

WOMEN & GENDER CONSTITUENCY

Submission on behalf of the Women and Gender Constituency (WGC) on the Ad Hoc Work Programme (AHWP) on the New Collective Quantified Goal (NCQG) in 2024, specifically the 11th Technical Expert Dialogue (TED11) and the Third Meeting of the AHWP (3MAHWP)

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The Women and Gender Constituency (WGC) appreciates the opportunity to submit our views on the AHWP for the NCQG, in accordance with the mandate in paragraph 14 of the decision entitled “New collective quantified goal on climate finance” adopted under agenda item 10(e) of CMA 5, specifically the opportunity to share our views on what should be discussed at the eleventh technical expert dialogue (TED11) and the third meeting under the ad hoc work programme (3MAHWP), with a view to finalizing a draft substantive framework for a decision on the NCQG to be negotiated and approved at COP29 in Baku, Azerbaijan.

About the Women and Gender Constituency:

The Women and Gender Constituency (WGC) is one of the nine stakeholder constituencies of the United Nations Framework Convention on Climate Change (UNFCCC). Established in 2009, the WGC now consists of 54 members (women’s and environmental civil society organizations accredited to the UNFCCC framework), and an advocacy listserv with more than 1,000 advocates. The Constituency works to ensure that human rights and gender equality are firmly anchored in all climate actions under the UNFCCC and to challenge the extractive, exploitative and patriarchal economic model which has resulted in the climate crisis.

On process:

11th Technical Expert Dialogue (TED11)

We appreciate efforts during the past two and a half years to conduct previous technical expert dialogues (TEDs 1-10) in a transparent, inclusive and participatory manner, and we would like to see this continue for TED11. As interest in the NCQG in the lead-up to COP29 will be even greater, this means in particular the continuation of the TEDs in a hybrid format allowing for the active input and participation of non-party stakeholders throughout the meetings, including in working groups (with no constituency limit for virtual participation). As this is the last opportunity in the technical discourse to strengthen the qualitative

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consideration of climate finance to be provided and mobilized in the NCQG, we propose the following focus for TED11:

- How can qualitative targets and commitments for the NCQG be articulated and operationalized throughout a substantive framework for a draft negotiating text?
- How will the implementation and tracking of qualitative elements, such as gender responsiveness, be measured and reflected in all aspects of the NCQG?
- How can qualitative elements strengthen the fulfillment and implementation of commitments to gender (via whatever succeeds Enhanced Lima Work Programme on Gender and its Gender Action Plan), the Global Goal on Adaptation, the Just Transition Work Programme, and human rights (throughout the Paris Agreement)?

To the extent that TED11 will include presentations by climate finance experts it would be important to select climate finance resource persons with added gender and human rights expertise and also draw on the discussions and learning on gender-responsive climate finance from this year's Standing Committee on Finance Forum in Arusha, Tanzania, which will just have been concluded prior to the TED11 and 3MAHWP.

Third Meeting of the Ad Hoc Work Programme (3MAHWP)

Given the substantial contributions by civil society representatives, including from the WGC, during the NCQG work programme deliberations so far through submissions and expert participation in discussions, the third meeting of the AHWP should be conducted in a hybrid format, beyond just being webcast, to allow for the meaningful participation and input by non-party stakeholders from the UNFCCC constituencies with sufficient time set aside for constituency interventions. UNFCCC constituencies such as the WGC should also be allowed to register more than two representatives to be physically present. These space demands should be considered when choosing the venue for the 3MAHWP. More meaningful participation by constituency stakeholders, including from the WGC, will strengthen the rigor and legitimacy of the development of the substantive framework for a draft negotiating text on the NCQG and ensure that such a framework considers the lessons learned from the 100 billion USD goal the NCQG is supposed to supersede after 2025.

WGC input on core elements for a substantive framework for a draft negotiating text on the NCQG

Following discussions at the second meeting of the ad hoc work programme (2MAHWP) during the Bonn intersessional with efforts to streamline and reach consensus on possible structural and textual elements of draft NCQG negotiating text, the 3MAHWP should focus on solidifying the structure and articulating distinct textual options under each framework element.

The WGC would like to suggest in the following some core content, under suggested structural elements of an NCQG decision text for consideration by Parties that we consider fundamental to ensure that the NCQG is robust and legitimate. To do so, the NCQG must apply lessons learned from the inadequate USD 100 billion goal, be based on science and the needs of developing countries and core principles of equity and climate justice, integrate a human-rights and people-centered approach to ensure gender-responsive/transformational climate finance provision, and deliver climate finance in quantity and quality commensurate

with its mandate to support the ratcheting up of ambition and implementation impact of the Paris Agreement.

Preamble

The preamble should reference the full Article 2 and the long-term goals of the Paris Agreement, and thus firmly anchor finance provided and mobilized for climate actions under the public core of the NCQG in the consideration and support for poverty eradication and in just transitions to a low-carbon, climate-resilient and sustainable development. It should reiterate the full Article 9 to highlight the obligation of developed countries to provide financing to developing countries as a continuation of the mandate of the UNFCCC and its principles, in particular the common but differentiated responsibilities and respective capabilities (CBDR-RC), and thus place equity both between and within countries at its center.

Context

A section on context should be included in a substantive framework for a draft NCQG decision text.

Such a section should recognize the inadequacy of the USD 100 billion goal to address the needs and priorities of developing countries. It should emphasize the existing and growing climate finance gaps, especially for adaptation and for addressing loss and damage in light of scientific findings, most recently the IPCC Sixth Assessment Report² of a rapidly warming earth with impacts that disproportionately affect those the worst who have historically contributed the least to global warming and have benefitted little from fossil-fuel driven growth. The context must highlight that, according to the IPCC Sixth Assessment Report, a lack of finance has contributed to the inadequacy of climate action, specifically the inadequate adoption of low-emission technologies and constrained adaptation options, and that climate impacts can further reduce available finance.

The larger context should thus reference that climate finance provided and mobilized under the NCQG has to be understood as down payment toward the climate debt owed to the Global South by the Global North, which itself is part of a larger historical and continuing social, economic and ecological debt owed by the Global North to the people of the Global South accumulated through colonial, imperialist, patriarchal and racist plunder and exploitation.³ It should also include the foundational assessment that public and private investment in fossil fuels outstrips climate finance flows⁴, and thus the imperative for prioritizing and reallocating financial flows to climate action, safeguarding people and planet, over antithetical aims.

The context should reiterate that in order for the NCQG to be fit-for-purpose and apply the lessons learned from the existing goal, it needs to increase the predictability and adequacy of climate finance and be science-based and address the needs and priorities of developing

² https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf

³ [Imperialist appropriation in the world economy: Drain from the global South through unequal exchange, 1990–2015 - ScienceDirect](#); [Quantifying national responsibility for climate breakdown: an equality-based attribution approach for carbon dioxide emissions in excess of the planetary boundary - ScienceDirect](#) and [Compensation for atmospheric appropriation | Nature Sustainability](#)

⁴ https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf

countries to enable them to meet their climate goals in the context of urgent global efforts to keep global warming to 1.5 degrees Celsius.

Structure and Scope

The substantive core and bulk of the NCQG must be a defined goal on public provision from developed to developing countries measured in grant-equivalent terms and delivered in the form of grants and highly concessional loans within the wider mobilization goal. The NCQG should set three thematic sub-goals for mitigation, adaptation and for addressing loss and damage, differentiated between targets for provision (and accounted for in grant-equivalent terms) and wider mobilization efforts.

Providing climate finance for addressing loss and damage is a matter of climate justice and climate reparations, including for developed countries' own delayed climate action on mitigation (failure to avert loss and damage) and inadequate adaptation finance provision since the USD 100 billion goal was set in 2009 (failure to minimize loss and damage) which has led to unavoidable impacts for those countries and communities having contributed the least to climate change. The NCQG must include finance provision for addressing loss and damage as the third financing pillar on equal terms and balanced with mitigation and adaptation finance.

Quantitative Elements

Quantum

To address the needs and priorities of developing countries for achieving a just transition to low-carbon and climate-resilient sustainable development and addressing increasingly catastrophic loss and damage, a sufficient quantum of public finance has to be provided as the substantive core of the NCQG, the overwhelming majority delivered in the form of grants.

While the climate debt owed by developed countries to developing countries⁵ calls for a down payment in the form of public finance provision of at least 5 trillion USD annually as a moral responsibility, at a minimum the NCQG has to start at a baseline of 1 trillion USD public provision of climate finance in grant-equivalent terms for mitigation, adaptation and for addressing loss and damage. Such a minimum baseline quantum for public finance provision, within a larger mobilization goal through inclusion of private finance, acknowledges that the needs of developing countries are unlikely to be met by this amount, as well as that scientific and technical assessments of required financing needs are dynamic. The findings of the second report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement should be referenced in the final decision text, with placeholder text included in the substantive framework.

This baseline amount of 1 trillion USD annually should be allocated in an equitable and balanced way between sub-goals for mitigation, adaptation and for addressing loss and damage to compensate for the structural and systemic underfunding of adaptation and loss and damage while acknowledging that support for adaptation and loss and damage should be provided in the form of grants.

⁵ [Compensation for atmospheric appropriation | Nature Sustainability](#)

Contributors and Sources

In line with the principle of CBDR-RC, developed countries must fulfill their obligation under the Convention and the Paris Agreement to provide public finance to developing countries and their affected communities in support of their efforts to address climate change under the NCQG. This obligation of developed countries is highlighted in Articles 3.1 and 4.3 of the convention, with Article 9.1 of the Paris Agreement confirming the requirement for developed countries to provide resources to developing countries “in continuation of their existing obligations under the Convention.” The clear requirement for developed countries to provide the public finance core under the NCQG should be complemented by the development of a burden-sharing framework detailing the respective minimum fair share contribution each developed country must provide. This does not preclude the additional financial contributions of other than developed country Parties to the NCQG on a voluntary basis, in line with Article 9.2. of the Paris Agreement.

The IPCC Sixth Assessment Report articulated that there is sufficient global capital and financial liquidity to address global climate finance gaps, but a redirection of finance toward climate action is required as a matter of political will.

To significantly increase core public provision under the NCQG and enable developed countries to meet their obligations to provide climate finance support to developing countries, Parties must stop fossil fuel subsidies and redirect military spending, which reached an all-time high of USD 2.4 trillion in 2023. Escalating military spending accelerates the climate crisis because it positively correlates with an increase in greenhouse gas emissions, does not lead to a reduction in conflict and war, and diverts resources from important investments in climate justice and human security needs.⁶

Developed countries can also generate additional resources by applying a Climate Damages Tax (CDT) on the extraction of fossil-fuels based on the polluter-pays principle, which in OECD countries could generate 900 billion USD by 2023⁷, or taxing extreme wealth, as currently discussed in the G20, in acknowledging that globally the 1% of the richest people, most of them living in developed countries, are responsible for around the same percentage of global carbon emissions as the 5 billion people who represent the 66% poorest.⁸

Qualitative Elements

Principles

The NCQG must be in line with the United Nations Framework Convention on Climate Change principles of equity, historical responsibility and uphold the principle of CBDR-RC. In other words, to truly achieve climate justice, those who contribute most to the climate crisis must provide new, additional, adequate and predictable funding to those countries, communities and people most affected, prioritizing grant support.⁹

⁶ [Towards Climate Justice: Redistributing Military Spending to Climate Finance - WILPF](#)

⁷ [The Climate Damages Tax](#)

⁸ [Climate Equality: A planet for the 99% | Oxfam](#)

⁹ <https://climatefundsupdate.org/wp-content/uploads/2024/04/CFF1-2024-ENG-Normative-Framework-DIGITAL.pdf>

The issue of additionality is important to avoid double counting and ensure that climate finance provided by developed countries is distinct and separate from and on top of the existing finance commitment of 0.7% of GNI for Official Development Assistance (ODA), as well as humanitarian support, and does not replace or relabel those. Developing countries and the most affected communities should not be forced to have to choose between climate action, poverty eradication and sustainable livelihoods.

Human Rights and Gender-Responsiveness

To fulfill those principles, human rights and gender-responsiveness must be at the heart of the NCQG, meaning the respect, promotion and consideration of the rights of children and youth, women and gender-diverse people, people with disabilities, workers, and Indigenous Peoples and acknowledging and seeking to redress their persistent and intersecting marginalization, disenfranchisement and intersecting forms of discrimination on the basis of gender identity or sexual orientation, ethnicity, indigeneity, economic class, age or disability, inter alia. This approach must also recognize the crucial roles of these affected groups in addressing and responding to climate change, including through the application of Indigenous and traditional knowledge and by prioritizing community-driven and locally-owned and locally-led actions.

Significantly enhancing and simplifying direct access to grant-based finance for marginalized and disenfranchised groups, centering climate financing in human rights, intersectionality and gender equality, is part of what makes climate finance gender-just. Feminist and women's groups' climate solutions have not been adequately recognised nor compensated, as some estimates suggest they receive only 0.1% of climate finance.¹⁰ Required qualitative text on the gender-responsiveness of climate finance should thus be also captured and anchored in quantitative terms, such as with a specific percentage target for finance tagged as principally gender-responsive and a percentage directed towards feminist or women's groups or provided for locally-led climate action in mitigation, adaptation and for addressing loss and damage respectively.

Ensuring climate finance does not perpetuate indebtedness is key to operationalizing the NCQG in a way that is gender-just and respects human rights, given the gendered impacts of debt and the perpetuation of unpaid and informal care work through lack of public investment in social protection systems in the face of increasingly devastating climate impacts. Grant-based public finance not only prevents exacerbation of indebtedness but also creates fiscal space for developing country national and sub-national governments to invest in and increase the capacity of social protection systems which are key to increase the resilience and capacity of communities and most affected people to implement climate action and respond to climate impacts.

Incorporating gender-responsiveness into the NCQG as core framing qualitative element is intrinsically linked to any discourse about the equity, effectiveness and impact of public finance provided under the NCQG, particularly the sustainability and impact of funded actions and their ability to deliver climate justice and gender justice. As the corollary to increasing the public provision of climate finance, we also need to change what we fund and how we fund by focusing on who benefits directly from funding, whose needs and voices are uplifted through funded climate actions, who makes climate finance decisions and who

¹⁰ <https://www.awid.org/news-and-analysis/only-1-gender-equality-funding-going-womens-organisations-why>

implements funded climate actions. The co-design, co-implementation, and collaboration with national gender machineries, feminist civil society, and local women and gender groups and Indigenous Peoples for funded climate actions is necessary to anchor climate justice and gender-justice in climate finance provided to developing countries. Gender assessments, gender action plans, gender-responsive budgeting, and reporting against their implementation through gender-disaggregated and intersectional data on beneficiaries can serve as best practices in project life cycles to demonstrate commitment and accountability to gender equality. Ensuring independent redress and accountability mechanisms are accessible and gender-responsive to address harm and human rights violations is also critical to finance delivery, and should be affirmed and promoted.

The WGC further encourages the incorporation of the outcomes of the Standing Committee on Finance (SCF) Forum on gender-responsive climate finance and the inclusion of clear links to the Enhanced Lima Work Programme on Gender, and subsequent UNFCCC gender commitments, in the framework for the NCQG draft decision as part of the NCQG's scope.

Furthermore, in order to support a framing of the scope of the NCQG in human rights and gender-responsiveness other important interlinkages with key processes and work programmes under the Paris Agreement should be articulated in the substantive framework for an NCQG draft decision. The scope should therefore include the Just Transition Work Program alongside GST, GGA and MWP. To ensure a gender-just transition that focuses on the recognition of unpaid, unrecognized and unvalued care work and that ensures the socio-economic security of marginalized communities and workers, the principles of just transition must guide the sub-goals of adaptation and mitigation financing.

Access and Subsidiarity

Providing mechanisms for simplified and enhanced direct access and significantly increasing the percentage share of publicly climate finance provided by developed countries at the core of the NCQG that is channeled through such approaches is necessary to ensure climate justice, human rights, and gender-responsiveness in climate finance, in alignment with the principles. This includes the principle of subsidiarity to ensure that climate finance is provided to the most local level feasible and in financing tranches at a scale and quality (such as via small grant mechanisms) that increases the participation and agency for climate finance decision-making of grassroots groups, Indigenous Peoples' organizations, and organizations led by women, gender-diverse people, youth, and/or disabled people. The identification and growth of such mechanisms for enhancing and facilitating direct access, including through devolved climate finance decision-making, should be specified for both bilateral and multilateral funding.

Direct access must be complemented by efforts to ensure implementation and monitoring are led and/or supported by local actors, with a view toward engaging and building capacity of national and local actors, in contrast to enabling finance to flow backward toward contributors through clauses and procedures to promote contracting with contributor country institutions and corporations.¹¹ The substantive framework for the NCQG must reiterate that the delivery of climate finance to developing countries must ensure benefits, including the economic benefits of implementing and monitoring climate finance projects, flow to the local level. Efforts toward greater localization in development can and should be complemented

¹¹ <https://www.reuters.com/investigates/special-report/climate-change-loans/>

by approaches in climate finance, with the Principles for Locally Led Adaptation¹² as an example embraced by two multilateral climate funds serving the Paris Agreement (Adaptation Fund and Global Environment Facility) thus far, as channels through which climate finance under the NCQG will be delivered.

Concessional and Debt Sustainability

The bulk of the NCQG must be delivered as public, grant-based finance, in particular for adaptation and for addressing loss and damage as a matter of climate justice and so as not to increase further unsustainable debt levels of developing countries.

The public provision at the core of the NCQG must be tracked in grant-equivalent terms with highly concessional loans restricted to instances and circumstances where investment in climate actions might generate some profits (such as in some mitigation investments). Climate loans provided by developed countries to developing countries at full market rate should not be counted as climate finance. And highly concessional public climate finance used to incentivize private sector investments should prioritize primarily domestic micro-, small- and medium-sized enterprises (MSMEs) in developing countries, especially in the micro- and small-sized categories where women-led and women-owned enterprises have a disproportionately high share, not subsidize multinational private sector corporations.

Many developing countries are trapped in an indebtedness spiral exacerbated because the majority of climate finance is delivered as loans, often at non-concessional market rates. Some of the most climate vulnerable countries are already paying more for debt service annually, then they can invest in health and education at home.¹³ Restricted fiscal space and indebtedness in developing countries undermines investments in social safety nets and support systems that are crucial to build resilience and for addressing loss and damage.

The concessional of climate finance provided is thus intrinsically linked to human rights and gender-responsiveness through women's traditional and unpaid care work, and developing countries' indebtedness and lack of fiscal space. This is hitting women particularly hard; as traditional caregivers, they are facing worsening climate impacts as the social safety net of last resort for many families and communities in developing countries. Debt-creating climate finance is 'banking on' and aggravating the unpaid care burden of women and girls. As developing countries face worsening climate impacts, including from escalating losses and damages, they need to use more and more of their scarce domestic resources to deal with the immediate impact of climate change such as recovery after catastrophic climate events.

The NCQG with its substantive, primarily grant-based core of public finance provision, must be complemented outside of the UNFCCC context with efforts to achieve comprehensive debt cancellation, a climate jubilee in the face of the climate emergency. Some of the partial debt relief measures offered in current discourses are inadequate, if not false solutions, such as debt-for-climate-swaps, or temporary short-term debt-suspension clauses after climate-related disasters.

¹² <https://www.wri.org/initiatives/locally-led-adaptation/principles-locally-led-adaptation>

¹³ <https://www.theguardian.com/world/article/2024/jun/03/debt-payments-by-countries-most-vulnerable-to-climate-crisis-soar>; <https://www.wri.org/insights/debt-climate-action-developing-countries>

Transparency and Accountability

The substantive framework for a draft NCQG decision text should include a section on transparency arrangements to provide the necessary accountability for the fulfillment of the NCQG on an annual or biennial basis. Transparency and accountability in public provision of climate finance, which must be the substantive core of the NCQG, requires a common and universally accepted definition of climate finance, which clearly articulates what should not be counted as climate finance, such as public loans provided at market rates or financing channeled through a developed country's export credit agency. Finance generated by carbon offsets and proceeds from carbon markets should also be excluded as counting towards climate finance mobilized by developed countries.

The basis for transparency and accountability of the NCQG must be an improved, fit-for-purpose Enhanced Transparency Framework (ETF), which requires mandatory reporting on all climate finance provided and mobilized in grant equivalent terms, including climate finance channeled through multilateral development banks (MDBs). It must add a formal category for reporting on financing to address loss and damage. The section on transparency and accountability under the NCQG decision text should also highlight the mandate to improve the granularity of reporting on finance provided and mobilized under the ETF on qualitative elements, such as the share and scale of finance delivered and disbursed in a way that is gender-responsive and aligned with human rights and focused on locally-led climate actions through funding directly accessed by communities and affected population groups. This should be mandated in the NCQG decision text to be included in the scheduled 2028 review and update of the ETF.

Comprehensiveness in transparent reporting and increased accountability of the NCQG beyond the ETF should also focus on improving granularity, depth and data sources for regular reports by the Standing Committee on Finance (SCF), such as the Biennial Assessments of climate finance flows (BAs), the Needs Determination Reports (NDRs) or regular progress reports against the fulfillment of the NCQG as a whole or specific sub-goals or targets, such as on gender-responsiveness, direct access, or local provision.

Timeframe and Revision

The timeframe for the NCQG, including its regular review and (upward) revision, must follow the approach in the Paris Agreement for increasing ambition via the NDC process and the Global Stocktake (GST) and thus be aligned with its 5-year cycles. The Paris Agreement in Article 9.6 and Article 14.1 clearly establishes the link between climate finance provision and the Global Stocktake. This would allow taking into account the dynamic nature of the climate emergency and emerging scientific knowledge (such as from the IPCC) and methodological improvement and learning, as well as the evolving needs of developing countries. This cyclical review and revision can be supported through already existing regular reports, such as the Biennial Transparency Reports (BTRs) by Parties or those collective reports issued by the SCF (the BA or NDR).

The NCQG must begin to be fulfilled in 2025, without a period to delay its implementation or a lengthy scale up period from the existing inadequate 2020-2024 annual goal of \$100 billion, with no accounting for inflation. The information on needs and priorities provided during this period of stagnation through the SCF's first report on the determination of the needs of developing country Parties, the Global Stocktake, and the IPCC Sixth Assessment Report are instructive. The first revision would result in a responsive NCQG for 2030.