

Climate Finance: Developing Bankable Proposals

UNIT 4: Assessing Bankability and Proposal Readiness

African Group of Negotiators Expert Support (AGNES) and Alliance of Bioversity and CIAT





Learnin Objective

Assess

Assess the bankability and readiness of a climate finance proposal using structured criteria.



Identify

Identify key gaps, weaknesses, and areas for improvement before submission.



What constitutes a bankable climate finance proposal

Four Core Dimensions (Aligned and Mutually Reinforcing)



Technical Credibility

Strong climate rationale grounded in DATA
Clear linkage between climate risks and interventions



Results Credibility

Well-defined outcomes with measurable indicators
Clear pathway from activities to impact



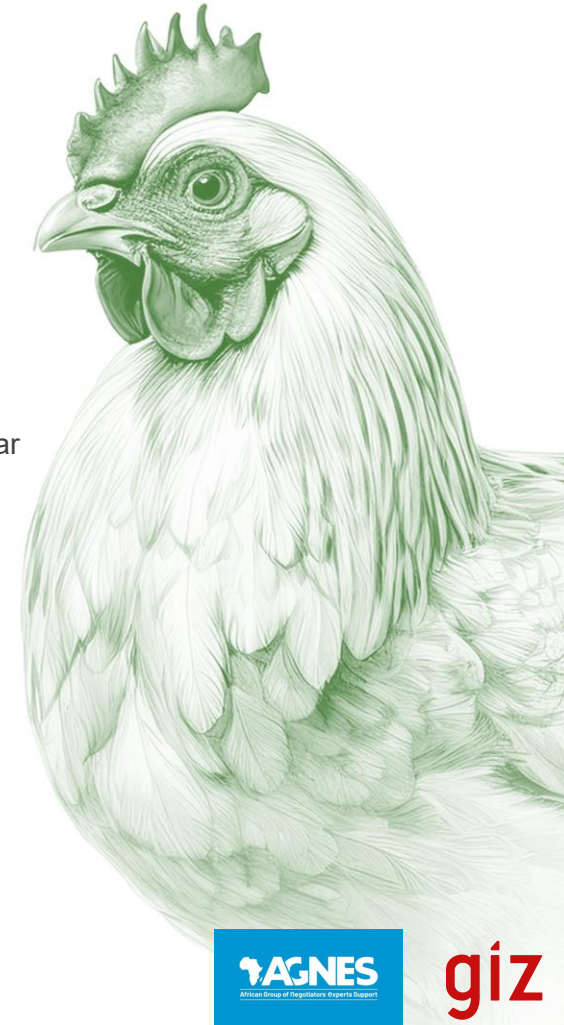
Financial Credibility

Justified budget linked to results
Clear co-financing and financial structuring
Evidence of cost-effectiveness



Implementation Readiness

Capable institutions and clear roles
Defined implementation arrangements
Readiness to start within reasonable timeframe



Salient features of high-quality climate finance proposals



STRONG CLIMATE LOGIC

- Climate risks clearly articulated and evidenced
- Interventions directly respond to those risks

CLEAR RESULTS ARCHITECTURE

- Theory of Change, logframe, and indicators are aligned
- Outcomes reflect REAL CHANGE, not just activity delivery

INTEGRATION ACROSS COMPONENTS

- Gender, safeguards, MEL, and finance EMBEDDED in design
- NOT treated as standalone sections

FINANCIAL AND INVESTMENT LOGIC

- Costs linked to outputs and outcomes
- Co-financing and private sector roles clearly defined

SCALABILITY AND SUSTAINABILITY

- Potential for replication or scale demonstrated
- Sustainability beyond project funding addressed





Common weaknesses and reasons for proposal rejection

Insufficient evidence linking climate risks to interventions

Vague outcomes or weak indicators

Poor alignment between problem, ToC, logframe, and budget

Costs not linked to results; limited or unclear co-financing

Unclear implementation arrangements; missing institutional backing

Weak gender integration, safeguards, or MEL systems



External Expert Review and Pre- Submission Quality Assurance

Before submission, proposals should undergo external expert review

What it involves:

- Draft read by one or more independent experts who were not directly involved in developing it.

What external review helps identify:

- Issues in climate rationale
- Weaknesses in results framework
- Problems with financial logic
- Gaps in implementation arrangements
- Cross-cutting area weaknesses
- Whether proposal reads as coherent investment case (not collection of separate inputs)

