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Item 11(a) of the provisional agenda

Matters relating to finance

New collective quantified goal on climate finance

**Ad hoc work programme on the new collective quantified
goal on climate finance**

Report by the co-chairs

Summary

This report contains information on the work conducted by the co-chairs of the ad hoc work programme on the new collective quantified goal on climate finance in 2024, including the technical expert dialogues and meetings under the ad hoc work programme. It presents a summary of the dialogues and meetings and reflections of the co-chairs on the work conducted under the ad hoc work programme in 2024.



Abbreviations and acronyms

BTR	biennial transparency report
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CMP	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
COP	Conference of the Parties
ETF	enhanced transparency framework under the Paris Agreement
GHG	greenhouse gas
GST	global stocktake
LDC	least developed country
MDB	multilateral development bank
NAP	national adaptation plan
NCQG	new collective quantified goal on climate finance
NDC	nationally determined contribution
SB	sessions of the subsidiary bodies
SBSTA	Subsidiary Body for Scientific and Technological Advice
SCF	Standing Committee on Finance
SIDS	small island developing State(s)

I. Introduction

A. Mandate

1. COP 21 decided that, in accordance with Article 9, paragraph 3, of the Agreement, developed countries intend to continue their existing collective mobilization goal through 2025 in the context of meaningful mitigation actions and transparency on implementation; and that prior to 2025 the CMA shall set an NCQG from a floor of USD 100 billion per year, taking into account the needs and priorities of developing countries.¹

2. CMA 1 decided to initiate at CMA 3, in accordance with Article 9, paragraph 3, of the Paris Agreement, deliberations on setting the NCQG 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 GHG emissions and climate-resilient development.²

3. CMA 3 decided to establish an ad hoc work programme on the NCQG for 2022–2024, to be facilitated by co-chairs, one from a developed country and one from a developing country.³ It also decided to conduct four technical expert dialogues per year as part of the ad hoc work programme, with one to be held in conjunction with the first regular session of the subsidiary bodies for the year and one to be held in conjunction with the session of the CMA, and the two remaining dialogues to be organized in separate regions with a view to facilitating inclusive and balanced geographical participation.⁴ Furthermore, CMA 3 requested the co-chairs of the ad hoc work programme to prepare an annual report on the work conducted thereunder, including a summary of and key findings from the technical expert dialogues, for consideration by the CMA.⁵

4. CMA 4 noted with appreciation the work undertaken under and the work of the co-chairs of the ad hoc work programme in 2022.⁶ It requested the co-chairs, with a view to significantly advancing substantive progress in 2023, to develop and publish by March 2023 a workplan for 2023, including themes for the technical expert dialogues to be held in that year, taking into account the submissions received from Parties on issues to be addressed as part of the workplan.⁷ It also requested the co-chairs to provide information on the discussions held and present information on the way forward, including possible options, following each technical expert dialogue and in their annual report on the ad hoc work programme with a view to achieving the objective of setting the NCQG in accordance with decision [14/CMA.1](#) and informing the deliberations thereon at CMA 5 and at the high-level ministerial dialogue on the NCQG in 2023.⁸

5. CMA 5 acknowledged the significant progress made under the ad hoc work programme in 2023 and expressed gratitude to the co-chairs for their leadership and efforts to strengthen the ad hoc work programme in 2023. It decided to transition to a mode of work to enable the development of a draft negotiating text on the NCQG for consideration at CMA 6. In addition, CMA 5 requested the co-chairs to develop and make available by March 2024 a workplan for 2024, taking into account the submissions from Parties on issues to be addressed as part of the workplan.⁹

¹ Decision [1/CP.21](#), para. 53.

² Decision [14/CMA.1](#), paras. 1–2.

³ Decision [9/CMA.3](#), para. 3.

⁴ Decision [9/CMA.3](#), para. 5.

⁵ Decision [9/CMA.3](#), para. 9.

⁶ Decision [5/CMA.4](#), para. 2.

⁷ Decision [5/CMA.4](#), para. 11(a). The workplan of the ad hoc work programme for 2023 is available at <https://unfccc.int/documents/627534>.

⁸ Decision [5/CMA.4](#), para. 11(f).

⁹ Decision [8/CMA.5](#), paras. 1, 3 and 12(a). The workplan of the ad hoc work programme for 2024 is available at <https://unfccc.int/documents/637635>.

6. Furthermore, CMA 5 requested the co-chairs of the ad hoc work programme to include in their annual report, to be issued no later than four weeks prior to CMA 6, a substantive framework for a draft negotiating text capturing progress made for consideration at CMA 6.¹⁰

7. CMA 5 decided to conduct in 2024 at least three technical expert dialogues 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.¹¹

B. Scope

8. This report presents the work conducted under the ad hoc work programme in 2024, including the three technical expert dialogues and three meetings under the ad hoc work programme held during the year. It also presents a summary of the dialogues and meetings, reflections from the co-chairs on the work conducted under the ad hoc work programme in 2024, and elements of the NCQG identified during the technical discussions as requiring further political consideration. The substantive framework for a draft negotiating text capturing progress made, which will be considered at CMA 6, is presented in the addendum to this report.¹²

C. Possible action by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

9. The CMA may wish to consider this report, in particular the substantive framework for a draft negotiating text included in its addendum, with a view to setting the NCQG and concluding its deliberations thereon at CMA 6.

II. Work conducted under the ad hoc work programme on the new collective quantified goal on climate finance in 2024

A. Organization of work

10. CMA 5 decided on the continuation of the co-chairs of the ad hoc work programme in 2024 in order to ensure continuity of the process.¹³ Sultan Ahmed Al Jaber, President of COP 28, CMP 18 and CMA 5, affirmed the appointment of Zaheer Fakir and Fiona Gilbert as co-chairs of the ad hoc work programme for 2024.¹⁴ Following their appointment, the co-chairs shared their intention to organize work under the ad hoc work programme in 2024 with a view to facilitating the transition from options on each element of the NCQG to a substantive framework for a draft negotiating text capturing progress made for consideration at CMA 6, including by moving the technical process forward in a structured and output-oriented manner, taking into account its cyclical nature, and by enabling the outcomes of the technical expert dialogues to feed into the meetings under the ad hoc work programme and, in turn, the outcomes of the meetings to inform subsequent dialogues.¹⁵

11. With the support of the secretariat, the co-chairs developed the workplan for the ad hoc programme for 2024, which was published, as mandated, in March 2024. The workplan sets out the approach for organizing the technical expert dialogues and meetings under the ad hoc work programme in 2024, including milestones and timelines.

12. To ensure that work was carried out under the ad hoc work programme in an open, inclusive and transparent manner and to facilitate the broad participation of Parties and non-

¹⁰ Decision [8/CMA.5](#), para. 8.

¹¹ Decision [8/CMA.5](#), paras. 9–10.

¹² FCCC/PA/CMA/2024/9/Add.1.

¹³ Decision [8/CMA.5](#), para. 6.

¹⁴ See <https://unfccc.int/documents/636800>.

¹⁵ See <https://unfccc.int/documents/636802>.

Party stakeholders, the co-chairs undertook a range of outreach activities, including informal consultations with Parties and groups of Parties throughout 2024, upon request. During previous dialogues and consultations with Parties, the importance of the role of MDBs in the process of setting the NCQG and mobilizing climate finance was highlighted. As such, the co-chairs participated in two meetings organized by MDBs, held on 29 February 2024, which the co-chairs attended remotely, and on 7 June 2024, organized in conjunction with SB 60, which the co-chairs attended in person. At both meetings, the co-chairs presented information on the status of the ad hoc work programme, including progress to date, and discussed more specifically the potential role of MDBs in the context of the NCQG.

13. Financial support for conducting activities under the ad hoc work programme in 2024 was provided by the Governments of Australia, Germany and Switzerland and by the European Commission.

B. Proceedings of the technical expert dialogues and meetings under the ad hoc work programme on the new collective quantified goal on climate finance

14. In 2024 the technical expert dialogues and meetings under the ad hoc work programme were organized with a view to ensuring a complementary, coherent and mutually reinforcing relationship between them.

15. On the basis of the consultations with Parties and submissions¹⁶ received from Parties and non-Party stakeholders before each technical expert dialogue and meeting under the ad hoc work programme, the co-chairs of the ad hoc work programme, with the support of the secretariat, prepared provisional programmes for each dialogue and meeting, which were shared with participants before the respective dialogue and meeting. The programmes for the dialogues contained questions to guide the discussions. Taking into consideration gender balance, the co-chairs identified and invited resource persons to participate in the dialogues.

16. All technical expert dialogues were open to observers, conducted in hybrid format and webcast to facilitate the participation of all interested Parties and non-Party stakeholders. The meetings under the ad hoc work programme were held back-to-back with the technical expert dialogues; conducted in an open-ended, inclusive and Party-driven manner; open to observers; and guided by the draft rules of procedure of the Conference of the Parties and its subsidiary bodies being applied.¹⁷ Representatives of government, MDBs, non-governmental organizations, academia, civil society, youth and the private sector contributed positively to the discussions at the dialogues and participated in the meetings.

17. The aim of the technical expert dialogues held in 2024 was to build on the options for which a shared understanding exists among Parties and to develop further options in areas identified by Parties as requiring further consideration with a view to developing packages of options. The dialogues provided a space for Parties to refine options, reflect on the interlinkages between them, identify gaps and ‘deep dive’ into issues requiring further technical clarification.

18. In determining the topics for discussion at each technical expert dialogue, the co-chairs of the ad hoc work programme were guided by the submissions received from Parties and non-Party stakeholders, the informal consultations held with Parties and the outcomes of previous technical expert dialogues and meetings under the ad hoc work programme.

19. The co-chairs adopted a flexible approach to conducting the dialogues, focusing on facilitating interactive, outcome-oriented and fit-for-purpose discussions to enable progress to be comprehensively captured for the purpose of developing the substantive framework for a draft negotiating text for consideration at CMA 6. The dialogues consisted of both working group sessions and panel discussions on specific topics. Sufficient time was allocated for reporting to the plenary on the outcomes of group discussions.

¹⁶ Available at <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx> (search for “new collective quantified goal”).

¹⁷ [FCCC/CP/1996/2](https://www.unfccc.int/sites/default/files/1996/2/).

20. The co-chairs of the ad hoc work programme, with the support of the secretariat, prepared background documents for the dialogues that were shared with the resource persons to help them guide discussions at the dialogues. The co-chairs also held a preparatory meeting with the resource persons prior to each dialogue to discuss the expected outcomes of the dialogue, provide guidance with a view to ensuring focused discussions at the dialogue, and respond to any questions.

21. Following each dialogue, the co-chairs prepared a summary note under their own responsibility. The summary notes present a non-exhaustive set of views capturing the substantive, rich discussions held at the dialogues. The preparation of each summary note was aimed at providing a structure for the discussions at the subsequent dialogue and meeting under the ad hoc work programme, thus ensuring that the dialogues and meetings could build on their respective outcomes.

22. The meetings under the ad hoc work programme provided a space for Parties to engage in open-ended, inclusive and Party-driven deliberations, with the objective of streamlining and narrowing down the options for the elements of the NCQG identified in 2023 and identifying solutions for bridging proposals with a view to developing the substantive framework for a draft negotiating text for consideration at CMA 6.

23. Prior to each meeting, the co-chairs of the ad hoc work programme, with the support of the secretariat, prepared input papers to guide the discussions, which included a structure for and an outline of the elements of the NCQG. The input papers were informed by the outcomes of the preceding meeting with a view to promoting continuity from meeting to meeting in the development of the input papers.

24. After each meeting, the co-chairs, with the support of the secretariat, prepared an information note on progress made at the meeting and the way forward.

1. Ninth technical expert dialogue and first meeting

25. The ninth technical expert dialogue and first meeting under the ad hoc work programme¹⁸ took place from 23 to 24 April and from 25 to 26 April 2024 respectively in Cartagena, hosted by the Government of Colombia, represented by its Ministry of Foreign Affairs, with more than 130 in-person and 80 virtual participants.

26. Prior to the dialogue and meeting, the co-chairs issued a message¹⁹ inviting Parties and non-Party stakeholders to submit their views on the organization of the dialogue and meeting, including topics, subtopics and format, on the basis of guiding questions. The secretariat prepared a compilation and synthesis²⁰ of the ideas presented in those submissions.

27. The co-chairs also undertook informal consultations with interested Parties and groups of Parties upon their request to gather views on the organization of the dialogue and the meeting.

28. Prior to the first meeting under the ad hoc work programme, the co-chairs made available an input paper²¹ to support Parties in sharing views on possible elements of the draft structure for the substantive framework for a draft negotiating text and options for content to be included under each element.

29. Parties expressed their readiness to engage in iterative development of the substantive framework for a draft negotiating text at subsequent meetings. They also expressed the need to continue to discuss all elements of the NCQG, building on the outcomes from one meeting

¹⁸ The programme, presentations, webcasts and summary note for the ninth technical expert dialogue and first meeting under the ad hoc work programme are available at <https://unfccc.int/event/ninth-technical-expert-dialogue-under-the-ad-hoc-work-programme-on-the-new-collective-quantified> and <https://unfccc.int/event/first-meeting-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-goal-on-climate> respectively.

¹⁹ Available at <https://unfccc.int/documents/637362>, <https://unfccc.int/documents/637363> and <https://unfccc.int/documents/637367>.

²⁰ Available at <https://unfccc.int/documents/638042>.

²¹ Available at <https://unfccc.int/documents/637883>.

to the next, and ensuring sufficient allocation of time to make progress in the deliberations on the NCQG.

30. To supplement the views expressed by Parties during the first meeting, the co-chairs invited Parties to provide written inputs by 5 May 2024. In response, 10 written inputs were received from Parties and 4 from non-Party stakeholders, which were made available on the UNFCCC web page for the meeting. On the basis of the views expressed at the meeting and the written inputs received, the co-chairs prepared an updated input paper²² for consideration by Parties at the second meeting.

2. Tenth technical expert dialogue and second meeting

31. The tenth technical expert dialogue and second meeting under the ad hoc work programme²³ were convened on 3 June and on 5, 8, 10 and 11 June 2024 respectively in Bonn in conjunction with SB 60. About 400 in-person and 60 virtual participants took part in the discussions.

32. Prior to the dialogue, the co-chairs issued a message²⁴ inviting Parties and non-Party stakeholders to submit views on the organization of the dialogue and meeting, including topics, subtopics and format, on the basis of guiding questions. The secretariat prepared a compilation and synthesis²⁵ of the submissions received.

33. The co-chairs also undertook informal consultations with interested Parties and groups of Parties upon request to gather views on the organization of the dialogue and the meeting.

34. Prior to the second meeting under the ad hoc work programme, the co-chairs made available an input paper for consideration by Parties. The paper took into account the views expressed at the meeting, the written inputs submitted by Parties to supplement the interventions made at the first meeting, the options identified in the 2023 annual report of the co-chairs and submissions made in 2022 and 2023. The input paper facilitated discussions at the second meeting on iterations of the substantive framework for a draft negotiating text.

35. Parties recognized the progress made at the second meeting but emphasized the difficulty in engaging substantively on a lengthy draft text. As such, Parties expressed their expectation for the co-chairs to prepare a more streamlined and balanced input paper with clearly defined options that capture the views of all Parties, taking into account the views expressed during the second meeting and written inputs to be submitted intersessionally. The updated input paper²⁶ was published prior to the third meeting under the ad hoc work programme.

3. Eleventh technical expert dialogue and third meeting

36. The eleventh technical expert dialogue and third meeting under the ad hoc work programme²⁷ took place from 9 to 12 September 2024 in Baku, with about 128 in-person and

²² Available at <https://unfccc.int/documents/638608>.

²³ The programme, presentations, webcasts and summary note for the tenth technical expert dialogue and second meeting under the ad hoc work programme are available at <https://unfccc.int/event/tenth-technical-expert-dialogue-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-1> (dialogue) and <https://unfccc.int/event/second-meeting-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-goal-on-climate-4>, <https://unfccc.int/event/second-meeting-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-goal-on-climate-5>, <https://unfccc.int/event/second-meeting-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-goal-on-climate-6> and <https://unfccc.int/event/second-meeting-under-the-ad-hoc-work-programme-on-the-new-collective-quantified-goal-on-climate-3> (one web page for each day of the meeting).

²⁴ Available at <https://unfccc.int/documents/638395>.

²⁵ Available at <https://unfccc.int/documents/638988>.

²⁶ Available at <https://unfccc.int/documents/640599>.

²⁷ The programme, presentations, webcasts and summary note for the eleventh technical expert dialogue and third meeting under the ad hoc work programme are available at <https://unfccc.int/event/eleventh-technical-expert-dialogue-and-third-meeting-under-the-ad-hoc-work-programme-on-the-new>.

70 virtual participants contributing to the discussions. The dialogue was hosted by the Government of Azerbaijan, represented by its Ministry of Foreign Affairs.

37. Prior to the dialogue, the co-chairs undertook informal consultations with interested Parties and groups of Parties upon request to gather views on the organization of the dialogue and the meeting. They also issued a message²⁸ inviting Parties to provide written inputs to inform the development of an updated input paper well in advance of the third meeting, and a message²⁹ inviting Parties and non-Party stakeholders to provide inputs on the organization of the dialogue, including topics, subtopics and format, on the basis of guiding questions. The secretariat prepared a compilation and synthesis³⁰ of the submissions received.

III. Summary of the technical expert dialogues and meetings under the ad hoc work programme on the new collective quantified goal on climate finance

38. The co-chairs of the ad hoc work programme organized three technical expert dialogues in 2024 back-to-back with three meetings under the ad hoc work programme in a manner that facilitated the development of the substantive framework for a draft negotiating text on the NCQG for consideration at CMA 6.³¹ This chapter presents a summary of the dialogues and meetings.

A. Key findings from the technical expert dialogues

1. Ninth technical expert dialogue

39. The ninth technical expert dialogue was aimed at developing further options for aspects of the NCQG identified by Parties as requiring further consideration, streamlining and refining the options presented in the annual report of the co-chairs for 2023, and exploring interlinkages between all options.

(a) Outstanding elements of the new collective quantified goal on climate finance

40. Participants acknowledged the importance of providing **context** when setting the NCQG, including by:

(a) Recognizing that the NCQG is in the context of operationalizing the three long-term goals of the Paris Agreement, as stipulated in its Article 2, paragraph 1(a–c);

(b) Reiterating Article 4, paragraph 7, of the Convention and Article 4, paragraph 5, of the Paris Agreement;

(c) Reiterating that the NCQG is in the context of paragraph 53 of decision [1/CP.21](#);

(d) Recognizing the ongoing reform of the global financial architecture referred to in paragraph 95 of decision [1/CMA.5](#);

(e) Recognizing the realities of and constraints faced by developing countries in implementing their national plans, including NDCs and NAPs, and that an ambitious NCQG could incentivize developing countries to formulate more ambitious NDCs, NAPs and adaptation communications;

(f) Recognizing that the NCQG will take into consideration the outcomes of the first GST and the United Arab Emirates Framework for Global Climate Resilience;

(g) Recognizing historical cumulative GHG emissions;

²⁸ Available at <https://unfccc.int/documents/640009>.

²⁹ Available at <https://unfccc.int/documents/640010>.

³⁰ Available at <https://unfccc.int/documents/640718>.

³¹ In accordance with decision [8/CMA.5](#).

- (h) Recognizing the special circumstances of the LDCs and SIDS;
- (i) Recognizing that the NCQG will be set in the context of:
 - (i) Meaningful mitigation action and transparency of implementation;
 - (ii) Efforts to pursue climate action in line with the goal of limiting the global average temperature increase to 1.5 °C above pre-industrial levels;
 - (iii) Efforts to scale up investment and climate finance from all sources, including domestic, international, public and private;
 - (iv) Efforts by all Parties to implement policies that incentivize climate action;
 - (v) The evolving needs and capacities of all Parties;
- (j) Recognizing the current climate finance gap for responding to loss and damage and the need for sending a strong signal to the international financial architecture to close that gap;
- (k) Acknowledging the efforts already made by developing countries to take adaptation action and address loss and damage using domestic resources;
- (l) Recognizing the relationship between climate- and development-related goals, including the Sustainable Development Goals;
- (m) Recognizing the importance of technology development and transfer for climate action;
- (n) Reflecting the needs of workers, including farmers, and the need for financing just transition pathways.

41. With respect to **principles** to be reflected in the NCQG, participants discussed predictability, effectiveness, additionality, fairness and intergenerational equity and noted that the NCQG will be considered in the context of sustainable development and efforts to eradicate poverty and will reflect the principles of equity and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

42. Regarding the **structure** of the NCQG, options identified by participants include:

- (a) A single-layered goal, similar to 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;
- (b) A single-layered goal with sub-goals for mitigation, adaptation, and loss and damage;
- (c) A goal with a thematic structure based on Article 9 of the Paris Agreement, which specifies the need for financial support for adaptation and mitigation;
- (d) A goal with sub-goals or subtargets for the provision and mobilization of climate finance;
- (e) A multilayered goal with (1) an investment layer for global investment up until 2035 aimed at enabling achievement of the goals outlined in Article 2 of the Paris Agreement, which would involve a quantified sub-goal or elements of international support, in the context of ambitious NDCs and adaptation communications, and transparent, accurate, complete, comparable and consistent BTRs, stating the total amount, in United States dollars, that will be provided and mobilized annually by 2035 from a variety of sources using a variety of instruments by a defined list of Parties; and (2) a policy layer aimed at increasing the number of policies that ‘push’ and ‘pull’ investment into the geographical locations and sectors where it is most needed to finance the transition to a low-emission and climate-resilient future;
- (f) A multilayered goal that has an overarching global investment layer with a 10-year time frame, which would articulate a goal for international public finance provided and mobilized, including annual targets; articulate the context for a global investment goal and a goal for public finance provided and mobilized; reflect the contributor base in line with

(g) current economic realities; make reference to enhancing access to climate finance, including a reference to adequately allocating climate finance to particular subgroups, such as the LDCs and SIDS; make reference to policy guidance; and call for action in relation to implementing certain activities and enabling and achieving the global investment goal;

(h) A multilayered goal with a core of public finance provision and mobilization from a defined set of contributors, based on their capabilities, to a dynamic set of recipients, which would involve (1) qualitative elements related to quantitative elements, such as the need for innovative instruments and sources to be leveraged to enhance the delivery of climate finance, the need for concessionality, enhanced access, the role of climate funds and calls for action to enhance the ambition of relevant actors to help increase and improve public climate finance provided and mobilized; (2) an overarching global investment goal with an embedded public finance goal, with all flows captured so as to ensure that the NCQG sends the right signal to all stakeholders to unlock the finance needed to achieve the goals of the Paris Agreement; and (3) linkage of the quantum of the NCQG to Article 2, paragraph 1(c), of the Paris Agreement.

43. With respect to the **time frame** of the NCQG, participants discussed whether to set annual targets or a cumulative goal, as well as whether the NCQG should have a ‘ramp-up’ period. Participants also raised the following considerations related to defining the time frame of the NCQG:

(a) The importance of setting a time frame that helps to make the NCQG achievable and enables the delivery of finance in a manner that aligns with the goals of the Paris Agreement;

(b) The need for the time frame to reflect the urgency of climate action;

(c) The importance of aligning the time frame with processes under the UNFCCC, particularly the NDC and GST cycles;

(d) The need to define a time frame that strikes a balance between fairness and predictability in delivery of finance.

44. With regard to **quantitative elements** of the NCQG, options discussed by participants include:

(a) Ensuring that the NCQG is informed by the best available science and the needs and priorities of developing countries for a given time frame, especially the needs and priorities articulated in NDCs, NAPs and adaptation communications, to ensure that the goal is outcome-oriented;

(b) Ensuring that the climate investment needs of conflict-affected countries are reflected in the NCQG;

(c) Ensuring that the cost implications of the outcomes of the GST and the global goal on adaptation are reflected in the NCQG, in particular in relation to its potential thematic sub-goals or targets such as those on health, water, sanitation and hygiene, and food security;

(d) Ensuring that the goals of the Paris Agreement, particularly holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, are reflected in the NCQG;

(e) Ensuring that the NCQG reflects the need for financial resources that are new and additional and the need to scale up resources for adaptation;

(f) Emphasizing that the quantum of the NCQG is set as a ‘floor of’ a financial amount, with participants proposing USD 1.1 trillion, USD 1 trillion or USD 1.3 trillion per year.

45. Regarding **qualitative elements** of the NCQG, some participants expressed the view that the options previously identified under qualitative elements mostly relate to principles and that options for operational aspects of the goal are missing, including those related to, inter alia:

- (a) Enhancing access to climate finance;
- (b) Tracking the delivery of finance under and impact of the NCQG, for example in relation to the outcome of the GST, including tracking the grant equivalency and climate specificity of financial support;
- (c) Acknowledging and mitigating challenges faced by developing countries in relation to, inter alia, non-concessional financial instruments and associated debt distress, unilateral measures and cost of capital;
- (d) Unlocking new sources of finance under the NCQG and enhancing enabling environments, including domestic efforts to incentivize private investment, blended finance and financial disclosure;
- (e) Clarifying the additionality of climate finance and ensuring a balanced distribution of finance for mitigation, adaptation and addressing loss and damage under the NCQG;
- (f) Clarifying how the ambition of developing countries in fulfilling their obligations under the Convention will be rewarded through quality financing without increasing their debt or jeopardizing their fiscal stability, and promoting highly concessional financial instruments;
- (g) Reflecting gender considerations.

46. Some participants emphasized the need for **enhancing access to finance** to be a stand-alone element of the NCQG, encompassing:

- (a) Setting allocation targets, such as for the LDCs and SIDS, Indigenous Peoples, local communities, youth and children, and/or defining considerations related to access such as gender-responsiveness;
- (b) Calling for action for the adoption of certain programming modalities or best practices;
- (c) Providing incentives for greater coordination among climate finance providers;
- (d) Harmonizing application processes for accessing climate finance across climate finance providers and channels;
- (e) Making efforts to reform international financial institutions as referred to in paragraph 95 of decision [1/CMA.5](#);
- (f) Enhancing enabling environments;
- (g) Enhancing the delivery of climate finance;
- (h) Increasing and improving the targeting of readiness and capacity-building support.

47. Regarding **contributors** to the NCQG, some participants raised concerns that the contributor base is already defined in Article 9, paragraphs 1–3, of the Paris Agreement, noting that since any attempt to change these provisions would require an amendment to the Paris Agreement, they do not see a need for such an element. Proponents of this element identified the following options:

- (a) A list of contributor countries, which could be either static or dynamic, based on a set of criteria and indicators such as gross national income, gross domestic product, foreign direct investment, level of GHG emissions and economic capacity;
- (b) Thematic framing, including all major economies;
- (c) Different contributor bases for different layers of the NCQG, if Parties agree on a multilayered goal;
- (d) A specific percentage from developed countries and public sources, with some proponents recognizing that the process to set the NCQG should highlight the difference between contributors and sources;

(e) The development of criteria for burden-sharing arrangements among developed countries to ensure predictability, transparency and accountability in the provision and mobilization of climate finance under the goal.

48. With respect to the **recipients** of finance under the NCQG, while some participants were of the opinion that recipients are defined in previous decisions that refer to the needs of all developing countries, others identified the need to define options for recipients, which include:

(a) Recognizing all developing countries as recipients;

(b) Defining minimum floors of finance for different groups of recipients, such as the LDCs, SIDS and conflict-affected States;

(c) Recognizing the level of ambition outlined by developing countries in their national strategies, plans and reports submitted under the UNFCCC.

49. With regard to **sources and actors**, participants discussed ways of increasing private finance flows in the context of the NCQG, recognizing that the private sector has no obligations under the Convention and the Paris Agreement and therefore cannot be held accountable thereunder. In this context, the options identified include:

(a) The NCQG could provide clarity on how different sources relate to different types of needs and priorities, recognizing the need for grants and concessional finance for adaptation and addressing loss and damage;

(b) The NCQG could provide clarity on the role of actors who channel international public finance and have the potential to mobilize scaled-up concessional and private finance, such as MDBs and international finance institutions, as well as on the role of bilateral channels, in the context of achieving the NCQG;

(c) The NCQG could further elaborate on the role of national, subnational and local governments, climate funds, international and domestic private sector actors, and financial institutions by, for example, allocating targets to each actor and defining programming modalities, calling for action or providing incentives for greater coordination among such actors.

50. With regard to **transparency arrangements** for the NCQG, in addition to the options identified at the seventh technical expert dialogue, participants identified the need to further clarify aspects related to reporting on and tracking and reviewing the NCQG, as well as the need to ensure accountability, which will contribute to building trust among Parties, including:

(a) Building on the ETF, making potential adjustments relating to mandatory reporting of grant equivalence, the inclusion of loss and damage as a category for type of support and the reporting of private finance flows;

(b) Using biennial communications submitted in accordance with Article 9, paragraph 5, of the Paris Agreement as forward-looking reporting arrangements, and considering them as a potential opportunity for reporting on the implementation of provisions related to Article 2, paragraph 1(c), of the Paris Agreement;

(c) Clarifying approaches to determining what counts as climate finance and how to account for it in order to enable finance flows under the NCQG to be tracked, including by defining climate finance and by agreeing on a methodology for accounting;

(d) Harmonizing reporting on climate finance flows, including by indicating that official development assistance is different from climate finance;

(e) Conducting periodic reviews of the quantum of the NCQG to account for the evolving needs and priorities of developing countries based on the best available science – some participants indicated that there may be no need for a review, while others were of the opinion that any review in the context of the NCQG should encompass all elements pertaining to the goal;

(f) Measuring the impacts and effectiveness of the NCQG, for example by defining indicator-based outcomes and a means of determining the degree to which climate

finance aligns with the goals of the Paris Agreement and the needs and priorities of developing countries;

- (g) Defining clear burden-sharing arrangements among developed country Parties;
- (h) Ensuring equitable distribution of financial resources across all geographical regions.

51. With regard to **Article 2, paragraph 1(c), of the Paris Agreement**, some participants considered this aspect of the NCQG to have been insufficiently discussed in previous technical expert dialogues, while others were of the opinion that the Sharm el-Sheikh dialogue on the scope of Article 2, paragraph 1(c), of the Paris Agreement and its complementarity with Article 9 of the Paris Agreement is the appropriate space for discussing considerations regarding its implementation and considered that it should not, therefore, be discussed in the context of the NCQG. The following options were identified as to referring to Article 2, paragraph 1(c), in the NCQG:

- (a) Including no reference;
- (b) Including a reference as part of the framing of the NCQG (e.g. in its objective or as part of an overarching or long-term vision set out in the preamble to the decision setting the NCQG);
- (c) Including a reference in quantitative terms (e.g. in the form of an investment layer or policy targets, such as aligning USD X in finance flows by year X or aligning domestic finance or all finance flows with the Paris Agreement by year X);
- (d) Including a reference in qualitative terms (e.g. as part of policy recommendations aimed at helping to deliver on the ambition that could be set by the quantum of the NCQG);
- (e) Including a reference in the context of innovative sources of finance (e.g. taxes);
- (f) Including a reference under transparency arrangements (e.g. in the form of a call to action to actors other than governments to increase transparency);
- (g) Including a reference in the context of the needs of developing countries that could not be met through public sources of finance, such as unconditional targets communicated in NDCs that require other sources of finance to be met;
- (h) Including a reference in the context of recognizing the need for capacity-building support for developing countries to implement Article 2, paragraph 1(c), of the Paris Agreement.

52. Regarding **just transition and finance for implementing just transition**, participants identified the following options: (1) mainstreaming these principles across the elements of the NCQG, including its time frame; (2) setting a qualitative goal or sub-goal focused on financing for labour transition programmes; (3) developing criteria to account for the financial needs of just transition programmes; (4) allocating a share of the quantum for just transition measures; (5) incorporating principles of equity and social justice into the core principles of the NCQG; (6) developing and implementing systems for monitoring the effectiveness of just transition financing; and (7) encouraging the integration of just transition financing into broad national and international climate policies.

(b) Linkages and interdependencies between elements of the new collective quantified goal on climate finance

(i) Time frame and quantum

53. Some participants emphasized the need to further explore the possibility of synchronizing the time frame of the NCQG with other UNFCCC processes, such as the NDC, GST and/or BTR cycles, while some participants proposed that the time frame of the NCQG should align with the assessment cycles of the Intergovernmental Panel on Climate Change in order for it to be informed by the evolving needs of developing countries.

54. Participants highlighted the potential relationship between the time frame and the opportunity to increase the quantum of the NCQG. It was noted that a 10-year time frame could allow for increasing ambition and scaling up the financial resources needed to achieve the long-term goals of the Paris Agreement and would align with national budgetary cycles. However, it was noted that a longer time frame might result in a less accurate reflection of the evolving needs of developing countries.

55. Proponents of a five-year time frame indicated that this shorter time frame could ensure that the quantum of the NCQG reflects the evolving needs of developing countries because it could be regularly reviewed and adjusted. Some participants favoured the five-year time frame spanning 2025–2029, with a review in 2030, ensuring that the NCQG is aligned with evolving needs, potentially enhances ambition and sends a strong signal on the urgent need to scale up finance, while others highlighted challenges in articulating needs over a five-year period owing to capacity, data or technological constraints.

56. Recognizing the challenges of increasing the quantum of the goal from USD 100 billion to USD 1 trillion, participants suggested framing the NCQG in a manner that combines annual and cumulative targets. In this context, some participants also discussed whether defining annual targets would allow for financial resources to be scaled up every year.

57. Some participants also identified the need to clarify the starting year of the NCQG (i.e. 2025 or 2026).

(ii) *Structure, quantum and sub-goals*

58. Participants discussed the overall design of the NCQG and linkages between the quantum, structure and sub-goals. Participants called for a holistic approach to setting the goal, emphasizing the need to include qualitative sub-goals, such as on access to finance and on gender, and acknowledged that the structure of the NCQG will directly affect the quantum.

59. Some participants were in favour of a multilayered structure for the NCQG that could potentially increase its quantum, while others voiced the concern that involving a range of actors, including those that are not Parties to the Convention and the Paris Agreement, could result in a lack of accountability. Others voiced a preference for establishing thematic sub-goals for adaptation, mitigation, and loss and damage, underscoring the need to prioritize the provision of public funding in the form of grants and concessional finance, particularly for adaptation and addressing loss and damage. Concerns associated with setting thematic sub-goals include the potential impact on bilateral finance flows: given that the provision of such finance is based on the needs of recipient countries and that discussions between recipient countries and providers follow a bottom-up approach, setting thematic sub-goals could result in a top-down approach being applied whereby allocations of climate finance would be determined with a view to achieving the NCQG.

(iii) *Contributors and quantum*

60. Some participants emphasized the need to define a contributor base for the NCQG as a key parameter for setting the quantum, noting that a wider set of contributors could lead to a significant increase in the quantum of the NCQG such that it reflects the needs and priorities of developing countries, while recognizing that the objective is not to allow more contributors to contribute less, but to enable more contributors to contribute more. Other participants argued that contributors to the NCQG are established through the respective mandate, and the technical expert dialogue under the NCQG is not the appropriate platform for discussions on non-traditional providers. Those participants also highlighted that the contributor link to the quantum could also refer to appropriate burden-sharing arrangements and budgetary reforms aimed at expanding the pool of traditional climate finance providers and ensuring that the agreed quantum is predictable and delivered transparently.

61. Concerns were raised by some participants about the lack of clarity regarding the quantum of the NCQG and the amount that developed countries are willing to provide or mobilize under the NCQG.

(iv) Sub-goals and quantum

62. Participants noted that setting sub-goals offers a targeted approach to supporting implementation of the Paris Agreement, aligning with its provisions on support for mitigation, adaptation, response to loss and damage, capacity-building and transparency, and that there may be various approaches to articulating sub-goals and their relationship to the quantum, with balanced allocations of finance for adaptation, mitigation and addressing loss and damage, with any allocation being country-driven, needs-based and informed by the best available science.

63. In addition to noting the potential for setting thematic sub-goals, participants also noted the opportunity to include in the quantum sub-goals reflecting specific outputs or outcomes, such as the target to triple renewable energy capacity globally set out in the outcome of the first GST.³²

(v) Sources and structure

64. There was broad acknowledgement among participants that sources of finance play a central role in achieving an ambitious NCQG that is capable of meeting the targets set forth in NDCs. As such, some participants proposed adopting a multilayered approach to including sources of finance within the NCQG, with a core layer consisting primarily of public finance and finance mobilized through public interventions, and an outer layer encompassing a broader range of sources, including public, private, domestic and international sources, recognizing the varying levels of predictability associated with different sources of finance, with public sources of finance contributing to enhanced predictability and clarity of finance flows. In this context, some participants suggested that, rather than excluding the private sector from the NCQG, strong policy signals could be incorporated aimed at enhancing the role of the private sector and increasing the predictability of finance from the sector. Furthermore, some participants suggested that it could be effective to separate public finance provided from private finance mobilized, proposing separate sub-goals for those two sources, with private finance contributing to a broader investment goal.

(vi) Time frame and transparency arrangements

65. Participants discussed transparency provisions aimed at ensuring accountability and facilitating the tracking of finance flows under the NCQG, with a focus on creating opportunities to align the frequency of reporting under the NCQG with BTR cycles. In this context, participants acknowledged the importance of considering transparency arrangements additional to those under the ETF, depending on the final form taken by the NCQG, with some proposing that the SCF could address any missing elements. Other participants proposed establishing bespoke arrangements for reporting, tracking and review.

66. It was noted that a longer time frame for the NCQG could (1) allow for more data to be gathered on the impacts and effectiveness of finance provided and mobilized under the NCQG, thus providing an opportunity for course correction, and that it would be difficult to gather such data within a shorter time frame; and (2) result in more, better data for review, particularly considering the time lag for data availability.

67. Additional considerations related to transparency arrangements raised by participants include using existing arrangements under the UNFCCC, whereby BTRs could provide backward-looking information on finance provided and mobilized, and biennial communications submitted under Article 9, paragraph 5, of the Paris Agreement could provide forward-looking information; and putting in place transparency arrangements tailored to the delivery of private finance, if Parties agree on a definition of private sources of finance as part of the NCQG.

68. Moreover, participants proposed that aggregate reporting on and measuring of progress towards achieving the NCQG could be conducted biennially. Proposals for aggregate reporting include requesting the SCF to prepare an aggregate report on progress based on data from existing reports, such as the biennial assessment and overview of climate finance flows; requesting the SCF to prepare a bespoke aggregate report on progress; and

³² Decision [1/CMA.5](#), para. 28(a).

applying various reporting methods, including backward- and forward-looking reporting, and assessment of progress towards the NCQG. Participants underscored the complexity of transparency considerations related to climate finance mobilization.

(vii) *Transparency arrangements and quantum*

69. Some participants emphasized the importance of ensuring transparency and accountability across funding sources to enhance predictability of finance flows. Some suggested sending signals to relevant climate finance actors to incentivize larger capital pools, including innovative sources, recognizing the need for clarity with regard to expected funding amounts.

(viii) *Other linkages and interdependencies*

70. Some participants underscored that the review of the NCQG should occur after the next phase of the NDC cycle and take into consideration the outcome of the first GST. Others argued that aligning the review solely with the NDC cycle may not allow for all of the climate action identified by countries to be encompassed in the review and that the NCQG should therefore be aligned with a broader framework, incorporating other national plans, strategies and reports such as NAPs, national communications and technology needs assessments.

71. Participants identified and reiterated various other linkages between the elements of the NCQG, including:

(a) Exploring the linkage between ambition and the quantum of the NCQG, recognizing that while a higher quantum is necessary, this alone may not be sufficient to achieve climate ambition, and vice versa;

(b) Framing qualitative sub-goals, including on access, gender, just transitions and economic development and growth, and response measures, particularly those concerning workers, Indigenous Peoples and other stakeholder groups;

(c) Exploring the potential inclusion of policy sublayers, considering both enablers and disablers of the quantum and finance flows;

(d) Gaining an understanding of the distinct roles of the international financial architecture, the NCQG and Article 2, paragraph 1(c), of the Paris Agreement, as well as their complementary roles and the linkages between them;

(e) Addressing the outcome of the GST concerning the involvement of stakeholders, including the private sector, MDBs and commercial banks, to reach the scale of finance and investments required to achieve the goals of the Paris Agreement;

(f) Distinguishing between direct investments in climate mitigation and adaptation activities on the one hand and climate-aligned development on the other to avoid overlapping or mixing concepts when reporting finance as development or climate finance, as the two are becoming increasingly intertwined, suggesting that the majority of development finance will have climate linkages in the future;

(g) Clarifying what does and does not count as climate finance.

2. Tenth technical expert dialogue

72. The tenth technical expert dialogue was aimed at deepening the shared understanding of views among participants on the ambition, qualitative elements, structure and transparency aspects of the NCQG, drawing on the elements and options discussed at the ninth technical expert dialogue.

(a) Ambition

73. Participants reflected on the range of views expressed by Parties at the dialogue, including from their national perspectives, on framing ambition in relation to the NCQG. There is a general recognition of the need to set an ambitious NCQG in the context of responding to the challenges of the current climate crisis; however, views differ on how to frame that ambition. Parties recognized that developing countries are increasingly including

ambitious climate action in national plans and policies such as NDCs and NAPs, which require adequate finance to ensure their implementation. The NCQG should avoid penalizing developing countries that are formulating ambitious climate plans and policies and strike a balance between facilitating ambitious climate action while ensuring the right to economic development. In this context, the provision of loans, which were the main source of finance provided under the USD 100 billion goal, to developing countries undergoing economic transition would put them at risk by increasing their level of indebtedness, particularly if the loans were provided at commercial market rates rather than on concessional terms.

74. Some Parties were of the view that an ambitious NCQG, by means of an ambitious quantum, could incentivize developing countries to increase their climate action. In this regard, one panellist cautioned against setting climate finance as a precondition for formulating ambitious NDCs; instead, the NCQG could send signals that spur investment in implementing NDCs. Other Parties underscored that ambitious action can only be formulated and implemented with the provision of adequate means of implementation, particularly climate finance.

75. Views were also shared as to what constitutes an ambitious NCQG, with some Parties suggesting that an ambitious goal would involve mobilizing finance from public and grant-based sources, and others considering that finance should come from a wide variety of sources and contributors, highlighting that the broader the base of sources and contributors, the higher and more ambitious the quantum could be.

(b) Qualitative elements

76. Participants underscored the importance of reflecting qualitative elements in the NCQG in order for it to deliver the transformational change needed to achieve the goals of the Paris Agreement and have an impact on the ground, while recognizing that the NCQG cannot address all views of all Parties. Some of the critical qualitative elements discussed were new and additional finance (i.e. that the finance provided under the NCQG should be new and additional to official development assistance and other official finance flows) and systematic inequities (i.e. that the NCQG should address systemic inequities faced by many developing countries, including high costs of capital, high transaction costs, limited fiscal space, high levels of indebtedness and assumptions of corruption).

77. Clarifying concessionality provisions in the form of minimum terms of conditions for climate finance provided or mobilized as loans and other debt instruments, covering interest rates, grace periods, maturity periods, service fees and debt-resilient clauses, was identified by participants as critical. Proposals include defining concessionality provisions by response type: concessional lending for mitigation action and public and grant-based sources of finance for adaptation, addressing loss and damage, and readiness and transparency support.

78. In discussions on how access to finance can be enhanced under the NCQG, one panellist emphasized the need to enhance access across all channels, particularly bilateral and regional channels, including by harmonizing access procedures, increasing coherence and complementarity among climate finance providers, promoting direct access, simplifying application and disbursement processes, and establishing minimum floors for certain groups of recipient. Qualitative elements could be grouped under four categories:

(a) Elements related to enhanced demand, including those related to sending policy signals and designing policy instruments to incentivize investment, reducing the cost of capital, incentivizing financial disclosure and creating enabling environments, recognizing that enabling environments correlate with countries' varying levels of development and that elements related to enhanced demand are regulated outside the UNFCCC process;

(b) Elements related to scaling up supply for actors outside the UNFCCC process, including those related to facilitating the mobilization of domestic and private sources of finance, increasing fiscal space in developing countries and applying innovative financial instruments;

(c) Elements related to calls for action, including those related to highlighting the role of MDBs, international financial institutions, national governments and philanthropic organizations;

(d) Cross-cutting elements such as enhancing access to and ensuring the effectiveness of climate finance, putting in place safeguards and ensuring gender-responsiveness.

79. Other relevant considerations identified include reflecting the rights and needs of children in the NCQG and recognizing that the provision and mobilization of climate finance under the NCQG could involve a range of contributors, without singling out individual countries. Many participants underscored that the contributor base of the NCQG is defined in the provisions under the Convention and the Paris Agreement.

(c) Structure

80. Participants acknowledged the simplicity of the USD 100 billion goal but criticized its inadequacy in addressing the scale of needs and action required for tackling current climate challenges, noting that it did not engage the wide range of actors necessary for the effective provision and mobilization of climate finance. They also noted that it lacked detailed measures for monitoring implementation, including a common understanding of what constitutes climate finance and clear accounting methodologies for climate finance, resulting in the provision of finance that was not new and additional but reallocated and reclassified as such, with the majority being provided in the form of loans, including at commercial market rates, instead of as concessional loans and grants. Consequently, the NCQG presents an opportunity to create a more ambitious and transformative goal that could send strong signals to governments, the private sector and the global community and overcome the limitations of the USD 100 billion goal through a more thoughtful and deliberate structure that encompasses both qualitative and quantitative elements, recognizing that the NCQG cannot meet the expectations of all Parties.

81. During the discussions, participants highlighted the importance of developing a robust framework for setting and achieving the NCQG that ensures the goal is clear and coherent, as well as flexible and adaptable to changing circumstances and the emerging needs and priorities of developing countries so that it remains relevant and effective over time, accommodating new scientific insights and shifting financial landscapes. Furthermore, the need to ensure that the NCQG is inclusive and represents the interests of all stakeholders, especially those in developing countries, was emphasized. While there was a common view that the NCQG could address multiple elements in a complementary manner, such as guiding principles, sources of finance, access provisions, thematic considerations and disabling factors, including those discussed under qualitative elements, without compromising the core interests of Parties, differing views were expressed on how to frame the NCQG to that effect. Recognizing that the NCQG is a continuation of the USD 100 billion goal, one participant advocated for the NCQG to be structured accordingly; that is, following a single-layered approach.

(d) Transparency arrangements and review and/or revision

82. Reflecting on the experience from implementing the USD 100 billion goal, participants highlighted the importance of a robust mechanism for monitoring and reporting on progress towards achieving the NCQG, thereby contributing to enhancing transparency, accuracy, completeness, consistency, comparability and accountability of finance flows under the NCQG as well as to building trust among all Parties involved in the NCQG, in line with the principles of the ETF.

83. Some participants called for a clear definition of climate finance and consistent accounting methodologies at the outset, including clarifying concepts such as additionality, grant equivalence and which sources count as finance under the NCQG, with a preference for excluding the provision of loans. As the NCQG is a collective goal, participants emphasized the importance of having a collective framework for tracking progress towards achieving it. There was a strongly held view that such a framework should encompass all dimensions of the goal, including quantitative and qualitative elements, and build on existing arrangements, particularly those under the ETF and those applied by the SCF, noting that the SCF could be mandated to prepare a report on aggregate progress, either as a stand-alone report or in the context of its biennial assessment and overview of climate finance flows.

84. One panellist emphasized that the reporting under the ETF presents an opportunity to consider how climate finance is provided, mobilized and delivered in relation to finance needed and received, as information thereon will be submitted by developed and developing country Parties respectively in their BTRs. Such consideration could also occur during a multilateral assessment such as the GST.

85. Panellists stressed that additional arrangements under and/or modifications to the ETF may need to be considered for tracking progress towards achieving the NCQG, recognizing that such additions or modifications would depend on the final outcome on the NCQG. There was a proposal for establishing under the SBSTA a two-year work programme on exploring ways to bridge information gaps and integrate sources of information in areas where the required data and information are not captured in the reporting under the ETF.

86. Panellists also discussed the challenges posed by the data lag inherent to reporting under the ETF, that is, the BTR submission schedule creates a lag between the availability of data and their collection and aggregation. For instance, data on climate finance provided and mobilized in 2025–2026 would be submitted by Parties by December 2028 and an aggregated report thereon could be made available in 2029.

87. Participants recognized that biennial communications submitted under Article 9, paragraph 5, of the Paris Agreement will play an important role in the transparency arrangements related to the NCQG.

88. With regard to the review of the NCQG, one panellist questioned the feasibility of a five-year review cycle, primarily owing to the challenges related to the above-mentioned data lag, noting that reviewing progress for a two-year period within the proposed five-year cycle (e.g. 2025–2026 data in 2030) would not provide a reliable trend analysis. Furthermore, the panellist suggested that any review should focus on providing guidance to Parties to ensure that they are on track to meet the NCQG and would have to cover all its components, not just the quantum.

89. Participants also reflected on potential provisions for a revision of the NCQG, with proponents for such a revision emphasizing the importance of reflecting the evolving nature of the needs of developing countries.

3. Eleventh technical expert dialogue

90. The eleventh technical expert dialogue was aimed at advancing technical discussions on key issues and interlinkages related to the elements of the NCQG by clarifying options that emerged during the third meeting under the ad hoc work programme.

(a) Context

91. There was broad agreement among participants that the section on context in the updated input paper was in need of streamlining. They agreed that it should serve a scene-setting purpose, laying the foundation for the operational paragraphs that follow. Participants identified the following themes to be included:

(a) Recognition of the circumstances of developing countries, highlighting the challenges faced by them such as fiscal constraints, high costs of capital, a high level of indebtedness, high transaction costs, indiscriminate assumptions of corruption, unilateral trade measures and capacity constraints;

(b) Recognition of the needs and priorities of developing countries, including the special needs and circumstances of the LDCs and SIDS;

(c) Acknowledgement of scientific findings, particularly those of the Intergovernmental Panel on Climate Change;

(d) Reference to the USD 100 billion goal and lessons learned thereon.

92. There was also a discussion on the principles underlying climate finance, where participants emphasized the importance of reflecting the principles of common but differentiated responsibilities and respective capabilities, equity and justice, as well as the right to development. Participants also discussed evolving capabilities and responsibilities of

countries, as well as the need for just transition. Some participants suggested that Article 2 of the Paris Agreement should serve as an overall framework for the NCQG, and that the context section could therefore reiterate Article 2.

93. The discussions highlighted several critical aspects of the context section of the updated input paper requiring refining, which were addressed by improving its structure and using language that is consistent with decision [8/CMA.5](#). Participants recognized that the context section needs to articulate a distinct purpose and be structured such that technical and political issues are clearly distinguished. They noted that the updated input paper switches between preambular and operational language, leading to confusion. Participants suggested that a unified approach is needed to avoid mixed messages regarding the intention of the various sections of the paper. They also suggested that operational paragraphs should not be included in the section on context, but rather in the operational parts of the paper.

94. Participants emphasized the importance of reiterating the urgency for increasing collective mitigation and adaptation ambition to meet the goals of the Paris Agreement, while underscoring the need to provide support to developing countries to enable them to meet those goals. Participants also called for the context to reflect the challenges faced by developing countries, in particular the LDCs and SIDS, in accessing climate finance, and to emphasize the importance of grant-based financing and other instruments that create fiscal space.

95. Participants also discussed the potential merging of the sections on the preamble and context, particularly for addressing challenges that the NCQG is aimed at solving. Some participants noted that key scene-setting elements could later be included as operational paragraphs in the text, such as those relating to access challenges (including addressing them by calling for action and providing guidance to actors), gender-responsiveness and Indigenous Peoples' needs. Several participants expressed concern over the length of the decision setting the NCQG, advocating for a comprehensive yet concise text.

96. Many participants stressed the importance of recognizing the interlinkages between various aspects of climate action, including the relationship between inaction on mitigation and adaptation and the resulting loss and damage.

(b) Access to climate finance

97. Participants broadly agreed that ensuring equitable, efficient and transparent access to climate finance is critical for achieving global climate goals. There was broad consensus on the need to streamline processes relating to access across all climate finance entities.

98. Participants stressed the need to address systemic barriers to accessing climate finance, such as high transaction costs or high costs of capital, which were frequently cited as a challenge for developing countries, including the LDCs and SIDS, owing to complex access procedures and lengthy approval timelines, among others. There was general consensus that the NCQG should not create an additional burden on developing countries. Participants therefore also stressed the need to prioritize grants over loans when providing finance for adaptation and responding to loss and damage, highlighting the issues faced by developing countries in securing financing for adaptation projects. In a further effort to reduce timelines for both project approval and disbursement of funds, participants called for more emphasis on direct access modalities, whereby developing countries can bypass intermediaries and receive funding directly. There was also a suggestion to establish a dedicated body to assess, review and monitor the effectiveness of efforts to enhance access as well as to encourage developing countries to report on their experience with a view to improving access to climate finance.

99. During the discussion, participants underscored the importance of both the demand and the supply sides of access and recognized the need for harmonizing the approval process across financial institutions to reduce the administrative burden. Participants also emphasized that standardization and simplification of access modalities and procedures, including requirements, reduces the timelines for both project approval and disbursement of funds.

100. Participants also underscored the importance of capacity-building, particularly for enhancing access to climate finance. Participants highlighted the need for a robust capacity-

building framework, which should encompass institutional capacity-building and be aimed at fostering national ownership of climate initiatives. There was broad consensus on the need for a paragraph in the decision setting the NCQG on capacity-building for leading climate finance efforts, addressing the needs of vulnerable groups, including women, youth, local communities and Indigenous Peoples when enhancing capacity-building.

101. There was also a discussion on the interconnectedness of eligibility and access, where some participants stressed that all developing countries should be eligible for climate finance, considering their varying capacities and scales of needs. However, other participants suggested narrowing the pool of eligible recipient countries and linking access to mitigation finance to ambitious actions and linking access to adaptation finance to a country's level of vulnerability.

(c) Calls for action, channels, enablers and policy layers

102. Participants noted the interrelated nature of access, enablers and transparency and stressed that articulating these connections more explicitly could enhance clarity and cohesiveness of the document. There was agreement that the links between access and challenges faced by developing countries such as high levels of indebtedness and high capital costs should be highlighted.

103. Some participants were of the view that clear, actionable calls to stakeholders are essential to driving momentum towards achieving climate goals. Participants stressed the need for ensuring that the calls address the varied roles of different actors, ranging from developed countries to multilateral institutions and private sector entities. Some participants highlighted the importance of recognizing regional distinctions in the calls for action, particularly given the unique challenges faced by the LDCs and SIDS. They emphasized the need to use language in such calls that not only inspires action but also clearly specifies responsibilities and expected outcomes.

104. Participants noted that, while multilateral channels are critical, the significance of bilateral sources cannot be overlooked, as they often represent the majority of funding. A recurring theme was the desire for a structured framework that categorizes these channels distinctly, enabling stakeholders to navigate the complexities of financing more effectively. The suggestions in this regard include enhanced collaboration among providers of finance through multilateral and bilateral channels to ensure that resources are allocated efficiently, addressing both immediate needs and long-term sustainability goals.

105. There was broad consensus that a prescriptive list of financing channels should be avoided and that the focus should instead be on creating opportunities for financing through innovative instruments. Participants noted that some paragraphs in the section of the updated input paper on channels may not directly pertain to channels and could therefore be moved elsewhere within the paper.

106. Participants also discussed enablers and disenablers of climate finance, suggesting the need to clarify the difference between enabling and disabling factors using language that neither prescribes overly rigid rules nor remains vague. Participants recognized that practical enablers, such as capacity-building initiatives, technical assistance and streamlined application processes, are essential to facilitating effective engagement of developing countries with funding sources. There was also a shared understanding that enablers must be tailored to the specific contexts of different countries and regions and take into account varying levels of development and institutional capacity. Some participants supported the identification and dissemination of best practices, enabling countries to learn from each other and adopt strategies that have proven to be successful in overcoming barriers to finance. Participants emphasized the importance of technology development and transfer and of capacity-building, particularly for adaptation and for responding to loss and damage, as enablers and stressed the need to call for scaled-up support for technology development and transfer and capacity-building, with an emphasis on the needs of vulnerable groups and regional actors.

107. In the discussion on disenablers of climate finance, participants highlighted the need to clearly define what constitutes a disenabler and identify the implications of disenablers in accessing climate finance. There was a call for restructuring the relevant section of the

updated input paper and a proposal to reframe its chapeau paragraph and add a separate operative paragraph presenting a clear framework for addressing the challenges relating to disenablers and exploring specific disabling factors in detail.

108. Participants stressed the need for coherence among existing policies at the local, national and international level to foster a supportive environment for climate finance. The integration of climate finance considerations into broader development policies was highlighted as a critical step towards ensuring that climate goals are mainstreamed across all sectors. Furthermore, there was consensus on the importance of aligning policies with the Paris Agreement and other international commitments to create a unified framework for guiding climate action.

109. Some participants suggested integrating broader policy elements such as gender and MDB reform into the framework, recognizing the role of debt sustainability within the policy layer and highlighting the need for fit-for-purpose financing instruments and long-term finance structures that do not contribute to debt crises. Some participants highlighted that MDB reform should be reinforced, with specific roles assigned to MDBs in providing concessional finance, especially for adaptation. There was a suggestion to consolidate the paragraphs on macroeconomic policies, fiscal policies, enabling environments and fossil fuel phase-out to provide a cohesive list of key policies that could be tailored to the contexts of specific actors.

110. Participants called for a holistic approach that considers these interdependencies, advocating for clear, actionable recommendations that can drive progress in climate finance.

(d) Transparency arrangements

111. This discussion revolved around the importance of a robust, transparent and comprehensive mechanism for monitoring and reporting on progress towards achieving the NCQG, one that takes into account the lessons learned from the USD 100 billion goal. This mechanism would strengthen transparency, accuracy, completeness, consistency, comparability and accountability, thereby fostering trust among all Parties involved in the NCQG, in line with the principles of the ETF. In this context, participants emphasized the need for a clear and consistent definition of climate finance, or at a minimum a reference to the operational definition of climate finance of the SCF, including standardized accounting methodologies for climate finance. Some participants highlighted the importance of defining both what is included in (positive definition) and what is excluded from (negative definition) climate finance to provide clarity on what should be reported.

112. Participants discussed key concepts such as additionality, grant equivalence, and the inclusion or exclusion of specific finance sources and financial instruments such as loans provided at market rates, domestic finance and export credits. Furthermore, some participants highlighted the roles and responsibilities of Parties in delivering climate finance under the NCQG, stressing that non-Party stakeholders, while valuable contributors, are not Parties to the Paris Agreement and therefore are not accountable under it. Accountability mechanisms must therefore focus on Party commitments and ensure that responsibilities for the provision and mobilization of climate finance are clearly defined.

113. There was a point of contention among participants on the mechanism for monitoring and reporting on progress towards achieving the NCQG. Some participants stressed the need for collective tracking, allowing for global assessment of progress, while others expressed concerns that collective tracking could dilute individual accountability. However, there was recognition of the need for greater clarity on what is meant by 'collective' responsibility in the context of climate finance pertaining to both tracking and accountability. Participants also called for clear definitions, especially of concessional and collective measurement, to ensure a common understanding and avoid ambiguity.

114. There was broad consensus that transparency arrangements for the NCQG should build on existing mechanisms, particularly the ETF, which provides a good foundation for tracking both quantitative and qualitative elements of the goal. There was also a recognition of the need to revise the ETF in the future to capture additional information that may not be fully reflected in its current structure, particularly with regard to qualitative aspects of the goal such as enhancing access. Participants also discussed transparency-related options,

including whether there should be annual or biennial tracking of climate finance flows. While the ETF allows for biennial reporting, some participants advocated for more frequent reporting or the provision of updates to ensure a better understanding of trends in finance flows, particularly in terms of access and quality. There was also a bridging proposal for intermediate reporting to provide qualitative updates while awaiting the submission of more comprehensive biennial reports.

115. Participants also highlighted the potential role of the SCF in aggregating financial information and developing a periodic progress report that would help to track climate finance flows. The report could be either a stand-alone document or integrated within the biennial assessment and overview of climate finance flows of the SCF. Participants highlighted the need for Parties to use consistent data sources to ensure comparability and accuracy of the data to be tracked. Given the complexity of the issues involved, it was recognized that the SBSTA could be mandated to resolve some technical aspects relating to transparency of the NCQG, such as revising the ETF to include qualitative aspects, determining how to integrate new data sources, and defining terms and concepts relevant to tracking climate finance.

116. In addition, participants highlighted the need for the framework to address gaps in current tracking mechanisms, particularly regarding access to finance, equity in the distribution of climate finance and the impact of climate finance in order to ensure that both financial and non-financial contributions under the NCQG are adequately accounted for.

117. Gender-responsive finance was a point of discussion among participants, both in relation to the respective paragraphs of the updated input paper and in reference to the 2024 SCF Forum on accelerating climate action and resilience through gender-responsive financing.³³ Some participants noted the importance of an explicit mandate in the decision setting the NCQG for tracking gender-responsiveness and the needs of Indigenous Peoples and local communities in relation to climate finance over time, noting that the ETF does not cover these areas.

B. Summary of the meetings under the ad hoc work programme on the new collective quantified goal on climate finance

1. First meeting

118. The objective of the first meeting was to seek participants' initial views on possible elements of the substantive framework for a draft negotiating text and options for content to be included under those various elements. Throughout the meeting, the co-chairs of the ad hoc work programme invited Parties to share their views on the structure of the NCQG itself as well as on the structure of the draft negotiating text for the substantive framework, including the sections containing preamble, context, quantitative and qualitative elements, transparency arrangements and cross-cutting issues.

119. Parties engaged with one another constructively at the meeting and transitioned to a mode of work that enables the development of a draft negotiating text on the NCQG. Parties provided their views on the linkages between elements of the NCQG, options for each element and the possible placement of elements in the draft negotiating text, as well as on how they envisioned the NCQG being implemented.

120. Regarding the **structure of the substantive framework** for a draft negotiating text, many Parties agreed with the structure proposed by the co-chairs in their input paper for the first meeting³⁴ and identified additional elements, including principles, the time frame of the goal (as a stand-alone element), the structure of the goal, access to climate finance (as a stand-alone element), the scope of the goal and follow-up activities such as requesting the SBSTA to explore ways to bridge information gaps and integrate sources of information in areas where the required data and information are not captured in the reporting under the ETF.

³³ See <https://unfccc.int/2024-SCF-Forum>.

³⁴ Available at <https://unfccc.int/documents/637883>.

121. Regarding the **preamble**, some Parties highlighted the need to recall or reiterate relevant provisions of the Convention and the Paris Agreement. Others suggested that there should not be a reference to the Convention, as the NCQG falls under the scope of the Paris Agreement alone. Parties also suggested that decisions relevant to the NCQG should be recalled or reiterated. Some Parties suggested recalling aspects of the process of setting the NCQG and welcoming various products produced over the course of the ad hoc work programme.

122. With regard to **context**, Parties shared a range of views on whether and how to capture the NCQG in the context of Article 2 of the Paris Agreement and the global financial architecture, including their relationship in the draft negotiating text. Some Parties viewed the context of the NCQG as being solely linked to Article 9 of the Paris Agreement. Other proposals include setting the NCQG in the context of:

- (a) Meaningful mitigation action and transparency of implementation;
- (b) The efforts of all Parties to pursue climate action in line with a 1.5 °C pathway towards a climate-resilient future;
- (c) Efforts to scale up investments and climate action from all sources, including domestic, international, public and private;
- (d) The efforts of all Parties to take policy action to incentivize climate action;
- (e) The evolving needs and capacities of all Parties.

123. Some Parties expressed the view that content under this element could be placed under a stand-alone element and/or embedded throughout the various elements of a draft negotiating text, covering, inter alia, references to provisions of the Convention and the Paris Agreement; the urgency of climate action; references to the needs and priorities of developing countries, including their evolving needs and capacities; the need to increase ambitious climate action, which could be reinforced by an ambitious NCQG; disenablers of climate action; guiding principles; the role of various actors in the climate finance landscape; and lessons learned from the USD 100 billion goal.

2. Second meeting

124. The objective of the second meeting was to develop iterations of the updated input paper prepared by the co-chairs ahead of the meeting, including the mapping of elements and development of options pertaining to the NCQG. Parties provided views on the structural elements of the NCQG, including on linkages between elements, and on opportunities for streamlining the text presented in the updated input paper prepared ahead of the meeting by removing duplications and factual statements without removing substantive differences. Several options, reflecting divergent views, remained under each element of the NCQG and views on how Parties envision the NCQG being implemented also varied.

125. Regarding the **preamble**, the views expressed at the first meeting were revisited (see para. 121 above).

126. With regard to **context**, Parties discussed whether Article 9 of the Paris Agreement should provide the context for framing the NCQG. They expressed varied interpretations as to whether Article 9, paragraph 1, or Article 9, paragraph 3, of the Paris Agreement sets the scope of the NCQG or whether the broader reforms of the international financial architecture and Article 2, paragraph 1(c), of the Paris Agreement should also be considered as context. Some Parties viewed the context of the NCQG as being the urgent need for climate action, the needs and priorities of developing countries, including their evolving needs and capacities, or the importance of acknowledging and rewarding enhanced climate ambition, while recognizing disenablers of climate action, guiding principles, the role of various actors in the climate finance landscape and lessons learned from the USD 100 billion goal. Others proposed setting the NCQG in the context of meaningful mitigation action and transparency of implementation, the efforts of and incentives for all Parties to pursue climate action to achieve a climate-resilient future that meets the 1.5 °C goal, efforts to scale up investments from all sources and efforts to scale up climate action.

127. Regarding **structure**, some Parties advocated for a multilayered NCQG underpinned by quantitative and qualitative elements and with sub-goals, composed of a variety of sources and providers of finance and thematic areas, while others voiced a preference for a single-layered goal of public finance flows from developed to developing country Parties.

128. Regarding **principles**, some Parties were in favour of reiterating the guiding principles of the Convention and the Paris Agreement, while others were against doing so.

129. With respect to the **time frame**, Parties recognized the interlinkages between the time frame and quantum of the NCQG and deliberated on a range of proposals, including whether the goal should have a 5-, 10- or 25-year time frame or a combination of time frames, whether it should have annual or cumulative targets and whether it should have a ‘ramp-up’ period.

130. Regarding **quantitative elements**, Parties expressed views on the time frame, sources of finance, possible contributors and recipients, and burden-sharing arrangements pertaining to the NCQG, though some considered the latter three aspects to be outside the scope of deliberations on the NCQG. Some Parties shared their views on the quantum of the NCQG and how to determine it, with the following proposals being made:

- (a) From the floor of USD 100 billion annually;
- (b) USD 1.1 trillion annually;
- (c) At least USD 1 trillion annually;
- (d) USD 1.3 trillion annually;
- (e) USD 1.1–1.3 trillion annually;

(f) USD 2.4 trillion annually by 2030, as identified in the report by the Independent High-Level Expert Group on Climate Finance,³⁵ of which USD 1.4 trillion from domestic resources and USD 1 trillion from external finance (of which USD 150–200 billion from bilateral and innovative concessional finance, USD 500–600 billion from private sources and USD 250–300 billion from MDBs and other development finance institutions).

131. With regard to **qualitative elements**, Parties discussed how the NCQG can contribute to enhancing the quality of climate finance, considering options such as formulating sub-goals for, or guidance on achieving thematic balance, on determining financial instruments, recipients and channels, and on simplifying, harmonizing and enhancing access to climate finance.

132. Regarding **transparency arrangements**, some Parties reiterated the views shared during the first meeting regarding the need for a definition of climate finance and accounting principles in relation to the NCQG, the need to make use of existing transparency arrangements established under the Paris Agreement, notably the ETF and biennial communications on climate finance to be provided in accordance with Article 9, paragraph 5, of the Paris Agreement, and modalities for tracking progress collectively by requesting the SCF to prepare periodic aggregate reports.

3. Third meeting

133. Building on the outcomes of the second meeting, during the third meeting Parties engaged constructively on the basis of the updated input paper.

134. There was a common understanding on formulating the **preamble** in a concise but comprehensive manner, reiterating Articles 2 and 9 of the Paris Agreement in their entirety and recalling decisions relevant to the NCQG as well as the principles of common but differentiated responsibilities and respective capabilities in the light of different national circumstances and in the context of sustainable development and efforts to eradicate poverty.

³⁵ Bhattacharya A, Songwe V, Soubeyran E, et al. *A climate finance framework: decisive action to deliver on the Paris Agreement – Summary*. London: Grantham Research Institute on Climate Change and the Environment, London School of Economics and Political Science. Available at <https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2023/11/A-Climate-Finance-Framework-IHLEG-Report-2-SUMMARY.pdf>.

Some Parties reiterated the view that the decision setting the NCQG should recall relevant provisions of the Convention and the Paris Agreement, while others found that there should not be references to the Convention as the NCQG would fall within the scope of the Paris Agreement only.

135. Some Parties suggested a more concise and focused approach to framing the **context** section. Parties agreed that the context would set the scene in which the NCQG is set, including the objectives of the NCQG as outlined in paragraph 15 of decision [9/CMA.3](#), and highlighting challenges and opportunities that the NCQG will respond to such as, noting the latest scientific findings, particularly from the Intergovernmental Panel on Climate Change, underscoring the urgency of climate action in the short and long term; reflecting the needs and priorities of developing country Parties, particularly the LDCs and SIDS; citing findings from the second report by the SCF on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement, and noting that such needs are dynamically evolving, building on lessons learned from the USD 100 billion goal; recognizing the challenges of debt sustainability, high cost of capital, high transaction costs, limited fiscal space and unilateral trade measures; and emphasizing the need for the provision of support for mitigation, adaptation and addressing loss and damage in a balanced manner, while recognizing the importance of financing just transitions.

136. Regarding **goal formulation**, Parties welcomed the presentation of packages of options in tabular format, emphasizing that this would help in identifying similarities and interlinkages with a view to bridging proposals on various aspects of and options for elements of the NCQG, covering, inter alia, structure, time frame(s), quantum(s) and qualitative elements:

(a) On the **structure** of the NCQG, many Parties agreed on a support goal for developing countries, including in the form of both provision and mobilization of climate finance, either as a combined single quantum or as two separate quanta. Some Parties viewed the NCQG as comprising layers, with an outer layer of total international finance flows to developing countries or of global investment flows for climate action, and the goal for mobilization and provision of climate finance as the core. Some Parties argued for the inclusion of sub-goals or subtargets in quantitative amounts or shares in percentages of the goal by thematic area (e.g. adaptation, loss and damage) and/or by channel (e.g. the operating entities of the Financial Mechanism), while others referred to the need for balance in the financial support provided for adaptation, mitigation and addressing loss and damage in addition to recognition that finance for capacity-building and technology transfer, readiness and transparency support are also key elements. Additionally, some Parties favoured qualitative elements in the form of policy layers or calls for action to Parties and non-Party stakeholders to simplify and enhance access to climate finance and address other challenges faced by developing countries such as debt distress and limited fiscal space, while others raised concerns about policy levers such as illicit financial flows and tax evasion tied to the quantum;

(b) Recognizing the interlinkages between structure and quantum, Parties discussed options for the **quantum** of the NCQG, reiterating options such as an annual goal of USD 1, USD 1.1, USD 1.3 or USD 2 trillion, or setting the goal from a floor of USD 100 billion per year. Other Parties argued that, since the quantum is dependent on the goal's structure, time frame(s), sources of finance and contributors, gaining further clarity on these aspects first would help to determine the quantum. Some Parties called for a grant-equivalent quantitative target in order to respond to the need for more grant-based and highly concessional finance;

(c) On **time frame(s)**, Parties discussed a range of options for reflecting time frame(s), recognizing the time frames for existing UNFCCC processes such as the NDC, BTR and GST cycles. Some Parties viewed the NCQG to be an annual goal to be achieved over a 5- or 10-year period, while others expressed preference for an annual goal to be achieved by a target year in 5 or 10 years. A combination of options such as a 'ramp up' to a target year accompanied by the delivery of an annual goal over a time period, or a combination of a short-term goal over five years and long-term aspirational objectives to align with carbon neutrality by 2050 were discussed, with another option being a cumulative goal rather than an annual goal;

(d) Other elements discussed in the context of the goal formulation related to **sources of finance**, including whether or not the NCQG should define the contributors to the goal as developed country Parties or other Parties providing financial support, which could be determined through introducing dynamic criteria such as on the basis of gross national income per capita or historical emissions, or by identifying lists of Parties or existing contributors as well as burden-sharing arrangements, recognizing that some Parties consider some of these aspects to be beyond the scope of the NCQG deliberations;

(e) There was a common understanding of the need for the NCQG to address **qualitative** elements with a view to improving the quality and accessibility of climate finance, particularly for those that have experienced challenges in accessing climate finance through multilateral and bilateral channels, including through calls for action to Parties and non-Party stakeholders to take action to harmonize application procedures, enhance direct access modalities and/or avoid placing co-financing requirements or other conditionalities on developing countries that are applying for projects. Parties discussed options for reducing barriers to and enhancing the quality of climate finance, including by scaling up the provision of grant-based and highly concessional finance across all channels, calling on shareholders of MDBs and international finance institutions to continue to reform MDB practices and priorities, and creating fiscal space for developing countries, for example by introducing climate-resilient debt clauses, and scaling up use of debt forgiveness, local currency lending, blended financial schemes and debt for climate swaps, while recognizing the need to enhance enabling environments. Divergent views remained on the operationalization of the qualitative elements of the NCQG, in terms of setting specific targets for implementing them and establishing indicators for tracking progress towards achieving them, such as time from approval to disbursement, transactional costs for accessing climate finance, geographical distribution and distribution of instruments, with proponents of such targets and indicators noting that without firm commitments and timelines the qualitative elements might remain symbolic.

137. On **transparency arrangements**, some Parties underscored the need to clarify at the outset what would and would not count as climate finance under the NCQG with clearly defined accounting methodologies. Some Parties called for exclusion of domestic and private sources of finance in the form of market-rate loans and export credits, thereby aligning with the broader principle that finance should be accessible and equitable. In terms of data collection, Parties emphasized the importance of building on the existing arrangements in place, such as the ETF, while acknowledging the need for additional arrangements that reflect the specificities of the NCQG, either through Party deliberations or by requesting the SBSTA to develop guidance on tracking progress towards achieving the NCQG. Many Parties acknowledged that collective progress could be reported by the SCF if it were requested to prepare periodic aggregate progress reports, either as stand-alone reports or in the context of its biennial assessment and overview of climate finance flows. A range of views remained on the extent to which biennial communications on climate finance projections submitted in accordance with Article 9, paragraph 5, of the Paris Agreement and reports prepared by non-UNFCCC actors should be considered in tracking progress towards the NCQG.

138. On **review and/or revision**, most Parties agreed on provisions for Party-driven periodic reviews to improve implementation of the NCQG, either in the context of an SCF biennial progress report or as part of the GST. Divergent views remained on the revision of the NCQG, including whether a revision would take place during the NCQG time frame or after, and on its scope, namely if all elements of the NCQG would be reviewed and revised or only its quantum.

C. Elements of the new collective quantified goal on climate finance for political consideration

139. During the eleventh technical expert dialogue and third meeting under the ad hoc work programme, participants identified, among others, and discussed the following areas that

would benefit from further political guidance at the high-level ministerial dialogue on the NCQG held in 2024³⁶ and at CMA 6:

(a) The **structure** of the NCQG, including whether it should be framed as a single-layered goal of finance flows provided and mobilized from developed to developing countries, or as a multilayered goal in the form of a global investment goal, with sub-goals for the provision and mobilization of financial support for developing country Parties, composed of different sources and providers of climate finance, thematic targets and policy guidance;

(b) The **nature and (thematic) scope** of the NCQG, including whether it should have sub-goals for mitigation, adaptation, and loss and damage;

(c) The **time frame** of the NCQG, including whether it should be an annual goal to be achieved during the year or an annual goal to be achieved over a 5-, 10- or 25-year period;

(d) The **quantum** of the NCQG and how it should take into consideration the needs and priorities of developing countries, including evolving needs and priorities;

(e) The **contributions** of different actors towards the NCQG, including whether and how to reflect therein the global effort referred to in Article 9, paragraph 3, of the Paris Agreement;

(f) Potential **sources of finance and instruments** for the NCQG, including finance flows as referred to in Article 2, paragraph 1(c), of the Paris Agreement and its relationship with Article 9 of the Paris Agreement;

(g) Whether and how to take into consideration the specific **needs and circumstances** of different geographical regions in the NCQG;

(h) **Qualitative elements** of the NCQG, including whether and how to include policy layers, calls for action and enabling factors;

(i) Whether and how to determine a **common definition** of climate finance.

IV. Reflections of the co-chairs on the work conducted under the ad hoc work programme on the new collective quantified goal on climate finance in 2024

140. In line with decision [8/CMA.5](#), the co-chairs conducted work under the ad hoc work programme in an open, inclusive, transparent and participatory manner, enabling Parties to transition to a mode of work that facilitated the development of a substantive framework for a draft negotiating text, moving from identifying options towards reducing and streamlining them with a view to developing packages of options.

141. From the first meeting, Parties outlined their views and positions on the structure for and elements of the NCQG that could be captured in the substantive framework for a draft negotiating text, as well as their views on details of the decision text. Distinct from the technical expert dialogues, the meetings provided an opportunity to present a full overview of all elements of the NCQG to be reflected in the substantive framework, including their interlinkages and interdependencies.

142. The approach of the co-chairs to developing input papers ahead of each meeting allowed for the iterative development of the substantive framework for a draft negotiating text during and after each meeting, with six iterations in total, demonstrating the evolution of Parties' views across each element of the NCQG. The input papers were useful for facilitating sharing of views and substantive progress across all elements and for identifying opportunities for bridging proposals from one meeting to the next.

³⁶ See <https://unfccc.int/event/2024-high-level-ministerial-dialogue-on-the-new-collective-quantified-goal-on-climate-finance>.

143. Progress was observed in the written inputs received from Parties on different elements set out in the input papers, including in the 33 written inputs received from Parties, focused on finding areas of common ground and identifying bridging proposals.

144. On the basis of the input papers, participants at the technical expert dialogues held in 2024 were able to provide targeted feedback on specific elements and options thereunder, in particular on how they may be reflected in the decision setting the NCQG. The informal nature of the technical expert dialogues, held back-to-back with the meetings under the ad hoc work programme, provided a space for fruitful deliberations and exchanges of views to reach common ground.

145. Recognizing the value of engaging and exchanging experience with diverse stakeholders, including non-Party stakeholders, the co-chairs used various methods such as calling for submissions and conducting consultations upon request to maximize such engagement, and continued to provide a space for non-Party stakeholder engagement during the technical expert dialogues to gather a wide range of perspectives on the elements under discussion, including the development of options.

146. Given the detailed interlinkages between the elements of the NCQG reflected in the substantive framework for a draft negotiating text, there remains a significant amount of work to be done during CMA 6 to reach a successful outcome. In this regard, Parties may wish to consider engaging with each other prior to and during the first week of CMA 6 to enable identification of bridging proposals at the technical level of the draft negotiating text ahead of the political-level engagement during the second week.
