

Workshop on NDC Implementation: Good Practices in the Pacific

3-4 August 2021
Workshop Report

Organized by



In collaboration with



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I. EXECUTIVE SUMMARY

On 3-4 August 2021, the NDC Partnership, United Nations Framework Convention on Climate Change-Institute for Global Environmental Strategies Regional Collaboration Centre for Asia and the Pacific based in Bangkok (UNFCCC-IGES RCC Bangkok), and the Pacific NDC Hub organized a virtual workshop on NDC Implementation: Good Practices in the Pacific. The workshop was attended by more than 100 participants, including 83 delegates from 12 Pacific Island Countries (PICs) in addition to 21 panelists and facilitators from eight development partners and finance institutions.

The workshop was attended by 83 delegates from 12 Pacific Island Countries.

This virtual workshop provided an avenue for PICs to identify areas for fast-tracking implementation to help ensure NDC targets are realized, as well as share good practices and identify areas of cooperation between countries and development partners. The workshop consisted of presentations, panel discussions, and breakout sessions, which covered cross-sectoral issues pertaining to the NDC implementation. Several key messages emerged from the interactive discussions at the Plenary and the Breakout Sessions, which are summarized below:

1. Challenges and Good Practices in NDC Implementation Planning

PICs face a myriad of challenges in NDC implementation, including a lack of cross-sectoral coordination mechanisms, and insufficient institutional capacity to identify and plan priority actions. This is compounded by limited supporting, regulatory frameworks and the unavailability of good data to form baselines that can inform policies and facilitate tracking of progress at the national, subnational, and sectoral levels. PICs also highlighted that they have limited capacity to access international funding mechanisms, the process of which is often long and tedious.

Despite these challenges, PICs shared several practices that have benefited their planning processes, including:

- *Increasing political ambition* through high-level campaigns targeting leaders and policy makers has enabled some countries to mainstream the NDC into national development strategies and national budgeting.
- *Establishing sectoral focal points* has helped some countries in strengthening cross-sectoral coordination and cooperation.
- *Extensive stakeholder engagement* was highlighted by all countries as being the crucial step in achieving inclusivity in their NDC implementation planning. Some best practices include

translating NDC-relevant materials into local languages, improving access to information, strengthening Monitoring and Evaluation (M&E) of relevant sectors, establishing a focal point in vulnerable groups, co-designing climate change policies with indigenous people, and formulating in-land migration policies for the low-lying and coastal communities.

2. Areas of Collaboration Between Countries, Development Partners, and Finance Institutions

PICs highlighted several key areas of collaboration to facilitate capacity building and access to climate finance, including:

- *Strengthening regional platforms* for collaboration, such as the Regional Pacific NDC Hub, which can efficiently match countries' needs with available development partner support, increase local capacity through projects funded by international donors, and promote peer-to-peer learning. These types of platforms can also assist the region in building a strong Pacific voice at international events such as the UNFCCC Conference of Parties (COP).
- *Increasing technical assistance* from development partners in several key areas, including capacity building for data collection and verification, developing robust funding proposals, and developing adaptation projects, particularly in the agriculture sector.
- *Scaling up successful national projects to a regional level* through collaboration with regional and international organizations that can provide access to funding.

The recordings of the workshop can be found in the following links:

Day 1: <https://youtu.be/HFbzZprtP0c>

Day 2: <https://youtu.be/1YoMWLS5i2c>

II. OPENING REMARKS: URGENT NEED FOR ENHANCED CLIMATE ACTIONS

The opening segment urged all parties and actors to take enhanced climate actions as climate change remains the greatest risk to human development for the rest of the century.

Ambassador Ken O’Flaherty, United Kingdom (U.K.) COP 26 Regional Ambassador to Asia-Pacific and South Asia, highlighted that, as the UNFCCC Conference of Parties (COP) 26 Presidency, the U.K. is committed to galvanizing countries around the world to drive down emissions and reach net zero by mid-century in order to keep global warming to 1.5 degree Celsius. He urged all countries, particularly major emitters, to come forward with ambitious greenhouse gas (GHG) emission-reduction commitments and enhanced NDCs ahead of COP26. He noted that there were already over 70 new or updated NDC submissions to the UNFCCC at the time of his remarks. Some countries have increased their ambitious GHG reduction targets to reach a net-zero target by 2050, while others have enhanced transparency frameworks or expanded the sectorial coverage. These kinds of enhancements could improve the robustness and credibility of the NDC targets and help ensure that plans are in place to turn ambition into implementation. The U.K. has supported the NDC update and implementation planning processes in many countries through the NDC Partnership. As a development partner within the NDC Partnership, the UK has sought to strengthen its impact among other means by supporting the development strategies to improve countries’ access to finance¹. Ambassador O’Flaherty noted that at COP26, the world would be looking at how much progress had been made collectively towards the Paris Agreement across all pillars of ambition. He underscored that COP26 must deliver results that keep the 1.5-degree Celsius goal within reach, in line with the best available science.

Ms. Amanda McKee, Head of Knowledge Management and Head of the Climate Action Enhancement Package (CAEP) of the NDC Partnership, highlighted that the initial NDC Synthesis Report published by the UN Climate Change Secretariat in February 2021 presented a sobering reminder that much still needs to be done to keep the 1.5-degree Celsius target viable. Nonetheless, there was progress in terms of quality, process, and ambition of the updated NDCs. The new climate targets had more robust analyses, the measures were costed, and the consultation process had been more thorough. Most importantly, countries are developing implementation / investment plans that could facilitate international financing of climate projects. All these were achieved in extremely limiting circumstances brought about by the COVID-19 pandemic. She highlighted that through the Climate Action Enhancement Package, 46 members of the NDC Partnership have supported 67 countries in developing enhanced NDCs that were more comprehensive, ambitious, implementable, and credible, with key targets and measures to track and demonstrate progress. Ms. McKee also underscored the challenge of recovering from COVID-19 impacts, while ensuring that NDC goals are achieved. To assist countries in addressing this challenge, the NDC Partnership launched the Economic Advisory

¹ The UK also serves as a Co-chair of the NDC Partnership.

initiative, deploying 50 economic advisors to 33 countries to support them in putting climate at the heart of COVID-19 recovery plans. Reiterating The Partnership's commitment to support NDC implementation in the region at speed and scale, Ms. McKee urged governments and partners to continue in the spirit of cooperation, matching the goodwill from the people of the Pacific with the goodwill from funders, international organizations, and institutions to keep the momentum for climate action going.

Mr. Tutii Chilton, Chair of the Steering Committee of the Regional Pacific NDC Hub, emphasized that while Pacific Island Countries are negligible contributors to global warming, they have shown leadership in global climate action by committing ambitious climate pledges in their NDCs. He applauded the countries' NDC update efforts as holistic and grounded in national development processes, demonstrating the close linkages between mitigation and adaptation actions and sustainable development. The updated NDCs are also more reflective of countries' national circumstances, for example, by including quantifiable adaptation targets. He highlighted the Regional Pacific NDC Hub's support for Pacific Island Countries in the NDC update process and in charting a long-term pathway to decarbonization through long-term low-emission development strategies and setting realistic NDC targets. He also shared that in early 2021, the Hub launched its ten-year strategic plan for supporting countries with their NDC implementation with the understanding that it would need a systematic approach in recognizing national realities and respecting national processes. Mr. Chilton emphasized that NDC commitments from the region are being translated into NDC investment plans and project pipelines. However, there is a staggering need for climate financing, technological transfer, institutional and government capacity development, as well as engagement with the private sector in order to start and upscale the projects. He reiterated that Pacific Island Countries are being affected by a problem not of their doing. Therefore, at the very least, solid commitments for climate finance and adaptation efforts from the international communities are expected.

Dr. Luca Brusa, Team Lead of the Mitigation Division of United Nations (UN) Climate Change Secretariat, marked the importance of the high number of delegates in the workshop, representing 12 countries from the region. He encouraged the participants to use the platform to exchange experiences, learn from each other, and increase collaboration. Dr. Brusa also remarked that the COVID-19 pandemic presents a critical and urgent challenge for governments, but climate change remains the greatest risk to human development for the rest of the century. He noted that the initial NDC Synthesis Report published in February 2021 reviewed the first 48 new or updated NDC submissions and showed disappointing results that the total emission in 2030 would be 0.5% lower than in 2010. On the other hand, the world needs to cut emissions by 45% by 2030 compared to 2010 levels to reach net-zero emissions by 2050, in order to achieve the 1.5-degree Celsius goal. He shared how the full NDC Synthesis Report, published prior to COP26, gives a more complete picture of the global climate ambition progress. The discussions at COP26 on the NDC Synthesis Report should have provided a signal that the world is in transition towards a low-carbon future. He also highlighted that in this time of uncertainty, the window of hope and opportunity is opening to shape a new economy for the twenty-first century – an economy which is cleaner, greener, healthier, and more

resilient. He encouraged all delegates to collaborate on implementing the NDCs, taking action as soon as possible, and remaining on track with their ambitions.

III. SETTING THE SCENE

To set the scene for the workshop, Jens Radchinski, Regional Lead of RCC Bangkok, presented the key messages from the NDC Survey in Asia-Pacific carried out by RCC Bangkok and RCC Dubai in 2020 and the Initial NDC Synthesis Report published by UN Climate Change Secretariat in February 2021. Deo Gabinete, Regional Manager for Asia-Pacific and Eastern Europe of NDC Partnership Support Unit, also presented a preliminary analysis of the impact of the NDC Partnership's Climate Action Enhancement Package (CAEP) support on NDC enhancement in 19 out of the total 65 countries that are supported through the initiative. The results of the three analyses, which are enumerated below, aligned insights to the state of global climate action.

The NDC Survey revealed three main highlights:

- Most countries in the region aim to enhance ambition by adopting new adaptation and mitigation targets, aligning NDCs with national policies, and mainstreaming climate change into local and sectoral development planning.
- A vast majority of countries include energy and transportation in their NDCs, with significantly fewer mentioning oceans, desertification, mangroves, and COVID-19 recovery plans.
- Business, investors and the private sector are the key stakeholder groups, whereas migrants and indigenous people were much less prominently mentioned in the NDC planning and implementation processes.

The NDC Survey also highlighted the major challenges faced by countries in the NDC planning and implementation processes, including:

- The COVID-19 pandemic significantly affected governments' coordination with internal and external stakeholders, and limited the allocation of financial and technical resources from governments and development partners.
- Limited access to data for establishing baselines and modelling.
- Limited financing and institutional capacity.

The Initial NDC Synthesis Report is aligned with the results of the NDC Survey, revealing three main highlights:

- The 48 new and updated NDCs included in the initial NDC Synthesis report collectively fall

short of what science requires to achieve the 2°C goal, let alone the 1.5°C goal².

- Nevertheless, new and updated NDCs are clearer and more comprehensive, with higher quality of information and the underpinning data.
- Parties paid more attention to the planning and implementation processes around NDCs, showcasing nation-wide engagements including with non-state actors.
- More countries are linking NDCs with longer-term carbon neutrality goals, the Sustainable Development Goals (SDGs), and national legislative, regulatory, and planning processes.

Led by Vivid Economics, **the preliminary analysis of the impact of the NDC Partnership's CAEP support on NDC enhancement** looked at 19 out of 65 countries supported through CAEP, among which three are Pacific Island Countries (Papua New Guinea, Marshall Islands, and Tonga). The analysis found the following:

- Most countries (89%) have increased the scale and coverage of their targets. Enhancement in mitigation targets was observed across all eight sectors analyzed: Agriculture, Forestry and Other Land Use (AFOLU), buildings, energy, industry, waste, transport, water, and coasts.
- Almost half of the countries (42%) added AFOLU sector emissions targets. Eight countries expanded unconditional targets (targets that do not hinge on international support).
- All countries have increased adaptation ambition, including improved qualitative targets and measures in three countries, and updated long-term adaptation strategy in 15 countries.
- All countries demonstrated some form of enhanced NDC quality related to CAEP support:
 - 84% strengthened information gathering and assessment processes.
 - 89% include institutional strengthening to enable implementation planning.
 - 74% demonstrated enhancement related to investment planning while 58% included long-term climate finance plans.
- In addition to widespread adoption of transparency standards, enhancement across inclusivity indicators reflects NDC development and implementation that encompasses more of society.
 - 74% demonstrated enhancement in aligning the information necessary to facilitate Clarity, Transparency, and Understanding (CTU).
 - Countries demonstrated enhancement in target inclusivity (79%) and process inclusivity (74%).
 - 79% included gender-relevant considerations.

Together, the results of the three analyses called for more support for developing countries to assist NDC planning and implementation and encouraged parties to see COVID-19 as an opportunity to align and integrate NDC-related measures, finance, and stakeholder engagement with national recovery programs.

² According to the recent IPCC Global Warming of 1.5°C report, in order to be consistent with global emission pathways with no or limited overshoot of the 1.5°C goal, global net anthropogenic CO₂ emissions need to decline by about 45% from the 2010 level by 2030, reaching net zero around 2050. For limiting global warming to below 2°C, CO₂ emissions need to decrease by about 25% and reach net zero around 2070.

IV. BREAKOUT DISCUSSION: CHALLENGES, POSSIBLE SOLUTIONS, AND OPPORTUNITIES FOR NDC IMPLEMENTATION

The workshop included three breakout sessions each consisting of three unique stations and facilitated by country delegates or representatives from development partners. The breakout sessions, as summarized below, provided an avenue for all country participants to share the experienced and anticipated barriers to NDC implementation, formulate solutions, and map opportunities to overcome them.

1. Breakout Session 1: Planning for NDC Implementation and Tracking of Progress

The way countries' NDCs are implemented and improved upon over time will determine whether the Paris Agreement's long-term goals are achieved. In the first breakout session, country participants shared their views and experiences on identifying sectoral priority activities, tracking progress, and establishing governance mechanisms. Details of the three stations of the first breakout session are enumerated below.

Station 1: Identifying sectoral priority activities and enabling actions

Station 1 discussions revolved around three subtopics: planning and prioritization, enabling mechanisms, and horizontal and vertical integration. Some key points highlighted by the delegates are as follow:

- In some countries there is still a lack of institutional arrangement, while in others there is also insufficient expertise, funding, and identification of mitigation activities.
- There is a lack of close collaboration amongst executing agencies as the mitigation potentials are not yet fully incorporated into NDCs. There is also a need for gap & barrier analysis as well as establishing proper NDC Monitoring and Evaluation (M&E) system.
- Countries shared that establishing sectoral focal points among executing agencies has helped them to strengthen the agencies' institutional capacity and find potential synergies for cross-cutting cooperation.
- Countries shared that setting up economic and monetary targets, determining the baseline for setting the previous NDC, and reviewing the gaps to propose the recommendations on the target areas has helped them in mainstreaming climate action into national policies.
- Countries shared that there is a need to strengthen Measurement, Reporting, and Verification (MRV) systems at the sectoral level.

Station 2: Data management, tracking of progress, and reporting

Station 2 discussions revolved around three sub-topics: technical capacity, transparency and accountability, and data availability and access. Some key points highlighted by the delegates are as follow:

- Key challenges for data management include limited historical and baseline data, and the lack of an MRV framework and the incentives to encourage data access and sharing. Countries also shared that there is a strong need for a mechanism to update GHG data regularly.
- The solutions proposed include fostering closer collaboration among government agencies and other data providers; more capacity building on inventory reviews, strengthening quality assurance and control processes, and GHG projections; and establishing comprehensive legislative measures to formalize the process of data collection, tracking, and reporting.
- Countries highlighted the importance of donors' financial support to build in-country capacity and facilitate mutual learning between developing and developed countries, and between countries with similar socio-economic conditions.
- Countries also indicated the need for a generic reporting template under the Paris Agreement to guide countries in monitoring and reporting progress.

Station 3: Establishing governance mechanisms

Station 3 discussions revolved around three subtopics: implementation and coordination, institutional mandates and capacities, and political will. Some key points highlighted by the delegates are as follow:

- Key challenges faced by PICs are the lack of institutional mechanisms that support implementation across sectors, the lack of financing in certain sectors to implement NDC targets, insufficient capacity at the national level, unclear roles and responsibilities among institutions, and limited political support.
- Some good practices conveyed by country delegates include establishing a NDC unit per sector, mainstreaming NDCs into the national development strategies and the national budget, conducting high-level awareness campaigns for leaders and policymakers, and conducting long-term capacity-building projects at the local levels.
- Some opportunities for collaboration include strengthening regional collaboration through the Pacific NDC Hub, increasing local capacity through projects funded by international donors, as well as building a strong Pacific delegation for international events, such as the UNFCCC Conference of Parties (COP).

2. Breakout Session 2: Inclusive Stakeholder Engagement and Governance

Inclusive stakeholder engagement is crucial to ensuring alignment between NDCs and development priorities that conveys maximum benefits to the greatest possible number of people. It also allows for the buy-ins and ownership of climate plans by all actors. In the second breakout sessions, participants shared their views and experiences on creating effective coordination and engagement mechanisms, engaging the private sector, and issues pertaining to vulnerable groups, gender, and youths.

Station 1: Vulnerable groups, youth, and gender mainstreaming

Station 1 discussions revolved around three subtopics: stakeholder inclusiveness, gender mainstreaming, and vulnerable and marginalized groups. Some key points highlighted by the delegates are as follow:

- Key challenges include the general public's limited understanding of climate actions due to language and socio-cultural barriers, deficits in the coordination among relevant ministries, and the lack of climate-relevant projects with young girls and women as the target groups. There is also a lack of standardized approaches to M&E of gender considerations.
- Countries pointed out that legal frameworks need to be strengthened to mandate inclusivity of all segments of the society in climate policies.
- Countries shared some best practices to ensure the inclusion of all stakeholders in the planning process for NDC implementation, for example, translating NDC-relevant materials to local languages, improving access to information, strengthening M&E of relevant sectors, establishing a focal point in vulnerable groups, co-designing climate change policies with indigenous people, and formulating in-land migration policies for the low-lying and coastal communities.
- Countries highlighted that there is an urgent need for capacity building for persons with disabilities so that they can meaningfully engage in the NDC implementation process.

Station 2: Engaging the private sector

Station 2 discussions revolved around three subtopics: planning and prioritization, market and supply-chain viability, and engaging small businesses. Some key points highlighted by the delegates are as follow:

- Key challenges include the lack of clear incentives to attract private sector engagement, the absence of clear project pipelines, the absence of platforms to promote sectoral investment opportunities, the lack of enabling regulatory environments, and the lack of subsidies for small and medium enterprises.
- Participants suggested that Central Banks should strengthen private sector engagement by putting in place enabling domestic financial policies.

- Participants suggested involving private sector financing in regional projects as a larger market would be more attractive for capital.

Station 3: Increasing public awareness and inspiring civil society actions

Station 3 discussions revolved around three subtopics: increasing public awareness, cultivating active civil societies, and coordinating development partner support. Some key points highlighted by the delegates are as follow:

- Key challenges include the lack of awareness materials, tools, and funding; the lack of awareness of NDCs or misaligned objectives among some civil society organizations (CSO), and limited experience in conducting awareness-raising projects, underlining the need for more capacity building.
- Good practices conveyed by country delegates included: (1) garnering support from traditional leaders to ensure awareness-raising messages can perpetuate in local communities, (2) including CSOs in the planning stages of the NDC and NDC Action Plan to ensure ownership and commitment, as well as (3) developing formal communication channels / platforms between all stakeholders.
- Countries also suggested that materials to raise awareness should be differentiated according to target stakeholders. They also underlined the importance of the Government's facilitation role to ensure that stakeholders and partners complement each other's work and avoid duplications.

3. Breakout Session 3: Financing for NDC Implementation and Challenges in Scaling Up

Station 1: Public finance

Station 1 discussions revolved around three subtopics: obstacles in mobilizing climate finance, collaborations with public finance providers, and the technical assistance needed to access public finance. Some key points highlighted by the delegates are as follow:

- Countries found it challenging that international climate finance is still driven by donor priorities and objectives. It is time-consuming to fulfill donor requirements on funding proposals. Countries also found it difficult to be accredited by the Green Climate Fund (GCF) and obtain direct access to GCF funding.
- Key obstacles to domestic public finance include the lack of high-level political buy-in, the lack of incentives to integrate climate finance into other ministries' projects, and the lack of involvement of Finance Ministry or other agencies in charge of budgeting in climate projects.
- Delegates highlighted the importance of collaborating with development partners to obtain more financial support for climate adaptation, particularly the agriculture sector. Delegates also highlighted the role of development partners in providing technical assistance

for data collection and verification, as well as supporting the development of robust funding proposals.

Station 2: Private / blended finance

Station 2 discussions revolved around three subtopics: the private sector's role and corresponding enabling policies, effective spending, and the technical assistance needed to mobilize private finance. Some key points highlighted by the delegates are as follow:

- Major challenges included the lack of capital, economies of scale, and cooperation between the government and the private sector.
- Delegates observed that much of private financing in the region is not directed towards climate action. This may also reflect misalignment between national priorities and climate action.
- Solutions included bundling projects at the national and regional levels to achieve the scale that attracts investment, as well as organizing a climate private finance forum in the region.
- Delegates highlighted sectors that can be attractive for private finance, including renewable energy, waste, flood management, adaptation, Industrial Processes & Product Use (IPPU), as well as carbon markets in relation to Article 6 of the Paris Agreement.

Station 3: Pipeline development and upscaling

The Station 3 discussions revolved around three subtopics: pipeline and prioritization, upscaling, and the role of public and private finance. Some key points highlighted by the delegates are as follow:

- Some of the key challenges faced by PICs included the lack of local expertise to develop concept notes, absence of national enabling policies and plans, and lack of M&E platforms and experts to evaluate projects for prioritization and upscaling.
- Limited local knowledge of climate-resilient infrastructure design and climate-related livelihood support were also among the challenges.
- Some good practices shared by delegates included ensuring collection of good quality baseline data to develop scenarios and projections for pipeline projects, engaging a finance expert/advisor for project-cost estimations, and ensuring stringent Monitoring, Reporting, and Verification (MRV) and reporting processes to build donor confidence that funds are allocated efficiently.
- Delegates highlighted the opportunity to further scale up successful national projects at a regional level by collaborating with regional and international organizations who can provide access to funding.

V. PANEL DISCUSSION 1: SECTORAL SUPPORT FOR NDC IMPLEMENTATION

In the first panel discussion, panelists from three development partners elaborated their support programs in the region and addressed challenges on NDC implementation planning and tracking of progress, as well as stakeholder engagement and coordination. Moderated by Nilesch Prakash from the Regional Pacific NDC Hub, the panel consisted of Daniel Munoz-Smith from Global Green Growth Institute (GGGI), Emma Sale from United Nations Development Programme (UNDP)'s Climate Promise Program, and Arieta Gonelevu Rakai from International Renewable Energy Agency (IRENA)'s SIDS Lighthouses Initiative.

The recording of the panel discussion (Day 1) can be found here: <https://youtu.be/HFbzZprtP0c>

The key activities presented during the session include:

- 36 Small Island Developing States (SIDS) have signed up to IRENA's Lighthouses Initiative and 33 development partners are supporting it to address the elements of energy transition. The Initiative is focused on supporting NDC enhancement and implementation in SIDS, and it includes NDC support, even in the social sectors, strengthening institutional human capacity, energy efficiency, collection of reliable data, disaster recovery, and ensuring alignment with the SDGs.
- In the Pacific, IRENA is supporting Palau, PNG, Tonga, and Vanuatu in their efforts to collect data in a better way for GHG inventories, energy MRV Systems, capacity building, and developing a roadmap to put in place renewable energy generation sources. IRENA now also has a Pacific focal point, who is based at the Pacific Community (SPC).
- A Climate Investment Forum (a joint initiative of IRENA, UNDP, Sustainable Energy for All and Green Climate Fund) is being planned soon for the Pacific region, where interactive platforms will be organized into 14 regional clusters for matchmaking of investor-ready projects with funders and for enhanced government-investor dialogue.
- Although new to the Pacific, GGGI is already playing an active role in supporting governments' NDC implementation planning processes. Examples of GGGI's work in the region include:
 - In PNG, GGGI is assisting the Government in developing the NDC implementation roadmaps for the electricity and AFOLU sectors.
 - In Tonga, it is supporting the national GHGI and NDC mainstreaming.
 - Through bilateral arrangements, GGGI is supporting Fiji in their NDC implementation roadmap and supporting Fiji, Tonga, and Vanuatu with their Long-Term Low Emissions Development Strategies.

- GGGI is planning to establish a climate finance advisory network with the aim of supporting developing countries access to funding with a two-fold approach – building capacity within the countries and their institutions, and supporting actual project proposals to pass the approval requirements by financial institutions.
- Under the Climate Promise initiative, UNDP is supporting five countries in the region – Marshall Islands, Kiribati, Nauru, Palau, and Tonga - in building the political will for NDC enhancement and implementation; engaging youth, women, indigenous, and vulnerable groups; as well as incorporating sectors such as forestry, watershed management, agriculture, nature-based solutions, health, food security, risk management, tourism, and transport into the enhanced NDC.
- UNDP's Climate Action work includes adaptation, resilience and disaster risk-reduction, risk insurance and climate investment, climate mitigation and sustainable energy and climate security. For example, in the Federated States of Micronesia, UNDP was supporting the government with energy audits and putting in place demonstration activities to showcase the benefits of energy efficiency and conservation practices while in Kiribati, UNDP is supporting the implementation of the energy roadmap and establishing demonstration activities such as solar PV mini grids for households, agriculture and the health sector.
- UNDP is also supporting countries in carrying out assessment of costs and investment opportunities, such as cost of risk proofing, development of investment plans, and development of monitoring frameworks.

Some of the common messages include:

- Having platforms like the Regional Pacific NDC Hub and the NDC Partnership has allowed PICs to come together, share their experiences, and learn about new initiatives from development partners and donors. This has translated into progress on the ground.
- There is a need for a go-to platform for technical know-how and experience particularly for technical details of demonstration activities.
- There is a critical need to provide human resource support, including additional training and institutional capacity building to ensure continuation of projects. Advisors and experts need to be deployed on-the-ground according to the needs and priorities of the countries.

VI. PANEL DISCUSSION 2: FINANCING FOR NDC IMPLEMENTATION

In the second panel discussion, panelists discussed challenges and opportunities for collaboration in financing NDC implementation in the region. Moderated by Deo Gabinete, Regional Manager for Asia-Pacific and Eastern Europe of NDC Partnership Support Unit, the panel consisted of financial experts Benjamin Bartle, Project Director of Climate Finance Advisory Network, and Lachlan James, Special Advisor from Pollination Group.

The recording of the panel discussion (Day 2) can be found here: <https://youtu.be/1YoMWLS5i2c>

The key points highlighted during the panel discussions include:

- The panel highlighted that developed countries have fallen short of the USD 100 billion pledged for international climate finance by 2020. At the same time, many SIDS, including PICs, are facing existential threats from climate change and are still lagging in their NDC implementation due to the lack of access to climate finance.
- Despite the strong political will, PICs are making little progress in adapting their infrastructure and transitioning to lower cost and more resilient clean energy systems, further highlighting the crucial need for financial and technical support from the international community to develop attractive public and private sector financing structures. Further, the scale of projects in the Pacific could be improved through bundling where individual projects could be brought into a collective fund.
- Echoing countries' reflections in the breakout session, the panel highlighted some fundamental challenges in the Pacific, including limited local capacity within the government and private developers, a lack of pipeline of projects in which the private sector can invest, and the increasing complexity of international climate-finance platforms.
- Governments are finding it hard to access climate finance through established platforms, such as the Green Climate Fund (GCF), as the process for identifying, selecting, developing, and finally submitting project proposals for climate financing is often long and challenging. There is also limited access to the financial structure and expertise required to produce bankable projects, as well as limited capacity on the ground to prepare project proposals. Therefore, cross-sectoral collaboration between all stakeholders is essential to support PICs in planning for pipeline projects and accessing climate finance.
- From the private sector perspective, limited fiscal space and limited scale in single projects, high risks on investments, low credit ratings, and high transaction and capital costs in PICs

made it difficult for small and nascent private sectors to access funding through the climate funds. There is also an unfamiliarity with the Pacific to most private investors which raises the risk associated with the region such as foreign exchange risks, currency availability risks, counterparty risks, and others. Therefore, there is a crucial need for a system that can align the interests of investors, developers, governments, utilities, and the end consumers for renewable energy investment and broader private investments.

VII. COUNTRY-IDENTIFIED AREAS OF SUPPORT FOR NDC IMPLEMENTATION

Countries in the Pacific face a myriad of challenges in their NDC implementation processes as enumerated in the plenary and breakout sessions. Based on the enriching discussions over the two-day virtual workshop, PICs have identified the following key areas that need support to advance NDC implementation efforts in the Pacific:

1. Adaptation and Mitigation

- Resilience building remains the top priority among PICs. Countries have included the adaptation components in their new and updated NDCs, in addition to the National Adaptation Plans (NAPs) to reflect the geographical circumstances in the region that face the greatest impacts of climate change. International financial and technical support is necessary to enable countries to achieve their adaptation goals. In addition, governments are aware of the co-benefits of formulating short-to-medium term cross-cutting and climate-resilient strategies, plans, and long-term socio-economic development.
- Renewable energy and energy efficiency remain at the forefront of most PICs' strategies to further mitigate their emissions, while simultaneously increasing energy coverage in their communities. Strong political commitment and support from the international community is crucial in assisting the Governments in achieving their targets.
- Countries need support to chart and implement NDC implementation plans that integrate socio-economic and environmental dimensions.

2. Capacity Building

- PICs face an urgent need for capacity building in terms of institutional arrangements as well as technical expertise. Development partners can assist countries in fostering closer collaboration between agencies and line ministries, as well as regionally between countries.
- Development partners can also assist countries in building local capacities to produce accurate and high-quality baseline data and projections, establish MRV and M&E systems, especially at the sectoral levels.
- Governments also need support in strengthening national stakeholder engagement, including the private sector, civil society organizations, vulnerable and marginalized groups, as well as youths and women, in order to promote an inclusive NDC implementation planning process and build a sense of ownership and trust among all stakeholders.

3. Regional Collaboration

- PICs highlighted the need to continue and strengthen regional platforms for collaboration, such as the Regional Pacific NDC Hub and the NDC Partnership, which can efficiently match countries' needs with available development partner support, increase local capacity through projects funded by international donors, and promote peer-to-peer learning.
- As the vanguard of the global fight against climate change, PICs also highlighted the importance of strengthening regional solidarity, especially in important international conferences such as COP.
- Strengthening the regional market integration can make the region more attractive to private investors.

4. Resource Mobilization / Financing

- PICs highlighted that climate finance is still the key limiting factor to implementing climate plans and policies in the region. Therefore, cross-sectoral collaboration between all stakeholders is essential to support PICs in planning for pipeline projects and accessing international climate finance mechanisms.

- From the private sector perspective, there is a crucial need for a system that can align the interests of investors, developers, governments, utilities, and the end consumers for private sector financing of climate-related projects.
- PICs urgently need support in creating favorable enabling environments for project developers, improving local capacity to develop bankable proposals, and providing matchmaking platforms to raise awareness of funding availability.

VIII. CLOSING REMARKS: TOWARDS COP 26

Ravinesh Nand, Senior Technical Advisor of Regional Pacific NDC Hub, provided the closing remarks for the Workshop. He galvanised PICs to continue involving all stakeholders in their NDC implementation, while focusing to address key issues of coordination at various levels to ensure efficient resource allocation. While noting the challenges faced by countries to establish a model for blended financing and enabling mechanisms, he highlighted the importance of developing enabling frameworks for private sector involvement in financing NDC implementation. He also underlined the importance of sharing lessons-learned and collaborating to find areas of cooperation between countries. Noting the increasing political commitment on climate action in the region as reflected by the strong focus on climate leadership at various levels of Pacific societies and communities, Mr. Nand pointed out that there is a crucial need to develop pipeline projects and upscale them, which can only be achieved with technical and financial support from international donors and development partners. To conclude he urged PICs and partners to continue in the spirit of collaboration to design and implement regional and sub-regional projects aligned with NDCs and national priorities leading up to COP 26 and beyond.