

# CLIMATE FINANCE ACCESS AND MOBILIZATION STRATEGY FOR ECOWAS COUNTRIES (2022–2031)





# Contents

<b>I.</b>	<b>Introduction</b>	<b>2</b>
<b>II.</b>	<b>Priority climate finance needs</b>	<b>3</b>
<b>III.</b>	<b>Strategic framework</b>	<b>4</b>
A.	Vision	4
B.	Goal	4
C.	Expected impacts	4
D.	Key principles	4
E.	Scope	4
F.	Implementation period	5
<b>IV.</b>	<b>Strategic areas and actions</b>	<b>6</b>
A.	Enhanced enabling environment for mobilizing funding and catalysing private investment	6
B.	Enhancing technical capacity for developing and implementing mitigation and adaptation projects	6
C.	Enhancing institutional capacity and mechanisms at the national and regional level for the coordination of climate finance mobilization	7
D.	Identifying and mobilizing effective, innovative and appropriate financing for priority climate actions	7
E.	Strengthening and developing measurement, reporting and verification of climate finance	8

Table 1 Priority areas, needs and amounts

# I. Introduction

1. The objective of the ECOWAS Climate Finance Access and Mobilization Strategy (hereinafter “the Strategy”) is to facilitate the mobilization of and access to climate finance to help meet the needs identified by ECOWAS member States in relation to the implementation of priority mitigation and adaptation actions in accordance with the goals set out in their nationally determined contributions (NDCs), national adaptation plans and other programmes, policies, strategies and national development and investment plans.
2. The Strategy which is based on the technical assessment of climate finance needs and flows in ECOWAS member States (hereinafter “Technical Annex”) was developed by members States in response to the Conference of the Parties in its decision 6/CP.23 and reiterated by its decision 4/CP.26 that the secretariat, in collaboration with the operating entities of the Financial Mechanism, United Nations agencies and bilateral, regional and other multilateral channels, will continue to explore ways and means to assist developing country Parties in assessing their needs and priorities, in a country-driven manner, including technological and capacity-building needs, and in translating climate finance needs into action.
3. Based on the Technical Annex, the region’s strengths, weaknesses, opportunities, and threats regarding climate finance access and mobilization were assessed. The Strategy sets out the key actions for addressing the identified challenges, barriers and opportunities in promoting the mobilization of and access of climate finance for the ECOWAS member States. Implementing these strategic actions aims to help the member States bridge the current climate finance gap of approximately USD 294 billion for 2015–2030 in addressing their climate finance needs.
4. The strategic actions contained in the Strategy cover the following five areas:
  - (a) Enhanced enabling environment for mobilizing funding and catalysing private investment;
  - (b) Enhancing technical capacity for developing and implementing mitigation and adaptation projects;
  - (c) Enhancing institutional capacity and mechanisms at the national and regional level for the coordination of climate finance mobilization;
  - (d) Identifying and mobilizing effective, innovative and appropriate financing for priority climate actions; and
  - (e) Strengthening and developing measurement, reporting and verification systems for means of implementation.
5. The Strategy as officially endorsed by ECOWAS will be implemented by member States with the support of all relevant stakeholders and institutions and coordinated by the ECOWAS Commission. An implementation plan including a pipeline of priority projects, programmes, and initiatives details the steps and counterparts involved in implementing the actions contained in the strategy. A monitoring, review and verification system with relevant indicators will ensure delivery of the plan as overseen by the ECOWAS Commission.



## II. Priority climate finance needs

6. The Technical Annex assessed in detail the finance needs and priority sectors identified by ECOWAS member States in their NDCs, technology needs assessments (TNAs), technology action plans (TAPs) and other relevant plans and strategies. A summary of these is presented in table 1 below. For detailed information on sources and methodologies please refer to section III of the Technical Annex.<sup>1</sup>

**Table 1**  
Priority areas, needs and amounts

Areas	Needs	Amount (USD)
Priority mitigation areas (according to NDCs)	Agriculture, forestry and other land use; energy; transport; industrial processes and product use; and waste	Mitigation finance needed for NDC implementation – USD 77 billion
Priority adaptation areas (according to NDCs)	Agriculture; health; coastal protection; fisheries; energy; forestry and land use; biodiversity and ecosystems; vulnerable groups; human settlements; and tourism	Adaptation finance needed for NDC implementation – USD 50 billion
Priority technology areas (according to TNAs, TAPs and NDCs)	Energy; agriculture and forestry; water; waste; and transport	Technology finance needs (TAPs) – USD 1.5 billion for adaptation and approximately USD 19 million for mitigation
Priority capacity-building areas	Transparency; institutional capacity; access to funds; project development; carbon pricing; private sector; and other (gender, English languages skills, developing climate-related communication strategies)	Not differentiated. Partly included in mitigation and adaptation needs estimates

<sup>1</sup> [https://unfccc.int/sites/default/files/resource/J0008\\_UNFCCC\\_NBF\\_TA\\_Climate\\_Finance\\_WA\\_v11%5B40%5D.pdf](https://unfccc.int/sites/default/files/resource/J0008_UNFCCC_NBF_TA_Climate_Finance_WA_v11%5B40%5D.pdf).

# III. Strategic framework

## A. Vision

7. In line with the ECOWAS Vision 2050: “To create a borderless, peaceful, prosperous and cohesive region, built on good governance and where people have the capacity to access and harness its enormous resources through the creation of opportunities for sustainable development and environmental preservation.”

## B. Goal

8. To ensure climate finance is effectively mobilized, accessed, utilized and scaled up to contribute to the achievement of climate action goals in the ECOWAS region (Paris Agreement, NDCs, Sustainable Development Goal 13).

## C. Expected impacts

- (i) Increased access to public international climate finance;
- (ii) Increased mobilization of private climate finance;
- (iii) Increased domestic investment in climate projects;
- (iv) Strengthened institutional capacity and climate finance framework; and
- (v) Increased regional contribution to the Paris Agreement.

## D. Key principles

- (i) Ownership of the strategy by ECOWAS member States;
- (ii) Alignment with national and regional sustainable economic emergence and development strategies, plans and programmes;
- (iii) Inclusivity of all stakeholders affected by the strategic actions;
- (iv) Sustainability and effectiveness of strategic actions; and
- (v) Mainstreaming of climate change issues in national development planning and budgeting.



## E. Scope

### 1. Policies

- (a) Promote the design and implementation of countries' climate policies and policy instruments to improve the enabling environment for mobilizing climate finance; and
- (b) Promote environmental, social and governance policies.

### 2. Sectors

- 9. The priority sectors to be funded are those mentioned in the NDCs, as listed above.

### 3. Financial instruments

- 10. In addition to conventional financial instruments (grants: main and preferred instruments, concessional loans, equity, guarantees), the Strategy considers participation in carbon markets, payments for ecosystem services, fiscal incentives, issuance of green bonds, insurance, REDD+ and other innovative climate finance instruments.

#### 4. Sources

(a) International sources, including private investments, operating entities of the financial mechanism, multilateral development banks, bilateral cooperation agencies, foundations and climate funds, from bilateral and multilateral sources; and

(b) Domestic sources, including private investments, and public sources such as national budget, tax revenue, environmental funds and pension funds.

#### F. Implementation period

11. For implementation, the Strategy has two stages:

(a) Stage one (2022–2026), in which the objective is to strengthen the existing climate finance mobilization mechanisms and the institutional framework relevant to climate finance mobilization. This stage also includes indicative actions that must be taken to fulfil the general objective of the Strategy; and

(b) Stage two (2027–2031), in which the structures created are consolidated. The aim is for the ECOWAS region to have an adequate governance structure (institutional framework and regulations), with financial instruments that increase access to international sources of finance and mobilizes greater participation of the private sector in financing climate change measures.



## IV. Strategic areas and actions

### A. Enhanced enabling environment for mobilizing funding and catalysing private investment

#### Actions

- (i) Where necessary, evaluate and update policies, programmes and strategies at the regional and national level related to climate change, climate governance and climate finance;
- (ii) Review and strengthen existing legal frameworks, legislation and regulation to ensure they facilitate climate action and contribute to the mobilization of climate finance with a view to promoting favourable fiscal, investment and regulatory policies on:
  - Public spending and investment;
  - Carbon pricing;
  - Public-private partnerships;
  - Integrating climate risk analysis into collateral frameworks, central bank portfolio management; and
  - Ease of doing business and decreasing investor risk.

- (iii) Promote investment readiness among entrepreneurs and investors;
- (iv) Promote greater understanding among, and participation of, private sector players and other key actors in the provision of climate finance and development of climate finance projects in line with national and regional priorities; and
- (v) Promote climate change and forest governance initiatives.

### B. Enhancing technical capacity for developing and implementing mitigation and adaptation projects

#### Actions

- (i) Build the knowledge and capacity of human resources in the field of climate finance to foster the mobilization and leveraging of climate finance;
- (ii) Promote the involvement of local microfinance institutions in project development and finance mobilization to build capacity and increase access to climate finance at the local level;
- (iii) Develop countries' expertise in vulnerability assessment to facilitate adaptation project design and implementation;





- (iv) Improve English language literacy of relevant Francophone climate change finance experts;
- (v) Build the financial and technical capacities of the national and regional institutions involved in climate finance;
- (vi) Develop sub-regional approaches to designing mitigation and adaptation projects;
- (vii) Identify and promote best practices and lessons learned in the design, implementation and raising of funds for mitigation and adaptation actions and facilitate peer-to-peer learning;
- (viii) Conduct trainings and develop knowledge to promote the mobilization and leveraging of climate finance, including:
  - Technical training for governmental and non-governmental actors in the identification, preparation and management of climate projects;
  - Training for staff of banking and financial institutions in climate finance;
  - Training for decision makers in climate finance policies and economic opportunities; and
- (ix) Build the capacity of public and private financial institutions and project developers in the areas of:
  - Climate funding eligibility criteria, access requirements and application procedures; and
  - Mitigation and adaptation project development.

### C. Enhancing institutional capacity and mechanisms at the national and regional level for the coordination of climate finance mobilization

#### Actions

- (i) Enhance capacity and mechanisms at the national and regional level for coordinating public institutions in the areas of climate action and climate finance mobilization;
- (ii) Promote, strengthen and scale up beneficial regional climate finance initiatives, institutions and mechanisms;

- (iii) Promote the use of the Capacity-building Initiative for Transparency;
- (iv) Facilitate peer-to-peer learning among member States on topics such as green bonds and carbon pricing;
- (v) Increase significantly the number of financial institutions accredited to the Adaptation Fund, Green Climate Fund and Global Environment Facility;
- (vi) Create a regional funding mechanism to support national banks in accessing climate finance;
- (vii) Expand opportunities in mitigation and carbon finance and readiness for participation in the cooperative mechanisms under Article 6 of the Paris Agreement;
- (viii) Foster public-private partnerships for climate action;
- (ix) Promote the participation of ECOWAS member States in the Climate Public Expenditure and Institutional Review initiative; and
- (x) Encourage central banks in the region to join the Network of Central Banks and Supervisors for Greening the Financial System and meet the requirements of the network.

### D. Identifying and mobilizing effective, innovative and appropriate financing for priority climate actions

#### Actions

- (i) Develop pipelines of mitigation and adaptation and capacity-building projects/programmes/initiatives/funding facilities, in line with member states' priority needs and with the involvement of regional and local community actors;
- (ii) Develop appropriate new and innovative financing instruments, such as carbon markets, fiscal incentives, issuance of green bonds, insurance, payments for ecosystem services and REDD+;<sup>2</sup> and
- (iii) Develop and establish linkages with the private sector to promote the transfer of technology and finance.

<sup>2</sup> REDD+ Reducing Emission from Deforestation and forest degradation in developing countries.

## **E. Strengthening and developing measurement, reporting and verification of climate finance**

### **Actions**

- (i) Strengthen and develop public financial management systems and measurement, reporting and verification systems.
- (ii) Set up tracking mechanisms to assist in reporting under the Paris Agreement Enhanced Transparency Framework for climate finance needed and received:
  - International and domestic sources of climate finance;
  - Bilateral and multilateral channels;
  - Sector specific information;
  - Uses, impacts and results;
  - Private sources;
  - Cooperative mechanism source;
  - REDD+ sources;
  - Non-governmental organizations and philanthropic sources; and
- (iii) Ensure effective climate finance reporting to include alignment of national with other systems of reporting climate finance and improving coordination among and between relevant national institutions, such as line ministries and national agencies.

© 2022 UNFCCC

*United Nations Framework Convention on Climate Change,  
the Kyoto Protocol and the Paris Agreement*

*All rights reserved.*

*This publication is issued solely for public information purposes, including any references to the Convention, the Kyoto Protocol and the Paris Agreement, and any relevant decisions with respect thereto. No liability is assumed for the accuracy or uses of information provided.*

#### **Creative Commons License**

This publication is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License. Excerpts from this publication may be freely quoted and reproduced provided that i) the source is acknowledged, ii) the material is not used for commercial purposes, and iii) any adaptations of the material are distributed under the same license.

All images remain the sole property of their source and may not be used for any purpose without written permission of the source or confirmation from the source of the applicable license, as applicable.

#### **UNFCCC Logo**

Use and display of the UNFCCC logo, including its emblem, is highly restricted and essentially limited to the organization's activities. You may not use any official emblem, flag or logo of the UNFCCC, or any of its other means of promotion or publicity, to represent or imply an association or affiliation with the UNFCCC or its secretariat without the UNFCCC secretariat's prior written consent.

*For further information contact:*

#### **Main office**

UNFCCC secretariat  
UN Campus  
Platz der Vereinten Nationen 1  
53113 Bonn  
Germany

*Telephone +49. 228. 815-10 00*

*Telefax +49. 228. 815-19 99*

*Email: [secretariat@unfccc.int](mailto:secretariat@unfccc.int)*

*Website: <https://unfccc.int>*



Further information, related to the NBF Project  
is available on the UNFCCC webpage

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



**United Nations**  
Climate Change

