



Climate Action Network

**Submission: Eighth Technical Expert Dialogue (TED8) of the ad hoc work programme on the New Collective Quantified Goal (NCQG) on Climate Finance**

**November 2023**

*Climate Action Network (CAN) is a global network of more than 1,900 civil society organisations in over 130 countries driving collective and sustainable action to fight the climate crisis and to achieve social and racial justice.*

COP28 is the last COP before the NCQG is decided in COP29. It presents a time-limited window to converge on various matters regarding the NCQG, both in terms of substance on the NCQG's structure as well as in procedural terms to ensure the TED process in 2024 offers adequate preparation of options of elements for a well-structured needs-based goal.

TED8, therefore, must address itself to (i) capturing elements of convergence from 2023 as well as (ii) building a clear expectation for a 2024 TED sequence that yields options, notably of quanta at different levels across the three areas for climate action: mitigation, adaptation and addressing loss and damage, for consideration at COP29.

### **Harvesting consensus from 2023**

We are concerned by stated positions from some Parties that “nothing should be agreed until everything is agreed at COP29” – we are concerned that this could lead to agreement on important areas of actual consensus being delayed, to be used as political bargaining chips, and jeopardising the odds of finding overall agreement on the NCQG at COP29.

Notably, one crucial structural element of the NCQG that appeared to enjoy a general consensus in 2023 was the idea of a layered goal, with a core goal consisting of public finance from developed to developing countries. Such an approach would offer a pluralistic approach to accommodate different visions of how climate finance should be understood, while nevertheless improving transparency and accountability relative to the 100 billion goal. In this spirit, we also believe that the core public finance goal must be measured in grant-equivalent terms, with the outer layers including additional sources and modes of measuring finance – however, we recognize that there may not yet be consensus on all the details, and the details would be left for the TEDs in 2024 and COP29. TED8 should aim to consolidate and confirm the consensus on this general principle of a layered goal.

A further structural pillar for the NCQG, which should be agreed at COP28, is that it must respond to needs across mitigation, adaptation, and loss and damage, and that it will be established by summing together the goals agreed for each of these constituent parts. Pursuant to the need (mentioned above) for a layered goal, each of the three areas of climate action should have equivalent layers for quanta.

## **Setting the agenda for TEDs 9-12 in 2024**

TED8 must address itself to the remaining agenda for TEDs 9-12, such that COP28 provides a clear mandate for TEDs in 2024 to develop proposals for different layers of quanta across each of the three areas of climate action.

The TEDs in 2024 must see progress in determining options for the quantum of the NCQG, on the basis of quanta which must be established across mitigation, adaptation, and loss and damage – the three, to be agreed at COP29, would constitute the NCQG. In keeping with the aforementioned concept of a layered goal with a core goal of public finance, TEDs 9-12 should identify options for different layers of goals, including options for the core (sub)goal for grant-equivalent public finance from developed to developing countries, in of each of the three areas.

TED8 should discuss work-plans for developing layers of quanta options in 2024, working back from what will be required to supply COP29 with a strong technical foundation in terms of quantitative options for political decision-making.

Noting that the development of quantitative options in 2024 would be imperfect, TEDs 9-8 will also need to discuss how COP29 can agree a mechanism for periodic review and upward adjustment of the NCQG, taking into account the evolving needs of developing countries, as part of the ratcheting up of ambition under the Paris Agreement. Starting with the 2023 iteration, the Global Stocktake (GST) is the logical place for generating input for revising and adjusting the NCQG and quantifications of needs to be reviewed and updated, since the GST seeks to review all areas of implementation; aligning would mean that reviews would take place on a five-yearly basis.