

# Synthesis paper: Insights and innovations from the Global NDC Conference 2019

# **BACKGROUND** | | Content

The <u>Global NDC Conference 2019</u> took place from 12-14 June 2019 in Berlin, Germany, enabling government, development cooperation agencies, business, academia and civil society representatives from 80 countries to discuss technical aspects of Nationally Determined Contributions (NDCs) implementation and ambition raising. The conference focused on the thematic streams of transparency, integrated governance and finance, as well as sectoral lenses on land use, energy and transport, and cross-cutting themes, such as private sector engagement, gender equity, systemic leadership and youth.

More than 40 breakout sessions provided practice-oriented discussions and new insights on NDC implementation and updating, based on in-country examples and tools that have the potential to be scaled up. Based on the breakout sessions, discussions were carried out in three working groups on Integrated Governance, Finance and Transparency. Participants, breakout session leads and organizers synthesized the main outcomes of each day and jointly developed the conference's overall key messages.

To ensure that the full range of information and discussion during the conference was captured, the GIZ SPA team, after the conference, analysed notes and presentations of all breakout sessions to compile a more indepth synthesis of all sessions. It became evident that **during the conference breakout sessions, more than 100 country cases and good practice examples were presented and discussed.** In order to present this wealth of information on NDC implementation, this synthesis paper is structured as follows:

**PART A** | Eleven Key Insights provide the reader with eleven to-the-point key insights into successful NDC implementation and ambition raising. Some of the key insights may seem familiar or even trivial to readers at first glance. In all breakout sessions it was consensus, however, that the "what" to do has often long been known, but for the success or failure of NDC implementation the "how" climate action is implemented is of paramount importance. **Governance** plays a central role for NDC implementation as well as ambition raising and determines the impact any type of climate action can have. Innovation and potential for learning and scaling of climate action emerges, when looking deeper into practical cases.





**Transparency** 



















**PART B | | Insights and Country Cases** presents good practice examples of both **NDC implementation** and **enhancement**, exemplifying each of the eleven key insights from Part A. Another perspective applied during the review of breakout sessions has focused on **lessons for funders** and support initiatives (such as the IKI) and potential innovations for their further programming. Where appropriate, the good practices were underpinned with **further information** or links to relevant publications. The examples are clustered according to the most relevant feature of the analysis. However, it is well acknowledged that NDC enhancement and implementation are intrinsically linked and, in each case, there is also a wealth of learnings for funders and support initiatives.

PART C | Innovative Approaches – GIZ/SPA's Conference Highlights showcases a limited selection of innovative approaches, which have the potential to foster the fundamental transformations, which are necessary to achieve NDC targets. Selected by the GIZ SPA team, this compilation of innovative approaches is by far not exhaustive.



as well as the work of



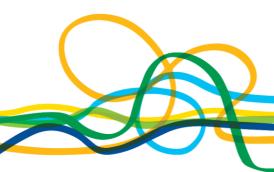












# PART A | | Eleven Key Insights

In essence, the breakout sessions of the Global NDC Conference highlighted that successful NDC implementation and enhancement requires...

- 1. ...a more holistic and coherent approach, integrating mitigation, adaptation and "classical" development action, which ultimately would lead to climate resilient sustainable development.
- 2. ...not only technical expert knowledge, but rather a whole-of-society approach that reflects a new understanding of systemic leadership and just transition.
- 3. ...action at all levels (international, national, sub-national and local levels), considering that the establishment of effective linkages between them is crucial for the overall success of climate action.
- 4. ...improving access to climate finance through decentralized finance mechanisms for enhancing climate resilience in Least Developed Countries (LDCs).
- 5. ...creating an enabling and trustful environment for private sector engagement to disclose investment risks and leverage positive synergies for climate change.
- 6. ...preparing for the new transparency requirements under the Enhanced Transparency Framework (ETF) by building on existing MRV arrangements.
- 7. ...utilizing Monitoring, Reporting and Verification (MRV)/transparency for evidence-based effective climate policy design.
- 8. ...reinforcing the potential of national benefits of MRV/transparency beyond compliance with reporting obligations to the UNFCCC.
- 9. ...making private sector a central player in NDC implementation in all planning stages, financing mechanisms and sustainable implementation of action. Climate goals won't be achieved by governments alone, and many of the solutions/practices/innovations already exist in the private sector.
- 10. ...long-term planning by governments, which provides clear signals to the private sector and secures private investment, while still ensuring flexibility for innovation.
- 11. ...a just transition to have everybody on board, as the most innovative solutions often lie with those most affected by the climate crisis. This includes representation of diverse groups of society (rural and urban population groups, gender groups, youth, ethnic minorities, indigenous people etc.) in climate politics and policies.

















# PART B | Insights and Country Cases

During the conference, it was highlighted that NDC updating and implementation requires...

- 1. ...a more holistic and coherent approach, integrating mitigation, adaptation and "classical" development action, which ultimately would lead to climate resilient sustainable development.
  - NDC Enhancement// In VIETNAM, mutual benefits of NDC measures are considered by aligning
    adaptation and mitigation, as well as socio-economic benefits in the process of reviewing NDCs. A
    set of indicators was developed considering environmental and institutional factors including
    qualitative and quantitative aspects, pointing out to policy makers which action results in which
    benefits (Session 1.2. Mobilizing political interests to inspire ambitious NDC action: the power of
    the co-benefits narrative).
  - NDC Implementation// FIJI's National Adaptation Plan (NAP) Catalogue is a repository of climate adaptation actions prioritised at the national level by the Fijian government. The purpose is to establish a cross-referencing system revealing how the adaptation actions in the NAP document are linked to other relevant national level policies, frameworks, and plans. This offers opportunities for alignment and policy coherence to increase effective and efficient outcomes (Session 1.6. How can the NAP process enhance the NDCs by 2020? We've got some ideas).
  - Lessons for Funders// Carious climate actors are currently discussing new holistic approaches towards climate policy, addressing mitigation, adaptation and "classical" development. The need for holistic approaches was highlighted by different countries, e.g. KENYA stressed that the landuse sector was needed to meet the climate goals, a sector that is known to provide adaptation and mitigation benefits and which fundamental for food security and other SDGs (Session 2.9b Resilient opportunities: linking successfully emission reduction and adaptation potentials through innovative NDC actions). | | For more details, see Part C
  - Further Information // A series of <u>policy briefs</u> on aligning different policy agendas and processes has been developed by the NAP Global Network.
- 2. ...not only technical expert knowledge, but rather a whole-of-society approach that reflects a new understanding of leadership and just transition.
  - NDC Enhancement// The NDC update in the UKRAINE will be more ambitious. Since it is difficult
    to communicate the complexity of the NDC process to the broad public, civil society movements,
    such as FridaysForFuture were involved in public awareness raising. In a first step this included
    highlighting the effects of climate change to the public. Starting from this potential solutions on





















how more ambitious NDCs could be achieved were discussed. (Session 2.1b Civil society forgotten and underestimated potentials for ambitious climate action).

- Lessons for Funders/ In HONDURAS, consultations with civil society as part of the Reducing Emissions from Deforestation and Degradation (REDD+) process to design the gender safeguards showed that meaningful inclusion of civil society (women organizations, ethnic groups, ...) requires a targeted capacity building for different stakeholder groups in the process. For generating ownership and participation of relevant actors, it is crucial that participants have a mutual understanding on terminology and concepts. (Session 2.1b Civil society forgotten and underestimated potentials for ambitious climate action).
- Further Information// The whole-of-society approach was a guiding principle for designing the
  Global NDC Conference and is reflected in the composition of participants (taking into
  consideration the Gender and Youth perspectives, as well as Private Sector and Non-Governmental
  Organisation (NGO), Governmental and Development Agency representatives) and the
  mainstreaming of systemic leadership aspects (more information can be found <a href="here">here</a> here</a>). | for more
  details, see Part C.
- 3. ...action at all levels (international, national, sub-national and local levels), considering that the establishment of effective linkages between them is crucial for the overall success of climate action.
  - NDC Implementation// To coordinate COLOMBIA's local and regional actors and efforts around climate action, Regional Nodes for Climate Change were set up in nine regions within the country. These sub-national Nodes are part of the National Climate Change System (SISCLIMA), an institutional framework that coordinates actors, plans, strategies, instruments and information, and aligns them with Colombia's NDC. The Nodes provide spaces for the transfer of knowledge, capacity development, relationship building and mainstreaming of climate action (Session 1.2. Mobilizing political interests to inspire ambitious NDC action: the power of the co-benefits narrative).
  - Island Countries to implement and enhance their NDCs, driving sustainable, resilient and low carbon development. The regional initiative reaches 14 countries, pooling inputs and know-how through peer-to-peer exchange on NDC implementation in specific sectors. Furthermore, the initiative adds visibility at the global level, allowing the individual countries to have more weight within the United Nations Framework Convention on Climate Change (UNFCCC) processes. Finally, the Pacific NDC Hub provides a forum to foster access to climate finance (including attracting private finance), policy and legal harmonisation, and donor interest (Session 2.11a Regional action to advance NDCs).
  - Further Information// A policy brief was published by GIZ on "Facilitating the Implementation of NDC Adaptation Goals through enhanced Multi-level Governance".





















- 4. ...improving access to climate finance through decentralized finance mechanisms for enhancing climate resilience in Least Developed Countries (LDCs).
  - NDC Implementation// Decentralized Climate Funds (DCF) tackle the problem that commonly too much money is lost on administrative costs and intermediaries between international funders and local actors. In TANZANIA, the money is channelled to the treasury which sends it directly to the local level without going through the various ministries and departments, enabling the communities to access the money directly from the source. The Government intends to establish a national Climate Adaptation Fund (CAF) (Session 2.7b Getting money where it matters to improve NDC implementation: examples from IIED's research in Tanzania, India and with the LDC Initiative for Effective Adaptation and Resilience (LIFE-AR))
  - Lessons for Funders// The LDC group launched the LDC Initiative for Effective Adaptation and Resilience (LIFE-AR), which incorporates guidance for LDC decision makers, and is based on evidence and lessons learned from over 100 projects in LDC countries. The main aim is to support countries in their transformation processes, developing Long-Term Strategies (LTS), adaptation and mitigation plans, as well as getting climate finance to the local level (Session 2.7b Getting money where it matters to improve NDC implementation: examples from the International Institute for Environment and Development's (IIED) research in Tanzania, India and with the LDC Initiative for Effective Adaptation and Resilience (LIFE-AR)).
- 5. ...creating an enabling and trustful environment for private sector engagement to disclose investment risks and leverage positive synergies for climate change.
  - NDC Implementation// NIGERIA, COLOMBIA, MEXICO: The Climate Finance Accelerator (CFA) program brought together policy makers and banks to develop public-private financing solutions for climate change adaptation and mitigation projects. The CFA provided an entry point for engagement between government, project developers and finance. This type of program is repeatable and scalable, but requires sustained coordination to create an effective network (Session 2.1a Strengthening NDC ambition and accelerating implementation through private sector engagement).
  - NDC Implementation// In February 2019 COSTA RICA launched its decarbonisation plan with different phases; each phase having a target that is not only related to investment but also includes policies and regulations. Having clearly defined milestones puts the country in a better position to implement the plan. The Inter-American Development Bank (IDB) supports the government to identify investment gaps in the economy, carry out mapping exercises (what is missing, what is already happening) and to provide support with engaging the private sector, public sector institutions, financial institutions and investors. The IDB is also carrying out a mapping exercise on











and jointly implemented with











- what the market barriers are (Session 3.10 Mobilizing private finance to implement low carbon mobility solutions). || for more details, see Part C.
- Lessons for Funders// The Task Force on Climate-related Financial Disclosures (TCFD) was established to help identify the information needed by investors, lenders, and insurance underwriters to appropriately assess and price risks and opportunities linked to low carbon transformations. In 2017, the TCFD released its recommendations on climate-related financial disclosures that are applicable to both non-financial and financial companies across industries and jurisdictions. The Task Force structured its recommendations around four thematic areas that represent core elements of how companies operate: governance, strategy, risk management, and metrics and targets (Session 3.9 Greening the financial system: institutionalizing climate action).
- 6. ...preparing for the new transparency requirements under the Enhanced Transparency Framework (ETF) by building on existing MRV arrangements.
  - NDC Implementation// ARGENTINA underwent the process of Voluntary Quality Assurance (QA) of their GHG inventory. In particular, the process helped the country to improve the measurement of the impacts of the livestock sector, which represents 20% of the total national GHG emissions. Thanks to its early efforts, Argentina is applying higher standards than required today, and sets it on a path to comply with some aspects of the ETF (Session 1.9. Strengthening developing country capacity on national GHG inventories for effective transparency framework: a focus on the Agriculture, Forestry and Other Land Use (AFOLU) sector). | | for more details, see Part C.
- 7. ...utilizing Monitoring, Reporting and Verification (MRV)/transparency for evidence-based effective climate policy design.
  - NDC Enhancement// A solid MRV system helps to set evidence-based emission reduction goals, monitor progress and identify areas for urgent action and high potential. In COSTA RICA, the Nationally Appropriate Mitigation Action (NAMA) low-carbon coffee project has successfully introduced an app to monitor coffee-related greenhouse gases (GHG) emissions and offered the government a method to establish and correct base lines for ambitious targets. The initial assumption of the coffee sector's GHG impact had been estimated as far too high. Now, through the work of the NAMA coffee project, it became apparent that the GHG emissions of the sector are comparatively low and not a priority for national climate action to focus on (Session 2.5a National benefits of ambitious MRV-system).
  - NDC Enhancement// In SOUTH AFRICA, a well-institutionalized MRV system has served as the basis for several policies. In 2009, it was the basis for the long-term mitigation scenarios which later informed the NDC (Long-term mitigation Scenarios as basis for NDC Update and Ambition Raising), followed by an inventory in 2012 informing the carbon tax accounting framework. In 2017, it was





















used as the basis of the sectoral carbon budget (Session 2.5a National benefits of ambitious MRV-

- NDC Enhancement// In CHILE, new data generated through their MRV systems has been vital for the Ministry of Environment to argue before other Ministries/stakeholders for the possibility of ambition raising in the next round of NDCs (Session 3.5 Scaling up climate action in cities to support national commitments - lessons from Colombia and Mexico).
- NDC Implementation// The Transport Pricing Methodology (by ICAT) was applied in SRI LANKA, providing methodological guidance for assessing the impacts of pricing policies in the transport sector. It posed a simple, straightforward approach for policy makers and practitioners in the context of NDC, NAMA as well as further national and regional transport strategies and policy development. It can be used for fostering fuel subsidy removal or increased fuel tax levy. (Session 1.5 Impacts of transport pricing on GHG emissions: results from assessing country policy applications).
- 8. ...reinforcing the potential of national benefits of MRV/transparency beyond complying with reporting obligations to the UNFCCC.
  - NDC Implementation// MOROCCO gained improved access to Green Climate Funds (GCF) thanks to the establishment of a solid MRV system and the better data that could be presented thanks to it (Session 2.5a National benefits of ambitious MRV-systems).
  - NDC Enhancement// At the 4th meeting of the Latin American Greenhouse Gas Inventory Network (RedINGEI), PANAMA's Ministry of Environment explained how it convinced the other Ministries and Agencies to invest in MRV systems by using the argument of national benefits beyond reporting. This approach won them the support from other actors as they began seeing transparency systems as an asset more than a burden.
  - Further information// Study by Information Matters: GIZ (2018): "National Benefits of Climate Reporting"
- 9. ...making private sector a central player in NDC implementation in all planning stages, financing mechanisms and sustainable implementation of action. Climate goals won't be achieved by governments alone and many of the solutions/practices/innovations already exist in the private sector.
  - NDC enhancement and Implementation// The NAMA low carbon coffee project in COSTA RICA has successfully introduced an app to monitor coffee-related GHG emissions, increase the adoption of environmentally friendly farming practices (mostly lower fertilizer usage), enabled farmers to market their coffee with a label stating their GHG footprint. The involvement of private sector actors (representing approx. 50% of the national coffee production) has strongly contributed to the sustained success of the initiative. Enabling conditions were the external pressure on coffee









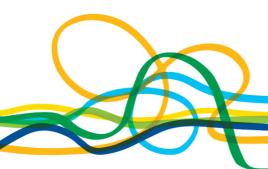












producers to innovate and the legal framework that set the basis for establishing a monitoring system (Session 2.5a National benefits of ambitious MRV-systems).

- NDC enhancement// In ARGENTINA, the national climate change cabinet works together with the private sector and other agencies. In 2016 and 2017 the commitments of the NDC were revised and action plans developed. In this frame a roundtable in cooperation with the industrial sector, focussing on mitigation action from several industries took place (Session 2.6b Raising ambition on transparency and reporting: Seeking synergies with the private sector).
- NDC enhancement// BMW's engagement in LATIN AMERICA was highlighted as an example, on how private sector entities can well complement the perspectives of government officials e.g. on electric mobility and showcasing the economic opportunities of new technologies. Respective exchange can unlock potentials for NDC ambition raising and foster transformational change. (Session 3.10 Mobilizing private finance to implement low carbon mobility solutions).
- NDC Implementation// Members of the Low Emission Development Strategies Global Partnership (LEDS GP) have highlighted the importance of the private sector in achieving SDG 7 (Sustainable Energy) and NDC goals related to energy. NIGERIA, as well as TANZANIA and KENYA, introduced results-based financing mechanisms to reduce risks for private investment by providing grants to private investors, up to 50% of the cost per connection.
- NDC Implementation// In NIGERIA, COLOMBIA and MEXICO, the Carbon Disclosure Project's (CDP) Climate Finance Accelerator brings together policy makers and private banks, in order to develop financing propositions for NDC projects, which include action plans to secure investments (Session 2.1a Strengthening NDC ambition and accelerating implementation through private sector engagement).
- Potentials for funders// SOUTH AFRICA has established various vehicles for NDC progress. The Green Economy initiative enables to engage a broad range of different (and sometimes new) partners to foster transformational change (Session 3.2 Scaling the transformative impact of green growth and long-term strategies to deliver on the Paris Agreement). The country also benefits from its development bank as an intermediary between the private, the financial and the public sectors. The development bank is supporting the design of bankable projects from the sketch, developing responsive financial instruments that attract private sector investment and enables the exploration of new market areas for the private sector. International climate finance can be used to lower investment barriers and to attract private investment in NDC implementation action. (Session 2.2a Refining the role of the private sector to enhance finance flows for achieving NDCs: Exploring shared lessons from Southern Africa).
- Potential for funders// It is important to recognize that in most countries 95% and more of the agricultural sector is in the hands of the private sector (ranging from small-holders to big international corporations). which is why it is especially relevant to include private actors in NDC implementation, particularly due to the great potential agriculture holds for adaptation and

















mitigation as well as biodiversity benefits (multi-wins) (Session 2.8a What can sustainable land-use and land-use planning do for climate change adaptation and mitigation?).

- 10. ...long-term planning by governments, which provides clear signals to the private sector and secures private investment, while still ensuring flexibility for innovation.
  - NDC Enhancement// SOUTH AFRICA's Green Economy (GE) initiative provides the potential for NDC ambition raising due to the long-term vision, the Green Economy plan provides for public and private investment. (Session 3.2 Scaling the transformative impact of green growth and long-term strategies to deliver on the Paris Agreement).
  - NDC Implementation// A representative of the automobile company BMW stressed the provision of long-term planning by MEXICO CITY as being an important signal to investors and policy makers, offering a secure framework for mobilizing private finance for low carbon mobility (Session 3.10 Mobilizing private finance to implement low carbon mobility solutions).
  - NDC Implementation// BRAZIL: São Paulo aims to change its public bus fleet 100% zero emissions in the next 20 years. The city administration will include clauses on this long-term vision in the contract with the bus operators. This clear vision serves as incentive to trigger of the transformation in the public sector (Session 3.10 Mobilizing private finance to implement low carbon mobility solutions).
- 11. ...a just transition to have everybody on board, as the most innovative solutions often lie with those most affected by the climate crisis. This includes representation of diverse groups of society (rural and urban population groups, gender groups, youth, ethnic minorities, indigenous people etc.) in climate politics and policies.
  - NDC Implementation// GHANA was the first country to submit its NDC with specific action on gender. In addition to that, the Environmental Protection Agency (EPA) has a specific role in integrating gender into NDC implementation. There are multiple foci of action on gender: Strengthening coordination and collaboration on gender and climate change issues; promoting climate change and gender nexus research, to facilitate evidence-based policy action (two gender analyses on its agriculture and energy sectors with a view of understanding how these sectors are gender-responsive regarding the NDCs) and institutionalising capacity building on gender and climate change issues towards NDC implementation. (Session 2.9a Mainstreaming gender within the NDC process: entry points and ways forward).
  - Potential for funders// Many funding agencies recognize the importance of addressing the topic of gender equality within the climate change context but are still struggling with the "how to". Here, the GAMMA tool (Gender Assessment and Monitoring of Mitigation and Adaptation), developed by GenderCC, could serve as a starting point. It was initially designed for local governments and cities. Now it was tested and applied in 14 pilot cities in India, Indonesia, Mexico









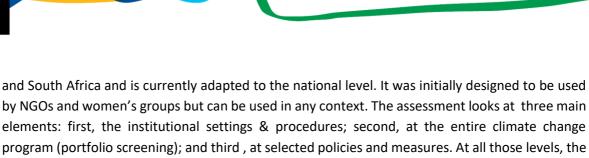












assessment helps to better understand how to integrate or improve the gender dimension (Session

• Further information// The gender and social inclusion approach was a guiding principle for designing the NDC Conference and is reflected in its gender strategy and the different groups of participants (e.g. Gender and Youth Voices) (the gender strategy can be accessed <a href="here">here</a>). | for more details, see Part C.

2.9a Mainstreaming gender within the NDC process: entry points and ways forward).















# PART C | Innovative Approaches – GIZ/SPA's Conference Highlights

### Multipurpose Incentive Approaches for Climate action

Sustainable land management (SLM) activities are listed as important areas for climate change mitigation in 60% and for adaptation in 40% of all submitted NDCs. SLM encompasses a wide range of measures on erosion control, soil and nutrient management in croplands, agroforestry and pasture management. SLM also directly contributes to achieving other SDGs, such as food and nutrition security, land degradation neutrality and the preservation of biodiversity. SLM measures have a huge potential to contribute to both adaptation and mitigation goals in an integrated manner. For example, the Kenya Agricultural Carbon Project (KACP), implemented by the NGO Vi Agroforestry, became the first project to generate carbon credits, certified under the Verified Carbon Standard (VCS). An important element of the project approach are the resulting carbon payments, which are partly distributed among farmer groups (60%) and partly used on advisory services and project management costs (40%). In the first ten years of the project, the average farmer sequestered about a total of 3 tCO2 per hectare and year in the form of soil carbon and tree biomass. Similar projects can be found in the WOCAT database.

## **Resilient Low Carbon Opportunities**

The complexity of the manifestation of climate change-related risks requires a reconsideration of viable adaptation and mitigation measures, as well as of their interaction. Strong efforts to reduce GHG emissions and wise management of risks are two sides of the same coin. Holistic transformational socioeconomic processes must take place in order to foster societies' overall resilience. FACTOR proposes a new approach of linking adaptation and mitigation, by focusing on the Resilience Gap model and giving concrete examples where this approach is already applied successfully, for example in the energy sector in the CARIBBEAN and Florida (SunSmart Emergency Shelter Programme). The programme has built up resilience to climate change by strengthening the adaptive capacity of communities and schools, as well as by equipping dedicated emergency shelters with renewable energy access. The solar PV systems allow affected community members to cope with power outages during and after storms and hurricanes. As such, the emergency shelter programme effectively represents a project fostering adaptation to climate change while avoiding the emission of further greenhouse gases (green adaptation, i.e. adaptation action that is avoiding further emission). A further elaboration of the approach can found here.



















# Systemic Leadership

In today's complex, dynamic and interconnected world, the leadership needed for enabling transformational change, is the art of navigating in unknown territory and facilitating the emergence of change. To accelerate transformation in response to such a complex challenge as NDC implementation, technical skills alone are not enough. We need a new form of leadership to translate our technical knowledge into the structural and cultural transformation that is necessary. In other words, we need new ways of thinking, being and acting. It is no longer just about the person at the top, but about everyone's involvement in to the challenges we face and in finding solutions.

To enable change, we need a form of leadership that is systemic, distributed, collaborative, reflective and in touch with purpose and needs of the world around us. The Leadership Concept of the Global NDC <u>Conference</u> has indicated the potential of integrating such perspectives into the technical discussions, fostering systemic leadership skills and contributing to a new understanding of climate action. Based on the conference discussions, shortly a working paper on systemic leadership and climate action will be released by GIZ.

### **Gender Evidence**

Conventional power structures and discriminating social attitudes still keep women from having an equal say in decision-making in many places and situations. However, cases discussed during the conference made clear that initiatives where women are given an equal place in designing and implementing climate programs are consistently more effective in reaching their goals in the short term, and more sustainable in the long run. For example, an initiative to develop more climate-resilient urban and peri-urban livelihoods and mitigate flood risks in Uttar Pradesh, India, was found to be underperforming until program leaders intentionally increased women's involvement. Several project members agreed that: "Had women not participated actively, the project outcomes would have been considerably less, maybe around 10-20% of what was achieved. It is largely because of women that the project has been sustainable so far, as well as effective in resilience-building."

# Mobilizing private finance for low-carbon mobility

The transport sector is the fastest growing emitter of global GHG emissions. However, only 8% of the submitted 166 NDCs (2018) set targets for the sector, which is why it is urgent to showcase pathways to decarbonize the transport sector. Private finance, as well as the establishment and maintenance of public-private relations, are key for implementing and increasing the ambition of transport goals as part of the NDCs. For example, Costa Rica launched its Decarbonization Plan in 2019, showing that the principal challenge for decarbonization is posed by the transport sector, which is responsible for 69% of national GHG emissions. The IDB project, presented during the NDC-Conference, aims to develop an Investment Strategy for Costa Rica, which aligns with the objectives of the Decarbonization Plan and the



















NDC. This helps the government to identify investment gaps in the economy, based on financing and investment gap analysis, as well as mapping market and non-market barriers. Moreover, it advises on successful engagement with the private sector, public sector institutions, financial institutions and investors. By giving recommendations on policy and regulatory actions, the project systemically seeks to contribute to decarbonizing the sector and foster sustainable transport development.

# Early preparation for the Enhanced Transparency Framework (ETF)

The new Enhanced Transparency Framework (ETF) will have several implications for developing countries' monitoring and reporting of climate action. One of these implications is the obligation to report biennially on national GHG inventories and on information on the progress made in implementing and achieving NDCs. With AFOLU being the 2<sup>nd</sup>-biggest source of global emissions after energy—and being included in the majority of NDCs—it will be particularly important to adequately track mitigation and adaptation action in this sector. However, lack of data makes it difficult for developing countries to estimate the emissions accurately. Acknowledging this difficulty and the new requirements under the ETF, Argentina underwent a Voluntary Quality Assurance (QA) of its National GHG Inventory under a UN Climate Change/Food and Agricultural Organization (UNFCCC-FAO) capacity building project. In particular, the process improved the measurement of the impacts of Argentina's livestock sector, which contributes 20% to its national GHG emissions. This particular sector will be subject to much more stringent requirements when the ETF comes into force. Thanks to their early efforts, Argentina is already applying higher standards than required today.













