NDC PARTNERSHIP

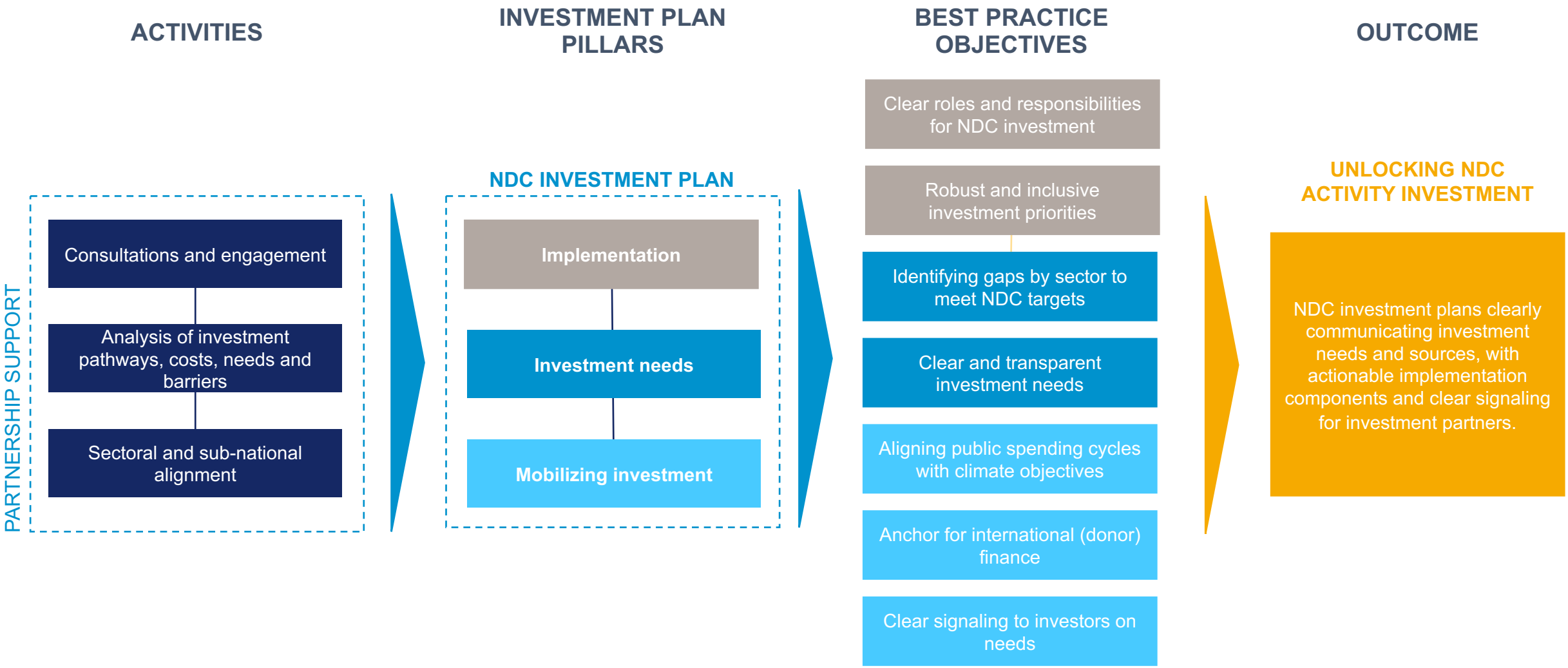
NDCPARTNERSHIP.ORG

NDC INVESTMENT PLAN

Engagement phase

March 2022

THEORY OF CHANGE



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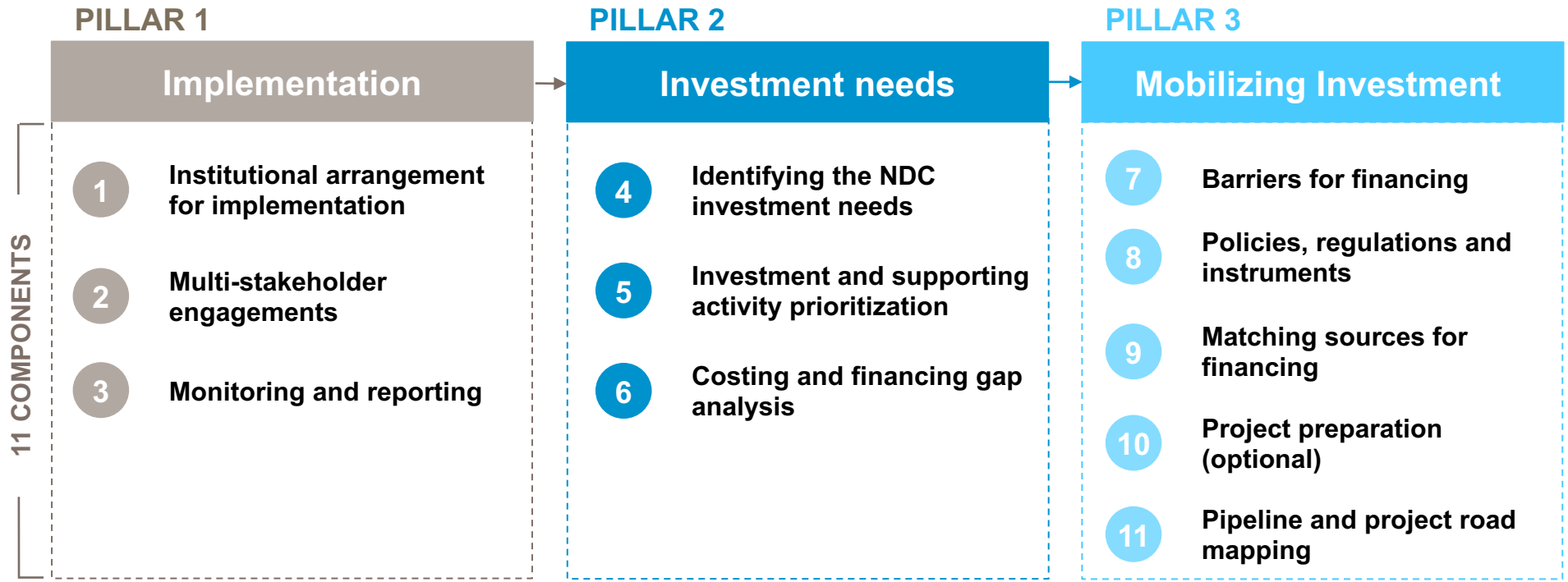
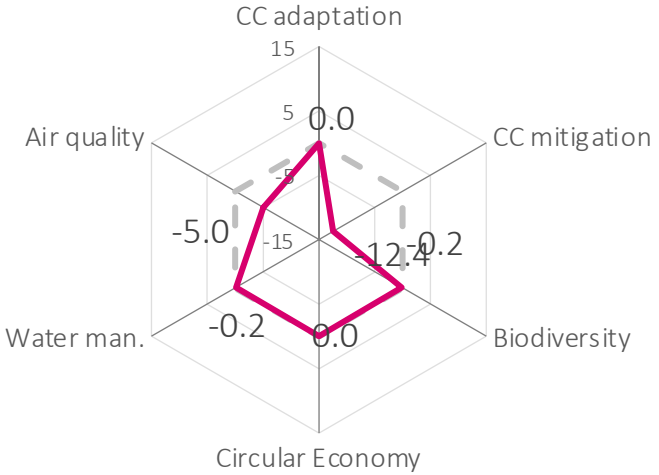
NDC INVESTMENT PLANS

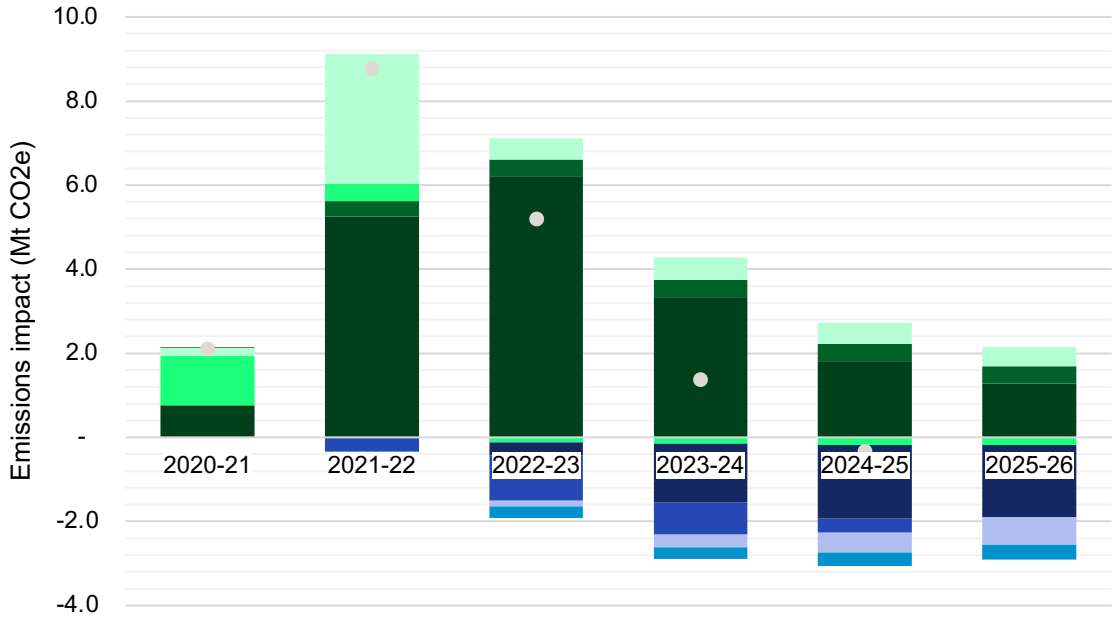
Although literature and country examples present a range of definitions, NDC investment plans present a set of common objectives.



BUDGET TAGGING CAN SUPPORT IMPLEMENTATION

- Recent review of 2021 Budget was expected to **increase emissions in the short-term**.
  - This was driven by the economic stimulus and recovery policies, notably the capital allowance super deduction
- From the **2024-25 fiscal year, the Budget was expected to lower emissions**.
  - This was partially driven by the emissions trading scheme, but also the tax increases that were introduced to repair public finances





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OVERVIEW OF BEST PRACTICE

Pillar	Components	Best practices	Country example
1. Implementation	1. Institutional arrangements 2. Multi-stakeholder engagements 3. Monitoring and reporting	• **Clear roles and responsibilities** assigned across the different core actions of investment planning. • **Comprehensive and cross-cutting engagement strategies** implemented. • Monitoring and reporting on the need, progress, and impact of NDC investment that enabled ongoing planning, and introduced **transparency and accountability**.	• **Rwanda** leveraged existing institutional arrangements, placing leadership in the Ministry of Finance and Economic Planning (MINECOFIN), which facilitated budget mainstreaming. • MINECOFIN led the process of stakeholder engagement in preparing the NDC Implementation Plan.
2. Investment needs	4. Identifying the NDC investment need 5. Investment and supporting activity prioritization 6. Costing and financing gap analysis	• Investment needs identified **from existing national and sectoral strategies**. • A **prioritization approach** that combined quantitative and qualitative analysis. • Costing based on a **bottom-up methodology** (scaling existing estimates or using benchmarks where needed).	• Belize identified Investment needs through a **Policy Landscape Report**, which reviewed and assessed Belize's first NDC and national policies and strategies relating to climate change. • Belize's **Resource Requirement Report** followed different costing strategies, using existing cost estimates from action plans, and relevant local and international costs as benchmarks where local data was not available.

OVERVIEW OF BEST PRACTICE

Pillar	Components	Best practices	Country example
3. Mobilizing resources	7. Barriers for financing 8. Policies, regulations and instruments 9. Matching sources for financing 10. Project preparation 11. Pipeline and project road mapping	• Barriers and policy responses identified based on **sector, program, and project level analysis;** and prioritized through stakeholder engagement. • Sources for financing identified from a review of ongoing activities with existing partners and stakeholders • An **efficient sequencing of implementation** according to project readiness and existing financing support.	• **Saint Kitts and Nevis** identified sector specific barriers to financing and implementation of the NDC. These were matched with capacity needs, drawing out the type of technical assistance and financial instruments to target barriers. • For example, the following barriers to the adoption of electric vehicles were identified: (a) high upfront costs even where maintenance costs are lower, (b) lack of charging infrastructure, (c) lack of public awareness of the technologies and its benefit, and (d) a lack of appropriate electrical vehicle model types on the local market.