

Sector-specific models of bankable Sustainable Development Goal project proposals

Workshop on Partnerships for the Promotion of Bankable Sustainable Development Goal Projects
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Agenda

1. Aim of the presentation
2. The sector templates in the marketing process
3. Presentation of three templates:
 - Adding value to sunflower seed production in Moldova
 - Queen 'Mamohato Hospital Public Private Partnership (PPP)
 - Luz del Norte
4. Next steps

Aims

The aims of this session are to:

- contextualise the generic project template we have developed,
- provide some examples of templates that have been completed,
- give workshop participants, as members of a break-out group, the opportunity to familiarize themselves with a template and to complete one for a project they have in mind, and
- present that back to the other groups with a view to learning useful lessons about the process.

A SDG marketing strategy

Aide-memoire

The **underlying proposition** of the SDG marketing strategy is that IPAs working in partnership with OIAs will be able to unlock significant investments in SDG sectors in developing countries by providing targeted support across a range of factors that have a positive impact on improving the viability and bankability of investment projects'

The **aim of the IPAs**, working with their stakeholders, is to generate a pipeline of bankable SDG projects in priority sectors and to present these to private investors and OIAs that are most likely to support them.

An operational SDG marketing strategy

Steps towards an operational SDG marketing strategy

The steps set out here to develop an inward investment strategy for targeting SDGs in partnership with OIAs are sign-posts rather than set in stone.

The actual path chosen will differ for different IPAs, so they should be interpreted flexibly, and adjusted to suit specific circumstances as required.

1. Mainstream SDG investment project promotion

2. Identify and select SDG target sectors

3. Select and rank SDG projects

4. Develop a pipeline of project proposals

5. Promote the projects and identify OIA partners

6. Follow-up, facilitate and provide aftercare

7. Feedback to SDG stakeholders

4 - Develop a pipeline of project proposals

By giving scores and weights to projects a ranking should be possible that reflects their desirability or urgency. This list will form the basic pipeline.

Set against this list of desirability, is the question as to what the chances of realising the project actually are. Plotting realisability against desirability on a 2x2 matrix can produce a portfolio approach for managing a project pipeline.

The SDG project pipeline portfolio			
Desirable	High	1	3
	Low	2	4
		Low	High
		Realisable	

Different levels of resources would be devoted to projects in cells 1-4. Pipeline management must also ensure that the portfolio does not become unbalanced, with too many for example in cells 1-2.

4 - Develop a pipeline of project proposals

For qualified projects, that have been highly ranked, that fit in the desirable category with a reasonable or better chance of success, it would be worthwhile to invest resources to develop the project profile further to give it a better chance of success when presented to potential partners/ collaborators..

To this end a **generic project template** that can be used as a guide has been developed.

This template is the subject of today's work shop.

Its overall aim is to provide the OIA and/ or the potential private sector business partner with sufficient details about the project that they can decide whether to give it serious, in-depth consideration.

The template has five main sections as set out in the following slide.

Your handouts contain examples of the full template.

4 - Develop a pipeline of project proposals

	The generic project template
A	General information: This section provides overall high-level project information that will enable the OIA to position it in terms of scale, scope, resource requirements and outcomes - what is needed to realise the project?
B	More detailed project information: This section provides the “nitty-gritty” project details. It should contain detailed information about the rationale for the project, market to be served, suppliers, competition, costs of inputs and their availability, institutional arrangements (unions, and legislation).
C	Regulatory requirements: Given the SDG context it is more than likely that important regulatory factors might be involved.
D	Support & incentives: While the OIA through its financing package may already provide support that could affect the risk-return ratio, it is probably in the interest of the IPA to offer a tailored support package.
E	Contacts: The importance of providing project-related contacts is often underestimated..

Sunflower seeds in Moldova

This is a NEA (Netherlands Enterprise Agency/ RVO) project.

The project seeks to add value to sunflower seed production in Moldova by enabling 120 farmers to improve their sunflower yield and by establishing a processing plant for hulling, cleaning and sorting; capable of processing 3,000 tons per year to a 99.9% pure hulled and cleaned product. The two Dutch partners have carried out a similar exercise in an African country already – so they are experienced.

Moldova is a sunflower growing country. 90% of the sunflower seed market is for production of sunflower oil.

Relevant SDGs

Moldova is the poorest country in Europe. This project is based in the agro-food sector, directly addresses *Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all*, but at the same time also addresses *Goal 1: End poverty in all its forms everywhere* and *Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture*.

Your handouts contain some pages that set out the information about the project, and a completed template suggesting how it might have looked before the project.

Queen Mamohato Hospital PPP

This was a DBSA project

DBSA supported this project and agreed to provide funding.

The project was to replace the Lesotho National Referral Hospital through a PPP, including construction of a new 425 bed public hospital, a 35-bed private hospital, 3 off-site filter clinics and a gateway clinic. The contract period was 18 years.

The hospital and filter clinics formed a health district that supported application of integrated care to improve efficiency and expand access to services for Maseru and the Kingdom of Lesotho.

Relevant SDGs

The SDG targeted is 3: *Good health and well-being*. Various health indicators for Lesotho had shown a downward trend, and action to redress this would affect several Goal 3 targets including reduction of global infant mortality, preventable deaths of new born children, ending epidemics of AIDs and tuberculosis, to mention some.

Luz del Norte

OPIC and the IFC supported the financing of the project.

The loan would be used to finance building and operating a solar photovoltaic plant with a total capacity of approximately 141 MW on approximately 478 hectares of land located some 58 km northeast of Copaiipo, Chile.

Construction started in August 2014.

The first two blocks of the project were connected to the Chilean central grid in October 2015, including about half of the 141 megawatt (MW) capacity.

Relevant SDGs

While this project was launched before the formal statement of the UN's SDGs, it is clear that it will affect several of them – *4 Quality Education; 7 Affordable and clean energy; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; and 13 Climate action.*

Next steps

For the break – out exercise, each group needs to accomplish the following tasks:

- Decide on an IPA that they are going to represent
- Agree on a hypothetical process (following the 7-steps model) that took place in their IPA which led to the selection of a specific project to target for priority treatment and completion of a template.
- Set out the project they are working with
- Provide a completed (as much as possible) template that could be used in collaboration with with a private firm or an OIA
- Present the above to the other participants, outlining your main learning lessons.



Thank you!

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