

# Session 4

Sonja Koepfel, UNECE

# Questions session 4

- What types of financial mechanisms can be put in place at basin level, and what criteria should be followed by projects' developers, to improve adaptation to climate change in basins (not only in terms of new infrastructures, but also in the field of research, technologies, governance, management practice...) ?
- How can we facilitate access to climate finance to local and basin project owners and create new relationship between them and funding organizations and agencies?

# Questions session 4

1. What are existing bottlenecks/challenges hindering water projects getting financed? What are lessons learned, and examples of mechanisms that work in the water sector or elsewhere?
2. How could the international institutions scale-up the financing of water projects, ensure financed projects are the ones which contribute most to minimizing water risks, balance mitigation and adaptation and improving access to finance of project owners? and
3. What could the water and climate community do to gain attractiveness by IFI's, private financiers and the private sector? Is there a role for project owners, IFIs, governments (central or local), etc.?
4. What is needed to improve the financing of measures in transboundary river basins?

# Difficulties/ challenges

- Long project preparation, high transaction costs
- Water is complex
- Territorial and sectoral difficulties
- Need for demonstrating additionality
- Need for monitoring and tracking results

# Conclusions session 4

- Climate change disproportionately affects poor and vulnerable countries, communities, population groups
- Climate change adds to the funding shortfall for water. Need for more funding for climate change adaptation, especially, but not only, for basins
- Climate change funds also represent new opportunity
- More support (capacity-building, knowledge, resources) is needed for the initial project preparation phase (eg incubator model)
- Regional organizations can play an important role (OSS). RBOs should demonstrate their added value in cc adaptation, develop tools and bring together national activities
- Blending different sources of finance can be a solution
- Need for better exchange between the public and private financiers and the water managers looking for funding

# Overall conclusions of the session

- Need for more funding for water and climate, especially for basins: grants, loans, blended finance
- Need for considering transboundary aspects and role of basin organizations, when relevant
- Need for easier access to climate funds/ increasing support to preparing projects through capacity-building, knowledge and resources
- Need for good climate smart and water wise bankable projects