

Brief on NCQG simplified negotiation options

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As of the end of 2023, the negotiation process of the New Collective Quantified Goal on climate finance (NCQG) of the [Paris Agreement](#) (PA) of the [United Nations Framework Convention on Climate Change](#) (UNFCCC) is anchored on Decisions [1/CP.21](#) (2015), [14/CMA.1](#) (2018), [9/CMA.3](#) (2021), [5/CMA.4](#) (2022); and [8/CMA.5](#) (2023) and includes 8 Technical Expert Dialogues² (TEDs) and 109 submissions by Parties and Observers. On that basis, the Co-Chairs of the Ad-Hoc Work Programme (AHWP) of the NCQG identified 10 elements that summarize how this goal could be structured, namely: A) Temporal scope; B) Structure; C) Quantum; D) Structure of the quantum; E) Potential sources of finance; F) Relationship between NCQG and 2.1c; G) Qualitative elements; H) Reviewing progress; I) Frequency of reporting; and, J) Options for party-driven periodic revision. These elements in turn, comprise a finite universe of 44 negotiation options as per the Annexes of the [2023 Report of the Co-Chairs of the Ad Hoc Work Programme on the NCQG](#).

In reflecting on this finite set of 10 elements and 44 options, this brief has the objective of presenting a proposal of our own version of potential simplified negotiation options that continue to include the essence of these elements and options described above, but with a more direct approach as to what are the key negotiation issues to be defined around the NCQG. This is displayed in the following table with the first three columns showing the *verbatim* 10 elements and 44 options, and the fourth column being the authors' condensed version.

It is important to note that some options were reorganized in their simplified version into different elements to avoid duplication. For visual reasons, these simplified alternatives are segmented using brackets and color coding. The latter only separates individual conceptual negotiation topics from each other, but colors do not imply any preference for issues.

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² Topics discussed: [TED 1](#); [TED 2](#); [TED 3](#); [TED 4](#); [TED 5](#); [TED 6](#); [TED 7](#); and, [TED 8](#).

Current negotiation options of the NCQG and proposed simplified negotiation options³

Element		Options identified during the technical expert dialogues	Simplified negotiation options
A	Temporal scope	Option 1: Short-term time frame (5 years) with [annual targets] and [[annual] [biennial] [review cycles] and [revision process]]	[a time frame of [5 years [2025-2029] [2026-2030]] [10 years [2025-2034] [2026-2035]] [up to 2050] with [milestones] [[aspirational] [indicative] timeframe] [for another five years] [for 2030 and 2040] with [annual targets] [no reference to time frame]
		Option 2: Medium-term time frame (10 years) with [annual targets] and [[annual] [biennial] review cycles and revision process]	
		Option 3: Long-term time frame (up to 2050) [with milestones for 2030 and 2040] [linked to net zero targets, with review cycles every [five years] [after 10 years] [with an assessment midway]]	
		Option 4: Combination of time frames [A firm time frame of five years (2025–2029 or 2026– 2030)] [10-year operational time frame (2025–2034 or 2026– 2035)] with an [aspirational] [indicative] [timeframe] [target] [of another five years (2031–2036)] [to align with net zero targets by 2050]	
		Option 5: No reference to time frame [Outcome-oriented target linked to net zero targets (which may not always be 2050 but could be 2060 or 2070) or peaking of GHG emissions]	
B	Structure	Option 1: A quantitative goal with a time frame and principles and/or quantitative and qualitative elements [As part of a global effort] [A goal] [a quantitative goal] [a developed country goal] [from high emitters based on past, current and future emissions and from countries with higher economic capacities, including developed country Parties] of collectively [providing] [mobilizing] [USD X] [x% of GNI/GDP] [per year] [annually] [from 2025 to 2029 or 2026 to 2030] [by 20xx] [for effective climate action in] [to] [developing countries] [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] [from public sources from developed countries and USD X or X% of GNI/GDP from other sources (e.g. the private sector)]	[As part of a global effort] [A [quantitative] [quantified] [outcome-based] [long-term] [aspirational] [principle-based] goal [from developed countries] [from high emitters with higher economic capacities including developed countries] [of [collectively] [and voluntary contributions from] [other Parties and non-Party stakeholders, such as private sector entities and philanthropic organizations] [mobilized through public interventions by developed country Parties] [mobilizing] [and providing] [USD X] [USD X plus x% of annual inflation] [x% of GDP] [x% of GNI]
		Option 2: A goal with quantitative and qualitative elements and/or	

³ We are planning to continuously update this table throughout the year and before COP29 to reflect the deliberations of TEDs and AHWPs.

Element	Options identified during the technical expert dialogues	Simplified negotiation options
	<p>principles</p> <p>[A [quantitative] [quantified] goal [that includes quantification in monetary terms as well as quantified indicators of effectiveness of implementation]] [from developed to developing countries] [of [collectively] [mobilizing] [and providing] USD X annually] [USD X plus x% of annual inflation] [from public, private, domestic and international sources of finance [including South--South cooperation and reference to making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development]] [to be structured by [thematic area] [achieving a balance between mitigation and adaptation] [on improving capacities to implement climate action] that is accompanied by [quantitative and qualitative elements] and [underlying principles]</p> <hr/> <p>Option 3: A quantitative goal with or without a time frame and principles and/or quantitative and qualitative elements and objectives</p> <p>A goal of collectively mobilizing [USD X] [x% of GNI] [from public sources from developed countries] per year by 20xx to developing countries [that includes a specific element on the objective of the 1.5 °C temperature goal] [and USD X from other sources] [from private, domestic and international sources of finance] [South-South cooperation and other areas] for achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development in the context of xxx]</p> <hr/> <p>Option 4: Goal with time frame and subgoals</p> <p>[A [developed country] [quantified] goal of collectively [providing] [mobilizing] [USD X] [x% of GNI/GDP] [per year] [annually] [with annual targets] from [20xx] [2025] [2026] to [20xx] [2029] [2030] [by 20xx] to developing countries [from public sources from developed countries and USD X or x% of GNI/GDP from other sources (e.g. private sector)] [and sources of public and private finance] with [quantified] sub-goals [by thematic area] [for mitigation, adaptation, and loss and damage] [different time frames across the sub-goals to account for differences in data</p>	<p>[per year] [annually]</p> <p>[to developing countries] [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] [including a percentage share allocated to vulnerable groupings] [with a sub-goal on minimum floor of finance for the least developed countries] [sets upper financial limits (caps) by geographical regions, countries or country groupings]</p> <p>[[to be structured by</p> <p>[quantified] [costed] [[sub-goals] [specified by quantitative ranges of monetary values] [as absolute values rather than shares]</p> <p>[no sub-goals]]</p>

Element	Options identified during the technical expert dialogues	Simplified negotiation options
	<p>availability and data quality) [and reference to achieving net zero/1.5 °C/X GHG emissions reduced]</p> <p>Option 5: Goal and sub-goals</p> <p>A [quantified] [outcome-based] goal of collectively [mobilizing [USD X] [x% of GNI] [from public sources of finance from developed countries and USD X from other sources (e.g. private)] to developing countries] [of shifting financial flows in line with Article 2, paragraph 1(c), of the Paris Agreement] [with [costed] [quantified] [specified by quantitative ranges of monetary values] sub-goals [by thematic areas of] [for mitigation, adaptation, and [new and additional resources for] [loss and damage] [and capacity-building] [as absolute values rather than shares] [to achieve a balance between mitigation and adaptation based on the needs of developing countries and science-based information rather than a 50:50 percentage share] [including a percentage share allocated to vulnerable groupings] [with a sub-goal on minimum floor of finance for the least developed countries] [sets upper financial limits (caps) by geographical regions, countries or country groupings] [of achieving net zero/1.5 °C/X GHG emissions reduced] [sub-goals that differentiate between concessional finance and [grants] [grant-based finance], and between national and local recipients] [sub-goals by instruments] [informed by the best available science [for achieving the goals of the Paris Agreement] [a specific element on the objective of the 1.5°C temperature goal] and covering the respective needs of developing countries that enable them to act towards the collective efforts]] [no sub-goals], with USD X [from public sources from developed countries and USD X from other sources (e.g. private sources)] [from developed countries, emphasizing the role of public sources at the core and including wider financial resources (e.g. private, domestic, South-South flows) needed to achieve the Paris Agreement goals globally] [from public, private, international and domestic sources of finance] [of global climate investment of USD X, comprising domestic, public, private and international sources of finance, with a defined quantitative subset to be defined for resources under Article 9 of the Paris Agreement (i.e. climate finance)] [and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development]</p>	

Element	Options identified during the technical expert dialogues	Simplified negotiation options
	<p>Option 6: Goal including sub-goals framed as indicators of success</p> <p>A goal with sub-goals [for emissions reduced and enhanced adaptation and resilience and including a link to the GST] [around themes (mitigation, adaptation, and loss and damage), country groupings/recipients, channels and sectors] [on improving capacities to implement climate action] [on access to financial sources for vulnerable communities as recipients] [and reference to gender- responsiveness] [for making financial flows consistent with a pathway towards low GHG emissions and climate-resilient development] [focusing on reducing fossil fuel finance]</p> <p>Option 7: An aspirational goal with principles or objectives</p> <p>A [long-term] [aspirational] [principle-based] goal, [with quantitative and/or qualitative elements, that may or may not include sub-goals] [of making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development]</p> <p>Option 8: Outcome-oriented goal</p> <p>A [collective] [outcome-oriented] goal of [mobilization] [achieving net zero/1.5 °C/X GHG emissions reduced] [and [that is aligned with the global goal on adaptation] increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production] [and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development]</p>	
C	<p>Quantum</p> <p>Option 1: Setting a quantum based on information on the needs and priorities of developing countries, thereby following a bottom-up approach</p> <p>Option 2: Setting a quantum based on information on needs and a carve-out for the NCQG within those needs</p> <p>Option 3: Setting a quantum based on outcomes to be achieved in the context of Article 2 of the Paris Agreement (outcome-oriented goal)</p> <p>Option 4: Setting a quantum dependent on the scope and structure of the NCQG</p>	<p>Setting a quantum based on [information on the needs and priorities of developing countries] [and a carve-out for the NCQG within those need] [outcomes to be achieved in the context of Article 2 of the Paris Agreement] [the breadth of contributors, including from the private sector, philanthropic organizations and others] [a certain percentage of the GNI or GDP of developed country Parties]</p>

Element		Options identified during the technical expert dialogues	Simplified negotiation options
		Option 5: Setting a quantum based on the breadth of contributors , including from the private sector, philanthropic organizations and others	
		Option 6: Setting a quantum based on a certain percentage of the GNI or GDP of developed country Parties	
		Option 7: Setting a quantum based on a combination of options.	
D	Structure of Quantum	Option 1: Onion structure . Each layer represents a different quantitative element.	<p>[[An onion structure] which includes a layer for [thematic areas] [sectors] [geographic regions] [sources of finance] [instruments] [roles of the different actors] in [mobilizing] [and providing] financial sources]</p> <p>[a thematic structure] which includes sub-goals [for mitigation, adaptation, and loss and damage] [and capacity-building] [achieving a balance between mitigation and adaptation] [on improving capacities to implement climate action] [that includes a specific element on the objective of the 1.5 °C temperature goal] [for achieving net zero/1.5 °C/X GHG emissions reduced, and increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low GHG emissions development, in a manner that does not threaten food production, and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development] [for emissions reduced and enhanced adaptation and resilience] [that is aligned with the global goal on adaptation] [covering the respective needs of developing countries that enable them to act towards the collective efforts] [focusing on reducing fossil fuel finance] [reduction in financial sources promoting</p>
		Option 2: Thematic structure . Quantitative targets or sub-goals by thematic area or sector on the basis of the needs and priorities of developing countries identified in national, regional and global reports.	
		Option 3: The role that the NCQG can play. Different sources of climate finance and the role it can play.	

Element		Options identified during the technical expert dialogues		Simplified negotiation options
				emission-intensive and non-resilient development]]
E	Potential sources of finance	Option 1: Differentiating between types of sources of climate finance and instruments .	<ul style="list-style-type: none"> → Sub-option 1: public sources of finance, particularly grant-based finance for adaptation and addressing loss and damage, and (concessional) loans for mitigation → Sub-option 2: a wide variety of sources in accordance with Article 9, paragraph 3, of the Paris Agreement → Sub-option 3: a multilayer approach with international public sources at the core of the NCQG and private and innovative sources as the outer layers, with arrangements for tracking finance flows 	<p>[from a wide variety of sources in accordance with Article 9, paragraph 3, of the Paris Agreement] [from public, private, domestic and international sources of finance] [including South–South cooperation] [and other areas]]</p> <p>with a core [international public mobilization support target of [USD X] [X% of GNI/GDP]] [international public climate finance] [international public sources of finance] [particularly grant-based finance] [for adaptation and addressing loss and damage] [and [concessional] loans for mitigation] [a defined quantitative subset to be defined for resources under Article 9 of the Paris Agreement]]</p>
		Option 2: Differentiating between mobilization, provision and/or alignment of financial sources.	<ul style="list-style-type: none"> → Sub-option 1: a quantitative goal for the provision of international public sources of finance to developing countries → Sub-option 2: a quantitative target or sub-goal for the provision of climate finance from international public sources to developing countries and for private sources mobilized through public interventions → Sub-option 3: a multilayer approach with (a) quantitative target(s) for the provision of international public climate finance at the core and mobilization of financial sources → Sub-option 4: a multilayer approach with a global investment target, an international public mobilization support target, and possible quantitative and qualitative targets representing realignment of finance flows with the goals of the Paris Agreement → Sub-option 5: a multilayer approach in line with the Kunming– Montreal Global Biodiversity Framework consisting of quantitative targets, and qualitative 	<p>[and USD X from other sources such as [a global investment target] [leveraging private finance] [promoting blended finance] [private sources mobilized through public interventions] [and innovative sources and instruments] as the outer layers]]</p> <p>[with arrangements for tracking finance flows] [quantitative and qualitative targets representing realignment of finance flows with the goals of the Paris Agreement] [and making finance flows consistent with a pathway towards low GHG emissions and climate-resilient development] [with qualitative elements for domestic resource mobilization]</p>

Element		Options identified during the technical expert dialogues		Simplified negotiation options
			elements for domestic resource mobilization, leveraging private finance, and promoting blended finance and innovative instruments	
		Option 3: Differentiating between the roles of various actors in the provision and mobilization of climate finance. (2 sub-options)	<ul style="list-style-type: none"> → Sub-option 1: provision of climate finance from developed to developing country Parties and voluntary contributions from private sector entities mobilized through public interventions by developed country Parties; → Sub-option 2: provision of climate finance from developed country Parties, other Parties and non-Party stakeholders, such as private sector entities and philanthropic organizations, to developing country Parties. 	
		Option 4: Identifying quantitative and qualitative elements and sources of finance that lead to a reduction in financial sources promoting emission-intensive and non-resilient development,		
F	Relationship between NCQG and 2.1c	Option 1: No integration of Article 2, paragraph 1(c), of the Paris Agreement in the NCQG.		[[Reflection] [Integration] [of Article 2 of the Paris Agreement] [as a qualitative element] [as part of the NCQG]] [of the NCQG as part of the broader picture of Article 2, paragraph 1(c)] [No integration of Article 2, paragraph 1(c)]
		Option 2: Reflection of Article 2 of the Paris Agreement as a qualitative element .-		
		Option 3: Integration of Article 2 of the Paris Agreement as part of the NCQG.-		
		Option 4: Reflection of the NCQG as part of the broader picture of Article 2 , paragraph 1(c), of the Paris Agreement.		
G	Qualitative elements	Option 1: Determining the qualitative elements of the NCQG as a part of a set of principles		Determining the qualitative elements of the NCQG [as a part of a set of principles] and [in the form of an aspirational goal]
		Option 2: Determining the qualitative elements of the NCQG as a part of a set of principles and in the form of an aspirational goal		

Element		Options identified during the technical expert dialogues	Simplified negotiation options
H	Reviewing progress	Option 1: Tracking and reviewing progress towards the NCQG through the ETF	Tracking and reviewing progress towards the NCQG will be made [through the ETF] [other tracking and reporting systems relevant to the NCQG (IPCC, MDB's, the OECD, and the SCF)] [and/or [aggregate reporting using data generated under the UNFCCC process (entities of the Financial Mechanism)]]
		Option 2: Other tracking and reporting systems relevant to the NCQG (IPCC, MDB's, the OECD, and the SCF). Could involve developing an online tool to facilitate the provision of data by climate finance data producers and aggregators	
		Option 3: Options for aggregate reporting using data generated under the UNFCCC process (entities of the Financial Mechanism).	
I	Frequency of reporting	Option 1: Annual reporting	[Annual] [Biennial] [Periodic] reporting on the implementation of the NCQG [based on milestones]
		Option 2: Biennial reporting	
		Option 3: Periodic reporting based on milestones	
		Option 4: Combination of reporting frequencies	
		Option 5: Longer timeline for NCQG review	
J	Options for party-driven periodic revision	Option 1: Short-term time frame (five years)	[A Party-driven [annual] [biennial] [5 years] [10 years] [more than 10 years] [after 10 years] [periodic revision] [review cycles] [to align with net zero targets by 2050]
		Option 2: Medium-term time frame (10 years)	
		Option 3: A long-term time frame (>10 years)	

Source: Authors' own elaboration. First three columns are extracts of the Annexes of the [2023 Report of the Co-Chairs of the Ad Hoc Work Programme on the NCQG](#). The fourth column reflects the authors' proposals of simplified negotiation options.

The formulation of simplified negotiation options for the NCQG is intended to provide interested stakeholders with a more clear understanding of the existing options as the negotiation process resumes in the second quarter of 2024 for the next 3 TED and NCQG AHWP negotiation sessions. This set of simplified negotiation options will be updated as negotiation discussions progress and options evolve during the year.