

**Climate Change  
Expert Group**

# **Key Takeaways from the CCXG Global Forum on the Environment and Climate Change**

**3-4 April 2024**

## Taking forward the outcome of the GST1 to inform enhanced NDCs



- Translating the signals in the GST1 into efforts at the national level is not straightforward, and follow-up will be crucial. Available follow-up opportunities to inform enhanced NDCs at the technical level (e.g. GST dialogue, mitigation work programme, just transition work programme) and the political level (e.g. under the troika of COP Presidencies) need to be effectively utilised.
- Continuity is important as Parties need to both implement their current NDCs to deliver enhanced efforts in this critical decade while preparing ambitious new NDCs to drive action to 2035, alongside ongoing discussions on means of implementation and finance.
- In preparing their next NDCs, Parties can build on experiences with successive NDCs, draw on insights from the preparation of their first biennial transparency reports (BTRs) and discussions at GST1 technical dialogues while engaging closely with relevant non-Party stakeholders to support delivery on the ground.

# Insights from Paris-consistent global emissions pathways for enhanced NDCs



- In preparing their next NDCs, Parties can undertake bottom-up modelling approaches and analyses to develop national mitigation pathways that respond to the global calls in the GST1.
- Continued in-country modelling support to develop national mitigation pathways that reflect global benchmarks also provide an opportunity for countries to align their NDCs with their long-term low emission development strategies (LT-LEDS), as called for in the GST1.
- Equity, both between countries and within countries, is a key consideration in translating global calls to the national level and enhancing NDCs to Paris-consistent levels. Different tools and approaches are available to better integrate equity considerations in global pathways and in bottom-up approaches for NDCs.



## Insights for preparing NDCs aligned with the outcome of GST1

- Some countries are undertaking steps to align their current or new NDCs with their LT-LEDs and/or with the 1.5°C global temperature goal as called for in the GST1, drawing on recommendations from independent scientific advice, national modelling assessments, and support from international technical assistance.
- The need for a more balanced approach between mitigation and adaptation is increasingly recognised, and adaptation measures are included in a growing number of NDCs.
- Key enablers for translating NDCs into action include robust institutional arrangements, legal instruments and policy frameworks; whole-of-government, whole-of-society approaches to preparing and implementing NDCs; efforts to cost NDC targets and develop investment plans to unlock needed finance.

# Translating global renewables and energy efficiency calls from GST1 in NDCs (I)



- While tripling renewable energy capacity globally by 2030 is technically feasible, achieving this goal will require immediate additional efforts, with potentials varying across countries depending on different starting points and national circumstances.
- Key challenges to expanding renewable energy capacities at the pace and scale required include time-consuming infrastructure development, social acceptance issues, inadequate financing, and high costs of capital, especially in developing countries.
- Doubling the global average rate of energy efficiency improvements by 2030 offers substantial benefits, including job creation and reduced energy bills. While achieving a continuous doubling of efficiency rates will be challenging, there are best practices to build on that combine regulation, information and incentives with robust implementation and enforcement mechanisms.

# Translating global renewables and energy efficiency calls from GST1 in NDCs (II)



- Several countries are already working to strengthen their efforts on renewable energy and energy efficiency motivated by various factors, including economic concerns.
- Unlocking investments, including in supporting infrastructure and technologies, is critical for implementing more ambitious renewables and energy efficiency measures and can be facilitated by strategic engagement with the private sector, investors and relevant international organisations.
- Securing social acceptance and buy-in through strong and inclusive consultation processes that engage all relevant actors are important enablers for scaling up renewable energy and energy efficiency measures.



## Exploring potential guidance on NDC features

- Any guidance on NDC features needs to respect the nationally determined character of NDCs and cannot be prescriptive.
- The negotiations on features provide an opportunity to create a common understanding of what “features” of NDCs are and clarify the distinction with other aspects relating to NDCs, including reporting and transparency issues.
- Given the timing, any potential outcome of the negotiations on features is unlikely to have a significant impact on the next round of NDCs due in 2025 but could be approached with a longer-term perspective.



## Taking forward COP28 and GST1 outcomes on climate finance

- The GST1 outcomes reiterate the pressing need for international cooperation on financing climate action, with clear messages on scaling up provision and mobilisation, the diversity of actors involved and the importance of creating incentives and fostering enabling environments to facilitate private sector engagement.
- The GST1 reiterates the IPCC finding that, in principle, sufficient capital is available in the financial system to bridge the climate finance gap. While the UNFCCC process cannot prescribe roles to all relevant actors, it can provide clear signals to help steer changes in behaviour needed from the wider set of financing actors.
- The NCQG is a critical next step to take forward the GST1 outcomes and support ambitious NDCs. There is a need to intensify efforts to deliver a nuanced approach that can help address the quality of climate finance, particularly for vulnerable and low-income countries, ensure climate finance does not jeopardise debt sustainability, address barriers to access, and effectively allocate resources according to needs, while not overburdening the decision.



## Empirical evidence on needs, sources, and actors for the NCQG



- Effectively addressing the climate finance gap necessitates a strategic matching of climate finance needs with the comparative advantages and combined roles of different actors and sources of finance.
- Such matching requires clear information on needs and priorities of developing countries, as well as an understanding of the varying motivations driving different sources of finance, such as propensity to risk or prioritisation of development objectives.
- In addition to increasing the volumes of climate finance, it is key to ensure efficiency and impact in utilising climate finance resources. Capacity building will be essential for accurately costing needs and navigating diverse finance sources.



## Exploring the structure and key elements of the NCQG

- The NCQG has the potential to play an important role within the global financial architecture, notably in providing signals to relevant actors, sources of finance, and policy makers.
- The NCQG could be designed with a multi-layered approach that addresses different sources of finance. Alternative structures, for instance, based on climate themes (mitigation, adaptation, loss and damage) could, in practice, be combined with this approach. At the same time, it is important for the goal to avoid too many sub-targets or details that may hinder its implementation.
- Building on lessons learned from the shortcomings of the USD 100 Billion goal, the NCQG could integrate further qualitative elements to enhance the effectiveness of climate finance. These can include incentives for increased capacity building, technology transfer, and policy frameworks conducive to enabling environments.

## Possible targets and indicators for different elements of the NCQG



- Notwithstanding the final scope of the NCQG, a range of different indicators are likely to be necessary. While core monetary indicators will be needed, the possibility to also rely on other types of metrics or information (e.g., ease of access, type of policies implemented to facilitate private sector investment) presents an opportunity to capture at least some of the dimensions for improving the impacts and effectiveness of climate finance.
- The Paris Agreement's Enhanced Transparency Framework (ETF) will represent a key source of information to track progress towards the NCQG, but it will likely need to be complemented with other data and information sources.
- While transparency arrangements will likely only be defined once the goal is set, reflecting on what types of indicators and data can be used to track progress towards the goal while negotiating and designing it can help to identify more practical and concrete options for structuring the goal.

**THANK YOU!**

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