

**Subnational Climate Fund – Technical Assistance Facility  
Draft Capacity Building Strategy and 2024 Work Plan**

Updated 5 Apr 2024

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### Annex 1. Draft initial concept notes of thematic trainings in 2024

#### 1. Background and objectives

The Subnational Climate Fund Initiative (SCF) is a global blended finance initiative that aims to invest in and scale up mid-sized, climate-resilient, low-carbon infrastructure and nature-based solutions (NbS) in developing countries, by generating attractive risk-adjusted returns. In addition to the “core” SCF Equity Fund, SCF also features a dedicated, grant-funded **Technical Assistance Facility (TAF)**.

While the TA1 *feasibility studies* of the TAF focuses on the individual needs and gaps of specific projects to make them investable and enhance performance, TA2 *Capacity Building* (hereafter **TA-CB**) aims at enabling key stakeholders in supported countries – particularly **project developers, public authorities and regional financial actors** – to:

- Address current knowledge and capacity gaps and build bankable projects that are centred around climate resilience, mitigation, the achievement of SDGs and NbS and that are ready to go through the investment decision making process in the SCF Equity Fund;
- Stimulate a community of practice around sustainable finance in the target countries, while capturing lessons for replication and scaling up opportunities for private finance mobilization learnt by implementing the SCF,
- Develop, consolidate and disseminate knowledge products such as best practices, guidelines and tools to facilitate replication and upscaling of successful initiatives.

TA-CB is led and coordinated by IUCN with the support of all SCF partners.

Table 1 synthesises the outputs and activities of the TA-CB as presented in the GCF Funding Proposal.

**Table 1. Capacity Building Component in the SCF TA Funding Proposal**

<b>Outcome TA2.</b> Relevant stakeholders have the information and guidance needed to support the development of sound policy and incentive schemes that enable and fast-track low-carbon infrastructure projects on a subnational level, as well as to foster up-scaling and replication of investment deals		360 stakeholders trained
<b>Output TA2:</b> Stakeholders are informed and trained to implement and incentivize sustainable, green infrastructure, incorporating Nature-based Solutions		<b>Deliverables</b> <i>Indicators</i>
<b>Output TA2.1:</b> Various stakeholders are trained fit-for-purpose to fast-track project investments	<p><b>Activity TA2.1.1:</b> Training of <b>project developers</b> to increase understanding of safeguard requirements, ESMS requirements, SDG and NbS criteria, business viability, and other investment requirements for high-integrity, bankable project design and delivery of climate change results.</p> <p><b>Activity TA2.1.2:</b> Training of <b>public authorities</b> to raise awareness, help identify potential projects and provide for enabling conditions for green infrastructure investments</p> <p><b>Activity TA2.1.3:</b> Training of <b>regional financial actors</b> to expand know how of the value chain and blended finance vehicles for large scale replication</p>	<p>Training CVs, workshop documentation</p> <p><i>Number of trained:</i> 60 project developers, 150 public authorities, 150 regional financial actors</p>
<b>Output TA2.2:</b> Best practices, guidelines and tools are developed, disseminated and applied	<b>Activity TA2.2.1:</b> Production of best practices, guidelines and tools for replication and upscaling	<p>Blue prints, best practices, other tools</p> <p><i>8 BP guidelines 8 tools 20 events 50 SNS posts</i></p>

## 2. Target groups

The [SCF-TAF](#) identifies three main stakeholder groups to be targeted by capacity building interventions including training and outreach activities.<sup>1</sup> These constitute the primary audience for TA-CB efforts.

- **Project developers: to increase understanding of safeguard, ESMS, SDG, NbS, business viability, and other investment requirements for high-integrity, bankable project design and delivery of climate change results**
  - As the SCF targets projects seeking equity investments of 5 – 75 million USD, it is expected that project developers will primarily be private sector entities including local project developers. In case of PPP (Public–Private Partnerships) <sup>2</sup> projects, local public entities (municipalities, provinces) play a role in project identification and development. Other actors such as local cooperatives and NGOs can also submit project proposals to the SCF, although less likely.
- **Public authorities: to raise awareness, help identify potential projects and provide for enabling conditions for green infrastructure investments**
  - **Particular emphasis is placed on subnational authorities as the target group of TA-CB (see GCF Funding Proposal p.29/77).** <sup>3</sup>

<sup>1</sup> P.29 of <https://www.greenclimate.fund/sites/default/files/document/funding-proposal-fp151.pdf>

<sup>2</sup> PPPs are long-term agreements between the government and a private partner whereby the private partner delivers and funds public services using a capital asset, sharing the associated risks (OECD).

<sup>3</sup> Description of TA2 activities: **“subnational workshops with local authorities (...) A second set of training workshops will be conducted with subnational actors, primarily with local authorities”**

- Public authorities at national and subnational levels have distinct roles in the implementation of the SCF and similar initiatives targeting private sector-led climate investments:
  - o As enabler: providing policy environment (e.g. strategic roadmaps, regulatory procedures, financial incentives, data) to accelerate private sector-led climate investments;
  - o As climate action leader: Identifying, developing and implementing climate investments (e.g. PPP projects) for provision of public services and infrastructures (e.g. electricity, waste and water management).
- **Regional financial actors: to expand know-how of the value chain and blended finance vehicles for large scale replication**
  - With a focus on local/national/regional financial actors, such as local and national banks, funds and other private investors (pension funds, insurance funds, family offices, private banks, philanthropies, high net worth individuals, and other institutional investors) which are willing to offer green finance products and invest in climate actions at sub-national level.

Through engagement and outreach activities, TA-CB efforts will allow to ensure larger audiences than the three primary target groups, with the goal to fostering upscaling and replication. These include:

- Consultants, validation and verification bodies (VVBs) and other service providers that will support project developers in designing and strengthening projects to be submitted to the SCF pipeline. This group will be the main target of the capacity building initiatives led by Gold Standard;
- Audiences in counties not directly targeted by the SCF to promote dissemination of learning to encourage replication.

Additional audiences that could be supported by the TA-CB efforts might be identified throughout the lifecycle of SCF through engagement with local stakeholders.

### 3. Regional capacity building workshops carried out in 2022-2023

During 2022-2023, TA-CB organized following capacity building workshops, covering 36 of the 42 SCF countries<sup>4</sup>:

- LATAM : 6-8 September 2022, Quito, Ecuador (15 SCF countries)
- Africa : 14-16 March 2023, Saly, Senegal (18 SCF countries + Equatorial Guinea)
- Asia-Pacific : 6-8 November 2023, Bangkok, Thailand (3 SCF countries + Thailand)
- Indonesia : 10 November 2023, Jakarta, Indonesia

### 4. Identified needs for capacity building

Based on the initial needs-assessment survey conducted during the inception of the project, feedback from the workshops, and observation by the SCF consortium members involved in the pipeline generation and interactions with project developers and NDAs, the following subject areas are identified as perceived capacity gaps and needs.

(Main target groups of each topic are shown in abbreviations: PD (Project Developers), PA (Public Authorities) and FA (Financial Actors).)

#### 1) Access to finance, enabling business environment (main target groups: PA, FA)

- Basic understanding of climate & nature finance instruments, including the blended finance approach (PA)

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<sup>4</sup> 6 SCF countries not targeted by these workshops were: Albania, Montenegro, North Macedonia, Jordan, Lebanon and Myanmar.

- Current use case, applicability, good practices and lessons learned on financial instruments (PA, FA)
- Building policies and regulations to enable upscaling of climate/nature businesses and investments (PA)
- Roles of public authorities in mobilizing climate/nature finance (PA)
- Improving access to finance by subnational governments (PA)
- Understanding and addressing the data needs for upscaling climate/nature finance (PA)
- Development of green finance products (FA)
- Mobilizing finance for climate adaptation businesses (PA, FA)

## 2) **Maximizing NbS investment opportunities** (main target groups: PD, PA)

- Basic understanding of key NbS concepts, examples of projects with strong NbS potentials, Project decision-making informed by accounting of NbS benefits (PA, PD)
- Designing “bankable” projects leveraging NbS with robust revenue streams (e.g. agri-food and water infrastructure projects) (PA, PD)
- Designing projects and activities integrating smallholder regenerative/NbS agriculture approaches and technologies (PA, PD)

## 3) **Managing ESG risks and impacts** (main target groups: PD, FA)

- Understanding how to assess and manage E&S risks and impacts and elaborate ESMS/ESAP (PD, FA)
- Impact MRV: collecting data and reporting on environmental and social impact metrics (PD, FA)

## 4) **Ensuring gender equality** (main target groups: PD, FA)

- Enhancing awareness on gender equality requirements, including 2X Challenge criteria (PD)
- Understanding how to design gender-sensitive/responsive projects (PD)
- Developing, implementing and monitoring Gender Action Plans (PD)

## 5. **Status of SCF project pipeline in countries**

A brief analysis of the SCF pipeline tracker<sup>5</sup> highlights following regions and countries with high number of potential projects:

- **Eastern & Southern Africa** : South Africa (14), Kenya (9)
- **South America** : Ecuador (7), Brazil (7)
- **North and West Africa** : Morocco (5), Senegal (5)
- **Asia** : Indonesia (7)

As for sectoral distribution, energy, waste management and agri-food are the three dominant sectors, each accounting for roughly 1/3 of the analysed SCF project pipeline.

**Table 2: Countries with 3 or more projects (to be) screened in the SCF project pipeline**

	Countries	Number of projects
1	South Africa	14
2	Kenya	9
3	Indonesia	7
4	Ecuador	7
5	Brazil	7

<sup>5</sup> Data derived from the pipeline tracker as of 17.11.2023. 99 projects with "to be screened", "parked" or more advanced status are included in this analysis. Projects with status “(to be) screened out” and “discontinued” are excluded.

6	Senegal	5
7	Morocco	5
8	Rwanda	5
9	Dominican Republic	4
10	Guinea	4
11	Mexico	4
12	Jamaica	3
13	Nigeria	3

## 6. Proposed approach to capacity building activities

Proposed core approach to the 2024 TA-CB activities are as follows:

- a. The trainings for public authorities need to mainly target **subnational governments**, as emphasized in the GCF funding proposal. The past experiences with both regional and in-country workshop formats suggest that **in-country workshops** enable deeper **action-oriented peer learning and networking** among participants, as well as greater access to trainings by subnational stakeholders due to reduced travel costs and language/contextual barriers.
- b. Ensure that the training contents align with the standards and requirements of the SCF through **coordination with relevant SCF consortium members** (e.g. ESG and impacts).
- c. Combine a limited number of focused **on-site workshops**<sup>6</sup> to address capacity needs in priority countries, with **online events and products** accessible by the audiences in the 42 SCF countries and non-SCF countries for greater outreach and impact.
- d. Where possible in addition to the SCF standalone events, identify and **link up with other relevant players and events** (e.g. international organizations, platforms, communities of practice, key global and regional initiatives)<sup>7</sup>.
- e. Efficiently deliver activities and outputs for both TA2.1 (trainings) and TA2.2 (knowledge products).
- f. Engage inputs from IUCN regional/country offices, thematic teams and other relevant teams (e.g. IUCN Academy) to design the training modules and identifying relevant training beneficiaries and resources.
- g. Where relevant, deploy SCF in-house technical resources to conduct specific modules of workshops and webinars.
- h. Feedbacks from each on-site and online trainings will be collected, analysed and incorporated into the planning and design of the 2025 TA-CB activities.

## 7. Proposed main capacity building activities in 2024

Taking into account the above proposed approach and the chapters 4-6, the main activities of the 2024 TA-CB are proposed as follows:

- 1) Organization of the **3 thematic training workshops** (1-2 days) in the **4 priority countries**:
  - 1 training for subnational authorities on climate/NbS finance and building enabling environment
  - 1 training for project developers on leveraging NbS and smallholder regenerative agribusiness

<sup>6</sup> Experiences from previous workshops suggest that stakeholders are less likely to participate when the events are organized outside their countries without travel funding. In-country workshops will be able to attract greater participation, especially of local authorities, who are identified as the primary target of TA-CB, with potential advantage to deliver contents in national languages.

<sup>7</sup> This may include events such as: IUCN events, COPs and regional weeks linked to UNFCCC/CBD, GCF Private Investment for Climate Conference, among others.

- 1 training for project developers and regional financial actors on E&S management and impact MRV
- 2) Organization of **3 webinars** summarizing the core contents of the national training workshops above, and reflecting feedback from participants (potentially to be embedded in online courses)
  - 3) Development of **3 self-paced free sponsored online training courses**<sup>8</sup> with the IUCN Academy (<https://iucnacademy.org/>) capturing fundamental elements of the trainings and webinars provided, while reflecting feedbacks from participants

TA-CB will mobilize external services by consultants to support the implementation of training and knowledge product generation activities. Where appropriate (e.g. subjects for which strong technical expertise exists internally, or requires careful alignment with institutional strategies), certain elements of the TA-CB activities may be conducted directly by in-house teams.

## 8. Selection of target countries for the 2024 national training workshops

In selecting the target countries for 2024 workshops, following criteria were considered:

- SCF investment potentials: top countries in the SCF project pipeline (see Section 5)<sup>9</sup>
- Synergies with IUCN activities: consultation with the IUCN Agriculture Team was conducted given the large NbS potential in the sector. Priority SCF countries identified were: Brazil, South Africa and Indonesia as global agribusiness players; and Guatemala, Rwanda and Burkina-Faso as pilot countries under the AFD/IKEA project.
- Regional and sub-regional balance

Based on the above, target countries for 2024 are proposed as: **Kenya, Morocco, Brazil and Indonesia**. EIT has launched discussions on the training workshop in Brazil with SUR, and potential synergies with IUCN Africa Regional Conservation Forum (RCF) with the focal point of PACO in the organizing team (see also below).

## 9. Other activities

Additional activities will be conducted based on the identified opportunities, suggestions from the SCF consortium members (including CB activities directly budgeted and led by members), and resource availability. These will include:

- Sessions, side events or back-to-back events of relevant international conference (e.g. IUCN Regional Conservation Fora, GCF events, CBD-COP16, UNFCCC-COP29 and Regional Climate Weeks)
- Publication of written materials (e.g. technical note, glossary, best practices, op-ed, etc.) to promote better understanding among wider audience on sustainable finance businesses

To present, following events have been identified and discussions have been launched to explore possible contributions by the SCF:

- GCF MENA Regional Dialogue (June, details TBC)
- Africa RCF (24-28 June, Kenya)
- South America RCF (14-18 October, Colombia)

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<sup>8</sup> Sponsored online training course typically refers to free-of-charge, self-paced learning courses with 3- to max 20- hour learning, with "knowledge refresher" Q&As at the end of each module and the end of the course, and the auto-generated certificate of completion.

<sup>9</sup> (see also chapter 5) South Africa, Kenya, Ecuador, Brazil, Morocco, Senegal, Indonesia

## 10. Contribution to indicators and targets

Expected contributions of the 2024 activities to the project targets are as follows, where the figures under “2024 plan” refer to the number of participants who complete the in-country thematic training workshops (target number of beneficiaries of online courses TBD):

	Indicators	Targets	Progress	2024 plan	Online course	Remarks
<b>TA2.1.1</b>	PDs trained	60	82	160	TBD	40 * 4 countries
<b>TA2.1.2</b>	PAs trained	150	77	160	TBD	40 * 4 countries
<b>TA2.1.3</b>	FIs trained	150	46	80	TBD	20 * 4 countries
<b>TA2.2.1</b>	best practice guidelines	8	0	3+	-	Training modules
	tools	8	2	3	-	Online courses
	events	20	11	10+	-	National workshops +
	social media postings	50	100			

[Note]

- The overall “Target” number of 360 stakeholders (GCF funding proposal p.61) was broken down during the project inception into: 60 project developers, 150 public authorities, and 150 financial institutions.
- “Progress” refers to the number of attendees at the SCF regional workshops held in 2022-2023, which introduced the SCF initiative and comprised panel discussions on measures to scale up climate and NbS finance, and the promotion of public-private sector dialogue.

Whilst the target indicator for “project developers” is shown as already having been achieved, the workshop feedback and the TA implementation progress have brought to light the further need for ongoing, and more specific thematic capacity building across all stakeholder groups. This is to include equipping project developers, as the key actors that directly influence the success of SCF’s pre- and post- investment processes, with an improved understanding of how to enhance project investibility, minimize E&S risks and maximize impacts.

The 2024 plan consists of training activities that fulfil the additionally identified capacity needs described above.

## 11. Draft key timelines for TA2 activities (subject to change; includes tentative activity plans)

- Apr-May : consultant RFP, selection, contract, approval of work plan
- Jun : GCF MENA Regional Dialogue
- Week of 24-28 Jun : IUCN Africa Regional Conservation Forum, Nairobi, Kenya (finance session/event, NDAs day – details tbc)
- Jun-Jul : National training workshop in Kenya
- 2-3Q : National training workshop in Morocco
- Aug-Sep (tbc) : National training workshop in Brazil (Brasilia)
- 3-4Q (tbc) : National training workshop in Indonesia
- 14-18 Oct : IUCN South America Regional Conservation Forum, Santa Marta, Colombia
- 21 Oct – 1 Nov : Biodiversity COP16, Cali, Colombia
- Oct-Dec : 3 webinars
- Online course release : end-2024 / early 2025 (to be discussed)

End

Annex 1. Draft initial concept notes of thematic trainings in 2024

## **Annex 1. Initial concept notes of SCF thematic trainings in 2024**

This paper presents the draft initial concept notes of SCF's 2023 national thematic training workshops. Contents and feedback from the workshops will then be transformed into 3 thematic webinars and self-paced free sponsored online training courses with the IUCN Academy (<https://iucnacademy.org/>) to be offered as SCF knowledge products and made accessible to other 38 SCF target countries as well as the wider public.

### **1. List of thematic trainings and main target groups:**

- (1) "Attracting Nature and Climate Finance for Subnational Governments" (subnational governments, financial actors)
- (2) "Nature-based Solutions for agri-business: Regenerative Agriculture" (project developers)
- (3) "Managing ESG risks and impacts" (financial actors)

### **2. Format and scale of the workshops:**

Each workshop will be organized in **1-2 days** in a format which ensures active engagement by participants and encourages application in their own jurisdictions, e.g. through group works or individual exercise. To facilitate the learning experience, the number of participants will be restricted to **40-50 participants** max.

### **3. Delivery modality:**

Following the GCF-funded SCF budget structure for the 7-year period (see below), IUCN will hire external service providers (technical consultants, event organizers) to deliver the trainings, webinars and online courses.

**IUCN EIT** will be responsible for the overall implementation of trainings and subsequent knowledge-sharing formats, through coordination of relevant IUCN teams/offices (within the limits of GCF staff cost budget), external service providers, and SCF consortium members (Catalytic, Gold Standard, Pegasus) as appropriate.

Expected role of main parties involved are as follows:

#### **(1) IUCN sectoral teams**

- Provide technical advice to EIT and consultant teams on the contents and structure of thematic trainings
- Recommend internal/external experts as lecturers where appropriate

#### **(2) IUCN regional offices**

- Based on the works of the consultant teams, provide advice and additional support for identification of relevant target groups and institutions (as beneficiaries/technical knowledge providers), technical contents, coordination with national authorities (if necessary), communications and outreach, and logistical aspects of the workshop.

#### **(3) Technical consultants**

- Based on the initial concept note and guidance from IUCN, elaborate a detailed and standardized\* set of the workshop programmes comprising training modules and materials (\*certain contents will be adapted to target country contexts, such as project examples)
- In consultation with IUCN teams, propose and finalize a selection of experts/lecturers and target participants
- Implement national training workshops including pre- and post-event surveys for MEL purpose

#### **(4) SCF consortium partners**

- Provide advice and additional support for identification of relevant target groups, technical contents (e.g. SCF operational standards and requirements), internal or external expertise



# 1. “Attracting Nature and Climate Finance for Subnational Governments” training workshop

## Main target:

- (1) Officials from subnational (e.g. provinces, municipalities) and national governments
- (2) Members of financial institutions (fund managers, investors, private banks, public development banks)

## Background:

Cities and subnational actors play major role in achieving global nature and climate goals, however often lack knowledge needed to mobilize finance (especially private finance), strengthen enabling environment to attract investments, and leverage the potential benefits of NbS.

## Expected outcomes:

By the end of the training, participants will have deeper understanding on:

- Different types of nature and climate finance, their use cases, conditions for access, and potential application in their own jurisdictions
- Role of the subnational and national governments in upscaling private finance for nature and climate
- Benefits and use cases of integrating NbS into investments
- How to improve bankability of projects

## Session topics (tentative):

### **(1) OVERVIEW OF NATURE AND CLIMATE FINANCE**

- Recent trends of climate/nature finance
- Fund sources (domestic – international, public – private)
- Fund providers (public/private banks, impact investors, corporate funds, IFI/DFIs)
- Financing instruments (e.g. grants, debt, equity)
- Applicability of different financing instruments
- Approaches to mobilizing private finance (blended finance)
- NbS: addressing climate challenges through nature (IUCN Global Standard, NbS benefits and potentials)
- Regional examples of financed NbS projects

### **(2) ROLE OF SUBNATIONAL AND NATIONAL GOVERNMENTS**

- Identification of financial needs (nature/climate budget review, natural capital assessment/accounting)
- Investment plans (NBSAP, NDC/NAP), data requirements, and available planning tools
- Securing capitals and external funds
- Setting up policies and regulations to enable business investments in nature/climate
- Institutional role of subnational/national governments

### **(3) DEVELOPING BANKABLE PROJECTS**

- Definition and criteria of bankability (revenue models, cash flow, D/D, safeguard, ESG impact, market, technology)
- Understanding financier/investor requirements and approaching with robust project concept and proposal
- Regional examples of available resources for project preparation phase

## 2. “Sustainable investment in agribusiness: Nature-based Solutions and Regenerative Agriculture<sup>10</sup>” training workshop

### Main target:

- Project developers currently developing, or are interested in developing, agri-food/bioenergy business projects with nature impact lens (primarily those looking for \$5-75M in equity investments (i.e. SCF ticket size), but not excluding smaller businesses)
- Financial institutions interested in investing in agri-food/bioenergy projects with nature impact lens

### Background:

Agribusinesses underpin food security and livelihoods in developing economies, and has significant potentials to generate multiple benefits in climate mitigation, adaptation, nature restoration and job creation through low-carbon, smart and regenerative practices. It is also the most common sector for impact investments. To mitigate risks and attract investments, robust approaches to ensure positive social and environmental impacts (e.g. socioeconomic benefits to smallholders/communities, Biodiversity Net Gain) need to be integrated into project design and business models.

### Expected outcomes:

By the end of the training, participants will have deeper understanding on:

- Developing and investing in sustainable agribusiness
- Key concepts and approaches to environmental sustainability (e.g. regenerative/circular agriculture)
- Identification of key risks and opportunities to be integrated into project design and implementation from value-chain perspective
- Definition, criteria and use cases of NbS in agribusiness
- Social aspects of agribusiness: empowering smallholder farmers and communities
- Conditions of commercially viable agribusiness projects
- Available tools to facilitate design and track impacts of sustainable agribusiness projects

### Session topics (tentative):

#### **(1) UNDERSTANDING KEY CONCEPTS: SUSTAINABLE INVESTMENT IN AGRIBUSINESS, REGENERATIVE AGRICULTURE, NATURE-BASED SOLUTIONS**

- Context-setting, e.g. projection of food and agri commodity demand, impact of agribusiness operations on environment (land, water, air/GHG), potential benefits of sustainable agricultural practices, existing global agreements and targets,
- Financing gaps and investor trends in responsible agribusinesses, examples of regionally available funds and initiatives
- Definition of regenerative/circular agriculture (e.g. characteristics, biotic/abiotic impact parameters, advantages and disadvantages), typical technologies and approaches used
- IUCN NbS global standard and its application in agribusiness sector
- Social considerations in agribusiness: land tenure; inclusion of smallholders through supporting access to technology, materials, funding; gender and youth integration
- Major standards and frameworks to guide responsible investment and regenerative agriculture (e.g. CFS RAI, IFC PS, SCF/Gold Standard requirements, other certification schemes)

#### **(2) DEVELOPING BANKABLE AGRIBUSINESS PROJECTS**

- Introduction of key steps and tools for developing projects
- Preliminary analysis (stakeholder mapping, identification of local societal challenges, project sites, land tenure, biodiversity, water baseline and impact assessment)

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<sup>10</sup> There are several similar terms used by IUCN and other institutions (e.g. nature positive agriculture, sustainable agriculture). The choice of terms and definitions need to be harmonized based on the institutional position of IUCN.

- Analysing and managing risks associated with business operations (e.g. risks from climate impacts, displaced deforestation, unequitable benefit sharing, negative impacts on local market prices)
- Developing business plan and financial model (market identification, integration/aggregation of smallholders, ESIA/ESMP, provision of farmer trainings and inputs, costs and revenues, M&E, impact MRV)
- Regional examples of sustainable and bankable agribusiness projects

### **3. “Managing ESG impacts and risks in nature and climate investments” training workshop**

#### Main target:

- Financial institutions interested in nature and climate investments

#### Background:

One of the barriers in scaling up nature and climate investments in developing economies is the limited capacity of financial institutions to put in place and enforce ESMS and impact MRV requirements for investees. This training aims to address these capacity gaps by introducing the key elements of ESMS and impact MRV, in line with requirements set forth by SCF as an example.

#### Expected outcomes:

By the end of the training, participants will have deeper understanding on:

- Investor requirements and objectives of developing and implementing ESMS and impact MRV
- Basic components of ESMS and steps required for its application to own businesses, including gender and social inclusion policies
- Frameworks, tools and metrics used for impact management and reporting
- Available technical tools and resources to support the above process

#### Session topics (tentative):

- Major global frameworks used for impact management and reporting (e.g. IFC/WB, ISSB, Gold Standard, ISEAL), investor requirements (e.g. SCF requirements)
- Structure, components, process and cost of developing and implementing ESMS and impact MRV (to be grouped by sub-modules – governance and responsibilities, key E&S risks, D/D, stakeholder engagement, gender and social inclusion, M&E)
- Major metrics used for assessing and monitoring different types of impacts
- Available technical tools and resources to support the above process
- Examples of ESMS and impact MRV efforts by (prospective) SCF investees and TA provided