



## VOICES FOR JUST CLIMATE ACTION SUBMISSION ON NCQG

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The submission is on behalf of the Voices for Just Climate Action (VCA) Alliance led by the Worldwide Fund for Nature Netherlands (WWF-NL), SouthSouthNorth (SSN), Akina Mama wa Afrika (AMWA), Slum Dwellers International (SDI), Fundación Avina and Hivos. The alliance brings together over 150 civil society actors and underrepresented groups from Tunisia, Kenya, Zambia, Indonesia, Brazil, Paraguay, and Bolivia.

This submission is in response to the letter by the co-chairs dated 17 January inviting stakeholders to submit their views on the issues to be addressed as part of the work plan in 2023.

This submission is based on, and motivated by, the lived experience of local actors and underrepresented groups in responding to climate change and the mandate to connect and scale up locally-led climate solutions to safeguard and improve the lives and livelihoods of local communities. Locally-led solutions should be at the centre of the global response to climate change with the imperative to adequately finance, connect and scale up local solutions to respond to climate change and achieve the 2030 Agenda for Sustainable Development.

The VCA Alliance submits to the ad hoc programme on the New Quantified Climate Finance Goal (NCQG) the following inputs for consideration in developing a work plan for 2023:

In our view, the ad-hoc work programme could arrive at more substantive outcomes by the end of 2023 by considering four key steps to build on the 2022 work programme:

- Frameworks and principles
- Goal setting
- Modalities for implementation
- Follow-up and review

## **1. Topic to be covered in 2023**

The first set of topics that should be covered by the Ad Hoc work programme in 2023 is related to PRINCIPLES and FRAMEWORKS, including.

### **a. Principles**

The ad-hoc work programme should consider a set of Principles that underpin the NCQG processes.

This should include, among other things, the long-established principles of the “polluter pays” and the imperative of climate justice, as well as an inclusive and participatory process that must lead to setting the goal.

The ad-hoc work programme must consider a special session on “finance for local climate action” to enrich the work programme process with first-hand and direct inputs from rights holders, including youth, indigenous peoples, migrants, and women, and their experience with accessing quality climate finance at the local level. We envisage a hybrid session which provides the inclusive participation of marginalised communities.

### **b. The framework**

Before setting the quantitative goal and target through the NCQG processes, it is important to agree on the goal and target framework that considers the aspiration and concerns of various constituencies.

The case for setting sub-goals and sub-targets has been made during the 2022 work programme. It is critical for the work programme to make concrete recommendations on the framework of the goal before setting quantitative targets.

The quality of climate finance should be one of the topics the ad-hoc working group has to provide concrete recommendations.

### **c. Modalities for implementation;**

The Ad-hoc work programme should take note of ongoing work on the definition of climate finance by Standing Committee on Finance(SCF) as mandated by CMA 3 and CMA4.

The ad-hoc work programme should consider the importance of designing climate finance governance mechanisms and financial products that mitigate multi-scalar inequalities and design mechanisms that internalise the need for critical, intersectional co-benefit delivery.

### **d. Follow-up and review**

The ad-hoc work programme should consider and make a concrete recommendation on standard accountability mechanisms, including standard methodology for climate finance statistics. This should also include socialising the new climate finance goal to mobilise action.

## **2. Contributions of the proposed topics to expected outcomes for 2023**

Assuming that the ad-hoc work programme has sufficiently galvanised the issues related to NCQG in the 2022 work programme, the work program will be able to formulate the “FRAMEWORK AND PRINCIPLES” for NCQG. The technical expert dialogues could facilitate an agreement on “ Frameworks and principles.” leading to goal setting and developing modality for implementation.

## **3. Specific Issue**

From VCA’s perspective, the specific issues that the ad-hoc work programme should consider include the following:

### a) Quantity of climate finance

The new goal should consider the subgoals to set guiding targets for finance flows for locally-led and implemented climate solutions. The new goal should set a concrete target that needs to reach climate solutions driven by local communities, including priority rights holders like youth, indigenous peoples, migrants, women, etc., and prioritise these funding flows. There is a precedent for such goals for broader development cooperation. The United States Agency for International Development has set a target of 30% of development funding to be allocated for local solutions.

Information has been developed with regard to quantitative needs in developing countries, as well as communicated in Biennial Update Reports, National Communications and NDCs and their implementation plans. All of these aim to inform the quantitative component of the NCQG and, therefore, should not be ignored.

### b) Quality of the climate finance

The ad-hoc work programme should recognise and build on an international agreement on "effective development cooperation" and particularly the Addis Ababa Agenda for action for financing for development.

The new goal should be composed of grant finance and must promote a long-term and flexible programmatic approach.

The Ad hoc work programme should consider the outcome of ongoing work on the definition of climate finance by the standing committee on finance (SCF) as mandated by decision 5/cp.26.

The criteria for the quality of climate finance should include untying climate finance, country ownership, strengthening country systems, reducing fragmentation, inclusive

decision-making, and increased transparency and mutual accountability. Transparency should include measures to understand how much climate finance reaches the local level.

Furthermore, a wide array of publicly available information can inform the quality of finance needed. On the one hand, IPCC reports provide data on the most emitting sectors by region and the current and projected impacts by region; therefore, these should be the sectors where financial resources are channelled instead of the priorities and interests of the finance provider. On the other hand, studies suggest that the current climate finance framework is limited in its capacity and scope to reach local communities and stakeholders and is mostly being monopolised by national governments; therefore, there needs to be an improved balance as to the level that resources reach, in addition to their focus and financial instruments used.

c) Participation of right holders in the ad-hoc work programme processes

The participation of the right holders in the ad-hoc work programme is important for the legitimacy of the processes and political support for its recommendations. So it is imperative to ensure the voice and agency of the right holders are represented in the ad-hoc work programmes technical consultation. If these platforms are insufficient, a special session needs to be planned.

This should include special participation by most vulnerable communities and populations, like indigenous peoples and minorities, including the ability to engage in languages other than English so that the direct needs of these stakeholders can be taken into account.

d) Timeframe and periodicity

It is important that before the process finishes in 2024, it is recognised that this is not a one-time exercise, and similar to how NDCs are being updated to enhance ambition, IPCC reports are published every four years to evaluate what is needed and inform new action. The GST will happen every five years to assess that global ambition, the establishment of an NCQG should also happen periodically, and there should be no question as to whether a process needs to begin every set number of years. This number should also be determined as the timeframe in a way that NCQG establishments in the future can be more participatory and that specific inputs can be prepared for each in advance.