



# Strengthening global climate action

How the International Climate Initiative  
supports its partner countries



FOR THE PLANET

According to the terms of the Paris Agreement, states have undertaken to update and improve their Nationally Determined Contributions (NDCs) every five years. They are to increase their ambitions in climate change mitigation and adaptation to the impacts of climate change with each five-year NDC cycle, as the NDCs so far are not sufficient to limit the global temperature rise to significantly below two degrees Celsius, preferably to 1.5 degrees Celsius compared with the pre-industrial level. With the current NDCs, we are heading towards a global warming of about 2.4 degrees Celsius.

New NDCs for the period from 2030 to 2035 must be submitted to the UNFCCC by 2025 and should include the results of the first Global Stocktake (GST) in 2023. Nations are also invited to present Long-term Strategies (LTS) on a voluntary basis.

## Policy advice, capacity development, innovative financial instruments

The International Climate Initiative (IKI) is an integral part of the international climate finance commitments of the German government. Within its scope as a funding programme, partner countries are supported in further development and implementation of NDCs. This applies to both the mitigation targets and the adaptation components of the NDCs. The IKI pursues an integrative approach that takes

into consideration the wide range of interactions and potential synergies between climate and biodiversity objectives. The IKI focuses its funding activities on its 14 [priority countries](#).

Many IKI projects also focus on the promotion of [innovative financial instruments](#) (e.g. structured funds, performance-based incentives, hedging of fluctuations in exchange rates). This aims to set or strengthen incentives in order to mobilise public and in particular, private financial flows and direct them into investments for the implementation of the NDCs.

The IKI is also active in several global initiatives aiming towards NDC implementation and ambition raising, for example the NDC Partnership.

## NDC Partnership

The [NDC Partnership](#) was founded in 2016 at the 22nd Climate Change Conference in Marrakesh (COP22). It now unites more than 200 members (states as well as international, governmental and non-governmental organisations) and promotes the implementation and ambition raising of NDCs in partner countries. To date, the IKI has provided more than EUR 400 million as part of the NDC partnership through direct contributions to initiatives and country enquiries.

In 2022, the NDC Partnership launched an initiative to develop and update LTS and to raise ambition for NDCs ([Thematic Call on LT-LEDS and NDC Alignment, Update, and Enhancement](#)). The objective is to provide member states with targeted support in the revision and implementation of LTS, in updating the NDCs to be submitted in 2025 and in harmonising both instruments.

Another ongoing initiative of the NDC partnership addresses central banks in the member countries (Readiness Support for Greening Central Banks). It provides technical support for handling and integrating climate-related risks in the financial sector and for mobilising investments for the implementation of NDCs.

In some cases, essential support requirements of partner countries cannot be covered directly by the members of the NDC partnership. The NDCs [Partnership Action Fund](#) (PAF) then comes into play. This was established in 2021 and is funded by the IKI and other donors.

### NDC implementation through sectoral decarbonisation

There is great mitigation potential in developing and emerging countries in the energy, industry and transport sectors. The IKI promotes their decarbonisation through projects in the areas of energy supply, consumption and production, mobility and urban development, among others. The IKI specifically supports these areas and contributes to the implementation of the NDCs in its partner countries by using instruments such as the [Mitigation Action Facility](#).

### Transparency as the backbone for ambitious climate action

Transparency is a vital factor for ambitious climate action. The Enhanced Transparency Framework (ETF) was therefore developed within the framework of the Paris Agreement. The ETF sets standards for reporting on greenhouse gas emissions and progress in implementing and achieving the objectives defined in the NDCs, amongst other topics.

Reporting in compliance with the ETF specifications is an important element for the comparability of the NDCs, since it forms the basis of the Global Stocktake, through which countries can demonstrate their own progress and identify opportunities for raising their ambitions.

The IKI also supports partner countries in establishing and further developing national transparency systems. It also strengthens the institutional, technical and financial competences and resources of national institutions in fulfilling ETF requirements. In this context, the IKI supports the [Partnership on Transparency in the Paris Agreement](#) (PATPA), which offers individual countries ad hoc support in the development of their transparency systems through its Climate Helpdesk.

In addition, in cooperation with the [Initiative for Climate Action Transparency](#) (ICAT), the IKI provides tailored support and practical tools (e.g. GHG Abatement Cost Model (GACMO) and Climate action Outcomes and Mitigation Policy Assessment (COMPASS)) to build robust transparency systems needed for effective climate action, in line with national development priorities.

#### UNDP Climate Promise

IKI-funding: EUR 20,000,000.00

Duration: 01/2022 to 12/2026

>> [IKI project page](#)

#### Support Project for the Implementation of the Paris Agreement (SPA)

IKI-funding: EUR 47,250,000.00

Duration: 07/2016 to 12/2025

>> [IKI project page](#)

#### 2050 is now: Aligning climate action with long-term climate and development

IKI-funding: EUR 19,187,378.00


Duration: 06/2023 to 05/2027

>> [IKI project page](#)

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