

CLIMATE SUPPORT FACILITY (CSF)

National Plans and Strategies Overview



Background – Are countries adequately preparing for a resilient, low-emissions future?

The effects of climate change have become undeniable in the last decade: extreme drought, crop failures, massive weather events and billions in monetary damage to households/livelihoods. At the same time, the world faces significant development needs to lift all people out of poverty and increase prosperity. As countries pursue their development objectives, it is crucial that development plans are consistent with a changing climate and the required global transition to net-zero greenhouse gas emissions (GHG) to limit additional warming.

Under the Paris Agreement, countries are required to communicate **national commitments, called Nationally Determined Contributions (NDCs), to reduce greenhouse gas (GHG) emissions and build resilience to adapt to the impacts of climate change.** Each country must update its NDC every five years, articulating an increase in climate ambition. To guide these NDCs and ensure that they are aligned with the needed global transition, the Paris Agreement also invites signatories to formulate and submit **Long-term, Low-Emissions Development Strategies (LT-LEDs or LTSs).** An LTS is a country strategy that describes opportunities for and a pathway to a low-emission, climate-resilient economy by mid-century, consistent with a country's development goals, needs, and constraints, via a whole-of-society transformation. LTSs support the revision of countries' NDCs, ensuring alignment in short-, medium-, and long-term planning.

The first two generations of NDCs do not reflect sufficient ambition to keep temperatures from rising above 1.5 degrees Celsius, as the Paris Agreement aspires to do. Furthermore, most countries have not yet articulated LTSs that define a pathway to a resilient, and low-emissions future. The next round NDCs, also referred to as NDCs 3.0, is due by early 2025. While NDCs to date represent a step forward, they have not adequately mobilized the financing to implement the necessary policy reforms and climate investments. Additionally, according to the UNFCCC, **NDCs 3.0 need to be progressive and more ambitious than current NDCs and may be the last opportunity to put the world on track with a plausible global emission trajectory in line with the Paris Agreement's 1.5C goal.**

What is the World Bank response to this need?

Looking back to 2020, the WB created the **Climate Support Facility (CSF)**, a multi-donor trust fund administered by the World Bank, to help strengthen country capacities and policies to implement the goals of the Paris Agreement. **Under the National Plans and Strategies Pillar, the NDC/LTS Program provides support in enhancing and implementing countries' NDCs and developing LTSs in line with mid-century decarbonization goals.** The CSF's support for national climate plans and strategies reflects the World Bank Group's efforts to align financing with the Paris Agreement and mainstream climate action. The CSF's NDC/LTS Program contributes to this by linking to and capitalizing on worldwide Bank operations that pursue broad development objectives in client countries.

Why are ambitious climate commitments and long-term strategies so important to client countries?

New evidence on the economic and wider benefits of ambitious climate action suggests that country development along a net zero pathway and strong NDCs consistent with this development trajectory is consistent with countries' national development goals. **Low emission development helps minimize future warming and climate impacts, it leads to lower long-term costs in many sectors and offers large co-benefits in the form of reduced health care costs and increased environmental services.**



How does the NDC/LTS Program support countries?

The NDC/LTS Program provides technical assistance to support countries enhance their NDCs and develop LTSs, in collaboration with the NDC Partnership (NDCP)¹, the MDBs, UNDP, and other partners. Since 2020, **CSF's Nationally Determined Contributions and Long-Term Strategies (NDC/LTS) Program, has supported 37 countries to date** in developing, enhancing, and implementing national climate plans and strategies, with **49 grants totaling more than US\$16 million**. These grants are already achieving significant outcomes that contribute to strengthened country capacities and policies to implement the Paris Agreement towards NDC 3.0. Initial results include:

- ▶ Strengthened NDC planning and understanding of priority NDC measures in Pakistan, Ethiopia, and Mauritania through the development of NDC implementation plans.
- ▶ Enhanced understanding of NDC implementation costs and finance needs in Paraguay, Colombia, and Mexico through the costing of NDC measures.
- ▶ Mainstreaming of climate into national budgets and increased understanding of climate finance flows in Armenia and the Kyrgyz Republic through support for green taxonomies and budgeting.
- ▶ Strengthened capacities to mobilize investment in NDC actions in Mexico, Mali, Niger, and Burkina Faso through the development of NDC investment plans and climate finance mobilization strategies.
- ▶ Improved access to finance for climate action in South Africa and Cote d'Ivoire through the development of strategies for participating in international carbon markets.
- ▶ Helped governments explore different pathways to achieve net zero targets, develop long-term low emission development strategies and sectoral pathways in Uzbekistan, Jordan, the Dominican Republic and Türkiye.

Additionally, the NDC/LTS Program supports development of analytics, knowledge sharing, capacity-building, and improving cross-sectoral coordination among government stakeholders, donors, and private sector entities.

It curates NDC and LTS guidance material, data, and tools such as:



A recently completed World Bank LTS Guidance note which presents a 5-stage LTS formulation and implementation process informed by the technical experience and learnings from recent World Bank supported LTS engagements.



World Bank's new GHG Emissions Dataset, which provides historical emissions of all major greenhouse gases for all countries and subsectors of the economy, derived from EDGAR and other sources.



Open-source low emissions pathway modeling toolkit that can provide quick estimates of future country-level emissions pathway, their costs, and benefits, under different levels of sectoral climate action.



How does the World Bank work with other MDBs to scale up support for LTS?

The Climate Support Facility also houses the Multilateral Development Banks Long-Term Strategy Program (MDBs/LTS-P) which is a joint initiative of MDBs to support countries in development of long-term low-emission development strategies (LT-LEDS/LTS). The program helps MDBs to mobilize resources and provides a platform for coordination of LTS-P support to developing countries. It is central to knowledge and information sharing among MDBs and institutional partners.



What happens next?

The NDC/LTS Program is already working with country teams and partners to help governments and policy makers strengthen their NDCs and formulate long-term strategies to guide their full transition to net zero. In response to new contributions, the program is preparing to scale up support to many more countries in the coming months.

¹ The NDCP is a global coalition that brings together over 120 developed and developing countries and nearly 100 institutions. It provides technical assistance and matches country requests with funding resources accelerating implementation and establishing NDCs into development plans and budgets.