



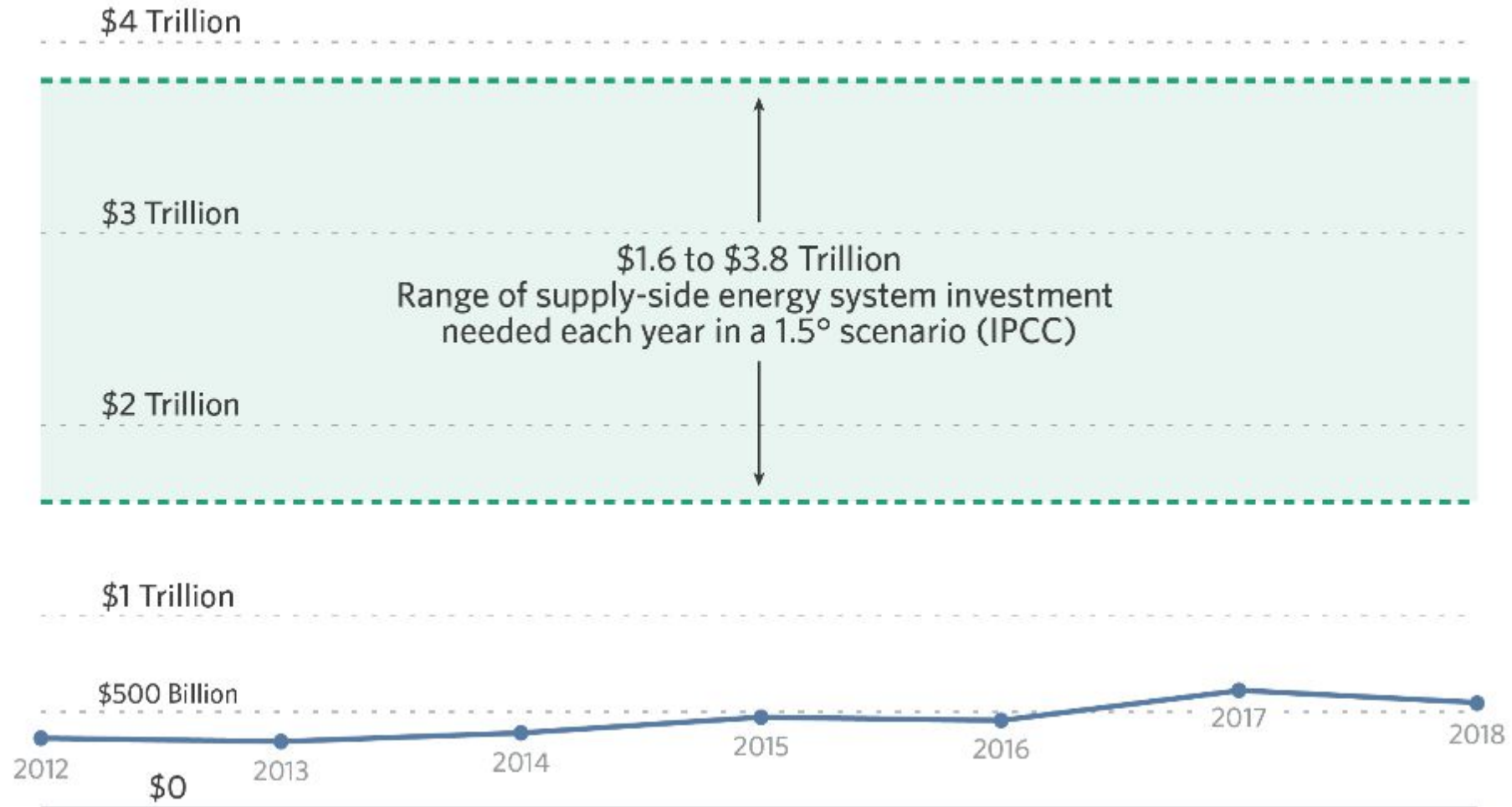
2021 Call for Ideas

Agenda

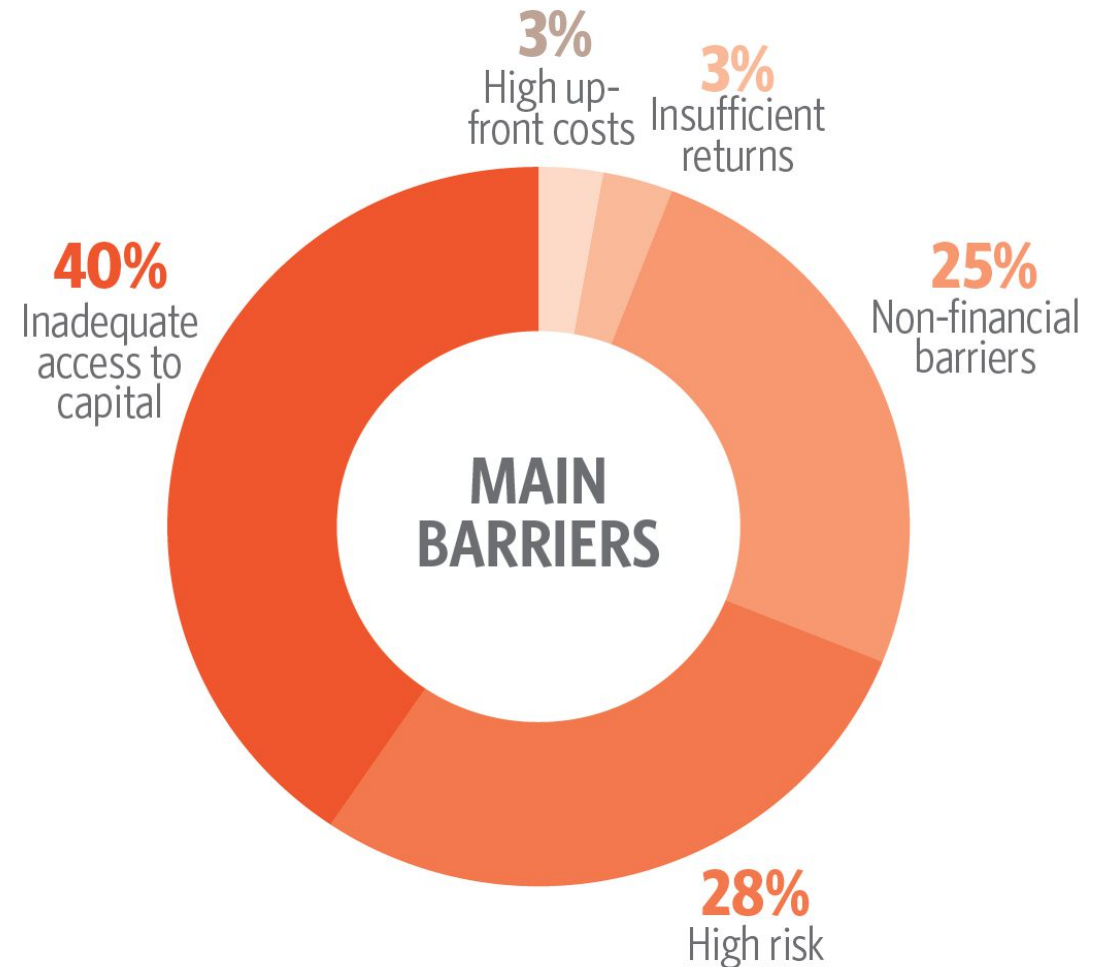
1. Introduction to the Lab
2. Impact to date
3. Call for ideas 2021
4. Case studies
5. Q&A

Introduction to the Lab

The Sustainable Investment Gap



Sustainable investment, particularly in developing countries, faces many barriers





The Lab identifies, develops, and launches **innovative finance instruments that drive billions in private investment** to action on climate change and sustainable development.

49 instruments launched

60+ public and private Lab Member institutions

300+ supporting experts, nearly half from developing regions

60+ institutions collaborating to address the sustainable investment gap

FUNDERS

Bloomberg
Philanthropies



MEMBERS



SECRETARIAT



The Lab's three ingredients to success



Public-Private Collaboration

Builds capacity and knowledge to deploy effective climate finance solutions.



Innovation & Transformative Solutions

Financially sustainable solutions that reduce barriers to investment in sustainable development.



Mobilizing Finance

Enables piloting and implementation of transformative solutions.

The Lab process has five steps

1.



Call for Ideas

The Lab publicizes an open call for innovative sustainable investment solutions

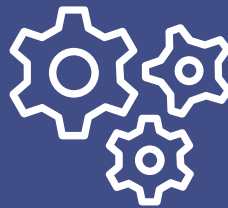
2.



Selection

Lab Members select the most promising ideas to take forward in each annual cycle

3.



Development

Selected ideas benefit from 7 months of analysis, stress-testing, and guidance from experts and investors

4.



Endorsement & Launch

Lab Members vote to endorse and launch the ideas for piloting

5.



Implementation

The ideas move into action and fundraising to launch pilots, with continued support from the Lab network

Successes & Impact to Date

Since 2014, the Lab has launched 49 solutions that tackle investment barriers in the **most critical sectors and regions** for action on climate change

Number of Lab instruments:



Renewable
Energy
20



Cities &
Transport
20



Water, Land Use
& Agriculture
15



Climate
Risk
12



Energy
Efficiency
8



Energy
Access
8



Asia
21



Africa
19



Latin America
18



Global
7

\$2.3 bn

mobilized by
49 instruments for climate
action in emerging markets

\$370+ mn

invested by Lab Member institutions

\$1.9+ bn

catalyzed in
additional investment

Lab instruments have
mobilized

200x

what funders have invested
in the Lab Secretariat

Call for Ideas

Lab ideas meet four key selection criteria



Identifies:

1. The type of entity(ies) that could implement it
2. The pathway towards implementation, including the timeframe, activities, and key milestones
3. Possible challenges to implementation and related management strategies



Demonstrates the ability to address, directly or indirectly, barriers to private climate finance that:

1. Have not yet been addressed OR
2. That will be addressed more effectively compared to other instruments in the market



Demonstrates potential to:

1. Mobilize private climate capital within a sizeable market
2. Be scaled up or replicated in other contexts
3. Achieve socioeconomic, development, and environmental impacts



Identifies:

1. A strategy to phase out public financial support, thereby achieving market viability
2. Possible challenges to achieving its intended objectives and related management strategies

2021 Lab focus areas

We welcome ideas across sectors, approaches, and geographies that support climate adaptation and/or mitigation investing in emerging economies

Specialty Areas



Cities

Sustainable urbanization and infrastructure



Energy Access

Deployment of renewable energy for productive use



Food Systems

Improving sustainability throughout the food system

Brazil



Any climate adaptation or mitigation issues in Brazil

Southern Africa



Any climate adaptation or mitigation issues in Southern Africa

Focus on Green Recovery



The pandemic & economic crisis have underscored the need to build global resilience. A green recovery that stimulates jobs and economic growth while addressing climate risk is crucial for a sustainable future.

The Lab encourages proponents to highlight how their idea:

- Supports green job-creation
- Aligns with public sector green recovery priorities and/or investments
- Creates inclusive growth, builds resilience, or addresses poverty alleviation

Why submit?

Significant design and development support from the Lab team.

+\$250k

Provided in analytical, convening, communications and pro bono support

Selected instruments receive expert guidance and support from high-level leaders in public and private sectors.

\$370m

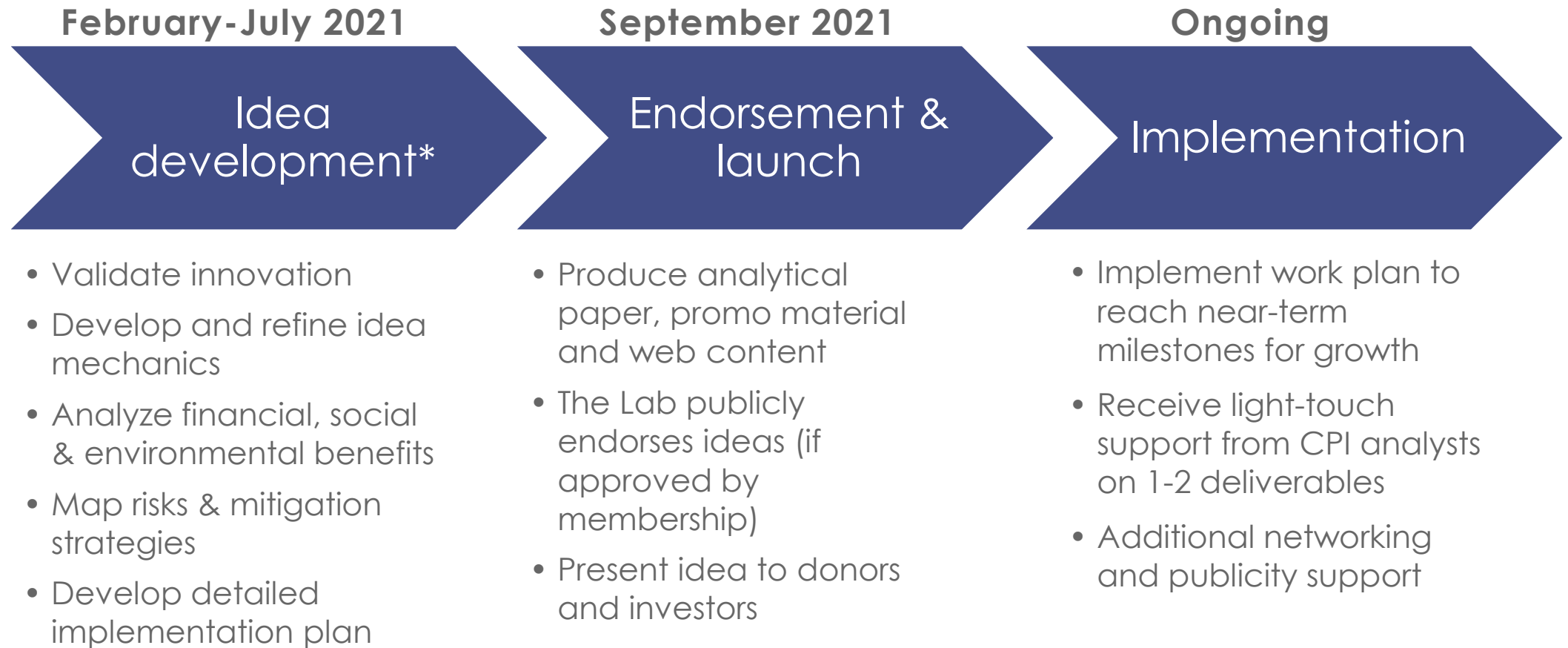
Invested by Lab members



\$1.9 bn

Total investment in Lab instruments in 6 yrs

What happens if your idea is selected?



* Includes stress-testing, financial and economic modelling (where applicable) and guidance from topic experts.

Case Studies



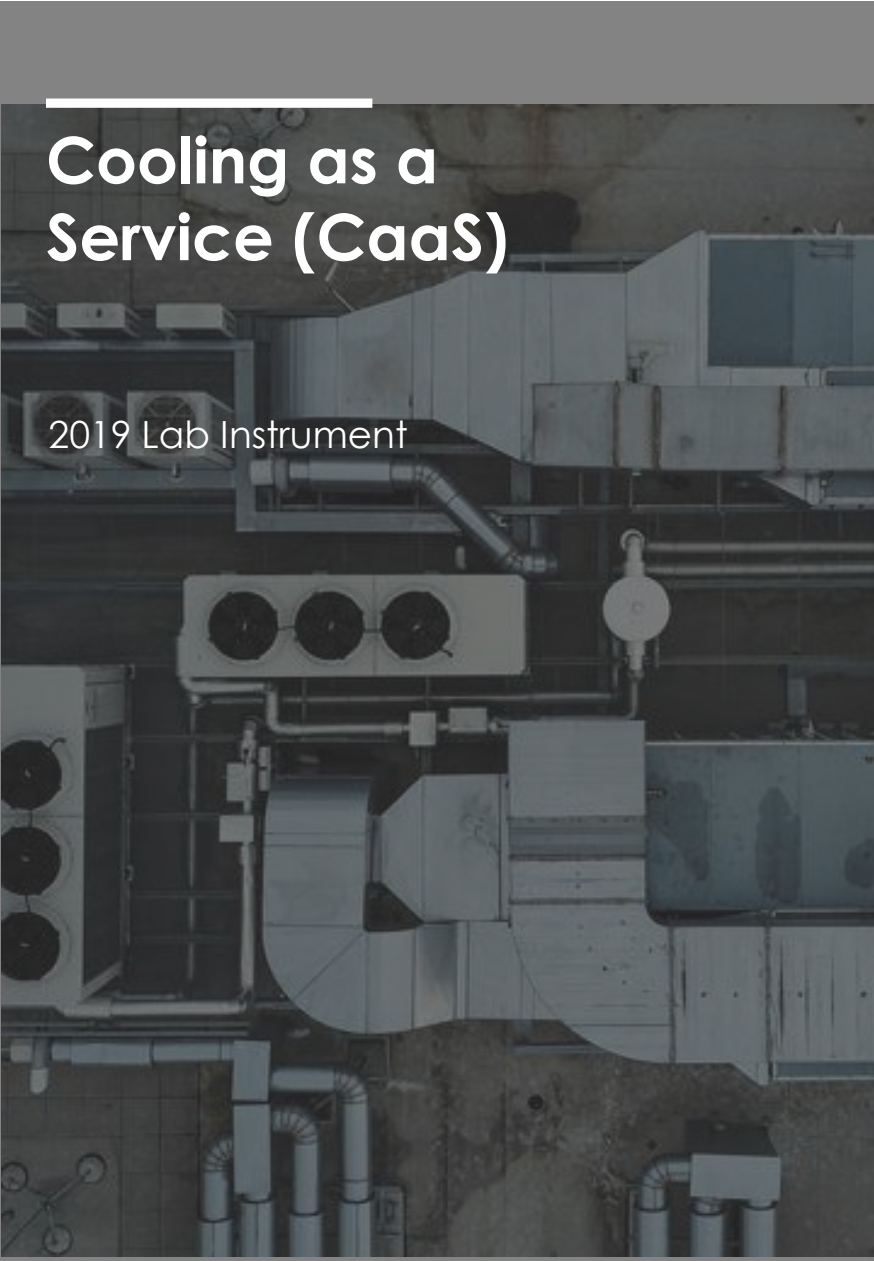
Cooling as a Service

Case Study

Morgan Richmond, Analyst

2019 Lab Instrument





Cooling as a Service (CaaS)

2019 Lab Instrument

Idea

A **pay-per-service model** to decrease energy consumption and greenhouse gas emissions from cooling systems in cities around the world, by making more efficient cooling technologies more accessible to customers.

Impact

- Eliminates upfront investment in clean cooling technology
- Strengthens incentives for efficient consumption
- Increase opportunities for climate adaptation and food waste prevention

Lab Activities

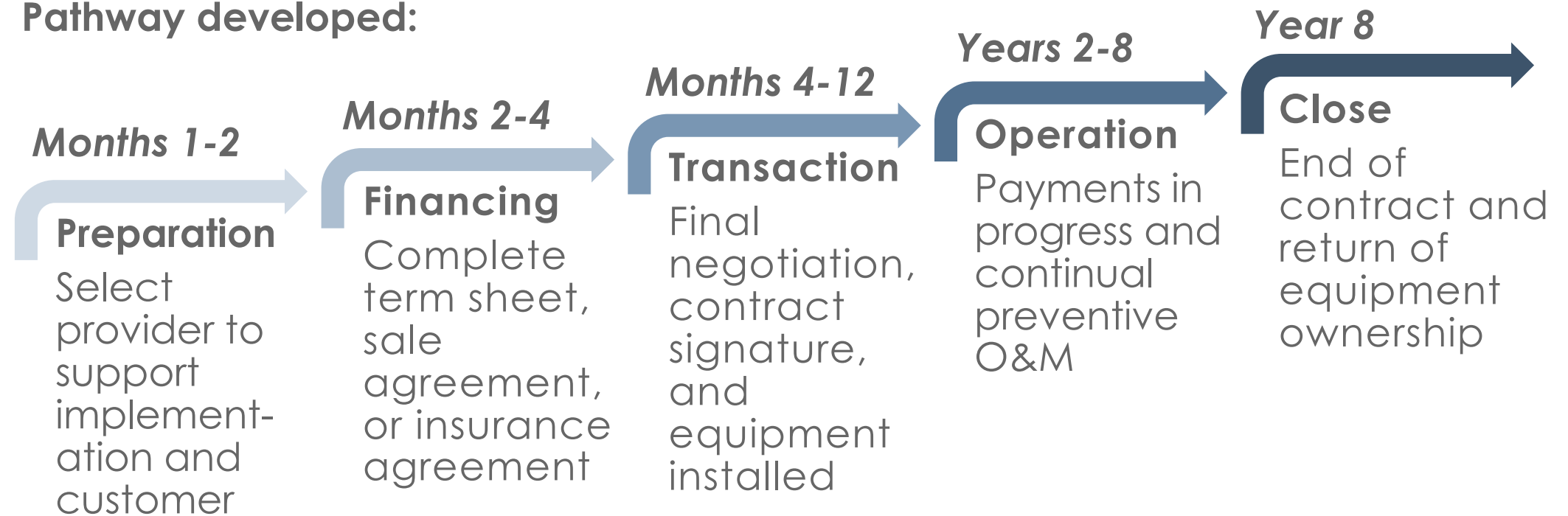
- Financial model development and scenario analysis
- Interviews with experts from public and private sector
- Target market analysis and mapping
- Working Group meetings to provide feedback on analysis

Implementation Pathway - CaaS

Completed steps:

1. Lab team support for financial modelling, instrument analysis and stakeholder outreach in key countries.
2. CaaS Alliance launched to spread the word about the model, build capacity, & implement the model.

Pathway developed:





Financing for Low-Carbon Auto Rickshaws

Case Study

Divjot Singh, Senior Analyst

2018 Lab Instrument



Financing for Low-Carbon Auto Rickshaws

2018 Lab Instrument

Idea

A facility to deploy more electric auto-rickshaws in Indian cities and provide better livelihoods for auto-rickshaw drivers, through a model that provides **up to 100% debt financing** at competitive rates, and opportunities for driver ownership.

Proponent



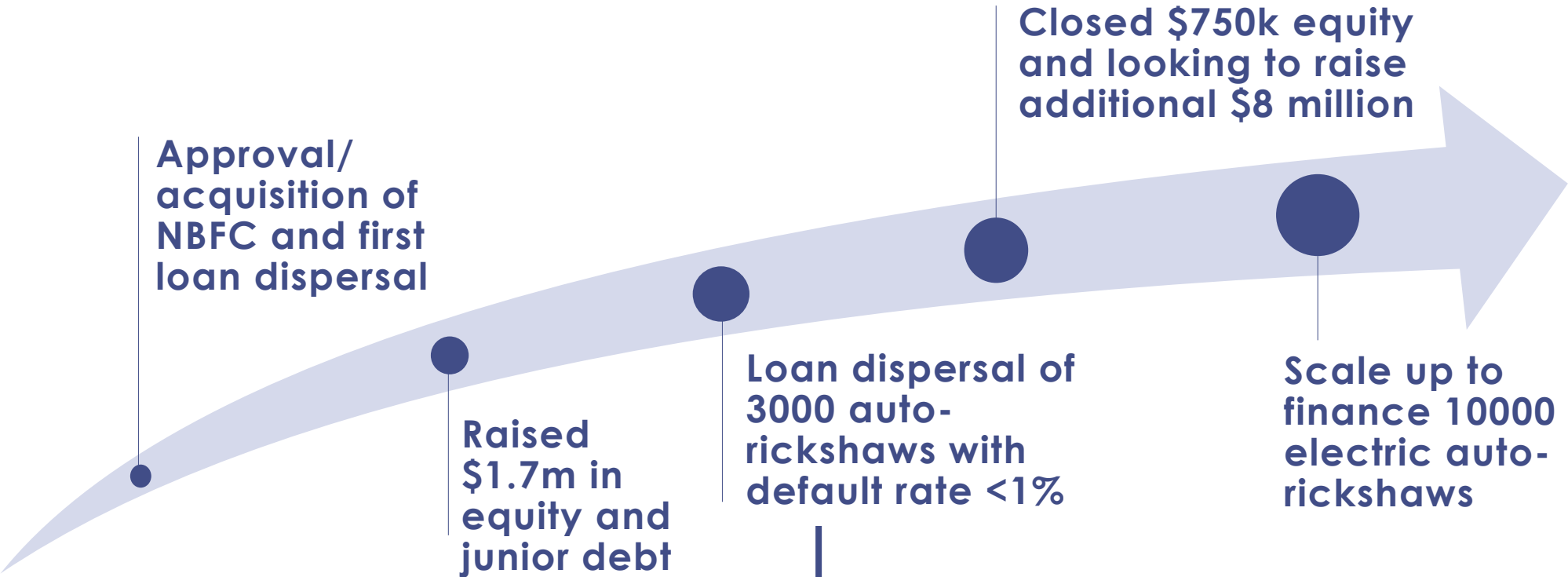
Impact

- Opportunity to decrease carbon emissions by over 22 million tonnes annually.
- The instrument allows drivers to more than double their daily income when compared to renting.

Lab Activities

- Financial modeling and credit policy formulation.
- Connected with app-based mobility companies.
- Building investment memorandum and advising on grant funding.

Implementation Pathway - FLCAR



CAPITAL MOBILIZED \$2.5 million raised till date and in the process of raising \$8 million Series A funding for deployment of 10,000 electric vehicles.

INVESTMENT TYPE Equity; Debt; Guarantee

INVESTMENT DETAILS Access to capital to match growing order book remains a challenge.



Sub-national Climate Finance Initiative (SnCF)

Case Study

Helene Van Caenegem, Analyst
2020 Lab Instrument





Sub-national Climate Finance Initiative (SnCF)

2020 Lab Instrument

Idea

Blended investment vehicle that increases the flow of capital for mid-size (US \$5-75M) sustainable urban infrastructure projects, which often struggle to find financing yet can have strong social and environmental impacts.

Impact

- Mobilizing 4x private finance at the fund level and up to 24x at the project level.
- Estimated SDG impacts:
 - generate 1.8 GWh of renewable energy per year
 - create 20,000 direct jobs
 - avoid 3.8 million tonnes of CO₂ annually
 - improve urban living conditions for 17 million city dwellers

Lab Activities

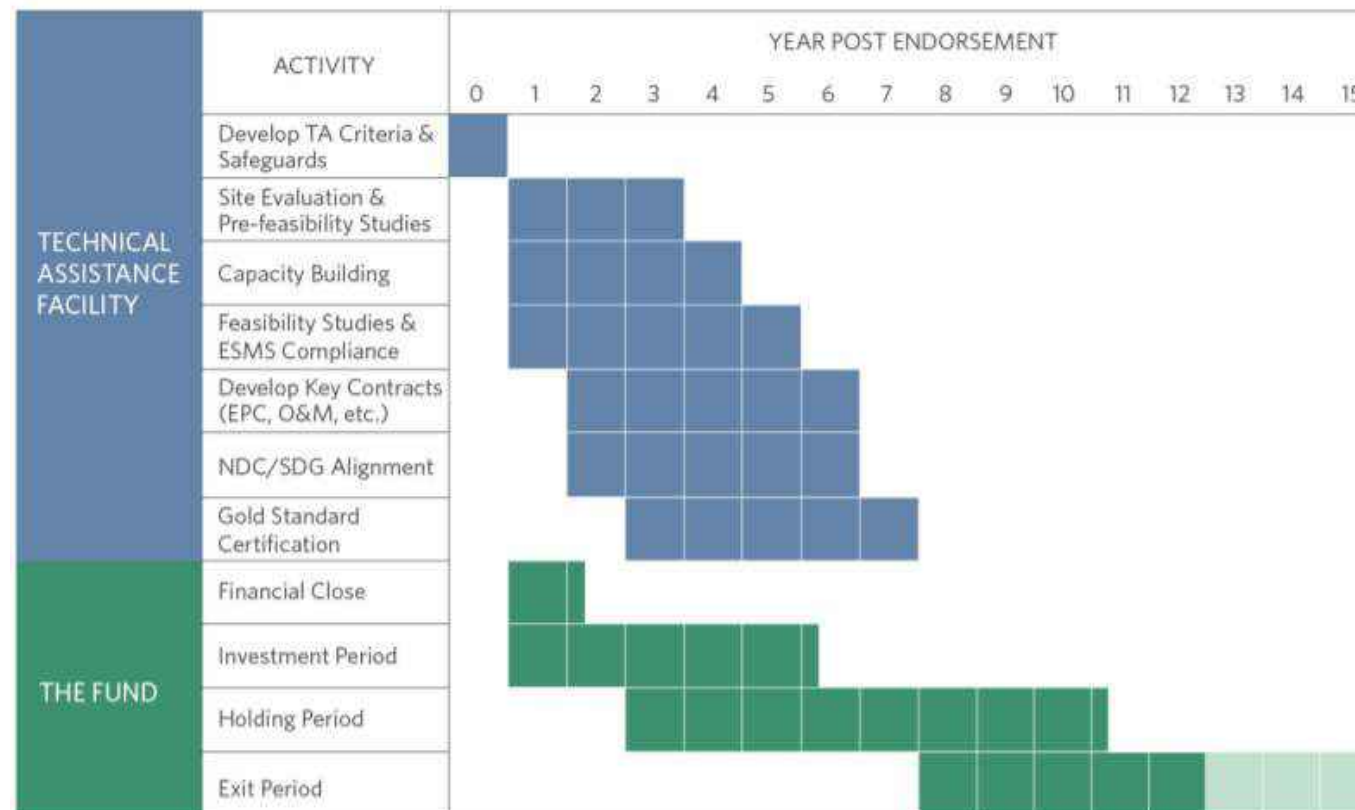
- Target market and barriers analysis and mapping
- Mapping and assessment of comparable instruments
- Stress-testing of the fund-level model
- Working Group meetings to provide feedback on analysis

Implementation Pathway - SnCF

Completed steps:

- Secured approval for the concessional equity tranche (USD150 million) and Technical Assistance grant (USD 8.5 million) from GCF

Pathway developed:



**Type your
question in the
chat window**

**We are
reviewing them
now and will
respond
momentarily.**

**Submit your idea
climatefinancelab.com**

**Deadline
22 December 2020
@ 17:00 PST**

CALL FOR SUSTAINABLE INVESTMENT IDEAS

The Lab seeks proposals for innovative ideas that can unlock investment for climate action and sustainable development.

Selected proposals receive seven months of design, development, analysis and expert guidance, as well as access to a network of high-profile public and private investors.

Submit

climatefinancelab.com

Deadline

22 December 2020



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 [/company/climatefinancelab](https://www.linkedin.com/company/climatefinancelab)

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