

## Report from the Anglophone African Regional Workshop “Finance ready mitigation actions: building blocks for NDC achievement”

### Key messages

**Mitigation actions (including NAMAs) development and implementation** is progressing in Anglophone Africa, and countries identified concrete steps they would take to accelerate this further. However, more needs to be done nationally and internationally to achieve mitigation outcomes in line with the Paris Agreement. Bankable mitigation actions will be key building blocks to the conversion of NDCs into implementable policies and financeable strategies. Bankable mitigation actions (i) improve policy frameworks, (ii) address financial risks and returns for the necessary investments and (iii) identify the needed projects and demonstrate feasibility.

**Capacity challenges remain** across the region, although they are asymmetric, reflecting differences in progress and capacity among the participating countries. Some countries have made significant progress in developing and implementing mitigation actions and are addressing complex challenges, while others are just beginning to consider how mitigation actions could fit into their national development strategies in the context of significant challenges related to poverty, security, adaptation, and other pressing concerns.

National governments identified the need to **strengthen national climate governance** for the development and implementation of mitigation actions, including to better prioritize and measure, report and verify (MRV) action; improve the **engagement of the private sector**, in the development and implementation process; and to better work with **funding agencies** in order to access resources and build more bankable mitigation actions.

**The capacity to undertake effective MRV** remains uneven, with many countries looking for additional support in the area in order that they can track and predict national emissions trends, understand costs and benefits of various actions, and present compelling results to stakeholders and funders.

**Engagement of the private sector** is recognized as a priority for effective implementation, to ensure sustainable economic transformation and move, over time, to autonomously financed sustainability without undue subsidy. Financing partnerships are a key way to engage the private sector and incent transformation in line with national policy priorities.

**Funding institutions** are looking to target their support more effectively to country needs in a way that can accelerate implementation. In particular, the need to strengthen support by funders for the development of bankable mitigation action was highlighted.

**In terms of follow up events and workshops, the need for more specific, in-depth and targeted cooperation processes was identified**, now that countries are moving rapidly towards implementation. While general awareness raising and capacity development remains of value, in-depth work on narrower topics that can engage sector ministries, finance/planning ministries, and private sector stakeholders should be considered in planning of future efforts to bring together national representatives and international partners.

Moreover, many countries stressed the importance of identification and sharing of **best practices for national climate governance**, including frameworks for NDC conversion and implementation, the **integration of sustainable development considerations in NDCs**, identifying adaptation co-benefits in mitigation actions, and ensuring that countries are able to reflect international obligations in their national governance systems.

## **Background**

On 25-27 April 2017, the Ghanaian Ministry of Environment, Science, Technology & Innovation (MESTI) in cooperation with the African Regional Group of the Partnership on Transparency in the Paris Agreement, hosted the Anglophone Regional Workshop on "[Finance ready mitigation actions: building blocks for NDC achievement](#)", supported by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) and the Food and Agriculture Organization of the United Nations (FAO) in collaboration with the NDC Partnership.

With participants from national governments, international organizations, technical and funding agencies, and subject matter experts, the workshop aimed to discuss key issues in mobilizing financing for implementation of mitigation measures in Anglophone African countries, facilitating exchange of experiences from on-going initiatives in the sub-region and provide practical insights from international organizations and financing institutions supporting the implementation of mitigation measures.

By working through a number of interactive mini-workshops (so called clinics), participants discussed critical elements of mitigation actions they were seeking to implement, considered barriers and solutions to addressing them, and elaborated steps to be taken to access and attract financing. Participants from both national governments and international organizations also identified critical steps for themselves in terms of advancing the implementation of mitigation actions and considered topics for future cooperation amongst themselves in order to accelerate action.

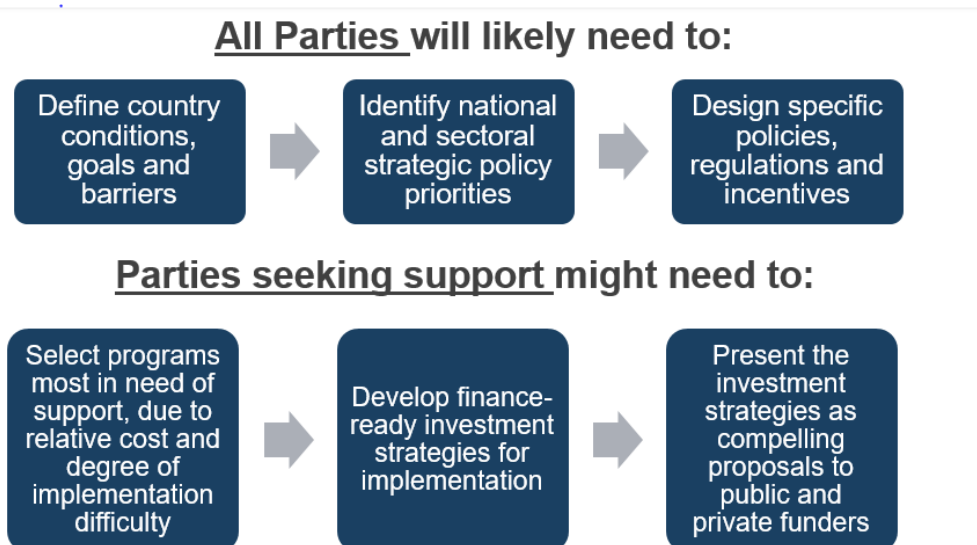
For further information (including all presentations from the workshop), please refer to the website of the Partnership on Transparency in the Paris Agreement [here](#).

## Bankable mitigation actions and NDCs

The Paris Agreement firmly places NDCs at the center of Parties' efforts in moving their economies on low-emission resilient development pathways. The implementation of the agreement now relies on countries meeting their own 'contributions', which will require the implementation of relevant national policy frameworks, as well as the mobilization of financial resources from a wide variety of sources, instruments and channels.

The **conversion of NDCs into policies, measures and financeable investment strategies** is a critical process that all countries are going through in order to achieve the goals they pledged under the Paris Agreement.<sup>1</sup> As shown in Figure 1, they are moving from the definition of high level goals to their translation into specific policies and measures that can be implemented in a transparent and measurable manner.

Countries seeking international support will further identify those measures that most likely require support, anchor them in strategies that are finance-ready, and convert them into specific proposals to funders. In this respect, bankable mitigation actions and NAMAs will continue to be important for developing countries, as they are expected to play a prominent role as building blocks for NDC implementation and as the basis for proposals to funding agencies.



**Bankable NAMAs** will form a key basis of mitigation proposals

**Figure 1: Converting NDCs into implementable measures**

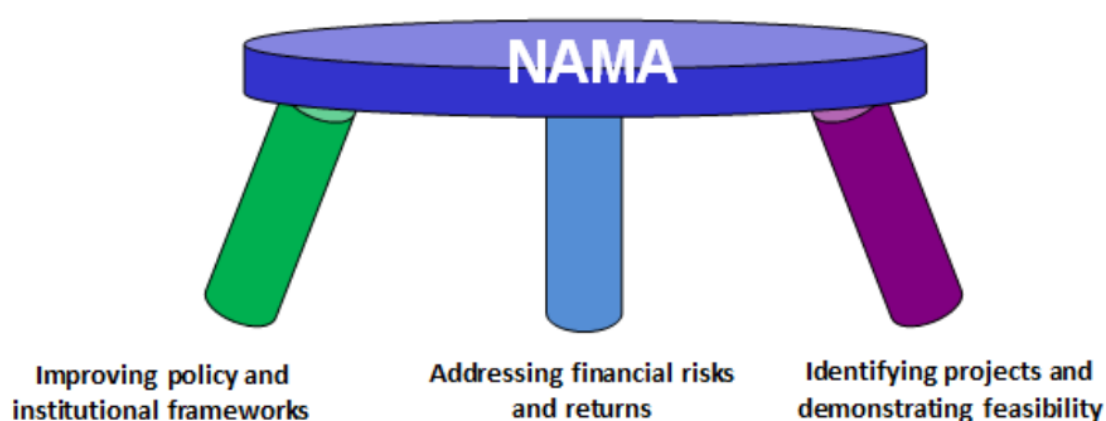
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<sup>1</sup> Hannah Pitt, Paolo Cozzi and Laurence Blandford “[Next Steps for Converting Intended Nationally Determined Contributions into Action](#)” March 2016

Source: Center for Clean Air Policy

**Bankable NAMAs and mitigation actions** will need to consider three important dimensions in order to be implementable and attract the necessary financing for their achievement. As illustrated in Figure 2, like the three legs that are required for a stool to be stable, all three need to be addressed in a balanced manner for the mitigation action to be solid and create favorable conditions for low-carbon investment:

1. Improving policy and institutional frameworks, including through policy mandates, regulations that level the playing field for low-carbon investment, and/or the development or strengthening of institutional arrangements for policy planning and implementation;
2. Addressing financial risks and returns, including through financial mechanisms and interventions that lower real and perceived risks and/or improve returns sufficiently to mobilize low-carbon investment; and,
3. Identifying projects and demonstrating feasibility, including the development of an initial project or set of projects, and the identification of a larger project pipeline.”<sup>2</sup>



**Figure 2: the three legs of the stool for a bankable MITIGATION ACTION<sup>3</sup>**

**The main objective of the workshop** was therefore to facilitate a peer-to-peer exchange on how to develop mitigation measures (including NAMAs) in the form of policy and financial frameworks that make low-carbon projects and programs bankable.

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<sup>2</sup> Leila Surratt, Hannah Pitt, Søren Lütken and Frauke Röser, “[Designing NAMAs to Catalyze Bankable Low-Carbon Investments](#)”; September 2016

<sup>3</sup> *Ibid.*

## Key priorities to advance national action

Participants from national governments, international organizations and other experts worked in a clinic format on specific challenges – presenters identified their “case”, an issue or policy challenge for which help was needed, and benefited from feedback from small groups who were able to bring new perspectives on the challenge faced. The format allowed all participants, whether experts or presenters, to gain insights into on-the-ground challenges and technical, policy, and financial options to address them. Through the clinics on specific mitigation actions under development, participants built their understanding of barriers to their achievement in a manner that they were able to relate back to their own national or institutional experiences.

**Capacity challenges remain** across the region, although they are asymmetric, reflecting differences in progress and capacity among the participating countries. Participants were asked to self-identify their state of progress in developing and implementing mitigation actions.

- Some countries have made significant progress in developing and implementing mitigation actions and are addressing complex challenges in governance, financing and MRV as they consider a future in which they will rely primarily on national resources to achieve their NDCs.
- Others are ramping up their implementation process and looking to build the capacity of national institutions and private sector entities to effect mitigation actions with international support as appropriate.
- Finally, some are just beginning to consider how mitigation action could fit into their national development strategies in the context of low government capacity overall to achieve basic development priorities.

**Countries were asked to identify key steps they would take** to advance implementation at home in the context of near term goals to advance a specific mitigation action or implementation more generally. The following were identified by a number of countries as they considered where they could take steps to improve their capacity to undertake and implement mitigation actions as building blocks to NDC achievement:

- The **strengthening of national governance** mechanisms for the development and implementation of mitigation actions in a way that engages budgetary/planning authorities;
- Improved frameworks for the **prioritization of mitigation actions** for implementation and support requests in the context of NDC implementation strategies, as well as for **MRV** related to these;
- Better **engagement of stakeholders, notably the private sector**, in the development and implementation process;

- Enhanced **engagement of funding agencies and investors** in order to access resources and build more bankable proposals to support the implementation of actions.

Similarly, **support organizations identified priority steps** that would be taken to help implementation progress. These included:

- Improving **support for project development**, to strengthen the pipeline of fundable or bankable projects;
- Rolling out **capacity building and financial support programs related to NDC implementation** that have been committed; and,
- Working to build capacity of countries to **integrate sustainable development** considerations like gender into their mitigation action planning and implementation.

Finally, participants worked together to **identify topics that could be considered for future cooperation** efforts among countries and support partners in the context of workshops and events, recognizing that general exchanges and cooperation may be less useful going forward now that countries are seeking to enhance their implementation efforts in line with their NDC pledges:

- Further **elaboration of, and knowledge sharing on, concepts of bankability and feasibility**, in order to help countries work effectively, including in partnership with funding agencies, to make mitigation actions more likely to be implemented and attract financing; this can include continued in depth case work and clinics; identifying checklists and standardized support processes to achieve bankable mitigation actions; and abatement cost curve analysis linked to the development of NDC investment **plans**;
- Identification and sharing of **best practices for national climate governance**, including frameworks for NDC conversion and implementation, the integration of sustainable development considerations in NDCs, identifying adaptation co-benefits in mitigation actions, and ensuring that countries are able to reflect international obligations in their national governance systems; and,
- Learning the **available tools and (voluntary) guidelines** to support to MRV for the estimation of emissions and removals for the agriculture and energy sectors to develop reliable mitigation action proposals
- Improving **harmonization of access provisions** used by funding agencies, including common requirements for bankability evaluation.

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