Title: **Incentives for pro-poor climate financing**

Tuesday, December 1
18:00 - 19:30
Salle 2, African Pavilion

Abstract

The Sustainable Development Goals (SDGs) strive to 'leave no-one behind,' while the UN climate change negotiations aim to 'avoid dangerous climate change'. These are grand aims, but the agreements behind them will only succeed if the world's poorest people are able to act to overcome the challenges they face.

Poor households and communities will need access to finance so they can adapt to climate change, pay for services, recover from extreme events, develop sustainable businesses and secure low-carbon energy supplies. While policy debates have focused on where this money will come from, the real question will be how to get it to the poor and vulnerable who need it most. This calls for attention to identify appropriate financial intermediaries and instruments– the structures and institutions that channel finance from its sources to its spenders.

However, ensuring appropriate financing channels are deployed for the poor, requires aligning incentives to pro-poor choices. Actors require appropriate incentives to ensure they make the choices that prioritize the needs of the poor. These drivers can be policy incentives that are key in establishing incentives all along the values chain, regulatory incentives that provide mandates for entities to invest in pro-poor choices, economic incentives that can make non-revenue generating pro-poor choices beneficial for financial intermediaries and reputational incentives that can enhance the image of actors investing in pro-poor inclusive climate financing.

This session aims to share cross country lessons on how countries can align incentives to pro-poor climate finance choices in low carbon resilience development. The lessons will steer directions for implementing SDGs and advocate pro-poor financing decisions for Green Climate Funds.

II. Background

The new Sustainable Development Goals strive to 'leave no-one behind' and the UN climate change negotiations aim to 'avoid dangerous climate change'. These are grand aims, but the agreements behind them will only succeed if the world's poorest people are able to act to overcome the challenges they face.

Poor households and communities will need access to finance so they can adapt to climate change, pay for services, recover from extreme events, develop sustainable businesses and secure low-carbon energy supplies. While policy debates have focused on where this money will come from, the real question will be how to get it to the poor and vulnerable who need it most. This calls for attention to identifying appropriate financial intermediaries and instruments– the structures and institutions that channel finance from its sources to its spenders.

However, ensuring appropriate financing channels are deployed for the poor, requires aligning incentives to pro-poor choices. Actors require appropriate incentives to ensure they make the choices that prioritise the needs of the poor. These drivers can be **policy incentives** that are key in establishing incentives all along the values chain, **regulatory incentives** that provide mandates for entities to invest in pro-poor choices, **economic incentives** that can make non-revenue generating pro-poor choices beneficial for financial intermediaries and **reputational incentives** that can enhance the image of actors investing in pro-poor inclusive climate financing.

This session aims to share cross country lessons on how countries can align incentives to pro-poor climate finance choices in low carbon resilience development. The lessons will steer directions for implementing SDGs and advocate pro-poor financing decisions for Green Climate Funds.

III. Challenges and Opportunities

Challenges

Opportunities

IV. Event Objectives and Outputs

Objectives

The event will bring together cross country experiences from Africa and Asia to enable south-south exchange of learning from case studies that illustrate how policy makers are incentivizing and designing their financial landscape to unlock public-private flows for inclusive investment in low carbon resilience development

Outputs

V. Key Questions

- How countries can align incentives to pro-poor climate finance choices in least developed countries.
- What lessons we can draw for the Green Climate Fund (GCF)

Primary theme:
Finance

Secondary theme:
Adaptation
Low carbon resilience development
Inclusive growth and energy access

VI. Participants Roles and Responsibilities

Panelist Name	Organization/Position	Email	Phone Number
Mr. Giza Gaspar-Martins	LDC chair Director of the Department of Climate Change in Angola's Ministry of Environment.	gizagm@gmail.com	
Victor Orindi	National Disaster Management Authority (NDMA), Kenya	vorindi@adaconsortium.org	
Dethie Soumare *(tbc)*	CSE, Senegal	dethiesoumare@gmail.com	

Saleemul haq	ICCCAD, Bangladesh	saleemulhuq@googlemail.com	
Raju Chettri Sunil Acharya	Prakriti Resource Centre, Nepal		
Asif Iqbal (tbc)	Bangladesh Central Bank, Bangladesh	asif.iqbal@bb.org.bd	
Neha Rai and Nanki Kaur	IIED	Neha.Rai@iied.org Nanki.Kaur@iied.org	

VII. Proposed Program

5 minutes	**Introduction by the Chair**
	Mr. Giza Gaspar-Martins
	Presentation
20 minutes	Incentives for financing inclusive low carbon resilience development: Cross country overview from Rwanda, Ethiopia, Bangladesh and Nepal. Neha Rai and Nanki Kaur, IIED
20 minutes	How can LDCs directly access climate finance Saleemul huq and Dethie Soumaré, CSE
30 minutes	**Panel Discussion**
	Moderator: Chair Panelist: • Kenya, Ada Consortia • Bangladesh • Nepal
15 minutes	**Exchange with audience**