

SUBMISSION BY THE SENEGAL ON BEHALF OF THE LEAST DEVELOPED COUNTRIES (LDCS) ON NEW COLLECTIVE QUANTIFIED GOAL

1. The Least Developed Countries (LDCs) welcome the call for submissions to present views on the objective and elements of the new collective quantified goal on climate finance (NCQG) in accordance with the invitation in paragraph 17 of Decision -/CMA.3.
2. The LDC Group supports the process outlined in Decision -/CMA.3 and stands ready to engage with the work of the ad hoc work programme from 2022 to 2024. It is fundamental that adequate financial resources are made available to secure the effective participation of delegates throughout the entire deliberation process, especially from countries with limited capacities and financial resources such as LDCs. Transparency, openness and inclusivity must characterise the work of the Ad Hoc Work Programme at all times.
3. Deliberations on the NCQG should consider the 1.5 degree Celsius target, Global Goal on Adaptation and actions for addressing Loss and Damage. The process should also consider equity and fairness for the most vulnerable countries, as well as look into both the quantity and quality side of climate finance.
4. Inputs to inform the NCQG should include but be not restricted to:
 - Finance, technology and capacity needs communicated in NDCs and national reports;
 - National Adaptation Plans;
 - Adaptation Communications;
 - Needs Determination Report by the Standing Committee on Finance;
 - National Communications, Biennial Update Reports (BUR) and Biennial Transparency Reports (BTR);
 - National development plans;
 - Long Term Strategies;
 - Technology needs assessment (TNAs);
 - Reports by UN and non-governmental organizations;
 - Reports of the Intergovernmental Panel on Climate Change (IPCC) and other scientific reports. Technical reports by the Secretariat and other independent organisations.

5. As agreed in COP26, deliberations on the NCQG under the ad hoc work programme should consider the following elements, without prejudice to other inputs that will also be considered as the deliberations evolve:

Quantity

6. Overarching quantified figure: A key element to consider in the discussions should be the overall quantum of the goal. Deliberations on quantity should be science based and consider the adequacy of the final figure to address the needs and priorities of developing countries, and to accelerate the achievement of Article 2 of the Paris Agreement.
7. The NCQG deliberations should assess whether maintaining a single aggregated goal (like the current US\$100 billion goal) or an alternative approach, such as setting separate targets for different types of climate action (adaptation, mitigation and loss and damage), across the full scope of the goal.
8. For the LDC Group, prioritization of the most vulnerable and capacity constrained countries is critical, and should also be considered during the deliberations.

Scope

9. The scope of the NCQG should allow to target the wide range of needs and priorities of developing countries. For the LDCs, this means that the NCQG should support technology transfer (for both adaptation and mitigation), capacity building and domestic actions on adaptation, mitigation, and for addressing loss and damage.

Quality

10. The LDC Group would like to stress the critical role of delivering quality finance for climate action. Accessing climate finance should not mean increasing the debt of already indebted and vulnerable countries, hence support for vulnerable countries should prioritise grant-based climate finance, especially for adaptation action based on article 9.4 of Paris Agreement.
11. Nevertheless, quality in climate finance is an issue that is beyond the type of instrument or source of funding hence this should be considered comprehensively. Assessing the quality of

finance means considering at least, quantity, scope, predictability, adequacy, timescale, flexibility and accessibility of resources.

12. The process should also consider gender issues, social inclusion and prioritization of the most vulnerable.

Access features

13. Alongside increased flows of finance, LDCs have repeatedly stressed the need to improve access to climate finance. Mechanisms for accessing resources are often slow, complex, resource intensive, uncertain, project-based and ambiguous.
14. Deliberations on the NCQG should address how to enhance access features, particularly for adaptation including ways to simplify, streamline and make procedures quick, more efficient, especially for countries with lower capacities, resource constrained and most vulnerable.

Transparency arrangements

15. Deliberations on the NCQG should acknowledge and address the difficulties that Parties are experiencing in tracking the US\$100 billion goal, derived from the range of definitions of climate finance, and the several existing methodologies for tracking climate finance flows. In absence of a common definition of climate finance, ambiguity remains on how to improve approaches and methods climate finance accounting.
16. As part of NCQG deliberations, it is then crucial that countries move towards more robust methodologies to prevent ambiguity, overestimation, and double counting. In this sense, deliberations should deliver an agreed approach to tracking progress and achievement of the NCQG.
17. This deliverable would require to discuss at least key methodological elements, such as (a) what counts as climate finance, and (b) how to track progress transparently:
 - a) What counts as climate finance: tracking climate finance delivery is very difficult without a clear understanding of what counts as climate finance. As part of deliberations, it will be important to agree on a shared understanding of what will qualify as climate finance in the context of the NCQG, and how to count it. These discussions should allow to make

progress towards convergence on issues like treatment of ODA, additionality and climate specificity.

- b) How to track progress transparently: A critical element for accountability will be to secure an agreed set of arrangements for periodic monitoring, reporting and verification of the progress and delivery of the NCQG.
