

Gallery 1: Country views on success, challenges, and next steps

What does success toward green bank establishment look like in one year?

Expanding existing work	Key question answered	Information and progress by policymakers
China Ukraine Vietnam	Indonesia	Brazil Philippines
Capitalization	Progress on policy and finance	Creating and executing action plan
India Mongolia	Mexico Rwanda Spain	Cambodia Chile Lebanon Malaysia Turkey Uganda

Key Question Answered

Q1

NEW INSTITUTION OR
EXISTING INSTITUTION OR
COMBINATION

Indonesia

Expanding existing work

Q1

Energy efficiency fund expanded ~~from~~ beyond residential buildings, to include industrial and commercial.

Ukraine

Q1

% OF GREEN LENDING 10 → 30%
4 NEW GREEN FINANCIAL PRODUCTS
LEVEL 2 GREEN FINANCE CERTIFICATION
13 BANK BRANCHES GREEN LEED CERTIFICATION
REDUCE BANK CARBON FOOTPRINT

China

Q1

① State Bank of Vietnam has issued a strategy to develop green banks in 2018.
② Commercial banks need to abide by
a - Directive of 2015 to stimulate green lending / Vietnam Bank Association of India
b - Regulation of 2016 providing framework for green asset class
→ comply with social and environmental safeguards
c - Mandate to operationalize the above / GfI support / Carving Vietnam

Information & progress by policymakers

Q1

In one year, policymakers and the markets will be better informed about green banks and green finance, and how it can it can scale up green finance.

Philippines

Q3

Greenness of the NDBs and more bankable projects

Brazil

Capitalization

Q1

Capitalization 100

Capitalization Of The G strength

1. Public share
2. Subordinate loan
 - a. We have already taken SEBI approval, ISOD approval & Govt. approval
 - b. We are in readiness will achieve by Sept/Oct. ①
3. After Capitalization may look at short financing projects outside India - may be initially in a small way with other banks / lending institutions.

India ②

Q1

Approval of
Financing Facility
by GCF

Mongolia

Creating & executing action plan

Q1

A big champion for green banking is in place, and leading the development of an action plan.

Turkey

Q1 ① Clarity of the process

- ① Formalize a team and build a ROAD Map.
- ② business plan
- ③ Clear objectives.

Q1

COMPLETION OF ASSESSMENT
IN 12-18 MONTHS

Uganda

Chile

Q1

Government finishes case-making phase and sets a compelling design for a Green Investment Bank

Cambodia

Q1

Ministry of Finance and Ministry of Environment will have a firm plan to design a green bank or green facility for Lebanon.

Lebanon

Policy + finance action

Q1

- Go-ahead by Rw govt
- Capital and equity partner identified

Rwanda

Q1

- Legislation introduced to
- 1) expand and ^{new mandate} create a comprehensive framework for Fondo Nacional de Eficiencia Energetica
 - 2) create comprehensive regulatory framework for climate agenda Spain

Mexico

Q1

- ① Governance / capital
- ② MANDATE / TAXONOMY (GOALS)
- ③ MANAGEMENT / STAFF

What are three key activities needed to achieve success toward green bank establishment?

Readiness	Piloting and preparation	Education and awareness	Legislation	Business planning
China Ukraine Vietnam	Mongolia	Cambodia Egypt Philippines Turkey Ukraine	Indonesia Lebanon Philippines Spain	China Egypt
Governance	Rules and MRV	Partnership	New or existing institution	Capitalization and funding
Brazil Indonesia	Brazil Indonesia	Kyrgyzstan Lebanon Rwanda Spain Uganda Ukraine	Brazil Mongolia	Lebanon Uganda Ukraine

What is the biggest obstacle to this success?

Project pipeline

Brazil
Chile

Market
conditions

India
Lebanon
Mongolia

Knowledge and
capacity

China
Egypt
Uganda
Vietnam

Changing
expectations

Philippines
Turkey
Ukraine

Need to set goals

Cambodia
Rwanda

Government
coordination

Mexico

Political,
institutional,
stakeholder buy
in

Indonesia
Malaysia
Philippines
Spain

#2 Biggest obstacle

Q1- Project pipeline and financial partners (second for banking)

Chile

Project pipeline

Need to set a Goals

Q2- Disagreement on the vision for best climate future
→ need for consensus table then

Rwanda

Q2- Identifying the Bank's goals and objectives in a complex case, which is also needed to identify a champion

Cambodia

Pipeline not bankable projects in some challenging sectors such as adaptation & E&E in urban setting commercial work in new countries

Brazil

Knowledge and capacity

Q1- TECHNICAL ASSISTANCE FOR CAPACITY BUILDING TO IMPROVE THE QUALITY OF PROJECTS

Q2- STRONG CAPACITY

Chile

Q1- Capacity and financial skills - identify the financing institutions - understand the bank of green financing of green investment opportunities
Q2- Capacity and financial skills - understand the bank of green financing of green investment opportunities
Q3- Capacity and financial skills - understand the bank of green financing of green investment opportunities

Uganda

Q2- Knowledge

Egypt

Q2- Coordination by Gov't for DFI Green Goals

Mexico

Changing expectations

Q4- Educating policymakers, the industry etc. bank

Q2- Change the rules to require or reward & incentivize banks to finance green projects

Q1- Indifference, a historical expectation of cheap energy sources

Ukraine

Philippines

Turkey

Market conditions

Q2- maturity of market
- lack of political will
- slow economic growth

Lebanon

Q2- General Macroeconomic Risk
- currency risk
- change of investment environment

Malaysia

Q1- Market Condition for Capital Raising

India

Q2- Export risk is policy a political risk government changing the macroeconomic framework a incentives for green investment

Philippines

Q1- Political discomfort of PPPs (and innovation)
Institutional resistance to change
And funding source, like carbon credit - not enough

Political, institutional, stakeholder buy in

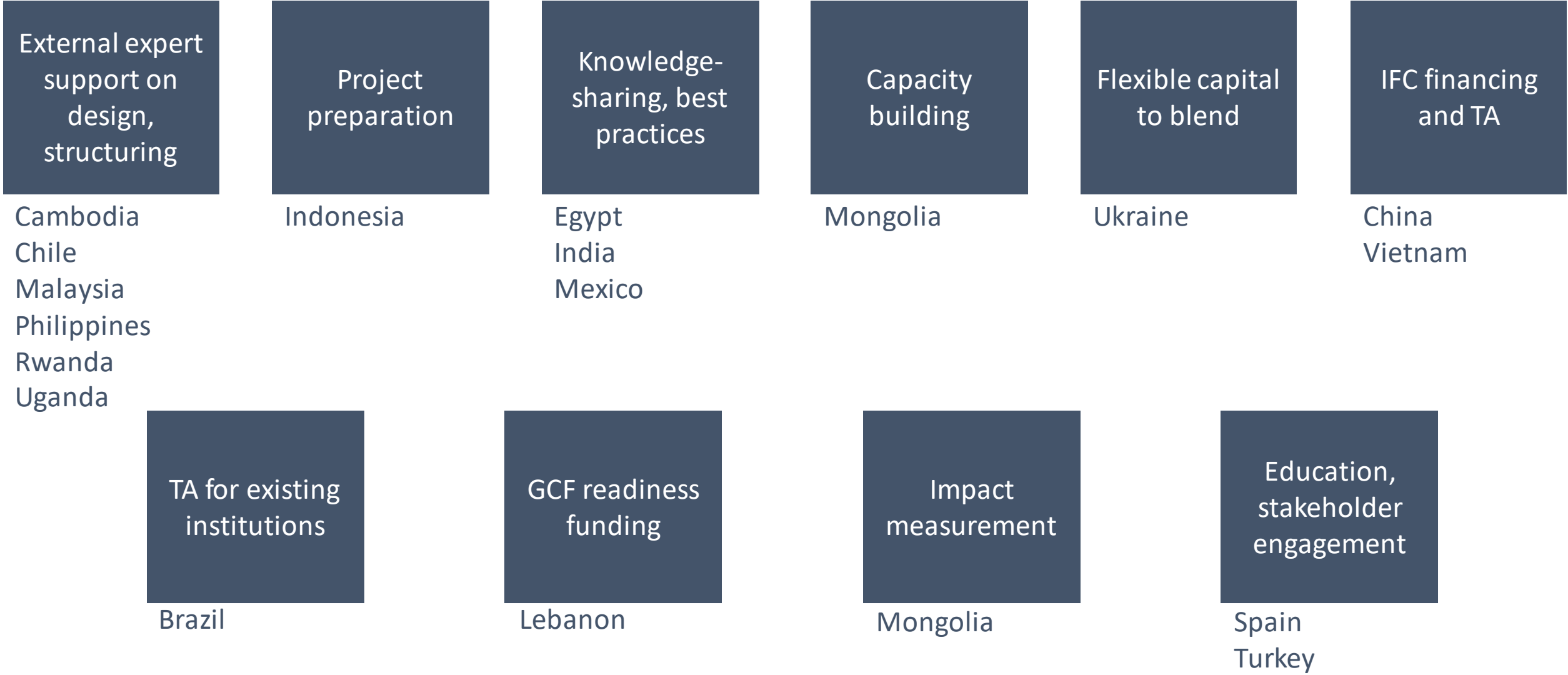
Q1- Stronger push towards transitioning to green economy

Malaysia

Q1- STRONGER BUY IN

Indonesia

What kinds of technical assistance or support would be most helpful in achieving success?



#3 TA Needs

TA ON PROJECT PREPARATION

Project preparation

Q3 Capacity Building
Green definitions/taxonomy
Impact Measurement

Q3
Constantly innovating
meeting market requirement
as the sector grows - new
financing products
2. Keeping abreast of new
technologies, understanding
risks to take up financing

Q3 Development of Technical
Capacity
Institutional Awareness
(Knowledge sharing)

Q3 Financing needs
IFC is supporting the bank of Indonesia
with Green Finance capacity building
IFC experts training bank financing and
on credit appraisal (green)
Environmental expertise
part of appraisal for green investments
Q3 Looking for the environmental &
social risk management for 10
Green sectors Vietnam

IFC
financing
+ TA

Q3 IFC SUPPORT
- Green Finance
CERTIFICATION PROGRAM

Q3 Access
to evidence
best practice
Supporting Environment
Regulations

Knowledge-
Sharing,
Best practice

Q3 Assisting with expert analysis
of needs, preliminary examination
of design options, benefits,
product offerings

Q3 3rd party support to provide
independent advice and
provide assurances

External expert support
on design + structuring

Q3 Banks need technical/engineering
advice on green investments
provided by international agencies

Q3 Sustainable design

Q3 For ~~designing~~ designing
corporate structure.

Flexible capital to blend

Q3 Additional Funding
Flexible to cover
need of commercial &
Industrial Sectors
- Longer terms
- Reasonable interest rate
+ Education & Marketing
TA.

Q3 Funding to build coalition +
street to push effort forward
Data - on performance, customer
savings, etc. like PACE Nation
After legislation passes, bring capacity
into SE cooperation, etc. Spain

Education,
stakeholder engagement

Q3 - Green Climate Fund readiness
funding

Q3
The main challenge is the
lack of financing of small and
medium enterprises

Brazil

Q3
1. Green finance is not being used properly
2. High quality of projects - you have to improve
3. Bring the bank to the region - better financing

What is your country’s next step toward green bank establishment?

Build and secure government buy-in	Education and awareness	Build NDB capacity	Identify national champion	Engage with experts	Staff training	Product development
Cambodia Chile Egypt Indonesia Spain Turkey	Lebanon	Brazil Vietnam	Malaysia	Malaysia	China	China

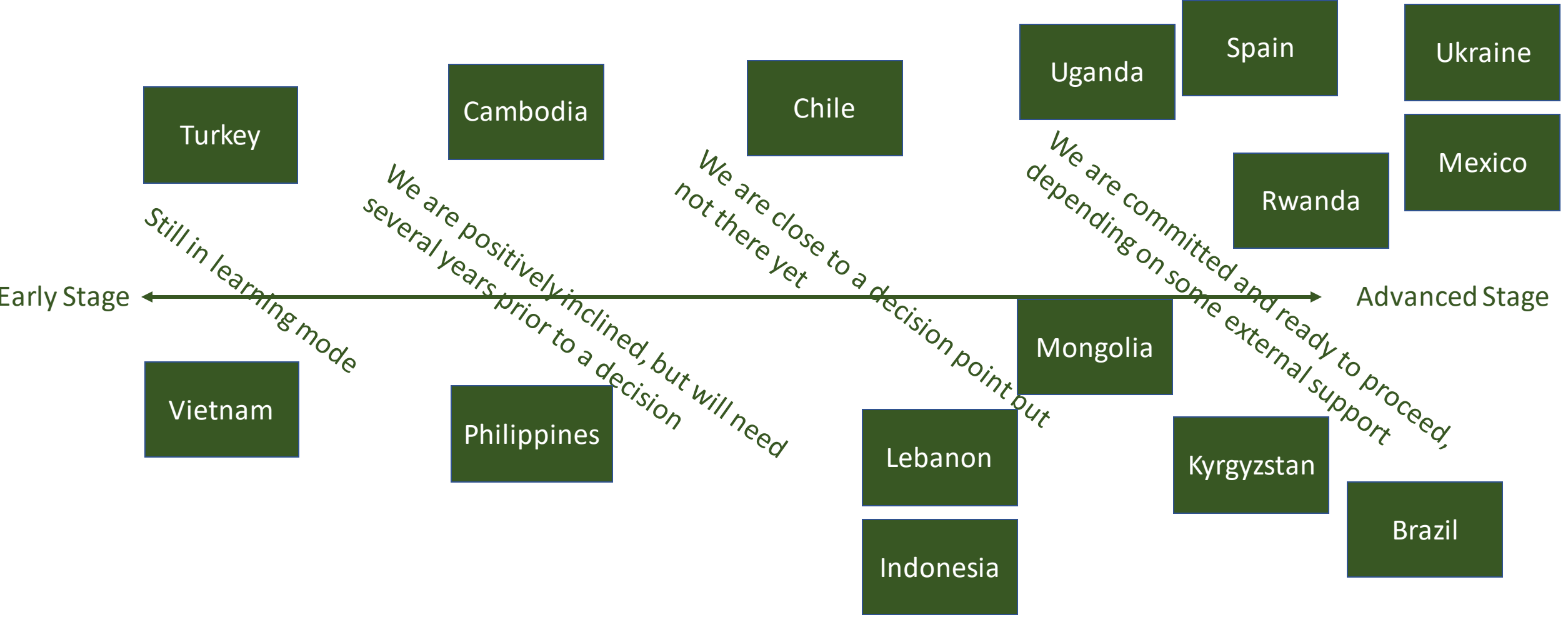
Several countries also listed very specific and targeted actions relevant to their own contexts:

- Site visit for upcoming workshop
- Review internal capabilities
- Review a proposal for resubmission
- Start sectoral projects

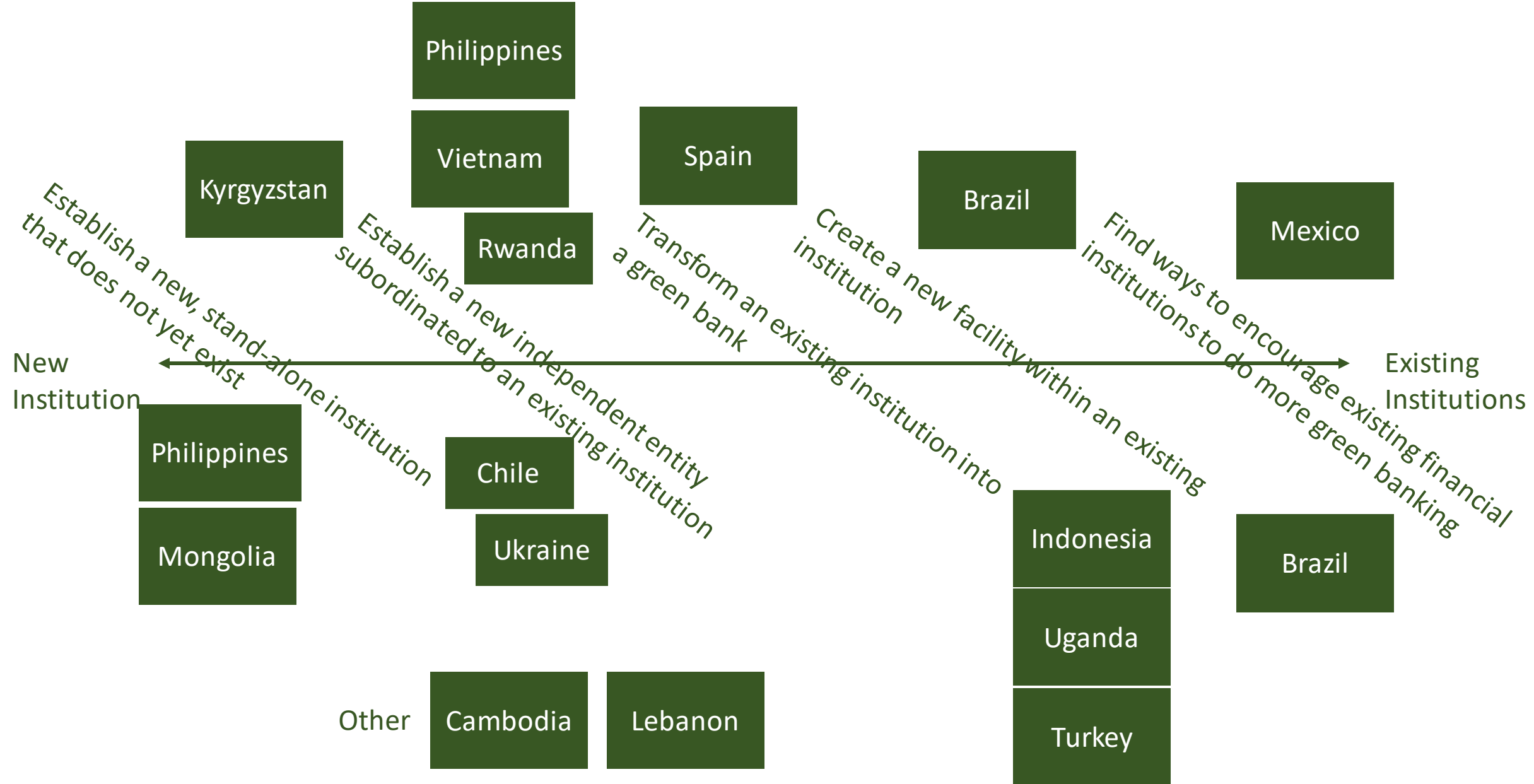


Gallery 2: Country views on green bank characteristics

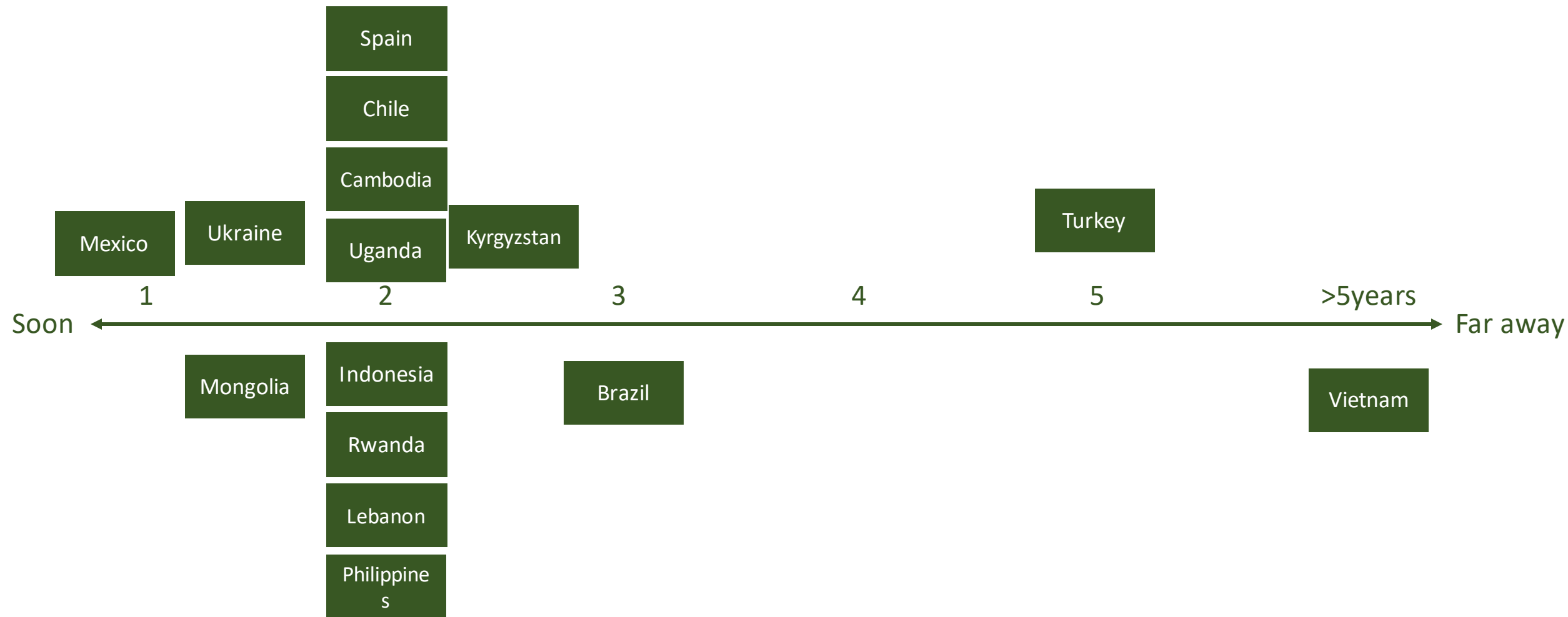
How advanced is your country or institution in exploring a green bank or equivalent dedicated facility?



As you consider next steps, what type of institutional solution are you most likely to choose?



How much time will your country need to set up a green bank or equivalent dedicated facility?



What are the top three technologies a green bank in your country should prioritize?

Residential energy efficiency	Commercial energy efficiency	Residential solar	Commercial and industrial solar	Utility-scale solar
Brazil	Brazil	Chile	Chile	Cambodia
Chile	Cambodia	Kyrgyzstan	India	Chile
Lebanon	Chile	Lebanon	Kyrgyzstan	India
Mongolia	India	Spain	Spain	
Philippines	Indonesia	Ukraine	Turkey	
Rwanda			Uganda	
Spain			Ukraine	
Building retrofits	Public transit/other mobility	Forestry and land use	Other	
Philippines	Chile	Brazil	Mexico: renewable energy Vietnam: hydro, energy efficiency	
Spain	Indonesia	Cambodia		
	Lebanon	Chile		
	Mexico	Indonesia		
	Philippines	Kyrgyzstan		
	Rwanda			



Gallery 3: Non-country views on green banks

In your view, does institutional motivation or country readiness play more of a role in preventing your institution from more significant investment in climate projects in emerging markets?

Country Readiness

Institutional Motivation

Neither

UK BEIS FMO

E3G Climate Works

USAID

SIDA

UK GIG

KfW GIZ

AFD Mizuho EIB

Société Générale AfDB

UNFCCC NDF

IFC CGC CFA IDB

UNDP ECF NEFCO ALIDE

Netherlands Ministry of Foreign Affairs

Which type of green bank would your institution be most likely to support?

Encouraging existing financial institutions to do more green banking

- AFD
- AfDB
- ALIDE
- CFA
- E3G
- IDB
- KfW
- NDF
- NEFCO
- Société Générale
- UNFCCC
- USAID (W. Africa)

Transforming an existing institution into a green bank

- AfDB
- CFA
- CPI
- E3G
- FMO
- GIZ
- IFC
- NDF
- NEFCO
- UK BEIS
- UNFCCC
- USAID (W. Africa)

New facility within an existing institution

- AFD
- AfDB
- ALIDE
- CFA
- CGC
- CPI
- E3G
- EIB
- KfW
- NDF
- NEFCO
- UNFCCC
- UK BEIS

New independent entity subordinated to an existing institution

- AfDB
- Hoi Ping Ventures
- CFA
- CPI
- E3G
- NDF
- UNFCCC
- UK BEIS

New, stand-alone institution that does not yet exist

- AfDB
- CFA
- ClimateWorks
- E3G
- Hoi Ping Ventures
- NDF
- UK BEIS
- UK GIG
- UNFCCC



Insights from Roundtables on Key Challenges



Capitalizing Green Banks and National Climate Change Facilities in Africa

- Private sector investment is necessary; domestic resource mobilization can help catalyze that investment
- Existing project preparation funds may be sufficient
- Institutions need technical support and capacity building



Government Engagement

- In places where it's difficult to engage governments, a place to start is with demonstration projects, especially those that are bankable without government support
- Important to engage finance ministries
- MDB funds can help address market failures



Developing a Pipeline of Green Projects

- A major challenge is finding bankable green projects; help is needed with developing projects
- Convening power is important too - when stakeholders gather, they can change the dialogue
- The types of projects that are prioritized depends on the country context



Building a Groundswell: Collective Action Opportunities

- Support leaders in pursuing action/next steps
- Make donor commitments public in order to root them
- Share information on how to get political buy-in
- Create replicable case studies
- Gather and publicize at key events



Financial Innovation for Adaptation, Land Use, and Other Sectors

- Green banks have helped energy sectors become commercially viable; they can do the same for other sectors and overcome perception barriers (too small, costly, etc.)
- If revenues exist for small projects, they can be aggregated
- Green banks should have adaptation in their mandates
- A platform to share learning and examples of bankable projects in this sector would be helpful



Green Bank Design Funding and Technical Assistance Funds

- Countries need technical assistance to form green banks
- TA funds exist but are not always well known, understood, or aligned to advance country needs
- A coordinating platform could make TA funds more visible and provide functions to respond to country needs