

HOW TO PREPARE BANKABLE PROJECTS FOR FINANCING CLIMATE CHANGE ADAPTATION IN TRANSBOUNDARY BASINS

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Preparing Project Profiles & Identifying Sources

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Identifying Sources for Transboundary Finance

1. PROJECT PREPARATION

- a. SECURE RESOURCES/PARTNER FOR PREPARATION
- b. IDENTIFY NEEDS
- c. IDENTIFY POLICIES
- d. PRIORITIZE NEEDS
- e. PROJECT IDENTIFICATION
- f. CONSULTATION
- g. IDENTIFY POTENTIAL FUNDING SOURCES

PREPARING THE GROUNDWORK

1. TRANSBOUNDARY ISSUES

a. POLICY FRAMEWORKS

- RBO Directives
- International and National Water, Climate, Environment Agreements
- SDGs
- National policies and politics
- Financial Dependence/Autonomy
- Eligibility for direct financing
- Institutional Capacity & Resources

PREPARING THE GROUNDWORK

2. NATIONAL CONSIDERATIONS

- a. National needs
- b. National laws
- c. Political priorities
- d. Political stability
- e. Sovereignty
- f. Local stakeholder consultation
- g. Capacity & Resource constraints
- h. Finance Ministries – National resources & contacts
- i. Finance & Implementing institutions/capacity
- j. Private Sector portal

PREPARING THE GROUNDWORK

3. FINANCING & DEVELOPMENT PARTNERS INSTITUTIONAL ISSUES

- a. INSTITUTIONAL MANDATE
- b. REGIONAL & NATIONAL PRIORITIES
- c. FINANCING / SUPPORT PROCEDURES
 - SCOPE
 - LIMITATIONS
 - ELIGIBILITY
- d. VARIETY OF FUNDS (eg. AfDB) & RELATIONSHIPS

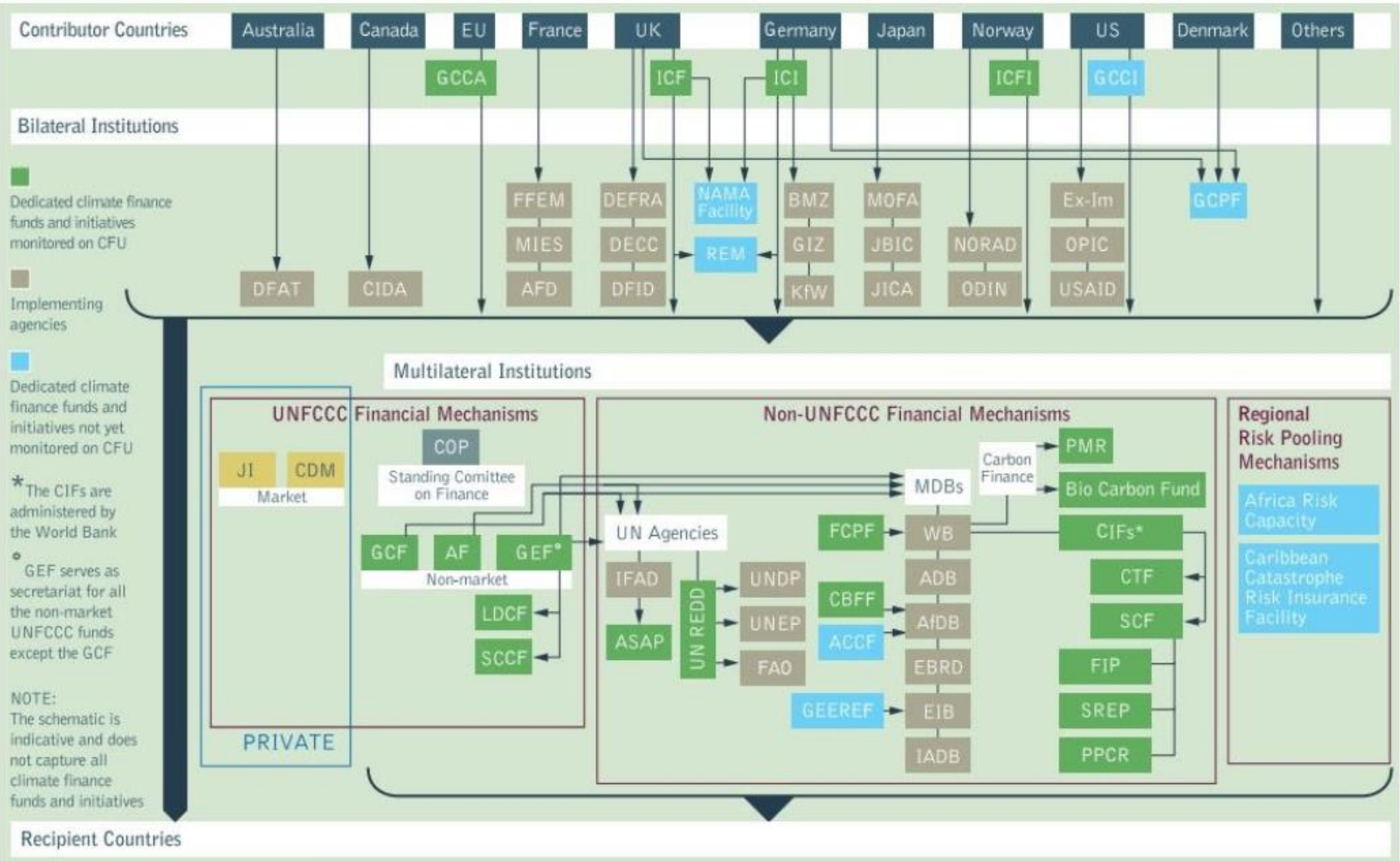
Securing Sources for Transboundary Finance

1. RESOURCE MOBILIZATION

- a. IDENTIFY PARTNERS
- b. UNDERSTAND PROCEDURES/PRIORITIES
- c. ESTABLISH/IDENTIFY RELATIONSHIPS
- d. PREPARE DOCUMENTATION
- e. ORGANIZE/HOST DONOR ROUNDTABLE
- f. LOBBY
- g. * MINISTRIES OF FINANCE
- h. FOLLOW UP

Global Climate Finance Architecture

The architecture of the funds



Key steps of resource mobilization strategy

- Set-up a **national fundraising working group** leveraging national expertise to formulate and execute the strategy, including:
 - Climate finance experts and finance ministry representatives, including the appropriate focal points (GCF, GEF, etc)
 - Representatives from ministries in charge of water and environment (including the national focal structure)
 - Representatives from sectoral activities, implementing the projects (sectoral ministries and private sector);

Key steps of resource mobilization strategy

- Prioritize and package actions:
 - Set/confirm the national priorities so as to address climate vulnerabilities;
 - Map opportunities based on their goals and requirements;
 - Screen the project lists;
 - Categorize/Package the national projects accordingly to match climate vulnerabilities, financial needs, and type of projects with funding opportunities and their requirements.

Key steps of resource mobilization strategy

- Develop engagement strategies specific to the targeted funding source:
 - Meet with their representatives and investigate their willingness to support, capitalizing on the project profiles prepared;
 - Flag the key elements they require in the project profiles (e.g. action type, risk profile, direct and indirect benefits, economic and financial returns). ;
 - Adapt the scale of the project to the target;
 - Consider clustering small projects into components of a larger projects, as small projects may benefit to each other and leverage funding;
 - Consider blending funding sources to be the most specific to each project component;
- Involve national expertise to prepare the required analysis and documentation and ensure follow-up mechanism

Developing a Project Profile

- Summary
- Development Challenge/Project Context
- Vulnerability to Climate Change
- Project Objective
- Project Description
- Expected Results Including Climate Change Benefits
- Institutional Framework and/or Enabling Environment
- Budget
- Project Preparation Status
- Contact Information

Some Dos and Don'ts of funding proposals

DO

- Fully understand the funding agency's mission & criteria
- Investigate/Contact previous successful awardees
- Get clarity on the guidelines and procedures
- Plan carefully – time and resources
- Consult your stakeholders and national experts who can contribute information
- Give yourself time to revise

DON'T

- Hesitate to ask questions & seek help
- Guess. Check facts and get the information
- Neglect to use all resources
- Wait until the last minute. Your proposal will suffer.
- Give up.