

Highlights of the Technical Annex to the Climate Finance Mobilization and Access Strategy: Climate finance needs, policies and enabling environments

Island States in the Indian Ocean Climate Finance Mobilization and Access Strategy Workshop

Session 3

Malé, Maldives, 4 March 2020



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UNFCCC - Regional Collaboration Center, Bangkok

- **Climate Finance Needs and Priorities**
 - Priority Mitigation and Adaptation Sectors
 - Priority Technology Sectors, Actions and Costs
 - Capacity-building priorities
 - Overview of estimate costs

- **Climate Relevant Policies**

- **Enabling Environment**

Climate Finance Needs and Priorities

Country	NDC	NAP	NAPA	Initial NC	SNC	TNC	TNA	TAP	BUR
Comoros	2016		2006	2003	2013		2006		
Madagascar	2016		2006	2004	2010	2017	2018	2018	
Maldives	2016		2008	2001	2018				2019
Mauritius	2016			1999	2011	2017	2012	2013	
Seychelles	2016			2000	2013		2017	2018	
Sri Lanka	2016	2016		2002	2012		2011	2012	

- Adaptation actions are a priority
- Mitigation is prioritized with the acknowledgement of the positive co- benefits it offers to island states, particularly with regard to energy security.



Climate Finance Needs and Priorities

Priority Mitigation Sectors

	Energy	Transport	Agriculture	Industry	Forestry, land use	Waste
Comoros	✓		✓		✓	
Madagascar	✓		✓		✓	✓
Maldives	✓	✓				✓
Mauritius	✓	✓	✓	✓	✓	✓
Seychelles	✓	✓				
Sri Lanka	✓	✓		✓	✓	✓

Energy | Transport | Forestry, Land Use | Waste



Climate Finance Needs and Priorities

Priority Adaptation Sectors

	Critical Infrastructure	Tourism	Water Supply and Sanitation	Health	Biodiversity	Food security (agriculture, livestock, fisheries)	Coastal zone protection and marine resources	Disaster Risk Reduction
Comoros			✓	✓		✓		✓
Madagascar	✓	✓	✓	✓		✓	✓	✓
Maldives	✓	✓	✓	✓		✓	✓	✓
Mauritius	✓		✓	✓	✓	✓		✓
Seychelles	✓	✓	✓	✓	✓	✓	✓	
Sri Lanka	✓	✓	✓	✓	✓	✓	✓	

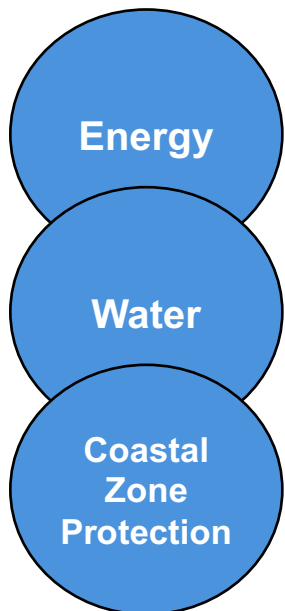
**Critical Infrastructure | Water Security | Coastal Zone Protection |
Health | Food Security | Tourism**



Climate Finance Needs and Priorities

Priority Technology Sectors, Actions and Costs

Common Sectors



Common Actions

- Renewable energy technologies
- Sustainable transport
- Desalination techniques, rainwater harvesting and groundwater recharging
- Land elevation, shore protection and reclamation, restoring coastal vegetation, wetland protection, dune restoration, rock revetment

Estimated Costs

Mitigation priority technology – sectors (USD million)	
Sector	Estimated cost of technology (USD million)
Energy	1932.49
Industry	12.5
Transport	88.8
Adaptation priority technology – sectors (USD million)	
MRV	1.02
Water	397.732
Infrastructure	56.22
Food security (agriculture, irrigation, fisheries)	176.05
Coastal Zones	36.928
Health	0.5
Biodiversity	14.25

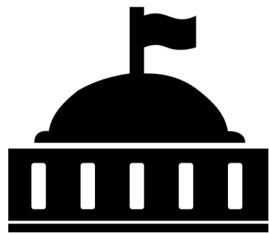


Capacity-building Needs

Types of Capacity-building needs



Transparency



**Governance and
Regulation**



**Data: monitoring
and research**



**Access to
finance**



Partnerships

Capacity-building Needs

Sectors for which countries have stated capacity-building needs

Mitigation	Adaptation
GHG Inventory Energy	Critical Infrastructure Food Security Coastal Zone Protection Tourism
Cross-cutting Areas	
Education and Awareness Raising Research and systematic observation Data Collection	



Climate Finance Needs and Priorities

Overview of estimate costs for actions in priority sectors (NDCs)

Country	Finance Needs Mitigation (billion USD)	Finance Needs Adaptation (billion USD)
Comoros	0.3	0.375
Madagascar	6.4	28.7
Maldives	Not stated	Not stated
Mauritius	1.5	4.0
Seychelles	0.309	0.295
Sri Lanka	Not stated	Not stated
Total	8.5	33.0



Climate Finance Needs and Priorities

Mitigation priority sectors - estimated financial needs (USD million)

Country	Energy	Transport	Forestry	Waste
Comoros	--	--	--	--
Madagascar	--	--	--	--
Maldives	--	--	--	--
Mauritius	1310 (TNC, 2016)	50 (TNC, 2016)	10 (TNC, 2016)	100 (TNC, 2016)
Seychelles (Timeframe: 2020-2030)	191.7 (Public electricity) (NDC, 2016)	96.5 (NDC, 2016)	--	20.8 (NDC, 2016)
Sri Lanka	--	--	--	--

Adaptation priority sectors - estimated financial needs (USD million)

Country	Critical infrastructure	Water Security	Health	Food security	Coastal zone protection	Tourism
Comoros	--	1.03 (NAPA, 2006)	0.297 (NAPA, 2006)	6.6 (SNC, 2013)	--	--
Madagascar	--	--	--	--	--	--
Maldives	--	--	--	--	Between 500-8800 (SNC, 2018)	--
Mauritius	2149.4 (TNC, 2016)	1366.8 (TNC, 2016)	15 (TNC, 2016)	234.8 (TNC, 2016)	--	--
Seychelles	125 (Seychelles Infrastructure Action Plan (AfDB, 2015))	85 (NDC, 2016)	30 (NDC, 2016)	64 (SNAIP, 2015-2020) – assessment by IMF, 2017)	45 (NDC, 2016)	
Sri Lanka	1.5 (NAP, 2016); 110 (NCCAS, 2010)	5.4 (NAP, 2016)	2.4 (NAP, 2016); 2.1 (NCCAS, 2010)	5.3 (NAP, 2016); 116 (NCCAS, 2010)	15 (NAP, 2016); 2.5 (NCCAS, 2010)	1.5 (NAP, 2016)



Climate Relevant Policies

Mitigation and Adaptation Framework Policies

Country	Mitigation Framework Policies	Adaptation Framework Policies
Comoros	Poverty Reduction and Growth Strategy (SCA2D) (2017- 2021)	
Madagascar	National Policy for Climate Change (2011)	National Policy for Climate Change (2011)
Maldives	Maldives Climate Change Policy Framework (2015)	Strategic National Action Plan for Disaster Risk Reduction and Climate Change Adaptation 2010-2020
Mauritius	Climate Change Bill (?)	A National Climate Change Adaptation Policy Framework (2012)
Seychelles	National Climate Change Strategy (2009)	National Climate Change Strategy (2009)
Sri Lanka	National Climate Change Policy (2012)	National Climate Change Adaptation Strategy for Sri Lanka (NCCAS) (2011-2016)



Climate Relevant Policies

Sectoral Policies and Strategies

Country	Energy	Tourism	Agriculture	Coastal Zones and Marine Ecosystems	Fiscal/Financial
Comoros	National Energy Sector Strategy (2012)				
Madagascar	<i>New Energy Policy (2015)</i>		<i>National Strategy to Face Climate Change in Agriculture-Livestock-Fishery (2013)</i>		
Maldives	<i>National Energy Policy & Strategy (2016)</i>	<i>4th Tourism Master Plan (2013-2017)</i>			<i>Maldives Green Tax</i>
Mauritius	<i>Renewable Energy Roadmap 2030 for the Electricity Sector (2019)</i>	<i>Tourism Strategic Plan (2018-2021)</i>			<i>Maurice Ile Durable Concept</i>
Seychelles	<i>Energy Policy 2010-2030</i>	<i>Tourism Master Plan 2012-2020</i>	<i>SNAIP, 2015-2020)</i>	<i>Blue Economy Roadmap (2018)</i>	<i>Debt-for-conservation-swap Blue Bond</i>
Sri Lanka	<i>National Energy Policy and Strategies (2019)</i>				<i>Sustainable Finance Roadmap (2019)</i>



Comoros

Poverty Reduction and Growth Strategy (SCA2D 2018-2021) – passed in 2014

aims to strengthen the Comoros social, economic and environmental situation over the period 2015-2019; notably in regard to environment and climate change to address the following areas:

- **land degradation**
- **vulnerability to climate change related disasters**
- **the promotion of a green economy**
- **raising public awareness to climate change**



Madagascar

Energy

New Energy Policy (2012):

- The New Energy Policy outlines several objectives, including: the provision of access to modern energy for 70% of households (equivalent of 7,900 GWh) via 70% grid extension, 20% mini off-grid, 5% SHS (Solar Home System) and 5% solar lamps; 85% of the country's energy mix to come from renewables by 2030 (75% hydro, 5% wind, 5% solar), and; the implementation of energy efficiency measures by 60% for businesses and industries.

Agriculture

National Strategy to Face Climate Change in Agriculture-Livestock-Fishery (2013):

- This strategy has four strategic axes: (i) adapting agriculture, livestock, fishing to climate change; (ii) **generating socioeconomic benefits via mitigation** for agriculture-livestock-fisheries; (iii) developing a **sustainable financial mechanism for adaptation actions** on agriculture-farming-fishing; and (iv) promoting applied research and technical innovations to agriculture-livestock-fisheries.



Maldives

National Strategy for Sustainable Development (2009): *several goals related to climate change with a focus on the following sectors:*

- **Coastal Zone Protection:** build coastal defenses for critical infrastructure; capacity-building
- **Energy:** carbon neutral by 2020; 50% RE by 2015;
- **Transport:** Reduce CO2 emissions from light vehicles

Energy

National Energy Policy & Strategy (2016):

- Develop a roadmap to produce 70% of energy from clean energy sources by 2020
- 5 key policy statements: (i) strengthening the institutional capacity and regulatory framework of the energy sector, (ii) promoting energy conservation and efficiency, (iii) promoting renewable energy technologies, (iv) improving the reliability and sustainability of electricity service, and (v) to increase national energy security

Tourism

4th Tourism Master Plan (2013-2017):

- The Strategic Action Plan for tourism includes sections on climate change adaptation for the sector, for implementing a low-carbon programme for the industry and enhanced environmental monitoring

Fiscal

Maldives Green Tax and Green Trust Fund



Mauritius

National Environment Policy (2007): Climate impacts are raised in the following sectors: Water Resources - key area of concern is Impact of climate change and **sea level rise** on freshwater availability; Air quality; **Coastal Zones; Built Environment** - aim to establish new constructions and building standards in the context of climate change and Tsunami; Disaster Risk - Prepare an integrated action plan to better respond and adapt to impacts of climate change, sea level rise, tsunamis and other disasters.

Energy

Renewable Energy Roadmap 2030 for the Electricity Sector (2019)

Establishes targets for RE in the energy mix for 2020, 2025 and 2030 with solar, onshore wind, biomass, offshore wind (by 2030) and wave energy (by 2030, dependent on development of technology); Provides capital investment needs for each target.

Tourism

Tourism Strategic Plan (2018-2021)

- Adoption of Standard MS 165:2014 by tourism enterprises to minimize impacts of tourism activities on environment
- Mainstreaming sustainability principles in guidelines/codes governing tourism activities

Eco-labelling promoted by the Ministry of Tourism and Leisure

Fiscal

Maurice Ile Durable Concept



Seychelles

Sustainable Development Strategy 2012-2020 sets out a plan for the implementation of priorities for government, the private sector and the public at large, with the ultimate objective to improve sustainable development management in the Seychelles. The strategy highlights the importance of **fostering adaptation efforts and investments in renewable energy**.

Blue Economy Roadmap (2016): Offers an integrated approach to ocean-based sustainable development which brings together economy, environment and society, consistent with the Sustainable Development Agenda 2030 (SDG's), Aichi Target 11 of the Convention on Biological Diversity (CBD) and the Paris Agreement

Energy

Energy Policy 2010-2030: focus on energy efficiency, renewable energy and reducing the dependence on oil to improve energy security. With an aim to diversify the energy supply, a 5% and 15% share of renewable energy is targeted for 2020 and 2030 respectively.

Tourism

Tourism Master Plan 2012-2020: addresses climate change from the perspective of reducing the environmental footprint of the sector

Seychelles Sustainable Tourism Label: a voluntary sustainable tourism management and certification programmes; one of the criteria is reduced energy use in participating tourism enterprises

Fiscal

Debt-for-conservation-swap

Blue Bond



Sri Lanka

National Action Plan for Haritha Lanka Programme (2019) – Sustainable Development Plan

One of the plan's missions is titled "Meeting the Challenges of Climate Change"; with plans for energy, transport, waste management, water security, agriculture, food security, infrastructure, health.

Energy

National Energy Policy and Strategies (2019): “transform the energy industry from a subsidy-burdened, survival-focused state to an innovation driven catalyser of the national economy, preparing the country for the global energy transition” ; main aim is to ensure convenient and affordable energy services are available for equitable development of Sri Lanka using clean, safe, sustainable, reliable and economically feasible energy supply; with a focus on energy security, energy equity and energy sustainability.

Financial

Sustainable Finance Roadmap (2019): consists of six pillars and elaborates the roles that the regulator and financial institutions have to play in financing the objectives of the Sri Lanka’s Vision 2030.



What the policies reveal

- There are examples of mainstreaming climate action into priority sector sectoral policies and plans
- National Development Strategies – integrating climate considerations; Sustainable finance mechanisms and plans exist or are being implemented
- **Gaps exist between the sectors that are receiving finance and the sectors prioritized for action by countries**



Enabling Environment

Mitigation and adaptation studies

Building of knowledge sharing networks

Climate related education

Development of activity databases

Improve analysis and tracking

Strengthening domestic institutional arrangements within relevant line ministries to address climate change related issues in a coordinated manner

Technology transfer for improved mitigation and adaptation action

Establish incentives schemes targeted at the private sector to encourage uptake of climate friendly Technology

Develop enabling national policy frameworks

Mainstream climate action into sectoral development plans

Review existing legislation and regulation to ensure they are facilitative of climate action

Enhance availability and access to low-cost financial resources

Provide an incentives framework to enhance private sector investment



Guiding questions

What is the current status of the needs and priority sectors, technology, capacity-building and policies as presented in this discussion? Is it largely consistent with the information in this discussion, if not, what are the major differences?

Why are certain sectors attracting more finance than others? What are the gaps and barriers for the sectors that are not attracting finance?

What are the methodologies that have been used to determine estimate adaptation and mitigation costs, particularly by countries that have stated these in their NDCs?

Is it possible and useful to align capacity-building, enabling environment, technology needs as per priority sectors identified by the countries?



Thank you!

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