

# Needs-Based Climate Finance: Regional Climate Finance Access Strategy

Organization of Eastern Caribbean States

29 of March, 2023

Grenada



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## Needs-Based Finance Project (NBF)

- The Needs-based Climate Finance (NBF) project was established in response to the request of the Conference of the Parties that the secretariat, in collaboration with the operating entities of the Financial Mechanism, United Nations agencies, bilateral, regional, and other multilateral channels, explore **ways and means to assist developing country Parties in assessing their needs and priorities in a country-driven manner**, including their technological and capacity-building needs, and in **translating climate finance needs into action**

## Strategy Goal

- The goal of the Strategy is to **ensure that climate finance can be effectively accessed, mobilized, and scaled up** to contribute to **achieving** the region's **climate and development goals** between 2023 and 2030.

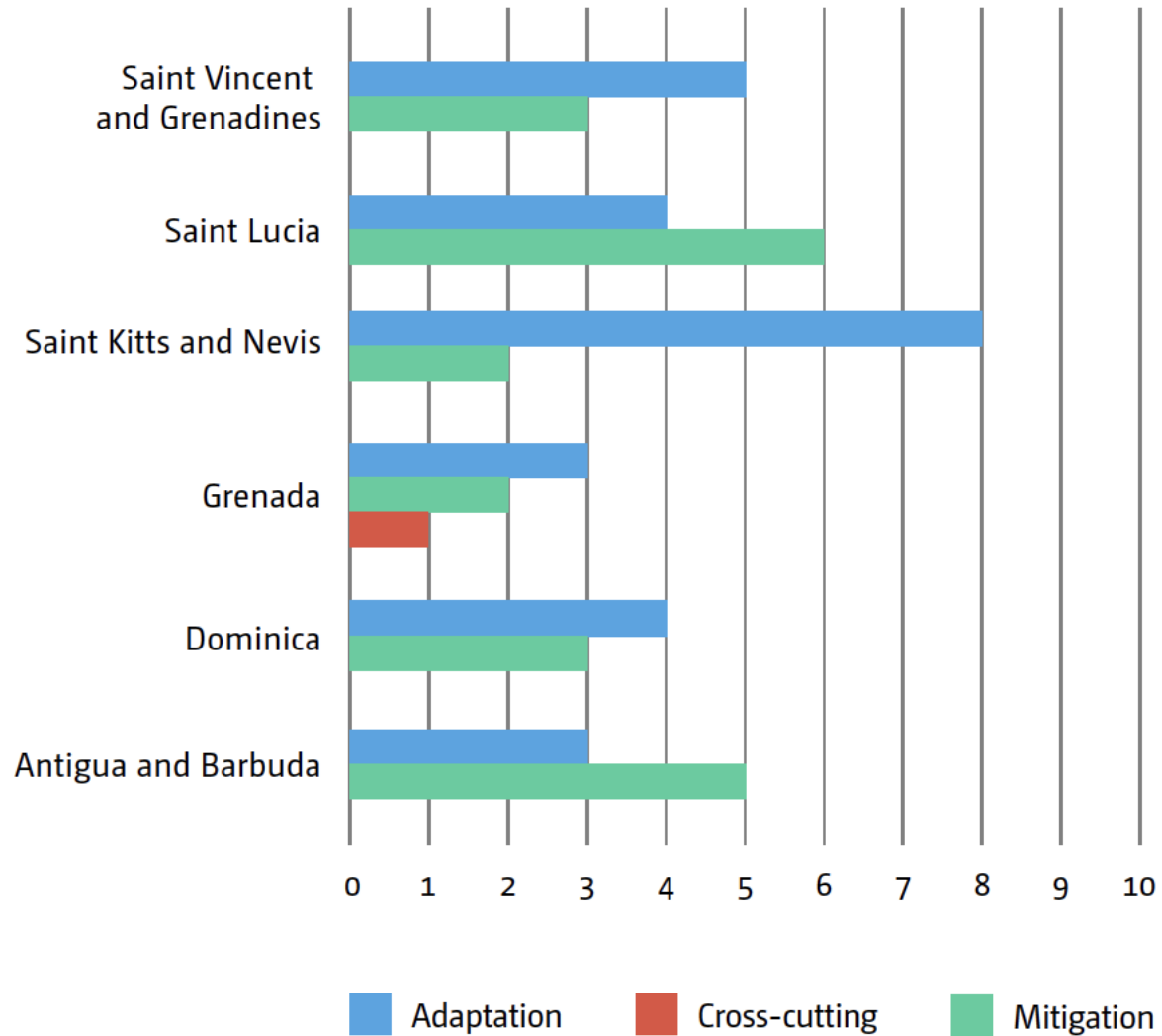


**Table 1**  
**Submission of communications by year up to April 2022**

	UNFCCC									Climate funds			
	BUR1	NDC/ INDC1	NDC/ INDC Update	NAP	NC1	NC2	NC3	TNA	TAP	GCF	GEF	Regional banks	WB
Antigua and Barbuda	2020	2016	2021	–	2001	2011	2016	2002	–	2022	2017	–	2013
Dominica	–	2016	2022	–	2001	2012	2020	2004	–	2022	2015	–	2014
Grenada	–	2016	2020	2019	2000	2017	2019	2018	2018	2021	2017	–	2017
Saint Kitts and Nevis	–	2016	2021	–	2001	2016	–	2006	–	2022	2020	–	2003
Saint Lucia	2021	2016	2021	2018	2001	2012	2017	2003	–	2021	2019	–	2017
Saint Vincent and the Grenadines	–	2016	–	2019	2000	2016	–	–	–	2022	2017	–	2017

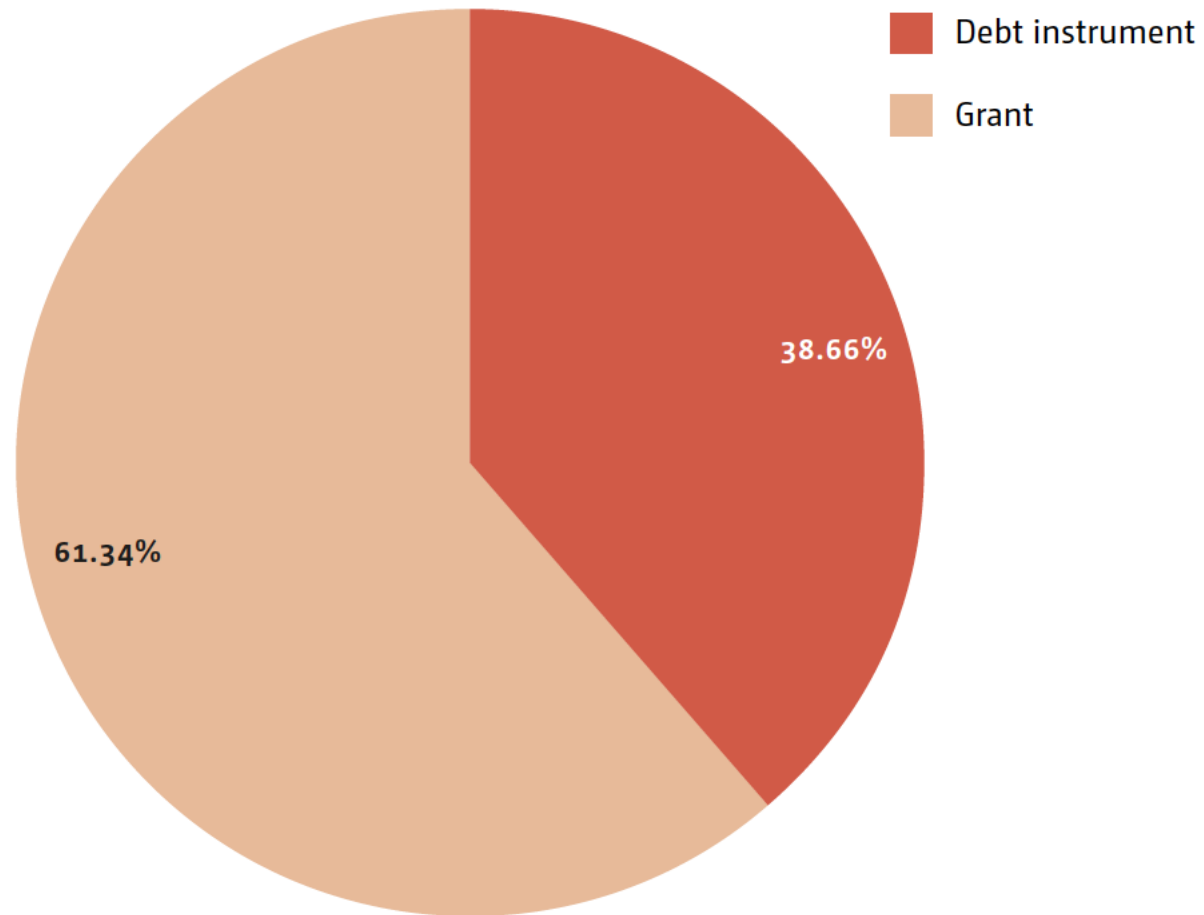


## Number and type of needs by country



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## International finance instruments in the region



## Findings

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- To finance the climate change needs expressed to date, the region needs a total of approximately **USD 3.3 billion to USD 4.576 billion up to 2030**
- The region requires approximately **5 times** the annual funding it has received.
- The priorities for financing include measures and action in : **agriculture, water, coastal and marine ecosystems, forestry and other land use, public health and tourism, energy, transport and waste**
- To date, the inflow of climate finance from public international sources to address needs has been **on average USD 84,856 million per year**.
- Some of the most critical barriers to climate finance access and mobilization in the region include limited staff resources and institutional capacity to develop and implement projects, insufficient information on procedure for access



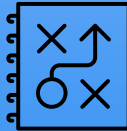
# Key Principles

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Country  
ownership



Flexibility



Adaptation  
is a priority



International  
support



# Strategic areas of collaborative action

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## Strategic area I - Accessing predictable, adequate and scaled-up climate finance for mitigation and adaptation

- The region is acutely challenged by climate change's impact on economies and development and calls for the **prioritization of international climate finance** support **adaptation, mitigation** and **loss and damage response** that is commensurate with regional circumstances.
- **Lowering barriers to access to finance, shall ensure delivery is sufficient, predictable,** and provided for **adaptation predominantly** as grant or **highly concessional-based** finance and for loss and damage as grant-based finance.
- Furthermore, **enabling private sector** finance also for renewable energy and energy efficiency measures.





# Strategic areas of collaborative action

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## Strategic area II - Adaptation and resilience to extreme weather and slow onset climatic events

- The effects of climate change on both natural and human systems are already affecting infrastructure, health and wellbeing, water and food security, ecosystems, and ultimately economies.
- **Rapid scaling up of support** to address climate extremes and slow onset events is therefore **critical through dedicated facility or fund**.
- Although there are insurance instruments available that cover important areas such as energy and water utilities, agriculture, there is a **need to build a robust business case for more regional investment and insurance** for other key and previously neglected sectors.



# Strategic areas of collaborative action

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## Strategic area III – harnessing green-blue economy approaches

- The blue economy holds **vast potential for the region** – as, although potential for carbon emission reductions is low, the surrounding ocean area is large.
- The protection delivered by coastal ecosystem services is undervalued and **sources of climate finance are under-investing in sustainable oceans**. There is also a **lack of supply of quality blue economy projects** and offsets to meet this investor demand.



# Strategic areas of collaborative action

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## Strategic area IV - Build capacity and raise awareness

- The region faces a complex international climate finance landscape, with **limited capacity to support access to, and disbursement of climate finance**. Accessing climate funds is arduous as each fund has its own procedures and access modalities.
- **Building regional capacity** to design and articulate quality project proposals is also a **common need**.
- There is an **opportunity to increase access** to climate funds and other sources of climate finance by **enhancing country-driven capacities**, addressing some of the knowledge, data and skills gaps and barriers experienced in the region.



# Strategic areas of collaborative action

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## Strategic area V - Strengthen and developing measurement, reporting and verification of climate finance

- The mitigation, adaptation and **means of implementing objectives of the Paris Agreement** are enabled and **underpinned by the availability of robust climate information** and data which comprises the Enhanced Transparency Framework (ETF).
- Recognizing the **gains from economies of scale**, practical examples from the **experience of the Caribbean Cooperative MRV Hub** and participation in the Capacity Building Initiative for Transparency in enhancing transparency the region and engagement of non-Party stakeholders strengthening measurement, reporting and verification of climate finance can help to focus on needs of the region.



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# Thank you!



[https://unfccc.int/NBF\\_Project](https://unfccc.int/NBF_Project)