

Climate Finance Law

Legal Readiness for Climate Finance

Report and Findings of Workshop
held at King's College London
9-11 March 2018



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1 INTRODUCTION

The Legal Challenge

Climate change mitigation and adaptation require increased flows of private capital and more effective leveraging of public capital especially to and within developing nations. What role does law and regulation play in enabling public and private climate finance? How can domestic law makers and regulators support the implementation of the Sustainable Development Goals (SDGs) and the Paris Agreement?

To date, policy-makers and financial practitioners have largely focused on project transactions and climate aid. While valuable, these initiatives on their own lack the systemic approach necessary to generate finance at the scale required, to build project pipeline, and to ensure corollary benefits of enhancing economic

and social development in a sustainable way. Systemic change will also require a critical mass throughout the world of national frameworks that integrate laws and regulation which are ‘fit for purpose’ to de-risk, unlock, mobilise, leverage and mainstream public and private climate finance in-country.

This level of change presents a new challenge for many law makers around the world. Yet there are some early-moving countries already undertaking legal and regulatory reforms to enable more climate-related investment more quickly and effectively. Learning from the experiences of early-movers first-hand can help other countries to initiate their own legal and regulatory reforms for a truly global transformation.

Workshop Purpose and Design

This report summarises the findings of the workshop Climate Finance Law: *Legal Readiness for Climate Finance* co-convened by King's College London and UN Environment. The workshop is part of an ongoing partnership to stimulate collaborations and mutual learning between public and private stakeholders in developing and developed countries for transformational change. The aim of our partnership is to provide a forum in which countries can assist each other to strengthen their national law and regulation to enable climate finance at the scale required for implementation of SDGs and Nationally Determined Contributions (NDC) targets under the Paris Agreement. The ultimate objective is to help build endogenous capacity for autonomy and empowerment.

The purpose of this workshop was to share knowledge about the legal dimensions of climate finance for the benefit of law and policy-makers. Running over three days it provided an opportunity for mutual knowledge-sharing with a focus on Global South-South exchange to help build in-country capacity and legal readiness for climate finance.

The workshop was structured around two main components (see boxes on right).

1 Scholarly research on the legal dimensions of climate finance and practical tools for law and policy makers to analyse legal readiness for climate finance. This entailed presentations on a Legal Analytical Framework for climate finance under development by King's College London in partnership with UN Environment; and demonstration of the Law and Climate Change Toolkit being developed by the Commonwealth Secretariat with UN Environment and the United Nations Framework Convention on Climate Change (UNFCCC).

2 The practical experiences of Mexico and Kenya as early-moving countries that have undertaken legal and regulatory initiatives to enable increased public and private climate finance. Mexico and Kenya were selected as case-studies based on prior research by the King's College London/UN Environment partnership that showed their initiatives to be comprehensive, innovative, and informative for other countries seeking to reform their own frameworks.

This workshop was aimed primarily at the public sector. Delegates comprised 27 invited government and parliamentary officials from Kenya, Mexico and the UK, as well as participants from UN bodies, multilateral financial institutions, private consultancies, and academia. Participating organisations are listed in [Appendix A](#).

Below: Participants of the Climate Finance Law workshop held at King's College London



2 'LEGAL READINESS' FOR CLIMATE FINANCE?



2.1/ What is climate finance?

At present there is no internationally agreed definition of ‘climate finance’. The absence of such a definition has ramifications for tracking flows generally and for measuring outcomes and impacts of financial mechanisms such as green bonds. Nonetheless, for the purposes of legal and regulatory analysis, climate finance can be defined broadly as capital that is sourced and leveraged through international, domestic, public, and private channels, via government or market instruments, to address climate change mitigation and adaptation.

2.2/ What is Climate Finance Law?

Climate Finance Law is an emerging field which the King’s College London/UN Environment partnership is helping to shape. In the narrowest sense, Climate Finance Law can relate to state obligations arising under the UNFCCC regime (eg Zahar 2017). The King’s College London/UN Environment partnership has taken a broader approach to define Climate Finance Law as the matrix of laws and regulation, both domestic and international, that mobilise and leverage finance and investment for climate mitigation and adaptation. This broad definition is seen as most true to how law and regulation for climate finance is manifesting in practice and it embraces legal and financial plurality. Work of the partnership will continue to inform and refine definitional concepts in this space.

The ultimate aspiration of Climate Finance Law must be to help *mainstream green and sustainable finance* through comprehensive legal and regulatory change that has *transformational* potential. Key to fulfilling this aspiration is legal pluralism. Law and regulation interact with institutionalised doctrines and practice and need to be considered in cultural context. So, in this space, law and regulation needs to be considered across a range of domains to include not only legislation and case-law but also financial and market regulation, soft law (such as industry codes), and contractual arrangements. All these legal forms come into play when engaging public

and private climate finance; yet so rarely are they identified in this context. This project makes the plurality explicit and essential.

2.3/ What is ‘legal readiness’ for climate finance?

A robust and transparent domestic legal system is key to attracting both public international funds and private sector finance. Yet, as noted by the Office of the General Counsel of the Asian Development Bank, the legal systems of many developing countries do not yet align well with the needs of public or private financiers.

What is required is legal readiness for climate finance. This includes:

- Laws and regulations “that have been carefully considered and enacted based on comprehensive assessment, analysis and consultations, [that] can enable access to climate finance and investments and realise NDC targets” (Morita and Pak 2018, p11); and
- Building legal and institutional capacity through knowledge and technical expertise.

‘Legal readiness’ encourages not only increased flows of climate finance, but also transparency, clarity, and accountability of multi-stakeholders by providing the architecture for regulating behaviours and activities. Importantly, legal and regulatory frameworks can both ‘call in’ external (multilateral) climate-related funding and also ‘put out’ endogenous (in-country) investment opportunities (Bowman 2018). So an important corollary of building legal readiness and capacity for climate finance is that it strengthens country ownership in financial processes. This in turn helps address any concerns that over-involvement by the private sector and/or financial institutions would devolve or contract out government engagement to undermine a country-driven approach.

Given that enabling legal and regulatory environments are so essential to climate finance and NDC implementation, the King’s College London/UN Environment workshop was aimed at addressing the big question: *How can countries ‘get’ legal readiness?*

“

Important benefits, including strengthened country ownership, can be gained from optimising law, regulation and governance for investment in climate action

Howard Bamsey,
Executive Director, Green
Climate Fund (GCF)

*Photo facing page:
Mexican Stock Exchange,
Mexico City*

3.1 THE WORKSHOP

3.1/ The workshop agenda

The workshop was held 9-11 March 2018 at King's College London. The delegates worked together over three sessions with the aims of:

- ♦ Identifying concrete actions to improve the enabling legal and regulatory environment for climate finance, linkages with NDC implementation and financing plans, and Paris Agreement and SDG objectives;
- ♦ Testing a new Legal Analytical Framework for climate finance;
- ♦ Sharing institutional learning and knowledge exchange between participants from different geographical locations; and
- ♦ Creating and shaping a new global community of decision-makers in Climate Finance Law.

→ [p28 Appendix B](#) sets out a detailed agenda.

Photo: Somerset House, King's College London Strand campus



DAY ONE

Legal Readiness for Climate Finance

Friday 9 March, open session

The workshop opened with a public event to greet workshop delegates and raise awareness among a broader public audience about the concept of 'Legal readiness for climate finance' and activity in this space. Participants were welcomed to King's College London by Professor Reza Razavi (Vice Principal for Research and Innovation) and Professor Tanya Aplin (Vice Dean for Research, Law). Dr Megan Bowman (Director, Climate Law & Governance Centre) explained the innovative work of the King's College London/UN Environment partnership and the workshop objectives for better understanding the legal dimensions of climate finance. In introducing the keynote speakers, she applauded the incredible people and institutions working in this space around the world and highlighted the importance of 'joining the dots' for more impactful action.

Mr Perumal Arumugam (UNFCCC secretariat) then spoke about the intergovernmental negotiations process on international co-operative and market based mechanisms under the Kyoto Protocol and the Paris Agreement. Mr Steven Malby (Commonwealth Secretariat) presented on work he is leading to develop a Law and Climate Change Toolkit co-organised by the Commonwealth Secretariat, UNFCCC and UN Environment, as well as the Climate Finance Access Hub developed by the Commonwealth Secretariat. Finally, Ms Jenny McInnes (UK Department for Business, Energy and Industrial Strategy, BEIS) presented the UK Technical Assistance Program and new ways to support the capacity of countries to scale up NDC implementation and deliver Paris commitments.

DAY TWO

In-Country Case Studies: Learning from Experiences

Saturday 10 March, closed session

Day 2 focused on case experiences of Mexico and Kenya in creating and implementing legal and regulatory initiatives to enable increased climate finance. Discussions were led by Mr Leonardo Beltrán (Mexican Ministry of Energy), Mr Juan Carlos Arrendondo Brun (Secretariat of Environment and Natural Resources (SEMARNAT)), the Hon. Angwenyi Jimmy Nuru Ondieki and Parliamentarians of the Kenyan National Assembly, Mr Chris Dodwell of Ricardo Energy and Environment, and independent consultant Ms Emelia Holdaway. Discussions

focused on the national contexts for energy and climate-related reform, and the experiences, incentives, and challenges around regulatory initiatives and operationalisation to enable climate finance. Break-out sessions also ensured high interactivity between participants. Those sessions involved creating 'wishlists' for optimal enabling legal and regulatory environments; and a 'thought experiment' on jurisdictional replicability taking into account cultural, economic, social and legal contexts.

DAY THREE

Testing a New Legal Framework

Sunday 11 March, closed session

Day 3 focused on the conceptual legal dimensions of climate finance and practical tools for analysing legal readiness for climate finance. The day began with a live demonstration of the Law and Climate Change Toolkit developed by the Commonwealth Secretariat in partnership with UN Environment and UNFCCC, which included discussion of a climate finance module for the toolkit. The remainder of the day focused on presentation of a Legal Analytical Framework designed by Dr Megan Bowman (King's College London) which analyses and

creates a typology for the range of laws and regulation for climate finance. The Legal Analytical Framework is described in detail in Part 4 of this report. It was applied to the case studies from Day 2, and subsequent break-out groups focused on its refinement and application for law and policy makers around the world. At the end of the session delegates were asked to revisit their wishlists to see whether and how the Legal Analytical Framework helped them identify concrete actions for an enabling legal and regulatory environment.

IN SUMMARY:

- Mexico has adopted multi-sectoral legal and regulatory reforms involving amendments to the 1917 *Constitution of Mexico* in addition to enacting the *General Law on Climate Change 2012*, *Electricity Industry Law 2014* and *Energy Transition Law 2015*, all of which have enabled private investment and greater NDC ambitions under the Paris Agreement.
- Kenya has focused on enhancing blended finance through a *Climate Change Act 2016* with supportive policy including a *National Policy on Climate Finance*. It has created a national Kenya Climate Fund with regional devolvement to County Climate Change Funds pursuant to the *Constitution of Kenya 2010*, the *Public Finance Management Act 2012*, and regional regulations.

Ongoing challenges shared by workshop participants fell into three main categories:

- Implementation and operationalisation of new law and policy, including issues of: capacity gaps in knowledge and expertise; timeliness of implementing regulation; political will; coherent governance structures; and sufficient domestic budgetary allocations for climate actions.
- Engaging the private sector, including issues of: competing business cases for investment in different sectors; balancing adaptation/mitigation priorities and opportunities; appreciating that ‘business’ is not homogenous and that Small-Medium Enterprises (SMEs) dominate domestic private sectors.
- Lack of common language and terminologies, especially between government, business and civil society; how stakeholders are motivated or deterred by the words ‘sustainability’ versus ‘energy security’ versus ‘climate change’; and the need to harmonise definitions of key terms such as ‘clean energy’ and ‘climate finance’.

3.2/ Case-study Experiences

Mexico and Kenya are at different stages in developing their Climate Finance Law but both have strengths and face challenges. Rich discussions in the workshop focused on experiences of triggers for legal and regulatory change, barriers, challenges, strengths, local context, and degrees of replicability in other jurisdictions.

3.2.1/ Mexico

The legal and regulatory regime for climate finance in Mexico has unfolded across three main legal domains involving Constitutional change, a *General Law on Climate Change 2012*, and an *Energy Transition Law 2015*. Reform measures and national targets are reflected in its NDC implementation plan.

The first step was triggered by the hosting of COP16 in Cancún in 2010, after which the *General Law on Climate Change 2012* was enacted on 10 October 2012 (the General Law). The General Law puts a strong emphasis on adaptation measures to reduce ecosystem and social vulnerability, and includes a national mitigation strategy to be implemented gradually by strengthening domestic capacities and commencing mitigation activities in the most cost-effective sectors such as energy and transport. Supporting the General Law and detailing its implementation is a policy



From left to right: Lylla Latif (University of Nairobi), Perumal Arumugam (UNFCCC Secretariat) and Raj Basvihi (Green Climate Fund).

rubric, being the National Climate Change Policy, the Special Programme on the Use of Renewable Energy, and the Special Programme on Climate Change.

The General Law establishes the basis for integrated legal and regulatory frameworks, the creation of key institutions, and financing measures. Importantly, it establishes:

- Mandatory targets of national GHG emissions reduction by 30% by 2020 below baseline (subject to availability of low-cost financial resources and technology transfer) and by 50% below 2000 emissions by 2050 (art 2).
- A national Climate Trust Fund to channel public, private, national and international financial resources to support implementation of climate actions. Adaptation actions have priority in the use of the Fund's resources (art 80).

Moreover, the General Law dovetails with other legislation such as:

- A carbon tax via a 2012 amendment to the *Special Tax Law on Production and Services 1980* that covers the sale and import of fossil fuels and is capped at 3% of the sales price of the fuel. Companies are allowed to pay this tax with credits generated by local Clean Development Mechanism (CDM) projects.
- Highly-structured tax incentives in the *Income Tax Law 2013* for investors in environmentally friendly technologies (art 34).

As a second step, the Mexican Constitution was amended to integrate sustainability as a core principle (art 25) and to allow private participation under contract or permit in most areas of the oil, gas and electricity sectors, which ended monopoly by the state-owned power utility (art 27).

These reforms paved the way for the *Energy Transition Law 2015* which established the National Electricity and Clean Energies Institute to coordinate and technically support all government agencies and private corporations. The reforms implemented a regulatory overhaul (9 new laws and 12 amendments to existing laws) to restructure existing agencies, update regulation and revise taxation in order to create an open and competitive energy market. It adopts a two-pillared approach to increasing energy efficiency and clean energy with a target of 35% electricity generation from clean energy sources by 2024, including wind, solar, geothermal, waste, biomass and nuclear (providing they do not exceed specified carbon dioxide emission thresholds) (art 1). Moreover,

the *Energy Transition Law 2015* and accompanying *2017 Regulations* systematise the clean energy certificate scheme (first introduced and regulated under the *Electricity Industry Law 2014*) and facilitate compliance with emissions reduction goals of the General Law.

In workshop discussions, several key attributes of this case were teased out, including how and why:

- The government deliberately examined legal experiences in other countries around the world (both market and emerging economies) and considered local context requirements to inform its approach to enabling private investment in the energy sector.
- During the reform process the government consulted widely with Parliamentarians, NGOs, and the private sector. This has helped to create buy-in by stakeholders, and is reflected in the General Law which incorporates a participatory approach for adaptation and mitigation actions “by promoting public participation, listening, and responding to the public and private sectors, and society in general” (art 8.IV).
- High integration of legal and regulatory initiatives for sustainability/climate across multiple legal domains is helping to ensure coherence of governance and is encouraging long term business planning. Amending the Constitution resulted in increased certainty for investment and this is supported by short, medium, and long-term policies and targets.
- The General Law is dynamic and has undergone several reviews pre- and post-Paris: in 2014 to create a tax on fossil fuels; in 2016 to revise Article 94 to frame an emissions trading system; and in 2017 to incorporate Paris Agreement language and some of its content.

3.2.2 / Kenya

The *National Climate Change Action Plan 2013-2017* enshrined institutional roles and responsibilities on climate change and paved the way for attention to climate finance. Three years later after a change in government, the *Climate Change Act 2016* was passed and established a national Kenya Climate Fund, which is administered by the national Climate Change Council and chaired by the President. The Kenya Climate Fund is described in the Act as “a financing mechanism for priority climate change actions and interventions” (s25(1)). Funding sources are varied: it will get some

“

It was a privilege to participate and share our experience and challenges in developing a conducive environment to accelerate the transition to a low carbon economy

Leonardo Beltrán, Deputy Secretary of Energy for Planning and Energy Transition, Ministry of Energy, Mexico



Mexico's *Energy Transition Law 2015* sets a target of **35%** electricity generation from **clean energy sources** by 2024



This was a meaningful meeting with lots of learning to inform our legislative work

The Hon Hassan Oda Hulufu, Member of Parliament, National Assembly of Kenya



Kenya is a **global leader** in geothermal energy

funds from the Consolidated Fund (which is the main fund to which all revenues owed to the National government are channelled in the form of donations, endowments, grants and gifts (s25(3)); and the *National Climate Change Action Plan 2013-2017* highlights that the Kenya Climate Fund “aim[s] to catalyse private sector funding through interacting with other financial intermediaries (eg commercial banks)” (p86).

The purpose and funding sources of the Kenya Climate Fund are also described in the *National Policy on Climate Finance* which was passed by Parliament in February 2018. It defines ‘climate finance’ as comprising domestic budget allocations, public grants and loans from bilateral and multilateral agencies, and also private sector investments. Specifically, the Policy sets out how to attract and promote climate finance including:

- ♦ developing a climate finance strategy;
- ♦ scaling up climate finance through targeted strategic partnerships with bilateral and multilateral partners;
- ♦ implementing robust and flexible public financial mechanisms;
- ♦ promoting investor confidence and participation;
- ♦ focusing on voluntary carbon markets over short term;
- ♦ enhancing the generation, management and issuance of emission reduction credits and trading of carbon credits; and
- ♦ establishing innovative mechanisms for additional resource mobilisation such as green bonds.

Importantly, by virtue of being established by legislation and also cross-referenced in several national policies and strategic plans, the Kenya Climate Fund can become strategically embedded in the legal and policy landscape of Kenya. For example, the *National Policy on Climate Finance* describes the role of the Kenya Climate Fund as a legitimate way to “support mobilisation, coordination and tracking of climate finance in Kenya including both domestic and international resources” (p16), which reinforces how the general development vision for *Kenya Vision 2030* and its *Medium Term Plans* had described the Kenya Climate Fund. Additionally, the Kenya Climate Fund is described as a mechanism to increase climate-proofing investment opportunities for small and medium enterprises in the *Kenya National Adaptation Plan 2015-2030: Enhanced Climate Resilience Towards the Attainment of Vision and Beyond*.

National legislation has also enabled county-level Climate Change Funds through:

- ♦ The Kenyan Constitution, which devolves responsibility to county governments to promote social and economic development (ch 11); and
- ♦ *The Public Finance Management Act 2012*, which permits a local Fund to be established by County executive action (part IV). Such Funds can receive finance from budgetary allocation, the private sector, and national and international sources.

Counties are regional administrative districts that can enact their own County Climate Change Fund legislation and regulations, which has occurred in several Kenyan counties (eg *Makueni County Climate Change Fund Regulations 2015*). Kenya’s County Climate Change Funds have been replicated in other African countries such as Mali, Senegal and Tanzania. The important aspects of County Funds is that they can involve local input and responsiveness, and finance can be disbursed more directly to local communities. This is especially important for climate adaptation efforts.

In workshop discussions, several key attributes of this case emerged, including:

- ♦ The direct involvement of Treasury in environmental concerns as a core strength that demonstrates the importance of collaboration between ministries.
- ♦ A high level of multisectoral ownership and buy-in was created by the *National Climate Change Action Plan* due to the government’s deep attention to finance, governance, and mitigation and adaptation elements of that Action Plan. However, the lag between creating the Action Plan and enacting the Climate Change Act slowed stakeholder momentum, which illustrates the salience of timeliness and political economy factors.
- ♦ Kenya is a global leader in geothermal energy and is demonstrating commitment to diversify its energy mix by issuing wind and geothermal prospectuses and taking on sovereign risk to encourage private sector investment. This raised questions about how best to leverage the private sector.
- ♦ The Climate Change Act, the Climate Finance Policy and the Kenya Climate Fund are all relatively new so their implementation and operation are in-progress. Thus, now is a good time to be considering how to make them most effective for multiple stakeholders.

Photofacing page: Kenyan Parliament Building, Nairobi



4 TESTING A LEGAL ANALYTICAL FRAMEWORK

4.1/ Background to creating a Legal Analytical Framework for climate finance

Applying a Legal Analytical Framework of Options and Legal Forms to the experiences of Kenya and Mexico shows how law makers can make informed decisions about using law and regulation to mobilise and leverage climate finance.

Dr Megan Bowman presented the Legal Analytical Framework and explained how it addresses a timely call by UN Environment to identify a *range of legal and regulatory options* that can enable private finance and better leverage public finance at scale for climate change mitigation and adaptation (Bowman 2018).

The Legal Analytical Framework is intended for law and policy makers as primary users; it will also have relevance for multilateral financial institutions and other stakeholders such as private sector actors. The aim is to provide a palette of regulatory options and legal forms from which countries can choose when developing their own legal readiness for climate finance, as described in 4.2 below.

As a first step, however, it is crucial for law and policy makers to understand that in a Post-Paris world the term ‘climate finance’ now includes private capital. The reasons are simple: corporations have become the largest funders of climate finance; efforts by the

private sector will help countries to meet their NDC targets; and the multi-trillion dollar investments needed for a global economic transition requires increased flows of private capital for climate-related purposes.

Thus the role of law and regulation in engaging the private sector is critical. It modifies the risks and returns faced by private sector actors as well as the information and processes they use for their decision-making. As such, it shapes cost/benefit (‘business case’) analyses for climate mitigation and adaptation activities. This, in turn, influences whether private actors will ‘get on board’ and to what extent finance will flow to mitigation and adaptation endeavours at the necessary scale.

Therefore, to engage private capital, a key question for law makers and regulators is how to harness business case logic while overcoming institutional and local barriers (Bowman 2015):

- ♦ Focus for interventions: reduce risk and increase opportunities;
- ♦ Harnessing business case logic: both hard (financial) and soft (reputational) factors can be leveraged in this space;
- ♦ Policy integrity: efficiency is not the only goal, but also effectiveness and equity; balancing community and social considerations with financial imperatives; and learning how to speak with investors without being captured by business case logic.

4.2/ Presenting the Legal Analytical Framework

Case-study research for the Framework revealed how different countries around the world are seeking to mobilise, leverage, de-risk and unlock finance for climate-related projects and capacity building for both adaptation and mitigation. This research investigated regulatory approaches and analysed legal context and implications.

That research enabled creation of a *Legal Analytical Framework*, which combines *Regulatory Options* with *Legal Forms* (Bowman 2018).

1/ Options: Financial Mechanisms and Facilitative Modalities

Data analyses revealed a two-fold typology of regulatory Options (see Figure 1) that have been termed as:

- a ‘Financial mechanisms’; and
- b ‘Facilitative modalities’

Financial mechanisms are *hard financial instruments* that *directly* mobilise or leverage private finance. Emphasis is often placed on

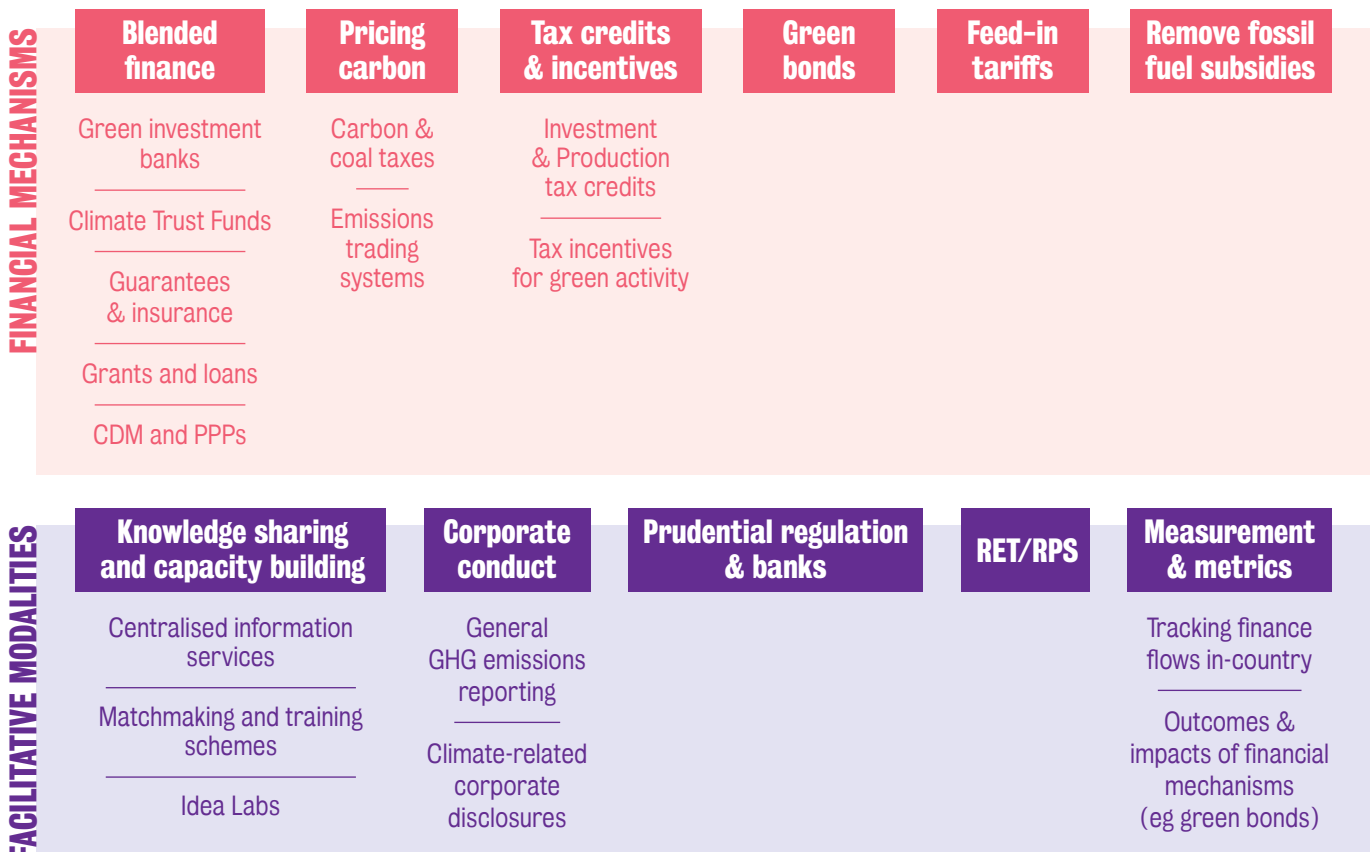
a carbon price in this category of instrument, but that alone is insufficient to encourage investment and change behaviour within the relatively short timeframe required for climate action. Thus, additional instruments are required to incentivise private investment in renewables, clean tech, energy storage, and resilience-building initiatives. Options include: blended public-private finance and concessional arrangements (including grants, loans, guarantees and insurance, green investment banks, climate trust funds and clean development mechanism-public-private partnerships (CDM-PPP)); carbon pricing whether by tax or trade; tax credits and incentives; green bonds; feed-in tariffs and subsidies; and removing fossil fuel subsidies.

Facilitative modalities are ‘soft’ *non-financial initiatives* that complement the ‘hard’ financial mechanisms for mobilising greener private capital. They *indirectly* mobilise or leverage private finance by enhancing project pipeline, capacity building, and knowledge transfer. Options for facilitative modalities include: government support for creation of centralised information repositories;

Key Finding

Both types of Options – financial mechanisms AND facilitative modalities – are essential and complementary for mobilising & leveraging climate finance.

FIGURE 1 OPTIONS



Key Finding

Climate Finance Law takes more legal forms than just legislation.

knowledge sharing and capacity building through ‘matchmaking and training’ platforms and Idea Labs; regulating corporate conduct to help a 2 degrees transition including climate-related reporting for shareholders, corporate law initiatives and prudential regulation of banks; renewable energy targets (RET) or renewable portfolio standards (RPS); and metrics for tracking climate finance in-country and measuring outcomes and impacts on the ground.

2/ Legal Forms: Legislation, Regulation, Contracts

Moreover, there are a range of Legal Forms for both financial mechanisms and facilitative modalities (see Figure 2).

The legal form of financial mechanisms tends to be legislative and contractual, with a range of choices for each.

- ♦ *Legislative:*
 - General legislation, such as a Climate Change Act;
 - Sectoral legislation, such as guarantees in energy legislation, or a carbon/coal price in tax legislation;
 - Bespoke legislation, such as the creation of a Green Investment Bank or Climate Trust Fund;
- ♦ *Legal contractual arrangements* as used in, eg, green bonds, insurance, and CDM-PPP arrangements.

In contrast, the legal forms of facilitative modalities are more varied ranging from:

- ♦ *Legislation*, such as directors’ duties on corporate reporting in company law;
- ♦ *Financial or market regulation*, such as corporate governance codes on climate disclosures, banking regulations on supplying green credit, or stock exchange listing rules for green bonds;
- ♦ *Legal contractual arrangements*, such as public-private-NGO partnerships for flood resilience research; and
- ♦ Some will have no legal form at all, relying instead on coalitions for innovative ideas (eg Idea Labs).

Facilitative modalities are just as important as financial mechanisms, so regulators need to give equal attention to creating legal and policy environments that support them.

Moreover, to build capacity and encourage best practice, regulators need to share knowledge and know-how about successful Options and Legal Forms within and between:

- ♦ Industry players to reduce risks and institutional barriers (perceived and actual); and
- ♦ Developing countries through South-South knowledge transfer. Such exchanges in Climate Finance Law are emerging, with examples including Kenya’s leadership in Africa regarding national climate funds and discussion of creating a regional Green Investment Bank in Northern Africa led by Morocco.

FIGURE 2 LEGAL FORMS

LEGISLATION

Acts by legislative bodies eg the Parliament or congress.



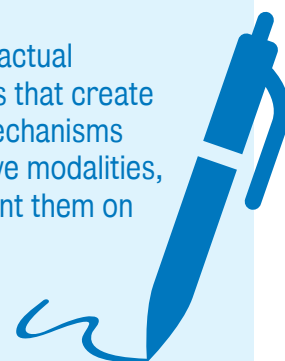
REGULATION

A range of instruments for financial, corporate, environmental, and market regulation that include subordinate regulations, executive orders, directives, and ‘soft law’ such as Codes, Guidances and Rules.



CONTRACTS

Legal contractual agreements that create financial mechanisms or facilitative modalities, or implement them on the ground.

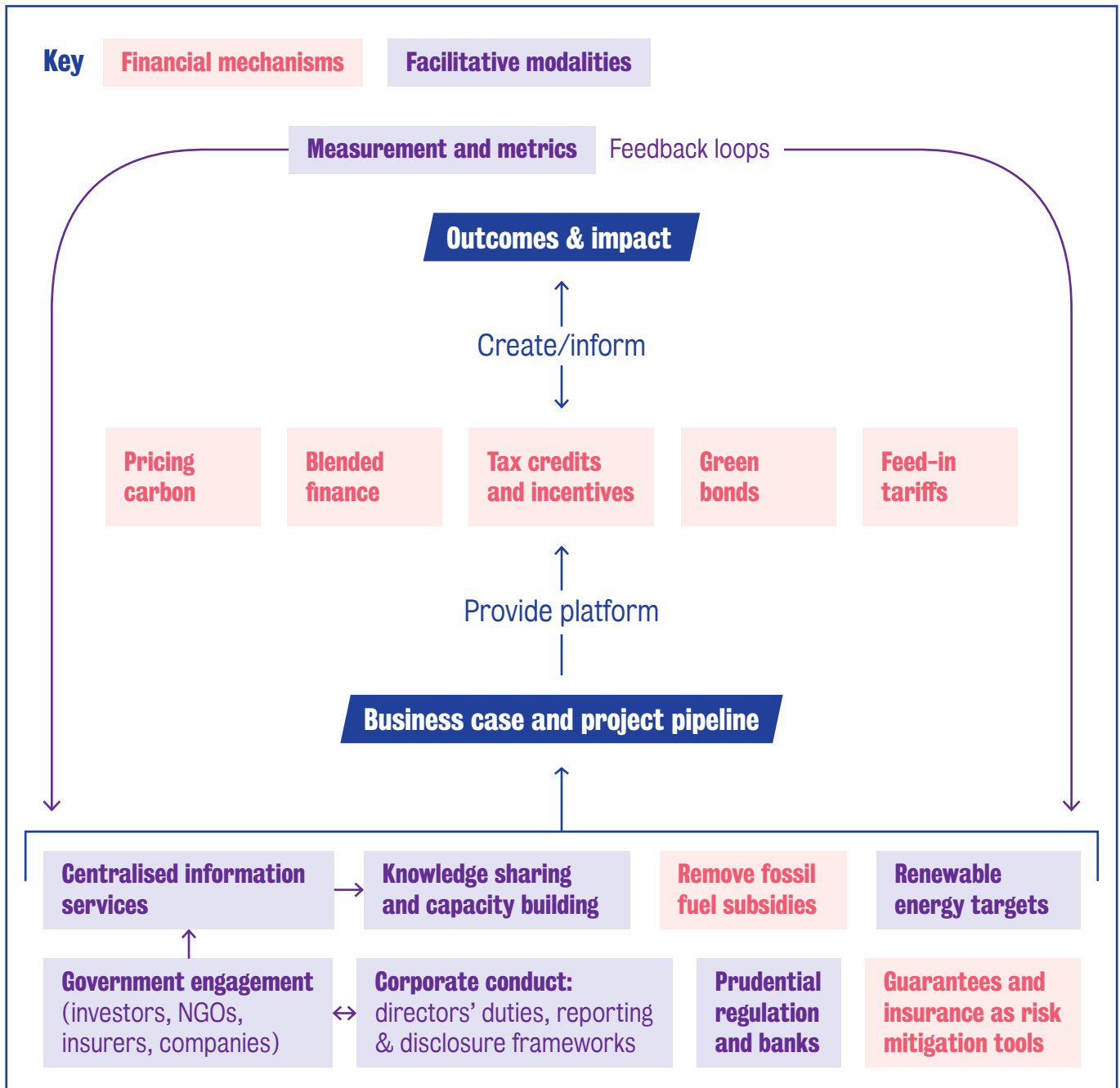


SUPPORTIVE POLICY & STRATEGIC DOCUMENTS

Policies issued by executive bodies that support and prompt Options and Legal Forms, including strategy and action plans.



FIGURE 3 INTEGRATED REGULATORY APPROACH



4.3/ Taking an integrated regulatory approach

One way to enact Climate Finance Law is by making stand alone changes by, for example, inserting new sections into pre-existing Acts to include tax credits or corporate disclosure to help trigger a chain reaction amongst investors and financiers.

However, data revealed that, to be most effective, a country's Climate Finance Law will embrace an *integrated regulatory approach* (Figure 3). That is, it will:

- Comprise a complementary blend of financial mechanisms and facilitative modalities; and
- Be embedded within a broader regulatory matrix that promotes energy reform and general climate law and policy to give climate finance instruments context, coherence and efficacy.

Taking an integrated regulatory approach has a corollary benefit of ensuring a stable environment for sustained investor engagement so that the private sector knows where and how to invest.

TABLE 4 KENYA

	FINANCIAL MECHANISMS						FACILITATIVE MODALITIES		
	National climate fund	County climate change fund	Guarantees	CDM & PPPs	Feed-in tariffs	Tax credits & grants	Information management systems	Capacity building programme	Tracking climate finance flows and expenditures
Constitution		✓							
National legislation									
Public Finance Management Act 2012		✓							
Value Added Tax Act 2013 & Amendment Act 2014						✓			
Climate Change Act 2016	✓								
Other regulation									
Makueni County Climate Change Fund Regulations 2015		✓							
Wajir Climate Change Fund Act 2016		✓							
Isiolo County Climate Change fund Bill 2016		✓							
Kitui Climate Change Fund Regulations 2018		✓							
Policy & strategic documents									
National Policy on Climate Finance 2016	✓						✓	✓	
National Climate Change Action Plan 2018-2022	✓								
Kenya Vision 2030	✓								
Feed-in Tariffs Policy on Wind, Biomass, Small-hydro, Geothermal, Biogas and Solar Resource Generated Electricity					✓				
Kenya National Adaptation Plan 2015-30	✓								
Contract + other									
National Climate Change Budget Codes									✓
Kyoto Protocol				✓					
Bilateral guarantee agreements			✓						

4.4/ Applying the Legal Analytical Framework in the workshop

Applying the Legal Analytical Framework to the Kenya and Mexico experiences (Tables 4 and 5) shows how it can be used when considering how best to mobilise and leverage climate finance.

- ♦ At a minimum, an integrated regulatory approach may combine certain mechanisms and modalities in various legal forms such as legislatively establishing an In-country Climate Fund (that has a mandate to blend finance) together with tax credits and/ or a green bond for renewable energy investment (financial mechanisms) and which can support partnerships or Idea labs for adaptation R&D and knowledge-sharing (facilitative modalities). Kenya can be seen to exemplify this approach.

- ♦ At a maximum, an integrated regulatory approach entails a legislative and policy overhaul covering a full range of legal domains such as the Constitution, energy sector regulation, tax law, corporate law, prudential regulation, and which combines financial mechanisms and facilitative modalities to dovetail with general climate law or policy. Mexico exemplified this approach when opening its energy market to private investment.

Feedback from delegates helped to further develop and refine the Legal Analytical Framework. Discussion points included whether 'Metrics & Measurement' might be considered a 'catalyst' that sits in the middle of both types of Option; and about the legal forms (if any) that facilitative modalities might best take. For example, it was raised that 'matchmaking' initiatives

could be considered a form of structured dialogue that bring together civil society with private sector and public entities to discuss funding processes, in which case the legal form is less important than getting the right participants. In response, debate focused on: (a) The normative role of law in signalling the seriousness of a facilitative modality. This ensures such modalities can be considered in a systematic way by law and policy makers and other stakeholders; and (b) The importance of supportive policy environments that legitimise and enable the formation of such partnerships and other facilitative modalities.

From left to right: Olufunso Somorin (African Development Bank), Beatrice Pauline Cherono Kones (National Assembly of Kenya) and Lyla Latif (University of Nairobi)



**TABLE 5 MEXICO –
PRIVATE ENERGY
INVESTMENT**

	FINANCIAL MECHANISMS									FACILITATIVE MODALITIES			
	National climate fund	Bespoke fund	Green bonds	Removal of fossil fuels	Guarantees	CDM & PPP	Carbon & coal tax	ETS	Tax exemption & deduction	Clean energy certificates	Centralised information sources	Corporate reporting & disclosure frameworks	RPS/ RET
Constitutional amendment	Enables private investment												
National legislation													
Law for the Development of Renewable Energy and Energy Transition Financing 2008				✓									
2012 amendment to Special Tax Law on Production and Services 1980						✓							
General Law on Climate Change 2012	✓							✓				✓	✓
Income Tax Law 2013								✓					
Hydrocarbons Law 2014				✓									
Electricity Industry Law 2014									✓				
Energy Transition Law 2015		✓							✓	✓			✓
Other regulation													
National Registry of GHG Emissions Regulation 2014												✓	
Regulations under the energy Transition Law 2017									✓				
Policy & strategic documents													
Transition Strategy to promote the use of technologies and cleaner fuels 2016													✓
Contract + other													
Private contractual agreements			✓										
Kyoto Protocol						✓							

LESSONS LEARNED AND CONCLUSIONS

The overall conclusion from delegates was that the workshop achieved what it set out to do.

By bringing together the right mix of participants, it worked in a practical and experiential way to discuss topics of mutual value while building relationships between stakeholders. Looking forward, it has laid valuable groundwork for ongoing knowledge exchange about effective legal and regulatory reform that can facilitate flows of climate finance in-country for developing countries.

The key lessons learned by delegates and the King's College London/UN Environment partnership are detailed below. In short, the workshop demonstrated the value of:

- 1 Greater attention to legal frameworks in climate finance;
- 2 Using the Legal Analytical Framework for informed decision-making;
- 3 Including facilitative modalities for an integrated regulatory approach;
- 4 Emerging roles for Multilateral Financing Institutions (MFIs) in supporting national legal and regulatory reform;
- 5 Effective Global South-South knowledge exchange; and
- 6 Engaging the private sector through legal readiness.

**“
Finance leaders and law makers alike need to make strategic shifts to align with the UN's 2030 Agenda and the 2-degrees economy**

Robert Ondhowe, Legal Officer,
UN Environment (UNEP)

These key lessons were derived from: learnings gained during workshop dialogues; individual and group ‘wishlists’ of desirable ingredients for enabling legal and regulatory environments for climate finance; and post-workshop questionnaires that evaluated the effectiveness and impact of the workshop.



1/ The workshop brought much-needed attention to legal frameworks for climate finance

Participants agreed that the legal dimensions of climate finance have received little attention to date. The workshop helped to bridge this gap, providing welcome knowledge exchange on the topic of Climate Finance Law and legal readiness for climate finance.

As depicted in Figure 6, all delegates cited key benefits of the workshop as:

- Stimulating them to think about legal and regulatory initiatives for climate finance, particularly in their own country context; and
- Motivating them to want to learn more.

Moreover, all delegates intend to use the ideas from the workshop in their home countries. Some delegates stated they will use learnings to influence legal and policy frameworks for climate financing at both national and local levels. One delegate specifically declared an intent “to prepare a brief to fellow MPs on next steps in enhancing the Kenyan climate change legal regime”.

2/ Law makers saw the Legal Analytical Framework as a valuable tool for decision-making

The overwhelming response from participants, especially Parliamentarians and MFIs, was that the Legal Analytical Framework provided a new way to consider law and regulation for climate finance by:

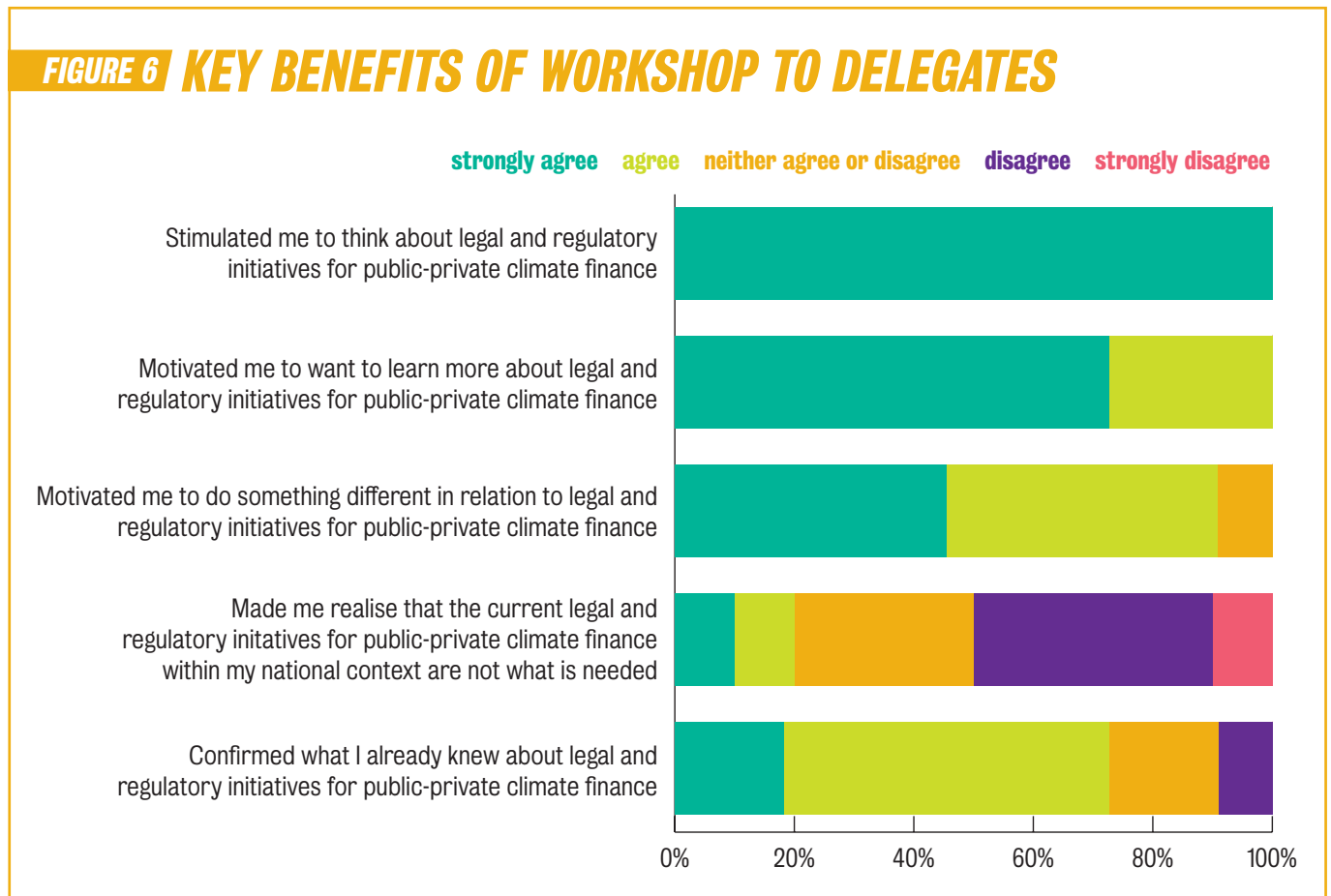
- a Depicting initiatives as financial or facilitative, and
- b Demonstrating the different legal forms that such initiatives can take.

Overall, around two-thirds of delegates gained new knowledge about financial mechanisms and facilitative modalities (see Lesson 3 below); and nearly all delegates (over 90%) learned a significant amount about legal forms as a result of the workshop. Some delegates described the Legal Analytical Framework as the most valuable learning from the workshop.

Importantly, the Framework was seen by delegates as a tool to help law and policy makers *identify concrete actions* to improve their enabling legal and regulatory environment for climate finance.

90%

Over 90% of delegates learned a significant amount about legal forms as a result of the workshop





Two-thirds of delegates gained new knowledge about financial mechanisms and facilitative modalities

In discussions, it was noted how the Legal Analytical Framework helps to make the invisible become visible. That is:

- a It makes explicit and clear what Climate Finance Law ‘looks like’;
- b It helps bring long-term planning into the present; and
- c It can be used by law and policy makers to make *conscious and systematic choices* about legal and regulatory options and combinations to adopt for their own country.

Specifically, it can help to identify where policy frameworks provide enabling environments for legal options; when legislation may be more appropriate than policy; when legal backstopping is required and what form it might take; and when a soft coordinative or collaborative approach is preferable.

For example, if a country wants to enhance private sector investment in the energy sector, the Framework shows there are a number of legal options. Law makers may choose to create a Green Investment Bank (exemplified by the UK and Australia) or instead use a combination of mechanisms – as Mexico chose to do for various reasons including the cost of permanent staff for a Bank – such as combining a national Climate Trust Fund

together with government guarantees and grants for project funding. The point is that the Legal Analytical Framework provides a ready reckoner of options and legal forms from which to choose.

3/ An integrated regulatory approach to climate finance is preferable and it requires both financial mechanisms and facilitative modalities

Law makers and regulators can enact Climate Finance Law in two main ways:

- a As a stand-alone legislative change, such as amending a Taxation Act (to include tax investment credits for renewable energy) or a Companies Act (for corporate climate reporting), or enacting a new general Climate Change Act; or
- b As an integrated regulatory approach, being a complementary mix of financial mechanisms and facilitative modalities across multiple legal domains that adjust or reform a country’s whole legal and regulatory framework to account for climate change and enable greater flows of climate finance.



Intellectually, it was enriching to learn about the Legal Analytical Framework by King’s and also the Law and Climate Change Toolkit by the Commonwealth Secretariat

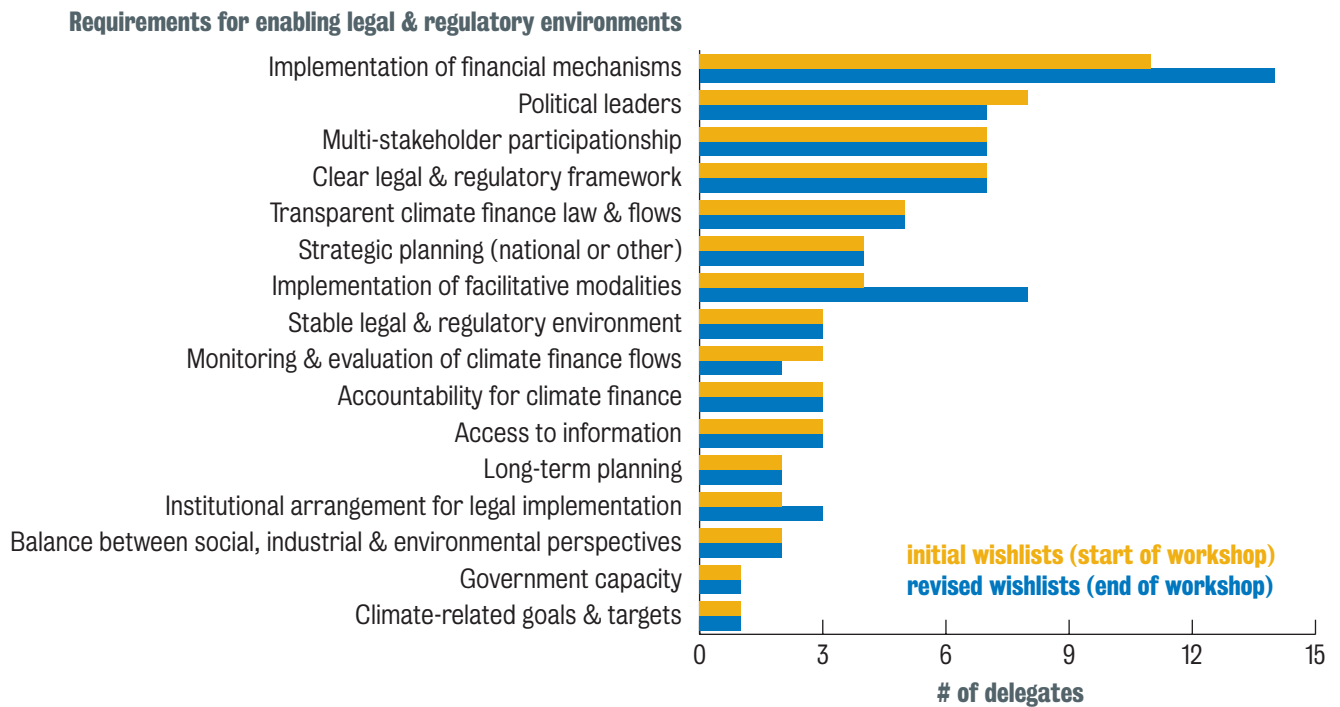
Leonardo Beltrán, Deputy Secretary of Energy for Planning and Energy Transition, Ministry of Energy, Mexico



From left to right: Hassan Oda Hulufo (National Assembly of Kenya), Katrien Steenmans (King’s College London), Nelson Mojarro (Ministry of Energy, Mexico), Leonardo Beltrán (Ministry of Energy, Mexico), Juan Carlos Arrendondo Brun (SEMARNAT, Mexico), and Megan Bowman (King’s College London).

FIGURE 7 WISHLISTS FOR AN ENABLING LEGAL AND REGULATORY ENVIRONMENT FOR CLIMATE FINANCE

Figure 7.1: Initial and Revised Wishlists (start and end of workshop)



The choice will depend on country context. However, it became clear from workshop discussions that the integrated approach is preferable for maximising stakeholder engagement and avoiding unintended consequences.

Prior to the workshop, most delegates had equated climate finance with particular financial mechanisms, namely tax credits, grants, and feed-in tariffs. During the workshop delegates gained understanding of a much broader range of financial mechanisms related to carbon pricing, blended finance, and green bonds. Indeed, over two-thirds of delegates stated they learned a significant amount about financial mechanisms during the workshop.

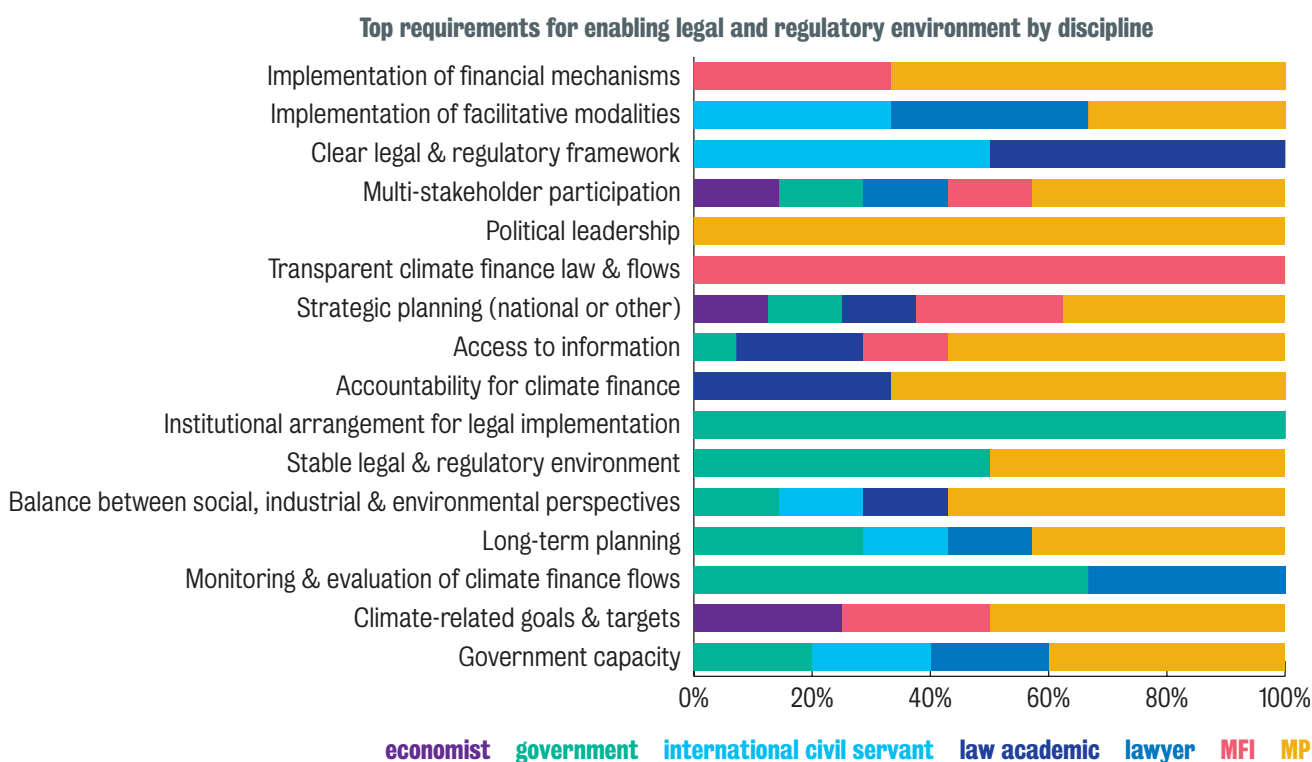
Just as importantly, the category of ‘facilitative modalities’ created a new way of seeing climate finance regulation. Although most delegates were aware that improved information and capacity building are important to good governance and policy implementation, they had not previously considered those elements as modes of

regulation for improving flows of climate finance. Almost two-thirds of workshop delegates learned a substantial amount about facilitative modalities as a result of discussions, especially regarding corporate conduct, prudential regulation, knowledge sharing and capacity building (eg improved information; and ‘Ideas Labs’ to generate novel responses).

These learnings were most evident when comparing delegate ‘wishlists’ for an enabling legal and regulatory environment for climate finance. By the end of the workshop, almost half the delegates who were present for the full workshop, revised their wishlists to incorporate financial mechanisms and facilitative modalities (see Figures 7.1, 7.2).

Some discussion focused on the benefit of an integrated regulatory approach in providing a balanced package of reforms that can include rewards and trade-offs to help make bitter pills (such as removing fossil fuel subsidies) easier to swallow. Delegates also reflected on the importance of choosing

Figure 7.2: Revised Wishlists by Discipline



90%

Over 90% found it useful to share experiences and learn from each other

combinations of facilitative modalities and financial mechanisms to enhance their complementarity and effectiveness in each country. Further discussion focused on the need for ex-post review processes to check the law is up to date and achieving its objectives. Questions were raised by participants about how best to make these decisions. This led to discussions about further development of the Legal Analytical Framework, the importance of education, and the role of MFIs and legal and regulatory experts in providing in-country support (see Lesson 4 below).

4 / Greater MFI support is needed for legal and regulatory initiatives and capacity building

Taking an integrated regulatory approach to climate finance is more likely to create systemic and transformational change, and thus achieve NDC implementation and SDG goals. Yet simultaneously, discussions of the Mexico experience revealed how taking an integrated regulatory approach *requires* domestic systemic change through regulatory overhaul.

It was clear from workshop discussions that comprehensive reform is complex and therefore the *first step* must be legal and regulatory *mapping*. That is, undertaking a comprehensive assessment or review of existing legal and institutional strengths, incentives, barriers and gaps for addressing climate change and enabling climate finance. Mapping is critical because it allows a country to develop a legal roadmap to get the ‘right’ legal and institutional structures in place and to inform Parliamentarians, government, public and private financiers, and civil society about the scale and types of support it requires to meet legal readiness for climate finance and NDC implementation.

Such a massive legal transition requires equally large financial input and expert capacity. Participants noted that, as the main intermediaries for public international funds and also as facilitators of private finance, MFIs can play a greater role in supporting in-country legal assessments and innovation that will pave the way for enhanced flows of climate finance. Specifically, MFIs can support developing countries not only with finance for projects but also with financial support for:

- Integrating facilitative modalities
- Mapping existing legal and regulatory architecture, and
- Building capacity: legal, technical, educational.

Although some MFIs have a specific mandate to fund projects per se, participants noted that legal initiatives can be integrated with project proposals or even funded as a necessary precursor to them. For example, the Green Climate Fund (GCF) (an operating entity of the financial mechanism of the UNFCCC) has the *GCF Readiness Programme* which provides US\$1 million/year/country for successful proposals, for which countries could request funding to map their regulatory architecture, or to hire experts to work with their Attorney-General's department, Treasury, or the Energy Ministry to assess and strengthen enabling law and policy or legal expertise. Moreover, several recent successful GCF funding proposals have incorporated legal mapping and technical capacity building as a component within a broader project, such as Project FP019 *Priming Financial and Land Use Planning Instruments in Ecuador* (with UNDP) and Project FP030 *Catalysing Private Investment in Sustainable Energy in Argentina* (with the Inter-American Development Bank). As another example, the Asian Development Bank's Office of General Counsel is providing technical assistance for reviews of legal frameworks in countries such as Fiji and the Lao PDR.

5/ Global South-South knowledge exchange through direct dialogue is empowering and effective

Nearly all delegates (over 90%) found it useful to share experiences and learn from each other. Several delegates described learning about the case-study experiences and building capacity by sharing knowledge as the most valuable aspects of the workshop. While the cases demonstrated there is no one-size-fits-all approach, participants agreed that case studies can provide inspiration and ideas for law and policy makers in different jurisdictions. Looking forward, one delegate described wanting more discussion “about other success stories and their journeys to where they are.”

Specifically, cross-comparing the Kenyan and Mexican experiences *in person* gave rich learnings for all delegates, especially Parliamentarians.

- Discussions focused on points of inflexion: triggers, incentives, successes, barriers, remaining challenges, local context, and replicability to other jurisdictions. Most workshop delegates stated that they now better understand these issues as a result of the workshop.
- Direct dialogue enabled knowledge exchange that was dynamic, honest, often humorous, and helped to build trust.

In addition to dialogue *between countries*, the workshop highlighted the importance of communication and collaboration *between government branches* on Climate Finance Law and policy, rather than working as siloes. Specifically, the case-studies showed the value of Treasury working with Energy and Environment ministries as well as with Parliamentarians that have finance and environment portfolios.

For some delegates, increased dialogue extends to public education with one participant stating they would use the workshop ideas to “begin a discussion on climate change [and finance] back home especially with the masses who are most affected by climate change and have the least knowledge about it”.

6/ Legal readiness for climate finance encourages private sector engagement

Multi-stakeholder participation, ranging from central banks to civil society, was high on delegates' wishlists for enabling climate finance. In particular, delegates indicated a strong desire to engage with private sector actors on this work, especially corporate lawyers, financiers and investors.

This is encouraging. Climate mitigation and adaptation efforts by the private (especially corporate) sector will help countries to meet their NDC targets; and capital-allocation decisions by the market will facilitate the transition (or not) to a low-carbon economy. Those efforts and decisions are shaped by law and policy. Having ‘legal readiness’ can encourage investor confidence by:

- a Increasing the financial attractiveness of climate-related investments; and
- b Minimising barriers to investment by reducing perceived and actual regulatory and sovereign risks.

As such, most participants noted that a valuable next step is to involve the private sector in discussions of Climate Finance Law and legal readiness for climate finance.

US \$1 million

US\$1m per country/year is provided by the GCF Readiness Programme for successful proposals

6 NEXT STEPS

Workshop delegates expressed a strong desire for this work to continue deepening and expanding. The King's College London/UN Environment partnership is looking forward to ongoing dialogue and research with Kenya and Mexico, as well as working with more countries and partners to help develop legal readiness for climate finance in an exponential way.

Next steps will focus on two main areas:

1/ Deepen and extend Climate Finance Law dialogues to involve more countries and a greater range of stakeholders

The partnership will continue to convene a series of knowledge exchanges that:

- ♦ Include private sector lawyers, investors and financiers;
- ♦ Further develop the Legal Analytical Framework to test combinations and trade-offs between different legal options and legal forms given unique country contexts;
- ♦ Focus on sector-specific learnings between the cases in areas such as geothermal exploration via the GEOLAC conference in Mexico;
- ♦ Engage Parliamentarians from other countries through the Carbon Fora;
- ♦ Engage with complementary innovative initiatives in this space exemplified by BEIS's Technical Assistance Program,

the Climate Finance Accelerator, Legal Response International (LRI), and the Law and Climate Change Toolkit (of the Commonwealth Secretariat, UN Environment and the UNFCCC).

2/ Investigate how Legal Readiness for Climate Finance can enhance economic and social development in a sustainable way

The research team will consider theoretical aspects and practical effects of Climate Finance Law regarding issues of governance and social justice such as:

- ♦ How it can include diverse economies and financial objectives that are socially sustainable and emancipatory;
- ♦ How it can promote governance standards for corporate social responsibility regarding foreign direct investment;
- ♦ How best to ensure that Climate Finance Law enhances complementarity across legal domains, including Revenue Authorities, SME participation, and tax justice; and
- ♦ How best to avoid or mitigate unintended consequences across legal domains. For example, supportive/conflictive interactions between planning and environmental regulation and Climate Finance Law, or between domestic environmental taxes on extractive industries and non-discrimination rules in international investment law.

APPENDIX

Workshop Participant Organisations

- ♦ African Development Bank, Climate Investment Programme
- ♦ Commonwealth Secretariat, Commonwealth Office of Civil and Criminal Justice Reform
- ♦ Green Climate Fund, Office of the General Counsel
- ♦ King's College London: The Dickson Poon School of Law; Geography Department; King's Business School
- ♦ National Assembly of Kenya: Environment Committee; Finance and Planning Oversight Committee
- ♦ Ministry of Energy Mexico
- ♦ Ricardo Energy and Environment
- ♦ Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT) Mexico
- ♦ UK Department for Business, Energy and Industrial Strategy (BEIS)
- ♦ UN Environment, Law Division
- ♦ UNFCCC Secretariat: Regulatory Development Unit; Sustainable Development Mechanisms Programme
- ♦ University of Nairobi, School of Law

B APPENDIX

Workshop Agenda

DAY 1 UNDERSTANDING LEGAL READINESS FOR CLIMATE FINANCE

Friday 9 March (public session)

5.00pm	Tea and coffee upon arrival
5.30 – 7.00pm	Welcome <i>Presenters:</i> <ul style="list-style-type: none">• Professor Reza Razavi, Vice President and Vice Principal for Research and Innovation, King's College London• Professor Tanya Aplin, Vice Dean for Research (Law), King's College London• Dr Megan Bowman, Reader in Law and Director of the Climate Law and Governance centre, King's College London
	Legal Readiness for Climate Finance <i>Presenters:</i> <ul style="list-style-type: none">• Mr. Perumal Arumugam, Programme Officer, Sustainable Development Mechanisms programme, UN Framework Convention on Climate Change (UNFCCC) Secretariat• Mr Steven Malby, Head of the Commonwealth Office of Civil and Criminal Justice Reform within Governance and Peace Directorate, Commonwealth Secretariat• Ms Jenny McInnes, International Climate Finance: Head of Partnerships and Capability, UK Department for Business, Energy and Industrial Strategy (BEIS)
7.00pm	Drinks reception



Workshop delegates in plenary session

DAY 2 IN-COUNTRY CASE STUDIES: LEARNING FROM EXPERIENCES

Saturday 10 March (closed session)

9.00am	Registration, tea and coffee
9.30am	Welcome and point of departure <i>Dr Megan Bowman, The Dickson Poon School of Law, King's College London</i>
10.00am	Participant introductions
10.30am – 12.00pm	Case study: Mexico <i>Chaired by Dr Megan Bowman</i> <i>Presenters:</i> <ul style="list-style-type: none"> • Mr Leonardo Beltrán, Deputy Secretary of Energy for Planning and Energy Transition, Ministry of Energy, Mexico • Mr Juan Carlos Arrendondo Brun, General Director for Climate Change Policy, Deputy Secretary of Planning and Environmental Policy, SEMARNAT, Mexico
12.00 – 12.30pm	Break-out groups Participant, Wishlists, for an enabling legal and regulatory environment
12.30 – 1.30pm	Lunch
1.30 – 2.30pm	Case study: Kenya <i>Chaired by Dr Helen Adams, Geography Department, King's College London</i>
2.30 – 4.00pm	Break-out groups Comparing Kenya and Mexico experiences
4.00pm	Tea break
4.30 – 6.00pm	Plenary and synthesis <i>Co-Chaired by Dr Helen Adams and Dr Megan Bowman</i>
7.30pm	Workshop dinner

DAY 3 TESTING A NEW LEGAL FRAMEWORK

Sunday 11 March (closed session)

9.30am	Tea and coffee
10.00 – 10.05am	Introduction to Day 3 of the workshop <i>Chaired by Prof Juliane Reinecke, King's Business School, King's College London</i>
10.05 – 10.35am	Demonstration of the Commonwealth Secretariat's Law and Climate Change Toolkit <i>Presenter: Richard Briggs, Commonwealth Secretariat</i>
10.35 – 11.45am	Providing a Legal Analytical Framework for Climate Finance Options <i>Presenter: Dr Megan Bowman</i>
11.45 – 12.45pm	Break-out groups Application of the Legal Analytical Framework for Climate Finance and revisiting wishlists from Day 2
12.45 – 1.30pm	Plenary and synthesis
1.30 – 2.30pm	Working lunch: closing remarks and next steps <i>Co-chairs: Dr Megan Bowman and Robert Ondhowe, UN Environment</i>

APPENDIX

References and Further Information

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Facing page – from left to right/ top to bottom: Megan Bowman (King's College London) and Olufunso Somorin (African Development Bank); Perumal Arumugam (UNFCCC Secretariat); Lyla Latif (University of Nairobi); Juan Carlos Arrendondo Brun (SEMARNAT, Mexico), Megan Bowman, Leonardo Beltrán (Ministry of Energy, Mexico), Helen Adams (King's College London), Katrien Steenmans (King's College London), Juliane Reinecke (King's College London); Megan Bowman, Angwenyi Jimmy Nuru Ondieki (National Assembly of Kenya), Samuel Onunga Atandi (National Assembly of Kenya) and Emily Barritt (King's College London); Tanya Aplin (King's College London)



Left – from left to right: Helen Adams (King's College London), Leonardo Beltrán (Ministry of Energy, Mexico), Hassan Oda Hulufu (National Assembly of Kenya), Olufunso Somorin (African Development Bank), Beatrice Pauline Cherono Kones (National Assembly of Kenya), Lyla Latif (University of Nairobi), and Dennis Mogare Ogechi (National Assembly of Kenya)



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