HOW CAN CLIMATE FINANCE SUPPORT NDC IMPLEMENTATION, CATALYZE PRIVATE SECTOR INVESTMENT, AND ACHIEVE BROAD TRANSFORMATION TO ACCELERATE “ACTION ON THE GROUND”?

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CCAP Climate Finance Forum
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Bonn, Germany
• CCAP

• The Opportunity and the Challenge

• Overview of Day

• Goals of the Meeting
A Think Tank that Does

- Acid Rain Legislation
- Pioneered JI mechanism with Czech Republic CHP project
- Early design and promotion of NAMA concept
- In country work promoting transformational projects


- Technical, Policy, and Economic Analyses
- Publications and Outreach
- Multi-Stakeholder Partnerships and Dialogues
- Innovative Solutions and Recommendations
- Execution
CCAP’S MITIGATION ACTION IMPLEMENTATION NETWORK (MAIN) -- MOBILIZING ACTION

Goals:

- Create networks of policymakers involved in NAMAs in Asia and Latin America
- Build capacity to develop bankable NAMAs
- Facilitate financing for early NAMAs
- Help countries go from NAMA’s to INDC’s to NDC’s

Components:

1. Regional dialogues of policymakers, experts, potential funders
2. Harvesting of best practices, case studies, policy solutions
4. Support for NAMA design, enabling policies, accessing financing
5. Bring MAIN countries input into UNFCCC, GCF, and other institutions
THE PARIS AGREEMENT LAID THE GROUNDWORK FOR TRANSFORMATIONAL CHANGE

- **Ambitious country contributions**
  - 187 INDCs submitted
  - 99 Percent of emissions covered in theory
  - 175 countries signed on April 22 in New York

- **Strong commitments on climate finance**
  - Paris Agreement reiterated call for USD 100B annually by 2020
    - In 2025 a new collective target of >100B will be adopted
  - The GCF is fully operational
    - Plans to allocate USD 2.5B in 2016
  - 181 companies committed to addressing climate risks and mitigation

Paris Outcome requests GCF, GEF to support countries’ contributions and further the purpose of Agreement
TO SUCCEED THE PARIS AGREEMENT REQUIRES A ROBUST “ALL OF THE ABOVE” FINANCE STRATEGY

- Mobilization of all Climate Finance entities
  - Guidance to GEF to support countries’ development of policies, measures, and investment strategies
  - Call for GCF to support agreement
  - New technology framework to support development of bankable projects based on Technology Needs Assessments and Action Plans
  - Calls for CTCN to support agreement and enhance endogenous capacities

- Support for Developing Countries Converting INDC’s
  - Support to implement policies, plans and specific actions
  - Readiness and Project Pipelines Support

- Simultaneous action – Moving forward both to build readiness and pipeline while pushing action on the ground today

- Engagement of the private sector
TO MAINTAIN MOMENTUM, WE NEED ACTION IN 2016 LIKE...

• **Finance:**
  - Build a strong pipeline of transformational projects tied to countries’ NDCs
  - GCF accelerate readiness and preparation -- fund strong proposals
  - GEF contribute to NDC implementation

• **Action on the Ground**
  - Development of policy and finance strategies for reaching NDC goals
  - Establishment of policy frameworks and enabling environments
  - Emphasize deployment-ready solutions (e.g. renewable energy)

• **Institutional Arrangements**
  - UNFCCC Rules to support entry into force
  - Optimizing roles for finance and other support institutions (GEF, GCF, CTCN, etc)
A wide variety of private sector firms actively engaged in making the Paris Agreement possible

Companies continue to announce plans to reduce emissions and invest in low-carbon technologies

- Lima Paris Action Agenda
- Science Based Targets Initiative
- Financial Sector Investment Initiatives

Partnering with the private sector and creating the space for their engagement will be critical to achieving INDC and Paris goals
• Prices of cells and modules decreased by 80% from 2008 to 2012

• Predictions expect module costs to continue to fall
• Currently seeing Industry-wide annual battery cost reductions of 14%

• Predicted that battery cost should reach US$230 per kWh in 2017-2018
  – Seven years earlier than estimated
• Currently produce 83 lm/W and last more than 30 times as long as a comparable incandescent lamp

• By 2020, EIA projects LED’s to produce more than 150 lm/W
“Internet of Things” Smart controls constantly monitors energy consumption

- Ability to reduce overall energy use, peak demands and provide automated demand reduction capability

- Turn building load into battery for grid or use load to smooth out solar fluctuations
**OVERVIEW OF FORUM**

**Day 1: Plenary Session**
- Role of Public Policy to Attract Private Sector Investment
- Engaging Domestic Financial Institutions and Strategic Actors
- INDC Conversion to support Low-Carbon and Resilient Investment
- Dinner: The role of the Financial Mechanism

**Day 2: Breakouts**
- Presentations by providers of Climate Finance
- Project Presentation Breakout sessions
  - Distributed Renewable Energy
  - Energy Efficiency
  - Agriculture and Waste
  - Transportation
- Lunch: Strengthening the project Pipeline
Use Individual Projects to discuss climate finance opportunities and challenges

Allow proponents and funders to have candid discussion

Identify insights that will help strengthen the overall project pipeline

Promote south-south learning through sharing of experiences

Define specific actions that key actors can take before November COP to accelerate action
  - Conversion of NDCs into national financing strategies
  - Design of concrete finance strategies
  - Building robust project pipelines
  - Implementing NDCs
• Achieving the goals of Paris means starting **now**
  – Transformational change takes time

• The *private sector* is ready to act, and invest, with commitments of significant $$. This is a unique moment of opportunity.

• By using finance *catalytically*, funders and project developers set a standard that can encourage global transformation.
THANK YOU

For more information, please visit us at

www.ccap.org.