

Session 9- Regional/national/subnational needs and responses- how best to reduce investment risk?

Findings

Workshop participants again split into breakout groups organized against regions to address specific strategies the CTCN could adopt to support First-of-a-Kind technologies and innovative approaches to address climate change. Guiding discussion questions groups were encouraged to address (though not being exclusive) were the following:

- What practical approaches (including financial instruments and market incentives) have worked in First-of-a-Kind technology demonstration and application to local contexts?
- What are the new business models needed to enable First-of-a-Kind technology piloting and upscaling and how can CTCN be a matchmaker to support those?
- What partnerships, financial and market instruments are required towards de-risking of investment and can CTCN address those in the form of technical assistance and capacity building? In the context of support to First-of-a-Kind Technologies, what is the most efficient role for CTCN as climate technology broker?

Key themes that emerged from the working groups and the plenary discussion that followed included:

- The importance of support for the development of strong business models can't be overstated. To arrive at new business models First-of-a-Kind piloting will require priority attention and seed funding to support SMEs and catalytic investments in the value chain. Those business models need to convene multiple actors, i.e. the business community itself including SMEs, new entrepreneurs with piloting technologies, government agencies (which may also request for targeted capacity building) and community-level engagement. In this context, First-of-a-kind may explicitly also encompass indigenous and endogenous technologies and their upscaling.
- Adaptation needs (as compared to mitigation action and technology) remain under-addressed. Technical assistance, with an RD&D focus, could begin to bridge this gap but needs to be supported by predictable funding. CTCN in its role as efficient climate broker is required to engage with the research community to develop robust responses to climate challenges and national strategies, particularly for adaptation and particularly in Africa.
- Responses need to be grounded in local contexts, match development needs, and lead to outputs that can be shared and built upon in other countries. Raising awareness of the role of CTCN including by empowering the NDEs could support this objective, and could be supported by enhanced access to lessons learned and proofs of concept.
- The feasibility and market potential of technologies needs to be tested and the risk assessed in pilot applications. A mapping of climate technologies and risk profiles could be a useful result; climate innovation incubator centres could contribute to effective regional mapping of needs and high-potential approaches.
- Technologies need to be contextualized to their larger deployment area to provide appropriate framing and selling points for targeted fund-raising from potential bilateral and multilateral sources.
- The impact of CTCN interventions may be increased by working on technology assessment across the region e.g. with Centres of Excellence and promote "twinning arrangements" that can support NDCs across countries and within regions.

- In Africa, it may be particularly important to consolidate resources to maximize the impact and co-benefits, and to concentrate more strongly on climate adaptation with a focus on agriculture, water and urbanisation.
- There is strong support for monitoring and evaluation (M&E) to be strengthened in CTCN interventions and enabling a life cycle approach and long-term follow up.
- The regional views exchanged support particularly one finding articulated by the TEC which is that there is no one-size-fits-all set of solutions.