



MedWaves
the UNEP/MAP Regional
Activity Centre for SCP



**Mediterranean
Action Plan**
Barcelona
Convention



**Sustainable entrepreneurship in the Southern Mediterranean: Building
regional cooperation for a green transition**
18-19 December 2025
La Maison Blanche Hotel, Tunis - Tunisia

Masterclass
**Accessing Climate Finance, From Strategy
to Project Submission**



**What is climate
finance**



1. INTRODUCTION TO CLIMATE FINANCE: DEFINITION

Climate finance definition

There is no internationally agreed definition of climate finance. However, it is understood in general terms to refer to local, national or transnational financing drawn from public, private and alternative sources of funding that is meant to support climate change mitigation and adaptation actions.



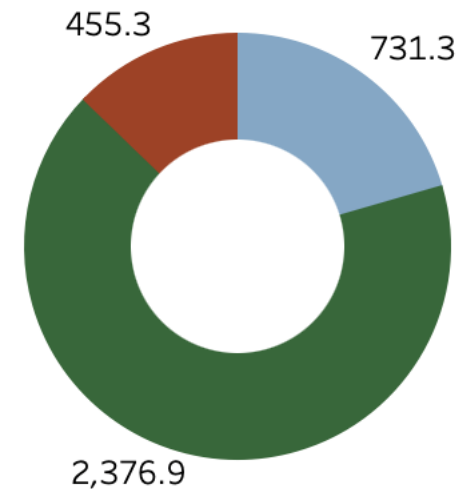
1. INTRODUCTION TO CLIMATE FINANCE: GLOBAL CLIMATE FINANCE NEEDS

BOTTOM-UP GLOBAL CLIMATE FINANCE NEEDS 2024-2030

Climate finance required by countries to reach their national climate targets, as stated in official documents such as Nationally Determined Contributions (NDCs): **USD3,563.5 billion**

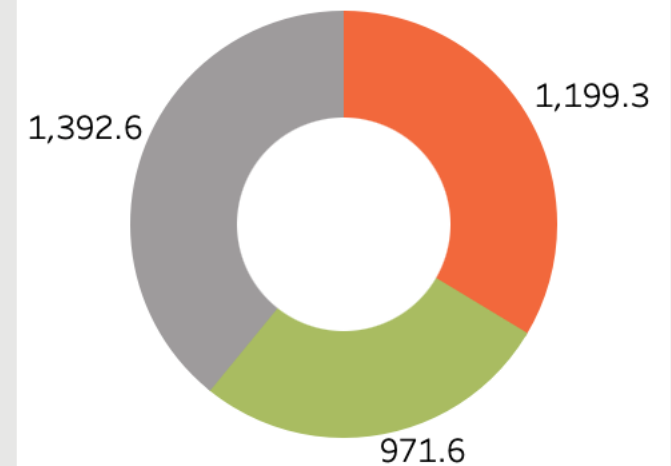
THEMES USD billion

- Adaptation
- Mitigation
- Multiple Objectives



CONDITIONALITY USD billion

- Conditional
- Unconditional
- Unspecified



1. INTRODUCTION TO CLIMATE FINANCE: GLBOBAL CLIMATE FINANCE NEEDS

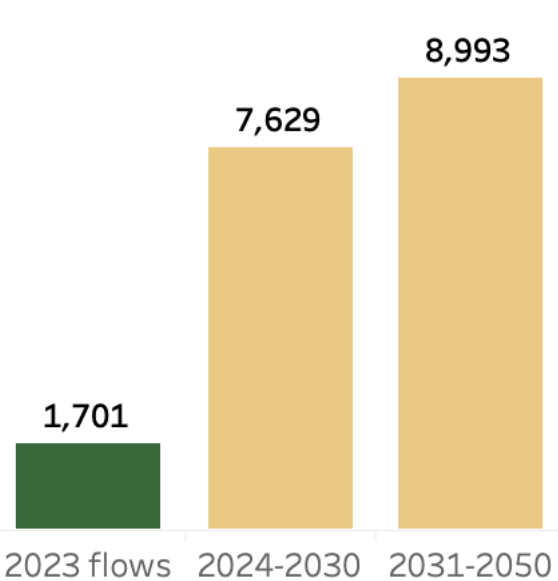
TOTAL NEEDS

Annual average, 2024-2050

8,640
USD billion

INVESTMENT GAP

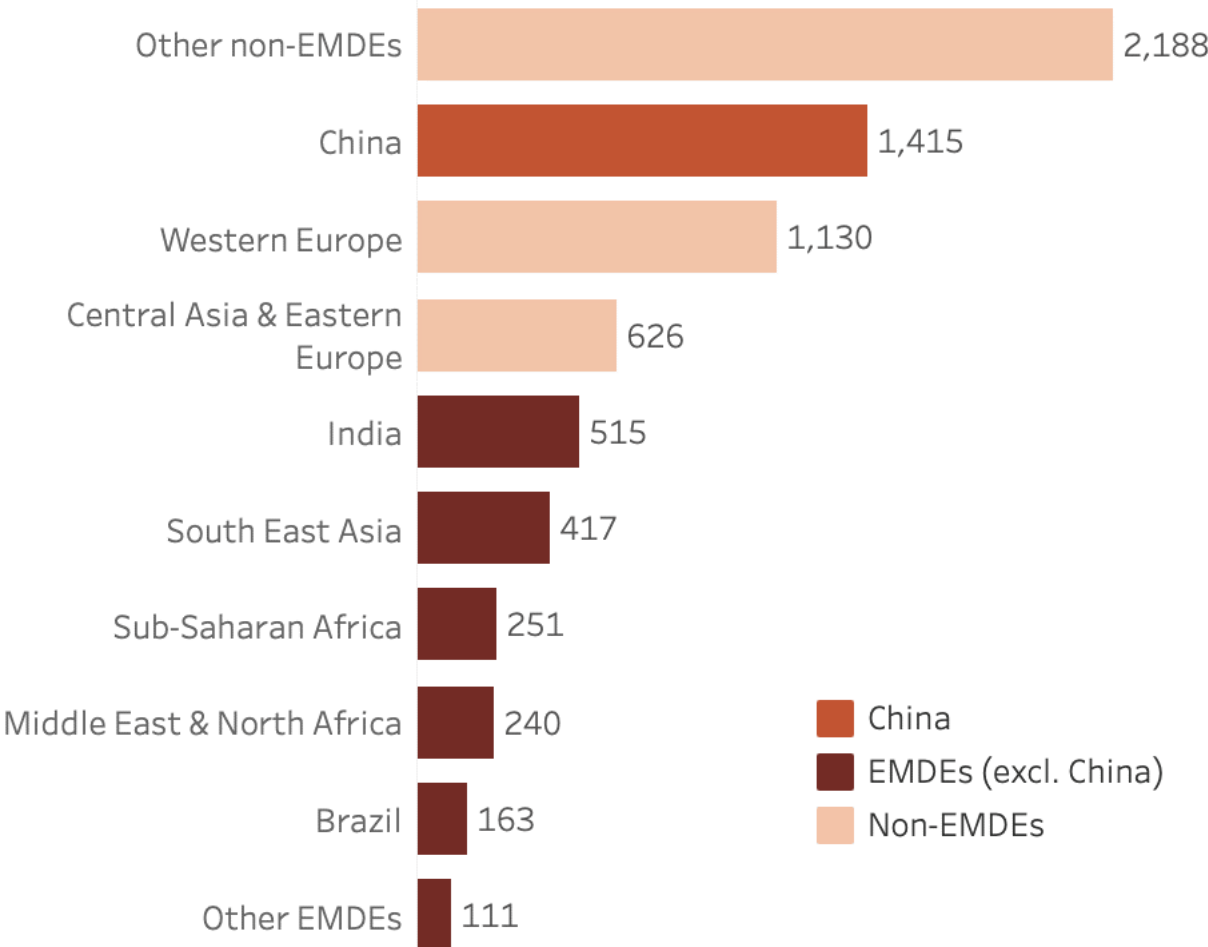
Annual averages



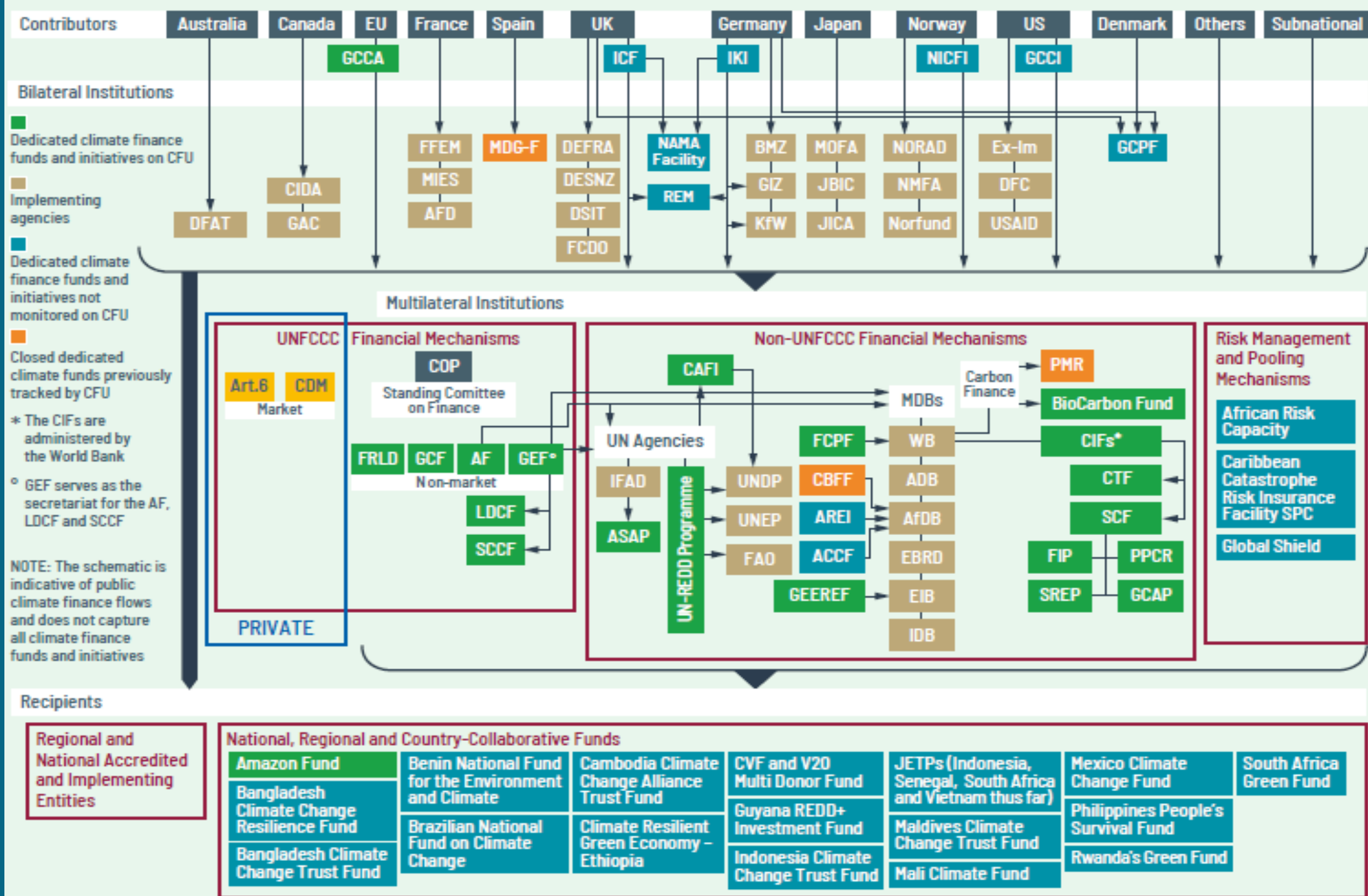
TOP-DOWN GLBOBAL CLIMATE FINANCE NEEDS 2024-2030

REGIONAL BREAKDOWN

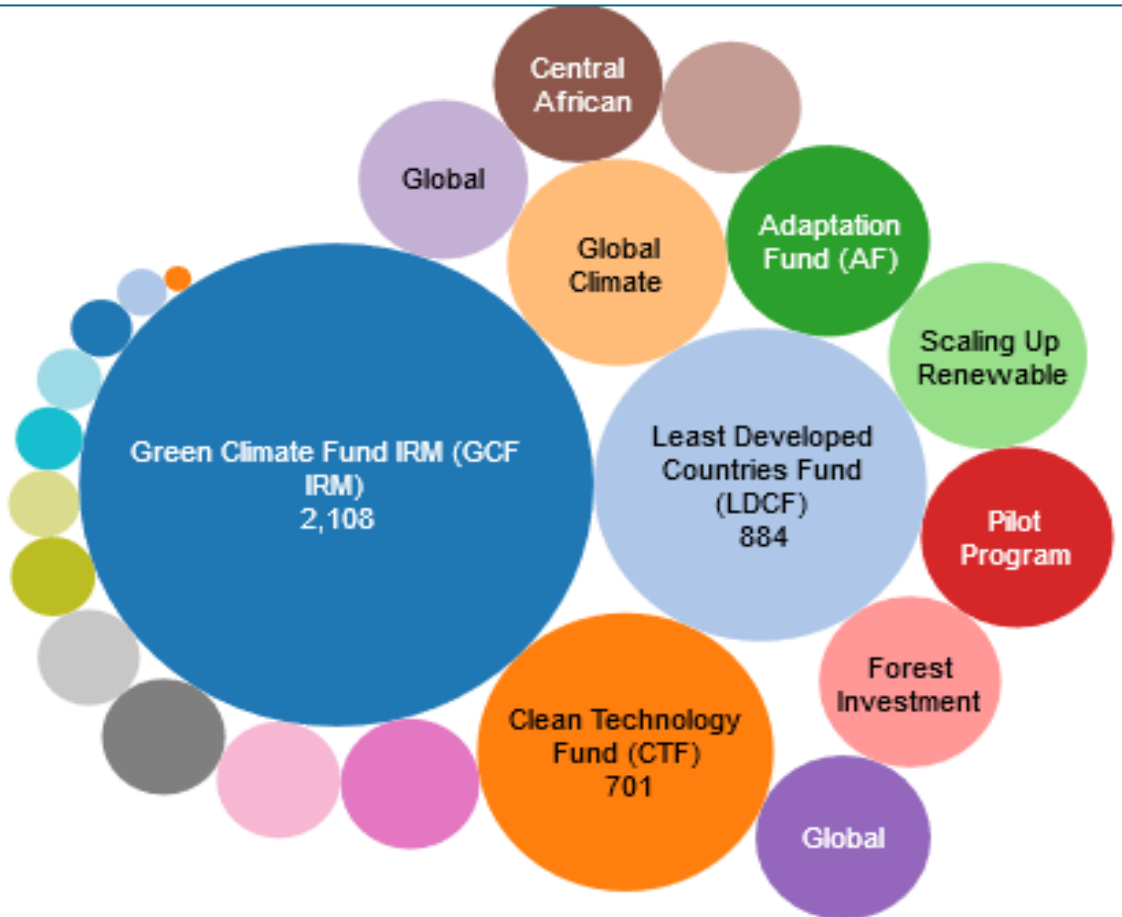
Annual average, 2024-2050



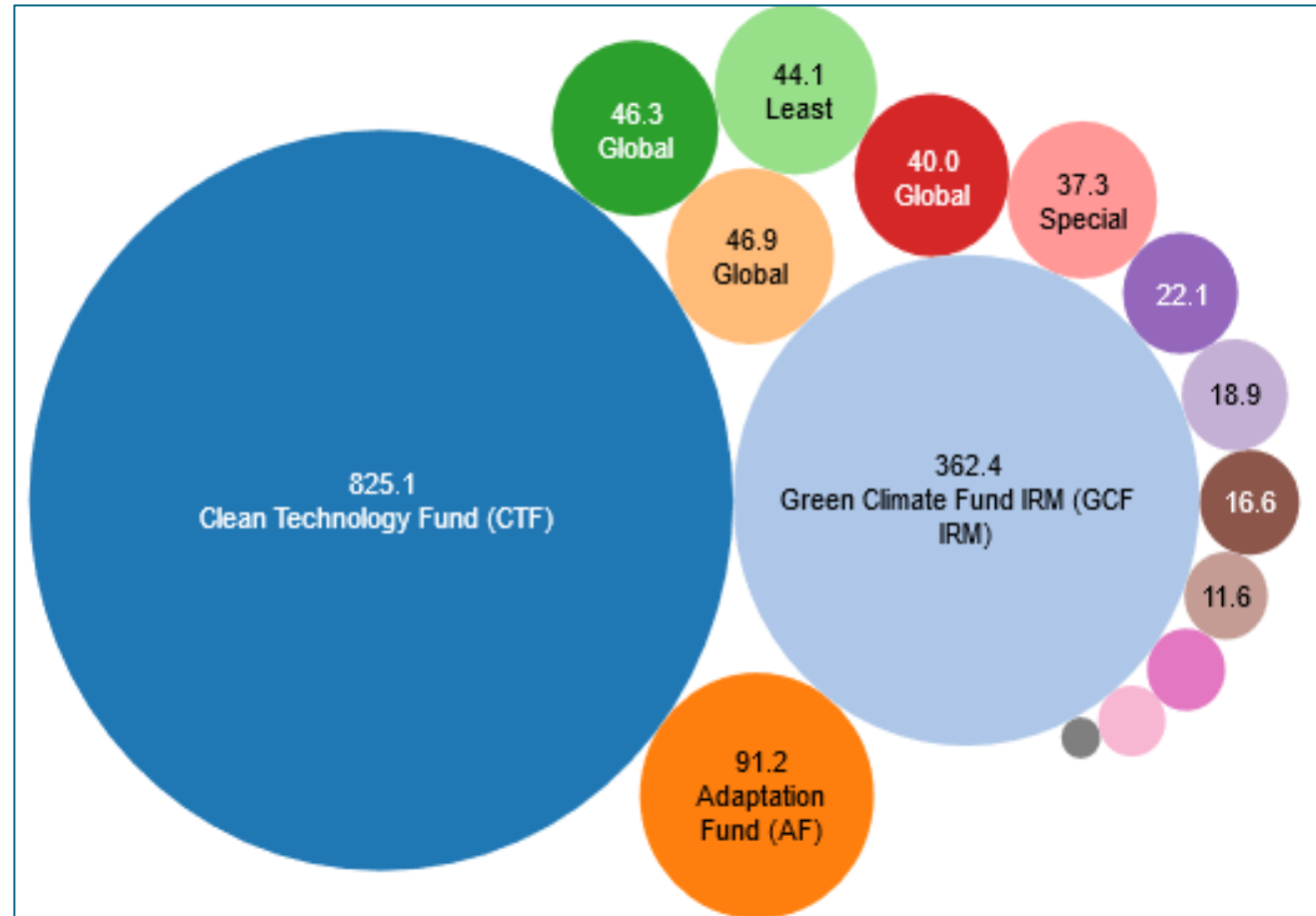
1. Introduction to Climate Finance: Global Climate Finance Architecture



1. INTRODUCTION TO CLIMATE FINANCE: GLOBAL CLIMATE FINANCE ARCHITECTURE



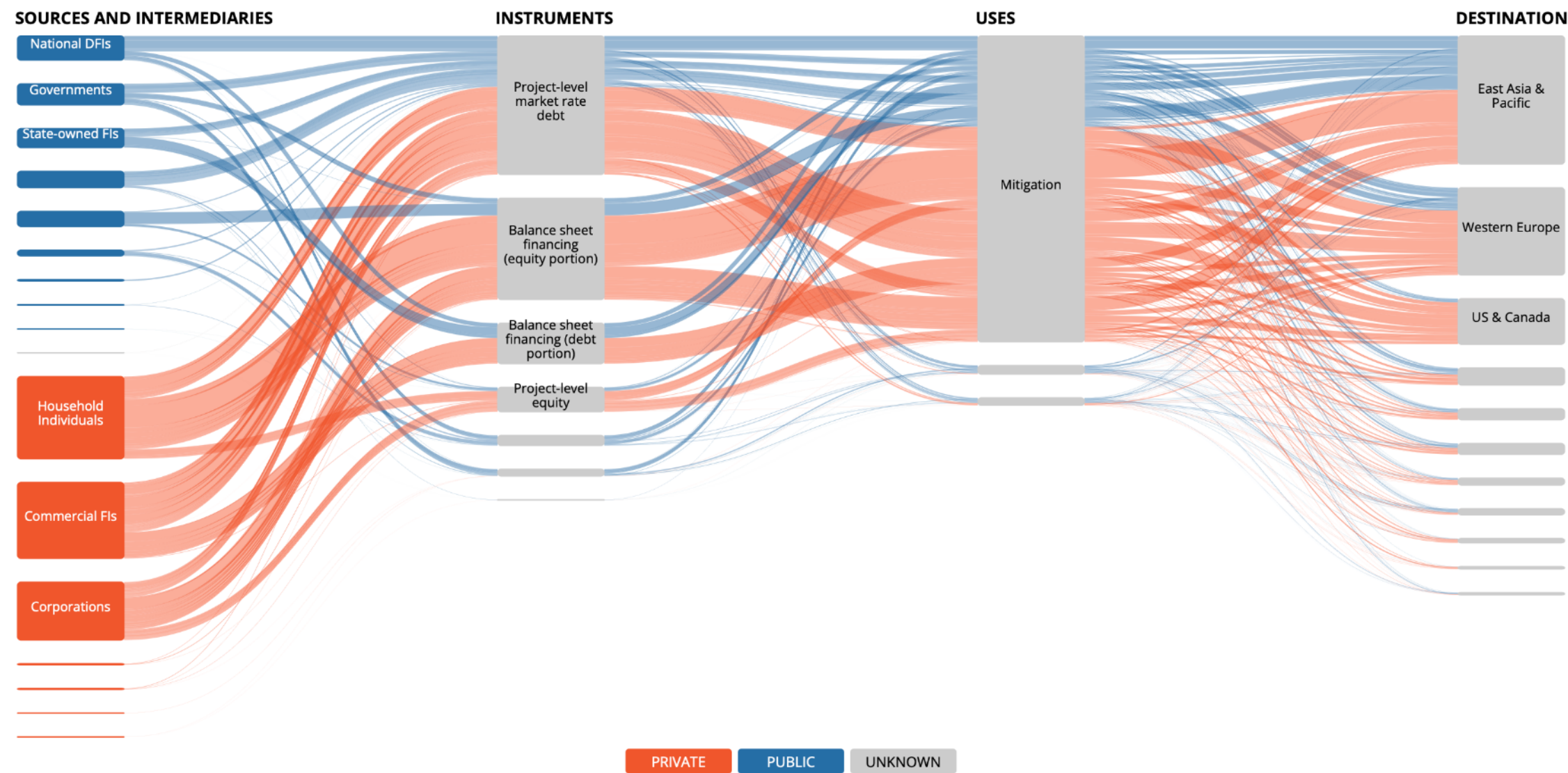
Sub-Saharan Africa



Middle East and North Africa

1. INTRODUCTION TO CLIMATE FINANCE: GLOBAL CLIMATE FINANCE LANDSCAPE

GLOBAL CLIMATE FINANCE LANDSCAPE



This chart does not show flows below 0.005% of the current total flow value, USD 1,903 bn.

2. HOW TO ACCESS CLIMATE FINANCE? – CLIMATE FINANCE INSTRUMENTS

Climate finance instruments

Blended finance: Finance as finance that attracts commercial capital towards projects that contribute to sustainable development, while providing financial returns to investors.

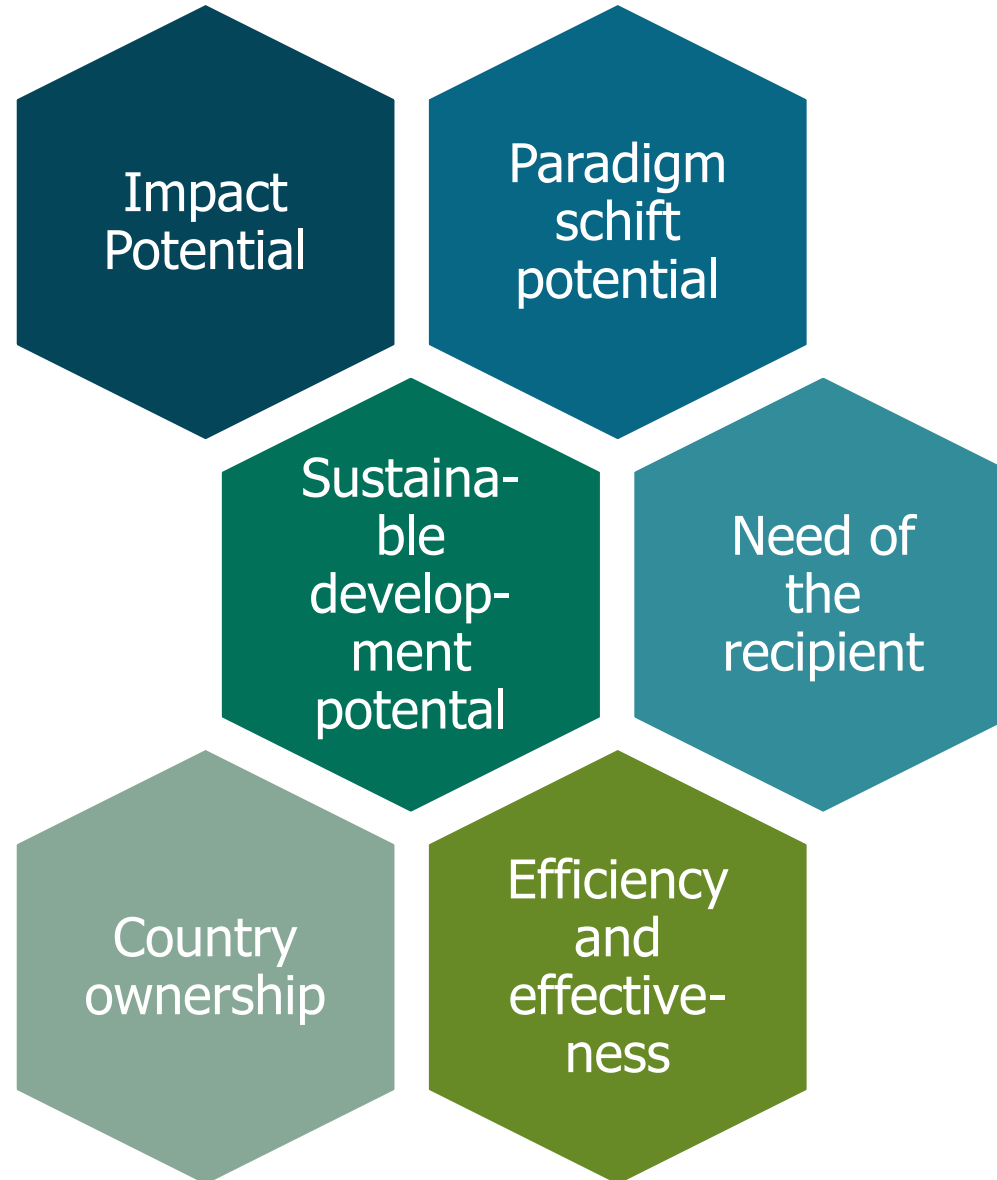
Grants: An award, usually financial, given by one entity to an individual or a company to achieve a goal or incentivize performance.

Equity: Equity represents ownership shares in a corporation.

Debt: A transfer of money (principal) from one party (creditor) to another (debtor) with the contractual obligation for the debtor to repay the principal (or other agreed-upon value) to the creditor in the future according to an agreed schedule.

HOW TO ACCESS CLIMATE FINANCE? – CLIMATE FINANCE ACCESS CRITERIA

Climate finance
access criteria:
Green Climate Fund
investment
guidelines



3. PROJECT DEVELOPMENT – FROM CONCEPT TO SUBMISSION: CLIMATE PROJECT



What is climate project?

3. PROJECT DEVELOPMENT – FROM CONCEPT TO SUBMISSION: CLIMATE PROJECT

What is climate project?

What differentiates a climate project from other projects is the inclusion of mitigation or adaptation actions or both as a result.

3. PROJECT DEVELOPMENT – FROM CONCEPT TO SUBMISSION: PROJECT DEVELOPMENT

Steps for climate project development

The development of a climate project has climate change aspects at the core of its design.

The following series of steps are common to climate projects development :

1. Screening;
2. Assessing investor criteria;
3. Identifying adaptation and mitigation options;
4. Conducting situation, sensitivity and project risk
5. analyses;
6. Selecting a course of action;
7. Developing an implementation plan;
8. Project implementation;
9. Monitoring, evaluation and reporting;
10. Evaluating project sustainability.

3. PROJECT DEVELOPMENT – FROM CONCEPT TO SUBMISSION: PROJECT DEVELOPMENT

Determining the bankability of a climate project

Broadly, bankability refers to the attractiveness of a financial proposal to a fund provider. More specifically, it refers to a project with a risk/return profile that falls within the desired range of the “Bank”, Fund or Grantor.

Key features of a bankable project:

- (a) A return (**meeting of climate targets and other socioeconomic benefits**) sufficient to service debt or to provide market yields.
- (b) Associated risks that can be mitigated to a level that is acceptable to the fund provider.

Thus, enhancing bankability can be achieved by:

- (a) Designing the project in ways that minimize risk;
- (b) Sharing the risks that the project can reasonably carry;
- (c) Securing enhancements such as financial guarantees or insurance.

3. PROJECT DEVELOPMENT – FROM CONCEPT TO SUBMISSION: PROJECT DEVELOPMENT

Project design considerations

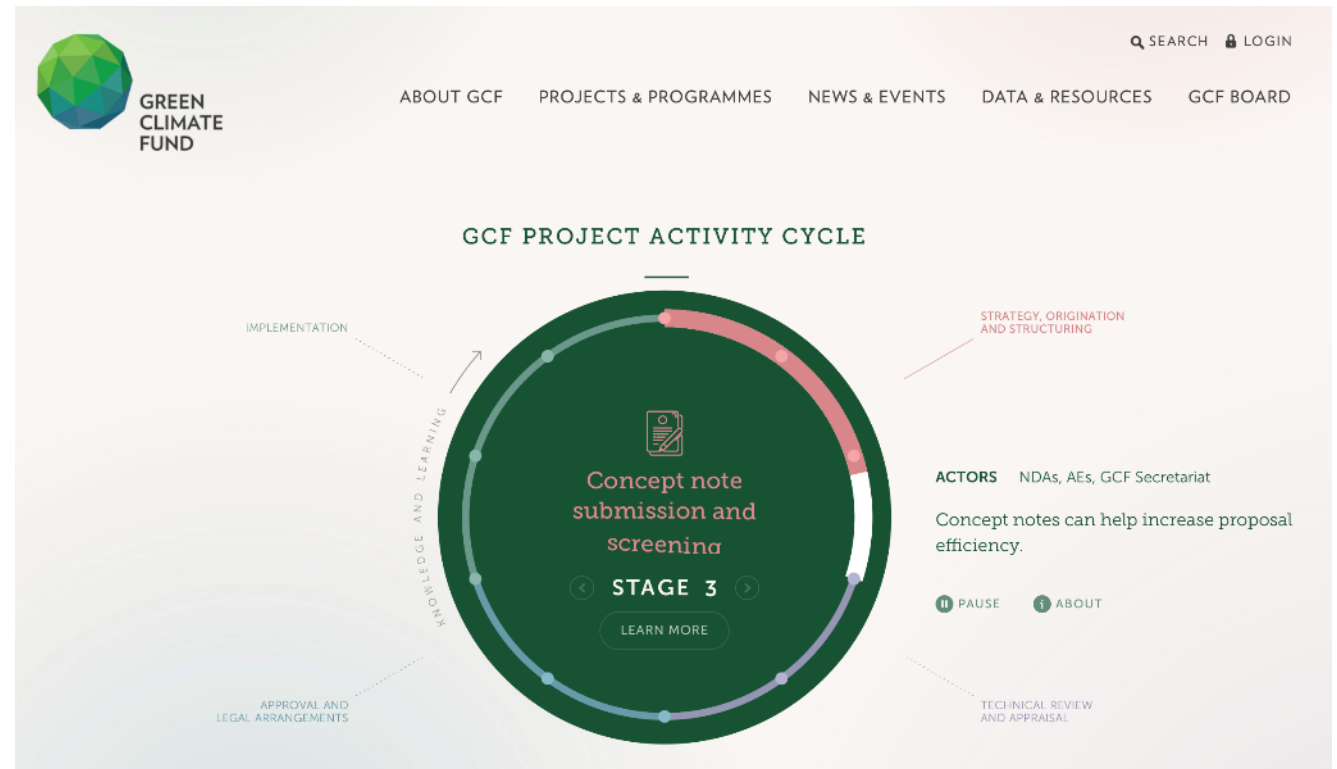
Developing bankable climate projects relies on common and important design considerations that determine the project's viability, ownership and effectiveness.

1. Climate rationale;
2. Theory of change;
3. Alignment with national priorities;
4. Risks and mitigation measures;
5. Environmental and social safeguards;
6. Gender mainstreaming;
7. Indigenous people policies;
8. Stakeholder consultation and engagement;
9. A grievance and redress mechanism;
10. Co-financing.

3. PROJECT DEVELOPMENT – FROM CONCEPT TO SUBMISSION: PROJECT DEVELOPMENT

Project cycles

A project cycle is the division of the project process by the project proponent, manager and/or implementer into manageable stages.



The Green Climate Fund Project cycle

4. INTERACTIVE ACTIVITIES

1. Group Discussion:

- What common factors do you see in successful projects? What mistakes should we avoid?

2. Role-Play Exercise:

- Participants act as a donor review panel.
- Review a mock proposal with gaps (e.g., missing gender analysis, weak financial plan).
- Decide whether to approve or reject and justify why.

3. Lessons Mapping:

- Each participant writes one key lesson on a sticky note (or virtual board).
- Cluster lessons under themes: Governance, Technical Design, Stakeholder Engagement, Financial Structuring.

4. INTERACTIVE ACTIVITIES

Key takeaways:

- Success depends on alignment with national priorities, strong institutions, and robust technical and financial design.
- Failures often stem from poor preparation, lack of stakeholder engagement, and weak climate rationale.
- Gender and social inclusion are critical for approval.

5. SUCCESS STORIES & LESSONS LEARNED

Noor Ouarzazate Concentrated Solar Power Complex

- The Noor II and III Concentrated Solar Power Plants of Ouarzazate signal progress in Morocco's commitment to increase its share of renewable energy generation from its current rate of 28 percent to 52 percent by 2030.
- Both projects were part of the Noor Concentrated Solar Power Complex, to generate power for more than 1.1 million Moroccans by 2018 and reduce greenhouse gas emissions by approximately 690,000 tons of CO₂ equivalent per year.
- Total investment cost of Noor Ouarzazate II was \$1.1 billion, while Noor Ouarzazate III's was \$900 million.
- Seven development finance institutions provided debt financing through an on-lending structure. Sponsors provided \$400 million in equity.

5. SUCCESS STORIES & LESSONS LEARNED

Noor Ouarzazate Concentrated Solar Power Complex

Multilateral and bilateral financing support was provided through loans to the utility MASEN (Moroccan Agency for Sustainable Energy), which then lent to the project companies. Loan amounts from development finance institutions for both projects are:

- €100 million — AfDB
- €150 million — EIB
- €83 million — European Commission (grant)
- €235 million + \$80 million — IBRD, of which €58.6 million and \$20 million are used for construction of Noor-Ouarzazate

II. The balance funds are part of a viability gap fund for the operational phases of Noor-Ouarzazate I, II, and III plants

- €50 million — Agence Française de Développement (AFD)
- €654 million — Kreditanstalt für Wiederaufbau (KfW)
- \$238 million — Clean Technology Fund, mobilized by AfDB (50%) and IBRD (50%)

5. SUCCESS STORIES & LESSONS LEARNED

Noor Ouarzazate Concentrated Solar Power Complex

Why It Worked:

- Strong alignment with Morocco's NDC
- Clear climate rationale
- Robust financial structuring: blended finance (public + private).
- Strong institutional capacity: MASEN (Moroccan Agency for Sustainable Energy).

Lessons learned:

- Early strategic planning and strong national institutions attract large-scale funding
- Multilateral Development Banks' collaboration supports the development and implementation of infrastructure investment. This support comes in the form of public sector loans, private sector finance, sector and transaction advice, guarantees, and output-based aid.

5. SUCCESS STORIES & LESSONS LEARNED

The Rwanda Green Fund (FONERWA)

- **Strategic climate finance instrument:** The Government of Rwanda established the Rwanda Green Fund (FONERWA) in 2012, as a groundbreaking environment and climate change investment fund.
- **Fund's mandate:** Invest in public and private projects with the potential to create transformational change, build an ecosystem to incubate, accelerate and provide growth capital to high-impact green ventures and play a catalytic role to attract climate finance and green investment.
- **Fund's purpose: Unlock the power of green finance** to achieve sustainable development **by providing unheralded technical and financial support** to the best public and private projects that align with Rwanda's commitment to a green economy.



5. SUCCESS STORIES & LESSONS LEARNED

The Rwanda Green Fund (FONERWA)

- **TEN YEARS OF GREEN IMPACT**
- Funds mobilized: USD 247 million
- Projects supported: 46
- Households with improved access to off-grid clean energy: 88K+
- Hectares of forests and agro-forest coverage: 46K+
- Hectares of land secured against erosion: 24K+
- Hectares of watershed and water bodies protected: 31K+
- Green jobs created: 176K+
- Tons of carbon dioxide equivalent to emissions avoided: 126K+

5. SUCCESS STORIES & LESSONS LEARNED

The Rwanda Green Fund (FONERWA)

- **Why It Worked:**

- Created a national climate fund for **direct access**.
- Transparent governance and monitoring systems.
- Pipeline of small and medium projects aligned with NDC.

- **Lessons learned:**

Building a national financing mechanism increases country ownership and donor confidence.

6. BAD EXAMPLES & LESSONS LEARNED

Nigeria – Stalled GCF Proposal

Nigeria's Green Climate Fund (GCF) engagement faced historical stalls due to weak institutional capacity, lack of clear frameworks (like a No Objection Procedure), and bureaucratic hurdles, preventing effective project submission despite significant climate needs.

6. BAD EXAMPLES & LESSONS LEARNED

Nigeria – Stalled GCF Proposal

Why Proposals Stalled (Historical Context)

Capacity Gaps: Insufficient technical, human, and institutional capacity within Nigeria's designated authority (NDA) to coordinate complex GCF engagements.

Framework Deficiencies: Absence of critical policies, such as a clear "No Objection Procedure" (NOP) and a unified Country Programme, hindering project approval.

Bureaucracy & Transparency: Delays and opaque processes made it hard for Nigeria to access international climate capital effectively.

Lack of Project Pipeline: Difficulty developing and submitting bankable, GCF-ready project concepts.

Recent Actions & Solutions (2024-2025)

DBN Accreditation: The Development Bank of Nigeria (DBN) became a GCF-accredited entity, allowing it to directly access funds and reduce reliance on international intermediaries.

National Frameworks: Validation of the NOP manual and establishment of the Climate Investment Platform (NCIP) to streamline processes and ensure compliance with international standards.

Policy Integration: Alignment with the National Council on Climate Change (NCCC) and Nigeria's climate transition plans to accelerate funding.

SOME RESOURCES

- Climate Policy Initiative: <https://www.climatepolicyinitiative.org>
- Climate Funds Update: <https://climatefundsupdate.org>
- United Nations Framework Convention on Climate Change: <https://unfccc.int/topics/introduction-to-climate-finance>



THANK YOU!

GET IN TOUCH

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