



NAP Global Network

Coordinating
Climate-Resilient
Development

A Financing Perspective on the NAP Process

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Mexico City, Mexico



Introduction

Financing is needed:

- Throughout the NAP process
- To cover two types of costs:
 - » Operating costs
 - » Investment costs

The amount of financing needed:

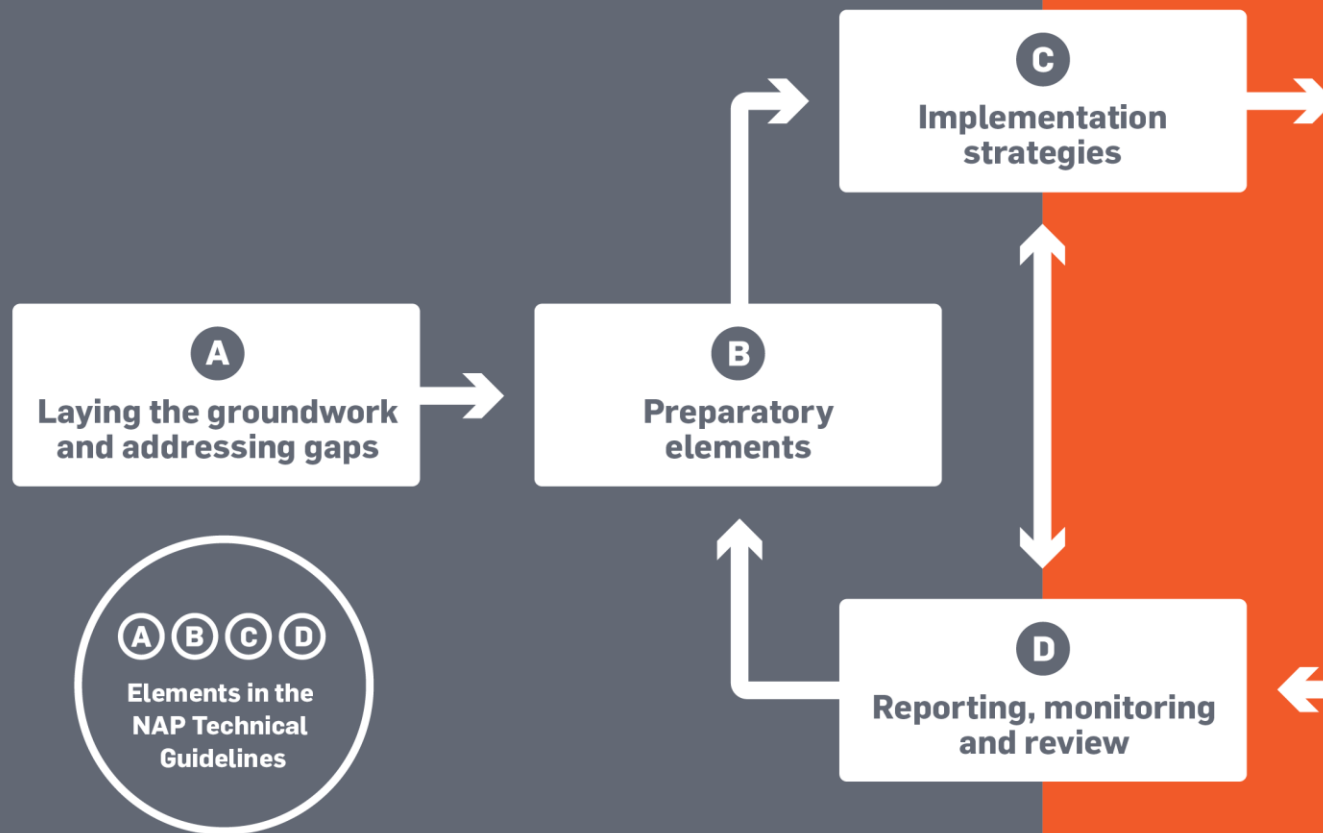
- Will vary from country to country
- Expected to be significant



The NAP Process: A financing perspective

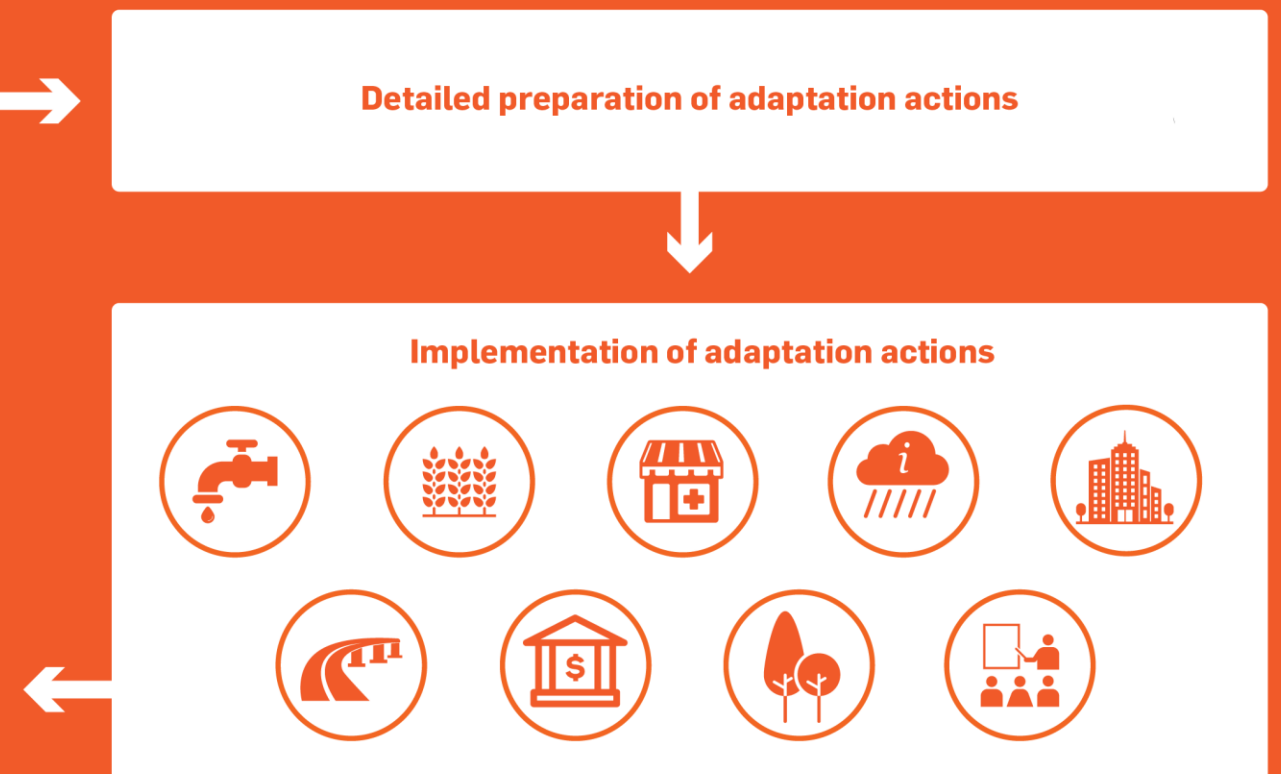
Development phase

Initiating, coordinating and maintaining the NAP process



Implementation phase

Implementation of adaptation actions prioritized through the NAP process



Capacity development, institutional strengthening and stakeholder engagement



Different phases, different needs

Amount of financing required

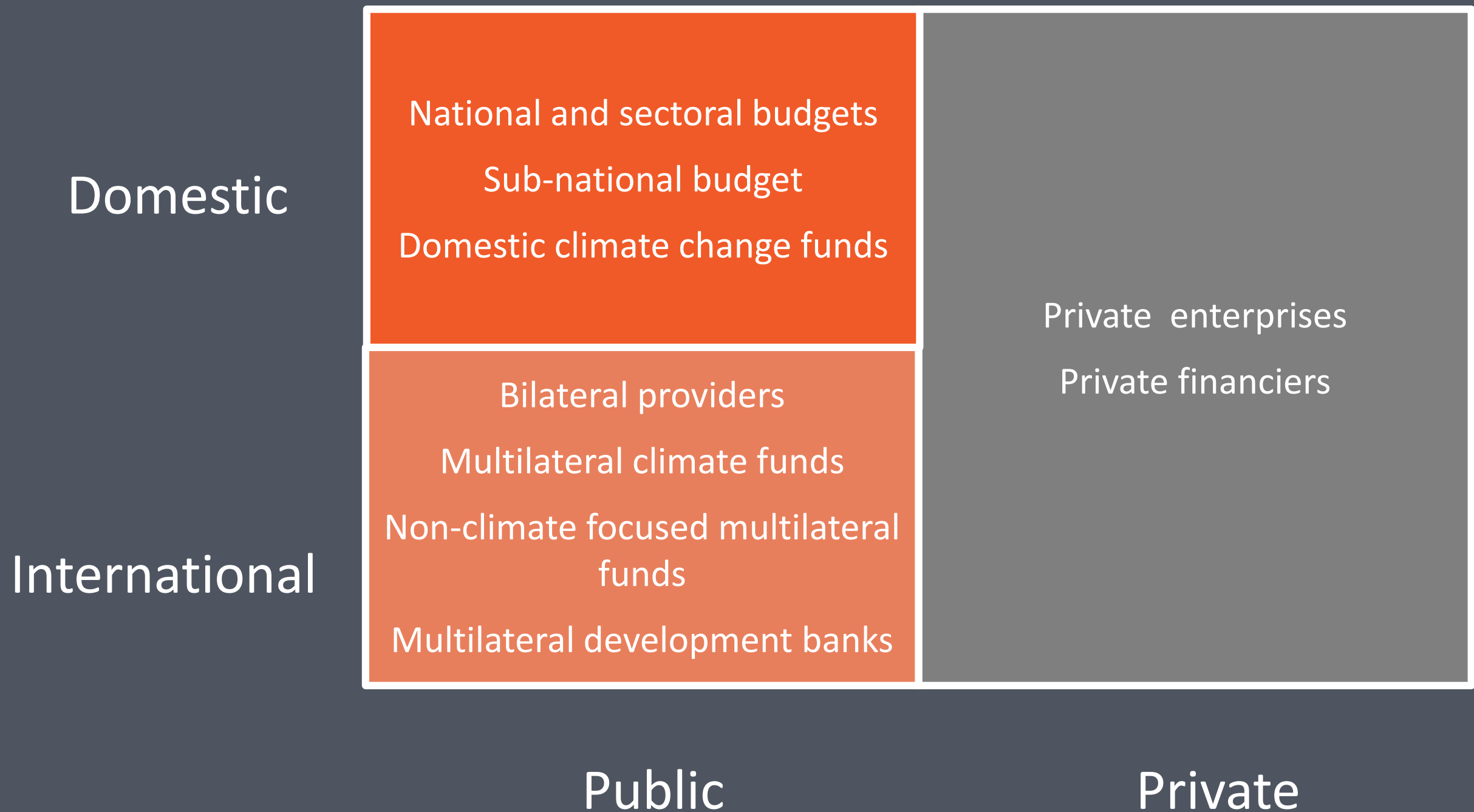
- Greater financing needed in the implementation phase

Actors involved

- Development phase: primarily government
- Implementation phase: greater number of actors involved



Potential sources of finance



Financing options

Domestic government revenues

- » Relatively predictable and consistent
- » Enhance national ownership
- » Flexible; potential to leverage other sources

Bilateral providers

- » Flexible: sectors and instruments
- » Promote innovative approaches

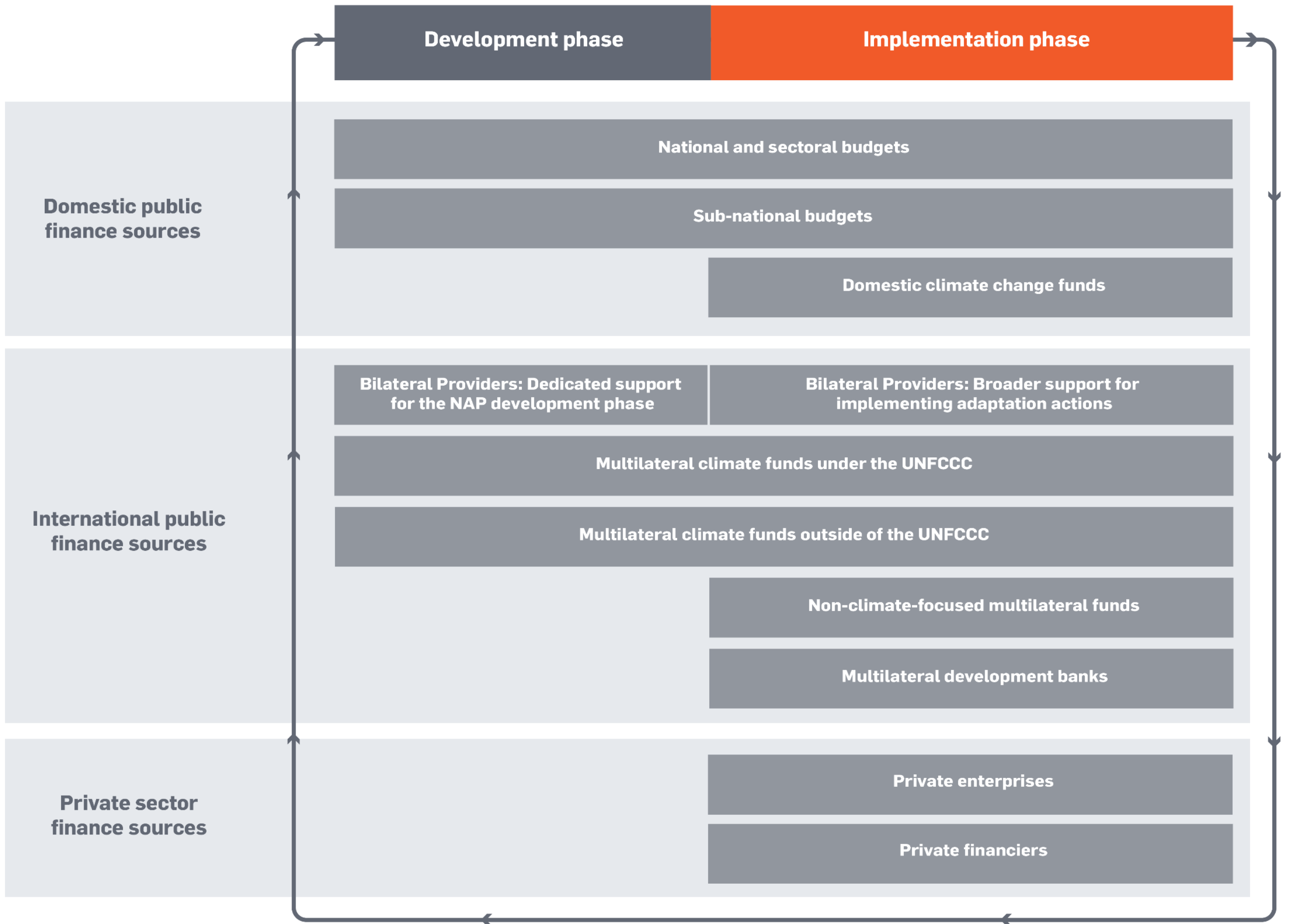
Multilateral providers

- » Diversity of potential sources

Private finance

- » Invest in new business opportunities
- » Invest to reduce business-related risks





Dedicated NAP Financing Strategy

Help to align financing needs with potential sources of financing

Promote a planned, coordinated and coherent approach

The strategy should be:

- » Developed early in the NAP process
- » Tailored to country circumstances
- » Aligned with other initiatives, such as NDCs



Building Blocks of a Financing Strategy

Identify the financing gap

- » Estimate cost of entire NAP process
- » Determine additional financing required

Determine financing options

- » Identify potential sources of finance
- » Identify potential financial instruments

Develop operational next steps

- » Identify actors and their responsibilities
- » Prepare a realistic timeline

Potential sources of finance

International public finance

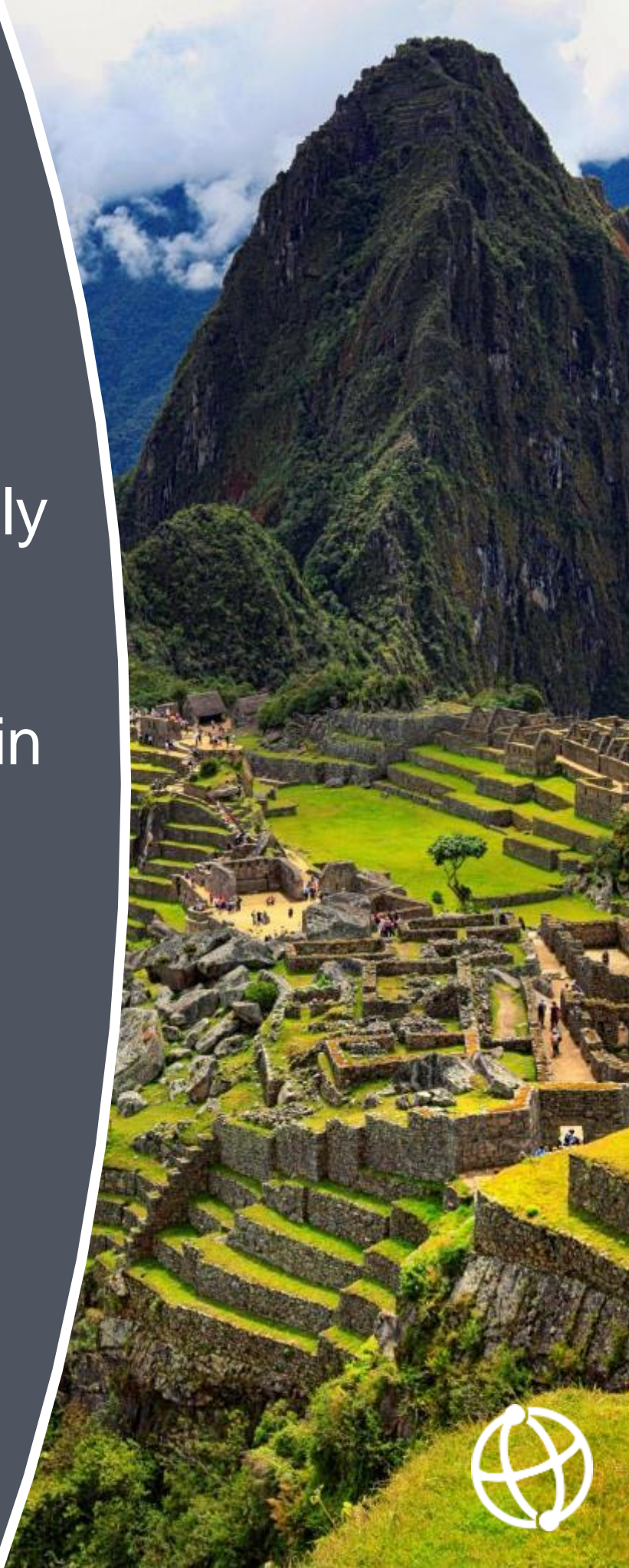
Domestic and international private finance

Domestic public finance



General guidance

- From the start, consider financing needs
- Engage key stakeholders early and continuously
- Ensure senior-level engagement
- Recognize the critical role of domestic finance in sustainably financing the process
- Look beyond individual projects
- Engage the private sector through targeted strategies
- Tailor strategies to national circumstances and capacities





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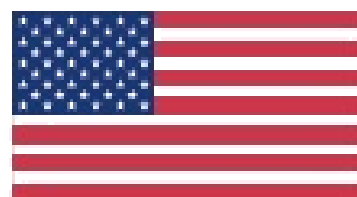
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