SUBMISSION BY THE REPUBLIC OF SINGAPORE TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE ON THE NEW COLLECTIVE QUANTIFIED GOAL ON CLIMATE FINANCE

Singapore welcomes the establishment of an ad-hoc work programme at the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) to determine the new collective quantified goal on climate finance (NCG) by end-2024. The provision of climate finance from developed countries to developing countries, as enshrined in the UNFCCC and the Paris Agreement, is critical to ensuring that developing countries have the necessary support to meet their obligations and raise climate ambition. Singapore is committed to contributing constructively to the discussions to develop an NCG.

Singapore aligns itself with the submission by AOSIS on the NCG, but would like to convey through this submission some further suggestions in our own national capacity on how the NCG could contribute to accelerating the achievement of Article 2 of the Paris Agreement, as outlined in paragraph 15 of the decision of the 3rd Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on the NCG. As discussions progress, we look forward to contributing additional input as necessary to this important endeavour.

At the outset, Singapore believes that discussions on the NCG should be guided by several key considerations.

- First, all negotiations on the NCG must be conducted in a transparent and inclusive manner and consider input from all relevant stakeholders. This will ensure that we collectively achieve an NCG that is credible, representative, and will garner broad support.

- Second, the NCG must continue to adhere to the principle of common but differentiated responsibilities, which is enshrined in the UNFCCC and the Paris Agreement. Special provisions should be made to ensure that climate finance is allocated to countries that are recognised as the most vulnerable under the Paris Agreement, such as the Small Island Developing States (SIDS) and the Least Developed Countries (LDCs).

- Third, the provision of climate finance should be targeted and based on the needs of developing countries, recognising that they continue to need enhanced support to help them achieve their climate goals. We could explore ways to map the unique circumstances and needs of developing countries in a more systematic way so that they can be better matched with available sources of climate finance. The Standing Committee on Finance (SCF)'s First Needs Determination Report, published in 2021, provides useful recommendations which we can consider. Recipients of climate finance and developed countries could also share good practices or learning points at the Technical Expert Dialogues under the ad-hoc work programme, or through other appropriate avenues.

- Fourth, following the release of IPCC AR6 Working Group II Report, discussions on the NCG should recognise that adaptation is a pressing challenge for developing countries, particularly SIDS, which are already experiencing the devastating effects of climate change and make provisions to ensure a better balance between mitigation and adaptation finance.

- Fifth, it is important for Parties to consider establishing a mechanism to review the progress towards achieving the NCG on a periodic basis. This will serve to engender trust in the process and ensure that developing countries have the necessary resources to meet their obligations under the Paris Agreement.

Beyond scaling up the quantum of climate finance by developed countries, it is important to recognise that the public sector alone would not be able to meet the scale of investment required to transform global financial flows to align them with Article 2.1(c) of the Paris Agreement. The private sector and international financial institutions can play a key role in mobilising private finance and bridging urgent needs for developing countries. To effect this broad-based transformation in a sustainable manner, the NCG should explore ways to facilitate the channeling of blended finance and private capital, complementary to public finance flows, to support low-carbon transitions, mitigation and adaptation efforts, as well as the mainstreaming of green and sustainable financing in developing countries. In addition, we could look at ways to support the broader use of sustainability investment criteria, climate-related disclosure principles, and mainstream climate-related risks into investment decisions, in order to move towards Article 2.1(c) of the Paris Agreement.

While the work on the NCG should focus on the *mobilisation* of adequate and predictable climate finance from a floor of USD 100 billion annually to support the needs of developing countries, deliberations should also consider how to *improve the ways that climate finance can be accessed* by developing countries.

There should be a better matching between developing countries' needs and available climate finance. We should also look into simplified, efficient and predictable procedures to improve developing countries' access to climate finance. Singapore will continue to participate actively and constructively at the negotiations for the NCG.

. . . . .

2 March 2022