

Climate Recon 2050 – T20 Indonesia

Experience with long-term strategies around the world

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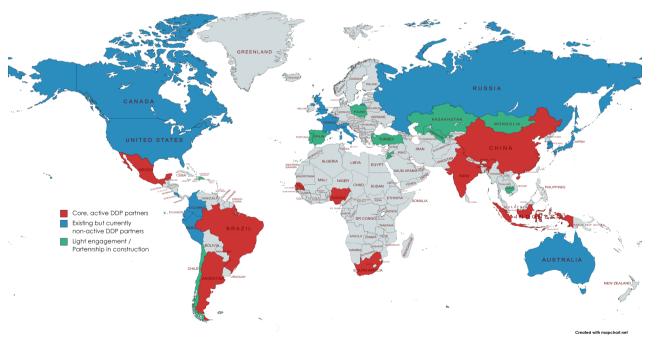
DDP National Engagements Lead, IDDRI

7th July 2022



DDP: A network of in-country teams

- To structure national conversations with decisionmakers and stakeholders on options, choices and risks to transform economies towards carbon neutrality and fulfilment of development goals
- Based on scientifically robust analysis of pathways
- Led by local experts and research institutions, with access to knowledge sharing and scientific expertise from international community of practice



With support by BMU/IKI, IADB, AFD, ECF, EU DG Clima, H2020, OECD, WB



The domestic benefits of Long-Term Strategies

- Inform short-term decisions that create opportunities and avoid costly lock-ins, given the long-term goals (incl. carbon neutrality)
- The possibility to provide a strategic perspective on national public policy and necessary short-term shifts
- A tool to create and sustain an inclusive dialogue between different domestic stakeholders to build a consensual vision for view of the transition
- Provide sectoral roadmaps and inform economy-wide interplays
- Maximize synergies and limit risks of trade-offs between mitigation and development
- Guide short-term policy packages, investments and actions by various actors to drive physical transformations
- Reveal international cooperation priorities for the country

Source: Study: <u>A country-driven perspective on long-term low-emission development strategies (LT-LEDS)</u>. <u>Implications for a COP26 Decision text or outcome</u>



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Just Energy Transition Partnerships: investment and finance needs

Taxonomies, ESG & Paris-compatible international finance

Conditions to satisfy by strategic international cooperation: ie G7 climate club?



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Elements of a 'good LT-LEDS'

What is a "good" long-term low emission development strategy? Six key features to assess current and future submissions

- 1. Does the LT-LEDS explore the challenges and opportunities of carbon neutrality?
- 2. Does the LT-LEDS explicitly and transparently connect short-term and long-term objectives?
- 3. Has the LT-LEDS been developed in close consultation with domestic stakeholders?
- 4. Does the LT-LEDS support the identification of specific requirements from international cooperation that will enable the country transition?
- 5. Does the LT-LEDS explicitly inform on investment needs?
- 6. Does the LT-LEDS include an explicit provision for future revisions?



In practice: short overview of LTS work

- Most countries that have submitted a LT-LEDS counted on decarbonization pathways that were constructed with models and a participatory and/or consultative process
- Developing countries have been supported by international cooperation to formulate the baseline studies and strategies, through financing and technical assistance
- In-country LTS processes have largely led into the political commitments to national-level carbon neutrality, with support from key domestic stakeholders. They have resulted in the identification of required short-term measures, however, not all processes provided an implementation plan to reach the commitments.



Are LTS effective in shaping domestic policy? The voice of domestic stakeholders

- LTS processes delivered value to all, namely in terms of learning and appropriation of the level of complexity
- Mismatch between the mandate and the country's needs, priorities, and domestic discourse on climate change policy;
- Lack of sectoral appropriation, private sector participation and economic institutions;
- Progress on the integration of the development and climate goals but not translated into a clear productive development vision;
- Methodological gaps to transit from robust modelling toward strategic planning and change management.

Based on a research study conducted via 58 in-depth interviews in collaboration with







Effective LTS practice implies high-level political engagement, complex institutional set-up and time-and resource intensive processes.

→ Main challenges:

- Institutional capacity and governance design to address the continuous revision and implementation of the LTS
- Governance fit for whole-government, whole society approaches, anticipating implementation governance (beyond mere environmental policy)
- Technical capacity for analysis to be centered around productive development visions, include sector granularity, bridge with finance pathways, inform policy packages and their economic and social implications, and unpack global enabling conditions
- Integration of policy management and change management perspectives into the design of the LTS development or updating processes to drive decisionmaking





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