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Policy Brief

Resource Mobilisation Strategy for Climate Action

Developing a resource mobilisation strategy and implementation planning with concrete references in ASEAN Member States context

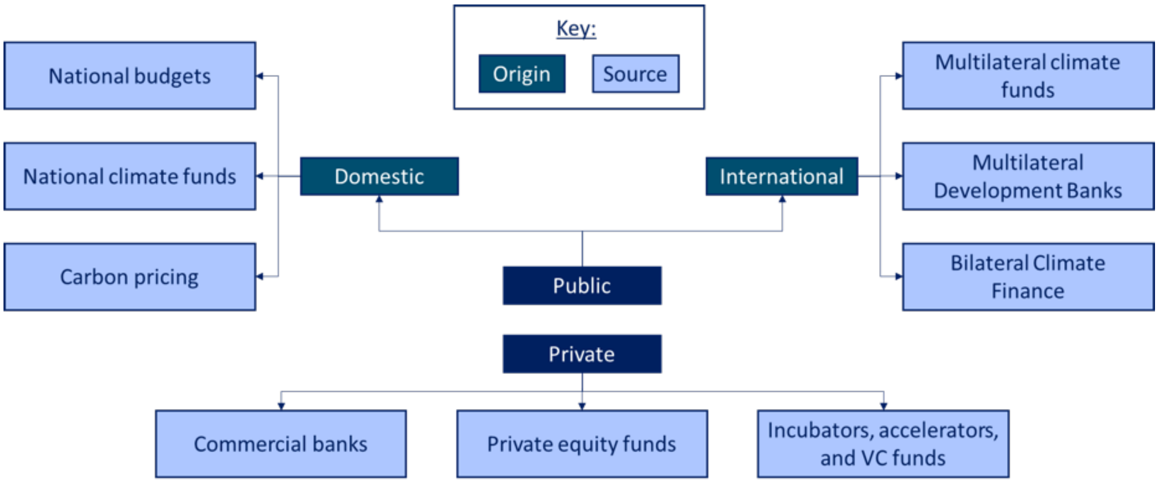
Introduction

This policy brief follows a learning exchange event held 4-6 March 2025 in Manila, Philippines. The objective of the exchange was to develop participants' understanding of current technical capacity, challenges, and regional alignment for developing Resource Mobilisation Strategies for Nationally Determined Contributions (NDCs) and Long-Term Low-Emission Development Strategies (LT-LEDS) processes.

Climate action in ASEAN Member States (AMS) require an estimated USD 422.15 billion by 2030. Achieving this will require mobilising finance from a range of sources and financing channels, including public and private, and domestic and international sources.

An outline of possible sources of climate finance can be found below in Figure 1:

Figure 1: Possible Sources of Climate Finance



To effectively coordinate these different sources of financing and the portfolio of climate projects AMSs will invest in, resource mobilisation strategies are required.

The objective of this policy brief is to provide an understanding of how to develop a national resource mobilisation strategy (RMS) and subsequent implementation preparation specifically for AMSs.

What is a 'resource mobilisation strategy' (RMS)?

A Resource Mobilisation Strategy (RMS) in the context of climate finance and NDCs is a structured plan designed to secure financial resources necessary for implementing climate actions. An effective RMS systematically identify needed financing for climate mitigation and adaptation, and the most ideal support given the context, facilitates adequate funding from various sources, enhances coordination among stakeholders, builds institutional capacity, creates enabling regulatory environments, and enables efficient monitoring and reporting mechanisms. For example, see Box 1: Case Study: Thailand - Climate Change Master Plan.

Why are RMSs important to AMS?

A well-developed RMS serves as a central vision and guide outlining the climate priorities of a country and how these could be financed. In addition, having a robust RSM helps AMS to:

- Identify and secure funding from domestic, international, and private sector sources.
- Enhance stakeholder collaboration among governments, private sector entities, and international partners.
- Strengthen institutional capacity to manage and deploy climate finance efficiently.
- Establish policies and regulatory frameworks that promote investment in climate projects.
- Ensure transparent monitoring and reporting to maintain stakeholder trust.

RMSs also serve the function of aligning national priorities and response actions to those at the regional level. Aligning national RMSs to regional strategies builds a larger and more diverse project pipeline, ensures harmonisation in financial metrics, streamlines decision-making, and opens financial flow that prioritises certain geographic or thematic focus, ultimately, climate impact.

For example, AMSs' RMSs to align to the ASEAN Climate Finance Access and Mobilization Strategy for the period 2024-2030, which aims to enhance AMSs' access to, mobilisation, and scaling up of climate finance to achieve their climate goals. Figure 2 presents a summary of the six strategic areas of collaborative action from this strategy.

Figure 2: Overview of strategic areas of collaborative action of the ASEAN Climate Finance Access and Mobilization Strategy

These key components demonstrate to investors effective management of climate finance and create an enabling environment to attract investment. An example of an RMS can be seen below in Box 1.

Box 1

Case Study: Thailand - Climate Change Master Plan

The Thailand Climate Change Master Plan 2015-2050 is a long-term national framework that aims for climate change adaptation and low carbon growth based on sustainable development. The plan contains resource mobilisation strategies to achieve its goals, aligning with the broader framework of the UNFCCC and its protocols. The plan includes three key strategies: adaptation, mitigation, and an enabling environment

- Adaptation: Focusses on actions and measures to enhance Thailand's resilience to the impacts of climate change, including goals such as maximising the proportion of national biodiversity conservation areas;
- Mitigation: Focusses on decreasing greenhouse gas (GHG) emissions and promotion low carbon growth, including goals such as decreasing GHG emissions in the energy and transport sectors by 7-20% of business-as-usual (BAU);
- Focusses on building the necessary foundations and capacities to support climate change adaptation and mitigation, including goals such as establishing a national mechanism to facilitate financial, technological and capability building support from international partners.

To achieve Thailand's vision of resilience and low carbon growth by 2050, the implementation of the plan involves engaging with key stakeholders, and securing funding from key sources.

Policy-to-action for Resource Mobilisation Strategy

An RMS should reflect the vision and ambition of a country's climate change response, while remaining firmly based on credible pathways to deliver the financing.

Because many RMSs form part of a larger climate change response plan, like Thailand's Climate Change Master Plan or the Philippines's National Climate Change Action Plan, RMS should consider the operational requirements from early-stage planning through to mobilising finance, ultimately implementation and the monitoring, reporting and verification of climate action.

Figure 3: NDC Partnership Climate Investment Planning and Mobilisation Framework

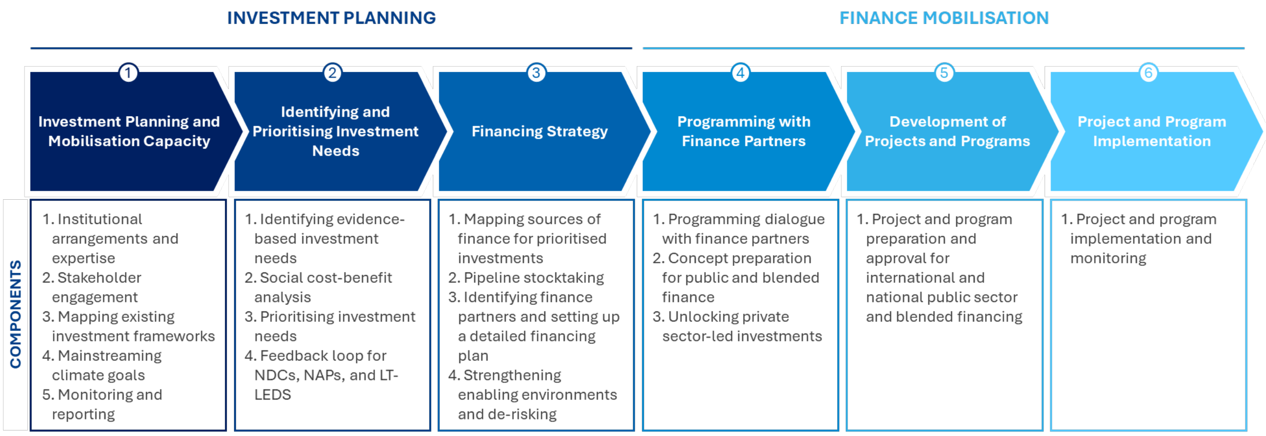


Figure 3 above outlines a framework for key steps taken from investment planning to implementation and mobilisation. In turning the planning into reality across these steps, see below for principles to incorporate.

1. **Detailed Planning:** Develop detailed action plans that outline specific activities (countries can clarify and distinguish readiness activities from broader activities), timelines, and responsible parties. This includes identifying priority projects and programs that align with NDC targets or other climate change plans and policies and curating them into a structured portfolio.

2. **Embed Flexibility and Adaptive Management:** The strategy is a guiding framework which can be adapted to changing circumstances and priorities and feedback while enabling development to continue along general strategic goals and towards NDC targets.

3. **Create Financial Infrastructure:** Build the necessary systems and implement policies and regulatory frameworks that encourage investment, including governance practices, data and reporting systems, and appropriate incentives.

4. **Country Ownership:** Strategies and their associated action plans should be demand-led and responsive to country needs as identified through an assessment of each country's ambitions, vulnerabilities, and unique characteristics.

5. **Creating the Enabling Environment for the Strategy to Thrive:** Strengthen the capacity of institutions and stakeholders to oversee, manage and implement climate finance and develop policies and regulations to better enable the mobilisation of green finance.

The following three pillars form the cornerstone of action-oriented policy and implementation:

Governance and enabling environment

Effective governance and an enabling environment are central to a strong Resource Mobilisation Strategy (RMS). Clear stakeholder coordination—across government, private sector, civil society, and international partners—ensures that roles are well-defined for planning and implementing climate projects. An RMS should also assess institutional capacity and identify capability gaps, improving governance, transparency, and accountability mechanisms. Creating an enabling environment may include establishing financial incentives, regulatory support, and policies that attract investment into climate initiatives.

A key success factor in the development and implementation of a Resource Mobilisation Strategy (RMS) is the presence of a dedicated champion or lead coordinating agency. This institution plays a central role in aligning national climate finance priorities, facilitating cross-sectoral coordination, and ensuring coherence between national, sectoral, and subnational efforts. By acting as a focal point for climate finance, the coordinating agency can streamline engagement with development partners, mobilise technical support, and oversee the integration of RMS into broader planning and budgeting frameworks. Importantly, such an agency also supports local and sectoral stakeholders in accessing resources and building capacity, thereby strengthening ownership and ensuring that climate finance reaches the communities and sectors where it is most needed.

National development banks and dedicated climate funds serve this function well, as they can channel diverse investments into climate priorities. Institutions like Indonesia's PT Sarana Multi Infrastruktur and Malaysia's Bank Pertanian serve as key vehicles for finance mobilisation, leveraging tools like green bonds and concessional lending.

Additionally, RMSs must be tailored to national contexts while aligning with regional and international frameworks. Data on NDC funding needs—still lacking in many ASEAN countries—is a critical input for setting priorities and allocating resources. Tools like the ASEAN Taxonomy for Sustainable Finance help harmonise climate finance and facilitate private sector engagement. Blended finance is especially important in the ASEAN context, as it enables risk-sharing between public and private investors, leveraging instruments such as SEACEF and SEADRIF to unlock larger volumes of finance.

Box 2
Viet Nam's Climate Finance Initiatives

Viet Nam has developed climate finance initiatives to support the implementation of its NDCs. The country's updated NDC, submitted in 2022, sets an unconditional emission reduction target of 15.8% and a conditional target of 43.5% by 2030 compared to the BAU scenario. To support these targets, Viet Nam has engaged in blended finance mechanisms: the use of catalytic capital from public or philanthropic sources to mobilise private investment in sustainable development. Most notably, Viet Nam has been identified as third most active blended finance market in the ASEAN clean energy sector. Viet Nam has strategically deployed international public finance through concessional loans and grants into risk-sharing mechanisms to incentivise private investment in clean energy. Furthermore, Viet Nam's Just Energy Transition Partnership is anticipated to serve as a key blended finance mechanisms to enhance the bankability of climate projects and drive institutional reforms to mobilise finance. These initiatives are just some examples of Viet Nam's commitment to leveraging blended finance to fulfil NDC commitments and promote sustainable development.

Multistakeholder engagement and partnership development

ASEAN Member States have increasingly integrated climate action into macroeconomic planning, budgeting, and investment frameworks. The ASEAN Climate Finance Mobilisation and Access Strategy (2024–2030) and the ASEAN Climate Finance Policy Platform—developed with ADB support—are helping finance ministries collaborate, share experiences, and build institutional capacity. These initiatives are paving the way for stronger, evidence-based policies and climate finance systems across the region. To bridge the significant climate finance gap, RMSs must actively engage the private sector. Public budgets alone are insufficient, so strategies must cater to different investor types—from SMEs to institutional investors. Platforms like the Just Energy Transition Partnership (JETP) demonstrate how structured, multistakeholder approaches can align national and international financial flows. By coordinating investment priorities and de-risking private capital, these platforms enhance financial accessibility and policy coherence.

Box 3:
Case Study - Indonesia's Just Energy Transition Partnership (JETP)

Indonesia's Just Energy Transition Partnership (JETP) is a pioneering country platform that has an initial commitment to mobilise $20 billion in climate finance to accelerate the country's transition away from coal toward renewable energy. Launched in 2022, JETP is a collaboration between the Government of Indonesia, the International Partners Group led by the US and Japan, among other entities public and private entities. The JETP seeks to identify investment requirements and opportunities for the transition to renewable energy, demonstrating how a public-private financing model can be used to align national energy policies with climate finance mobilisation. Setting a precedent for other AMSs.

Strengthening accountability and transparency

Accountability and transparency are essential for delivering realistic and effective NDCs and RMSs. Ambitious targets must be paired with credible finance strategies and supported by robust monitoring and evaluation systems. These systems enable better costing, impact tracking, and macroeconomic assessment of climate interventions. Evidence shows that countries with detailed, feasible investment plans—such as those supported by the NDC Partnership—are more successful in mobilising significant financial resources.

Regular monitoring and transparent reporting on the use of mobilised resources decreases the information asymmetry between projects and investors/funders, and the resulting climate impacts ensure that funds are used effectively, achieve their intended outcomes, and help build trust among stakeholders. This accountability builds stakeholder trust, which is crucial for maintaining support, securing future funding and driving down the cost of capital through lower risk premiums and better borrowing rates.

Policy recommendations for developing and supporting effective RMSs for NDCs and climate plans

This section describes a set of policy options for ASEAN policymakers to consider, adapt and adopt as needed to match the unique context of their country. The options discussed below are based on the needs, options, and priorities outlined in the Technical Assessment of Climate Finance in South-East Asia ("Technical Assessment") and the Climate Finance Access and Mobilization Strategy (2024 - 2030), as well as supporting literature as listed in the reference section of this document.

Harness all pools of finance to mobilising finance at the scale and pace needed

Scaling up climate finance requires leveraging all available funding sources—public and private, domestic and international. This includes conventional financing, emerging options like private philanthropy and impact investment, and innovative mechanisms such as venture capital for climate technologies. Urban climate finance is gaining prominence in the rapidly urbanising Asia-Pacific region, with increasing private sector interest and the development of metropolitan finance strategies.

Integrating both traditional and innovative financing modalities into an RMS ensures a diverse and resilient resource base to support NDC implementation.

Example: Viet Nam's Resource Mobilisation Plan (RMP) under the Just Energy Transition Partnership (JETP) exemplifies the integration of various funding sources, including concessional loans, grants, and private sector investments, to support its energy transition goals. *(Link)*

Develop high-integrity capital markets and carbon markets

Robust capital markets are essential for attracting long-term investment, yet many ASEAN Member States (AMS) face limitations in market depth, liquidity, and investor confidence. There is significant potential to strengthen capital markets by learning from more advanced systems, focusing on improving market depth, accessibility, and efficiency.

Additionally, carbon pricing and markets offer promising tools to generate climate finance and drive low-carbon behaviour. Several AMS are exploring these mechanisms, which could become key components of future RMS frameworks.

Example: Singapore has implemented a carbon tax and is developing a comprehensive carbon trading platform to facilitate emissions reductions and attract green investments. *(Link)*

Promote domestic resource mobilisation to attract international investment

According to the Independent High Level Expert Group (IHLEG) on Climate Finance report on November 2024, domestic finance can cover up to 60% of the climate investment gap in emerging markets globally, with private sector contributions expected to outpace public funding. Local investors play a vital role by understanding domestic contexts, sharing risks, and stabilising exchange rate exposure for international partners.

To unlock this potential, governments can use targeted fiscal incentives, enforce sector-specific standards, establish national climate investment platforms, and strengthen public-private partnerships—especially in key sectors like energy, industry, and transport. These measures help attract and scale private domestic investment in climate action.

Example: Indonesia has established national climate investment platforms to streamline access to funding and facilitate public-private partnerships, enhancing its ability to attract international climate finance. *(Link)*

Build institutional capacity and promote knowledge sharing

Developing RMS requires a deep understanding of the global and regional climate finance landscape, familiarity with local contexts, and concerted cooperation with many different stakeholders. AMS, therefore, need to build and continue to develop the required capability needed to prepare, review and implement RMS to meet changing climate finance needs. Key actions to achieve this include training for government officials, fostering national RMS knowledge sharing and regional collaboration, and deploying digital tools for climate finance tracking and performance monitoring.

Example: ASEAN Climate Finance Policy Platform: The Asian Development Bank (ADB) is supporting the establishment of the ASEAN Climate Finance Policy Platform to enhance coordination and capacity building among finance ministries in the region. *(Link)*

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The ASEAN-UK Green Transition Fund (GTF) is the UK's flagship programme to accelerate ASEAN's transition to a clean and climate resilient economy. ASEAN UK GTF works with ASEAN institutions and supports ASEAN Member States and Timor Leste.

https://www.ukpact.co.uk/regional-fund/asean-gtf

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