



Unlocking Climate Finance

CFAN TRAINING PROGRAM

Introducing the Climate Finance Access Network (CFAN)

Despite international commitments to increase climate finance flows to the most vulnerable countries, including Small Island Developing States (SIDS) and Least Developed Countries (LDCs) struggle to access critical funds. CFAN was established to address the barriers these countries face by embedding and supporting advisors highly trained in project design and financial structuring.

CFAN's state-of-the-art training is a rigorous, cohort-based, multi-month intensive program that grounds participants in a deep understanding of the climate finance ecosystem and prepares them to unlock finance flows. From climate finance fundamentals to region-tailored strategy, the training is designed to grow national and regional capacity by providing participants with the expertise required to accelerate finance for climate investments. Additionally, CFAN has integrated a "train the trainers" approach in which advisors will be trained both in the subject matter and how to teach the same material to others, thus ensuring that both knowledge and capacity are passed on and sustained.

The first CFAN cohort launched in 2022 with eight advisors in the Pacific, supporting Fiji, Kiribati, Papua New Guinea, Samoa, the Solomon Islands, Tonga, Tuvalu, and Vanuatu.

Addressing the Needs of the Most Vulnerable Developing Countries

CFAN's curriculum is a direct response to the needs and priorities of capacity-constrained countries. In 2019, 105 representatives from 45 developing countries completed a survey aimed at assessing demand for climate finance advisors, identifying priority activities for advisors, and describing the profile of the advisor.

These respondents identified human capacity constraints and reliance on external expertise as the most immediate challenges hindering progress in developing pipelines of bankable projects. Respondents overwhelmingly expressed an interest in climate finance advisors and highlighted project-level activities as the priority areas requiring support. This was corroborated further by analysis of later discussions with host countries in which they laid out their needs and priorities for defining advisors' mandates and scope of responsibilities.

The curriculum was designed to address exactly these barriers more comprehensively than other training programs to date.

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Our goal at CFAN is to build lasting capacity. We take a practical approach to addressing the climate challenge, one that is driven by country priorities and fundamentally people-centered. In this effort to unlock climate finance, our advisors are the tip of the spear.

Laetitia De Marez
CFAN director

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Pathway of The CFAN Advisor

During the training process and their tenure, CFAN advisors will acquire valuable professional experiences, such as holding trainings for other civil servants to ensure capacity is built and sustained in-country and engaging in a cohort-based approach to share experiences and co-learn.



Why CFAN Is Unique

CFAN diverges from traditional fly-in-fly-out consultancy models by design. The multi-month training program is delivered via a mix of online self-paced content, live presentation and exercise sessions, and one-on-one office hours with CFAN members, enabling advisors to ask questions and request feedback on project proposals throughout the training. Given the program's highly practical nature, this is particularly beneficial. Unlike trainings where curriculum is based on hypothetical cases, the CFAN training is deeply rooted in real cases and "learning by doing," meaning advisors participate in the training while working on actual projects and directly benefit from feedback and support from instructors and peers.

Further, the program integrates a "train the trainers" concept, a method designed to pass knowledge on to in-country stakeholders. To this end, advisors hone their presentation and facilitation skills so that they can train others in what they've learned. This approach ensures that learning does not stop with the advisors; rather, advisors actively help to build knowledge within and across key institutions and organizations, whether government ministries or direct access entities. It also encourages advisors to work together as a cohort and creates a collegial atmosphere. During the live sessions, advisors undertake training exercises, presenting their work to their colleagues, who then provide constructive feedback or connect it to their own experiences.



Having worked extensively with the Solomon Islands government, I know from experience how hard it is for developing nations to get critical finance for climate resilience. Through CFAN, I now feel ready to help these countries unlock the support they need.

Walter Malau

CFAN advisor for the Solomon Islands, Samoa, and Tuvalu

Additionally, the CFAN curriculum benefits greatly from the very nature of the network. Comprised of some 20 national and international member organizations, the network is a “who’s who” of climate finance expertise. Each member initiative supporting the training contributes their unique technical and geographical experience to ensure that the content is technically sound and regionally appropriate. These organizations also facilitate connections to other organizations, both regional and international, via guest lectures and panels. Advisors therefore benefit from the combined expertise of these members and can cultivate key connections to contacts in the field.

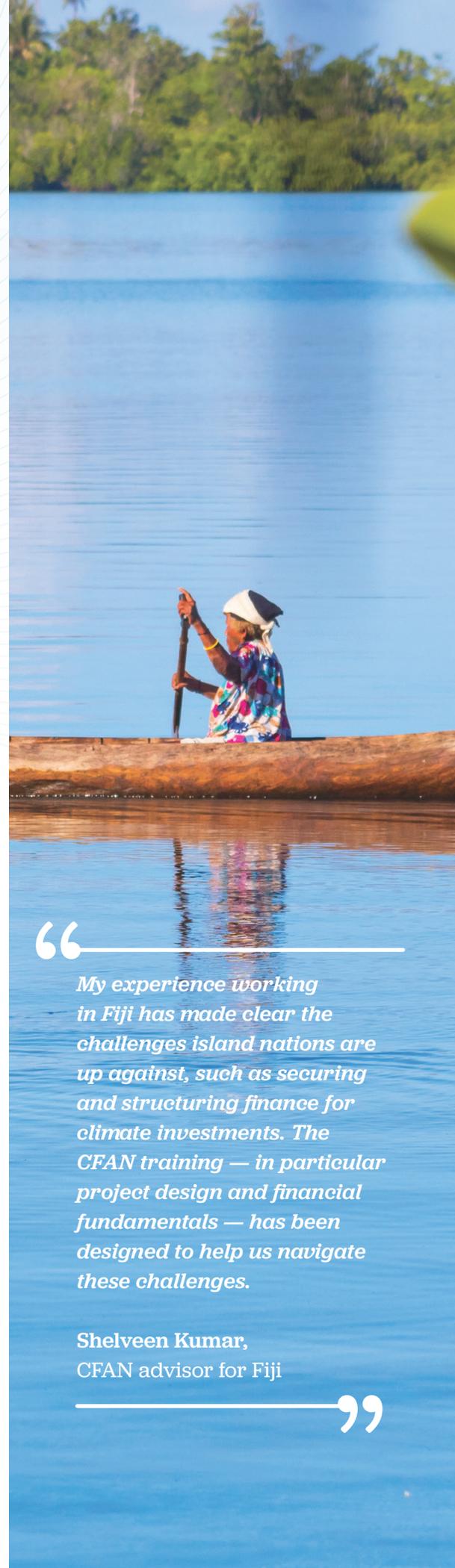
Current Regional Scope



Adaptable to Different Needs

The CFAN training curriculum, detailed below, can be tailored by topic, region, and audience. To meet the needs and priorities of different audiences, the curriculum is modular, meaning that different modules and sub-modules can be organized around themes like project finance, project design, the Green Climate Fund, and identifying a funder. One such possible audience is project development units situated within ministries — countries have already expressed interest in rolling out dedicated versions of the training for these teams.

While certain foundational sections, such as modules on international finance trends and mechanisms, remain consistent throughout, the curriculum is designed to be use-case adaptable. For example, the module on communication for the first cohort was designed by a regional partner in the Pacific, with examples, experts, and best practices tailor-fit to where advisors are embedded. This module would naturally be adapted accordingly for the region in which it was being run.



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My experience working in Fiji has made clear the challenges island nations are up against, such as securing and structuring finance for climate investments. The CFAN training — in particular project design and financial fundamentals — has been designed to help us navigate these challenges.

Shelveen Kumar,
CFAN advisor for Fiji

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State-of-the-Art Curriculum

The current five-month training comprises weekly live sessions and asynchronous online content. The training includes individual office hours sessions, guest lectures, coursework, quizzes, and train-the-trainer exercises. At present, the course is composed of five core modules:

Module 1

INTERNATIONAL CLIMATE FINANCE FOUNDATIONS AND TRENDS

An overview of the climate finance space that grounds participants in fundamentals, policies and targets, and international institutions and stakeholders.

Module 2

CLIMATE FINANCE SOURCES, PROJECT DESIGN, AND PROPOSAL PROCESSES

Project design and the proposal processes of key multilateral climate funds.

Module 3

CLIMATE FINANCE INSTRUMENTS AND FINANCIAL STRUCTURING

A deep dive into project finance, financial structuring, financial modeling, and innovative approaches to finance.

Module 4

SECTORAL EXPERTISE

An overview of critical sectors and appropriate financial mechanisms.

Module 5

COMMUNICATION AND FACILITATION

Multistakeholder processes and effective and inclusive communication.

Module 6

EFFECTIVE DELIVERY

Implementation and absorptive capacity.



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This has been one of the most comprehensive and worthwhile training programs I have ever participated in. What stands out to me is the significant insight into the many diverse and often complex aspects of climate finance and the practical applications into our climate finance work. Of course, exchanging learnings with my Pacific co-CFAN advisors was a lot of fun too. I already was a strong advocate to increase climate finance access in the Pacific, but I feel more able and more confident to accelerate that process and successfully support our Pacific governments and teams.

Christine Serreyn

CFAN advisor for Kiribati

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Module 1 International Climate Finance Foundations & Trends

Climate finance fundamentals	Provides an overview of the global trends in climate finance flows and markets, adopting a historical approach and addressing the political history, milestones, and key terms in climate financing. Addresses the role of public, private, and country actions and policies to achieve global commitments linking them with climate finance mechanisms and tools.
Climate targets & policies	Provides an overview on how climate mitigation and adaptation targets and policies, specifically nationally determined contributions (NDCs), national adaptation plans (NAPs), nationally appropriate mitigation actions (NAMAs), national adaptation programs of action (NAPAs), and sustainable development goals (SDGs), interact with climate finance. Further elaborates on the implications of climate targets for accessing and securing finance at the country level, as well as how projects align with the climate policies and targets framework to contribute to their achievement.
International institutions & stakeholders	Provides an overview of the climate finance intermediaries and market facilitators, as well as the different roles they can play in providing country access to finance (providing information and/or brokerage, developing concept note and project development, implementers). Defines implementing arrangement, including financial flow models, outlining the roles and scope of implementing agencies, accredited agencies, and executing entities in project formulation and implementation.



Module 2 Climate Finance Sources, Project Design, and Proposal Processes

Climate finance flows	Provides a comprehensive overview of the climate finance landscape, presenting in detail selected multilateral and bilateral funding sources including the Global Environment Facility (GEF) and its sub-funds — Special Climate Change Fund and Least Developed Countries Fund — the Green Climate Fund (GCF), Adaptation Fund, NAMA Facility, and Green Investment banks, including the financing mechanisms they offer and other specific features. Discusses the options for leveraging finance from domestic budgets using best practices and finance models. Addresses both public and private finance providers (including the role of Private Sector Facility under GCF) highlighting opportunities for mobilizing finance from those sources.
Donor priorities	Addresses the importance of matching needs to specific finance sources, such as the priorities of the various climate finance sources and how these priorities can be matched with project needs to develop bankable projects. Includes detailed discussion on the investment priorities and expected fund outcomes/results areas.

<p>Proposal requirements and processes</p>	<p>Covers the architecture, procedures, and terminologies for international finance providers in order to improve the technical know-how on project design. Covers funding windows and projects cycles to address the climate finance lifecycle, including the need and type of cofinancing. Delivers practical examples of successful concept notes and project proposals both in mitigation and adaptation, especially focusing on proposal templates and guidelines.</p>
<p>Operationalization of key aspects in project design</p>	<p>Addresses the key aspects of project design with specific insights from successful case studies. Addresses project identification, country ownership and the role of different actors (such as the Nationally Designated Authorities). Covers barrier analysis and market assessment, developing a theory of change and logframe, developing a climate rationale, stakeholder identification and analysis, paradigm shift potential, impact potential, and more. Discusses approaches for mainstreaming gender and social inclusion.</p>
<p>Non-financial proposal requirements</p>	<p>Highlights non-financial proposal requirements (e.g., feasibility study, environmental and social safeguards, gender assessments, aligning interventions with government priorities, contracting and permitting, and overview of the different annexes required by major funds).</p>



Module 3

Climate Finance Instruments & Financial Structuring

<p>Climate finance instruments</p>	<p>Introduces participants to a range of climate finance instruments and their core technical elements, highlighting fundamental features and different use cases. (The concepts will be covered in greater detail in the sectoral case study in Module 4.)</p>
<p>Financial transactions</p>	<p>Explores the different stages of the transaction process, what happens at each stage, and how the deal is subsequently monitored by investors.</p>
<p>Driving project bankability</p>	<p>Considers the factors affecting project bankability (e.g., cashflows, risk adjusted rate of return, a good financial model, sensitivity analysis, coverage ratios, stable policy) and the use of advisors.</p>
<p>Sources of finance</p>	<p>Considers different sources of funding, including sources of capital market finance, public finance, and alternative sources of finance (e.g., crowdfunding, community development financial institutions (DFIs), cryptocurrencies, alternative equity markets and venture capital trusts, smart money), their requirements, the barriers affecting finance flows, and how to develop relationships with climate finance providers.</p>
<p>Leveraging private finance</p>	<p>Outlines why private finance involvement is essential for climate finance to sufficiently scale, what is required to leverage private finance (e.g., building the investment case, business models deal structuring, how to scale private finance investment, and blended finance approaches.)</p>

Climate finance in low-income countries	Highlights the differences in climate finance between low-income countries and high-income countries. Analyzes the factors affecting these differences and how to manage and mitigate risk.
DFIs	Provides an overview of DFIs, explaining the different types and why they are important for climate finance, as well as best practices in DFI involvement.
Effective communication	Covers fundamental finance terminology, speaking the language of finance providers, and how to effectively communicate with financial stakeholders.
Non-financial benefits	Highlights the importance of non-financial benefits, traditional measures of success, and methods measuring non-financial benefits.
Financial modeling	Introduces participants to basic financial modeling practices, the importance of good financial models, international standards, and best practices for financial modelling.
Financial structuring and project finance	Considers how projects are structured (i.e., the range of potential project vehicles and the range of stakeholders.) Cofinancing requirements, key project finance terms and development phases are also covered. Outlines ways to meet the requirements of different sources of capital through financial structuring (e.g., acceptable legal entities such as special purpose vehicles or utilities, contracts, national government support, co-funding, blended finance structures, cost-recovery and business models, pooled project facilities, etc.). Covers legal aspects of deal structuring, including negotiations, permitting, and procurement.
Risk and risk mitigation	Covers what we mean by risk, project risks and rewards, developing risk matrixes, managing risk, and risk mitigation.
Engagement standards	Considers best practices in transparency, governance, and conduct necessary for effective stakeholder engagement as well as conflicts of interest, bribery, and corruption.



Module 4 Sectoral Expertise

<p>Agriculture fundamentals</p>	<p>Introduces the main principles and concepts of climate-resilient agriculture. Focuses on understanding of (i) how climate change impacts agriculture and food security, (ii) how to carry out a climate risk assessment and prioritize support for the most vulnerable communities, and (iii) how to identify and appraise the best options for climate resilient agriculture projects.</p>
<p>Agriculture financial mechanisms</p>	<p>Covers finance of climat-resilient agricultural practices via unlocking the private sector potential and leveraging domestic budgets. Key climate finance mechanisms to be discussed include index-based insurance, micro-finance options such as micro-credits and loans, climate smart lending, and risk insurance pools.</p>
<p>Transport fundamentals</p>	<p>Covers the fundamentals of calculating greenhouse gas (GHG) emissions based on fuel usage and/or transport models, understanding basic urban planning/transport interface and incorporating externalities (positive and negative) into economic and financial analysis of projects.</p>
<p>Transport financial mechanisms</p>	<p>Provides an overview of the sector-specific mechanisms of municipal/sovereign investment and debt, public-private partnerships and concessions especially for public transport and bicycle-sharing and, land value capture. Discusses key characteristics of the above including sovereign debt and guarantees of municipal debt by national governments, municipal bonds and use of proceeds requirements, and PPP structuring/concession development.</p>
<p>Industry fundamentals</p>	<p>Provides participants with an understanding of the fundamentals and methods for calculation of GHG emissions from the sector and identifies suitable mitigation action. Provides an overview of the emissions profile and broad structure of the industrial sector. Identifies relevant climate finance mechanisms and tools in the sector.</p>
<p>Industry financial mechanisms</p>	<p>Provides an overview of relevant financing mechanisms to encourage energy efficiency, including standardized performance contracts, energy insurance, performance-based finance, dedicated funds for debt-financing, energy service company financing and equipment leasing, mezzanine financing, equity funds, and contingent grants.</p>
<p>Energy sector fundamentals</p>	<p>Explains how the energy sector influences climate change and how climate change impacts the energy sector. Defines mitigation and adaptation solutions linked with financial mechanisms in the energy sector. Covers the background to the energy/power sector with a specific focus on renewables.</p>

Energy sector financial mechanisms	Covers several key financial mechanisms used within the sector. It covers financial instruments for on- and off-grid renewables, clean cooking and small-scale renewable energy technologies, and energy transmission, distribution and, storage.
Oceans and coasts fundamentals	Provides participants with an understanding of the importance of oceans and coasts as ecosystems to help support the delivery of climate change adaptation and future blue economy principles. Discusses how climate change impacts blue economy roadmaps for Pacific Island Countries (PICs). Finally, the sub-module defines climate change mitigation and adaptation solutions linked with financial mechanisms to help support the development of sustainable ocean-based economies for PICs.
Oceans and coasts financial mechanisms	Provides a deeper dive into the ocean and coasts financial mechanisms, including carbon credits, government investment, investment development bank funds and, tech accelerators. Introduces and highlights the use of blue bonds.
Urban infrastructure fundamentals	Explores the fundamentals and methods for calculating GHG emissions from the urban infrastructure sector and identifies suitable mitigation actions. Explores the sectors importance in both mitigation and adaptation solutions. Explores urban climate impacts, urban emissions, the roles of cities in combating climate change, emission reduction potentials, and nature-based solutions.
Urban infrastructure financial mechanisms	Covers key financial mechanisms for the urban infrastructure sector. Includes a discussion on potential barriers linked with cities' financing, city-level financing, and enabling private sector participation.
Health and well-being fundamentals	Covers the fundamentals of connections and mechanisms between climate change and on human health, as well as the policy frameworks and commitments related to the climate-health nexus.
Health and well-being financial mechanisms	Covers financial tools and mechanisms relevant in the sector (Green Climate Fund, Adaptation Fund, Least Developed Countries Fund, The Global Fund to Fight AIDS, Tuberculosis and Malaria, UNITAID, Africa Climate Change Fund) and how health national adaptation plans interact with financial flows and instruments.
Forestry and land use fundamentals	Provides an overview of technical issues surrounding measurement, reporting, and verification (MRV) of forests and their carbon stocks, as well as safeguards, such as actions to address issues of permanence and the risks of reversals of REDD+ efforts.
Forestry and land use financial mechanisms	Provides an overview of eligibility for results-based climate finance activities under REDD+, and interim measures (i.e., project-based carbon offset schemes and voluntary markets). For-profit (credit, equity investments, insurance products, loan guarantees) and not-for-profit mechanisms (public finance instruments, grants) are also presented.



Module 5 Communications & Facilitation

Multistakeholder processes	Participants are exposed to various types and approaches of multistakeholder processes as well as acquiring skills to implement them. Includes a panel of regional experts on multistakeholder processes and climate finance.
Communication and consultation with different audiences	Explores cross-cultural communication notably contextual forms to political, environmental, social, and economic factors in Pacific Island states. Includes a panel of regional experts on communicating and facilitating climate finance projects effectively.
Empowering collaboration	Focuses on integrating engagement into project concept notes and building capacity as a trainer. Includes a simulation exercise on multistakeholder processes and communication.



Module 6 Effective Delivery *(Under Development)*

Implementation	Based on case studies and lessons learned from successful implementation arrangements and mechanisms, this module will share proven solutions to capacity gaps in implementing and executing entities, the workforce, supply chains and technical expertise. Additionally, the module will be further tailored to the unique needs of each region.
Absorptive capacity	This module will focus on the integration of climate finance and resource mobilization for SDGs and programmatic and regional approaches. It will also seek to strengthen country systems critical to absorbing finance, including transparency of results, financial flow tracking, risk management and mitigation as well as those that enable countries to meet the fiduciary standards required by funders. This module will be informed by consultations with key stakeholders and customized to each region.