

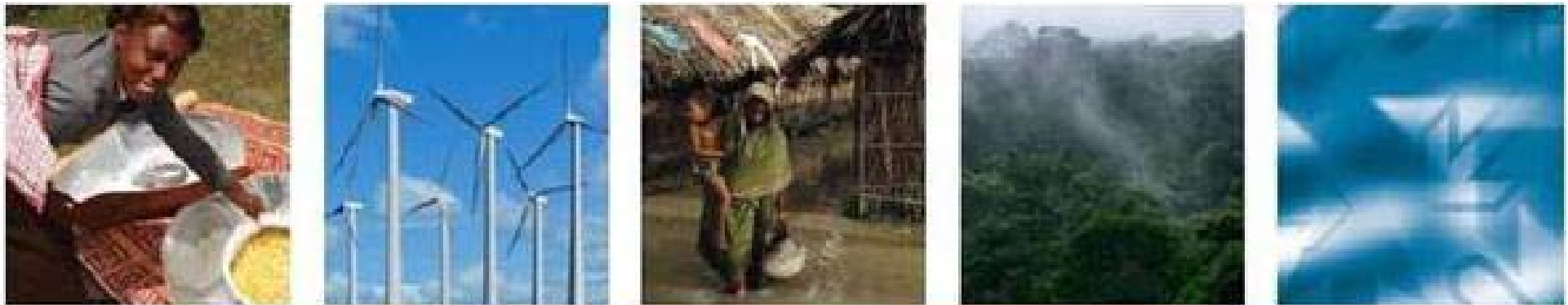
CAPACITY DEVELOPMENT FOR POLICY MAKERS TO ADDRESS CLIMATE CHANGE

The UNDP Investment & Financial Flows Methodology – a tool for decision-makers



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Resilient nations.*

Susanne Olbrisch, UNDP



UNDP ENVIRONMENT & ENERGY GROUP





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Project snapshot

- \$6M global project launched May 2008 in 19 countries
- Funded by Norway, Switzerland, Finland, UNDP, UNF

LAC region (10)

Colombia
Costa Rica
Dominican Rep.
Ecuador
Honduras
Nicaragua
Paraguay
Peru
St Lucia
Uruguay

Africa (5)

Gambia
Liberia
Namibia
Niger
Togo

Arab States (1)

Algeria

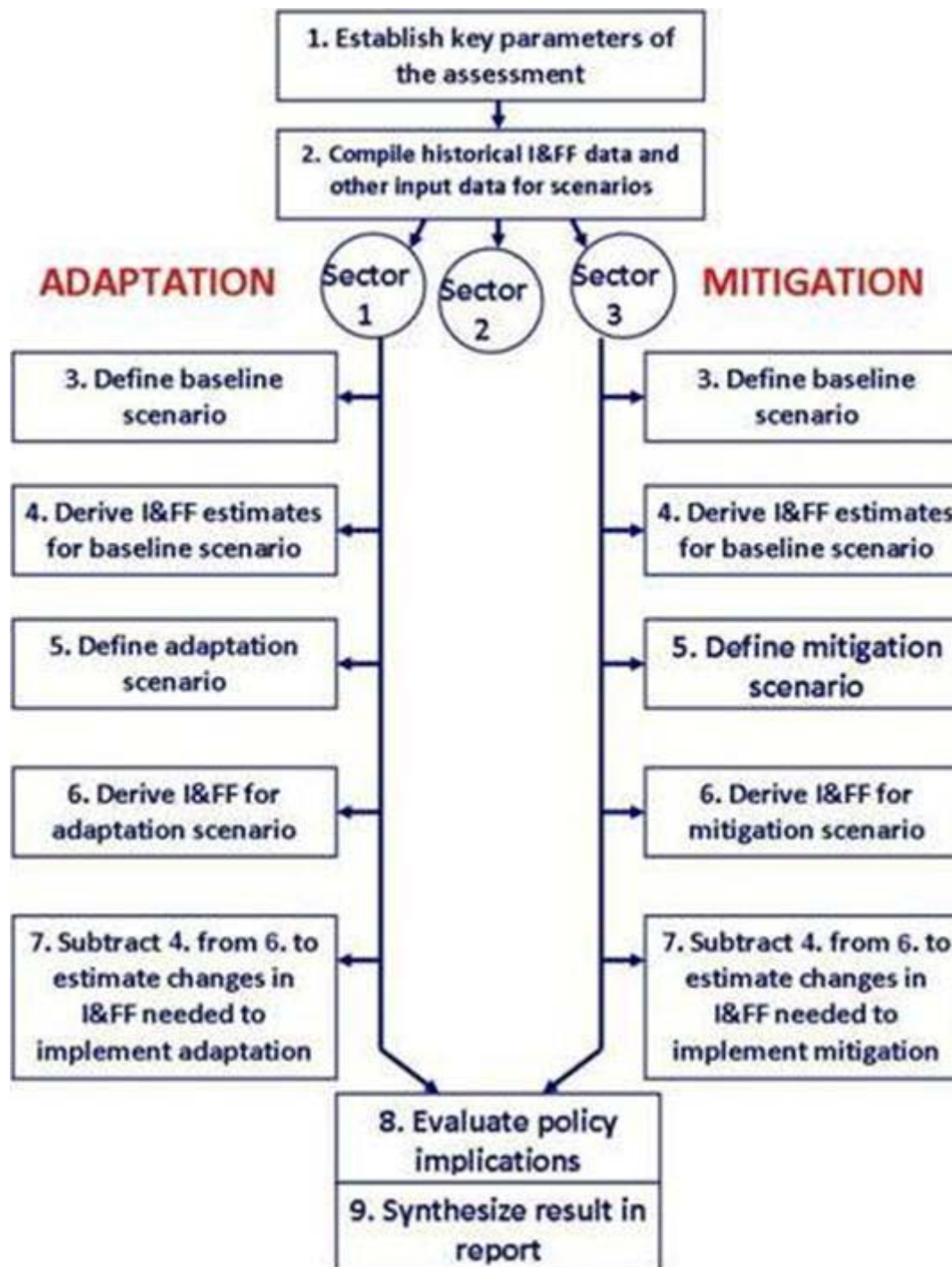
Asia-Pacific (2)

Bangladesh
Nepal

Eastern Europe (1)

Turkmenistan

From a **development perspective**, what does my country need to do to address climate change in selected key sectors, and what financial landscape will be required to achieve those needs?



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Key sectors identified for I&FF assessments



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Figure 1: Number of countries selecting sector for an I&FF assessment for adaptation

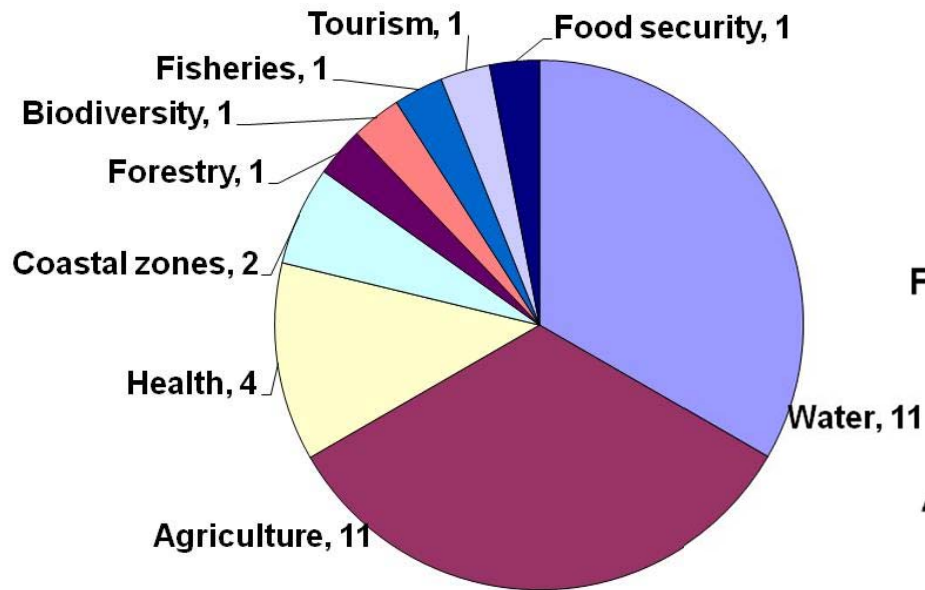
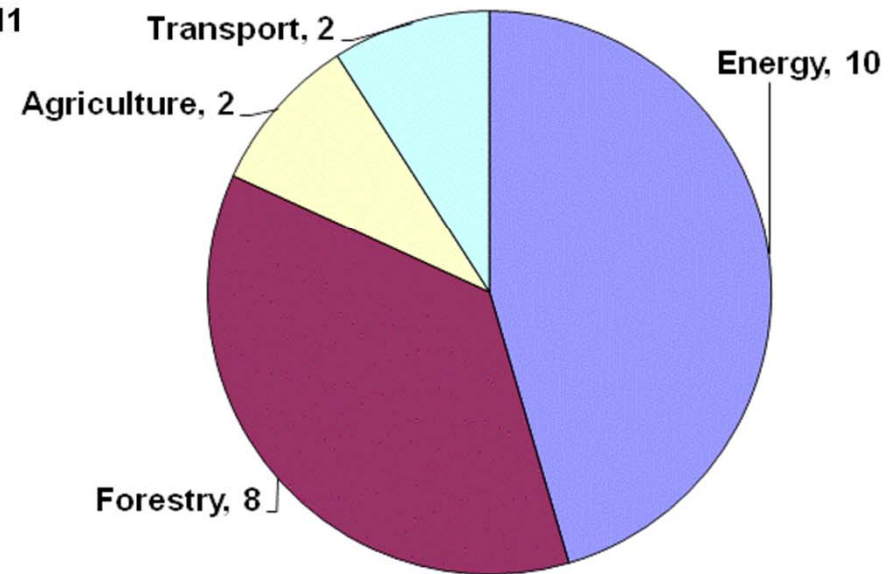


Figure 2: Number of countries selecting sector for an I&FF assessment for mitigation



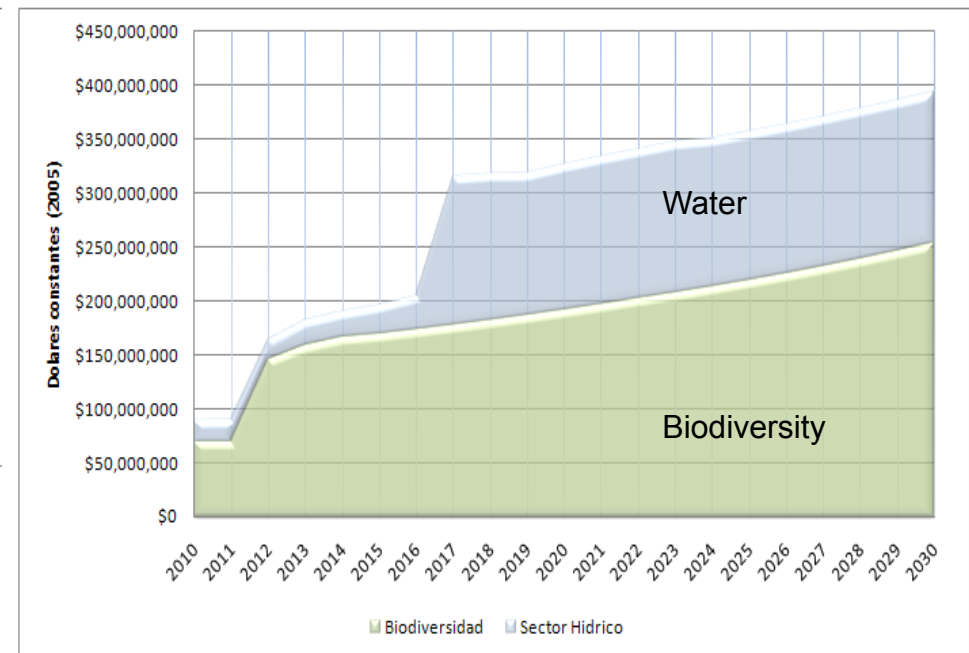
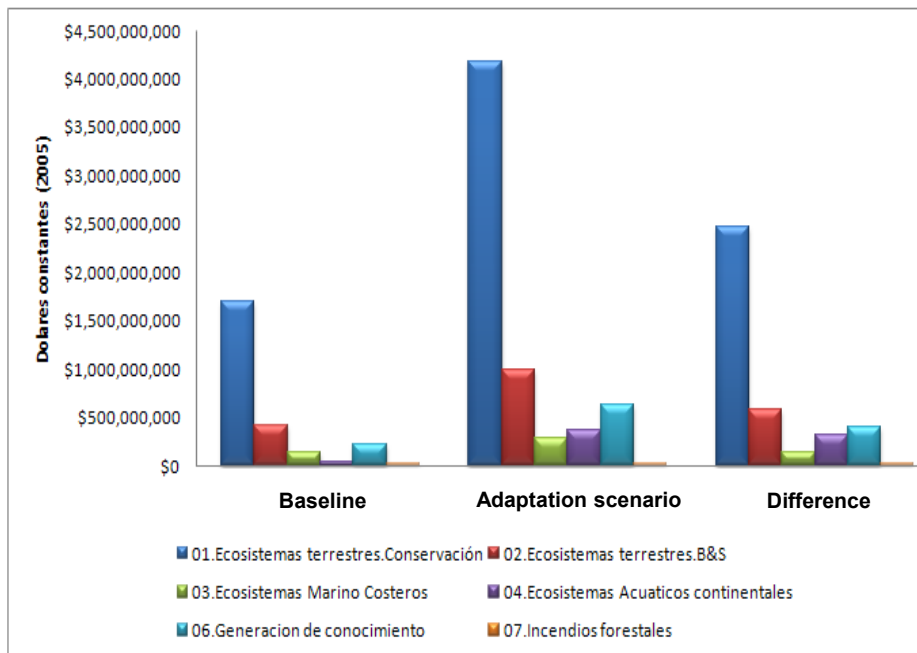
Examples from Costa Rica



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Total cumulative sum of investments (2010-2030) in biodiversity sector, by investment type

Annual incremental cost of investments (2010-2030) for biodiversity and water sectors



Overview: Results by sector



Sector (M=Mitigation, A=Adaptation)	Country	Measures	Annual Incremental Cost (Million US\$)
Energy (M)	Bangladesh, Dominican Rep. Gambia, Liberia, Namibia, Togo, Turkmenistan, Uruguay	Renewable energy, energy efficiency, modernizing power plants...	20 (Gambia) – 950 (Bangladesh)
Transport (M)	Ecuador, Honduras	Transportation plan, filters in engines, emission control centres...	60 (Honduras) – 120 (Ecuador)
Forestry (M)	Ecuador, Gambia, Honduras, Liberia, Niger, Paraguay	Afforestation & reforestation, institutional strengthening...	5 (Paraguay) – 150 (Honduras)
Agriculture (A/M)	Bangladesh, Colombia, Ecuador, Gambia, Liberia, Namibia. Niger. Parauav.	Resistant livestock species & crops, early warning systems, restoration of soil quality. capacity building...	0.6 (Gambia) – 1890 (Bangladesh)
Water (A)	Bangladesh, Costa Rica, Dominican Rep. Gambia, Honduras, Peru, Turkmenistan	Water supply & sanitation, erosion & flood control, implementing water law, rainwater harvesting...	-0.1 (a net saving!) (Gambia) – 230 (Bangladesh)
Health (A)	Paraguay	Fighting dengue, malaria & otherdiseases	7 (Paraguay)
Tourism (A)	Dominican Republic	Beach management, hurricane management by insurance	40 (Dominican Republic)
Biodiversity (A)	Costa Rica	Conservation of ecosystems	60 (Costa Rica)
Fisheries (A)	Peru	Awareness raising, infrastructure for	13 (Peru)

Insights on conditions that enable accurate climate related financial needs assessments – Experiences from I&FF

work

- The I&FF assessments are not a mere costing exercise, but an analysis of the **whole financial landscape** of a sector
- There is a **large span of incremental I&FF estimates** within the same sector for different countries, depending on national context, country size, sectoral scope, number of measures analysed, discount rate used, etc.
- In many cases, the assessment results show that shifts in investments are necessary, e.g. from one technology to another, or one subsector to another, while **additional** incremental investments are required



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Examples of impacts on the ground

- In **Dominican Republic**, the government maintained the inter-ministerial review committee established for the I&FF assessments; it is now supporting development of CC policy
- In **Turkmenistan**, environmental standards for energy efficiency and improved water management are being integrated into the legislative framework as result of I&FF recommendations
- In **Bangladesh**, I&FF provided baseline information for climate public expenditure & investment review (OECD/ADB/UNDP)
- In **Niger**, I&FF results have been incorporated into National Action Plan for Climate Change and National Development Plan
- In **Togo**, national climate change negotiators and parliamentarians were briefed on the I&FF results and political implications
- In **Paraguay**, I&FF results feeding into national CC policy and national mitigation plan (via *Climate Policy 2012* project)

Components of UNDP's climate finance readiness framework



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Financial Planning

- Assess needs and priorities, and identify barriers to investment
- Identify policy-mix and sources of financing

Accessing Finance

- Directly access finance
- Blend and combine finance
- Formulate project, programme, sector-wide approaches to access finance

Delivering Finance

- Implement and execute project, programme, sector-wide approaches
- Build local supply of expertise and skills
- Coordinate implementation

Monitor, Report & Verify

- Monitor, report, and verify flows
- Performance-based payments



www.undpcc.org (4 languages)

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The screenshot shows the homepage of the UNDP Climate Community website. The header features the UNDP logo and the text "Climate Community" in a large, white font against an orange background. Below the header is a navigation menu with links for Home, About Us, Climate Negotiations, National Dialogues, Financial Analysis, and Resources. A search bar is located in the top right corner. The main content area is divided into two columns. The left column contains a "Home" section with a list of bullet points describing the site's purpose and resources. Below this is a "Select a Country" dropdown menu and a "Type Country Name" input field, followed by a "Go" button and a world map. The right column contains a "Key resources" section with links to the Publications Database, Events calendar, and Negotiation news. Below this is a "Blog" section with several article titles, including "First Newsletter Low-Emission Capacity-Building Project", "New Publication Available! Taking Stock of Durban - Review of Key Outcomes and the Road Ahead", "Mid-term stocktaking: Africa Adaptation Programme supports the governments of 20 African countries to achieve transformational change", and "New Guide for Ibero-american climate change negotiators released".

Climate Community

Home About Us Climate Negotiations National Dialogues Financial Analysis Resources

You are here: Home

Search...

Home

This site presents information for:

- Anyone interested in **climate change issues** and **climate change negotiations** of the United Nations Framework Convention on Climate Change:
 - We offer an extensive **publications database** in multiple languages, **negotiation news** and **blogs**, and a regularly updated **calendar of climate events**.
- Anyone interested in **assessments of investment and financial flows (I&FF)** to address climate change:
 - Visit the '**About us**' section to learn about the UNDP project, Capacity Development for Policy Makers to Address Climate Change, check out the **UNDP methodology** for assessing investment and financial flows, and access the **workshop resource kit** to conduct your own national dialogue on climate change.
- **Participants of the UNDP project**, Capacity Development for Policy Makers to Address Climate Change:
 - We invite you to explore your **country pages** containing your individual project materials, and to download the **UNDP I&FF methodology**.

Select a Country Type Country Name Go

Key resources

- Publications Database
- Events calendar
- Negotiation news

Blog

First Newsletter Low-Emission Capacity-Building Project

New Publication Available!
Taking Stock of Durban - Review of Key Outcomes and the Road Ahead

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Interview with David Burton at



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Annex: Sequencing of national activities

Preparation stage

Implementation stage

Reporting stage

