



**GREEN CITIES, INFRASTRUCTURE AND ENERGY PROGRAMME (GCIEP)**

# A pivot in UK aid: Technical assistance and UK expertise as a catalyst for financing climate-resilient infrastructure

This note summarises learning from the Green Cities, Infrastructure and Energy Programme (GCIEP) as a blueprint for mobilising private and multilateral finance for climate-resilient infrastructure. It is intended to inform development partners designing future programmes to support partner governments attract investment in low-carbon, resilient and inclusive infrastructure.

**Key to this success was the UK Strategic context: The UK's pivot from donor to catalyst**

Development finance is undergoing a significant shift. With reduced official development assistance (ODA) budgets in the UK and elsewhere, the focus is moving from large-scale direct grant provision to mobilising third-party capital at scale. It is possible for donors to reposition as a convener, coordinator and catalyst, using targeted technical assistance (TA) to unlock and guide larger pools of development finance institution (DFI), government and private capital, rather than funding projects directly.

This pivot rests on a key insight: the constraint to climate-resilient infrastructure investment is rarely the absence of capital. Rather, it

is the absence of finance-ready projects, predictable regulatory environments and credible pipelines. Well-targeted TA, sequenced intelligently and coordinated with multi-lateral development banks (MDBs), DFIs and private investors, can remove these blockages and trigger capital movements that dwarf the original UK investment.

GCIEP has successfully demonstrated this model. In under three years, the programme mobilised close to £1 billion in climate-aligned finance, working across more than 25 countries, with over 50 UK organisations and applying UK tools and methodologies in more than 30 cases. It offers a replicable blueprint that donors can scale through future partnerships.

**~£1bn**

**Finance mobilised committed & forecast, Y1-Y3**

**35**

**Countries reached across Africa, Asia, Eastern Europe**

**50+**

**UK organisations engaged agencies, firms, financial institutions**

## Understanding the financing challenge

### Why climate infrastructure is harder to finance

There is a hierarchy of infrastructure investment complexity. Standard infrastructure projects that support economic development and service delivery sit at the base. Climate-relevant projects, with explicit mitigation or adaptation objectives, add a layer of complexity around climate rationale, baseline measurement and attribution. Climate-resilient infrastructure, designed around future hazard conditions, demands additional rigour on design standards, risk modelling and finance structuring. At the apex, transformational infrastructure that shifts entire systems to low-carbon pathways requires system-level planning, institutional reform and the largest blended capital stacks.

As ambition increases along this hierarchy, four things change:

- i. the climate rationale must be explicit, with a clear pathway, indicators and attribution logic;
- ii. design must incorporate future physical risks;
- iii. the finance structure must resolve questions of additionality, revenue models, risk allocation and concessionality; and
- iv. system effects (such as replication potential, market rules and institutional capacity) must be demonstrated.

Programmes that want to mobilise finance for transformational projects must be prepared to support partner governments across all four dimensions.

### Where capital flows get stuck

Three structural barriers repeatedly prevent capital from moving to prepared projects:

- **Weak project preparation:** Feasibility gaps, absent or unreliable demand evidence, and unclear environmental and social risk mitigation prevent investors from completing due diligence.
- **Unclear commercial models:** Projects without credible payment mechanisms, affordability logic or explicit risk ownership cannot attract debt or equity.
- **Unpredictable systems:** Procurement uncertainty, permitting delays and weak contract enforcement undermine investor confidence even where project fundamentals are sound.

The practical implication for programme designers is that upstream TA must be consciously connected to a downstream financing pathway. Preparation work that is not calibrated to the expectations of specific capital providers (MDBs, DFIs, commercial lenders or private equity) risks producing project documentation that cannot move to transaction.

### The blended capital imperative

Most climate infrastructure transactions in lower-income and emerging markets cannot be financed by a single capital source. Four structural reasons explain this:

- **Affordability gaps:** Tariffs or public budgets may not fully cover lifecycle costs, requiring grant or concessional support.
- **Risk profile:** Construction, demand, foreign exchange and regulatory risks may exceed purely commercial appetites.
- **Tenor mismatch:** Infrastructure repayment periods (the tenor of a loan) routinely exceed local bank lending horizons.
- **Early-stage uncertainty:** Financiers typically wait until feasibility studies, approvals and procurement routes are established before committing.

Effective programme design therefore requires helping partner governments construct capital stacks that assign the right risk to the right provider. Public budgets and viability gap funding absorb public-good and affordability components. Concessional and climate finance improves viability and absorbs risks that commercial capital cannot take. MDB and DFI anchor capital provides credibility and longer tenors. Commercial debt and private equity provide scale once repayment visibility is established.



## The GCIEP model: six levers and a practical sequencing logic

GCIEP's core methodology rests on targeted, adaptive TA which can be deployed in any or all of six interconnected steps. TA can address binding constraints at each stage of the project development cycle:

1. Project preparation	Moving from concept through pre-feasibility and feasibility to investor-grade documentation and information packages.
2. Enabling environment	Strengthening procurement frameworks, regulatory certainty, tariff modelling and institutional confidence so that the market is predictable for investors.
3. Market testing	Engaging MDBs, DFIs and commercial lenders early to get feedback on project structure, risk allocation and financing appetite before significant preparation expenditure.
4. Financing alignment	Connecting the project pipeline to the institutions, such as the Private Infrastructure Development Group (PIDG), British International Investment (BII), MDBs and commercial banks, that can carry it to financial close, ensuring financing conversations begin early enough to shape the structure.
5. Transaction support	Providing legal and financial advisory support on procurement routes, contract structures and risk allocation to resolve last-mile bankability constraints.
6. Pipeline discipline	Building a credible, repeatable pathway across a broader portfolio of projects, not just individual transactions, to create market confidence and system-level learning.

The practical sequencing logic that connects these levers runs as follows: **diagnose constraints; prepare and structure; market test; align financiers; move to transaction.** GCIEP's experience demonstrates that the model is most powerful when deployed adaptively, concentrating support at the stage where a specific project faces its binding constraint rather than providing uniform assistance across all stages simultaneously. In GCIEP's Targeted Offer, engagement would typically focus on a single binding constraint. In the Programme's Deep Offer, various constraints were addressed together.

### Some examples of how GCIEP put this approach into practice

GCIEP's implementation of the approach set out above has mobilised substantial volumes of finance. For example, in Zambia, £237,000 of legal TA to finalise escrow liquidity mechanisms, direct agreements and conditions precedent helped advance a 120 MW solar portfolio with an estimated total value of £119.5 million and secured committed or approved lender finance for four projects from BII, FMO and AfDB. In Egypt, GCIEP-supported regulatory design work contributed to a circular that enabled the first four peer-to-peer renewable energy projects totalling 400 MW to receive approval. In Ghana, GCIEP concept work for the Development Bank of Ghana's Climate Finance Facility is now being developed into a platform with an ambition to capitalise up to £300 million serving 15 to 25 projects annually.



## Translating infrastructure priorities into funder propositions

A recurring lesson from GCIEP is that governments and programme implementers often present infrastructure projects as a single proposition, rather than tailoring the investment case to the specific decision criteria of different capital providers. FCDO programmes should help partner governments segment their financing audience and translate project narratives accordingly.

Different capital providers require fundamentally different information:

- Public sector funders prioritise public value, fiscal sustainability, political feasibility and a credible procurement route.
- MDBs and DFIs require evidence of development impact, country and policy alignment, climate and resilience benefits, safeguard compliance and a clear route to bankability.
- Commercial lenders focus on repayment certainty, revenue visibility, bankable risk allocation, strong contracts and credible sponsors.
- Private capital seeks scale, risk-adjusted returns, predictable cash flows, policy stability and pipeline potential.

TA support is most catalytic when it helps governments avoid one-size-fits-all project pitches by:

- i. identifying which capital providers are relevant;
- ii. translating the project narrative to link growth, service delivery and climate outcomes with the investment fundamentals each provider needs;
- iii. defining the right financing ask, whether TA, grants, concessional finance, guarantees, MDB lending, commercial debt or equity; and
- iv. using early market feedback to refine structure and sequencing before deeper transaction work.

Programmes should also note the growing appetite among capital providers, across the full funding and financing ecosystem, for meaningful integration of gender equality, disability and social inclusion (GEDSI). Investors increasingly recognise that inclusive approaches protect and enhance returns, and regulatory scrutiny is intensifying.

## GCIEP's GEDSI-Lens Toolkit for infrastructure project developers

GCIEP's GEDSI-Lens Toolkit has been applied in over 20 projects across 10 countries and has been endorsed by AfDB, ADB, Acumen and InfraCredit as aligned with international standards. It has been integrated into national policies in Zimbabwe, Ghana and Vietnam, and GCIEP is now developing a British Standards Institution Publicly Available Specification to embed this approach globally.

## The UK experience: expertise as a systemic differentiator

### The depth of available capability

The UK possesses world-class expertise at every link in the finance mobilisation chain, currently fragmented across government bodies, professional services firms, technology organisations and financial institutions. Key assets include:

- **Government bodies and regulatory expertise:** Examples include: NISTA's Five Case Model (adopted in Ukraine for all infrastructure business cases); Ofgem and the National Energy System Operator (NESO) for energy market design; the Ordnance Survey and British Geological Survey for data and geospatial tools; the Met Office for climate risk modelling.
- **Professional, engineering and legal firms:** the UK is the world's second-largest exporter of engineering and professional services, with firms capable of supporting the full project development cycle.
- **City of London finance and insurance:** the UK is the world's largest net exporter of financial services, with expertise in arranging, insurance, capital markets access and green listings.
- **UK DFIs and export finance:** BII, PIDG and UK Export Finance (UKEF) provide anchor capital, guarantees, blended finance and de-risking instruments at scale; the UK also holds influence as a shareholder in multilateral institutions including the World Bank and EBRD.

## Applying UK Expertise

GCIEP applied UK tools and methodologies in 32 substantive cases in its third year of delivery alone, including the Five Case Model, Building Information Modelling (BIM), the UK's Infrastructure transparency Initiative (CoST), Reference Class Forecasting, a Whole Systems Approach (WSA) to energy, and the GEDSI-Lens toolkit, co-delivering with 30 UK expertise organisations in 26 cases.

### The 'One UK' offer

GCIEP's experience has demonstrated that the UK's comparative advantage in this space lies in convening and integrating these dispersed capabilities into a coherent offer for partner governments, which could be termed a 'One UK' model. This requires:

- **Strategic alignment:** Identifying where UK government priorities, UK expertise advantages and partner country demand coincide most powerfully. Transport, energy and date-driven urban planning and governance were identified as the particularly compelling entry points.
- **Integrated programming:** Combining ODA-funded enabling environment and project preparation TA with G2G partnerships, UK business engagement, UKEF-backed export pipelines, BII and PIDG anchor capital, and City of London arranging and insurance in a single coordinated offer.
- **Pipeline development for UK business:** Positioning project preparation work to generate opportunities for UK firms to win design and advisory contracts, generating growth returns alongside development impact.
- **A Community of Expertise model:** Moving beyond episodic engagement of UK organisations to a sustained, institutionalised structure that builds country knowledge, networks and long-term relationships.

## Implications for future TA design

Drawing on GCIEP's experience, the following considerations should guide programme designers seeking to mobilise finance for climate-resilient infrastructure:

Design Principle	Programme Design Implication
<b>Connect TA to financing pathways from day one</b>	Programme logic chains must run from enabling environment and project preparation activities through to specific financing outcomes. Outputs should be calibrated to the decision criteria of identified capital providers, not generic best practice.
<b>Diagnose before deploying</b>	GCIEP's model demonstrates the value of adaptive, constraint-led support. Programmes should invest in upfront diagnostic work to identify the binding constraint at each project stage before allocating TA resources.
<b>Sequence capital intentionally</b>	Programmes should help partner governments sequence their financing ask: concessional and grant resources to address affordability and early-stage risk; MDB anchor capital to provide credibility and tenor; commercial finance once bankability is established.
<b>Coordinate with MDBs and DFIs early</b>	Finance mobilisation is significantly more effective when MDB, DFI and private investor engagement begins early enough to shape project structure and risk allocation, rather than as a downstream pitch after preparation is complete.
<b>Integrate GEDSI as a finance mobilisation lever</b>	GEDSI should not be treated as a compliance requirement but as a tool that strengthens investor propositions, improves project resilience and aligns with growing capital provider requirements. GCIEP's GEDSI-Lens Toolkit provides a ready-made framework.
<b>Convene UK expertise systematically</b>	Programmes should actively map and engage relevant UK capabilities, such as UK agencies, professional services firms, the City of London, DFIs and UKEF, and structure mechanisms for their sustained involvement, including via Community of Expertise models.
<b>Build pipeline discipline, not just individual transactions</b>	The greatest leverage comes from creating repeatable, systems-level pathways that attract multiple financiers across multiple projects, not from one-off transaction support. Programme design should build market confidence and institutional capacity alongside the focus on individual projects.
<b>Design for UK growth alongside development impact</b>	The One UK model explicitly links development programming to UK business and export opportunities. Programme designers should consider how project preparation pipelines can be structured to generate commercial opportunities for UK firms. Non-ODA budget could be applied to explore UK growth opportunities in this regard.



## Summary of key learning points from GCIEP

GCIEP has demonstrated the effectiveness of a number of principles, which should inform future programme design and implementation:

- **Donor programmes can play a significant and strategically important role in mobilising climate-aligned finance for infrastructure, even under severe budget constraints.** This relies on being an agile convenor, aggregator and accelerator to mobilise third party finance. This uses the flexibility of TA and the depth of expertise. The relevant metric is not the volume of grant funding disbursed, but the volume of third-party capital mobilised as a result of TA.
- **GCIEP's success in mobilising finance rests on three foundations:** These are: a disciplined methodology that ties TA directly to financing pathways; systematic engagement of UK expertise as a genuine differentiator; and a long-term approach to building pipeline, market confidence and institutional capacity.



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- **GCIEP has demonstrated the effectiveness of a 'one UK' approach.** GCIEP's co-delivery model works. Delivery partnerships between the PwC-led alliance team and UK Agencies such as NISTA show what happens when private sector country knowledge and networks are coupled with UK expertise, leading to scale and credibility. This is particularly relevant for sectors such as energy systems, where UK expertise, business, DFI capacity and government relationships are well positioned and are closely aligned.
- **Public sector financing can and should crowd in private capital:** It is vital to draw on public finance from organisations such as BII and PIDG for anchor capital, guarantees and blended finance. UKEF backing, and the City of London expertise can complement this for arranging, insurance and listings.
- **Mobilising UK business alongside finance is not just a UK growth story:** It must sit at the centre of the UK's development agenda through G2G partnerships, trade and wider partnerships.

### Mobilising finance resources from GCIEP

The following learning and guidance notes on mobilising finance were also prepared as part of GCIEP and can be referred to for additional insights:

- [GCIEP's Practical Guide to Feasibility Studies](#), May 2026
- [Learning from GCIEP's feasibility study support to partner governments](#), April 2026
- [Unlocking climate finance in Ghana and Mozambique](#), March 2026
- [Learning from GCIEP's Project Preparation Facility approaches](#), December 2025
- [Catalysing partnerships to mobilise infrastructure financing and investment in low- and middle-income countries](#), March 2026

A much wider range of GCIEP's topic-specific and thematic learning notes are available here.

**GCIEP** is a demand-driven initiative focused on sustainable green cities and climate-resilient infrastructure in lower-income countries. As the flagship programme of the UK's Centre of Expertise for Green Cities, Infrastructure and Energy, GCIEP supports the UK Government's mission to accelerate investment in, and delivery of, infrastructure and urban development that is responsible, reliable, inclusive, low-carbon and climate-resilient.

A significant proportion of GCIEP's work is carried out in seven priority countries: Ethiopia, Ghana, Indonesia, Philippines, Mozambique, Vietnam and Zambia, where a Deep Offer programme provides long-term, systemic interventions focused on transformative change and infrastructure financing.

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The UK's Green Cities, Infrastructure and Energy Programme accelerates the delivery of sustainable green cities and climate-resilient infrastructure – tackling climate change and extreme poverty.