

Written Comments from Switzerland on the New Collective Quantified Goal

In order to help the Secretariat and the co-chairs to digest the rich oral comments made during the TED9 and the first meeting of the Ad-Hoc Work Programme on the new collective quantified goal Switzerland would like to provide you with the below comments reflecting our vision for the new goal.

Structure of the decision text:

We support a decision text, which could be structured as following:

- Preamble
- Context Paragraphs
- Quantified elements of the goal, with an overarching global investment goal and underlying quantified and / or qualified sub-elements
- Paragraphs focused on overarching qualified elements
- Transparency Arrangements

Preamble:

The preamble should in our view reiterate past NCQG decisions as well as Art. 9.3 and Art. 2.1c of the Paris Agreement. We would not be in favor of reiterating COP decisions (except paragraph 53 of 1/CP.21) or Articles of the Convention as the NCQG decision will be a CMA decision only.

Context Paragraphs:

We believe a few general context paragraphs after the preamble and before the quantified and qualified elements of the goal could be helpful. The elements Switzerland would like to see reflected in the general context paragraphs are: the importance of keeping the 1.5°C goal within reach, the evolving character of needs and capacities, changing economic realities, recognition of role of the wider financial system and architecture and importance of it for climate finance. We are open to discuss further elements of high importance to others such as references to the GST outcome, the GGA framework or outcomes of the MWP.

Quantified element(s):

Switzerland supports a multi-layered structure for the goal and would like to anchor an overarching investment goal indicating the level of investments until 2035 to achieve Art. 2.1a and 2.1b of the Paris Agreement globally from domestic, international, public, private and innovative sources. This would set the outer layer of the goal.

As a quantified sub-element to this global investment goal, Switzerland supports a quantified international support core as part of the multi-layered structure stating in the context of ambitious NDCs, AdComs and transparent, accurate, complete, comparable and consistent BTRs the total amount of USD which will be provided and mobilized annually from a variety of sources with a variety of instruments by 2035 from all Parties with a GNI above xx USD and direct emissions above xx tCO₂eq to support the implementation of Art. 2.1a and 2.1b in developing countries, in particular LDCs, SIDS, fragile and conflict affected states and for the most vulnerable groups.

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

Switzerland does not support any quantitative thematic sub-goals within the goal.

Qualified elements

Switzerland supports the mentioning of multiple paragraphs capturing overarching qualitative elements. Specific qualified elements which are inherently interlinked with the financial quantum(s) should be anchored in the section on the quantified element(s).

Switzerland supports a specific paragraph focusing on access, which could refer to the specific access challenges of LDCs, SIDS and fragile and conflict affected states, as well as from specific underserved groups such as women, indigenous peoples and local communities and marginalized groups. Switzerland is also interested to engage with others on a specific overarching paragraph capturing a qualitative element on the issue of debt sustainability and a specific paragraph capturing gender-responsiveness of climate finance and the importance of fostering broader nature and sustainable development co-benefits.

Switzerland further supports a specific overarching paragraph capturing the importance of effectiveness, results and impacts. The paragraph should capture ways to reward ambition, in particular for developing country Parties that set ambitious climate policies and it could also include a quantified element indicating the mitigation and adaptation outcomes and results which should be achieved through the NCQG.

Transparency:

Because the goal is collective, Switzerland supports a lean collective tracking progress of the NCQG based on national bottom-up reports from all contributors as well as additional sources of information, which could then be aggregated and displayed by the SCF in a collective report such as the Biennial Assessment and Overview of Climate Finance Flows. It is important that we build the transparency arrangements on the ETF, recognizing that not all aspects of the goal will be captured in the current ETF. Information on the aspects not captured in the current ETF could be captured through other sources of information until the first regular review of the ETF in 2028. Parties could then consider their inclusion in the context of the first review of the ETF. Switzerland supports a biennial collective tracking progress consistent with the ETF timeframe but does not support the review and / or revision of the goal. The transparency section of the text could also capture a loop back to results and impact, e.g. by requesting that the collective report to track the progress of the implementation of the NCQG should also track progress of how the implementation of the NCQG and its components has supported the achievement of the foreseen collective outcomes and targets captured in the GST, the GGA framework and the MWP.

Contributor base:

For Switzerland it is essential that the contributor base is clarified as part of the quantitative element(s) of the NCQG. Our preferred option is mentioned in the text above, but we would be open to discuss other indicator based options, which have been mentioned during TED9, such as:

- indicator based contributor base
 - o Parties with total/per capita emissions above x tCO₂eq contribute
 - o Parties with GNI / GDP total/per capita above x USD contribute
 - o Parties with a space program contribute
 - o Parties with public foreign direct investments above x USD contribute
 - o Parties with HDI level and above contribute
 - o combination of options above
 - o include an indicator to take into account the climate vulnerability of Parties => the higher the climate vulnerability the lower the expected contributions from a particular contributor would be expected
 - o The contributor base is dynamic based on a threshold, which is updated every two years, in line with BTR cycles – countries who meet the threshold become 'contributor' and must report on climate finance delivered in the following BTR cycle.