# Leveraging and Aligning Financing & Fiscal Frameworks for Jurisdictional Approaches to Green Development







# Nested Approach to Jurisdictional Green Development

### **National governments**

- · Multi-stakeholder engagement & coordination
- · National jurisdictional green development plans
- Enabling policies and institutions (including fiscal policy / financing mechanisms)
- Evaluation & accountability mechanisms
- · Provider or recipient of results based payments

### **Local Governments**

- · Multi-stakeholder engagement & coordination
- Local jurisdictional green development plans
- Enabling policies & institutions at local level
- Detailed site level planning & management of development & conservation on public lands
- Evaluation & accountability mechanisms
- · Provider or recipient of results based payments

### **Development Partners**

- Technical assistance
- · Analysis & decision support tools
- · Provider of results based payments

## Site Level: Companies / Communities

- Site level stakeholder engagement & coordination
- Detailed site level planning and management of development (incl. production) and conservation
- Evaluation & accountability mechanisms
- Recipient of results based payments

### Jurisidictional Green Development Approach

Integrating Financing and Fiscal Frameworks to deliver Jurisidictional Green Development Approaches

### Planning & Coordination Sources **Implementers** Uses Mechanisms Available fiscal policy Financial & Investment regulation instruments that can (e.g. banking sector, investment climate) encourage more effective Analysis & decision support tools and efficient delivery of Some actions will be actor **Fiscal Policy** finances and investment. specific (like policy development This can include creating Taxes & Subsidies Instruments: which requires the responsible incentives or removing Jurisdictional programs must mobilize government) and others can be perverse incentives, resources from a wide variety of sources to carried out by a range of actors addressing risk or Revenue allocation frameworks meet a range of needs. (like analysis or evaluation). It is reducing costs etc. clear that a combination of all Multi-stakholder engagement & coordination Jurisdictional program strategies can serve these actors is required to as high-level coordination mechanisms. successfully deliver a Budget expenditure However, to be effective they will need jurisdictional approach to green Domestic public functional linkages between sources and development. finance Revolving Funds implementers / uses of funds. Otherwise (State Budget, Local Budget Juris dictional green development the plans will not be able to drive GOVERNMENTS etc.) Equity participation implementation or effective targeting of plans · National Government financial flows. · Sub-national Government · Local Government For example, this means that components · International development International public Grants - unconditional **Financing Sources** of jurisdictional plans funded by domestic Enabling policies and institutions partners finance budgets also need to reflected in & Instruments: (Bilateral Development appropriate budget expenditure LOCAL COMMUNITIES Partnerships, Multilateral Detailed site level planning & Grants - results based payments mechanisms. Or that international funds · Communities What sources of finance can Funds (Green Climate Fund, management of need to target disbursement towards needs · Inter-community networks FIP, FCPF, UN-REDD, Carbon be accessed to deliver development & conservation identified for funding by international · Individuals Fund, GEF) National Funds different components of Low-cost project debt finance in the development plan. It also (ICCTF & BP REDD+) etc.) jurisidictional approaches means that entities like the Investment NGOs and through what Private Community Public Coordination Board have an important role · Local civil society organisations instruments? Lands Lands Lands to play in targeting private sector · International NGOs Project level market rate debt investments towards needed actions. · Research institutions Private finance (Institutional Investors, Project level equity PRIVATE SECTOR Evaluation and accountability State-Owned Enterprises, · Producers mechanisms project developers, civil · Downstream actors Balance sheet financing society actors, households, businesses etc.) CSR Results-based payments

Carbon Market Financing