

Long Term Finance Workshop Part II (Break-out Group 3) Moderator: Mr. Philip Owen

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DEBAPRIYA ROY JUN 07, 2021 08:04AM

Question 1. What are important lessons that can be drawn from the provision and mobilization of climate finance in the last 10 years?

Apar, Nepal

Insufficient Adap. finance, LDCs have less resources. 2010 NAPA of nepal not yet fully funded. Loans with increased conditionality and decreased concessionality.

Lydia

Setting clear national targets, collective coordinated action by all players. MDBs key players.

Vicky

Growing political momentum and interest to make sums grow

Ismo

Science informs on scale of global warming and resources needed. Context of Art 2.1c to implement PA, enabling environ. & private sector needed.

Reaching those who need it most

The need to ensure that climate finance reaches those who needs it most, such as SIDS. SCF's latest BA shows that 2% of bilateral, 10% of multilateral and 3% MDB's climate finance reached 39 SIDS.

SA- Richard

The quality of climate finance still contains too many policy conditions set by developed countries, and thus it does not fully contribute to the most effective use of climate finance in terms of changing domestic spending and deepening fiscal space and therefore has not successfully supported the promotion of the paradigm shift and development of pathways for low emissions and climate resilient development

Question 2. How can the provision and mobilization of financial support be aligned with, and responsive to, the needs of developing countries and what efforts are being made towards this?

Apar, Nepal

Very difficult to access international resources. Latest NDCs depend on funding.

Lydia

Aligning finance with NDC and NAPs. Prioritize initiatives around access. Climate related planning to prioritize women and girls empowerment.

Vicky

Assessments ongoing to judge funding needs, links to NDCs and how to define.

Ismo

Europe pushing legislation to attract climate specific investment and importance of local communities in planning and implementing action.

Simplify access

Maldives- Aileen

Capacity constrained vulnerable countries face severe challenges in accessing climate finance. There is significant potential to further simplify the rules surrounding access, in order to address this.

SA-Richard

Developing countries articulate their needs in the NDCs, TNAs, NAPs etc. However the support provided/mobilised remains primarily in the domain of the contributors and therefore needs to focus more on the gaps in current support to developing countries, the use of appropriate instruments and structured finance. There is an inherent conflict between supporting local private sector actors with climate finance, thus we need to see much greater focus on sharing technology IPRs, support to SMEs, driving local innovation, and support to make infrastructure more resilient

Question 3. How do we scale-up adaptation finance so as to achieve the balance between support for adaptation and mitigation?

Apar, Nepal

Clarity on definition on CF.

Role of new EU Adaptation Strategy

As part of its new Adaptation Strategy the EU (https://ec.europa.eu/clima/sites/clima/files/adaptation/what/docs/eu_strategy_2021.pdf) the EU has made a number of proposals to step up international action in this area. One of the instruments to deliver on this is the EU's new "Neighbourhood, Development and International Cooperation Instrument (2021-2027)" which aims to spend 30% of its total budget on climate change related action. It will be the joint responsibility of the EU and recipient

countries to make sure that adaptation purposes will continue to be paid due attention; over the past years we managed to ensure a balance between mitigation and adaptation.

Vicky

More adaptation finance coming from Belgium specifically. Scaling up is not about balancing Mitigation & Adaptation only, rather focusing on adaptation needs.

SA-Richard

The Cancun decision obligated that the largest share of new multilateral adaptation finance would be channeled via the GCF, but this has not materialised. So the first level of the answer is about developing countries meet the obligations to provide adaptation support. The second level is link the finance to the both the immediate adaptation needs and the long term need for resilience. The problem is that the current suite of instrument is not sufficient to address the adaptation/resilience need, and further thought about adaptation specific instruments, such as direct budget support should be considered

M&E indicators

Develop of more robust indicators such as Cobenefits regarding to adaptation

Other Comments

Gaps in types of delivery and support from Funds

Just transition and support for Loss and Damage

Aileen, Maldives

Challenges accessing GCF funding, issues on demonstrating scientific rationale for SIDS.

Current studies show Maldives needs 8 times of national budget.

GCF requires co-financing.

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