

Key messages of the Global NDC Conference 2023

About the conference

Since 2017, the Global NDC Conference has become an international forum to discuss Nationally Determined Contributions (NDCs). It presents a space for strengthening networks, showcasing innovative ideas, building momentum, as well as reflecting, and clarifying the NDC formulation and implementation processes that lead to ambitious climate policy and action in support of the goals of the Paris Agreement.

The **Global NDC Conference 2023** took place from **31 May to 2 June 2023 in Berlin, Germany**, with the aim to inspire practitioners and decisionmakers to lead and contribute to enabling just, feasible, and financeable NDCs—towards the next round of submissions in 2025. It brought together nearly **350 experts** from **over 50 countries** to discuss and share their experience in aligning policies, mobilising finance, and raising ambition. More than **30 initiatives, networks, and organisations** contributed to over 25 uniquely themed breakout sessions, making the conference an interactive and collective learning experience.

The Global NDC Conference 2023 was hosted by the German Federal Ministry for Economic Affairs and Climate Action (BMWK), and co-organised with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, the NDC Partnership, and the United Nations Development Programme (UNDP), under the International Climate Initiative (IKI) of Germany. For more information check globalndcconference.org

Raising ambition

- **NDC ambition is insufficient.** We are currently very far from where we need to be and it is critical to increase ambition in the next NDC update round in 2025, otherwise the world will miss the 1.5°C degrees target. If all current NDCs are implemented, the world would still be on a dangerous path of around 2.4°C-2.8°C degrees of global warming by the end of the century ([IPCC, 2023](#); [UNEP, 2022](#)), which might exceed the expected consequences for nature and humankind.
- **1.5°C degrees are a guiding star.** Although there is a long way to go, the 1.5°C temperature target shall be kept as a “North Star”, even when there is reason for concern that the target will not be achieved. In this context, the upcoming Conference of the Parties (COPs) and the Global Stocktake (GST) outcome are crucial processes to pinpoint shortcomings and course-correct, putting the world back on track.

- **Acceleration goes beyond international obligations and should delve into untapped opportunities at the local level.** Local governments must be at the heart of the acceleration of climate action and building resilience, as the impacts of climate change are mostly visible in inhabited places, where infrastructure and services exist. Moreover, people who experience the effects of climate change earliest and hardest often do not have the means and access to engaging in climate action.

Governance and policy alignment

- **NDCs and their implementation processes must align with climate-compatible sustainable development plans and efforts.** Initially, NDCs used to be prepared and drafted by environment ministries. Many countries are now gradually moving to a whole-of-government approach to policy-drafting, with the understanding that economic development and climate action must go hand in hand. In acknowledgement of the climate-development nexus, NDCs need to: better connect to the Sustainable Development Goals; better inform long-term strategies (LTS); better link to other development strategies (such as national development strategies or adaptation planning); and continue to rely on sound data and analytics.
- **The number and quality of NDCs is evident but can they keep the pace?** NDCs have become mature, data-driven, increasingly sophisticated, and wide-ranging. However, NDCs are in danger of being outpaced by climate change impacts if key bottlenecks, such as climate finance and delayed implementation, continue to fall short.
- **NDCs should integrate both mitigation and adaptation, instead of favouring siloed action.** While NDCs must maintain a focus on mitigation, a needed area of improvement is risk and resilience (investing in resilience, disaster risk mitigation, and disaster recovery remains insufficient).
- **NDCs should make inclusion mandatory and lasting, including robust multistakeholder engagement.** Moreover, inclusion is becoming even more relevant for the effective alignment between NDCs and LTSs, as well as necessary to support those who cannot bear the costs of the transition needed.

Mobilising finance

- **Closing implementation and finance gaps is just as important as raising ambition.** As public funding alone will not cover the global need for investment in climate action, accelerating the effective implementation of NDCs requires mobilising private climate finance. Governments, in consequence, need to seek cooperation with the private sector, placing them at the core of climate action in the future. NDCs offer an investment opportunity but do not always give clarity of the finance needed to

implement them. A **roadmap to close the gap before 2030 and sufficient deployment of finance for implementation** are urgently needed.

- **All hands and all money on deck.** There is a mistaken belief that the private sector will spontaneously come up with the investments for the needed transformations. Only with the right policies, regulations and incentives, clarity about the investment risks and opportunities, as well as with initial investments and guarantees by the public sector is the private sector likely to support climate action. Good models already exist and should be replicated at scale (e.g., public-private partnerships, just energy transition partnerships, and blended finance platforms).
- **There is money but not the right projects.** Climate projects are currently structured and developed with a public sector mindset, resulting in a limited contribution by the private sector. To counteract this, governments need to create the right ecosystem for investment, provide seed funding for piloting, project bundling, and innovation while placing the private sector at the heart of incentive setting. The private sector requires favourable and stable conditions in terms of administrative procedures, regulations, and taxation.
- **Too much de-risking; too little risk-sharing.** To meet the scale of investment needed to deliver on climate and related development goals (estimated at [one trillion US dollars of mobilised finance](#) per year by 2030 in most emerging markets and developing countries) there is a need to talk more about risk-sharing rather than risk reduction (although still relevant). In this sense, changing the direction of the cashflow is vital if climate targets are to be met. Public and private investment could be redirected away from activities that damage the climate (e.g., fossil fuel subsidies) towards the expansion of green technologies, as well as to put in place risk-sharing facilities (collective pools of resources) among public and private financial systems and actors (i.e., national development banks, regions, municipalities, insurance sector, etc.).

Challenges and opportunities in the NDC process

- **We need to do a lot in a short amount of time.** The NDC process is complex and time-constrained by nature. It requires thinking about big, long-term transformations, achieving short- and mid-term NDC targets, mobilising finance and achieving consensus among diverse stakeholders—while at the same time calling for detailed planning on how to implement timely and effectively.
- **As there is no one single recipe for mitigation, and as different approaches exist around the world,** ambitious NDC implementation should be based on the common pillars of 1) advancing ambitious and transparent climate mitigation policies to reduce emissions; 2) transform industries to accelerate decarbonisation; 3) boosting

international ambition through partnerships and cooperation to encourage and facilitate climate action and unlock socio-economic benefits of climate cooperation.

- **Ensuring a just transition will distribute the benefits of the green transformation.** Transformation implies that something is lost while something else is gained, and the consequences of transformation-related losses must be managed. For developing countries, connecting NDCs to development pathways remains a challenge. In such a fundamental change process, there is a need to protect the affected populations by ensuring that the transition is just and inclusive and that people are provided with access to new opportunities.
- **Investments in NDC implementation are hindered by the lack of risk profiling.** It is currently very hard to translate NDC priorities into bankable projects. Long-term market predictability, clear regulatory frameworks, and the right investment environment can result in innovative business models. The public sector must put in place private sector investment programs, guaranteeing transparency about risk, financial return, and the overall impact of climate projects to attract and keep investors.
- **The urban context is generally missing or underexploited in NDCs.** The relevance of urban climate action is unquestionable. With more than 50% of the world's population living in urban areas, cities play a leading role in emission reduction and resilience. Despite this, only a quarter of NDCs ([24% of NDCs](#)) have a strong urban content; less than a half of them identify climate hazards at the urban context.
- **Countries should better communicate about their NDCs to engage their citizens.** It is only when there is an understanding of what NDCs are about that civil society actors can become change agents and use their leadership (through individual and collective action) to engage in NDC implementation.
- **Sharing data used for NDC support is essential.** Without exception, partners supporting NDC updates should make data available to the governments they support. Otherwise, unclear NDC development and updates can limit innovation, replicate traditional models, and lead to unrealistic or unsubstantiated targets.

NDC success factors: Enhancing the quality and implementation of NDCs

- **The quality of NDCs is as important as the targets they include.** A good NDC aligns national, sectoral, and local strategies at an overarching level and breaks them down into specific activities. Making them realistic and transparent, as well as fostering ownership by different stakeholders has proven to be critical for achieving better NDCs.
- **Adopting participatory and inclusive approaches in the NDC process can improve the way NDCs are drafted and implemented.** Especially those who are at

the forefront of climate change impacts (such as Indigenous peoples, women, and youth) must be part of the NDC process. **Bottom-up approaches** (such as public consultation) should be prioritised by national governments (via concrete resources dedicated to inclusion efforts), to validate how realistic the opportunities and barriers for implementation are for society and to raise awareness about NDCs and the role of local stakeholders in climate action.

- **Finding the right balance between private and public participation in the NDC process is key.** NDCs are documents that provide a country vision, but local financial institutions and businesses are often excluded in the design and implementation processes. Therefore, matchmaking and advocacy efforts are needed to influence private sector investment and to better align it to public sector funding. Trust among public and private stakeholders can be achieved through plannable, understandable, and measurable interactions and projects.
- **Strong political leadership is key to bringing everyone onboard for NDC design and implementation.** A clear, reliable, and forward-looking political framework is a way to ensure the global, social, and ecological transformation. Policymakers worldwide must increasingly accept their responsibility to shape, change, and enable implementation, going beyond political cycles. Public administrations should encourage and facilitate spaces for sharing innovations, mutual inspiration, and presenting actual solutions—which often do not effectively reach the stakeholders that need them.
- **The more realistic NDC implementation is, the more buy in. The more we implement, the more we can raise ambition.** Only when NDC implementation plans materialise and are tracked can relevant stakeholders and the international climate community know what works well and, consequently, tackle what hinders effective climate action in their own contexts.
- **As public finance is limited, it is crucial to make sure that it effectively contributes to de-risking and redistributing risk** of private sector investment. Innovative finance instruments, such as blended finance, can support in aggregating finance, reducing risks, and creating investable projects that contribute to NDC implementation.

The information expressed in this document does not necessarily reflect the official position of the Global NDC Conference 2023 organisers and partners. Rather, the document highlights key messages coming from a vibrant network of climate experts and practitioners.

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