

# Report-back from breakout group 1

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## Challenges in accessing climate finance

- Capacity gaps within SMEs – need more human resources/skills
- Constraints created by confidentiality and privacy laws/regulations
- Awareness/knowledge gaps in local financial institutions (i.e. on green lending)
- Writing bankable proposals
- Lack of incentives to enhance subnational access to finance (relevant for larger countries; resource dependent)
- Lack of community engagement
- Coordination gap in nat. government
- Lack of information on finance available
- Challenges of intermediaries
- Time consuming accreditation
- GCF website: Information not available in all major languages

## Initiatives and efforts that could resolve the challenges

- On private sector:
  - a) Decentralized/Devolved process;
  - b) PPPs;
  - c) Pilot auction facility for SMEs
  - d) Training for local bank officials on green lending
- On direct access/ subnational access:
  - a) Standardize functions of NDAs
  - b) Further simplification of processes
  - c) Local entry points;
  - d) Devolved channels of finance;
  - e) Programmatic approaches that encourage local decision-making
  - f) National focal points to ensure involvement of local private sector
  - g) Sector-based guidelines
  - h) South-south/ regional cooperation
- Role of intermediaries
  - a) Project management, e.g. umbrella facilitator to manage supply chain

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Challenges that may require further attention by the COP

- Gain clarity on climate adaptation and mitigation finance vs. development finance
- Simplification of processes to gain access to climate finance