


















Ministry of Foreign Affairs – Department for Green Diplomacy and Climate

Meeting in the Council for Development Policy on 22 June 2023

Agenda Item No. 3

- 1. Overall purpose:** *For discussion and recommendation to the Minister*
- 2. Title:** Partnering for Green Growth and the Global Goals 2023 (P4G) Phase 2 (2023 – 2027)
- 3. Amount:** DKK 178 million
- 4. Presentation for Programme Committee:** 28 June 2022
- 5. Previous Danish support presented to UPR:** 28 November 2017 (Phase 1: 2018-2022): DKK 225 million
1 October 2019 (Extension): DKK 40 million

Partnering for Green Growth and the Global Goals 2030 (P4G) 2023-2027

<p>Key results:</p> <p>Outcome: Businesses supported by P4G become investment ready Government and private-sector leaders contribute to improving the green growth-enabling systems based on inputs by P4G partnerships Knowledge mobilisation (incorporating MEL) engages knowledge partner stakeholders who can influence enabling systems and country transitions in food, water and energy systems. Ultimately, these interventions will lead to a projected impact that contributes to green and inclusive growth in developing countries by helping businesses to become investment ready and supporting country climate transitions in food, water and energy systems.</p> <p>Justification for support: - P4G aligns with the development cooperation strategy of its funders and priorities of partner countries through focus on the links between climate change, environment and human development. In particular, it contributes to deliver on the Danish green development priorities of ‘The World We Share’ and the government’s global climate action plan. - Through its interventions, P4G aims to accelerate and scale partnership business models with high potential for long-term impact. P4G results will be sustainable through partnerships achieving commercial viability, enabling systems and knowledge shared through P4G’s activities. - P4G is filling a gap to help green and inclusive business models in developing countries reach commercial viability.</p> <p>Major risks and challenges: - less cooperation on climate and development goals due to global, regional or national political instability, countries look inward to stimulate their recoveries from conflicts, COVID-19; erosion of confidence in the Paris Agreement and SDGs. - disengagement of National Platforms, private sector and partner organizations - loss of funding and political support from donors, partnerships failing to realize their full impact.</p>	File No.	2022-20045					
	Country	Interregional					
	Responsible Unit	Department for Green Diplomacy and Climate					
	Sector	Environment and climate change					
	Partner	World Resources Institute (WRI)					
	DKK million	2023	2024	2025	2026	2027	Total
	Commitment	50	78	50	0	0	178
	Projected disbursement	50	75	43	5	5	178
	Duration	4,5 years (2023-2027)					
	Previous grants	2018-2022: DKK 265					
	Finance Act code	06.38.02.12					
	Head of unit	Karin Poulsen					
	Desk officer	Charlotte Just					
	Reviewed by CFO	Rasmus Tvorup Ewald					
Relevant SDGs							
 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation		
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production		
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals			

Objectives
P4G programme objective is to contribute to green and inclusive growth in developing countries by helping businesses to become investment ready and supporting country climate transitions in food, water and energy systems.

Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
Indicate 0, 50% or 100%	50%	50%	0	100%
Total green budget (DKK)				DKK 178 million

Justification for choice of partners:
 World Resources Institute is a leading international non-profit research organisation in the area of sustainability and green transition, incl. climate mitigation and adaptation, environmental and natural protection. WRI stands out as an influential think tank with a wide outreach of networks and coalitions and thus form an ideal host for P4G’s international activities. The midterm review in 2021 confirmed the relevance and effectiveness of WRI as P4G implementing partner.

Summary:
 P4G is a multistakeholder initiative hosted by WRI with the aim to contribute to in-country climate transitions in ODA-eligible countries in three SDG sectors. It does so by providing grants, technical assistance and government support to green growth partnerships to become investment ready, contributing to partner countries’ capacity to improve the enabling systems, and sharing these learnings with P4G countries and beyond. The initiative began in 2018 and P4G’ 9 partner countries have shown to play an important role in increasing political awareness and commitment to the partnership projects and P4G’s agenda. Each partner country (Colombia, Denmark, Ethiopia, Indonesia, Kenya, the Republic of Korea, the Netherland, South Africa and Vietnam) has established a National Platform, which engages relevant country public and private stakeholders and progress partnerships. The overarching success criteria of P4G is that the models and solutions proven in the most successful partnerships are taken to scale by the market to truly make a difference in achieving the SDGs and the Paris Agreement.

Budget (engagement as defined in FMI):

Outcome 1: Partnerships	DKK 148 millions
Outcome 2: National Platforms	DKK 22 millions
Outcome 3: Knowledge mobilisation	DKK 7 millions
Midterm review	DKK 1 million
Total	DKK 178 millions

P4G Phase 2 Proposal

May 28, 2023

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List of Abbreviations

C40	Cities Climate Leadership Group
CAIF	Climate Action Investment Fund
CSO	Civil Society Organisation
DAC	Development Assistance Committee of the OECD
DFI	Development Financial Institution
DKK	Danish krone
DKMFA	Danish Ministry of Foreign Affairs
EU	European Union
GC	Grants Committee
GDK	Department for Green Diplomacy and Climate
GIIN	Global Impacting Investment Network
GGGI	Global Green Growth Institute
GHG	Greenhouse gas
IFC	International Finance Corporation
IFU	Danish Investment Fund for Developing Countries
ILO	International Labor Organization
LDC	Least Developed Countries
LMIC	Low- and Middle-Income countries
MEL	Monitoring, Evaluation and Learning
MSME	Micro-Small-Medium Enterprises
MSP	Multistakeholder partnership
NDC	Nationally Determined Contribution
NGO	Nongovernmental organisation
NP	National Platform
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
P4G	Partnering for Green Growth and the Global Goals 2030
PPP	Public-private partnership
PSI	Private-sector investment
RF	Results Framework
SC	Steering Committee
SDG	Sustainable Development Goal(s)
SoG	State of Green
TA	Technical assistance
UN	United Nations
WEF	World Economic Forum
WRI	World Resources Institute

1. Introduction

The present programme document outlines the background, rationale and justification, objectives and management arrangements for development cooperation concerning Partnering for Green Growth and the Global Goals 2030 (P4G) Phase 2, which will be from 2023 to 2027 as agreed between the parties, who include the Netherlands, the Republic of Korea, Denmark and World Resources Institute (WRI). The programme document is an annex to the legal bilateral agreement with the implementing partner and constitutes an integral part hereof together with the documentation specified below. The total funding from the three donors will be USD 36.77 million.

P4G is a multistakeholder initiative hosted by WRI with the aim to contribute to in-country climate transitions in ODA-eligible countries. It does so by providing grants, technical assistance and government support to green growth partnerships to become investment ready, contributing to partner countries' capacity to improve the enabling systems, and sharing these learnings with P4G countries and beyond. The partnerships are between private businesses and nongovernmental organisations (NGOs) to advance early stage businesses that contribute to in-country climate and Sustainable Development Goal (SDG) priorities in specific sub-sectors. P4G partner countries have established National Platforms (NPs) in both donor and ODA-eligible countries co-chaired by senior government and private-sector leaders to support the origination, selection and implementation of partnerships. The selection of sectors in phase 2 provides a stronger link to poverty alleviation, whereby NGOs, businesses and National Platforms together improve access to resources, opportunities and choices for the poorest.

WRI is a global nonprofit organisation that works with leaders in government, business and civil society to research, design, and carry out practical solutions that simultaneously improve people's lives and ensure that nature can thrive. P4G continues to be a critical activity within WRI's strategy to increase the speed and scale of financial flows to low- and middle-income countries (LMICs) to accelerate the shift to a zero-carbon world.

Lessons learned from Phase 1 have been incorporated into P4G's Phase 2 design, which drives greater ambition for climate impact by focusing all activities on a clearer set of investor- and country-aligned priorities and focusing on more robust learning to drive the adoption of P4G approaches by more countries and investors. In Phase 2, there is stronger in-country focus and capacity that leverages both WRI's and donor countries' global and in-country expertise and engagements; a focus on climate-related solutions in fewer priority SDG sub-sectors; flexibility in the management of grant size and funding period; and a sharpness in the purpose of the grant. Cooperation among policymakers and businesses will be strengthened through in-country support to NPs in P4G's ODA-eligible countries. Additionally, a robust monitoring, evaluation and learning (MEL) approach will support adaptive programme implementation that leverages WRI's core strengths.

Acceleration is a key concept in Phase 2 of P4G and is defined as the combined interventions of (1) grants and technical assistance to the businesses and NGOs in the partnerships to help the business partners become investment ready, (2) NPs' support to improve the in-country enabling systems that the businesses operate in, (3) knowledge mobilisation that enables P4G learning to be presented and implemented in other contexts in P4G countries and beyond. Hence, in this

Examples of P4G Partnership Objectives

- Increasing the nutritional content of biscuits for the poor using locally sourced sustainable and climate-resilient agricultural products (SDG 2)
- Providing affordable, treated drinking water for remote communities with chronic high salinity and heavy-metal contamination issues (SDG 6)
- Increasing the operational and financial efficiency of electric vehicles' battery charging and use in urban areas of Africa, Asia and Latin America (SDG 7)
- Establishing a creditworthy intermediary to reduce the risk and price of investing in renewable energy in southern Africa (SDG 7)

document, the term *acceleration* refers to the combined effect of the three outcomes of P4G.

P4G's nine partner countries in Phase 2 are Colombia, Denmark, Ethiopia, Indonesia, Kenya, the Netherlands, the Republic of Korea, South Africa and Vietnam.

P4G will focus on accelerating investable climate solutions across three SDGs—SDG 2 (Zero Hunger), SDG 6 (Clean Water and Sanitation) and SDG 7 (Affordable and Clean Energy)—where partner countries' political priorities are the strongest and where WRI has global and local expertise and complementary activities. All will be within an overarching climate focus, with adaptation and mitigation represented. Within these SDGs, local businesses can deliver climate-focused food, energy and water solutions that enable poverty alleviation, social and environmental benefits, and economic growth.

P4G will work through its network of NPs in ODA-eligible countries, involving focal ministries, industry and trade associations, donor country embassies and WRI's country offices and network. It will also work with the donor country NPs, including State of Green in Denmark and RVO in the Netherlands, to facilitate the development of partnerships that can benefit from the expertise, technology solutions and private sector networks of the donor countries. Donor NPs will contribute to partnership origination and implementation, strengthen dialogue and cooperation between countries, and promote knowledge sharing. This unique feature of P4G enables deeper connections for P4G partnerships to gain the traction needed to advance their models to become investment ready. Additionally, P4G will work with a new and separate investment facility, the Climate Action Investment Fund (CAIF). This and other such facilities will provide a pathway for businesses in P4G partnerships after the P4G funding period to access the early-stage capital needed to become investment ready and contribute to an equitable transition.

P4G Partnership Example: Energise Africa
Energise Africa (EA) improves clean energy access by deploying capital through crowdfunding to solar-powered businesses in Africa.
Selection: EA was launched in 2017, and P4G funded it for four years starting with a first grant in 2018 and then a second grant in 2020.
Investment Readiness: With P4G's technical assistance, the partnership aims to be ready for a significant tranche of commercial investment.
National Platform engagement: The Kenya National Platform facilitated meetings with its energy sector committees and local solar businesses to assist EA's business development strategy and pipeline development.
Knowledge mobilisation and communications: P4G showcased the partnerships learning and model at multiple events including the 2021 P4G Seoul Summit and a P4G COP26 side event to relevant stakeholders to promote the partnership.
Results: Over USD 37 million raised, providing more than 870,000 people in low-income communities with improved access to electricity, resulting in over 180,000 tons of CO₂ emissions avoided each year.

P4G began operations in 2018, building on the learning of its predecessor programme, the Global Green Growth Forum. P4G received 265 million DKK of funding from Denmark for 2018–June 2023 (including funds for the State of Green platform in Denmark), USD 5.9 million in additional funding from the Netherlands for 2019–June 2023, USD 4 million from the Republic of Korea for 2022 and USD 1.2 million for 2023.

1.1. Phase 1 Results

Top Partnership Activities and Results

- From 2018 to June 2023, P4G awarded USD 28 million in grant funding to 75 unique partnerships across P4G's five focal SDG sectors and eight ODA-eligible countries.
- Forty of P4G's partnerships have been identified as having an investment-worthy partner, the remaining 35 partnerships were earlier stage and did not have an investable partner.¹ To date, two of

¹ Please see Annex 4: P4G Partnerships Selection, Management and Acceleration Strategy for full list of partnerships.

the partnerships, Africa GreenCo & SSEZ², have advanced the farthest to a series A level of investment commitment.

- Seven³ of the 13 partnerships that have received investment to date were able to do so within the originally envisioned grant timeline and funding levels, with an average grant size of USD 326,000 and an average duration of 16 months.
- P4G held 29+ global convenings, workshops, and gatherings of sectorally aligned partnerships across five SDG Communities of Learning. These included five pre-investment sessions, 17 accelerator workshops and three investor sessions.

44 of P4G’s 75 partnerships have the potential to become investment worthy. Of these, over 30% have been able to realize investment, and over 60% are on a track for investment readiness. P4G’s grant funding of USD 28 million has resulted in USD 98 million in commercially termed investment, which represents leveraging of USD 3.50 for every USD 1.00 of P4G funding⁴. These results are on par with or above those of other impact accelerators and investors⁵.

The partnerships also reported on impact level results listed in Table 1:

Table 1⁶ – Total and P4G Attributable Results from Verified Metrics for Phase 1 Partnerships⁷

P4G M&E METRICS⁸	RESULTS
1. Individuals Positively Affected	1,605,078
2. CO₂ Emission Reductions (MT)	10,874,453
3. Commercially Termed Investment (USD)	98,840,798
4. Non-Commercial Investment (USD)	21,841,664
5. Additional Capital Unlocked for SDG (USD)	472,657,000
6. Knowledge Products #	95

The results shown in Table 1 are dominated by a few exceptional partnerships, which made the most progress in investment readiness, and indicate that approximately 1.6 million individuals received improved access to services while about 10 million metric tons of CO₂ emissions per year have been reduced⁹.

Top National Platform Activities and Results

NPs are an essential component of P4G’s programme and provide a critical link among partner-country governments, businesses and organisations committed to inclusive green growth.

- Of the 12 partner countries in Phase 1, P4G launched 10 NPs. Bangladesh was delayed due to COVID-19. Chile graduated from the list of ODA-eligible countries in 2018 and so chose not to form an NP. Seven of the established NPs actively involve the private sector: Colombia, Denmark, Indonesia, Kenya, Mexico, the Netherlands and Vietnam. Three involve the private sector on an ad hoc basis:

² Note that the initial series A funding commitment for SSEZ’s Oserian site was not fulfilled; however, the partnership is pursuing a reformulated approach and believes it is on track to secure the required investment. (Source: RMc direct discussion with partnership in March 2023).

³ Geofutures, Africa Bamboo, G4A, Solar Pumps, E2AI, IIX, Smart Solutions, Accelerating e-mobility.

⁴ Note that this only includes the commercially termed investment attributable to P4G per the methodology outlined in the Annex.

⁵ CPI reports a 4 to 1 leverage, while Acumen reports a 0.25 to 1 leverage (2021 annual report).

⁶ Table 1 shows P4G’s quantitative results based on the partnerships awarded through the end of 2020 only. An external third-party review of these results will kick off in August 2022 with preliminary results included in the final version of this proposal. Additional detail is provided in the Annexes.

⁷ See the Partnerships Annex 4 for definitions of the indicators and further detail.

⁸ Definitions provided in Annex 4: P4G Partnerships Selection, Management and Acceleration Strategy.

⁹ CO₂ emissions reduction is relatively limited as reduction figures from most partnerships will only be known at a later stage.

Ethiopia, South Africa and the Republic of Korea.

- NPs from both donor and ODA-eligible countries were engaged in the origination and evaluation of P4G partnerships by hosting workshops to promote the call for partnerships, providing input to the P4G Hub¹⁰ during the evaluation process and, with some NPs, meeting with prospective applicants.
- NPs supported the implementation of P4G partnerships in a variety of ways, including government co-chair provided opening remarks at investor sessions to demonstrate legitimacy, private sector co-chair connected partnerships to their networks, and government focal points participated in policy workshops.
- The ODA-eligible countries developed NP implementation plans to articulate the priorities of the country, identify networks to originate new partnerships, and prioritize the activities of the NPs to support the partnerships being implemented in their countries.

Top Knowledge Mobilisation Activities and Results

- P4G supported the publication of two State of the Art reports led by WRI and collaborated with WRI to host launch events with high-level speakers, including former UN Secretary General Ban Ki Moon, former First Lady of Colombia Maria Juliana Ruiz and Crown Prince Frederick of Denmark. The launch events attracted more than 600 attendees, and the reports received almost 6,000 views.
- P4G Summits garnered high levels of engagement. Five heads of state and 800 participants from 53 countries attended the 2018 P4G Copenhagen Summit. Participants signed the Copenhagen Commitment to accelerate climate solutions and reach the SDGs through partnerships. Forty-six heads of state and 21 heads of international organisations participated virtually in the 2021 P4G Seoul Summit. The Seoul Declaration called for the suspension of public financial support for overseas coal plants and was endorsed by a majority of the participating countries including China, Indonesia, Japan and Vietnam.
- P4G held three annual Community of Learning events for partnerships within each SDG to share experiences. The 15 total Communities of Learning convenings highlighted regional examples of partnership successes, including sector-specific sessions.
- P4G participated in over 75 global, regional and national events, and organized side events at four UNFCCC Conference of Parties (COP). These events elevated the awareness of, and lessons learned from the partnerships—Africa GreenCo, FLAWLESS and the Getting to Zero Coalition—with policymakers and investors.
- P4G has built an engaged community of 5,200+ newsletter subscribers, 4,000+ LinkedIn followers, and 5,000 unique website views each month. It receives expressions of interest and requests for bilaterals from entrepreneurs and NGOs because of newsletter updates.

1.2. Lessons Learned in Phase 1

P4G has learned valuable lessons over five years of Phase 1 that enable it to seek greater impact with less funding in Phase 2.

Top Outcome 1 Partnerships Lessons Learned (see Annex 4 for full list)

Types of partnerships: P4G funded different kinds of partnerships that ranged from earlier stage

¹⁰ The P4G Hub is a programme unit within WRI and serves as the central coordinating and implementing unit for P4G's programme.

market-generating partnerships¹¹ to later stage market-driven partnerships.¹² Working directly with early stage businesses was found to provide the most value-add in Phase 1. These businesses are often the first to test new or emerging enabling environments for sustainable development, provide case studies for how regulations work in practice and inputs to improve enabling systems. This also directly aids the business in its investment readiness. These types of early adopters will be the main target group for partnerships in Phase 2.

- **Characteristics of successful partnerships:** P4G's analysis, including two State of the Art reports, have found that the key elements of a partnerships' success lie in a committed and capable business team; in-depth understanding of the in-country operating, financial and regulatory environment and impact measurement; a highly-engaged and connected global network; and an NGO partner that can support green market development. Therefore, in Phase 2, P4G will actively seek partnerships that exhibit these characteristics.
- **In-country transitions require in-country partners:** P4G found that strong, intrinsic ties to the situation on the ground were critical. Some businesses targeting communities in LMICs, especially in P4G focus sub-sectors, operate on very tight margins and need models specific to the culture and political context to be successful. Investors from community banks¹³ and large institutions are looking for opportunities to support the businesses in their community since they enable community growth and development, which in turn represents future investment opportunities.
- **The enabling system:** The most successful partnerships in Phase 1 not only understood the relevant legal and regulatory framework for their business, but also worked to improve the enabling system, around tactical issues such as tariff pricing or the allowability of certain types of business activities. In Phase 1, P4G required partnerships to demonstrate that they understood the relevant legal and regulatory framework but did not explicitly require that the partnership pursue work in this area.
- **Multistakeholder convening as a unique P4G value add to partnerships:** Partnerships consistently provided feedback on the benefit of P4G's convening power to bring the necessary senior stakeholders with relevant financial, technical and political expertise together. This is a unique added value that other impact accelerators and investors are not able to provide at the same level.
- **Operational challenges:** In Phase 1, P4G saw how many early stage businesses experienced delays and setbacks, and many of the NGO administrative partners were new to this form of project implementation where they were working directly with the private sector and start-ups. This underscored the importance of selecting businesses and NGO partners who are able to work in a collaborative manner toward the same objective, and the need for more robust resources on partnership management on the Hub side.
- **Results framework alignment and MEL:** During Phase 1, it was recognized that there is a need to develop partnership results framework indicators that were more closely linked to a P4G results framework. Additionally, COVID-19 restricted the team's ability to be on the ground to oversee partnerships. For this reason, in Phase 2 P4G will hire dedicated MEL staff and has shifted to a de-concentrated, in-country staffing model.

Top National Platforms Lessons Learned (see Annex 5 for full list)

- **Origination:** Origination is the process prior to partnership selection that involves finding local channels in partner countries for strong P4G partnerships, convening information sessions, and providing early feedback to partnership applications. Lessons learned about origination went across both partnerships and NPs work. NPs from both donor and ODA-eligible countries that identified

¹¹ Market-driven partnerships are driven by the current business case, where the commercial partners implement new business models, technologies or products that contribute to sustainable development. Market-generating partnerships¹¹ seek long-term commercial interest in transforming the market conditions and aim to address system failures in the market. Source: Danida. Note on Market-based Partnerships for Sustainable Development (May 2019), p.1.

¹² See a more detailed example of how these types of partnerships function and relate to each other in Annex 4: P4G Partnerships Selection, Management and Acceleration Strategy.

¹³ National Bank of Kenya, Siddian Bank of Kenya, and Danone are examples.

their top priorities for in-country transitions and actively engaged in P4G partnership origination led to greater government support during partnership implementation.

- **Sector focus:** Grouping partnerships within a priority subsector in a partner country, like e-mobility in Kenya, created more opportunities for cross learning between the partnerships, and deeper government engagement involving the relevant sector ministries.
- **Country partners:** A minimum required level of resources and engagement is needed per country to successfully accelerate business models and sector changes. This includes active NP government and private-sector co-chairs, additional NP stakeholder engagement from donor embassies, 4-8 partnerships active at a given time, capacity building support for NPs and staffing support through NP liaisons.
- **Public-private engagement:** The participation of both government and private sector representatives in the NP is key. The NP government co-chair can play an important role in advancing and scaling P4G partnerships. NPs have said that their mandate is to support market development more broadly, and so partnerships should include both a commercial and policy focus.
- **Private-sector co-leadership:** The countries that have high level of private-sector engagement have been most successful in originating partnerships with strong business partners. Of the 10 established NPs, seven actively involved the private sector: Colombia, Denmark, Indonesia, Kenya, Mexico, the Netherlands, and Vietnam, and three involved the private sector on an ad hoc basis.
 - For example, the Kenya and Colombia private-sector co-chairs convened workshops targeted to their members in specific sectors (e-mobility and entrepreneurs) to promote the call for partnerships. As a result, P4G approved several strong partnerships in those countries with clear pathways to investment and scaling.
 - Active private-sector co-chairs can also help to support and scale the results of the partnerships by facilitating connections between their membership and a partnership. For example, the Mexico private-sector co-chair UN Global Compact has actively involved a plastics partnership to promote plastics circular economy with their members.
- **Donor NPs** played an important role in Phase 1 in providing knowledge sharing with other NPs and support to partnerships. For example, in 2022 the Hub co-hosted with the Danish NP, State of Green, and the Danish Ministry of Foreign Affairs a P4G NP Capacity Building Workshop for all NP focal points, which provided the basis for developing NP action plans.
- **Resourcing:** The work related to the NP constitutes a substantial task for NP focal points. NPs want to engage more actively in P4G partnerships, for example by conducting site visits and convening sectoral workshops but need additional resources to do so.
- **WRI's role:** While a critical element of P4G's success is its branding independent of its funders and WRI, WRI needs to play a clearer role in providing technical and engagement support, linking P4G to wider networks of actions in key areas of work and leveraging WRI's capabilities, especially where WRI has a country office. This value proposition is best leveraged through the partner countries' NPs and when there has been alignment in the focus areas and activities of partnerships, NPs and WRI.
- **Governance:** P4G established a board of directors comprising 22 high-level representatives from its partner countries and organizations and five private-sector experts. The board of directors provided political legitimacy and support to P4G's programme in terms of its approach and its partnerships. A lesson learned on governance is that there needs to be an increased level of focused dialogue about P4G's partnerships and issues, as well as accountability both upward and downward through P4G governance structures. There was also a need to clarify the roles of the differing governing bodies and restructure the governance to make it more effective.

Top Knowledge Mobilisation Lessons Learned (see Annex 6 for full list)

- **MEL system and capacity:** Due to a process-oriented results framework in Phase 1, gathering results and lessons learned from individual partnerships has been difficult. This also led to P4G not being able to deliver consistent and comprehensive reporting on partnership learning, and cross-learning from partnerships and NPs to a broader set of stakeholders.

- **P4G Summits:** Summits were a valuable way to bring legitimacy to P4G as a multilateral programme and help build a pipeline of partnerships. They were an opportunity to engage at the highest levels with policymakers, the private sector, influence climate finance action, and share partnership learning. But they are a resource-intensive proposition, and in Phase 2 there is an opportunity to adjust the scope of the Summit based on budget and design the Summit to more specifically be a global event to facilitate knowledge exchange and engage stakeholders from P4G countries and beyond who can influence finance flows for in-country transitions.
- **Global Events:** P4G found that co-hosting events at the COP and UN General Assembly was an effective outlet to promote partnership solutions, share sector learning, and network with policymakers and potential investors. Major events drew high-level speaker participation and helped reinvigorate engagement in the programme. These events also provided additional opportunities for the Hub to expand its network of stakeholders who can help advance partnerships and improve enabling systems. With the sharper focus in Phase 2 and a priority being in-country workshops and convenings, there is a value in limiting participation to only one global event (e.g., COP) and using it as a high-level knowledge mobilisation and engagement opportunity.
- **Fundraising:** A lack of sectoral focus made it challenging for P4G to make a clear and compelling case for new funders. While lessons were collected, the lack of consolidation of lessons learned and successes made it challenging to articulate the results and the potential future impact of P4G.
- **Communications:** There is an appetite for grouped learnings by sector and country as demonstrated by high rates of engagement in communications that shared this information. With more qualitative reporting from partnerships and stronger MEL, there is an opportunity to collaborate with NPs on country-specific communications to elevate the awareness of P4G in-country.

P4G's Phase 2 design has incorporated lessons learned from Phase 1 and the findings and recommendations from four independent assessments: an inception review, mid-term review, technical field review and governance and organizational assessment. P4G has also considered the work of the two State of the Art reports and benchmarked P4G's work with consultant reviews of best practice.

2. Context, Strategic Considerations, Rationale and Justification

The SDGs have become a globally recognized standard to align action for equitable economic growth, including between public and private-sector organizations. Meeting the SDGs will require solutions that the private sector can deliver, and residents of LMICs represent a large and growing market for SDG-aligned business innovation.

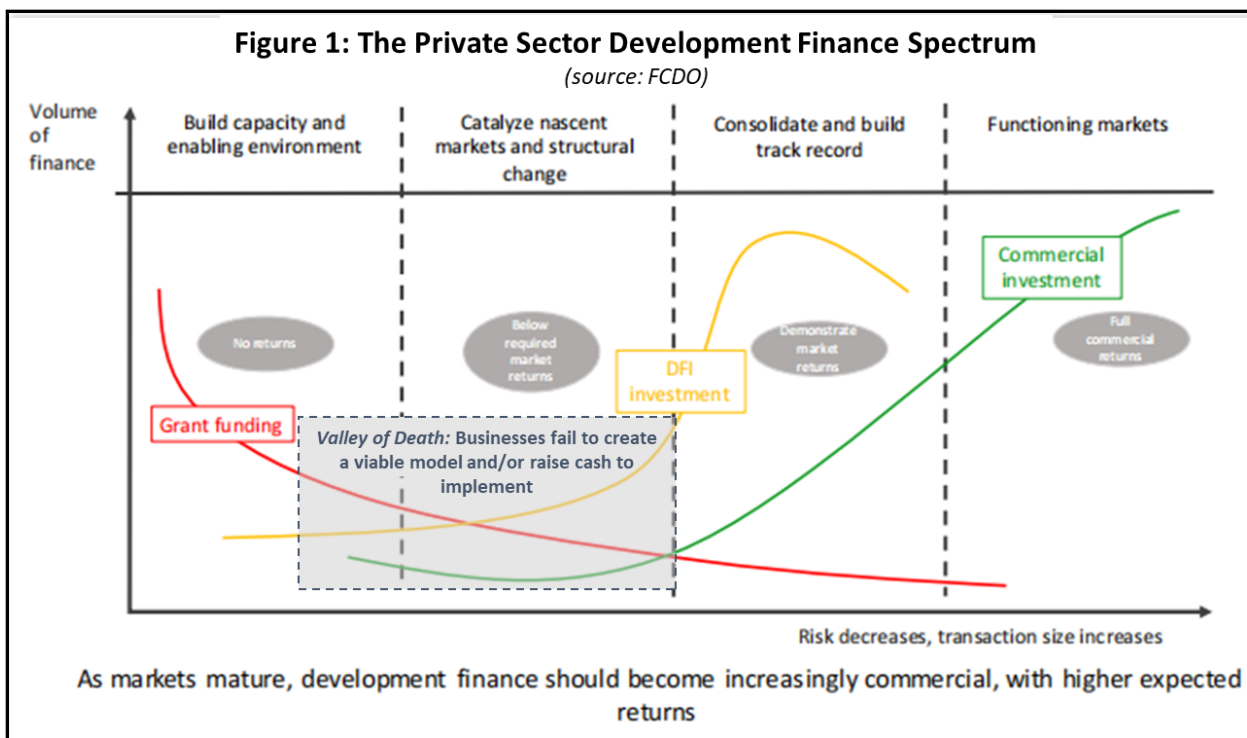
However, launching new climate-smart businesses that provide affordable solutions for the poor is particularly difficult in developing countries, where companies face the dual challenges of the valley of death and operating in economies with structural inefficiencies. The valley of death can be described as the gap between early pre-seed grant funding and development financial institution (DFI) and commercial investment, as shown in Figure 1. Meanwhile, structural inefficiencies in developing countries due to the informal sector, regulatory hurdles, trade and monetary barriers and inconsistencies in the rule of law make starting innovative new businesses extremely challenging.

Given the structural barriers for investors, there is a need to support businesses in developing countries that can contribute to climate adaptation and mitigation and development and enable investments to support in-country transitions. An important step forward is to bring policymakers and the private sector together to identify transformative models, bring them to investment readiness and attract investors. Recent developments also include responsible business conduct and environment, social and governance (ESG) reporting for large companies. These new reporting requirements will also influence the private sector in developing countries in terms of access to markets and value chains.

2.1. Problem Analysis

To grow the number of climate-smart businesses in ODA-eligible countries, tools and processes are needed to enable the successful transition of those entrepreneurs from concept to early stage and through the valley of death to become mainstreamed in the marketplace. This requires investors from DFIs and private-sector investment (PSI) to shift from the larger ticket size and lower risk profile represented on the right side of Figure 1, and into the middle where the valley of death causes many nascent businesses to fail.

While DFI and PSI investment is available to reduce the finance gap, it is not flowing to developing-country climate and development projects in sufficient amounts to address the scale of implementation required and outlined in national plans on climate action and SDG implementation. This is because of the low number of investable businesses and the high level of risks involved in investing in these regions and sectors. This is particularly the case for LMICs. Globally, approximately USD 4.2 trillion¹⁴ in PSI is needed to fill the SDG



financing gap, USD 2.5 trillion of which remains unmet. Official Development Assistance (ODA) has the potential to be a source of funding for high risk and low- to no-return projects in LMIC/LDC countries. However, only about 1–2% of ODA is used to leverage PSI, while over 94% flows into more traditional grant mechanisms¹⁵.

P4G’s analysis of the research into these challenges identifies high-level problems that constrain investment¹⁶.

1. There is a **lack of investor-ready deals** and support for these solutions because entrepreneurs often do not have the capacity internally (skills, financial resources, technical expertise) to commercialise their business model to access funding¹⁷. An underlying cause is that capacity building at the investee level is

¹⁴ <https://www.oecd.org/dev/OECD-UNDP-Scoping-Note-Closing-SDG-Financing-Gap-COVID-19-era.pdf>.

¹⁵ 2021 TPI report “Financing green growth: Challenges and Opportunities in the use of ODA, Partnership for Green Growth P4G.”

¹⁶ 2021 TPI report, “Financing green growth: Challenges and Opportunities in the use of ODA, Partnership for Green Growth P4G.”

¹⁷ 2021 TPI report, “Financing green growth: Challenges and Opportunities in the use of ODA, Partnership for Green Growth P4G.”

fragmented, and businesses are not ready for the due diligence necessary for investment. This is a challenge because financial institutions look for teams with experience, and a lack of experts increases the costs of setting up and running businesses.

2. **Known investment risks remain unaddressed** and the **supporting institutional and political environment is not conducive** to addressing these challenges. Investors will not invest in businesses functioning in countries that have weak enabling environments in that relevant sector, and there is a need to work with governments to fill this gap. Through its policies and regulatory frameworks, government can mitigate the risk of investment and give confidence to investors while at the same time implementing their national plans on climate change and SDG implementation.
3. **Lack of alignment between global capital and local markets.** This lack of connectivity between businesses and capital is demonstrated by the fact that investment capital is not getting deployed to early stage businesses in LMICs in sectors that can aid in-country transitions. This misalignment at country level exists among investors, investees, donors and national development plans. This alignment can be tackled by helping businesses in priority sectors in countries get investment ready and leveraging government stakeholders to create the required enabling systems and provide confidence to investors. This lack of alignment is exacerbated if relevant knowledge and lessons learned are not collected and shared at a high level and at a technical level. At a high level, this contributes to influencing policymakers' engagement for in-country transitions, deepens South-South learning and shares examples of investable pipelines with investors. At the technical-level, learning helps build the capacity of others operating in similar sectors and regions.

These high-level problems of inequality, or unequal access to finance, affect large parts of the populations in developing countries, and are reflected from a poverty perspective in the concept of "multidimensional poverty".¹⁸ The concept operates within the four dimensions of poverty and goes beyond poverty as merely a question of income and includes: a) lack of resources b) lack of opportunities and choices (long-term planning), c) lack of voice and influence and d) personal security. The above-mentioned high-level challenges 1-3 that limit the flow of capital are mirrored in and directly linked to multidimensional poverty. By addressing the restriction of capital at a high level, programmes such as P4G can deliver important results in poverty reduction. The How-to Note on poverty alleviation states that "there may be circumstances without a need to demonstrate that a project has a direct impact in favour of the very poorest. It might make more sense in the context to create jobs for a greater number of people who are relatively less poor"¹⁹. This understanding of poverty resonates with P4G, where the logic is to create viable local businesses that can in turn provide basic services such as energy, water or food products that are more accessible and affordable for the poorest. P4G hereby mainly responds to questions of "resources" and "opportunities" in the first instances, but through the cooperation between businesses, NGOs and National Platforms also to questions of "voice and influence." Hence the P4G problem analysis is aligned with Danish concepts of poverty alleviation, as well as long-term international development goals and frameworks.

2.2 Policy and Strategic Framework

SDG implementation made up the overarching framework in the ODA-eligible countries in Phase 1, often in tandem with national development and climate plans. Synergies can be made, provided that under the overarching climate umbrella, the SDG focus of P4G is coherent with the national focus.

P4G will concentrate on fewer countries in Phase 2 to achieve better results in each country and support the development of a stronger evidence base to inform other countries and investors on how to adopt P4G best

¹⁸ See Approach note for implementation of "The world we share" Fighting poverty and inequality: <https://amg.um.dk/policies-and-strategies/how-to-notes-for-implementation-of-the-danish-strategy-for-development-cooperation>. How-to notes are guidelines developed by the Danish Ministry of Foreign Affairs for the implementation of Danish Development Cooperation and the "World We Share."

¹⁹ As above, see p.6.

practices. This will be based on government engagement and active private-sector involvement, WRI's presence (in the form of a country office and opportunity for high-level representation) and donor priority and presence. P4G will reduce the number of countries from eight to six ODA countries: Colombia, Ethiopia, Indonesia, Kenya, South Africa and Vietnam. While this concentration diminishes the presence in Latin America and Asia, the increased focus on Africa is in line with donor-country priorities in development cooperation. The non-ODA countries will remain the same.

In-country policy coherence is key to the success of P4G, and P4G priorities need to be aligned with climate and national SDG priorities as well as WRI capabilities in supporting P4G. With the ambition to achieve more results at the partnership level, the number of subsectors will be focused in Phase 2. In Phase 1, P4G partnerships worked across food, water, energy, cities and the circular economy. According to NPs and business partnership experiences within the individual SDG areas, Table 2 shows the three new focus SDGs in Phase 2 and the new priority subsectors for climate-related activities in the ODA-eligible partner countries. Adaptation and mitigation are both represented with the aim to phase up to equal representation, and the subsectors are closely aligned with national priorities:

Table 2: SDGs and Sub-Sector Priorities in P4G Countries

SDG	Priority Sub-Sectors	Colombia	Ethiopia	Indonesia	Kenya	South Africa	Vietnam	Adaptation	Mitigation
2: Zero Hunger	<ul style="list-style-type: none"> Climate-smart agriculture Food loss and waste 	x	x	x	x			x	x
6: Clean Water and Sanitation	<ul style="list-style-type: none"> Water resilience 		x		x	x		x	
7: Affordable and Clean Energy	<ul style="list-style-type: none"> Renewable energy Electric mobility 	x		x	x	x	x		x

The sectors above cover areas with services and products of significant importance for the poor, as basic needs are often related to energy, water and food. P4G civil society partners' core activities often relate to poverty alleviation, advocacy or support to local and grass-roots organisations. Through their work with businesses, they contribute to improved access to resources, opportunities and influence in line with the multidimensional poverty concept mentioned above. In this way, NGOs play a key role in connecting businesses to poverty alleviation and through their networks, businesses are able to offer relevant products and services to the poor as an integral part of the process to become investment-ready.

Donor country priorities

P4G Phase 2 is closely aligned to the Danish development policy "The World We Share," and the Danish Government's policy on climate change. It is also integrated with the priorities of the Netherlands ("Do What We Do Best") and the "3rd Mid-term Strategy for Development Cooperation (2021-2025)" of the Republic of Korea.

P4G is aligned with instruments related to the private sector and works with the Danish Investment Fund for Developing Countries (IFU) on the identification of investment opportunities to fill the investment gaps analysed above, initially in relation to the development of the CAIF investment facility. The P4G Hub is also working with the Danish NP State of Green and the Dutch NP RVO, which are closely aligned with P4G but also have separate portfolios of activities related to green growth. P4G furthermore collaborates with Danish embassies in countries, such as Kenya and Ethiopia on strategic sector cooperation, which largely aligns with Danish priorities in Phase 2 ODA-eligible countries. Denmark is committed to take lead on the achievement of

SDG 7 on energy transition and emission reductions in developing countries, and specifically aims to enable 5.8 million Africans to have access to energy through aid and private financing²⁰. The Danish Ministry of Foreign Affairs has also recently started a green partnerships initiative together with NGOs. For the Netherlands, P4G operates with priority countries under both trade, development cooperation, and the combination countries (aid and trade). Furthermore, P4G programme objective indicators are aligned with the Dutch Climate Results Framework with indicators for adaptation and mitigation²¹. For the Republic of Korea, P4G is aligned with country programmes in Colombia, Ethiopia, Indonesia and Vietnam. Table 3 shows the role of the prospective Phase 2 P4G ODA-eligible countries in the respective policy frameworks of the three donors:

Table 3: Donor Presence and Priorities for P4G ODA-Eligible Countries, Phase 2

Donor	The Netherlands			Denmark		The Republic of Korea
	Trade Priority	Development Cooperation	Combination (Aid+Trade)	Development Cooperation	Strategic Sector Cooperation	Development Cooperation
Colombia			x	x	x	x
Ethiopia		x		x	x	x
Indonesia	x		x	x	x	x
Kenya		x	x	x	x	
South Africa			x	x	x	
Vietnam	x		x	x	x	x

2.3. Gender and Diversity

The sectors selected for Phase 2 have a significant employment potential for women. This is in line with the Danish How-to-note on Employment, where employment creation is linked to gender equality as a priority to address women’s participation in economic activities.

Empowering women can have a transformative effect on their lives and that of their families while boosting the economic, development and social growth of a country. The economic empowerment²² of women increases productivity and income equality. Closing the gender gap and women’s economic empowerment is key to achieving the SDGs.

COVID-19 has exacerbated existing gender inequality, with women’s employment declining by 4.2%²³ globally. According to a 2021 policy brief²⁴ by the International Labor Organization (ILO), there were 13 million fewer women in employment in 2021 compared to 2019, while men’s employment recovered to pre-pandemic levels. A recent report by the World Economic Forum documents that economic participation for women remains either low or has stagnated during the period 2006 to 2020 and estimates that there will not be gender parity for another generation if these trends continue, despite all the positive developments that would be associated with such a change.

Women carry the highest burden across many of the sectors in which P4G works. These include less agricultural land ownership, suffering because of the lack of access to clean water and sanitation, and a finance gap²⁵ for women entrepreneurs particularly in developing countries. P4G has an opportunity to build

²⁰ See “The World We Share” and “How-to Note on Climate Adaptation, Nature and Environment”

²¹ Climate results framework and one-pager, Netherlands Globate Climate Strategy.

²² <https://www.unwomen.org/en/what-we-do/economic-empowerment/facts-and-figures>.

²³ https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_813449/lang--en/index.htm.

²⁴ https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_813449/lang--en/index.htm.

²⁵

https://www.ifc.org/wps/wcm/connect/news_ext_content/ifc_external_corporate_site/news+and+events/news/bridging-gender-gap.

green and inclusive businesses that can empower women and contribute to gender and income equality. P4G recognizes the importance of gender equality, and a cornerstone of the programme will be to have a positive impact on sustained economic and development growth for women. This will be reflected in the partnership application criteria and process and the content of knowledge products. Additionally, P4G's results framework will have specific gender-based targets as part of its output, outcome and impact indicators.

P4G will take the following actions to ensure that its partnerships progress gender equality in a meaningful and measurable way:

- As part of the partnership evaluation criteria, partnerships will be required to work their way to meeting the 2X Gender Challenge²⁶ criteria of entrepreneurship, leadership, employment, or consumption. This will be monitored as part of P4G's results framework.
- As part of the selection process, partnerships will be required to show positive quantifiable impact that improves the well-being of people with the expectation of a contribution to gender equity.
- Partnerships' knowledge products will include gender equity observations and updates based on their work and lessons learned.
- Data and indicators will be disaggregated by gender wherever possible. Minimally this will include jobs and number of people benefitted.

Using the guiding principle of "Leave No One Behind²⁷," all partnerships funded will be required to indicate how they will incorporate the United Nations 2030 Universal Values of international human rights standards, equality and nondiscrimination. Partnerships will need to ensure that their activities will be implemented in accordance with international human rights laws²⁸, eliminating gender inequalities and all forms of discrimination, and reaching out to those that are farthest behind first. All partnerships will be required to attest that they are committed to responsible business conduct by integrating into their operations' human rights, labor rights, environmental concerns and anti-corruption concerns based on adherence to global standards and core strategies. The UNGC 10 Principles²⁹ embody these points, and partnerships will be required to work in accordance with these principles.

2.4 Justification of Programme Design

Building on the learnings from Phase 1, P4G will in Phase 2 work with a model that will make businesses investment-ready, contribute to improving enabling systems, and share lessons learned to support country transitions in food, water and energy systems. This is reflected in the new approach of P4G for Phase 2:

1. **Partnerships:** P4G closely aligns the climate and SDG priorities of ODA-eligible countries into the selection process for partnerships. P4G partnerships' work should directly contribute to the climate priorities of that country, with each partnership required to include at least one principal climate marker. P4G will collaborate with a broad group of in-country stakeholders, including National Platforms and WRI in-country teams, to originate partner applicants and develop a pipeline of local partnerships. Partnerships funded will be supported to become investment ready through grants and technical assistance, including due diligence and gap analysis of partnership business models, political engagement for contributing to enabling systems, matchmaking sessions, knowledge mobilization and communication. Technical support will be provided through the grants and the P4G Hub. Partnerships will use their grants for a specific set of activities that will help them become investment ready, with the Hub providing an additional layer of support. The revised eligibility and selection criteria and the sector focus allow for concentrated support with fewer partnerships, compared to Phase 1.

²⁶ <https://www.2xchallenge.org/criteria>.

²⁷ <https://unsdg.un.org/2030-agenda/universal-values/leave-no-one-behind>.

²⁸ <https://unsdg.un.org/2030-agenda/strengthening-international-human-rights>.

²⁹ <https://unglobalcompact.org/what-is-gc/mission/principles>.

2. **National Platforms:** In Phase 1, NPs wanted to engage more deeply in the origination, evaluation and support of partnerships but were constrained because of limited resources and the large sectoral focus of the program. Additionally, the roles of donor embassies and NPs could have been better defined and leveraged. In Phase 2, with increased coordination, sectoral focus and capacity support, both donor and ODA-eligible partner country NPs will engage in the origination and evaluation of partnerships, support the partnerships' efforts to improve enabling systems, include donor embassies and WRI in the acceleration of partnerships including to provide access to business partners and value chains, and support business matchmaking engagements.
3. **Knowledge mobilisation:** In Phase 1, P4G's knowledge mobilisation strategy was not integrated with a MEL approach, which led to a lack of cohesion and consolidation of learnings that could be shared with wider stakeholder groups. In Phase 2, P4G's knowledge mobilisation strategy will contribute to **investment-readiness, improving enabling systems and the promotion of solutions and lessons learned to influence in-country transitions** by engaging high-level stakeholders in the public and private sector. This will be accomplished through knowledge sharing (incorporating MEL best practices) of partnerships' lessons learned and successes; focused engagements with NP networks in-country; and sharing lessons learned at global events to influence in-country transitions in P4G countries and beyond.

NGO, business and National Platforms operate with different constituencies, and reflect different mindsets, so effective cooperation can have a significant effect, particularly when it is carried out in a specific sector. These effects can be reflected in terms of both relevance, efficiency and effectiveness, and to the extent that the cooperation is institutionalised, also in terms of impact and sustainability.

The proposed introduction of intermediary investment facilities by DFIs and other similar actors provides a finance bridge for these partnerships to scale their operations. There will be some overlapping evaluation criteria between P4G and CAIF, the investment facility led by IFU, allowing for a more direct link for partnerships to potentially graduate to the facility. Through inclusion at workshops and events like the Summit, P4G will facilitate cross-learning opportunities with platforms and impact accelerators such as Danida Green Business Partnerships, Dutch Climate and Development Fund, The Private Infrastructure Development Group and Partnerships 4 Forests and work with them on originating and advancing partnerships.

Relevance: SDG and climate action programmes have come under significant pressure to act and deliver results on the ground that endure after grant funding stops. Many of P4G's SDG areas are responsible for most of the current climate emissions, but most of the ODA-eligible countries in which P4G works suffer the most impact while bearing less responsibility. These countries also represent the greatest opportunity for transformation due to the level of investment they require. New approaches to increase and sustain development and climate action results is aligned with the development cooperation strategies of Denmark, the Netherlands and the Republic of Korea and can add value to in-country activities based on the relations established in Phase 1.

Effectiveness: P4G achieved most of its desired programme-level outputs in Phase 1 in challenging circumstances caused by COVID-19, and the P4G Hub has worked in partnership with its donors to develop a stronger results framework for Phase 2. P4G's continued learning in Phase 2 will add knowledge to improvements in development aid effectiveness because P4G's hypothesis may prove that development results can be created, sustained and grown through an innovative public-private commercial approach.

Efficiency: The Hub has revised the partnership selection process and reporting requirements to reflect increasing expectations for enduring success and identified deeper collaboration and capacity building with National Platforms and WRI. The Hub will hire staff in-country with the skills to accelerate partnerships and support NPs. It will have dedicated MEL staff to lead an adaptive learning strategy and an upskilled operations team for effective contract approval and management. It will focus on priority subsectors in its 6 ODA-eligible countries and will be supported by the business networks of the donor NPs in the food, water and energy sectors that will help businesses become investment-ready faster. These NPs are contributing their own budgets and staff to support P4G activities, increasing the efficiency P4G to deliver results. The Hub will

develop with the Steering Committee performance indicator targets for the process between partnership selection to funding approval and report on these to the Steering Committee.

Coherence: P4G will ensure alignment with in-country priorities and activities through its collaboration with NPs and engagement with the Danish, Dutch and Republic of Korea embassies in P4G ODA-eligible partner countries and with WRI's global and local teams. Additionally, P4G will work with its network to identify synergies with knowledge-sharing opportunities that directly contribute to P4G partnerships' investment readiness, including working with DFIs and the investment facility to enable partnership sustainability.

Impact: Impact potential is part of the evaluation criteria when reviewing partnership applications. P4G will accelerate partnerships so they can deliver partnership-level change and share inputs on changes in the enabling systems that can be shared widely through P4G's knowledge mobilisation. This potential is measured through an assessment of their results framework and M&E indicators. P4G's partnerships will work in subsectors across food, water and energy and will address both climate mitigation and adaptation. Within this climate focus, there are synergies to support the conservation of biodiversity more specifically through nature-based solutions implemented by specific P4G partnerships. Food and agriculture partnerships with agroforestry solutions can contribute to healthier ecosystems and a more resilient food system. This aligns with WRI's strategy and its focus on nature as a pillar that includes nature-based solutions that contribute to halting the loss of biodiversity. Moreover, the selected focus sectors have a clear impact on poverty reduction.

Sustainability: When partnerships become financially sustainable, they can continue to deliver development and climate results after their grant funding period has ended. Through the improvement of enabling systems and implementation of knowledge-sharing activities, more green and inclusive business models can be scaled in P4G's partner countries and other developing countries, including with explicit support from P4G's Global Advisory Council. When NPs advance to successive stages of maturity in their life cycles, the NP can evolve into supporting additional climate impact programmes to enable investments beyond P4G partnerships.

Additionality: P4G is filling a gap to help businesses in developing countries become investment ready to contribute to in-country transitions. P4G is also building the capacity of its ODA-eligible NPs to continue this work by enhancing policy environments for green growth. Additionality is part of the evaluation criteria where the partnership's area of work or composition contributes a result that directly helps implement national plans on climate change and SDGs. 100% financial additionality is expected as early-stage projects in emerging and developing markets are generally not able to attract development or private capital.

3. Programme Objective and Outcomes

P4G contributes to green and inclusive growth in developing countries by helping businesses become investment ready and supporting country climate transitions in food, water and energy systems.

P4G's three outcomes will contribute to the programme objective:

Outcome 1: Businesses supported by P4G **become investment ready**.

Outcome 2: Government and private-sector leaders contribute **to improving the green-growth enabling systems** based on inputs by P4G partnerships.

Outcome 3: Knowledge mobilisation (incorporating MEL) engages knowledge partner stakeholders³⁰ who can **influence enabling systems and country transitions** in food, water and energy systems.

At a programme level, the financing of partnerships will contribute to climate and environmental objectives. This means that all approved partnership projects should have climate change mitigation and adaptation as a principal objective as determined by the Rio markers. Given the sector focus and the momentum from Phase 1 partnerships which were mitigation heavy, it is expected that the contributions to adaptation will start at

³⁰ Policymakers in current and former P4G country partners, non-P4G partner countries with similar subsector priorities and climate ambition, investors, businesses and NGOs.

35% and go up to 50%, and the balance will be in mitigation. All partnerships must also integrate inclusive economic growth, poverty reduction and gender equity as key objectives.

As a result of the business partnerships, it is expected that there will be a direct effect in terms of, for example: CO₂ emissions (mitigation) and numbers of vulnerable groups or individuals positively affected (adaptation) as indicated by the programme objective indicators and the theory of change model presented below.

Key approach and activities to support the outcomes

P4G's key activities and outputs have been intentionally designed to be symbiotic and contribute to all three programmatic outcomes. For example, Capacity building support to NPs will strengthen efforts to originate and support strong partnerships that can become investable; and knowledge mobilization activities will be based on partnerships' learning and will support NPs efforts to contribute to in-country climate transitions. Additionally, the collaboration with IFU and other investors, help P4G contribute to reducing the missing middle in climate finance and become a prospective pipeline partner for CAIF and other such facilities.

Workstream 1: Partnerships

P4G will develop a larger pipeline of investment-worthy businesses that are able to connect to investors. They will be supported in their development by a partnership that comprises an NGO and a commercial partner. The NGO partner must have local offices and its role will be to support the partnership in its journey to commercialization with training, technical assistance and associated support, as well as the connections into the target customer group. Each partnership must be formed for the purpose of enabling the core business to become investment-ready and include an element of policy or regulatory work which would enable the underlying business model to flourish. Phase 1 P4G partnerships can still continue their work.

Eligibility criteria have been streamlined to reflect the requirements for the business to meet the development and climate objectives that they have specified in their impact measurement mechanisms, structured as their results frameworks. The 10 eligibility criteria are as follows with full definitions for each included in Annex 4.

Sectors and country alignment; Partnership composition; Investability; Track record; Additionality; Impact; Cost share; Responsible business conduct; Enabling environment; and Due Diligence.

The early-stage businesses partner must be registered or intending to register in the P4G country of implementation. The lead NGO, who will be the administrative partner, should be registered in-country and/or include an NGO partner who is registered in country. Individual grants will range from USD 100,000 up to 500,000 with the possibility of repeat funding up to USD 1 million³¹. The grant period of performance will be between 18 and 24 months. Partnerships may be eligible for a second round of grants and/or extensions in their funding period for a maximum of 12 additional months, subject to progress made and available funding. An abbreviated application process will be followed for partnerships getting refunded but will still require evaluation and approval by the Independent Grants Committee's (IGC).

Evaluation criteria have been modified to strike the right balance among business, development and climate. The new evaluation criteria include the following with the indicated weighting: a) 25% to the commercial business model (scalability/investable), b) 25% to the ability to deliver/leadership c) 20% to the contribution to improving the enabling environment and d) 30% to the climate and SDG related impact.

P4G will target a portfolio of approximately 15-30 partnership grantees³² per year for three years: 2023, 2024

³¹ Note that most impact accelerators and early-stage impact investors keep their investment under USD 1M, as most impact entrepreneurs at the start-up level cannot absorb additional capital until they reach the investability level. These include Acumen, ImagineH2O, the 100+ accelerator and others.

³² The total partnership fund available for Phase 2 partnerships is dependent on the final allocation of grant funds to partnerships implementing prior to 1 July 2023.

and 2025. The partnership fund will enable local early stage businesses to become investment ready and work with NPs to share input on enabling systems required to overcome market barriers.

P4G grant funding will be provided alongside a required cost share of 30% of the total P4G grant funding awarded, and can include other grants, operating capital or other monetary match that is not in kind. Partnership guidelines will be made available publicly. In consultation with the Ministry of Foreign Affairs, Netherlands it was determined that since partnerships will execute all or most of their activities outside the European market, this strongly diminishes the risk of providing EU state aid.

The Hub, assisted by independent experts, as needed, will assess and score each application that moves beyond initial screening. All NPs, both ODA as well as donor country NPs, will be provided with finalist information for their country and asked to provide feedback, which will then be included in the final consideration of each partnership. The IGC will review and approve a final list of partnerships for funding.

As part of realizing outcome 1, P4G will have a dedicated MEL staff person to further strengthen the program's framework and to integrate MEL practices in partnerships' activities, including reviewing workplans, developing guidelines for annual site visits, aligning partnerships' knowledge products and their results frameworks with P4G's.

Key activities:

- **Origination and pipeline development** will be led by P4G's in-country staff alongside ODA-eligible country NPs, donor NPs, embassies and other key stakeholders. **The selection process** will be governed by an updated set of publicly posted guidelines which will include submission requirements and criteria related to the business and its investability and impact, as well as the technical and financial analysis that P4G will conduct to make its final recommendation to the IGC. The IGC will be the final decision-makers regarding the partnerships to be funded by P4G.
- **The award of grants to partnerships** includes full organizational due diligence (on-site and desk) as well as budget, scope and contract negotiations. **Technical assistance** will include stakeholder events, partnership investment readiness, mentoring or advice, training and business matchmaking.
- **Grant administration and MEL** will be the work of the entire P4G team, with specialist staff expertise located in our partner countries.

Workstream 2: National Platforms

NPs comprising government and private sector leaders are an important element in P4G's theory of change and a delivery model for advancing P4G partnerships and scaling their results in P4G ODA-eligible partner countries.

NPs will (a) engage in the origination and evaluation of partnerships involving in-country early-stage businesses that are aligned with their national plans for SDG and climate-related green economic growth; (b) concentrate on two priority sectors per country and support the partnerships' efforts to improve enabling systems; (c) include donor embassies and WRI global and local teams in the acceleration of partnerships, including to provide access to business partners and value chains; and (d) support business matchmaking engagements and access to potential investors to create the links among innovative business models, investors and potential change in enabling environments.

National Platform Capacity Building in ODA-Eligible Partner Countries in Phase 2

1. In-country consultants for partnership origination and coordination with NPs
2. Training on partnership selection process and eligibility criteria
3. Regular meetings between partnerships and NPs
4. Bi-annual updates on partnership progress
5. Global NP gathering

While partnerships can identify the barriers to scaling, develop recommendations to improve the enabling systems and conduct targeted engagement with the relevant authorities, the NPs can legitimize the partnership's work and findings, participate in policy workshops and facilitate connections to relevant

authorities. In Phase 2, P4G will enhance the capacity of NPs and work with them to proactively develop and support the implementation of annual implementation plans. P4G will also engage with the donor country NPs and their embassies where their programme priorities and resources can support the improvement of enabling systems.

In addition to supporting the origination and implementation of partnerships, the NPs of the P4G donor countries will also strengthen cooperation between countries, and support capacity building and knowledge sharing between NPs. The donor country NPs will participate in the origination of partnerships that can benefit from the expertise, technology solutions and linkages to donor country private sector networks.

They can help advance and scale P4G partnerships through a range of activities including connecting partnerships to other bilateral support programmes in country, and other sources of international development finance. In collaboration with the donor NPs, this coordinated approach will add greater value to the partnerships and contribute to P4G's programmatic outcomes.

P4G's MEL approach in Phase 2, will extend to the monitoring and evaluation of its NP activities and will enable the Hub to provide more tailored support to NPs.

Key activities:

- Capacity building and resource support to NPs, through in-country NP liaisons, workshops and knowledge sharing
- Strengthen NP support to partnerships to become investment ready and improve enabling systems through business matchmaking, investor sessions, sectoral workshops and engagement with decision-makers
- Implementation and evaluation of progress of annual plans for ODA-eligible NPs, and regular coordination with donor NPs

Workstream 3: Knowledge mobilisation

P4G's knowledge mobilisation workstream is a cross-cutting one that contributes to the initiative's three outcomes. By integrating its MEL approach into its communications strategy, knowledge mobilisation will contribute to partnerships' and NPs' outcomes and P4G's ability to share lessons learned with relevant stakeholders to influence in-country transitions in P4G countries and beyond. Working across multiple countries in focus subsectors allows P4G to collect and disseminate lessons learned that can be applicable across P4G partner countries and others working in similar sectors and frameworks.

P4G's communications will be designed around knowledge mobilisation that leverages ongoing NP and partnership workshops, the P4G Summit, participation in COP, and P4G, WRI and other stakeholder digital platforms to amplify partnership successes, learning and knowledge products. Communications will be designed to reach specific stakeholders at the national level and global level. P4G will share information on its pipeline and investment-ready partnerships with investors. It will also leverage global events like the Summit and COP for fundraising. Through media outreach, newsletters and its digital channels, P4G will share lessons learned from its approach and knowledge products and elevate partnerships and its brand.

Improvements to enabling systems can include a wide variety of actions ranging from regulatory interpretations and tariff reform to legislative reforms. Here are two examples:

The ChargeUp partnership developed a policy report identifying key actions that would accelerate the buildout of charging infrastructure for electric vehicles in Kenya, including reducing electricity tariffs for charging, waiving import duties, excise duties and value-added tax for EV and related charging equipment and providing for EV charging stations in city planning rules and building codes. The NP has participated in policy workshops hosted by the partnership.

The Refill Revolution partnership supported policy engagement on the circular economy in Mexico City. In 2023, the Congress of Mexico City approved a law on the circular economy, highlighted as the first national regulation that comprehensively proposes the transition towards a sustainable economic model.

In Phase 2, P4G Summits will be held biennially and designed as global moments to showcase P4G partnerships, facilitate a learning exchange on solutions for in-country transitions, and engage high-level stakeholders who can use P4G's approach to enable green transitions. Colombia will host the 2023 P4G Summit. The 2025 Summit could be held in a P4G partner country with an in-country Summit being dependent on additional P4G funding or on the sidelines of UNGA.

P4G's knowledge mobilisation approach is aligned with and contributes to WRI's new strategy to facilitate in-country transitions through robust partnerships, build a culture of in-country learning and strengthen its planning, monitoring, evaluation and learning capacity intertwined with a robust communications strategy.

Key activities:

- Publish and disseminate country-focused knowledge products on priority sectors in collaboration with NPs, WRI and partnerships
- Coordinate Hub inputs and partnerships' learning in biennial Summits and global events
- Elevate partnerships' visibility through digital and traditional media

4. Theory of Change and Key Assumptions

The transition to a better world for people, climate and nature requires many shifts. Developing regions and countries have the greatest financing and policy needs to make these shifts. P4G's theory of change is built to address the global context and specific problem for which P4G aims to be a potential solution.

There are examples of climate finance reaching green and inclusive businesses in LMICs. But there is no systematic approach that brings together the right stakeholders to help local early stage businesses in focus sectors in these countries become investment ready, while also contributing to improving enabling systems and sharing the lessons learned for wider adoption. P4G's approach brings these three parts together in a model that focuses on enabling climate investments for in-country transitions. By working in six ODA-eligible countries across Africa, Asia and Latin America on climate solutions that focus on subsectors of food, water and energy, P4G retains a balance of focus to deliver results and a large enough group to gather and mobilise lessons learned to benefit stakeholders in a wider set of countries.

P4G enables investments for in-country transitions by helping early stage businesses become investment ready through acceleration. These businesses are supported in their journey by the working in partnership with NGOs with strong local context and expertise. It engages with its partner country governments, the private sector, investors and NGOs to build investment-ready pipelines in priority subsectors. It leverages WRI's global and in-country expertise and engagements to enhance all the components of acceleration and influence climate finance flows for in-country transitions in LMICs.

The businesses that P4G accelerates operate through partnerships and can attract investments for in-country transitions that can deliver ultimate long-term impacts, including social and environmental benefits such as poverty reduction, gender equity, better jobs and reduced emissions. See Figure 2.

P4G comprises three donor countries with their NPs, six ODA-eligible countries with their NPs, partnerships, the Hub and governance bodies. The overall theory of change of P4G is that

If

- an active pipeline of P4G partnership applicants is developed and receives feedback and advice from donor and ODA-eligible NPs during P4G's origination and selection processes;

- P4G selected partnerships have the right business and NGO partner and receive funding and technical assistance to enable the business to be prepared to seek investors, participate in enabling systems dialogues and demonstrate their ability to have a positive climate and development impact;
- the businesses and NGOs have strong and clearly defined roles to help the businesses get investment ready and contribute to enabling systems;
- ODA-eligible NPs update their implementation plans and make progress on them each year;
- Donor country NPs contribute the expertise and technology solutions of their networks and involve donor country finance, businesses and NGOs in supporting partnerships;
- NPs and partnerships participate in sector-specific workshops and collaborate to improve the enabling systems of priority subsectors in partner countries;
- NPs share lessons learned during global NP gatherings each year;
- Relevant sectoral, partnership or programme-related knowledge products are developed and disseminated to the relevant stakeholders; and
- P4G participates or organizes global events that include relevant stakeholders,

Then

- the businesses supported by P4G can become investment ready and identify potential investors;
- governments and the private sector contribute to improving the green-growth enabling systems based on inputs by P4G partnerships; and
- a knowledge mobilisation strategy (incorporating MEL) can engage key stakeholders who can influence enabling systems and transitions in food, water and energy systems in P4G countries and beyond.

This leads to

- carbon emissions reduced or avoided (climate mitigation), and/or other climate mitigation or adaptation positive impacts to be realized;
- increased numbers of jobs in ODA-eligible countries in P4G focus subsectors (disaggregated by gender);
- increased numbers of individuals positively affected because of more resilience or climate-adaptation solutions, access to services and improved livelihoods (disaggregated by gender);
- more partnerships complying with Gender 2X criteria; and
- increased numbers of businesses who receive investor commitments to support in-country climate transitions in ODA-eligible countries.

This is because of

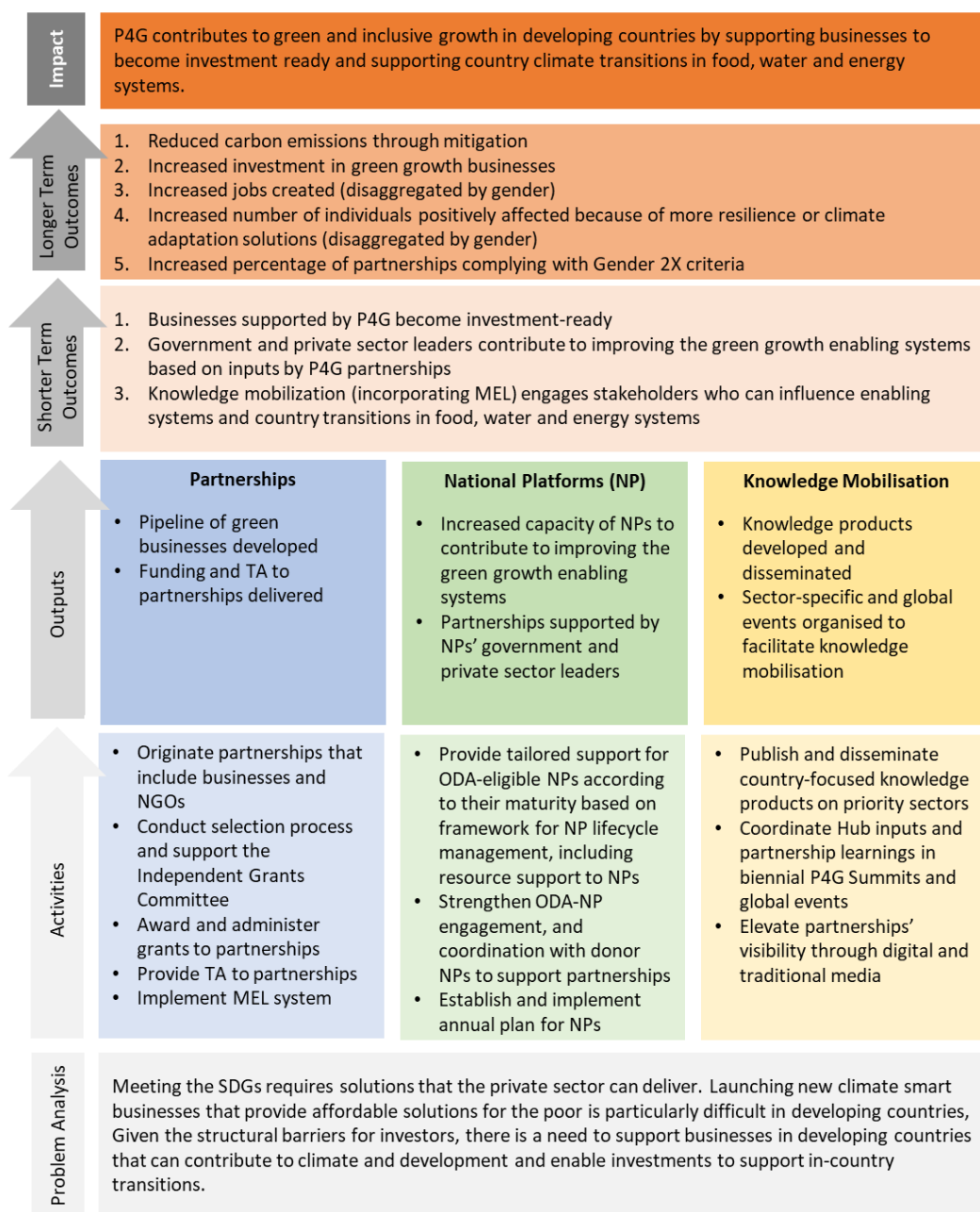
- an increased pipeline of investment-ready businesses at the intersection of people and climate;
- coordinated work between the partnerships, NPs (donor and ODA-eligible), and the Hub to address key challenges and opportunities in each country and sector;
- intentional learning collected and shared with relevant stakeholders to influence their engagement with partnerships and enabling systems; and
- WRI's technical expertise and high-level stakeholder convening power.

Assumptions

- Grants and technical assistance are essential for businesses to become investment ready in high-risk contexts or countries.
- Partnerships and the Hub contribute analyses and lessons learned to improve the enabling systems.
- Partnerships have links to donor and ODA-eligible country climate, development and trade activities.
- NPs have the resources, such as designated co-chairs and focal points and committed time, for them to participate in P4G activities.

- NPs remain committed to implementing their National Action Implementation Plans, which include activities to contribute to enabling environments.
- NPs remain engaged with partnerships.
- Investors are interested and willing to take risks in P4G countries and subsectors but can also be influenced by externalities outside of P4G’s interventions (e.g., foreign currency exchange risks and trade-offs on investing in lower cost countries or sectors).
- High-level stakeholders³³ engage with P4G to share knowledge and take actions to influence inclusive finance flows.
- Businesses supported by P4G will scale to a level where their impacts on climate mitigation and adaptation can be measured and attributed to P4G’s intervention.

Figure 2: Phase 2 Theory of Change



³³ Policymakers in current and former P4G country partners, non-P4G partner countries with similar subsector priorities and climate ambition, investors, businesses and NGOs

5. Results Framework

While the objective and outcomes in P4G’s results framework will not change during the period of implementation, the outputs are subject to periodic adjustments pending an annual review of the framework and its indicators in line with “Doing Development Differently.” This will allow for P4G as a programme to be adaptive and respond with flexibility to evolving contexts while still undertaking activities that will lead to successful programme outcomes. Adaptability will be reflected in learning processes, especially regarding issues such as: Partnership funding to guide the process of focusing on the right type and number of businesses, transition phases for National Platforms, and how knowledge products, engagement of decision-makers and emerging enabling system changes are connected.

Where applicable, the 2023 baseline indicators for P4G’s Phase 2 results framework include the results of any Phase 1 partnerships that will carry over into Phase 2. Results from any Phase 1 indicators that are included in the Phase 2 results framework will be calculated from July 1, 2023, to get an accurate picture of the attribution to P4G Phase 2 from July 2023 – December 2027.

A full results framework is included in Annex 3: P4G Phase 2 Theory of Change and Results Framework

Programme	Partnering for Green Growth and the Global Goals 2030 (P4G)	
Programme Objective	P4G contributes to green and inclusive growth in developing countries by helping businesses to become investment ready and supporting country climate transitions in food, water and energy systems.	
Impact Indicator	<ol style="list-style-type: none"> 1. Carbon emissions reduced or avoided projected to 2030 metric tons of carbon dioxide equivalent (MT CO₂e) 2. Number of business partners who receive investor commitments 3. Number of jobs created (disaggregated by gender) 4. Number of individuals positively affected, with greater climate resilience or adaptation solutions by P4G (disaggregated by gender) 5. Percentage of partnerships complying with Gender 2X criteria 	
Baseline and Target ³⁴	Year 2023 <ol style="list-style-type: none"> 1. 0 MT CO₂e 2. 0 investor commitments 3. 0 jobs created 4. 0 5. 0³⁵ 	Year 2027 <ol style="list-style-type: none"> 1. 3,000,000 MT CO₂e 2. 20 investor commitments 3. 1,000 jobs created 4. 500,000 5. 100%

Title 1	Partnerships grants and technical assistance
Outcome 1	Businesses supported by P4G become investment ready.
Outcome indicators	<ol style="list-style-type: none"> 1. Percent of businesses generating revenue during P4G’s programme period (cumulative) 2. Number of businesses that have prepared and presented investor materials (cumulative) 3. Amount of resources mobilised (equity investment, debt, or additional grant funding to further the scale of the business lending towards future equity or debt investments) by business during P4G’s programme period

³⁴ Many of these indicator targets are reliant on the implementation results of relatively young, early-stage businesses. P4G’s Phase 1 results were driven by just 7% of the partnerships that were very high achieving. Therefore, in Phase 2, P4G is making the conservative assumption that there will be some partnerships that realize low to no impact metrics, a majority that achieve marginal or average performance, and 5% or less that could be very successful and realize high impacts.

³⁵ This is an approximation. P4G will include this question in our next partnerships annual survey to determine the actual percentage.

Baseline and Target	Year 2023	Year 2027
	1. 0	1. 45%
	2. 0	2. 25
	3. 0	3. USD 35 million

Title 2	P4G National Platforms	
Outcome 2	Government and private-sector leaders contribute to improving the green growth enabling systems based on inputs by P4G partnerships	
Outcome indicators	<ol style="list-style-type: none"> 1. Number of NPs that expand their work beyond P4G partnerships to enable greater green growth and investments³⁶ 2. Number of policy/regulatory interventions identified by partnerships in which NPs have engaged (cumulative) 	
Baseline and Target	Year 2023	Year 2027
	1. 0	1. 6
	2. 2	2. 18

Title 3	Knowledge Mobilisation	
Outcome 3	Knowledge mobilisation (incorporating MEL) engages knowledge partner stakeholders ³⁷ who can influence enabling systems and country transitions in food, water and energy systems	
Outcome indicators	<ol style="list-style-type: none"> 1. Number of stakeholders (policymakers in P4G countries, investors and entrepreneurs in P4G focus areas) who share (either online or at events) partnership or enabling systems learnings derived from P4G's knowledge products (cumulative) 2. Percent growth of increased knowledge among attendees of P4G sector-specific workshops on investment-ready businesses and enabling system requirements (disaggregated by sector) 	
Baseline and Target	Year 2023	Year 2027
	1. 30	1. 150
	2. 0	2. 5% annually in each sector

6. Budget

The total budget for this proposal (2023–2027) to achieve the three main outcomes, corresponding outputs and to award the Partnership Fund is USD 36,776,320 (DKK 253,222,245). This includes funding contributions of approximately USD-equivalent 25.7 million from Denmark (DKK 177 million), USD 9.8 million from the Netherlands, and USD 1.27 million from the Republic of Korea.³⁸

Funding will support partnership implementation in six countries (Colombia, Ethiopia, Indonesia, Kenya, South Africa and Vietnam) and includes a phase out period for three countries (Bangladesh, Chile and Mexico).

The total direct support to partnerships through grants is approximately USD 22.1 million (60%) and will support an estimated 55 new partnerships selected in Phase 2 and satisfy commitments to existing partnerships that will continue from Phase 1. WRI indirect costs are USD 2,539,625 (DKK 17,486,512), which

³⁶ This can include NPs convening sectoral workshops that involve an expanded set of relevant programs and stakeholders in addition to P4G partnerships; and NPs supporting efforts to seek additional climate finance to grow the market for climate solutions. The Hub will develop a rubric for this indicator to evaluate NPs, along the lines of Table 9 (in the National Platforms Phase 2 Strategy annex) which shows a Framework for life-cycle management of P4G ODA-eligible NPs.

³⁷ Policymakers in current and former P4G country partners, non-P4G partner countries with similar subsector priorities and climate ambition, investors, businesses and NGOs.

³⁸ The exact amount of the Republic of Korea contribution for the years 2024 to 2027 will be determined a year in advance.

is 7.42% of the total budget. This budget does not factor in the impacts, if any, on further no-cost extensions of Phase 1 funding or the allocation of any future funding. P4G has current ongoing discussions with the Republic of Korea about future funding to support and expand P4G activities. Phase 2 fundraising will continue to happen as part of program activities.

Financial reporting and auditing will be consolidated into one P4G programme report, which will include the funding of all donors and meet the requirements for financial reporting by all donors. All numbers reflected in this budget have been rounded to the nearest whole number with any variances due to rounding. Additional budget details on cost assumptions and staffing structure are included in Annex 8: Budget.

Table 4: P4G Phase 2 Budget

	Total Budget USD	Year 1 USD	Year 2 USD	Year 3 USD	Year 4 USD	Year 5 USD	Total Budget DKK
Output 1: Partnerships							
Output 1.1	1,637,148	369,332	406,101	422,969	343,642	95,104	11,272,535
Output 1.2	30,129,541	5,516,371	6,830,851	6,908,021	6,215,359	4,658,939	207,456,050
Output 2: National Platforms							
Output 2.1	1,907,537	420,543	423,563	437,079	451,272	175,080	13,134,286
Output 2.2	1,907,542	420,545	423,564	437,078	451,271	175,083	13,134,322
Output 3: Knowledge Mobilisation							
Output 3.1	715,142	223,813	99,336	227,699	106,450	57,844	4,924,085
Output 3.2	479,410	140,307	91,713	94,494	97,375	55,521	3,300,966
Total							
Total of all outputs	36,776,320	7,090,911	8,275,128	8,527,340	7,665,369	5,217,571	253,222,245
Direct Costs							
Contingency (max 10% of total direct cost excluding contingency)	-	-	-	-	-	-	-
Total direct cost	34,236,695	6,579,920	7,706,425	7,933,361	7,129,737	4,887,251	235,735,733
Indirect costs							
Administrative costs	2,539,625	510,991	568,703	593,979	535,632	330,320	17,486,512
Audit	-	-	-	-	-	-	-
Total indirect cost	2,539,625	510,991	568,703	593,979	535,632	330,320	17,486,512
Total							
Total budget	36,776,320	7,090,911	8,275,128	8,527,340	7,665,369	5,217,571	253,222,245

7. Institutional and Management Arrangement ³⁹

P4G's institutional setup brings together a powerful group of stakeholders comprising high-level government, finance and private-sector leaders. The Global Advisory Council and NPs connect P4G's approach and partnerships with the political and private-sector leadership within partner countries and globally. Together they form a platform designed to advance partnerships implementing green and inclusive business models into investment ready solutions and share learnings to contribute to increased growth. Not only does this approach drive investment into partnerships in emerging economies, but it also does so on the terms of the country partners and progresses country partners' climate and development priorities.

³⁹ Disclaimer: The final management setup will depend on approval in mid-2023 of the updated governance framework.

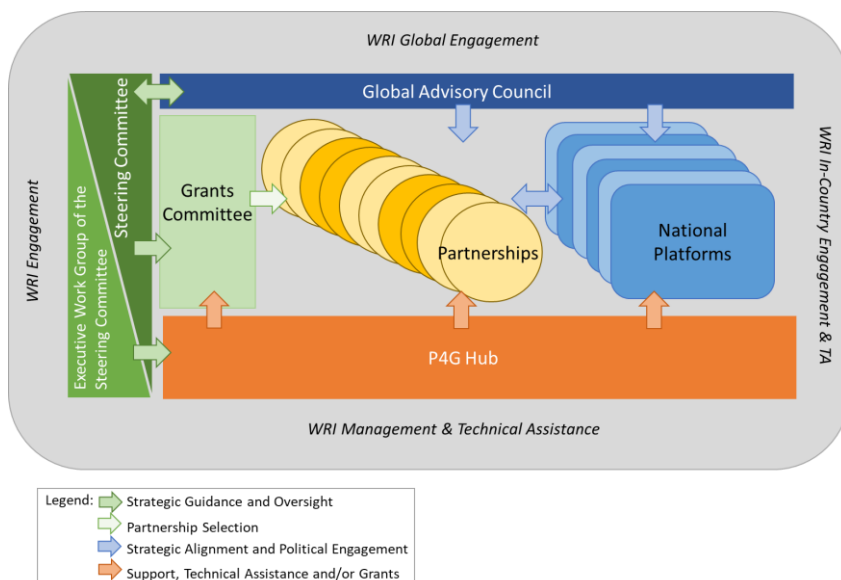
P4G is governed by a Steering Committee, an Executive Work Group of the Steering Committee and WRI. Each entity serves an important function to ensure effective oversight and implementation of P4G’s programme. Partnership grants are awarded by an Independent Grants Committee. Within WRI, the P4G Hub is responsible for managing, supporting and/or implementing all aspects of the programme.

Political Mobilisation

Global Advisory Council

In Phase 2, P4G will be advised by a Global Advisory Council comprising senior government, finance institutions and private-sector leaders from partner countries, NPs and global institutions committed to pursuing sustainable climate development. Key responsibilities of the Advisory Council will include reflection on the strategic direction of P4G, recognition and support for P4G partnerships and approach, and championing P4G successes and innovation, including outreach to potential new funders. The Advisory Council will be co-chaired by the WRI president and CEO and by the P4G Summit host. It will meet once a year on the margins of international climate or sustainable development conferences, such as the P4G Summit, UNFCCC COP and UNGA.

Figure 3: P4G Governance and Organization Chart



National Platforms

NPs are central to P4G’s delivery model in that they link P4G’s programme and partnerships with the partner country government, businesses and organizations committed to inclusive in-country transitions. NPs are to be co-chaired by both the public and private sector representing senior leadership of preminent institutions responsible for sustainable economic growth. NPs exist in the donor and the ODA-eligible countries.

The NPs are responsible for engaging in the origination and evaluation of partnerships; supporting the partnerships’ efforts to improve enabling systems; accelerating partnerships, including providing access to business partners and value chains; and supporting business matchmaking engagements and access to potential investors.

While each NP is tailored to the specific context of the country, in Phase 2 they will generally comprise a government co-chair to provide political leadership for the climate impact agenda, a private-sector co-chair to bring in private-sector perspective and engagement, persons acting as focal points who serve as primary contacts for the NP co-chairs, WRI in-country representatives, donor country embassies and sectoral and finance networks. NPs will be supported by in-country NP liaisons funded by the Hub.

Governance and Oversight

Steering Committee

The Steering Committee provides strategic input to the Hub, helps mobilise P4G’s network to advance and scale the impact and investment in P4G and its partnerships, ensures donor coordination, and champions P4G successes, including outreach to potentially new Advisory Council members. The Steering Committee approves members to the Advisory Council and Independent Grants Committee and amendments to programme implementation. The Steering Committee comprises senior representatives from each donor

organization and WRI. The Hub serves as the secretariat. It is convened by WRI and meets twice a year.

Executive Work Group of the Steering Committee

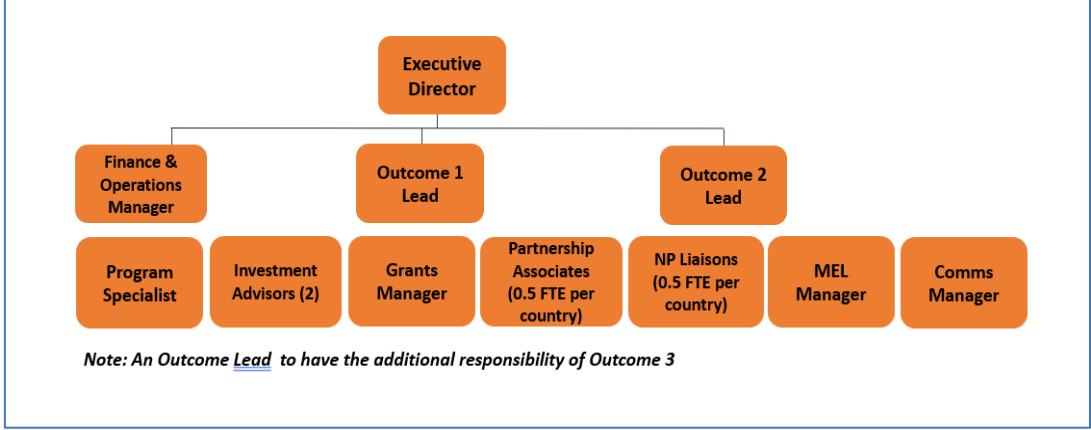
The Executive Work Group reports to the Steering Committee and is responsible for overseeing the effective implementation of P4G. The Work Group monitors the progress of P4G against its results framework, provides operational input to the Hub and approves annual work plans, budgets and annual reports. The Work Group comprises staff-level representatives of the Steering Committee and meets four times a year. The Hub serves as the secretariat.

P4G Hub and WRI

The P4G Hub is a programme unit within WRI and serves as the central coordinating and implementing unit for P4G’s activities. The Hub is directed by an Executive Director, who leads a lean, globally distributed team that carries out the three strategic interventions described in the Programme Objective section. The Hub coordinates and supports the inputs of various governing and programmatic groups—including the Global Advisory Council, Steering Committee, Executive Work Group, Independent Grants Committee, National Platforms in each country of implementation and each donor country to ensure that each has the relevant information in a timely manner to make informed decisions.

The Hub staff and consultants are decentralized, with a goal of maintaining at least 70% of staff based in P4G partner countries that are ODA-eligible. Due to the decentralised nature of the Hub, a strong remote management approach is used to create a common vision and

Figure 4: P4G Hub Organization Chart for Years 2024-2025



enable effective supervision, knowledge sharing and quality control. This includes regular all-team meetings, recurring programme coordination, regionally focused meetings and one-on-one check-ins. The Hub uses WRI’s online staff management platform, StandOut, to streamline team management. In addition, opportunities are sought out for regional team members to meet in person and for the entire team to share lessons learned with each other.

The organizational chart in Figure 4 represents staffing for calendars 2024 – 2025. As represented by staff size in Table 5 below, 2023 will be a period of reorganization and 2026 – 2027 will see staffing scale down as the program gears for a closeout. The numbers in Table 5 are indicative and may adjust over time based on program delivery needs, future funding and strategic decisions from the Steering Committee.

Table 5: Labor Planning in P4G Phase 2

Labor Planning	June 30, 2023	July 1, 2023	Jan 1, 2024	Jan 1, 2025	Jan 1, 2026	Jan 1, 2027	June 30, 2027
Full time employees	22	18	16	16	16	13	6

WRI senior management provides quality assurance for P4G’s delivery in accordance with the results framework. WRI’s global teams and its offices located in Colombia, Ethiopia, Indonesia and Kenya will supplement the Hub’s operations by providing financial and contracting services, in-country political and technical expertise, high-level convening power, knowledge mobilisation expertise and programme

administrative support (including information technology, legal and human resources).

P4G Partnership Grant Awards

Independent Grants Committee⁴⁰

The Independent Grants Committee (IGC) is a small, independent group of external experts responsible for approving new partnerships. The IGC will approve partnerships based on the Hub's assessment of proposals, NP recommendations, and the IGC's independent review of partnership proposals. It will use P4G's evaluation criteria and progress on the P4G results framework and ensure a balanced portfolio over time. The IGC will be appointed by the Steering Committee and will comprise three to five experts with strong backgrounds within the areas of development cooperation and finance, impact investment and climate and/or country expertise. Members will serve for two approval cycles, with opportunity for renewal. The IGC will meet one to two times a year, based on the P4G partnership selection cycle.

8. Financial Management, Monitoring and Learning

P4G will follow WRI institutional rules and procedures for financial management, planning and reporting procedures pertaining to (i) disbursements, (ii) partner procedures pertaining to financial management, (iii) procurement, (iv) work planning, (v) narrative progress reports and financial reports and (vi) accounting and auditing. Accounts and financial reporting will be kept and presented in DKK for Denmark and USD for the Republic of Korea and the Netherlands and be in accordance with WRI's best practices and standard operating procedures, which includes internationally accepted accounting principles. On an annual basis, P4G will assess its progress and outcomes achieved against the Theory of Change and Results Framework via partnership and programme-level monitoring and evaluation. All partnerships are required to submit audits at the end of their funding period. WRI will also provide oversight over program and partnership financial monitoring as part of the regular reporting cycles.

Programme Reporting

- In adherence with WRI's reporting requirements, low risk partnerships will report on their progress and financials twice a year. M&E data will be collected from each partnership on a biannual basis and will be included in the P4G Annual Report. P4G will develop and share partnership status update reports with P4G NPs twice a year to help advance learning. During the closure period of Phase 2, P4G through WRI will conduct a financial audit of the Phase 2 grant from the three donors.
- An annual report to the Steering Committee will provide a record of technical and financial progress against the results framework and annual work plan approved in the preceding year. The annual report will include lessons learned by the P4G Hub in pursuit of the outputs, outcomes and objective within P4G's results framework.
- A mid-term review will take place in mid-2025 in alignment with Denmark's requirements for funded programmes and can be utilized for all donors of P4G. The lessons learned from this review will be incorporated into the remaining term of Phase 2.

Programme Monitoring, Evaluation and Learning and Financial Monitoring: In Phase 2, the MEL system will be further developed to align monitoring and data collection with the results framework. The P4G Hub will design specific points within each partnership, platform and programme cycle to gather, monitor and measure learning, share lessons and adapt them as required. As part of its knowledge mobilisation team, the MEL system will also have a dedicated staff person to maintain a robust MEL approach and build capacity on the

⁴⁰ The role of the Independent Grants Committee in making partnership grant awards is further described in Annex 4: P4G Partnerships Selection, Management and Acceleration Strategy

team and in partnerships for the same. There is a significant lag effect between the change that partnerships and P4G are catalysing and when these results will be ultimately realized on the ground. P4G will monitor partnerships' workplan and financial reports over their funding period. The final outcome indicators will be verified and shared at the close of the programme period. P4G will require its partnership grantees to take the following measures so that it can monitor, evaluate and learn from its partnerships: (1) align the P4G's programmatic results framework with its programmatic level M&E indicators and (2) use globally accepted standards for ESG compliance to include the UNPRI framework and GIIN generally accepted indicators, which cut across many of the 120 standards. Explicit in this, because of requirements of the UNPRI and GIIN, is the use of International Aid Transparency Initiative, UN ILO, Leave No One Behind, gender and other standards to optimize the probabilities for positive results and adhering to the Do No Harm principle.

9. Risk Management

The main **contextual risks** arise from global or regional conflicts or national political instability that affect partner countries, less cooperation on climate and development goals as countries look inward to stimulate their recoveries from COVID-19 and an erosion of confidence in the ability to meet the Paris Agreement and SDGs. Conflict risks will be assessed in the context of partnership applications. Mitigation measures for reduced cooperation and eroded confidence include linking P4G partnerships to national priorities and global coalitions and demonstrating the potential impact they can have on climate and development goals.

Institutional risks include the loss of funding and political support from donors. P4G enjoys broad political support and will continue to engage funders and diversify funding sources. Risks also include reduced impact because of stretched staff resources across partnerships and countries. These risks are mitigated by a sharper focus on climate and sectors within the SDGs, a limited number of countries and funding fewer partnerships. Compliance and fraud risks are mitigated by WRI's robust auditing processes and whistleblower policy.

Main **programmatic risks** include the disengagement of the NPs and private sector. Mitigation actions include deeper engagement, priority alignment and increased resources for NPs. Engaging the private sector, particularly private-sector co-chairs of NPs and demonstrating the value of P4G to a country's green transition, can mitigate this risk. Programmatic risks include those associated with focusing on early stage businesses which could have an inherently higher risk profile and partnerships failing to realize their full potential. P4G has a rigorous selection and monitoring process to identify strong partnerships and course-correct them early. Partnership-specific risks and mitigation actions will be included in each application and assessed.

10. Closure

While P4G aims to continue and scale beyond the scope of this Program Document through additional funding, P4G will plan on closing out the initiative should no additional funding be secured to extend it beyond 2027.

As part of its legacy, P4G aims to leave behind more investment-ready businesses in its partner countries that are contributing to climate transitions in food, water and energy systems; strengthened National Platforms to identify and support SMEs that contribute to country transitions; stronger enabling systems within priority sub-sectors that will help support other businesses implementing in the sectors; a tested model on how National Platforms may accelerate the investment readiness of businesses as part of donor-partner programs; and an open-source learning and approach for other countries and entrepreneurs to adopt.

A close out of the funds covered in this budget is already planned and will be revisited immediately after the midterm review in 2025, with requests for reporting templates and confirmation of the final list of documentation required. The midterm review will be a critical milestone in determining whether P4G should look to continue into a potential Phase 3 or pivot to an orderly winding down at the end of 2027. In 2027, the Hub will provide a report on overall lessons learned with a final narrative report. The P4G Hub will submit a

financial audit of the 2027 financial report by 31 March 2028. This financial report will include the disbursements made by funders, as well as any outstanding balances at the end of the grant period. Any unspent funds and interest accrued will be transferred back to the respective funders without delay upon completion of the programme. There will be no activities after 31 December 2027.

Glossary

- **Acceleration:** Acceleration is defined as the combined interventions of (1) grants and technical assistance to the businesses and NGOs in the partnerships to help the business partners become investment ready, (2) NPs' support to improve the in-country enabling systems that the businesses operate in and (3) knowledge mobilisation that enables P4G lessons learned to be presented and implemented in other contexts.
- **Green business model:** This is a model that outlines a business's revenue and cost structure and delivers value to customers while promoting economic, social and environmentally sustainable development.
- **Enabling system:** A favorable environment for sustainable enterprises combining the legitimate quest for profit with the need for development that respects human dignity and decent work. Such an environment encourages investment, entrepreneurship, workers' rights and the growth of enterprises by balancing the needs and interests of enterprises with the aspiration of society.
- **Impact:** Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended.
- **Impact accelerator:** Organisations that support impact entrepreneurs by providing a mix of services, including seed investment, mentorship and advice, national and global championing, partnering and matchmaking with investors and other entities.
- **Impact investment:** Investments made into companies, organizations and funds to generate social and environment impact alongside a financial return. Impact investments can be made in both emerging and developed markets and target a range of returns from below market to market rate, depending upon investors' objectives.
- **Impact entrepreneurs:** Companies, organizations and funds aiming to generate social and environmental impact alongside a financial return; or a company that is purposefully driving progress towards meeting the SDGs.
- **Impact model:** An approach that is designed to create a specific and positive impact.
- **Investable:** Any investment-ready business should be able to clearly demonstrate a strong team, a deep understanding of their market and competition, a detailed understanding of their business model and how the business makes money and what traction and key milestones have been achieved. The business must know what the plans are once funds are raised, how the funds will be used to scale the business and what the key value creating milestones are that will ultimately lead to a successful exit.
- **National Platform:** Multistakeholder platforms in a both donor and ODA P4G partner countries comprising government representatives and the private sector, established to pursue the goals of P4G and tailored to national context.
- **Origination:** Origination is the process prior to partnership selection that involves connecting with local channels in partner countries for the purpose of finding strong P4G partnership applicants, convening information sessions and providing early feedback to potential partnership applications.
- **P4G:** P4G's formal network comprising nine partner countries; their respective NPs; the global advisory council, Steering Committee and grant committee and the Global Hub.
- **P4G Global Hub:** The secretariat for P4G's programme, responsible for facilitating and linking partnerships with all P4G network members and managing the Partnership Fund, communications, administration and reporting and monitoring. The Hub includes staff based in WRI's global office in Washington, D.C., as well as staff based in ODA-eligible P4G partner countries. In this proposal, the terms P4G Global Hub, P4G Hub, and Hub are used interchangeably.
- **Partnership:** P4G adapts the United Nations definition of multistakeholder partnership and defines multistakeholder partnerships as a voluntary collaboration among two or more stakeholders whereby stakeholders are committed through a formal agreement to share resources, accountability, risks, leadership and benefits to meet a specific SDG-related objective.



P4G Phase 2 Annexes

May 28, 2023

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Annex 1: Context Analysis

1. Overall Development Challenges, Opportunities and Risks

The UN Sustainable Development Goals (SDGs) have become a globally recognized standard to align action, including between public and private-sector organizations. Meeting the SDGs will require solutions that the private sector can deliver. Residents of low- and middle-income countries (LMICs) represent a large and growing market for SDG-aligned business innovation. Businesses are in the midst of a paradigm shift from an industrial era where the business bore no or minimal penalty for environmental and social externalities, to a post-industrial era where businesses work in partnership with government to provide social and environmental value that drives the economic growth of people living in the world's poorest and often most climate-vulnerable communities.

Developing countries carry a disproportionate burden of the negative economic and social impacts of extreme climate events. High-income countries contribute the most to climate change, while communities in developing countries carry a much higher burden compared to their contributions to the climate challenge. For example, the World Bank estimates that 74 of the world's poorest countries account for less than one tenth of global greenhouse gas emissions⁴¹. Meanwhile, these countries—along with communities around the world who are in the same economic bracket— are the most vulnerable to extreme weather patterns, natural hazards and food and water shortages. In the past 10 years alone, they have experienced eight times⁴² as many nature disasters, and unchecked change may force mass migrations. It has been estimated that by 2030 climate change could push more than 120 million additional people into poverty⁴³.

The “Decade of Action” declarations of 2020 have increased the focus on accomplishing the SDGs and addressing climate needs in developing countries from public and private sectors around the world. From an institutional side, this increased focus is reflected in the Danish strategy for development cooperation, “The World We Share,” which describes a proactive approach to establishing innovative partnerships with civil society, the business community and public authorities. The Netherlands and the Republic of Korea also take similar approaches in their policy documents for development cooperation: “Do What We Do Best” and the “3rd Mid-term Strategy for Development Cooperation (2021–2025)” respectively. Similarly, the private sector has shifted from an initial SDG-related perspective of doing business responsibly and doing no harm, to an approach that more directly focuses business solutions on addressing global or local challenges in a manner that creates positive social and environmental impacts.

The push for accomplishing the SDGs and climate goals is also directly affecting the private sector, with the world's leading reporting and standards-setting institutions driving for even deeper accountability for environmental, social and governance (ESG) impact. The principle of dynamic or **double materiality** embraced by these organizations requires companies to consider not just the impacts of climate on the company's financials, but also the impacts of a company on the climate or any other ESG factor⁴⁴. This reflects the emergence of growing private-sector actions and innovations in addressing the SDGs not only through the cross-cutting climate goal (SDG 13) but also SDGs such as hunger (SDG 2), water and sanitation (SDG 6), energy (SDG 7), cities and communities (SDG 11) and sustainable production and consumption (SDG 12) that are central to human material rights. In these sectors, there is a strong potential for business innovations that provide an SDG-related product or service that addresses both the core SDGs (in this case, SDGs 2, 6, 7, 11 and 12) and the cross-

⁴¹ World Bank, see <https://blogs.worldbank.org/climatechange/when-poverty-meets-climate-change-critical-challenge-demands-cross-cutting-solutions>.

⁴² <https://www.weforum.org/agenda/2023/01/climate-crisis-poor-davos2023/>.

⁴³ <https://www.actionaid.org.uk/our-work/emergencies-disasters-humanitarian-response/climate-change-and-poverty>.

⁴⁴ Double Materiality Guidelines [Draft] European Sustainability Reporting Guidelines 1 Double materiality conceptual guidelines for standard-setting, January 2022. Accessed at: efrag.org.

cutting SDGs such as climate (SDG 13). It is noteworthy that the SDGs for Economy (SDG 8) and Partnerships (SDG 17) are two other such cross-cutting SDGs that affect delivery of the core SDGs.

A rapidly increasing number of innovative businesses are able to provide products that are affordably priced for the poor⁴⁵. These are also working in regions that lack access to core SDG-related services, such as food, water, sanitation and energy, and suffer the economic growth-stifling effect that the lack of such services carries. For example, one cannot have refrigeration for either a grocery store or a clinic without access to electricity. The provision of such services is directly tied to economic growth, with studies showing that for every increase in basic energy service levels, average household revenue will also increase⁴⁶.

Many such examples exist within P4G partnerships, such as partnerships supporting Kenyan fisheries and avocado growers with Pay as you go (PAYGO)-based financing for refrigeration units that increase the shelf life of agricultural products and reduce the amount of food lost between the farm and the store, thus increasing farmer incomes. Many of these businesses are also contributing to climate mitigation (SDG 13) because these products are often solar powered or otherwise delivered in a manner that contributes to climate goals. A few P4G examples of this include partners such as Chanzi, who is using industrial food waste to grow black fly soldier larvae as a protein for animal feed; Fresh Life's affordable in-home containerized sanitation solutions for unconnected urban slums; and IDH, Slow Coffee and Africa Bamboo's varied solutions in sustainable agroforestry that contribute to sustainable and traceable value chains for coffee and bamboo.

The companies providing these innovative and affordable climate-friendly products in Overseas Development Assistance (ODA)-eligible countries face considerable challenges in getting the investment needed to start and to grow their businesses. From the outset, LMICs have difficulties in attracting private investments because risks are perceived as too high, and the enabling environment is not conducive. This results in private capital costs being prohibitively expensive and prevents private capital flow to LMICs⁴⁷. To meet this challenge, many programme initiatives aim to enable investment, e.g., including early-stage project development that proves the bankability of business solutions and blended finance mechanisms where public funds are engaged to make private investments possible.

The following problem analysis goes more into depth on these issues and provides the basis for the theory of change in the programme document.

a. Overarching Problem

There is a large SDG financing gap, which includes the finance needed to address climate goals. In 2018, the UN office charged with the SDGs identified a needed **USD 3.3-4.5 trillion**⁴⁸ in investment per year to accomplish all of the goals. However, a new report⁴⁹ in 2022 found that total climate finance alone must reach USD 5.2 trillion per year by 2030.

There is approximately **USD 1.7 trillion** of investment flowing from public and private sources specifically to fulfil the SDGs, as enumerated in the below bullets. ***This means there will need to be a more than threefold increase in deployed capital per year than is currently the case to realise global climate and SDG goals.***

⁴⁵ Multiple articles from HBR, Fast Company and Forbes document the increasing numbers of companies.

⁴⁶ Multiple references: US Energy Information Agency's [International Energy Outlook 2021](#); IEA [World Energy Outlook 2020](#). "Defining Energy Access"; WRI "[Energy Access Is Key to Sub-Saharan Africa's Economic Recovery](#)", 2020.

⁴⁷ TPI: Financing green growth: challenges and opportunities in the use of ODA: partnership for green growth P4G

⁴⁸ <https://unsdg.un.org/resources/unlocking-sdg-financing-findings-early-adopters>.

⁴⁹ <https://www.wri.org/insights/climate-action-progress-1-5-degrees-#:~:text=Total%20climate%20finance%20must%20reach,achieve%20this%20near%2Dterm%20target.>

1. **Public-sector ODA**, including **climate finance**, totals approximately **USD 160 billion** per year⁵⁰. Meanwhile, in 2020, developed countries jointly mobilized USD 83.3 billion⁵¹ in climate finance, still more than USD 16 billion short of the USD 100 billion goal committed in 2009.
2. Because of the large shortfall in **private-sector funding** being mobilised to meet the SDGs, USD 3.17 billion (1.96 percent) of the annual ODA is used to leverage PSI⁵² and has led to the mobilisation of as much as **USD 13.8 billion** in private-sector capital towards the SDGs in ODA-eligible countries⁵³.
3. **Impact investing** and **blended finance** make up an additional **USD 404 billion** and **USD 160 billion** respectively, as reported by Convergence and the Global Impact Investors Network (GIIN)⁵⁴.
4. Globally there are more than 450 public **Development Finance Institutes (DFIs)**⁵⁵ with combined assets of over USD 11 trillion⁵⁶. DFIs invest in developing their own and other countries' economies by providing capital where there is little available. DFIs' risk appetites reflect a desire to maintain their financial sustainability and reputational strength while also creating the economic development impact that is their purpose. These counterbalancing requirements mean that investments with good risk and financial reward profiles are prioritized over those where the rewards are less well understood or are externalised. In fact, only 10 percent or **USD 1.1 trillion** of a typical DFI's investments are in early-stage companies⁵⁷. Therefore, DFIs are not providing the higher-risk seed funding needed to help bridge the SDG investment gap. This gap reflects the practical reality that DFIs currently lack the organisational flexibility and risk tolerance to be early-stage investors.

⁵⁰ Figures sourced from: [Workbook: OECD DAC Aid at a glance by donor \(tableau.com\)](#).

⁵¹ <https://www.oecd.org/climate-change/finance-usd-100-billion-goal/aggregate-trends-of-climate-finance-provided-and-mobilised-by-developed-countries-in-2013-2020.pdf>.

⁵² PSI: Private-Sector Instruments in the context of ODA include grant-equivalent of loans to private sector companies (PSI loans), equity investments, mezzanine finance, and guarantees.

⁵³ OECD Development Co-operation Profiles, June 2021.

⁵⁴ GIIN 10 Year 2020 Annual Report. Collectively, the 300 respondents to the survey manage USD 404 billion of impact investing assets.

⁵⁵ Using the AFD definition "We use the generic term of public development banks (PDBs) here to refer to all the financial institutions with a mandate to finance a public policy on behalf of the State. These mandates vary considerably, but they all contribute to the achievement of the Sustainable Development Goals (SDGs)." sourced from [Public Development Banks: The First Global Database | AFD - Agence Française de Développement](#).

⁵⁶ Numbers sourced from the African Development Bank: [Public Development Banks: The First Global Database | AFD - Agence Française de Développement](#).

⁵⁷ IFC, Annual Report—Financials 2020, 2020; FMO Ventures program website (accessed 3 May 2021); FMO, Annual Report, 2020; Molly Anders, CDC kicks off new strategy with eye toward riskier investments, 2017; stakeholder interviews.

5. Figure 1: Private-Sector Development Finance Spectrum and the Valley of Death

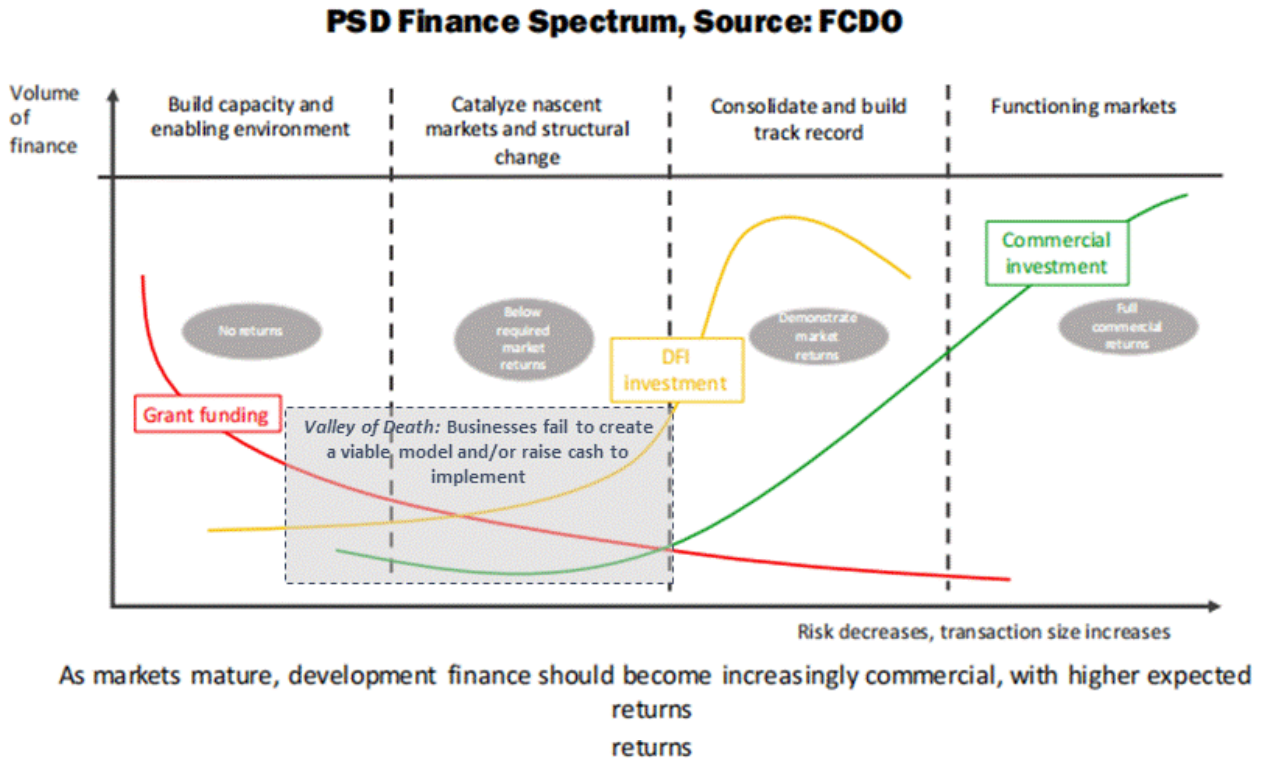


Figure 1: Private-Sector Development Finance Spectrum and the Valley of Death

The full spectrum of finance flows (as shown in Figure 1) may be required in development finance, for example including grant funding that is deployed in riskier more nascent markets to more commercial finance in fully functioning more mature markets⁵⁸. The figure highlights that commercial investors do not reach the markets that are most in need for support and that other funding mechanisms operate to bridge that gap. To attract commercial investment in the longer term, it is important to increase the number of investors and funds operating in this space, such as P4G, as well as the pipeline of viable businesses with models that can reduce the risk and increase the prospects of return on the investment⁵⁹.

b. Barriers to Mobilising Climate Finance for Businesses⁶⁰ in LMICs

The reasons for this gap in financing are the considerable barriers to investment in LMICs. The GIIN reports that the impact investment market is moving slowly over the last decade because of the lack of the following factors: high-quality investment opportunities with a track record; innovative deal or fund structures to accommodate investors or investee’s needs; appropriate capital across the risk-return spectrum; government support for the market and suitable investor exit options⁶¹. Meanwhile, DFIs’ report that to fully leverage their ability to invest in SDG-related businesses or projects in the developing world, a stronger pipeline is needed.

The above barriers to climate finance can be divided into three broad categories, each of which is described in the bullet points below: (1) The principal challenge is the lack of a pipeline of investable projects that meet investor criteria. Contributing to this challenge from the business perspective is (2) the lack of investees’ capacity to develop their business model and the need for technical assistance (TA) and (3) the commensurate

⁵⁸ TPI: Financing green growth: challenges and opportunities in the use of ODA: partnership for green growth P4G.

⁵⁹ TPI: Financing green growth: challenges and opportunities in the use of ODA: partnership for green growth P4G.

⁶⁰ Businesses relate to those local businesses that will match P4G funding criteria of contributing to climate and development goals in specific sub-sectors in P4G countries.

⁶¹ TPI: Financing green growth: challenges and opportunities in the use of ODA: partnership for green growth P4G.

need for an improved enabling environment, shared learning, and linkages to networks that can enable their growth.

1. **Lack of an investment-ready pipeline of businesses and support for these businesses:** The Partnering Initiative (TPI) report commissioned by P4G found that the investment pipeline continues to be weak in developing countries, with not enough projects that can meet DFI criteria in terms of returns and scale. This is due to several factors, including but not limited to capacity to commercialise the business model and a lack of institutional mechanisms to develop market services. The TPI report also found that more needs to be done via ODA funding to de-risk investments. In addition, existing early stage businesses require assistance to move beyond the due diligence stage to the next stage of investment. These findings were also echoed in WRI's State of the Art Report, which found that partnerships (with business partners) required "catalytic capital" from donors and investors to help them become investment-ready.
2. **Known risks in policy and regulatory environment remain unaddressed:** In addition to sound business financials, investors need to have a level of comfort in operating within the government regulatory and political economy of the host country. The TPI report also pointed to weak policies and regulation making investments in businesses less attractive for investors.
3. **Poor enabling environment:** In addition to sound business financials, investors need to have a level of comfort in operating within the government regulatory and political economy of the host country. The TPI report also pointed to weak policies and regulation making investments in businesses less attractive for investors. This weak environment causes a misalignment among investors, donors and country climate-finance priorities. The report also pointed to a variety of other externalities outside P4G's area of intervention that could influence finance flows, including currency exchange risk, weak legal systems and political instability. The lack of alignment is also exacerbated if relevant knowledge and lessons learned are not collected and shared at a high level and at a technical level. At a high level, this contributes to influencing policymakers' engagement for in-country transitions, deepens South-South learning and shares examples of investable pipelines with investors. The technical level learning helps build the capacity of others operating in similar sectors and regions.

These high-level problems of inequality, or unequal access to finance, affect large parts of the populations in developing countries, and are reflected from a poverty perspective in the concept of "multidimensional poverty" as presented in the "How-to Note on Poverty and Inequality" by the Danish Ministry of Foreign Affairs⁶². The concept operates within the four dimensions of poverty and goes beyond poverty as merely a question of income and includes: a) lack of resources b) lack of opportunities and choices (long-term planning), c) lack of voice and influence and d) personal security. The above-mentioned high-level challenges 1-3 that limit the flow of capital are mirrored in and directly linked to the multidimensional poverty factors a-d described in this paragraph. By addressing the restriction of capital at a high level, programmes such as P4G can deliver important results in poverty reduction. The How-to Note on poverty alleviation states that "there may be circumstances without a need to demonstrate that a project has a direct impact in favour of the very poorest. It might make more sense in the context to create jobs for a greater number of people who are relatively less poor"⁶³. This understanding of poverty resonates with P4G, where the logic is to create viable local businesses that can in turn provide basic services such as energy, water or food products that are more accessible and affordable for the poorest. P4G hereby mainly responds to questions of "resources" and "opportunities" in the first instances, but through the cooperation between businesses, NGOs and National Platforms also to questions of "voice and influence". Hence the P4G problem analysis is aligned with Danish concepts of poverty alleviation, as well as long-term international development goals and frameworks.

⁶² See Approach note for implementation of "The world we share" Fighting poverty and inequality: <https://amg.um.dk/policies-and-strategies/how-to-notes-for-implementation-of-the-danish-strategy-for-development-cooperation>. How-to notes are guidelines developed by the Danish Ministry of Foreign Affairs for the implementation of Danish Development Cooperation and the "World We Share."

⁶³ As above, see p.6

c. Approach to Solutions

To scale the pipeline of investable businesses in LMICs and reach the SDGs and climate goals, the world will require an entrepreneurial approach to funding products or services that can deliver basic human rights of food, water and sanitation and energy. When combined with climate-based solutions, these have the potential to spur the economic growth of impoverished communities and enable a just transition.

Locally led micro-small-medium enterprises (MSMEs) play a critical role as the engine of growth for all countries in the world by their contribution to economic development and job creation. In terms of magnitude, MSMEs contribute a lion's share of 90% in total number of firms and 60–70% of total employment⁶⁴. In Indonesia, for example, MSMEs contribute more than 60% to the GDP, which is expected to grow going forward. As integral components in value creation and supply chain for any industry, the call for SMEs to align with sustainability is ever more important in the context of P4G's programmatic objective. While P4G will not exclusively work with SMEs, many of the early stage businesses that P4G will fund and to whom it will provide technical assistance will likely fall into that category.

End-to-end facilities that support project development and provide early-stage investment, often to SMEs and based on national priorities, are cited⁶⁵ as one of the key mechanisms to unlocking finance for the SDGs. These facilities play a critical role of connecting innovators to investors. Examples of these facilities include the following entities:

- Incubators and accelerators, such as the Partnerships for Forests (P4F) which supports the development of forest partnerships among private-sector companies, public sector actors and local people to catalyse investment in forests and sustainable land use. P4F does this using a combination of grant funding and TA to help selected partnerships move towards commercial scale-up.
- Blended finance facilities, such as the Climate Investor One and Two (CI1 and CI2), the Dutch Fund for Climate and Development and many others, provide separate but operationally linked facilities, each with a specific sub-sector focus and role across the project life cycle. These facilities use a mix of grant funding and TA for origination, equity for construction and operational debt and TA/fix-loss donor trans/subordinated mezzanine guarantees.

The above descriptions are similar to what P4G did in Phase 1 and is proposing for Phase 2 and are consistent with the common features of end-to-end facilities, such as⁶⁶

- ensuring close cooperation of the project development party and future possible investors throughout the project or partnership life cycle and across capital structures;
- closely linking program-based TA and provision of services to follow on potential resources of investment capital (e.g., a fund);
- bringing in the private sector and investors early;
- shortening the origination and development phase for the project initiators; and
- bringing together the right partners who can link opportunities to each other's activities or networks, including downstream.

The consultant Dalberg conducted an early-stage investment landscape study to better understand a subset of end-to-end facilities that share the above features and are peers to P4G. The report classified the early-stage incubators, accelerators and investors into four archetypes, as follows⁶⁷:

⁶⁴ "Resilience and Rebuilding: MSMEs for sustainable development at the forefront of building back better and stronger from the impacts of the COVID-19 pandemic, climate crisis, and conflicts" UN ITC. Accessed 25 July 2022. Micro-, Small and Medium-sized Enterprises Day | United Nations.

⁶⁵ Ref. TPI and Dalberg reports.

⁶⁶ Karlin and Sierra-Escalante. IFC, 2021.

⁶⁷ "Partnerships Origination Study, Phase 1A–Updated Briefing Report" Prepared 22 July 2022 by Dalberg for P4G.

- Light-touch innovation grant gives support innovative and impactful early- to mid-stage ventures through catalytic grants. These facilities often align primarily to national priorities of donors and focus on grants rather than acceleration support that projects need to overcome the valleys of death. These include DGBP, Norad and Fonds Francaise pour l'Environment Mondial.
- Co-creative innovation builders identify and offer co-creative support to progress breakthrough innovations beyond proof of concept towards scalable business models. They provide grants and in-kind co-creation support and include the Climate Smart Forest Economy Program and the IDB Lab. These facilities provide early-stage ventures with the financial and value-added support they need to get past proof-of-concept but do not help bring them to scale through connecting them to follow-on funding.
- Innovation accelerators support cohorts of promising businesses to bankability through curated learning journeys and investor networks, grant funding and network and co-creation support and include the WWF Nature-Based Solutions Accelerator, 1t.org, the GSMA Innovation Fund, Africa Enterprise Challenge Fund, Subak and ImagineH2O. These facilities provide venture cohorts with standardised entrepreneurship training and connection to potential follow-on networks but do not complement this support with funding.
- Multi-stage impact venture investors support commercially viable ventures at seed, scale-up and growth-stage with grant, equity and debt instruments, alongside selective assistance, and include British International Investment, USAID DIV, the Nature+ Accelerator Fund, Acumen and the Global Innovation Fund. These facilities select ventures with high potential to be commercially viable but with limited focus on alignment with national priorities. The main value is large ticket size, non-grant finance with light capacity building and follow-on funding support.

A critical piece of what these facilities do is to provide TA to early stage businesses. As stated by the Task Force on Blended Finance, '... we need to rethink the traditional model of project-based "technical assistance" to ensure it is closely linked to follow-on resources of investment capital or contributes to pipeline development for an existing vehicle'⁶⁸. TA to businesses is a driver for de-risking investments. Businesses need both consistent support and follow-up from dedicated business development support providers. Such expertise can be available in the local environment but may also be provided through some of the structures offered by international cooperation. A study by the GIZ suggests that access to TA by SMEs or groups of SMEs plays a key role for sustaining business growth and making the SME investment-ready⁶⁹.

Another essential element to the success of early stage businesses in this space is the enabling environment. Civil society or non-commercial partners and government leaders can and do play a role in enabling private-sector entry into their country and to create the conditions under which investment can be attracted and scaled. Through sharing of knowledge and insight in local development and investment challenges, as well as robust analysis and dialogue about possible solutions, non-commercial and local government partners are well positioned to facilitate policy and regulatory interventions to improve the enabling environments in which local green early stage business must operate. Working with other stakeholders, these partners can reduce marketplace risk, assess the development and climate impacts of business solutions, and help mitigate impact risks, such as those related to human rights-based issues as well as investment risks. This, in turn, can decrease investor perceptions of risk and increase the prospect of investment flows.

P4G's design has some similarities with the above facilities while providing a unique added value of its National Platform (NP) engagement. The close involvement of NPs from the origination stage and across implementation gives early stage businesses the opportunity to articulate their policy and regulatory barriers. And NPs in turn

⁶⁸ Blended Finance Taskforce, Better Finance Better World, position paper, 2018.

⁶⁹ GIZ/2015: The Role of Technical Assistance in Mobilizing Climate Finance—Insights from GIZ Programs, by Martin Stadelmann Angela Falconer.

facilitate convenings that contribute to enabling systems that can mitigate investors' concerns about enabling framework challenges. P4G takes a grouping approach in terms of TA with support from local business development services providers, ODA-eligible and non-ODA NPs, WRI and the P4G Hub⁷⁰. P4G's combination of coalition building through NPs and working with local institutions alongside a leaner portfolio of businesses is a clear differentiator of the typical approaches and will provide lessons learned on how this type of intervention can enhance the potential for investment in climate-critical sectors in LMICs.

The above archetypes and their key features are shown in Table 1 below, which compares them to P4G. The table shows how the solutions discussed above can be integrated into processes and tools that have proven effective at helping early stage businesses address the challenges of attracting investment and thus transition through the valley of death to full commercial viability. Table 2 then shows how the problems and solutions discussed above relate to P4G's results framework. Through this analysis, we can see that P4G integrates an essential element of additionality in the impact investment landscape, which is the critical connection to national and global networks that can improve the enabling systems and connect global capital to local businesses.

⁷⁰ Business development services refer to a wide range of non-financial services used by entrepreneurs to help them improve the performance of their businesses, access to markets and ability to compete.

Table 1: Key Features of Impact Accelerators and Investor Archetypes and Comparison to P4G’s Model


		Arch. 1: Light-touch, innovation grant-givers (e.g. DGBP)	Arch. 2: Co-creative innovation builders (e.g. P4F and CSFEP)	Arch. 3: Innovation accelerators (e.g. Imagine H2O, AECF)	Arch. 4: Impact Investors (e.g. Acumen)	
Who they target	Ventures aligned to national priorities	~	✗	✗	~	✓
	Start-up and scale-up ventures	✓	✓	✓	~	✓
What they offer	Grant financing	✓	✓	~	~	✓
	Non-grant financing	✗	✗	✗	✓	✗
	Tailored venture capacity building	~	~	~	✓	✓
	Market linkages and regulatory support	✗	✓	~	✗	✓
	Follow-on funding support and networks	✗	✗	✓	✓	✓
	Average ticket size (USD)	100 – 500K	100 – 400K	N.A.	200K – 3M	100K – 1M
	Summary of model	<i>Often align primarily to national priorities of donors and focus on grants rather than acceleration support that ventures need to overcome the valleys of death</i>	<i>Provide early-stage ventures with the financial and value-add support they need to get past proof-of concept, but do not help bring them to scale through connecting them to follow-on funding</i>	<i>Provide venture cohorts with standardized entrepreneurship training and connection to potential follow-on networks, but does not complement this support with funding</i>	<i>Select ventures with high potential to be commercially viable, but limited focus on alignment with national priorities. Main value is large ticket size, non-grant finance with light capacity building and follow-on funding support</i>	<i>Support innovative ventures that address national priorities through a holistic combination of grant funding and tailored capacity building. Complement this with regulatory support and follow on funding support to get ventures past valleys of death</i>
Legend		✓ Core to business model	~ Limited focus	✗ Not part of approach		

Table 2: Phase 2 Problem Analysis Summary and Corresponding Results Framework Structure

Problems	Solutions	P4G Phase 2 Results Framework
Overarching Problem: Financing gap of USD 5 trillion to accomplish the green and inclusive goals of climate action and the SDGs	End-to-end facilities that support project development and provide early-stage investment based on national priorities	Programme Objective: P4G contributes to green and inclusive growth in developing countries by helping businesses to become investment-ready and supporting country climate transitions in food, water and energy systems.
Problem 1: Lack of investor-ready pipeline of businesses especially in low- and middle-income countries	End-to-end facilities that increase the pipeline of investable business models	Outcome 1: Businesses supported by P4G become investment-ready
Lack of appropriate capital across the risk return spectrum	Facilities that use a mix of grant funding/technical assistance	Output 1.1: Pipeline of green businesses (origination) developed
Investees lack the capacity to commercialize business models to access funding <i>And/or:</i> Lack of innovative deal/fund structures <i>And/or:</i> Lack of high-quality investment opportunities with a track record	Partnership technical assistance: - Rethinking traditional TA to ensure close link to follow-on investment - Working along the partnership life cycle - Alignment with national sector policies - Bringing in DFIs & PSIs early	Output 1.2: Funding and TA to partnerships delivered
Problem 2: Known risks in policy and regulatory environment remain unaddressed	End-to-end facilities work side-by-side with government to address institutional risks	Outcome 2: Government and private sector leaders contribute to improving the green growth enabling systems based on inputs by P4G partnerships
Lack of government support for the market	Capacity building: national institutional mechanisms that bring together national strategy, policy and investment programmes	Output 2.1: Increased capacity of National Platforms to contribute to improving the green growth enabling systems
Institutional environment is not conducive to DFI/PSI	Bringing the DFI/PSI in early with robust sustainability standards	Output 2.2: Partnerships supported by NPs' government and private-sector leaders
Problem 3: Lack of alignment between global capital and local markets	End-to-end facilities working across the public and private sectors, through NPs, can bring together the right partners to link opportunities to each other's activities or networks	Outcome 3: Knowledge mobilisation (incorporating MEL) engages stakeholders who can influence enabling systems and country transitions in food, water and energy systems
Misalignment at country level among investors, donors and National Development Plans, and reducing key market constraints	Increasing global awareness about local green and inclusive business models, and how to grow them into investable business propositions	Output 3.1: Knowledge products developed and disseminated (incorporating MEL)
Continued and coordinated growth connecting global capital to local businesses will be needed to bridge the SDG financing gap	Increasing high-level global dialogue and commitments focused on mobilising green climate investment as part of green diplomacy	Output 3.2: Sector-specific and global events organized to facilitate knowledge mobilisation

SDGs: P4G Phase 1 Overview

Five of the SDGs were used as a framework for P4G in Phase 1: SDG 2: Zero Hunger, SDG 6: Clean Water and Sanitation, SDG 7: Affordable and Clean Energy, SDG 11: Sustainable Cities and Communities and SDG 12: Responsible Consumption and Production, and over 70% of Phase 1 partnerships had solutions that were critical for climate adaptation or mitigation. Each of these sectors holds the potential of commercially viable service providers to service the needs of populations without equitable access. These unserved or under-served communities in ODA-eligible countries are among the world's poorest, and so those services must be offered at an affordable price. This means that not only must the business models be innovative to enable these price points, but they will also have a lower rate of financial return than prevailing market rates.

P4G's Phase 1 partnerships show examples of businesses able to provide affordable, climate-smart services in each of these sectors: In SDG 2, the SokoLink partnership has increased the revenue of avocado farmers in Kenya by introducing both refrigeration and efficiencies from the farm gate to the buyer. In SDG 6, the Safe Sanitation Solutions partner Fresh Life Initiative is providing containerised sanitation solutions for the urban poor. In SDG 7, the Smallholder Solar Pump Alliance was able to offer solar pumps for farm irrigation on a PAYGO basis. In SDG 11, the business partners of a group of e-mobility partnerships in Kenya have battery exchange stations in Nairobi for electric two wheelers. And in SDG 12, Siklus is offering refill solutions that prevent plastic sachet waste alongside an approximate 20% price savings on refills of common household products when compared to using sachets.

The early stage businesses that P4G supports in each of these sectors must secure operating capital to establish their businesses and rely on early stage non-returnable grant support. They would not be financially viable through conventionally available financing. These businesses are usually projecting rates of return, once they become revenue-positive, in the single digits. Most available investors in developing countries are looking for returns in the mid to upper teens USD or higher, in order to realize returns at or above the prevailing national treasury bills and bonds⁷¹. Additionally, microfinance and community banks are typically providing lending that is either too small, is intended for their existing community business base, and/or is looking for too high a rate of return.

Analysis of the SDG priorities across the P4G countries, based on review of the NDCs, current government five-year plans and consultations with the NPs, shows that there is a predominant focus on the sectors of climate-smart agricultural, including food loss and waste reduction; integrated water and sanitation resilience, adaptation and supply; and the clean energy transition, including renewable energy and electric mobility. As such, these will be the focus areas of Phase 2, noting that the existing and ongoing partnerships and work in the other two SDGs (cities and circular economy) will continue throughout the partnerships' P4G funding period.

According to NPs and business partnership experiences within the individual SDG areas, the three SDG sectors shown in Table 3 are the focus SDGs and priority sub-sectors for climate-related activities in the six countries in Phase 2. Adaptation and mitigation are both represented with the aim to phase up to an equal split between the two. The marked cells in Table 3 indicate the sub-sectors where alignment with national priorities is the strongest as present.

⁷¹ Treasury rates can be accessed here: [African Government Bonds Yields - Investing.com](https://www.investing.com/markets/bonds/african-government-bonds-yields).

Table 3: SDG and Sub-Sector Priorities in P4G Countries

SDG	Priority Sub-Sectors	Colombia	Ethiopia	Indonesia	Kenya	South Africa	Vietnam	Adaptation	Mitigation
2: Zero Hunger	<ul style="list-style-type: none"> Climate-smart agriculture Food loss and waste 	x	x	x	x			x	x
6: Clean Water and Sanitation	<ul style="list-style-type: none"> Water resilience 		x		x	x		x	
7: Affordable and Clean Energy	<ul style="list-style-type: none"> Renewable energy Electric mobility 	x		x	x	x	x		x

2. Political Economy and Stakeholder Analysis

The political economy and stakeholder analysis relates to how P4G stakeholders can help develop business pipelines and in LMICs, make those businesses investment-ready, and enable investments for in-country transitions through the businesses. P4G programme stakeholders contribute in different ways as part of P4G’s theory of change.

P4G focuses on the investment readiness of businesses grouped within sub-sectors and to support country transitions in food, water and energy systems. A key component of the program is the NPs that operate on the regulatory and policy levels to enable investments in these businesses. Stakeholders include local businesses, nongovernmental organisations (NGOs), government and private-sector representatives of the NPs and investors:

- Local early stage businesses: Business partners in the partnership implement climate solutions and need grants and technical assistance to become investment ready.
- NGO partners: NGO partners in the partnership serve as administrative partner and contribute to enabling systems support for the business partner and a robust monitoring, evaluation and learning (MEL) approach to measure impact but also have a strong focus on green business development and cooperation with the private sector.
- Multinational companies: These companies partner with early stage businesses to seek opportunities to increase the sustainability of their supply chain or of their own operations.
- ODA-eligible country NPs: A coalition of a government ministry, leading industry association, donor embassies and international organizations like WRI originates partnerships, reviews finalist applications, contributes to improving enabling systems, and helps awarded partnerships make connections to in-country advocates and champions.
- Donor country NPs: Typically, these NPs are a coalition of a leading trade association and government ministry within the donor countries that helps originate partnerships and identify potential national businesses that can be off-takers or otherwise form part of the value chain of the early stage business.
- Other national ministries and regulators: These entities are brought in by either the partnerships or ODA-eligible NPs to contribute to improving enabling systems to overcome market barriers shared by the business partner.

- Impact Investors and Development Finance Institutes: These entities can offer investment to the business partners as they become investment ready.

The local business-enabling environment, government priorities and engagement and the local ecosystems of business service providers and other actors are very different depending on country and sector. Public-private coalitions in LMICS are often under-represented, do not focus on climate finance or are non-existent. Thus, based on the in-country context, P4G seeks to build and support public-private coalitions of leaders championing climate finance for in-country transitions in their countries.

3. Human Rights, Gender, Youth and Applying a Human Rights Based Approach (HRBA)

Although P4G is not directly focused on human rights, the principles of human rights-based approaches are integrated in practice, through to the main HRBA principles of **Participation, Accountability, Non-discrimination and Transparency** as illustrated in Table 4:

Table 4: Main HBRA Principles and Integration in P4G

HRBA Principle	Visibility in P4G
Participation	Involves national actors from government, civil society and the private sector to identify and support partnerships between early stage businesses and NGOs. Possible barriers might include women’s access to economic activities.
Accountability	Selection process of partnerships through an independent grants committee, based on feedback from NPs, the Hub and external sector experts. Horizontal and vertical accountability will be part of the institutional setup.
Non-discrimination	The calls for proposal will be explicitly inclusive and openly transparent. To the extent that some groups have no direct access to grants, they are often beneficiaries of the programme.
Transparency	The P4G MEL system and knowledge mobilisation are key components in sharing lessons learned with a wider audience. The extent to which information is accessible to marginalised groups, for example, can be discussed with NPs.

There is also a convergence in the criteria of DFIs, investors and blended finance with some of the HRBA principles. Although business plans relate to profitability, emerging new standards on climate, green transition and environmental protection are related to sustainability and human rights questions, even if they are framed in different terms than the human rights language. The adoption of the double materiality for ESG standards for reporting is expected to reach not only large-scale companies in the coming years, but also many businesses in value chains and introduce concepts of social and governance that follows human rights principles.

Moreover, companies will operate under conditions stipulated by national labour law where workers' rights, occupational safety and health and obligations related to both employers and government are often aligned to the rights-based approach of international labour standards.

Gender equality: P4G operates in countries where prevailing norms, legislation and practices often restrict the equal participation of women. Women and girls experience the greatest impacts of climate change, which amplifies existing gender inequalities and poses unique threats to their livelihoods, health and safety. Women have less access than men to resources such as land, credit, agricultural inputs, decision-making structures, technology, training and extension services that would enhance their capacity to adapt to climate change⁷². Women’s contributions are essential, for example, in moving towards sustainable consumption and production, as women do most of the purchasing and decide on consumption patterns in households and in some

⁷² <https://portals.iucn.org/library/sites/library/files/documents/2015-039.pdf>.

workplaces. In developing countries, women play a powerful role in sustainable agriculture and food security, as well as conservation of soil, forests and water resources.

The role of diversity in the workplace is increasingly seen as a driver for business performance and is integrated into human rights policies of many international companies. Hence, gender equality in the workplace could potentially be a driver for making businesses ready for climate investment in the context of P4G. However, in a study from 2020, the World Economic Forum concluded that gender parity will remain a long-term goal that is unlikely to be met for many more decades to come. While gender equality is often put forward as a key driver for the transformation from low to middle- and high-income countries, the WEF report shows that during the period from 2006 to 2020, only moderate improvements or even setbacks have taken place in, for example, economic participation⁷³.

P4G will design the programme in ways that promote women’s participation and influence. It will do this through partnership requirements that include gender impact and partnership composition. For example, all P4G partnerships will be required to comply with the gender 2x global criteria stipulating that at least one of the conditions shown in Figure 2 must be met. Furthermore, all P4G partnerships will need to describe their actions towards each of the criteria in their proposal and choose two or more to include in their own results framework. Additionally, P4G’s results framework will have specific gender-based targets as part of its output, outcome and impact indicators. See Figure 2 showing the 2x global criteria for gender to see how these factors can be woven into each early stage business and NGO’s work under P4G’s Phase 2.

Figure 2: 2X Global Criteria for Gender⁷⁴

	Criteria	Threshold
Direct Criteria	1 Entrepreneurship	1A. Share of women ownership 51%
		OR
	1B. Business founded by a woman Yes/No	
	OR	
2 Leadership	2A. Share of women in senior management ¹ 20-30% ²	
	OR	
2B. Share of women on the Board or IC ¹ 30%	OR	
	OR	
3 Employment	3A. Share of women in the workforce ¹ 30-50% ²	
	AND	
3B. One "quality" indicator beyond compliance Yes/No	OR	
OR	OR	
4 Consumption	4. Product or service specifically or disproportionately benefit women Yes/No	
OR	OR	
Indirect	5 Investments through Financial Intermediaries ³	On-Lending facilities: Percent of the DFI loan proceeds supporting businesses that meet direct criteria ¹ 30%
		OR
Funds: Percent of portfolio companies that meet the direct criteria ¹ 30%		

The role of NGOs: NGOs play a key role in P4G as contract holders for business partners and provide safe administration of public funds in countries where transparency and levels of corruption are often high.

NGOs are partners to businesses, bringing critical technical and MEL expertise to enhance a business model’s ability to address fundamental development challenges, including poverty and equity, where relevant. This role is complex: NGOs in P4G partnerships will be required to have a strong profile on social, economic and

⁷³ World Economic Forum: Global Gender Gap Report 2020.

⁷⁴ [2X Challenge](#) criteria accessed from their website March 2023.

environmental and developmental issues and, through the partnerships with business, contribute to making these linkages stronger⁷⁵. The main focus of NGOs should be innovative climate solutions and the knowledge to develop bankable issues, in line with requirements of financial investors. There is ample evidence of NGOs in climate finance linking private business to development issues and the comparative advantages or roles of NGOs in climate change, where NGOs often move policy debates forward, for example, in the case of the Conference of Parties (COP), where NGOs pushed for speeding up the pace of climate finance and advocated through research and lobbying with key decision makers. Many international NGOs are part of international networks and consortia and operate in a coordinated manner across borders on climate-change issues.

It is important to bear in mind the separate cultures and expertise of non-profit versus for-profit structures. Values, procedures, standards and organisational dynamics can be very different. As part of the partnership selection process, partnerships are expected to have clarity on their roles and responsibilities and leverage their strengths to help make business partners become investment-ready and better measure their impact on people and climate.

4. Matching with Danish, Dutch, and Republic of Korea Strengths and Interests

P4G’s programme in Phase 2 is closely aligned to the Danish development policy “The World We Share⁷⁶,” the “How-to note for implementation: Climate adaptation, nature and environment,” and the Danish Government’s policy on climate change. P4G is also integrated with the priorities of the Netherlands (“Do What We Do Best⁷⁷”) and the “3rd Mid-term Strategy for Development Cooperation (2021-2025)” of the South Korean Ministry of Foreign Affairs⁷⁸.

Table 5: Donor Presence and Priorities for P4G ODA-Eligible Countries in Phase 2

Donor	The Netherlands			Denmark		The Republic of Korea
	Trade Priority	Development Cooperation	Combination (Aid+Trade)	Development Cooperation	Strategic Sector Cooperation	Development Cooperation
Colombia			x	x	x	x
Ethiopia		x		x	x	x
Indonesia	x		x	x	x	x
Kenya		x	x	x	x	
South Africa			x	x	x	
Vietnam	x		x	x	x	x

With respect to other Danish engagements, the following synergies are key:

- **Instruments related to the private sector:** P4G is specifically mentioned in relation to private-sector instruments for cooperation in the how-to note on climate change. P4G works with the Investment Fund for Developing Countries (IFU) on identification of investment opportunities to fill the investment gaps

⁷⁵ This will be included in the desk organizational assessment due-diligence process part of the selection process.

⁷⁶ See Denmark Kenya Country Strategic Framework document 2021–2025.

⁷⁷ <https://www.government.nl/documents/policy-notes/2022/10/10/policy-document-for-foreign-trade-and-development-cooperation-do-what-we-do-best>.

⁷⁸ http://www.odakorea.go.kr/ODAPage_2022/eng/cate02/L02_S04_01.jsp.

analysed above, initially in relation to the development of the Climate Action Investment Fund (CAIF) investment modality.

- Technical assistance to business partnerships: P4G is working with the Danish NP State of Green, which is closely aligned with the results framework and problem analysis in P4G's project document.
- Country selection: This is aligned to Danish bilateral strategic partner countries, such as Kenya and Ethiopia. In Kenya, the country programme 2021–2025 has a specific focus on developing green business and transition. Cooperation with embassies will continue to play an important role.
- Other modalities: These relate to sector cooperation, support to regional programmes, climate funding and civil society organisations in priority countries. With these countries, several opportunities exist for synergies between the Danish development aid modalities and P4G. Denmark aims to take lead on the achievement of SDG 7 on energy transition and emission reductions in developing countries, and also aims to enable 5.8 million Africans to have access to energy through aid and private financing. The Danish Ministry of Foreign Affairs has furthermore recently initiated green partnerships with NGOs.
- Adaptation: This related to the focus on adaptation and synergies with other climate finance programmes under both bilateral and multilateral funding in accordance with the how-to note on climate change.
- Sector focus: This is coherent with the focus areas in the how-to note, where Danish expertise in areas such as water, food and clean cities is a key strength and where Denmark can support P4G partnerships.

Under the climate policy, synergies with Danish strengths can be further unfolded as part of P4G'S programme, for example, in relation to the climate partnerships between government and the social partners in selected sectors. The Danish climate policy also focuses on cooperation with the private sector, the change from "black" to green finance and several other areas on adaptation and mitigation.

Alignment with priorities for the Netherlands includes the following objectives:

- Climate focus: P4G's alignment with the Global Climate Strategy of the Netherlands and the accompanying results framework, including impact-level indicators on mitigation and adaptation.
- Sector focus: Development cooperation to tackle the root causes of poverty and climate change with a specific focus on areas like water, sustainable agriculture, and nutrition and food security.
- Business strengthening: A focus on strengthening businesses to promote sustainability transitions.
- Country focus: Multiple overlaps between focus countries for the Netherlands and P4G partner countries such as Ethiopia, which falls under the Netherlands' development cooperation priorities. Several P4G countries such as Kenya, Indonesia and Colombia are included in a set of countries where the Netherlands looks for synergies in trade and investment with development cooperation activities.

The strategy of the Netherlands is presented in "Do What We Do Best," which outlines the three areas: trade policy, development cooperation and combination countries. Within this framework, the focus is on areas like responsible business conduct, SME development, agriculture or food, value chains, water and climate finance. Kenya and Ethiopia are among priority countries for development cooperation.

Alignment of priorities with the Republic of Korea is as follows:

- Strategic alignment: Alignment with four strategic goals in the framework, "Inclusive ODA, Co-prosperous ODA, Innovative ODA, and Together ODA" prescribing 12 main subjects.
- Sector focus: Among the five main programmes, "Inclusive and Sustainable Rural Development," "Development of Smart Cities with Nature and People" and "Inclusive Transportation Leading to Balanced Growth" have thematic similarities with P4G and the sector focus in phase 2.
- Country focus: Overlap with countries and priorities focus areas. The Republic of Korea has a country focus on Colombia, Ethiopia, Indonesia and Vietnam.

Annex 2: Partner Assessment

WRI is a global non-profit organisation that works with leaders in government, business and civil society to research, design, and carry out practical solutions that simultaneously improve people's lives and ensure that nature can thrive.

WRI is hosting the P4G-initiative and has full legal, management, financial and administrative oversight and responsibility for implementation of the activities outlined in the programme document. The day-to-day execution rests with the P4G Hub led by an executive director and a team of staff and consultants in WRI offices, including P4G-partner countries in Africa, Asia and Latin America.

P4G continues to be a critical activity within WRI's strategy to increase the speed and scale of financial flows to LMICs to accelerate the shift to a zero-carbon world.

Brief presentation of partner

WRI is a leading international climate and sustainability non-profit research organisation, working in thematic areas that are key to reaching a climate-neutral and prosperous world for all. Based on its solid research and data collection, WRI works with leaders in government, business and civil society to design and carry out practical solutions that simultaneously improve people's lives and ensure that nature can thrive. WRI seeks to feed into its research experience gained and results from its activities. Based on its combined research and engagement work, WRI considers itself a "think and do tank." WRI has delivered strong results in several thematic areas, including its work on cities, energy, forests, water, food, and nature-based solutions.

P4G as a platform in WRI began operations in 2018, building on lessons learned from its predecessor program the Global Green Growth Forum. P4G is a multi-stakeholder initiative comprising private businesses, NGOs, and public-sector authorities. The aim is to provide grants, technical assistance and government support to green-growth partnerships, which have the potential to become financially sustainable. For replication and learning, P4G shares knowledge on successful business models and their contribution to the green transition and the SDGs through global events and other means of communication.

Summary of partner capacity assessment

Founded in 1982, **WRI** has today a total of 1,700 staff in 12 international offices (Brazil, China, Colombia, Ethiopia, India, Indonesia, Kenya, Mexico, the Netherlands, Rwanda, Turkey, the United Kingdom and the United States) and cooperation with partners in more than 50 countries.

WRI conducts annual capacity and risk reviews with all its offices. This tool evaluates critical areas of operations, development, programs, and communications with over 150 questions to create targeted actions for the global operations team to address with each office to reduce risk. Based on this self-assessment, offices in East and South Asia (China and Indonesia) have the greatest capacity; offices in South Asia and Africa have less capacity; and offices in Latin America (Mexico and Brazil) lie somewhere in the middle.

Even though WRI has invested significantly to upgrade its core function capabilities, the investment has failed to keep up with growth elsewhere (External Review 2021). WRI has hired new staff and strengthened processes and systems, including in planning and monitoring of core functions. However, growth of noncore functions has outpaced growth in all core functions, especially communications and development. Further, the review found that there is a need for a step change in funding, resourcing, and support for MEL across the organization. WRI is addressing this in its new five-year strategy, "People, Nature and Climate," by having impact targets to drive focus, alignment and ambition across its portfolio; a results framework that aggregates impact at the organizational level; a living strategy supported by regular check-ins to evaluate,

learn and adapt and a results reporting system to inform if WRI is on track to realize its goals and adjust course when needed.

WRI is acknowledged as a global player in climate and environmental issues, and constantly needs to respond to demands for research quality as well as demands to react and engage quickly in climate issues. Time is needed to apply knowledge products to influence decision-making, and the external review acknowledged that the WRI MEL system often needs to capture upstream policy development issues that are only emerging slowly and not easy to document.

In relation to Africa, the review found that progress had been made, and recommended that WRI seek closer cooperation with local actors, promote South-South cooperation, focus the number of countries and improve programme management. Poverty, gender, and social equity (PGSE) was already mainstreamed across the organisation and will continue under the current strategy. Meanwhile, platforms make up an important feature of WRI's work, and while they are often diverse in nature, recommendations from the review were to focus objectives and timeline for WRI involvement in platforms more. WRI progress will benefit P4G as P4G will leverage WRI's improved programme management and operational capacity, including across African countries.

All of the recommendations of the external review were incorporated into action plans within WRI with clear timelines, responsibilities and follow up. In addition, like-minded donors (Denmark, Sweden, Norway and the Netherlands) will follow up jointly on poverty-reduction and decentralisation efforts in WRI.

After five years, P4G is now solidly set up with operational procedures based on WRI processes and procedures adapted to be fit for purpose as confirmed by an external midterm review in 2021⁷⁹. A network of five institutional partners (C40, Global Green Growth Institute, the International Finance Corporation (IFC), WEF, WRI) provided initial support and credibility to P4G and 11 partner countries. A Global Advisory Council will be co-chaired by WRI and by the P4G Summit host. Council members will play a critical role in championing solutions to achieve sustainable development. The Steering Committee is engaged with representation from funding partners and WRI—providing steering and supervision in line with the donor-approved program document. Seven out of eight NPs have been launched in ODA countries, three out of three in non-ODA countries. Two global Summits have been implemented with heads of state representation, proactive engagement of stakeholders, P4G partnerships and resulting declarations (Copenhagen in 2018 and Seoul in 2021).

National Platforms: ODA-eligible country NPs are responsible for ensuring alignment between P4G partnerships and the partner country's climate impact priorities during partnership origination; supporting the implementation and scaling of P4G partnerships by facilitating efforts to inform policy and regulatory enabling systems and facilitating and coordinating national engagement in P4G, including participating in P4G Summits, national conferences and knowledge products. The NPs of the P4G donor countries help to originate partnerships being implemented in P4G partner countries that are aligned with their policy priorities. The NPs also help to advance and scale P4G partnerships through a range of activities, including business matchmaking, connecting partnerships to other bilateral support programs in the country, connecting to other sources of international development finance, and showcasing results.

The findings of the midterm review 2020–21 and an organisational and governance assessment in the latter part of 2022⁸⁰ led P4G to (1) set up an improved monitoring, evaluation and results system, including formulating measurement indicators to track progress and performance of partnerships against a baseline and hiring of a dedicated M&E-staff; (2) capture better experiences or lessons learned; (3) strengthen NPs through national implementation plans, stronger field presence by P4G management and decentralising staff to field level; and (4) strengthen links to local stakeholders by increased involvement in the origination of

⁷⁹ Midterm Review Report. Partnering for Green Growth and the Global Goals 2030 P4G (DKK 225 million plus DKK 40 million. 2018–2022). Midterm Review: October 2020 to January 2021.

⁸⁰ P4G Governance and Organisational Assessment, 25.08.22.

partnerships, facilitation of engagements between partnerships and the NPs and better alignment with WRI's in-country technical and engagement staff.

WRI teams will be proactively engaged, specifically to ensure that P4G and the National Platforms mutually benefit from complementary objectives, activities, and results. For the purposes of this assessment, the key features of WRI and the NPs are included below. The features of the P4G Hub are integrated into WRI as the Hub is part of WRI.

Map 1: WRI Presence in the World



Map 2. P4G Partner Countries and SDGs in Phase 1



Summary of key partner features

A summary of key partner features is presented in Table 6.

Table 6: Key Partner Features

Partner Name	Core Business	Importance of Support to Partner Activity	Influence on the Project	Contribution	Capacity	Exit Strategy
WRI – including the P4G Hub, which is part of WRI	Actionable research, partnership funding and technical assistance, knowledge sharing	High	High	Global standing, convening power (globally and locally), outreach, network, staff expertise and experience in delivering high quality and innovative research, tools, and data Implementation of commitments/actions	- High capacity in data production and analysis, policy advice and mobilising stakeholders' engagement. - Expertise in capacity development	No special requirements after end of contract as WRI is expected to continue after the support Specific to the Hub. The current phase will be re-evaluated at the midterm review.
National Platforms of P4G partner countries	Government and private-sector engagement in P4G to support partnership origination, improving enabling systems and knowledge sharing	High	High	In-country legitimacy to partnerships, convening power, network outreach, experience in contributing to improving enabling systems	- High capacity for alignment between partner country and partnerships - High capacity in mobilising stakeholders' engagement - Political capital for connecting partnerships with relevant stakeholders	During the P4G funding period, move to successive stages of maturity in their life cycle

Annex 3: Theory of Change, Scenario and Results Framework

P4G's theory of change is built to address the context of financing in-country transitions, and the need for inclusive solutions that contribute to the goals of the Paris Agreement and SDGs. The theory is based around the premise that no one actor alone can achieve climate and development goals and that the public and private sector need to work together in partnerships grounded in the country context and priorities to drive social, environment and economic progress.

There are examples of climate finance reaching green businesses in LMICs, but there is no systematic approach that brings together the right stakeholders to help local early stage businesses in focus sectors in these countries become investment ready.

Larger contextual issues include the lack of investment-ready solutions to enable private-sector investment, the lack of in-country enabling systems to mitigate investment risks, and a lack of alignment between global capital and local markets.

P4G is a program designed to enable investments for in-country transitions by helping local early stage businesses become investment-ready through a combination of grants, technical assistance and policy engagement. P4G intentionally and systematically strengthens businesses, operating at the intersection of people and climate, through its program design and composition of members with expertise and seniority across policy, investment, SDG and climate impact areas. P4G engages with its partner-country governments, the private sector, donor embassies, investors and NGOs to build investment-ready pipelines in priority sub-sectors. The different elements of the program work together to advance sectoral priorities while also strengthening in-country capacity to progress green business.

These businesses have the potential to become investment-ready and contribute to in-country transitions. The businesses team up with NGO partners whose role it is to assist with investment readiness through their outreach activities and networks and provide critical monitoring and evaluation assistance to ensure that a positive impact on people and the planet is realized.

The program will lead to results that include reduced carbon emissions and more investment leveraged for businesses contributing to country transitions in food, water and energy systems. The growth of these businesses will also contribute to increased good quality jobs, poverty reduction and gender equity.

P4G comprises three donor countries with their NPs, six ODA-eligible countries with their NPs, partnerships, The Hub and governance bodies. The overall theory of change of P4G is that

If

- an active pipeline of P4G partnership applicants is developed and receives feedback and advice from donor and ODA-eligible NPs during P4G's origination and selection processes;
- P4G-selected partnerships have the right business and NGO partner and receive funding and technical assistance to enable the business to be prepared to seek investors, participate in enabling systems dialogues and demonstrate their ability to have a positive climate and development impact;
- the businesses and NGOs have strong and clearly defined roles to help the businesses get investment ready and contribute to enabling systems

- ODA-eligible NPs update their implementation plans and make progress on them each year;
- Donor country NPs contribute the expertise and technology solutions of their networks and involve donor country finance, businesses and NGOs in supporting partnerships;
- NPs and partnerships participate in sector-specific workshops;
- NPs and partnerships collaborate to improve the enabling systems of priority sub-sectors in partner countries;
- NPs share lessons learned during global NP gatherings each year;
- Relevant sectoral, partnership or program-related knowledge products are developed and disseminated to the relevant stakeholders; and
- P4G participates or organizes global events that include relevant stakeholders,

Then

- the businesses supported by P4G can become investment-ready and identify potential investors;
- governments and the private sector contribute to improving the green-growth enabling systems based on inputs by P4G partnerships; and
- a knowledge mobilisation strategy (incorporating MEL) can engage key stakeholders who can influence enabling systems and transitions in P4G countries and beyond.

This leads to

- carbon emissions reduced or avoided (climate mitigation), and/or other climate mitigation or adaptation positive impacts to be realized;
- increased numbers of jobs in ODA-eligible countries in P4G focus sub-sectors (disaggregated by gender);
- increased numbers of individuals positively affected because of more resilience or climate adaptation solutions, access to services and improved livelihoods (disaggregated by gender);
- more partnerships complying with Gender 2X criteria; and
- increased numbers of businesses who receive investor commitments to support in-country climate transitions in ODA-eligible countries.

Because of

- an increased pipeline of investment-ready businesses operating at the intersection of people and climate;
- coordinated work among the partnerships, NPs (donor and ODA-eligible) and the Hub to address key challenges and opportunities in each country and sector; and
- intentional learning collected and shared with relevant stakeholders to influence their engagement with partnerships and enabling systems; and
- WRI's technical expertise and high-level stakeholder convening power.

Assumptions

- Grants and technical assistance are essential for businesses to become investment-ready in high-risk contexts or countries.
- Partnerships and the Hub contribute analyses and learning to improve the enabling systems.
- Partnerships have links to both donor and ODA-eligible country climate, development and trade activities.
- NPs have the resources, such as designated co-chairs and focal points and committed time for them to participate in P4G activities.
- NPs remain committed to implementing their National Action Implementation Plans, which includes activities to contribute to enabling environments.
- NPs remain engaged with partnerships.
- Investors are interested and willing to take risks in P4G countries and sub-sectors but can also be influenced by externalities outside of P4G's interventions (e.g., foreign currency exchange risks and trade-offs on investing in lower-cost countries or sectors).
- High-level stakeholders⁸¹ engage with P4G to share knowledge and take actions to influence inclusive finance flows.
- Businesses supported by P4G will scale to a level where their impacts on climate can be measured and attributed to P4G's intervention.

Risks

A full list of risks and mitigation actions is included in Annex 7: Risk Management

- Unanticipated global or regional conflicts or national political instability affect P4G member countries' ability to collaborate or prioritize P4G.
- NPs are less engaged in P4G.
- The private sector is less engaged in P4G.
- Partnerships have a higher risk profile or fail to realize their full potential.

Inputs

- Established NPs with co-chairs, identified priority areas, resources and in-country convenings
 - Co-chairs identified, engaged and in place to convene NPs
 - Two sub-sectors of national interest per country, each aligned with P4G's area of focus and with an ongoing policy reform window in which WRI is working
 - NP convenings
 - Hub staff, including in-country NP liaisons
- Funding for partnerships and technical assistance with Hub staff and clear application process
 - Hub staff, including in-country grants management and technical advisory support
 - Call for partnerships process, aligned with the NP designated sub-sectors
- Donor country green diplomacy network and donor NPs regarding engagement for origination and acceleration of partnerships

⁸¹ Policymakers in current and former P4G country partners, non P4G partner countries with similar sub-sector priorities and climate ambition, investors, businesses and NGOs.

- Donor embassies in partner ODA countries
- Donor international trade and business associations
- Engaged donor-country green businesses (as part of the green value chain)
- Knowledge sharing and communication regarding global convenings and creation and mobilisation of lessons learned
 - Events nationally and globally (i.e., 2023 Summit in Colombia and COP) that are funded by host organisations and countries
 - Knowledge products (incorporating MEL) and communication activities targeting relevant stakeholders who can influence in-country transitions and investments in P4G countries and beyond
- WRI systems regarding operational, enabling systems and technical support
 - WRI operational support: WRI in-country offices, WRI global operations (MEL, finance and operations)
 - WRI leadership: WRI global leadership, WRI in-country leadership
 - WRI technical advisory support: Energy, Cities, Food, Land and Water, Finance and Equity

Activities

- Activity 1. Provide grants and technical assistance to a pipeline of local early stage businesses through partnerships (including NGO partners) to help them become investment-ready
- Activity 2. Engage the NPs and the business partners in the designated sub-sectors through the P4G Hub and NGOs
- Activity 3. Mobilise knowledge and communications to engage key stakeholders and contribute to investment readiness and country transitions in food, water and energy systems

Results Framework⁸²

While the objective and outcomes in P4G’s results framework will not change during the period of implementation, the outputs are subject to periodic adjustments pending an annual review of the framework and its indicators in line with Doing Development Differently. This will allow for P4G as a programme to be adaptive and respond with flexibility to evolving contexts while still undertaking activities that will lead to successful programme outcomes.

Where applicable, the 2023 baseline indicators for P4G’s Phase 2 results framework include the results of any Phase 1 partnerships that will carry over into Phase 2. Results from any Phase 1 indicators that are included in the Phase 2 results framework will be calculated from July 1, 2023, to get an accurate picture of the attribution to P4G Phase 2 from July 2023 – December 2027.

Many of these targets are reliant on the implementation results of relatively young, early-stage businesses. P4G’s Phase 1 partnerships results numbers were also reliant upon a majority of partnerships which had early-stage businesses in them, 7% of whom were very high performing partnerships when compared to the others. Therefore, in Phase 2, P4G is making the conservative assumption that there will be some partnerships that realize low to no impact metrics, a majority that achieve marginal or average performance, and 5% or less that could be very successful and realize high impacts.

⁸² All results will be disaggregated by country

Programme	Partnering for Green Growth and the Global Goals 2030 (P4G)	
Programme Objective	P4G contributes to green and inclusive growth in developing countries by helping businesses to become investment-ready and supporting country climate transitions in food, water and energy systems.	
Impact Indicator	6. Carbon emissions reduced or avoided projected to 2030 as metric tons of carbon dioxide equivalent (MT CO ₂ e) 7. Number of business partners who receive investor commitments 8. Number of jobs created (disaggregated by gender) 9. Number of individuals positively affected with greater climate resilience or adaptation solutions (disaggregated by gender) 10. Percentage of partnerships complying with the Gender 2X criteria	
Baseline ⁸³ and Target	Year 2023: 1. 0 MT CO ₂ e 2. 0 investor commitments 3. 0 jobs created 4. 0 5. 0 ⁸⁴	Year 2027 1. 3,000,000 MT CO ₂ e 2. 20 investor commitments 3. 1,000 jobs created 4. 500,000 5. 100%

Title 1	Partnership grants and technical assistance	
Outcome 1	Businesses supported by P4G become investment-ready	
Outcome indicator 1.1	Percent of businesses generating revenue during P4G's programme period (cumulative)	
Baseline and Target	Year 2023: 0%	Year 2027: 45%
Outcome indicator 1.2	Number of businesses that have prepared and presented investor materials (cumulative)	
Baseline and Target	Year 2023: 0	Year 2027: 25
Outcome indicator 1.3	Amount of resources mobilised (equity investment, debt, or additional grant funding to further the scale of the business leading towards future equity or debt investments) by business during P4G's program period ⁸⁵	
Baseline and Target	Year 2023: 0	Year 2027: USD 35 Million

Output 1.1	Pipeline of green businesses (origination) developed	
Output indicator	1. Number of eligible partnership applications originated, received and evaluated for funding (the long list) 2. Number of applications qualifying for and receiving in-depth evaluation (the short list) (incremental)	
Targets 1.1, indicator 1	2023: 45 2024: 60 2025: 60 2026: N/A 2027: N/A	
Targets 1.1, indicator 2	2023: 15-20 2024: 30-35 2025: 10-15	

⁸³ Note that the Phase 2 baseline for 2023 does not include Phase 1 results

⁸⁴This is an approximation. P4G will include this question in our next partnerships annual survey to determine the actual percentage.

⁸⁵ Does not include cost share

	2026: N/A 2027: N/A	
Output 1.2	Funding and TA to partnerships delivered	
Output indicator	1. New partnership grants awarded (incremental) ⁸⁶ 2. Number of partnerships engaging with investors during their funding period (either through their grant or through Hub-convened sessions) (incremental) ⁸⁷ 3. Percent of partnerships that meet the Rio Markers for (a) climate mitigation and (b) climate adaptation ⁸⁸	
Targets 1.2 Indicator 1⁸⁹	2023: 15 2024: 30 2025: 10 2026: 0 2027: 0	
Targets 1.2 Indicator 2	2023: N/A 2024: 4 2025: 6 2026: 8 2027: 7	
Target 1.2, indicator 3⁹⁰	2023: 65%, 35% 2024: 60%, 40% 2025: 50%, 50% 2026: N/A 2027: N/A	
Title 2	P4G National Platforms	
Outcome 2	Government and private-sector leaders contribute to improving the green-growth enabling systems based on inputs by P4G partnerships	
Outcome indicator 2.1	Number of NPs that expand their work beyond P4G partnerships to enable greater green growth and investments ⁹¹	
Baseline and Target	2023: 0	2027: 6
Outcome indicator 2.2	Number of policy/regulatory interventions identified by partnerships in which NPs have engaged (cumulative)	
Baseline and Target	2023: 2	2027: 18

⁸⁶ The total partnership fund available for Phase 2 partnerships is dependent on the final allocation of grant funds to partnerships implementing prior to 1 July, 2023.

⁸⁷ These numbers lag the above numbers (target 1.1. Indicator 2.) by a quarter to half a year based on the amount of time for evaluation, selection & award processes.

⁸⁸ These numbers lag the previous numbers (target 1.2. Indicator 1.) by a quarter to half a year based on the amount of time for investor preparation and interest to be generated.

⁸⁹ With a duration of 18–24 months, partnership awards will conclude in 2025 so that all awarded partnerships will have the time to complete their grant activities prior to the completion of Phase 2.

⁹⁰ In Phase 1 less than 20% of the partnerships had an adaptation focus

⁹¹ This can include NPs convening sectoral workshops that involve an expanded set of relevant programs and stakeholders in addition to P4G partnerships; and NPs supporting efforts to seek additional climate finance to grow the market for climate solutions. The Hub will develop a rubric for this indicator to evaluate NPs, along the lines of Table 9 (in the National Platforms Phase 2 Strategy annex) which shows a Framework for life-cycle management of P4G ODA-eligible NPs.

Output 2.1	Increased capacity of National Platforms to contribute to improving the green-growth enabling systems
Output indicator	1. NP Implementation Plans updated and progress on implementation evaluated each year (incremental) 2. Evaluation of progress of NPs to increasing their contribution to improving green-growth enabling systems ⁹²
Targets 2.1 Indicator 1	2023: 4 2024: 6 2025: 6 2026: 6 2027: 6
Targets 2.1 Indicator 2	2023: Evaluation framework to be developed and implemented 2024 - 2027: Framework will be applied to measure indicator

Output 2.2	Partnerships supported by NPs' government and private-sector leaders
Output indicator	1. Number of partnerships working with NPs to improve the enabling systems of priority sub-sectors in the partner country (incremental) 2. Number of sub-sector-specific workshops convened between NPs and partnerships (incremental)
Targets 2.2 Indicator 1	2023: 4 ⁹³ 2024: 5 2025: 15 2026: 30 2027: 10
Targets 2.2 Indicator 2	2023: 2 2024: 6 2025: 12 2026: 12 2027: 6

Title 3	Knowledge Mobilisation	
Outcome 3	Knowledge mobilisation (incorporating MEL) engages stakeholders ⁹⁴ who can influence enabling systems and country transitions in food, water and energy systems	
Outcome indicator 3.1	Number of stakeholders (policymakers in P4G countries, investors and entrepreneurs in P4G focus areas) who share (either online or at events) partnership or enabling systems learnings derived from P4G's knowledge products (cumulative)	
Baseline and Target	Year 2023: 30	Year 2027: 150
Outcome indicator 3.2	Percent growth of increased knowledge among attendees of P4G sector-specific workshops on investment-ready businesses and enabling system requirements (disaggregated by sector)	

⁹² Evaluation framework will be developed in year 1, based on input from NPs.

⁹³ These are partnerships that were awarded in Phase 1 but continue to be implemented in Phase 2.

⁹⁴ Policymakers in current and former P4G country partners, and non P4G partner countries with similar sub-sector priorities, and investors, businesses and NGOs who are already working with P4G partnerships or have been identified as targets to help progress them. Stakeholders outside the public sector will be counted at the director level and above.

Baseline and Target	Year 2023: 0	Year 2027: 5% annually in each sector
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Output 3.1	Knowledge products developed and disseminated (incorporating MEL)
Output indicators	<ol style="list-style-type: none"> Number of knowledge products (these include publications, articles, op-eds, and country-specific blogs produced by the Hub and partnerships) developed and disseminated through P4G, partnerships' and NPs media and digital channels (incremental) Newsletter engagement rate maintained (incremental) Number of page views generated by country-specific blogs⁹⁵ developed by P4G and published on P4G, WRI, partnerships' or NP websites (cumulative)
Targets 3.1 Indicator 1	2023: 3 2024: 8 2025: 25 2026: 20 2027: 25
Targets 3.1 Indicator 2	2023: 20% 2024: 25% 2025: 25% 2026: 20% 2027: 20%
Targets 3.1 Indicator 3	2023: 150 2024: 750 2025: 1,350 2026: 1,950 2027: 2,550

Output 3.2	Sector-specific and global events organized to facilitate knowledge mobilisation
Output indicators	<ol style="list-style-type: none"> Number of attendees at learning events hosted or facilitated by P4G (in-country and global events) (cumulative) (disaggregated by gender) Number of partnerships, NP and Global Advisory Council members who participate as featured speakers at P4G events (cumulative and disaggregated by gender)
Targets 3.2 Indicator 1	2023: 500 2024: 700 2025: 1,400 2026: 1,700 2027: 1,900
Targets 3.2 Indicator 2	2023: 22 2024: 40 2025: 76 2026: 108 2027: 130 cumulative

⁹⁵ The Hub will work with each NP on one blog per priority sector for a total of 12 blogs a year with the exception of 2023, which will have fewer blogs.

Annex 4: P4G Partnerships Selection, Management and Acceleration Strategy

Partnerships are at the core of P4G as a delivery mechanism for reaching the SDGs and Paris Agreement. The goal of the Phase 2 P4G Partnership Fund is to enable a number of business partners in partnerships implementing businesses with climate solutions in P4G’s ODA-eligible countries to become investment-ready. Over the course of the Phase 2 program period, partnerships should also be able to provide public- and private-sector lessons learned about what does and does not work in the enabling system.

A Phase 2 P4G partnership will consist of a minimum of one local early stage business partner and a supporting NGO partner. The goal of the early stage partner is to successfully become investment-ready so that it can attract investment interest for its core climate business, which should be in the sectors of food, water or energy. The role of the NGO is to support the business’s investment readiness work, including contributing to work that improves in-country enabling systems.

P4G will target a portfolio of approximately 15-30 partnership grantees per year for 3 years: 2023, 2024, and 2025. This corresponds to roughly 1–3 partnerships per ODA-eligible partner country per year, for a total number of around 55 partnerships over the course of Phase 2. P4G’s Phase 2 grants will target a range from USD 100,000 to USD 500,000 with an average value of around USD 350,000 and a duration of 18 to 24 months. P4G’s phase 1 experience shows that while some partnerships can become investment ready within that period of time, some need additional time (see lessons learned below). Therefore, partnerships that are making solid progress towards their goals but that need more time or additional funding can be approved for up to USD 1 million and an additional 12 months’ duration.

Phase 1 P4G partnerships can still continue their work and will not need to reapply in order to complete their originally envisioned Phase 1 partnerships-related work as specified within the scope, schedule and budget of their grant agreement. All Phase 1 partnerships currently under grant agreement will close by the end of this year or December 31, 2023.

Phase 1 Results

From 2018 to 2022, P4G awarded USD 28 million in grant funding to 75 unique partnerships across P4G’s five SDG sectors in ODA-eligible countries⁹⁶. To date, partnerships have reported on their progress towards indicators as shown in Table 7. P4G’s M&E expert worked with P4G partnerships to collect and validate the data.

Table 7. Total and P4G attributable results from Phase 1 Partnerships⁹⁷

Metrics	Total Reported 2018–2021	Number of Partnerships that Reported the Metric
Business and Investment-Related		
Investments obtained		

⁹⁶ As of February 2023, P4G has 21 partnerships under active implementation, 22 in the close-out progress, and 32 closed out.

⁹⁷ As part of standard partnership implementation, P4G requires all partnerships to set baselines and targets of key monitoring and evaluation (M&E) metrics at the beginning of their project. Those metrics are then tracked on an annual (and as of 2021, semiannual) basis. Any metrics without sound calculations, reasoning or logic behind them are investigated with the partnership and removed, if need be, to ensure a robust dataset.

Metrics	Total Reported 2018–2021	Number of Partnerships that Reported the Metric
Commercial investment (USD)	98,840,798	15
Non-commercial investment (USD)	21,841,664	30
Uptake of (business) model		
Number of private-sector commitments	2,153	22
Number of public-sector commitments	118	18
Outreach and scaling of (business) model		
Number of events	28	4
Number of knowledge products	95	25
Number of geographic replication	161	17
SDG Indicator-Related Metrics		
Capital unlocked for SDG (USD)	472,657,000	10
Environmental factors		
CO ₂ emissions avoided (MT)	10,874,453	12
New land under sustainable management (Ha)	8,000	1
Water conserved (ML)	1,400,000,000	1
Energy demand reduced (kWh)	564	1
Megawatts deployed (MW)	256	5
E-vehicles deployed (units)	2,983	3
Non-hazardous waste avoided (MT)	251,690	6
Socio-economic factors		
Number of Individuals positively affected	1,605,078	32
Number of Jobs created	11,739	6
Number of women affected	774,069	9

- Partnerships with investment potential:** Forty of P4G’s 75 partnerships have been identified by P4G’s investment team as having a commercial partner that has the potential for investment. Fourteen of those investment-worthy partnerships were rated as having a high potential for investment, while 15 were a medium-level potential, and 11 were rated as having a low level of potential. The remaining 32 partnerships had no potential for investment because they were designed as market-generating partnerships with no investable commercial entity, which included the alliance and accelerator type of partnerships mentioned in the lessons learned section.
- Partnerships receiving investment:** To date, 13 of those 40 investment-grade partnerships have received investor interest and funding, unlocking an estimated USD 98.8 million of commercial investment. These included a mix of the high-, medium-, and low-rated investment-worthy partnerships, and the types of investments could be seen to reflect these ratings with our lower-rated partnerships receiving only the most concessional type of finance, which is returnable grants. Most notably, Africa GreenCo and SSEZ⁹⁸ advanced to a series A level of investment commitment. Additional partnerships that received investment included PlusPlus, Siklus, Geofutures, Transforming Africa’s Bamboo, Green 4 Access, Smallholder Solar Pump Alliance, the Energy Efficiency Alliance for Industry (E2A), IIX Women’s Livelihood Bond, the Clean Energy

⁹⁸ Note that the initial series A funding commitment for SSEZ’s Oserian site was not fulfilled; however, the partnership is pursuing a reformulated approach and believes they are on track to secure the required investment. (Source: RMc direct discussion with partnership in March 2023).

Investment Accelerator, Smart Solutions for Plastic Waste Management and Accelerating E-mobility Solutions for Social Change. It is worth noting that there were five partnerships that generated significantly higher results than others because of their particular model and success, these were: Africa GreenCo, Energise Africa, SSEZ, E2A, and IIX Women's Livelihood Bond.

- **Grant timeline and funding to receiving investment:** Seven⁹⁹ of the 13 partnerships that received investment were able to do so within the originally envisioned grant timeline and funding levels, with an average grant size of USD 326,000 and an average duration of 16 months. Meanwhile, the six¹⁰⁰ partnerships that required additional time had an average grant size of USD 1.3 million and an average duration of 27 months. Six of the 13 partnerships that succeeded in attracting investment were launching market intermediaries or funds, such as Green 4 Access, PlusPlus and Energise Africa. Each of them has been able to secure the working capital needed to undertake the effort of designing and securing a pipeline of funders and investees for their next round of project or business lending. There are currently 11¹⁰¹ investment-worthy partnerships that are under active due diligence to help them prepare either for the upcoming CAIF facility or for other impact investors. Two of those partnerships have already received some level of commercial investment and the CAIF funding would be additional to that other investment, while the remaining nine would be additional to the 13 listed above. Thus, in the future, it seems possible that 22 (29%) of P4G's Phase 1 partnerships will have become investment-worthy and may in fact realize actual investment closes in the near future. These partnerships are in the 2021 and 2022 partnership groups and are in active acceleration with P4G. They may receive investment in the coming year.

P4G partnerships, which were the crowd-funding and project-development projects, reported an additional financial contribution of USD 472 million that was in part leveraged by P4G funding. This was the funding that investors placed within the intermediary to develop their own pipeline of businesses implementing SDG-related solutions on the ground in ODA-eligible countries. These businesses were the indirect beneficiaries of P4G's work, including, for example, the amount of funding provided by the crowd or retail lenders, which for Energise Africa alone was over USD 37 million.

- **National and global-level convenings to advance investment readiness:** P4G held over 29 global convenings, workshops, and gatherings of sectorally aligned partnerships across five SDG Communities of Learning. A few of them are as follows:
 - Five pre-investment sessions in 2018 at the Clean Energy Investment Forum, part of the Clean Energy Ministerial in Denmark for the following partnerships: Africa GreenCo, the Clean Energy Investment Accelerator, Green FIDC, Integrated Decentralized Electrification in Africa and The Global Partnership for Energy-Efficient Data Centers¹⁰².
 - Fourteen accelerator workshops at the 2018 P4G Summit for the following partnerships: Africa GreenCo, the Clean Energy Investment Accelerator, Energise Africa, Global Distributors

⁹⁹ Geofutures, Africa Bamboo, G4A, Solar Pumps, E2AI, IIX, Smart Solutions, Accelerating e-mobility.

¹⁰⁰ Africa GreenCo, SSEZ, CEIA, EA, PlusPlus, Siklus.

¹⁰¹ These include SolShare, Village Energy, Siklus, Eat Cloud, Fin SEOS, Energise Africa, Sokofresh, Fika mobility, Kiri EV, E-safiri, Chanzi.

¹⁰² Some of these are not in the formal P4G partnership's list because these were early partnerships that were facilitated but never funded. It was an early partnership model that proved unsuccessful.

- Collective, the Business-Humanitarian Lab, Blended Finance on Water, Food Delivery for Reducing Single Use Plastics, Sustainable Food Platform, Large-Scale Digital Decision Support Systems for Farmers, Race to the Top, Vietnam Materials Marketplace, Circular Economy Retrofitting, New Plastics Economy and The Building Efficiency Accelerator.
- Three accelerator workshops in 2019 at the UN General Assembly (UNGA) for Africa GreenCo, SSEZ and ZEBRA.
- Three investors' sessions: Africa GreenCo in 2019 and SSEZ and GeoFutures GreenInvest in 2021.

Phase 1 lessons learned

In Phase 1, P4G's approach to partnerships underwent a journey of maturity in gauging and understanding the most effective means of working with its respective stakeholders including partner-country governments and grantee organizations, and the resulting relevance of their outcomes to the commercial progress of businesses implementing solutions on the ground. The lessons learned reflect this journey and are broadly grouped into three learning areas: types of partnerships, characteristics of the partnerships that were able to attract investment, and the operational challenges of partnership administration.

1. Learning on types of partnerships: P4G funded different kinds of partnerships that ranged from earlier-stage market-generating partnerships to later-stage market-driven partnerships. Market-generating partnerships¹⁰³ seek long-term commercial interest in transforming the market conditions and aim to address system failures in the market. Market-driven partnerships are driven by the current business case, where the commercial partners implement new business models, technologies or products that contribute to sustainable development. A further breakdown of the P4G partnerships by model is illustrated as follows:

a. Market-generating partnerships:

- **The Alliances model:** These partnerships were high-level, and focused on creating alliances among key stakeholders needed to drive systems transitions. These include the Circular Fashion Partnership, the Getting to Zero Coalition and the Plastics Reduce Recycle Reuse Initiative. While the NPs were able to engage in some ways, the traction was less so than for the more commercially focused partnerships. Additionally, because these partnerships were more upstream, they did not lead to clear investment opportunities during the P4G funding period.
- **The Accelerators model:** These partnerships focused on both policy and regulatory improvements and standards, as well as the finance needed to enable greater private-sector involvement. P4G had three partnerships that involved and were implemented in parallel with WRI's work. These were Building Efficiency Accelerator, Clean Energy Investment Accelerator and Zero Emissions Bus Rapid Accelerator (ZEBRA). No P4G grant funding went to WRI, but WRI's funding from other sources counted as a cost-share. These partnerships focused on catalysing commitments, finance and action among the established business community to enable the transition to more climate-friendly practices.

b. Market-driven partnerships:

- **The Intermediaries model:** These partnerships included innovative crowd funding or project development funds focused on providing equity and working capital to small in-country businesses. Green 4 Access, Climate Policy Initiative, Energy Efficiency Alliance for Industry, Sustainable Sourcing at Scale and others were able to launch small project-development

¹⁰³ Source: Danida – Note on Market-based Partnerships for Sustainable Development (May 2019), p.1.

accelerator funds focused on providing seed capital to their own pipeline of renewable energy, energy efficiency and sustainable agriculture businesses. The crowd-funding platforms, PlusPlus and Energise Africa also fall into the intermediaries category. These partnerships focused on creating two concurrent and matched pipelines: (1) crowd funders interested in their mechanism, and of (2) a pipeline of investees who will utilize the crowd funding. Typically, these are either businesses or projects for whom other sources of capital have proven too costly. For example, a conventional bank loan for a small business in Africa might have an interest rate of 20% or higher, which is too high for normal farmers to be able to pay back; whereas a crowd funded loan at a more social interest rate of 5-6% would be affordable to the farmer or the household that wants to get solar home systems.

- **The Early Adopters model:** The classic technology adoption life cycle starts with innovators and then moves to early adopters and on to the early majority phase where it becomes fully commercial and widespread. These partnerships were focused entirely on the business case and regulatory environment for new, small and in-country business entrants. An example of P4G's early adopters model is Indonesia's reuse and refill solutions with the early stage business Siklus. The Hub and the NP connected the Siklus partnership to other refill solutions players in the industry. They also connected the coalition with the relevant regulatory authority so that it could share its policy recommendations to overcome regulatory and market-access bottlenecks. This coalition can be further mobilised to support future challenges.

These four models feed into each other to help create and expand the market for sustainable development. Market-generating alliance partnerships help bring the necessary stakeholders together to identify the action needed, offer clear solutions, and commit to pursuing action. For example, the Getting to Zero Coalition partnership focused on mobilising support for developing emerging green hydrogen solutions needed to green the shipping industry, where actual implementation is at least 5 to 10 years away. Accelerator partnerships then benefit from the advancements made by alliances by working with established stakeholders and green solutions to provide more concrete support for policy and standards development, and mobilisation of finance. For example, the Clean Energy Investment Accelerator worked to catalyse implementation of proven renewable-energy technology and develop relevant regulations to expand market opportunities. Once green markets start to develop, intermediary partnerships like Energize Africa, which provides crowd-sourced financing to early stage solar companies in Africa, help mobilise finance to help companies expand their green business. Finally, early adopters like SEOS scaling a financing platform for solar rooftops in Colombia and Mexico are able to take advantage of market policies and innovative finance in order to grow their business that supports sustainable development.

The highest potential for direct private-sector work, where businesses are providing tangible climate and SDG services on the ground is in the early adopters model, where the partner is the implementing business. The most investment-worthy partnerships from Phase 1 were in the early adopters' model, followed by the intermediaries model, while only one of the accelerators and none of the alliances received any level of commercial funding. Thus, the early adopters model is where P4G proposes to focus in Phase 2.

2. Learning on characteristics of investable partnerships: P4G's analysis in prior case studies and the two State of the Art reports have found that the key elements of a partnerships' success are (a) a business executive team that is deeply committed, morally and financially, and highly intellectually resourced; (b)

an in-depth understanding and knowledge of each of three essential sectors: ODA sector, the impact investment sector, and their technical business sector; (c) a global network that spans those sectors at the highest level and (d) an NGO with the intent of launching an investment-ready climate-impact business. Partnerships such as Africa GreenCo, Sustainable Food Partnership, Sustainable Special Economic Zones (SSEZ), Energise Africa, PlusPlus, GeoFutures GreenInvest and Project STOP Banyuwangi reinforce the lessons emphasized above. These lessons were further reinforced by the non-P4G partnerships that were studied in the two State of the Art reports in Phase 1. Although these specific combinations of traits across partnership team members can be challenging to find, P4G will screen its partnerships to assess these factors and use them to inform the risk rating and analysis that will go forward to the Independent Grants Committee (IGC), as well as providing feedback to the partnership in this regard.

- a. **Understanding the missing middle:** P4G conducted significant examination of the barriers that inhibit financial flows to the early stage business partners. This included work with DFIs and impact investors to understand what they are looking for in an investable business, as well as studies examining the valley of death and availability and structure of investors active in that area. This ultimately led to the formulation of the CAIF facility, which aims to provide a critical next investment step for early stage businesses of the type that P4G funds. Where P4G's model will target the early-to-middle part of the missing middle, CAIF's model will pick up at the middle-to-end part of that same proverbial valley of death. Where partnerships in P4G's target maturity spread will need the intense coordination and collaboration required to prove out the true early adopters of a successful model, CAIF will be able to pick up the commercial early stage partner as an independent entity for investment. This will be considered the success or exit point for all NGOs, who will be able to withdraw from the partnership with all future work on a subsidised but financially sustainable manner, meaning that they are making tangible progress towards receiving a blended finance mechanism to raise the operating capital needed for the business to grow in size.
- b. **Convenings as critical value add:** A key lesson learned from Phase 1 was about the value of its network in matchmaking partnerships with key stakeholders. P4G stakeholders have trust in the P4G brand, knowing that each partnership has gone through a competitive bidding process against hundreds of other applicants. P4G reviewed an average of over 200 applicants per year for five years, for a total of over 1,000 applicants reviewed in Phase 1. This meant that the governments and organisations to which P4G presented partnerships had a higher level of confidence in the probability of the success of the venture. Additionally, P4G took the approach that it would only convene senior-level stakeholders if there were a focused, tactical reason for that stakeholder to be there. For these reasons, P4G designed each of the 29+ convenings to the specific needs of the relevant partnership. For some partnerships this resulted in individual convenings with one partnership and multiple stakeholders with a discussion focused either as a specific investor pitch or on the partnership's broader needs in terms of different stakeholder commitments (i.e., supplier and off-taker agreements, regulatory permits, etc.); while other partnerships were in sessions with multiple related partnerships and multiple stakeholders discussing issues that were typically driven by sector or country.

P4G's Phase 2 acceleration components can boost the confidence of investors, regulators and government officials and businesses in the value chain. This will be an approach where P4G and its partnerships work together to get balanced matchmaking that includes the right blend of meetings with investors, meetings with appropriate government regulators or line ministries, and meetings with businesses that can be a critical part of the business value chain, including upstream suppliers and downstream buyers or off-takers. The acceleration planning discussed in the theory of change and problem analysis focuses around using these P4G convenings as a means of attracting both

global and national stakeholders at the right level, such as P4G Summits and at specialised workshops or meetings with government through the NPs.

c. Enabling environment: A critical success factor for partnerships in Phase 1 was found to be that they not only demonstrated an understanding of the relevant legal and regulatory framework, but also that they were actively working on the enabling environment, typically around very tactical issues such as tariff pricings, and the allowability of certain types of business activities. On the latter point, it is important to point out the lessons learned for Africa GreenCo, SSEZ and Siklus.

- The Africa GreenCo partnership had both the grid operator and the regulator determine that the clause in the energy legislation indicating that “open access” is possible. “Open access” means the ability of any registered entity to buy and sell power, and is a provision originally only meant for use by (a) nationally owned central utilities, and (b) for large mines in southern Africa. This finding indicates that “open access” can also apply to a company that is independent, non-governmental and non-mining company that and exists solely for the purpose of buying and selling renewable energy with an operating capital structure that enables them to maintain liquidity. This transition from highly centralized utilities to more decentralized utility approach has proven successful progressively from one region to the next around the world, starting in the post-Enron 1990’s era in the U.S. and the Nordic countries, it has since been proven effective in India in the mid-2000's. The dispatch technical ability to administer the grid in this manner developed along at the same time line as the business model to do so.
- The SSEZ partnership required a reinterpretation of the law that allows for industrial park free-trade zones to receive the rights and privileges that enable ease of doing business in-country to apply to any industrial zones that maintain an SDG approach. In this case an SDG approach meant not only that the businesses therein need to produce products and services that help to accomplish the SDGs (such as solar panels or drinking water filters), but also that the workers there are treated with the full human and social rights envisioned in SDGs such as SDG 10 for gender and equity, SDG 5 for education, and others.
- The Siklus partnership’s business has had to shut down an entire line of business because of a lack of foresight and coordination with a particular regulatory enforcement agency, the Indonesian Food and Drug Administration.

This is important for early stage businesses that are doing something new in the country, to make sure that regulators, government officials, and bureaucrats maintain a level of comfort with the new model and facilitate connections to improve the enabling environment as needed. Furthermore, the work of one partnership in a given sector will also enable all of those who come afterwards. This can be true both within an individual country and across countries who are trying to trigger greater green economic growth, where the lessons learned from one can benefit the others. In Phase 1, P4G required partnerships to demonstrate that they had solid understanding of this area but did not require that the partnership continued work in this area. In Phase 2, P4G will require all partnerships to not only demonstrate that they have good knowledge during the selection and evaluation process, but also that during the implementation process they will have budgeted activities in this area with a resulting lesson learned or knowledge product.

d. Components of acceleration: In addition to the above characteristics, the two P4G partnerships that have realised financial close on series A financing benefitted from a coordinated approach across three of the following areas: (a) the investment readiness, including global-to-local connections; (b) the regulatory interpretation that would allow it to overcome investor concerns and (c) proper grant

administration, project and grant management. Therefore, for Phase 2, P4G has designed its acceleration services and its sub-grant agreements to span all three aspects mentioned above. Partnerships in Phase 2 will be required to have budget components as linked sections within their overall work plan, budget and schedule for investor readiness work, which includes hiring an investment advisor who will also perform due diligence; for enabling-environment work, which will include ongoing dialogue with the relevant regulatory enforcement bodies; for events that include the cost of working with P4G's NPs and going to major global green diplomacy events (as required), such as the P4G Summit, COP and UNGA, and for a related knowledge product to share lessons learned.

e. Knowledge products: One of the other hypotheses carrying in to Phase 2 is that it is indeed the early adopters who work closely to improve the enabling environment for a new business or technology. It is critical that the lessons learned of early companies to bridge the missing middle are captured in knowledge products that are both credible and whose findings are broadly disseminated. Therefore, all partnerships will be required to produce a knowledge product, and P4G will help to promote it. These can be produced in a variety of short, meaningful formats including blogs, brief reports or policy recommendations and will be aligned with P4G's MEL approach.

3. Learning on the operational challenges of partnerships: Many of P4G's partnerships involved early-stage organisations that were still getting their operational and administrative bearings and required considerable support during the due-diligence, grant negotiations and signing processes, as well as the grant administration period. Because all partnerships were trying something new in the marketplace, they nearly all experienced delays and setbacks that required adjustments in schedule, budget and scope. While these challenges are not uncommon in the early stage arena, they were time-consuming for P4G staff on the administrative side. This resulted in slower than anticipated spend rates and higher than expected requests for no-cost extensions. As a consequence, P4G underspent on the Partnership Fund portion of the budget and has 17 partnerships whose implementation timelines will extend into Phase 2. This has budget implications for the Phase 2 Partnership Fund, which will have to support these Phase 1 legacy partnerships as well as new Phase 2 partnerships.

Other challenges included changes in administrative partners in partnerships and budget modifications that partnerships need to submit before contracts can be signed. Additionally, Hub staff turnover on the operations and partnerships teams and additional internal controls processes that partnerships needed to go through to get their sub-grants signed slowed down sub-grant processing. This has emphasized the need to upskill P4G staff capabilities in grants management and administration, which has subsequently been acted upon.

- a. **Partnership site visits:** With the hiring of new staff in-country, the Hub has begun conducting visits to all the partnerships. This has brought home the importance of at least one annual visit to each partnership by in-country teams that includes visiting partnership offices, production facilities or project sites. These visits have helped the Hub keep abreast of the latest partnership development, get more qualitative learning, and verify the implementation of business plans.
- b. **Due diligence of commercial partners:** There is a need for due diligence of the commercial partners during the selection process and potentially visiting the finalists. This will allow the Hub team to get a better idea of how early-stage or advanced the commercial partner is. Some visits revealed that some commercial partners were more mature and already in the process of fund raising from development finance institutions, while others had not yet crossed the proof-of-

concept stage. This due diligence will help ensure that grant funding is only given to partnerships that are in the right stage in their life cycle to benefit from P4G's funding and technical assistance.

- c. **Results Framework and MEL:** During Phase 1, P4G and external reviews recognized a need to develop partnership results framework indicators that are more closely linked to a P4G results framework to assure attribution to P4G of results achieved. Many of the indicators used in Phase 1 would be more common for programs that are directly implementing projects on the ground, rather than for those launching an early stage business. In Phase 2, both MEL and in-country project finance and development professionals with sectoral expertise will be part of the programme design. It was also observed in Phase 1 that P4G's results indicators were heavily influenced by the five top performing partnerships. Therefore, in Phase 2 P4G has projected results which are not as high as Phase 1, but which hold the potential to be as high or higher depending upon the degree and speed of the success of Phase 2 partnerships.
- d. **Annual Lessons Learned:** Having a learning culture is critical to the advances of P4G. In reports over the past five years, P4G has learned additional lessons about some of the following items: fewer applications due to a more rigorous application and selection process, increasing staff field presence as an midterm review (MTR) finding, local anchoring of partners in the partnership, engagement with embassies and synergies with other initiatives, the role or importance of the NGO-partner, the decision-making process on approval of applications, gender equity, delays in project implementation, such as phasing out and field presence, and others. These lessons have been reflected not only in prior annual reports but also in Board, Executive Committee and Working Group meetings. Each of these lessons has been addressed in the design of Phase 2, although some design elements have not been labelled with the corresponding lesson learned because these have been captured in the annual reports and other materials.

Phase 2 Partnerships

P4G partnerships will have the following features, based on Phase 1 lessons learned.

Overview

1. **Partnership Objective:** In Phase 2, P4G will focus on the early adopters models mentioned in the lessons-learned section, to enable local early stage businesses to become investment-ready, while improving the government's understanding of business-enabling systems.
2. **Partnership Grant Funding:** Individual grants will be between USD 100,000 to USD 500,000 with the possibility of refunding up to USD 1 million. These non-returnable grants will be made to NGOs as the prime grantee, with a sub-contract to the early stage business partner.
3. **Grant Duration:** The grant period will be 18 to 24 months, and extended grants may be available, including for those with a second round of investment with a maximum of 12 additional months and subject to available funding.

Eligibility Criteria

Eligibility criteria have been customized to reflect the combination of requirements for the business and NGO partnership to meet the development and climate objectives that they have specified in their own impact measurement mechanisms, structured as their results frameworks. The eligibility criteria are also structured to ensure that prospective applicants can have early and clear indications as to whether they should take the time to apply, as follows:

1. **Sectors and country alignment:** Partnerships must directly address climate mitigation, adaptation or resilience needs through their business partner's work in the areas of food (climate-smart agriculture and food loss and waste), water (water resilience) and energy (renewable energy and zero-emissions

transportation) as aligned with P4G's partner-country priority sectors¹⁰⁴. All partnership activities funded by P4G must take place within a P4G partner ODA-eligible country.

2. **Partnership composition:** Partnerships must comprise at least an early stage business partner and a civil society NGO, and be formalized through a memorandum of understanding, charter, compact or other agreement¹⁰⁵. Additional partners can be included as needed to help the business proposition to be realized¹⁰⁶. Each of the partners in the partnership should have a shared objective of realising the investment readiness of the business. Minimally, this should lead to the development of investor materials required to realise later stage investment.
 - **The early stage business partner:** The business at the core of the partnership must be in the early stage of commercialisation and should be or intend to be operating in the P4G country of implementation and have a clear business plan, a financial pro forma and an experienced team. Grants may cover expenses related to the final business proofs and market testing, as well as support for continued commercial formulation, with the goal of becoming investor ready. Excluded from consideration are technology research and development or prototyping, funding of funds and project development¹⁰⁷. Note that additional business partners, such as supply-chain providers and off-takers, can also be included and have in Phase 1 often been major multinationals and/or funder country businesses looking to reduce their own impact while exploring doing business in developing world markets.
 - **The primary NGO partner (the Administrative Partner)** should also be working in the relevant sector(s) and have a specific stated intent to assist the early stage business partner in becoming investment ready. It is preferred that the Administrative Partner is also registered in country, but this requirement can also be fulfilled by an additional NGO partner who is included in the partnership and charter.
 - Any additional partners included in the application should also have a stated intent of helping the early stage business partner becoming investment worthy. This can include intended buyers and sellers or other stakeholders in the broader value chain as long as all requirements are met as per the guidelines published on the P4G website.
4. **Investability:** The business partner must have a robust business plan and financial model with early market proof points, a defined path to commercialisation and the intent to attract commercial investors.
5. **Track record:** Partnership individuals and institutions must have demonstrated expertise or are willing to develop expertise related to the target country or region and sector; entrepreneurial development, business, finance and investment skills; impact monitoring and measurement skills and relevant policy and regulatory expertise to indicate that they can be fully trusted to deliver. Ideally the partners will have worked together and show a strong track record, but newly formulated partnerships are also eligible as long as there are strongly demonstrated synergies and expertise in these areas. Institutions must also have the ability to meet WRI's due diligence requirements.

¹⁰⁴ See more expanded discussion on SDG and sectoral areas of focus in the context analysis section.

¹⁰⁵ These are typically not legally binding levels of commitment.

¹⁰⁶ Eligible expenses will be listed in the P4G partnership guidelines.

¹⁰⁷ Project development means that the purpose of the intended investment is specifically to raise the capital needed to construct infrastructure that would be owned by an existing commercial or governmental entity.

6. **Additionality:** Partnerships must show that P4G’s value-added acceleration, including engaging NPs and global networks, can enable private-sector growth and that this inclusive growth is at the core of the partnership.
7. **Impact:** Partnership must demonstrate expected direct effect on climate adaptation or mitigation. As well as have inclusive economic growth, poverty reduction and gender equity as key objectives integrated into the partnership.
8. **Cost share:** Partnerships are required to have a cost share of at least 30% of the total P4G grant funding awarded, in the form of either grants, operating capital, or another monetary match that is not in-kind.
9. **Responsible business conduct:** Partnerships may not have activities that are in P4G’s exclusion list and must demonstrate an ESG strategy or a clear plan to develop one.
10. **Enabling environment:** Partnerships must show a clear alignment with and need for enabling systems within the P4G country(ies) of implementation in order for the business model to be fully successful. The partnership should have clear proposed activities to support improvement to the enabling environment, including a resulting learning or knowledge product. These activities must be directly aligned with and clearly linked to improving the commercial partner’s business case.
11. **Due Diligence:** The two lead partnership institutions (the NGO and business) must have the ability to meet due diligence requirements¹⁰⁸ and provide partnership company information when required.

Partnership Selection Criteria

Evaluation criteria have also been modified to strike the right balance among business, development and climate. In the new evaluation criteria, there is a 25% weight given each to the commercial business model (scalability or investability), the ability to deliver or leadership (scalable or investable), 20% to contributions to improving the enabling environment, and 30% impact.

Table 8: P4G Selection Criteria¹⁰⁹

Category	Subcategory	%	Description
Investable and Scalable	Potential to be financially investable	25%	Business model shows clear and compelling strategy to grow a sustainable and commercially viable business and potential to attract commercial investment, with policy or regulatory needs and barriers clearly identified. Business plan considers the amount and sources of capital that the business requires and aims to catalyse.
	Ability to deliver: leadership, team and experience	25%	Partnership leadership team has a track record of success, are experienced in the target sector with strong networks or other indications that they can be fully trusted to deliver. It has at least one partner with local representatives with policy, technical and business knowledge and expertise to help with program implementation in the country.

¹⁰⁸ The DD requirements will be provided in full as an Annex to the Partnership Selection Guidelines

¹⁰⁹ Note that additionality is included as an eligibility requirement and therefore has been removed from the selection criteria.

Contributes to Improving the Enabling Environment	Regulatory/policy shifts	20%	Clear understanding of and case for policy or regulatory shifts that enable the business model or improve the financial case and the ease of doing business. Clear proposed activities to support improvements to enabling environment that specifically benefit the business case. Includes a resulting learning or knowledge product.
Impact	Impact plan	30%	The TOC, RF and impact measurement & management framework shows positive quantifiable impact and action to addresses climate challenges and improve the well-being of people and natural ecosystems. Specific metrics toward carbon reduction, climate adaptation or resilience and job creation as aligned with P4G's TOC and IMM are required. Partnerships will comply with the gender 2x criteria.

Phase 2 Activities

The P4G Hub will undertake the following activities to originate, select, manage and provide technical assistance to P4G partnerships in Phase 2. WRI will support all these processes, including by helping to originate partnerships, providing inputs during the selection process, providing operational support for grant administration (contracts, disbursements, financial administration, etcetera), and technical expertise and political engagement as relevant during the implementation of the partnerships.

1. Origination, pipeline development and call for partnerships

- The P4G Hub will work with ODA-eligible and donor country NPs on a year-round basis to originate potential partnership applicants for a P4G grant. The Hub and NPs will co-host webinars on partnerships guidelines and selection criteria, conduct outreach to potential in-country networks that are connected to the early stage businesses and promote the call through P4G and NP's digital media. Preparatory meetings and workshops will aim to look into possible synergies with government-to-government programmes between ODA-countries and donor countries, to strengthen the credibility of the potential partnerships.
- Partnerships will be sourced from networks that are most familiar with the businesses emerging in the green technology space, including some of the following sources:
 - country business incubators and accelerators, such as existing business and technology investor or industry groups or associations.
 - International green or impact business incubators and accelerators, such as AB100+, Kenya Climate Innovation Center, Climate Policy Initiative, Acumen, GSMA, ImagineH2O, AquaforAll and others.
 - Relevant partner-country embassies, ministries, trade agencies and bilateral development agencies, including related business accelerators.
- The Hub will maintain a web portal for applicants to submit their full application materials, including partnership information, theory of change and results framework, their business plan, their financial model or pro forma high-level financial model, a pitch deck and an initial budget and work plan.

2. Selection process

- The P4G Hub will conduct and facilitate the evaluation and selection processes with the NPs, IGC and WRI, including the following activities:
 - Screen applications for eligibility.
 - Evaluate and score eligible applicants. A scoring system will be used to rate the partnership application based on the below-listed selection criteria. Evaluation will include a pitch session from the partnership, during which time the partnership will receive feedback from the Hub.
 - Request, review and negotiate with partnerships on their scope, schedule, budget, risk (including ESG) and impact monitoring and measurement plans using P4G-provided templates. The budget must only include allowable expenses as compliant with P4G donor and WRI rules and requirements, which will be provided in the application guidelines.
 - Conduct due diligence¹¹⁰ of finalist applicants. This process will include a local visit to review organisational capacity and procedures.
 - Prepare a risk rating and recommendation for (conditional) funding for partnerships that score highest, for submittal together with the evaluation and NP-signed input to the IGC.
 - Complete evaluation materials for all finalist applicants will be sent for final evaluation and award decision by the IGC.
 - Provide with written feedback to rejected applicants at the eligibility and evaluation stages.
 - Inform ODA-eligible country NPs and donor country NPs of applicant progress.
- The IGC has the following responsibilities:
 - Review of new partnership cohorts for possible funding based on the Hub proposal evaluation, NP input on relevant potential partnerships and overall portfolio balance regarding awarded in-country partnerships and progress towards P4G's results framework. The IGC will indicate if a proposal can be approved for funding or not and if that approval is conditional. A decision memorandum will be issued for documentation.
 - Review and approval or rejection of applications from existing P4G partnerships for additional funding.

3. Award grants to partnerships

The Hub has the following responsibilities:

- Notifying applicants of the outcome of the decision by the IGC.
- Notifying the Steering Committee and the Global Advisory Council of the outcomes of the selection process.
- Carrying out the grant award process, which includes full organizational due diligence (on-site and desk), as well as budget, scope and contract negotiations. Led by the Hub with upskilled expert staff, this will be heavily supported and overseen by WRI.

¹¹⁰ A blank WRI organizational due diligence form will be included in the proposal Dropbox and included as an appendix to the applicant guidelines.

- Undertaking final grant negotiations after the IGC decision memorandum has been issued with the goal of having signed grant agreements within a three- to six-month time frame. Based on the lessons learned from Phase 1, P4G has proposed a revised staffing structure and depth of expertise to effectively manage this workload, as well as the workload of grant administration.
- Publicly announcing the award of partnerships.

4. **Grants administration and monitoring, evaluation and learning**

The Hub will administer the grants and MEL related to partnership implementation, including the following tasks:

- The Hub will administer grants for each partnership and monitor them through the kick-off meeting, including review of approved work plans and budgets, biannual financial reporting, biannual progress reporting, annual site visits, a knowledge product and dissemination event deliverable and a close-out meeting.
- The P4G Hub will work alongside external consultants to assess the progress of our partnerships towards becoming investment ready. This review will include an assessment of both the financial and the impact potential for the business within each partnership. Partnerships will be expected to show evidence that their product or service provides the anticipated climate and SDG results, as well as the business-side work of securing investment.
- P4G will work with WRI's technical experts in the Finance Center to assess any internal and overarching lessons learned and improvements that could be made to the P4G program. Similar lessons learned will be shared with WRI's operations teams. Updates will be included in annual reports and other learning products.
- During the alignment phase of each annual P4G planning cycle, the Hub will engage with the NPs, donors, the IGC and Steering Committee to build on the lessons learned in the prior year. P4G will revise and align the partnership selection process, guidelines and TA as needed. Lessons learned and any changes to the selection processes will be included in the annual report.

5. **Partnership technical assistance**

The Hub will provide technical assistance for each partnership, focusing on enabling investment in the early stage business as follows:

- Business matchmaking and stakeholder events: Partnerships will be invited to matchmaking sessions as their early stage business partners exhibit progress and investment readiness. Since all P4G partnerships will be evaluated on this basis (their potential investability) and all will be required to have a budget and work plan with activities for this purpose, all partnerships are expected to reach the point where they are making enough progress that these stakeholder events will prove beneficial. Events at which such sessions may occur include NPs meetings and workshops; stand-alone in-country sessions; networking at major global events such as COP and UNGA that may include prospective investors, government policymakers and other key stakeholders and featured inclusion for select partnerships at a P4G Summit. These events will include opportunities for partnerships to make meaningful connections and advance dialogues with potential business partners, relevant government and regulatory bodies and investors.
- The different P4G stakeholders during this process have the following roles:
 - ODA NPs: Connections to in-country government counterparts and businesses.

- Donor NPs and embassies: Connections to the green diplomacy community, including to businesses from their countries that could form part of the early stage business's value chain (buyers and suppliers), relevant DFIs and their climate funds and in country accelerators or other impact funds that may be interested in taking a commercial interest in one of the P4G partners.
- WRI: High-level connections to help advance related regulatory or policy analysis and work and also technical expertise related to the sector.
- Mentoring or advice: Delivered by the Hub Partnership manager and leadership team, this includes problem solving related to grant, business approach, enabling system, meetings or matchmakings and other matters.
- Partnership investment readiness: The partnership investment readiness work will be budgeted within the grant, and the Hub partnership managers will work in close coordination with those activities to help overcome barriers, review documentation required for investor sessions and convene meetings with investors and in-country stakeholders to enable the partnership to secure investment through, for example, CAIF or other impact investors or DFIs.
- Investment due diligence: Partnerships will undertake an investment and impact due-diligence assessment as part of their grant with guidance from the P4G Hub on the quality and scope of work.
- Training: P4G will provide training to build partnerships' organisational capacity to enable them to operate successfully in the impact investing arena. Based on Phase 1 lessons learned, this would include impact monitoring and measurement, organisational strengthening and grant administration. Provided by Hub staff, such as the MEL manager, the training will help partnerships to navigate the WRI grants process as well as the broader impact-investing processes and requirements.
- MEL: An MEL manager will be hired to work with P4G partnerships to track and improve their progress on their own theory of change and results framework, ensure that they are aligned to P4G's programmatic results framework and consolidate qualitative and quantitative lessons learned. The MEL manager will also review partnerships' knowledge products and will work with the Hub communications team to share what was learned. The actual design and delivery of each partnerships' MEL system is to be budgeted within their grant.

Annex 5: National Platform Phase 2 Strategy

Overview

NPs are an important element in P4G's theory of change and delivery model for advancing P4G partnerships and scaling their results in P4G ODA-eligible partner countries. NPs link P4G partnerships with the partner-country government, businesses and organisations committed to inclusive economic development.

In the ODA-eligible partner countries, the NPs will (a) engage in the origination and evaluation of partnerships involving in-country early-stage businesses that are aligned with their NPs for SDG and climate-related green economic growth; (b) concentrate on two priority sectors per country and support the partnerships' efforts to improve enabling systems; (c) include donor embassies, donor NPs and WRI global and local teams in the acceleration of partnerships, including to provide access to business partners and value chains, and (d) support business matchmaking engagements and access to potential investors to create the link among innovative business models, investors and potential change in enabling environments. While partnerships can identify the barriers to scaling, develop recommendations to improve the enabling systems and conduct targeted engagement with the relevant authorities, the NPs can legitimise the partnership's work and findings, participate in policy workshops, and facilitate connections to relevant authorities. The NPs are co-chaired by senior leaders of both the public and private-sector institutions responsible for in-country transitions, and include stakeholders from sectoral and finance networks, donor country embassies and WRI country offices.

The NPs of the P4G donor countries serve a different function than the platform in the ODA-eligible countries. They help to originate partnerships that are aligned with their policy priorities and are being implemented in P4G partner countries. They also help to advance and scale P4G partnerships through a range of activities, including business matchmaking, connecting partnerships to other bilateral support programs in country, connecting to other sources of international development finance and showcasing results. Each country has designated different types of institutions to lead their NP, with Denmark designating a public-private business association, State of Green, the Netherlands designating a government agency, RVO, that has a mandate to engage the private sector and the Republic of Korea's Ministry of Foreign Affairs (MFA) leading their NP and engaging the private sector on an ad hoc basis. (See more detailed information below.)

Phase 1 Results

- **Ten NPs launched and engaged in P4G.** The P4G Hub invested significant resources to support especially the ODA-eligible partner countries in establishing their NPs and launch events to formalise the public-private leadership in P4G and to promote the P4G program and annual calls for partnerships. All the countries except for Bangladesh and Chile formally launched their NPs during Phase 1, with Denmark, Ethiopia, Kenya, the Republic of Korea and Vietnam being launched in 2018; Colombia and Mexico in 2019; Indonesia and the Netherlands in 2020; and South Africa in 2022. Bangladesh was delayed due to COVID-19. Chile graduated from the list of ODA-eligible countries in 2018 and so chose not to form a NP.

In many cases, NPs comprise not just the focal-point ministry and private-sector representative, but also members from the donor embassies and NGOs. Including this broader network of practitioners contributing to climate impact provides a greater ecosystem to support and scale P4G partnerships. For example, in Indonesia, all three donor embassies were actively involved in the launch of the NP and, along with the government, subsequently identified a clean energy

transition and plastics circular economy as priority sub-sectors and helped to originate partnerships connected with those thematic sectors. The WEF provided the sectoral framing and network support for the plastics sub-sector through the Indonesia National Plastics Action Partnership.

After an NP is launched, the P4G Hub continues to invest in engaging them to deepen the NP's involvement in P4G. For example, the Hub has regular engagements with NP focal points to promote calls for partnerships, solicit input on existing partnerships and applications and prepare board members and NP co-chairs for their participation in the P4G Summits and side-events at global conferences such as the COP. In addition, staff or leadership changes in partner countries also requires the Hub to continue to invest in supporting the NPs. For example, during Phase 1, the leadership and/or NP focal points changed in Colombia, Denmark, Ethiopia, Kenya, Mexico, the Netherlands and the Republic of Korea, requiring the Hub staff and leadership to rebuild relationships and understanding with the new country contacts in order to maintain the country's involvement in P4G.

- **Private-sector leadership in P4G.** Of the 10 established NPs, 7 actively involve the private sector: Colombia, Denmark, Indonesia, Kenya, Mexico, the Netherlands and Vietnam. Three involve the private sector on an ad hoc basis: Ethiopia, South Africa and the Republic of Korea. Countries that have a high level of private-sector engagement, including Colombia, Denmark, Indonesia, Kenya and the Netherlands, have been most successful in originating partnerships with strong business partners. For example, the Kenya and Colombia private-sector co-chairs convened workshops targeted to their members in specific sectors (e-mobility and entrepreneurs) to promote the call for partnerships. As a result, P4G approved several strong partnerships in those countries with clear pathways to investment. In addition, grouping partnerships in a priority sub-sector, like e-mobility in Kenya, created more opportunities for cross-learning between the partnerships, deeper government engagement involving the relevant sector ministries and opportunities to become investment ready.

Active private-sector co-chairs also helped to progress the partnerships by facilitating connections between their membership and a partnership. For example, the Mexico private-sector co-chair UN Global Compact has actively involved a plastics partnership to promote a plastics circular economy with their members. The donor NPs also play an important role in connecting partnerships with their corporate networks. For example, with a partnership focused on agroforestry coffee production, the Danish NP helped to connect the commercial partner to additional potential corporate buyers for sustainable coffee.

- **NP capacity building** – In Phase 1, the P4G Hub worked to build the capacity of NPs to develop and support P4G partnerships through a range of activities, including NP gatherings that brought platform co-chairs and focal points together for knowledge exchange, webinars on calls for partnerships, co-hosting of workshops with the NP and partnerships and provision of biannual update reports on the partnerships. While the Hub continued to convene platform gatherings virtually during COVID-19, the most beneficial gatherings were those that were in person to allow for deeper discussion and sharing of lessons learned.

As a result of these capacity-building activities, NPs engaged more intently in the calls for partnerships by hosting workshops for targeted audiences. They also provided inputs during the Hub's evaluation of applications. In addition, one of the primary outputs from the NP Capacity-Building Workshop sponsored by the Danish NP in 2022 was the development of NP action plans by the ODA-eligible NPs, which served as the basis for their 2023 NP implementation plans.

In 2019, the Hub hired in-country regional managers in Jakarta and Addis Ababa, which also helped to build capacity of those NPs. The Hub first sought to hire the regional manager for Asia in Hanoi but was not able to get approval from the Vietnam NP. The Kenya NP also benefitted from strong engagement by the Danish embassy and environment program, which provided complementary resources to support the green-growth agenda. Where partner countries are strongly interested in engaging in P4G, allocating in-country resources helped deepen the countries' involvement, including the development of strong partnerships. Where NP priorities align to WRI in-country capacity and priorities, the ability to progress NP and partnership agendas has been significantly enhanced.

- **NP support for partnerships** – Many of the NPs supported partnerships in Phase 1 in a variety of ways, including a government co-chair provided opening remarks at an investor session to demonstrate legitimacy, a private-sector co-chair connected partnerships to their networks and government focal points participated in policy workshops. NPs chaired by a government ministry responsible for coordinating the country's inclusive economic development agenda effectively facilitated engagement between a partnership and relevant sectoral departments within the ministry regarding potential reforms to the policy and regulatory environments. For example, in Indonesia, the NP supported policy reform on reuse solutions and facilitated dialogues with the relevant government agency to advance the discussion involving P4G partnership (Siklus) and other similar solution providers.

In addition, NPs also support partnerships' efforts to seek additional funding from other co-investment facilities nationally and globally. For example, the Kenya NP co-chair, the Kenya National Treasury and Planning, also serves as the national designated authority to the Green Climate Fund. They played a critical role in helping the GeoFutures GreenInvest partnership obtain the letter of no objection as part of its application to the Green Climate Fund.

Phase 1 Lessons Learned

Below is a summary of key lessons learned from Phase 1 from the Hub, feedback from the NPs and findings from the P4G Phase 1 MTR and technical field review:

- **Origination:** Origination is the process prior to partnership selection that involves finding local channels in partner countries for strong P4G partnerships, convening information sessions, and providing early feedback to partnership applications. NPs that identified their top priorities for in-country transitions and actively engaged in P4G partnership origination extended greater government support during partnership implementation.
- **Sector focus:** Grouping partnerships within a priority sub-sector in a partner country, like e-mobility in Kenya, created more opportunities for cross-learning between the partnerships, deeper government engagement involving the relevant sector ministries, and the ability to contribute to improving the enabling systems.
- **Country partners:** A minimum level of resources and engagement is needed per country to successfully accelerate business models and sector changes. This includes active NP government and private-sector co-chairs, additional NP stakeholder engagement from donor embassies, having four to eight partnerships active at a given time, capacity building support for NPs and staffing support through NP liaisons. In the context of a reduced Phase 2 budget, P4G will need to concentrate on fewer countries in Phase 2. This focus will allow P4G to build clusters of partnerships in priority sub-sectors and better support partnerships and the NPs with the resources and capacity building they need to achieve the Phase 2 results.

- **Public-private engagement:** The participation of both government and private-sector representatives in the NP is key. The NP government co-chair can play an important role in advancing and scaling P4G partnerships. NPs have said that their mandate is to support market development for all enterprises, and so partnerships should include both a commercial and policy focus.
- **Private-sector co-leadership:** The countries that have a high level of private-sector engagement have been most successful in originating partnerships with strong business partners.
- **Donor NPs:** NPs also played an important role in Phase 1 in providing knowledge sharing with other NPs and support to partnerships. For example, in 2022 the Hub co-hosted with the Danish NP and the Ministry of Foreign Affairs, Denmark, a P4G NP Capacity-Building Workshop for all NP focal points, which provided the basis for developing NP action plans. While there was a process of moving more towards ODA-eligible country focus in Phase 1 in terms of the business partnerships, the donor NPs continued to play an important role through their networks and value chains in originating and supporting partnerships.
- **Resourcing:** NPs want to engage more actively in P4G partnerships, for example by conducting site visits and convening sectoral workshops but need additional resources to do so.
 - The work related to the NP constitutes a substantial task for NP focal points and includes the reading of partnership concept notes, understanding and maintaining contact with ongoing partnerships and responding to inputs and queries from partnerships regarding knowledge exchange. This is in addition to their already full-time work. If the NP had a technical person employed, it would strengthen ownership of the program. Such staff would be able to visit partnerships, organise network gatherings and strengthen the public-private partnership dimension of the work, thus getting input on and contributing to addressing policy, legal and regulatory barriers, among others.
 - The addition in 2019 of P4G regional managers based in Jakarta and Addis Ababa were valued by the NPs in those regions, however, more in-country support is needed, especially in the context of Africa with the high number of partnerships. In 2022, the Hub began hiring part-time NP liaisons based in each ODA-eligible partner country. The NP liaisons have significantly helped increase NP focal point's understanding and engagement in partnerships, including through sectoral and partnership workshops organized by the liaisons.
 - The MTR found great variation in the style, structure and functionality of NPs. A single "blueprint" approach to supporting and engaging with NPs would not be appropriate. It is important to tailor programme responses to the specific challenges and opportunities facing each NP.
- **Partnership updates:** There was inconsistent and a lack of comprehensive reporting to NPs on partnership learning, and cross-learning among partnerships. This limited NPs' ability to understand partnerships' status and support their needs. In program evaluations, NPs emphasised the importance of more comprehensive information on partnership activities and updates. The NPs also mentioned an interest in opportunities for cross-platform learning.

- **WRI's role:** While a critical element of P4G's success is its branding independent of its funders and WRI, WRI needs to play a clearer role in providing technical and engagement support, linking P4G to wider networks of actions in key areas of work and leveraging WRI's capabilities, especially where WRI has a country office. This value proposition is best leveraged through the partner countries NPs and when there has been alignment in the focus areas and activities of partnerships, NPs and WRI.

Phase 2 Recommendations

- Ensure that all NPs in ODA-eligible partner countries include private-sector co-chairs.
- Group partnerships within two priority sub-sectors within each partner country.
- Broaden NP to include financial and technical stakeholders, including from government, WRI and donor embassies.
- Continue to engage the donor NPs on originating and supporting partnerships in the partner ODA-eligible countries. Continue to implement the following recommendations of the MTR:
 - Strengthen the Hub's decentralisation model. Provide financial support to NPs in ODA-eligible countries to contract at least a half-time position in-country in order to increase NP activities to complement any staff time provided by government or the private sector. This includes the facilitation of lessons learned and the strengthening of NP capacities and links to relevant local stakeholders.
 - Have the Hub give greater priority to working with NPs and providing support and capacity building.
 - Inform and link NPs with the national partnership portfolio, including through the half-year reporting of partnerships in their respective countries and NP Implementation plans that identify engagements and site visits with P4G partnerships.
 - Clearly articulate the NPs' mandate and functions within the programme along with an idea of how their performance can be monitored and reported.
- Continue to implement a localized and contextualized approach to supporting NPs in each country through updating and monitoring the progress of NP implementation plans and a framework for maturing and evaluating NPs and differentiated results.

Phase 2 Activities

1. Capacity building and resource support for NPs
 - a. Provide tailored support for NPs according to their maturity based on framework for NP life-cycle management (see Table 9).
 - b. Maintain in-country NP liaison and links to WRI in-country capacity and priorities in order to support the NP's engagement in P4G and the origination, evaluation and implementation of P4G partnerships. Evaluate and provide the necessary level of effort appropriate for each country.
 - c. Convene global NP gatherings. The P4G Hub will convene an annual NP gathering of NP co-chairs or focal points from both ODA-eligible and donor partner countries to share progress and knowledge exchange. Two gatherings will be in person at the 2023 Colombia Summit and the 2025 Summit and three will be virtual.
2. Strengthen NP engagement in partnerships

- a. Co-host workshops led by the ODA-eligible NPs and Hub with partnerships, relevant government representatives and NP stakeholders to share knowledge on the partnerships and identify opportunities for TA and scaling.
 - b. Convene matchmaking sessions led by Hub and partnerships where NP will participate and will include engagement with investors.
 - c. Contribute to improving enabling systems through activities led by the partnerships, ODA-eligible NP and Hub, including engagements and facilitating meetings with relevant local and national authorities.
 - d. Engage regularly with non-ODA partner countries on the origination and support of partnerships with engagement led by the Hub.
3. Develop and implement annual work plans for NPs
- a. In conjunction with Hub support, P4G NPs will prepare annual NP implementation plans to include:
 - i. updates to the government and private sector's economic development, climate, and SDG policy priorities within the identified P4G priority sub-sectors for the partner country;
 - ii. activities to promote the origination of potential partnerships within the priority sub-sectors and NP input during the evaluation of applications;
 - iii. activities to support the implementation and scaling of funded partnerships, including improving the enabling systems to overcome barriers to green and inclusive growth identified by the partnerships;
 - iv. engagement of other co-finance facilities that business partners of P4G partnerships could access to scale; and
 - v. political engagement and knowledge sharing through P4G Summits, P4G Global Advisory Council meetings and regional or global events.
 - b. There will be an annual assessment of progress on NP plans in terms of contributions from NPs, the Hub, and partnerships.
 - c. There will be annual in-country meetings with NP co-chairs and other key stakeholders, including WRI and donor embassies.

The following additional activities will be undertaken by donor-country NPs:

3. Create a pipeline of possible partnerships
 - by being involved at an early stage in origination of the partnership;
 - by being involved in checking state-of-the-art technology and knowledge;
 - by securing that innovative solutions have a business potential;
 - by connecting or liaising partnerships or leads with possible Danish/Dutch/Korean solutions or other existing initiatives or partnerships; and
 - by supporting partnerships with involvement from donor country stakeholders.
- Strengthen dialogue and cooperation between ODA-eligible country NPs and donor NPs
 - by engaging key stakeholders, including, for example, other donor funding programmes;

- by ensuring that activities also build on the work of donor-country embassies in the ODA partner countries;
- by having a hotline between donor NPs and the Hub; and
- by involving donor country business, finance and NGOs at an early stage.
- Support knowledge mobilisation
 - by organizing national events;
 - by organizing international side events; and
 - by facilitating national communication of P4G

Framework for Life-cycle Management of P4G National Platforms

Table 9: Framework for Life-Cycle Management of P4G ODA-Eligible National Platforms

	P4G NP Stage 1: NP Supporting P4G Activities	P4G NP Stage 2: NP Engaging in P4G to Deliver P4G Program Results	P4G NP Stage 3: Co-Ownership	After P4G: Independent Operation
Objective/Outcome	NP established with government and private-sector co-chairs and focal points active in P4G	NP facilitates government and private-sector engagement to improve enabling systems and investment readiness of P4G partnerships in 2 priority sub-sectors	NP supports additional climate impact programs to enable green growth and investments	Platform continues beyond P4G funding to support climate impact programs to mobilise finance
P4G Partnerships	<ul style="list-style-type: none"> • 1–2 partnerships awarded each year • Minimal NP input on partnership origination 	<ul style="list-style-type: none"> • 2–4 partnerships awarded each year, grouped in 2 priority sub-sectors • NP actively involved in originating partnerships 	<ul style="list-style-type: none"> • 2–4 partnerships awarded each year, grouped in 2 priority sub-sectors • NP seeks partnerships that help access greater levels of finance to enable private-sector investment and green growth 	Platform continues to support engagement of partnerships with other potential sources of funding
Activities	<ul style="list-style-type: none"> • Hub and NP agree on annual NP implementation plan • Hub convenes NP stakeholders • Hub originates new partnerships • Hub leads partnership site visits 	<ul style="list-style-type: none"> • Partnerships, NP and Hub convene workshops to support partnerships and policy engagement • Hub and NP organise business matchmaking events • Hub convenes with NP involvement investment meetings/workshops • NP institutionalises the P4G NP 	<ul style="list-style-type: none"> • NP convenes sectoral/industry working-group meetings involving partnerships • Hub sponsors policy briefs and analyses to support policy and regulatory interventions to improve enabling systems • NP and Hub support partnerships efforts to seek additional sources of finance 	Platform brings government, business and finance together in-country to advance inclusive economic development

	P4G NP Stage 1: NP Supporting P4G Activities	P4G NP Stage 2: NP Engaging in P4G to Deliver P4G Program Results	P4G NP Stage 3: Co-Ownership	After P4G: Independent Operation
Roles of NP Stakeholders				
Public and Private co-chairs	<ul style="list-style-type: none"> Identify relevant government and private-sector stakeholders to engage in partnerships Review and endorse the NP implementation plan Provide input on partnership origination 	<ul style="list-style-type: none"> Participate in workshops to support partnerships and policy engagement Review progress on the NP implementation plan and provide input on priorities for the next year Co-host targeted workshops to originate new partnerships 	<ul style="list-style-type: none"> Convene sectoral/industry working-group meetings involving partnerships Facilitate involvement of other ministries and private-sector associations to advance enabling environment for P4G partnerships 	
Donor Embassies in Collaboration with Donor NPs	<ul style="list-style-type: none"> Support political engagement in partner country Generate partnership ideas 	<ul style="list-style-type: none"> Participate in workshops to support partnerships and policy engagement 	<p><i>Within P4G:</i></p> <ul style="list-style-type: none"> Connect partnerships to other potential sources of donor financing <hr/> <p><i>Greater ecosystem:</i></p> <ul style="list-style-type: none"> Donor program(s) contribute to growing the in-country sector transition market 	
WRI	<ul style="list-style-type: none"> Generate partnership ideas 	<ul style="list-style-type: none"> Provide technical input to support partnerships and policy engagement Support political engagement in country 	<p><i>Within P4G:</i></p> <ul style="list-style-type: none"> Connect partnerships to other WRI programs in relevant sub-sector <hr/> <p><i>Greater ecosystem:</i></p> <ul style="list-style-type: none"> WRI program(s) contribute to growing the in-country sector transition market identified by P4G partnerships 	

	P4G NP Stage 1: NP Supporting P4G Activities	P4G NP Stage 2: NP Engaging in P4G to Deliver P4G Program Results	P4G NP Stage 3: Co-Ownership	After P4G: Independent Operation
Hub	<ul style="list-style-type: none"> • Part-time NP liaison • Sponsor NP participation in annual Global NP gathering • Limited budget to convene workshops and conduct partnership site visits 	<ul style="list-style-type: none"> • Part-time NP liaison • Sponsor NP participation in annual Global NP gathering • Allocation of P4G partnership manager • Budget to convene NP-partnership and policy engagement workshops, business matchmaking events and/or investment sessions and to conduct partnership site visits 	<ul style="list-style-type: none"> • Part-time NP liaison • Sponsor NP participation in annual Global NP gathering • Allocation of P4G partnership manager • Budget to convene NP-partnership and policy engagement workshops, business matchmaking events and/or investment sessions and to conduct partnership site visits • Policy briefs and analyses to support policy and regulatory interventions to improve enabling systems 	

Table 10: Phase 2 Partner Country Selection Criteria

	Donor Priority	Government Engagement	Private Sector Engagement in NP	WRI Presence In-country	Inclusion in Phase 2
Indonesia					Recommend
Colombia					Recommend
Kenya					Recommend
Ethiopia					Recommend
South Africa					Recommend
Mexico					
Vietnam					Recommend
Bangladesh					

Notes:

1. <https://um.dk/en/danida/strategies-and-priorities>
2. <https://www.government.nl/documents/policy-notes/2022/10/10/policy-document-for-foreign-trade-and-development-cooperation-do-what-we-do-best>
3. http://www.odakorea.go.kr/ODAPage_2022/eng/cate02/L02_S04_01.jsp

Current Status of National Platforms

The following section provides the country status of the NPs in P4G’s 12 partner countries. It summarises the level of representation from the government and private sector, the level of engagement of the NPs and the number of P4G partnerships. It shows the varying levels of engagement of partner countries with the most engaged NPs having senior-level political participation in P4G with a core economic ministry engaged, active private-sector co-chairs and a private-sector board member and active contributions to supporting P4G partnerships.

Bangladesh

National Platform Summary

Launch Year of NP	Bangladesh has not established an NP.
Makeup of board and NP	<ul style="list-style-type: none"> • Government: Ministry of Foreign Affairs <ul style="list-style-type: none"> ○ Board member: Shahriar Alam, state minister, appointed since 2019 ○ NP Co-chair: TBD ○ Focal point (Staff level): Mr. Faiyaz Murshid, director general, Multilateral Economic Affairs
Status of NP private-sector co-chair and private-sector engagement	NP has not been launched. No private-sector institution has been identified to serve as co-chair. The Hub liaises with the Ministry of Foreign Affairs of Bangladesh on issues associated with P4G and partnerships.
# of roundtables and NP partnership meetings held through 2023	Roundtable discussion between select partnerships (Closing the Loop on Textile Waste, Smart Charging for Green Rides, and Decentralised Safe Water Asia) and State Minister (P4G board member)
NP major achievements	N/A

P4G Partnership Information (2018–2022)

	Total Applications	Eligible Applications	Funded Partnerships	Funded Start-Up Partnerships	Funded Scale-Up Partnerships
Bangladesh	58	29	8 \$3,090,766	4 \$399,860	4 \$2,690,906

Bangladesh had planned to launch its NP in 2020 but had to postpone due to COVID-19. In 2022, they proposed an NP structure but have not gotten approval by the president’s office. The Ministry of Foreign Affairs currently serves as the focal point for engagement with P4G. State Minister Shahriar Alam has been very engaged at high-level P4G events, such as the board meeting and P4G Summit. The minister has assigned a director general and a staff person at the ministry to liaise with the Hub. While the ministry has been very engaged at high-level P4G events, the level of support in co-creating and accelerating partnerships has been limited without the formation of the NP.

Chile

National Platform Summary

Launch Year of NP	N/A
Makeup of board and NP	<ul style="list-style-type: none"> • Government: Ministry of Energy

	<ul style="list-style-type: none"> ○ Board member: formerly Juan Carlos Jobet, minister of Energy and Mining, but since the December 2021 presidential elections, a new board member has not been appointed. ○ NP Co-chair: N/A ○ Focal point: N/A
Status of NP private-sector co-chair and private-sector engagement	No official co-chair.
# of roundtables and NP partnership meetings held	N/A
NP major achievements	N/A

P4G Partnership Information¹ (2018–2022)

	Total Applicants	Eligible Applicants	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships ¹¹¹
Chile	32	19	3 \$2,365,865	0 \$0	1 \$815,000	2 \$1,550,865

Chile’s non-ODA status precludes the direct funding of partnerships in-country, thus complicating Chile’s engagement in P4G. It has been difficult to identify and maintain a consistent government focal ministry, although the Ministry of Energy became the focal ministry in late 2020 and worked with P4G to showcase its green hydrogen strategy at the P4G Seoul Summit. Chilean expertise in electric mobility (electric buses) and the circular economy (refill packaging) are also being promoted in other P4G Latin American partner countries via existing partnerships. The minister of Energy from the previous administration had been the only board member Chile has had; but since the new administration was installed in March 2022, there has not been any meaningful engagement, with all previous staff contacts leaving.

Colombia

National Platform Summary

Launch Year of NP	2019
Makeup of board and NP	<ul style="list-style-type: none"> • Government: National Planning Department <ul style="list-style-type: none"> ○ Board Member: Mr. Jorge Iván González , general director (minister) of Planning (since 2022) ○ NP co-chair: vacant, subdirector (deputy minister) of Planning ○ Focal point (staff level): Catalina Ruge, Subdirectorate of Credit, Cooperation and International Affairs • Private-sector NP co-chairs: <ul style="list-style-type: none"> ○ iNNpulsA (Colombia Entrepreneurship and Innovation Agency): Mr. Hernán Ceballos , general manager; focal point (staff level), Sandra Patricia Villalobos, presidency executive

¹¹¹ With Chile’s non-ODA status, the funded partnerships were not implemented in Chile but involved Chilean partners.

	<ul style="list-style-type: none"> o National Business Association of Colombia (ANDI): Paola Buendia, executive vice president; focal point (staff level): Ana Milena Cortázar, director of International Affairs.
Status of NP private-sector co-chair and private-sector engagement	<ul style="list-style-type: none"> • iNNpulsas was designated as a NP co-chair in November 2021 and has become highly engaged with P4G. They signed an MOU with P4G in May 2022. • ANDI became private-sector co-chair and signed an MOU with P4G in May 2022 and also become highly engaged with P4G. • P4G is also increasing engagement with ProColombia in order to focus on the shared goal of investment in Colombia and Colombian businesses.
# of roundtables and NP partnership meetings held through 2023	2 rounds of NP group partnerships sessions
NP major achievements	<ul style="list-style-type: none"> • Colombia will host the 2023 P4G Summit. • NP included P4G in its 2021 Voluntary National Review presented during the UN High Level Political Forum on Sustainable Development and hosted a side event with P4G. • NP had good participation in the 2021 partnership selection process, where they hosted a session that included multiple technical directorates around different sectors to provide feedback to applicants and determine alignment with national priorities. • NP senior officials spoke at multiple Sustainable Mobility in Cargo Transportation events. • Since 2022, NP Co-Chair DNP has become more involved in acceleration of partnerships.

P4G Partnership Information (2018–2022)

	Total Applications	Eligible Applications	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
Colombia	131	65	13 \$7,030,356	4 \$325,000	3 \$2,499,400	4 \$4,205,956

The NP's overall efforts to originate and accelerate partnerships had been limited by the National Planning Department's limited links to Colombian entrepreneurs and corporations. However, the addition of iNNpulsas and ANDI has significantly strengthened the NP's ability to engage the private sector. The Ministry of Foreign Affairs and the NP have initiated efforts to organise the 2023 P4G Summit. There was a change in the national government in August 2022, which led to transitions for some members. There have been three different board members from Colombia to date, mirroring changes in the position of minister of Planning.

Colombia has identified sustainable and smart agriculture, reducing food loss and waste, energy transition and water resilience as important subsectors for P4G.

Ethiopia

National Platform Summary:

Launch Year of NP	2017
Makeup of board and NP	<ul style="list-style-type: none"> • Government: the Ethiopia Environment Protection Authority (EPA) (prior to the government reorganisation at the end of 2021, was the Environment, Forest, and Climate Change Commission (EFCCC)) <ul style="list-style-type: none"> ○ Board member: Dr. Getahun Garede, director general, EPA ○ NP co-chair: Was functioning as a sole chair until end of 2021. ○ Focal point (staff level): Mensur Dessie, director, Multilateral Environmental Agreements Negotiation Coordination Directorate, EPA. • Private-sector NP co-chairs: <ul style="list-style-type: none"> ○ The Ethiopia Chamber of Commerce and Sectoral Associations (ECCSA). Million Feleke, director, Research & Development Department (designated in May 2022). ○
Status of NP private-sector co-chair and private-sector engagement	ECCSA was designated as official co-chair in January 2022. Prior to then, the NP engaged with the private sector on an ad-hoc basis, primarily via the Chamber of Commerce.
# of roundtables and NP partnership meetings held through 2023	<p>Since 2021, the NP has met with 9 partnerships, with 3 rounds of group partnerships & NP meetings.</p> <p>The NP also participated in 3 roundtables: (1) Energise Africa meeting with country stakeholders for policy recommendation study, (2) investors session for GeoFutures, together with the Kenya National Platform, (3) Sustainable Food Platform.</p> <p>In 2023, the NP conducted partnership site visits for Agroforestry for People, Peace and Prosperity, FINISH Mondial and Smallholder Water Pump Alliance.</p>
NP major achievements	<ul style="list-style-type: none"> • NP established a formal governance model in 2020 that aims for strengthening the operation of the NP through engagement of a private co-chair and allows acceleration of partnerships in the country through introduction of the Technical Working Group comprising key ministries and corporations. • The NP organised the site visits on their own.

P4G Partnership Information (2018–2022)

	Total Applications	Eligible Applications	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
Ethiopia	98	53	13 \$4,726,304	6 \$594,730	3 \$1,944,287	3 \$2,187,287

Ethiopia established the P4G NP in May 2017, hosted by the then EFCCC, which was the agency mandated to coordinate the country's climate action plans across the government ministries through the Climate Resilient

Green Economy strategy and lead planning and reporting of the country's NDCs. The EFCCC Multilateral Environmental Agreements Negotiation Coordination Directorate served as the platform's secretariat. The director serves as the P4G platform's primary focal point. He and his team have been supporting the P4G annual calls for partnerships by organising the workshops and by continuously engaging with the P4G Hub for partnership curations, approval and launching of their work in the country. In addition to the strong support of the NP secretariat, the commissioner was also highly engaged with P4G, regularly attending the P4G board meeting and participating in global strategic decisions.

In 2021, the commission management team approved a new governance and reform for the P4G NP to include private and civil society co-chairs of its operations, whereby the ECCSA, and the Population, Health and Environment Consortium-Ethiopia have joined as the respective co-chairs. In addition, the platform is engaging focal-point experts to work as advisory technical working groups in each of the SDG areas and the country priorities, where so far the forestry, water and energy, industry and transport sectors have already communicated their focal points for P4G.

As a result of the government restructuring of its sectoral ministries at the end of 2021, the EFCCC was changed to the EPA. The former commissioner, Fekadu Beyene, who had served as the P4G board member for 4 years, has been given another role by the government. The new director general who leads the EPA now serves as the P4G board member.

Ethiopia has identified agriculture, water resilience and energy transformation as important sectors for P4G.

Indonesia

National Platform Summary:

Launch Year of NP	2020
Makeup of board and NP	<ul style="list-style-type: none"> • Government: Ministry of National Development Planning <ul style="list-style-type: none"> ○ Board member: Mr. Suharso Monoarfa, minister of National Development Planning (since 2020) ○ NP co-chair: Mr. Arifin Rudiyanto, deputy minister, Maritime and Natural Resources ○ Focal point (staff level): Mr. Yahya Hidayat, director of Energy, Mineral, and Mining Resources • Private-sector NP co-chair: <ul style="list-style-type: none"> ○ Ms. Shinta Kamdani, executive director. Sintesa Group ○ Focal point: Ms. Indah Budiani, executive director, Indonesia Business Council for Sustainable Development • Civil society co-chair: <ul style="list-style-type: none"> ○ Ms. Tri Mumpuni, founder & executive director, IBEKA • Private-sector board member: <ul style="list-style-type: none"> ○ Cherie Nursalim, vice chairman, Giti Group
Status of NP private-sector co-chair and private-sector engagement	The NP private-sector co-chair delegates IBCSD as the focal point for engagement with P4G. The co-chair is engaged on an ad-hoc basis, based on partnership relevancy and on national-level events.
# of roundtables and NP partnership meetings held through 2023	<ul style="list-style-type: none"> • Events: Call for P4G partnership proposal meeting, P4G pre-summit national outreach event. • NP partnership meetings (bilateral): Women's Livelihood Bond, 3RI, Getting to Zero, PlusPlus, Clean Energy Investment Accelerator. • NP partnership meeting (group): PlusPlus, Siklus, Flawless.

	<ul style="list-style-type: none"> • P4G NP meeting. • Sectoral workshop for 4 plastics partnerships: Siklus, Banyuwangi Hijau, Smart Waste Collective and Recycle 2 Value. • Sectoral workshop for 3 energy partnerships: One Stop Solution for EE, Village Energy, Getting to Zero Coalition. • Plastics reuse policy workshop (Siklus partnership). • Business matchmaking event.
NP major achievements	<ul style="list-style-type: none"> • Successful curation on several P4G partnerships through outreach event and co-creation with the Netherlands Embassy. Partnerships include Siklus, Plastics in Circle 1 and Plastics in Circle 3. • Numerous partnership-NP workshops, including policy discussion and involvement in several events such as the food upcycling seminar and business matchmaking event. • Direct support to the creation of a reuse working group. • Conducted NP workshop in September 2022 to decide on priorities and agenda.

P4G Partnership Information (2018–2022)

	Total Applications	Eligible Applications	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
Indonesia	96	58	20 \$9,249,869	9 \$2,011,079	3 \$2,182,100	6 \$5,056,690

The NP’s level of engagement with P4G and P4G partnerships has been positive. All co-chairs were engaged at high-level national event, such as the pre-summit outreach event in 2021. On partnerships co-creation and acceleration efforts, the government and private-sector co-chairs have been more engaged than the civil society co-chair. The government and private-sector co-chairs each delegate two focal points, which has been effective in creating effective communication between the Hub and the NP. Despite the high level of engagement, more support is needed to help the NP become more effective in co-creating and accelerating impactful partnerships.

The NP has identified the top 3 SDG priorities during the stakeholder meeting, which includes SDGs 7, 2, and 12, with sub-sectors including reducing food loss and waste, renewable energy and electric mobility. In addition, the government co-chair has created a ministerial letter within the Ministry of National and Development Planning Agency, to support the work of P4G in Indonesia. The NP has been meeting on a regular monthly basis since the last NP workshop.

Kenya

National Platform Summary

Launch Year of NP	2018
Makeup of board and NP	<ul style="list-style-type: none"> • Government: The National Treasury and Planning <ul style="list-style-type: none"> ○ Board member: Prof. Njuguna Ndungu, cabinet secretary, Treasury, but fully delegated to NP co-chair. ○ NP co-chair: Dr. Chris Kiptoo, principal secretary, National Treasury, since 2023

	<ul style="list-style-type: none"> ○ Focal point (staff level): TBD (National Treasury), Augustine Kenduiwo, Ministry of Environment & Forestry, since 2018 • Private-sector NP co-chairs: <ul style="list-style-type: none"> ○ Kenya Private Sector Alliance (KEPSA): Ms. Flora Mutahi, chairperson ○ Focal point (staff level): Faith Ngige, KEPSA, since 2018 • Private-sector board member: <ul style="list-style-type: none"> ○ Ambassador Dennis Awori, Toyota Kenya Ltd.
Status of NP private-sector co-chair and private-sector engagement	The private sector co-chair and CEO of KEPSA have both been strong supporters of P4G since 2018. At the focal-point level, there is regular engagement amongst the representatives.
# of roundtables and NP partnership meetings held through 2023	<p>2 rounds of NP group partnerships sessions, with a total of 8 partnerships.</p> <p>5 Roundtables convened on specific partnerships:</p> <ul style="list-style-type: none"> • SSEZ investors session. • Energise Africa with 2 round tables with KEPSA and its energy sector board. • Geofutures acceleration workshop with the Kenya NP co-chairs and public stakeholders. • E-Mobility workshop with the NP co-chair, private board and relevant public agencies to e-mobility (Department of Transport) and businesses to mobilise actors for NAMA Facility application and 2021 P4G partnerships. • E-Mobility roundtable convened with 3 partnerships and key stakeholders in government and NP: PayGo, ChargeUp! and SunRun partnerships.
NP major achievements	<ul style="list-style-type: none"> • Coordinated the country stakeholders in the e-mobility sector for a successful NAMA Facility application. • Facilitated country endorsement for Green Climate Fund application (Geofutures). • Investors workshop for SSEZ attracted tenants and investors to move the Oserian Two lakes industrial zone to financial close.

P4G Partnership Information (2018–2022)

	Total Applications	Eligible Applications	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
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Kenya	250	113	28	14	3	11
			\$10,531,800	\$1,570,900	\$2,428,687	\$6,532,213

Kenya demonstrated effective P4G NP operation by establishing its platform in 2018, which constituted both co-chairs from the private and public sector: the National Treasury and Planning and KEPSA, respectively. The platform formation was also joined by members of the Department of Environment, Kenyan Vision 2030 and the Embassy of Denmark in Nairobi. A NP working group, constituted of focal-point persons from each co-chair and members, has been operational and coordinating the opening of the respective annual calls for partnership, partnerships curation and approval and launch in the country in all rounds of the P4G global calls. This strong structure of co-chairs and a working group in the Kenyan NP was instrumental in mobilising high numbers of applications and engagement of new P4G partnerships in the country, as well as in supporting key acceleration outcomes to a number of key partnerships in the country and regionally.

The Kenya NP has also had stable and long-standing support from its co-chairs. The board designate, Dr. Muia, served as the Principal Secretary to the National Planning and Treasury, and in that role, served as the NP co-chair from 2018-2022. With the new administration installed in November 2022, the Hub is working to onboard the new government co-chair. Ms. Flora Mutahi replaced Mr. Nik Nesbitt as the private sector co-chair in 2021, who had served since 2018. Kenya is also among the few P4G countries that nominated and engaged a private-sector board member, Ambassador Denis Awori, to P4G. He has been a champion and instrumental in accelerating P4G-derived solutions in country sectors, such as electric mobility.

The NP has identified agriculture, water resilience and electric mobility as important sectors for P4G.

Mexico

National Platform Summary

Launch Year of NP	2019
Makeup of board and NP	<ul style="list-style-type: none"> • Government: Economy Secretariat <ul style="list-style-type: none"> ○ Board member: Ms. Raquel Buenrostro Sánchez , secretary for Economy, but P4G is fully delegated to NP co-chair ○ NP co-chair (director level): Ms. Irais Graciela Barreto Canales , head of the Global Economic Intelligence Unit since November 2022 ○ Focal point: Ms. Ana Montaña Medina Myrthea de la Pena Adame, head, Office of 2030 Agenda • Private-sector NP co-chairs: <ul style="list-style-type: none"> ○ UN Global Compact Mexico – Mauricio Bonilla, executive director ○ Business Coordinating Council (CCE) – Brenda Kuri Tiscareno, director of Foreign Affairs and Institutional Relations
Status of NP private-sector co-chair and private-sector engagement	Two co-chairs. NP engages with private sector on a limited basis.

# of roundtables and NP partnership meetings held through 2023	<ul style="list-style-type: none"> • 2 roundtables, including a workshop on the call for partnerships with interested partners, and 3 NP partnership meetings. • NP Site visit to BAMX food bank with Digital Food Rescue Ecosystem partnership
NP major achievements	<ul style="list-style-type: none"> • After the site visit to the food bank, EatCloud, Digital Food Rescue Ecosystem’s commercial partner, was invited to apply for an equity injection from a Mexican government entity focused on agriculture development • Refill Revolution partnership presentations to NP private-sector co-chair UN Global Compact members to promote plastics circular economy

P4G Partnership Information (2018–2022)

	Total Applications	Eligible Applications	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
Mexico	101	47	11 \$6,337,052	2 \$199,870	1 \$815,000	8 \$5,322,182

There has been an increased engagement from the focal ministry since the focal office switched from the Export Promotion Office to the 2030 Agenda Office, and the focal ministry has begun to allocate additional staff with expertise in innovation and sustainable development to work on P4G. UN Global Compact Mexico and the Business Coordinating Council have had limited engagement in involving their corporate members for co-creation of partnerships. Although the board member was elevated from the head of the Economic Intelligence Unit to the secretary of Economy, the delegated representative is at the director level. There have been three board members since the launch of the NP in 2019.

The NP has identified agriculture and water resilience as important sectors for P4G.

South Africa

National Platform Summary

Launch Year of NP	2022 (Launch was delayed due to COVID)
Makeup of board and NP	<ul style="list-style-type: none"> • Government: Department of Forestry, Fisheries, and the Environment (DFFE) <ul style="list-style-type: none"> ○ Board member: Minister Barbara Creecy, minister, DFFE, although fully delegated to board-designate Mr. Fakir Zaheer (since 2019) but who has recently left DFFE. ○ NP co-chair: Currently DFFE is the sole focal entity for P4G ○ Focal point (staff level): Dr. Jenitha Badul, senior policy advisor, Sustainability Programmes & Projects. Chief directorate: Intergovernmental Relations & Resource Mobilisation, since 2019.

	<ul style="list-style-type: none"> Private-sector NP co-chair: Reitumetse Molotsoane, head, Environment and Society National Business Initiative (NBI), since October 2022.
Status of NP private-sector co-chair and private-sector engagement	NBI was identified to serve as private-sector co-chair in 2022 but has had minimal engagement in P4G since the “soft” launch of the NP in October 2022. The NP plans to convene a launch event in 2023 to promote P4G.
# of roundtables and NP partnership meetings held through 2023	2 roundtables: facilitated the national advisory committee for Getting to Zero partnership. Minister officially opened the voluntary agreement launch for food loss and waste partnership, FLAWLESS.
NP major achievements	Successfully coordinated and mobilised relevant government authorities in the transport and maritime sector to establish the National Advisory Committee for the Getting to Zero partnership goal of decarbonisation in the shipping and maritime sector.

P4G Partnership Information (2018–2022)

	Total Applications	Eligible Applications	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
South Africa	58	25	10 \$4,838,407	4 \$398,017	2 \$1,828,687	4 \$2,611,703

Since South Africa joined P4G in September 2019, the DFFE has been playing a role as the P4G focal point. Its designated P4G focal team has worked with the P4G Hub in partnership curation in the past four partnerships calls. South Africa had planned to launch their P4G NP in 2020 without a formal private-sector co-chair. However, due to COVID-19, the plans were postponed. A soft launch of the NP was made in October 2022, and in this context DFFE worked on engaging the private sector in the form of the National Business Initiative, a voluntary coalition of South African and multinational companies. The DFFE team supports the implementation of key P4G partnerships in the country, including Getting to Zero and FLAWLESS, by organising virtual workshops through network outreach.

The NP has identified clean energy and water resilience, as well as sustainable agriculture, using clean energy and sustainable-water practices as priority sectors for P4G.

Vietnam

National Platform Summary:

Launch Year of NP	2018
Makeup of board and NP	<ul style="list-style-type: none"> Government: Ministry of Planning and Investment <ul style="list-style-type: none"> Board member: Ms. Nguyen Thi Bich Ngoc, deputy minister, Ministry of Planning and Investment Previous board member: Mr. Nguyen Van Trung, deputy minister, Ministry of Planning and Investment (2018– May2021)

	<ul style="list-style-type: none"> ○ NP co-chair: Mr. Le Viet Anh, director general, Department of Science, Education, Resources and Environment, Ministry of Planning and Investment ○ Focal point (staff level): Ms. Tran Minh Hue, Department of Science, Education, Natural Resource and Environment, Ministry of Planning and Investment ● Private-sector NP co-chair: <ul style="list-style-type: none"> ○ Vietnam Chamber of Commerce and Industry: Mr. Nguyen Quang Vinh, vice president ○ Focal point (staff level): Mr. Nguyen Tien Huy, director, Vietnam Business Council for Sustainable Development
Status of NP private-sector co-chair and private-sector engagement	Limited engagement since March 2020. Focal-point persons participated in May 2022 NP capacity-building workshop in Copenhagen.
# of roundtables and NP partnership meetings held through 2023	None.
NP major achievements	N/A

P4G Partnership Information (2018–2022)

	Total Applicants	Eligible Applicants	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
Vietnam	74	38	12 \$3,322,153	8 \$1,012,327	1 \$700,000	3 \$1,609,826

The NP in Vietnam is represented by the Ministry of Planning and Investment (MPI) and the Vietnam Chambers of Commerce and Industry (VCCI) as the co-chairs from the government and private sector, respectively. The NP has been minimally active since 2020, in that they have not participated in P4G regular events (i.e., board meetings, communities of learning and network gathering) or engaged in partnership co-creation and acceleration efforts.

In 2022, the Vietnam Ministry of Foreign Affairs (MOFA) expressed the government’s interest in hosting the 2025 P4G summit, and staff from MOFA, MPI, VCCI and the Ministry of Natural Resources and Environment (MONRE) participated in the May 2022 NP capacity-building workshop in Copenhagen. In March 2023, the Hub met in Hanoi with the Vietnam National Platform co-chairs and other key stakeholders, including MOFA, MONRE and the embassies of Denmark, the Netherlands and Korea. All stakeholders expressed commitment to P4G.

Donor Countries

Denmark

National Platform Summary

Launch Year of NP	2017
Makeup of board and NP	<ul style="list-style-type: none"> ● Government: Ministry of Foreign Affairs (MFA) <ul style="list-style-type: none"> ○ Board member: Flemming Møller Mortensen, minister for Development Cooperation

	<ul style="list-style-type: none"> ○ Previous board members: Ulla Tørnæs (until June 2019), Rasmus Prehn (until November 2020), ministers for Development Cooperation ○ Executive committee member: Karin Poulsen, director of Department of Green Diplomacy and Climate ○ Focal point (staff level): Charlotte Just, senior consultant ● NP chair: <ul style="list-style-type: none"> ○ Finn Mortensen, executive director, State of Green ○ Focal point (staff level): Iver Høj Nielsen, head of P4G Activities ○ Government engaged on ad hoc basis through MFA ● Private-Sector board member: <ul style="list-style-type: none"> ○ Rasmus Abildgaard Kristensen, vice president for Group Public Affairs, Danfoss
Status of NP private-sector co-chair and private-sector engagement	In its role as co-chair, State of Green engages with private-sector and non-profit sector organisations in partnership curation and acceleration.
# of roundtables and NP partnership meetings held through 2023	Roundtable with NP and 2021 partnerships held in February 2022. NP is directly and regularly in contact with numerous partnerships with country stakeholders. NP has participated ad hoc in several curation and acceleration meetings with partnerships and countries of implementation.
NP major achievements	2018 Copenhagen Summit and co-hosted P4G Network Gathering at 2018 summit; co-hosted P4G annual meeting on margins of UNGA in 2019; and co-hosted P4G NP capacity-building workshop in Copenhagen for all partner-country NP focal point personnel in 2022.

P4G Partnership Information¹¹² (2018–2022)

	Total Applicants	Eligible Applicants	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
Denmark	97	62	18 \$5,751,351	11 \$1,828,197	1 \$500,000	6 \$3,423,154

The Danish NP is housed within State of Green and has been active since the inception of the P4G Hub. It is the only NP to have a full-time, dedicated staff person and previously had two dedicated staff. State of Green serves as the coordinator for input from the Danish MFA, coordination with embassies, and outreach to the private sector and NGOs with regard to partnership origination and acceleration. State of Green was integrally involved in coordination of the 2018 summit, including helping to devise the idea of and host the first P4G network gathering, as well as Danish engagement for the 2021 summit. The NP proactively communicates with partnership

¹¹² These partnerships are implemented in the ODA-eligible countries but involve Danish partners.

applicants throughout the selection process, providing support and enhancing coordination with the P4G Hub, and is also in regular contact with funded partnerships with Danish stakeholders.

Over time, the main role and responsibilities of State of Green staff have evolved as the P4G program has evolved. For example, the NP used to have a dedicated staff person to help partnerships write applications. The NP discontinued this role as P4G moved towards more of a co-creation process with partnerships. The next general election in Denmark is scheduled to be held in 4 June 2023.

Netherlands

National Platform Summary

Launch Year of NP	2020
Makeup of board and NP	<ul style="list-style-type: none"> • Government: Ministry of Foreign Affairs <ul style="list-style-type: none"> ○ Board member: Liesje Schreinemacher, minister for Foreign Trade and Development Cooperation ○ Previous board member (until September 2021): Sigrid Kaag, minister for Foreign Trade and Development Cooperation ○ Executive committee member: Jock Geselschap, head, Climate Division ○ Focal point: Sophie van den Ende, Department for Inclusive Green Growth • NP co-chair: Netherlands Enterprise Agency (RVO) <ul style="list-style-type: none"> ○ Lowina Broens, coordinator, Dutch P4G NP
Status of NP private-sector co-chair and private-sector engagement	In its role as co-chair, RVO engages relevant private-sector and non-profit organizations in partnership curation and acceleration.
# of roundtables and NP partnership meetings held through 2023	Roundtable with NP and 2021 partnerships held in February 2022. NP is directly and regularly in contact with numerous partnerships with country stakeholders. NP has participated ad hoc in several curation and acceleration meetings with partnerships and countries of implementation.
NP major achievements	Successful curation of partnerships in 2021 and 2022 funding rounds that are well-aligned with developing-country priorities.

P4G Partnership Information¹¹³ (2018-2022)

	Total Applicants	Eligible Applicants	Funded Partnerships	Funded Start-Up Partnerships	Re-Funded Scale-Up Partnership	Funded Scale-Up Partnerships
Netherlands	93	73	22 \$8,666,923	10 \$1,677,200	3 \$2,328,687	3 \$4,661,036

The Netherlands NP is housed within RVO, who takes the lead on outreach to companies and NGOs and also benefits from the regular, active engagement of the Ministry of Foreign Affairs, which supports government

¹¹³ These partnerships are implemented in the ODA-eligible countries but involve Dutch partners.

engagement and leveraging investor relationships. The NP also coordinates with country embassies to support partnership origination in-country related to Dutch priorities and stakeholders, while simultaneously ensuring that local stakeholders are involved and developing-country priorities are centred. The NP proactively communicates with partnership applicants throughout the selection process and with funded partnerships, providing support and enhancing coordination with the P4G Hub.

When the platform was originally launched in 2020, a second organisation, NL International Works, was also named as co-chair. The organisation was minimally active for the first few months; but as it became less engaged, the NP agreed to move forward with RVO in the lead. This shift does not seem to have had a negative impact on the platform’s outcomes. The next Dutch general election is tentatively scheduled for March 2025.

The Republic of Korea

National Platform Summary

Launch Year of NP	2018
Makeup of board and NP	<ul style="list-style-type: none"> • Government: Ministry of Foreign Affairs <ul style="list-style-type: none"> ○ Board member: Hyeun Jenny Kim, ambassador & deputy minister for Climate Change ○ Previous board member (through June 2021): Yeonchul Yoo, ambassador & deputy minister for Climate Change ○ Executive committee member: Eunjeong Cho, director, Climate Diplomacy Division ○ Focal point: Yuri Hwang, second secretary, Climate Diplomacy Division • Private-sector board member: <ul style="list-style-type: none"> ○ Woong Hwan (Paul) Ryu, executive vice president, head of the SV Innovation Center, SK Telecom
Status of NP private-sector co-chair and private-sector engagement	No official co-chair. NP engages with the private sector on an ad-hoc basis.
# of roundtables and NP partnership meetings held through 2023	NP has participated ad hoc in a few curation and acceleration meetings with partnerships and countries of implementation.
NP major achievements	2021 Seoul Summit. Engagement of numerous Korean stakeholders and featuring of P4G partnerships through 2021 Seoul Summit. Hosted P4G side events at the Korean Pavilion at 3 global UN climate conferences.

P4G Partnership Information ¹¹⁴(2018–2022)

	Total Applicants	Eligible Applicants	Funded Partnerships	Funded Start-Up Partnerships	Funded Scale-Up Partnerships

¹¹⁴ These partnerships are implemented in the ODA-eligible countries but involve Korean partners.

Republic of Korea	33	15	6	5	1
			\$1,024,337	\$494,337	\$530,000

The Republic of Korea’s NP has been actively involved in political engagement related to P4G since its launch, especially given that Korea served as host of the 2021 P4G Summit. Over time, the NP has hosted a few workshops to solicit P4G partnership ideas and has proactively shared word of calls for partnerships. There is room for additional curation of partnerships that combine Korean technology solutions with implementation on the ground in developing countries when aligned with national priorities, including through engagement of country embassies, as Korea has only had a few funded partnerships to date. The NP is currently conducting outreach in hopes of nominating a private-sector co-chair who can assist with outreach to companies around partnership origination and co-creation. A new administration was inaugurated on 9 May 2022.

Annex 6: Knowledge Mobilisation, Including MEL Approach and Communication of Results

P4G’s approach to knowledge mobilisation will include an intentional MEL approach that is integrated into its communications strategy and will contribute across all three outcomes. Knowledge mobilisation and the communication of results can inform and align priorities, identify effective and ineffective strategies, and assist with adaptive learning. This strategy is designed with the purpose of sharing lessons with businesses, countries (P4G and beyond), NGOs and investors to finance in-country transitions. Working across multiple countries in specific sub-sectors gives P4G the opportunity to collect and disseminate cohesive lessons learned that can be applicable across P4G partner countries and others working in similar sectors and under similar frameworks.

These lessons will be gathered using MEL practices and shared using a variety of approaches—top down, bottom up, South-South and across partnerships and NPs—to enhance knowledge about the drivers of transitions. P4G’s design in Phase 2 has structured activities to capture and mobilise these diverse learnings to contribute to successful partnership, platform and program outcomes. The P4G Hub will leverage WRI’s core strengths in communications and engagement to disseminate these lessons learned in addition to the amplification channels of P4G NPs and partnerships. This knowledge will also inform P4G’s fundraising strategy of approaching prospective public and private sector donors with evidence-based approaches that can mobilise finance into priority sub-sectors.

P4G’s communications will leverage ongoing NP and partnership workshops and events, including the Summit, and P4G, WRI and other stakeholder digital platforms, to amplify partnership successes and knowledge products. Communication will be designed to reach specific stakeholders at the national level and global level. Global-level communication will intentionally engage key stakeholders at events such as the Summit and COP to share lessons learned and approaches that can be adopted by and influence in-country transitions in P4G countries and beyond.

The text below shares an outline of results from Phase 1; lessons learned in Phase 1 regarding MEL and communication; P4G’s recommendations for Phase 2; activities to disseminate knowledge, and finally, how results will be communicated in Phase 2.

Phase 1 Knowledge and Communication Results

1. **Knowledge Products:** P4G supported the publication and amplification of two State of the Art reports led by WRI that highlighted multiple P4G partnerships, including Energise Africa, Africa GreenCo, IIX Women’s Livelihood Bond and the Sustainable Food Partnership. The first report¹¹⁵ focused on the role of multistakeholder partnerships in accelerating the SDGs, and the second report¹¹⁶ explored how to unlock

¹¹⁵ <https://publications.wri.org/transformational-partnerships-sdgs>.

¹¹⁶ <https://publications.wri.org/unlocking-early-stage-financing-for-sdg-partnerships>.

early-stage financing for partnerships. The Hub collaborated with WRI to host launch events with high-level speakers, including former UN Secretary General Ban Ki Moon, former First Lady of Colombia Maria Juliana Ruiz and Crown Prince Frederick of Denmark. The launch events attracted more than 600 attendees with the two reports getting almost 6,000 combined views averaging between five and six minutes.

P4G also developed four learning products to reflect on its past and design future approaches: The P4G Partnership Acceleration Workshop Guidebook (Dalberg 2020, based on the Copenhagen Summit and UNGA sessions); Investment Trends of Development Finance Institutions and the Need for Pipeline Development (Dalberg Report 2021); Financing Green Growth: Challenges and Opportunities in the Use of ODA (TPI/GCAD Report); P4G Partnerships Origination Study (Dalberg Report 2022). In addition, the Hub promoted partnerships' knowledge products through P4G's social channels, website and newsletter.

2. **Summits:** P4G Summits garnered high levels of engagement with five heads of state. Eight hundred participants from 53 countries attended the 2018 P4G Copenhagen Summit. Participants signed the Copenhagen Commitment to accelerate climate solutions and reach the SDGs through partnerships. Forty-six heads of state and 21 heads of international organisations participated virtually in the 2021 P4G Seoul Summit. The Seoul Declaration, which was notable for calling for the suspension of public financial support for overseas coal plants, was endorsed by most of the participating countries, including China, Indonesia, Japan and Vietnam. The Seoul Summit had 10 special sessions as part of Green Future Week, prior to the summit, and five thematic sessions held during the two-day summit. P4G designed five sessions within the thematic sessions featuring high-level P4G stakeholders such as ministers, NP co-chairs, CEOs and P4G partnerships to discuss solutions, share lessons learned and identify opportunities for collaboration. P4G used the opportunity of high-level engagement at the Summits to elevate the call for climate finance for developing countries.
3. **Communities of Learning:** P4G held three annual Communities of Learning events for partnerships within each SDG to share experiences. These events highlighted regional examples of partnership successes and devoted part of the event to sector-specific sessions. These sessions provided an opportunity for partnerships to connect directly with others working in the same sector and to collaborate on cross-regional, sector-specific barriers and solutions. The Communities of Learning featured participation of active and completed partnerships, and State-of-the-Art award winners.
4. **Global Events:** Over the course of Phase 1, P4G co-hosted or, through Hub speakers, participated in over 75 global, regional and national events including on the sidelines of the COP, the UN Food Systems Summit, UNGA and the Climate Investment Summit. Hub speakers cited examples of different P4G partnerships at every event in which they participated and highlighted the role of NPs. These events elevated with key stakeholders like policymakers and investors the awareness of and lessons learned from partnerships such as Africa GreenCo, FLAWLESS and the Getting to Zero Coalition. During Phase 1, P4G also hosted five State-of-the-Art awards ceremonies to recognise and learn from more mature partnerships.
5. **Hub-led Communications Efforts:** As part of its communications efforts, P4G promoted five calls for partnerships and announced five new groups of partnerships in Phase 1, creating tailored newsletters, website pages, videos, graphics and social media tool kits to increase knowledge about partnership solutions. Through ongoing communication about partnership successes and lessons learned, P4G also cultivated the strong growth of an engaged audience across P4G channels, building over 5,200 newsletter subscribers, 4,000+ LinkedIn followers and more than 5,000 unique website views each month. Since inception, P4G has consistently maintained a high open rate of between 25 and 30% in its newsletter.

Phase 1 Lessons Learned

- **P4G's breadth of work:** The breadth of P4G's focus across SDGs and stages of businesses and technical assistance activities did not lend itself to the effective consolidation of lessons learned. In Phase 1, P4G funded partnerships across multiple sectors in its five focus SDGs in each country, which resulted in greater strain on NPs with less knowledge sharing and concentrated support due to competing priorities. It also stretched Hub resources and staff capacity to have or gain expertise in specific sectors of practice.

MEL system: P4G's initial results framework was process-oriented and did not accurately measure its contribution to impact. Reviews of the program and conversations with partnerships revealed limited alignment of partnership indicators to program indicators, the long-term nature of metrics that may not accurately reflect progress in the P4G funding period and the need to use generally accepted taxonomies. Other lessons included lack of cohesive inclusion of qualitative learning or accounting for results such as awareness raising or demonstrating proof of commercial concept.

- **P4G Summits:** P4G Summits were a valuable way to bring legitimacy to P4G when it was launched and help build the pipeline of partnerships. However, the Summits required a labour-intensive approach, and results from the Summits were often disconnected from the day-to-day work of P4G with partnerships and platforms, specifically in-country actions related to unlocking policy, practice and investments to enable P4G partnerships to scale.
- **Global events:** P4G found that co-hosting events at the COP and UNGA was an effective outlet for promoting partnership solutions, sharing sector learning and networking with policymakers and potential investors. Major events drew high-level speaker participation and helped re-invigorate engagement in the program, but they tended to be labour-intensive efforts. With the sharper focus in Phase 2 and a priority being in-country workshops and convenings, there is a value in limiting participation to only one global event (e.g. COP) and using it as a high-level knowledge mobilisation and engagement opportunity.
- **State-of-the-Art awards:** Annual State-of-the-Art awards created confusion among stakeholders and didn't contribute to partnership progress. The awards were designed to showcase cutting-edge partnerships from all countries that had achieved measurable success. These honorary awards provided an avenue for high-level engagement through an award ceremony and were a prospective pipeline for future partnerships. But it took the team's time and focus away from helping funded partnerships make progress, and resources can be better used showcasing the most prospective P4G-funded partnerships.
- **Knowledge products:** Knowledge products like the two State of the Art reports and commissioned learning reports like the Dalberg and TPI reports were designed to find more effective ways to help business partners become investment-ready. While the reports were useful tools for operational learning and to help P4G realise the gap that it could help fill, the lack of sectoral or regional specificity gave the products limited value that could be leveraged by other stakeholders and businesses.
- **Fundraising:** A lack of sectoral focus and therefore outcomes made it challenging for P4G to make a clear and compelling case for new donors. While lessons were collected, the lack of consolidation of learning and successes made it challenging to articulate the results of Phase 1 and the potential impact of Phase 2.
- **Communications:** There is an appetite for grouped learnings by sector and country as demonstrated by high rates of engagement in communications pieces that shared information in this way. With more

qualitative reporting from partnerships and stronger MEL, there is an opportunity to collaborate with NPs on country-specific communications to elevate the awareness of P4G in-country.

Phase 2 Recommendations

- Integrate MEL into knowledge mobilisation and communications strategy for more effective contributions to partnership, National Platform and P4G outcomes.
- Develop intentional external knowledge products that can share sub-sector and program learning and support partnerships in their knowledge products and dissemination events.
- Participate in one global event a year in addition to the biennial P4G Summit. Use Summits to showcase learnings and an investable pipeline in sub-sectors and countries, and for high-level participation and cross-country dialogue to influence in-country transitions. The 2023 P4G summit will be held in Colombia, while the 2025 P4G summit can be held in a P4G partner country with an in-country Summit being dependent on additional P4G funding or on the sidelines of UNGA. P4G will co-host an event on the sidelines of the COP that will be designed to advance partnership solutions, enhance engagement with policymakers and investors, and share key lessons learned in P4G focus sub-sectors.
- Engage with prospective donors for the program by demonstrating proof points for an investable pipeline and an enabling environment in its focus sub-sectors and countries.
- Leverage in-country workshops, events, partnership reporting, and knowledge products to share learning across P4G's digital channels. Develop limited customised materials to use in stakeholder engagement to influence country transitions across food, water and energy systems.

Phase 2 Activities

- **Knowledge products led by Hub**
 - Publish short and meaningful sector-specific knowledge products including blogs and reports in collaboration with the NP, partnerships and WRI to share recommendations and knowledge to drive enabling system improvements in the sector. In addition, support partnerships in their knowledge products, which will be aligned with P4G's MEL approach, and dissemination events.
 - Submit an annual report to donors sharing lessons learned and results from the past year and convert that to a knowledge product to share with the advisory council and NPs.
- **Global events, including the P4G Summit**
 - Limit Hub participation to up to one global event each year in addition to the P4G Summit. Co-host a side event at COP to showcase partnerships and connect with relevant stakeholders.
 - Design P4G Summits to elevate lessons learned and engage with high-level stakeholders to enable investments for in-country transitions.
 - Engage with prospective donors for the program at COP and the P4G Summit, by demonstrating proof points for an investable pipeline and P4G's approach to improving enabling environments for in-country transitions.
- **Hub-led communications for knowledge mobilisation**
 - Amplify partnership successes and promote partnership knowledge products that are aligned with P4G's MEL approach.
 - Share custom summary overviews of all in-country partnerships with each NP to assist with their engagement with partnerships and other stakeholders.

- Facilitate the sharing of lessons learned at sectoral workshops, in-country NP workshops, Global NP gatherings and other meetings.
- Leverage and grow an engaged audience across P4G's social channels, website and newsletter to share lessons learned, maintain P4G's brand legitimacy, engage new and relevant audiences and elevate partnerships' visibility and legitimacy.

A full list of how the Hub will communicate and the channels it will use is listed below.

Table 11: Communication of Results

What?	Why?	When?	How?	Audience(s)	Responsible Party
<p>Call for partnership applications</p> <p>Message: Details on criteria, guidelines, selection process and deadlines</p>	To attract high quality partnerships	Few weeks before the call opens and continuing promotions after it opens	<ul style="list-style-type: none"> - Webinars for NPs with clear explanatory materials - Clear messages on P4G and WRI’s social and digital channels - Updated P4G website page dedicated to the call for applications - 1-page flyers for primary and secondary audiences to share with their network 	<ul style="list-style-type: none"> - Primary audience: NPs and pipeline sources for business partners - Secondary audience: prospective business partners in partnerships; NGOs who can serve as admin. partners 	Hub
<p>New partnership announcements</p> <p>Message: Innovative solutions in countries and sectors</p>	To increase awareness of climate solutions and their related policy needs and investment potential	Following signing of partnership contracts	<ul style="list-style-type: none"> - Special announcement newsletter - Dedicated website page for each partnership - Creative content on P4G and WRI’s social and digital channels - Media outreach and pitching on select partnerships as relevant - Communications toolkits for partnerships and stakeholders for easy amplification 	<ul style="list-style-type: none"> - Primary audience: policymakers and investors in relevant countries and sectors - Secondary audience: potential partnership collaborators; prospective partners in partnerships 	Hub
<p>Hub and partnership-produced knowledge products</p> <p>Message: Partnership and P4G successes and lessons learned</p>	To promote successes and sub-sector lessons learned with broader stakeholders	Aligned with partnership timeline; leading up to or at strategic events	<ul style="list-style-type: none"> - Published knowledge product on partnership, P4G and WRI websites (as relevant) - Targeted media outreach regarding key findings - Custom social media messages for partners to share and or amplify - Launch event or inclusion in existing event as possible 	<ul style="list-style-type: none"> - Primary audience: other implementers working in similar sectors; P4G NPs and interested investors - Secondary: P4G partnerships 	Hub with WRI Partnerships

What?	Why?	When?	How?	Audience(s)	Responsible Party
<p>Global events (P4G Summit and COP side-event)</p> <p>Message: Top results; opportunity for high-level dialogue and action on climate finance; major announcements</p>	<p>To facilitate high-level engagement between policymakers and businesses to enable investments for in-country transitions and showcase partnership solutions</p>	<p>In lead-up to and at the event</p>	<ul style="list-style-type: none"> - Pre-Summit and Summit sessions (as relevant) that showcase lessons learned and an investable pipeline in focus sectors and countries - Media outreach - Knowledge products or updated case studies to share lessons learned - Social media, website and newsletter amplification 	<ul style="list-style-type: none"> - Primary audience: minister-level leaders (from P4G countries and beyond) that can contribute to enabling environment; prospective P4G donors, investors, NPs - Secondary audience: businesses, international institutions, NGOs 	<p>Hub, host country, P4G donors, Global Advisory Council</p>
<p>Sector-specific workshops</p> <p>Message: Dependent on sub-sector convening</p>	<p>To bring together a broader set of stakeholders to feature partnerships and share learnings with other actors in the sector</p>	<p>Aligned with workshop timeline</p>	<ul style="list-style-type: none"> - Agenda developed by Hub, partnerships and NPs - Key highlights and takeaways shared with network through website, newsletter and social media 	<ul style="list-style-type: none"> - Primary audience: NPs, partnerships, target stakeholders for partnership progress and growth, Hub - Secondary audience: International organisations, investors 	<p>Hub, NPs, partnerships</p>

Annex 7: Risk Management

Risk Description	Likelihood of Risk Occurring	Impact if Risk Occurs	Response/ Mitigation Action	Residual Risk	Background to Assessment
Contextual Risks					
Global geopolitical shifts undermine global cooperation on climate and SDGs	Likely	Major	<p>Focus efforts on understanding the interconnectedness of economics and climate in countries where there is significant potential growth and risk mitigation by applying P4G's approach.</p> <p>Focus on in-country transitions and investment readiness demonstrates tangible impact.</p>	Minor	There is continued momentum for international cooperation on climate action and climate financing. P4G funding partners have strong political buy-in on climate finance, and P4G Phase 2 countries are priority countries for the donors.
Unanticipated global, regional or national conflicts or political instability affect P4G member and donor countries' ability to collaborate through P4G or prioritise P4G priorities	Likely	Major	<p>While this risk is beyond the control of the P4G Hub, the Hub will continue to support donors' mitigation efforts through bilateral efforts and diplomacy, including through strengthening the capacity of NPs.</p> <p>P4G's knowledge-mobilisation approach includes the ability to learn and adapt to new externalities. P4G's portfolio approach (a diverse set of countries with different sectors of focus in each country) mitigates the possibility of all countries and sectors of work being affected at the same time in the same way.</p>	Minor	P4G donors, countries and WRI incorporate these risks into their strategies and relationships.
Institutional Risks					
Loss of political support from donor countries	Unlikely	Significant	Proactively engage donor countries, including in their roles on the Global Advisory Council and Steering Committee, and ensuring	Minor	P4G and climate finance continue to be a priority in funding countries. The emerging interest of donors like IFU in

Risk Description	Likelihood of Risk Occurring	Impact if Risk Occurs	Response/ Mitigation Action	Residual Risk	Background to Assessment
			<p>that partnerships align with donor countries' climate, trade, and investment priorities.</p> <p>Explore alternative sources of funding to ensure sustainable long-term support for P4G, including new funding sources like foundations.</p>		<p>enhancing P4G with a separate but related investment facility for the most prospective P4G partnerships enhances the scaling potential of P4G and its attractiveness to new donors.</p>
<p>P4G governance becomes too bureaucratic or risk-averse to invest in an innovative high-impact learning-by-doing approach</p>	<p>Unlikely</p>	<p>Major</p>	<p>Ensure a continued collaborative approach with donors so processes are streamlined and harmonised and as much as possible.</p> <p>Ensure that the IGC is composed of experts to secure focus on investment readiness, and transition to the Global Advisory Council that meets once a year and Steering Committee meetings 4 times a year.</p> <p>Ensure balanced representation in Steering Committee.</p>	<p>Minor</p>	<p>P4G continues to promote a collaborative approach with whole-of-network engagement to ensure that donors, partner countries, the Global Advisory Council, the Steering Committee and the Hub continue to contribute and shape the strategic approach as a collective. This is not implemented as formal governance, but as a collaboration, which allows for innovation and adaptation.</p>
Programmatic Risks					
<p>NPs engage less in P4G network</p>	<p>Likely</p>	<p>Major</p>	<p>NPs will be required to demonstrate their level of commitment with updated NP implementation plans.</p> <p>Tailoring P4G's approach in each country focusing on strengthening the capacity of NPs through on-the-ground presence of partnership managers and dedicated NP liaisons to support NP capacity building and technical assistance to partnerships.</p>	<p>Minor</p>	<p>In Phase 1 NPs evolved at different paces based on many local factors, including political changes, turnover of P4G champions and NP high-level and working-level contacts and P4G's ability to build on-the-ground, in-country relationships at a working level.</p>

Risk Description	Likelihood of Risk Occurring	Impact if Risk Occurs	Response/ Mitigation Action	Residual Risk	Background to Assessment
			<p>Continuing political engagement under the leadership of funding countries and increasing Hub support, reporting, and network engagement.</p> <p>Further and deepen alignment of national priorities with partnerships and emerging partnerships portfolios.</p>		
<p>The private sector is not sufficiently engaged in the P4G network</p>	<p>Unlikely</p>	<p>High</p>	<p>Actively engage with relevant private-sector representation, including with a private-sector co-chair of NPs who can help accelerate P4G partnerships.</p> <p>Demonstrate P4G value to the private sector by developing a pipeline of investment-ready businesses, facilitating matchmaking sessions and sharing lessons learned and providing contacts with local and international investors.</p>	<p>Minor</p>	<p>P4G is focusing on partnerships' supporting local businesses to become investment-ready</p>
<p>Partnerships have a higher risk profile because of the focus on early stage businesses</p>	<p>Likely</p>	<p>Major</p>	<p>Implement a rigorous partnership selection process with due diligence and site visits prior to funding.</p> <p>P4G will capture learning from the partnership origination, selection and funding processes and adjust approach and processes accordingly to have a sufficiently large number of eligible applicants, especially during the first years of implementation.</p>	<p>Minor</p>	<p>P4G has five years of experience identifying partnerships with strong business and NGO partners.</p>

Risk Description	Likelihood of Risk Occurring	Impact if Risk Occurs	Response/ Mitigation Action	Residual Risk	Background to Assessment
Partnerships fail to realise their expected potential	Unlikely	Major	<p>Focus on rigorous selection, partnership TA and monitoring of partnerships for early identification of partnerships that are off-track.</p> <p>Leverage WRI’s network and P4G NP priorities from the outset more systematically to ensure these areas of focus drive the selection process of partnerships where P4G has significant value-add.</p> <p>Focus on partnerships that have clearly defined business plans and policy and regulatory interventions that are looking to move quickly beyond grant funding. This will be enhanced by the purpose of the grant and the technical assistance that P4G will provide.</p>	Minor	<p>P4G has managed this risk through a robust selection process, up-front engagement with NPs to ensure alignment of priorities and a focus on business plans and business models with financial projections.</p> <p>Moreover, P4G cooperation with IFU offers a perspective of future DFI funding from IFU and other DFIs.</p>
EU State Aid rules are found to be too restrictive to allow sufficient funding as sub-contracts from the NGO to the early stage commercial partners	Unlikely	Significant	<p>Consultations with lawyers within the government of the Netherlands determined that since partnerships will execute all or most of their activities outside the European market, they will not distort the EU-internal market. If necessary, P4G can further mitigate risk on a project by project basis by applying the de minimis rule or aid intensity limits.</p> <p>This will be summarized in the partnership guidelines as rules for the use of funding.</p>	Minor	Issue has been researched over the past year and a half leading to a robust analysis.

Risk Description	Likelihood of Risk Occurring	Impact if Risk Occurs	Response/ Mitigation Action	Residual Risk	Background to Assessment
Sector focus changes, affecting the ability of P4G to influence high-level policy discussions	Unlikely	Minor	<p>Sector selection is informed by national priorities that are aligned to donor and WRI priorities in those countries.</p> <p>Through an adaptive knowledge-mobilisation approach, P4G can adjust focus areas based on learning in partnerships and NPs</p>	Minor	Sector and country focus in Phase 2 explicitly aims to achieve impact at the sector level and has a stronger emphasis on making businesses investment-ready.

Annex 8: Budget

The total budget for this proposal (2023–2027) to achieve the three main outcomes, corresponding outputs and to award the Partnership Fund is USD 36,776,320 (DKK 253,222,245). This includes funding contributions of approximately USD-equivalent 25.7 million from Denmark (DKK 177 million), USD 9.8 million from the Netherlands, and USD 1.27 million from the Republic of Korea.

Funding will support partnership implementation in six countries (Colombia, Ethiopia, Indonesia, Kenya, South Africa and Vietnam) and includes a phase out period for three countries (Bangladesh, Chile and Mexico).

The total direct support to partnerships through grants is approximately USD 22.1 million (60%) and will support an estimated 55 new partnerships selected in Phase 2 and satisfy commitments to existing partnerships that will continue from Phase 1.

WRI indirect costs are USD 2,539,625 (DKK 17,486,512), which is 7.42% of the total budget. This budget does not factor in the impacts, if any, on further no-cost extensions of Phase 1 funding or the allocation of any future funding. P4G has current ongoing discussions with the Republic of Korea about future funding to support and expand P4G activities. Phase 2 fundraising will continue to happen as part of program activities.

Financial reporting and auditing will be consolidated into one P4G programme report, which will include the funding of all donors and meet the requirements for financial reporting by all donors.

All numbers reflected in this budget have been rounded to the nearest whole number with any variances due to rounding.

Table 12: Output-Based Budget Details

	Budget	Year 1	Year 2	Year 3	Year 4	Year 5	DKK
Total Output 1.1-3.2	36,776,320	7,090,911	8,275,128	8,527,340	7,665,369	5,217,571	253,222,245
Output 1.1 Partnerships							
Investment Advisor, Kenya	154,367	35,287	37,404	39,649	42,027	-	
Partnership Associate, Ethiopia	101,796	23,270	24,666	26,146	27,714	-	
Partnership Associate, Colombia	42,080	8,688	10,489	11,118	11,785	-	
Investment Advisor, Indonesia	116,569	32,260	33,226	33,718	17,365	-	
Partnership Associate, Vietnam	50,400	14,400	14,400	14,400	7,200	-	
Sr. Manager Partnerships	190,782	49,821	53,558	57,575	29,828	-	
MEL Manager	203,672	33,890	46,502	48,130	49,814	25,336	
Partnerships Manager	114,501	22,958	24,335	25,795	27,343	14,070	
Executive Director P4G, Operations Manager, Program Specialist, Additional Mgmt Support	183,947	42,161	37,197	38,932	40,755	24,902	
Ind. Consultants/Grant Committee	75,000	25,000	25,000	25,000	-	-	
Direct Occupancy	26,198	5,937	6,433	6,433	5,566	1,829	
Project Office Services/Supplies	26,604	5,890	6,520	6,807	5,716	1,671	
Communications	39,338	8,647	9,508	9,901	8,409	2,873	
Travel	42,775	4,578	11,248	11,248	9,549	6,152	
Project-Related Electronic Network	51,772	11,375	12,650	13,179	11,170	3,398	
Research and Materials/Quality Assurance	28,005	6,201	6,863	7,165	6,017	1,759	
Partnership Reserve and Other Direct Costs	30,688	3,487	6,966	6,966	9,718	3,551	
Total direct cost output 1.1	1,478,494	333,850	366,965	382,162	309,976	85,541	10,180,128
Indirect cost output 1.1	158,654	35,482	39,136	40,807	33,666	9,563	1,092,407
Total budget output 1.1	1,637,148	369,332	406,101	422,969	343,642	95,104	11,272,535

Output 1.2 Partnerships							
Investment Advisor, Kenya	360,189	82,336	87,276	92,513	98,064	-	
Partnership Associate, Ethiopia	237,525	54,296	57,554	61,007	64,668	-	
Partnership Associate, Colombia	98,188	20,273	24,474	25,942	27,499	-	
Investment Advisor, Indonesia	271,991	75,272	77,528	78,674	40,517	-	
Partnership Associate, Vietnam	117,600	33,600	33,600	33,600	16,800	-	
Sr. Manager Partnerships	445,159	116,250	124,969	134,341	69,599	-	
MEL Manager	475,234	79,078	108,505	112,302	116,233	59,116	
Partnerships Manager	267,168	53,568	56,782	60,189	63,800	32,829	
Executive Director P4G, Operations Manager, Program Specialist, Additional Mgmt Support	2,439,763	559,199	493,355	516,371	540,556	330,282	
Independent Consultants/Grant Committee	175,000	58,334	58,333	58,333	-	-	
Direct Occupancy	123,434	29,122	28,453	28,453	26,431	10,975	
Project Office Services/Supplies	114,739	25,077	25,901	27,235	25,040	11,486	
Communications	195,905	42,094	43,222	45,048	42,044	23,497	
Travel	233,133	23,584	56,351	56,351	52,387	44,460	
Project-Related Electronic Network	226,457	49,337	51,126	53,585	49,542	22,867	
Research and Materials/Quality Assurance	120,779	26,397	27,264	28,668	26,358	12,092	
Partnership Reserve and Other Direct Costs	243,999	31,913	48,679	60,229	62,800	40,378	
Partnership Grants	22,096,424	3,800,000	5,000,000	5,000,000	4,500,000	3,796,424	
Total direct cost output 1.2	28,242,687	5,159,730	6,403,372	6,472,841	5,822,338	4,384,406	194,464,174
Indirect cost output 1.2	1,886,854	356,641	427,479	435,180	393,021	274,533	12,991,877
Total budget output 1.2	30,129,541	5,516,371	6,830,851	6,908,021	6,215,359	4,658,939	207,456,050

Output 2.1 Platforms							
Director Enabling Systems	256,601	53,695	55,575	57,520	59,533	30,278	
Communications Manager	259,092	56,436	58,412	60,456	62,573	21,215	
Platform Liaison, Mexico	10,140	10,140	-	-	-	-	
Platform Liaison, Bangladesh	6,000	6,000	-	-	-	-	
Platform Liaison, Kenya	112,859	25,798	27,347	28,987	30,727	-	
Platform Liaison, Ethiopia	92,828	21,220	22,493	23,842	25,273	-	
Platform Liaison, Colombia	51,840	11,850	12,561	13,315	14,114	-	
Platform Liaison, S. Africa	60,000	15,000	15,000	15,000	15,000	-	
Platform Liaison, Indonesia	60,000	15,000	15,000	15,000	15,000	-	
Platform Liaison, Vietnam	60,000	15,000	15,000	15,000	15,000	-	
Executive Director P4G, Operations Manager, Program Specialist, Additional Mgmt Support	194,587	44,600	39,348	41,184	43,113	26,342	
Direct Occupancy	40,617	9,409	9,234	9,234	9,234	3,506	
Office Services/Supplies	31,778	6,971	7,025	7,263	7,512	3,007	
Confence (In-country event costs, including venue and 1 platform lead visit per year)	118,500	13,144	26,339	26,339	26,339	26,339	
Communications	46,588	10,160	10,234	10,559	10,900	4,735	
Travel	77,384	14,144	15,810	15,810	15,810	15,810	
Project-Related Electronic Network	64,471	14,188	14,288	14,726	15,185	6,084	
Research and Materials/Quality Assurance	33,451	7,338	7,395	7,645	7,908	3,165	
WRI Colombia, In-Country Platform Engagement	26,282	5,199	5,652	5,986	6,345	3,100	
WRI S. Africa, In-Country Platform Engagement	38,225	7,664	8,124	8,611	9,128	4,698	
WRI Kenya, In-Country Platform Engagement	40,568	8,133	8,622	9,139	9,688	4,984	
WRI Indonesia, In-Country Platform Engagement	33,750	7,500	7,500	7,500	7,500	3,750	
Other Direct Costs	4,973	824	1,165	1,165	1,165	654	
Total direct cost output 3	1,720,532	379,413	382,124	394,281	407,047	157,667	11,846,668
Share indirect cost output 3	187,005	41,130	41,439	42,798	44,225	17,413	1,287,617
Total budget output 2.1	1,907,537	420,543	423,563	437,079	451,272	175,080	13,134,286

Output 2.2 Platforms							
Director Enabling Systems	256,601	53,695	55,575	57,520	59,533	30,279	
Communications Manager	259,092	56,436	58,412	60,456	62,573	21,215	
Platform Liaison, Mexico	10,140	10,140	-	-	-	-	
Platform Liaison, Bangladesh	6,000	6,000	-	-	-	-	
Platform Liaison, Kenya	112,859	25,799	27,347	28,987	30,727	-	
Platform Liaison, Ethiopia	92,828	21,220	22,493	23,842	25,273	-	
Platform Liaison, Colombia	51,842	11,850	12,563	13,315	14,114	-	
Platform Liaison, S. Africa	60,000	15,000	15,000	15,000	15,000	-	
Platform Liaison, Indonesia	60,000	15,000	15,000	15,000	15,000	-	
Platform Liaison, Vietnam	60,000	15,000	15,000	15,000	15,000	-	
Executive Director P4G, Operations Manager, Program Specialist, Additional Mgmt Support	194,587	44,600	39,348	41,184	43,113	26,342	
Direct Occupancy	40,617	9,409	9,234	9,234	9,234	3,506	
Office Services/Supplies	31,778	6,971	7,025	7,263	7,512	3,007	
Confence (In-country event costs, including venue and 1 platform lead visit per year)	118,500	13,144	26,339	26,339	26,339	26,339	
Communications	46,588	10,160	10,234	10,559	10,900	4,735	
Travel	77,384	14,144	15,810	15,810	15,810	15,810	
Project-Related Electronic Network	64,471	14,188	14,288	14,726	15,185	6,084	
Research and Materials/Quality Assurance	33,451	7,338	7,395	7,645	7,908	3,165	
WRI Colombia, In-Country Platform Engagement	26,282	5,199	5,652	5,986	6,345	3,100	
WRI S. Africa, In-Country Platform Engagement	38,225	7,664	8,124	8,611	9,128	4,698	
WRI Kenya, In-Country Platform Engagement	40,568	8,134	8,622	9,139	9,688	4,985	
WRI Indonesia, In-Country Platform Engagement	33,750	7,500	7,500	7,500	7,500	3,750	
Other Direct Costs	4,975	825	1,165	1,165	1,165	655	
Total direct cost output 3	1,720,537	379,415	382,125	394,280	407,046	157,670	11,846,705
Share indirect cost output 3	187,005	41,130	41,439	42,798	44,225	17,413	1,287,617
Total budget output 2.2	1,907,542	420,545	423,564	437,078	451,271	175,083	13,134,322

Output 3.1 Knowledge Mobilisation							
Director Enabling Systems	256,601	53,696	55,575	57,520	59,532	30,278	
Executive Director P4G, Operations Manager, Program Specialist, Additional Mgmt Support	92,115	21,113	18,627	19,496	20,409	12,470	
Direct Occupancy	15,511	3,512	3,428	3,428	3,428	1,715	
Project Office Services/Supplies	12,565	3,932	1,745	4,001	1,870	1,017	
Communications	18,663	5,674	2,682	5,769	2,853	1,685	
Travel	6,108	592	1,379	1,379	1,379	1,379	
Summit Consultant	200,000	100,000	-	100,000	-	-	
Project-Related Electronic Network	25,284	7,718	3,690	7,845	3,921	2,110	
Research and Materials/Quality Assurance	13,226	4,139	1,837	4,211	1,969	1,070	
Other Direct Costs	3,165	936	385	1,155	385	304	
Total direct cost output 3	643,238	201,312	89,348	204,804	95,746	52,028	4,428,993
Indirect cost output 3.1	71,904	22,501	9,988	22,895	10,704	5,816	495,093
Total budget output 3.1	715,142	223,813	99,336	227,699	106,450	57,844	4,924,085

Output 3.2 Knowledge Mobilisation							
Director Enabling Systems	256,601	53,696	55,575	57,520	59,532	30,278	
Executive Director P4G, Operations Manager, Program Specialist, Additional Mgmt Support	31,640	7,252	6,398	6,697	7,010	4,283	
Direct Occupancy	13,637	3,053	3,024	3,024	3,024	1,512	
Project Office Services/Supplies	8,422	2,465	1,611	1,660	1,711	975	
Communications	12,031	3,474	2,306	2,373	2,442	1,436	
Travel	81,658	48,562	8,274	8,274	8,274	8,274	
Project-Related Electronic Network	17,395	4,958	3,386	3,476	3,569	2,006	
Research and Materials/Quality Assurance	8,867	2,595	1,696	1,748	1,801	1,027	
Other Direct Costs	956	145	221	221	221	148	
Total direct cost output 3.2	431,207	126,200	82,491	84,993	87,584	49,939	2,969,065
Indirect cost output 3.2	48,203	14,107	9,222	9,501	9,791	5,582	331,900
Total budget output 3.2	479,410	140,307	91,713	94,494	97,375	55,521	3,300,966

Contingency							
Contingency (max 10% of total direct cost excluding contingency)							-
Total direct cost	34,236,695	6,579,920	7,706,425	7,933,361	7,129,737	4,887,251	235,735,733
Indirect cost							
Administrative costs	2,539,625	510,991	568,703	593,979	535,632	330,320	17,486,512
Audit	-	-	-	-	-	-	-
Total indirect cost	2,539,625	510,991	568,703	593,979	535,632	330,320	17,486,512
Total budget	36,776,320	7,090,911	8,275,128	8,527,340	7,665,369	5,217,571	253,222,245

Budget Notes:

1. Exchange rate (DKK/USD): 6.88547
2. The budget is for a 4.5-year period with calculations for Year 1 including 1 July 2023 – 30 June 2024 and Year 5 including 1 July 2027 – 31 December 2027. On signing of the grant agreements WRI will work with the partners to align planning, budgeting and reporting to the calendar year.
3. This budget reflects the allocation of funds committed by the 3 current P4G funders. The budgeting and allocation of any future funds for P4G activities will be based on continued P4G learning, stakeholder consultations, and ultimately determined by such future fund providers in consultation with WRI and the P4G Steering Committee to ensure strategic alignment. While the approach of this Program Document will be followed, WRI does not represent how future funds may be used—including the allocation of future funds to partnership grants.
4. The staffing structure represented in Figure 4 of the Program Document is indicative of the staffing for calendar years 2024-25. As shown in Table 5 of the Program Document labor budgeting assumes a period of reorganization in 2023 and a scale down in staffing in 2026-27. Staffing levels could be maintained, adjusted, or scaled up pending future funding and strategic decisions from the Steering Committee.
5. The only costs for Summit 2023 included are a summit consultant, travel costs for the P4G Hub team, and the co-chairs of the Phase 1 countries. The potential for a Summit or other large event, such as a program close out, are not included. Beyond Summits, the only global event participation is assumed to be UNFCCC COPs and bilateral meetings with donors.
6. Current administrative cost rate is over 7%. As this is a presentation of the full costs of P4G, which include multiple sources of funding, we thought important to show the actual rate. Denmark's 7% administrative cap will be applied only to its funding.
7. All monthly rates are an average rate across all years of the project, to account for salary increases, cost of living adjustments, etc.
8. Audit costs for the award and for all grantees are embedded in the output costs.
9. In addition to being critical in designing grants management processes and participating in reviewing funding proposals, the Grants Manager supports partnerships in learning and implementation of grants management, budgeting, forecasting, programmatic reporting, quality assurance, MEL compliance and other technical assistance. This work will also be supported by the Program Specialist.

10. Partnership Reserve and Direct Costs are for external and WRI technical assistance to support partnerships to achieve P4G outcomes.
11. Communications costs include in-country learning workshops, internal communications, website and other digital media tools, local and global social media, and leveraging WRI's communications channels.

Annex 9: List of Supplementary Materials

P4G Commissioned Reports or External Reviews

1. P4G MTR Final Report: Executive Summary
2. P4G Field Review Report
3. P4G Mid-Term Review: Status Update
4. Investment Gaps Analysis: Dalberg Report
5. Financing Green Growth: TPI Report
6. Partnerships Origination Study: Dalberg Preliminary Report
7. P4G Governance and Organizational Assessment

Dropbox link for supplementary materials:

<https://www.dropbox.com/scl/fo/5k12g68jx6zzgig600z8w/h?dl=0&rlkey=eclr7wtwncw67h1mqggdvq0e>

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Annex 10: P4G Phase 2—Process Action Plan

Dates	Activity
1–2 February 2023	ExCom workshop with WRI in The Hague to address key points from the appraisal report and alignment on future course of P4G.
24 February 2023	Draft annexes submitted for ExCom WG comments by written procedure: <ol style="list-style-type: none"> 1. Problem analysis 2. Partner assessment 3. Theory of change and results framework 4. P4G partnerships analysis and results updated 5. NP Phase 2 strategy updated 6. Knowledge management 7. Governance framework
3 March 2023	Deadline for ExCom WG comments
20 March 2023	Draft programme document, including mandatory annexes, submitted for ExCom WG comments by written procedure
24 March 2023	Deadline for ExCom WG comments
5 April 2023	Submission of draft programme document, including mandatory annexes, to ExCom approval before appraisal
12 April 2023	ExCom meeting: approval of final draft programme document, including annexes
17 April 2023	Appraisal of the draft programme document (3 weeks)
4 May 2023	Appraisal debriefing and final report
19 May 2023	Submission to ExCom for final written approval: updated draft programme document with appraisal recommendations
24 May, 2023	Deadline for ExCom comments
28 May 2023	Final draft programme document forwarded to MFA (NL and RoK) for internal MFA approval before submission to Council for Development Policy
2 June 2023	Final programme document to be submitted for approval by the DMFA Council for Development Policy, incorporating the findings and recommendations of the Danida appraisal.
22 June 2023	Meeting in the DMFA Council for Development Policy
22 June 2023	Final version submitted for approval by the Minister for Development Cooperation, incorporating possible comments from the Council for Development policy. <u>Netherlands</u> . Approval for phase 2 by June 2023 and signing of agreement with WRI for launch of P4G phase 2 by 1 July. <u>The Republic of Korea</u> : Budget passed by National Assembly. If funding is agreed to, MOU to be signed with WRI/P4G for 2023 in June. Decision on funding for eventual extension in 2024 will commence in Q3/2023.