BACKGROUND GUIDE - COP 31

BBI Model UN

OPERATIONALIZING THE $1.3 TRILLION CLIMATE FINANCE GOAL: MOBILIZING PUBLIC AND PRIVATE CAPITAL FOR ADAPTATION, MITIGATION, AND LOSS-AND-DAMAGE IN VULNERABLE NATIONS.

LETTER FROM THE EXECUTIVE BOARD

Dear Delegates,

We, the executive board members of the COP31, find immense pleasure in being a part of BBI Model UN 2026. We extend a warm welcome to all of you. We believe that 'study guides' are detrimental to the individual growth of the members since they overlook a very important aspect of this activity, which is - Research. We are sure that this background guide gives you a perfect launching pad to start your research. The Background guide would be as abstract as possible, and would just give you a fundamental perspective on what the executive board believes you should know before you commence your research. This being clear, kindly do not limit your research to the areas highlighted, further but ensure that you logically deduce and push your research to areas associated with the issues mentioned. The objective of this background guide is to provide you with a 'background' of the issue at hand and therefore it might seem to some as not being comprehensive enough. We are not looking for existing solutions, or strategies that would be a copy-paste of what countries you are representing have already stated; instead, we seek an out-of-the-box solution from you. Wishing you all very warm good luck and hope to see you all at this conference discussing imperative issues of international interest we look forward to meeting you all, and please do not hesitate to contact us, if you have any questions before attending the MUN.

Regards,
Ananya Pandey - Chairperson

Looking forward to seeing you all.

POINTS TO REMEMBER

Procedure: The purpose of putting procedural rules in any committee is to ensure a more organized and efficient debate. The committee will follow the UNA USA Rules of Procedure. Although the Executive Board shall be fairly strict with the Rules of Procedure, the discussion of the agenda will be the main priority. So, delegates are advised not to restrict their statements due to hesitation regarding the procedure.

Foreign Policy: Following the foreign policy of one's country is the most important aspect of a Model UN Conference. This is what essentially differentiates a Model UN from other debating formats. To violate one's foreign policy without adequate reason is one of the worst mistakes a delegate can make. Role of the

Executive Board: The Executive Board is appointed to facilitate debate. The committee shall decide the direction and flow of the debate. The delegates are the ones who constitute the committee and hence must be uninhibited while presenting their opinions/stances on any issue. However, the Executive Board may put forward questions and/or ask for clarifications at all points of time to further debate and test participants.

Nature of Source/Evidence: This Background Guide is meant solely for research purposes and must not be cited as evidence to substantiate statements made during the conference. Evidence or proof for substantiating statements made during the formal debate is acceptable from the following sources:

- United Nations: Documents and findings by the United Nations or any related UN body are held as credible proof to support a claim or argument. Multilateral Organizations: Documents from international organizations like OIC, NAFTA, SAARC, BRICS, EU, ASEAN, the International Criminal Court, etc. may also be presented as credible source of information.

- Government Reports: These reports can be used in a similar way as the State Operated News Agencies reports and can, in all circumstances, be denied by another country.

Please Note- Reports from NGOs working with UNESCO, UNICEF and other UN bodies will be accepted. Under no circumstances will sources like Wikipedia, or newspapers like the Guardian, Times of India, etc. be accepted.

VALID EVIDENCE IN THE COMMITTEE

Evidence or proof from the following sources will be accepted as credible in the COP31:

- State-operated News Agencies – These reports can be used in support of or against the State that owns the News Agency. These reports, if credible or substantial enough, can be used in support of or against any country as such but in that situation, they can be denied by any other country in the council. Some examples are,

I. RIA Novosti (Russia)
II. IRNA (Iran)
III. BBC (United Kingdom)
IV. Al Jazeera (Qatar)
V. Xinhua News Agency (PR China)

- Government Reports - These reports can be used in a similar way as the State Operated News Agencies reports and can, in all circumstances, be denied by another country. However, a nuance is that a report that is being denied by a certain country can still be accepted by the Executive Board as credible information.

Some examples are,
i.) Government Websites like the State Department of the United States of America or the Ministry of Defense of the Russian Federation
ii.) Ministry of Foreign Affairs of various nations like India or the People's Republic of China
iii.) Permanent Representatives to the United Nations Reports
iv.) Multilateral Organizations like the NATO

- United Nations Reports - All UN Reports are considered credible information or evidence for the Executive Board of the COP31

I) UN Bodies like the UNSC of UNGA

II) UNAffiliated Bodies like the International Atomic Energy Agency, World Bank, International Monetary Fund, International Committee of the Red Cross, etc.

III) Treaty Based Bodies like the Antartic Treaty System, the International Criminal Court

ABOUT CONFERENCE OF PARTIES 31

COP31 (31st Conference of the Parties to the United Nations Framework Convention on Climate Change), is the annual conference of the parties to the UN Framework Convention on Climate Change (UNFCCC), bringing together nearly all countries of the world to negotiate and coordinate international action on climate change. COP31 is scheduled to take place in Antalya, Türkiye, in November 2026. The conference serves as the principal forum for governments to assess progress in addressing climate change, negotiate collective commitments, and develop frameworks for implementing international climate agreements, particularly the Paris Agreement. Discussions typically cover issues such as greenhouse-gas emissions reduction, climate finance, adaptation, loss and damage, technology transfer, capacity-building, and transparency. Unlike a traditional UN committee, COP operates through negotiations among the Parties to the Convention and its related agreements. Decisions are generally adopted through consensus, meaning that Parties work toward agreements acceptable to all participating countries. Alongside formal negotiations, COP brings together government representatives, international organizations, scientists, businesses, Indigenous peoples, civil society, and other observers. Each COP session includes high-level meetings and technical negotiations, with the presidency changing annually among different regions. COP31 will therefore provide a platform for Parties to review implementation of existing climate commitments and negotiate further measures for international climate action.

Much of the work at COP31 is carried out through formal negotiating groups, working bodies, and thematic sessions that address different aspects of climate policy. Key areas of negotiation include mitigation and emissions reduction, adaptation, climate finance, loss and damage, technology transfer, capacity-building, transparency, and implementation of the Paris Agreement. Parties often coordinate through regional and political negotiating blocs, including the European Union, the G77 and China, the African Group, the Least Developed Countries (LDC) Group, the Alliance of Small Island States (AOSIS), and the BASIC group. These blocs allow countries with shared economic, geographic, or political interests to develop common positions before and during negotiations.

A major feature of COP negotiations is the divide between developed and developing countries, particularly over responsibility for historical greenhouse-gas emissions, climate finance, technology transfer, and the distribution of mitigation and adaptation responsibilities. Small island and climate-vulnerable states also emphasize issues such as loss and damage, adaptation, and climate resilience. Negotiations can involve significant disagreements over the scale and sources of climate finance, the pace of emissions reductions, fossil-fuel use, and the responsibilities of different groups of countries.

COP decisions are generally adopted through consensus among the Parties, rather than through a simple majority vote. Formal negotiations are supported by technical discussions, contact groups, workshops, and subsidiary bodies working on specific issues. The conference also includes a high-level segment, where heads of state and government ministers present national positions and priorities. Alongside government negotiations, observers such as international organizations, scientific institutions, Indigenous peoples, civil society groups, and businesses participate in designated sessions and events. The outcomes of COP31 will therefore depend on negotiations among Parties seeking to balance differing national circumstances, development priorities, financial capabilities, and climate responsibilities.

FUNCTIONS AND POWERS OF COP31

COP31 will serve as a key forum for Parties to the United Nations Framework Convention on Climate Change (UNFCCC) to advance the implementation of existing climate commitments and strengthen international cooperation on climate change. The conference will build upon the outcomes of previous COPs, particularly the Paris Agreement and the decisions adopted at COP29 and COP30. COP31 will focus on translating commitments into measurable and practical action, with the Presidency framing the conference around the principles of "Dialogue, Consensus and Action.

The COP31 Presidency has identified implementation, climate finance, adaptation and resilience, and the acceleration of the clean energy transition as major areas of focus. The COP31 Action Agenda further emphasizes:

- accelerating the clean energy transition and electrification;
- strengthening zero-waste and circular-economy approaches;
- supporting green and low-carbon industrialization;
- strengthening the resilience of vulnerable regions, oceans and ecosystems;
- promoting food security and sustainable agricultural systems;
- developing climate-resilient cities, infrastructure and settlements;
- mobilizing climate finance and strengthening financial and institutional mechanisms;
- expanding youth participation, climate education and green skills; and
- strengthening cooperation between climate action, biodiversity protection and land restoration.

A central objective of COP31 is to narrow the gap between climate commitments and their implementation on the ground. Countries will therefore discuss the implementation of their Nationally Determined Contributions (NDCs), adaptation plans, transparency requirements and other commitments under the Paris Agreement. Climate finance will remain a significant area of negotiation, particularly regarding support for developing countries and the alignment of investment flows with global climate objectives. Adaptation, resilience and loss and damage will also remain important issues for vulnerable countries and communities.

The conference is expected to address a range of contentious issues, including the pace and scale of emissions reductions, the transition to clean energy, climate finance, adaptation funding, loss and damage, technology and capacity-building, and the differing responsibilities and circumstances of developed and developing countries. As with other UNFCCC negotiations, Parties will seek consensus-based outcomes while balancing national circumstances, development priorities and the collective objective of limiting global temperature rise and strengthening climate resilience.

INTRODUCTION TO THE AGENDA

OPERATIONALIZING THE $1.3 TRILLION CLIMATE FINANCE GOAL: MOBILIZING PUBLIC AND PRIVATE CAPITAL FOR ADAPTATION, MITIGATION, AND LOSS-AND-DAMAGE IN VULNERABLE NATIONS.

Climate finance has emerged as one of the most consequential and politically sensitive issues in international climate negotiations. The central challenge is no longer limited to agreeing that developing countries require greater financial support; it is increasingly about how that finance will be generated, who will provide it, on what terms, where it will flow, and how its delivery will be measured.

At COP29 in Baku in 2024, Parties adopted the New Collective Quantified Goal on Climate Finance (NCQG), establishing a goal of at least USD 300 billion per year by 2035 for developing countries, led by developed countries. Alongside this, Parties called on all actors to work together to scale up climate finance from all public and private sources to at least USD 1.3 trillion per year by 2035. The broader USD 1.3 trillion objective is intended to support low-emission and climate-resilient development and the implementation of Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs).

The distinction between the two figures is critical. USD 300 billion is the quantified finance goal for developing countries under the NCQG, while USD 1.3 trillion represents the wider effort to scale climate finance from public and private sources. Therefore, operationalizing the $1.3 trillion goal cannot simply mean increasing contributions to existing climate funds. It requires a transformation of the international financial architecture capable of combining public resources, private investment, multilateral development finance, domestic capital, concessional instruments and innovative sources of revenue.

The Baku to Belém Roadmap to 1.3T, developed by the COP29 and COP30 Presidencies, provides a framework for this process. Its five action fronts—Replenishing, Rebalancing, Rechanneling, Revamping and Reshaping—seek to address the supply, cost, accessibility and structure of climate finance. At COP30, Parties decided to urgently advance actions enabling the scaling of finance toward at least USD 1.3 trillion annually by 2035.

For COP31, the central question is therefore one of implementation: how can the political commitment made in Baku and advanced through Belém be converted into predictable financial flows reaching the countries and communities most exposed to climate risks?

UNDERSTANDING THE $1.3 TRILLION GOAL

The $1.3 trillion figure should not be interpreted as a single global fund into which governments deposit money. Rather, it represents a collective mobilization objective involving multiple sources and instruments of finance.

These sources can broadly include:

- bilateral public finance;
- multilateral climate funds;
- multilateral development banks (MDBs);
- domestic public finance;
- private institutional and commercial capital;
- foreign direct investment;
- green, sustainability and climate bonds;
- concessional lending;
- grants;
- guarantees and insurance mechanisms;
- blended finance;
- carbon-market revenues where consistent with applicable rules;
- and potential innovative sources of international finance.

The challenge is that these sources have fundamentally different risk appetites, costs and objectives.

A grant from a government is fundamentally different from a commercial loan from a private bank. A concessional MDB loan is different from foreign portfolio investment. Similarly, financing for a solar project may generate predictable revenues, whereas financing for flood protection in a low-income coastal community may produce enormous social benefits without producing a conventional financial return.

Consequently, mobilization must not be treated merely as an accounting exercise. The quality, affordability, accessibility and developmental impact of finance matter alongside its volume.

The 2025 UNFCCC NDC Synthesis Report illustrates the scale of the underlying challenge. Parties that reported quantified financial needs identified approximately USD 1.97 trillion in aggregate needs, including around USD 1.34 trillion for mitigation and USD 560 billion for adaptation. A large majority of countries that reported costed needs identified combinations of international and domestic, public and private sources as necessary.

This demonstrates why a single source of funding cannot realistically close the financing gap.

THE THREE PILLARS: MITIGATION, ADAPTATION AND LOSS AND DAMAGE

Climate finance under the $1.3 trillion goal must address three interconnected areas: mitigation, adaptation, and loss and damage, each requiring different financing approaches.

Mitigation finance supports activities that reduce greenhouse-gas emissions, including renewable energy, energy efficiency, clean transportation, industrial decarbonization, methane reduction, and grid modernization. These projects can often attract private investment because they generate identifiable financial returns. However, developing countries frequently face higher borrowing costs, currency risks, infrastructure gaps, and regulatory uncertainty. Public and multilateral finance can therefore reduce investment risks through concessional loans, guarantees, political-risk insurance, first-loss capital, and public-private partnerships.

Adaptation presents a greater challenge for private finance because many adaptation projects generate broad social benefits rather than direct financial returns. Flood protection, drought-resistant agriculture, water security, early-warning systems, and climate-resilient infrastructure may protect communities without generating sufficient revenue to attract conventional investors. The IMF has estimated that around 98% of adaptation finance comes from public sources, highlighting the continuing importance of governments and MDBs. COP31 may therefore explore resilience bonds, catastrophe insurance, blended finance, concessional credit, public guarantees, and dedicated adaptation funds. At the same time, highly vulnerable communities may continue to require grants rather than commercially oriented financing.

Loss and damage addresses climate impacts that cannot be adequately prevented through mitigation or adaptation, including destruction from extreme weather, displacement, livelihood losses, infrastructure damage, and permanent loss of land or cultural assets. The establishment of the Fund for Responding to Loss and Damage created an institutional mechanism for addressing these impacts, but questions remain regarding the scale, accessibility, predictability, and form of future contributions. COP31 may consequently consider grant-based support, innovative sources of finance, insurance mechanisms, disaster-related debt pauses, rapid-disbursement facilities, and greater coordination between climate funds and development institutions.

Together, these three areas demonstrate that reaching $1.3 trillion is not simply about increasing the volume of finance. It requires directing appropriate forms of capital to different climate needs, ensuring that vulnerable nations can access affordable resources without worsening existing debt pressures.

THE ROLE OF PUBLIC FINANCE

Public finance remains the foundation upon which much private climate investment depends.

Government resources can provide:

1. Direct financing for projects that markets cannot fund;
2. Concessional finance that lowers borrowing costs;
3. Guarantees that reduce investor risk;
4. Technical assistance that helps governments develop bankable projects;
5. Regulatory reforms that create predictable investment environments;
6. First-loss capital that absorbs a portion of investment risk.

The Baku to Belém Roadmap specifically emphasizes replenishing grants, concessional finance and low-cost capital. It also identifies fiscal space and debt sustainability as central issues.

This is particularly important because vulnerable countries may simultaneously face climate disasters, high debt-servicing costs and reduced fiscal capacity.

A climate-finance strategy that provides large volumes of loans but simultaneously increases debt burdens may therefore produce limited long-term resilience.

THE GEOPOLITICS OF CLIMATE FINANCE

Climate finance is not merely an economic question. It is deeply connected to international power, historical responsibility, strategic influence and trust between developed and developing countries
.

Developing countries frequently argue that they face disproportionate climate impacts despite having contributed a smaller share of historical greenhouse-gas emissions. Developed countries, meanwhile, emphasize the need for broad participation in climate action and the increasing financial and emissions significance of emerging economies.

This creates a recurring political tension around responsibility versus capability.

The $1.3 trillion agenda therefore sits at the intersection of three questions:

Who caused the problem?
Who has the capacity to finance the solution?
Who should receive financial support?

These questions cannot be separated from broader geopolitical relationships.

CASE STUDIES

Operationalizing the $1.3 trillion climate-finance goal is fundamentally an exercise in redesigning how international capital moves toward climate-vulnerable developing countries.

The goal cannot be achieved by a single climate fund or through government budgets alone. It requires coordination between governments, MDBs, climate funds, private investors, development institutions, national financial systems and innovative sources of capital.

At the same time, the quantity of finance cannot be separated from its quality. A large increase in lending that leaves vulnerable nations with unsustainable debt would not address the underlying problem. Similarly, mobilizing private capital predominantly toward commercially attractive mitigation projects would leave major gaps in adaptation and loss and damage.

The Baku to Belém Roadmap provides an important conceptual foundation through its 5Rs—Replenishing, Rebalancing, Rechanneling, Revamping and Reshaping. The challenge for COP31 is to translate those principles into an implementation architecture with measurable responsibilities, transparent accounting and accessible financing

.

Ultimately, the $1.3 trillion agenda is also a test of international cooperation. Climate finance sits at the intersection of development, debt, trade, energy security, geopolitical influence and historical responsibility. A durable agreement will therefore require more than financial engineering. It will require a framework capable of reconciling the priorities of developed economies, emerging powers, least developed countries and highly climate-vulnerable states.

For vulnerable nations, the objective is not simply to attract more capital. It is to obtain reliable, affordable and accessible finance that enables them to build resilient societies, transition toward low-carbon development, respond to unavoidable climate losses and pursue economic development without accumulating unsustainable debt.

For the international community, the operationalization of the $1.3 trillion goal represents an opportunity to demonstrate that climate commitments can move beyond declarations toward implementation. COP31 can consequently serve as an important test of whether the post-Paris climate-finance architecture is capable of matching the scale of the climate challenge with the scale of the resources required to address it.