National systems of innovation and CTCN experience incorporating build back better considerations

Dr. Matt Kennedy
The Covid-19 crisis has highlighted the importance of developing more resilient, inclusive, equitable and sustainable societies and economies that are capable of withstanding future crises, natural disasters and other potential threats.

Five years after the Paris Agreement was adopted, countries are now in the process of updating their NDCs so full implementation of the Agreement can take place from 2020+.
Technology Framework

- **Innovation**: Actions and activities should accelerate and scale up innovation at different stages of the technology cycle, addressing both adaptation and mitigation
  - Various actors develop, transfer and deploy new and existing climate technologies

- **Implementation**: Actions and activities facilitate the implementation of collaborative technology development and transfer
  - Countries have clear pathways with identified support options to enhance technology development and transfer

2020 marked the second year of operationalisation of the Technology Framework of the Paris Agreement and the first year of operationalization of the CTCN’s updated M&E system used to track, evaluate and report on activities, results and expected impacts of its services.

The CTCN structured it's reporting and Annual Operating Plan in alignment with the goals and five thematic areas of the technology framework under the Paris Agreement.
Building Back Better

Facilitating information-sharing: Publications

- **Ensuring a Climate Resilient Recovery Post COVID 19**
  - Practical, applicable guidebook that informs roadmaps and highlights best practice cases for developing countries to quickly get back on their feet, shift to sustainable patterns and ‘build back better’.
  - Aids countries to develop country driven and robust technical assistance climate technology requests to enable them to build back better

- Providing a frame for countries to steer investments and attract climate finance, while providing transparency and accountability through national and multilateral processes
- To incorporate climate resilience into their country planning.
- Reflect that the CTCN is operating in a unique space and has practical experience of ‘how’ to implement assistance and activities.
Framing the approach: Guiding Principles

For climate resilience to be successfully embedded and sustained in the long term

Focus on ‘further behind first’ and ‘Building Back better’ approaches, targeting investments to improve resilience (of economy, of health systems, of built environment) especially considering recent economic declines have been followed by intensive GHG growth.

Avoidance of BAU, a focus on meeting policy commitments through decarbonisation of GHG emissions, exploitation of digital technologies and commitments to build resilient economies and societies.

Investment in (adaptation) planning and country preparedness, driven by country needs and priorities, establishing enabling environments and supporting infrastructural frameworks.

Factoring in resilience to climate impacts including air and water pollution, biodiversity loss, extreme events – providing stability to our environment, stimulate nature based solutions.

Making best use of technological advances and engaging indigenous businesses.

Increasing circularity of supply chains.

Financing instruments that are efficient and predictable and appropriate to ‘just transition’ country contexts and principles and are vital to mobilise upfront investment to aid the transition.

Linking short term recovery to longer term country specific strategies is an enabler to achieving SDGs and Paris commitments.
Methodology

Aligning the CTCN Assistance to a Change Approach

1. COVID 19 CONTEXT
   Review current state

2. ASSESS IMPACT ON DEVELOPING COUNTRIES
   Exposed inequalities, vulnerabilities and financial stresses

3. FRAME APPROACH TO BUILD BACK BETTER
   Structures, systems, processes and new ways of working

4. TRANSITION
   Focus on policy commitments, low carbon resilience, Decarbonisation Economic and social wellbeing

5. SUSTAIN
   Support the countries to maintain the changes over the long term

2021 ONWARDS

Principles

- Focus on ‘furthest behind first’ & ‘build back better’
- Link short term recovery to long term country emissions goals to meet SDGs/ NDCs
- Avoid ‘business as usual’ and build resilience across societies
- Factor in resilience to climate impacts; biodiversity loss, pollution, extreme events
- Engage indigenous businesses, increase circularity, decarbonise systems
Innovation & Implementation (Paris Agreement)

- Build back better selection of areas was informed by:
  - Looking across the areas where we get the most requests
  - Looking across the portfolio of countries where the CTCN operates in
  - Seeking the identify unifying factors across all CTCN countries
- Approach continues core CTCN approach of responding to country driven requests from Parties, linked to mandate.
Structuring action

- Decarbonising systems
- Delivering resilient & sustainable cities
- Circularity of economy and supply chains
- Business ecosystem innovation in new business models & structures
- Nature based solutions including biodiversity net gain
## Potential measures

### POLICY LEADERSHIP

<table>
<thead>
<tr>
<th>Measures to aid resilience</th>
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<tbody>
<tr>
<td>1  Strategy</td>
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<tr>
<td>Identify strategic sectors and screen projects for their impact on delivering sustainability objectives/long terms impacts on NDCs. Conduct risk assessments, identifying capacity gaps, reskill.</td>
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<tr>
<td>2  Commitments</td>
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<tr>
<td>Cross check national policies with long term sustainability objectives and commitments (delivering low carbon growth, net zero, NDC, SDG outcomes).</td>
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<tr>
<td>3  Integration</td>
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<tr>
<td>Integrate approaches that encourage sustainable practices and so create long term investments across sustainable transport, sustainable production/consumption/circularity of economy, nature, renewable energy, efficiency.</td>
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<td>4  Institutions</td>
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<td>Develop responsive institutional arrangements and capabilities to link plans and integrate financing frameworks. Responsiveness requires structural changes in our economies and environmental improvements.</td>
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<td>5  Investment</td>
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<tr>
<td>Frame countries' response in terms of the right investment conditions that can mobilise private capital and access concessional loans and debt restructuring.</td>
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<td>6  Instruments</td>
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<td>Enhance policy/regulatory and standards (efficiency of built environment and incentives to overcome policy gaps and co-ordination (across markets).</td>
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<tr>
<td>7  Scale</td>
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<tr>
<td>Scaling up successful existing policies and project pipelines, avoiding lock in carbon investments and infrastructures.</td>
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Translating enablers into action

<table>
<thead>
<tr>
<th>Enabler</th>
<th>Transition action</th>
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<tbody>
<tr>
<td>Leadership</td>
<td>Targets linked to SDGs, NDCS and financial incentives</td>
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<tr>
<td>Frameworks</td>
<td>Identify sectors and policy examples, avoid carbon lock-in. Regulatory support across markets</td>
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<tr>
<td>Enablers</td>
<td>Scale up existing policies &amp; transition projects, mobilise private capital &amp; instruments</td>
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<td>Organisation</td>
<td>Support a sustained shift in local economies, enhanced resilience to shocks</td>
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<td>Processes</td>
<td>Regional shift to value chains, develop skills initiatives &amp; capabilities, SME supports for resilient technologies</td>
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<td>Identify ambitious commitments</td>
<td>Identify regulatory frameworks to attract investment &amp; support recovery</td>
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<tr>
<td>Develop national systems of innovation &amp; policy pillars</td>
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<tr>
<td>Develop responsive institutional frameworks and link capabilities to plans</td>
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Roadmap development

**Roadmap of Activities**

**Discover**
- Identify National Priorities
  - Identify and select country priorities aligned to NDC/GCF Country Programme
- Stakeholder Champions
  - Engage with stakeholders to shape action priorities
- Leadership
  - Consider what national structures & institutional frameworks are needed
- Alignment
  - Align country priorities with SDGs & informed by IPCC/GHG inventory trajectory
- Systems
  - Review policies, incentives, market structures

**Deliver**
- Decarbonisation
- Circularity
- Nature Solutions
- Eco-System Innovation

**Develop**

**Identify**
1. A Workplan for action
   - Sectors and subsectors selection, based on opportunity identification
   - Prioritize adaptation and mitigation technologies aligned to national capabilities, national natural resources and endogenous skillsets
   - Identify scale of interventions, technology options and risk/uncertainty assessments
   - Identify enabling frameworks, gaps to solutions
   - Make final decisions
2. An approach to MRV
   - Set milestones for selected sectors and technologies
   - Short-Medium-Long timeline for implementation and acceleration
   - Set scale of applications
   - Consider beneficiaries & capacity needs
   - Identify collaborators to help with market readiness, technology knowledge
   - Utilise stakeholder input, participatory engagement
3. Prioritize
   - Provide a rationale for decision-making
     - Use multi-criteria analysis to aid selection and prioritisation
     - Cross reference with NAPAS, NAMAS, LEDS
     - Decide on resource allocations
     - Consolidated plan
Next steps

• Formal launch at UNFCCC, Bonn, June 2021
• Webinar series talking through proposed outcomes and impact from using the guidebook
• Questions?