



Replenishment of Multilateral Climate Funds in the context of the NCQG and BtBR: status, options and negotiation linkages

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1. Introduction

The outcome of COP29 in Baku marked a new phase in the evolution of the international climate finance architecture with the agreement on the New Collective Quantified Goal on Climate Finance (NCQG). The NCQG succeeds the previous USD 100 billion goal and establishes a broader framework for scaling climate finance in support of developing countries' needs. The agreed outcome centres on a collective ambition to mobilise at least USD 300 billion annually by 2035 for developing countries, while also recognising the significantly larger global investment

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needs and calling on all actors to work towards scaling climate-related finance flows to USD 1.3 trillion annually. Within this broader architecture, multilateral climate funds (MCFs) serving the UNFCCC and Paris Agreement remain important institutional channels for delivering concessional and grant-based finance, particularly for vulnerable countries and their adaptation-related needs.

In this context, **replenishment processes for MCFs, including the Green Climate Fund (GCF), the Global Environment Facility (GEF), the Adaptation Fund (AF), the Least Developed Countries Fund (LDCF), and the Special Climate Change Fund (SCCF), as well as the Fund for Responding to Loss and Damage (FRLD)¹ have key strategic significance as mechanisms capable of channelling predictable and concessional finance.**

The NCQG decision text further elevated the political importance of UNFCCC climate funds with explicit references to increasing their role within the broader climate finance architecture. Paragraph 16 of the decision calls for a ‘significant increase’ in public resources through UNFCCC climate funds and for efforts to ‘at least triple annual outflows’ from these funds compared to 2022 levels by 2030, with a view to significantly increasing their share in delivering the USD 300 billion target. As highlighted by Grimm et al. (2025),² this language links quantitative scaling-up with qualitative objectives such as improved access, greater reliance on grants and concessional finance, strengthened direct access modalities, and enhanced support for adaptation and vulnerable countries.

At the same time, **the interpretation of the ‘tripling outflows’ objective remains politically contested, as differing views persist concerning whether the tripling target should be understood collectively across all UNFCCC climate funds or individually for each fund.** Some parties and observers interpret the language primarily as a political signal intended to establish an upward trajectory for replenishment ambition and programming volumes. Others emphasise that the decision does not create binding replenishment obligations, prescribe burden-sharing arrangements among contributors, or define precise methodologies for measuring outflows. Furthermore, the choice of 2022 as the baseline

year was politically significant, because 2022 represented an unusually low year for aggregate UNFCCC fund outflows, thereby lowering the threshold required to achieve a formal “tripling” by 2030. Moreover, a target for a further increase in the climate fund outflows beyond 2030 has not yet been negotiated.

These debates are closely linked to the “Baku to Belém Roadmap” (BtBR),³ presented at COP30 as a framework for operationalising the scale-up from the USD 300 billion NCQG floor toward broader climate finance objectives. **Within this context, replenishment of multilateral climate funds has been framed both as a near-term delivery mechanism and as a credibility test for the wider climate finance package.** Developing countries have emphasised that ambitious replenishments are needed to ensure meaningful grant-based and concessional support, particularly for adaptation and vulnerable countries. Meanwhile, many developed countries have argued that public budget contributions alone will not be sufficient to meet the scale envisioned under the NCQG and BtBR framework and therefore advocate for broader approaches to mobilisation and leverage.

As a result, discussions under the BtBR have increasingly considered a wider range of potential replenishment sources beyond traditional contributor budget allocations. These include innovative finance instruments, philanthropic contributions, carbon market-related revenues, aviation and maritime levies, debt-related instruments, solidarity taxes, and mechanisms designed to mobilise private capital alongside public resources. At the same time, significant political and governance questions remain regarding the predictability, equity implications, and accountability of these approaches. Many developing countries caution that overreliance on private finance mobilisation or non-grant instruments could reduce developed countries’ obligations under the Convention and Paris Agreement. On the other hand, many developed countries view diversification of funding sources and broadening the contributor base as essential for achieving the scale envisioned under the NCQG framework.

1 The exact modalities of the replenishment process of the FRLD are still to be determined..

2 See Grimm et al. (2025), “Beyond Tripling: The Role of UNFCCC Climate Funds in Delivering the NCQG,” available at: <https://cfas.info/en/publication/beyond-tripling-role-unfccc-climate-funds-delivering-ncqg>

3 See UNFCCC (2025), available at: https://unfccc.int/sites/default/files/resource/Relatorio_Roadmap_COP29_COP30_EN_final.pdf

Against this backdrop, replenishment discussions have become increasingly interlinked with broader negotiations on climate finance architecture, burden sharing, access modalities, effectiveness, and accountability. The evolving relationship between the NCQG, the BtBR framework, and MCF replenishment is therefore likely to play an important role in shaping both the political credibility and operational effectiveness of international climate finance in the coming years.

The following paper provides a quantitative assessment and descriptive overview of multilateral MCF replenishment within the broader NCQG and BtBR context. It maps the role of replenishment in the wider climate finance architecture, outlines available resources and possible gaps, reviews potential replenishment sources, and highlights relevant process and negotiation linkages from different negotiating perspectives.

2. Overview of multilateral climate funds and their resource base

The quantitative assessment of the UNFCCC climate funds resource base covers historical values from 2018 to 2025 and projects the resulting resource balance to 2035. Audited financial statements from the Funds presenting annual receipts, disbursements and balances, and World Bank Financial Intermediary Fund trustee reports are applied as data sources. Annual outflows are composed of disbursements, cash transfers, programme payments, project/programme payments, agency transfers, or other administrative expenses. Annual inflows are split into two categories: direct contributor replenishment and other inflows. The latter include trust-fund investment income from parking the money, for example, in government bonds, loan interest, project/programme equity returns, loan principal repayments, and other reflows.

The assessment is distinguished by two resource-base perspectives. The first is the total balance of available resources within the funds, based on the reported liquid or trust-fund balance that has not been disbursed yet. However most of those resources have already been allocated to approved projects and can therefore not be used for new projects in the pipeline. Thus, the second perspective only considers

unallocated resources, available to support new Board, Council, or CEO funding decisions. This unallocated line is the closest comparable cross-fund measure of resources that have not yet been earmarked for approved projects, pending transfers, administrative budgets, or reserve requirements. It is therefore more conservative than the full balance and is used as the starting point to derive an outflow pathway.

This modelled outflow pathway mirrors how these funds operate in practice. External contributions and other receipts first enter the relevant trust fund or secretariat accounts and increase cash or investment balances. Governing bodies then approve projects, programmes, fees, readiness support, or administrative budgets. Only after approvals are committed, are funds disbursed over time.

The funds differ substantially in their resource mobilisation modalities. The GCF is organised around formal replenishment cycles. Its resource base combines grant contributions, capital contributions, contributor loans, investment income, and reflows from its funded portfolio. The GEF Trust Fund is also replenishment-based, but it is a multi-convention fund, with resources allocated across biodiversity, climate change, international waters, land degradation, and chemicals and waste. The LDCF and SCCF are administered alongside the GEF architecture but are not funded through the same negotiated replenishment cycle; they depend more directly on voluntary contributions and investment returns. The Adaptation Fund has a different profile. It is a grant-based adaptation fund whose resource base has historically combined voluntary contributions, investment income and proceeds linked to the monetisation of Kyoto Protocol carbon-market units, with future Article 6-related proceeds remaining relevant but uncertain. The FRLD, as the newest fund, was seen in 2025 to be in a start-up period, subject to what are referred to as the Barbados Implementation Modalities, financed based on contributor receipts, early investment income, and administrative outflows, but without any project/programme disbursements yet. Across all funds, with the exception of the GCF, the model shows little or no structurally significant revolving resource base. The funds' ability to expand outflows therefore depends overwhelmingly on predictable replenishment or contribution inflows.

2025 resource balance (USD billion)						
Climate Fund	Outflows	Contributions	Other inflows	Total inflows	Total liquid resource balance	Liquid not earmarked resource balance
GCF	1.42	2.92	0.74	3.66	11.95	1.80
GEF Trust Fund	0.84	0.80	0.27	1.07	5.01	0.50
SCCF	0.01	0.03	0.01	0.03	0.11	0.07
LDCF	0.12	0.10	0.06	0.15	1.06	0.05
Adaptation Fund	0.09	0.21	0.06	0.27	1.12	0.72
FRLD	0.00	0.35	0.01	0.356	0.35	0.35
Administrative outflows (all funds)	0.06					
Total	2.54	4.41	1.13	5.54	19.61	3.49

Table 1: 2025 resource balance (USD billion). Source: Resource-balance model developed by the authors. Values are rounded to USD billion.

3. Funding needs and possible resource gap

The applied model uses the 2022 outflows of the UNFCCC climate funds as the baseline for the tripling target. In that year, combined outflows across the six funds, including administrative outflows, were USD 1.82 billion.⁴ This figure is lower than several earlier and later years in the historical series, which reinforces the point made in the policy discussion that the choice of 2022 as a reference year produces a relatively low minimum benchmark (compare Grimm et al. 2025).

To simulate future outflows until 2035, three outflow scenarios show a range of possible interpretations of the tripling target and the following NCQG period.

- 1. The minimum strict tripling pathway** is the narrowest reading: annual outflows increase from the 2022 baseline to three times that level by 2030 and then remain flat until 2035.
- 2. The sustained post-2030 growth scenario** accepts the same 2030 tripling benchmark but assumes continued growth afterwards. This reflects the argument that a

one-off tripling by 2030, followed by stagnation, would do little to significantly increase the share of finance delivered through UNFCCC funds by 2035. Interview partners from different constituencies highlight that a further increase would be necessary simply to offset the continuing rise in inflation at minimum.

- 3. The third pathway links fund outflows to the broader NCQG context** by scaling the funds towards a larger share of the USD 300 billion annual goal representing a “significant increase”, as specified in the NCQG decision, or ‘significant share’ as stipulated in the Paris Agreement. In the simulated example, a sizable ‘meaningful’ share is interpreted as 5% of the NCQG target and therefore includes a steeper constant increase totalling about USD 9 billion by 2030 and finally reaching USD 15.00 billion of outflows by 2035. While the interviewed representatives from developed and developing countries have diverse views of what constitutes a ‘meaningful share,’ the assumed 5% share is interpreted as very conservative by developing country negotiators who have been interviewed.

Table 2 gives an overview of the 2030 and 2035 target values modelled for the three scenarios.

⁴ The figure of USD 1.82 billion is based on audited financial statements from the Funds and World Bank Financial Intermediary Fund trustee reports presenting annual disbursements.

Outflow pathways used in the final model (USD billion per year)				
Scenario	2022 baseline	2030 value	2035 value	Interpretation
Minimum strict tripling	1.82	5.46	5.46	Triples 2022 strict disbursements by 2030 and then remains constant.
Sustained post-2030 growth	1.82	5.46	8.40	Triples by 2030, then continues to grow through 2035.
NCQG meaningful	1.82	9.11	15.00	Illustrative pathway towards a ‘meaningful share’ of the USD 300 billion goal. In the simulation this represents 5% of the target.

Table 2: Outflow pathways used in the final model (USD billion per year). Source: Resource-balance model developed by the authors. Values are rounded to USD billion.

The projected inflow side of the scenarios is based on external contributions and other inflows. The historic contribution is used as a proxy for future contributor finance, applying the average annual contribution from 2022 to 2025 as continuous contributor inflow.⁵ The other internally generated resources such as investment income, loan interest, and reflows that have steadily grown are assumed to continue increasing at a similar pace. This avoids overstating future resources by compounding uncertain inflow growth and makes the financing-gap comparison easier to interpret.

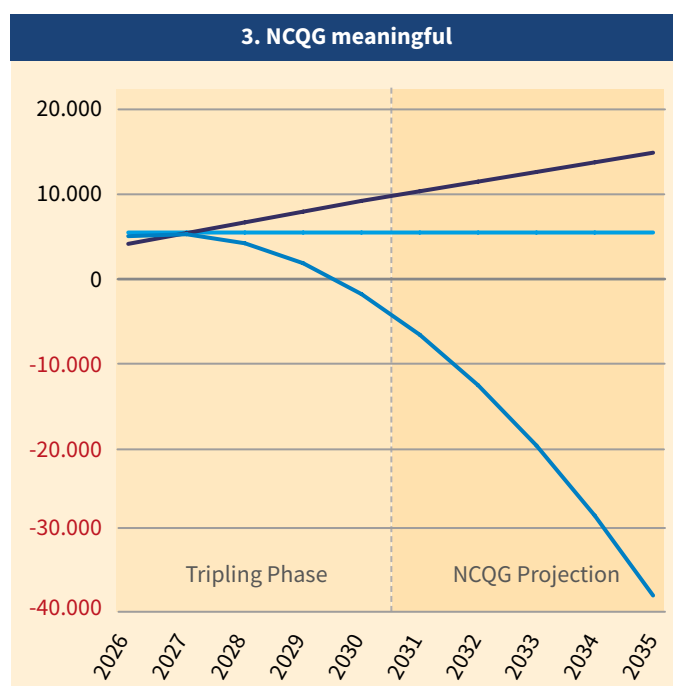
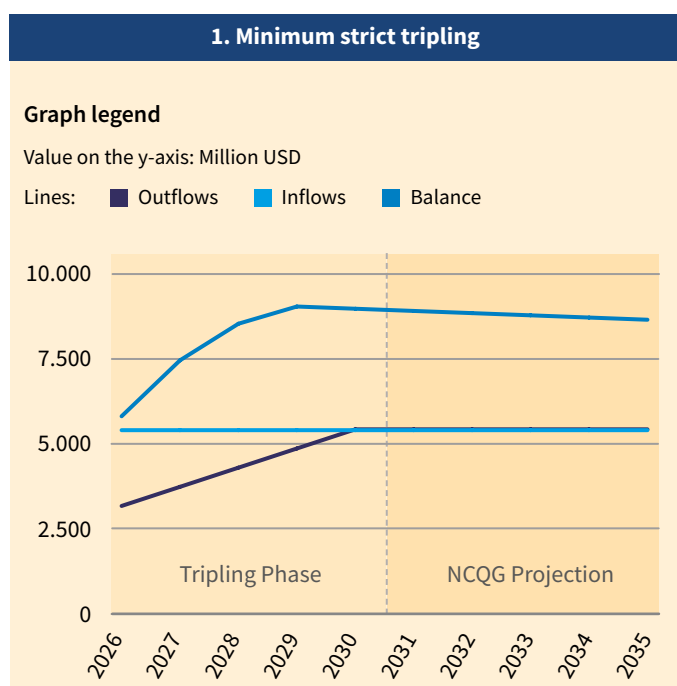
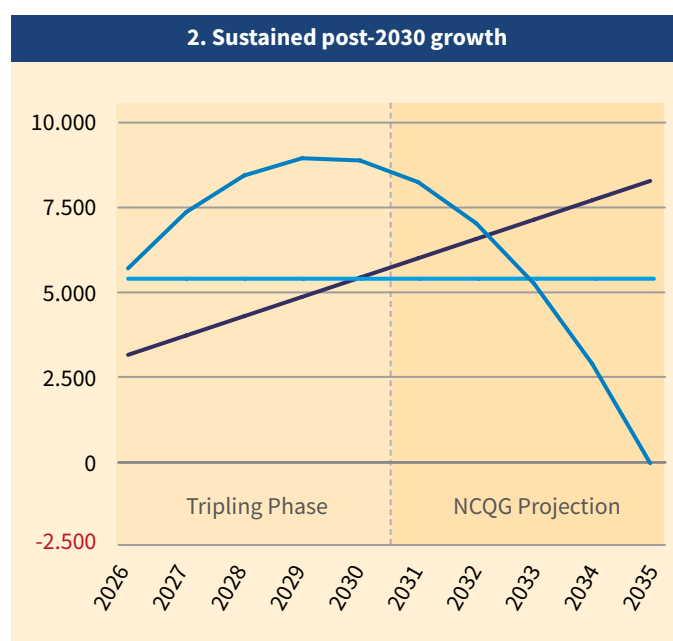


Figure 1: Outflows, inflows and resource balance of the simulated scenarios (USD million per year). Source: Resource-balance model developed by the authors. Values are rounded to USD billion.

5 With the caveat that the GEF is simulated with lower contributions due to the lower commitments from the GEF-9 replenishment (USD 3.9 billion instead of USD 5.3 billion for GEF-8, reflecting the commitments as of April 2026).

For the GCF, loan principal repayments, loan interest, equity returns, and investment income can be reused and can partially support future outflows. For the GEF Trust Fund, LDCF, SCCF, the Adaptation Fund, and FRLD, other inflows are mostly investment income and occasional reflows or carbon-market-related proceeds. These sources are useful, but they are not large enough to substitute for replenishment or sustained contributor payments if outflows are to remain at or above the tripled level after 2030.

3.1 Resulting potential financing gaps

Figure 2 shows the resource balance of the six UNFCCC climate funds under the simulated scenarios. Using only unearmarked resources, the six climate funds start from USD 3.49 billion in free resources in 2025. Under the minimum strict tripling pathway, this very conservative scenario remains positive through 2035, with a balance of USD 8.66 billion. It

can be expected that the estimated outflows can be sustained based on external contributions on continuing levels. With continued increasing of self-generated inflows, external contributions might even slightly decline over time.

Under the sustained post-2030 growth scenario, the resource balance declines from 2029 onwards, jeopardising a sustainable operation beyond 2030. By 2035, the resources will be fully exhausted. To sustain the operation of the funds, additional resources of two to three billion USD annually would have to be mobilised from 2030 onwards.

The more ambitious ‘meaningful share of NCQG’ scenario already starts depleting by 2027, and it already generates a financing gap by 2030 and a much larger gap of USD 38 billion by 2035. To address this gap, an increasing volume of additional funding would need to be mobilised, steadily rising from USD 1 billion in 2028 to about USD 10 billion in 2035.

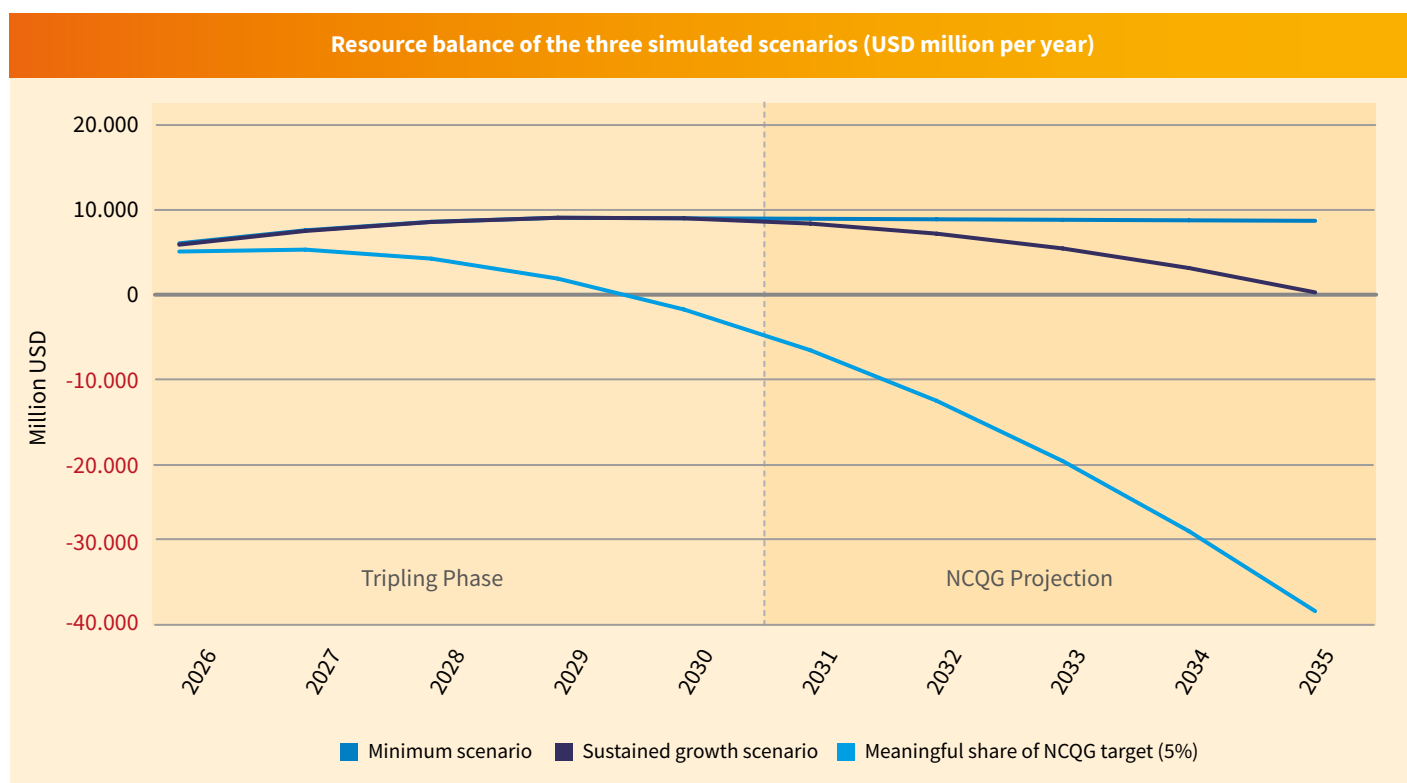


Figure 2: Resource balance of the three simulated scenarios (USD million per year). Source: Resource-balance model developed by the authors. Values are rounded to USD billion.

Financing-gap results under the two starting-balance approaches (USD billion)		
Outflow scenario	2030 resource balance / gap	2035 resource balance / gap
Minimum strict tripling	8.96	8.66
Sustained post-2030 growth	8.96	-0.1
NCQG share pathway	-1.94	-38.16

Table 3: Financing-gap results under the two starting-balance approaches (USD billion). Source: Resource-balance model developed by the authors. Values are rounded to USD billion.

Summing up, the minimum strict tripling benchmark of USD 5.46 billion in 2030 is a low-end interpretation of the NCQG target that does not compensate for future inflation losses. It may be reachable if projected inflows continue and existing balances are used efficiently. However, the expected demand growth in the NCQG context up to 2035 depends on new and additional external contributions, especially for the grant-based funds. Internal reflows and investment income help, but they do not change the core finding that contributor replenishments remain the decisive driver of whether the UNFCCC climate funds can move beyond a narrow tripling target or meaningfully increase their share of international climate finance by 2035.

3.2 Possible replenishment sources beyond budget contributions: Indicative quantification and qualitative analysis

To address the identified gap, higher external replenishment from contributors is the first option. However, international climate finance flows, particularly grant-based finance, have been under increasing pressure during recent years. The BtBR identifies a range of innovative sources of concessional finance that all countries are called on to explore collectively.

These are framed around three broad categories: the rechanneling and additional issuance of SDRs directed to climate action; strengthened international cooperation on taxation and voluntary sector-based contributions targeting highly polluting activities, financial transactions, and ultra-high-net-worth individuals; and enhanced use of the share of proceeds from carbon pricing mechanisms, with particular reference to the Paris Agreement Crediting Mechanism.

A key advantage for the funds would be predictability of mobilised funds and sovereignty from public budgets in contributor countries.

3.2.1 Article 6.4 Share of Proceeds

The Article 6.4 mechanism is the only innovative source currently linked to MCF replenishment through a legally established decision. Under Decision 3/CMA.3 (Glasgow, 2021), the Adaptation Fund is to receive a share of proceeds from the Paris Agreement's multilateral carbon crediting mechanism comprising three streams.⁶ The first is a levy of 5% of issued Article 6.4 emission reductions (A6.4ERs) at issuance, transferred to the Adaptation Fund, which can then sell them to generate revenue. The second, established by CMA 4, is a monetary contribution of 3% of the issuance fee paid for each request for credit issuance, deducted and transferred to the Adaptation Fund. The third is a periodic contribution from the remaining funds received from administrative expenses after the Article 6.4 mechanism becomes self-financing, following an annual review by the Supervisory Body.

The mechanism has only recently reached the minimum conditions for operation. The Supervisory Body adopted two governance standards, including the Standard on Methodology Requirements and the Standard on Requirements for Activities Involving Removals in October 2024.⁷ The first project methodology (A6.4-AMM-001, covering flaring or use of landfill gas) was approved at the Supervisory Body's 19th meeting on 29–30 October 2025.⁸ The first Article 6.4 credits followed in February 2026, issued from a single clean cooking programme in Myanmar, with the Supervisory Body Chair noting that conservative calculations

⁶ UNFCCC. "Adaptation Fund." Available at: <https://unfccc.int/Adaptation-Fund>

⁷ Carbon Gap Policy Tracker. 2026. "Paris Agreement Crediting Mechanism (Article 6.4) & CDR." Available at: <https://tracker.carbongap.org/policy/pacm/>

⁸ UNFCCC. "UN Body Agrees First Methodology under Paris Agreement Carbon Market." UN Climate Press Release, 30 October 2025. Available at: <https://unfccc.int/news/un-body-agrees-first-methodology-under-paris-agreement-carbon-market>

were applied, resulting in credited volumes roughly 40 per cent lower than under equivalent CDM systems.⁹ As of the first quarter of 2026, one methodology has been approved and one project has issued credits.

Quantification will remain necessarily speculative until the Article 6.4 market develops at scale. The total Article 6 carbon market has been projected at approximately USD 167 billion per year by 2030.¹⁰ **Applied conservatively to an Article 6.4 multilateral mechanism share of USD 10–20 billion per year, a 5% in-kind levy would generate USD 500 million to USD 1 billion per year for the AF, which would be meaningful relative to the AF’s annual mobilisation floor of USD 300 million but modest within the tripling target. At a more optimistic USD 50 billion Article 6.4 market, AF revenues could approach USD 2.5 billion per year.** However, these projections are highly uncertain, as no forward projection of AF revenues from Article 6.4 is supportable on the basis of current market data. There is no transaction history at scale, the approved methodology base is too narrow to estimate aggregate issuance volumes, and the price at which the AF would monetise in-kind credits is unknown. The CDM provides the closest historical reference, where the AF received a 2% share of proceeds from CDM-issued CERs under the same in-kind transfer model, accumulating USD 215.83 million in cumulative receipts from CER monetisation across the entire operational history of the CDM share of proceeds as of 30 June 2024.¹¹

3.2.2 Aviation levy

The International Civil Aviation Organisation’s (ICAO) CORSIA scheme is a sector-specific mandatory carbon-offsetting mechanism from 2027 for most member states, operating

under ICAO and separately from the UNFCCC.¹² Under CORSIA, airlines are required to purchase CORSIA Eligible Emissions Units from carbon market projects to offset emissions growth above a defined baseline.¹³ The compliance obligation is between airlines and the offset projects they select; there is no central fund through which CORSIA revenues could be directed to UNFCCC climate funds under the current design. A standalone aviation levy directed at climate finance has been under discussion through the Global Solidarity Levies Task Force (GSLTF), an intergovernmental initiative established at COP28 and co-chaired by Barbados, France, and Kenya.¹⁴ The GSLTF commissioned a study on aviation levy design published in June 2025, which estimated that revenues from aviation levies could range from EUR 3 billion to EUR 121 billion annually depending on levy type, rate, and geographical scope.¹⁵ Another study on a global frequent flyer levy found that raising USD 121 billion – the level ICAO estimated as annual technology investment needs for a 1.75°C-compatible aviation pathway – would require a levy starting at USD 9 for a person’s second flight in a year, rising to USD 177 for their twentieth; the levy rates are calibrated to reach the investment need figure that is not an independently projected revenue outcome from the levy.¹⁶ ICAO’s institutional position on aviation being used as a source of climate finance for other sectors is documented in Assembly Resolution A39-2, paragraph 16, which expressed concern about aviation being targeted as a source of climate finance revenue for other sectors in a disproportionate manner.¹⁷ In June 2025, ICAO Secretary General Juan Carlos Salazar wrote to all 193 ICAO member states urging them to express concern over proposals to impose new taxes or levies on international aviation for climate finance purposes.¹⁸ **As of SB64, the aviation levy remains a proposal under discussion within the GSLTF, with no adoption pathway yet agreed on and continued institutional opposition from ICAO.**

9 Clear Blue Markets. 2026. “First Article 6.4 Credits Issued Under the Paris Agreement.” Available at: <https://www.clearbluemarkets.com/knowledge-base/first-article-6.4-credits-issued-under-the-paris-agreement>

10 IETA / University of Maryland. 2024. “Delivering Climate Ambition through Market Mechanisms.” Referenced in the SDG Knowledge Hub. <https://sdg.iisd.org/commentary/policy-briefs/delivering-climate-ambition-through-market-mechanisms-capitalizing-on-article-6-piloting-activities/>

11 UNFCCC. “Adaptation Fund.” Available at: <https://unfccc.int/Adaptation-Fund>

12 Aviation: Benefits Beyond Borders. “CORSIA Explained.” Available at: <https://aviationbenefits.org/other-environmental-challenges/climate-action/market-based-measures/corsia/corsia-explained/>

13 Climate Impact Partners. 2026. Available at: <https://www.climateimpact.com/news-insights/insights/corsia-explained-what-the-aviation-carbon-scheme-is-and-what-recent-developments-mean-for-the-market/>

14 Blom, M., Boerdijk, S., Meijer, C. & van Seters, D. 2025. “A Fair Share from Aviation: Solidarity Levies in Aviation — Options for a Coalition of the Willing.” CE Delft, for the Global Solidarity Levies Task Force. Available at: <https://solidaritylevies.org/app/uploads/2025/06/Aviation-study-FINAL.pdf>

15 Ibid.

16 Zheng, X.S. & Rutherford, D. 2022. “Aviation Climate Finance Using a Global Frequent Flying Levy.” International Council on Clean Transportation. Available at: <https://theicct.org/publication/global-aviation-frequent-flying-levy-sep22/>

17 ICAO. “Evolution of ICAO’s MBMs, Levies and CORSIA.” Background paper. Available at: https://www.icao.int/sites/default/files/environmental-protection/CORSIA/Documents/Evolution-of-ICAO-MBMs-Levies-and-CORSIA_FINAL.pdf

18 GreenAir News. 2025. “ICAO ‘Deeply Concerned’ over Proposals to Raise Global Climate Finance through International Levies on Aviation.” Available at: <https://www.greenairnews.com/?p=7169>

3.2.3 Maritime transportation levy

A maritime transport levy could be treated as a predictable revenue source for the climate funds. The basic design would be to impose a charge on greenhouse-gas emissions or fossil marine fuel use from international shipping, collect revenues centrally or through national implementation coordinated under the International Maritime Organization (IMO), and earmark part of the proceeds for climate action in developing countries. The Baku to Belém Roadmap identifies ‘fees on aviation or maritime transport’ as one possible financing pathway, with estimates ranging from USD 4–223 billion per year, depending on whether the fee is applied to tickets, fuel consumption, emissions, or other units, and depending on the rate and coverage chosen¹⁹.

International shipping accounts for 2% to 3% of global CO₂ emissions.²⁰ A recent IMO-related proposal suggests imposing a minimum fee of USD 100 for every ton of greenhouse gases emitted by larger vessels above 5,000 gross tonnage by 2028.²¹ **This would generate around USD 11–13 billion annually if adopted, largely for a net-zero shipping fund rather than general climate finance.²² If part of that revenue would be made available for UNFCCC climate funds, it could cover a significant share of the identified gap.** A comprehensive levy scenario would be larger. A USD 100/tCO₂ levy applied broadly to around 0.8–1.0 GtCO₂e of covered shipping emissions would lead to revenues of roughly USD 80–100 billion per year, excluding exemptions and administrative costs. This is consistent with published estimates that a USD 100/t shipping levy could raise up to USD 130 billion per year, and with earlier estimates for a shipping carbon tax.²³ If 10% of such an ambitious levy were earmarked for climate funds, this would be sufficient to address the gap for the ‘meaningful NCQG share’ scenario.

However, the Roadmap also stresses that these levies require political agreement on the mechanism and, crucially, on the share of proceeds allocated to developing-country climate finance. The main obstacle here is political negotiations. The IMO framework has faced delays and opposition, and recent reporting indicates that talks remain contested, with the carbon-pricing element still not finally adopted and a decision delayed to the end of the year 2026.

3.2.4 SDR Rechannelling and the IMF Resilience and Sustainability Trust

The IMF’s Special Drawing Rights framework (SDR) has supported two relevant instruments. Since 2020, SDR channelling of USD 60 billion has supported interest-free loans through the Poverty Reduction and Growth Trust (PRGT) for the poorest IMF members. As of March 2026, approximately USD 39 billion in loans had been committed to 57 countries through the PRGT.²⁴ Separately, 23 partners have channelled or committed approximately USD 49 billion to the Resilience and Sustainability Trust (RST), which the IMF has used to commit financing of approximately USD 29 billion towards helping vulnerable countries address long term challenges including climate change.²⁵ Neither PRGT nor the RST constitutes a contribution to MCFs, as both windows provide loans to sovereign borrowers through the IMF rather than grants or contributions to the climate funds.

3.2.5 Taxes on financial transactions and ultra-high-net-worth individuals

The BtBR Roadmap identifies two tax-based instruments as areas for international cooperation: levies on financial transactions and taxes on ultra-high-net-worth individuals. Both have been examined by the Global Solidarity Levies Task

19 BtBR (2025), p.18

20 International Maritime Organization. “Decarbonization of Shipping.” Available at: <https://www.imo.org/en/ourwork/environment/pages/decarbonization%20of%20shipping.aspx>

21 IMO. 2025. Circular Letter No. 5005: Draft Revised MARPOL Annex VI (Secretariat). Available at: <https://wwwcdn.imo.org/localresources/en/MediaCentre/HotTopics/Documents/Circular%20Letter%20No.5005%20-%20Draft%20Revised%20Marpol%20Annex%20Vi%20%28Secretariat%29.pdf> (para on Remedial Units)

22 McDermott, J. & Arasu, S. 2025. “Major Nations Agree on First-Ever Global Fee on Greenhouse Gases with Plan That Targets Shipping.” Associated Press, 11 April 2025. Available at: <https://apnews.com/article/shipping-emissions-climate-change-98ff23ca4739d8b4fc5a8f941a7ca0c4>

23 See, for instance: Global Solidarity Levies Task Force. 2024. “Scaling Solidarity: Progress on Global Solidarity Levies.” Available at: <https://solidaritylevies.org/app/uploads/2024/11/GSLTF-Scaling-Solidarity-Progress-on-Global-Solidarity-Levies-report.pdf> (p. 32f); Zaki, N. 2025. “High Seas, High Stakes: Pricing Shipping Emissions for Climate Finance.” Germanwatch. Available at: https://www.germanwatch.org/sites/default/files/2025-09/Germanwatch_High%20Seas%2C%20High%20Stakes_Pricing%20Shipping%20Emissions%20for%20Climate%20Finance.pdf; World Bank. “Carbon Revenues from International Shipping.” Available at: <https://www.worldbank.org/en/topic/transport/publication/carbon-revenues-from-international-shipping>.

24 IMF. 2026. “Special Drawing Rights.” <https://www.imf.org/en/topics/special-drawing-right>

25 Ibid.

Force, which concluded its technical work at COP30 and published ten recommendations for its post-COP30 agenda.²⁶ A Financial Transaction Tax (FTT) applies a low-rate levy to trades in equities, bonds, derivatives, and foreign exchange. A European Parliament report cited in UNFCCC documentation estimates that a broad-based FTT at a rate of 0.01 to 0.05 percent could generate approximately EUR 200 billion per year at the EU level and USD 650 billion globally.²⁷ These projections are based on pre-2010 transaction volumes and should be treated as illustrative. The GSLTF identified the FTT as meriting further research, and its post-COP30 agenda includes continued work on the instrument alongside fossil fuel levies, aviation, shipping, and cryptocurrencies. The proposal for a coordinated global minimum tax on ultra-high-net-worth individuals was placed on the G20 agenda by Brazil's 2024 presidency. The baseline proposal requires

individuals with more than USD 1 billion in wealth to pay a minimum annual tax of 2 percent of their wealth, enforceable through the same coordinated mechanism used for the OECD/G20 global minimum corporate tax. Applied to approximately 3,000 billionaires globally, this is estimated to raise USD 200 to 250 billion per year.²⁸ The broadest institutional vehicle for both instruments is the UN Framework Convention on International Tax Cooperation, currently under negotiation and is expected to be ratified in 2027. For both taxes, revenues would be collected by national governments. **Directing any share to UNFCCC climate funds would require an explicit political commitment by contributing countries – comparable in nature to a replenishment pledge – to earmark domestic tax revenues for their international climate finance obligations.**

Comparative assessment of alternative replenishment sources			
	Political will	Financial contribution	Maturity / link to funds
Article 6.4	Legally established (Decision 3/CMA.3, CMA.4)	Speculative, USD 0.5-2.5bn/yr projected, no market data to support it	Only 1 methodology approved, 1 project issuing credits; no transaction history at scale
Aviation levy	ICAO institutionally opposed (Res. A39-2, SG letter to 193 states)	Large potential range (EUR 3-121bn) but contested / illustrative	No adoption pathway; CORSIA has no channel to UNFCCC funds by design
Maritime levy	IMO proposal exists but contested; carbon-pricing element delayed to end-2026	Largest concrete potential (USD 11-130bn/yr)	Not adopted; share for climate funds not agreed
SDR rechanneling	Established and operating (23 partners, active commitments)	Substantial volume (~USD 49bn) but not earmarked for climate funds	Loans to sovereigns; structurally does not count as MCF contribution
FTT / UHNWI tax	On G20/GSLTF agenda; UN Tax Convention in negotiation (ratification ~2027)	High theoretical potential (USD 650bn / 200-250bn) but pre-2010 data, illustrative	No mechanism to direct revenue to UNFCCC funds; requires new political commitment

Strong / favorable
 Mixed / uncertain
 Weak / unfavorable

Table 4: Qualitative comparative assessment of alternative replenishment sources across political will, financial contribution, and level of maturity. Source: own analysis.

26 Global Solidarity Levies Task Force. 2025. COP30 High-Level Event on Solidarity Levies, Belém, 15 November 2025: <https://solidaritylevies.org/cop30/>

27 Institute for Policy Studies. "Financial Transaction Taxes and the Global South: Frequently Asked Questions. Available at: https://unfccc.int/files/cooperation_support/financial_mechanism/long-term_finance/application/pdf/financial_transactions_taxes_and_the_global_south.pdf

28 Zucman, G. 2024. "A Blueprint for a Coordinated Minimum Effective Taxation Standard for Ultra-High-Net-Worth Individuals." EU Tax Observatory. Available at: <https://taxobservatory.world/publication/a-blueprint-for-a-coordinated-minimum-effective-taxation-standard-for-ultra-high-net-worth-individuals/>

4. Replenishment Milestones and related negotiation items

4.1 GEF-9 replenishment

The GEF-9 replenishment (July 2026 to June 2030) is the earliest major test of paragraph 16's implementation, and the initial outcome raises questions about the overall trajectory.

In April 2026, contributor countries announced initial pledges of USD 3.9 billion for GEF-9, a figure that falls below GEF-8's final envelope of over USD 5 billion.²⁹ The

GEF Council meeting in Samarkand (31 May to 3 June 2026), followed by the Eighth GEF Assembly, kicked off the replenishment process by making individual country pledges public. The outcome so far falls short of GEF-8 levels, making it the first tangible indicator of the tripling commitment's collective ambition, thus far sending a negative signal. This shortfall places additional pressure on GCF-3 and on the Adaptation Fund to compensate, in a context where both face their own constraints.

For LDCF and SCCF resources specifically, which are determined through voluntary contributions outside the formal GEF Trust Fund replenishment, and which govern climate adaptation finance for LDCs and SIDS, the level of funding is agreed separately through the LDCF/SCCF programming strategy for July 2026 to June 2030, adopted at the same Samarkand meeting.³⁰ GEF-9 also introduces a structural programming shift, with an aspirational target to channel 25 percent of GEF Trust Fund resources towards mobilising private capital through blended finance, alongside commitments to allocate at least 35 percent of resources to LDCs and SIDS, and 20 percent to Indigenous Peoples and local communities.³¹ Blended finance approaches work more readily with bankable mitigation investments than with the adaptation projects typical of LDC and SIDS portfolios, where private capital mobilisation ratios are lower and grant intensity is higher. How the private capital target and the LDC/SIDS allocation target are reconciled in practice is a substantive programming question that will be tested across the GEF-9 cycle.

4.2 GCF-3

The GCF held its 45th Board meeting (B.45) in Dushanbe, Tajikistan from 29 June to 2 July 2026. The meeting formally launched GCF-3 replenishment, covering the 2028-2031 period. The Board adopted the replenishment arrangements after difficult negotiations that were resolved only in the final hours of the meeting. Developing countries wanted to the limit decision to procedural matters and objected to language framing the new challenging geopolitical context as the backdrop of GCF-3 replenishment. Developed countries pushed to formalise non-traditional contributors in relation to the NCQG, citing a shrinking donor pool. Neither issue was resolved, and both were deferred to a policy on contributions due at B.46. The arrangements adopted at B.45 therefore launched the replenishment process without setting its ambition or its contributor base.

B.45 also revised the Fund's commitment authority methodology.³² This applies a reserve requirement weighted by the current programming mix (loans at 37%, equity at 12%, guarantees at 2%, grants at 45%, results-based payment at 4%) in place of the prior dollar-for-dollar reserve matching rule.³³ The aggregate commitment authority as of 31 March 2026 increases from approximately USD 1,371 million to approximately USD 7,238 million. This higher figure allows the Fund to programme substantially more from existing resources, but it does so by rewarding instruments that carry lower reserve costs. Loans and guarantees free up more commitment authority per dollar than grants. Relevant for GCF-3 is that this shift does not create an incentive to shift future programming towards an unbalanced financial instrument mix.

This expanded capacity to programme funds will in the future largely depend on the scale of the contributions the replenishment itself can secure, and that scale faces its own constraints. **The scale of ambition required for GCF-3 is considerably higher than for any previous replenishment.** The GCF Executive Director's '50 by 30' vision foresees aggregate GCF capitalisation of USD 50 billion by 2030.³⁴ Even setting that aspiration aside, sustaining the outflow growth required for collective tripling by 2030 demands a GCF-3 substantially

29 Global Environment Facility. 2026. "Countries Pledge USD 3.9 Billion to GEF Towards Ambitious Ninth Replenishment." GEF Press Release, 10 April 2026.

<https://www.thegef.org/newsroom/press-releases/countries-pledge-3-9-billion-global-environment-facility-towards-ambitious>

30 Global Environment Facility. 2025. Report by the Global Environment Facility to the Conference of the Parties (Thirtieth Session). FCCC/CP/2025/8, October 2025. https://unfccc.int/sites/default/files/resource/cp2025_08E.pdf

31 Global Environment Facility. 2026. "Countries Pledge USD 3.9 Billion to GEF Towards Ambitious Ninth Replenishment." GEF Press Release, 10 April 2026.

<https://www.thegef.org/newsroom/press-releases/countries-pledge-3-9-billion-global-environment-facility-towards-ambitious>

32 Green Climate Fund. 2026. GCF/B.45/Inf.12: Report on the Activities of the Secretariat. Available at: <https://www.greenclimate.fund/sites/default/files/documents/2026-06/05-report-activities-secretariat-gcf-b45-inf12.pdf>

33 The new adopted commitment authority methodology is not considered in the quantitative assessment of reflows presented in chapters 2 and 3, as these are based on actual historic data

34 Green Climate Fund. 2023 <https://www.greenclimate.fund/news/gcf-scale-access-impact-and-private-sector-investment-through-50by30-roadmap>

larger than GCF-2's USD 9.6 billion in confirmed pledges.³⁵ The context in which this replenishment must be negotiated is, however, significantly more constrained than in any previous cycle. The United States formally withdrew from the GCF Board on 8 January 2026, vacating its seat immediately following a Presidential Memorandum.³⁶ This follows the rescission of its USD 3 billion GCF-2 pledge in January 2025. The US had not contributed to GCF-1 either, but had returned as a contributor at COP28. There is no comparable correction mechanism available in the current political environment.

4.3 Adaptation Fund

At its 44th meeting (Bonn, April 2025), the Board doubled the country spending cap from USD 20 million to USD 40 million and set a resource mobilisation floor of USD 300 million for 2025.³⁷ At its 45th meeting (Bonn, October 2025), the Board cleared USD 125 million across 18 new projects, surpassing the milestone of 200 projects approved since operations began, and advanced the framework for a new Resource Mobilisation Strategy covering 2026 to 2029.³⁸ At its 46th meeting (Bonn, 10 April 2026), the Board approved USD 133.83 million in new projects against a pipeline of over USD 1.3 billion in new proposals received – the largest demand ever faced by the Fund – and formally adopted the Resource Mobilisation Strategy 2026–2029 (RMS-3).³⁹ **The Strategy includes multiple funding options and scenarios and explicitly frames the tripling target as the reference point for Fund ambition over the period, while acknowledging that ‘the manner in which the tripling target should be understood in the context of the Fund is to be determined by the Board,’ leaving open whether tripling applies to the AF individually or collectively alongside other funds.**⁴⁰ The RMS-3 document presents three options for resource mobilisation over 2026–2029, framed around reaching USD 400 million in annual AF outflows by 2030 as the

Fund's own interpretation of the tripling baseline.⁴¹ The first option maintains the current approach of setting annual targets in the same way as under previous practice. The second presents three illustrative cumulative scenarios: Scenario A at USD 1.1 billion, representing a minimum credible pathway in a constrained environment with resource mobilisation remaining predominantly contributor-driven; Scenario B at USD 1.25 billion, assuming stabilisation of contributor numbers, reduced volatility, and a growing share of multi-year and non-traditional contributions; and Scenario C at USD 1.4 billion, contingent on a favourable policy and market environment in which Article 6-related revenues and other innovative sources complement voluntary contributions during the RMS-3 period. The third option would set aspirational multi-year targets, with the document presenting USD 1 billion as a minimum and USD 1.4 billion as an ambitious target for the four-year period, consistent with the approach used by the LDCF and SCCF. The three options are not mutually exclusive, and the Board may adopt a combination. All three scenarios represent a substantial increase over the USD 700 million mobilised under RMS-2.

Unlike the GCF and GEF, **the Adaptation Fund has no formal multi-year replenishment cycle with a structured pledging conference and contribution policy framework.** It relies instead on voluntary annual pledges made primarily at each COP session, with no binding schedule, no global facilitator managing contributor expectations, and no instrument governing the terms or mix of contributions. This structural difference makes the AF particularly exposed to pledge fatigue and year-on-year political fluctuations, without the predictability mechanisms that formal replenishment cycles provide.

4.4 FRLD

Unlike the GCF and GEF, whose replenishment processes follow established cycles with defined contribution policies,

35 Green Climate Fund. 2025. Status of Pledges: IRM, GCF-1 and GCF-2 (as of 31 December 2025). GCF Secretariat.

<https://www.greenclimate.fund/document/status-pledges-all-cycles>

36 Green Climate Fund. 2026. “Green Climate Fund Statement on the United States’ Withdrawal from GCF.” GCF Secretariat, 9 January 2026.

<https://www.greenclimate.fund/statement/green-climate-fund-statement-united-states-withdrawal-gcf>

37 Adaptation Fund. 2025. <https://www.adaptation-fund.org/adaptation-fund-board-approves-record-us-137-million-in-new-projects-doubles-country-cap-to-us-40-million/>

38 Adaptation Fund Board. 2025. AFB/B.45/7: Resource Mobilization Strategy 2026–2029. Forty-fifth meeting, Bonn, 9–10 October 2025 <https://www.adaptation-fund.org/wp-content/uploads/2025/10/AFB.B.45.7-Resource-Mobilization-Strategy-2026-to-2029.pdf>

39 Adaptation Fund. 2026. Bonn, 10 April 2026 <https://www.adaptation-fund.org/adaptation-fund-board-approves-close-to-us-134-million-in-new-projects-for-climate-vulnerable-countries>

40 Adaptation Fund Board. 2025. AFB/B.45/7: Resource Mobilization Strategy 2026–2029. <https://www.adaptation-fund.org/wp-content/uploads/2025/10/AFB.B.45.7-Resource-Mobilization-Strategy-2026-to-2029.pdf>

41 Adaptation Fund Board. 2026. AFB/B.46/7: Resource Mobilization Strategy 2026–2029 (revised draft). Forty-sixth meeting, 6–10 April 2026.

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structured consultation meetings, and a formal pledging conference, the FRLD has not yet developed any of these instruments. **The FRLD Governing Instrument provides for formal replenishment every four years, placing a first structured replenishment in 2027 at the earliest.** Before a formal replenishment can take place, the Board must approve a policy on contributions including the instrument types, contributor eligibility, and terms that have not yet been developed.⁴² The Board's 2026 workplan identifies the development of the long-term operating model of the FRLD, including the policy on financial instruments, as a key area of work, with discussion of additional modalities expected at B.13 in 2027.⁴³

The Board held its ninth meeting (B.9) in Manila from 8 to 10 July 2026. A central focus of the meeting was the outcome of the inaugural call for funding requests under the Barbados Implementation Modalities, which regulated the Fund's startup phase. The Board formally acknowledged that 119 countries had submitted 176 funding requests totalling approximately USD 2.8 billion in requested support, against an initial allocation of USD 250 million for country-led projects.⁴⁴ Given the unprecedented number of funding requests received, the Board decided that additional time was required to undertake a comprehensive, rigorous, and consistent

assessment of the full portfolio before considering approvals, deferring funding decisions to its tenth meeting, which is to be held in Manila in December 2026.⁴⁵ Additionally, the Board decided to increase the allocation available under the BIM from USD 250 million to USD 342 million, while maintaining its commitment to direct at least 50% of these resources to SIDS and LDCs.⁴⁶

As of the interim Trustee's report to the Board on 31 May 2026, 26 countries and the European Union had announced pledges to the FRLD, with 24 having made cash or promissory note contributions. USD 443 million is currently available in the FRLD Trust Fund, with a further amount expected to bring total available resources to approximately USD 520 million by 31 December 2026⁴⁷, and with pledges exceeding USD 820 billion.

The resources mobilisation strategy for the FRLD has advanced Stage 1 of the strategy at B.9, focused on converting existing pledges into signed agreements and soliciting new contributions.⁴⁸ However, a long-term framework is still to be discussed, which leaves the fund with a challenge of scale, especially in light of the roughly ninefold gap between requested support and currently allocated available resources.

42 Ibid.

43 FRLD/B.7/6: Workplan of the Board for 2026 [development of long-term operating model as key 2026 area of work; policy on financial instruments and additional modalities expected at B.13 in 2027 per FRLD/B.7/12]. https://www.frlld.org/sites/default/files/FRLD_B.9_15_Rev.1_Updated%20workplan%20of%20the%20Board%20for%202026.pdf

44 FRLD press release, Manila, 10 July 2026 https://www.frlld.org/sites/default/files/Press%20Release_Post%20B.9%20communiqué.pdf

45 Ibid.

46 Ibid.

47 Report by the interim Trustee on the status of the FRLD Trust Fund resources, May 2026: https://www.frlld.org/sites/default/files/FRLD_B.9_4_Report%20by%20the%20interim%20Trustee%20on%20the%20status%20of%20the%20FRLD%20Trust%20Fund%20resources.pdf

48 FRLD press release, Manila, 10 July 2026 https://www.frlld.org/sites/default/files/Press%20Release_Post%20B.9%20communiqué.pdf

Summary of milestones			
Date	Event	Fund(s)	Significance
15 June 2026	BIM call for funding requests closes	FRLD	First applications received under start-up phase
31 May – 3 June 2026	71st GEF Council, Samarkand	GEF / LDCF / SCCF	Final GEF-9 replenishment package approved
June 2026	8th GEF Assembly, Samarkand	GEF / LDCF / SCCF	Individual country pledges publicly announced; LDCF/SCCF programming strategy 2026–2030 adopted
29 June – 2 July 2026	GCF B.45, Dushanbe, Tajikistan	GCF	GCF-3 process formally launched (30-month rule)
1 July 2026	GEF-9 programming period begins	GEF / LDCF / SCCF	New four-year cycle commences
July 2026	FRLD first BIM funding decisions	FRLD	First grants considered under Barbados Implementation Modalities
Q3 2026	FRLD B.9	FRLD	Resource mobilisation strategy draft for Board consideration
October 2026	BtBR Expert Group first report	All MCFs	Concrete financing pathways toward USD 1.3 trillion; replenishment benchmarks
26–29 October 2026	GCF B.46, Songdo, Republic of Korea	GCF	Second Strategic Plan 2028–2031 retreat
9–20 November 2026	COP31, Antalya, Türkiye	All MCFs	COP/CMA guidance on GCF-3 ambition; AF contributor dialogue; FRLD first replenishment framing
H1 2027	GCF-3 first consultation meeting	GCF	Projected, based on previous replenishment cycle timelines
2027	FRLD first formal replenishment	FRLD	Per Governing Instrument paragraph 55; Board must first adopt contribution policy
2027	FRLD B.13	FRLD	Policy on financial instruments and additional access modalities
Late 2027 / early 2028	GCF-3 pledging conference	GCF	Projected, based on previous replenishment cycle timelines
2027–2028	Second Global Stocktake	All MCFs	Review of progress against paragraph 16 tripling target
January 2028	GCF-3 period begins	GCF	Projected
2030	Para 16 tripling target deadline	All MCFs	Annual outflows to reach approximately USD 5.6 billion from 2022 baseline of USD 1.82 billion

4.5 Relevant negotiations and processes within UNFCCC

Beyond the formal replenishment processes themselves, several UNFCCC negotiation workstreams and deliberative processes may affect the political context and parameters of future replenishments of the multilateral climate funds. **These processes matter because they shape expectations of Parties and stakeholders, influence the political**

environment in which replenishment negotiations take place, and increasingly determine how Parties interpret the respective roles of public and private climate finance within the broader climate finance architecture.

Discussions at SB64 demonstrated that climate finance has become one of the most politically contested issues across the UNFCCC agenda, with disagreements over public finance obligations, burden-sharing, and the implementation of the NCQG affecting multiple negotiation tracks.

At COP30 in Belém, **Parties decided to ‘establish a two-year work programme on climate finance, including on Article 9, paragraph 1, of the Paris Agreement in the context of Article 9 of the Paris Agreement as a whole’.**⁴⁹ Initial discussions at SB64 demonstrated that the work programme has already become a focal point for broader disagreements over the future climate finance architecture. Developing countries emphasised that the programme should primarily serve as a space to discuss developed countries’ obligations under Article 9.1, while developed countries favoured broader discussions on mobilising finance, transparency, private finance, and expanding the contributor base. The absence of a formal negotiating mandate also led several Parties to question whether the current workshop format is capable of delivering meaningful political outcomes. **These debates are likely to influence future replenishment negotiations by shaping expectations regarding public finance obligations, burden-sharing, and the respective roles of public and private finance, grants versus non-concessional finance, and burden sharing among contributors.**

Closely linked to these discussions are the ongoing negotiations under the **Veredas Dialogue on Article 2.1(c)**. While intended to explore how financial flows can become consistent with low-emission and climate-resilient development pathways, discussions at SB64 revealed persistent disagreements over the relationship between Article 2.1(c) and Article 9. Developing countries expressed concern that excessive emphasis on private finance and domestic investment risks shifting attention away from developed countries’ obligations to provide international public climate finance. These debates are likely to influence wider discussions on the future role of multilateral climate funds, particularly regarding the extent to which replenishments should remain centred on grant-based public finance or increasingly complement efforts to mobilise private investment.

Another relevant track concerns the operationalisation of Article 6 and its implications for the AF. **Negotiations on Article 6.4 rules and governance have implications not only for carbon markets, but also for the future revenue base of the fund.** The AF Board’s Resource Mobilisation Strategy 2026–2029 refers to discussions around a possible increase in the Article 6.4 share of proceeds from 5% to 10%.⁵⁰ While this proposal has not been formally agreed and would

require a CMA decision, it illustrates that Parties and Board members are already considering whether market-linked revenues could play a larger role.

Discussions at SB64 also demonstrated that the transition of the Adaptation Fund to serving exclusively the Paris Agreement has acquired renewed political importance because it is a prerequisite for the Fund to receive proceeds from the Article 6.4 mechanism. Negotiations illustrated how technical questions concerning Board composition and governance have become intertwined with broader debates on representation, differentiation, and equity, delaying agreement despite broad recognition of the importance of establishing a predictable revenue stream for the Fund.

Interviewed negotiators from both developed and developing countries referred on the one hand to the Boards of the UNFCCC Funds as platforms to continue discussions on inflow and outflow targets as well as to the guidance CMA agenda item for each of the Funds. Some representatives also warned against a proliferation of negotiations in too many forums, which leads to low effectiveness and diminishes outcomes. Parallel to this, discussions linked to the Global Stocktake (GST) and follow-up processes under the UAE Dialogue are likely to shape expectations regarding the adequacy of existing climate finance arrangements. GST outcomes have already reinforced calls to scale up adaptation finance and improve access to finance for particularly vulnerable countries. These discussions could potentially intensify pressure on contributor countries in future replenishment rounds, while also giving further political momentum to discussions on innovative financing sources and broadening the contributor base.

Interviewed representatives from developing countries also **identified the Standing Committee on Finance as a potential forum for further debate on the future contribution of multilateral climate funds, including the negotiation of a successor target beyond the year 2030.**

Finally, the Baku-to-Belém-Roadmap process and the forthcoming report of the associated ‘Expert Group,’ may also indirectly influence replenishment discussions. Although the process is broader than multilateral climate funds alone, it is likely to contribute to ongoing debates on how different sources of climate finance should complement one another in delivering higher levels of international climate finance.

49 See Decision 1/CMA.7

50 Adaptation Fund Board. 2025. AFB/B.45/7: Resource Mobilization Strategy 2026–2029. Available at <https://www.adaptation-fund.org/wp-content/uploads/2025/10/AFB.B.45.7-Resource-Mobilization-Strategy-2026-to-2029.pdf>

Although not part of the formal negotiation process, the 2026 Adaptation Gap Report is likely to provide an important evidence base for ongoing discussions on the adequacy of international adaptation finance. If the report confirms the persistence or widening of the gap between estimated adaptation needs and available finance, it could reinforce calls by developing countries for larger grant-based contributions and stronger replenishments of adaptation-focused multilateral climate funds. At the same time, the report may inform broader debates under the NCQG implementation process and the Global Stocktake follow-up on the scale and composition of international climate finance required to meet adaptation objectives under the Paris Agreement.

Taken together, **developments at SB64 suggest that replenishment negotiations are becoming increasingly embedded within broader debates on the future international climate finance architecture.** Rather than serving solely as fundraising exercises, replenishments are increasingly viewed as governance mechanisms through which Parties seek to operationalise the NCQG, clarify the implementation of Article 9.1, and define the relationship between public climate finance and broader financial flows under Article 2.1(c). This suggests that future replenishment negotiations are likely to become more politically contested, while at the same time assuming greater strategic importance within the UNFCCC process.

5. Conclusion

- The strict tripling target by 2030 appears to be achievable. Based on the financial reports examined, the 2022 outflow baseline is around USD 1.82 billion, implying a 2030 tripling target of USD 5.46 billion. Technically, this would meet the NCQG wording. However, a flat post-2030 pathway continuation would not meaningfully increase the share of climate finance delivered through UNFCCC climate funds and would ignore the compensation of future inflation.
- Existing resources can cover the minimum tripling target. If donor contributions continue as previously, the model shows sufficient resources through 2035. However, the

recent GEF-9 replenishment with lower commitments than previous rounds raises concerns as to whether sufficient contributions will flow in the upcoming decade.

- Sustained growth, for example to meet the Paris Agreement's climate ambition and compensate for inflation losses after 2030, depends on increasing contributions. Without increases, the sustained post-2030 growth pathway can still be supported under the full-balance scenario, but it will exhaust the unallocated resource base completely by 2035. This shows that internal resources, investment income, and reflows can help, but they cannot replace predictable replenishments and new contributions.
- A materially larger role for UNFCCC funds in delivering the USD 300 billion NCQG would create a substantial financing gap. An assumed meaningful NCQG share considering 5% of the overall volume would lead to USD 15 billion annual outflows by 2035 that cannot be financed from existing balances and projected inflows alone. Instead the available resources would already be exhausted by 2030. Thus, moving beyond minimum tripling requires significantly higher new contributions and/or additional innovative sources of finance.
- The GCF is the only fund with a meaningful internal reflow mechanism. GCF loan repayments, loan interest, equity returns, and investment income increasingly contribute to internal resource mobilisation. In contrast, most other funds remain primarily grant- and contribution-based, so their scaling potential depends largely on external donor funding. For the Adaptation Fund, a future levy on Article 6 proceeds might open an additional inflow option. Several other innovative financing options discussed have been analysed and deemed to inherit funding potential. However, there is currently no indication of sufficient political will to operationalise these as funding sources for UNFCCC climate funds. This political will should be actively pursued, and by doing so, these new sources would benefit from accountability mechanisms that would help ensure the predictability and sustainability of inflows.

- Future replenishments of the UNFCCC climate funds will increasingly be shaped by broader UNFCCC negotiations on climate finance governance. Developments under the Climate Finance Work Programme, the Veredas Dialogue on Article 2.1(c), the operationalisation of Article 6.4, and discussions linked to the NCQG and the Global Stocktake demonstrate that replenishments are becoming

embedded within wider debates on public finance obligations, burden sharing, and the respective roles of public and private finance. As a result, future replenishment negotiations are likely to become more politically contested, while also assuming greater strategic importance for the evolution of the international climate finance architecture.

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The Climate Finance Advisory Service (CFAS) offers negotiators, policy makers and advisors in the poorest and most climate vulnerable countries bespoke information and guidance to help them effectively participate in complex global climate finance negotiations.

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