

Paris Committee on Capacity-building

30 May 2024

Eighth meeting Bonn, 10–12 June 2024

Synthesis of submissions on the 2024 focus area of the Paris Committee on Capacity-building: Capacity-building support for adaptation, with a focus on addressing gaps and needs related to accessing finance for national adaptation plans

Recommended actions by the Paris Committee on Capacity-building

This synthesis report can help the Paris Committee on Capacity-building (PCCB) to:

- a) Reflect on its 2021–2024 workplan focus areas and take note of any lessons learned that should be considered for the next workplan and the focus area for 2025;
- b) Consider the outcomes of the first global stocktake relating to capacity-building and the work of the PCCB in development of the next workplan and the focus area for 2025;
- c) Inform the activities of the PCCB in the context of the 2024 focus area for the development of activities to take place during the focus area day at the 6th Capacity-building Hub, as well as through the PCCB Network and regional thematic dialogues;
- d) Assess the effectiveness, timeliness, quality and added value of inputs from the call for submissions on the PCCB 2024 focus area, including among the constituted bodies, entities, Parties and non-Party stakeholders.

I. Introduction

A. Mandate and background

1. In total, 5 submissions were received and included in this report. The call for submissions was open to all Parties, bodies, entities and processes under the Convention and the Paris Agreement, as well as to all non-Party stakeholders, including public and private sector entities, governmental and non-governmental organizations, philanthropic organizations, academic and research organizations, and regional and international organizations and initiatives.

2. At its twenty-first session, the Conference of the Parties (COP) decided to establish the PCCB with the aim of addressing gaps and needs, both current and emerging, in implementing capacity-building in developing country Parties and further enhancing capacity-building efforts, including with regard to coherence and coordination of capacity-building activities under the Convention.¹

3. COP 25 reviewed the PCCB in 2019 and decided that its mandate should be focused on three priority areas: enhancing coherence and coordination of capacity-building under the Convention with a focus on avoiding duplication of efforts, including through collaboration with bodies under and outside the Convention that engage in activities related to capacity-building, as appropriate and in accordance with their respective mandates; identifying capacity gaps and needs, both current and emerging, and recommending ways to address them; and promoting awareness-raising, knowledge-

¹ Decision 1/CP.21, para. 71.

and information-sharing and stakeholder engagement with bodies and relevant actors under and outside the Convention, as appropriate and in accordance with their respective mandates.²

4. To address the above-mentioned mandate, the PCCB, at its 7th meeting, agreed to issue a call for submissions on the 2024 PCCB focus area: "Capacity-building support for adaptation, with a focus on addressing gaps and needs related to accessing finance for national adaptation plans (NAPs)". The call for submissions was open from 9 February to 31 March 2024 on the dedicated PCCB web page.

B. Objectives

5. The objective of this document is to synthesize the submissions received on the 2024 PCCB focus area, and to provide a knowledge base for further work.

6. The inputs will feed into the workplan activities of the PCCB in 2024, including a focus area day at the 6th Capacity-building Hub at COP 29, and envisaged regional activities and webinars. The inputs will also inform the design and preparations of the 13th Durban Forum on capacity-building to be held during the Bonn Climate Change Conference in June 2024.

C. Scope of the report

7. This report synthesizes the information provided by Parties and non-Party stakeholders under the call for submissions referred to in paragraph 5 above:

(a) In total, five submissions were received and are synthesized in this report;

(b) In total, two submitting entities are based in developed countries, and three are based in developing countries;

(c) One submitting entity identified as a university, one as a non-governmental organization, one as a public sector entity, one as a private sector entity and one as a constituted body under the UNFCCC;

(d) A total of three submitting entities identified as operating on a global scale and two on a national scale;

(e) In total, two entities reported operating in Africa, with the remaining three not specifying their regional scope.

8. This document aims to provide a synthesis rather than an exhaustive account of all inputs received by the submitting entities. In some instances, the document refers to the submitting entities in an effort to facilitate possible follow-up activities or discussions. References are intended to be illustrative and facilitative for follow-up rather than a direct reflection of the viewpoints and areas of work of submitting entities. All received submissions are available on the PCCB submissions web page for reference.³

II. Synthesis of the submissions

9. This chapter contains four subchapters. Subchapter II.A presents the observed capacity gaps and needs in accessing climate finance for NAPs. Subchapter II.B assesses how existing efforts can be improved to translate NAPs into investment strategies and bankable projects. Subchapter II.C presents case studies and best practices presented in the submissions and subchapter II.D contains all sources listed in the submissions.

² Decision 9/CP.25, para. 9.

³ Available at: <u>https://unfccc.int/process-and-meetings/bodies/constituted-bodies/submissions-to-the-paris-committee-on-capacity-building-pccb#_024-PCCB-focus-area-Information-or-suggestions-from-Parties-and-non-Party-stakeholders.</u>

D. Observed capacity gaps and needs in accessing climate finance for national adaptation plans

10. To identify the key capacity gaps and needs of developing countries related to accessing climate finance for NAPs, the call for submissions offered submitters a choice between six preidentified gaps and needs and a category "other". This multiple-choice question format allowed common themes to be identified. In paragraphs 11 and 12 below, the submissions are grouped according to their responses.

11. Three submissions highlight the gap between the requirements for funding and the capacity of different stakeholders when it comes to preparing strategies, frameworks and programmes for accessing specific funding such as the Green Climate Fund (GCF), the Least Developed Countries Fund (LDCF), the Adaptation Fund (AF) and other funding sources. These three submitters also underline gaps and needs in promoting funding proposals from multiple stakeholders, including at the subnational and local government level. Moreover, they highlight the need to enhance capacity to ensure that proposals to the GCF for the formulation of NAPs are aligned with the technical guidelines for the formulation and implementation of NAPs and address both the objectives and the guiding principles for NAP processes.

12. In addition, multiple submissions, underscore the need for dedicated entities to access climate finance for NAPs. Three submissions emphasize the need for establishing accredited entities capable of supporting project proposal development and facilitating access to funding for NAPs from the GCF. One submission identifies the imperative of ensuring the approval of projects by LDCs direct access entities. Three submissions stress the significance of initiating the accreditation process for direct access entities and one submission highlights the need to translate adaptation-relevant climate and socioeconomic data into decision-relevant information to ensure climate resilience in investment priorities, or to plan or support adaptation-specific investments.

13. After identifying the capacity gaps and needs, the various submissions address what they consider to be the key capacities required to translate the NAPs into investment strategies and bankable plans and projects, taking into account all available finance sources and instruments.

14. **At the subnational level**, two submissions express the need for alliances or trusted partnerships. The Notre Dame Global Adaptation Initiative (ND-GAIN) highlights that these partnerships could bridge the gap between local communities and financing institutions. In addition, one submission emphasizes on the importance of building capacities around data aggregation and disaggregation while mainstreaming climate change into local plans.

15. At the national level, the submissions presented diverse approaches regarding the key capacities required for iteratively translating NAPs into finance and investment strategies, plans and projects.

16. One key aspect highlighted is the necessity of interministerial collaboration. For instance, the AC emphasizes the importance of facilitating communication and collaboration among different ministries to translate adaptation priorities into actions by identifying suitable financial sources and instruments. The AC further underlines the importance of financial expertise in deciding on the best-suited finance source and instruments for financing adaptation priorities. Understanding the necessary enabling environment for adaptation finance is key for ensuring both resilience and the capability of funding seekers once a finance and investment strategy has been established.

17. Furthermore, capacity gaps and needs regarding data are underlined in the submissions. Ghana highlights the need for scientific data aggregation and disaggregation to inform policy formulation, including by incorporating local knowledge and local needs. The AC further emphasizes the need to translate data into decision-relevant information, while ND-GAIN stresses the importance of strengthening governmental transparency and accountability in data-collection processes.

18. Additionally, Verdure Climate Limited advocates for legal and regulatory frameworks, including for developing national legislation, standardizing reporting, carbon emissions accounting and operationalizing mechanisms such as carbon offsetting or trading. Verdure also underlines the importance of establishing the laws of the US Securities and Exchange Commission around green financing, including climate investments and instruments, as well as cooperative agreements between countries, multilateral agencies and multinational organizations. Verdure further highlights

the importance of enhancing the institutional and technical capacities required by countries for translating NAPs into finance and investment strategies, including the need to set up a national carbon market office and a designated carbon registry authority.

19. Submissions also accentuate the capacity gaps and needs in awareness-raising and technical support. Verdure, for example, underlines the importance of awareness and sensitization as key for enabling countries to translate NAPs into finance and investment strategies, plans and bankable projects. The submission by the AC suggests establishing finance and investment strategies to enhance the capability of funding seekers, for example on how to use and manage acquired funds for adaptation finance in line with policies and regulations. Lastly, the Foundation of the Volunteer Team for Humanitarian Work (FVTHW) calls attention to the need to build capacity for short-, medium- and long-term planning programmes, as well as to provide training to employees engaged in various economic sectors with a view of adhering to global standards for developing innovative climate-resilient products.

20. **At the regional level**, two submissions highlight the importance of collaboration between countries as a key capacity for translating NAPs into finance and investment strategies, plans and projects. Ghana explains that efforts should be put into cross-border programmes, while ND-GAIN highlights the importance of investing in knowledge networks for sharing best practices, and the development of strategic and policy frameworks for collaborative governance.

21. **At the international level**, one submission highlights that resource allocation for capacitybuilding is inadequate and faces challenges in terms of access, utilization and sustainability. A key capacity would be to bridge the gap in enriching the various funding sources for capacity-building. Another submission underlines that mechanisms for verification and coordination of investments are needed to increase confidence in investment efficacy.

22. Having identified the key capacities required by countries for iteratively translating NAPs into finance and investment strategies, plans and projects, the submitters have, on the basis of their own experience, highlighted challenges faced by developing countries with regard to the provision of capacity-building.

23. Four out of the five submissions have formulated clear solutions that can be grouped into major themes.

24. One major theme is the time-bound nature of NAPs versus broader planning horizons. This creates a significant challenge in mainstreaming adaptation into ongoing planning processes. For instance, while Ghana's NAP is nearing completion, the integration of adaptation into various sectoral policies remains difficult. To tackle this, it is suggested to ensure adequate budget allocation for NAP implementation, focusing on capacity-building activities such as education, awareness-creation, empowerment and skills training.

25. Another significant challenge lies in addressing capacity gaps related to adaptation financing, technology transfer, technical expertise and civil society engagement. This issue, highlighted in the FVTHW's submission, is critical for translating NAPs into effective finance and investment strategies for developing countries.

26. Additionally, leveraging agriculture as a natural climate solution is crucial, particularly in agrarian economies such as Nigeria. Verdure points out several capacity gaps hindering the mainstreaming of climate-smart agricultural practices and carbon sequestration activities. These gaps include the lack of institutional capacity to develop a national framework for climate-smart agriculture, the absence of standardized practices for qualifying carbon credits, inadequate methodologies for measuring and verifying carbon sequestration, and limited access to green finance.

27. The AC identifies further challenges such as assessing adaptation costs, translating climate data into decision-relevant information and creating enabling conditions for finance flow. It emphasizes that current capacity-building support often targets individual funds rather than developing broader institutional and systemic capacities required for long-term finance access. Moreover, the complexity of developing and submitting project proposals to funds, coupled with a lack of financial, technical and human resource capacity, exacerbates these challenges. To address these issues, the AC proposes focusing on building individual, institutional and systemic capacities, developing decision-making guidelines, raising awareness and enhancing knowledge platforms to improve dialogue and share good practices.

E. Observed requirements to build and maintain capacities for translating NAPs into finance investment strategies, plans and projects in the longer term

28. Each submission provides suggestions on the basis of their experience on how existing capacity-building efforts can be improved and what new or additional capacity-building efforts are needed to build and maintain capacities for translating NAPs into finance and investment strategies, plans and projects in the longer term.

29. At the subnational level, three submissions note the need for capacity-building efforts in understanding the process for scaling successful programmes and enhanced data infrastructure. According to ND-GAIN, projects such as the United Nations Capital Development Fund (UNCDF) Local Climate Adaptive Living Facility (LoCAL) and the United Nations Development Programme (UNDP) Local Government Initiative on Climate Change (LoGIC) are not only impactful but also critical for replication, identification of contextual preconditions and facilitative structures to foster those preconditions. Moreover, ND-GAIN underscores the necessity of having comparable subnational data to guide the prioritization and development of reliable evaluative data. The submission from Ghana echoes this sentiment by proposing an enhancement of capacity for data generation, aggregation and disaggregation for planning purposes. The AC submission suggests the necessity of improving capacities to translate adaptation-relevant climate and socioeconomic data into decision-relevant information for decision makers at all levels and providing more opportunities for developing countries to exchange experiences and lessons learned.

30. **At the national level,** Verdure illustrates that the establishment of a compendium of best practices, a standardized measurement, reporting and verification (MRV) methodology, and sensitization on green investment, in parallel with the development of laws, need to be at the centre of capacity-building efforts. For FVTHW, strategic frameworks must be adopted for capacity-building and development to support the implementation of adaptation projects undertaken by the private sector and civil society.

31. Another submission highlights that capacity efforts at the national level should be directed towards skills training and empowerment or education, targeting various groups of people such as women, youth and farmers.

32. At the international level, two submitters note the importance of continuing capacitybuilding efforts on funding and technical assistance. ND-GAIN underlines the importance of supporting collective funding strategies, while Ghana puts forward the need for funding resources and technical assistance to support capacity-building targeting critical sectors affected by climate change.

33. According to the submissions, recipients encompass key sectoral agencies, such as those overseeing environment, forestry, agriculture and energy policy, alongside international and regional organizations and local actors, including vulnerable communities. Similarly, providers span governmental and non-governmental entities, research organizations, universities, private sector entities and regional entities. Collaboration between these diverse stakeholders is crucial for effectively building capacities to address climate challenges, with entities such as the GCF, AF, World Bank and Global Environment Facility playing pivotal roles in providing technical assistance and unlocking green finance. This collaborative approach ensures that capacity-building efforts are tailored to the specific needs and contexts of each recipient group, fostering resilience and sustainability in the face of climate change.

F. Case studies

34. The submissions contain information on a large variety of case studies, good practices, tools, lessons learned and examples of support for capacity-building for NAPs, a selection of which are presented in this subchapter.

Category	Description	Link
Adaptation	Capacity-building and awareness-raising on climate change adaptation in the private sector	<u>Link</u>
	Developing countries are particularly vulnerable to the effects of climate change. Their economies rely heavily on micro, small and medium-sized enterprises (MSMEs), which contribute significantly to GDP and employment. For these MSMEs, the impacts of climate change are particularly important, because they usually lack knowledge about the impacts and opportunities of climate change and do not have sufficient financial capacity to develop and implement adaptation measures. These challenges can be tackled through a range of measures, including water conservation measures in agriculture, industry and municipal supplies, adaptation to crop production in the Nile Valley and Delta, and building an effective institutional system for managing crises and disasters in agricultural areas by strengthening the capacity for monitoring, forecasting, analysis and establishment of early warning systems and disseminating knowledge and exchanging information at the national level. At the regional level, actions include guiding city planning and architectural design towards meeting the requirements of green architecture, buildings and climate resilience, including responding to risks arising from the impacts of climate change. Technology, research, development and innovation play an important role in pursuing ambitious climate actions.	
	Local Government Initiative on Climate Change (LoGIC) in Bangladesh	<u>Link</u>
	LoGIC is a multi-donor collaborative initiative of Government of Bangladesh, UNDP, UNCDF, the European Union, Sweden and Denmark. It aims to enhance the capacity of vulnerable communities, local government institutions and civil society organizations for planning and financing climate change adaptation solutions in selected climate- vulnerable areas. This project was initially designed for 4 years and, on the basis of an independent assessment and the success of the initial results, the project was extended up until 30 June 2023, for 2 years. To sustain the results, the development partners signed an agreement to further extend the project for 2 years from June 2023 to June 2025, and also extended the project working area in two districts of the Chattogram Hill Tracts, namely Rangamati and Bandarban. The local Government Division is the implementing lead of the project in partnership with UNDP and UNCDF.	
	LoCAL: A Global Community	Link
	The Local Climate Adaptive Living Facility (LoCAL) provides a mechanism to integrate climate change adaptation into local governments' planning and budgeting systems and increase awareness of and response to climate change at the local level. LoCAL builds on over two decades of UNCDF experience in fiscal decentralization, local public financial management, and local investments and procurement around the world. LoCAL is a further refinement of this experience.	
Fraining	Auditors and Experts Initiative in Sustainability and Climate Risk Assessment	<u>Link</u>
	The Auditors and Experts Initiative in Sustainability and Climate Risk Assessment aims to ensure the provision of corporate audit services through the framework of risk management. This initiative will focus on capacity-building processes for 10,000 auditors, experts and companies in sustainability, various enterprise risk management, climate risk management and some forecasting activities. It also aims to support the development of the internal audit opinion on the adequacy and effectiveness of the risk management framework. Members of the initiative will be trained to become experts or internal or external auditors in order to support the coverage and evaluation of enterprise risk management processes, including:	

Category	Description	Link
	• Understanding the IFRS-S1 Sustainability Disclosure Standards and IFRS-S2 Climate Risk Disclosure and European CSRD Standards;	
	• Capacity-building on how to calculate the environmental footprint, water footprint and carbon footprint and identify risks, including concentrations;	
	• Measure the overall risk profile across risk disciplines;	
	• Heat maps/scorecards for emerging risks;	
	• Policy management end-user computing economic scenarios and forecasting operating losses.	
	Water Footprint Pioneers Initiative – Water Ambassadors	Link
	The Water Footprint Pioneers Initiative, or "Water Ambassadors" initiative, aims to achieve water security through awareness-raising and training on calculating the water footprint in Egypt, Africa and Arabian countries.	
	This initiative is considered as part of the results from recommendations from the United Nations Water Conference in March 2023 at the United Nations Headquarters in New York, in which FVTHW participated. It launched a diploma for calculating the carbon footprint for a period of 40 training hours aimed at graduating 10,000 water ambassadors to raise awareness and inspire communities to rationalize water consumption and form work teams to calculate the water footprint for companies, products and individuals.	
	Climate Ambassadors	Link
	The initiative built capacity for university youth in Egypt, Africa and Arab countries training 3,100 climate ambassadors through a training programme conducted by FVTHW, the Faculty of Graduate Studies and Environmental Research at Ain Shams University and the Al-Azhar University.	
	A total of 9 courses were completed in Arabic for Arab climate ambassadors, and 2,300 climate ambassadors graduated.	
	In addition, 3 English-language courses were completed for African climate ambassadors, and 800 climate ambassadors graduated.	
	The initiative organized 2,000 events in the field of climate awareness, including training courses, conferences, symposiums, forums and dialogue sessions.	
Climate finance	Fiji's National Climate Finance Strategy	Linl
strategy	Fiji's National Climate Finance Strategy serves two vital roles. First, it fulfils the requirement of the country's recently enacted Climate Change Act to develop and implement such a strategy. Secondly, it is a comprehensive national blueprint that details the priority policies, interventions, targets and projects across 12 sectors that require climate finance to keep Fiji on track to meet its commitments to build a climate- resilient net zero economy by 2050. It integrates and prioritizes actions from three channels: (1) the climate-related development targets set out in the National Development Plan and the strategic plans of the relevant line ministries; (2) the mitigation priorities set out in the low-emission development strategy, NDC implementation road map and NDC investment plans; and (3) the adaptation priorities set out in the NAP and climate vulnerability assessment. It also includes concept notes for 24 mitigation and adaptation projects that advance Fiji's climate objectives. In short, it is the starting point for any providers of climate finance looking	

ClimateGCF/NDCPartnershipClimateInvestmentPlanningandLinkinvestmentMobilization Framework

There is a great need for countries and the international climate finance community to unite and expedite the implementation of NDCs, NAPs, LT-LEDS and other national strategies. The aim is to translate these strategies

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Category	Description	Link
	into tangible investments that benefit people and communities, contributing to climate ambition over successive cycles.	
	To address this imperative, the Green Climate Fund (GCF) and the NDC Partnership have jointly developed the Climate Investment Planning and Mobilization Framework. This resource serves as a non-prescriptive guide, bringing together the collective experience of climate investment planning and mobilization. Its purpose is to provide a common reference point and language for countries, as well as providers of climate finance and support, to navigate the progressive steps involved in moving from planning for the implementation of NDCs/NAPs/LT-LEDS to identifying and mobilizing finance for investment needs. The Framework is also designed to facilitate the successful implementation of climate projects, programmes and investments.	
	Climate-resilient finance and investment	Link
	Achieving climate-resilient economies and societies will not only req increasing the billions of financial flows for adaptation, but also shif broader – public and private – financial flows and investment away f potentially maladapted activities towards those that contribute to clim resilient economies and societies. The goal of aligning finance climate-resilient development is included in Article 2, paragraph 1(c the Paris Agreement, yet efforts to define and operationalize this con are at an early stage. This framing paper summarizes the current statu these efforts and outlines a way forward for defining, measuring mobilizing adaptation-aligned finance.	

G. Useful links and sources

Source title	Link	
Adaptation Committee – call for submissions on Parties' capacity gaps in accessing adaptation funding with extracts of capacity-building needs	<u>Link</u>	
Adaptation Committee. 2021. Information note on capacity gaps in accessing adaptation funding	<u>Link</u>	
Adaptation Committee. 2022. Efforts of developing countries in assessing and meeting the costs of adaptation: Lessons learned and good practices. Synthesis report by the Adaptation Committee in the context of the recognition of adaptation efforts of developing country Parties	<u>Link</u>	
Adaptation Committee. 2022. Methodologies for assessing adaptation needs and their application. Technical paper	<u>Link</u>	
GCF projects supported by the AfDB	Link	
Developing the Climate Science Information for Climate Action	<u>Link</u>	
WMO-GCF-WCRP-SMHI Climate information portal	<u>Link</u>	
Global Infrastructure Risk Model and Resilience Index	<u>Link</u>	
OECD Climate Adaptation Investment Framework	<u>Link</u>	
OECD Strengthening capacity for climate action in developing countries. Working paper	<u>Link</u>	
OECD Scaling Up Adaptation Finance in Developing Countries. Report	<u>Link</u>	
GCF Plugging the finance gap in the Caribbean		
GCF Readiness Knowledge Bank		
GCF Enhancing Direct Access pilot	<u>Link</u>	

	Link		
Source title			
GCF Readiness Strategy 2024–2027			
UNCTAD Climate change adaptation and maritime transport	<u>Link</u>		
UNCTAD SIDSport-ClimateAdapt project	<u>Link</u>		
UNCTAD Climate-resilience of seaports: Adequate finance is critical for developing countries but remains a major challenge. Policy brief	<u>Link</u>		
Initiative on climate action and nutrition (I-CAN)	<u>Link</u>		
Ministry of Agrarian Development and Irrigation of Peru: Methodological document for the formulation of investment projects: Guidelines for the incorporation of risk management public investment projects in the context of climate change			
Climate Ambassadors	<u>Link</u>		
Auditors and Experts Initiative in Sustainability and Climate Risk Assessment	<u>Link</u>		
Water Footprint Pioneers Initiative – Water Ambassadors	<u>Link</u>		
Carbon Neutral Pioneers Initiative	<u>Link</u>		
Kenya Agribusiess and Forestry Project in Collaboration with IFC	<u>Link</u>		
Dialogue on addressing developing countries' capacity gaps in accessing adaptation funding – convened by the Adaptation Committee – Part II			
World Bank BioCarbon Fund	<u>Link</u>		
Verra Methodology	<u>Link</u>		
Winrock AFOLU Calculator	<u>Link</u>		
Good Practice in Public Investments in the Context of Climate Change in Peru			
FAO ETo Calculator	<u>Link</u>		
ISFL website	<u>Link</u>		
BioCarbon Fund	<u>Link</u>		