

Increased investment in green projects in emerging markets

The challenge - insufficient green projects available

Developing countries are key players in the climate efforts. They represent a majority of the world's population and are often especially vulnerable to the negative effects of climate change. Growing populations and low technological standards also represent a negative strain on climate efforts but are at the same time especially relevant for green projects. Local funding is however often completely non-existent.

Organisations and companies working with green/social projects in developing countries face a number of financial risks (FX-risk, inflation, local uncertainties, etc). A lack of understanding of how to manage these challenges are today contributing to the limited flow of pivotal green investments to developing countries.

Many solutions for financial risk mitigation are however available, and helping companies accessing them can ensure a significant capital inflow into sustainability projects in developing countries.

The solution - financial empowerment for local actors

Making risk management tools available to companies and organisations implementing green projects will enable significant increase of activities available for investment. An important increase of climate funding could reach developing countries.

Activities

- Identify best practices and available financial solutions.
- Do practical cases with companies and financial partners
- Produce guides, handbooks and easily accessible material to build capacity. Design training packages.
- Incorporate a green project risk assessment component into AidHedges financial management platform.

AidHedge has a unique experience working with risk analysis and risk management for funding of foreign aid and sustainable development.