Mobilising Investment for NDC Implementation

To implement NDCs, countries will need to mobilize significant levels of private sector investment. As much as $23 trillion in climate-smart investment opportunities have been identified in emerging economies.1 Attracting the scale of private sector investment at the speed needed to meet NDCs requires the appropriate incentives and financial instruments to support project development and the expansion of market demand and business investment. Unlocking private capital to implement country's NDCs requires a progressive and iterative process of stakeholder identification of priority investment subsectors, market analysis, design and implementation of financing measures, public-private partnerships, and on-going review of progress and adjustments in the approach. Many developing countries have expressed demand, through the Low Emissions Development Strategies Global Partnership (LEDS GP) and the Climate and Development Knowledge Network (CDKN), for support to navigate the opportunities and challenges of mobilising the necessary investment to implement their Nationally Determined Contributions (NDCs).

What will the project do?

The Mobilising Investment (MI) project is focused on interventions within seven target countries: Bangladesh, Dominican Republic, Ethiopia, Kenya, Peru, Philippines and Vietnam supported by the German government. The project is collaborating closely with LEDS Global Partnership investment mobilisation cooperation (supported by the U.S. government) with Colombia, Kenya, Mexico, Morocco, and Vietnam and broader country investment advisory support and learning. The ultimate goal is to mobilise significant investment for NDC implementation in priority sub-sectors. The overarching project objective is to support public actors and the private sector to create favourable conditions for private financing of NDC implementation by incentivising investments and increasing scale of demand. In doing so, this project seeks to strengthen national capacities and learning on financing NDCs by working through some of the practical challenges actors face.

The unique value of the approach of the MI project is that it is:

• Based in national priorities as laid out in country’s NDCs and cognisant of the differing context and progress made to date.
• An action and stakeholder collaboration oriented approach to mobilising investment in a way that makes business sense and addresses public policy goals.
• Works simultaneously with governments and the private sector to jointly advance implementation of specific investment measure and to stimulate broader interest and investment ambition in NDCs.
• Replicable beyond the key country engagement through the strong LEDS GP and CDKN broader learning and peer networks and advisory support services.

The process starts by teaming with countries to identify a priority sub sector, mapping the current investment environment and barriers, and identifying key public and private sector stakeholders that are already active in country. Market assessments include examination of the enabling environment, systemic economic issues, and the market maturity in terms of level of activity and local capacity to identify and develop projects. We will look at potential sources for investment and demand. The intent is to identify key opportunities for advancing near-term investment by bringing together local, regional and international stakeholders to build upon past and leverage current related efforts. Country specific implementation teams are established, comprised of key government officials, private sector and financial community representatives, and in-country and global consultants and experts.

**Learning and replicating best practice**

A core part of the project is the gathering and dissemination of good practice and recommendations and enabling learning and replication within countries, between countries, from national to international and vice versa through peer networks. The project will achieve broad learning and application of good practices from the target countries by:

1. **Documenting and sharing methods, lessons, and good practices** from the participating countries; 2. **Convening regional and global workshops and webinars** and creating regional communities of practice on NDC investment mobilization in partnership with the LEDS GP and IKI NDC Support Cluster to enable peer exchange and learning; 3. **Offering advisory support** (also in partnership with the LEDS GP and IKI NDC Support Cluster) to additional countries who are looking to apply similar approaches to unlocking private capital to meet their NDC goals. This learning and replication will be guided by an explicit learning process and focus on south-south learning exchanges, peer-to-peer learning through communities of practice and country/project level impact studies.

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