PRINCIPLE 6: ENGAGING WITH NDCS

COALITION OF FINANCE MINISTERS FOR CLIMATE ACTION

JUNE 4-5

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1. Overview of the NDC Partnership

2. Principle 6. Illustrating the role of the Ministry of Economy and Finance (MEF) in supporting NDCs

3. Country requests and needs within the scope of the Coalition

4. How can the NDC Partnership support the Coalition and the MEF to advance NDC implementation?

5. Feature: Climate Action Enhancement Package
1. OVERVIEW OF THE NDC PARTNERSHIP
1. OVERVIEW - HOW WE SUPPORT COUNTRIES

TWO PILLARS:

1. Country Engagement
2. Knowledge and Learning
2. ROLE OF MEF IN SUPPORTING NDCS

NDC Partnership Focal Point requirement: NDC + Planning/Finance

• Unconditional and conditional targets be aligned to macroeconomic projection of the governments; -- clarify what is truly achievable

• NDCs must be mainstreamed into national, sectorial and budget plans should be a must; embedded as part of the government planning and budgeting cycle;

• Fiscal space is critical. Need to understand the additional burden brought by NDC commitments. And identify what needs to be prioritized and how is it going to be financed;

• NDCs to become a regular key agenda topic in sector working groups, development partner coordination groups, national dialogues, etc.
2. ROLE OF MEF IN SUPPORTING NDCS

1. Leading role in the formulation and update of NDCs

**JAMAICA.** Planning Institute of Jamaica, (agency within Ministry of Finance) co-leading NDC revision and developing NDC implementation Plan. Will be in charge of coordination with international development partners and accredited entities to multilateral funds.

2. Ensure that policies are coordinated, coherent and aligned with the achievement of the NDCs

**MARSHALL ISLANDS.** Ministry of Finance in charge of policy coordination with sectors. A grant mechanism is being set up for building resilience. A climate finance action plan has been developed to support NDC implementation.

**SAINT LUCIA.** NDC implementation plan includes commitments of budgetary resources by the Ministry of Finance of US$ 23m for sectoral action, in addition to deliverables dependent on international support.
2. ROLE OF MEF IN SUPPORTING NDCS

3. Technical input relevant to NDC formulation

**MOROCCO.** MEF provided macro-economic projections, fiscal analysis and identified opportunities with high socio-economic impacts during NDC implementation planning.

4. Integration of NDC requirements into climate-informed appraisal and analysis of policies and programs

**MALI.** All projects included in the Investment Plan were subject to a vetting process based on nationally-set criteria. MEF included a selection into the New Strategic Framework for Economic Recovery and Development, with its own budgetary line.

5. Coordinating technical assistance and financing provided by international institutions

**GRENAADA.** MoF engaged in all climate finance discussions and supports environment in elaboration of NDC implementation plan. MoF keeps track of all international cooperation and ensures complementarity.
2. ROLE OF MEF IN SUPPORTING NDCS

Some benefits of engaging MEFs

• The engagement with the Ministry of Finance is a necessary ingredient for integration of climate goals into planning and budgeting.

• Finance and/or Planning Ministry ownership has raised the visibility and profile of NDCs and made it easier to convene and commit other agencies

• Key to understand the feasibility of unconditional commitments in terms of meeting NDC targets from macro-economic perspectives, as well as to bring the private sector to the NDC Implementation process.

• Can lead to mobilization of more domestic resources.
3. REQUESTS AND NEEDS WITHIN THE SCOPE OF THE COALITION – PRINCIPLE 3

**TYPES OF REQUEST**

Feasibility & support for domestic carbon markets & participation in global markets

Incentives to lower emissions (i.e. taxes and financial incentives)

Payment for ecosystem services

**14 COUNTRIES REQUESTING**

Antigua & Barbuda, Colombia, Ethiopia, Gabon, Georgia, Mali, Mozambique, Namibia, Pakistan, Philippines, Sao Tome and Principe, St. Lucia, Uganda, and Zimbabwe

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**NAMIBIA**

Carbon pricing through e.g. Emissions Trading Scheme/Emissions Tax to promote the uptake of low carbon technologies and produce fiscal revenues

**MOZAMBIQUE**

Incentives to attract private sector and civil society to participate in the development of initiatives that contribute to the adaptation and mitigation of climate change
3. REQUESTS AND NEEDS WITHIN THE SCOPE OF THE COALITION – PRINCIPLE 4

TYPES OF REQUEST

Mainstreaming CC into national to subnational levels budgets

Climate Public Expenditure Reviews, budget coding & tracking of climate finance flows

Public investment plans

Integration of climate finance into economic and fiscal systems

24 COUNTRIES REQUESTING

Antigua and Barbuda, Belize, Colombia, Costa Rica, Cote D’Ivoire, Dominican Republic, Ethiopia, Gabon, Georgia, Honduras, Jordan, Kenya, Mali, Mongolia, Mozambique, Namibia, Philippines, RMI, Rwanda, Sao Tome and Principe, St. Lucia, Uganda, Vietnam, and Zimbabwe.

DOMINICAN REPUBLIC

Capacity development on tracking and reporting of climate relevant expenditure and flows through the climate finance budget accounts.

Development of a system for the tracking and reporting off-budget climate change expenditure by non-state actors
3. REQUESTS AND NEEDS WITHIN THE SCOPE OF THE COALITION – PRINCIPLE 5

TYPES OF REQUEST

Regulatory frameworks and enabling environments

Finance strategy and NDC Investment Plans,

Public-Private Partnerships,

Accreditation of financial entities to the GCF

Development of bankable projects proposals & financing

26 COUNTRIES REQUESTING

Antigua and Barbuda, Belize, Brazil, Burkina Faso, Colombia, Costa Rica, Cote D'Ivoire, Dominican Republic, Ethiopia, Gabon, Honduras, Jordan, Kenya, Mali, Mongolia, Mozambique, Namibia, Pakistan, Philippines, RMI, Rwanda, Sao Tome and Principe, St. Lucia, Vietnam, Uganda, and Zimbabwe

ZIMBABWE

Technical assistance to develop a renewable energy auction / competitive procurement framework / incentive structure for solar projects to attract private finance.

Feasibility studies for waste-to-energy projects at the local level in support of the to facilitate private sector interest
4. HOW CAN THE NDC PARTNERSHIP SUPPORT THE COALITION?

Out of the 49 actively engaged countries, 11 are members of the Coalition and 18 are observers

1. Increase **visibility and understanding** of the Coalition and action plan in member countries

2. The NDC Partnership can be a **vehicle to advance implementation** of the principles of the Coalition
   • I.e. NDC Partnership already committed to the development of 10 NDC investment plans or similar

3. Serve as platform to **share knowledge and experiences**. The Knowledge Portal could host relevant tools, best practices and other for items related to the Coalition.

4. **Convene countries and partners** for Coalition-related events and exchanges.

5. **Engage MEFs in NDC Revision** through Climate Action Enhanced Package
5. THE CLIMATE ACTION ENHANCEMENT PACKAGE

FAST-TRACKED TECHNICAL ASSISTANCE DELIVERED BY PARTNERS TO MEMBER COUNTRIES TO ENHANCE NDCS & RAISE AMBITION

- **Ambition Framing**
  Clear explanation on how the countries will use the support to update NDCs to raise ambition/ enhance and/or implement NDCs

- **Whole of Society**
  Commitment and brief explanation on how the whole-of-society would be engaged in the process, including mainstreaming gender equality and the involvement of relevant stakeholders from civil society, private sector, sub-national governments and academia

- **Whole of Government**
  Country-driven process, with high-level commitment and involvement of all relevant ministries, preferably including Ministries of Finance and/or Planning, alongside NDC Partnership Focal Points

- **Links with National Plans**
  Explanation on how direct linkages with the country’s national planning and budgeting processes, as well as development strategy and the SDGs will be established

**Screening**

- Criterion 1
- Criterion 2
- Criterion 3
- Criterion 4
# 5. The Climate Action Enhancement Package

Showcasing Ambition & Transformational Solutions

**Abu Dhabi Prep Meeting**
- Soft Launch of CAEP
- First Call for Proposals Issued

**Stage 1**
- Deadline for Submission of Request for Support Form (RSF)

**Stage 2**
- Eligibility Screening Completed
- Eligible RSFs Circulated

**Stage 3**
- Responses from Implementing Partners (IPs) consolidated

**Stage 4**
- TOR prepared
- Screening of Interested IPs based on Eligibility Criteria Completed
- Government Approval Secured
- Results Communicated

**Timeline for First Call for Proposals**

- **1 July**
- **9 Aug**
- **23 Aug**
- **6 Sep**
- **16 Sep**

**2020**
- **Nov**
- **Oct**
- **23 Sep**

**Stage 6**
- Delivery of the Support

**Stage 5**
- SC Report Prepared
- Grant Agreement Initiated

**Stage 7**
- Progress Tracking
- Lessons Learned

**Climate Action Summit**
- Official Launch of CAEP

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**NDC Partnership**
Thank You

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