

CATALYZING FINANCE TO TURN NDCS INTO ACTION

6th Gathering of the ParlAmericas Parliamentary
Network on Climate Change

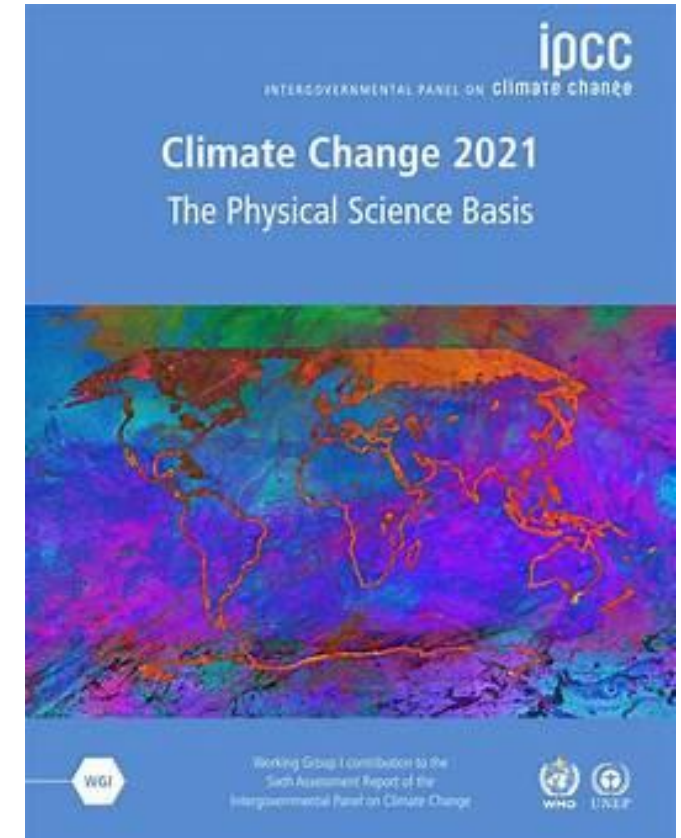
23 June 2022

Minister Matthew Samuda, Minister without Portfolio in the Ministry of
Economic Growth and Job Creation

CONTEXT

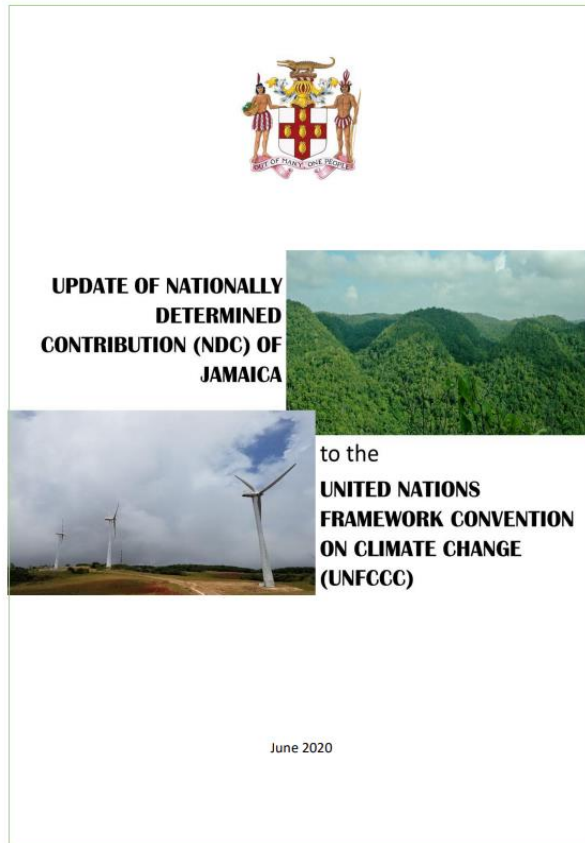
WHY CLIMATE FINANCE IS ESSENTIAL

- IPCC 6th Assessment Report: The next three years represent **the last opportunity** to take action to remain on track for the Paris Agreement's 1.5°C target.
- Climate change is **already negatively affecting** our societies, economies, and ecosystems.
- Climate finance has been steadily increasing during the last decade, but more is urgently needed.



BUILDING A FOUNDATION FOR CLIMATE FINANCE

AMBITIOUS TARGET SETTING AND PLANNING



- Corner stones:
 - Setting ambitious climate agendas through **enhanced NDCs**
 - Engaging in long-term planning through **LT-LEDs**
 - Developing **NDC Implementation Plans** with a whole-of-society approach
 - Developing **NDC investment plans and financing strategies**, including through establishing project pipelines

PARTNERING TO MOBILIZE RESOURCES

JAMAICA'S EXPERIENCE

Engagements:






- **Co-Chair of the NDC Partnership** since January 2021
 - Launched the Partnership's new **Finance Strategy** in Jamaica this spring
- **Coalition of Finance Ministers for Climate Action**
- **UK-Fiji Climate Finance Task Force**

Innovative Interventions:

- Worked with Climate Resilient Investment Coalition to launch **Systematic Risk Assessment Tool** to inform infrastructure investment planning
- Supported by GCF to launch **green bond project**
- Bank of Jamaica working with AFD to **green Jamaica's financial sector**

THE PARTNERSHIP'S FINANCE STRATEGY

Finance is the most requested area of support within the Partnership, with 90% of countries submitting at least one finance-related request, typically within five focus areas:

	Developing climate finance strategies and financial roadmaps This includes: The development of climate finance strategies, national, local and sectoral NDC investment plans, and the development of financial roadmaps.
	Integrating NDCs into national planning, budgets, and revenue This includes: Integration of Climate Finance into Public Budgets & Expenditure Frameworks, Climate finance tracking, sustainable public procurement guidelines and regulations, and carbon pricing, taxes and trading.
	Project and program financing and resource mobilization This includes: Blended finance mechanisms, financial mechanisms or vehicles such as national climate funds, green bonds, revolving funds, etc, and access to capital markets.
	Developing bankable projects and pipelines This includes: Project feasibility assessments, project financial structuring, and accessing international sources of finance through the development of project concept notes and proposals.
	Private sector engagement This includes: Private sector engagement, assessment of private sector needs, mapping of private sector partners, and assessments of private capital markets.

THE NDC PARTNERSHIP'S FINANCE STRATEGY

KEY SERVICE OFFERINGS



Strengthening **Capacity Development**



Improving **Enabling Environments**



Developing **NDC Financing Strategies**



Greening the Financial System through **Central Banks**



Engaging the **Private Sector**



Identifying **Projects** and Matching with **Finance Providers**



Strengthening the Engagement of **Subnational Entities**



Cross-Cutting **Learning**

CATALYZING CLIMATE FINANCE

FROM COMMITMENTS TO ACTION

PROGRESS TO DATE

The Partnership is supporting its members to:

Translating NDCs
into strong national
investment
strategies

- **50 members** mainstreaming climate change into national/sectoral development plans, Public Financial Management systems, and/or COVID response measures.
- **42 countries** developing climate finance strategies and financial roadmaps.

Engaging with
relevant
stakeholders to
mobilize support

- **43 countries** engaging the private sector in climate action.
- Strengthened coordination between Ministries of Environment and Finance by embedding **43 facilitators** and over **45 economic advisors**.
- **Coordinating and collaborating** with key initiatives (CoFM, IKI, NAMA, TF, CFAN, etc)

Identifying and
sharing potential
investment
opportunities in
Member Countries

- **42 countries** translating NDCs into pipelines and bankable projects, including the development of **Project Information Notes (PINs)** with potential investment of over **USD150 million**.
- **35 countries** accessing climate finance from public and private sources for specific projects/initiatives, including through the development of financial vehicles and mechanisms to aid resource mobilization

FOSTERING KNOWLEDGE & LEARNING

PROGRESS TO DATE

Through the **Knowledge Portal**, providing access to:



Climate Toolbox

Provides tools, platforms, and advisory support from key institutions.



Climate Funds Explorer

A database of open climate funds and support for mitigation and adaptation.



Engaging Stakeholders

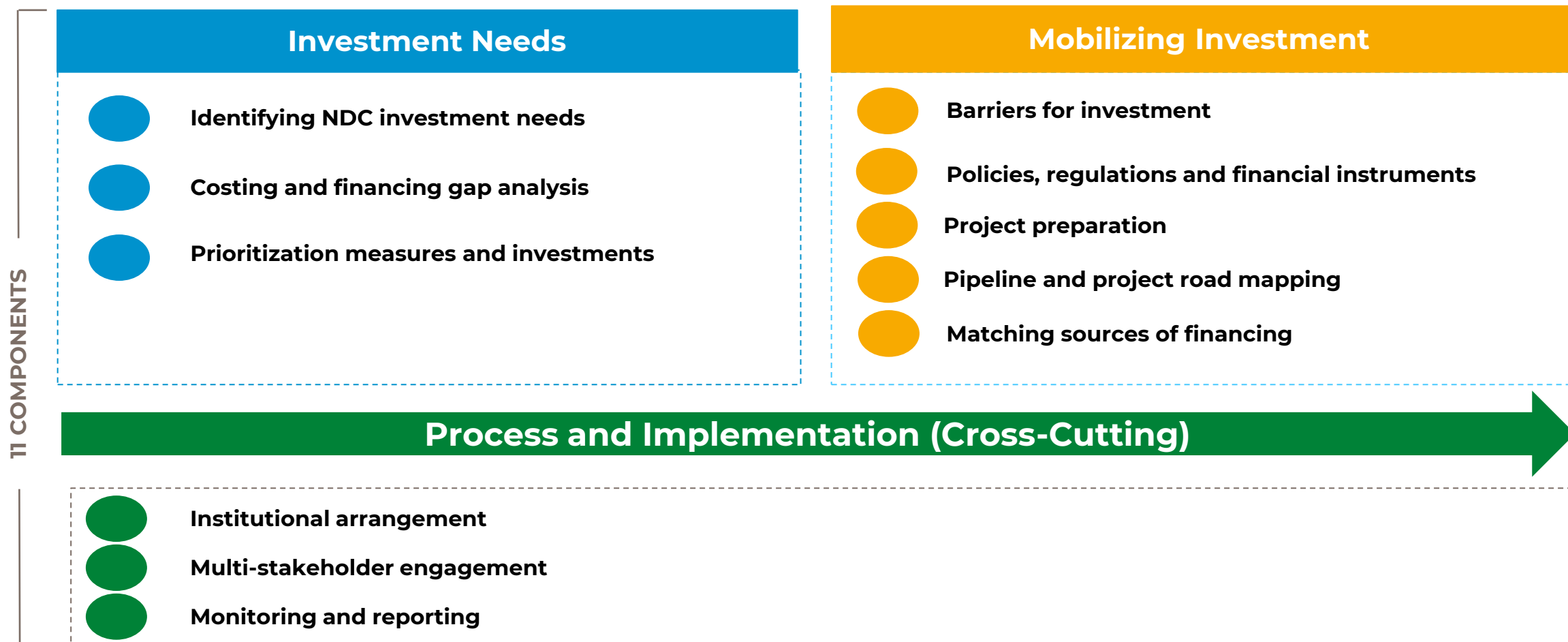
Through whole-of-society approaches to NDC updates, financing, and implementation.

A large wind turbine stands on a green field under a clear blue sky. The turbine is white with three blades, each featuring a red tip. The text is overlaid on the image.

NDC INVESTMENT PLANNING

A KEY INGREDIENT FOR SUCCESS

NDC INVESTMENT PLANNING COMPONENTS



THANK YOU FOR YOUR ATTENTION



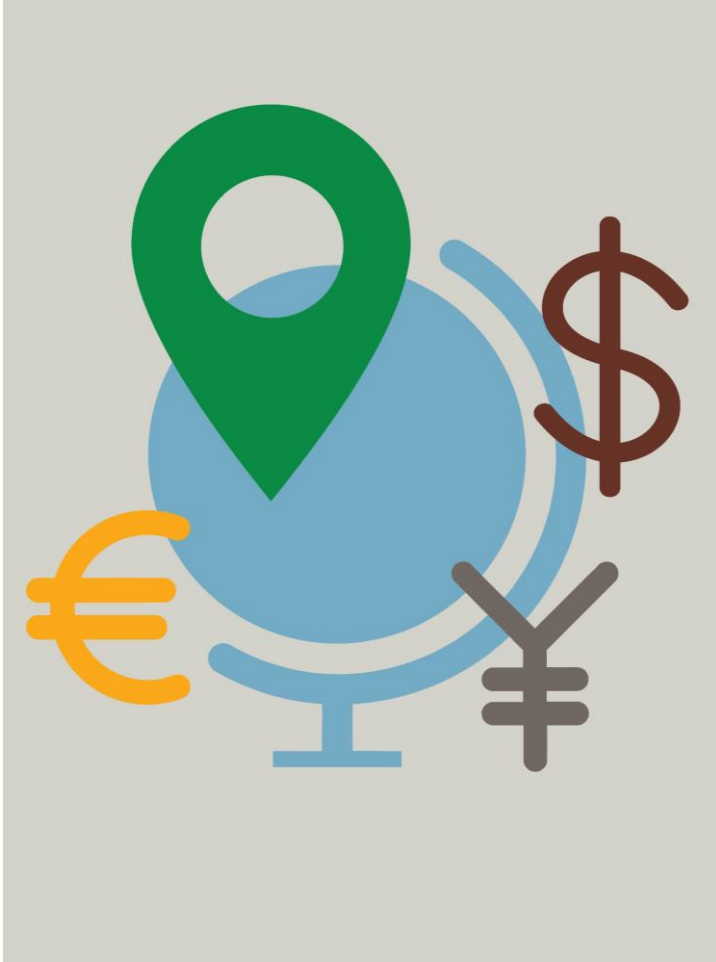
BACK UP SLIDES

COUNTRY-LEVEL SUPPORT

HOW DOES THE PARTNERSHIP SUPPORT DEVELOPING COUNTRY MEMBERS?

- Strengthening the engagement of the Economy, Finance & Line Ministries in climate action through the Country Engagement process
- Match-making country needs with member resources
- Catalyzing Investments through plans and projects (e.g., PINs)
- Embedding Economic and Climate Finance Advisors

CLOSING THE GAP: NDC INVESTMENT PLANS



Burkina Faso developed an NDC Investment Plan providing a list of priority projects (12 for mitigation and 16 for adaptation) that will help materialize increased NDC ambition, equity, and transparency.

Grenada is translating Partnership Plan priorities in sector-specific NDC investment plans with the cost of NDC implementation by 2030 and identifying projects in Energy, Transport, Waste, and Forestry.

Palestine received CAEP support for aligning their NDC Investment Plan with the GCF Country Programme to develop a pipeline of GCF-ready projects in line with national policy priorities.

PROJECT INFORMATION NOTES (PINS)

- The Project Information Note (PIN) is an initiative of the NDC Partnership to give more exposure to and promote climate-change **projects** that are in line with a country's NDC-planning documents.
- It's main purpose is to **attract financing** for NDC projects from the Partnership's members, partners and beyond.
- Currently, 11 PINs have been developed with potential investment opportunities of **USD208 million**. For each country, a tailored outreach strategy is developed to attract potential investors.



PROJECT INFORMATION NOTES (PINS)

Country Examples



Jordan: Enhance the sustainability and climate resilience of date cultivation through installation of solar PV water pumping systems, planting of salt-tolerant crops and land preparation and planting of 70 hectares of date palm trees



Uganda: Drive shift away from emissions intensive growth in passenger vehicles and motorcycles through a pilot project to deploy 500 electric motorcycles with the objective of having at least 30% of all new motorcycles sales to be electric by 2024

BUILDING PROJECTS THROUGH PARTNER SUPPORT

Country Examples from the Climate Action Enhancement Package (CAEP)



Sao Tome and Principe: The Partnership assisted the identification and prioritization of a pipeline of project based on a thorough assessment of government priorities and a collaborative approach that included government ministries, development partners, civil society and private sector. Moving forward, several project ideas are being developed into bankable proposals with support from Partnership Members.



Rwanda: With support through the Rwanda Green Fund, the World Bank supported the development of the Rwanda Green Investment Facility that offers new instruments for climate finance. At the District level, the Bank also supported project identification and conceptualization of water security projects, in line with Rwanda's adaptation commitments.



Dominican Republic: By developing a portfolio of bankable projects in five basins with vulnerable local communities, GWP support through CAEP helped craft investment-ready vehicles to mobilize finance and build climate resilience through country-led action.

UNPACKING SOLUTIONS

HOW DOES UGANDA MOBILIZE INVESTMENT NATIONWIDE?

Uganda is mobilizing investment from Partnership members through 20 new bankable projects distributed across the country to address local NDC implementation needs in 5 areas:



Climate-smart agriculture



Food security/resilience



Climate-smart urban development

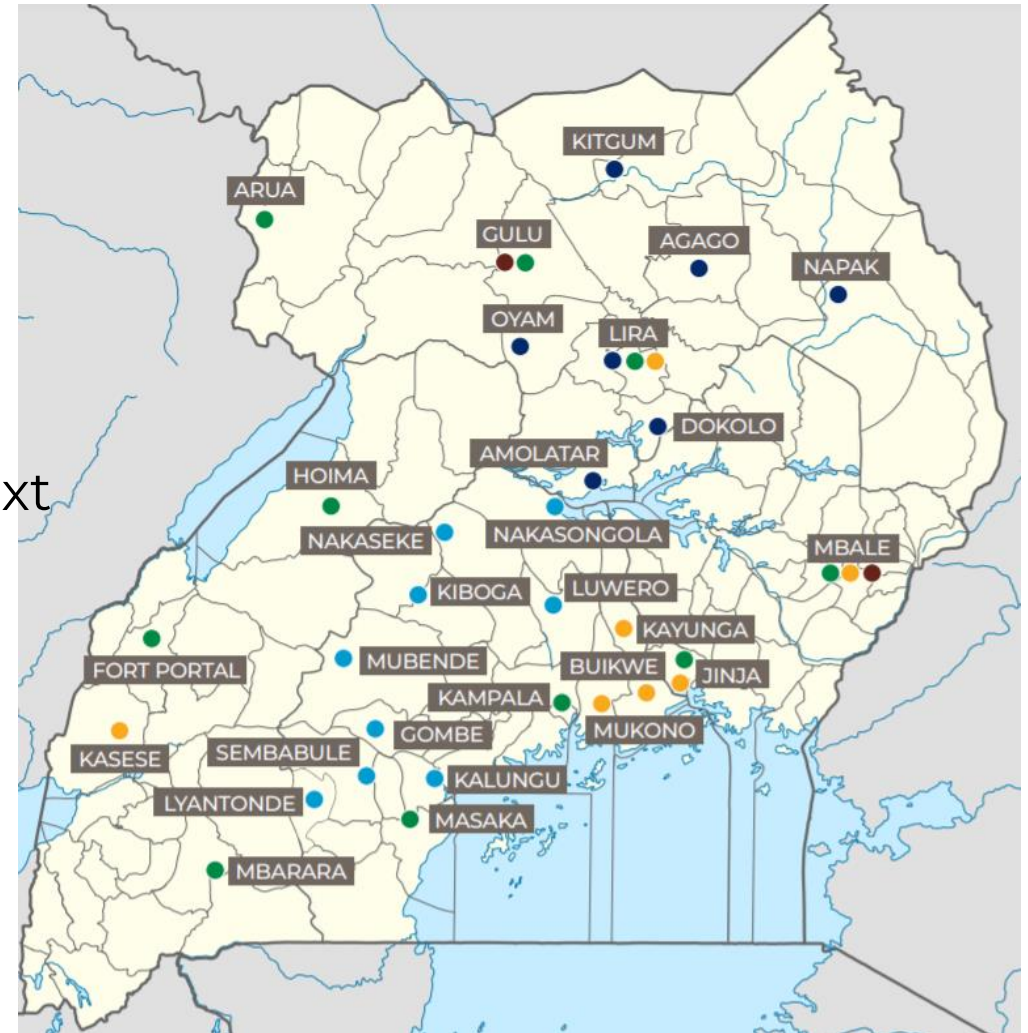


Climate / Disaster risk training



Budget tagging training

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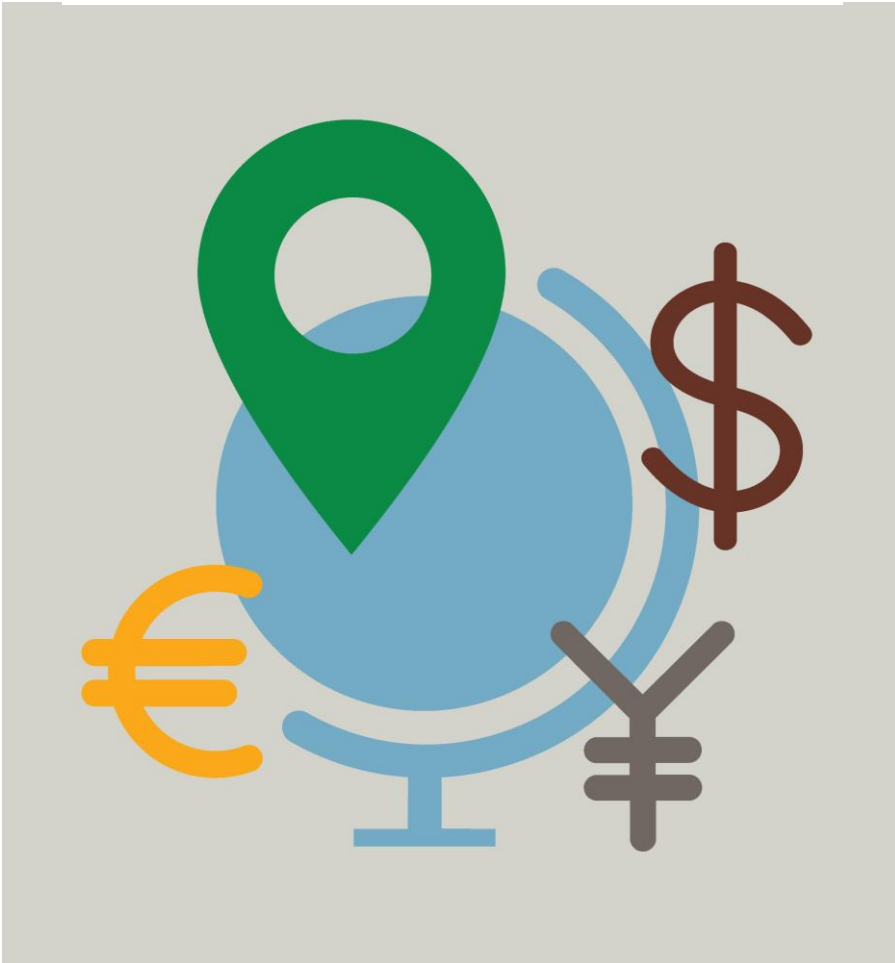


REGIONAL & GLOBAL-LEVEL SUPPORT

HOW DOES THE PARTNERSHIP SUPPORT DEVELOPING COUNTRY MEMBERS?

- Strengthening the Partnership's engagement with key climate finance stakeholders
- Peer-to-peer exchanges
- Systematically highlighting gaps and areas in need of support and funding opportunities

PEER TO PEER EXCHANGES AND EVENTS



Peer-to-peer learning enhances the technical capacities of stakeholders by giving them opportunity to share lessons and insights on:

1. Integrating climate into recovery packages: What works and what doesn't work
2. Recalibrating budgets: From emergency response to economic recovery-challenges and opportunities for climate financing
3. Development of financial instruments (e.g., green bonds to SME financing facility)
4. Understanding how NDC-aligned economic stimulus promotes equity and just transitions

DRIVING NDC IMPLEMENTATION THROUGH INCREASED PUBLIC AND PRIVATE INVESTMENT

- Supporting countries to prioritize and communicate their **investment needs** to potential financing partners.
- Enhancing country processes to capture and communicate relevant **investment opportunities** and engage a wider range of potential public and private partners.
- Supporting countries to work toward more effective enabling environments through defined **strategies and policies**
- Offering **information resources and tools** to help countries learn how to access finance from diverse sources.

INCREASING COHESION AND COORDINATION

FINANCE STRATEGY LINKAGES TO RELATED INITIATIVES

Leveraging support from different partners, the Finance Strategy catalyzes greater impact by:

- Deploying embedded finance advisors in collaboration with initiatives such as the Climate Finance Access Network (CFAN).
- Complementing efforts from the Network for Greening the Financial System (NGFS) to support central banks' capacity development.
- Bringing country requests and insights to the Coalition of Finance Ministers, the Task Force on Access to Climate Finance, JET-P, P+
- Joining forces to promote projects (e.g., PINs) with the Private Financing Advisory Network (PFAN), GET.invest, UN Industrial Development Organization (UNIDO), and the Climate Investment Platform (CIP).
- Providing key entry points to address subnational climate action needs among partners such as European Bank for Reconstruction and Development (EBRD), ICLEI, C40 and Cities Climate Finance Leadership Alliance (CCFLA)