THE WORK PROGRAMME ON CLIMATE FINANCE, INCLUDING ON ARTICLE 9, PARAGRAPH 1, OF THE PARIS AGREEMENT

Response from the Commonwealth Secretariat

The Commonwealth

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to

The Co-Chairs of The Work Programme on Climate Finance, Including on Article 9, Paragraph 1, of The Paris Agreement

On

The Elements of the Climate Finance Work Programme

April 2025

Executive Summary

The Commonwealth Climate Finance Access Hub (CCFAH) has spent a decade helping small, vulnerable Commonwealth countries translate climate commitments into funded action. Its hub-and-spokes model of long-term, in-country embedded adviser support, capacity-building, and knowledge-sharing has mobilised USD 590.17 million in climate finance since becoming operational in 2016 to date, supported 119 projects across 19 countries, and trained over 4,000 officials in project design and development. [1] Despite these successes, many Commonwealth countries still face persistent barriers to accessing climate finance including, limited technical and institutional capacities, complex application procedures, high perceived risks, and lack of enabling domestic frameworks[2]. CCFAH's experience suggests that targeted solutions – embedding climate finance Advisers in ministries, practical 'climate finance writeshop' training on proposal development, and initiatives like climate budget tagging – can overcome these gaps. Complementary strategies such as supporting national entities through accreditation processes, facilitating the establishment of dedicated Climate Finance Units (CFUs), and promoting knowledge exchange and peer-to-peer learning, have also proven to be key enablers in strengthening institutional readiness and enhancing a country's ability to access and deploy climate finance at scale.

We recommend that the Climate Finance Work Programme adopt a multi-pronged, inclusive approach, with thematic pillars that address (i) improving country readiness and institutional capacity, (ii) scaling up finance instruments and de-risking mechanisms, (iii) enhancing coordination among stakeholders, and (iv) ensuring robust monitoring and learning. Key actions should include scaling advisory networks (as modelled by CCFAH), supporting climate budget tagging and public financial management reforms, mainstreaming climate finance in national strategies, and integrating private sector innovation. Progress should be tracked by clear metrics – e.g. number of projects developed, volumes of finance disbursed, and officials trained – aligned with the United Nations Framework Convention on Climate Change (UNFCCC) and Sustainable Development Goal (SDG) reporting.

Finally, we urge the UNFCCC to support CCFAH-type programmes through technical backstopping and peer-learning platforms, to recognise climate finance readiness as a core agenda item, and to foster stronger linkage between climate and development finance. With balanced, well-organised workstreams and targeted outcomes – such as a common "Climate Finance Readiness Framework" – the

[1] Commonwealth (2025), Commonwealth Climate Finance Access Hub hailed as a force multiplier https://thecommonwealth.org/news/commonwealth-climate-finance-access-hub-is-a-force-multiplier

[2] WRI (2024), Access to Climate Finance in Low and middle income countries, https://www.wri.org/research/access-climate-finance-low-middle-income-countries-14-case-studies-transport-sector

Climate Finance Work Programme can deliver practical benefits for Commonwealth countries and other vulnerable countries alike.

1. CCFAH Mandate, Services, Reach, and Results

The CCFAH was established in 2015 by Commonwealth Heads of Government to "improve access to climate finance" for small and vulnerable member states. It operates through an in-country "hub-and-spokes" model: Commonwealth National Climate Finance Advisers are embedded in national ministries of environment, finance and planning, supported by Regional and Thematic Advisers, and a central hub that coordinates their efforts. These Advisers provide hands-on technical assistance for project and proposal development, policy advice, accreditation support, and capacity-building. CCFAH also produces knowledge products and tools (e.g. its Toolkit to Enhance Access to Climate Finance[3]) and runs climate finance writeshops to share best practices and provide hands-on training in project proposal design and development while working on a live project. By aligning climate objectives with public finance, CCFAH has helped mainstream climate priorities in development planning (for example, establishing climate budget tagging guidelines and mainstreaming climate change into National Development Planning in Seychelles).

CCFAH's geographic reach spans all Commonwealth regions: 42 Advisers have been cumulatively deployed in 26 countries (and regional organisations) across Africa, the Caribbean, and the Indo-Pacific regions. Its recent 10-year impact report highlights mobilizing *USD 485.7 million* in climate finance (plus USD 97.5 million in co-financing) and supporting 104 projects in 16 countries and regional programmes[4]. Currently, this number has even increased this April 2026, to USD 590.17 million and supported 119 projects in 19 countries. The projects cover adaptation, mitigation, and cross-cutting areas, from renewable energy to ecosystem restoration. Notably, CCFAH Advisers have implemented 184 capacity-building initiatives, training over 4,000 professionals in climate finance skills. These outputs demonstrate CCFAH's measurable contribution to turning climate plans (Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), and sector policies) into funded actions. Its key performance indicators – funds mobilized, projects approved, personnel trained – provide a model for tracking progress on climate finance access.

Key CCFAH Results: *~USD 590.17 million climate finance secured*, 119 *projects approved*, 4,000+ *officials trained*. The Hub's success rests on its long-term advisory support: based on country demand and funds availability, it deploys advisers, embedded in ministries, working directly on proposal pipelines. CCFAH's unique "dual placement" strategy (placing advisers across ministries of Environment and Finance) has been cited as a best practice for integrating climate action into fiscal planning. In sum, CCFAH's mandate and activities directly

[3] Toolkit to Enhance Access to Climate Finance: A Commonwealth Practical Guide https://unfccc.int/sites/default/files/resource/Toolkit_to_Enhance_Access_to_Climate_Finance_UPDF.pdf
[4] Commonwealth (2025), CCFAH Brochure, https://comsec-web-static.s3.eu-west-1.amazonaws.com/s3fs-public/2025-06/10-years-of-ccfah-brochure_d20162_1.pdf

address Article 9 goals by building capacity, developing projects, and thus facilitating actual finance flows for mitigation and adaptation projects.

2. Barriers and Gaps in Climate Finance Access

Despite growing global finance flows, many Commonwealth member countries particularly Small Island Developing States (SIDs), Least Developed Countries (LDCs) and other vulnerable countries still struggle to access funds. Common barriers include limited institutional capacity, complex application processes, lack of clarity on finance options, and insufficient domestic systems to access and deploy funds. A UNFCCC technical assessment of LDCs in the Asia region found that countries often lack the support to translate NDCs into investment plans, have insufficient skills to develop NAPs, and face challenges accessing funding from multilateral sources such as the Green Climate Fund (GCF)[5]. Project preparation capacity is weak: many governments cannot formulate "bankable" proposals without external help. Inadequate policy frameworks and high perceived risks deter both domestic and private investment. Commonwealth countries report a "lack of options on financing instruments" and difficulty in understanding complex eligibility rules[6].

These challenges are well documented in climate finance literature. For example, a WRI study on access to climate finance in low- and middle-income countries found *"common barriers to include inadequate policy frameworks, limited project preparation capacity, high upfront costs and risk perceptions, complex funding requirements"*. [7] Pacific SIDS and LDCs face especially high costs of finance and debt burdens, making even concessional funding hard to access[8]. Climate finance to adaptation remains far below needs in small, vulnerable states (e.g. SIDS receive only ~0.2% of global adaptation finance[9]. Transaction costs for small projects are often prohibitive, and multilateral funding processes are not tailored to small economies.

In summary, the gaps are multi-fold: (a) Capacity gaps (limited human resources and institutional systems) prevent countries from preparing and managing projects; (b) Information gaps (lack of awareness of funds, or unclear application processes); (c) Financial gaps (insufficient concessional finance, high co-financing demands) and (d) Coordination gaps (fragmented domestic coordination of climate and finance ministries). (e) Barriers to private sector engagement and investment are particularly pronounced in SIDS, where small economies and increased vulnerability to recurrent climate-induced shocks constrain market opportunities

[5] UNFCCC (2022), Technical Assessment of Climate Finance in Least Developed Countries-Asia https://unfccc.int/sites/default/files/resource/UNFCCC_NBF_TA_AsianLDCA_final2.pdf

[6] Commonwealth (2022), Toolkit to enhance access to Climate Finance https://www.thecommonwealth-ilibrary.org/index.php/comsec/catalog/book/967

[7] WRI (2024), Access to Climate Finance in Low and middle income countries, https://www.wri.org/research/access-climate-finance-low-middle-income-countries-14-case-studies-transport-sector

[8] IPCC (2024), Sixth Assessment Report, https://www.ipcc.ch/report/ar6/wg3/chapter/chapter-15/

[9] CPI (2025), State and Trends of Climate Adaptation Finance in Small Island Developing States. https://www.climatepolicyinitiative.org/publication/state-and-trends-of-climate-adaptation-finance-in-small-island-developing-states/

and increase private investment risk. These barriers are echoed in submissions to the UNFCCC, where Parties note persistent capacity and technical barriers continue to be key challenges for recipient countries[10].

Evidence from CCFAH Experience: CCFAH Advisers frequently encounter similar constraints. For instance, the Commonwealth National Climate Finance Adviser for Seychelles observed that integrating climate in fiscal frameworks required overcoming siloed planning and lack of climate-budget tags. With leadership facilitation from the Government of Seychelles, the Adviser was able to work across both the Ministry of Environment, Climate Change and Natural Resources and the Ministry of Finance Economic Planning Trade and Investment yielding tangible result including accessing the International Monetary Fund (IMF) Resilience and Sustainability Facility (RSF).

In-country workshops often reveal that proposals fail not for lack of technical merit, but due to insufficient data or improper budgeting for climate co-benefits. Such patterns underscore systemic access issues: without capacity-building and simpler instruments, many qualified projects languish unfunded.

3. CCFAH Lessons, Best Practices, and Scalable Models

CCFAH's decade of operations offers valuable lessons on bridging access gaps. A key lesson is that long-term, embedded support is more effective than short courses alone. By placing Commonwealth National Climate Finance Advisers within ministries for extended periods, CCFAH ensures country ownership and cross-sectoral buy-in. The "dual placement" model in Seychelles – splitting one Adviser between climate and finance ministries – has been identified as a *best practice*, enabling coordination of climate policy with budget planning and facilitating innovations like climate budget tagging. This model is scalable: CCFAH now has Commonwealth Regional Climate Finance Advisers (Africa, Indo-Pacific, Caribbean) and Commonwealth Thematic Climate Finance Advisers (gender and health) who adapt country experiences as peer learning.

Embedding Advisers within regional accredited entities has also proven to be effective, particularly in SIDS, where lack of national direct access entities necessitates reliance on regional entities to engage with major climate funds such as the Fund for Responding to Loss and Damage (FRLD), the Green Climate Fund (GCF), and the Adaptation Fund. For instance, in the Caribbean, the Commonwealth Regional Climate Finance Adviser is embedded within the Project Development Unit at the Caribbean Community Climate Change Centre (CCCCC) – a regional accredited entity to the GCF and the Adaptation Fund mandated to serve 15 CARICOM Member States. The Caribbean has the highest concentration of SIDS. According to the Climate Policy Initiative (CPI), only 0.2% of global climate finance was channeled to SIDS. The report also reveals that debt accounted for 44% of international adaptation finance to SIDS in 2021–2022 (CPI, 2025)[11]. These

[10] UNFCCC (2023), Technical dialogue of the first global stocktake – synthesis report, FCCC/SB/2023/9 https://unfccc.int/sites/default/files/resource/sb2023_09E.pdf

[11] Climate Policy Initiative. 2025. State and Trends of Climate Adaptation Finance in Small Island Developing States

statistics provide the dire depiction of the unique challenges SIDS face in accessing international climate finance. Supporting Commonwealth Small Island Developing States through these arrangements is helping them accelerate access to climate finance and enhance institutional capacities.

Another key driver of success is the Regional Adviser model which facilitates the scaling of innovative climate finance strategies across countries and regions through peer-to-peer learning and knowledge exchange. This model offers a platform for countries particularly SIDS to share their experiences and lessons on common climate finance challenges and co-develop practical tailored solutions. It also strengthens coordination among countries, institutions, donors, and development partners, fostering synergies and alignment across projects and programmes. For instance, in the Caribbean, through the Regional Adviser mechanism, the CCFAH, in partnership with the CCCCC, convened a cross-regional knowledge exchange in October 2025 centred on "The role of Climate Finance Units in climate finance mobilisation". This event brought together over 140 participants reflecting strong interest and demand for experience-based learning. In April 2026, a follow-up event on, "Mobilising green finance for NDC implementation in SIDS" was organized by the CCFAH in partnership with the UNFCCC RCC Caribbean, the World Bank, and UNDP. 100 participants joined and engaged in the event that showcased Guyana’s remarkable success in leveraging its natural capital to mobilise over USD 900 million for NDC implementation.

Another success factor is targeted capacity-building with practical outcomes. CCFAH’s signature ‘climate finance writeshops’ train participants by guiding them through actual proposal development. These writeshops directly tackle the very barriers noted above – they improve technical skills, clarify funding criteria, and build data-handling abilities. Participants such as climate ministry officials gain insight into other sectors’ needs, fostering inter-ministerial coordination. This hands-on approach contrasts with generic training; it produces concrete outputs (concept notes/proposals) ready for submission. CCFAH’s “Toolkit to Enhance Access” similarly codifies these best practices for other countries to adopt.

Knowledge-sharing and networks also multiply impact. CCFAH maintains an active knowledge platform (reports, courses, events) so countries learn from each other’s success. In practice, CCFAH’s experience encourages an ecosystem approach: work with MDBs, UN agencies, private institutions and civil society, rather than a single vertical program. For example, CCFAH collaborated with the Zambezi Watercourse Commission (ZAMCOM) on a Climate Investment Fund (CIF) proposal that secured USD 60.4 million for a regional nature-based project in the Zambezi basin. It further collaborated with the IUCN to secure financing from the Global EBA fund for an Ecosystem Based Adaptation through Indigenous Knowledge project to be implemented in Fiji and Tuvalu. This shows the value of partnerships in mobilising large finance packages.

Best Practices Scalable Across Countries:

The following best practices have been identified from the CCFAH experience over the past decade:

- **Embedding Advisers in Government Ministries**: CCFAH's hub-and-spokes model can be scaled by donors or regional bodies. Australia's support for Pacific advisers has created a replicable regional mentorship model.
- **Sector Integration**: Embedding advisers in ministries beyond environment (e.g. finance, health, agriculture) ensures climate strategies align with sectoral planning.
- **Targeted Training**: Focus on practical skills (proposal writing, climate budgeting) rather than only awareness-raising yields usable outputs.
- **Gender and Equity Lens**: CCFAH's gender adviser ensures that the gendered impacts of climate change are addressed (a scalable model for other cross-cutting themes).
- **Partnerships**: Collaborating with multilateral development banks and funds (e.g. AfDB, CIF) and UN agencies increases resource leverage and project delivery.

Collectively, these lessons inform the Work Programme's pillars: capacity-building, instrument innovation, coordination, and knowledge management.

4. Recommendations for the Climate Finance Work Programme

Based on the above, the Commonwealth Secretariat proposes the following concrete, actionable recommendations, organized by thematic areas (pillars) aligned with the Work Programme's scope:

- **Pillar 1 – Country Readiness and Capacity Building:** Recognise that strengthening domestic climate finance readiness is a precondition for mobilising funds. Actions should include:
  - **Expand advisory networks** (national/regional/thematic advisers) in vulnerable countries, drawing on proven hub-and spokes models. Support from donors and international institutions for embedded climate finance Advisers or focal points within finance ministries (building on and scaling existing initiatives such as the Commonwealth Climate Finance Access Hub (CCFAH)) could help strengthen institutional capacity, coordination, and access to finance.
  - **Technical training programmes:** Scale-up practical "climate finance writeshops" and online courses (like CCFAH's e-course) to build skills in proposal development, climate budgeting, and financial risk management. These should be co-designed with local stakeholders to ensure relevance.

- **Mainstream climate in budgets:** Promote adoption of climate budget tagging and low-carbon investment frameworks, as pioneered in Seychelles. UNFCCC could issue guidance or host peer exchanges on integrating climate into public financial management.

- **Pillar 2 – Finance Instruments and Innovation:** Enhance the effectiveness and accessibility of funding instruments. Actions:
  - **Increase grant/quasi-grant windows:** Many small projects, especially in adaptation, require grants or highly concessional terms. The Programme should advocate for scaling grant components (e.g. GCF's readiness grants, GEF small grants) and innovative instruments like debt-for-climate swaps.
  - **Blended finance/de-risking:** Encourage development of blended finance facilities and credit-enhancement mechanisms to attract private investment. For example, UNFCCC could collaborate with MDBs to create de-risking guarantees for small states.
  - **Simplify application processes:** Work with operating entities to streamline procedures (fewer document burdens, faster approvals). CCFAH's experience shows that simplifying templates and clarifying eligibility improves access. The Programme might develop standard "one-stop" guidance for applying to major funds.
  - **Innovative funding channels:** Explore new instruments such as climate bonds for small states, diaspora bonds, or programmatic funding windows. The Work Programme could convene expert dialogues on emerging models.

- **Pillar 3 – Policy and Institutional Coordination:** Address the institutional gaps that hinder finance flows. Actions:
  - **National coordination mechanisms:** Encourage countries to establish or strengthen national climate funds and inter-ministerial committees, so projects proposed to international funds are aligned with national priorities.
  - **Knowledge networks:** Facilitate partnerships among climate finance hubs, MDBs, UN agencies and CSOs. The UNFCCC Secretariat could host a platform for sharing best practices, e.g. a "Climate Finance Community of Practice"..
  - **Inclusivity and equity:** Ensure the Work Programme engages all stakeholders (including finance ministries, Parliaments, youth and private sector) in its processes. Gender-responsive climate finance should be a cross-cutting theme..
  - **Integration with development finance:** Promote greater coherence between climate finance and ODA. For instance, aligning investment in resilience with development planning could be an outcome of the Programme.

- **Pillar 4 – Monitoring, Reporting & Learning:** Build robust Monitoring and Evaluation (M&E) for climate finance efforts. Actions:

- **Common indicators:** Adopt clear metrics for tracking readiness and finance outcomes. Countries should report on progress (financing mobilized, projects approved) on a transparent dashboard. The Programme could pilot tracking tools based on SDGs and UNFCCC MRV guidelines.
- **Evaluation frameworks:** Commission periodic reviews of climate finance access (similar to IPCC assessments) to inform policy.
- **Peer review and feedback:** Create peer review processes where member countries and experts review each other's climate finance strategies, mirroring the review cycles under UNFCCC.

Overall, outputs and outcomes expected from the Work Programme (addressing Q(a) and Q(b)) include:

- A published *Climate Finance Readiness Framework* or roadmap, co-developed with stakeholders, laying out timelines and responsibilities.

- Thematic guidance documents (e.g. on project pipeline development, and on mainstreaming climate finance in budgets).

- Through the submitted Biennial Transparency Reports, carry out an inventory of identified financing needs and gaps (e.g. per region/sector).

- Strengthened networks (e.g. working groups on adaptation finance, private sector engagement).
- Training materials and toolkits shared openly.

- Concrete financing commitments or pledges (especially for adaptation) arising from the engagement.

By organising the programme around these pillars, with subtopics like capacity-building, instruments, and coordination, the Work Programme will be both **comprehensive and inclusive** (addressing Q(c)). Virtual consultations grouped by region or theme (as outlined in the Call) should ensure a balanced input from all Parties and stakeholders.

5. Additional Information

The following resources provide further information and insights, including practical examples of approaches:

The SIRF Fund Gender-Responsive Blended Financing Window Report and Factsheet is accessible via: https://thecommonwealth.org/publications/sirf-fund-gender-responsive-blended-financing-window

Forest Carbon Toolkit: Guidance for accessing the voluntary carbon market for the forestry sector: Experiences from Commonwealth countries is accessible via https://thecommonwealth.org/publications/forest-carbon-toolkit

Gender Integration in NDCs: A Commonwealth Best Practice Guide is accessible via:
https://www.thecommonwealth-ilibrary.org/index.php/comsec/catalog/view/1076/1074/9548

Gender Integration for Climate Action: A Review of Commonwealth Member Country Nationally Determined Contributions is accessible via: https://www.thecommonwealth-ilibrary.org/index.php/comsec/catalog/book/1075

The Commonwealth Climate Finance Essentials E-cousre is accessible via: https://cwlearn.commonwealth.int/course/view.php?id=54

The Toolkit to Enhance Access to Climate Finance: A Commonwealth Practical Guide is accessible via: https://unfccc.int/documents/461219