

Indian Ocean Island States – NBF Consultation at SB64

Date/time/location: 10 June 2026, 13:00–14:15, Bonn

Overview

The meeting focused on advancing a needs-based finance project (NBF) facilitation approach to help SIDS in the Indian and Atlantic Ocean countries assess priorities and improve access to climate finance. Discussion covered the evolution of the initiative, its operating model, and experiences across regions in mobilizing and prioritizing funding. Participants explored challenges in project pipeline development, partner alignment, and regional coordination, particularly within a diverse and dispersed geographic cluster. The session aimed to identify practical ways to accelerate implementation through collaboration, targeted support, and structured engagement mechanisms.

Key topics discussed

Program background and mandate: UNFCCC and GoM explained that the initiative originated from a COP mandate to support country-driven needs assessments and implementation pathways, noting that it has evolved over nearly 10 years and may require continuation beyond 2027 depending on legal and political decisions.

Outcome: Participants aligned on the long-term relevance of the facilitation role.

Operating model and readiness gap: UNFCCC and GoM outlined the model of regional assessments followed by implementation support, highlighting low utilization of readiness funding, often around 50%, due to structural barriers.

Outcome: The team will continue focusing on unblocking readiness access and tailoring solutions to country-specific constraints.

Funding and regional engagements: UNFCCC described donor-funded operations, including support from generous partners, and ongoing work across SIDS, LDCs, and fragile contexts with funding also routed through partners.

Outcome: Continued expansion in targeted regions, with emphasis on technical support rather than direct project financing.

Global pipeline and project examples: Participants reviewed progress in Indian Ocean regions as well as others, such as the Caribbean with approximately 9–12 project concepts and the Pacific, covering sectors including water resilience, agriculture, and early warning systems.

Outcome: Countries with stronger coordination show faster pipeline development, providing a benchmark for others.

Facilitation role and strategic prioritization: UNFCCC and GoM emphasized the NBF's role as a neutral broker supporting practical solutions, pragmatic prioritization, pipeline facilitation, and partner matchmaking amid declining funding availability and constraints.

Outcome: Countries may increasingly need to prioritize strategically and align projects more closely with fund requirements, collectively if needed. The onus is increasingly placed on countries' ability to do so.

Regional coordination: GoM and others highlighted that the Indian Ocean region lacks cohesive coordination structures or organizations compared with the Caribbean and Pacific, complicating joint efforts.

Outcome: Participants agreed to explore mechanisms for stronger collaboration while acknowledging geopolitical complexity and expressed appreciation for GoM's current leadership role.

Partner alignment and pipelines: GoM described inefficiencies in engaging accredited entities, where countries spend months with partners misaligned to their priorities.

Outcome: Participants proposed better structuring pipelines and matching them with relevant partners earlier to avoid delays, using NBF support as a neutral, practical broker and solution provider.

Workshop proposal and preparation: Multiple speakers discussed rapidly organizing an in-person workshop, potentially in the Maldives, to identify 3–5 priority projects per country for concept development. It was highlighted that the intervention priorities already identified in 2022 under the NBF remain valid for the region: climate-smart agriculture; coral reef preservation and restoration; and climate-proof infrastructure.

Outcome: Conditional agreement to proceed, once funding is secured by GoM, for GoM to host a Prioritization and Validation Workshop. Participants are expected to come prepared, empowered, and calibrated on their country perspective, with proposals covering the three areas above, or to provide notice well in advance of alternatives identified under revised NDCs and NAPs.

Next steps and engagement plan: GoM and UNFCCC concluded that the priority is securing funding, convening a workshop with 1–2 months’ notice, and ensuring empowered participants attend.

Outcome: Follow-up communication, workshop planning, and continued coordination through identified focal points as confirmed by those in attendance.