



**DEVELOPING A
PROJECT CONCEPT NOTE
FOR
ACCESSING
CLIMATE FINANCE**





Access to finance is a key component in successfully implementing sustainable, transformative projects that drive climate change action in Africa. A project concept note is a vital step in this process.



A PROJECT CONCEPT NOTE

- outlines a proposed actionable project
- captures a proposed project's essence, potential and rationale
- succinctly and convincingly presenting core objectives, anticipated outcomes, scope and critical needs
- generates interest and secures support
- guides stakeholders, partners, and decision-makers toward a shared understanding
- is crucial for funders to evaluate alignment with their goals and criteria
- simplifies complex early-stage ideas from a range of interested organisations, to provide a compelling glimpse of transformative impact
- suggests areas for further development or data collection
- distils innovation, strategy and vision, and informs further planning, resource allocation and implementation
- translates ideas and intentions into concrete actions, articulating objectives and benefits
- paves the way for positive change and invites stakeholders to collectively bring possibilities into reality



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WHERE THE PROJECT CONCEPT NOTE FITS IN PROJECT DEVELOPMENT



Projects mature over five phases – **idea, concept, feasibility and impact analysis, funding structuring and implementation** – which are outlined below. Over this development process, one (or a subset) of the initial project ideas will continue to execution.

IDEA



- Identification of a problem, opportunity or need that the project aims to address.
- Initial brainstorming and generation of ideas for potential solutions.
- Preliminary discussions to refine the project scope and objectives.

CONCEPT



- Developing a clear and detailed concept for the project.
- Defining the project's goals, scope, deliverables and stakeholders.
- Outlining the basic strategies and methods that will be used to achieve the project's objectives.

FEASIBILITY AND IMPACT ANALYSIS



- Conducting a thorough feasibility analysis to assess the practicality of the project.
- Evaluating technical, operational, financial and legal aspects to identify potential challenges.
- Performing an impact analysis to understand the project's potential effects on the environment, society and relevant industries.

FUNDING STRUCTURE



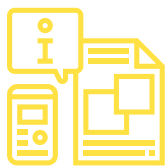
- Identifying and evaluating potential sources of funding for the project.
- Developing a comprehensive budget that outlines all the anticipated costs and expenses.
- Creating a funding strategy that may involve seeking investments, grants, loans or other financial arrangements.

IMPLEMENTATION



- Putting the project plan into action based on the defined concept and funding structure.
- Managing and coordinating various tasks, resources and stakeholders.
- Monitoring progress, identifying and addressing issues, and making necessary adjustments.
- Ensuring that the project is completed within the specified timeline and budget.

KEY CONSIDERATIONS WHEN DEVELOPING FUNDING CONCEPT NOTES



INFORMATION GATHERING FROM FUNDERS

- Gather information about the decision-making processes and criteria of the relevant funder.
- Understand what the funder prioritises and how they evaluate projects for funding.



CLIMATE CHANGE IMPACTS AND VULNERABILITIES

- Review and analyse the primary impacts of climate change relevant to the project's location.
- Identify vulnerabilities that the project must address to enhance resilience.
- Use information from local and national assessments to inform this analysis.



ALIGNMENT WITH DEVELOPMENT PLANS

- Identify relevant local, national and regional development and environmental plans.
- Evaluate how the proposed project aligns with the objectives of these plans.
- Assess the project's contribution to fulfilling the broader development goals.

CLEAR PROJECT OBJECTIVES AND MONITORING



- Clearly state the project's objectives and outcomes.
- Describe the activities that will be undertaken to achieve those objectives.
- Outline a monitoring plan to track progress and measure success.

INSTITUTIONAL CAPACITY AND GAP ANALYSIS



- Justify the capacity of the implementing institution to carry out the proposed objectives.
- Highlight the skills, resources and expertise available for successful implementation.
- Identify any gaps in data, resources or capacity that need to be addressed.

INVESTMENT CLIMATE AND GOVERNANCE



- Emphasise stability and good governance in the project's investment climate.
- Highlight measures taken to ensure a favourable environment for both public and private funders.
- Consider seeking financial support from regional or national governments if your organisation's financial standing is not strong.