ABOUT CCAP

CENTER FOR CLEAN AIR POLICY
Since 1985, CCAP has been a recognized world leader in climate, energy and air quality policy. Headquartered in Washington, DC, we are an independent, nonprofit think tank working at the local, U.S. national and international levels.

Our Objective
Use our policy and market expertise to help policymakers and stakeholders worldwide advance air quality, energy and climate change solutions that transform our economy and ensure resiliency.
PROJECTS & EVENTS DELIVERED IN 25+ COUNTRIES

PROJECT & EVENT LOCATIONS

**North America**
Canada  United States

**Latin America**
Argentina  Dominican Republic
Brazil  Mexico
Chile  Panama
Columbia  Peru
Costa Rica

**Asia Pacific**
China  Pakistan
India  Philippines
Indonesia  Thailand
Malaysia  Vietnam

**EMEA**
Belgium  Poland
Denmark  Saudi Arabia
Germany  South Africa
For INDCs to achieve real impacts, they must be **converted** into policies, measures, and financeable investment strategies.
WHY CONVERT AN INDC?

Promote ambition

Achieve synergy - mitigation and development

Optimize use of domestic resources

Attract private sector investment

Make proposals more attractive to funders
INDC CONVERSION AND INCREASED UNFCCC AMBITION

- NDCs & global finance goal confirmed
- New NDCs & global finance goal considered
- Global stock take
- Reporting
- NDC Conversion
- Implementation, with support
THE GCF FUNDING CYCLE AND INDC CONVERSION

• The successful conversion of NDCs will deliver strong proposals to funders, including the GCF.

• Strong, programmatic proposals can accelerate financing and make the case for additional replenishments.

GCF achieves results

Strong INDC-based proposals

Mobilization of private finance and strong case for replenishments
A converted INDC is a comprehensive national plan to achieve the INDC target, achieved through a national policy-making process.

**Target**
- Formally confirmed

**Policies and measures**
- Sector-specific
- Cross-cutting

**Public fin. interventions**
- Fiscal outlays
- Public finance institutions

**Investment strategy**
- Basis for seeking support and targeting private finance
DOMESTIC CONTRIBUTION CAN COME FROM SEVERAL PUBLIC AND PRIVATE SOURCES

- New public investment
- “Greening” budgets
- Public mandates/incentives
- Carbon taxes
- Legal and regulatory changes
WILL CURRENT INDCS ATTRACT FINANCE?

• Roughly half of the 39 INDCs CCAP studied estimate total inv. costs
  – One fifth provide full costs by sector & specific measure
  – 14% present an overall financial request
• Don’t fully reflect factors that will inform funding
  – Cost, availability of domestic finance
  – Info on costs and gaps relevant to programs
  – How a country will use its domestic resources
  – Basis for requesting support
• Publishing an “INDC investment” or “National Climate Finance” strategy can provide this info
An INDC investment / national climate finance strategy could aim to:

- Establish enabling environment to attract climate-compatible investment
- Encourage the financial sector to have a climate-friendly portfolio and build secondary markets for “green” instruments
- “Green” budgets and public financial institutions
- Identify opportunities for new public investments and tenders
- Identify catalytic and strategic uses of international public climate finance
### Understanding national circumstances

- What is the overall picture for climate investment in the country?
- Current flows, availability of finance, capacity of fin. sector, key economy-wide barriers

### Prioritizing financial interventions

- What investment is needed to meet INDC goals?
- Financial flows to be transformed, Infrastructure needs, Estimation of costs of medium-term INDC measures, options to address gaps
WHAT SHOULD SUCH A STRATEGY ADDRESS? (2)

### Unilateral policies and measures

- **What unilateral means will the country use to mobilize financing?**
- **Policy and regulatory actions, role of public expenditure and public finance institutions, how private finance will be mobilized**

### Strategic basis for international support

- **How will support drive increased ambition?**
- **Rationale for types of financing needed, Sources targeted, specific proposals to be pursued**
• To achieve real reductions, INDCs must be converted into **financeable investment strategies**
• This is in the interest of countries and of funders and financiers looking for project pipeline
• A clear sense of the measures and domestic spending to be undertaken in support of the INDC will help attract international financing for project implementation
• Countries may wish to publish a full **National Climate Finance/INDC Investment Strategy** on how they intend to attract finance and make the case for support
• Helping countries do this work is a good use of international support – GCF, GEF, others should do much more in this respect to drive ambition
THANK YOU
For more information, please visit us at www.ccap.org.