Session 2

What are the key climate needs and priorities of the countries and the region?

- **Means of implementation (Tech transfer, finance, capacity building). Need to be able to sustain the project in the long term beyond project support (Thailand)**

- **Regional finance facility - need to avoid crowding private finance out. Focus on areas that are more risky (such as adaptation) (Philippines)**

- **Cross-border investments (protected areas, transport, energy)**

- **Information sharing, standardisation, transferability, to have a better understanding in the region that investments can be scaled up. Such as building sector with large cooling need (building/energy efficiency/natural coolants)**

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Important to harmonize standards. Some countries are top down through alliances between Central Banks and climate sustainable finance guidelines (top down), whilst others (such as Cambodia) approach this bottom up, pushed by the banking sector

What information is useful for the development of needs-based climate finance strategies?

- **Climate risk assessments**
- **Financing opportunities for certain types of technologies (project pipelines)**
- **Market analysis/assessment and potential for certain sectors in the region, RE/EE opportunities, sustainable transport, water, inter-connected grid, DRM (Philippines)**
- **Regional information exchange platform for NDAs**
- **Mapping of sources of finance (climate developers and investors), have marketplace**
- **Updated financial flows**

What type of information do countries use when formulating funding proposals for projects and programmes?

Consider different sources of finance:

- **Green Bonds (such as ASEAN Green Bonds). Importance of distinguishing different types of bonds - Green/Sustainable/Linked to ESG performance.**

- **Green loans - countries are setting up guidance on how to do this.**

- **Commercial banks are central to investments in many countries, so may need to think about how to encourage domestic capital markets to develop**

- **Institutional investors will be very important -**

Which tools and approaches have countries used to assess sectoral needs, and what are the findings?

- **Modelling costing tools such as MACC (British Embassy)**
- **Sub-sector targets can help to identify the amount of funding needed (Indonesia)**