Delivering Excellence Through
Innovation & Technology

RICARDO

At the cutting edge of international climate finance

Improving access to public and private financing sources is a high priority for implementation of the Paris Agreement. Policy makers tasked with implementing Nationally Determined Contributions (NDCs) will need to be able to mobilise international public finance and domestic fiscal budgets, and engage with international and domestic private sector investors.

At present, USD 5 trillion is invested annually into energy generation, transport, water infrastructure and telecommunications. This is equivalent to the annual gross domestic product (GDP) of India and the UK combined. To limit global average temperature increases to 2°C above pre-industrial levels, there needs to be a wholesale transformation of these investments into green investment and an additional annual investment of about USD 0.7 trillion. Mobilising such a step change will require innovation in public policy, including new forms of public/private cooperation, the implementation systems to track climate finance flows and a scaling up of bankable projects.

Ricardo's team of technical, policy, economics and finance specialists work at the cutting edge of international climate finance. We support governments to develop country-led climate finance delivery strategies and to access funding streams.

We provide expertise to international organisations, donors, development banks, intermediaries, and the private sector in:

- Directly accessing climate finance.
- The design of climate finance architecture.
- Tracking and evaluating climate finance flows.
- Climate investment planning.
- Project pipeline development.

We help companies globally with investment opportunities and mitigating the business risks of climate regulation to attract new revenue sources and ensure long-term business security. In addition, we provide governance and compliance support for companies that are under increasing legislative and client scrutiny to disclose the carbon embedded in their assets, operations and supply chains.

Our services

Ricardo provides a wide range of climate finance services including strategic advice, technical analysis and modelling, and training and capacity building. Our particular expertise in these areas includes:

- Green Climate Fund (GCF) readiness support to National Designated Authorities (NDAs), Accredited Entities and executing entities.
- Accelerating the delivery of blended finance, and identifying where public finance is best placed to leverage private sector finance.
- Developing climate investment plans including appraising country support needs, and matching these to funding sources (international, domestic, public, private, Nationally Appropriate Mitigation Actions (NAMAs)).
- 'Mainstreaming' climate considerations into infrastructure planning, budgetary processes and investment strategies.
- Designing systems for the measurement, reporting and verification (MRV) of climate finance flows.
- Evaluating the greenhouse gas (GHG) and sustainable development impacts of investments.
- Technical, commercial and project due diligence to inform investment decision- making and transform policy into a pipeline of 'bankable' projects.

Our experience

Examples of our work in this area include:

- GCF readiness support to private institutions and countries including Bangladesh, India, Thailand, Tanzania, Uganda, Palestine and Vietnam through capacity building, supporting the development of the NDA (e.g. no-objection procedure and country work programme), environmental and social safeguards, gender equity and accreditation support for potential Accredited Entities.
- Developing national public and private sector capacity to access results-based financing in Jordan, including development of a MRV system for tracking climate investments in the energy, water and urban infrastructure sectors.
- Assessing the sector-level mitigation investment needs and financing options for a range of developing countries.
- Economic analysis to identify the costs for implementing Zambia's Intended Nationally Determined Contribution (INDC) and Cambodia's National Adaptation Plan (NAP).
- Building India's climate finance readiness through training and recommendations on project pipeline development.
- Advising the African, Caribbean and Pacific Group of States on the international climate finance landscape, and how to access leading bilateral and multilateral climate funds.
- Reviewing private sector investment in mitigation-related projects across various sectors in India, and identifying which practices could be scaled up to mobilise additional private investment in climate projects.
- Supporting the EU climate finance harmonisation process through climate mainstreaming in the EU budget, and analysis and aggregation of Member States' climate finance information.
- Reviewing current practice of key international public finance institutions on tracking and evaluating the GHG impacts of their investment portfolios, and developing a conceptual framework for integrating climate change in investment decision-making processes.
- Developing the framework for a monitoring and evaluation system to support South Africa's climate change response strategy, including for tracking public and private finance flows towards mitigation and adaptation measures.
- Developing a set of benchmarks and indicators for the UK International Climate Fund, enabling assessment of the 'value for money' of clean energy and energy efficiency projects.
- Supporting Citibank's climate-related investment strategy and thought leadership.

Climate Finance Accelerator

Ricardo – with PwC, Tessa Tennant and Ian Callaghan – implemented the Climate Finance Accelerator (CFA), a catalytic intervention on climate finance. It brought together four countries (Nigeria, Colombia, Viet Nam and Mexico) with financiers in London to develop investable projects and stronger enabling environments to:

- Scale up climate action.
- Identify the right investment structures.
- Facilitate investment information.
- Streamline assistance.
- Work to use public funds smartly to galvanize private funding.

For more information about our international climate finance services, please contact one of our experts at **enquiry-ee@ricardo.com** or **+44 (0) 1235 753000**