

KEY INFORMATION – Climate Finance Capacity Lab

Date: 21 May 2025

Time: 2:00-4:00 pm

Location: xx

Implementation lab

Implementation labs are roundtables, in an **interactive problem-solving session**, where participants can discuss and provide strategies to accelerate the deployment of climate solutions. The key goal is to move beyond high-level policy discussions and foster **collaborative partnerships**, practical solutions, and actionable outcomes that can be applied globally.

For each stream (Finance, Technology, and Article 6) there will be the possibility to either to have different labs with specific topics or parallel ones on the same topic. There will the possibility to have 6 rooms in parallel that are to be shared among the three streams (Finance, Technology, and Article 6).

Overall structure and programme of each lab

Each lab will have the following structure:

- Opening by moderator
- Icebreakers with stories of solutions and challenges
- Moderated discussions
 - Specific questions for each lab to be shared with participants beforehand
 - Solutions discussed and presented to be included in a general report to be shared in the wrap-up session

Overall description and objective of the stream (Climate Finance Capacity)

1. Objective of the labs	<i>Identify needs and outline solutions of your key priority topic, with a view to emphasize good practices and solutions and promote and explore creating new PPP within the sectors to unlock policy blockages.</i>
Lab 1: Climate Finance Capacity	<p>The Climate Finance Capacity Lab aims to deepen the understanding and effective implementation of needs-based finance to support global climate action. This objective integrates a clear explanation of needs-based finance, the role of the UNFCCC, its core strengths, success cases from country and partner reps., as well capacity building, and participant experience so far. Needs-based finance is an implementation mandate given to the secretariat in 2017 and re-iterated each year since and uses an approach that assists climate financing tailored to support climate priorities and challenges of individual countries or regions. Rather than applying a one-size-fits-all model, it ensures that support is directed toward the most urgent needs, which could include coordination, information and complexity reduction to maximize impact and effectiveness. The program already plays a pivotal role in advancing needs-based finance by facilitating access, by helping countries streamline processes for them to secure funding that matches their unique climate needs, and supports a just and equitable transition. <u>I</u>it convenes stakeholders, bringing together governments, climate funds, funders, and experts to align priorities and share best practices and it provides technical assistance in building capacity to identify their specific climate finance requirements and developing strong, actionable proposals to attract investment. A core component of the lab will be capacity building and institutional strengthening, which are essential for sustainable climate finance. The NBF already includes training programs that equipped policymakers, communities, and financial institutions with skills in climate finance project design, and rationale, but much more is needed. Including institutional frameworks, that strengthen governance structures that people are in place and ministries are coordinated and informed to effectively access, manage, and sustain climate finance and readiness. The lab will actively incorporate feedback from participants in the room. This interactive element will allow attendees—such as country representatives, climate experts, and funders to share their real-world experiences, challenges, and recommendations. This input will help refine the UNFCCC's strategies for supporting needs-based finance going forward and allow potential donors the opportunity to offer funding for an adjusted needs-based finance project (NBF) approach.</p>
2. Expected outcome	<i>Possible initiatives, projects, or promises that could emerge from the lab</i>

<i>For Lab 1</i>	Initiatives or ideas that leverage bilateral finance, multilateral development banks (MDBs), climate funds, and private sources to address climate finance needs, paired with capacity building and institutional building programs (e.g., training for policymakers and communities on accessing and managing finance). Initiatives or projects that leverage bilateral finance, multilateral development banks (MDBs), climate funds, and private sources to address climate finance needs, paired with capacity building programs (e.g., training for policymakers and communities on accessing and managing finance) and feedback collected on how the UNFCCC secretariat can support countries through convening, technical assistance, or coordination.
3. Type and profile of speakers, in particular NPS	
<i>For Lab 1</i>	<p>Green Climate Fund, Adaptation Fund, GEF, FRLD</p> <p>NDA, NIEs, DA and other nominated finance focal points</p> <p>Govt. climate finance experts and NBF focal points</p> <p>Technology development specialists</p> <p>Capacity building experts</p> <p>Party speakers from countries with successful needs-based finance projects</p> <p>Private finance sector representatives (e.g. members of UNEP FI, GFANZ, etc.)</p> <p>Carbon market specialists</p> <p>Representatives from MDBs, RDBs, bilateral finance agencies and climate funds</p> <p>Representatives from the private finance sector tech initiatives</p>
4. Questions for participants	<i>Formulate specific question for the lab, these will be shared with the participants beforehand</i>
<i>Lab 1:</i>	The questions are designed to: identify specific finance and capacity and building needs (e.g., training for grant applications, staff in ministries). Explore how different finance sources can be aligned with capacity building efforts. Elicit direct feedback on how the UNFCCC secretariat can help, leveraging its strengths in convening stakeholders, providing technical assistance, or coordinating global efforts and reducing duplication enhancing coordination within and between ministries and governments. Highlight successful initiatives for potential scaling, ensuring the secretariat hears actionable ideas it can help address. Examples could be:
	How can bilateral finance, MDBs, climate funds, and private sources be better aligned to meet your needs, and what is required in terms of coherence/complementarity is needed (bilateral climate finance, MDBs, climate funds, private/managed) for these funds to more effective?
	What are the sources of finance that can be mobilized to support a just and equitable transition in your region and what successful initiatives have been delivering on promoting finance for just transition?

	What are the specific climate finance needs in your country, and what capacity building and or institutional strengthening (e.g., training, institutional support) would help address them and who is already doing this?
	How can the UNFCCC secretariat with its Needs-based Finance Implementation mandate given to it by COP every year since 2017, and using its strengths in convening, technical expertise, or coordination, best support your country in accessing and utilizing climate finance?
	What successful climate finance capacity building initiatives in your region could be scaled up with UNFCCC support, United Nations agencies and bilateral, regional and other multilateral channels, assist developing country Parties in address their needs and priorities, in a country-driven manner and translate climate finance needs into action?