progress report have been submitted by non-Annex I Parties, almost all of which are NC3s or NC4s. For adaptation reporting, since the start of 2024, 28 non-Annex I Parties have submitted NAPs for the first time, bringing the total to 77 Parties (from 32 to 50 per cent of non-Annex I Parties), and adaptation communications have also been received from 75 non-Annex I Parties. Taken together, 100 non-Annex I Parties had submitted either a NAP or an adaptation communication or both as at 30 June 2026;
- (b) A further 18 non-Annex I Parties to those reported on in the second progress report have since submitted their first BUR, bringing the total to 122 non-Annex I Parties (from 68 to 80 per cent) having submitted at least one BUR. As at 30 June 2026, 90 non-Annex I Parties (59 per cent) had submitted a BTR1, the successor to the BUR. Taken together, 88 per cent of non-Annex I Parties had submitted either a BUR or a BTR, with 9 of the remaining 12 per cent being LDCs or SIDS.

38. As at 30 June 2026, all Annex I Parties had submitted a BTR1, with information on climate actions as well as support provided and mobilized for developing country Parties. A further 5 Annex I Parties have communicated adaptation communications since the second progress report, reaching 23 in total, while the number of NAPs submitted by Annex I Parties has increased from 1 to 11. In 2026, one Annex I Party announced its withdrawal from the Convention and the Paris Agreement.

39. The submission since 2024 of the first BTRs under the ETF represents a milestone in efforts to improve transparency on climate action and of information on financial support. The BTRs show that Parties have continued to strengthen national institutional arrangements for mitigation planning, implementation and MRV, particularly in the context of transition to the ETF. Many Parties have established the necessary institutional arrangements, including legislative and policy frameworks, for the planning, implementation and MRV of mitigation actions. However, some developing country Parties continue to face challenges in establishing institutional arrangements or domestic MRV systems, partially owing to a lack of financial resources and human capacity. With regard to NDCs, improvements in methodological approaches applied and data coverage have been noted over time.

40. In terms of transparency of information on financial support provided and mobilized as well as needed and received, the analysis of information in BTR1s for the seventh BA shows improved quality and coverage of information compared with BRs and BURs. However, challenges remain, not only in terms of Party-level tracking of climate-specific finance, particularly finance mobilized, and issues that affect data aggregation, but also in relation to transparency of progress towards the USD 100 billion per year goal. Given that the scope of reporting in BTRs does not match the scope of public, private and alternative sources of finance that may be counted towards the achievement of the goal, in particular outflows from multilateral institutions and the private finance that they mobilize, transparency beyond the aggregate estimates of climate finance by thematic area, region and instrument remains limited, particularly for country-level data on either contributors or recipients of finance flows under the goal.

D. Challenges, opportunities and lessons learned

41. Key challenges, opportunities and lessons learned in implementing the USD 100 billion per year goal reflect the interlinkages across its three dimensions, particularly in relation to mobilizing finance flows to address needs and in the context of meaningful mitigation actions and transparency on implementation.

42. With regard to **efforts to mobilize USD 100 billion per year**, the continued positive trend in the aggregate amount of climate finance provided and mobilized since 2020 through to 2024 shows that measures taken

to increase public finance and mobilization of private finance have been effective.

43. Since the second report on progress towards the goal, multilateral institutions have availed of opportunities to increase the availability of climate finance through the use of innovative approaches to increasing balance sheet efficiency, hybrid capital instruments and risk transfer instruments such as guarantees, securitization and credit insurance. Challenges in mobilizing private capital by developed countries include investment environment conditions, small size of activities, and high real and perceived risks in developing countries. Key lessons identified for climate finance providers include the importance of supporting country-level de-risking approaches, strengthening coordination with domestic public intermediaries and local financial sectors, developing further secondary market assets to aggregate smaller assets across market and country risk profiles, and incentivizing MDBs and other institutions to maximize mobilization potential through enhanced policy support, expanded guarantee and other risk-sharing mechanisms, and local currency lending.

44. Finally, as noted in the second progress report, the lack of a multilaterally agreed methodology for accounting for progress towards the goal contributes to the lack of a common understanding of that progress. A key opportunity in this regard may be to ensure that there is sufficient transparency of granular data on climate finance flows. Such granularity is not currently available across all data sources and may serve to inform a multifaceted consideration of progress for Parties rather than a binary focus on the achievement of a certain volumetric threshold.

45. With regard to **addressing needs**, opportunities remain to continue to scale up finance for adaptation, including through the design and implementation of adaptation activities that have mitigation co-benefits. Adaptation finance increased steadily in 2023–2024, while cross-cutting finance, which has both adaptation and mitigation benefits, showed stronger growth. Measures for scaling up adaptation finance include supporting developing countries' efforts to strengthen their adaptive capacities, policies and enabling environments and identifying adaptation priorities and outcomes, including in the context of NAPs and the global goal on adaptation; deploying public and

blended finance instruments strategically to mobilize private finance for adaptation; and supporting and sustaining the financial sector's emerging interest in climate-resilient investment opportunities in the light of increasing climate impacts.

46. Access to capital is identified as a significant challenge by developing countries in addressing their needs. This relates to, inter alia, the complexity of requirements for accessing international climate finance through multilateral climate funds, which is often a resource- and time-consuming process stretching beyond the length of election cycles of national Governments. Increasing fragmentation of the international development finance landscape, composed of many different multilateral and bilateral institutions and funds, thereby poses an additional barrier to access for developing country entities.²³ As a majority of developing countries face significant debt and fiscal constraints, some of which may be exacerbated by climate risks, and thus have limited access to international capital markets, ongoing efforts in the international financial community to improve debt sustainability and reduce the cost of capital in developing countries have the potential to free up fiscal space for countries to invest. Efforts underway to address these systemic barriers include the four major multilateral climate funds: the Adaptation Fund, the Global Environment Facility, the Green Climate Fund, and the Climate Investment Funds, committing at COP 29 to strengthen coherence and complementarity of their operations to reduce fragmentation; MDBs advancing the development of common approaches for measuring and reporting mitigation and adaptation results which may reduce the reporting burden for recipients of climate finance; and bilateral partners and MDBs expanding the provision of cross-border instruments like guarantee solutions and local currency offerings to improve equitable access to finance.

47. Information on the needs of developing countries from the second NDR underlines the importance of grant and concessional finance. The prevalence of loans in data on progress towards the goal is relevant in the context of high debt burdens and fiscal constraints in many developing countries, as already noted in the previous reports on progress towards the goal. Nevertheless, grant finance has grown in absolute terms since 2022 according to all sources of information. Even as bilateral climate finance declined overall in 2024, grant finance increased to constitute half of bilateral climate finance

23 International Organisation of La Francophonie and OECD. 2026. *Access to Finance for Climate and Biodiversity: From Global Commitments to Country Action*. Québec: Institute of La Francophonie for Sustainable Development. Available at <https://doi.org/10.1787/dd7f4014-en>.

according to OECD. The estimated grant-equivalent value of MDB loans also increased substantially in 2024 according to Oxfam. An opportunity may lie in further analysis of the loan recipients indicated in climate finance data, be they governmental, public agencies or private sector entities, as such data may serve to inform discussions on climate finance and debt sustainability and not conflate the issue of growing debt burdens at sovereign level with the overall shares of debt in climate finance.

48. With regard to **the context of meaningful mitigation actions and transparency on implementation**, while mitigation action has been observed to have had an impact in relation to pre-Paris Agreement emission projections (see para. 36(c) above), emissions have continued to increase and are yet to peak definitively. Therefore, no clear link between increased level of finance mobilized for developing countries and decreased emissions can yet be detected at the aggregate level and up-to-date empirical studies that could demonstrate any such linkage are limited. An opportunity exists to scale up efforts in harmonizing results-based frameworks at the project level to inform this analysis.

49. In terms of forward-looking mitigation ambition, there is evidence from iterative NDCs, submitted in 2023 and in 2025, of an improvement in outlook (see para. 36(c) above). As at 30 June 2026, 144 Parties, representing 93 per cent of global emissions, had submitted new NDCs and 133 Parties had submitted a BTR1. A key challenge remains in understanding whether scaled-up finance flows drive further mitigation ambition, plans and action, or whether increased mitigation ambition, plans and action have led to an increase in climate finance.

III. Recommendations

50. The SCF invites the COP to consider the following recommendations, which are based on the key findings of the third report on progress towards achieving the goal of mobilizing jointly USD 100 billion per year to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation:

- a. *Welcomes* the increase in climate finance provided and mobilized between 2020 and 2024 according to all sources of information in this report, while noting that one source (OECD) found that the goal was met in 2022, 2023 and 2024, suggesting that measures taken to increase public finance and the mobilization of private finance have been more effective than in previous periods;
- b. *Recognizes* the importance of climate finance continuing to respond to the needs and priorities of developing countries, including by increasing adaptation finance, particularly for the LDCs and SIDS;
- c. *Underlines* the importance of progress in enhancing access to climate finance, including through existing efforts such as streamlining access channels and simplifying approval processes across funds, and encourages Parties to consider further ways to continue to facilitate progress on this issue;
- d. *Emphasizes* the importance of mobilizing private climate finance to address the needs of developing country Parties and encourages its increased mobilization, including through the use of blended finance and innovative instruments, as appropriate;
- e. *Affirms* the importance of concessional finance instruments and of taking into account the debt sustainability of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the LDCs and SIDS, particularly as it relates to adaptation;
- f. *Encourages* data providers and aggregators to provide geographically disaggregated data on climate finance provided, mobilized, needed and received, as well as information on the gender-responsiveness of climate finance, with a view to increasing the overall transparency and improving the assessment of progress in achieving the goal.



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