Regional Seminar on Innovative Climate Finance Instruments for Financial Institutions
June 19-20, 2017, CR4 UNCC, Bangkok, Thailand

The Regional Seminar brought together over 39 participants[1], including all national partners and national climate finance champions from Central Banks and other banking sector representatives from Fiji, Indonesia, Pakistan, the Philippines and Sri Lanka together with climate finance champions from other regional countries, and global and regional experts advocating for climate finance. The Seminar discussed achievements and challenges in developing appropriate tools and instruments to stimulate enhanced investments in low carbon climate resilient and environmentally sustainable development, established a regional network of champions and advocates for such climate friendly investments and identified further needs for capacity development of the banking and financial sectors in the target countries.

Background

Meeting the financial requirements of a transformative 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) converges with delivering on the Paris Agreement on Climate Change and the related Nationally Determined Contributions (NDCs). Many countries are undertaking analyses on how to align, renew, and modify their financing frameworks to meet the implementation requirements of their climate targets accordingly.

The Paris Agreement emphasizes the importance of making available financial resources to support the implementation of policies, strategies, regulation and actions for climate change mitigation and adaptation. A good deal of climate finance is already flowing in the Asia-Pacific region. The widely-quoted Climate Policy Initiative landscape study identified a total of US$391 bn in public and private climate finance flows for 2014, of which around 40-45 per cent (US$156 – 176bn) flowed to/in the Asia-Pacific region[2]. However, investments will need to be further scaled up, including the mobilization of domestic finance and private sector investments in particular, to support the implementation of the climate change mitigation targets of the countries in the region.

Through a three-year regional project, ESCAP is providing technical and advisory services to national financial institutions in five countries – Fiji, Indonesia, Pakistan, Sri Lanka and the Philippines – to identify and support the development of financial instruments that will leverage domestic investments to meet implementation needs and bridge financing gaps for low-carbon climate resilient development. The project seeks to provide targeted advisory and technical assistance that will empower central banks as the regulator of the national financial markets in framing national fiscal policies for 'clean' investments in low carbon, climate resilient and environmentally sustainable development. Such polices would be further implemented by national development banks, as well as commercial banks and will generate low carbon investment projects engaging private investors down the road. The aim is to identify innovative financial instruments that are both climate-responsive (with a focus on mitigation) as well as in line with the 2030 Agenda. The project fosters peer-learning and stimulates the creation of new partnerships that bridge the public-private divide with the aim of forging low-carbon climate resilient development in the region.

To this end, national scoping studies in four countries are being conducted to map out the landscape of national climate finance architecture and financial institutions, to identify on-going climate

[1] From the total 24 participants were female and in addition 17 ESCAP colleagues attended

[2] Buchner, B. et al. (2015), *Global Landscape of Climate Finance 2015*, Climate Policy Initiative Report, November.

finance initiatives and existing incentives for low-carbon investments, and priority areas for interventions, accompanied by national seminars engaging climate finance stakeholders.

Scope of Regional Seminar

As a conclusion of activities under the inception phase, a Regional Seminar on Innovative Climate Finance Instruments for Financial Institutions was conducted from 19 to 20 June 2017 in the United Nations Conference Centre, Bangkok, Thailand.

The objectives of the Seminar were to:

- present preliminary findings of the national and regional scoping studies, and to collect inputs and feedback from thought leaders in beneficiary countries;
- identify further needs for targeted technical advisory services and capacity development support;
- lay the foundation of a regional network of thought-leaders and project champions on climate finance from wider group of countries to foster south-south peer-learning opportunities, sharing good practices and lessons learned throughout, and beyond the duration of the project;
- identify opportunities for joint capacity development activities with other regional partners to better assist the beneficiary countries.

Proceedings

Climate change is increasingly threatening the resilience of a broad number of development sectors (e.g. financial, renewable energy, agricultural, natural resources, etc.), inducing the need for financial investment reconfiguration, manifesting as a reform of policies/incentives, enabled by strong policy support structures and project-level funding.

The participants of the Regional Seminar were welcomed by Mr. Kaveh Zahedi, Deputy Executive Secretary of United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and Ms. Dechen Tsering, Regional Director and Representative for Asia and the Pacific, United Nations Environment Asia and the Pacific Office who set the tone of the event.

From the offset, the participants were informed about the objectives of the project and were provided with an overview of the preliminary results of the scoping study. The keynote presentation on Green Banking Initiatives in Pakistan was made by Mr. Muhammad Saleem, Additional Director of the State Bank of Pakistan provided an overview of the opportunities and tools available for Central Banks as the regulator of the national financial systems to provide an impetus and incentives to stimulate an increase of national private investments in low carbon climate resilient development.

The Seminar was organized in 5 sessions and in the format of moderated panels, which were followed by questions and answers sessions. A breakout session to identify the further needs for capacity development support from ESCAP and partners was held towards the end of the Seminar.

More details about the Seminar Sessions are provided below.

Technical Session 1: Development of Green Bonds

The panel of the technical session 1 engaged Mr. Jens Radschinski, UNFCCC-Regional Collaboration Centre, Thailand as a key presenter and Ms. Jenny Koh CFA, Regional Director Asia of GaurantCo, Singapore and Mr. Calvin Lee Kwan, General Manager – Sustainability of Linkreit Ltd., Hong Kong as panellists. The session was moderated by Mr. Xiaochen Zhang, member of the Task Force on Green Business of ESCAP Business Advisory Council and President of FinTech4Good, Hong Kong.

Session 1 explored the potential for development of green bonds in the region and discussed the needs for standardization and certification as well as monitoring mechanisms for due diligence. By and large, the region's capital markets suffer from a lack of depth. This precludes governments from accessing debt market instruments that hold the key to pursuing low-carbon investments at scale. Developing the region's capital markets is a longer-term endeavor.

Technical Session 2: Green Banking Legislation, Standards and Implementation

Technical session 2 was organized as a moderated panel of speakers, engaging H.E. Emmanuel M. De Guzman, Commissioner of the Climate Change Commission Office of the President of the Philippines, Mr. Nandalal Weerasinghe, Deputy Governor of the Central Bank of Sri Lanka, Mr. Edi Setijawan, Director of Sustainable Finance in the Indonesia Financial services Authority/Otoritas Jasa Keuangan (OJK), Indonesia and Mr. Farhat Karim Hashmi, Executive Vice President of Zarai Taraqiati Bank Limited, Pakistan and was moderated by Mr. Stefanos Fotiou, Chief of Environment and Development Division of ESCAP

The Technical Session 2 discussed the critical role of Green Banking legislation, standards and implementation for overcoming the significant challenges of countries in the region in accessing the requisite capital to turn their climate change priorities – as demonstrated by their Nationally Determined Contributions (NDCs) – into action. The financial sector has the potential to provide the means to achieve the large investments which are needed to achieve the transformation to low-carbon, climate-resilient economies. By reorienting commercial bank lending towards this aim, it has a potentially transformative role to play to unlock private sector finance for the low-carbon economy in the region. National partners from the Philippines, Sri Lanka, Indonesia, and Pakistan presented examples from the region on the development of green banking regulatory instruments, standards, as well as roadmaps and strategies to supports its implementation. In the Philippines and Sri Lanka, regulatory mechanisms such as green banking guidelines and concrete data on the riskiness of green finance products are lacking, reducing implementation and statistical capacity to validate its social and environmental impact. Based on Indonesia's experience in implementation of the national sustainable finance roadmap, it is important to develop green finance market and prepare green finance pipelines/project, combined with good financial regulations and governance of sustainable finance to successfully enable low carbon green development .

Technical Session 3: Development of Financial Instruments, including Green Banking Guidelines, Green/Climate Insurance and other Initiatives

The technical session 3 engaged the following speakers: - Mr. Muhammad Saleem, Additional Director in the State Bank of Pakistan; - Mr. Nalin Karunathilake, Vice President of the DFCC Bank of Sri Lanka; - Mr. Vereimi Levula, Chief Manager Financial Systems Development in the Reserve Bank of Fiji and - Mr. Muhammad Mynul Hossain, First Assistant Vice President of the Bank Asia Limited in Bangladesh, Ms. Rochelle D. Tomas, Acting Policy Director, Policy and Literacy Group, Bangko Sentral ng Pilipinas (BSP), Philippines and was moderated by Mr. Mozaharul Alam, Regional Climate Change Coordinator, UN Environment Asia and the Pacific Office.

The session 3 explored the development of Financial Instruments, including Green Banking Guidelines, Green/Climate Insurance and other Initiatives. While commercial banks are dominant in the region and in the short-term will continue to play a role in increasing the lending portfolios for green, low-carbon activities, public finance needs to play a catalytic role in making the business case for green banking, through risk sharing and incentive mechanisms to address market failures and leverage private capital.

Central Banks and commercial banks in Pakistan, Sri Lanka, Fiji, Bangladesh, and the Philippines shared successful climate finance instruments and mechanisms, and their developmental impacts of in various sectors as agriculture, energy renewable, sustainable infrastructure, green buildings, etc. A national

scoping study undertaken by the Philippines' focal points revealed that endeavors in green banking have been initially successful, environmental and social impacts can be further magnified through recommended regulatory (i.e. building high-level platform for multi-sectoral agenda setting, tools for ESRM) and capacity building pathways (i.e. awareness/knowledge-building activities for banks, regulators, and government agencies).

Technical Session 4: Linking with on-going UN efforts in the target countries

The panel for Session 4 engaged Mr. Jens Radschinski, Head, UNFCCC-Regional Collaboration Centre, Ms. Huong Thien Nguyen, Operations Officer, International Finance Corporation, Ms. Alla Metelitsa, Head of the Climate Change Cluster, Regional Resource Centre for Asia and the Pacific, Asian Institute of Technology, Ms. Sujala Pant, Governance and Climate Finance Specialist, UNDP Regional Bureau for Asia and the Pacific and Mr. Mozaharul Alam, Regional Climate Change Coordinator, United Nations Environment and was moderated by Mr. Shafqat Kakakhel, Chairperson, Board of Governors, Sustainable Development Policy Institute, Pakistan.

The panelists presented on their existing tools for capacity development for climate finance, as well as on their activities in the countries involved in the project. UN agencies (UNFCCC, UNEP, UNDP) offers general capacity-building support to mobilize technical resources in the development of financial industry tools to rate investment quality and risk quantification. Additionally, they assist directly with the tagging of government budget, rectifying statistical capacity issues, and the core planning of a climate change financing framework. While AIT focuses on training programs to further awareness of climate finance instruments, both ADFIAP and IFC help Central Banks comply with national environmental due diligence mandates, by building legal and regulatory frameworks especially for emerging economies.

Technical Session 5: Working Together on the Next Steps

The technical session 5 was organized in two parts. During the first part the representatives of the national partners were engaged as panelists: - Mr. Abimanyu S. Aji, Project Manager, The Partnership for Governance Reform (Kemitraan), Indonesia; - Mr. Shakil Ahmad, Head-Centre for Future Policy, Head-Research Coordination Unit, Sustainable Development Policy Institute, Pakistan; -Ms. Corazon Conde, Group Head, ADFIAP Consulting, Association of Development Financing Institutions in Asia & the Pacific, Philippines; and Mr. Uchita de Zoysa, Sustainable Development Advisor, Ministry of Sustainable Development and Wildlife, Sri Lanka and the session was moderated by Mr. Octavio Peralta, Secretary General, Association of Development Financing Institutions in Asia & the Pacific.

The panelists elaborated on the climate finance scoping study results in each of the target countries, including the national institutional architecture to support climate finance, challenges and opportunities, national climate finance champions and best practices, as well as identified areas for capacity development support.

For example, Sri Lanka team identified the need for capacity development support for climate mitigation and adaptation policy coherence among its 51 governmental ministries. Further advanced, initial results from Indonesia's scoping study reveals that climate finance flows from trust funds towards microfinance and green promotion activities for industrial sectors, but that there are still severe financing gaps needed to reach NDC targets which could be rectified with stronger regulatory guidelines for green banking. Like Indonesia, Pakistan find that they experience financing gaps for climate change activities; as a result, its government requests support towards building a Capacity Climate Change Fund to raise awareness for project financing, development of green banking guidelines, and to form an enabling environment.

Philippines does have a wealth of financing from a variety of sources but level of funding based on projected need is still low, therefore, the upscaling of climate finance by national financial institutions is essential in bridging said gap to fulfill the targets set out by the NDCs. in this regard, the Central Bank is being requested to take on a stronger leadership role in directing the banking sector towards sustainable climate finance.

Summary of breakout sessions per country
Bangladesh:

Bangladesh as one of the most climate vulnerable countries, must keep up to date with international developments to secure maximum financing from climate funds, and follow the new dynamics of leveraging financing to enable low carbon climate resilient development. To tackle growing challenge from environmental degradation and to enhance climate resilience, the Bangladesh (Central) Bank has issued a number of regulatory provisions, including guidelines for green the financial system in the country. Commercial Banks are now required to ensure necessary measures for financing of measure to protect the environment, while financing new projects or providing working capital to the existing enterprises. Banks have been advised to facilitate their clients with utmost care in opening Letter of Credit (L/C) for installation of Effluent Treatment Plant (ETP) in the industrial units. Banks also have been advised to finance Solar Energy, Bio-gas, ETP and Hybrid Hoffman Kiln (HHK) in brick field under refinance program of Bangladesh Bank. Since its inception, the Bank Asia Limited, which is a Bangladesh private commercial bank, has been committed towards safe, clean and green environment and has initiated both in-house and external green banking activities towards supporting Green Economy[3]. As part of this commitment to green economy, and since 2011, the Bank Asia signed is lending to support renewable energy projects, including solar energy, bio-gas, as well as effluent treatment plants (ETP) and Hybrid Hoffman kiln (HHK). Furthermore, the Bank Asia does not finance any environmentally hazardous businesses, including tobacco business and all offices of the bank are declared smoking free Zone.

The Bangladesh (Central) Bank recently published (in early February 2017) another guideline in addition to earlier guideline on environment & Social Risk Management (ESRM) having technical support from International Finance Corporation (IFC) for Banks and Financial Institutions in Bangladesh for betterment of environmental condition, which will be implemented from January, 2018[4]. This effort needs to be scaled up with awareness raising activities targeting entrepreneurs, workers, and the general population. Besides it is to be mentioned here that maximum carbon omission comes from the develop countries, some of the develop countries are in the way of exit from Paris accord where we should give more attention.

Identified challenges and needs for capacity development support:

- Capacity development of Central Bank for developing a specific road map for ensuring implementation of ESRM guideline at possible shortest time.
- Coordination among different government, public, private agencies to create awareness amongst the stakeholders about environmental and social responsibility enabling them to adopt environmentally friendly business practices.
- As the Commercial banks/Financial institutions will play vital role to reduce carbon omission, it is important to ensure adequate training from international or national experts for their staff on green banking and green finance.

[3] For more information please refer to www.bankasia-bd.com
[4] For more details please refer to the official Bangladesh Bank website - site www.bb.org.bd, www.bangladeshbank.org.bd

Fiji

As the development of the scoping study for Fiji is just in its initial stage, only the representative of the Reserve Bank of Fiji shared his views on the current debates on the role of financial institutions as the catalyst in promoting sustainable development. The Reserve Bank has made an international commitment to work with partners on developing and promoting sustainable business models to support communities' response to climate change and green finance.

The Bank issued a Renewable Energy Loan Ratio (RELR) Policy where commercial banks are required to hold 2 percent of their deposits and similar liabilities in loans to the Renewable Energy Sector, which was followed consistently by one of the banks. The Reserve Bank also issued an Import Substitution and Export Financing Facility (ISEFF), which focuses on improving Fiji's balance of payments position by assisting exporters, large scale commercial agricultural farming and renewable energy business to obtain credit at concessional rates of interest. The Bank also initiated discussions with the Fijian Government on issuance of Green Bonds.

The Reserve Bank has identified the needs for further capacity development support in the following areas:

- Assessment of bankable projects taking into consideration environmental and social risks;
- Developing financing requirements that encourage implementation of mitigating environmental damage or adaptation initiatives in the proposal.
- Issuance of road map and policies and guidelines promoting best practices towards green financial system.
- Develop innovative mechanisms for leveraging private sector funds for green/ climate finance.
- Issuance of green bonds

Indonesia

The Indonesian team discussed that the national financial institutions have advanced well in their understanding of green banking in support of low carbon climate resilient development and the understanding of how to develop and implement various tools and mechanisms. At this stage, there is need to strengthen the capacities for developing and assessment of bankable projects, and for monitoring of their implementation. Also, there is a need to identify and better illustrate the overall financial flows in the climate resilient development area and how different sectors relate to climate finance and how this funding can stimulate further economic development. Such assessment will assist with providing advice to decision makers and to support the communications of cross-sectoral coordination committees with Ministry of Finance.

OJK has highlighted that the sustainable finance regulation will be signed in July 2017. This regulation will cover almost all financial institutions including bank, capital market and non bank financial institution such as multifinance, insurance, pension fund. As part of Indonesia Sustainable Finance Roadmap, this regulation must be followed with supporting strategic activities such as capacy building and institutional building for financial services industry. ESCAP can provide further support for the capacity development activities that OJK plans to roll on in the Bali Centre for Sustainable Finance that is going to be launched on 12 July 2017. The Centre has the potential to provide support for national as well as for regional capacity development activities in sustainable finance including green banking. In addition, the importance for a organizing a national meeting on sustainable finance and make sustainable finance as a part of national agenda to achieve SDGs dan Paris Accord. There is an opportunity hold the 2nd National

Workshop with the objective to support this request. OJK would also needs further technical advisory services for the development of concrete financial instruments for banks, capital market and non-bank-type of financial institution.

Pakistan

Pakistan team discussed the challenges and opportunities for enhancing investments in low carbon climate resilient development. Main highlights and recommendations are listed below:

- The financial sector need to support the NDC targets aiming at reducing carbon emissions and these should be adopted as key criteria for financing national development projects and activities by the national banks;
- New procedures and guidelines for the commercial banks need to be issued by the Central Bank to guide the implementation of the above;
- A priority list of sectors for low carbon climate resilient investments to guide the national banks should be developed based on their contributions to the total country carbon emissions, and this need to consider agriculture as top priority;
- When developing climate finance instruments representatives of the farming community need to be included in the dialogue through focused groups to ensure that the financial needs and vulnerabilities of the farmers are well considered.
- When financing mechanisms are being developed the existing institutional architecture needs to be considered;
- Basic & Special Fiduciary Requirements drawn out for accreditation of institutions by Green Climate Fund (GCF) for Pakistan may be relaxed for public sector institutions so that fulfilling of the criteria becomes easier for financial institutions to get accreditation and to contribute to the cause.
- There is a need for capacity development and technical advisory support for development and assessment of bankable projects, including for funding from the Global Climate Fund. Wider engagement of national think tanks and the United Nations.
- Additional awareness raising activities through national workshops need to need to be organized by State Bank of Pakistan and ZTBL in praetorship with the provincial Governments in Pakistan to ensure better understating of the farming fraternity about vulnerabilities to climate change impacting crop cycles and preventive measures, including sustainable water management and SMART agriculture in all agri-regions (emphasis on remote areas of Sindh & Baluchistan).

The Philippines

The Philippines team also discussed the opportunities and challenges, and identified the following recommendations:

- There is a need for a signal/instructions/guideline from public authorities with regulatory functions, including from the Central Bank on the need to prioritize investments in low carbon climate resilient development;
- These guidelines need to be more general and less prescriptive to allow flexibility in choosing technologies and approaches for investments in low carbon climate resilient development projects according to the most recent developments;
- Further awareness raising and training of representatives of the financial and banking sector in understanding of the risk in a global context and the rationale behind green banking Is needed;

- Additional capacity building support for developing financial framework and strategic approaches for partnership is also needed;
- Strengthening the monitoring and evaluation procedures, and overall financial governance and financial institutions through developing of a green banking law was highlighted;
- ESCAP's participation at the high-level round table discussions on climate finance was highlighted as desirable by HE Commissioner Emmanuel M. De Guzman. The Roundtable will be held on 1 August with high ranking officials from financial institutions.

Sri Lanka

The Sri Lanka team in their discussions emphasized that coordination between the different agencies, either public or private, and enhanced communications among these agencies is paramount to foster better understanding of the significance of climate finance for low carbon climate resilient development. Such coordination will also contribute to removing barriers to related projects during the preparation and implementation stages. The Central Bank of Sri Lanka has recently become a member of the Sustainable Banking Network and is participating in the awareness raising activities which are improving the understanding of the CB staff of the basic green banking principles. However, the CB need to be further capacitated to be able to actively assume its role as the main regulator of climate finance flows as well. The main request for capacity development support from the CB Deputy Governor was related to the need for technical assistance for the development of a national sustainable/green financing roadmap and the supporting regulatory tools and mechanisms.

In addition, the Sri Lankan team made the following recommendations:

1) There is a need to support the establishment of an "Integrated Committee" between the Sustainable Development Council, Climate Change Council, Central Bank, and in close collaboration with the Ministry of Sustainable Development and Wildlife, the Mahaweli Development and Environment and the Ministry of Finance and Policy Planning. Such measure will enhance the communications and institutional capacities of the main institutions involved in climate finance governance in the country.

2) Further need for general awareness raising and technical training seminars for promotion and development of specific financing instruments was identified

3) It is necessary to develop training course/module on green banking/climate finance to train staff of the Central Bank and other banks.

Conclusions and Recommendations

From its takeoff, the Seminar underscored that three core agreements (Paris Agreements, 2030 Agenda for Sustainable Development, and the Addis Ababa Action Agenda) provide the impetus for international commitments towards concrete climate-responsive actions. The key drivers of green finance remain the 2015 Paris Climate Agreement, the need for financial portfolio diversification, and extreme weather contention.

It was agreed that timing of this Seminar is auspicious considering the joint political leadership of the G7 and G20 in reorienting the global financial system towards sustainable development, calling for billions of dollars of green investments. In our region, while the green bond market has grown exponentially, green bonds still represent a tiny fraction of bond issuance and their impact is yet to be seen.

It was agreed that while the United Nations has generated a comprehensive portfolio of tools to improve positive impact investing behavior for international stakeholders (i.e. Global Innovation Lab, Green Climate Fund Facility, UNFCCC Adaptation Forum, UNEP Inquiry), the ESCAP-led project already in its inception phase **has identified key national champions who have emerged as critical drivers for**

climate finance in Indonesia (OJK), Sri Lanka (Central Bank of Sri Lanka), Pakistan (State Bank of Pakistan), and the Philippines (Central Bank of the Philippines, with involved participation from the Climate Change Commission), as well as created the basis for national and regional networks of climate finance practitioners.

The Seminar highlighted that traditionally, Central Banks are mandated to regulate liquidity, manage exchange rates and balance of payments, and finance priority sectors; however, with climate investments gaining social and economic profitable prominence, Central Banks/Financial Services Authority must guide and shape new financial paradigms by forming an enabling regulatory framework (green banking guidelines, prudential regulation for project financing), market development (risk-sharing credit guarantee facilities), public financing mechanisms (refinance/credit lines for climate financing), and awareness/capacity building.

The Seminar agreed that green bonds emerged as a high-value driver of sustainable financial change provided specific caveats are met, chiefly standards to identify quality bonds, regulatory frameworks to oversee transactions, project guidelines for risk monitoring and verification, and above all, capacity-building, awareness-raising and collaborative knowledge sharing for government and its ministries, central banks and commercial banks, and investors to encourage market entry into sustainable and green banking (Session 1).

The Seminar also highlighted that the fastest way to change any industry sector is to influence the regulatory mechanisms which govern it and the role of sustainable financing roadmaps, as those in Indonesia and Pakistan were underscored (Session 2). Key features of those roadmaps were including green lending models, policy coordination with governments, industry/academic participation through pilot projects, and tailored tools and measures to mitigate climate-change induced effects particularly for most vulnerable populations such as small-scale farmers.

The Seminar also agreed that there is a wealth of knowledge products, and opportunities for technical capacity development support and ESCAP can play a key role in quickly matching the capacity development needs of the national climate experts in the beneficiary countries with the agencies and partners providing such support though the SDG help Desk which is being in the process of establishment (Session 4).

The need for national coordination and institutional coherence in Sri Lanka, Philippines, Indonesia, and Pakistan was highlighted (Session 5) by the national partners who shared the preliminary results of eh scoping studies. The need for requests capacity support for climate mitigation and adaptation policy coherence among its 51 governmental ministries was underscored (Sri Lanka). Further support for developing mechanisms, such as regulatory guidelines for green banking that will create climate finance flows from trust funds towards microfinance and green promotion activities for industrial sectors, as well as to the implementation of the NDC targets was also underscored (Indonesia). Similarly, support for the strengthening of the Climate Change Fund, regulatory frameworks for enabling environment and capacity development support for developing bankable projects was also requested (Pakistan). The need for strengthening the role of the Central bank as the primary regulator and enabler of national climate finance to support the implementation of the NDC targets was highlighted as well (Philippines).

Recommendations

The participants agreed on four broad areas where the project activities can make a difference and benefit the climate finance practitioners the most:

1. Support for raising awareness on financial instruments and latest technological developments for low carbon climate resilient development for representatives of the financial institutions, including banks, insurance and securitization companies, capital markets institution, etc.) on the climate risks on their investments, increase the attractiveness of sustainable/green banking.
2. Support establishment of national and international information-sharing and coordination mechanisms between ministries and government institutions, governmental and private financial institutions, private sector associations and bilateral and international development for coherent climate finance interventions and actions.
3. Provide capacity development support to empower the Central Banks as the primary regulator of the national financial markets to develop green finance guidelines and advisory frameworks that will create national financial environment conductive to investments in low carbon climate resilient development, as well as linking to the broader financing for sustainable development.
4. Provide capacity development support to SMEs and financial institutions to develop bankable projects by building the technical capacity of writing fundable proposals to source budget from national and international origins.