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Session/Agenda Item: Second Biennial High-level Ministerial Dialogue on the Climate Finance Regarding Information to be Provided by Parties in Accordance with Article 9.5
Location: UNFCCC COP 28, Dubai, UAE
Room Number: MR 5
Date and Time: 12/8/2023, 15:00h - 18:00h GST/UTC+4

Notes

High-level introduction section
Steven Guilbeault, Minister of the Environment and Climate Change (Canada), and Yasmine Fouad, Minister of the Environment (Egypt), co-moderated.

UNFCCC Executive Secretary Simon Stiell underscored that the Paris Agreement is built on trust and needs to be rebuilt between industrialized and developing countries. He stressed that trust can be built by the 100 billion dollars climate finance promised. Capitalizing on the loss and damage fund and bridging the adaptation finance gaps are important steps to work on. Predictable information about climate finance allows developing countries to plan. In addition, solving bureaucracies, building capacities, and removing barriers to developing countries' access to climate finance are also key factors.

Mathilde Mesnard, Deputy Director of the Organisation for Economic Cooperation and Development (OECD), emphasized her institution provides clear, reliable climate finance data to contribute to transparency, accountability, and trust. She highlighted key insights from OECD's recent studies: (1) an observation that at an aggregate level, public finance is fairly predictable; (2) providers can scale up climate finance more than expected; (3)developed countries might have reached the 100 billion dollars promise in 2022; (4) future public climate finance is difficult to predict;(5) predicting private climate finance is challenging. It was highlighted that mitigation finance is historically greater than adaptation finance. The current low levels of adaptation finance do not align with the needs and priorities of vulnerable developing countries. International providers can enhance adaptation finance by addressing barriers to accessing adaptation finance and de-risking resilience investments to attract private investors. She emphasized that tracking adaptation finance is more complex than mitigation finance due to its broad ties with development activities and its context-specific nature. The OECD will continue investigating the methodology used for this purpose and will be committed to enhancing transparency in the effective utilization of climate finance.

Nafkote Dabi, Climate Change Policy Lead, Oxfam, welcomed the loss and damage fund but raised concern that it has not reached even 1 billion dollars. At COP 28, she emphasized the need to set up a new goal for the Global Goal on Adaptation (GGA), which will require a huge climate finance way beyond the current support. Developing countries cannot access climate finance needed for climate action, and developed countries fall short of their commitments. Article 9.5 is about the predictability of climate finance and predictability is what developing countries need to plan the investment needed for climate action. However, she emphasized that there is nothing predictable about climate finance. But why? Money is not a problem because we see millions mobilized for military ventures. Why is climate finance not so urgent for the sake of justice and equity? On climate transparency, she highlighted that there is no evidence to suggest that the 100 billion dollar commitment goal will be achieved in 2023 and that it can be quantified and assessed. She emphasized the need to agree on (1) the definition of climate finance, (2) the balance between adaptation and mitigation, and (3) loans should not be counted at their face value but as their gnat equivalent value; private investment are not the same as public finance, (5) climate finance will be new and additional, and it doesn't affect pledges towards other aid flows. She suggested two key areas to improve climate finance predictability: (1) good old budget and (2)dept relief (should not be counted as climate finance). Finally, the message to rich countries: climate finance is not an act of charity. It is a legal obligation, a matter of justice.

Ice breaker interventions

Antigua: It has been seven years since the Paris Agreement, and we are still discussing the climate finance gap. The Paris Agreement is not being implemented. The commitments made are not being met. Climate finance for renewable energy is 75% less than fossil fuel subsidies. There is not enough funding for adaptation mitigation and loss and damage. There has to be a fundamental change, a significant reduction in fossil fuel. The country suggested two solutions: (1) phasing out of fossil fuel subsidies; (2) the issue of adaptation, mitigation, and mitigation need to be looked at seriously and fill those gaps that are essential to all nations, especially Small Island Developing States.

Germany: Many of us here in this room support Africa to prepare for extreme weather events. Planning and predictability in climate finance are key. We, the international community, should provide predictable finance better. Germany will fully implement the enhanced transparency framework and provide this information in the biennial communication. International climate finance will remain a priority for Germany. The country has contributed 6 billion euros annually by 2025 and reached that level last year. This year alone, we have pledged 2 billion euros to the Green Climate Fund and 16 million Euros to the Adaptation Fund. Increasing the provision and predictability of climate finance should be a priority for all of us. However, public finance for climate finance is limited, and hence, we should put climate finance on a better footing (e.g., through private climate investments). Strong message to the private sector – to indicate where the ball is heading. Whether in Africa or Asia, reliable and predictable climate finance is an investment in climate justice

Brazil: I believe there are three essential words in this definition: (1) ambition, (2) trust, and (3) urgency. We need 2024 to show enough ambition in climate finance to stimulate the implementation of NDC in developing countries**.** We are facing urgency, which is causing an emergency. It is essential to the trust necessary for ambitious NDCs in developing countries. We cannot fail in 2022 because the circumstances that science shows are critical.

Australia: We all agree that this COP must deliver urgent climate action and raise ambition, which requires trillions to achieve our long-term Paris Agreement goal. We all need to acknowledge that public finance is not enough. Private finance is needed to make this transformation a reality. We know that we need a deep and broad source of finance. Governments must play an important role in encouraging private-sector finance. Multi-lateral development banks need to and can do more going forward. In Australia, we have taken some steps. We have rapidly increased our blended climate finance capabilities and capacities. This includes increasing catalytic Australian Development Investment from AUD 40 million to 250 million). The 200 million AUD Australia-Indonesia climate and infrastructure partnership is also a concrete example. We are also pleased to support the deployment of climate finance experts in specific island countries to help them unlock climate finance. This is not about some countries paying less and doing less, but it is about getting more into the system. Australia is pleased to submit its biennial communication in 2022 and 2022, providing information on future climate finance commitments. Since that report, Australia has strengthened its commitment to climate finance (2 billion dollar climate finance commitment). The country is committed to providing 3 billion dollars to the global goal from 2020 -2025. There is a strong climate change focus in our new development policy. Quality of finance is important 66% of our climate finance focuses on climate change adaptation. Today, we have announced a 100 million dollar commitment to a Pacific resilience facility. We have also rejoined the Green Climate Fund, and we are contributing 50 million dollars. We encourage other climate finance providers to submit voluntary communications as it provides an opportunity for transparency and accountability.

Interactive dialogue session

Bangladesh: How can we have predictability when climate finance is not defined? How can you have predictability when you have a variable temperature goal? How can we have predictability while we have a gap in trust? We need to have an honest conversation about why we have a gap in non-delivery in the first place. We are talking about the process, but what has been promised has not been delivered. Whether we are talking about the quantum of climate finance, whether it is the split between adaptation and mitigation, or whether it is in terms of public find, none of these pledges have been fulfilled. We are talking about the process of communication when the basic issues have not been addressed. How do we address those issues? The national adaptation plans have been in place, and we have been asked to update these plans, but there is no implementation. We have not even gone past the requirement of fulfilling the plans. How is that going to be funded? Under the UNFCCC, we have various windows. We have the GCF; we have the LDC fund. But only 1% of them are getting there. All of these windows are in place but are not getting funded. So these are very fundamental questions that have to be asked. If funding is going to be in terms of loans, in the case of LDCs, it is 48%, so why bother calling it climate finance? There are difficulties in comparing information between reports. How are the needs and aspirations of developing countries being considered? Limited details on thematic areas, financial instruments, channels, and accessibility. We need to answer these fundamental questions before having frank and open discussions.

Bolivia (on behalf of LDCs): Article 9.5 deals with the predictability of support. This information is crucial for developing countries to plan their climate responses. In this context, we urge developed countries to raise the ambition to support developing countries in the next biennial communication of support. Developed countries must improve the quality of information. We request clarity on the following aspects. (1) how is the need for grant-based resources for adaptation considered in line with Article 9.5 of the Paris Agreement? (2) How is the projected level of resources aligned with the jointly mobilized 100 billion a year by 2020? (3) information on the types of financial instruments that will be used to mobilize private resources and how they align with developing countries' needs and priorities. 4) how can existing multi-lateral channels be used to mobilize and provide resources? (5) How does the projected level of resources balance adaptation and mitigation? (6) There is a need for an appropriate and operational definition of climate finance to ensure transparency and trust; (7) The issue of new and additional and the distinction between loan and grant; (8) the need for common reporting. Developed countries must transition towards grant-based and concessional-based climate finance. Developed countries should reflect the urgency of climate action. Developed countries must ensure responsibilities towards the Paris Agreement. We will settle for nothing short of this.

SAMOA: As long as we are talking about climate finance, we are talking about the same thing. Today, there exists no common definition of climate finance. Countries decide their own definition and methodologies and their own conditions. To understand any information on climate finance, countries need to interrogate every report. Oftentimes, we come up with different conclusions on what is intended to be delivered and what has been delivered. In addition, information on especially quantitative and disaggregated climate finance has been missing. The lack of common definitions and different methodologies makes it difficult to compare climate finance information between reports. The figures just do not add up. Information to be provided has limited utility needed to provide predictability. Predictability matters for small island developing states, given the urgency we need to take climate action. Small islands are a special case for sustainable development. We pay more than developing countries to deal with climate change impacts. We pay not on equal terms with other major emitting countries. When we look at our partners for the support we need, we need to know it will be done. These reports don't address the needs of small developing islands. They do not provide information on what is available, including on what terms and when they will be made available. In the short term, let us agree on what counts and let us ensure that it counts for Small Island Developing states. We pay not on equal terms with other major emitting countries.

Zambia: I think it is important for us to respect the institutions we have established within the convention. We have established institutions such as the global environmental facility, the adaptation fund, and the loss and damage fund. These institutions require resources to ensure that they deliver on their mandates and address the needs of developing countries. It is important as a matter of predictability that resources are channeled through these institutions. The second important point is that the cost of financing adaptation rather than mitigation measures is extremely high. The cost of these investments needs to increase significantly. This is where the value of the reform of the multi-lateral institution becomes important. We need concessional financing, we need non-dept instruments, and we need to reduce the costs of climate financing. Finally, it is important to focus on what is important. Climate change is a major threat we face now and requires strong collaboration beyond national borders or boundaries. So, providing information can help countries to plan and predict the source of financing to enable them to finance at a country level. We need predictability, transparency, and effective communications for countries to participate in a manner that contributes to the ambitions set for us in the NDCs.

Nepal: Biennial communication must be precise in climate finance. All funding sources should be utilized in climate action. There must be a clear demarcation in climate finance and other development assistance. Current financial support has failed to do justice to vulnerable countries like Nepal. I ask all parties, including the Green Climate Fund, Adaptation Fund, and all MDBs, to simplify the process of accessing climate finance and provide additional funding to vulnerable communities. Predictable climate finance is a necessity for the LDCs and developing countries. Most climate finance is taken in the form of loans rather than grants. It also prioritizes migration over adaptation. It is not reaching communities that have been victimized by climate change. I call upon the developed countries to urgently scale up climate finance. The New Collective Quantified Goal on Climate Finance (NCQG) must be based on qualitative and quantitative indicators by the next COP in 2024. A rights-based approach to climate finance for implementing NAPs and NDCs is our priority. I believe that COP 28 is the right forum and it is the right place to realize our commitments in the spirit of the Paris Agreement objectives. Our commitments should align with the sustainable development goals.

Sweden: Sweden is committed to delivering in accordance with the Paris Agreement. Sweden is one of the world’s top climate finance providers per capita. The EU is also the largest provider of climate finance in developing countries. Because this matter is most important for the global crisis that we are facing. We still face multiple challenges in accessing and mobilizing private finance and predictability that need to be addressed. Enhancing the clarity and predictability of ODA and other public climate finance flows has been the ambition of the Swedish government. A reform of our development approach will be presented, outlining our approach to increase climate finance more effectively. The Swedish government will continue to strive to make ODA and other international climate finance flows more predictable. Developing countries’ needs and priorities must guide the aid to ensure effective climate finance. We must continue to strive to develop improved methods to strengthen the involvement of private actors and mobilize those actors to promote innovative private solutions. More contributions beyond traditional donors must contribute to the global effort to mobilize climate finance. The financing of climate action must be integrated into all national budgets and development practices. Conditions for national resource mobilization and an attractive business environment must be enhanced. Lastly, adaptation measures must be prioritized. In the dialogue with donor countries, climate adaptation must be integrated into international planning and budget processes to increase climate financing. Making financial flows consistent with the path of low emission and climate-resilient development is key to aligning the Paris Agreement. Concessional climate finance and capacity building is a determinantal part of that.

The United Kingdom: First of all, we have to get our information provisions right, and we have got to improve it in terms of ensuring accessibility and providing clear guidance to contributors. The U.K. is looking forward to publishing its third biennial communication next year with the aim of providing as much information as possible. We must address both the predictability and flexibility of climate finance. Developing countries must be sure about climate finance when they are unavailable. Financial contributors must be adapt when necessary by being flexible. In the U.K., we have been able to respond to crisis flexibility. This enables us to ensure climate finance is targeted in the right way. However, that does make it difficult to detail forward-looking climate finance allocation. So our job now and looking forward is to strike a balance between these two principles (i.e., flexibility and predictability) to ensure climate finance is accessible to meeting the long-term goals of the Paris Agreement. We would like to see processes spread up. The biggest issue is to get the money flow from the billions to the trillions. The 100 billion would have been met either last year or this year, according to the OECD. We don't have certainty on that. If we want to deliver and protect the most vulnerable to climate change impacts, we must substantially scale up climate finance. We also ensure we have a framework to use the limited grant-based financing. We work with MDBs such as the GCF to reflect national needs, making finance easily flow and focusing on increasing the quantum.

Kiribati: Global climate change action depends on predictable, scalable, and accessible climate finance, particularly for small island development states and Least Developed Countries like Kiribati. Until now, at COP 28, we still do not have a common definition of what is and what is not climate finance. Developed countries decide on their own methodologies and their own definition. It is clear that the conclusion on actual and intended delivery is often inconsistent. I emphasize that the lack of standardized and missing reporting makes comparing the ex-ante and ex-post information climate finance difficult. Predictability and clarity of climate finance are crucial for long-term planning, especially for adaptation and loss and damage. Small island developing states to pay the brunt of climate change. Which further compounds our ability to develop and grow. Our GDP is severely impacted while our climate finance gap continues to be significantly lower than the needs required. Therefore, we need our developed country partners to ensure that what has been reported and delivered meets the needs of small island developing states. Ensure climate finance counts for small island developing states and LDCs like Kiribati.

India: We have been asked three pertinent questions. The most pertinent is to agree on the definition of climate finance. The minimum short-term action is to agree on the very definition of climate finance. I strongly feel that it is the most fundamental outcome we all can aim for that will set the pathway toward appropriate climate financing. The lack of definition leads to a lack of trust. This matter should be as clear as possible. Climate finance information that is new and additional, grant-based, and highly concessional is imperative. The state of climate finance has to be aligned with the right technologies. Without this, it would not be possible for developing countries to meet their commitments under the UNFCCC. Biennial communication and Article 9.5 should be based on a mutually agreed standard format with sufficient disaggregation of types of finance flows. Information should be consistent, predictable, and transparent. It is imperative that we now move towards solutions. In the next dialogue, we have to act together to address the challenge of climate change.

Belgium: We believe this dialogue is critical to improving climate finance's clarity and predictability in the parties' biennial communication. These are principles we strive for. We are submitting our second biennial communication with other E.U. member states. As E.U. member state, we provide and report on climate information on a yearly basis, reflecting our principle to enhance transparency. However, due to the nature of public finance recycling, the prediction of public climate finance can be difficult. Our biennial communication signaled that Belgium will contribute at least 135 million Euros from 2022 onwards. Yet in 2022, we reported 154 million Euros. This is only to say that ex-ante information cannot always be accurate. This doesn't have to be necessarily negative. Belgium's geographic focus is Africa and LDCs, as they are the most vulnerable to climate change, so we prioritize adaptation activities and cross-cutting issues. We provide almost exclusively grant-based bilateral and multi-lateral support. We will continue with this approach in the coming years. We want to echo the call for enhanced climate finance. In addition to public finance, many studies have clarified the need for private finance to reach a net-zero society. Belgium is facilitating private finance initiatives to provide finance for developing countries.

New Zealand: New Zealand has a new government. We intend to meet all our Paris Agreement commitments. This includes mobilizing and providing climate finance to our Pacific neighbors, our particular focus. We will make a pledge New Zealand made in 2021 to deliver at least 1.3 billion in climate-related support. From 2022 to 2025, at least 50% will go to the Pacific, and at least 50% will go for adaptation. Our effort is informed by the Glasgow commitment to double climate adaptation by 2025. All of our funding is grant-based. transparency is critical for predictability and delivering climate finance commitment. New Zealand's climate finance commitment is fully programmed, and we are now focused on implementation. Enhancing transparency is hardwired into our international climate finance strategy, and New Zealand works for transparent predictability. New Zealand is working to enhance the mobilization of climate finance from all sources. We have committed 24 million to the GCF and are developing new ways to encourage private finance. An ambitious climate finance plan is critical to the success of COP 28. Scaling up climate finance and aligning all global finance with the Paris Agreement is critical.

Syria: Climate financial support is not a privilege anymore. It is a necessity, so it has to be transparent. Information provided by developed countries should include the magnitude of their support as well as a clear explanation of the basis on which they choose the projects, programs, and countries. We wish to understand why some developing countries are being frequently chosen while excluding others. We believe that every developing country should benefit from climate financial support, avoiding politicization since climate issues are confined to any border. So, every effort everywhere is needed. As mentioned at the start of this session, building trust is necessary. So, a fair distribution of resources according to national climate adaptation needs is needed.

Zimbabwe: I want to start by acknowledging the contribution made by Zambia, the chair of the African Triple of Negotiations, and other speakers who have raised concerns about the lack of progress on this critical issue of climate financing. It is critical because finance is a key enabler for enhancing and achieving most of the climate goals, be it mitigation, adaptation, and just transition, you name it. You have it, yet today, we don't have a common definition of climate finance. This is the COP28, surely we can do better. We believe that coming up with an agreed definition of climate finance in this COP is achievable, and we can do it. In fact, it will be a great injustice not to. About Zimbabwe, we are currently facing prospects of … more than 60 years of. the onset of the cropping season is delayed by 9 weeks and counting. More than 15 thousand cattle, mainly from the poor communal farmers, have died. We are losing hundreds of wildlife alike. We have already taken measures to double our social protection budgets from last year to respond to these agents. But now, the frequent phenomenon of climate shocks exacerbates the burden carried by the government at the expense of pursuing other sustainable development goals, which has become the new normal. The unintended consequences of the development gap between the developed and developing countries will contribute to widening because we are failing to develop mechanisms that should facilitate just and equitable development. Imagine if we have predictable, accessible and affordable climate finance funding. Zimbabwe is of the view that there is a need to provide enhanced reporting guidelines and support to the development of a biennial climate action plan. More importantly, we need to develop an agreed definition of climate finance.

Gambia: Let us work on boosting both our moral obligation and consciousness. We urgently need to build the fragile bridge of trust and hope. We need to seriously nurture a spirit of solidarity to plan, implement, and achieve our decarbonization target conscious to time. I want you to refer to the Paris Agreement, acknowledging that climate change is a common concern of humankind. We must remember that climate change's impact obviously widens the poverty gap, especially for the LDC, where finance is inadequate and inconsistent, leading to an unpredictable and unsustainable result in decarbonization. There is a need to have a clear definition of climate finance and transparency simplified with genuine guidelines on how, when, where, and who should access climate financing. We need to agree that mitigation finance is critical and important. But this shouldn't overshadow the urgent need and reality to prioritize adaptation financing. Failing to do so will compromise our journey to net zero.

Marshal Island: The definition of climate finance should not be an area of ambiguity. We support urgent action on this, including our discussion on NCQG. I also echo predictable finance that reflects our circumstances. MDBs are supposed to be LDCs, but at the moment, it feels like they are simply our capacity. They can and must do better. As a low-lying nation, Marshal Island faces immense challenges regarding adaptation. We have responded to this challenge with the creation of NAPA. The real call must now begin. Financial support from our partners must be fundamental for implementing NAPA. Climate finance is an existential issue for us. Beyond our national circumstances is a fundamental matter of global solidarity. We are all in this together. We have to act together. We need a plan to double the adaptation finance committed during Glasgow. We also need to go beyond that for urgent mitigation, fossil-fuel phase-out, loss, and damage. We need adequate and predictable finance, and we need it now.

Solomon Island: The biennial communication in Article 9.5 on quantitative and qualitative information leading to Article 9, paragraphs 1 and 3 are clearly important. However, I think it is important for us to know that communication ensures the predictability of financial resources. Like my colleagues from Marshal Island, we needed to have a common definition of what climate finance is and what it is not. A report by developed countries' parties on Article 9.5 must be translated. The process for accessing funds must be simplified, and there should also be openness to explore other support modalities, including budget support. If the above are not addressed, those who face the challenges of climate change will continue to hear about these financial pledges and fund mobilization but will remain unable to meet our adaptation and mitigation needs and also address loss and damage

China: Regarding climate finance, China has the following views to make. First, developed countries should practically fulfill the responsibility of information reporting in line with Article 9.5 of the Paris Agreement. Developed countries should report information related to Articles 9.1 and 9.3 every two years, including feasible quantitative and qualitative information. The information reporting should focus on enhancing three shares and addressing one gap. Enhancing public finance, the share of adaptation funds, the share of grants, and highly concessional loans significantly fill the 100 billion dollar climate finance gap, which was unfulfilled before 2022. Secondly, is necessary to enhance the effectiveness of information reporting in terms of helping developing countries plan and implement the stated ambitions. The ambitious target set by developing countries requires the comprehensive support of developed countries regarding climate finance, technology, and capacity building. We call upon developed countries to take concrete action to respond to the increasing needs of developing countries. To support adaptation, mitigation, and loss and damage in a comprehensive and balanced manner to ensure the Paris Agreement's implementation. Thirdly, it is imperative to establish common norms and standards in climate finance guided by the needs of developing countries. Developed countries can establish common norms and standards, which have been mentioned by many ministers. We need a clear definition of climate finance as well as transparent objectives and counting methodologies to better reflect the value of the provided information and solve the long-standing issues of transparency and predictability. Establishing a unified definition and methodology for climate action and finance under the convention is critical, which has been absent for the past 30 years. While improving information reporting is a big step, it is a key foundation to fulfilling the Paris Agreement. Effective biennial reporting by developing countries is paramount to achieving trust between the North and South. I look forward to this achievement.

Mexico: The climate crisis is threatening our ecosystem and humanity. We have an enormous gap when it comes to accessing financial resources. How can developed countries offer greater producibility and improved delivery of climate finance? Mexico stresses the need for proactive action to address gaps in mobilizing resources. Therefore, we think it is necessary to rethink the international financial system, particularly when it comes to climate finance. It is critical to reach between mitigation and adaptation. It is also necessary to have urgent reform of the MDBs so that access can be more flexible and less bureaucratic. Middle-income countries like ours continue to face major development challenges, and therefore, it is necessary to have climate finance in favorable conditions.

Philippines: Solving the climate crisis requires addressing the climate challenge (financial delivery). We need predictability and clarity in these times of multiple crises. Predictability is dependent on the quality and quantity of climate information in developing countries. The Philippines is of the view that a robust and systematic approach is needed to enable a long-term, predictable finance. These will ensure that access and mobilization of Climate finance are the evolving needs of developing countries. The Philippines calls for improved quality and quantity of climate finance. Improving the quality of climate finance must be anchored on the principles of transparency and accessibility, predictability and efficiency, and must meet the needs of developing countries. The increasing cost of climate finance is a clear signal that we need to scale up the amount of climate finance. Developed countries' climate finance commitment should encompass all sources, instruments, and channels and should be consistent with the developing countries' low-emission and climate-resilient development pathways. It should also include developing countries' shorter and long-term climate finance goals. Programmatic sector-specific financing will allow developing countries to translate their plans to meet adaptation and mitigation.

Uganda: Uganda supports and aligns fully with the statement made by Bangladesh on behalf of LDC groups. Communication of support to be provided supports our concrete planning. Sequencing of actions is needed to meet adaptation, migration, and loss and damage. Predictability of financial support is important. Otherwise, our nationally determined contribution cannot be met. Uganda notes that the element of trust and transparency is key in this process. We wish to call our developed country party to meet the requirements. When doing so, we should include more details of resources planned to be channeled if we are to meet the global temperature goal. We take this opportunity to call our developed country parties to increase their climate finance support through grant support, especially in providing loans with highly concessional terms. Grant-based finance pushes developing countries to meet their NDCs. Let me also emphasize the issue of climate finance definition, which has complicated the provision of the 100 billion dollars. In view of LDCs, this matter should be resolved in COP 28. We should not continue discussing this definition for more than 10 years.

Turkey: We welcome the COPE 28 presidency to launch the loss and damage fund. Indeed all financing-related issues will be crucial to making progress against climate change. Agenda Items such as the global stock take and long-term financial targets will shape our short-term roadmaps and long-term goals. We must ensure that we respect the principle of common but differentiated responsibility related to climate finance. We expect developed countries to continue to provide and mobilize climate finance. This is particularly important for our new and numerical target discussions. While maintaining ambition, we need to be open to flexible mechanisms for achieving financial results and reducing bureaucracy. The convention's financial mechanisms are a small part of the climate finance landscape, and we must be mindful of their implications. Turkey believes it is important to respect ongoing multi-lateral processes and should include avoiding concepts that still need clarification in the decision sections of other sub-articles. For example, we need further negotiations on Article 2.1c and the decision on climate finance.

Norway: Climate finance is crucial to achieving the Paris Agreement. Providing information on climate finance to be provided and mobilized is important to build trust and develop cooperation between parties. Norway is now pledging on the financial commitments we made in Glasgow. To double our climate finance by 2026, to 40 billion Norwegian kroner, and as part of this, to triple adaptation finance. The Norwegian government has now decided to increase the Norwegian funding for climate and forest initiatives by 20% in 2024. Private capital is key to increase global climate finance. The Norwegian government has therefore proposed to establish a new 5 billion Norwegian kroner guarantee mechanism for renewable energy in developing countries. By reducing the risk, the aim is to trigger large private investments and help increase energy access while also decreasing emissions. Norway also established a new climate investment fund in 2021, and the purpose is to help reduce greenhouse emissions by investing in renewable energy in developing countries. We are pleased by the recent publication from OECD indicating that climate finance to developing countries is increasing. We are pleased by the preliminary evidence from the OECD that the 100 billion goal has been met in 2022. Meeting the 100 billion goal is an important milestone. We need to continue to scale up climate finance from all sources and improve its effectiveness to meet its growing needs. We also look forward to concluding the negotiation on the new goal next year. This new goal provides an opportunity to make lessons learned in climate finance as impactful as possible.

Pakistan: Climate finance is key to uncloaking ambitious climate action by developing countries. The accelerated impact of climate change requires transformational thinking in terms of both the quantum needed and bridging the gap needed at different levels, especially for the less prepared developing countries where the speed and scale of financing can mean between survival and subsistence or development or poverty. As it stands, the capitalization of public financing is a fraction of global pledges made. Getting a new goal on climate finance presents a pivotal opportunity. Mobilizing new and additional, adequate, and predictable climate finance is key to meeting the ever-growing challenge of developing countries. Article 9.5 provides the transparency information needed on financial commitment and disbursement. Therefore, it is the cornerstone of building trust in the system, and this system can only be strengthened if it is based on: (1) all finance must be new and additional, adequate, predictable, and sustainable; (2) this flows must be easily accessible to all developing countries; (3) at least 50% of the grant must be disbursed in the form of grant, (4) The new goal must be framed in consultation with stakeholders that can mobilize public and privet finance so that it contributes to co-benefits contributing to sustainable development and poverty reduction.

European Union: The E.U. attaches great importance to the objective of climate finance. As a matter of fact, the EU and its member states have been very consistent donors contributing to global climate finance, which is steadily increasing, reaching 30 billion dollars last year. For the first time, we have also reported about the amount of private finance mobilized, which is an additional 9 billion Euros. We are confident that in 2022, developed countries will have reached the 100 billion target. Important to say that half of our climate finance goes to adaptation, and we have managed to double the amount of financing to adaptation. The E.U. is committed to scaling up climate finance. We have multi-year programs till 2027. We spent over 355 of its budget on climate finance. We have also always been transparent about the climate finance we have provided. We have legislation in place we have strengthened to ensure transparent and comprehensive reporting. We see this as an important contribution to enhance the predictability of financial support for our developing country partners. Obviously, we must ensure our financial flows are consistent with our emission reduction pathways and climate-resilient development. Collaboration is key. In conclusion, the E.U. is deeply committed to the delivery of the 100 billion climate finance goal and the doubling of adaptation finance.

The United States of America: The U.S. is committed to supporting developing countries' partners. President Biden pledges to work with Congress to scale up U.S. international public climate finance to over 11 billion dollars per year by 2024, quadrupling from the highest-ever level from the Obama Administration. This includes a six-fold adaptation finance increase to over 3 billion dollars per year. I am proud to confirm today that we are able to meet that pledge with an estimated U.S climate finance in 2033, exceeding nine and a half billion U.S. dollars, over tripling from baseline. In 2022, for which we have over a tripling from our baseline, over half of our finances went to adaptation, and 40 % of our development finance also went to adaptation finance. We know that it is critical to be transparent in all our efforts. We work with developing countries to understand their needs and priorities. For example, the U.S. development finance operates based on demand, partnering with government and private sector actors in developing countries to invest in climate resilience infrastructure and advance ecosystem conversation or expand insurance to smallholder farmers. We also strive to be transparent about how this partnership works to best leverage the comparative advantage of different U.S. departments and agencies to respond to the country's needs. But responding to needs to be flexible, especially as needs evolve; we cannot perfectly predict where every dollar will be spent before it is committed. This is reflected in our second biennial communication submitted in 2022. Our second communication responds to the feedback received from our partners and from this process. We have provided greater details on our multi-lateral partners, including the green technology fund, the GCF, the LDC fund, and the Adaptation Fund. Our effort is to provide greater predictability and enhance climate finance through bilateral and multi-lateral channels. We are also working to enhance access and predictability of climate finance through Multi-lateral channels through the GEF, GCF, and the Adaptation Fund. The U.S. is actively engaged with MDBs to address the climate crisis. I would like to close this by inviting all providers to support us to join us in the second round of biennial communications. Our collective goal under Article 9.5 is to increase the predictability of climate finance.

Portugal: Climate finance is the enabler of climate action. Transparency and predictability are key to its effectiveness. The E.U. and its member states submitted the second round of biennial communication reports and continuously learned from the process. We recognize the need for predictable climate finance. E.U. member states report annually in a transparent manner their international finance for developing countries, and we are committed to further improvements. Ex-ante transparency reporting is more challenging than backward-looking. This is conditional under the budgetary planning of each member state. We are committed to global climate finance, including financing adaptation and innovative financial mechanisms. Access is essential. Public finance is critical in leveraging private sector investments and building trust. Meanwhile, the private sector is critical in aligning financial flows with the Paris Agreement. We must collectively address the barriers to making climate finance accessible and affordable to developing countries. We can move this agenda through bilateral partnerships and through multi-lateral systems. Developing standards for reporting and monitoring is crucial while improving financial governance.

Netherlands: Predictability and transparency are key. It takes time to access, for example, renewable energy. The Netherlands is extending its climate finance program for three to five years, even ten years. As an example, the Netherlands is entering 100 million euro funding commitment to improve food security and climate resilience for smallholder farmers. Transparency is highly valuable for the Netherlands, as mentioned by others like India. We also feel that providing backward-looking information is easier than ex-ante information. You have all the details. These details provide an excellent opportunity to be transparent. Therefore, the Netherlands publicizes online dashboard so that everyone can see all our climate finance programs. I think it is something that improves the predictability and reliability of what we are doing here. In addition to transparency and predictability, the quality of climate finance also matters. We are rod that our public climate finance is completely grant-based and focuses on the most vulnerable countries. More than half of our climate finance is spent on climate adaptation, and we are dedicated to double the amount by 2025 in accordance with the Glasgow climate pact, with a strong focus on LDCs.

Lesotho: There is an urgent need to scale up climate finance in developed countries in response to the needs of developing countries, as well as improve access to climate finance for adaptation, loss and damage, and mitigation. To enhance reliable and predictable climate finance, biennial communication should be provided, reviewed, and adjusted to align with the continuous needs of developing countries, particularly the most vulnerable to the adverse impacts of climate change. While we agree on the loss and damage fund, we cannot afford the financing gap that we have always experienced between the pledges and actual contributions by developed countries. Loss and damage are life issues for LDCs. We call for immediate action by developed countries to safeguard humankind. In conclusion, we hope the COP28 decision on the ambitious NCQG addresses implementation challenges.

Russian Federation: Russia acknowledges financial support as well as technology transfer, and access to financial resources without any barriers and measures are required to advance NDCs. Supporting developing countries' finances from a wide variety of sources, channels, and instruments or, in other words, from public and private sources is critical. We should continue bridging our positions toward the common definition of climate finance, which will help us guide the discussion we are having on Article 2.1. A one-size-fits-all approach will not work. Aligning financial flows to countries' needs is required. Recalling Article 2.1c, what we now see is different interpretations of the Article. Our main aims are crystal clear: supporting sustainable development and eradicating poverty, which cannot be addressed without taking countries' circumstances, such as national debt level and poverty, into account. The NCQG should serve the objective of the UNFCCC and the Paris Agreement, making climate finance accessible for developing countries and not creating an additional burden for developing countries. We also consider the possibility of developing countries' national efforts to meet NDCs and the NCQG. We welcome the launch of the loss and damage fund, but we also urge all parties to be transparent about the modalities of operationalization. Russian Federation will continue to advance and support developing countries through various means, including the Green Climate Fund.

Japan: Japan recognizes the importance of predictability and clarity of financial support. We should all remember that all developed countries are encouraged to submit biennial information in accordance with

Articles 9.1 and 3 of the Paris Agreement. Other providers of climate finance are also encouraged to report such information on a voluntary basis. Japan regards the following two points as important. First, in accordance with Article 2.1 c, it is important to make financial flows aligned with low emissions and building resiliency to climate change. Second, it is important for us to come up with plans and measures to mobilize private finance to address climate change. We are delighted to have heard from the OECD that our goal of 100 billion USD looks to have already been met as of 2022. Japan has announced climate finance commitment of 70 billion U.S. dollars in five years between 2021 and 2025. And we have been steadily implementing it. We also disbursed 3 billion USD for the GCF thus far and have pledged 165 billion YEN for the replenishment of the implementing period, depending on the national budget. In order to improve predictability, development policy dialogue between donors and recent countries is key. Through such dialogue, we can agree on the kind of cooperation needed and allows to make necessary funds available with predictability. Choosing a finance option is also critical. We are aware that developing countries are requesting more grant assistance, especially on adaptation. At the same time, concessional funding and private finance can play a big role in infrastructure in areas such as energy and transport. We are providing climate finance which meets the needs of developing countries.

Interventions were presented by observers representing various groups, including WGC, YOUNGO, TUNGO, Farmers, and BINGO.

WGC: communication must provide clarity and qualitative and qualitative information on financing developed countries provide for mitigation, adaptation, loss, and damage. The information must ensure that finance, especially bilateral finance, will be gender-responsive, human-rights centered, and directly provided to local communities and groups vulnerable to climate impacts for marginalized groups, including gender-diverse groups. New and additional must be understood as new and additional. Effective communications must be used with standard definitions of accounting metrologies and improved definitions of climate finance. Greater predictability must come with a greater goal, enabling climate finance delivery by providing simplified and improved access to climate finance. Democratically governed funds through UNFCCC financial mechanisms. Climate finance is an obligation and grant based must be central.

YOUNGO: My generation depends on you to reduce emissions across the world and help us adapt to the ongoing climate crisis. We all know the current climate action is not sufficient, and we have to step up our ambition. The logic is simple. We know the parameters to make strong plans. How can COP 29 be effective if we cannot decide when and where this is going to take place? Developing countries need early and reliable information on the availability of climate finance. Biennial communication must provide granular information about qualitative and quantitative details for mitigation, adaptation, loss, and damage. We urge parties to reflect in the Biennial communication to report child and youth responsiveness and gender responsiveness of climate finance as well as active involvement in its implementation strategies. In the long term, information is credible, and commitment is followed by climate action. While developing countries need finance for adaptation, loss and damage, and mitigation, it is important to increase adaptation finance. Biennial communication should address and provide a maximum level of grant and concessional finance. Finally, we urge developed countries to increase transparency and consistency of reporting. The is absolutely important to increase trust.

TUNGO: Endorse just transition for policy making for just transition. We agreed all private and public finance would align with just transitions' objectives. This means social dialogue, social protection, labor rights, and decent works and engagements with wider groups, including indigenous groups, are particular considerations for women and youth to ensure a just transition for all. It is critical this commitment is reflected in this forum. We echo other consistencies on the importance of finance provided in a way that is human-right-centered and gender-responsive. Labor rights are an integral part of human rights. We need special consideration for women, young, and informal workers. Public finance is a long-term foundation with private finance on top. Public finance must not exacerbate the burden on the countries of global south.

Farmers organizations: Farmers are at the forefront of climate change. We are unequally positioned both in terms of climate change adaptation and greenhouse gas emissions reductions. Higher temperatures, extreme precipitation, and weather events disproportionally increase farmers' vulnerability and affect their capacity. The climate finance gap for the agri-food system is stark. Less than 2.5 of climate finance goes to agriculture, with less than 0.8 reaching smallholder farmers. This is exacerbating further debt. There must be a concerted effort for funding for agriculture. The quality of climate finance must urgently improve to support farmers, such as farmer cooperatives to access climate finance directly. There is a need to unlock new resources, including doubling grant-based adaptation finance. Farmers must be a priority for loss and damage to secure their livelihoods. Fix climate finance across the world.

BINGO: Many parties are calling on the private sector to have greater participation. I would like to stress that we are listening and continuing to engage with you all. We respectfully observe the call from the parties when it comes to the definition of climate finance and working on the challenges of scaling up climate finance from the private sector. Thank you all for making this an inclusive process.

Dr. Mahumoud (COP 27 – high-level champion): Climate finance is very much puzzling as being inefficient and insufficient. Still, from the speakers of developing countries, there is a great emphasis on this aspect. However, in Dubai, there is a discussion on climate finance architecture that delivers for all, reminding us that it needs to be available, accessible, and affordable. Fixing both climate finance and development finance at the same time. Simplicity of communication, - a greater effort is required for the simplification of language. We need to double the finance coming from bilateral and multi-lateral sources. We need to triple finance the MDBs, and we need to quadruple private finance. The starting point should come from the enhancement of the MDBs by capital increase of the MDBs – important for di-risking and leveraging climate finance. We are still struggling with the insufficiency with the 100 billion. OECD and OXFAM provide different estimates and this cannot continue. We need to agree on the metrics and methodology. Regarding the efficiency of delivery, we need fast finance.

Secretariat: Will be writing a report to be reported to the Presidency

Closing Remark by Omran Almazrouei (COP 28 Presidency)