



## **Financing NDCs for a Climate Smart Future**

Achieving the goals of the Paris Agreement requires consistent and reliable finance toward activities that implement and enhance NDCs. Significant investment in infrastructure is needed over the next 15 years but it does not need to cost much more to ensure that this new infrastructure is climate smart. Climate action offers a major opportunity to ensure sustainable global development and boost economic growth. It is already delivering real results in terms of new jobs, economic savings, competitiveness and market opportunities, and improved wellbeing for people worldwide with even greater investment, innovation, and growth potential ahead. However, concessional climate finance is critical to supporting developing countries to build resilience to worsening climate impacts and to catalyzing private sector climate investment.

While many countries have drafted strategies and plans for the implementation of their nationally determined contributions (NDCs), an important element that is often missing is the financing plan. Some of the key financial challenges that the developing countries face are mobilising private finance in the energy sector, fostering private sector financing of adaptation and climate-proofing private investments, all of which are critical to implementing the NDCs.

The need of the hour is to bridge the gap between finance and action along with identifying business opportunities and models and improve the availability of climate-change related data to facilitate private sector engagement. It is also important to utilize innovative financing approaches and support their application.

With this background, TERI, with the support of the World Bank group is organizing a high-level discussion at the World Sustainable Development Summit 2019, to deliberate upon the financing challenges and possible innovative financing solutions that would enable in the process of financing the NDCs effectively.

### **Questions:**

1. What are the key barriers and challenges for financing NDCs of developing countries?
2. What has been the experience of multilateral organisations with their innovative solutions?
3. How effective are market-based mechanism – both internationally and domestically?
4. How can carbon pricing be used to effectively plan for future risk?