

# GCF Scaling up Climate Finance Readiness: Stakeholder Consultation Workshop

Bangkok, Thailand

31 October 2019

## Background and objectives

The session was organized in the context of the Thailand's Green Climate Fund (GCF) Readiness Programme. The objective of this work is to identify and develop a pipeline of projects for potential submission to the GCF and which could assist Thailand to achieve its climate objectives. Prior to this Workshop RCC/IGES had developed thirteen investment opportunities (IOs) in the transport, industry, human settlements and health sectors. The objectives of the workshop were two-fold. Firstly, participants would contribute to the shortlisting process as only eight IOs will be developed further. Secondly, comments and feedback from the participants to be analysed and incorporated for the further improvement of the shortlisted IOs.

## Format and speakers

The Workshop was structured in the form of focus group discussions, with each focus group comprising approximately 10 to 12 participants. A total of 62 participants from 29 organizations were present. Participants came largely from five stakeholder groups, including government officials, academia, associations, private sector companies, and local financiers. There were four focus groups in total, one for each of the four sectors.

## Session Outcomes

The focus groups discussed the longlisted investment opportunities (IOs) in their respective sectors. The discussion centered on two perspectives – the alignment of the IOs with the six GCF Investment Criteria and the commercial viability of the respective IO's business model prototypes. Contributions from the focus group participants were instrumental as they feed into the shortlisting process of these investment opportunities.

IOs in the **transport sector** focused on the shift from fossil-based to zero-emission vehicular fleets such as solar- and electric vehicles. The IOs covered a range of vehicle types ranging from motorcycle taxis to tuktuks and logistics trucks to canal boats. Participants emphasized that the accelerated deployment of electric vehicles is aligned with the government's policy direction. However, among all the IOs, participants opined that motorcycle taxis and logistics trucks offered the best potential as first movers for the vehicular electrification.

Participants mentioned that more in depth assessments and pilot-scale projects be done to assess the feasibility of these opportunities. Participants also recognized that the scale of electricity production from renewable energy sources must also increase to support an increasing electrification of vehicles. This is because the charging of vehicles from the grid, which is still large fossil-powered, would not entail a large paradigm shift to mitigate GHG emissions significantly.

The **industry sector** focus group discussed energy efficiency opportunities in SMEs, specifically with regard to increasing the efficiency of common industrial electrical appliances such as boilers and motors, and in SMEs in the automotive parts sector. Energy efficiency improvements in SMEs continues to be a challenge. Previous schemes have not been very successful in penetrating SMEs. Nonetheless, participants remained optimistic that with further awareness raising and capacity building, more SMEs will be attracted to invest in energy efficiency improvements.

The **human settlements** focus group discussed various IOs to increase the resilience of the urban community to the floods and the urban heat island effect. Participants were very optimistic and provided positive feedback to all the IOs discussed in this group. One of the IOs attracted the attention of many of the participants – nature-based solutions in urban areas. This IO entails increasing the area of green spaces by converting abandoned areas and urban ‘wild scape’ into community-oriented nature spaces. The benefits from such activities are multi-fold: increased greeneries could increase the adaptive capacity of the area to floods, reduce the urban heat island effect and also assist to purify the surrounding air.

Participants in the **health sector** focus group mentioned that all healthcare facilities adhere to common building standards that ensure that they are risk resilient. However, opportunities remain to increase their resilience to the effects of climate change as these standards are common across the country and are not based on the vulnerabilities experienced in particular regions and geographies of the country.

Participants mentioned that they look forward to seeing these IOs being implemented in Thailand. Not only would these IOs assist Thailand achieve its climate commitments to the Paris Agreement, it would also improve the lives and experience of local Thais.

Eight IOs were eventually shortlisted after the workshop and with consultations with the Thai National Designated Authority and GIZ.

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