

UNFCCC Standing Committee on Finance

First report on the determination of
the needs of developing country Parties
related to implementing the Convention
and the Paris Agreement



SCF Side event
3 November
2021

CHAPTER 1: MANDATES AND SCOPE



- Report on the determination of the needs of developing countries every four years
- Collaborate with the operating entities of the FM, the subsidiary and constituted bodies, multilateral and bilateral channels, and observer organizations (Dec. 4/CP.24)



- Disaggregated information in relation to mapping data availability and gaps by sector
- Outreach to developing countries and developing country stakeholders (Dec. 11/CP.25 and 5./CMA.2)



WHAT'S IN THE FIRST NDR?

Executive summary,
including recommendations



Technical report

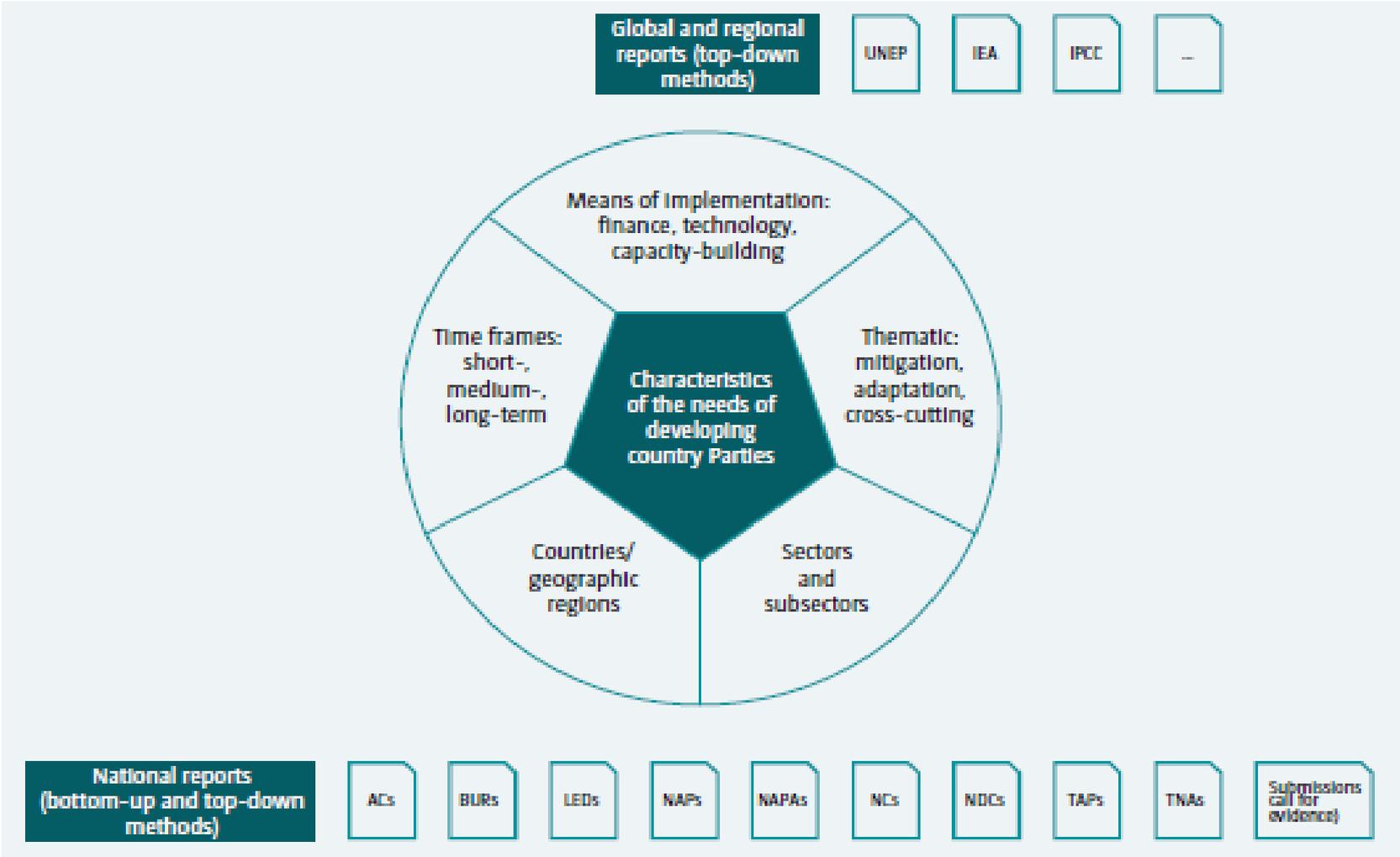
Chapter 1	Chapter 2	Chapter 3	Chapter 4	Chapter 5
Mandate and scope	Overview of the needs of developing country Parties	Processes and approaches for determination of needs	Methodologies and underlying assumptions	Challenges, opportunities and gaps



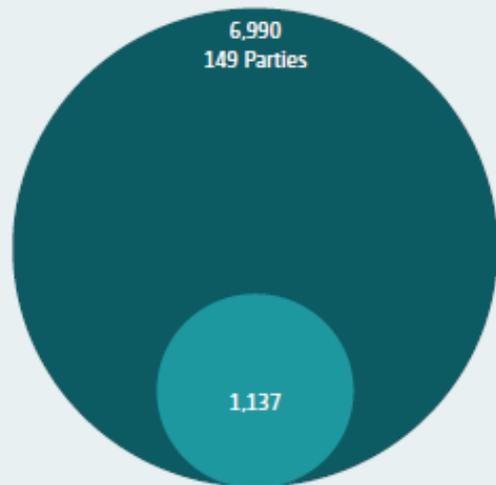
THE FIRST NDR HAS HAD EXTENSIVE STAKEHOLDER ENGAGEMENT AND INPUT



CHAPTER 1: SOURCES OF INFORMATION



KEY FINDINGS CHAPTER 2: OVERVIEW OF THE NEEDS INCLUDING COSTED NEEDS BY TYPE OF NATIONAL REPORT SUBMITTED TO THE UNFCCC



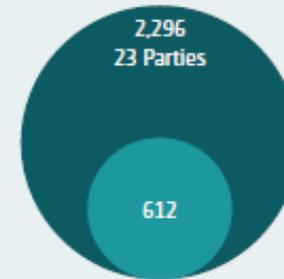
NCs
 USD 8,845.9–8,934.9 billion
 46 Parties



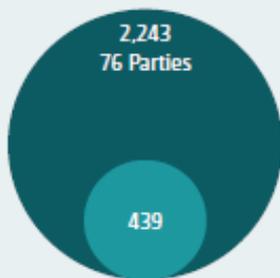
NDCs
 USD 5,817.5–5,888.6 billion
 78 Parties



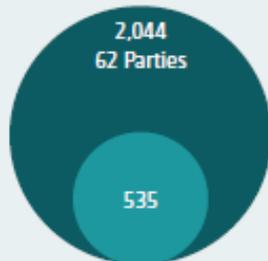
TAPs
 USD 40.7 billion
 23 Parties



NAPs
 USD 135.0 billion
 12 Parties



TNAs
 USD 88.2–92.3 billion
 31 Parties



BURs
 USD 11,465.5–11,465.9 billion
 24 Parties



NAPAs
 USD 10.1 billion
 24 Parties



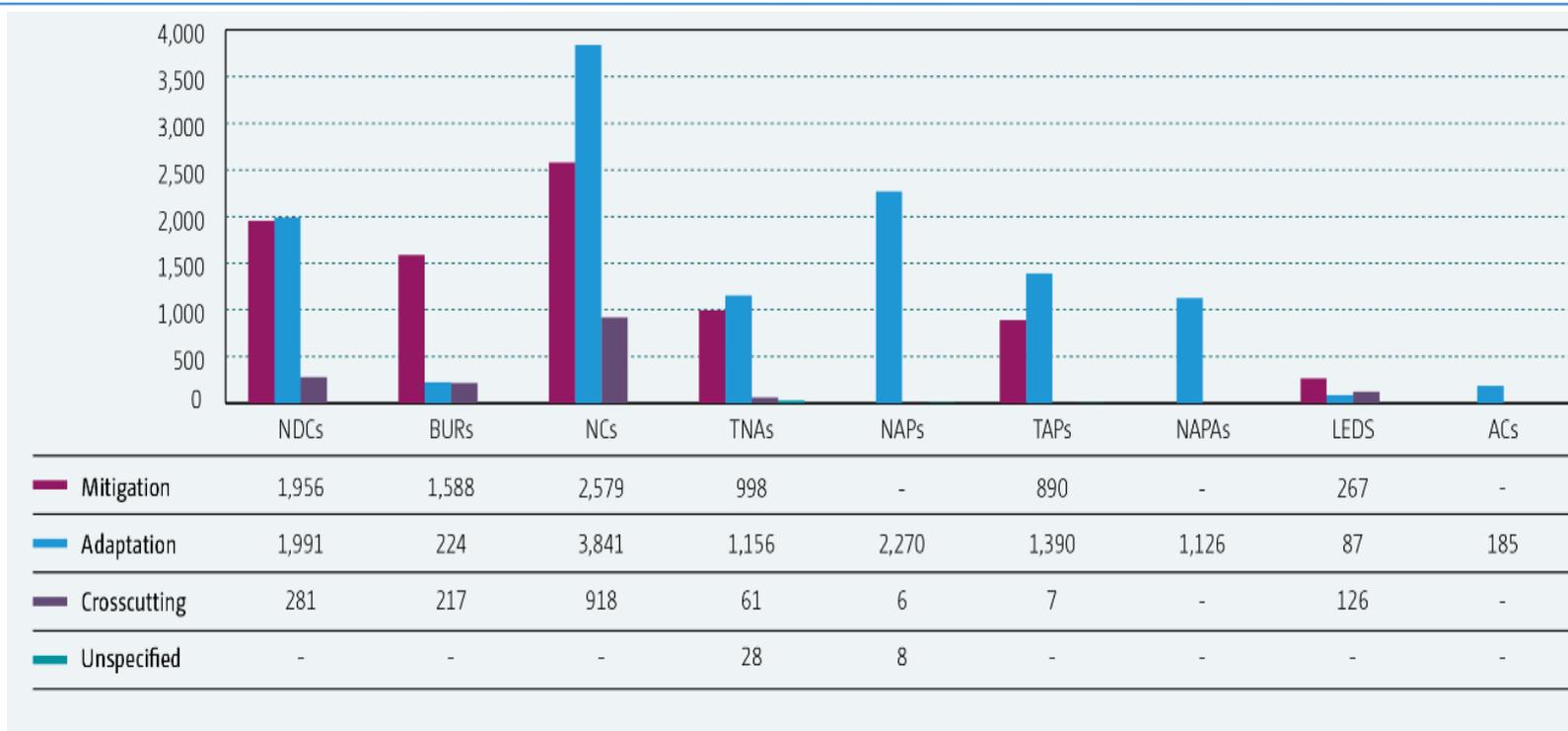
LEDCs
 USD 1,707.1–1,707.3 billion
 2 Parties



ACs
 USD 44.1 billion
 2 Parties

■ Number of costed needs
 ■ Number of needs

KEY FINDINGS CHAPTER 2: THEMATIC DISTRIBUTION OF NEEDS

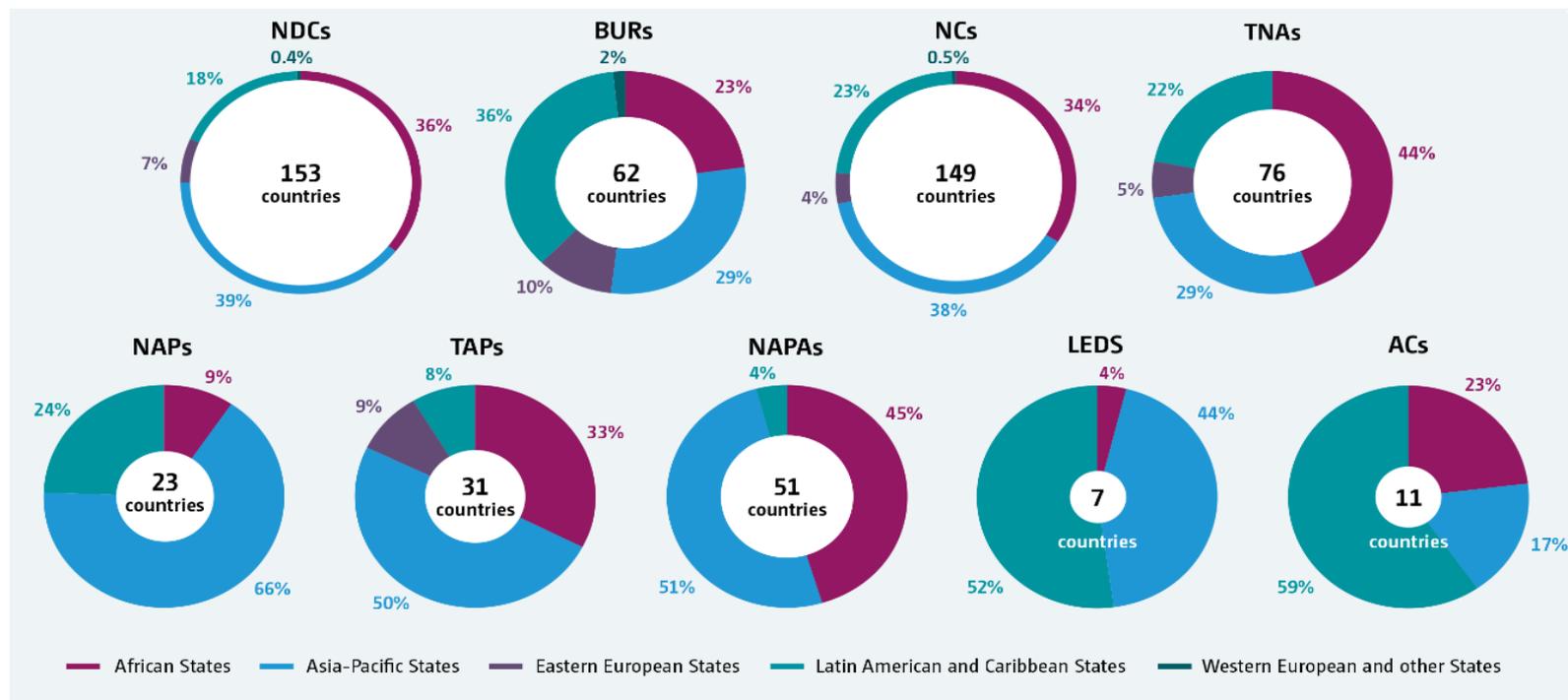


\$ Higher costed mitigation needs (USD 21.97 billion to USD 5.3 trillion) than costed adaptation needs (USD 10.05 billion to USD 3.8 trillion)

Higher adaptation needs (87–3,841) than mitigation needs (267–2,579)



KEY FINDINGS CHAPTER 2 : REGIONAL DISTRIBUTION OF NEEDS



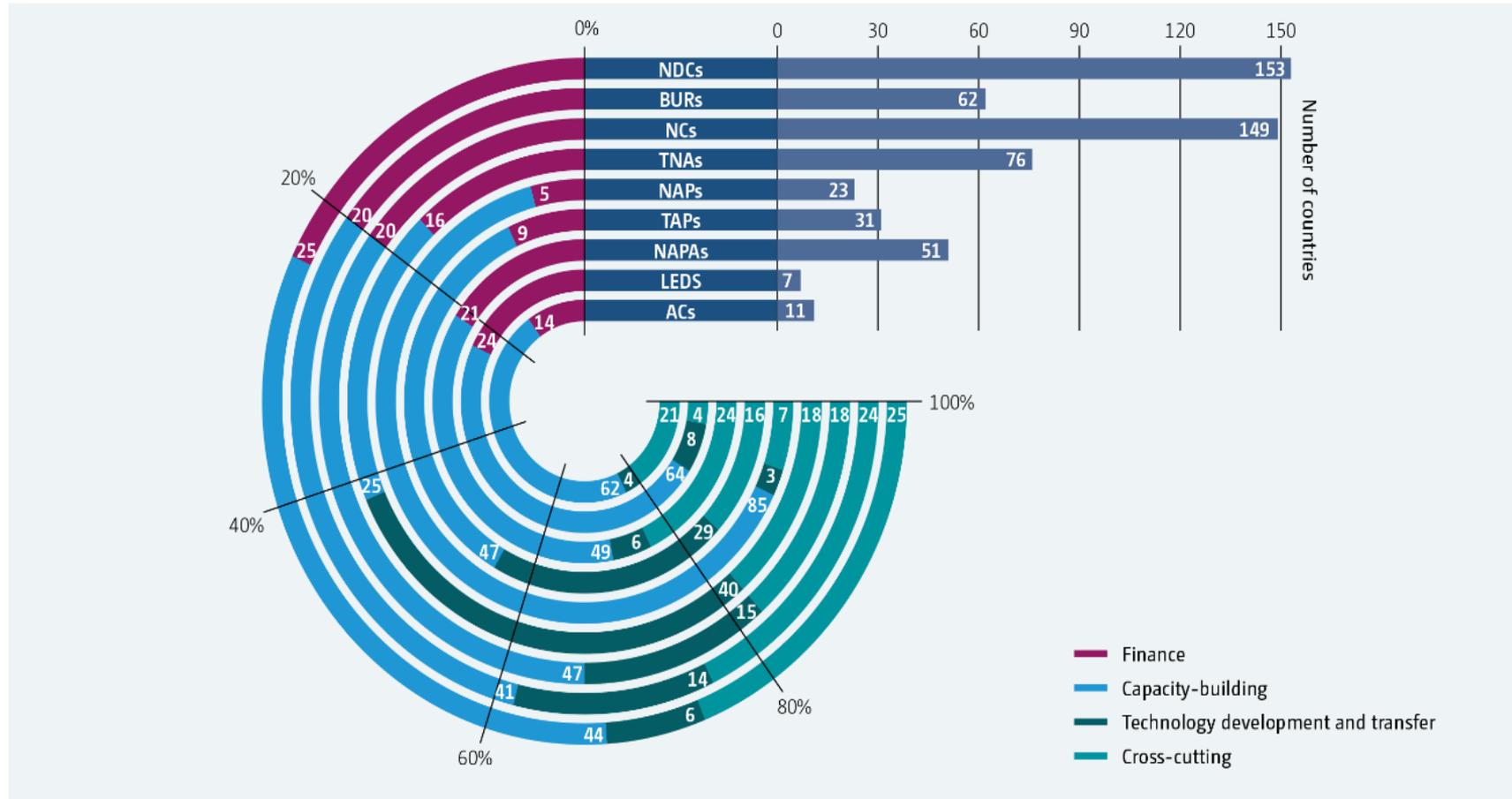
\$ Costed needs range from **USD 9.36 billion to USD 3.1 trillion**

Needs range between **15–1,677** across the five regions

This does not mean that some regions have no or fewer needs, but be due **to lack of available data, tools and capacity**



KEY FINDINGS CHAPTER 2: NEEDS BY MEANS OF IMPLEMENTATION



There is a significant prevalence of **capacity-building needs** across the national reports except for TNAs.



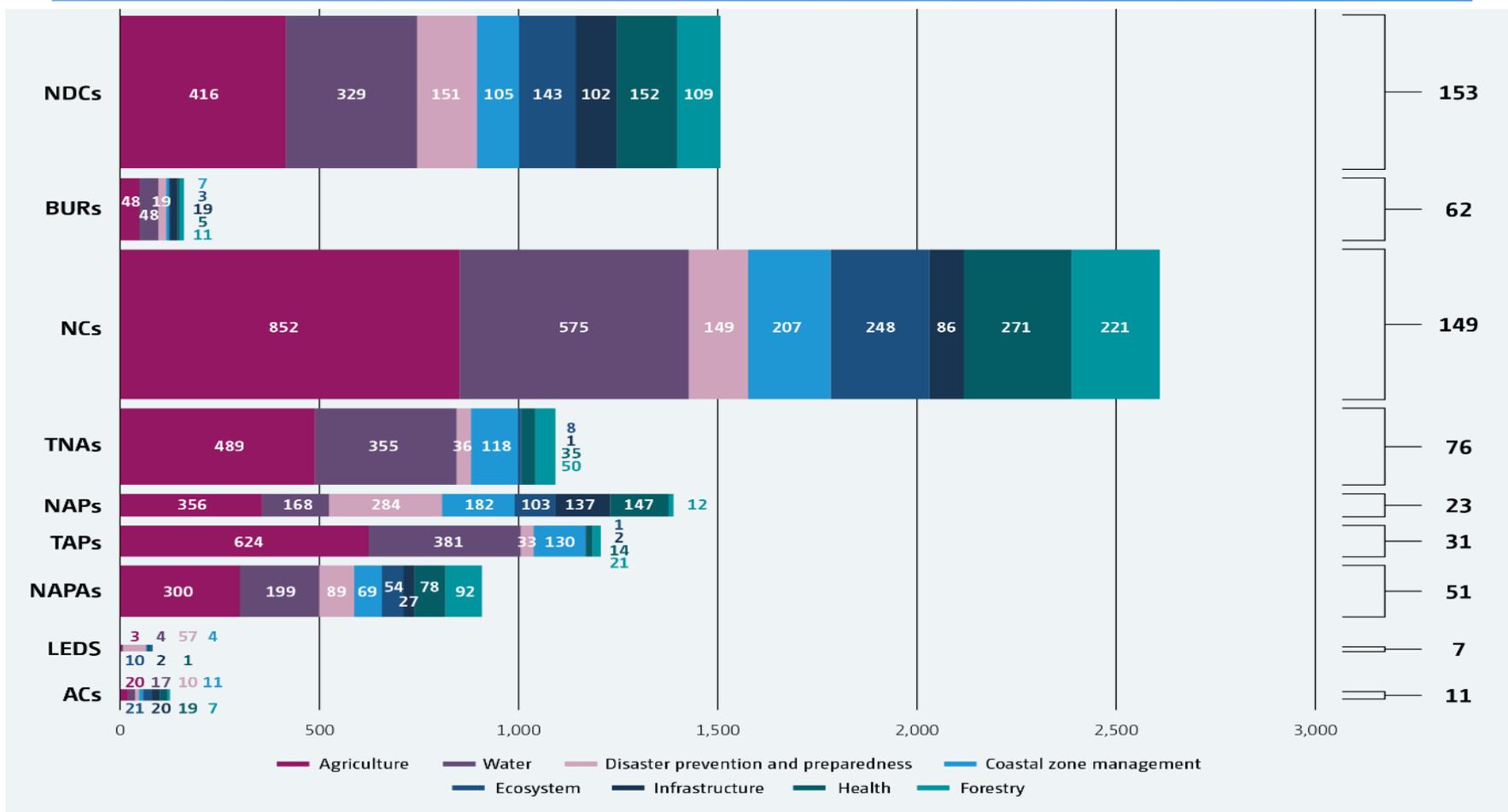
KEY FINDINGS CHAPTER 2: ENERGY IS THE LEAD SECTOR FOR CLIMATE MITIGATION ACTION



Energy is the lead sector for mitigation needs, followed by land use and forestry, transport, agriculture, and waste and sanitation.



KEY FINDINGS CHAPTER 2: AGRICULTURE AND WATER ARE THE LEAD SECTORS FOR ADAPTATION ACTION



Agriculture and **water** are the two lead sectors for adaptation needs, followed by disaster prevention and preparedness, coastal zone management and health.





Mitigation

- **Climate economic modelling** for below 2 °C scenarios (USD 2.4–4.8 trillion in annual energy-related investment needs)
- Investment opportunities from **national plans and targets** (USD 23.8–29.4 trillion from 2016 to 2030)
- Investment estimates for **conditional NDC targets** (e.g. USD 715 billion in Africa)



Adaptation & resilience

- **Bottom-up national and sector-based studies** (USD 140–300 billion annually by 2030)
- Measuring **impacts to GDP** (e.g. USD 289.2–440.5 billion up to 2030 in Africa)
- **Incremental investment needed** to upgrade or retrofit infrastructure (USD 11–670 billion in annual incremental costs)

KEY FINDINGS CHAPTER 3: FOUR COMMON STEPS FOR IDENTIFYING CLIMATE CHANGE NEEDS



Multilateral climate funds, MDBs and United Nations agencies play a critical role in supporting developing countries in their needs identification process.



More information on methodologies to determine mitigation needs than for adaptation needs

Methodologies vary depending on institutional and human capacities, cost, geography, time frame and data availability

UNFCCC reporting guidelines facilitated needs identification for technology transfer and capacity-building

Opportunities

- Support to countries in needs identification process

Challenges

- Data inconsistency, gaps & interpretation
- Institutional coordination and costing needs

Gaps

- Capacity
- Limited availability of granular data
- The lack of specialized national institutions
- Limited guidance

- 75 per cent of needs in NDCs have linkages to **SDGs**
- Some developing country Parties refer to the **AAAAA** provision for mobilizing and aligning local resources



The SCF invites the COP and the CMA to consider the recommendations related to:

Encouraging enhancing availability of granular data on needs with a view to addressing existing data gaps

Enhancing methodologies for determining and costing needs

Encouraging different actors to support developing countries in determining and costing needs

Encouraging different actors to make use of the information contained in the first NDR, especially when supporting developing countries

Requesting the SCF to engage with different actors in disseminating the findings of the first NDR



More information can be found at:

<https://unfccc.int/topics/climate-finance/workstreams/needs-report>

Thank you!

