P4G Call for Partnerships: Application and Selection Process
Public Webinar: February 8, 2024
Agenda

- Welcome
- P4G Overview
- Call for Partnerships criteria and process
- Q&A
P4G Overview
About P4G

P4G works with early-stage climate entrepreneurs and ventures in low and middle-income countries so that they can become investment ready, while also working with national level public-private platforms to improve the enabling market systems for climate transitions, both strategically aligned to each country’s NDCs.

P4G focuses on climate mitigation or adaptation solutions with poverty reduction and gender equity goals in:

- Food loss and waste
- Climate smart agriculture
- Renewable energy
- Zero emissions transportation
- Water resilience
P4G Helps Bridge the Climate Finance Gap

- P4G builds a pipeline of locally-led, early-stage climate businesses that can attract finance, create jobs and contribute to poverty reduction.

- Each business must be partnered with a green nonprofit to ensure their environmental and social benefits are on track, to assist with related policy or regulatory work, and engage target communities.

- P4G’s Vice Minister and CEO level National Platforms help inform and support key enabling policy or regulatory shifts.

- Knowledge is shared to further enable the flow of global climate finance to local climate businesses to realize national and global climate goals.

Estimated investment gap in key SDG sectors, 2015-30
Trillions of USD, annual average

- Total annual investment needs: 3.9
- Current annual investment: 1.4
- Total investment gap: 2.5
Climate Solutions Require Locally-Led Climate Businesses

Locally-led green businesses can:

• Solve climate resilience needs in their community and country
• Provide local jobs
• Scale their solutions to other countries
• Provide leap-frog innovations to climate challenges

Small and medium enterprises:

• Are engines of the economy, responsible for employing some 70-80% of the population.
• Offer the potential for workforce efficiencies and localized insights that enhance project and business outcomes.

Start-Up Stages of Development:

- Seed
- Growth
- Maturity
P4G Design: Three key activities to address the challenge

1. **Partnerships:**
   Enabling locally-based green businesses to become investment ready
   Grant funding and technical assistance to early-stage businesses to help them become investment ready so that they can implement innovative climate solutions in food, water and energy systems

2. **National Platforms:**
   Improving the in-country enabling systems for climate business investment & growth
   P4G National Platforms include government and private sector industry associations to help improve the enabling market systems

3. **Knowledge Mobilization:**
   related to climate business and enabling system needs
   P4G Summits, case studies, partnerships learning & reports, global events and sector-specific workshops
Activity 1: P4G Partnerships
Providing grants and technical assistance for investment readiness

P4G Partnership

- Climate Enterprise
- Nonprofit

P4G Support

- Grants (~US $100,000 to 350,000)
- Investment Readiness
- Market & Regulatory Strengthening
- Network
- Knowledge

Applications accepted continuously. Funding decisions made on a 6 monthly basis.
Activity 2: National Platforms
Creating networks and improving the enabling marketplace

National Platforms

Partner Country National Platforms

Donor Country National Platforms

P4G Liaisons

Government Ministries

Industry Associations

Government

Industry

P4G Partnership

Accelerators & Tech Hubs

Climate Enterprise

Nonprofit

Investors

 Buyers

Suppliers

Applications accepted continuously. Funding decisions made on a 6 monthly basis.
Activity 3: P4G Knowledge Mobilization

Understanding and advancing locally-led climate enterprises & their enabling marketplace

New green enterprises

New policies and regulations

New sectoral mechanisms

New financial facilities

National Platforms

Workshops

Summits

Publications

Hub / Secretariat

Partnerships
Examples of P4G Partnerships

Digital Food Rescue

**About:** Automate the food rescue process in Colombia and Mexico and connect the food industry with food banks to reduce food waste and combat hunger.

**Impact:** Shown that managing food waste, connecting the supply and demand of food surpluses, and providing data can fight hunger and reduce pollution and emissions from the food industry.

Digitizing Energy

**About:** Transform the energy grid by working with the public utility to integrate customer energy assets in Indonesia and Vietnam.

**Impact:** Village Energy has signed an MOU with PLN, the state-owned electric utility in Indonesia to support implementation of the pilot program.

African Bamboo

**About:** Uses native and sustainably grown bamboo in Ethiopia and Kenya to replace unsustainable building materials.

**Impact:** Promotes the restoration of degraded lands, water conservation and biodiversity through an investable approach.
Over 1 million individuals positively affected
Over 1,000 jobs generated
US $25 million Mitigation Action Facility for e-mobility in Kenya
US $90 million investment leveraged
40 green businesses accelerated
15 have received investment thus far
20 NP workshops
35 public sector commitments
75 Partnerships awarded
> 1,000 Applications evaluated
9 National Platforms Created
2 State of the Art Reports
10 internal assessments, reviews and reports
50 Hub and partnership knowledge products
Round 1 Call for Partnerships Results

- **99** Submitted concept notes
- **42** Eligible concept notes
- **24** Top ranked invited to submit full proposal
- **18** Approved by IGC for award*

*subject to final negotiations
Call for Partnerships
Application and Selection Process

1. Partnership readiness
   - P4G National Platform Liaison or Investment Manager consultations

2. Submit Concept Note
   - Partnership submits concept note with attachments via p4gpartnerships.org

3. Eligibility Screening
   - P4G Hub screens applications for eligibility

4. Shortlist
   - P4G Hub scores and shortlists applications against evaluation criteria

5. Full Proposal
   - Shortlisted applications submit full proposal

6. Pitch and Evaluation
   - Partnerships pitch and undergo detailed evaluation with feedback from NPs

7. Funding Decision
   - Independent Grants Committee makes final funding decision

8. Contract Negotiations
   - Partnerships and P4G Hub negotiate grant

9. Award!
   - Final signatures & public announcement of funded partnerships

All applications must be submitted in English.

Prior partnerships must reapply.
Eligibility Criteria

1. **Partnership composition:** Must have one early-stage climate business and one nonprofit administrative partner, plus additional partners as needed.

2. **Experience and track record:** Key staff must have appropriate skills and expertise in areas relevant to the partnership, including i.e.: country, sectoral, policy & regulatory, business & financial, social & environmental, and grant management.

3. **Sector and countries:** Activities must be implemented in P4G’s ODA-eligible partner countries and focus sub-sectors including climate smart agriculture, food loss and waste, water resilience, zero emissions mobility and renewable energy.

4. **Investability:** Be at the seed or post-seed financing stage with a robust business plan and a defined path to commercialization or capital raise.

5. **Enabling market environment:** Possess a clear understanding of policy, legal/regulatory frameworks in the country of implementation.

6. **Additionality:** Climate business solution is innovative and substantially improved when compared to the state of the art in that industry and in the relevant country of operation.

7. **Impact:** Show climate, economic growth, poverty reduction, gender and development impact.

8. **Activities and budget:** Theory of change overview, aligned and mandatory activities, and budget line items.

9. **Responsible business conduct:** Not have activities that are in P4G’s exclusion list and must either demonstrate their ESG plan or include a plan to develop one.

10. **Organizational assessment:** The two lead institutions demonstrate the ability to meet organizational requirements.
Early-stage climate businesses are the focus of P4G partnerships and must:

- Be in the **seed or early post-seed stage** of their commercial growth. They have a **proven technology** and are beyond the concept stage and are well on their journey to raise capital.

- Be registered in a P4G country of implementation or have the intention to register, and working in an eligible sector with related climate and poverty reduction goals.

- Have a pre-existing and clear **business plan** and **financial pro forma**, and an **executive team** with relevant expertise. Partnerships should have been formed for the purpose of launching the climate business, and **should not be created for the sole purpose of securing P4G funding**.

- Be **innovative and additional** with products, services or processes which are new or substantially improved compared to the state of the art in its industry and in the relevant country of operation based primarily on the business, financial and IOT/API innovations.

- As early-stage startups they will be either a **small- or micro- enterprise**, with small enterprises employing fewer than 50 persons, and micro enterprises employing fewer than 10 persons.
Lead Administrative Partner Requirements

Requirements:
- Registered in-country\(^1\) and/or partnered with a nonprofit who is registered in-country.
- Grants management experience: Administrative partner will be the primary recipient of grant funding\(^2\) to all other budgeted partners who will be sub-recipients.

Roles: *Multiple nonprofits can partner together based on needs.*
- **Capacity building** of early-stage businesses such as *Accelerators* and *Incubators* to assist the business partner in becoming investment ready, including business strengthening and training and other related services.
- **Enabling systems support** for the business partner’s investment readiness work, particularly as related to needed shifts in the relevant policy/regulatory/permitting schemes.
- **Monitoring, evaluation and learning (MEL),** including the responsibility to measure impact.
- **In-country relationships** including:
  - **Community** relationships and the associated understanding of the social, economic and environmental conditions of the target beneficiaries;
  - Network relationships in-country with *government* and/or *private sector*\(^3\)
- **Knowledge Product** to capture and share learnings related to the partnership and sector

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1. Including subsidiary offices; 2. The World Resources Institute will be the grantor; 3. P4G National Platforms also provide this through the in-country NPL
Different early-stage businesses require different partnership skillsets based on their specific needs and must explain this in the full proposal, these can include for example:

<table>
<thead>
<tr>
<th><strong>Nonprofit</strong> – i.e., additional specialty needs for communities, policy, academia, accelerators/incubators, etc.</th>
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<tr>
<td><strong>Commercial</strong> – i.e., sub-consultants for business, financial, legal needs</td>
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<tr>
<td><strong>Corporate</strong> – i.e., suppliers or off-takers</td>
</tr>
<tr>
<td><strong>Government, Associations</strong> or others – i.e., for market testing phase, for regulatory or permitting requirements/TA, etc.</td>
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Evaluation Criteria and Weightage

1. Potential to be financially investable 25%
2. Ability to deliver 25%
3. Impact plan & scale 30%
4. Legal & regulatory 20%

Each criteria will be scored between 0 – 10

Only applications with an overall grade of 7 will move to the full proposal including pitch
Round 2: Timeline

- **March 8, 2024**: Deadline for applications to be considered
- **April 1**: Shortlisted applicants will be invited to submit a full proposal
- **April 30**: Shortlisted applicants submit full proposal
- **May 2-17**: Pitch meetings with shortlisted partnerships
- **June**: P4G Hub submits investment analysis to Independent Grants Committee
- **June**: Independent Grants Committee makes funding decision
- **June**: Selected partnerships notified and grant negotiations begin
- **September**: Public announcement and partnership implementation begins
### Required Materials

**Online concept note form** with details on how the partnership meets each of the 10 criteria and following attachments:
- Commitment letter
- Draft partnership charter (or equivalent)
- Full business plan
- 5-year financial model
- Pitch deck
- Budget summary and other financial information (template provided)

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All shortlisted finalists will receive a request for a full proposal that will include:
- Detailed workplan and budget (template provided)
- Theory of Change and Results Framework
- Final charter
- Organizational assessment including documentation requests, calls and on-site visits.
- Additional documentation as needed.

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All shortlisted finalists will have the opportunity to pitch their partnership:
- Virtual pitch presentation
- Q&A session
- Hub and National Platform attend

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- Final workplan and budget
- Final WRI organizational assessment
- Final contract language
**Budget and Workplan Requirements**

**Cost share**

- At least **30% cost share** of the total P4G project budget in the form of either grants, operating capital or another monetary match that is **not in-kind**.

**Budget**

- Outline **activities** and line items that will **enhance the investment readiness** of the business model and improve the financial case. Non-eligible expenses include large-scale equipment, vehicles, buildings and infrastructure.
**Budget Mandatory Activities**

**Mandatory activities with tied outputs and budget line items**

- **Enabling system work:** Policy or regulatory work associated with the businesses model to reduce entry barriers and improve market efficiencies.

- **Knowledge product:** Case study, short paper or similar regarding partnership’s lessons learned and success around investability, legal/regulatory environment and impact.

- **ESG:** If required, set amount of budget to develop a partnership ESG strategy or improve one during the implementation of the project.

**Activities procured and funded by P4G**

Mandatory activities for every partnership with services separately procured from a third party by P4G.

- **Investor due diligence and gap assessment:** This analysis could generate changes in the activities considered in the budget but will not modify the P4G awarded amount.

- **Audit** for the full implementation of the project using a P4G-selected independent auditor.
P4G Partnership Support

**Catalytic grant funding**
- Non-returnable grants of US $350,000 on average

**Technical Assistance**
- Investment due diligence and gap analysis of partnership business models
- Political & regulatory engagements with National Platform networks in-country and WRI’s global network
- Business matchmaking sessions
- Acceleration and pitch sessions at national and global events
- Introduction to impact investors such as DFIs and others focused on early-stage entrepreneurs

**Knowledge Mobilization**
- Partnerships’ lessons learned and successes on regulatory, business and financial models
- International exposure through publications and media outreach on learnings and successes
- National and global events
Questions? Contact Us!

If you have questions, please email our Partnerships Manager Patricia Mijares directly at patricia.mijares.5@p4gpartnerships.org