



Liechtenstein's First biennial Communication to convey indicative quantitative and qualitative information related to Art. 9 Paris Agreement

Submission of February 2025

In accordance with Article 9 Paragraph 5 of the Paris Agreement and based on the guidance provided by Decision 12/CMA.1, Decision 14/CMA.3 and Decision 13/CMA.5, Liechtenstein hereby submits the available indicative quantitative and qualitative information related to Article 9, Paragraphs 1 and 3 of the Paris Agreement, including, as available, projected levels of public financial resources to be provided on a voluntary basis to developing country Parties.

General comment:

Liechtenstein is not a Party included in Annex II to the United Nations Framework Convention on Climate Change and is therefore not obliged to adopt and fulfil obligations as defined in Article 4, Paragraphs 3 to 5 of the Convention. However, Liechtenstein would like to voluntarily provide the following information on provision of support required under the Paris Agreement.

1. Enhanced information on the projected levels of public financial resources to be provided to developing countries.

In 2023, Liechtenstein voluntarily provided around 3.52 Mio. USD of bilateral and multilateral public climate finance.¹ This amounts to around ten percent of Liechtenstein's annual budget for International Humanitarian Cooperation and Development (IHCD) or around USD 99 of climate finance per capita.

Liechtenstein will continue to provide voluntary public climate finance and is also committed to keep its climate finance levels stable and predictable. It is not possible to provide any detailed information on the projected levels for 2026 and 2027 due to the annual budget cycles, which are prepared by the Government and subject to approval by the Parliament and the Prince.

2. Indicative quantitative and qualitative information on programmes, including projected levels, channels and instruments.

Liechtenstein has in the past and will continue to provide its voluntary international public climate finance through grants.

Liechtenstein will also continue to provide voluntary public climate finance through bilateral and multilateral channels, including selected entities of the Financial Mechanism. Liechtenstein has so far committed around USD 300'000 to the Green Climate Fund (initial resource mobilization (IRM) and first replenishment GCF-1, 2020-2023) and has committed around USD 400'000 for the second replenishment of the GCF (GCF-2, 2024-2027).²

3. Information on policies and priorities, including regions and geography, recipient countries, beneficiaries, targeted groups, sectors and gender responsiveness.

International solidarity is one of the main priorities of Liechtenstein's foreign policy. In particular, international humanitarian assistance and development cooperation with developing countries and with countries affected by disasters and armed conflicts is a traditional focus of Liechtenstein's foreign policy. The Law on International Humanitarian Cooperation and Development of 2007 (IHCD Act) defines the basic principles and guidelines with regard to international humanitarian assistance and development cooperation. The operational tasks of Liechtenstein's International Humanitarian Cooperation and Development (IHCD) are carried out by the Office for Foreign Affairs and the Liechtenstein Development Service (LED). The overall coordination of the IHCD activities lies with the Office for Foreign Affairs. Combatting climate change is one of the focus topics of IHCD.

An intact environment and sustainable use of natural resources are necessary preconditions for the social and economic development of a region. Not only the shortage of certain natural resources, but also the lack of access to these resources, constitutes a

¹ For additional information, please refer to chapter IV in Liechtenstein's First Biennial Transparency Report (BTR) under the Paris Agreement, submitted in February 2025 (<https://unfccc.int/documents/645601>).

² Contributions to the Green Climate Fund (GCF) are paid in local currency, Swiss Franc and are converted and rounded for convenience.

growing problem for many poor regions. IHCD seeks to protect the environment and natural resources as a basis of life also for coming generations.

IHCD encompasses all forms of the humanitarian and development cooperation of the State of Liechtenstein and of the LED, which is a foundation under private law, funded by the State and implementing the bilateral development cooperation under the mandate of the IHCD Act. Liechtenstein's engagement focuses on emergency and reconstruction assistance, international refugee and migration assistance as well as bilateral and multilateral development cooperation.

Liechtenstein focuses on financing organisations and projects through core and earmarked funding for international organisations, international, national and local NGOs, as well as state partners. Liechtenstein, through its IHCD, maintains working relationships with a large number of partners. The LED currently maintains two coordination offices on the ground, in Bolivia, Cambodia and Moldova from where it can directly supervise its projects.

Emergency and Reconstruction Assistance offers short-term, urgent assistance in the event of natural disasters, political crises, and armed conflicts. The primary focus is preserving human life and protecting the affected population. Additionally, the medium-term development of social structures and infrastructure is supported to facilitate a quick return to normal life. The urgency of the situation is the main criterion for Emergency and Reconstruction Assistance. Accordingly, there are no geographic priorities. However, special attention is paid to emergency situations that are largely ignored and underfunded by the international community.

International Refugee and Migration Assistance is based on a sustainable and comprehensive approach to dealing with global refugee and migration issues. Bilateral activities focus on the Balkan countries. People in need of protection, including minorities, receive support for local integration and long-term improvement of their living conditions. As part of a holistic view of migration, possibilities of circular migration, readmission agreements, and visa questions are also discussed. At the multilateral level, compliance with international legal, human rights, and humanitarian standards for refugees, internally displaced persons, returnees, stateless persons, and other migrants is promoted. In addition, climate displacement has also been an area of specific activities.

The largest pillar of IHCD is **Bilateral Development Cooperation**, which is the responsibility of the Liechtenstein Development Service (LED). For this purpose, the LED receives about 65 % of the overall resources each year. In terms of topics, the LED projects focus on ensuring food security through agroecology, and on improving vocational education and employability of young people. Geographically, the LED focuses on the following 9 countries:

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| - Bolivia | - Mali | - Senegal |
| - Burkina Faso | - Moldova | - Tanzania |
| - Cambodia | - Mozambique | - Zambia |

Multilateral Development Cooperation is used to fund projects of international organisations or internationally operating non-governmental organisations. This type of engagement is useful especially for problems of a global or cross-border nature, where the

international community jointly seeks solutions. In contrast to the LED projects, which are mainly directed to the local level, this track focusses on the improvement of the national and international framework. Focus areas are the protection and promotion of human rights, good governance, the rule of law as well as environment, sustainable development, and climate change.

In addition to the public IHCD, **private individuals, associations and charitable foundations** from Liechtenstein also show their solidarity in a variety of ways. They make a significant contribution to Liechtenstein's international solidarity and complement the activities of the state actors, the Office for Foreign Affairs and the LED, which play an important role in international cooperation. Through their commitment, private individuals contribute significantly to Liechtenstein's positive international image. So-called public-private partnerships, or PPPs, further enrich this commitment: public and private actors work hand in hand, pooling re-sources, sharing knowledge and using joint networks to develop sustainable solutions to global challenges.

4. Information on purposes and types of support: mitigation, adaptation, cross-cutting activities, technology transfer and capacity-building.

Liechtenstein will continue to provide primarily grants based voluntary climate finance and continues to aim for a balance between mitigation and adaptation projects.

5. Information on the factors that Liechtenstein looks for in evaluating proposals.

The IHCD Act defines the basic principles and guidelines with regard to international humanitarian assistance and development cooperation. The promotion of the preservation of the environment and the responsible and sustainable use of natural resources are amongst the core principles of project selection according to the IHCD Act. In particular, cooperation projects have to be guided by the principles of sustainability, partnership and the promotion of ownership with the aim of equalising disparities between countries and regions with different levels of development and the improvement of development opportunities for future generations.

6. An indication of new and additional resources to be provided, and how Liechtenstein determines such resources as being new and additional.

Liechtenstein notes that the Paris Agreement does not explicitly call for new and additional resources. Liechtenstein will continue to consider and determine its voluntarily provided climate finance as new and additional.

7. Information on national circumstances and limitations relevant to the provision of ex ante information.

The Liechtenstein voluntary climate finance support to developing countries is predominantly financed through annual budget cycles. During the annual parliamentary budget debate, the Liechtenstein parliament has the possibility to adjust the foreseen budget.

8. Information on relevant methodologies and assumptions used to project levels of climate finance.

The projected levels are based on the annual budget cycle (e.g. 3.003 Mio. USD in 2024; 3.190 Mio. USD in 2025 set by the Liechtenstein parliament).

9. Information on challenges and barriers encountered in the past, lessons learned and measures taken to overcome them.

Liechtenstein has a small public administration and reporting requirements place a significant burden on the resources available.

With regard to its overall commitments within the IHCD, Liechtenstein focuses on bilateral development cooperation. Recently, the LED has adopted a new strategy 2023-2026, which aims at increasing the impact of the projects by concentrating on less priority countries, and less topics.

Until now, Liechtenstein has not established a formalised system for tracking and reporting mobilized private finance. The same is true for climate finance through public interventions.

10. Information on how Liechtenstein is aiming to ensure a balance between adaptation and mitigation.³

Liechtenstein will continue to aim for an increased balance between its voluntary support to developing countries for mitigation and adaptation activities. Support to developing countries for climate action is based on the priorities and needs of the partner countries and a majority of partner countries prioritize adaptation over mitigation.

11. Information on action and plans to mobilize additional climate finance as part of the global effort to mobilize climate finance from a wide variety of sources, including on the relationship between the public interventions to be used and the private finance mobilized.

Liechtenstein advocates for increasing the share of mobilised private finance as part of climate finance spending. In this respect, the state supports the efforts by the private sector to further develop Liechtenstein as a hub for charitable and philanthropic foundations. For example, the Liechtenstein Bankers Association and the Association of Liechtenstein Charitable Foundations and Trusts have implemented respective programs and policies.

12. Information on how financial support effectively addresses the needs and priorities of developing country Parties and supports country-driven strategies.

³ Taking into account the country-driven strategies and the needs and priorities of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing States, considering the need for public and grant-based resources for adaptation.

Liechtenstein will continue, both in relation to multilateral and bilateral programming, to advocate for country ownership and impact-oriented programming.

13. Information on how support provided and mobilized is targeted at helping developing countries in their efforts to meet the long-term goals of the Paris Agreement, including by assisting them in efforts to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

The preservation of the environment and the promotion of responsible and sustainable use of natural resources is one of the five core principles of Liechtenstein's IHCD.

Liechtenstein will continue to promote partnerships, including multilateral partnerships, aimed at mobilising additional private resources.

14. Information on efforts to integrate climate change considerations, including resilience, into Liechtenstein development support.

See answer to question 5. The promotion of the preservation of the environment and the responsible and sustainable use of natural resources is defined as one of the core principles of Liechtenstein's international humanitarian assistance and development cooperation.

15. Information on how support to be provided to developing country Parties enhances their capacities.

The promotion of good governance based on human rights, the rule of law, democracy, security and peace, as set out in the IHCD Act, are amongst the guiding principles for all development cooperation projects of Liechtenstein. Capacity building will therefore remain at the heart of Liechtenstein's international cooperation.