

# TAP

Transformative  
Actions  
Program

I.C.L.E.I  
Local  
Governments  
for Sustainability



TAP: THE LOCAL CLIMATE ACTION INCUBATOR

# BECOME A TAP PARTNER



## FACING THE GAP

Institutional and private investors, national governments, and local communities are all re-orienting their approach, drastically scaling up investment in climate action and sustainable development.

Despite this favorable environment, there exists a serious gap between how much money could be invested in these projects, and how much money is actually being invested in local projects. While the International Finance Corporation estimates that there is about \$22.3 trillion (IFC 2018) in “climate-smart investment potential” worldwide, McKinsey (2018) reports that only \$3 trillion has actually been invested. The issue behind this, as published in the study *Localizing Climate Finance, Mapping Gaps and Opportunities, Designing Solutions* developed by the Cities Climate Finance Leadership Alliance (CCFLA) in 2017, is that there is a shortage of “opportunities.”

There is, in other words, a shortage of projects that are robust enough in terms of bankability to be funded by financial institutions or the private sector. However financing institutions and investors also have to adapt to new forms and approaches of financing to take advantage of the current development agenda.

To ensure capital reaches places where it can have the greatest impact - both financially and in terms of social and environmental good - all parties will have to work within frameworks that combine a new approach to bankability with the new long-term objectives of state and community leaders. It is also crucial that financial institutions and political leaders better understand local needs and capacities.

[Join us to unlock this space!](#)







## TAP: BRINGING BANKABILITY TO CLIMATE ACTION

The Transformative Actions Program (TAP) provides a framework, connecting transformative (see Annex I Definition of transformative) local climate projects with Project Preparation Facilities (PPFs), potential investors and tools that improve project bankability.

The TAP is led by ICLEI and is based on partnerships that connect the goals of diverse stakeholders into one coherent value chain developing robust, transformative and bankable projects that will accelerate low-to-no emission and climate-resilient development.

Since the first call announced in 2015, at least 23 TAP projects were successfully financed and implemented. In addition, many more were connected to financial institutions and partners while receiving attention at international events.

As of September 2019, the TAP pipeline has 45 projects with an identified investment need of 2.3 billion Euro. The 2019 call was announced during the UN SG Climate Action Summit, September 2019.

## HOW ARE TAP PROJECTS SELECTED?

With the goal to feed the pipeline regularly with new projects, and to catalyze and improve capital flows to cities, towns, and regions, ICLEI launches call for projects every year.

Projects received from local and regional governments (or their partners) go through a screening focusing on the completeness and transformative approach. If fulfilled, these can benefit from tailored services offered by ICLEI and the TAP partners to guide project development and achieve maturity and financeability.

## STEP 1: APPLY TO THE TAP

- Project screening - basic quality assurance
- Evaluation of completeness
- Evaluation of transformative approach



### Outcomes

- Well defined transformative action
- Project improvement feedback

## STEP 2: GAIN TAP APPROVAL

- Receive the TAP seal of approval from the ICLEI World Secretariat to access TAP services



### Outcomes

- TAP projects gain access to selected services

## STEP 3: ACCESS SERVICES

### Access implementation and finance support

- TAP projects bearing the TAP seal can be selected for capacity building and technical assistance. They also gain access to investors, PPFs and financial service providers.

### TAP Advocacy for climate finance

- TAP projects are highlighted in global advocacy work that paves the way for evolving global climate finance.

### TAP services include:

- Exploration of innovative financing mechanisms fitting and suitable to local demand
- Capacity building and technical assistance helping to prepare robust and bankable projects, including planning, and feasibility studies
- A thorough exploration of possible funding opportunities and financial strategies
- Connection to PPFs and strategic global and regional initiatives that offer additional technical assistance
- Connection to other platforms supporting project preparation
- Matchmaking with potential investors and funding institutions

# BENEFITS FOR PARTNERS

## Financial partners

TAP connects financial partners interested in sustainable development with screened, transformative projects with a high level of climate ambition. Partners receive a host of benefits through these connections:

- **Access to vetted projects:** Projects in the TAP pipeline are screened and driven by sub-national demand, focusing explicitly on local and regional governments and their communities needs.
- **As a TAP partner you can attend market places to meet the project owners and get a deeper insight on the project idea.**
- **Bankability:** TAP works to mitigate the risks inherent to early-stage project development by involving financial partners in the process. This gives partners access to projects that are robust, already designed with bankability in mind, or even opportunities to develop projects tailored to their services.
- **Connect:** TAP facilitates and connects technical and financial experts through other global coalitions (i.e. Cities Climate Finance Leadership Alliance, Global Covenant of Mayors for Climate & Energy).
- **Visibility:** ICLEI, which leads the TAP, is an active and visible member of the international development community. This gives it the ability to promote TAP projects and TAP partners on the global stage. ICLEI promotes partners and their services through its marketing channels, reaching thousands of city and regional governments around the world.
- **Advocacy:** ICLEI advocates for the support of sustainable development projects as an NGO and as the focal point of the Local Government and Municipal Authorities (LGMA) constituency for the United Nations Framework Convention on Climate Change. This helps reinforce the long-term stability of projects for involved partners.

## Technical partners

A TAP technical partner is an organization that provides services or knowledge related to finance for sustainable local development projects. By becoming a technical partner, organizations receive many benefits, including:

- **Connection:** The TAP offers an opportunity for organizations with specific tools or knowledge to join a robust value chain. This helps form new relationships and initiatives for the future.
- **Co-fundraising:** TAP projects combine the efforts of multiple stakeholders, which greatly increases the likelihood of successful funding and, in turn, the ability of those projects to engage with the tools and services of TAP technical partners.
- **Visibility:** ICLEI, which organizes the TAP, is an active and visible member of the international development community. This gives it the ability to promote TAP projects and TAP partners on the global stage. ICLEI promotes partners and their services through its marketing channels, reaching thousands of city and regional governments around the world.
- **Networking:** Throughout the project lifecycle, the TAP encourages communication and cooperation between partners.
- **Political collaboration:** Partners can collaborate with ICLEI on defining the advocacy agenda that will be brought to the United Nations and to other international spaces.

# HOW TO BECOME A TAP PARTNER

The TAP partnership is growing and is open for all to engage in supporting cities, towns and regions towards low-carbon, resilient development.

Partnership is suitable for, but not limited to:

- Public and private finance institutions
- United Nations and technical support agencies
- City and subnational networks and associations
- Research and other non-governmental organizations
- Philanthropic foundations

The ICLEI World Secretariat maintains and develops new TAP partnerships.

**If your organization is interested in joining the TAP as a partner, please contact: [tap@iclei.org](mailto:tap@iclei.org).**

As of September 2019 the TAP partners are as follows:

1. bettervest,
2. C40 Cities Climate Leadership Group (C40),
3. Cities Alliance,
4. Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) / Covenant of Mayors in Sub Saharan Africa (CoM SSA) component III
5. Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) / FELICITY
6. European Investment Bank (EIB),
7. Global 100% RE Platform,
8. Global Fund for Cities Development (FMDV),
9. Global Infrastructure Basel (GIB) Foundation,
10. R20 - Regions of Climate Action (R20),
11. Sustainable Infrastructure Foundation (SIF/SOURCE),
12. UN Capital Development Fund (UNCDF),
13. United Nations Human Settlements Programme (UN-Habitat)





# ANNEX I: DEFINITION OF TRANSFORMATIVE: AMBITIOUS, CROSS-CUTTING AND INCLUSIVE PROJECTS

A project is transformative when it has the following characteristics:

Ambitious	Cross-cutting	Inclusive
<p><b>In line with or more ambitious than the Paris Agreement</b></p> <ul style="list-style-type: none"> <li>• Supports the long-term commitment contributing to domestic action and international initiatives to cut global greenhouse gas emissions to meet the 1.5°C goal.</li> <li>• Increases the ability to adapt to the adverse impacts of climate change and fosters climate resilience at the local level.</li> </ul> <p><b>In line with the Sustainable Development Goals (SDGs)</b></p> <ul style="list-style-type: none"> <li>• Addresses to reach the scale and ambition on SDGs (support local sustainable development priorities), particularly on:</li> <li>• Goal 11: Sustainable cities and communities</li> <li>• Goal 13: Climate action</li> </ul>	<p><b>Relevant</b></p> <ul style="list-style-type: none"> <li>• Serves a meaningful percentage of the population.</li> <li>• Has potential scaling opportunities to serve an increasing percentage of the population.</li> <li>• Delivers local benefits beyond tackling climate change impacts.</li> </ul> <p><b>Holistic and integrated approach</b></p> <ul style="list-style-type: none"> <li>• Considers resource and energy use of the project throughout its entire life cycle (e.g. considering the location of the project, and optimizing the use of local resources [air, water, waste, land, biodiversity / ecosystems, energy])</li> <li>• Has a holistic approach: multiple sectors have been considered when designing the project (e.g. buildings connected to district energy)</li> <li>• Supports comprehensive climate risk management (e.g. disaster prevention, insurance, etc.)</li> </ul>	<p><b>Local / Regional Government administration</b></p> <ul style="list-style-type: none"> <li>• Coordinates within the multiple departments / teams to ensure co-design.</li> <li>• Uses or sets up appropriate coordination mechanisms and processes to ensure effective project management</li> </ul> <p><b>Citizens</b></p> <ul style="list-style-type: none"> <li>• Engages communities, citizens and local stakeholders actively, encouraging their participation in the conceptualization, design, implementation and monitoring of the project</li> <li>• Demonstrates how citizens will benefit in the short- and mid-term implementation of the project</li> <li>• Demonstrates how disadvantaged and particularly vulnerable communities will benefit in the short to long term, e.g. contribute to poverty alleviation, addressing the urban poor, unemployed, elderly, youth, gender, ethnic minorities, indigenous groups, etc.</li> </ul> <p><b>Local business and industry</b></p> <ul style="list-style-type: none"> <li>• Reaches out to local business and industry (incl. insurance) to explore involvement in stimulating sustainable development and enhancing climate resilience also in the private sector</li> </ul>



**Contact us:**

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