

# Strategic Approach in Mobilising Finance to Implement Ambitious NDC targets

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# Outline

- Updating NDCs of Belize
- NDC Implementation Tools
- NDC Investment Requirements
- Strategic Approach to Climate Finance



# Introduction

- Belize – CARICOM member and a small developing state
- Highly vulnerable to negative impacts of climate change
  - Frequent and intensified droughts, floods & storms are forecasted
- Party to the UNFCCC & its Paris Agreement
  - First NDC - submitted in 2016
  - NDC updated in 2021



# NDC Updating process in Belize

- Belize's NDC updating process has been supported by a number of partners under the Climate Action Enhancement Package (**CAEP**) led by the NDC Partnership



NDC  
PARTNERSHIP



The Commonwealth



IRENA

International Renewable Energy Agency



INITIATIVE FOR  
Climate Action  
Transparency



# Updated NDCs of Belize

- Demonstrates **Belize's commitment to enhancing climate ambition.**
- ***Higher ambition levels*** are demonstrated through following enhancements:
  - Expanded sectoral targets
  - Increased ambition in existing targets
  - Expanded coverage of gases covered in targets to include N2O & Methane in AFOLU interventions
  - Further specification of targets including addition of time frames, quantified emissions reductions and other outcomes
  - Increased transparency in the development of targets
  - Detail on the financing, M&E of actions included in the NDC



# Updated NDC of Belize – Sectors

- Mitigation

- Land use change and forestry
- Energy
- Waste management

- Adaptation

- Coastal zone and marine resources
- Agriculture
- Fisheries and aquaculture
- Human health
- Tourism
- Forestry and biodiversity
- Land use, human settlements and infrastructure
- Water resources



# NDC Updating Process

## Inputs to NDCs

1. Policy Landscape Study
2. Gap Analysis
3. Priority Actions Report
4. Resource Requirement

## Updated NDC Targets

## NDC Implementation Tools

1. NDC Implementation Plan
2. ***Climate Finance Landscape***
3. ***Climate Finance Strategy***
4. MRV System

## NDC Implementation

# Climate Finance & NDC Implementation

- Climate Finance is a critical factor in NDC Implementation
- Directly correlated to the level of ambition
- **Total cost** (Est.) of Belize's updated NDC implementation is estimated as **US\$ 1.9bn**
- Investment gap (Est.) – **US\$ 1.6bn**

Sector	Total cost estimate USD millions	Estimated funding gap USD millions
<b>Mitigation actions</b>		
Land use change and forestry	595	542
Agriculture	41	10
Energy	624	617
Waste management	327	317
<b>Subtotal (mitigation)</b>	<b>1,588</b>	<b>1,487</b>
<b>Adaptation actions</b>		
Coastal and marine resources	35	12
Agriculture	113	72
Water resources	25	11
Tourism	36	17
Fisheries and aquaculture	13	0.8
Human health	13	8
Land use, human settlements and infrastructure	83	38
<b>Subtotal (adaptation)</b>	<b>318</b>	<b>158.8</b>
<b>Total</b>	<b>1,906</b>	<b>1,645.8</b>

**Source:** Resource Requirements Report – The summary cost of Draft NDCs, Vivid Economics, November 2020.

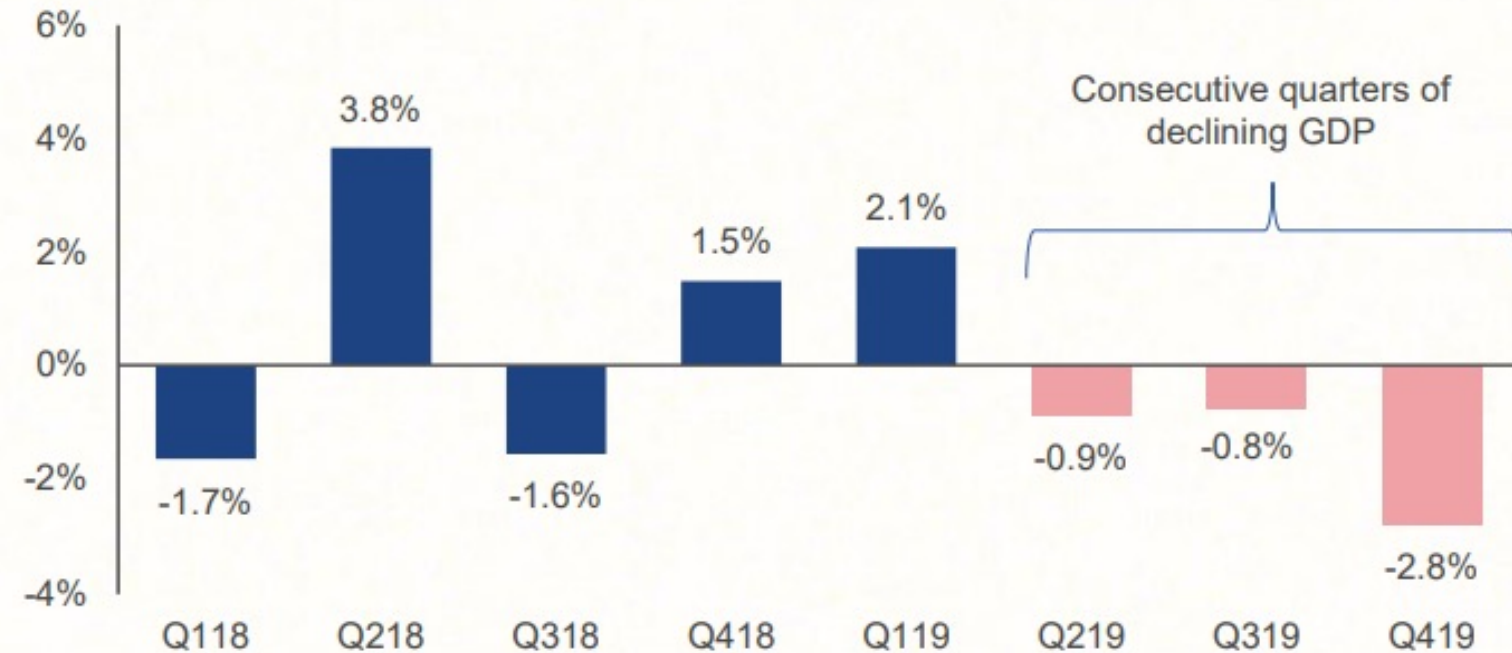


# Importance of Climate Finance

- Belize is a developing small state with a small economy
- **External financial support is critical and vital** in implementing the updated NDCs.
- Climate change impacts could worsen climate investment status
- In 2019, Belize economy was adversely affected with climate induced drought
- Covid19 Pandemic exerted additional pressure on the economy soon afterwards

## The economic impact of the drought caused Belize to enter into a recession

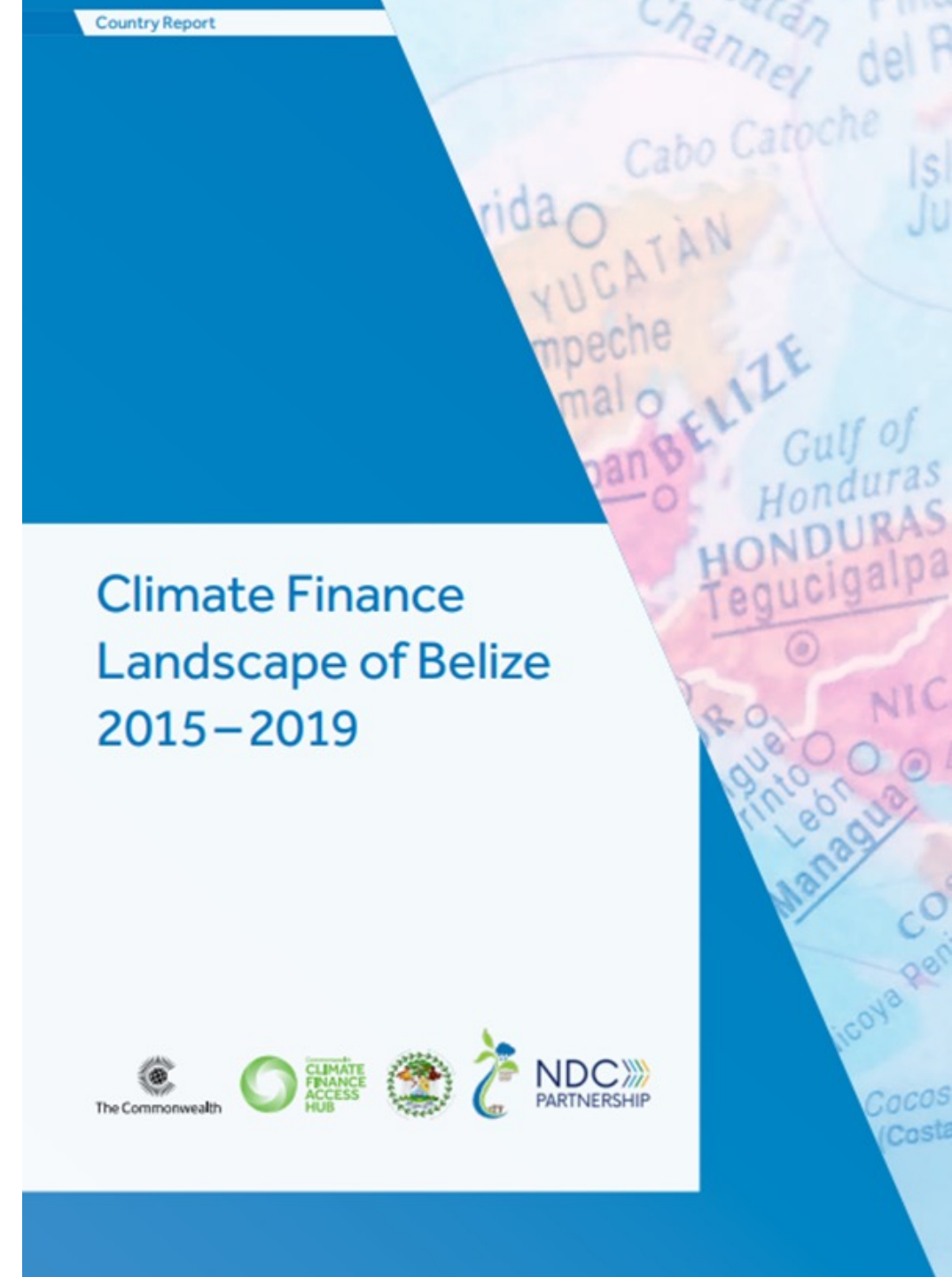
Quarter on Quarter GDP % change (Nominal)



Source: Belize Government. SIB, CBB, retrieved as of February 2021

# Climate Finance Landscape Study

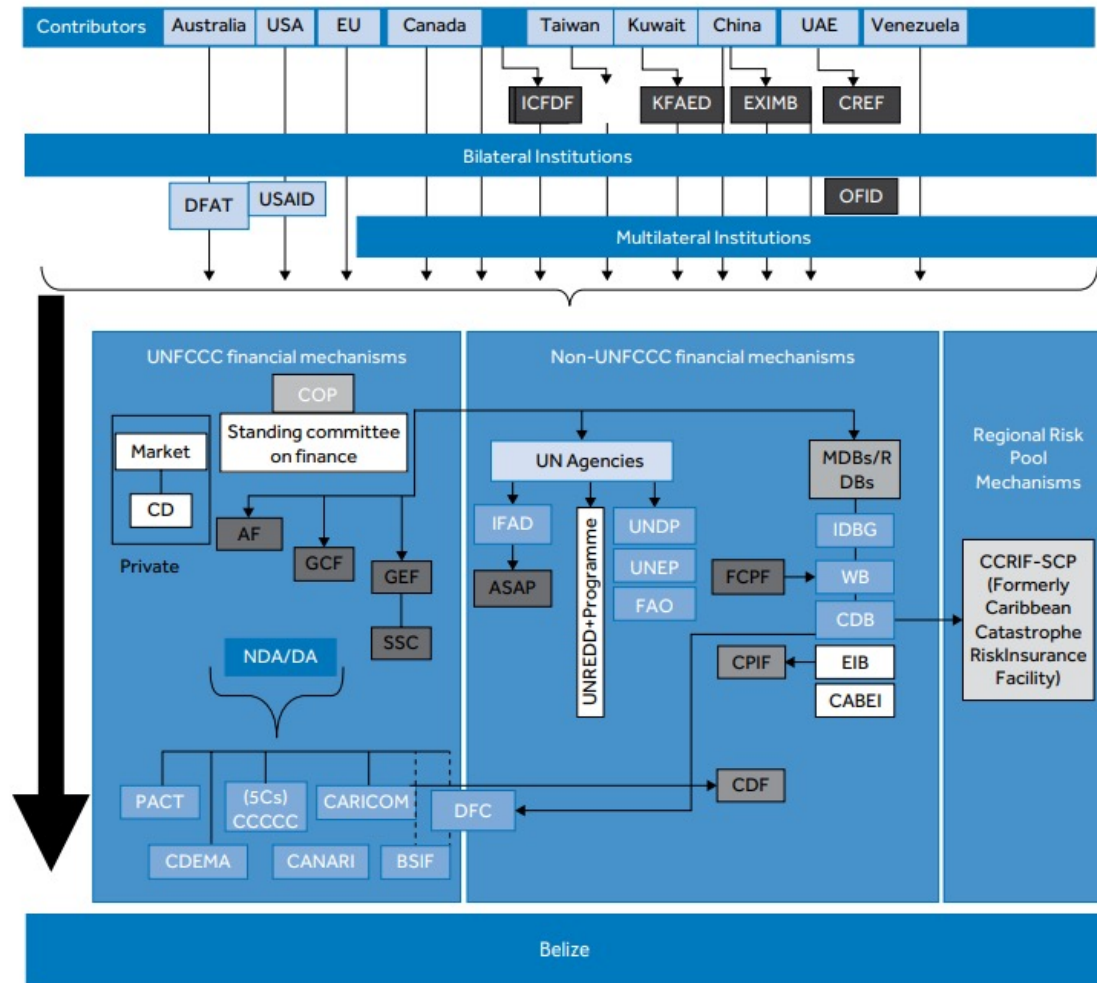
- A comprehensive assessment on the status quo of climate investments
- Analysis of
  - Sources
  - Channels
  - Instruments
  - Amounts
  - Strengths
  - Challenges
  - .....
- Precursor for the **Climate Finance Strategy**



# Strategic Approach toward Climate Finance

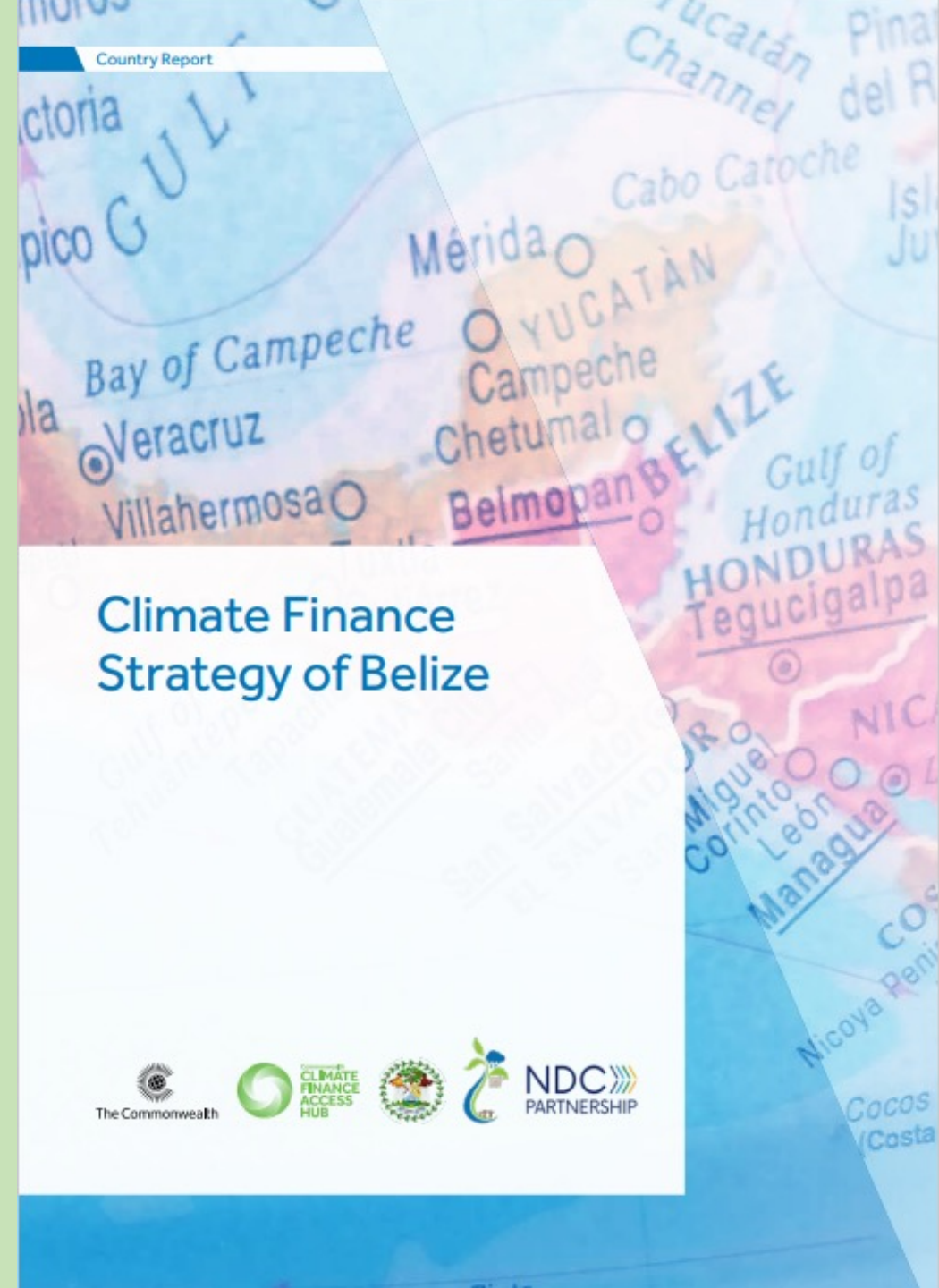
- It is imperative to access adequate and predictable **finance flows to implement ambitious NDC targets**
- Domestic sources (private and public) are inadequate
- **Capitalising the synergies** among different financing sources is required
- **Integration and coordination** among stakeholders
- Domestic **Capacity Building**

Figure 12. Climate finance architecture diagram of Belize with key actors



# *Climate Finance Strategy of Belize 2021-2026 (Draft)*

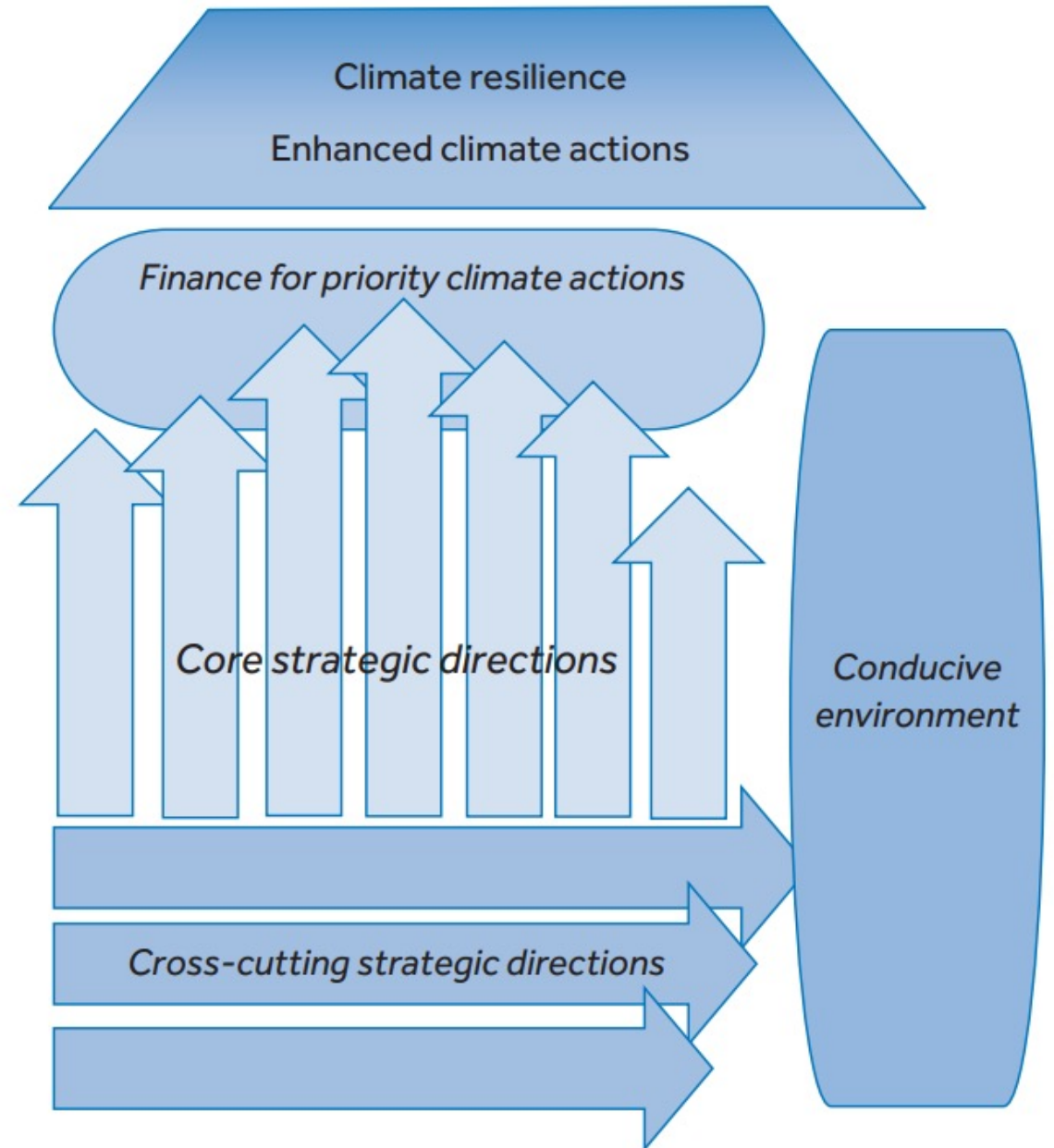
- NCCO in partnership with the Commonwealth Secretariat & NDC Partnership, drafted the Climate Finance Strategy for Belize – 2021-26
- Provides a strategic framework to access and mobilize climate finance





# Guiding Principles

- Meeting the national priorities
- Ambitious and futuristic vision for climate investments:
- National and international policy coherence:
- The integrated and inclusive approach in climate finance
- Maximising synergies and co-benefits of sustainable development



# Dimensions of a Strategic Approach for Climate Finance

- Capitalise the Synergies:
  - Synergies among the actors and the stakeholders - partnerships
  - Synergies among different sources and channels of finance – balancing between the strengths and weaknesses of different finance sources
- Capacity Building – sustain the efforts of mobilizing and utilizing climate finance
  - Human capacities
  - Institutional capacities



# Dimensions of a Strategic Approach for Climate Finance Cont.

- Process Orientation – Climate finance must be transformational in orientation rather than short-term focus

# Thank You

