

production and consumption, including the management of solid and liquid waste and iv) Honduras undergoes transition to sustainable, healthy, and affordable food systems, promoting a climate change resilient food production sector and improvements in the food chain.

The total amount of the TEI “Green Recovery” in Honduras as updated in March 2023, was EUR 350,178,652, broken down as follows: EUR 155 million non reimbursable; the EUR 195 million credit lines were to be confirmed yet a by PROPARCO (EUR 100 million for green projects through private national banks and EUR 60 million through private sector for power plants); EUR 35 million from FONPRODE-AECID for rural development.

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Risk related to external environment	Low interest and/or inability of Financial Institutions to support green investments	Medium	Medium	A comprehensive capacity assessment on SDBs capacities to provide Green Investment related TAs will be developed in the preliminary phase of the project.
Risk related to external environment	Low interest and/or inability of Financial Institutions to provide Green Investment related TA	Medium	Medium	A comprehensive capacity assessment on SDBs capacities to provide Green Investment related TAs will be developed in the preliminary phase of the project. The Action will adopt a flexible methodological approach based on tangible results to swiftly adapt the type of technical assistance interventions (Result-based technical assistance) to the level of involvement of different beneficiary institutions.
Risk related to external environment	Low interest of green financial products from MSME and Honduran market	Medium	High	Project stakeholders will be kept involved in the design phase and implementation of activities in order to promote their participation. Marketing and media campaigns will be delivered by the beneficiary banks to promote the green financial products.
Risk related to external environment	Political conflict and instability for the next political election (2025), difficult political environment	Medium	High	The Action will closely monitor political developments in the country and analyse potential impact on the work plan. It will organise events showing the benefit of the action in certain areas for countries.
Risks related to people and the organisation	A poor governance and weak internal management of the SDBs can put at risk the sound implementation of the TA action.	Medium	Medium	The Project Management Unit (PMU) will continue monitoring and reporting the way the SDBs are planning and managing the TA and will report to EUD. Experts and consultants providing technical assistance to the banks will be based in their offices and will contribute to strengthen their capacity.
Risks related to people and the organisation	Low tolerance for green, gender and human rights eligibility standards and regulations established by the EU and EIB taxonomy	Medium	Medium	Technical assistance will directly benefit the staff of the SDBs and Financial intermediaries. In order to mitigate the eventual criticism the policy reform will be introduced by best practices and case studies.