GLOBAL COOLING PLEDGE ASSEMBLY

SINGAPORE 15 - 18 SEPTEMBER 2026

UN environment programme | Cool Coalition a UNEP-convened initiative

Ministry of Sustainability and the Environment SINGAPORE

IGCC Session 3

GLOBAL COOLING PLEDGE ASSEMBLY

SINGAPORE 15 - 18 SEPTEMBER 2026

Mobilizing finance for heat resilience and sustainable cooling

From growing cooling needs → to investable projects → to partnerships and capital

UN environment programme

Cool Coalition
a UNEP-convened initiative

Ministry of Sustainability and the Environment
SINGAPORE

Facilitator Framing

Hanane Hafraoui

Programme Lead,

Platforms and Country Programmes, UNEP

Cooling is becoming a major investment imperative

The challenge is moving from growing demand to investable solutions

US$400–800bn

Estimated financing needed to close current gaps in access to cooling in developing economies

US$600bn+

Potential annual sustainable cooling market in developing economies by 2050

3×+

Potential increase in global cooling demand by 2050 under business as usual

Health & productivity

Access to cooling supports human health, worker productivity and essential services.

Food & economic security

Cold chains, refrigeration and reliable cooling support food systems, health and economic activity.

Buildings & resilience

Passive cooling, efficient equipment and resilient buildings can reduce costs and exposure to heat.

Sources: UNEP/IFC, Cooler Finance (2024); UNEP, Global Cooling Watch 2025.

What makes cooling investable?

1. **Viable business model**
   Who pays? Who captures the savings or revenues?

2. **Aggregated demand**
   Can many small investments become one investable programme?

3. **Predictable revenue**
   Energy savings, service payments, tariffs, carbon revenues or other income

4. **Appropriate risk allocation**
   Credit, currency, technology, policy and counterparty risks

5. **Enabling environment**
   Standards, codes, incentives, procurement and Article 6 frameworks

The financing instrument has to match the business model and the risk.

Cooling Financial Assessment Framework (CFAF)

A structured pathway from national cooling priorities to finance-ready actions

Under development by UNEP and World Bank Group, with technical contributions from IORA Ecological Solutions and HEAT International

1	2	3	4	5	6
National baseline	**Sector needs**	**Intervention priorities**	**Investment requirements**	**Financing pathways**	**Implementation roadmap**
Assess cooling needs and capacity to respond	Assess demand, access and readiness across four cooling sectors*	Select and sequence priority interventions by sector	Estimate costs and determine timing and sequencing	Match interventions with suitable sources of finance	Set out sequenced, costed and finance-ready actions

The CFAF builds on existing NCAPs and other relevant national and sectoral assessments, adapting to available data, institutional capacity and market maturity.

**Space cooling, cold chains, mobile AC, and refrigerants*

Source: Draft Cooling Financial Assessment Framework, UNEP and World Bank Group

We already have pieces of the solution

The opportunity is to combine the tools around investable pipelines

01 | Catalytic climate finance

Project finance+ enabling environment finance
GCF + World Bank cooling facility

US$157m GCF
+
~US$723m World Bank co-financing
=
~US$880m total

Lesson: concessional finance can leverage development finance and build markets.

02 | Blended finance

Public + philanthropic + private capital

De-risking
Concessional capital
Commercial investment

Lesson: blended structures can move capital towards projects that are not yet fully commercial.

03 | Article 6.2

Potential additional revenue stream for eligible mitigation activities

Where national frameworks, methodologies, authorization and accounting arrangements are in place.

Lesson: carbon revenues can strengthen project economics, but are one tool within a broader financing architecture.

Source: World Bank/GCF Sustainable Cooling Facility; UNFCCC Article 6.2 framework.

From today's discussion to concrete partnerships

The ambition: move from priorities and barriers to investable pipelines

National priorities → **Barriers** → **Bankable projects** → **Financing structures** → **Implementation at scale**

Three questions for the discussion

1. What needs to change?

Where are the policy, institutional, market and project-development barriers?

2. What works?

Which business models and financing approaches can make cooling investable?

3. Who can help deliver it?

Which countries and partners are ready to work together on projects, TA, implementation and finance?

Before we close: where is there a concrete match between demand and partner support?

Who will develop projects? Who can provide technical assistance?
Who can support implementation? Where could financing be mobilised?

GLOBAL COOLING PLEDGE ASSEMBLY

SINGAPORE 15 - 18 SEPTEMBER 2026

UN environment programme | Cool Coalition
a UNEP-convened initiative

Ministry of Sustainability and the Environment
SINGAPORE

IGCC Discussion: Mobilizing Finance for Heat Resilience and Sustainable Cooling

Moderated by Hanane Hafraoui,
Platforms & Country Programme, UNEP