

# Accelerating the Transition to a Net-Zero Nature-Positive Economy in Mauritius' (NZNPA) Project

-

Inception Workshop  
Zumar Bundhoo & Sanju  
Deenapanray

GEF & World Bank Group, Revised Net-Zero Nature-Positive Accelerator Integrated Programme, GEF/R.08/23, February 28, 2022

# Objectives of the Inception Workshop

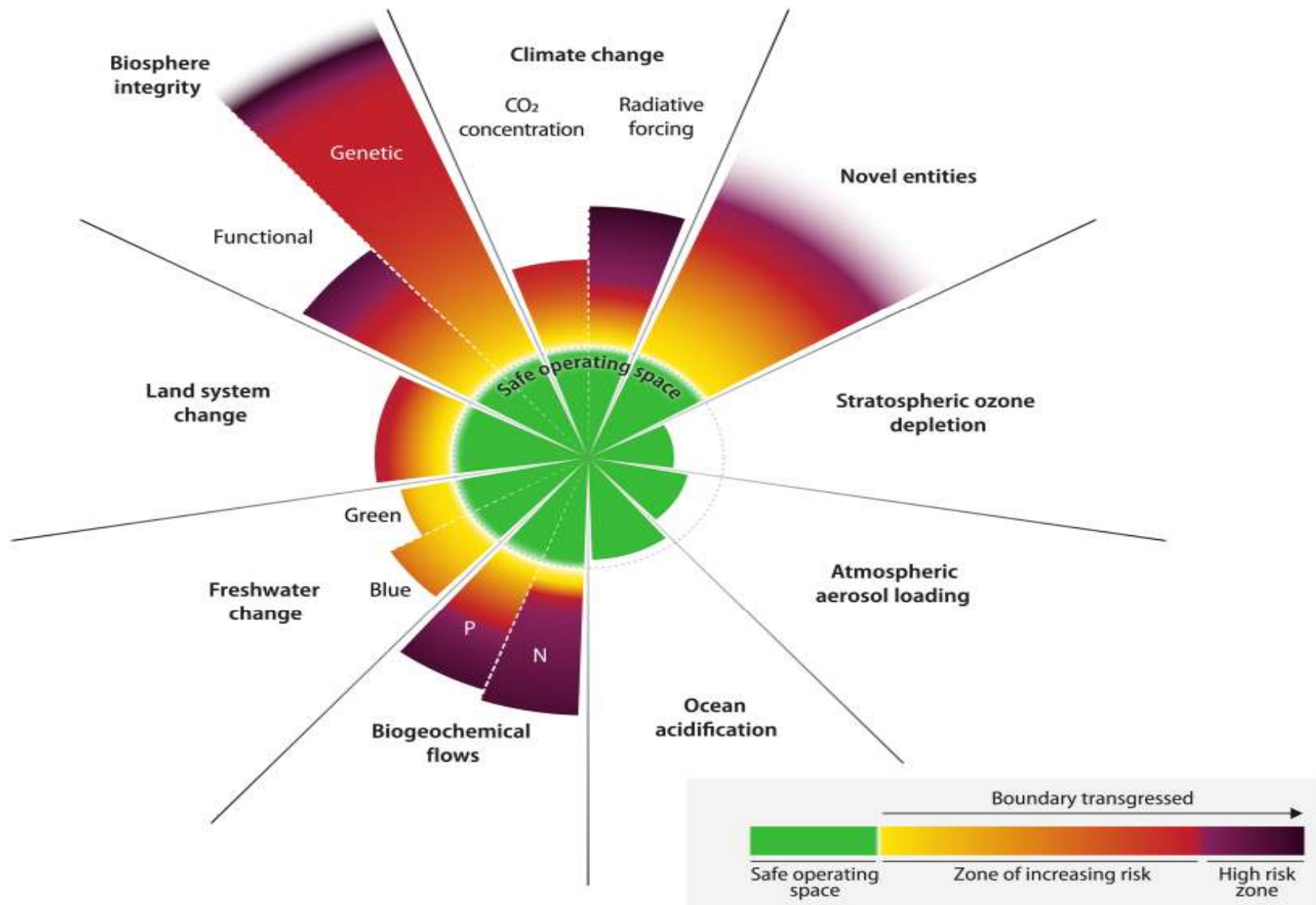
- Introduce key concepts related to the GEF and the NZNP Integrated Programme
- Overview of tasks to be completed between now and June 2024
- Important features of GEF project design, formulation and implementation are: **Inclusiveness & Country Ownership**
  - *Relates to group exercises to be completed as inputs in the project design*

# Global Environment Facility

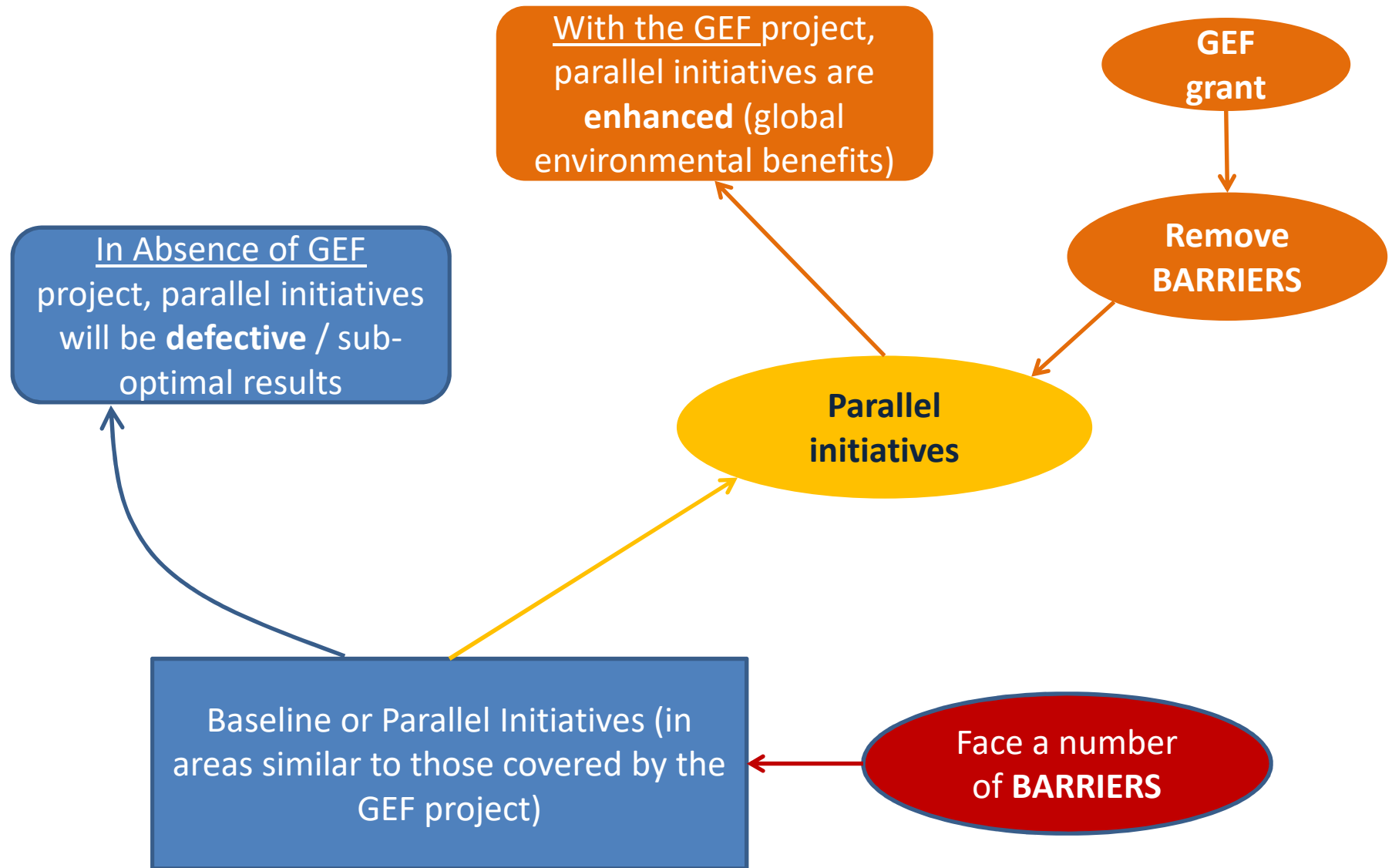
---

- Established on the eve of the 1992 Rio Earth Summit to help tackle our planet's most pressing environmental problems
- Deals with the three Rio Conventions: UNFCCC, CBD and UNCCD
- GEF Trust Fund is a multilateral funding mechanism for transferring finance from developed to developing countries (Capacity Building, Technology Transfer and Finance)
- Each developing Party gets an allocation (STAR) of funding over 4-year cycles (now eighth cycle)
- Increasingly favouring Integrated Approaches (since all the global environmental problems are interlinked)

# Global state of our Planet



# Barriers & GEF Incremental Logic / Reasoning



# Objective & Scope

- The **overarching objective** of the NZNP Accelerator IP is to accelerate implementation of nature positive, net-zero pathways by investing in nature and new technologies
- **Actions supported** by this IP will include (i) investments in new technologies for sectors like energy and transportation, (ii) investments in land use and conservation actions and (iii) investments in nature-based solutions across all sectors.

Integration of the climate and nature agendas at the national and global level



Multiple global environmental benefits

**national** ➔ holistic and cross-sectoral (*multi-stakeholder engagement*)

# Biodiversity-Climate Nexus

- Global biodiversity loss and climate change are inextricably linked
- Land, forests and wetlands currently account for about a quarter of global carbon emissions
- Terrestrial ecosystems currently mitigate around 30% of all anthropogenic emissions (~half of this capacity lost by 2040 under BAU)
- Nature-based solutions can increase terrestrial C stocks (mitigation) and increase resilience (adaptation) in the face of climate change and climate variability
- Nature provides numerous ecosystem services that support socio-economic activities and contribute to human wellbeing

# Project preparation – the process

**Project Concept (PIF)  
Approval by GEF  
Secretariat**

**GENERAL CHILD PROJECT INFORMATION**

UNEP Project Title:	Accelerating the Transition to a Green, Inclusive and Resilient Economy in Barbados
Country/Region:	Barbados
GEF Agency:	USAID
Anticipated Executing Contract and Type:	Ministry of Industrial Development, S&M and Construction
GEF Team Lead:	World Food Prize
Type of Trust Fund:	GEF Trust Fund
GEF Trust Project Name:	USAID 2024-2028
Agency Priority Interest #:	USA 2024-2028
Total GEF Financing (USD \$):	USD 2,500,000
GEF Agency Interest #:	USA 2024-2028
Project Title for ESM (if any):	None
Program:	Low-Carbon Transition

**Project  
Preparation &  
Endorsement**

**REQUEST FOR CEO ENDORSEMENT**

Project Title: Accelerating the Transition to a Green, Inclusive and Resilient Economy in Barbados

Country: Barbados

GEF Agency: USAID

Project Title: USAID 2024-2028

Project Type: Trust Fund

Project Start Date: 2024

Project End Date: 2028

Project Budget: USD 2,500,000

Project Lead: World Food Prize

Project Sponsor: USAID

Project Description: Accelerating the Transition to a Green, Inclusive and Resilient Economy in Barbados

Project Objectives: Accelerating the Transition to a Green, Inclusive and Resilient Economy in Barbados

Project Risks: Accelerating the Transition to a Green, Inclusive and Resilient Economy in Barbados

Project Benefits: Accelerating the Transition to a Green, Inclusive and Resilient Economy in Barbados

**Project  
Implementation**

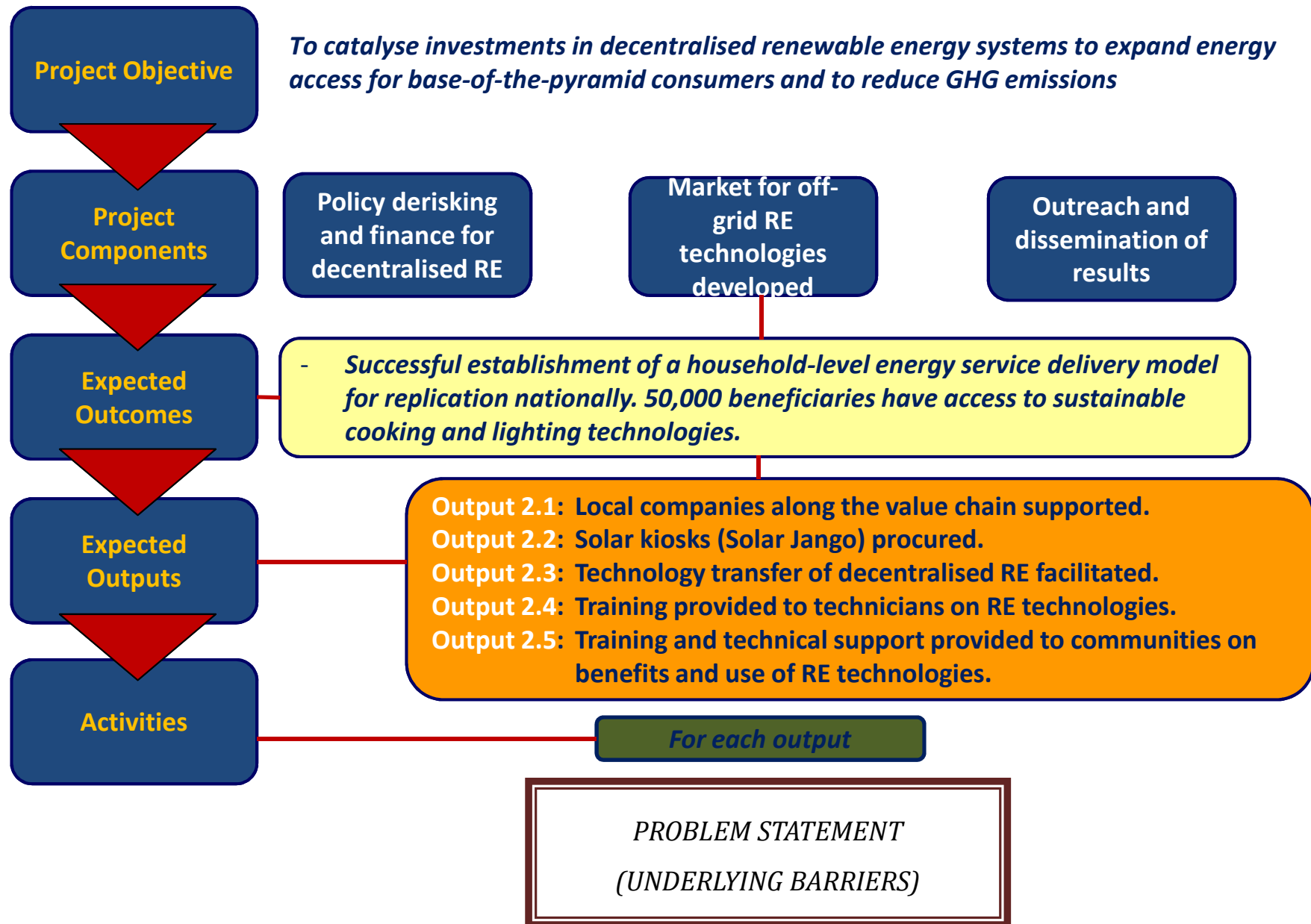


**NOW**

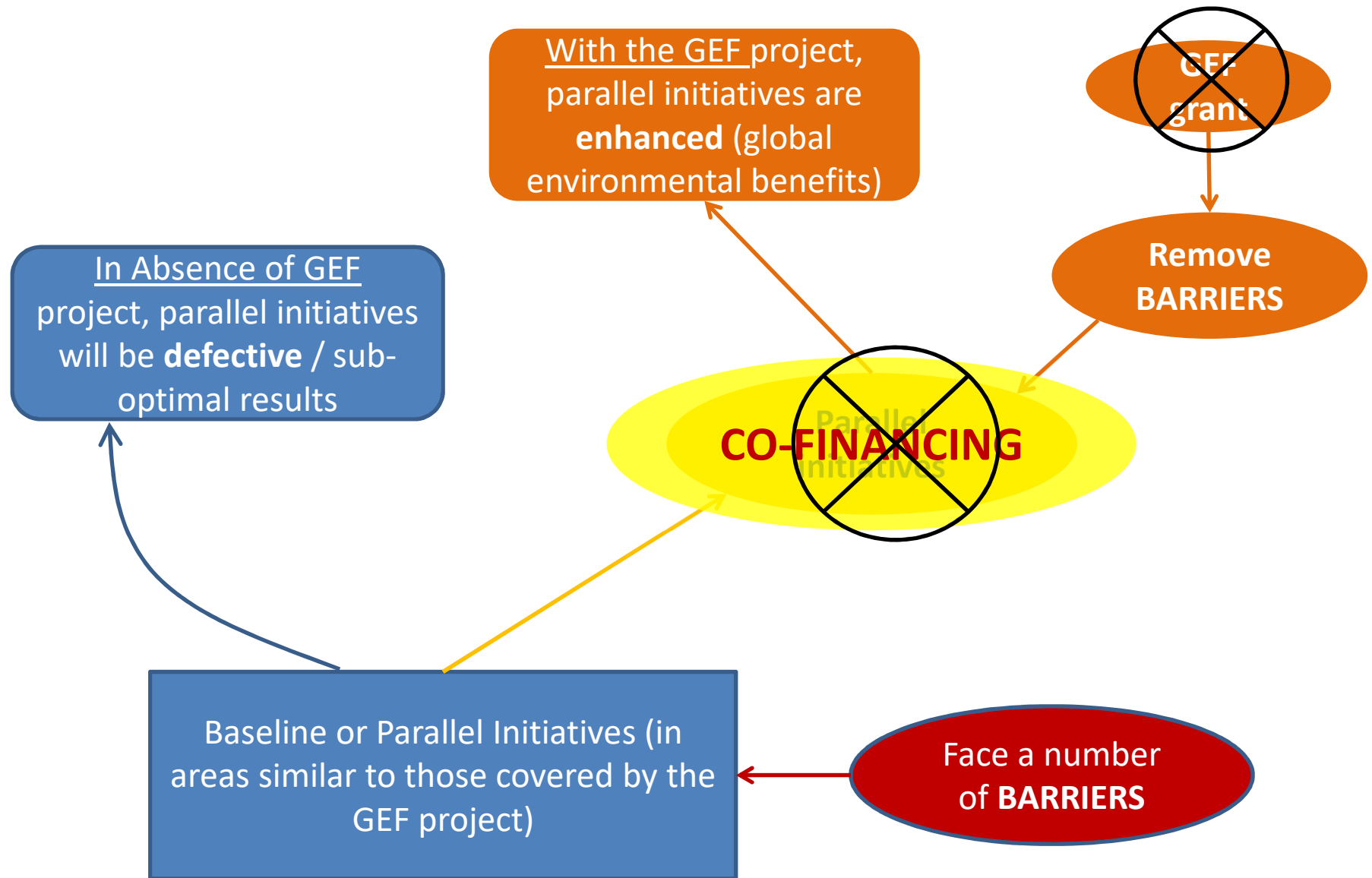
**2024-2028**



# Structure of a typical project (e.g. Angola GEFID 9810)

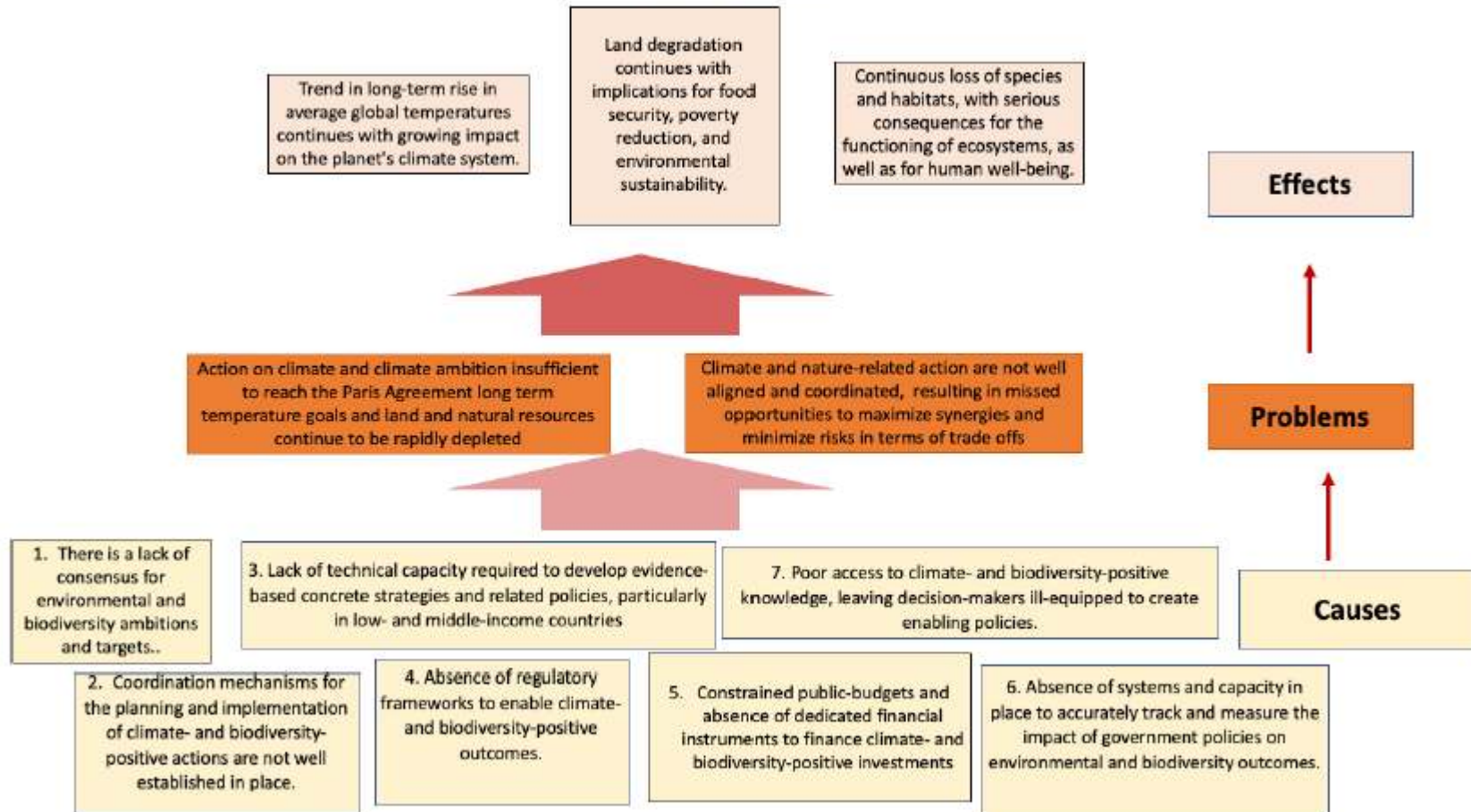


# Barriers & GEF Incremental Logic / Reasoning



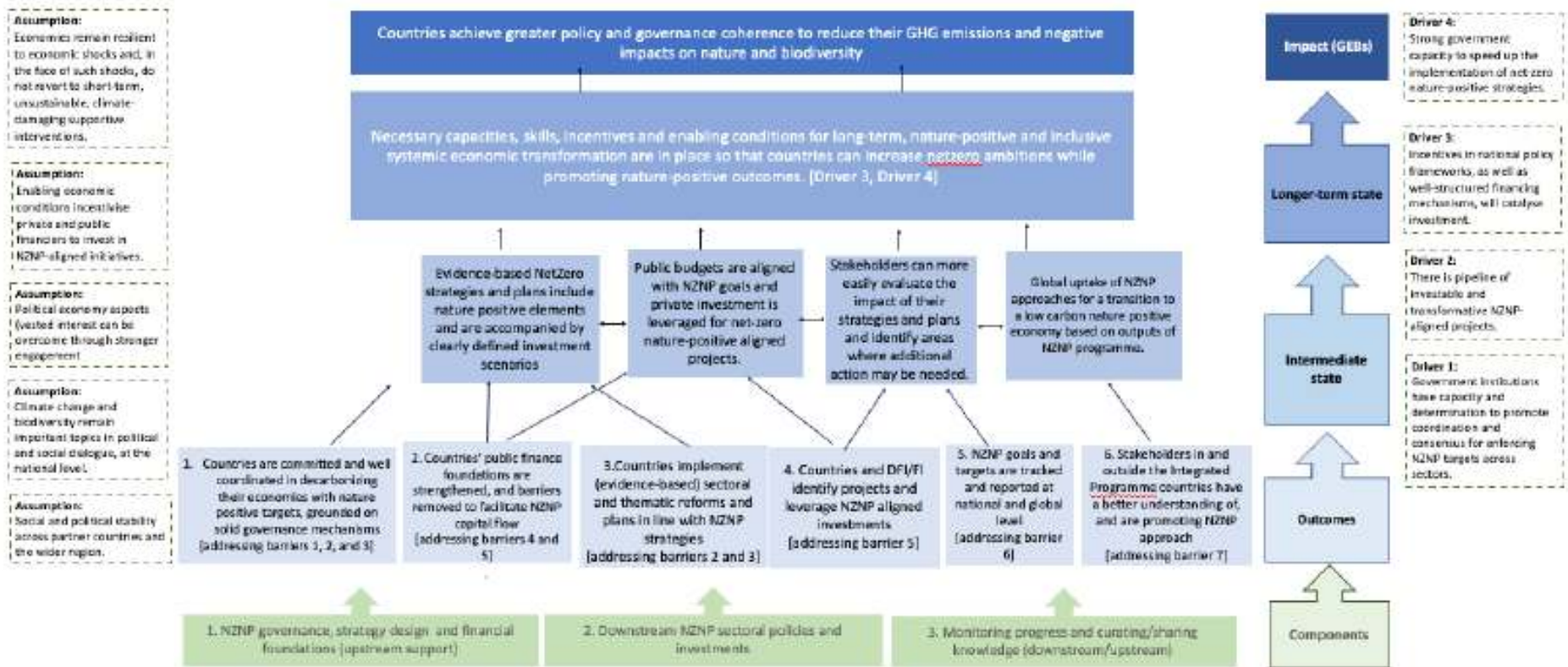
# Theory of Change (NZNPA Global Program)

Figure 1: Problem tree



# Theory of Change (NZNPA Global Program)

Figure 2: Theory of Change

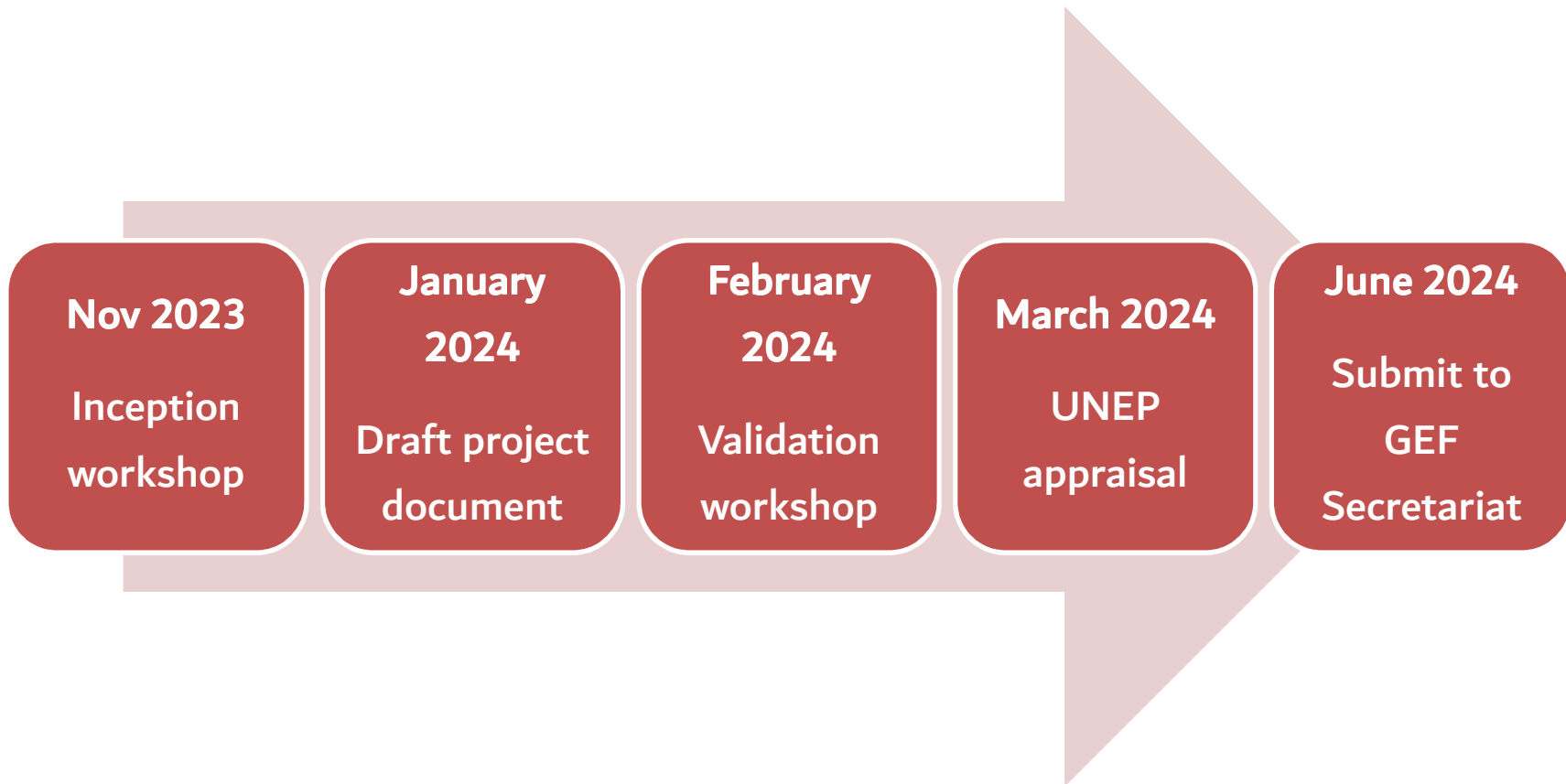


# Main tasks to be completed

1. Project design (detailing Theory of Change, overall objective, components, outcomes, outputs and activities + Results Framework + Budget, Risk Register)
2. To answer these questions, need to carry out baseline assessments using a multi-stakeholder engagement process (e.g. barriers analysis, parallel initiatives, co-financing)
3. Project has to be Stakeholder Inclusive (Stakeholder Engagement Plan) & Gender Sensitive (Gender Analysis)
4. Carry out Social and Environment Screening of project activities
5. Calculate greenhouse gas (GHG) emission reductions (and other Core Indicators)
6. Project Management arrangements

# Project preparation timeline

---



**Systemic challenges / barriers  
&  
Proposed project design  
(for group work discussion)**

# Systemic challenges & barriers (1/2)

## Barriers at the country level:

1. The existing inter-ministerial Climate Change Committee needs to be strengthened to incorporate NZNP agenda
2. The country's existing plans highlight need to build technical capabilities (planning/modelling) to sustain low-carbon growth pathway
3. The country requires significant amount of finance, innovative financing mechanisms and structural measures to enable uptake of NZ strategies
4. While a 2050 Long Term Strategy (LTS)<sup>2</sup> document is currently being prepared with a focus on climate change mitigation in the transport and energy sectors, the country will need an economy-wide plan to set net-zero targets across all sectors, also integrating nature-positive aspects to avoid negative externalities on the environment and biodiversity.
5. The country's existing MRV system lacks data granularity to provide nuanced analysis; data collection is only done on an ad-hoc basis. MRV systems would need to be centralized, harmonized, and data collection should follow a systematic approach
6. Knowledge management activities and products on NZNP are lacking. Some attempts were made by business associations to create awareness, but actions are still few and suffer from lack of repositories



# Systemic challenges & barriers (2/2)

## **Barriers at the manufacturing sector level:**

1. The sector is traditionally averse to change and unaware of the benefits associated with green technologies and practices (renewable energy, energy efficiency, circularity, etc.)
2. The sector suffers from a lack of financial resources to carry out energy and material audits, to inform corrective actions
3. The technical expertise and capacities to design and implement renewable energy or energy efficiency measures are low
4. There is a lack of structured financial mechanisms adapted to the sector to unlock investment in green / decarbonized technologies and practices which are nature positive
5. The sector suffers from a low uptake of circularity and nature-positive practices due to lack of awareness, technical expertise, institutional support and incentives

# Upstream & Downstream Components

- **Upstream component:** One such component for the provision of support for inter-sectorial, ministerial coordination for the development of NZNP long-term strategies, and activities needed to translate long-term strategies into enforceable domestic policies
- **Downstream component:** One or more such component mainly for (i) investments in NZNP-aligned projects; and (ii) MRV system for enhanced accountability and transparency in actions

# Proposed project design (1/4)

## Component 1. Country-wide NZNPA action

### 1. Consensus and capacity building:

- Support the existing inter-ministerial Climate Change Committee's to expand / broaden its scope of interventions to Net-Zero Nature-Positive aspects.
- Development of national capacities among policy and decision-makers through trainings on modelling and policymaking for a NZNP transition, including through the participation in capacity-building activities of the global program

### 2. Modelling:

- Support national policy / decision-makers in undertaking a whole-of-country and multisectoral modelling exercise to quantify environmental and socio-economic benefits of achieving a NZNP economy through multiple scenarios, complementing the on-going modelling work being undertaken for the transport and energy sectors as part of the LTS development

# Proposed project design (2/4)

## Component 1. Country-wide NZNPA action

### 3. Planning:

- Building on the LTS, a socially just “National Net-Zero Nature-Positive Plan” (NZNP Plan) setting out the country’s medium to long term strategy will be developed and submitted for endorsement by the government
- Preparation of a “Stakeholder Engagement Plan on NZNP”, which will map the roles / responsibilities of all relevant national actors (i.e. ministries and other governmental institutions, private sector, financial institutions, academia, CSOs, NGOs, etc.), as well as the means of engagement

### 4. Tracking (Monitoring, Reporting and Verification):

- Strengthening / expanding its existing Monitoring, Reporting & Verifications (MRV) system for tracking and evaluating the implementation progress of the NZNP Plan
- Improving the Knowledge Management practices to ensure that knowledge products / best practices / lessons learned are centralised, accessible and disseminated to key national stakeholders and shared with the global program

# Proposed project design (3/4)

## Component 2. Manufacturing sector NZNPA enabling environment and investments

### 1. Planning:

- In partnership with the government, the private sector and financial institutions, the project will support the development of a “Decarbonization Strategy and Investment Plan” targeting the manufacturing sector, which is nature positive and socially-just

### 2. Derisking investments (financial and policy derisking):

- Support the Central Electricity Board (CEB) and the Industrial Finance Corporation of Mauritius (IFCM) in setting up a “Green Manufacturing Scheme” financial mechanism. The financing scheme will take into account NZNP criteria in the selection process to decide on the attribution of funding for project proposals submitted by applicants from the manufacturing sector
- Build capacity of stakeholders from the manufacturing sectors through trainings, to enhance their skills in the preparation of RE / EE / circularity projects that are nature positive and socially just

# Proposed project design (4/4)

## Component 2. Manufacturing sector NZNPA enabling environment and investments

### 3. Project pipeline & investments:

- Conduct energy and material audits in a sample of Large Enterprises (LE), Mid-Market Enterprises (MME), Small and Medium Enterprises (SME) from the manufacturing sector, leading to recommendations on pipelines of RE / EE / circularity projects
- Support private actors from the manufacturing sector to design and implement RE / EE / circularity projects which include nature-positive solutions (for example avoided land conversion practices, such as agri-voltaic, alternative materials for solar PV , floating solar PV, etc.), co-financed through the “Green Manufacturing Scheme”
- Work in coordination with the National Environment and Climate Change Fund of Mauritius to promote improved land management practices and/or land restoration in the targeted sites

**END**

# Adaptive Management:

## Adjusting the Results Framework / LogFrame



Permitted  
changes

Remove/add/  
revise Outcome-  
level indicators

Output-level  
indicators,  
targets, etc.

Corrections of  
baseline errors

Cannot  
change\*

**Downgrading  
planned results  
is  
NOT permitted**

Objective and  
Outcomes

Objective-level  
indicators

Major changes to  
any target

\*These changes are technically possible with  
GEF Secretariat approval,  
although this should be avoided.



# *Build Back Greener*

- Post-COVID recovery: *decarbonization of economies while protecting nature and reducing pollution offer significant opportunities for shaping healthy environments and can contribute substantially to the post-pandemic economic recovery, including by supporting the alignment of domestic stimulus packages and international climate finance flows to the principles*
- Short-term: focus on job creation and economic recovery
- Long-term: proper consideration of future climate change and transition risks (e.g. ‘aiming at carbon neutrality by 2070’ – Environment Master Plan 2020-2030 for the Republic of Mauritius)

# Specific Objectives (based on country context)

- i. Support the adoption of net-zero strategies and policies that incorporate biodiversity conservation and land degradation neutrality as integral components, taking an integrated whole-of-government approach
- ii. Contribute to the effective integration of the climate and nature agendas at the national and global level
- iii. Invest in NZNP-aligned pipelines of projects that generate multiple global environmental benefits
- iv. Support the development of robust data systems to monitor progress towards NZNP targets

# Upstream & Downstream Components

- **Upstream component:** One such component for the provision of support for inter-sectorial, ministerial coordination for the development of NZNP long-term strategies, and activities needed to translate long-term strategies into enforceable domestic policies
- **Downstream component:** One or more such component mainly for (i) investments in NZNP-aligned projects; and (ii) MRV system for enhanced accountability and transparency in actions

# Priority areas for investments

1. Nature-based solutions: Support innovative interventions that encourage investments at scale to cost-effectively enhance natural carbon sinks, carbon stocks and their resilience in forests, productive landscapes, wetlands and coastal ecosystems
2. Agriculture and food: Support the alignment of the agricultural and food production sectors with the net-zero goals
3. Energy systems: Support pipeline interventions in the context of the energy sector net-zero plan, which may include integrated resource planning analyses to realign the sector with net-zero targets and incorporate climate resilience considerations (i.e. integrated techno-ecological solutions)
4. Built environments: Support the development of standards and protocols to incentivize the development of zero-emission infrastructure in the context of urban development
5. Industry and manufacturing: Support interventions in the industry sector to support clean manufacturing of heavy and light commodities, shifting processes towards electricity/green hydrogen, substitution of zero carbon-intensive products, and incorporating a circular economy approach
6. Mobility: support the development and implementation of integrated zero-carbon mobility plans at national and local level, which may include comprehensive avoid/reduce, shift and improve approaches

# Global Environment Facility

---



- Established on the eve of the 1992 Rio Earth Summit to help tackle our planet's most pressing environmental problems

## *Key principles of the GEF*

- **National ownership:** The project must be driven by the country (rather than by an external partner) and be consistent with national priorities
- **Public participation:** The project must involve the public in project design and implementation