



Ministries of Finance and NDCs – Stepping Up For Climate Action – An Introduction

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INTRODUCTION

- To address the economic and social impacts of climate change that are affecting the wellbeing of societies, countries have prepared Nationally Determined Contributions (Country Actions for climate change) in line with the Paris agreement on climate change
- To make these NDCs economically and financially realistic the involvement of MOF in preparation, review and implementation is very critical. Given the core mandate of MOF in design and implementation of sound macroeconomic and fiscal policies.
- This is the reason why principle number 6 of the coalition of MOF of Finance ministers on climate change is geared towards getting the involvement of the ministry in domestic preparation and implementation of NDCs.
- To improve on involvement of MOF; Principle 6. working group undertook to prepare a comprehensive experience based paper to guide on how and why Ministries of finance should get involved. This is in support of the coalition major strategy of Promotion of peer learning and knowledge exchange

PAPER OBJECTIVE

Objective: Provide practical guidance on how Ministries of Finance can effectively engage in NDC review and implementation by highlighting experiences and lessons from Ministries of Finance in the development, review and implementation of NDCs

In the paper two questions were answered:

- How MoF can engage in the review of the current NDCs and the development of the new NDCs
- Ways in which NDCs can be mainstreamed into the PFM systems

The paper is a joint effort of the Working Group 6 of the Coalition of Finance Ministers for Climate Action in close consultation with four member countries (Chile, Colombia, Ireland and Philippines). The Working Group 6 is led by Jamaica and Uganda, supported by the NDC Partnership Support Unit and the World Bank.

METHODOLOGY

To gauge the level of involvement of MOF of finance in NDC, a survey instrument was sent to all coalition member countries; 36 of the 52 members responded:

- 49% MOF take a leading role; 81% MOF work with line ministries 50% MOF provide technical inputs; 72% MOF engages climate-informed appraisal and analysis of policies and programs; 39% MOF coordinate technical assistance and financing.
- In addition to the champion countries, four coalition country members; Chile, Colombia, Ireland and Philippines contributed their experience in having Ministries of finance getting engaged in preparation, review and implementation of NDCs
- Detailed literature review of policies, planning documents and the current set of NDCs from the six countries was undertaken. Key informants from MOF, MWE and NDCP (country offices were) consulted.

For country experiences: Interviews and analysis of documents of country champions (Jamaica and Uganda) and 4 additional Coalition Countries (Chile, Colombia, Ireland, and Philippines)

APPROACH

- Short and accessible document for policy makers
- Using MoFs language and terms
- Use case studies and lessons from existing studies to develop improved and implementable NDCs
- Reference document that points to other substantive references and Principles

PAPER STRUCTURE

- The paper is structured into four main sections.
- Why ministries of finance are needed
- How and where ministries of finance can be involved
- Review and development of NDCs
- Integration of NDCs



Thank You

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