



06/08/2024  
Ref.: MOI/MTP/NCQG/  
TechDialogue 11 and Third Meeting

**Written inputs ahead of the third meeting under the ad hoc work programme.**

In previous submissions and interventions in the NCQG debates, Group SUR expressed the view that the new goal must be concrete, measurable and be based on the best available science. It must respond to the priorities and needs of developing countries and respect principles and provisions of the UNFCCC and its Paris Agreement, including equity and CBDR-RC. Additionally, the process of defining the NCQG does not include a renegotiation of any article of the Paris Agreement. Therefore, it must be in accordance with the different financing roles expressed under its Article 9. Most importantly, it must advance on the most consequential gap in the UNFCCC finance framework, the lack of a clear definition of climate finance, so as to enable effective accountability and transparency of support under the ETF.

Group SUR also reiterated the need for a balance between finance for mitigation and adaptation, as well as for loss and damage response to address developing countries' evolving needs. We also highlighted the need for concrete actions to improve access to climate finance for all developing countries, and that new financing must be structured in such a way that it does not impose additional conditionalities to the provision and/or mobilization of resources to developing countries and does not impose an additional burden on their debt.

While we reiterate our positions expressed in our previous submissions and interventions, Group SUR presents some key points that are crucial for a sound decision on the NCQG and should be reflected in the substantive framework for a draft negotiating text.

**Preamble**

- Recalling Articles 2 and 9 of the Paris Agreement, including article 2.2,
- Recalling decisions 1/CP.21, paragraphs 1 and 53, 14/CMA.1, 9/CMA.3, 9/CMA.3, paragraphs 3 4, and 15, 5/CMA.4, 1/CMA.5 and 8/CMA.5,



- Recalling the guiding principles under the Convention and Paris Agreement, notably Articles 3, 4 and 9 of the Convention and the Articles 2.1 and 2.2, 3.5, 9.1, 9.3, 9.5 and 9.7 of the Paris Agreement; as well as relevant decisions from Glasgow, Sharm el-Sheikh and Dubai GST outcomes;
- Reminding that accelerating, encouraging and enabling innovation is critical for an effective, long-term global response to climate change and promoting economic growth and sustainable development.
- Recalling furthermore that this effort shall be supported through financial means for collaborative approaches to research and development, and facilitating access to technology, in particular for early stages of the technology cycle, to developing countries.

### **Context**

- Aware that ambitious and determined climate action during this decade is critical and that appropriate financial support must be provided for developing countries for the full implementation of the Convention and its Paris Agreement.
- Aware that, in accordance the Needs Determination Report from the Standing Committee on Finance, nearly USD [XXX] trillion is needed to implement developing countries' climate action plans by 2030 and that those needs are evolving and include needs for responding to loss and damage.
- Bearing in mind the current gap in adaptation finance.
- Also bearing in mind the IPCC AR 6 findings that there is sufficient global capital and liquidity to close global investment gaps, given the size of the global financial system, but there are barriers to redirect capital to climate action both within and outside the global financial sector;
- Reiterating the importance of means of implementation for the fulfillment of developing Parties commitments under the Paris Agreement taking into account the evolving needs and priorities of developing Parties, and the urgent need to increase grant-based and concessional finance in particular for adaptation and loss and damage;
- Also recognizing that enhanced support for developing country Parties will allow for higher ambition in their actions and acknowledges the urgency of achieving the balance between mitigation and adaptation finance.

### **Quantitative elements**

**SUR**



- Developed country Parties commit to a goal of mobilizing at least [xx] trillion USD per year by 2030 to support the implementation of Paris Agreement in developing countries, taking into account country-driven strategies, and the priorities and needs of developing country Parties, considering the need for public and grant-based resources.
- Decides that at least [X]% of the goal should be directed to investments in adaptation and [X]% to address loss and damage.
- Urges developed countries to establish burden sharing and fair share arrangements to reflect their historical responsibilities on climate change.

### **Qualitative elements**

- Urges developed countries and other Parties in a position to do so, multilateral development banks, central banks, commercial banks and other financial actors to address factors that represent systemic barriers to the flow of climate finance, such as high cost of capital, high interest rates, lack of standardized access requirements, currency exchange risks, capacity constraints, among others.
- Also urges developed countries and other Parties in a position to do so countries, multilateral development banks, central banks, commercial banks and other financial actors to harmonize and simplify application and disbursement processes, including through the development of local currency lending mechanisms, reduce co-finance conditionalities and establish adequate information requirements.

### **Transparency arrangements**

- Decides that the transparency arrangements for the NCQG will draw on existing reporting mechanisms, including inter alia the Enhanced Transparency Framework (ETF) of the Paris Agreement, and must include financial flows aimed at addressing loss and damage.

### **Other issues**

- Decides that, for the purpose of implementing this goal, climate finance must be new and additional, climate specific, and must be delivered in highly concessional terms.
- Decides that the implementation of the NCQG must increase significantly the support for endogenous technology development, transfer of

**SUR**



environmentally sound technologies and related capacity-building to developing countries.

- Decides that the implementation of this goal must take into consideration human rights, gender equality and consider the people and communities on the frontlines of climate change, including women, youth, children, workers, and indigenous peoples, local communities, as well as civil society, in recognition of their important roles in addressing and responding to climate change;
- Decides that the NCQG will be adjusted prior to the third cycle of the NDCs to reflect the evolving needs of developing countries, based on the best available science, the reports of the SCF, the IPCC and the GST outcomes.