

Session 6, BG 1 on access

❑ Issues raised

- The need for support providers (e.g., climate funds) to work directly with local authorities, not just national authorities
- Strict fiscal standards applied, making it difficult for cities to access funding from funds like GCF
- Some projects harder to meet the funding criteria, such as potential for paradigm shift
- Finding the right formulation for challenging projects like transport projects remains a challenge
- The way that the financing mechanism works now does not seem to meet the needs of cities

❑ Best practices and lessons learned

- De-risking projects by climate funds like GCF and then engaging the private sector to upscale
- Risk guarantees

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□ Challenges and gaps

- A lack of sub-national financing vehicles (local governments cannot borrow)
- Complexities involved in sub-national level financing
- Capacity constraints at the city level
- Capacity-building is a long-term commitment (e.g. 10 years) but climate action needs to take place now
- How to ensure to leave no one behind

□ Ways to resolve the challenges and gaps

- Sub-national financing modalities should be established, and cities should be the focal point
- City-specific solutions
- More rigorous engagement with the private sector and civil society