



### Addressing the “Knowledge Gap” to accelerate climate friendly infrastructure investments

Lack of financing is frequently cited as an impediment to transitioning to a future with a more stable and livable climate. However, equally important is the climate investment “*knowledge and capacity gap*” – the know-how, tools, and capabilities needed to empower actors to design and advance impactful projects that deliver sustainable climate benefits for people and nature.

This is where **IUCN**, **Catalytic Finance Foundation** and **Gold Standard Foundation**, are collaborating on the Subnational Climate Fund (SCF) Technical Assistance Facility project, to provide technical support to stakeholders in identifying and strengthening investment proposals.

IUCN oversees outreach and capacity building - To enable countries to support project developers, local authorities, and local/regional financial actors to build and deliver bankable projects centered around climate mitigation and adaptation co-benefits. IUCN leverages its regional and country offices to stimulate a community of practice around sustainable finance in target countries, through tools, trainings, and other means of knowledge transfer. All of these remain open-access public goods for stakeholders.

IUCN focuses on the following capacity building interventions, to bridge the knowledge and capacity gap: 1) Raising awareness about investing in green infrastructure and NbS in key sectors; 2) Enhancing capacity in the design and delivery of investment-ready deals with high potential to address major social and environmental challenges; 3) Increasing local understanding of innovative financing instruments, blended financial instruments, Public Private Partnerships (PPP), and others; and 4) Replication and scaling-up of high-integrity, green infrastructure projects.

In working toward these goals, the SCF TA has so far organized three regional workshops and two tailored national trainings across Latin America, Africa, and Asia-Pacific, reaching more than 280 representatives of subnational and national governments, project developers, and financial institutions. The workshops and trainings will continue, now refocused to a national-level (**see capacity-building section for past and upcoming events**).

The on-site workshops were combined with online events and knowledge products, and, where possible, other onsite events, resulting in greater outreach and impact on audiences in the 42 SCF target countries.

In January 2025, three self-paced online courses, developed and finalized in 2024, will be opened within the IUCN Academy. These capture the fundamental elements of the thematic trainings and webinars, while reflecting feedback from participants. The courses are planned to be disseminated through the subsequent years of the SCF TA. Additional side events have been and will be conducted on the margins of relevant international conferences.

The SCF TA Capacity Building program aims to change the perceptions of investors and investees on what they now see as high-cost, high-risk, and low-benefit green infrastructure deals. Engagement, capacity building, and knowledge exchange with local authorities are key to promoting integrated Nature-based Solutions and climate-resilient infrastructure investments as mainstream, replicable, and scalable. The continued efforts by IUCN and project partners to bridge the knowledge and capacity gap are key to empowering stakeholders with the tools and capabilities necessary to deliver NbS projects that achieve subnational and international climate mitigation and adaptation goals.

#### Barriers that contribute to the knowledge and capacity gap include:

- Lack of evidence to demonstrate how ecology and infrastructure can interact to achieve synergistic outcomes
- Lack of site-specific knowledge of nature-based risk mitigation strategies
- Lack of experience, standards, and data to overcome historic confidence in conventional or ‘proven’ grey infrastructure
- Lack of confidence within the finance community that Nature-based Solutions (NbS) will provide the predicted protection and ecosystem benefits



## Technical Assistance

SCF receives project proposals through our **online platform**. Since inception, SCF has already approved grants for 38 projects in 21 different countries. On our website, you can find a [project page](#) describing projects that are being considered for investments and/or have received Technical Assistance.



SCF always seeks projects in scalable infrastructure in high-growth developing regions with identified local needs.

### Eligibility Criteria

- The project is located in a beneficiary country.
- The project targets one or more of our following sectors of activities:
  - Sustainable Energy Solutions
  - Waste and Water Management
  - Urban Development Solutions
  - Sustainable agriculture
- The expected total capital contribution by the SCF for a project is between 5 to 75 M USD.
- Replicability and scalability of investments.
- Returns on investment.
- The project does not fall under the Exclusion List in the SCF Environmental and Social Management System (ESMS).
- The project is a “greenfield” project where the capital contribution will support new activities, improvements, and constructions.
- The project is expected to contribute positively to climate action (SDG 13) and at least two other SDGs.
- Limited Environmental and Social Risks (Category B of GCF).

If you have a project that meets the above criteria, we'd love to hear from you: [project@catalyticfinance.org](mailto:project@catalyticfinance.org)



## Project Insight: IFRIA

SCF has completed its due diligence process and will serve as a capital partner to IFRIA, an integrated cold chain logistics development platform, for the development and construction/acquisition (and expansion) of five temperature-controlled logistic (TCL) warehouses in Senegal and Morocco. IFRIA, through SCF capital, has acquired 50% of the first brownfield target in Morocco. Further capital may be made available for additional facilities to be constructed / acquired (and expanded) in Cote d'Ivoire and Tunisia post successful implementation in Senegal and Morocco.

### The Challenge

The lack of and immature nature of Temperature-Controlled Logistics in North and West Africa causes high post-harvest losses for farmers and small producers resulting in loss of income, increased food insecurity, lower-quality produce, poor resource efficiency, etc. In Morocco and Senegal, food waste varies between 10% (poultry, red meat) up to 40%-50% for fruit & vegetables (incl. potatoes, onions). Dairy products and fish also exhibit high wastage between 15% and 25%. In addition, this lack of service results in an uncompetitive environment for exports of perishable goods as international standards are often not met.



### The solution offered by the project

IFRIA is an integrated cold chain logistics development platform that develops and operates TCL assets in North and West Africa where reliable cold chain logistics operations are lacking. These assets range from added-value cold storage logistics warehouses for perishable products to first-mile cold chain at the production and farm level.

The platform aims to address the significant gaps in the TCL market by developing greenfield facilities, as well as acquiring and expanding existing facilities to provide a network of more than five temperature-controlled warehouses. These warehouses will support the local, import and export market in each country by providing access to cold chain services that meet international standards. Locally, this will allow small producers and farmers to reduce waste, enhance the quality of their products and enable access to international markets through improved preservation and storage services. Depending on the location, these hubs will also serve as logistics platforms for importers and exporters, facilitating trade and improving market access across the African Continent.

### SCF's Involvement- Technical Assistance

To further support and inform the development of this project, the SCF's Technical Assistance Facility is commissioning a **carbon credit study** as well as an **impact assessment**, an **environmental and social impact assessment** (ESIA), and a **stakeholder consultation**.



# SCF

Global investments accelerating  
local action for a sustainable future

## Our Target Impact

Our goal is to build a capable temperature-controlled logistics platform in Africa that will develop and operate a network of efficient temperature-controlled warehouses to help reduce food wastage, improve local farmer and small producer livelihoods, as well as increase food security, food quality and export competitiveness.

We expect the project will positively impact the following Sustainable Development Goals:

13  
CLIMATE  
ACTION



### SDG 13 Climate Action:

The platform is expected to mitigate greenhouse gas and carbon emissions via (1) reduction in methane emissions from landfills by reducing post-harvest losses and food wastage by providing cold chain logistics and storage solutions currently not widely available; and (2) reducing emissions from transportation where the current solution for several perishable products is to be shipped and stored in Europe, and then shipped back.

7  
AFFORDABLE AND  
CLEAN ENERGY



### SDG 7 Affordable and Clean Energy

Energy efficient solutions such as insulation, renewable, operational and processes to be installed and implemented in all facilities (acquisitions & greenfield) to promote sustainable construction and operations.

8  
DECENT WORK AND  
ECONOMIC GROWTH



### SDG 8 Decent Work and Economic Growth

The platform aims to create 150 direct jobs, with a further 700-1000 indirect jobs through 'spoke' producers in the future (acquisitions & greenfield).

12  
RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



### SDG 12 Responsible Consumption and Production

By increasing market access (for farmers) and increasing shelf life of perishable products (for stores/supermarkets), the project creates a virtuous circle: boosting both farmer and store incomes through efficient use of inputs and limiting waste. It improves resource efficiency from production to use consequently reducing pressure on the ecosystem





## Capacity-Building

Capacity building is primarily aimed at boosting capacities in the pre-investment phase to design and develop investable projects and ready to go through the investment decision-making process of the SCF Fund. At the same time, the initiative aims to strengthen the enabling environment for sustainable finance and the replication of successful models more broadly.



*Workshop in Morocco*



*Workshop in Brazil*

IUCN continued the implementation of the 2024 capacity building action plan, which consists of four in-country training workshops and webinars on the following three thematic areas:

- 1) Access to climate and nature finance (main target: subnational authorities, financial actors)
- 2) Maximizing NbS investment opportunities in agribusinesses (main target: project developers)
- 3) Managing ESG risks and impacts (main target: financial actors)

Modules on gender considerations, including the 2X Challenge criteria, were incorporated into the Agribusiness and ESG courses.

IUCN organized in-country training workshops in Kenya (24, 27, 28 June), Brazil (20-23 August), Indonesia (30 September - 3 October) and Morocco (2-5 December), and organized six webinars on the same thematic areas (5-7 November). More than 480 participants attended the webinars.

*Workshop in Indonesia*



IUCN also organized knowledge-sharing events focusing on blended finance for climate and nature actions:

- an event at the South America Regional Conservation Forum on 15 October in Santa Marta, Colombia.
- an event at the Building Bridges on 11 December in Geneva, Switzerland.



## SDGs Impact Identification, Measurement, Management and Maximisation

### Improving Enabling Conditions:

Governments are missing on approximately 23 billion USD per year of climate finance, according to the IFC, due to poor enabling conditions.

To address this, SCF in partnership with CCFLA and UNESCAP, are undertaking a 6-month assessment of the enabling conditions in Fiji and Suva City. The kickoff workshop occurred on the 3rd and 4th of December to support the collection of data to inform the assessment and provide recommendations for advancing climate policy, data, finance, and coordination and was designed by Felicity Spors and Caitlin Drake from Gold Standard.

Initial insights from the first workshop identified opportunities to improve access to climate finance by enhancing the enabling framework conditions in Fiji and Suva by:

- Enabling Suva city Council and other city councils to submit proposals to national ministries, which can directly access multilateral climate funds, e.g., GCF or GEF.
- Identifying capacity-building needs to support the evolution of nascent monitoring and evaluation data planning, structuring, collection, governance, and maintenance processes.
- Identifying the need for new skill development to advance a greater understanding of portfolios or aggregated projects across sectors, e.g., waste collection and water management.

The final report will be issued in May 2025.







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