

NEW COLLECTIVE QUANTIFIED GOAL ON CLIMATE FINANCE



What is the new collective quantified goal on climate finance and what is it for?

The New Collective Quantified Goal on Climate Finance (NCQG) is a new global climate finance goal that the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) shall set from a floor of USD 100 billion per year, prior to 2025.

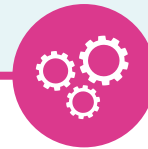
This new goal will be set in the context of meaningful mitigation actions and transparency on implementation, taking into account the needs and priorities of developing countries. Deliberations on setting the new goal aim to strengthen the global response to the threat of climate change in the context of sustainable development and efforts to eradicate poverty, including by making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

What is the purpose of the new collective quantified goal on climate finance?

In 2021, Parties agreed the aim of the NCQG as to contributing to accelerating the achievement of Article 2 of the Paris Agreement of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change; increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emission development in a manner that does not threaten food production; and making finance flows consistent with a pathway towards low greenhouse gas emission and climate-resilient development.

How will the new collective quantified goal on climate finance be set up?

The ad hoc work programme was established in 2021 to facilitate technical discussions on the NCQG, running from 2022 to 2024. The CMA will take stock of progress made in 2022 and 2023 and provide further guidance on the work programme. In 2024, the CMA will set the NCQG.



Key activities at the technical level

> Technical Expert Dialogues

The ad hoc work programme includes four technical expert dialogues (TEDs) per year, with one of these dialogues to be held in conjunction with the first regular session of the subsidiary bodies for the year and one to be held in conjunction with the session of the CMAs, and the two remaining dialogues to be organized in separate regions with a view to facilitating inclusive and balanced geographical participation.

> Annual reports

The appointed co-chairs of the ad hoc work programme prepare an annual report on the work conducted under that work programme, including a summary and key findings of the technical expert dialogues for consideration by the CMA. The annual reports will inform deliberations at the high-level ministerial dialogues (HLMDs). The CMA takes into consideration the annual reports of the co-chairs, including the key findings contained therein, and the summary reports on the HLMDs, including its guidance.

> Regular consultations with Party and non-Party stakeholders

The co-chairs will maintain regular consultations with the constituted bodies, in particular the Standing Committee on Finance, as well as United Nations agencies, climate finance experts, academia, private sector and civil society actors with a view to informing the ad hoc work programme.

> Workplan

The 2023 co-chairs of the ad hoc work programme developed and published a workplan, including themes for the technical expert dialogues to be held in that year, taking into account the submissions from Parties on views on the issues to be addressed.





Key activities at the political level

> High-level ministerial dialogues

Each Presidency is mandated to convene a HLMD on the NCQG, starting in 2022 and ending in 2024, ensuring effective political engagement and open, meaningful and robust discussion. The HLMDs will be informed by the reports on the technical expert dialogues, the submissions made by Parties and non-Party stakeholders.

> The first HLMD in 2022¹

The first HLMD was convened with a view to providing guidance on the further direction of the ad hoc work programme for 2023 for consideration by CMA 4. A wide range of issues and views were expressed during the discussion among ministers and high-level representatives, including of intergovernmental and non-governmental organizations.

> The second HLMD in 2023²

It will be convened with a view to facilitating Ministerial discussions on key issues, substantively advancing shared understanding of the goal and providing guidance for work in 2024.

> Stock-takes and guidance by the CMA

The CMA, by decision 5/CMA.4, decided to continue its deliberations on setting the NCQG at CMA 5 and CMA 6 (November 2024), taking stock of the progress made and providing further guidance on the ad hoc work programme, taking into consideration the annual reports and summary reports by the co-chairs of the ad hoc work programme, including the recommendations and findings therein, on the HLMD.

1 Available at <https://unfccc.int/event/2022-high-level-ministerial-dialogue-on-the-new-collective-quantified-goal-on-climate-finance>

2 Available at <https://unfccc.int/event/2023-high-level-ministerial-dialogue-on-the-new-collective-quantified-goal-on-climate-finance>

What are the different ways participants can engage in the process?

1. Participation in the Technical Expert Dialogues:

The dialogues are held four times per year, both in-person and online, including all interested Parties, academia, civil society actors, including youth, and private sector actors.

Below is a quick recap of the previous TEDS

> TEDs 1-4 in 2022

TEDs 1-4 in 2022 identified the landscape of issues, the role and objectives of the NCQG, possible elements, needs and priorities of developing countries, roles of public and private actors as well as sources and instruments, experiences, lessons learned and solutions for enhanced access to climate finance, and ways and opportunities of how the NCQG process can facilitate enhanced access to climate finance.

> TEDs 5-8 in 2023

TEDs 5-8 in 2023 identified options across key elements of the goal ahead of CMA 5 for consideration by Parties. The 2023 workplan, developed by co-chairs, outlined the preliminary themes for discussions at each technical expert dialogue in 2023, including, temporal scope and structure of the goal, quantity and mobilization and provision of financial sources, quality and transparency arrangements, and stocktake including reflection on work undertaken in 2023 and outlook to 2024.

2. Submissions to Technical Expert Dialogues

The technical expert dialogues are informed by the submissions received from Party and non-Party stakeholders. Submissions provide an opportunity to share views on the design of the NCQG and topics to be addressed at TEDs. A compilation and synthesis report is produced ahead of each TED to capture views expressed in the received submissions for further discussion during the TEDs.

