

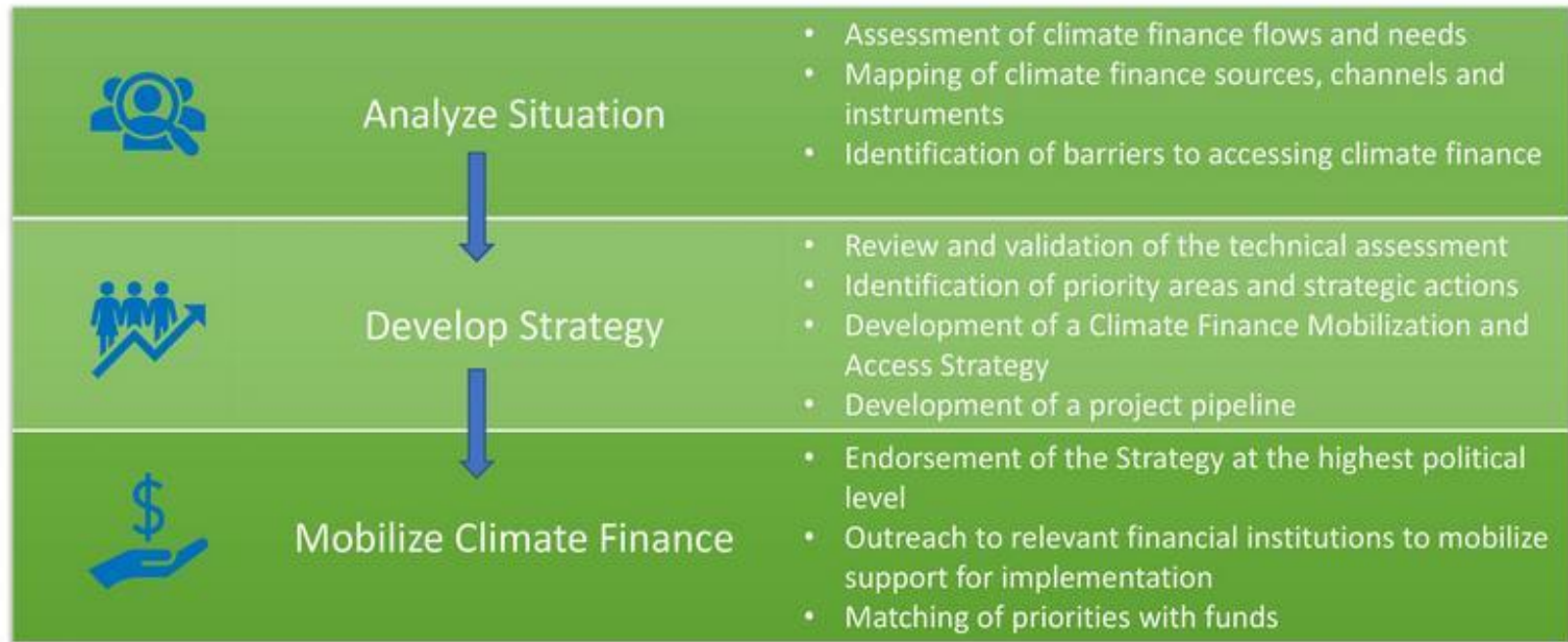
# Needs-based-finance project



*UNFCCC Secretariat*



## Mandate & processes



Needs-based finance (NBF) project\* aims to facilitate the access and mobilization of climate finance for the implementation of priority mitigation and adaptation needs identified by developing countries, in accordance with goals outlined in their NDCs, national adaptation plans and other relevant policies and strategies.

# What is the NBF exactly

NBF Project is designed to:

- Deliver regional clarity on mobilization and access of climate finance
- Support the needs identified in nationally determined contributions (NDCs), national adaptation plans/actions (NAPs/NAPAs) etc. and relevant national policies and/or strategies

Builds on and complements,

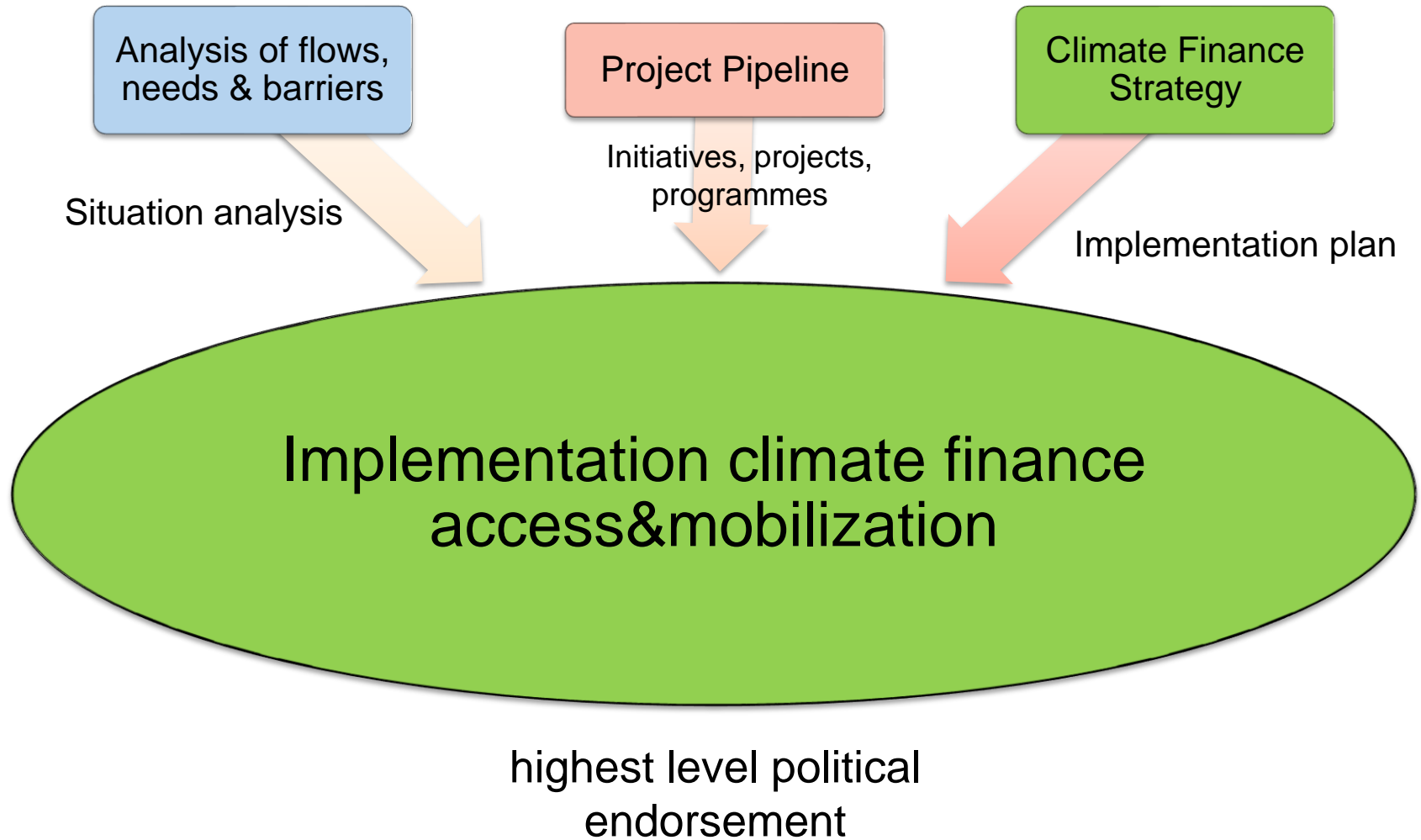
- existing climate finance work
- helps to establish collaborations
- harnesses networks
- avoids duplication
- country-driven / regionally focussed
- support SDGs

3-phase approach the strategy is endorsed at the highest political level, in most cases partnership with regional integration/economic communities and commissions.

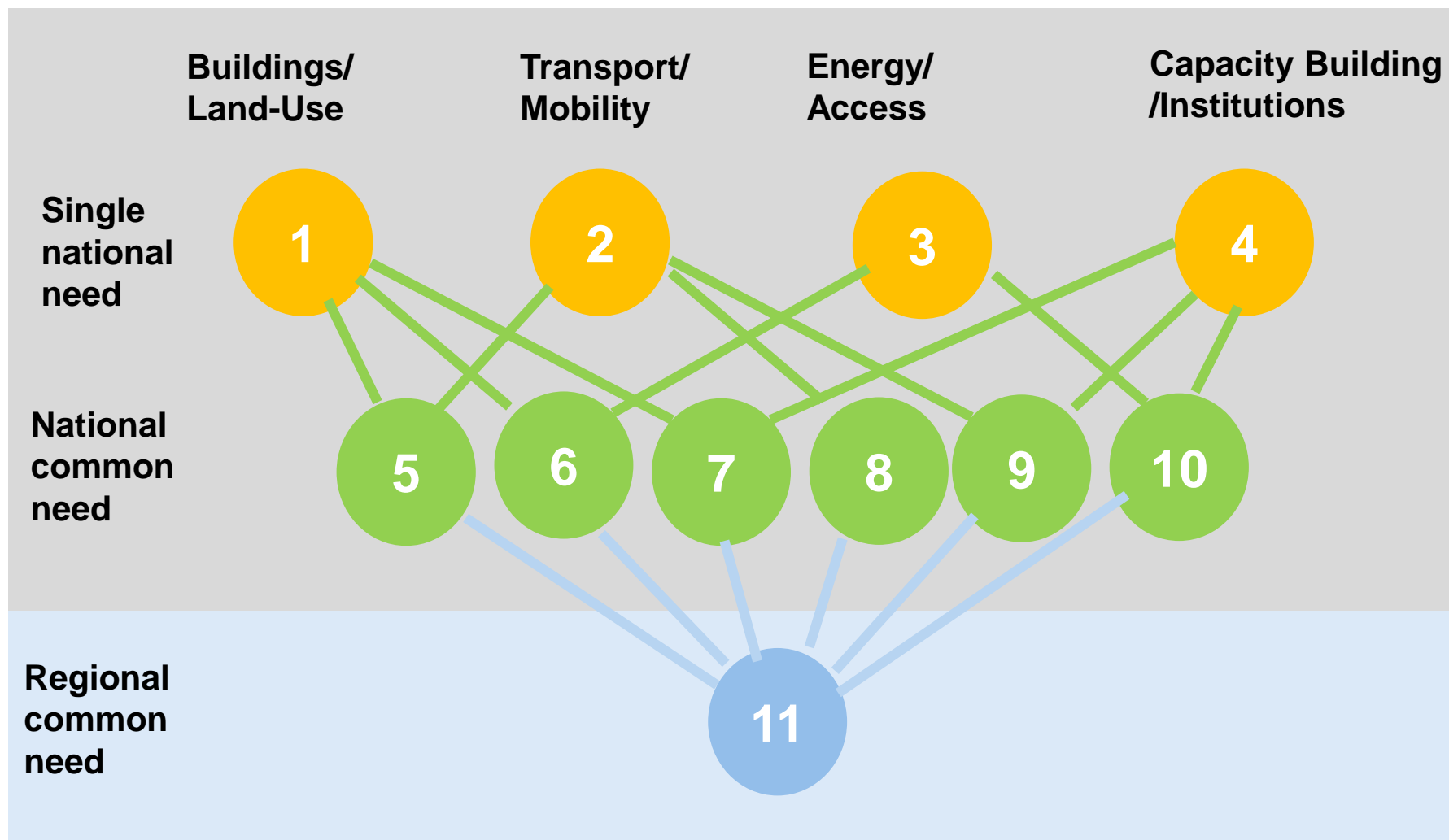


## Process

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# Regional (common to all) Climate Finance Needs



# Pipeline – of platforms, initiatives, programmes, projects



## Description of project / transaction / investment / funding facility

The proposal should be no more than 3 pages in length.

Term	Details	
<b>Purpose of the Project</b>	1-3 sentences which provide context for the project, e.g. national climate policies which the project will help execute, NDC goal which could be relevant to the project	
<b>The Project</b>	1 sentence description of the project, e.g. number of wind farms, their location and capacity	
<b>Project Sector / Sub-Sector</b>	The economic sector and sub-sector of the project, e.g. Energy/Solar or Transport / Bus Rapid Transit	
<b>Project Sponsor</b>	The developer or other proponent of the project or fund (1 line)	
<b>Project Amount and Currency</b>	The total amount required to implement the project and the currency for funding (USD). <b>Note:</b> Please convert any non-USD currency into USD for the table below	
<b>Use of proceeds</b>	Table setting out what the proceeds of the financing provided for the project would be used for, e.g. planning, design, development of XX GW of onshore wind at locations Z, Y. <b>Note:</b> ballpark estimate of costs only, converted to USD.	
	<b>Element</b>	<b>Budget (USD millions, 1 decimal place)</b>
	<b>Financing instruments (To the extent known, what financing instruments would be used for each phase, e.g. project finance, equity, debt, grants)</b>	
	<b>Project Phase A</b>	[xx] Add/remove phases if relevant
<b>Project Phase B</b>	[xx]	
<b>TOTAL</b>	[xx]	
<b>Project status</b>	1-2 paragraphs on what level of project development might have already occurred – e.g. feasibility study, consultation with stakeholders, approvals/licensing	
<b>Local planning context</b>	1-2 lines on local government approvals or licenses required for the project to go ahead, who owns the land etc	
<b>Policy targets and incentives</b>	1-2 lines on any targets that apply to the sector, what policies does the country have in place or intends to implement that would support the project	
<b>Climate results</b>	1-2 sentence summary of climate results: <ul style="list-style-type: none"> <li>- mitigation (GHG reductions)</li> <li>- adaptation (number of direct and indirect beneficiaries, number of beneficiaries relative to total population) impacts</li> </ul>	
<b>Other</b>	Any background available on how similar projects have previously been financed; known challenges or barriers for project implementation	



# Status

Activity & partners	Countries	Status
<b>Southeast Asia</b> ASEAN secretariat AWGCC ESCAP	Brunei Darussalam, Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, Viet Nam	<b>Phase II</b> Assessment done Strategy underway Pipelines for Thailand, Philippines Handbook
<b>Island States in the Indian Ocean</b> Maldives Govt.	Comoros, Madagascar, Maldives, Mauritius, Seychelles, Sri Lanka	<b>Phase II</b> Assessment done Strategy done Pipeline underway Validation planned
<b>Arab States</b> League of Arab States UN Economic and Social Commission for Western Asia (ESCWA) World Green Economy Organization (WGEO)	Algeria, Bahrain, Comores, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, United Arab Emirates, Yemen	<b>Phase II</b> Assessment done Validation planned Strategy underway Pipeline underway



# Status

Activity & partners	Countries	Status
<b>Southern Africa</b> Southern African Development Community (SADC)	Angola, Botswana, Democratic Republic of the Congo, Eswatini, Lesotho, Malawi, Mozambique, Namibia, South Africa, Zambia, Zimbabwe	<b>Phase II</b> Assessment done Validation planned EoL under revision
<b>East Africa</b> East African Community (EAC) East African Alliance on Carbon Markets and Climate Finance	Burundi, Kenya, Rwanda, South Sudan, United Republic of Tanzania, Uganda	<b>Phase II</b> Assessment done Strategy done Validation planned Pipeline and implementation underway



# Status

Activity & partners	Countries	Status
<b>West Africa</b> Economic Community of West African States (ECOWAS) West African Alliance on Carbon Markets and Climate Finance	Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo	<b>Phase II</b> Assessment done Strategy underway Validation planned Pipeline and implementation underway
<b>Eastern Caribbean</b> Organization of Eastern Caribbean States (OECS) NDC Finance Initiative (NDCFI)	Antigua and Barbuda, Dominica, Grenada, Saint Kitts & Nevis, Saint Lucia, and Saint Vincent and the Grenadines	<b>Phase II &amp; III</b> Assessment done Country assessments underway (DR, Cub, Belize, Grenada)



# Status

Activity & partners	Countries	Status
<b>Least developed countries in Asia</b> Bhutan govt.	Bangladesh, Bhutan, Cambodia, Myanmar, Nepal, Timor-Leste	<b>Phase II</b> Assessment done Validation done Pipeline and strategy underway
<b>Melanesia</b> Melanesia Spearhead Group (MSG)	Fiji, Papua New Guinea, Solomon Islands, Vanuatu	<b>Phase III</b> Recommendations and a road map for arranging finance for projects
<b>Latin America</b> UNEP, NDC-P	Bolivia, Guatemala, Honduras, Uruguay	<b>Phase I</b> Honduras and Uruguay underway



# Status

Activity & partners	Countries	Status
<b>Central Asia and South Caucasus</b> ESCAP	Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan	<b>Phase I</b> Inception done Assessment underway
<b>South and South West Asia</b> ESCAP	Afghanistan, Iran and Pakistan	<b>Phase I</b> Inception underway Nominations received from three countries



## Key areas of a climate strategies

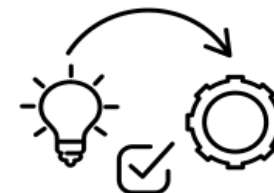
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Limit complexity,  
increase capacities,  
project/programme/  
platform preparation



Scaled-up finance,  
approaches & incentives,  
incl. private sector, gender,  
poor communities



Responsive  
climate finance  
fund/facilities



Enhanced  
coordination of  
climate finance



Transboundary,  
initiatives  
mechanisms &  
instruments,  
alliances



Monitoring &  
tracking of finance  
(also for private  
sector)

# Climate Finance Strategies

ASEAN and Melanesian Groups	Island States in the Indian Ocean	East African Community
<ul style="list-style-type: none"><li>- Mobilize public finance</li><li>- Catalyze private sector</li><li>- Market mechanisms</li><li>- Strengthen coordination</li><li>- Capacity building project pipeline</li><li>- Policy cohesion</li><li>- Tracking &amp; transparency</li></ul>	<ul style="list-style-type: none"><li>- Partners &amp; sources<ul style="list-style-type: none"><li>- Empowering access</li></ul></li><li>- Capacity building &amp; awareness<ul style="list-style-type: none"><li>- Project proposals</li><li>- Regional expertise</li></ul></li><li>- Institutional arrangements<ul style="list-style-type: none"><li>- MRV</li><li>- Private sector engagement</li></ul></li></ul>	<ul style="list-style-type: none"><li>- Capacity building for finance access</li><li>- Capacity building for regional coordination</li><li>- Enabling private investments</li><li>- Innovative finance</li><li>- Market mechanisms for additional finance</li></ul>

# AN UPDATE OF THE NEEDS-BASED FINANCE PROJECT

## Implementation steps

- Publication of all TAs and Strategies
- 2020-2021 Update Brochure
- Video broadcasts of country success stories
- Guideline/Handbooks
- Capacity Building workshops/webinars
- Private Sector matching
- Expertise placement
- Partnership (IRENA, AF, GCF...etc.)
- New NBF activities (CARICOM, Central Africa.....)
- Regional implementation Forums
- Global implementors Forum

