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The 13th Durban Forum on capacity-building

Report by the secretariat

Summary

The 13th Durban Forum was held on 5 June 2024, during the sixtieth session of the Subsidiary Body for Implementation, under the overarching theme of capacity-building support for adaptation, with a focus on addressing gaps and needs related to accessing finance for national adaptation plans.



Abbreviations and acronyms

AC	Adaptation Committee
ADB	Asian Development Bank
COP	Conference of the Parties
GCF	Green Climate Fund
NAP	national adaptation plan
NAP Global Network	National Adaptation Plan Global Network
PCCB	Paris Committee on Capacity-building
SBI	Subsidiary Body for Implementation

I. Introduction

A. Mandate

1. COP 17 requested the SBI to further enhance the monitoring and review of the effectiveness of capacity-building by organizing an annual in-session Durban Forum for sharing experience and exchanging ideas and best practices among stakeholders regarding the implementation of capacity-building activities. It also requested the secretariat to prepare a summary report on the Durban Forum for consideration by the SBI.¹
2. COP 24 requested the SBI to thematically align meetings of the Durban Forum with the annual focus area of the PCCB,² which for 2024 is capacity-building support for adaptation, with a focus on addressing gaps and needs related to accessing finance for NAPs.³ Thus, the lessons learned from and outcomes of the Durban Forum feed directly into the work of the PCCB.
3. COP 25 emphasized the importance of continuing to identify and disseminate lessons learned to enhance the implementation of capacity-building activities through the Durban Forum and the PCCB.⁴

B. Structure of the report

4. Chapter II below presents the outcomes of the 13th Durban Forum, including key messages and information on their subsequent consideration by the PCCB; chapter III below provides information on the organization of the Forum, including its scope and objectives; chapter IV below summarizes the keynote addresses and presentations, panel discussion and breakout group discussions that took place at the Forum; and chapter V below presents concluding remarks.

C. Possible action by the Subsidiary Body for Implementation

5. The SBI may wish to consider the information in this report in its deliberations on capacity-building.

II. Outcomes of the 13th Durban Forum

A. Key messages

6. Accessing finance for the formulation and implementation of NAPs – particularly from funding mechanisms and institutions such as the GCF, the Global Environment Facility and the World Bank – remains challenging for many developing and least developed countries owing to capacity gaps and needs in various areas. The inadequate allocation of resources for capacity-building results in persistent gaps and needs and thus a significant challenge for those seeking to access finance for NAPs.
7. Mechanisms for verifying and coordinating financial investments for NAPs are essential for increasing confidence in investment efficacy. Enhanced interministerial collaboration on the formulation and implementation of NAPs and financial expertise are crucial for identifying the finance sources and instruments most suitable for adaptation priorities. Furthermore, effective climate data management, including aggregation and

¹ Decision [2/CP.17](#), paras. 144 and 147.

² Decision [15/CP.24](#), para. 6.

³ See document [FCCC/SBI/2023/14](#), para. 14.

⁴ Decision [10/CP.25](#), para. 11.

disaggregation of data and translation of data into policy, is vital for transparent and informed decision-making for NAP formulation and implementation.

8. The time-bound nature of NAPs often conflicts with the long-term planning horizons of developing countries, thereby complicating the integration of adaptation action into ongoing planning processes. Significant gaps in adaptation financing, technology transfer, technical expertise and civil society engagement in these countries also need to be addressed. Assessing adaptation costs, translating climate data into information relevant to decision-making, and creating enabling conditions for climate finance flows are additional challenges faced.

9. Enhanced capacities are needed to access finance from various sources and ensure effective finance flows. Developing national strategies for accessing adaptation finance is essential for developing countries to engage the investment partners and leverage the financial resources needed to formulate and implement NAPs.

10. Challenges in harnessing the potential of innovative financial instruments for NAPs include lack of capacity for economic analysis, insufficient regulatory frameworks, lack of awareness of existing innovative financial instruments and lack of resource mobilization strategies. Options for addressing these challenges include:

(a) Building capacity to scale up successful adaptation programmes and enhance data infrastructure, including by establishing a compendium of best practices of, and raising awareness about the benefits of, green investment at the national level;

(b) Developing targeted training aimed at empowering farmers, women and youth to implement climate change adaptation strategies;

(c) Promoting continued efforts to increase institutional funding and leverage technical assistance among, and highlighting the value of building broader institutional resilience to, decision makers and other stakeholders to encourage the prioritization of adaptation investments;

(d) Enhancing capacities to interpret adaptation data and assigning responsibilities and facilitating collaboration to advance the formulation and implementation of NAPs among ministries and other stakeholders;

(e) Developing national adaptation investment plans and mobilizing private sector finance, including integrating climate priorities into national development planning and conducting climate diagnostics;

(f) Promoting the use of innovative financial instruments such as debt-for-nature swaps and reinforcing the importance of building institutional capacities for their effective implementation. The case studies of Fiji and Saint Lucia, discussed at the Forum, serve as practical examples of developing financial investment plans for formulating and implementing NAPs, enhancing inter-agency collaboration to mobilize financial resources and employing innovative financial mechanisms for promoting climate change adaptation strategies;

(g) Conducting donor and stakeholder mapping to identify those who can facilitate access to climate finance and to ensure the inclusion and representation of different communities, assessing available technical expertise in adaptation finance and developing clear indicators for the transition from NAP formulation to implementation;

(h) Leveraging artificial intelligence and blockchain technologies.

B. Consideration of the key messages by the Paris Committee on Capacity-building

11. COP 21 decided that the inputs to the PCCB include the reports on the Durban Forum.⁵ At its 8th meeting, the PCCB agreed to consider the outcomes of the 13th Durban Forum intersessionally in preparing its annual technical progress report.⁶

III. Organization of the 13th Durban Forum

A. Background documents

12. Guiding questions for the panel discussion and topics for breakout group discussions for the 13th Durban Forum were made available on the meeting web page⁷ well in advance of the meeting to facilitate discussions.

B. Scope and objectives

13. The overarching theme of the 13th Durban Forum, namely capacity-building support for adaptation, with a focus on addressing gaps and needs related to accessing finance for NAPs, was selected taking into consideration the request referred to in paragraph 2 above. The theme was divided into subtopics, namely building capacity to:

(a) Develop investment plans and project proposals to support the development of NAP implementation strategies and their alignment with technical guidelines, including addressing the technical aspects of formulating such plans and proposals;

(b) Facilitate access to a wide range of financial instruments and multilateral and other sources of finance;

(c) Identify, quantify and address adaptation finance needs through the development of integrated approaches or strategies at the national and local level;

(d) Monitor and evaluate the use and impact of adaptation finance to ensure accountability and effectiveness.

14. In line with the overarching theme and subtopics, the main objective of the meeting was to facilitate the sharing of experience, good practices and lessons learned related to enhancing individual, institutional and systemic capacities for addressing gaps and needs related to accessing finance for NAPs.

C. Proceedings

15. The 13th Durban Forum was held on 5 June 2024 during SBI 60. The co-facilitators, Roberta Ianna (PCCB Co-Chair) and Britta Horstmann (AC Co-Chair), opened the meeting, after which SBI Chair Nabeel Munir and Abdelaziz Harib from the COP 28 Presidency provided introductory remarks.

16. Roberta Ianna then delivered a scene-setting presentation, followed by Britta Horstmann sharing insights into the work of the AC from 2022 to 2024.

17. This was followed by discussion, moderated by the meeting co-facilitators, among a panel consisting of:

(a) Nanki Kaur, Senior Climate Change Specialist (Climate Change Adaptation) at ADB;

⁵ Decision [1/CP.21](#), para. 79.

⁶ See <https://unfccc.int/pccb/pccb-meetings-and-documents#Eighth-PCCB-Meeting-10-12-June-2024>.

⁷ See <https://unfccc.int/event/13th-durban-forum-on-capacity-building>.

(b) Maier Sifflet, Sustainable Development and Environment Officer for Saint Lucia;

(c) Emilie Beauchamp, NAP Global Network and International Institute for Sustainable Development;

(d) Filimone Tuivanualevu Ralogaivau, Principal Climate Change Officer (Adaptation Specialist) in the Climate Change Division of the Office of the Prime Minister of Fiji.

18. The panellists engaged in a discussion on different aspects of the meeting's overarching theme. This was followed by three parallel breakout group discussions, each facilitated by a panellist, on building capacity to:

(a) Develop national adaptation investment plans to support NAP implementation;

(b) Harness the potential of innovative financial instruments for NAPs;

(c) Mobilize private sector finance for NAPs.

19. A representative of the secretariat concluded the meeting with closing remarks.

20. The meeting agenda, presentations, biographies of panellists and guiding questions for the breakout group discussions are available on the web page of the 13th Durban Forum.

IV. Summary of the 13th Durban Forum

A. Opening remarks

21. In his introductory remarks, the SBI Chair highlighted the fundamental role of capacity-building in providing the skills, knowledge and institutional structures needed for countries to access and manage the financial resources required for implementing NAPs. He stressed that, by fostering innovation, promoting sustainable practices and strengthening technical capacities, countries can navigate the complex landscape of international climate finance more effectively and ensure effective implementation of their adaptation strategies.

22. Abdelaziz Harib from the COP 28 Presidency stated that capacity-building approaches to effectively supporting implementation of climate action must be tailored to meet the existing and emerging needs of developing countries in order to address specific challenges related to adaptation and mitigation. He pointed out that the United Arab Emirates Framework for Global Climate Resilience aims to operationalize the Paris Agreement through targets related to specific themes, in particular those identified in paragraph 10(b) of decision 3/CMA.4, including water, food and infrastructure, and health, noting that capacity-building is essential for implementing the Framework, and must be targeted, iterative and continuous. The importance of retaining capacities for ensuring continuity of NAP implementation efforts, especially at the institutional and national level, was highlighted.

B. Scene-setting presentation

23. The PCCB Co-Chair delivered a scene-setting presentation focused on the synthesis report on submissions on the 2024 focus area of the PCCB.⁸

24. The synthesis report identifies capacity gaps and needs related to accessing finance for NAPs, noting ways to address existing gaps and identify the capacity-building support required to translate NAPs into investment strategies and bankable projects, taking into account all available sources and instruments for finance, at the subnational, national, regional and international level.

25. The synthesis report notes the following are required by developing countries to implement their NAPs:

⁸ PCCB document PCCB/2024/5.

- (a) Establishing alliances or trusted partnerships and collaboration with other developing countries to enhance understanding of the need to integrate local communities and financial institutions into the process to formulate and implement NAPs;
- (b) Obtaining resources for capacity-building to avoid challenges in accessing finance for NAPs;
- (c) Establishing mechanisms for verifying and coordinating investments to increase confidence in investment efficacy;
- (d) Enhancing interministerial collaboration and financial expertise for identifying the finance sources and instruments most suitable for adaptation priorities;
- (e) Creating an enabling environment for accessing adaptation finance to ensure the knowledge of seekers of funding increases after a finance and investment strategy for translating NAPs into bankable projects is established;
- (f) Aggregating and disaggregating climate data, including translating such data into policy.

26. The report also identifies challenges faced by developing countries in the following areas:

- (a) Mainstreaming adaptation in ongoing planning processes owing to the time-bound nature of NAPs, which often conflicts with developing countries' long-term planning horizons;
- (b) Addressing capacity gaps related to adaptation financing, technology transfer, technical expertise and civil society engagement;
- (c) Assessing adaptation costs, translating climate data into information relevant to decision-making and creating enabling conditions for climate finance flows.

27. The following solutions for addressing those challenges were identified in the report:

- (a) Building capacity to scale up successful adaptation programmes and enhanced data infrastructure;
- (b) Establishing a compendium of best practices on how to access adaptation finance, and raising awareness about the benefits of, green investment at the national level;
- (c) Providing training aimed at empowering various groups, including farmers, women and youth to implement climate change adaptation strategies;
- (d) Continuing to build the capacity of developing countries to access funding and technical assistance.

28. The PCCB Co-Chair highlighted that the submissions synthesized in the report contained information gathered from case studies, good practices, tools, lessons learned and examples of support for capacity-building for NAPs. She thanked the submitters for their time, effort and valued contribution to the work of the PCCB, noting that the PCCB strives to coordinate and collaborate closely with representatives of relevant UNFCCC processes and constituted bodies such as the AC.

C. Presentation on the work of the Adaptation Committee

29. The AC Co-Chair provided information on the past and ongoing work of the AC. For example, between 2022 and 2024 the AC held a dialogue on addressing developing countries' capacity gaps in relation to accessing adaptation funding,⁹ prepared a synthesis report on developing countries' efforts to assess and meet the costs of adaptation,¹⁰ produced a compilation of methodologies for reviewing the adequacy and effectiveness of adaptation

⁹ See <https://unfccc.int/event/ac-dialogue-capacity-gaps-access-adap-fund-part1> and <https://unfccc.int/event/ac-dialogue-gaps-accessing-adaptation-funding-part2>.

¹⁰ AC document AC22/SREP/7A.

and support¹¹ and held a training session for developing country Parties at NAP Expo 2024 on accessing funding for implementing NAPs.¹²

30. The AC Co-Chair highlighted the following key findings derived from the work of the AC between 2022 and 2024 in relation to developing countries' access to adaptation funding:

(a) Enhancing capacity to access various finance sources and ensuring the effectiveness of finance flows requires a variety of enabling environments;

(b) National strategies for adaptation finance are crucial for engaging the investment partners and leveraging the financial resources needed to formulate and implement NAPs;

(c) Highlighting the value of mobilizing finance for climate resilience to decision makers and civil society is essential for encouraging the prioritization of adaptation investments;

(d) There is a need to enhance capacities to, inter alia, interpret adaptation data and assign institutional responsibilities and facilitate collaboration among ministries and other stakeholders.

31. The AC Co-Chair highlighted that the AC had previously undertaken a considerable amount of work relevant to the overarching theme of the 13th Durban Forum. She emphasized the importance of capacity-building for adaptation and the need for continued efforts and collaboration to address existing gaps and challenges and highlighted that discussions at the 13th Durban Forum will inform the next workplan of the AC.

32. The AC Co-Chair then invited participants to examine more closely the information on the activities and work of the AC presented at the 13th Durban Forum and additional work of the AC that is available on related AC web pages¹³.

D. Panel discussion

33. In addressing the subtopics referred to in paragraph 18 above, the panellists representing organizations were invited to respond to the following guiding questions:

(a) What successful practices have your organizations implemented to enhance capacity to develop investment plans and project proposals for NAPs? What examples can you share of times when these practices have led to successful funding applications?

(b) What strategies have your organizations used to build capacity for accessing adaptation finance in developing and the least developed countries? How do your organizations ensure that these strategies align with the specific needs of those countries?

34. The panellists who were country representatives were invited to respond to the following guiding questions:

(a) What insights or examples can you share of capacity-building initiatives that have successfully addressed gaps in accessing funding for NAPs? What made these initiatives effective?

(b) What support is needed from international organizations to enhance your country's institutional and individual capacities for accessing adaptation finance? Are there particular areas where this support has been lacking?

¹¹ Methodologies for reviewing the adequacy and effectiveness of adaptation and support. AC, Least Developed Countries Expert Group and Standing Committee on Finance. 2023. Reference paper. Bonn: UNFCCC. Available at <https://unfccc.int/documents/633175>.

¹² See <https://expo.napcentral.org/2024/sessions/training-accessing-funding-for-implementing-naps-2/>.

¹³ See <https://unfccc.int/Adaptation-Committee>.

(c) How do your country's institutions work towards sustaining enhanced capacities for accessing finance for NAPs? What practices have you found useful for ensuring that skills and knowledge for accessing adaptation finance are maintained over time?

35. The representative of ADB mentioned that developing countries need to identify entry points in the funding process and integrate them into their national planning processes, be it long-term, medium-term or annual planning, to ensure that adaptation priorities are costed and funded properly.

36. The representative also highlighted the importance of conducting climate diagnostics whereby countries assess climate risks to inform adaptation investment priorities. Climate diagnostics show how the climate affects entire systems, such as food security, and not just isolated sectors and analyse the effects of both acute and chronic climate hazards on investment outcomes.

37. The representative underlined that conducting economic analysis helps in determining which financial investments are fiscally and economically viable, and in allocating these investments across the public and the private sector.

38. Further, the representative emphasized the need to distinguish between funding and financing for climate change adaptation: funding, defined as money provided – especially by an organization or government – for a particular purpose, and financing, defined as the arrangement to disperse capital in return for future repayments, stressing that adaptation efforts often focus on financing but ultimately funding is necessary. The representative further highlighted the importance of conducting climate-related financial risk analysis in cooperation with finance ministries to understand how climate change affects the fiscal space and to enhance investments in risk reduction activities. Integrating adaptation priorities into investment management processes and ensuring they are part of regular national planning processes is essential for transitioning from NAP formulation to implementation.

39. Lastly, the representative stressed the need to create an investment pipeline for mapped adaptation priorities on the basis of a return-on-investment analysis. Achieving systemic change – that is, examining climate impacts at system level as well as the complex, interconnected components and dynamics of the climate system, rather than focusing on individual elements in silo – requires sustained, programmatic investment for NAPs and not just investment in isolated projects. While various financial instruments, such as grants, to support public investment in adaptation exist, more work is needed to support private investment. Blended finance and economic incentives can encourage private sector participation in investment for NAPs, including participation of households and small and medium-sized enterprises, while economic instruments and regulatory improvements are needed to enhance the business environment for adaptation investments.

40. The representative of the NAP Global Network focused on innovative instruments for adaptation action, particularly in the context of private sector finance, stressing the need for blended finance or to apply existing financial instruments to new sectors or issues, for example. The representative discussed findings from recent research on innovative financial instruments across three categories: debt, financial risk management and results-based financing.¹⁴ According to the research, adaptation investments are less attractive to private investors as a result of unclear revenue-generating opportunities to recompense investors' financial risks and owing to the investment size of adaptation projects, which are often on a smaller scale than mitigation investments.

41. The NAP Global Network representative presented debt swaps as an example of an innovative climate finance instrument through which countries receive development finance to cancel debt in exchange for commitments to biodiversity protection. Debt-for-nature swaps have been used in over 30 countries to restructure USD 2.5 billion in debt for conservation projects. Effective implementation of these swaps requires building the necessary institutional capacities and financial architectures, with their success depending on their application within the context of each country. Therefore, adaptation stakeholders must engage with government actors such as entities responsible for budget and public law to map

¹⁴ For more information, see <https://napglobalnetwork.org/innovative-financing/>.

and understand the financial architectures needed and the readiness for innovative investments.

42. The representative of Saint Lucia stated that her country's NAP includes an iterative, people-centric approach that meaningfully engages stakeholders in prioritizing sectors for adaptation and in fostering ownership of and buy-in and political will pertaining to the country's NAP development. On Saint Lucia's national adaptation investment plan and financing strategies, she noted the following points:

(a) Sectoral adaptation strategies and action plans are developed for priority sectors identified through stakeholder engagement. These strategies and action plans are supported by climate financing strategies and public-private engagement action plans. Each sectoral adaptation strategy and action plan includes a concept note for bankable project proposals with indicative costs to identify financial gaps;

(b) To enhance inter-agency collaboration on the NAP, the National Climate Change Committee, endorsed by the Cabinet of Ministers for Saint Lucia, is kept informed of the country's climate-related work. The institutional framework for climate change adaptation has been strengthened, including through the adoption of the Climate Change Act, which details the climate finance architecture and stakeholder roles in climate action;

(c) A climate finance unit has been established to track, in collaboration with the Ministry of Economic Development, climate finance flows and align climate budget tagging with national development goals;

(d) Documenting St Lucia's processes, successes and lessons learned for climate change adaptation and sharing this information with priority sectors is important.

43. The representative of Fiji shared the following key points regarding capacity-building initiatives and innovative financing mechanisms pertaining to his country's adaptation efforts:

(a) Workshops are conducted with various ministries to enhance understanding of climate finance and the process to formulate and implement NAPs;

(b) Aligning the ministries' priorities with climate adaptation goals has resulted in the development of sectoral NAPs, such as the health sector NAP. Cross-sectoral approaches to developing integrated adaptation projects are also taken;

(c) Innovative financing mechanisms, such as the issuance of green bonds to fund adaptation and mitigation initiatives, have been established.

44. On capacity gaps and needs related to accessing finance for NAPs the country representatives from Saint Lucia and Fiji highlighted the following issues:

(a) Developing proposals for funding is a full-time job and is constrained by limited technical capacity;

(b) There are capacity needs related to data collection, monitoring and evaluation systems for hazard mapping using geographic information systems, future climate scenario analysis and creating user-friendly systems for effective communication of climate data;

(c) Training is needed to enable technical staff, media and youth to effectively communicate about climate change matters to the public and private sectors through various channels;

(d) There is a lack of vulnerability assessment tools that incorporate traditional knowledge and biodiversity considerations;

(e) There is a lack of feasibility studies for evaluating the bankability of adaptation projects.

45. Subsequently, a question and answer session was held with the meeting participants. One participant enquired about how to mitigate the challenges of debt swaps in terms of ensuring economic and social stability, monitoring and tracking financial savings from the swaps and lack of specific climate finance goals in existing debt swap mechanisms, and asked about the potential role of climate finance in enhancing the effectiveness of debt swaps. The

same participant highlighted the role of the GCF in supporting the formulation and implementation of NAPs and asked whether Fiji has managed to access funding from the GCF.

46. In response, the NAP Global Network representative highlighted that countries need to provide legal certainty on the use of GCF funds and demonstrate financial readiness to receive and manage debt swaps, pointing out that loan structures are challenging and create difficulties for creditors and debtors to take a percentage of the debt in order to make the swap. The representative underlined the important role of designated third parties such as non-governmental organizations, financial institutions and academic entities in managing GCF funds to ensure compliance with laws and reduce the risk for creditors. The NAP Global Network representative mentioned that the GCF can help countries establish the necessary legal and financial frameworks for managing debt swaps effectively, noting the importance of ensuring that the involvement of the GCF in providing funds does not lead to a reversion to traditional funding mechanisms and thus preserves the direct accessibility of debt swaps.

47. The representative of Fiji mentioned that the Government of Fiji is in the process of updating its NAP to cover the subsequent five years. The representative confirmed that Fiji is using NAP readiness funding for this purpose, mentioning that the Government is exploring ways to enable it to access such funding from the GCF directly rather than relying on intermediaries, with a view to streamlining its access to support.

E. Breakout group discussions

1. Developing national adaptation investment plans to support implementation of national adaptation plans

48. The following questions guided the breakout group discussion:

(a) What specific capacity gaps and needs are countries are facing with regard to developing national adaptation investment plans to support NAP implementation?

(b) What efforts can be made to facilitate the development of national adaptation investment plans to support NAP implementation?

49. The group reported the need to conduct donor mapping to identify financial donors in different sectors with a view to simplifying access to climate finance and then to conduct stakeholder mapping to enable the engagement of relevant public and private stakeholders in formulating and implementing NAPs. It is important to identify and catalogue the technical expertise available within a country and develop a clear process for moving from NAP formulation to implementation.

50. The group noted that NAP round tables with key stakeholders and donors facilitate discussion on and coordination of NAP implementation and financing strategies. It underlined the importance of clearly identifying available sources of funding, ensuring that adaptation planning is integrated into national development planning and reflecting adaptation planning in public and capital expenditure.

2. Harnessing the potential of innovative financial instruments for national adaptation plans

51. The following questions guided the breakout group discussion:

(a) What challenges are faced by countries with regard to harnessing the potential of innovative financial instruments for NAPs, and what key capacities are needed to overcome these challenges?

(b) What opportunities exist for harnessing the potential of innovative financial instruments for NAPs?

52. The group identified the following challenges related to harnessing the potential of innovative financial instruments for NAPs:

(a) Lack of capacity to perform economic analysis for adaptation projects;

- (b) An inability to identify the main suppliers of innovative financing;
- (c) Inadequate regulatory frameworks and policies conducive to creating an enabling environment for climate finance investments;
- (d) Difficulties in designing projects that meet the requirements of financing institutions;
- (e) Lack of understanding of the requirements for bankable projects and lack of considerations for marginalized groups in project designs;
- (f) Difficulties in using advanced technologies, including artificial intelligence, for NAPs and in understanding their impact thereon;
- (g) Lack of capacity to effectively track and manage climate finance investments for NAPs.

53. The group highlighted the following areas of capacity-building needed to overcome these challenges:

- (a) Establishing strong regulatory and legal frameworks for securing political and financial stability and attracting investments for NAPs;
- (b) Conducting robust economic analysis to support adaptation project design and evaluation;
- (c) Leveraging artificial intelligence and other technologies for managing adaptation projects and establishing innovative financing mechanisms;
- (d) Developing systems to monitor and evaluate the effectiveness of investments for NAPs;
- (e) Increasing awareness of and implementing resource mobilization strategies.

54. The group identified the following opportunities for harnessing the potential of innovative financial instruments for NAPs:

- (a) Capitalizing on existing motivation and willingness to pursue innovative financing;
- (b) Exploring the potential of artificial intelligence and blockchain technologies to address capacity needs and enhance financial management for NAPs;
- (c) Using indicators for the global goal on adaptation to measure progress on adaptation and guide investments.

3. Mobilizing private sector finance for national adaptation plans

55. The following questions guided the breakout group discussion:

- (a) What challenges are faced by countries with regard to mobilizing private sector finance for NAPs, and what key capacities are needed to overcome these challenges?
- (b) What opportunities or practical solutions exist for facilitating the mobilization of private sector finance for NAPs?

56. The group identified the following challenges related to mobilizing private sector finance for NAPs:

- (a) There is a limited understanding of and interest in climate change within the private sector;
- (b) The private sector has a preference for mitigation projects over adaptation projects owing to a clearer picture of the potential for financial benefits;
- (c) There is a lack of capacity to understand and assess the financial risks of NAPs.

57. The group identified the following opportunities for facilitating the mobilization of private sector finance for NAPs:

- (a) Promoting investment in adaptation projects that include mitigation and energy components to provide the private sector with interim profits and thus make such projects more attractive;
- (b) Developing climate risk matrices to facilitate understanding and management of risks across the value chain;
- (c) Outlining clear criteria for making investment and loans on the basis of risk assessments for the private sector;
- (d) Creating stable political environments to attract private investors and monitoring regulatory signals to ensure returns on investment;
- (e) Using global multilateral processes and investor trends to report on private sector perspectives on sustainability and profitability;
- (f) Creating innovative risk-sharing mechanisms, including providing guarantees in relation to adaptation outcomes and implementing existing laws and mandates, and considering tax cuts and government-supported loans for companies whose investment priorities include environmental, social, and governance factors or outcomes;
- (g) Diversifying the use of financial instruments for adaptation, including avoiding reliance on a single financial solution or employing a mix of smaller investments through small and medium-sized banks and debt swaps and other instruments to ensure the sustainability of investments.

V. Concluding remarks

58. The 13th Durban Forum offered Parties and non-Party stakeholders the opportunity to constructively discuss capacity-building support for adaptation, with a focus on addressing gaps and needs related to accessing finance for NAPs.

59. The Forum's thematic alignment with the annual focus area of the PCCB helped the PCCB to leverage the outcomes of the Forum effectively. After actively engaging in the Forum, the PCCB took stock of the outcomes at its 8th meeting and agreed to consider them intersessionally.

60. The PCCB will conduct a webinar in the second half of 2024 to discuss the subtopics of the Forum in more detail.

61. The PCCB will hold a focus area day and disseminate the findings from the Forum at the 6th Capacity-building Hub, at COP 29.