The Global Innovation Lab for Climate Finance

How to submit your ideas to The Lab

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Climate Policy Initiative, Lab Secretariat
Today’s Webinar

• Overview of The Lab
• Submitting ideas to The Lab
• Q/A
What is The Lab?

The Global Innovation Lab for Climate Finance supports the identification and piloting of cutting edge climate finance instruments. It aims to drive billions of dollars of private investment into climate change mitigation and adaptation in developing countries.
The Lab Members and Partners

In addition, with support of:

Webinar: How to Submit your Ideas to The Lab

Secretariat:

23 October 2015
The Lab Process and Timeline

**2015:** 92 Ideas

*Phase 1: Call for Ideas*
- **LAB MEMBERS**
  - Screen & select ideas
  - FIRST ADVISORS MEETING
    - Shortlist of concepts for development
  - PROPOUNENTS
    - Submit ideas for review
  - PROPOUNENTS
    - Participate / inform working groups
- **SECRETARIAT**
  - Set-up, outreach and convene

**2016:** Oct – Dec 2015

*Phase 2: Instrument Design*
- **LAB COLLABORATIVE WORKING GROUPS**
  - Concept Development including:
    - Stakeholder, risk maps
    - High-level model
    - Potential impact and take-up
    - High-level implementation plan
  - OUTPUT: Instrument design & implementation plans
  - PROPOUNENTS
    - Convne, develop, analyze
- **SECRETARIAT**
  - Facilitate, assist, support

**Jan – April 2016**

*Phase 3: Pilot Support*
- **SECRETARIAT**
  - Monitor, report, share lessons
- **IMPLEMENTERS**
  - Work to develop pilot proposals
  - Informal bilateral dialogues on support to pilots
- **LAB MEMBERS**
  - Launch pilots

**May – July 2016**

*Ongoing*

4 Pilots

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Webinar: The Global Innovation Lab for Climate Finance – Update on Instruments
10 February 2015
Progress on Previous Lab Instruments

Agricultural Supply Chain Adaptation Facility (ASCAF)
- Inter-American Development Bank and Calvert Investments
- Proof-of-concept transaction with ECOM coffee plantations closed

Climate Investor One (*CDFF)
- FMO, the Netherland Development Finance Company & Phoenix Infraworks
- GBP 50 million commitment from UK Government;
- USD 450 million in strong interest

Energy Savings Insurance
- Inter-American Development Bank with support from Danish government
- USD 47.5 million pilot launched in Mexico;
- Expansion is underway to replicate the pilot in Latin America

Long-term Foreign Exchange Risk Management
- International Finance Corporation and TCX, the Currency Exchange Fund
- In discussions with the Rwandan government and utility to launch a pilot
Momentum Building Toward Second Cycle

- **G7 Endorsement** to, “support identification and piloting of innovative climate finance instruments aiming to drive private investments into renewable energy and energy efficiency in developing countries.”

- **Hundreds of millions** in new financing raised for four innovative instruments, and significant progress toward pilots, with several already

- **Specialized call** for ideas for private finance in Climate Adaptation
The Call for Ideas – How it works

Preparation
- Identify Idea
- Review Guidelines
- Review Principles of Engagement

Online Submission

Screening
- Mitigation
- Primarily Mitigation
- Adaptation / Resilience
- Primarily Adaptation/Resilience

Longlist

Selection
- 2-3 Ideas selected by Lab
- Criteria

Shortlist
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Shortlist
# Call for Ideas – Template Structure and Screening Criteria

<table>
<thead>
<tr>
<th>Overview</th>
<th>Idea Description</th>
<th>Innovation</th>
<th>Actionable</th>
<th>Catalytic &amp; Transformative</th>
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<tbody>
<tr>
<td>• Ideas, Instruments</td>
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<td>• Investors</td>
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<td>• Sectors, Geographies</td>
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## Screening

- Does the idea directly relate to climate change solutions?
- Are the types of implementing organizations identified?
- Is it a new idea or approach to addressing a gap or barrier? OR Is it an existing idea to address gap/barrier in a new context?
- Does the idea require new, unplanned, policy or legislation to be enacted?
- Are milestones outlined?
- Is there significant leverage of private finance identified?
- Can the idea be replicated in other countries, sectors etc.?
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What Makes an Adaptation/Resilience Submission?

Adopted definition from *2014 Joint Report on Multilateral Development Banks Climate Finance*:

- Instruments that demonstrate they can contribute to reducing vulnerabilities to climate change and climate-related risk through:
  - a. Setting out the context of climate vulnerability in the target area through existing or new analyses/reports.
  - b. Making an explicit statement of intent to address the context and location-specific climate vulnerability in the instruments scope of action
  - c. Framing a clear and direct link between the identified climate vulnerability risks and the financed activities
- This information should be detailed in the **Idea Description** section in the submission template.
  - *Describe the problem the idea seeks to solve*
  - *Describe how the idea works*
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Online Submission
Longlist
Shortlist
Overarching Lab criteria

- **Actionable**
  Instrument must be implementable in a few years without facing major barriers

- **Innovative**
  Instrument must address risk, cost, and liquidity gaps with new or enhanced tools

- **Catalytic**
  Instrument must engage and mobilize private capital at scale

- **Transformative**
  Instrument must have significant impact and be sustainable and replicable
Submitting Ideas

- Submit ideas at www.ClimateFinanceLab.org

- Deadline: November 6th 2300 CET deadline for new ideas
Total climate investment equaled $331 billion in 2013...

That’s $28 billion lower than in 2011/2012... and not nearly enough.

$5-6 trillion needed through 2020 in clean energy alone.

We’re falling further and further behind low-carbon and climate-resilient investment goals.
Questions?

Please type questions into the chat box on the lower right-hand side of the screen.
Thank you!

Contact:
lab@CPIVenice.org

For full analysis of instruments, visit:
www.ClimateFinanceLab.org