

# CETEX

Centre for Economic  
Transition Expertise

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## The case for national transition planning: key considerations and action areas

Coalition of Finance Ministers for Climate Action, Asian Regional Meeting, 28 August 2004

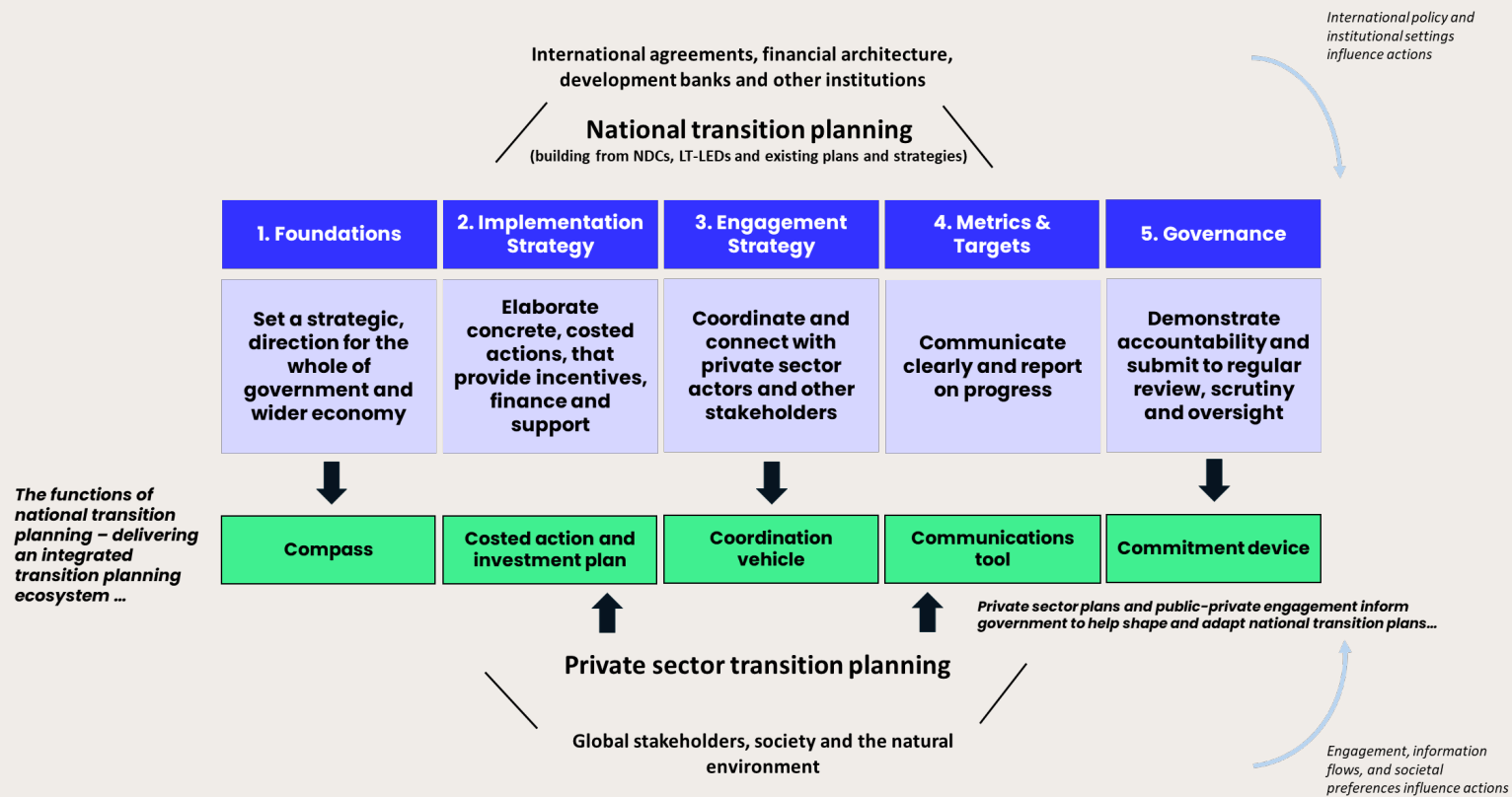
# Transition planning for systemic transformation ...

- As the global economy transitions to a just, low-emissions, climate resilient and nature positive future, **every sector of the economy will need to transform**
- But systemic transformation doesn't simply "happen" – it will require **strategic, but adaptive, transition planning** across the system
- Pressure from regulators, investors and civil society is helping to build **momentum in private sector transition planning**
- Transition planning in the private sector has exposed **important dependencies on government policy**
- Private actors want **clearer policy signals and incentives**; and well-targeted **catalytic interventions** can unlock innovation and investment
- The **building blocks** for national transition planning are in place in **NDCs, LT-LEDS and country platforms**



# National transition planning at the centre of a system response ...

- The report, *Taking the lead on climate action and sustainable development*, develops **recommendations for national transition planning**
- Organised under the **same five pillars as TPT and GFANZ**; also informed by ASCOR
- **Aligning national and private sector transition planning frameworks** will support a **system response**
  - 5 functions of national transition planning – 5 Cs (green boxes in the visual) together deliver an **integrated transition planning ecosystem**



# Key functions of national transition planning ...



**compass** for strategic direction - set a strategic direction for the whole of government and actors across the wider economy

**costed action and investment plan** - elaborate concrete, costed actions that provide incentives, finance, and support for actors across the economy, attracting investment aligned with the Strategic Ambition

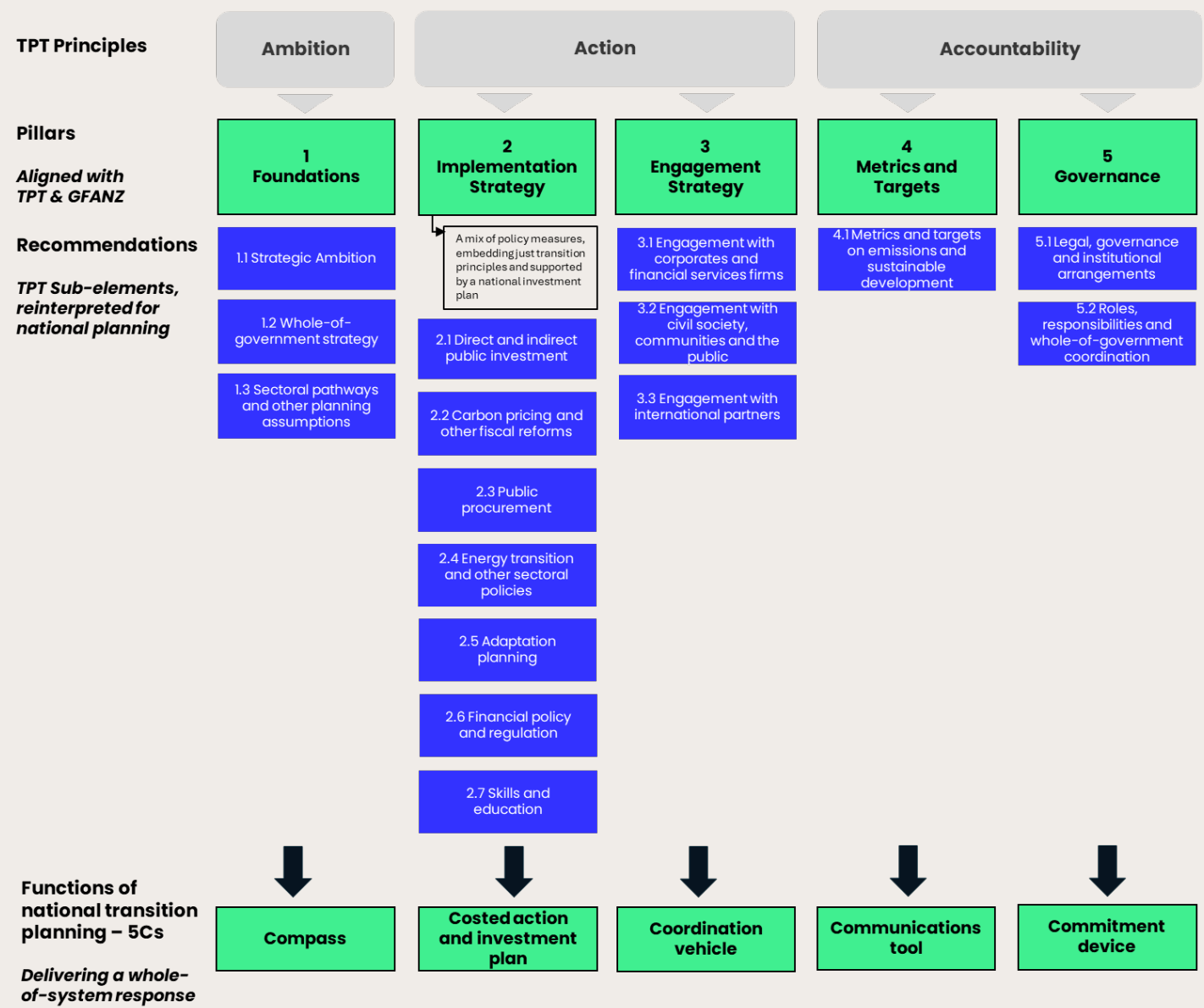
**coordination** vehicle – coordinate and partner with private sector actors, the public and other stakeholders to drive action in line with the Strategic Ambition

**communications** tool – communicate in a clear, decision-useful and accessible way, across the five pillars of our recommendations, with at least annual reporting

**commitment** device – demonstrate commitment and accountability, and submit to regular review, scrutiny and oversight



# Key considerations and action areas ...



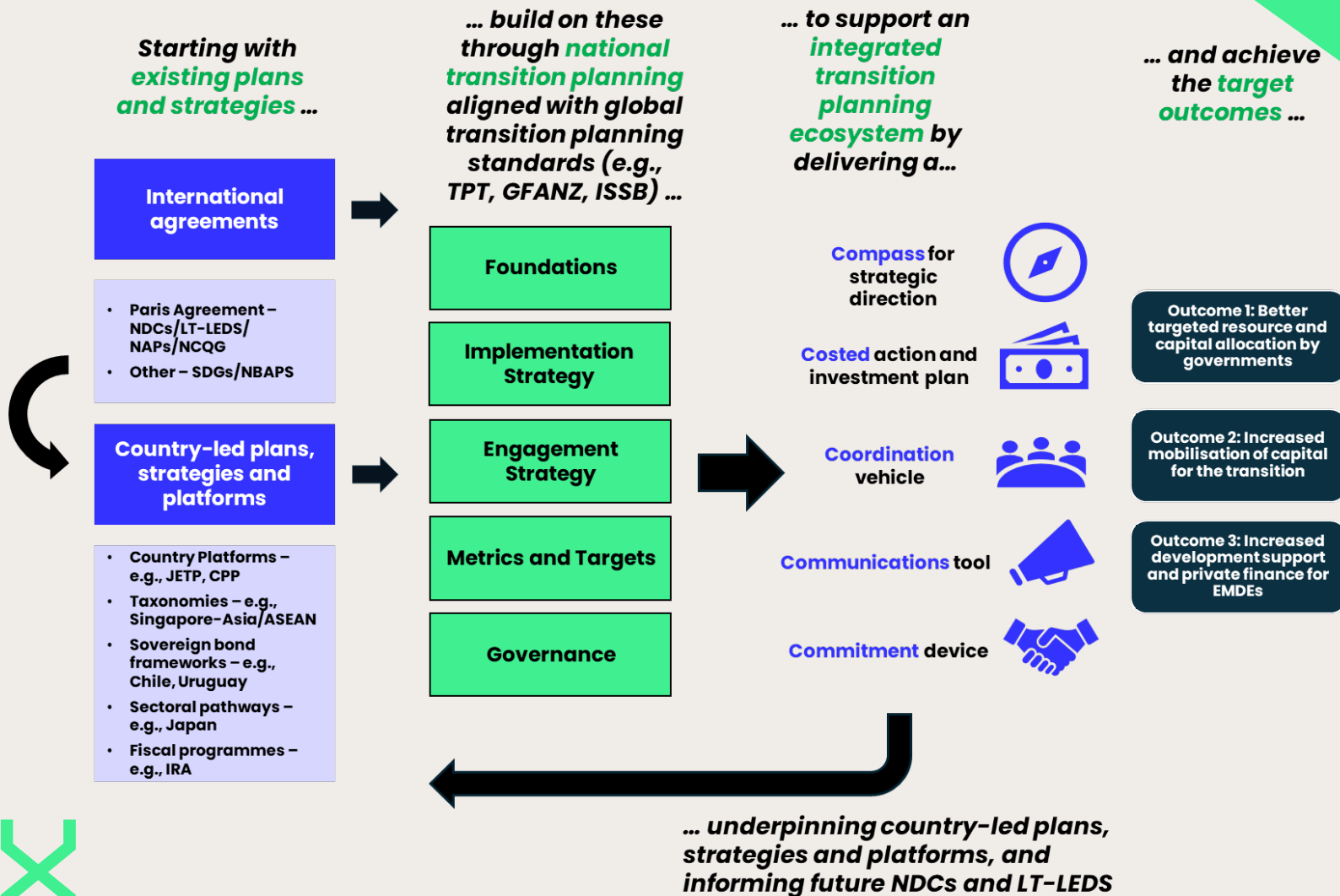
- **Principles based** – capable of local tailoring; recognise system interdependencies
- Deliver **5 Cs**, by emphasising:
  - **Strategic Ambition; whole-of-government strategy**
  - **costed implementation actions** across all major sectors
  - prominent role for **engagement** - coordination, collaboration
  - Reporting on **metrics and targets** as part of wider communication
  - Governance and **accountability**



# Leveraging existing plans and strategies ...

“NDCs 3.0 which double as national investment plans can steer economies towards growth-driving industries and services fuelled by renewable energy”

Simon Stiell, UNFCCC Executive Secretary



# Phased implementation of national transition planning ...

Build out over time, based on the country's:

- **ambition**
- **starting point**, including socio-economic and political context
- prevailing **institutions and planning frameworks**
- **resources, capacities and priorities**

## Next steps

- work with existing, **complementary initiatives** – e.g., NDC Partnership – to ensure the tools are in place and to **smooth** the implementation path

## Set direction and prioritise

Set a clear strategic direction

Begin to build cross-government consensus

Identify and engage with key stakeholders to inform sectoral planning and to cost future actions

For EMDEs:

... engage with development, climate finance, technology and capacity building partners

... begin to develop tailored pathways and identify high-priority actions and sectors ...

## Deepen and expand

Refine and implement sectoral pathways and policies

Deepen coordination and collaboration across government and with the private sector

Fully cost a national investment plan

For EMDEs:

... deepen engagement with international partners and capital market participants to roll out policies across all major sectors ...

## Embed and advance

Embed measures introduced in the previous phases to support effective and committed delivery

Advocate in international fora for systemic oversight of climate finance and strategic climate mitigation, adaptation and sustainable development





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Thank You.

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