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Climate finance: a new roadmap to deliver on high climate ambition and the SDGs

(own-initiative opinion)

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1. Conclusions and recommendations

1.1. The EESC advocates recognising climate finance as a sophisticated mechanism aimed at mobilising resources and facilitating the transition to a low-carbon, resilient future. This includes financial resources allocated to both mitigation and adaptation efforts in climate action, intertwined with compensation (loss and damage) and Just Transition finance.

1.2. The EESC stresses the major role played by public finance in adaptation. Unlike mitigation projects, where success can be quantified in terms of emissions reductions and financial returns, evaluating adaptation projects is more difficult, requiring dedicated monitoring mechanisms and complex data. Similar to mitigation projects, effective adaptation measures typically require long-term investments in nature-based solutions, infrastructure, technology and capacity-building. Securing funding for these projects requires a commitment from both public and private actors over extended periods, which can be challenging given competing priorities and uncertain future funding streams.

1.3. The EESC maintains that access to climate finance for local initiatives, grassroots movements, and social partners is vital for scaling up climate action, and this reflects the EU's experience in driving meaningful change and enhancing community resilience.

1.4. The EESC points out that blended finance, with the significant role of the public sector in de-risking private investment offers substantial benefits. There is an urgent need to incorporate solutions incentivising the private sector ([1]) to use its financial resources and to be actively involved in national and regional adaptation and mitigation plans. However, this should not place disproportionate burdens on public finances and workers.

([1]) Including diversity of the private sector as noted in paragraph 35 of the Report of the 3rd International Conference on Financing for Development, 2015, https://documents.un.org/doc/undoc/gen/n15/241/03/pdf/n1524103.pdf.

1.5. The EESC supports the influential role of the ECB in promoting resilience, biodiversity and climate-conscious financial practices, particularly in facilitating investments in climate adaptation and ensuring that financial flows are aligned with the goals of the Paris Agreement.

1.6. The EESC emphasises that a comprehensive approach to debt relief is needed to break the cycle of indebtedness and underinvestment in adaptation (inter alia), which is followed by increased vulnerability, and to enhance the role of SDG-linked bonds.

1.7. The EESC agrees with the recent EU proposals that the New Collective Quantified Goal (NCQG) on Climate Finance negotiations should aim to make climate finance 1) better fit for purpose and more biodiversity-friendly ([2]), 2) more impactful – by ensuring it is a) more streamlined, effective and accessible, b) less bureaucratic, and c) more gender-responsive – and 3) better able to accurately target the most vulnerable countries and communities.

1.8. In the EESC's view, the spirit of the Just Transition concept should guide the allocation of all climate finance flows in line with the Paris Agreement, emphasising alignment with Earth's safe and just operating boundaries and broader social and economic objectives, with SDGs at the core.

2. **Essential pillars of climate finance**

2.1. The devastating impacts of the climate crisis are felt both within Europe and globally. Last year (2023) was the first year on record when temperatures were 1 degree Celsius or hotter than pre-industrial levels every day of the year. On top of the cataclysmic effects on health and biodiversity, climate change has led to immense financial losses of an estimated 16,3 million US dollars per hour, according to the World Economic Forum ([3]), with the global cost expected to grow to over 30 trillion dollars per year by 2050 ([4]).

2.2. The gap between resources dedicated to climate action and the pressing requirements to engage in climate action is counted in the trillions. Requirements by the end of this decade are in the range of USD 6 to 12 trillion (annually), while the latest aggregated and averaged data for 2021/2022 show the annual climate finance flows reached almost USD 1,3 trillion ([5]).

2.3. The scale of investment needed to address climate change far exceeds current levels of funding, necessitating concerted efforts from governments, businesses and civil society to mobilise resources effectively. The EESC notes that efforts have increased in developing innovative financial mechanisms to foster green investment and green innovation. The EU has led the global effort in promoting tools and capacity-building, facilitating research and innovation and discovering cross-sectoral synergies in the field of climate finance.

2.4. Most of the existing financial resources have been funnelled towards mitigation efforts, while adaptation-specific funds amounted to just USD 63 billion (less than 5 % of total climate finance), primarily from public coffers. Developing countries need up to USD 387 billion a year for adaptation projects if climate targets are to be met ([6]). The EU has dedicated one of the five EU Missions to climate adaptation; however, EU subnational governments invested a total of EUR 8,3 billion in 2022, when adaptation needs for Europe are estimated at EUR 18-36 billion annually until 2030.

2.5. The most important and visible actors in climate change governance – nation states – are overburdened with debt and lack the institutional strength to reduce debt levels and sustain growth. Multiple crises have diminished their room for fiscal and monetary manoeuvre. However, paradoxically, data from 170 countries shows they spent USD 1,3 trillion on explicit fossil fuel subsidies, and USD 5,7 trillion on implicit subsidies (e.g. unaccounted-for health costs from fossil-fuel-related pollution) in 2022 ([7]).

([2]) Opinion of the European Economic and Social Committee — A comprehensive strategy for biodiversity at COP16: bringing all sectors together for a common goal (OJ C, C/2024/6880, 28.11.2024, ELI: http://data.europa.eu/eli/C/2024/6880/oj).
([3]) Climate change is costing the world $16 million per hour.
([4]) Mark Z. Jacobson, 2023: *No Miracles Needed: How Today's Technology Can Save Our Climate and Clean Our Air*.
([5]) Global Landscape of Climate Finance 2023.
([6]) Keeping the promise - UNEP Annual Report 2023.
([7]) IMF Fossil Fuel Subsidies Data: 2023 Update.

2.6. Addressing these monumental challenges requires a global consensus that aligns climate finance flows with the Sustainable Development Goals (SDGs) in order to maximise the effects of limited public financial resources.

2.7. Modern climate discourse emphasises the dual goals of **mitigation** (reducing emissions) and **adaptation** (preparing for impacts), which are essential for addressing the climate crisis. The EESC questions whether the current approach of categorising climate finance solely using the categories of mitigation and adaptation is adequate with a view to the global challenges ahead. Climate finance discourse must consider the synergies between adaptation and mitigation, as well as addressing dimensions like compensation, the just transition, and cross-cutting areas such as biodiversity loss, pollution, and inequalities. Integrating these aspects into broader climate finance strategies is crucial in order to revitalise climate action and sustainable development efforts to effectively address the climate crisis.

2.8. After introducing the important concept of 'just transition', the Conference of the Parties (COP) and the Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement (CMA) made further progress by establishing new funding arrangements to provide developing countries that are particularly vulnerable to climate change impacts with assistance in responding to loss and damage. This debate is interlinked with the wider effort to secure funding not only for vulnerable countries facing severe climate impacts (sometimes literally threatening physical survival), but also for **compensation** in a broader sense. This additional approach would require comprehensive discussion and could constitute a new pillar of the climate finance framework. It would require thoughtful conditionalities to support countries, regions and communities beyond adaptation, to save those most severely affected by climate change. It could also be a separate strand within the Loss and Damage Fund.

2.9. Building further on the idea of climate justice, **'just transition' financing** must find a distinctive role in the climate finance landscape. Combining justice for those directly impacted by climate policies with funding for transitioning industries, this dimension of climate finance is often overlooked in 'traditional' climate finance frameworks. While transition financing overlaps with current mitigation and adaptation funding, it makes sense to highlight capital flows for 'just transition' to emphasise industrial change and related labour transformation.

2.10. Good practices are abundant, and the extra effort and coordination is necessary in spreading them. The EESC highlights the initiatives supported by the Alliance of Excellence for Research and Innovation on Aephoria (AE4RIA) ([8]) network, such as Pathways2Resilience, ARSINOE and the SDG mapping of corporate environment, social and governance (ESG) reporting activities using advanced metrics, which offer promising avenues for addressing the challenges ahead.

2.11. Access to climate finance for local initiatives and grassroots movements is critical for mobilising climate action at scale. As shown by the EU's experience, these bottom-up approaches play a pivotal role in driving meaningful change and fostering community resilience. However, specific financial tools and instruments must be made readily accessible, ensuring that financial resources reach the grassroots level without unnecessary hurdles. The EU's experience of crowdfunding climate actions demonstrates the effectiveness of empowering local communities to take ownership of sustainability efforts. Facilitating access to climate finance for grassroots movements can also serve as a catalyst for transformative action at a larger scale. As rightly acknowledged in a recent UN report ([9]), decentralising climate funding helps build resilience from the bottom up, contributing to more localised sustainable development pathways.

([8]) https://ae4ria.org/.
([9]) https://sdgs.un.org/publications/inter-agency-policy-briefs-accelerating-progress-2030-agenda-local-global-levels.

3. **Role of public finance**

3.1. Public finance provides significant **leverage for adaptation**. Unlike mitigation projects where success can be quantified in terms of emissions reductions and financial returns, evaluating adaptation projects is more difficult and requires dedicated monitoring mechanisms and complex data. Similar to mitigation projects, effective adaptation measures typically require long-term investments in infrastructure, technology, and capacity-building. Securing funding for these projects requires a commitment from both public and private actors over extended periods, as well as a long-term planning perspective, which can be challenging given competing priorities and uncertain future funding streams.

3.2. Not surprisingly, adaptation in vulnerable countries is under-resourced and overlooked. Gaps in governance, design and actual project implementation can be mitigated by international efforts to build capacity, but this approach has its limits. The EESC sees promoting a dual benefit approach (mitigation and adaptation) as a way to break the cycle of poor governance that reduces donor interest in funding adaptation with public money.

3.3. The EESC sees merit in efficient effort sharing in adaptation finance flows, with improved cooperation mechanisms between better capitalised and less costly sources at EU level and the ultimate recipients of the final benefit at the subnational level. This logic should also apply on the global scale, where the persistent problem of cost and underinvestment resembles the internal EU divide between the better-off countries and/or regions and those lagging behind.

3.4. The Committee also supports calls for international actors in the field of climate to adapt and develop the financial products and solutions at hand into bankable and efficient adaptation projects ([10]), without creating disproportionate burdens on public finances and workers. Blended finance with a significant role for the public sector in de-risking private investment is an important approach in this context.

3.5. To effectively establish **de-risking** mechanisms for private investment in climate solutions in developing countries, policymakers, supported by global climate finance institutions, should implement comprehensive packages of targeted public interventions. These should strategically focus on reducing, transferring, or compensating for the macroeconomic risks associated with such investments. Measures to reduce risks could include providing guarantees or insurance against currency fluctuations or political instability. Transferring risks might involve creating specialised financial instruments or partnerships with multilateral institutions to share the burden. Additionally, compensating for risks could entail tax incentives or subsidies to offset potential losses. By cost-effectively aligning these interventions, policymakers can create an attractive risk-return profile that encourages significant private sector investment in climate actions in developing countries.

3.6. The data on **fossil fuel subsidies** and related spending show the potential to finance climate action with public funds: removing subsidies immediately frees up state budgets, creating more 'fiscal space'. It would also clearly indicate pricing for businesses and society. The European Parliament has already called for full abolition of fossil fuel subsidies ([11]), and another major emitter – the United States of America – has expressed similar intentions, if not yet taken action ([12]). Phasing out explicit and implicit fossil fuel subsidies should be done gradually and fairly, avoiding regressive effects and providing safety nets, like the EU's Social Climate Fund, to assist vulnerable households that still rely on fossil fuels for their basic needs.

3.7. Trillions may already have been mobilised in climate finance, yet the least developed countries face a staggering external debt, in total, of USD 570 billion ([13]). These nations now spend five times more on debt interest payments than a decade ago, and, alarmingly, since 2018 they have spent more on debt than on education. Debt servicing costs in some of the poorest countries may reach up to 53,4 % of the total government budget ([14]). The EESC is convinced that SDG-linked bonds can alleviate this burden while supporting the transition to net-zero.

([10]) OECD, 2024.
([11]) COP28: MEPs want to end all subsidies for fossil fuel globally by 2025.
([12]) Executive Order on Tackling the Climate Crisis at Home and Abroad, The White House.
([13]) UNCTAD's Least Developed Countries Report 2023.
([14]) International climate finance: Status quo, challenges and policy perspectives.

3.8. A comprehensive approach to debt relief is needed to break the cycle of indebtedness and underinvestment in adaptation (inter alia), which is followed by increased vulnerability, and to enhance the role of SDG-linked bonds. Debt relief is important for reaching climate finance goals because it frees up financial resources in developing countries, enabling them to invest more in mitigation and adaptation efforts. Therefore, the EESC advocates a mass-scale debt refinancing programme for developing countries.

3.9. Tailored mechanisms are warranted to restructure developing countries' excessive debt such as debt-for-climate swaps, where portions of their debt are forgiven in exchange for commitments to investing in climate resilience and sustainability projects. This approach alleviates fiscal pressure, incentivises environmental stewardship and supports global climate goals. With a focus on outcome-based commitments (expressed in predetermined climate and sustainability performance targets), debt-for-climate swaps should become an integral part of the global climate finance landscape and NCQG.

3.10. This would entail converting the outstanding sovereign debt, and to a limited extent private-sector liabilities, of developing countries into SDG-linked bonds in line with the broad sustainability agenda (based on the SDGs, with particular focus on SDG13 – climate action) and compatible with United Nations Development Programme's 'SDG Impact Standards for Bond Issuers' and also in line with science-based Paris and Kunming-Montreal targets.

3.11. Tight fiscal rules will tie the hands of local, regional and national actors , while increased interest rates have negated the 'open window' for low-cost borrowing. To raise debt capital for climate in an efficient manner, supranational and multinational institutions with solid credit ratings should take a leading role.

3.12. There is an urgent need to incorporate solutions tapping private financial resources and incentivising private involvement in national and regional adaptation and mitigation plans. Using public finance for leveraging private investment not only offsets the costs, including those of potential inaction, it can also help ensure the future fiscal sustainability of state and substate actors. The aim should be to direct private capital towards investments that will foster innovation for a competitive edge, will have long-term positive effects on local and regional development and will contribute to the social and environmental welfare of societies and workers with a view to a just transition.

4. **Private sector engagement and the role of blended finance**

4.1. It is high time to incentivise investors on a large scale to direct investments away from climate-damaging projects, at the same time enhancing nature restoration and conservation. We still live in a situation where too many private investments are used for climate-damaging investments. As observed in a recent report, USD **6,9 trillion** has been invested by the 60 largest private banks in fossil fuel companies since the adoption of the Paris Agreement in 2016 ([15]), despite the 'warnings from experts that any further fossil fuel expansion will result in climate and economic chaos' ([16]). As the International Energy Agency puts it, '…if the world is successful in bringing down fossil demand quickly enough to reach net zero emissions by 2050, new projects [in unsustainable areas] would face major commercial risks' ([17]). A key driver in this regard is the reinsurance sector which has started to include climate risks in their portfolios ([18]).

4.2. The EESC calls for the enhancement and promotion of de-risking strategies. This includes:

— Concessional finance: governments, multilateral development banks or other international institutions offering loans to the private sector at below-market interest rates or with more favourable terms than those available in commercial markets. Ideally, this should be combined with grants for technical assistance and capacity-building ([19]).

([15]) Banking on Climate Chaos, Fossil fuel finance report 2024.
([16]) Banking on Climate Chaos 2023.
([17]) Net Zero Roadmap: A Global Pathway to Keep the 1,5°C Goal in Reach.
([18]) Climate change and its consequences, Munich RE.
([19]) Like the Green Climate Fund.

— Public-private partnerships in infrastructure and service provision to address externalities inherent in climate investment, especially on adaptation ([20]).

— Subordinated debt (in terms of priority of repayment) from national or multilateral financial institutions, to reduce risk exposure for private investors. This mechanism enhances the creditworthiness of green projects and encourages greater private-sector participation ([21]).

— Credit guarantee schemes, whereby a public or multilateral institution pledges to repay the loan in part or in full if the original (private) borrower defaults. The scheme thus increases incentives for private-sector involvement in climate finance and reduces the risk of non-repayment ([22]).

4.3. The EESC calls on business leaders and opinion makers to embrace the positive narrative and highlight the opportunities from climate action, especially when confronted with huge losses from 'climate non-action'. Changing the narrative from 'climate change as a threat' into 'climate change, generalised pollution and biodiversity loss as a common concern, solving which will ensure business continuity' will help achieve the necessary transition and avoid stranded assets and ultimate economic collapse.

4.4. The EESC supports Avinash Persaud's ([23]) innovative approach to four challenges: macroeconomic risk making climate projects unfinanceable in developing countries; the necessity of financing these projects on a large scale to meet global climate goals; markets exaggerating these risks, especially in tough times; and the gains from official intervention exceeding the costs due to the high stakes involved. Persaud's solution would promote private finance for profitable projects, covering around 60 % of the needed investments, mainly for mitigation, by providing a partial currency risk guarantee and thus lowering the cost of investments in respective regions (for example, a solar farm's average interest cost is a prohibitive 10,6 % per annum in leading emerging countries, versus 4 % in the EU).

4.5. Disclosure of emissions and reporting of the wider sustainability footprint and effort at a corporate level play a crucial role in mobilising investor's demand for transformative climate action financing and making financial flows consistent with a pathway towards low GHG emission and climate resilient development, as provided for in Article 2.1(c) of the Paris Agreement. The International Sustainability Standards Board (ISSB) and the European Financial Reporting Advisory Group (EFRAG) are two distinct entities involved in the development and recommendation of reporting standards, which can be complementary. This is especially important for multinational corporations that need to comply with both sets of standards. The EESC calls for effective cooperation between the two bodies to further align the standards and ensure interoperability.

4.6. The double materiality principle, explicitly incorporated into the regulatory framework for sustainability reporting in the EU, opens the opportunity to become a widely adopted blueprint for standards developed globally, especially concerning ISSB work. It would allow for a level playing field as companies on a global scale would be mandated to report not only how sustainability issues affect them but also how their activities impact society and the environment at large.

5. **Reforming the international financial architecture and its governance**

5.1. The EESC emphasises the critical need to mobilise and steer financial resources towards addressing the multi-faceted catastrophic impacts of climate change. To this end, reforming the international financial architecture and its governance is essential. Key players in the global climate finance landscape include the European Investment Bank (EIB) and other Multilateral Development Banks (MDBs), with private banks acting as leveraging partners.

5.2. The ECB, as the central banking authority for the eurozone, wields considerable influence over monetary policy, banking regulations and financial stability measures. The EESC supports the ECB's role in fostering climate-conscious financial practices, including investments in climate adaptation and ensuring alignment with the Paris Agreement's goals.

([20]) Like dual purpose tunnels for urban flood management, e.g. in Malaysia.
([21]) Like the Gemini Wind Farm in the Netherlands.
([22]) Like the African Development Bank with a Fund for green initiatives in Rwanda.
([23]) See Persaud's article here.

5.3. The EESC sees great potential in the role private banks can play in climate finance if they collaborate with public financial institutions to leverage frameworks and incentives to encourage increased private sector investment in climate-friendly projects.

5.4. The UN Framework Convention on International Tax Cooperation ([24]), set up in December 2023, is another way to enhance climate finance by promoting transparent and fair international tax practices towards achieving the SDGs. This cooperation helps mobilise domestic resources, combat tax evasion, and ensure more funds are available for sustainable development.

5.5. The EESC calls for a reform of the international financial architecture and its governance to create a robust framework for directing financial flows towards global climate goals and supporting the transition to a sustainable and resilient future ([25]). The EESC advocates robust EU participation in the reform process, particularly in the context of the UN Summit of the Future, the Fourth International Conference on Financing for Development ([26]) and their follow-up.

6. **The role of civil society in climate and sustainable finance**

6.1. The EESC emphasises the crucial role of civil society in climate finance, advocating equitable distribution of climate funds to address disparities in vulnerability, exposure and response capacity to climate impacts. It is crucial to make these processes democratic with strong engagement from civil society organisations (CSOs) and local communities to ensure fair allocation and effective utilisation, supported by initiatives like the Joint SDG Fund. These efforts aim to create inclusive financing ecosystems that drive strategic investment of public and private capital towards achieving the Global Goals by 2030.

6.2. The EESC advocates a climate finance framework that prioritises vulnerable nations and communities, providing the necessary resources for climate adaptation and transition to low-carbon development. We highlight the need for compensation mechanisms ('loss and damage') within climate finance discussions to ensure fair allocation and usage of resources for the Global South.

6.3. The EESC underscores the importance of inclusiveness in climate finance decision-making and implementation to ensure that investments are both effective and sustainable. The Committee recognises that CSOs have great potential to effectively target climate-related funding by leveraging local knowledge and experience. The EESC underlines that women and girls, who are disproportionately affected by climate change, play a critical role in ensuring the implementation of climate strategies on the ground, and emphasises the importance of enhancing education to contribute to achieving the SDGs ([27]).

7. **Contribution to the UNFCCC ad hoc work programme on the NCQG on climate finance**

7.1. The EESC supports the EU's position ([28]) on clustering options for the efficient development of the NCQG, endorsing the proposal to structure the NCQG around four clusters: 1) Scope; 2) Structure; 3) Quantum; 4) Expected Outcomes.

On the scope of the NCQG:

7.2. The EESC favours a broad scope for the NCQG, incorporating international public, private and innovative sources like green bonds and climate funds, to leverage diverse financial resources for climate action. However, the inclusion of private and innovative sources should not overshadow the need for substantial public financing commitments.

([24]) See the recent EU statement on this.

([25]) This could include actions like giving more respect to the voices of countries most vulnerable to climate change in the G20, IMF and other financial institutions; provide additional support to the Global Shield against Climate Risks in climate vulnerable countries; strengthening further collaboration of MDBs for joint action on climate, co-financing and similar; addressing financial and other risks from climate change, high debt-related vulnerabilities and similar in documents and actions; develop a common framework for alignment on SDGs, etc.

([26]) FFD4 | Financing for Sustainable Development Office.

([27]) Opinion of the European Economic and Social Committee on 'Empowering youth to achieve sustainable development through education' (OJ C 100, 16.3.2023, p. 38).

([28]) EU's views on the 2024 work plan for the NCQG on climate finance.

7.3. The EESC emphasises the need for **robust tracking mechanisms** to ensure transparency and alignment with climate objectives. Without stringent enforcement, these mechanisms may not provide enough accountability.

On the structure of the NCQG:

7.4. The EESC supports a **10-year** operational timeframe (2025–2034 or 2026–2035), aligning with net-zero targets by 2050 to provide clarity for stakeholders. Nonetheless, more immediate and shorter-term milestones may be needed to ensure urgent action.

7.5. Therefore, the EESC proposes five-yearly reviews appropriately coordinated with **the Nationally Determined Contributions** (NDCs) to assess progress and adapt to evolving needs and priorities.

7.6. The EESC underscores the importance of incorporating targets and **thematic sub-goals** into the NCQG framework for clear benchmarks in climate finance allocation and implementation. Even so, it may be necessary to push for even more **specific and ambitious targets**, particularly for adaptation and mitigation efforts.

7.7. The NCQG framework could include sub-goals for thematic areas, recipients, channels, sectors, increasing climate resilience, reducing GHG emissions, enhancing capacity to access financial resources, reducing fossil fuel subsidies and **making financial flows consistent** with low GHG emissions and climate-resilient development ([29]).

On the 'quantum' of the NCQG:

7.8. The EESC suggests framing the goal as a **fair balance of economic power and the principle of 'polluter pays'** ([30]) to proportionately reflect the commitments and contributions of developed countries. Higher percentages or absolute amounts may be necessary to ensure adequate funding for climate action while keeping a balance to avoid exaggerated financial burdens.

7.9. The Committee recommends considering the needs and priorities of developing countries when determining the total amount of climate finance, based on **national reports** to the UNFCCC.

7.10. The EESC emphasises the need to consider and monitor a **wide range of contributors and instruments**, when calculating the total amount, including grants, concessional loans, debt relief schemes and private investments (philanthropies included), to mobilise additional resources and maximise impact. At the same time, the EESC advocates putting grants at the core of climate finance to prevent further indebting vulnerable nations, and recommends including debt relief schemes (e.g. via SDG-linked bonds ([31])), currency rate risk reduction guarantees, private investment, etc.

Expected outcomes in regard to the NCQG:

7.11. The EESC recommends, concerning the EU submission, that NCQG negotiations should aim to make climate finance 1) more fit for purpose and biodiversity-friendly, 2) more impactful – by ensuring that it is a) more streamlined, effective and accessible, b) less bureaucratic and c) gender-responsive – and 3) more accurately targeted at the most vulnerable countries and communities. The Committee calls for more concrete actions and binding commitments to ensure these outcomes are achieved.

([29]) As stipulated in Article 2(1)(c) of the Paris Agreement.

([30]) Opinion of the European Economic and Social Committee on the proposal for a Directive of the European Parliament and of the Council amending Directive 2008/98/EC on waste (COM(2023) 420 final — 2023/0234 (COD)) (OJ C, C/2024/888, 6.2.2024, ELI: http://data.europa.eu/eli/C/2024/888/oj).

([31]) See points on debt relief (3.7-3.10).

7.12. The spirit of the Just Transition concept should guide the allocation of all climate finance flows in line with the Paris Agreement, emphasising alignment with Earth's safe and just operating boundaries and broader social and economic objectives, with SDGs at the core.

Brussels, 19 September 2024.

The President
of the European Economic and Social Committee
Oliver RÖPKE