



**Template for Formulating National Investment Agenda
for Climate Change**

Eduardo D. Bacolod

Contents

SUMMARY	2
BACKGROUND	3
The Importance of Building National Capability in Project Development and Capital and Technological Resource Mobilization	3
Building the National Capability Through Climate Change Investment and Technological Resource Mobilization	4
Climate Change Adaptation Over Carbon Credit	4
Translating the Nationally Determined Contribution (NDC) into Financial Models	5
The Mozambique Case	5
OBJECTIVE	6
THE GUIDING CONCEPTUAL FRAMEWORK FOR THE PREPARATION OF THE CLIMATE CHANGE INVESTMENT AGENDA	7
Understanding the Geography of Mozambique	7
Translating Innovative Climate Related Projects Worthy of Investment	8
Climate-Related Investment Projects Aligned with National Development Plan of Mozambique is an Ecosystem of Investment Opportunities	8
APPROACH	9
Investment Campaign with Built-in Capability Enhancement Approach	9
Mapping-out the Climate Change Investment Projects	10
Reference to Business Models for Climate-Related Projects	13
Developing Financial Models of The Identified Projects for Investment	14
Financial Model Definition	14
Planning Cost Standard	15
Aligning Line Agency Plan with the Nationally Determined Contribution (NDC)	19
Incorporating the NDC to the Development Plans of Line Agencies	19
Coordinating Development Partner Support	20
Inter-agency and Multisectoral Collaboration	20
Building a Structure for Collaboration	20
CONCLUSION AND RECOMMENDATION	28

SUMMARY

This template aims to translate the Nationally Determined Contribution (NDC) of the countries that signed the Paris Climate Change Agreement into a coherent investment agenda for the more vigorous fund and technological resource mobilization purposes. This undertaking was first thought of in November 2016, just right before Fiji would assume the presidency of the 2017 UN Framework Conference on Climate Change (UNFCCC). In line with this opportunity, this undertaking considers using the national agriculture sector policy agenda that I prepared for Fiji as the baseline for a model national climate change investment agenda. The investment agenda I envision would be then worthy of international attention and Fiji would play a more meaningful historical role in the Paris accord. However, my initiative stopped because the preparation of the Fiji NDC was still underway.

After 4 years, my interest was again rekindled upon learning that Fiji, and another country, Mozambique, have received external technical assistance aimed at translating their respective NDCs submitted to the Paris Accord into financially viable enterprises for investment. For Mozambique, Enabel, the Belgian development agency that executes the Belgian governmental cooperation, and for Fiji, the World Resources Institute, based in Washington DC, announced the development of financial models and national capacity enhancement support in line mobilizing investment for the NDC. Inspired by these separate initiatives, it would be timely to go back to what I have conceptualized four years ago. In effect, I decided to prepare a template for a climate change-focused undertaking that focuses on fund and technological resource mobilization with built-in national capacity enhancement and investment campaign.

Mozambique then served as the better country case because of its two defined topographical zones cut by the Zambezi River. Within the country's geography, there are ecosystems that can provide a wider spectrum for demonstrating an inclusive national climate change investment agenda. These are the country's river basins, highland, coastal marine, lake, and a small group of islands ecosystems. Therefore, this template highlights the significance of understanding the geography of any country in the development of the climate change investment agenda.

The template outlines the approaches to be followed in formulating the national climate change investment agenda with built-in capacity enhancement and investment campaign. First, it maps out the climate change investment projects using a matrix for project identification with vertical and horizontal axes integration. Then, with reference to the document "Business Models for Collective Governance" that I prepared, projects are mapped out. Financial models of the identified projects for investment are then developed with accurate planning cost standards. It then aligns the NDC by incorporating it into the development plans of line agencies. The template then coordinates development partner support, and finally, it builds a structure for inter-agency collaboration by the establishment of a national climate change investment fund.

The template also provides an outline for reporting, publication, and training purposes. Based on this outline, the template can be converted into a published document for funding negotiation, investment campaigns, and case study training materials. A training manual on capacity enhancement for fund and technology resource mobilization can also be derived from this template. Finally, the development of a national investment agenda for climate change can be a popular and timely development reform.