

Debt Alliance and Climate Finance Communiqué

COP30 Simulation



Disclaimer: These are the recorded statements of the youth delegates participating in the COP30 Simulation Programme and do not represent the positions or opinions of The British University in Egypt , UNDP Egypt, the Federal University of Rio de Janeiro (UFRJ/COPPE), or Federal University of Para (UFPA).

Under the Auspices of

On behalf of the *Debt Alliance & Climate Finance Lab* of the *COP30 Simulation*, We are pleased to present our contribution to the climate-finance track feeding into the committee of the whole.

The meeting was attended by Heads of Delegation, Chief Negotiators, Rapporteurs and Delegates representing the following countries and institutions: Italy, Brazil, Seychelles, Cameroon, the Least Developed Countries (LDCs) Group, the Arab Republic of Egypt, the United States of America, Sri Lanka, Malawi, Palau, China, the United Arab Emirates, the African Development Bank (AfDB), the Development Bank of Latin America (CAF), the Asian Development Bank (ADB), Trinidad and Tobago, Sudan, Canada, South Africa, the International Monetary Fund (IMF), the World Bank, the BRICS New Development Bank (NDB), and representatives of the Organization of the Petroleum Exporting Countries (OPEC). The meeting was attended by Chief Negotiators, Heads of Delegation, Delegates, and Rapporteurs representing the following countries and institutions: The Arab Republic of Egypt, Brazil, Canada, Cameroon, China, Italy, Malawi, Palau, Sri Lanka, South Africa, Sudan, Trinidad and Tobago, The United Arab Emirates, The United States of America, The African Group, The Least Developed Countries (LDCs) Group, The Organization of the Petroleum Exporting Countries (OPEC), The African Development Banks (AfDB), The Asian Development Banks (ADB), The BRICS New Development Bank (NDB), The Development Bank of Latin America (CAF), The International Monetary Fund (IMF), and The World Bank (WB).

This lab was built on evidence, not slogans: we reviewed the [Baku-to-Belém roadmap](#), the [fourth finance for Development Conference](#), the UN expert group's recent statements on debt ([UN's 11 measures](#)) to tackle the debt crisis, the [latest Jubilee analysis](#), the [G20 outcomes](#), alongside current data on debt distress, capital costs, and climate investment gaps. From that work, we distilled a set of robust recommendations that are practical, time-bound, and designed to be inserted directly into the final declaration.

Additionally we would like to note that within this lab we experienced points of conflict reflective of the current global financial architecture and geopolitical condition. The challenges were, in the majority, the result of fragmented financial governance, limited standardisation, and political sensitivities amongst creditor nations - notably the USA.

The three pillars we followed were;

1. ***Moral responsibility and justice in debt and climate resilience:*** aligning debt relief with resilience so vulnerable countries are not forced to choose between paying creditors and protecting their people.

Under the Auspices of

2. **Governance, accountability and systems:** making solutions credible and fast; working on common analytics, transparent MRV and budget-tagging, borrower coordination feeding into existing platforms, and rules that bring all creditors to the table.
3. **Climate finance and innovation:** scale what works now and deploy new instruments to mobilize the capital needed to meet the \$1.3T NCQG

We would like to acknowledge the differing preferences among Parties regarding terms “debt relief” and “debt pause”. In this document, both terms are used as contextually appropriate.

Based on thorough research and discussions, the present delegations propose the following recommendations:

Pillar 1 : Moral Responsibility and Justice in Debt and climate resilience

1.1. **Urge** the establishment of automatic climate-triggered debt pauses for low and middle-income countries and the establishment of an Independent Debt and Climate Assessment Panel (DCAP), under the UNFCCC which would assess long-term recovery needs and recommend context-specific measures.

1.2. **Advocate** for a hybrid model combining hazard data and country-specific indicators to ensure fair and timely activation of climate-related debt relief.

1.3. **Transform** IMF trust funds (CCRT & DRTF) into a Climate Resilient Liquidity Facility offering rapid, predictable finance to [vulnerable low & lower middle-income economies] (e.g., Egypt, Nigeria, Brazil).

(Proposed by: Brazil, Opposed by: USA, EU, Umbrella Group).

1.4. **Urge** the transformation of IMF trust funds (CCRT & DRTF) into a Climate Resilient Liquidity Facility providing rapid and predictable finance for low- and middle-income countries, with SDRs linked to climate vulnerability and transparent governance, rather than GDP.

1.5. **Urges** removal of political conditionalities in debt relief and tailored support for countries hindered by grey- or black-listing, to ensure fair access to restructuring and climate finance mechanisms.

1.6. **Call** for [independent] review of debt relief cases without infringement of national sovereignty.

Pillar 2 : Governance, accountability and systems

Under the Auspices of

2.1 **Urges** the establishment of a Borrowers' Forum under the UNFCCC framework to enhance coordination, streamline negotiation processes, and strengthen the collective bargaining power of developing countries in debt and climate finance negotiations.

2.2 **Affirms** that such a forum will reinforce agency for the Global South by enabling borrower countries to proactively set priorities in debt negotiations, rather than reactively responding to creditor-driven terms.

2.3 **Encourages** regional development banks (RDBs) and new development banks (NDBs) to assume a catalytic role in the Forum's design and function, mobilizing resources, providing technical support, and fostering innovation beyond their conventional financing roles.

2.4 **Recommends** reforming the debt sustainability framework to integrate climate shocks, resilience and green growth orientated policies

2.5 **Recommends** the development of a clear and consistent definition of "climate crisis", and the application of borrower-led criteria for relief eligibility, with vulnerability, rather than income status alone, as the key determinant.

2.6 **Requests** inclusion of [automatic] debt pauses triggered by verified climate disasters, using regionally tailored indicators aligned with global best practices.

2.7 **Endorses** the adoption of a [minimum] 5-year transitional period for countries graduating from Least Developed Country (LDC) status, allowing continued access to concessional climate finance to ensure smooth and sustainable development transitions.

Pillar 3 : Climate Finance & Innovation

3.1 **Urges** the establishment of a standardized debt-for-climate swap framework that integrates debt relief with climate action, creating a mutual benefit where developing countries gain fiscal space for adaptation, while developed countries contribute directly to the promised \$1.3 trillion finance effort towards achieving NDCs.

3.2 **Promote** expansion of green/blue bonds and climate debt swaps, backed by guarantees and transparent advanced-technology dashboards with the UNFCCC as a potential pilot hub.

3.3 **Calls for** exploration of a global progressive tax on [polluters] to finance adaptation and compensate climate-affected countries under a UN multilateral framework. Under the Auspices of



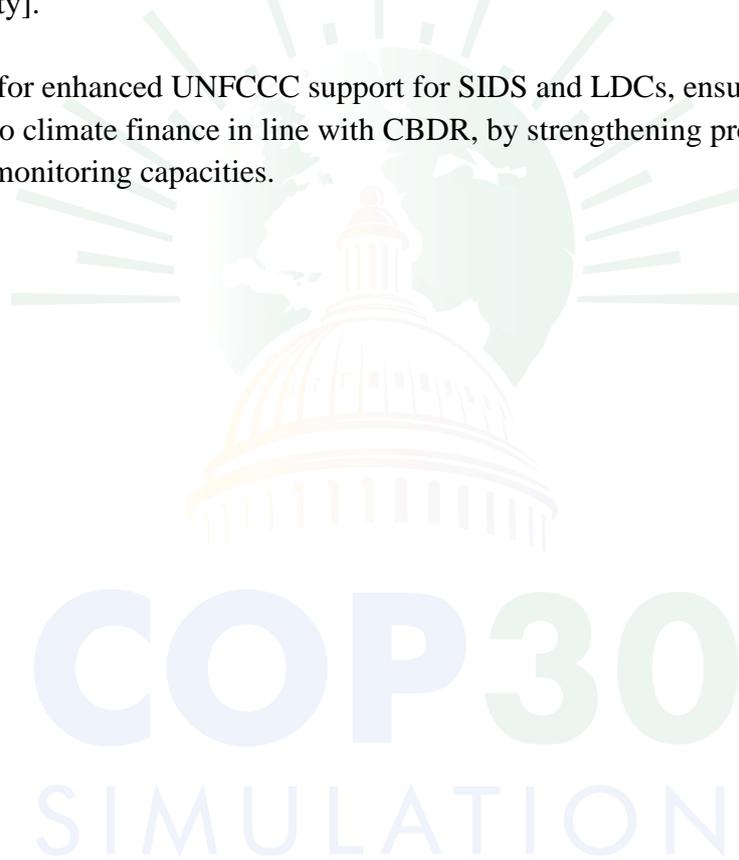
* BRICS+: Called upon Nationally Determined carbon prices instead of global tax .

3.4 ***Calls upon*** Parties to develop a global carbon taxation framework on high-emission sectors, with a UN-supervised digital (AI) registry and revenues funding a Global Climate Transition Fund.

3.5 ***Encourages*** the creation of standardized global templates for debt-for-climate swaps, backed by MDBs, to reduce transaction costs.

3.6 ***Invites*** the establishment of participatory climate-finance boards, ensuring meaningful representation of local communities and non-state actors (NSAs) for oversight and [accountability].

3.7 ***Calls*** for enhanced UNFCCC support for SIDS and LDCs, ensuring simplified, equitable access to climate finance in line with CBDR, by strengthening project preparation, negotiation, and monitoring capacities.

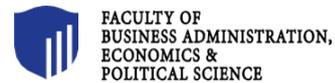


Under the Auspices of





Special Thanks



Under the Auspices of

