

Save the Children's submission on 6th Technical Expert Dialogue on New Collective Quantified Goal on climate finance

Save the Children welcomes the opportunity to submit its views on the New Collective Quantified Goal (NCQG) on climate finance. The submission is in response to the letter by co-chairs of the ad hoc work programme on the new collective quantified goal (NCQG) dated 12 April, inviting comments on issues identified for discussion at the 6th Technical Expert Dialogue (TED) on NCQG.

The submission is informed by the voices of children on the frontlines of the climate crisis who are experiencing the adverse impacts and an erosion of their rights from slow-onset and sudden climate disasters. Children have contributed the least to the climate crisis but are disproportionately impacted by it because they are at a critical stage in their biological, emotional, and social development and their bodies are more vulnerable to temperature extremes or flooding. The impacts are worst for children most affected by inequality and discrimination including, but not limited to, girls and children discriminated against on the basis of their sexual orientations, gender identities and expression (SOGIE), indigenous children, children with disabilities, displaced children, and those who experience intersecting and compounding forms of discrimination and marginalisation.

Save the Children's analysis has found that 774 million children globally face the double burden of climate change and poverty. These children could be pushed further into poverty as extreme weather events become more intense and frequent in the future if urgent and concrete action to tackle the climate crisis is not taken now. With estimates from the World Bank suggesting that unchecked climate change will push up to 130 million people into poverty over the next 10 years, the number of children exposed to high climate risk and poverty would further increase too.

Protecting children and their rights from the climate crisis requires adequate, accessible, affordable, and child-sensitive climate finance which follows child rights and equity for children as guiding principles and ensures that children's rights, vulnerabilities, and voices are considered in decision-making. Decisions on the NCQG will have a significant impact on children and must, therefore, take their best interests into account.

Save the Children would like to make the following submission on the questions that the co-chairs sought perspectives on through their letter dated 12 April:

O Setting the quantum

The process of setting the quantum of the NCQG should be based on science and shaped by the needs of low and middle-income countries outlined in their Nationally Determined Contributions (NDC), National Adaptation Plans and other national reports submitted by them as part of the UNFCCC process. The mandate of the Paris Agreement to maintain a balance between adaptation and mitigation and reduce adaptation finance gaps should be built into the NCQG.

The quantum should also be informed by the unique risks, needs and vulnerabilities of children from climate change and factor in the resources required to address them, including support for

developing more resilient systems to ensure effective and continued delivery of basic services critical for child rights fulfilment such as health, nutrition, social protection, protection, education, water supply and sanitation. The current \$100 billion goal is grossly inadequate to build the adaptive capacity and long-term resilience of children to the climate emergency. The quantum of the NCQG should, therefore, go far beyond the current \$100 billion pledge and be sufficiently ambitious to protect children and their rights from the climate crisis, without shifting the burden of action to the next generations.

Discussions on quantum should also build clarity on the definition of climate finance and emphasise the need for climate finance to be new and additional to existing Official Development Assistance (ODA) commitments of high-income countries.

o Mobilisation and provision of financial resources, including contributors, sources and integration with Article 2, paragraph 1 (c) of the Paris Agreement

The NCQG should ensure the full implementation of Article 9 of the Paris Agreement which explicitly mandates developed countries to take the lead in mobilising financial resources to support low and middle-income countries with their efforts to avert, minimise and address the catastrophic impacts of climate change on children and their communities. High-income countries should contribute their fair share to the fulfilment of NCQG determined based on their historic CO₂ emissions, Gross National Income and population and the principles of Common but Differentiated Responsibility and Respective Capability.

Finance for the NCQG should continue to come primarily from public sources in the form of budget contributions from developed countries. The private sector can play a complementary role and there should be clarity on the investment needs that can be financed through public and/or private sources and those that should be covered primarily through grants and concessional finance.

Considering the unsustainable debt levels that many climate-vulnerable countries are grappling with and their extremely low shares in historical emissions, grants should be the primary instrument for delivering climate finance to them, particularly for adaptation. Several countries where more than 50% children are exposed to both high climate risk and poverty are in debt distress or at high risk of it. Such countries already have limited fiscal space to invest in children and borrowing for climate action will only add to their debt burden. Grants, therefore, constitute the ideal instrument for climate finance delivery to these countries both from a debt sustainability and a climate justice perspective.

The NCQG discussions should also build consensus on innovative sources that can provide new and additional resources to tackle the climate crisis. These include taxing the windfall profits of fossil fuel companies and re-directing to countries suffering from loss & damage, following the 'polluter pays' principle. Repurposing fossil fuel subsidies to invest in climate action will also free up resources crucially needed to fill the widening finance gaps. This would also contribute to achieving the aims of Article 2 paragraph 1 (c) of the Paris Agreement i.e., making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. These innovative sources will unlock much-needed finance to build children's resilience to the climate crisis.