Pioneering Green Partnerships,
Investing in Impact

P4G Partnership Fund

Guidelines for Applicants, 2023- 2025

This document may be amended over time. Please consult the following link to find the latest version.

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1. Abbreviations

DD	Due Diligence
DFI	Development Finance Institutions
ESG	Environmental and Social Governance
IGC	Independent Grants Committee
IMM	Impact Measurement & Management
GHG	Greenhouse gases
GIIN	Global Impact Investing Network
MDB	Multilateral Development Bank
MEL	Monitoring, Evaluation and Learning
MOU	Memorandum of Understanding
MSE	Micro and Small Enterprise
NPO	Nonprofit organization
NGO	Non-governmental Organizations
NP	National Platforms
NPL	National Platform Liaison
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
P4G	Partnering for Green Growth and the Global Goals 2030
RF	Results Framework
SDGs	UN Sustainable Development Goals
SoG	State of Green
TA	Technical Assistance
ToC	Theory of Change
TRL	Technical Readiness Level
WRI	World Resources Institute

2. P4G Overview

P4G is a multistakeholder initiative hosted by WRI with the aim to contribute to in-country climate transitions for partner ODA-eligible countries. Its objective is to support early-stage businesses working in agriculture, food, water, zero emission mobility and energy become investment ready while also contributing to improving overall enabling systems in these countries and sharing learning. It is funded by Denmark, the Netherlands and the Republic of Korea. P4G has three key activity areas to enable the flow of climate finance to climate entrepreneurs in our partner countries, as follows:

(1) **Investment Readiness:** P4G partnerships comprise early-stage climate businesses and nongovernmental organizations. The purpose of the partnership is to accelerate a specific climate business on its journey to become investment ready. P4G partnerships are competitively selected for grants and technical assistance. The businesses must be working on solutions for climate mitigation, adaptation and resilience in the areas of food, energy and water. Specifically, applicants must provide services or products that contribute to poverty alleviation and economic growth while providing social and environmental benefits in one of the following sub-sectors: **climate-smart agriculture, food loss and waste, water resilience, zero emission mobility** and **renewable energy.**

(2) **Enabling Systems Improvements:** P4G's National Platforms (NPs) are co-chaired by senior leaders of both 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. P4G has NPs in both donor and ODA-eligible partner countries who provide supportive in-country networks for climate businesses, while also facilitating important learning opportunities related to the policy and regulatory enabling system. NPs help ensure the alignment of P4G's partnerships with the country priorities and connect them with the relevant sectoral frameworks and the broader network supporting them. P4G partner ODA-eligible countries, as of the publication of these guidelines, are **Colombia, Ethiopia, Kenya, South Africa, Indonesia** and **Vietnam**.

(3) **Knowledge Mobilization:** P4G partnerships represent the vanguard or early-movers in the sector, where their successes and failures can inform the future growth and enabling systems for businesses across the entire sector in that country. P4G's learning is designed to enable the growth of private sector involvement in and investment into in-country climate solutions. These learning are shared through in-country workshops, global Summits, National Platform Gatherings, knowledge products and other publications and events.

P4G's work is aimed at:

- Preparing early-stage climate entrepreneurs for investment readiness.
- Working with National Platforms to improve enabling systems by addressing regulatory and policy issues pertinent to the business model.
- Disseminating relevant sectoral, partnership or programme related knowledge as examples for sectoral and business learnings.
- Thereby attracting more private sector climate investment and finance into that sector and country.

P4G partnerships must align with P4G's Theory of Change which can be seen in Appendix 5.

3. P4G Call for Partnerships

P4G competitively selects partnerships that support early-stage climate entrepreneurs who are either in their seed or post-seed early growth stage on their way to series A investor readiness. If awarded, P4G partnerships will be supported through grants and technical assistance. Subject to funding availability, approximately two to three partnerships will be selected per country per year. All P4G partnerships must comprise at least one early-stage business and one nonprofit organization.

The lead NPO (noted in these guidelines as the administrative partner) will serve as the administrative partner for the partnership. The administrative partner[1] will serve as the WRI grantee, and the business partner may receive direct financial support as a sub-contractor or sub-grantee of the administrative partner.

P4G partnerships should have a clear stated goal of enabling the investment readiness of the early-stage climate business during the period of grant implementation. The business should ideally already have relationships in place with its consort of partners and be progressing toward commercialization prior to its application to P4G.

Partnerships will use their grants for a specific set of activities that will contribute to investment readiness, improving enabling systems and promoting solutions and lessons learned to influence in-country transitions, which are further described as follows:

- **Grants:** Partnerships will receive non-returnable grants of USD 350,000 on average (grants will range from USD 100,000 as minimum to USD 500,000 as maximum) to implement in a period between 18-24 months for new applicants. Previously funded partnerships should review guidelines in section 6.[2] These non-returnable grants will be made to the administrative partner as the prime grantee with a sub-contract to the early-stage business partner.
- **Technical Assistance** includes:
    - Investment due diligence and gap analysis of partnership business models;
    - Political engagement for contributing to enabling systems;
    - Business matchmaking sessions;
    - Knowledge mobilization and communication; and
    - Introductions to intermediary investment facilities such as DFIs and other similar actors providing a finance bridge to scale partnership operations.
- **Knowledge Sharing** is an important objective of P4G's work. All partnerships should be prepared to participate in the following activities:
    - knowledge sharing of partnerships' lessons learned and successes to relevant public and private-sector stakeholders and through P4G's communications channels;
    - focused engagements with NP networks in-country; and
    - sharing lessons learned at global events such as the P4G Summit, United Nations General Assembly (UNGA) and Conference of Parties (COP) to influence in-country transitions in P4G countries and beyond.

[1] The Admin Partner may also have sub-grants or sub-contracts to other NGOs and/or consultants hired to help the climate business become investment ready.
[2] 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 available funding and progress made. An abbreviated application process will be followed for partnerships getting refunded but will still require evaluation and approval by the Independent Grants Committee (IGC).

4. What is the Target Business Partner?

Early-stage climate businesses are the focus of P4G partnerships. These businesses must provide solutions in the areas of climate mitigation, adaptation or resilience that are focused on services or products in food, water and energy that contribute to poverty reduction. They are in either the seed or post-seed stage of their commercial growth. This means that they have a proven technology and are beyond the concept stage and are well on their journey to raise capital. They are typically post-revenue and pre-series A.

P4G climate early-stage businesses must also be:

- **Innovative enterprises**[3] with products, services or processes which are new or substantially improved compared to the state of the art in its industry and in the relevant country of operation.
- **Micro-Small Enterprises** P4G's climate entrepreneurs must be micro and small enterprises (MSEs). A small enterprise employs fewer than 50 persons, while a micro enterprise employs fewer than 10 persons.
- Funded and with operations for at least one year prior to applying to P4G for funding.

5. Concept Note and Eligibility Criteria

Prospective partnerships must submit a complete Concept Note that fulfills all 10 of the below eligibility criteria. These criteria are designed to select partnerships with an early-stage climate business that have the potential to become investment ready. Submissions of applicants who do not meet any one of the below criteria will be rejected and applicants will be informed of the criteria they did not meet. If a partnership fails to provide any of the requested materials its application will be rejected.

The P4G Concept Note is an online form that needs to include information on the following sections, each of which is designed to filter and screen partnerships for eligibility:

1. **Partnership commitment and composition** – P4G commitment letter and a draft partnership charter (or equivalent document) and any government documents.
2. **Experience and track record** – organizational and key staff qualifications.
3. **Sectors and countries** – in which the partnership activities will take place.
4. **Investability** –submission of the business plan, pro forma and pitch deck as attachments.
5. **Enabling system–** understanding of and contributions to enabling market systems, including anticipated collaboration with the NPs and relevant national and international forums.
6. **Additionality** – showing how the model is innovative and aligned with P4G's Theory of Change.
7. **Impact results** – during the grant period, business operations and ESG planning.
8. **Activities and budget** – Theory of change summary, with planned activities for each TOC output, aligned draft budget line items for each activity, and a workplan with cost share and eligible expenses.
9. **Responsible business conduct** – self-assessment.
10. **Organizational assessment –** self-assessment and annual financials for previous year for the administrative partner and early-stage climate business partner. The financials of the administrative partner should be audited.

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[3] An Innovative enterprise can demonstrate, by means of an evaluation carried out by an external expert that it will in the foreseeable future develop products, services or processes which are new or substantially improved compared to the state of the art in its industry, and which carry a risk of technological or industrial failure, or the research and development costs of which represent at least 10 % of its total operating costs in at least one of the three years preceding the granting of the aid or, in the case of a start-up enterprise without any financial history, in the audit of its current fiscal period, as certified by an external auditor.

1. Partnership commitment and composition

Partnerships must comprise at least one early-stage climate business partner and a nonprofit organization taking the role as administrative partner. If the administrative partner is not registered in the P4G partner country of implementation, the partnership must comprise a local nonprofit.[4] Additional partners can be included as needed to help realize the business proposition. All the partners should have a shared objective of realizing the investment readiness of the business.

Commitment letter: Each partnership must submit a cover letter for its Concept Note submission. This letter should be from the formal partnership members to P4G indicating that all information included is complete and accurate. This must be signed by at least the authorized representative of the administrative partner, the lead early-stage climate business partner and if required the local nonprofit partner.

Partnership charter: All members of the partnership must show their commitment to the climate entrepreneur in a charter, letter of commitment, compact, memorandum of understanding, or other agreement, which must remain in effect for the duration of the P4G funding period. As part of the concept note stage, this document should be ideally signed or presented as a draft and does not need to be a legally binding commitment. It does not need to include the governmental partner if doing so would significantly delay the process. This document will be considered a statement of serious intent – agreed to voluntarily by equal partners – of the commitment, resources and other considerations that each of the parties will bring. Where the partnership already has an agreement in place, they may submit that agreement, otherwise they may use the Charter Template provided as additional material in the P4G website as a guide (note that this is not a prescriptive document).

Composition: The partnership may consist of multiple partners as described in the tables below. Table 1 clarifies the mandatory minimum role of the two core partners, while Table 2 shows optional additional partners who may contribute needed expertise and service gaps. The partnership team should be carefully designed to include the partners necessary for the climate business to realize commercial readiness and fulfill the requirements in the “Expertise and Track Record” criteria below.

Table 1. Mandatory lead partners’ characteristics and roles

Partner(s)	Characteristics	Role
Lead early-stage Business Partner (required)	• Early-stage climate business.[5] • Intends to register, or preferably is already registered, in the P4G partner country of implementation. • Has a clear business plan, a financial pro forma and an executive team with relevant expertise.	• Implementor of the climate business model. • Seeks to attract commercial investors for its business.
Lead Administrative Partner[6] (required)	• Nonprofit organization, civil society, NGO, business member organizations, industry associations, trade unions.	• Capacity building of early-stage business to assist the business partner in becoming investment ready. • Enabling systems support for the business partner’s investment-

[4] If you are in the partnership formulation stage and require additional partners, please contact your National Platform Liaison.
[5] See Section 4 above on the characteristics of the target business partner.
[6] For additional information on the types of nongovernmental organizations that are eligible as partners see Table 1 in Appendix 1.

	• Registered in-country[7] and/or partnered with a similar organization who is registered in country. • Primary recipient of grant funding and administrative partner.[8] • Stated goal to assist the business partner in becoming investment ready. • Strong network in-country with government and/or private sector.	readiness work, particularly as related to needed shifts in the relevant policy/regulatory/permitting schemes. • Monitoring, evaluation and learning (MEL) including the responsibility to measure impact. • In-country relationships. • Knowledge product to capture and share learning related to the partnership and the sector.

Table 2. Other partner characteristics and roles

Partner(s)	Characteristics	Potential Role(s)
Other nonprofit (optional)	• Adds complementary value or expertise to the partnership in areas where the administrative partners or other partners may not.	• Localized expertise and relationships in the target community, academia, accelerators/incubators, etc. • Specialized policy/regulatory expertise.
Other commercial or corporate partners (optional)	• Commercial third party such as sub-consultants or financial advice or services related to operationalization and investor readiness. • Typically includes key members of the climate business' value chain such as offtakers, buyers, suppliers, etc.	• Provide legal, financial, IT, operational or other activities needed to start or scale the new green commercial venture. • Tech transfer, training, capacity building • Increase the sustainability of their supply chain or of their own operations. E.g., Multinational companies.
Government (optional – see below requirements)	• Line ministry or relevant government entity at the national, regional/provincial, municipal levels, association or other partner or the P4G National Platform.	• Facilitate a stable, enabling system for investment in green venture. • Support and/or guide development of the market and policy links. • Advance supporting policies. • Typically needed for the proof-of-concept market testing phase.

Where government permissions are required for i.e., registration, land, permits, operations or other otherwise, the partnership must submit documentation that these have either been provided or have been requested.[9]

2. Experience and track record

Partnerships must have a demonstrated track record across the team members within each partner organization on the following areas of expertise:

- Knowledge within the relevant sectors and country of implementation for the relevant technical area(s) and the policy and regulatory environment. Each area of expertise should be clearly defined by the partnership and aligned with the partnership's workplan and outputs.

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[7] Including subsidiary offices.
[8] The administrative partner will be the primary contractual recipient of P4G funds and must be a legally registered non-commercial entity, all other budgeted partners must be sub-grantees or sub-contracts. The World Resources Institute will be the grantor.
[9] Evidence that the relevant governmental permissions have been requested can be provided in the form of the official government acknowledgement of receipt – and need not be a signed document.

- Entrepreneurial development including business, finance and international investment skills ideally in a related field.[10]
- Social, environmental and development expertise including the ability to create and execute a clear Theory of Change/Results Framework and MEL framework that show how the partnership's work will enable the business partner to reach investment readiness. They should also start to demonstrate social and environmental impacts through their market testing and operations and tracking the results.
- Grant management: The lead administrative partner must have the relevant expertise and systems to manage the WRI grant. This is further addressed in the Due Diligence section of this document.

Ideally the partners will already be working together and have an existing relationship, but newly formulated partnerships are also eligible as long as there are strongly demonstrated synergies and expertise in the above areas.

3. Sectors and countries

All partnership activities funded by P4G must take place within P4G partner ODA-eligible countries, which, as of the publication of these guidelines, includes Colombia, Ethiopia, Indonesia, Kenya, South Africa and Vietnam.[11] The partnership may also implement solutions in other ODA-eligible countries, but these activities cannot be funded by P4G.

The partnership's climate business must be working in one of the areas of climate mitigation and adaptation by providing services or products directly in the areas of climate-smart agriculture, food loss and waste, water resilience, zero emissions mobility and renewable energy.[12]

4. Investability

The early-stage climate business partner must demonstrate that it is in either a seed or a post-seed financing stage, meaning it has already developed a product or service, established a customer base, and is on the path to commercialize or raise capital.

At the seed stage, the startup typically has a promising idea including a minimal viable product (MVP), a small team and a compelling business plan. Seed funding can come from various sources, including angel investors, individual investors, crowdfunding platforms and venture capital firms – all of which can be considered cost-share alongside P4G's seed funding.

As the startup progresses and demonstrates positive traction, it may seek additional rounds of funding, to grow into the complete addressable market identified. Once a startup has accomplished a Series A funding round, P4G will consider them to be graduated and no longer needing grant-based seed capital support.

This investment stage required for P4G must be demonstrated in a robust business plan and financial model with early market proof points, a defined path to commercialization, and the intent to attract

[10] Note that this knowledge area can be supplemented by a sub-contractor specialist company, with plans for the resulting tools, templates and knowledge to be transferred to the early-stage climate business.
[11] A partnership could be ineligible if the early-stage business operation is located in a high-risk city or located with limited access road connections, that could present obstacles in monitoring it during assessment and implementation.
[12] Food loss refers to the decrease in edible food mass at the production, post-harvest, and processing stages of the food chain. Food waste refers to the discard of edible foods at the retail and consumer levels.1 For further information, kindly review the EU taxonomy for sustainable activities.

commercial investors. The early-stage business should demonstrate that it has already developed these materials, at least in a preliminary format, as part of its pre-seed activities.

Partnerships must submit the following three items[13]:
- Their full business plan.
- Their 5-year financial model and proforma.
- Pitch deck.

These documents must be uploaded with the application materials, and can be submitted as multiple attachments in PDF, Word, PowerPoint or Excel formats.

To every degree possible P4G wishes to avoid technology risk and only deploy solutions with proven commercial technologies.[14] This means that the innovation and additionality we are seeking is primarily on the business or financial structure side, often enabled by soft tech customer integration through IOT and API, rather than through technology hardware innovations. Therefore, most applicants will be using technologies that are widely available and broadly affordable, with software applications or financial innovations that enable the model. However, tech transfer can be an important factor in the development and acceleration of new climate enterprises in ODA-eligible countries. As such and if relevant a P4G partnership may include expenditures related to technology transfer and the associated work of adopting that technology to a new country where local conditions may affect the operability of that technology as a part of the business and testing the business case at a seed level stage of enterprise development. Therefore, in the case of partnerships involving tech transfer the technology in question must be at a Technical Readiness Level (TRL) of 6 or higher – meaning that they are commercially available in another country or sector, but upon being transferred to a new country, it will be an innovative approach and a new environment for testing technical readiness.

5. Enabling system.

Partnerships must show a clear understanding of the policy and market in the country of implementation. The application should reflect this understanding of the full suite of legal and regulatory requirements for the business and sector in which the partnership is operating. Additionally, the anticipated legal and regulatory challenges which may still need to be overcome should be included and discussed, along with proposed activities to address them.

The objective of this element of the work is three-fold:
- Improve the investability of the climate business by addressing these risks as part of the planned and budgeted activities and outputs.
- Improve the ability of the P4G NP members to work collaboratively to improve the enabling system.
- Improve the understanding of the enabling system within the relevant sector and country for other climate entrepreneurs and interested investors.

Therefore, applicants need to have clear proposed outputs, activities and budget to improve the existing enabling legal and regulatory systems that will support the business partner's ability to

[13] Partnerships should ensure these documents contain the minimum information indicated on Appendix 6 - Business Plan Template.
[14] A proven commercial technology means one that has realized commercial sales of greater than 50 units and must include a feasibility study that includes analysis of the global supply chain and availability of skilled labor.

become investment ready. These activities must be directly aligned with and clearly linked to improving the partner's business case.

6. Additionality

Partnerships must demonstrate that their climate business solution is innovative in that it is substantially improved when compared to the state of the art in that industry and in the relevant country of operation. Partnership must show how they are aligned with P4G's theory of change, and the value add that can be unlocked for business growth and sectoral transformations.

7. Impact results

Partnerships will need to show the linkages between their activities and results in the following three areas, each of which is an essential component of responsible impact investing:

P4G Grant: Partnership must provide a Theory of Change and a Results Framework that aligns with P4G's.This should be in the form of a graphic denoting pathways across the activities, outputs, outcomes and impact indicators. Kindly ensure there is a clear linkage between the developed theory of change and the indicators in the M&E framework. Limit the Theory of Change to very high level activities, outputs, outcomes and impact without going into granularities.

Business Operations: Applicants must demonstrate that their business will demonstrate beneficial impact and metrics on climate OECD DAC Rio markers adaptation and/or mitigation, the relevant food/energy/water/transport sector, as well as inclusive economic growth, poverty reduction and gender equity as key objectives integrated into the partnership. All P4G partnerships are required to meet the requirements for the 2x Global Challenge for financing for women.

ESG Plan: The climate business should develop an ESG plan that describes to prospective investors the way it will address business risks related to environmental, social and governance factors. If the business does not already have an ESG plan, one can be included as part of the funding application as an activity to be undertaken in the workplan.

8. Activities and budget

Partnerships are required to submit a budget and workplan that shows clear alignment with the partnership's Theory of Change. The key goals will need to be mapped as outputs and include specific activities and dates. As part of the concept note, applicants are required to submit a summary of key information. As part of the full proposal the partnership must submit a full workplan and budget. In both cases, partnerships must use the P4G template provided on the P4G Website.

Theory of Change and aligned activities*:* Partnerships must outline their Theory of Change for the partnership during the P4G period of performance. This should include an overall objective statement, outcomes, and outputs (see P4G ToC in Appendix 5) with aligned activities that are budgeted line items. [15]

Budget: The partnership budget should outline activities and line items that will enhance the investment readiness of the business model, improve the financial case, and facilitate smooth

[15] We highly encourage applicants to work with the administrative partner to develop a learning approach fully aligned with the P4G Theory of Change.

business operations. A summary excel template is included in the online materials for applicants to submit during the concept note stage.[16] As part of the proposal submission certain budget elements are mandatory, while the remainder of the budget should be for the specific activities required to accomplish the targeted outputs. Shortlisted applicants will be requested to submit a detailed workplan and budget including M&E indicators in a template provided by P4G.

Mandatory activities: All partnerships must include the following mandatory activities, with tied outputs and budget line items:

- **Enabling systems work** including necessary policy and regulatory work with relevant governmental, private sector and NGO bodies working on addressing the needs of early-stage climate businesses to reduce the barriers to entry and improve related market efficiencies in the relevant country. This should include engagement activities such as meetings and workshops with the NPs.
- **A knowledge product:** (case study, short paper or similar product that reflects learning and success) This should reflect the partnership's lessons learned and successes around investability, the legal/regulatory enabling environment and impact. The knowledge product should be aimed at relevant public and private-sector stakeholders, the due diligence process and learnings. See the list of knowledge sharing activities in section 2 above.
- **ESG:** If required, a set amount of budget to develop a partnership ESG strategy or improve one during the implementation of the project.
- **Investor Due Diligence and Gap Assessment**: This will be conducted at the beginning of the implementation of the partnership. P4G will contract with a third-party provider to conduct the investment DD. Therefore, partnerships should include in their budget only the activities that they will need to conduct to: (1) support the due diligence gap analysis and (2) activities to resolve identified gaps and finalize investor readiness. The investor due diligence gap analysis may generate further changes in the proposed workplan and budget. Therefore, the specific activities and budget for item number 2 (above) must include a small amount of funding set aside to cover any contingency or additional DD gap remediation identified during this process.
- **Audit**: All partnerships will be required to have an audit facilitated by WRI that shall be conducted upon completion of the project. WRI will procure and pay a third-party to provide the audit, therefore partnerships should only include their associated operational costs to support the audit.

Cost share and eligible expenses: Applicants must include a cost share of at least 30% of the total P4G project budget in the form of either grants, operating capital or another monetary match that is not in-kind.[17] Therefore, P4G grant funding will be 70% as a maximum. Furthermore, partnerships must review the eligible expenses and ensure that their P4G budget items comply. Table 2 Appendix 1 indicates the eligible and non-eligible cost share and budget requirements.

9. Responsible business conduct

Partnerships must not have activities that are in P4G's exclusion list. P4G´s exclusion list defines the types of activities that P4G does not support (See Appendix 4 for detailed list).

[16] A full workplan and budget template will be provided to shortlisted partnerships if they are invited to submit a full proposal.
[17] Cost share that is monetary is more fungible when partnerships need to pivot and is an indicator of the partnership's financial viability.

In addition, it is encouraged that partnerships either demonstrate their ESG plan or include a plan to develop one included in the proposed P4G scope of work. The development of this ESG strategy would be subject to the result of the investor due diligence assessment.

The ESG strategy aims, at minimum, to ensure that the project complies with national legislation and regulation in the host country and integrates human rights, decent work, environmental impact, and anti-corruption concerns into its operations and core strategies.

10. Organizational assessment

The lead institutions (the administrative partner and the early-stage business partner) must have the ability to meet organizational requirements as conducted through document and information requests, interviews and in-person visits[18]. See Appendix 2 for the full list of documents to be requested.

As part of the application, all partnerships must complete a provided self-assessment to indicate that, if advanced to the finalist stage, they can provide documentation that shows:

- All partners are registered legal entities.
- The commercial partners are legally and financially independent from the non-commercial partners.
- All documentation stipulated in Appendix 2 can be provided by the lead administrative partner upon request.

In addition, as part of their application, partnerships must submit annual reports for the most recent financial year of the administrative partner as well as the business partner. Those of the administrative partner should be audited. The application needs to be dated and signed by all partners in the partnership.

For applicants that advance to the full proposal evaluation stage there will be an additional organizational assessment including documentation requests, calls and on-site visits.

6. Previously funded partnerships

Partnerships that have previously been awarded P4G funds can apply for a second round of funding with the following conditions:

- Before applying, the partnership must contact the NPL or P4G Hub members to discuss their interest and justification for this additional funding.
- The funding period will be for a maximum of 12 additional months. Further non cost extensions, or exceptions will not be granted.
- The partnership must fully comply and meet all 10 criteria indicated in section 5.
- The administrative partner must meet the standards of WRI's Organizational Assessment.
- The partnership must submit an additional funding justification letter indicating at a minimum: specific challenges that limited progress; an explanation for why these challenges could not be resolved prior to the grant end date; description of how an extension would

[18] In person due diligence visits could be extended to Non for profit local entity partner in those cases when the lead administrative partner is not based in the country.

further the partnership's goals; a strategy plan with solutions to address each of the challenges listed; and a timeline to complete the specified requirements or programmatic goals.

- Funding will require a new subgrant.
- Submission of an application does not guarantee approval. The final funding decision is subject to available funding, evaluation and selection by the Independent Grants Committee (IGC).

Application process:
Once the previously funded partnership has discussed their interest in another round of funding with P4G and met all the eligibility criteria, it will be invited to apply through an abbreviated application process, submitting the proposal and required documents at the full proposal stage.

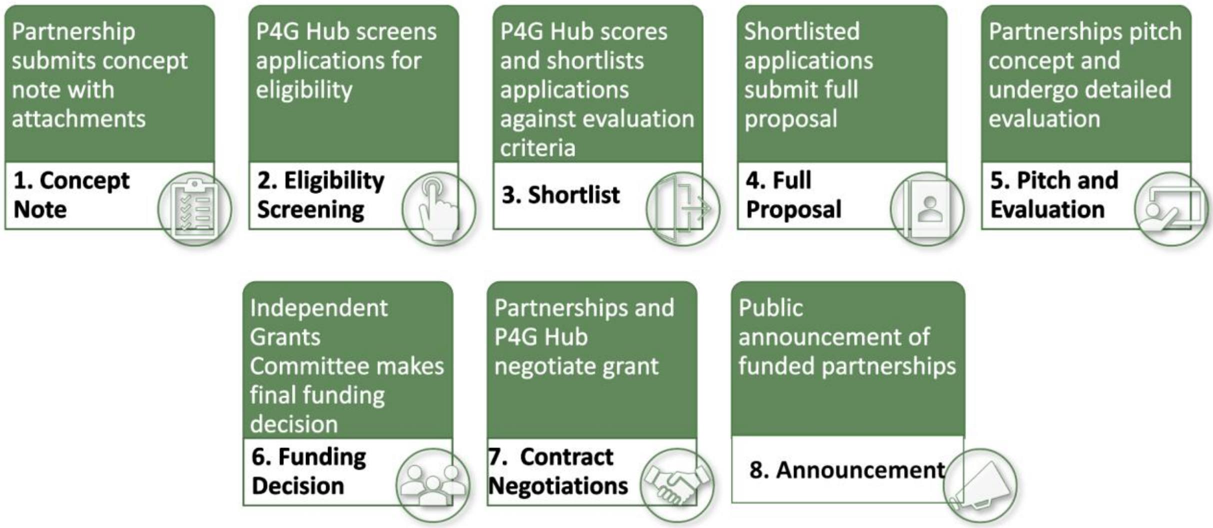
7. Selection Process

P4G will conduct a continuously open application and selection process with specific evaluation and decision periods twice per year. The process begins with the submission of the application materials, after which P4G will shortlist a set of finalists who will submit a full proposal. P4G typically receives and screens over 100 applications, then shortlists and evaluates final proposals for the top scoring 15-25 partnerships and awards final funding and support to between 15-20 partnerships.

Prospective applicants are encouraged to reach out to the appropriate P4G National Platform Liaison team member and/or to a member of the National Platform about their climate business concept and its alignment to the sectoral priorities of each country. National Platforms will provide feedback about partnership alignment with national priorities as part of the full evaluation process.

Figure 2 shows the progression from each stage to the next throughout the Selection process, which is further detailed in the following text.

Figure 2. P4G Partnerships application and selection process[19]



[19] Partnerships applying for a second round of funding will apply in the full proposal stage.

1. Concept note submission

Applicants must submit their concept notes and associated materials through P4G's website by the deadlines listed on the webpage to be consider in each decision round. An application portal on P4G's website will include instructions for each field and document upload requirements.

Applications must be submitted by the administrative partner through P4G's web portal. All applications must be submitted online in English and all word and page limits must be strictly followed. Any applications submitted in another language or exceeding any of the word or page limits will not be considered.

2. Eligibility screening

P4G will screen applicants for eligibility based on the criteria as outline in Section 5 above. Proposals that do not meet all 10 criteria will be considered ineligible and will receive emailed feedback about the criteria they did not meet.

3. Shortlist

All eligible applicants will then be scored using the Scoring Criteria listed later in this guide. This pre-evaluation includes a call with the highest scoring partnerships. To be shortlisted and invited to the next stage, partnerships need to score a minimum overall grade of 7 from a scale of 0-10. Applicants that do not advance will be informed via email of the criteria in which they received a low score and will be encouraged to re-apply when they are ready.

4. Full proposal

Shortlisted partnerships and previously funded partnerships will be invited to submit a detailed final full proposal. Each shortlisted partnership will have four weeks to submit the requested documents. During this period, partnerships should be prepared for discussions and in-person visits from P4G team members.

The full proposal materials will include, but not be limited to, the following:

- An updated application with finalized information, including any updated attachments as necessary/applicable (i.e., updated pro-forma).
- Detailed workplan and budget.
- Monitoring, Evaluation and Learning plan providing and elaborating on the Theory of Change (ToC) and Results Framework including indicators for impact, baseline and target values.
- Due Diligence documents and information requested by P4G.
- Previously funded partnerships also must submit it Additional Funding Justification Letter.

5. Pitch and full evaluation

Shortlisted and previously funded partnerships that successfully submit full proposal documents will be invited to a virtual pitch presentation. P4G will conduct an evaluation of each proposal and share results and recommendations with the IGC for its final decision.

6. Independent Grants Committee (IGC)

The IGC is composed of an independent group of external impact investing experts from different regions. These experts review and evaluate all finalist applications and select the final partnerships for funding. The IGC meets twice a year to make partnerships funding decisions as per the schedule published below. Applicants rejected during the finalist evaluation stage will be provided an opportunity to debrief through a virtual meeting during which detailed feedback will be provided.

Table 4. Dates of the decision rounds 2023-2025

Selection Process	Dates				
	Round 1 2023	Round 2 2024	Round 3 2024	Round 4 2025	Round 5 2025
Proposal Submission	**September 8**	**March 8**	**September 9**	**March 10**	**September 8**
IGC decision	Dec	Jun	Dec	Jun	Dec

8. Evaluation Criteria

In the short-listing stage, partnerships will be scored against the criteria below, then weighted and totaled. Only partnerships with an overall grade of 7 or higher will advance to the shortlist for full proposal submission and evaluation.

Table 5. P4G Scoring Criteria

Criteria	%	Description
1. Potential to be financially investable	**25%**	The business model shows a clear and compelling strategy to **grow a sustainable and commercially viable business** and potential to **attract commercial investment**, with all required **policy or regulatory needs and barriers** clearly identified**.** Business plan considers the **amount and sources of finance and related risk mitigation mechanisms** required to meet specific business targets**.**
2. Ability to deliver	**25%**	Partnership organizations and key staff have a **track record**[20] **of relevant work**, are **experienced** in the **target sectors** defined by the partnership and have a clear commitment to delivering the planned results of the partnership.
3. Legal & Regulatory	**20%**	**Clear understanding** of and case for **policy or regulatory requirements** of the business, as well as the shifts that could further **enable the business model** or improve the financial case and the **ease of doing business**. **Clear proposed activities** to support improvements to enabling systems that specifically benefit the business case.
4. Impact plan & scale	**30%**	The **Business Plan** shows clear rationale between positive quantifiable and significant scalable impact with clear actions to address climate challenges and improve the well-being of people and natural ecosystems. Specific metrics toward **carbon reduction, climate adaptation or resilience, job creation** and **poverty reduction** as aligned with P4G's TOC and IMM are required. Partnerships will **comply with the gender 2X criteria**. Includes a capstone **learning or knowledge product**.

[20] See above eligibility section on track record.

Table 6. P4G Scoring Scale

Score	Description
10	The response **fulfils all** requirements of the criteria and there is a **high degree of confidence** to deliver with a high quality.
7	The response fulfils **most of the requirements** of the criteria but **could be further strengthened**. The response is **feasible,** and it demonstrates a **good level of confidence** to deliver.
5	The response fulfils **some components** of the criteria, however there are **some misunderstandings** of the issues related **to the key delivery** of the proposed idea and its sustainability.
0	Submitted information is insufficient or inconclusive.

9. Contact

Any questions may be addressed to the below National Platform Liaison (NPL) for your country.

10. Appendices

Appendix 1 – Guidelines for Use of P4G Funds
The expenditure of P4G funding must comply with EU State Aid Rules. All funding will flow from WRI to the administrative partner through a negotiated grant mechanism.

Table 1. Organizations Allowed to Act as Lead Administrative Partner and to Receive P4G Funds from Administrative Partner

Type of Organization	Allowed to manage P4G funds as administrative partner?	Allowed to receive P4G funds from administrative partner?
Nonprofit Organization, including business associations	Yes	Yes
Nonprofit Organization located in non-ODA-eligible country partner with a local nonprofit based in P4G country of implementation	Yes	Yes
P4G Board Members: country and corporate Partners	No	No
P4G Managing Partner: WRI	No	No
P4G National Platforms	No	Yes, by exception on a case-by-case basis
For-profit Organization (Including B-corporations), Not on P4G Board	No	Yes, for the early-stage business partner and sub-contractors
Multilateral Organizations	No	No
Non-legally Registered Entity	No	No
Academic Institutions	No	Yes
Public Institutions, including any partial- or quasi-governmental entities and municipally- or publicly-owned utilities	No	Yes

Table 2. Eligible and Non-eligible Cost Share

Eligible as Cost Share	Non-eligible as Cost Share
• Salary expenses of the early-stage climate business and the admin partner (not already funded by P4G) • Travel and other non-salary expenses of partners not already funded by P4G. • Equipment and products	• Land, buildings and large infrastructure Activities in non P4G countries.

Table 3. Eligible and Non-eligible Expenses

Eligible Expenses	Non-eligible Expenses
• All directly related activities to the implementation, monitoring, or management of the project. This could be conducted by any NGO, NPO, non-commercial members, or early-stage business lead of the project. This includes but is not limited to: reasonable gross staff salaries, travel cost, report preparation, monitoring and management of the project. • Funding of external consultants and service providers to carry out discrete portions or deliverables of the project where necessary. • Minor office supplies and equipment for use within the project objectives exclusively. • Certain technology transfer costs. • Communication costs (such as knowledge sharing, information dissemination, etc.) • General and Administrative (G&A) costs paid to the Administrative Partner organization to cover core institutional services for the organization as a whole. Please note that any G&A costs should be applied to all funding sources at the same percentage. G&A percentage charges over 7% are subject to WRI approval pending justification from the partnership.[21] • Funding may be used for compliance with any directly relevant local administration costs such as, but not limited to local inspections, licenses, approval by local authorities and establishing a field office.	• Expenses associated with purchasing land, buildings, or infrastructure. • Non-commercial partner equipment or infrastructure expenses that contribute to commercial business equity. • Purchase any large-scale equipment or property that could be deemed a substantial asset for any of the project partners such as vehicles, property, construction equipment, etc. • Product development in the private domain. • Salary and travel expenses for large commercial partners (but they can be presented as in-kind contribution). • Direct subsidy of a financial mechanism (i.e., de-risking) or fund, unless given a waiver due to overwhelming public good. • Consulting fees, salaries, travel expenses or any cost above the market. • Transactional fees or additional taxes not included in the gross cost of the consultancy, cost of a good/ service or salary fee.

[21] The G&A includes other institutional costs that are relevant but cannot be directly attributable to the project, such as salaries for overall support staff.

Appendix 2 – Requirements for Organizational Assessment

The information in this section serves as a reference only and is subject to change. Final details will be provided to applicants as part of the organizational assessment process. P4G will request additional information from the business and administrative partners as part of the selection process. This is likely to include:

1. Documentation that confirms the administrative partner (the contractual recipient of P4G funds) is a legally registered non-for-profit entity.
2. Documentation of the partnership (partnership agreement or letter of commitment signed by partners, memorandum of understanding, or similar) that, at minimum:
    a. Outlines the goal/purpose of the partnership.
    b. Outlines the responsibilities of each partner organization, including the financial and/or time commitment.
    c. Is formally agreed to by a representative of each partnering organization.
    d. Remains in effect for the duration of the P4G funding period.
2. Evidence of relevant government acknowledgement and endorsement of the partnership's activities, if government is not a member of the partnership. May be documented via email, letter, or other form of legal or non-binding agreement (such as the Governance Charter above), from the focal ministry of the relevant P4G National Platform or any level of government (national to local) that is pertinent to the operating parameters of the partnership.
3. Administrative partner's financial statements and information about the organization's governance policies and financial controls.
4. Pre-approval of legal language in the funding agreement template.
5. W8 form for non-US based entities.
6. US tax form W9 for US based entities.
7. Organization chart.
8. Ethics policy (conflict of interest and/or anti-bribery/corruption).
9. Timekeeping Policy.
10. Indirect Cost Policy.
11. Policy and Templates for Onward Granting of Funds.
12. Procurement Policy.
13. Most recent organizational audit and management letter.
14. Balance Sheet, income statement, and cash flow statements for prior 2 years.

Appendix 3. Requirements for Partnerships Selected for Funding

Funding Agreement: To receive funding, the administrative partner will sign the funding agreement on behalf of the partnership. The funding agreement language will be provided to finalists in advance for review.

Audit: A final audit of partnership funding will be required for all partnerships (details will be included in the funding agreement). This should be reflected in the budget.

Budget Allocation: Mandatory activities described in the budget section of the eligibility criteria must be included. Ten percent of funding will be held until final reports are accepted by P4G.

Financial Reporting: Funded P4G partnerships will be required to report on partnership expenses against the approved budget (typically on a quarterly basis, though this may vary depending on the complexity of the partnership and the financial risk profile of its administrative partner). Applicants will need to include cost share in their budget submission and will be required to report cost share contribution with their regular financial reporting. Partnerships that do not demonstrate cost share for each reporting period will not receive additional funding.

Activity, Impact and Progress Reporting: Funded P4G partnerships will be required to report at least twice a year on their activities and progress in line with the stated workplan and milestones. Progress reporting aligns with the financial reporting described above. Reports will also include indicators for impact, documenting progress towards the partnership's stated goals, P4G's collective impact, and relevant SDG targets[22] or GIIN standards.

P4G Acceleration Meetings: P4G will have regular check-in calls with awarded partnerships on a frequency between fortnightly and quarterly, depending on the opportunity for acceleration.

P4G Events: Partnerships should plan on and budget for attending and presenting at P4G's biennial summit during the term of the funding agreement.

Promotion: P4G partnerships agree to participate in P4G promotional activities, which may include featuring the partnership in news releases and webinar presentations, and on P4G's website and social media. P4G will request the partnership to provide images that represent the work of the partnership that can be used in promotional activities. Funded partnerships agree to acknowledge P4G's support and include P4G co-branding in their promotional materials, events, knowledge products and on their website(s) about the partnership and to invite P4G to events when possible.

P4G Impact Network: Following the funding period, P4G expects partnerships to continue providing impact updates on an annual basis. These updates may be in the form of an email to P4G highlighting the partnership's progress or response to a survey. "Graduated" partnerships will also remain part of the "P4G Family" and will be invited to relevant events.

Disbursement of P4G Funding: The initial installment of funding will be paid to the administrative partner after the administrative partner returns the countersigned funding agreement and other required documentation. The amount of the initial installment will be confirmed in the funding agreement. Subsequent disbursement amounts will be informed by the workplan and budget submitted. Disbursement is typically in quarterly installments (following each financial report), depending on the assessment of the administrative partner's capacity and financial controls. Ten percent of the funding amount will be held until final reports and the promotional plan to share the results of the partnership have been submitted and accepted by the P4G Global Hub.

Bank account: The grantee must open a project specific bank account and provide P4G with the name and address of the bank, account number, and account name, which must be the official name of the organization. The project bank account must be for the sole use of the P4G/WRI grant.

Guidelines on unutilized funds at the end of project implementation: Any approved P4G grants that remain unutilized following completion of project activities and/or interest accrued because of unspent funds will be withdrawn by WRI.

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[22] For more information about these SDGs go to https://www.un.org/sustainabledevelopment/sustainable-development-goals/.

Appendix 4- P4G´s Exclusion List

P4G´s exclusion list defines the types of projects that P4G does not finance and to which it does not provide any grant or technical support. This list consolidates IFU and IFC[23] Exclusion Lists.

1. Harmful or exploitative forms of forced labor[24]/harmful child labor.[25]
2. Activities or material deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as
    a. Ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
    b. Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
    c. Unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length).
2. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.
3. Destruction[26] of High Conservation Value areas.[27]
4. Radioactive materials[28] and unbounded asbestos fibers.
5. Production or trade in wood or other forestry products other than from sustainably managed forests.
6. Commercial logging operations for use in primary tropical moist forest.
7. Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.
8. In the event that any of the following products form a substantial part of a project's primary financed business activities:[29] (a) Alcoholic beverages (excluding beer and wine); (b) Tobacco, (c) Weapons and munitions, (d) Gambling, casinos and equivalent enterprises.
9. Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products.
10. Standalone fossil fueled power plants.
11. Drilling, exploration, extraction, refining and sale of crude oil, natural gas and thermal coal.
12. Storage, supporting infrastructure (pipelines etc.), transportation and logistics, and services primarily related to fossil fuels.
13. Any business using captive coal for power and/or heat generation.
14. Electricity generation from peat and activities leading to deforestation.
15. Investments and/or other projects that aim to produce or make use of agricultural or forestry products associated with unsustainable expansion of agricultural activity into land that had the status of high carbon stock and high biodiversity areas.

[23] For more information go to https://www.ifu.dk/wp-content/uploads/2022/06/Exclusion-list-2022.pdf and https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist

[24] Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

[25] Persons may only be employed if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

[26] Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.

[27] High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (See http://www.hcvnetwork.org).

[28] This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.

[29] For companies, "substantial" means more than 10% of their consolidated balance sheets or earnings. For financial institutions and investment funds, "substantial" means more than 10% of their underlying portfolio volumes.

16. Biomaterials and biofuel production that make use of feedstock that could otherwise meaningfully serve as food or compromise food security.
17. Export-oriented agribusiness models that focus on long-haul air cargo[30] for commercialization.
18. Meat and dairy industries based on production systems that involve unsustainable animal rearing and/or lead to increased GHG emissions as compared to best industry, low-carbon standards/benchmarks.[31]

[30] Following Eurocontrol's definition, long-haul is taken to be longer than 4 000 kilometers (The EIB Group Climate Bank Roadmap 2021-2025).
[31] For agrifood value chain projects in countries with vulnerable food supply systems, benchmarking of GHG emissions of agro-industry projects on local instead of international best standards is possible on a case-by-case basis. This would apply in particular to smallholder and agriculture microfinance schemes or agrifood industries that target local demand and may involve derogation of general carbon footprint thresholds related to power and heat generation established in this bioeconomy section and under the industry and energy tables above (The EIB Group Climate Bank Roadmap 2021-2025).

Appendix 5: P4G Theory of Change

Impact

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

Longer Term Outcomes

1. Reduced carbon emissions through mitigation
2. Increased investment in green growth businesses
3. Increased jobs created (disaggregated by gender)
4. Increased number of individuals positively affected because of more resilience or climate adaptation solutions (disaggregated by gender)
5. Increased percentage of partnerships complying with Gender 2X criteria

Shorter Term Outcomes

1. Businesses supported by P4G become investment-ready
2. Government and private sector leaders contribute to improving the green growth enabling systems based on inputs by P4G partnerships
3. Knowledge mobilization (incorporating MEL) engages stakeholders who can influence enabling systems and country transitions in food, water and energy systems

Outputs

Partnerships	National Platforms (NP)	Knowledge Mobilisation
• Pipeline of green businesses developed • Funding and TA to partnerships delivered	• Increased capacity of NPs to contribute to improving the green growth enabling systems • Partnerships supported by NPs' government and private sector leaders	• Knowledge products developed and disseminated • Sector-specific and global events organised to facilitate knowledge mobilisation

Activities

• Originate partnerships that include businesses and NGOs • Conduct selection process and support the Independent Grants Committee • Award and administer grants to partnerships • Provide TA to partnerships • Implement MEL system	• Provide tailored support for ODA-eligible NPs according to their maturity based on framework for NP lifecycle management, including resource support to NPs • Strengthen ODA-NP engagement, and coordination with donor NPs to support partnerships • Establish and implement annual plan for NPs	• Publish and disseminate country-focused knowledge products on priority sectors • Coordinate Hub inputs and partnership learnings in biennial P4G Summits and global events • Elevate partnerships' visibility through digital and traditional media

Problem Analysis

Meeting the SDGs requires solutions that the private sector can deliver. Launching new climate smart businesses that provide affordable solutions for the poor is particularly difficult in developing countries, Given the structural barriers for investors, there is a need to support businesses in developing countries that can contribute to climate and development and enable investments to support in-country transitions.

Appendix 6 - Business plan and financial model and pitch deck template:

The **Full Business Plan** should at a minimum include:[32]

- Executive summary and business overview
- Company information and description, including year founded, team members and educational background.
- Problem that the solution is addressing.
- The business and technology solution.
- Market description, including market size broken down into Total Addressable Market (TAM), Serviceable Available Market (SAM) and Serviceable Obtainable Market (SOM), description of market goals for next 5 years, demand, customers, partners, competitors, marketing strategy, and client acquisition strategy.
- Operational plan.
- Risk assessment and mitigation.
- Scalability and growth plans.
- Should include a SWOT analysis, regulatory and any legal barriers.

Attachments to the business plan should include:

- Financial model in excel format.
- Grant pitch deck

The detailed excel financial model should at a minimum include:

- Detailed 5-year financial projections that should include a balance Sheet, profit & loss and cash flow statement. Include a detailed description of the assumptions used.
- Break-even analysis, rate of return, EBIDTA, revenue margin, deadstock and inventory management (if applicable).

The Pitch deck should at a minimum include:

- Clear and concise message communicating the value proposition.
- Problem-solution alignment.
- Market size and opportunity.
- Business model and additionality.
- Traction and milestones.
- Competition description and competitive advantage.
- Team overview.
- Summary financial projections.

[32] The following link of a business plan is provided as a reference only and is not a prescriptive document http://viewer.zmags.com/publication/9022bdee#/9022bdee/20