

# CTCN services and project finance

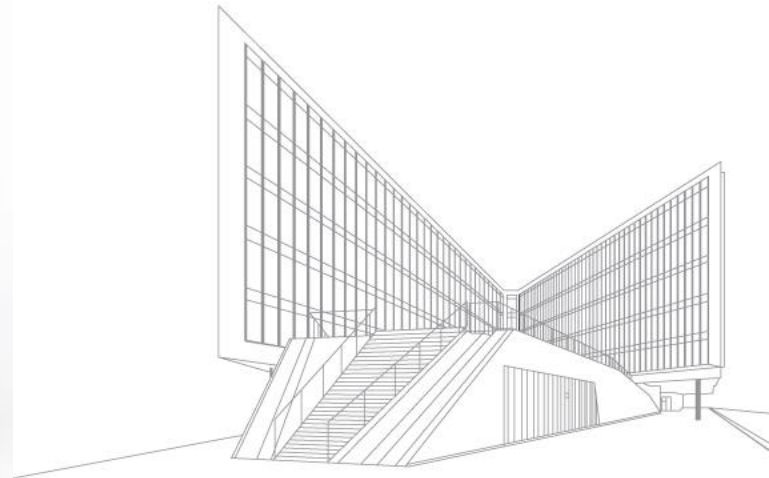


NDE Training Workshop – Bridgetown, Barbados  
30 September - 2 October 2014

# Outline of the Session

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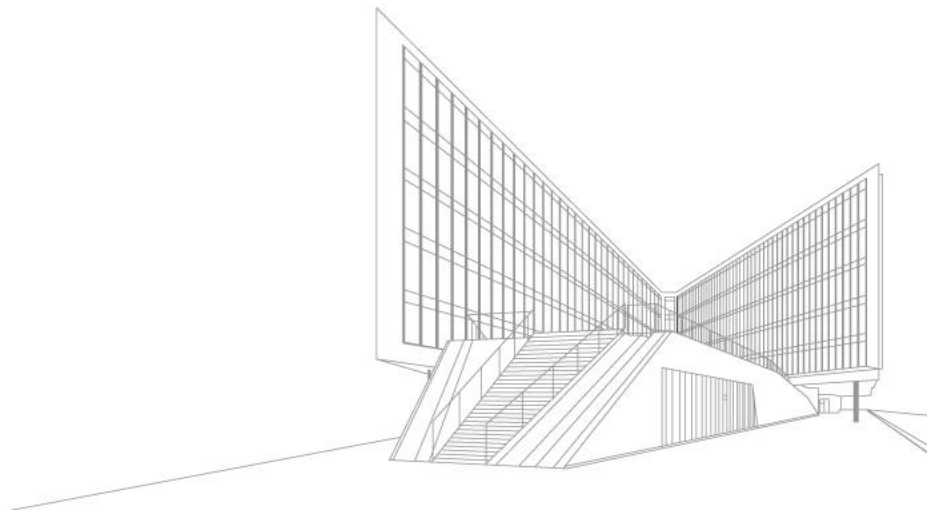
- Presentation of CTCN services and project finance
- Contribution from Financial Institutions
- Discussion



# Objectives of the Session

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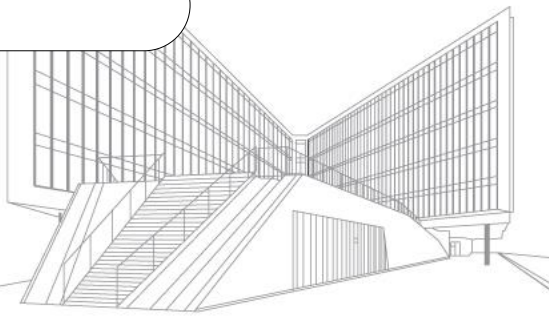
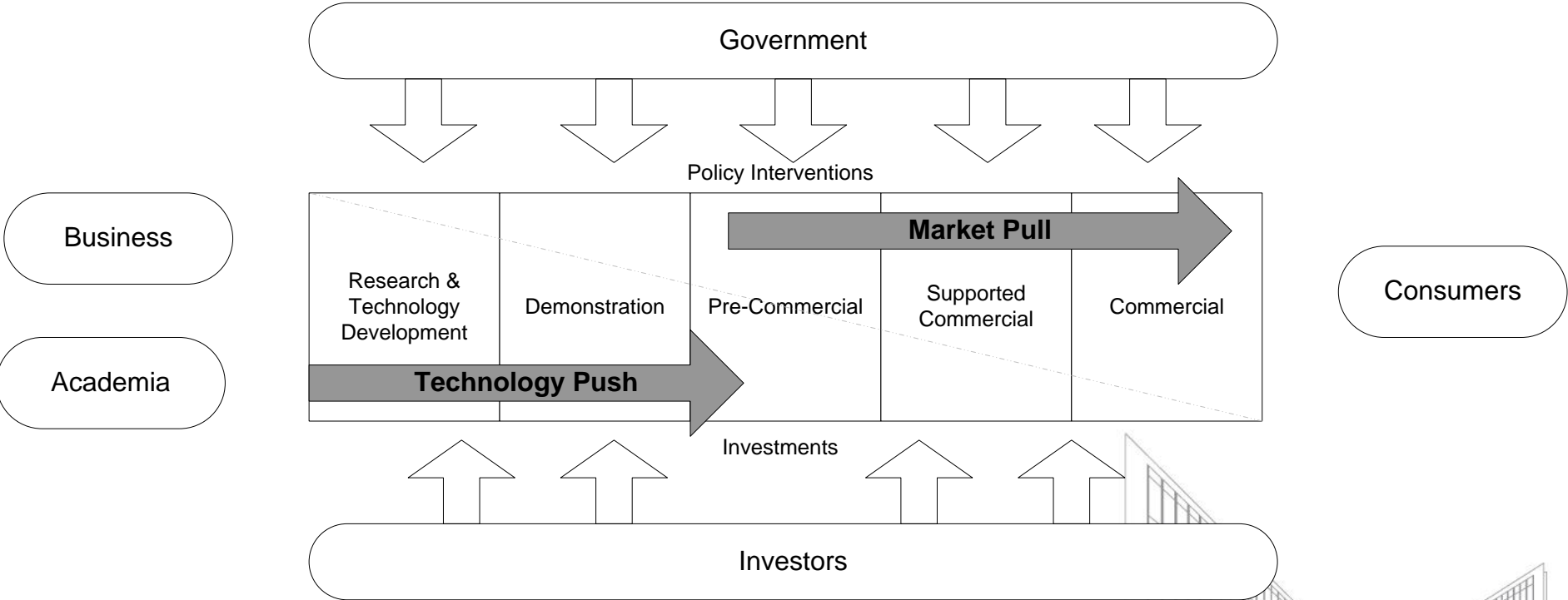
- ✓ Present possible services the CTCN could provide on the matter
- ✓ Discuss opportunities
- ✓ Better understand the needs



**Presentation:  
The CTCN services  
and project  
financing**



# Technology innovation cycle



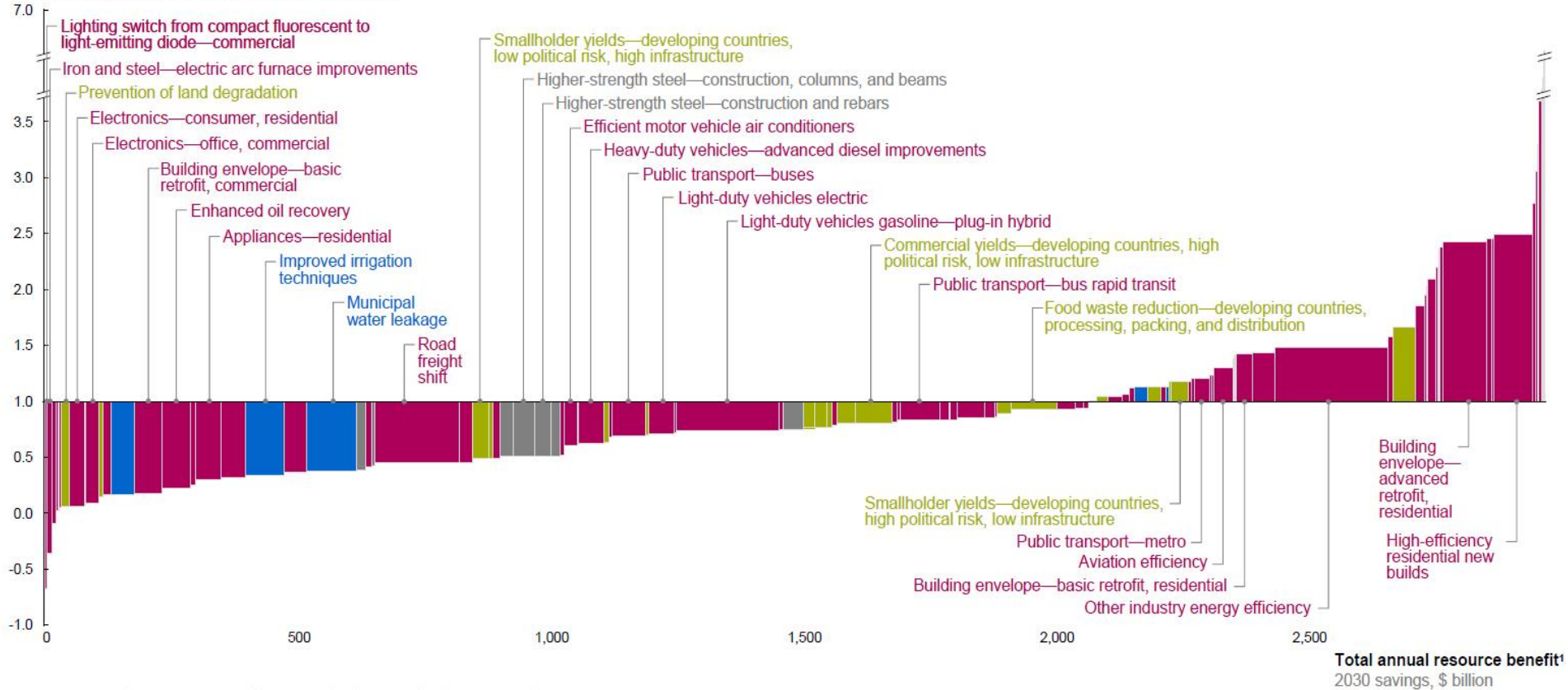
# The business case for EST

## The productivity opportunity totals \$2.9 trillion in 2030 from an investor perspective

Investor perspective, 2030

### Cost efficiency of investment

\$ spent for implementation per \$ total resource benefit



1 Based on current prices for energy, steel, and water at a discount rate of 10 percent per annum. All values are expressed in 2010 prices.  
SOURCE: McKinsey analysis

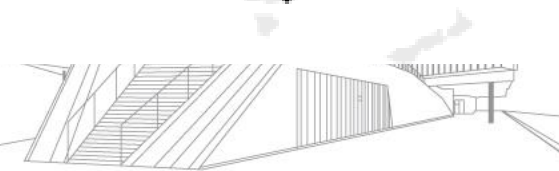
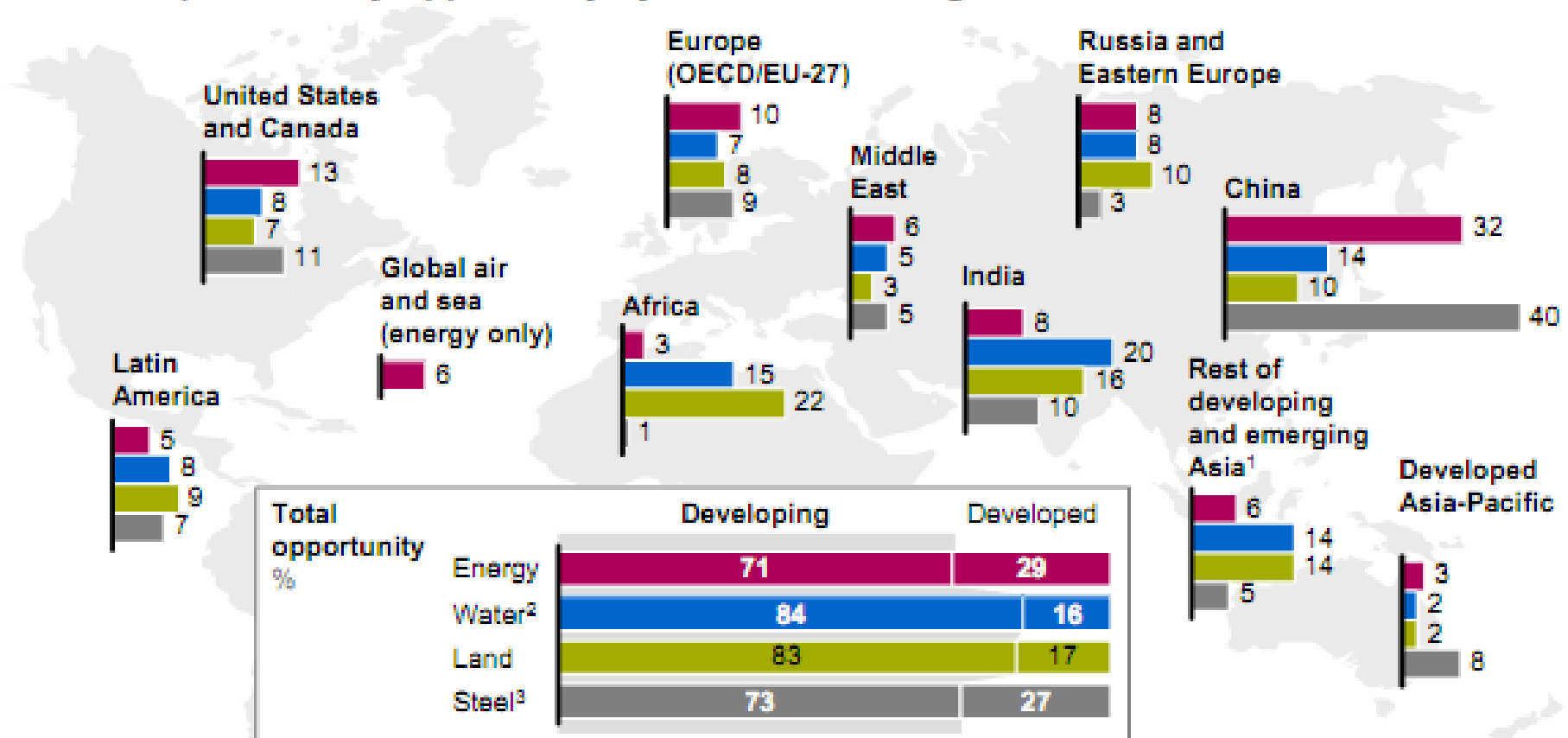


# The business case for EST

Developing countries account for 70 to 85 percent of productivity opportunities



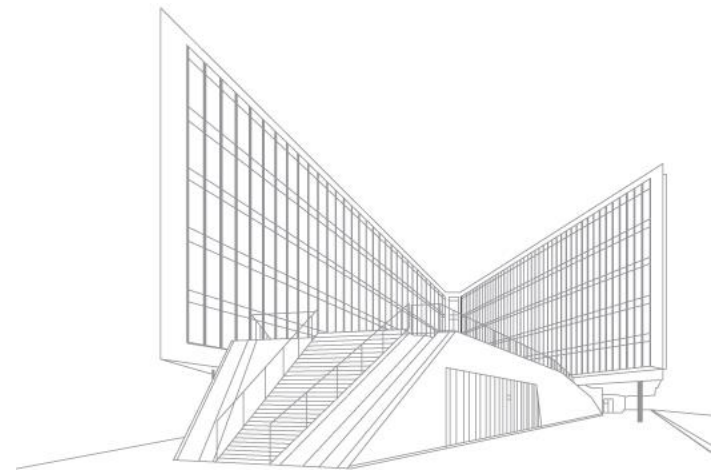
% of total productivity opportunity by resource and region



# The missing middleman

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“I have a good project idea but cannot find anyone willing to finance it”

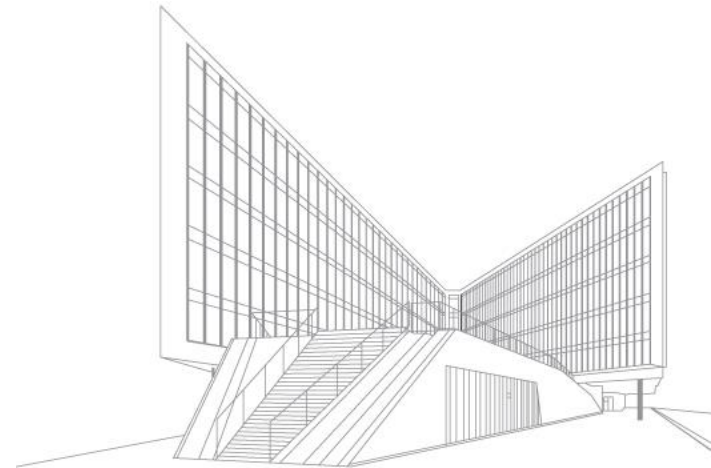


# The missing middleman

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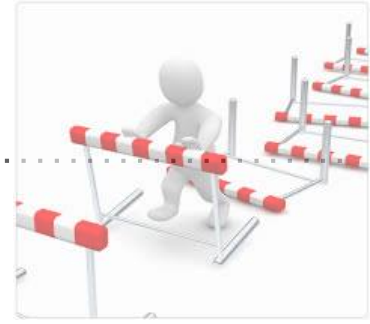
“I have a good project idea but cannot find anyone willing to finance it”

“We have funds and mechanisms available but struggle finding good projects”

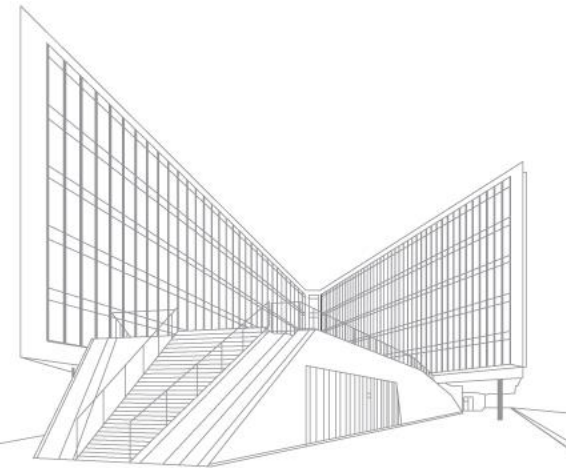


# Barriers to project financing

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- Information asymmetry
- Deficient ability of project proponents to articulate a 'bankable' proposal
- Perceived high risk of such investment by financial institutions
- Structural issues (e.g. size of investment, high transaction costs, no tangible assets)
- (over)emphasis on environmental aspects



# What could the CTCN do for you?

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- Knowledge management
  - Repertory of sources and mechanisms
  - Document business case
- Act as the middleman
- Hand-holding during project development to assist in turning technical proposal into a bankable one
- Facilitate contact with financial institutions
- Support financial close
- Capacity building
- Advice on (innovative) models and best practices



# A suggested way forward

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- Identify potential requests that would lead to investment in climate technologies
- Liaise with financial institutions at the onset
- Evaluate prospect for financing
- Develop intervention considering financing issues, beside those related to climate change



# Financial Institutions



# Discussion



Thank you for  
your attention !

