

Sri Lanka's Policy for Decarbonization and Expectations for the JCM

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Sri Lanka's Policy Framework for decarbonization in the global context

Party to the UNFCCC ,KP and Its Paris Agreement

Clean Development Mechanism-15 projects

Nationally Determined Contributions (NDCs)in 2021

Carbon Net Zero 2050 Roadmap and Strategic Plan Sri Lanka

Climate Prosperity Plan

Nationally Determined Contributions (NDCs)

Increased Ambition & Resilient Climate Actions

Mitigation Sectors

Enhance emission reduction commitments while addressing the development challenges



Power



Forestry



Transport



Waste



Industry



Agriculture

Adaptation Sectors

NDC revision was an opportunity to assess the climate vulnerabilities and risks that the country is currently facing, and identify more resilience actions to face future climate challenges.



Agriculture



Livestock



Fisheries



Biodiversity



Coastal & Marine



Water including irrigation



Health



Cities, Human Settlement



Tourism & Recreation

Emission Reduction Targets of the NDCs

14.5% emission reduction against the Business-as-Usual Scenario from the period of 2021-2030

Sector	Unconditional%	Conditional%
Electricity	5%	20%
Waste	8.5%	2.5%
Industry	4%	3%
Agriculture & Livestock	4%	3%
Transport	1%	3%
Forestry	2%	5%
Overall	4%	10.5%

Energy Sector

- Enhance renewable energy (RE) contribution to the national electrification generation mix by increasing solar PV, wind, hydro, and sustainable biomass-based electricity generation
- Implement Demand Side Management (DSM) measures by promoting energy-efficient equipment, technologies, and system improvements in a national Energy Efficiency Improvement and Conservation (EEI&C) programme
- Conversion of existing fuel oil-based combined cycle power plants to Natural Gas (NG) and establishment of new NG plants as conditional measures (once the necessary infrastructure is available)
- Transmission and distribution network efficiency improvements (Loss reduction of 0.5% compared with BAU by 2030) as an unconditional measure (Target: Approximately 1,848 GWh energy savings)
- Conduct R&D activities to implement pilot-scale projects for Non-Conventional Renewable Energy (NCRE) sources that have not yet reached commercial maturity and develop other grid-supporting infrastructures as conditional measures

Transport Sector NDCs

- Transport sector system improvement
- Promote public passenger transport
- Shift freight to efficient modes
- Rapid transport for passenger transport
- Promote non-motorized transport modes
- Introduce taxes and other instruments to promote public transport
- Introduce inland water transport modes
- Modernizing and upgrading of suburban railway
- Promote electric mobility and hybrid vehicles
- Improve vehicle fleet efficiency
- Road infrastructure development
- Reduce GHG emissions from the marine sector
- Generic enabling activities

Industry Sector NDCs

- Continue fuel-switching to sustainable biomass energy and improve user efficiency in selected industrial sub-sectors (tea, rubber, apparel, hotel & tourism, rice processing)
- Enhance the application of Resource Efficient Cleaner Production (RECP) practices in selected industrial sub-sectors
- Establish eco-industrial parks and villages
- Introduce the Circular Economy concept to selected industrial sub-sectors and selected industrial zones
- Introduce tri-generation facilities to selected industrial parks
- Incentivize GHG reduction of clinker production in the cement industry
- Generic enabling activities

Waste Sector NDCs

- Improve “Circular economy” practices in all MSW generation sources
- Manage biodegradable waste components through biological treatments
- Introduce energy recovery using non-recyclables and waste that cannot be managed by other means
- The use of sanitary landfills for the disposal of residual waste will be increased from the current level of 5% to 100% on weight basis
- Generic enabling activities

CARBON NET ZERO 2050 ROADMAP AND STRATEGIC PLAN SRI LANKA

- Investments required to proposed actions in all sectors

Period	Total investment cost (LKR million)
2023 - 2027	69,776
2028 - 2032	2,524,649
2033 - 2037	19,827,476
2038 - 2042	25,731,711
2043 - 2047	33,237,990
2048 - 2050	49,192,499
Present value @ 10%	44,136,870

Climate Prosperity Plan

- CPP launched at COP 27 in Egypt
- 3 Goals
 - Unlock domestic energy abundance through RE Modernization and sustainable transportation
 - Financially Engineer a climate secure Transformation
 - Galvanize climate protection against a key risk
- Aims at USD 26.5 Billion Investment
 - RE
 - Energy Efficiency
 - Sustainable Transport
 - Climate Smart Agriculture

Climate Prosperity Plan

GOAL	1	Unlock domestic energy abundance through renewables, modernization and sustainable transport
OBJECTIVE	1	Financing maximized renewable energy and grid modernization potential and connectivity
Description		Sustainably exploit the full potential of national renewable energy resources, optimising energy efficiency, as well as increase grid connectivity by upgrading the grid and connecting Sri Lanka to neighbouring countries.
OBJECTIVE	2	Sustainable transportation
Description		Support the transition towards a RE-based, resilient mobility network, promoting sustainable lifestyles and sustainable mobility.
OBJECTIVE	3	Accelerated Transition and Modernization Through Re-skilling and Training
Description		Promote sustainable economic transformation by incentivizing & leveraging local opportunities for climate resilient & green jobs, and training of the population to increase jobs and decrease poverty.

Climate Prosperity Plan

GOAL

2

Financially engineer a climate secure transformation

OBJECTIVE

4

Shifting sustainable debt through conversion and attrition of capital to climate projects

Description

Repurpose and reduce the debt of Sri Lanka through debt-for-climate swaps, shifting the debt towards climate-smart investments and improving debt sustainability.

OBJECTIVE

5

Carbon Financing Hub to value blue carbon, soil carbon, forest carbon, etc.

Description

Maximize access to carbon financing to support investment efforts while supporting conservation & ecosystem services for multi-industries (agriculture, industry, tourism etc.).

OBJECTIVE

6

Financially protect the economy and livelihoods

Description

Promote risk informed investment and enable progressive coverage of financial/social protection including insurance for all core climate and disaster risk (flooding, erosion damage, agricultural losses etc.) and protect and increase livelihood options.

Climate Prosperity Plan

GOAL	3	Galvanize climate protection against key risks
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OBJECTIVE	7	Climate-Smart Agriculture
Description		Accelerate the adaptation of the agricultural sector to strengthen and climate-proof national food systems, enhancing food security and reducing dependence on food imports, safeguarding jobs and livelihoods.

OBJECTIVE	8	Strengthening fisheries value chains to safeguard food security and nutrition
Description		Investment in reefs restoration to preserve marine biodiversity, sustain fisheries and ocean-centered livelihoods to increase food production and food security by relying on domestic production.

OBJECTIVE	9	Building resilience to heat and climate-sensitive diseases
Description		Implement preventative measures to minimize the negative impacts of heat stress and dengue on the public and workers' well-being and productivity, harnessing nature-based solutions.

Investment Breakdown of the Climate Prosperity Plan of Sri Lanka

GOVERNMENT	\$705,050,000
INTERNATIONAL EQUITY	\$3,460,175,000
DOMESTIC EQUITY	\$1,051,075,000
DOMESTIC PRIVATE LOAN	\$1,002,500,000
INTERNATIONAL PRIVATE/ BILATERAL LOAN	\$8,755,750,000
MDBS	\$8,009,050,000
GUARANTEE	\$3,046,875,000
GRANTS	\$498,300,000
OTHER (CHARITABLE DONATIONS)	\$1,100,000
TOTAL	\$26,529,875,000

Expectations from the Joint Crediting Mechanism (JCM)



To implement High Tech, High-cost technologies



New low carbon technologies



Required funding/investment support



Engage with International Carbon Market



Achieving NDC target



Thank You