



Food and Agriculture  
Organization of the  
United Nations

# Mobilising finance for agri sector priorities for NAP implementation

1<sup>st</sup> July 2021

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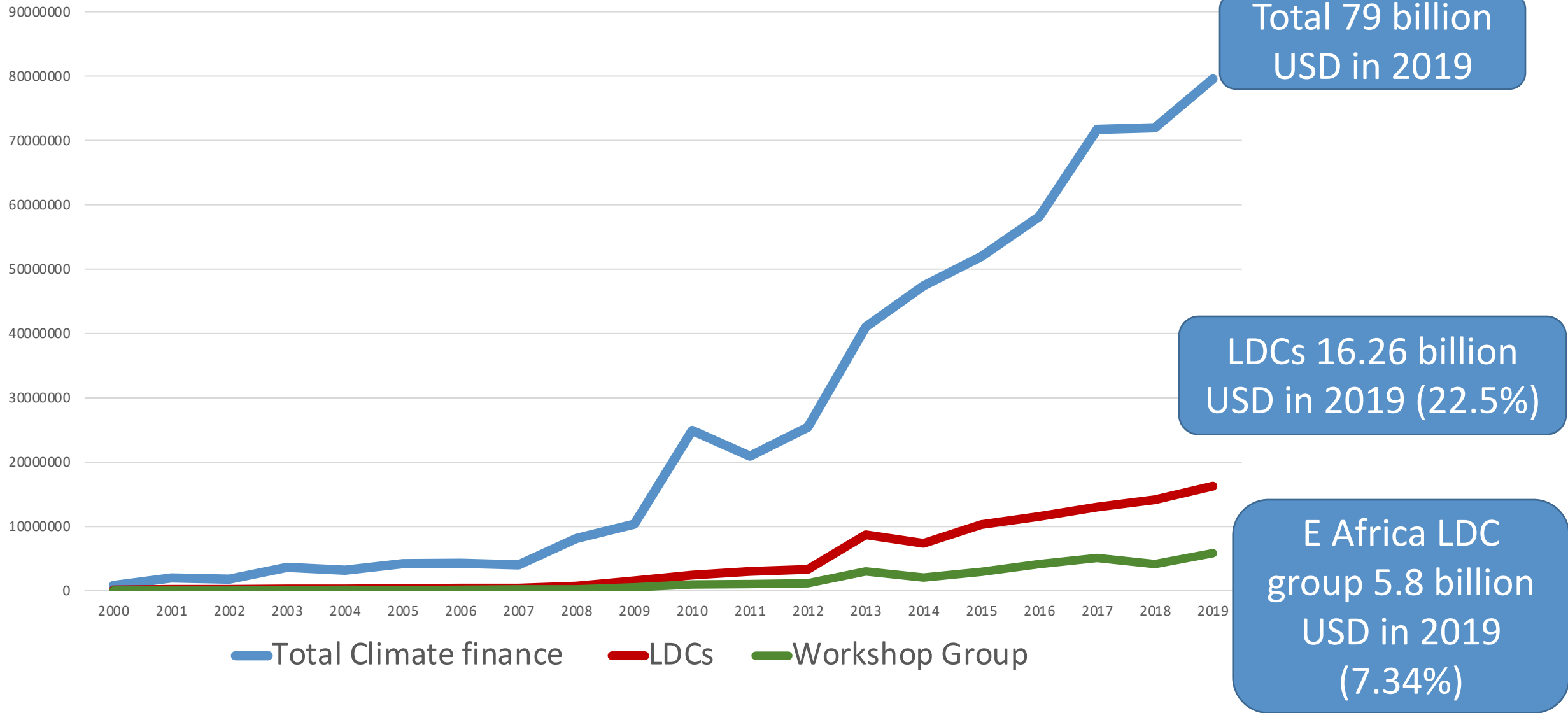
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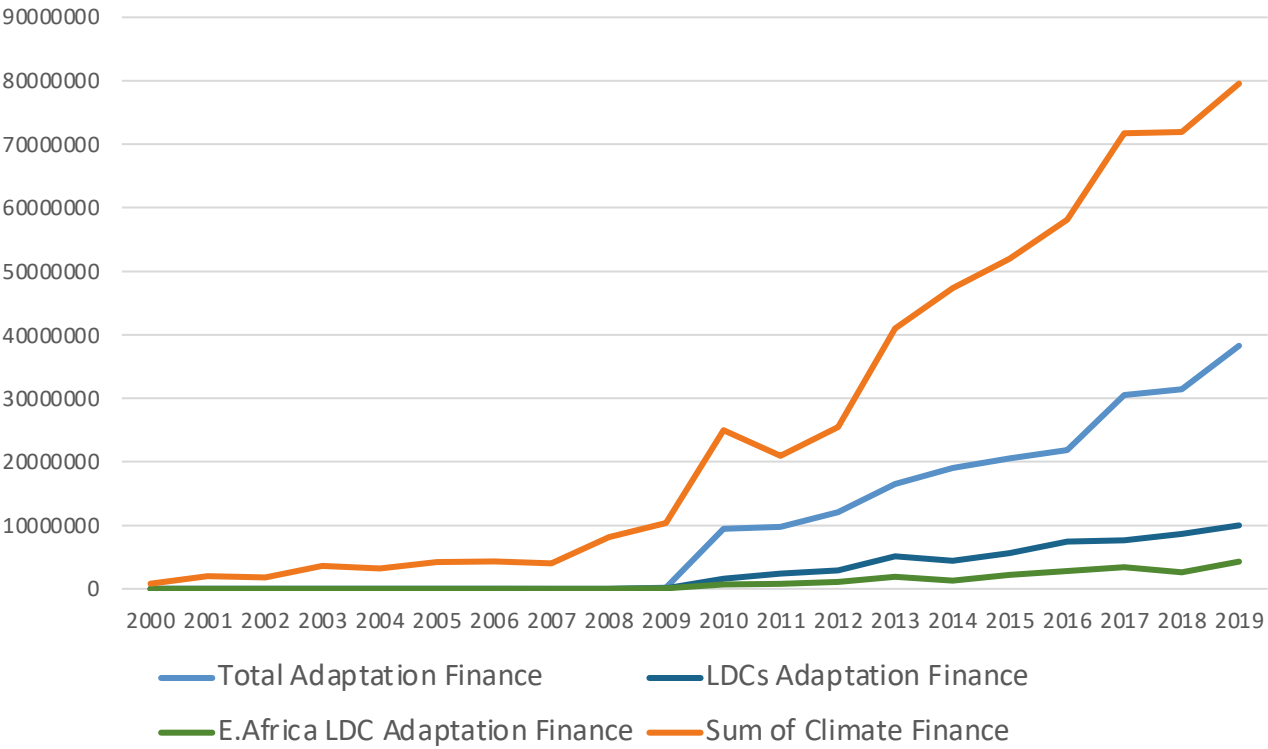
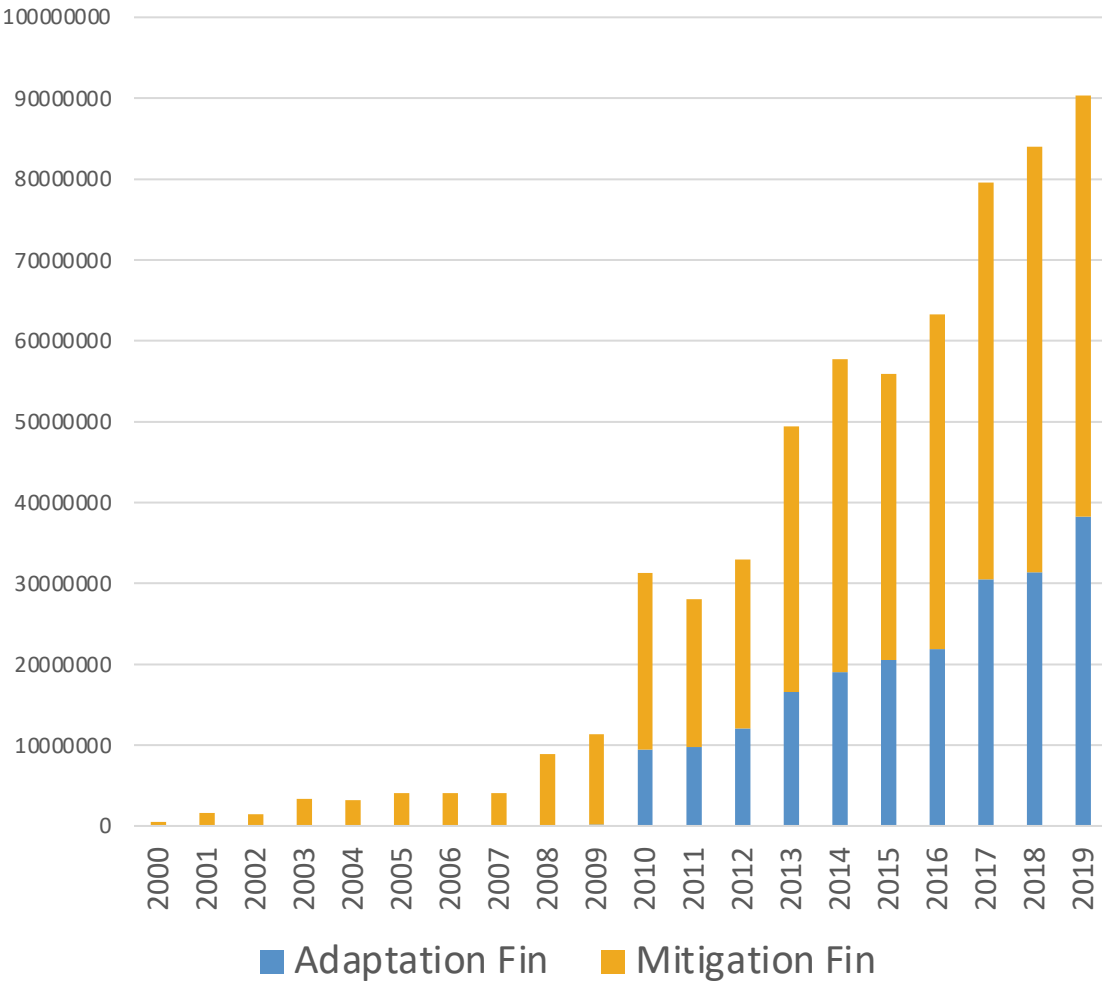
## Financing NAPs- What is the need?

- **Significant financing is needed** to implement the country's adaptation needs and priorities spelled out in NAPs.
- Under NAPs- finance is needed to cover both **operating costs** and **investment costs** (IISD)
- **Annual costs of adaptation** in developing countries could range rise from US\$280 billion to US\$500 billion by 2050 (adaptation gap report).
- **Adaptation seem expensive** but outweigh costs.
- **Agri sector a major priority** within most NAPs and NDCs has had limited success in mobilising finance at the scale needed. (24-26%)
- **Least Developed countries** most vulnerable to climate change are also catching up (22%) but still have some ways to go.

## Climate finance flowing between 2000-2019 (OECD database)- in USD 1000

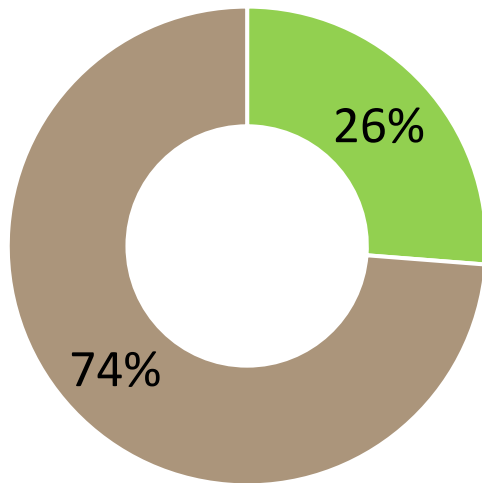


# Adaptation finance

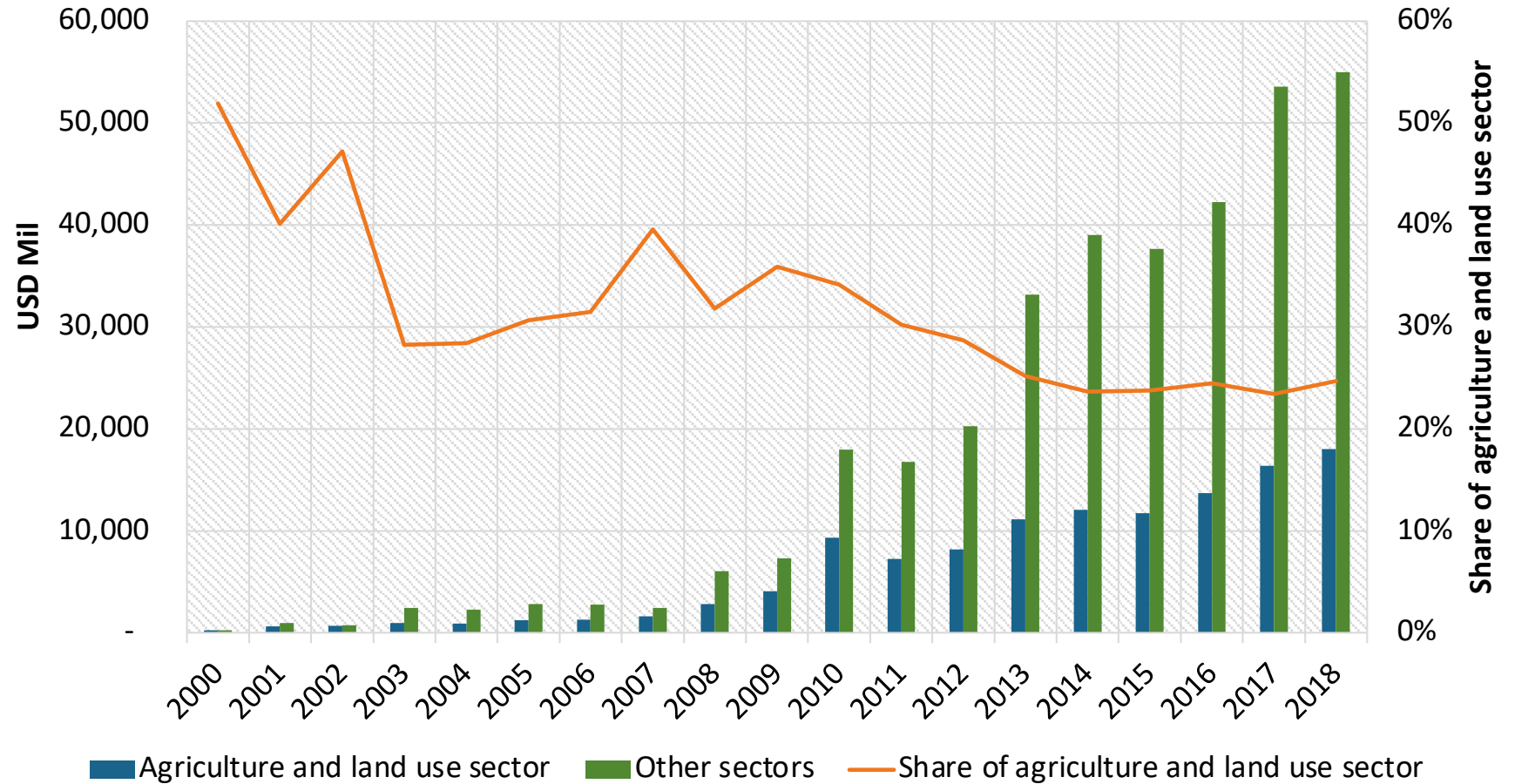


# Agriculture is a sectoral priority in all NDCs and NAPs

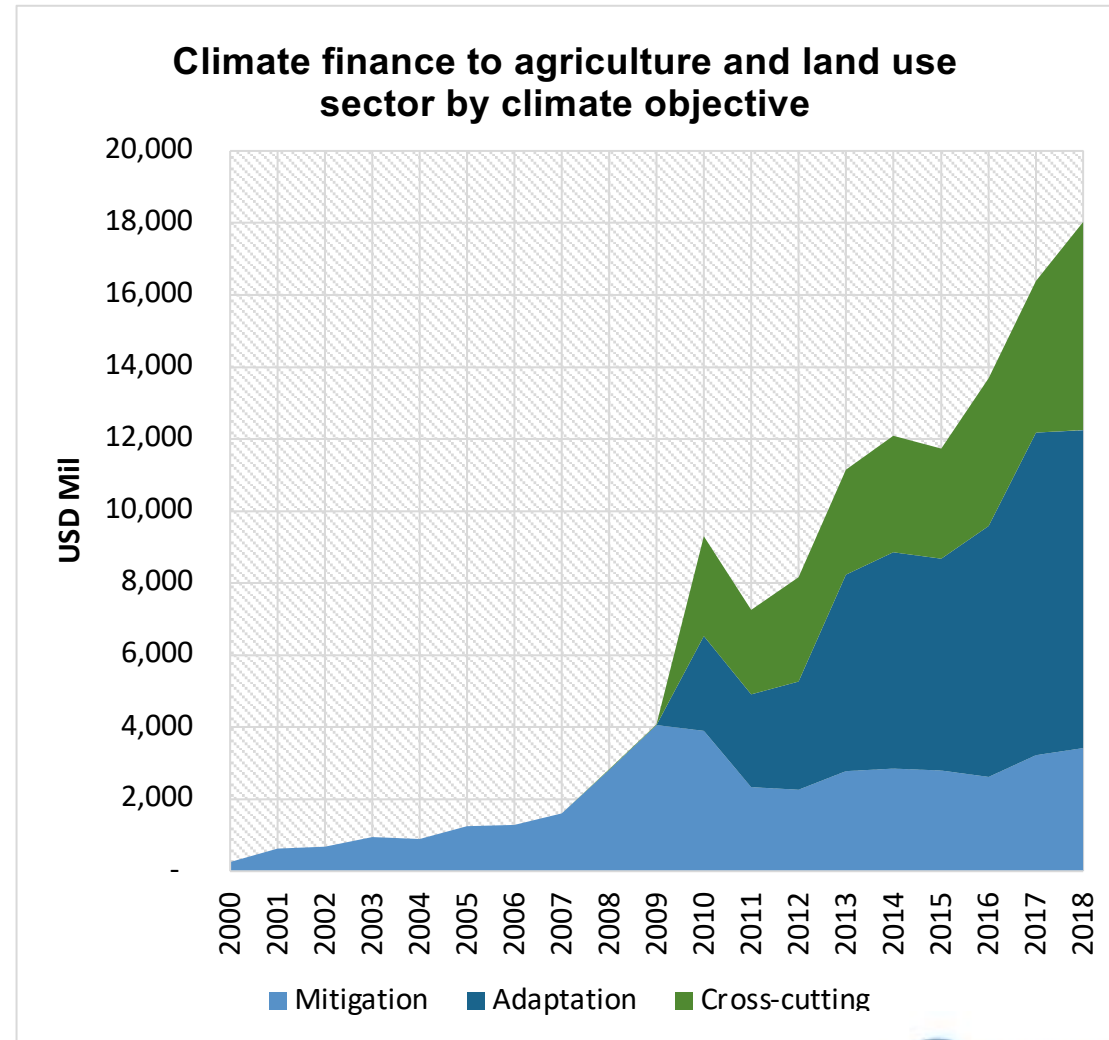
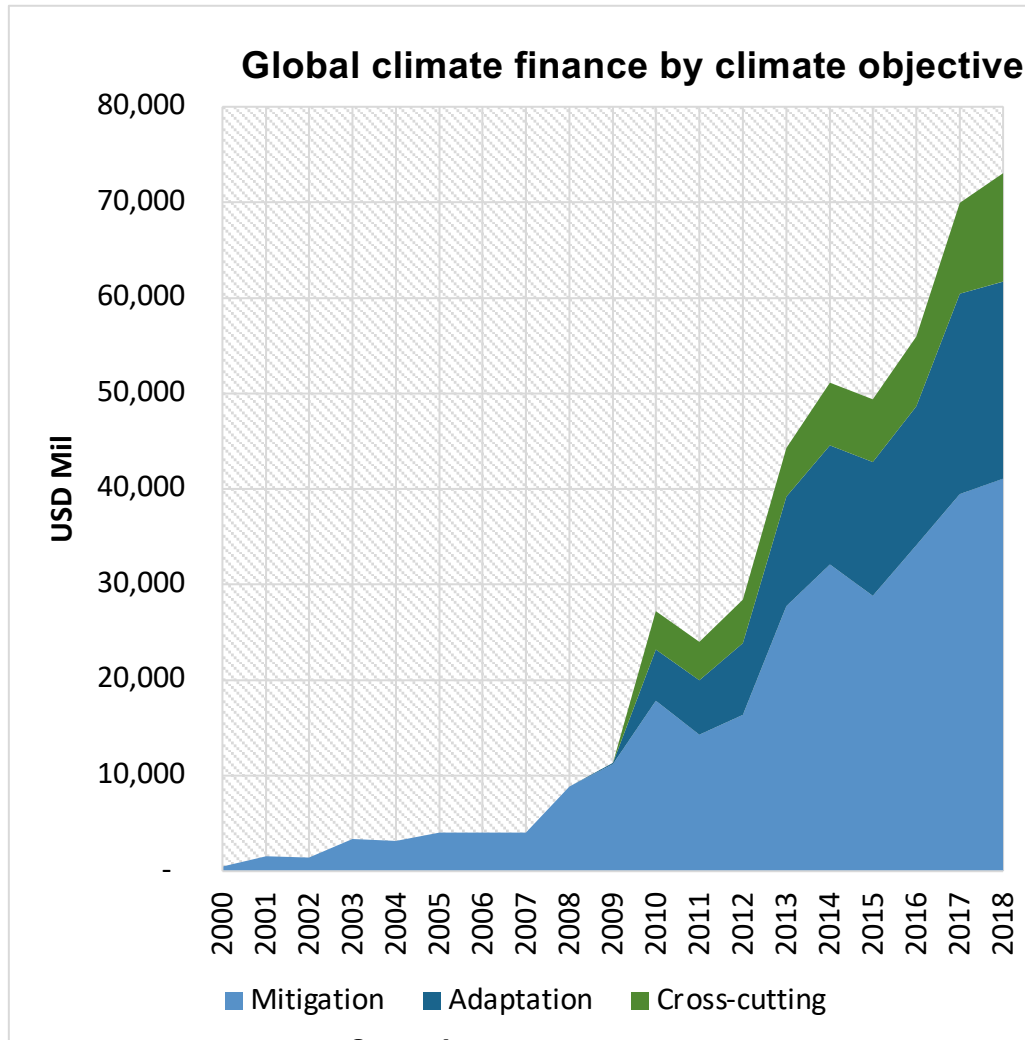
Share of agriculture and land use sector in climate finance flows to all sectors



## Allocation of climate finance to agriculture and land use sector



# Global level – the importance of sectoral analysis



FAO, 2021 - forthcoming

[Click to edit meeting date, place and date](#)

### Demand side barriers

- Limited capacities to identify climate risk informed solutions and mobilise finance
- Insufficient pipeline of projects.

### Supply side barriers

- Financial instruments seek viability
- Design criteria and risk appetite of funds
- Inadequate long term patient investments
- Adaptation investments in low income countries can be considered transaction heavy.

## How can finance be mobilised

- **Develop robust NAP investment plans** that provide concrete climate risk informed investable opportunities.
- **Developing a financing strategy:** and clearly identify/match the right actor for different types of adaptation priorities. These can be
  - Domestic sources
  - Climate funds
  - Private sector
  - MDBs
- **Integrate NAP prioritised climate solutions** early on in budgetary processes
- **Develop investable concept plans** and projects in collaboration with relevant partners.
- **Set foundations for engaging the private sector** by using de-risking support.
- Demonstrate a robust monitoring and evaluation system to give confidence to investors



Thank you  
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