



NCQG: The Decision and the Road to Belém

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1. Background: NCQG negotiations in the lead up to COP 29

In 2009, at COP 15, Parties agreed to set a collective goal to mobilise USD 100 billion annually by 2020. In 2015 they decided to extend this goal until 2025 and – recognising the principle of progression and reflecting the strong political momentum during COP 21 – Parties agreed that the CMA would by 2025 set a ‘new collective quantified goal from a starting point of USD 100 billion per year, taking into account the needs and priorities of developing countries’ (the NCQG) ([Decision 1/CP.21, para. 53](#)).

To operationalise this mandate, Parties launched an ad hoc work programme (AWHP) with yearly Technical Expert Dialogues (TEDs) ([Decision 9/CMA.3](#)) and in 2023, Parties transitioned to “a mode of work to enable the development of a draft negotiating text” for consideration by CMA 6 ([Decision 8/CMA.5](#)). The three TEDs provided opportunities for collaborative and open discussions. The profound disagreement on the goal’s essential features was evident. These TEDs culminated in the development of draft negotiating texts by the co-chairs; however, these were widely criticised for their excessive length and for failing to adequately reflect the diverse positions of Parties.

Among the main sticking points during the NCQG negotiations in the run-up to COP 29 were the quantum, the structure, the contributors’ base and the sources of funding. Developing countries quantified the goal in trillions, while developed countries refused to suggest a figure. Moreover, the integration of Loss and Damage finance as a sub-goal was widely opposed by developed countries.

The role of private sources of funding was also highly contested, as developing countries saw an attempt to dilute developed countries’ obligations. Similarly, developing countries did not agree to be included within the contributors’ base. They saw the goal as enabling the delivery of developed countries’ financial obligations under the Paris Agreement, where developing countries’ contributions are merely voluntary.

Consequently, the legal basis for developing the goal was a strong source of contention. Developed countries argued that the NCQG should be anchored on Article 2.1(c), ensuring that financial flows are consistent with pathways towards lower greenhouse gas emissions. Meanwhile, developing countries argued that it should be exclusively under Article 9, specifically 9.1, which sets the specific obligation on developed countries to provide climate finance to developing countries. More on the process leading to COP 29 NCQG negotiations can be found in the [LRI explainer](#).

2. Negotiations at COP 29 and the process of adoption of the NCQG

During COP 29, the annual report of the AWHP, which included the substantive framework for a draft negotiating text, was presented by the co-chairs. Similarly to the negotiations in Bonn (June 2024) over the NCQG, the COP negotiations over the topic started with widespread rejection of the draft text.

Discussions during the first week focused on transparency and access to financing after a reformulated proposal was circulated. The central elements of the goal, including quantum, contributors and structure, were not agreed upon after the first week of negotiations.

In the second week, the text was forwarded to the COP Presidency, which appointed Ministers to lead political engagement and convened technical sessions with heads of delegations. Hence, parallel negotiations took place on the same issue in different formal arrangements, including contact groups, ministerial talks, technical sessions, as well as

informal consultations and bilateral/multilateral meetings. These separate negotiations were sometimes used by negotiators to delay advances to find a collective goal through consensus.

In the second week of negotiations, a streamlined compilation of proposals included the diverse positions of delegations over qualitative and quantitative elements of the NCQG, however, it still lacked a figure. AOSIS, for instance, asked for a quantum to be included and for a minimum allocation floor for SIDS and LDCs. AILAC lamented the backtracking on previously agreed language concerning the transition away from fossil fuel (see [ENB summary](#) for further comments).

On the day before the official end of the negotiations, a [Presidency text](#) was introduced, facing widespread criticism for its ambiguity and significant omissions on substantive matters that were debated by parties during the AHWP. The Presidential draft was also the first to include a figure – USD 250 billion by 2035 – a number that was received with strong resistance among developing countries. Prior to the draft being made public, rumours of a proposal for a USD 200 billion goal reached the chairs of the G77, the AGN and the spokesperson for the LMDC, who responded with: ‘Is it a joke?’ Criticism also extended to the specific figure of the quantum being disclosed by the Presidency so late in the negotiations. The COP President responded to this criticism [in the media](#), emphasising the insistence of “western countries” not to disclose a ‘quantum’ in the draft until the penultimate day, as they were not willing to move much further from their original proposal of USD 250 billion.

The negotiations ran over time as consensus was lacking. The text was amended to incorporate elements considered essential to meeting the needs of developing countries.

Two negotiating groups – AOSIS and LDCs – temporarily walking out of the talks because they had not been consulted on one of the draft texts, whereas other groups were invited to meet with the COP President. In this tense context, compromise was achieved but many [delegations](#) still expressed their dissatisfaction and disagreement with the decision.

From a procedural perspective, the decision was adopted under controversial circumstances. Indeed, the presiding officer took the discretion to announce the adoption of their latest proposal for a draft decision at the closing plenary without opening the floor for comments or interventions, despite the request from some Parties to take the floor. Amongst them, India made a particularly powerful statement after the gaveling of the decision complaining to the COP President for omitting their request to take the floor before the adoption, describing the process of adoption as ‘stage-managed’. Hence, some delegates have questioned whether the decision was properly adopted by consensus decision-making. For more details, see LRI’s advice about the [process of adoption of the NCQG decision](#).

3. The NCQG decision

The NCQG decision establishes a new collective quantified goal on climate finance ([Decision I/CMA.6](#)), which aims at accelerating the achievement of the Paris Agreement objectives. To do so, the NCQG will support developing countries’ climate plans (ie. Nationally Determined Contributions or National Adaptation Plans); enhance ambition, and address their evolving needs, prioritising vulnerable nations such as LDCs and SIDS. While the decision does not establish sub-goals (on mitigation, adaptation and loss and damage), it is meant to respond to developing countries’ needs, and acknowledges the importance of achieving a balance between adaptation and mitigation funding (para 17) and the significant gaps in loss and damage finance (para 19).

Quantitative elements of the NCQG include the specific goal of at least USD 300 billion annually, led by developed countries from diverse public and private sources. In addition to encouraging voluntary contributions from developing countries (para 8). Moreover, the decision includes a call on all actors to collaborate in scaling up climate finance for developing countries to at least USD 1.3 trillion per year by 2035 (para 7), however, it does not provide much clarity on the legal status or timeline for this call.

The NCQG decision also addressed qualitative elements, especially access to funding. Indeed, the decision highlights the need to address barriers, constraints and systemic inequalities to accessing climate finance, including high capital costs, co-financing requirements, and complex application processes, as well as enhancing transparency and eliminating conditionalities for access, particularly for LDCs and SIDS (para 21). In addition, the decision urged Parties providing bilateral climate finance to increase support for locally led approaches and institutions, particularly for adaptation; but also to enhance capacity-building, technical assistance, and readiness programs (para 22).

Moreover, the decision invited international financial institutions to coordinate their actions to tackle both climate change and poverty using a range of instruments (particularly non-debt creating instruments); to consider expanding concessional and grant financing for vulnerable countries; and to improve access and effectiveness of climate finance (para 23). These elements of the decision, however, are framed in soft terms, as invitations, calls or acknowledgements and lack the necessary precision to be regarded as binding commitments. Nevertheless, Parties should respond to this guidance by the CMA.

Parties further decided that a significant increase of public resources should be channelled through the Financial Mechanism, the Adaptation Fund, the Least Developed Countries Fund and the Special Climate Change Fund. Parties also agreed that efforts

to triple those funds' annual outflows from 2022 by 2030 are to be pursued (para 16). In addition, Parties agreed that these multilateral climate funding mechanisms ought to enhance access, effectiveness, and flexibility by prioritising direct access, simplifying processes, promoting programmatic approaches and streamlining reporting (para 6).

The decision faced strong criticism because of its substance and its adoption process. Substantively, in addition to setting a very modest quantum, the decision does not clearly articulate the obligation of developed countries to provide climate finance as mandated in Article 9.1 of the Paris Agreement.

Despite recalling the entire Article 9, the decision reflects more closely the language used in Article 9.3, in which climate finance is to be mobilised under the responsibility of all actors with developed countries taking the lead. In addition, the decision falls short of providing an explicit definition of climate finance, and fails to address key issues including human rights, the exclusion of certain financial flows (eg. non-concessional loans) and fossil fuel investments, hence weakening efforts to ensure a just climate transition. Finally, Parties criticised that the call to scale up climate finance to 1.3 T per year lacked clarity on how it is to be achieved and was formulated in extremely weak terms.

4. Next steps and the “Baku to Belém Roadmap to 1.3 T”

Given the complex negotiations leading to the adoption of the goal, parts of the decision remain unclear in their full meaning or are to be further interpreted and operationalised.

Paragraph 7 of the decision contains the call on all actors to collaborate in scaling up climate finance for developing countries to at least USD 1.3 trillion per year by 2035, but fails to provide a concrete plan for this, remaining a highly aspirational target.

In order to specify how this target ought to be reached, the decision launched the “Baku to Belém Roadmap to 1.3 T” (para 27) under the guidance of the CMA 6 and CMA 7 Presidents. The decision only requests the Presidencies to produce a report summarising their work as the Roadmap concludes at CMA 7 (November 2025). Still, it is not clear, whether the CMA will take an action on this report, or if there will be another (if any) way forward for it.

As part of the June 2025 Climate Meetings (SB 62), the COP 29 Presidency and COP 30 incoming Presidency will co-convene the following events:

- open consultation event with parties on the Roadmap;
- open consultation event with non-party stakeholders on the Roadmap;
- BICFIT (Baku Initiative for Climate Finance, Investment and Trade) as a platform for the Baku to Belém Roadmap to 1.3 T.

In preparation for SB 62, CMA 6 and CMA 7 Presidencies sought views from States and non-state Parties on their overall expectations for the Roadmap.

Developing countries ask for concrete plans to deliver on this target with clearly assigned responsibilities. For them, the target should respond only to developing countries' evolving needs, including adaptation, mitigation and loss and damage; reflect equity and CBDR-RC; and offer a definition of climate finance.

In contrast, developed countries see this Roadmap as an opportunity to unlock private capital and therefore should involve private investors as stakeholders. They also oppose the Roadmap re-opening any elements of the NCQG decision.

Other actions following from the NCQG decision include:

- A request to the Standing Committee on Finance to prepare a biennial report for the CMA's consideration, beginning in 2028, on collective progress towards the delivery of the NCQG;
- An invitation for Parties to submit financial support data for 2025 and 2026 using common tabular formats referred to in chapter V of the annex to [decision 18/CMA.1](#) for the electronic reporting of that information by 30 June 2028 and biennially thereafter. This should ensure a comprehensive overview of financial support, after negotiations leading to the adoption of the NCQG evidenced the gaps in costing finance needs among developing countries. Ultimately, this data should inform the next cycle of the global stocktake.
- CMA 12 (2030) will conduct a special assessment of access to climate finance.

Assessment of the implementation of the goal:

the implementation of the NCQG will be periodically assessed as part of the GST cycle. During the first GST (2023), Parties also assessed the previous goal, finding it had not been met at least in 2022.

Reviewing the NCQG decision – the path to a new goal:

In addition to the assessment of the implementation of the goal, the decision sets a timeline for the review of the NCQG decision, which will take place in 2030, with a view to starting deliberations on future directions prior to 2035. This timeline is seen as a compromise to avoid re-opening the discussion on the decision itself until then.