



Developing financial readiness
Project finance readiness handbook

November 2024



The PROSPECT+ project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 101023271

h2020prospect.eu

Foreword

This handbook is your comprehensive guide to building financial readiness within energy efficiency projects, whether you are working for a local authority, an energy agency, or someone interested in navigating the complexities of project financing. It is designed to support the development of project proposals that meet the stringent requirements of financial institutions, empowering you to take meaningful steps toward securing funding for your initiatives. Thereby, you will also learn how to make use of the Finance Readiness Tool, that has been developed by the PROSPECT+ team and why it might be of relevance for your project.

Through this handbook, you will explore the essential components of a successful project proposal and learn how to effectively engage key stakeholders, conduct critical analyses, and craft a structured working plan. These elements are vital for demonstrating financial viability and building confidence among potential public or private financiers.

By delving into the handbook's content, you will gain insights into what financial readiness entails and why it is a cornerstone of successful project development. From understanding the nuances of fiduciary responsibilities to integrating robust management practices, this resource intends to equip you with the tools and knowledge to transform ambitious ideas into actionable, finance-ready plans.

Whether you are part of the PROSPECT+ capacity-building programme or simply interested in enhancing your expertise in project financing, this handbook offers a very helpful guidance. With this handbook, you will not only understand the principles of financial readiness but also be prepared to apply them, ensuring your project proposals align with industry standards and attract the attention they deserve.

Acronyms

CBP	Capacity-Building Programme
CO₂	Carbon Dioxide
CO_{2e}	Carbon Dioxide Equivalent
CSR	Corporate Social Responsibility
EC	European Commission
EIA	Environmental Impact Assessment
EPC	Energy Performance Contracting
ESCO	Energy Service Company
EU	European Union
FI	Financing Institution
kWh	Kilowatt per hour
LC	Learning Cycle
MOA	Memoranda of Agreement
MOU	Memoranda of Understanding
QC	Quality Control
SEA	Strategic Environmental Assessment
SEAP	Sustainable Energy Action Plan
SECAP	Sustainable Energy and Climate Action Plan

Contents

- 1 The basics of developing your project proposal and building financial readiness through the PROSPECT+ Capacity-Building Programme 1**
 - 1.1 Why do I need to develop a detailed project proposal? 1
 - 1.2 What is financial readiness? 2
 - 1.3 General tips for preparing a project proposal 2
 - 1.4 Overview: Components of a project proposal 2
- 2 Getting a project proposal finance ready 4**
 - 2.1 How to prepare the General Info & Background 4
 - 2.2 Fiduciary Information 4
 - 2.3 Scope of Proposal 5
 - 2.4 Project Management 7
 - 2.5 Promoters & Stakeholders 8
 - 2.6 Legal and Regulatory Analysis 9
 - 2.7 Additional information for EPC financing 10
- 3 The Project Finance Readiness Tool 11**

1 The basics of developing your project proposal and building financial readiness through the PROSPECT+ Capacity-Building Programme

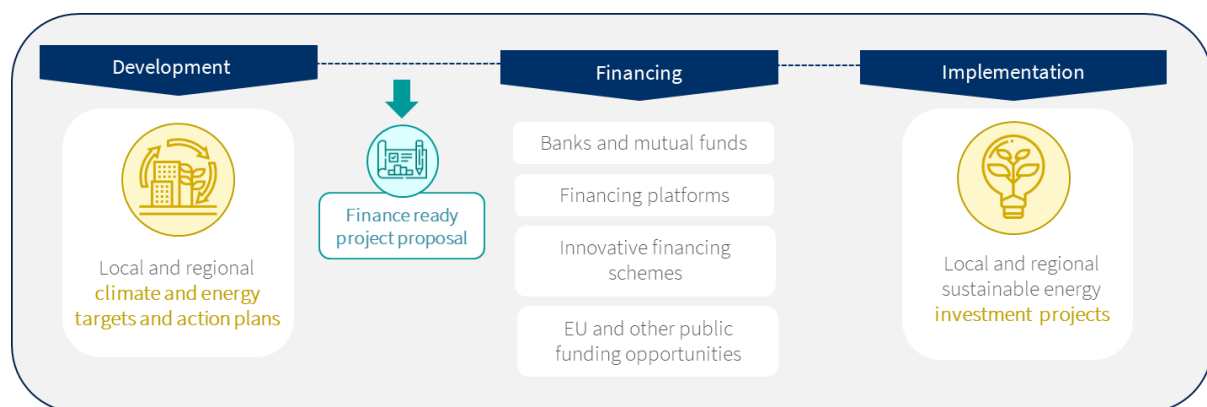
The PROSPECT+ Capacity-Building Program (CBP) has been set up with the objectives of building the capacities of different experts who work directly with public bodies, building partnerships for the energy transition, and ensuring that participants are developing a state of financial readiness aligned with the requirements of potential financiers. The CBP facilitates enhanced decision-making of public authorities to create a network of leaders in implementing energy efficiency projects, help public authorities to use the experiences of other municipalities as a resource, and to create synergies between local projects, policy-makers, associations, technical experts and financing bodies. Overall, the CPB helps to prepare a project for financing and implementation.

This handbook was developed with the objective of ensuring that mentors and mentees, but also any actor interested in bringing a project into a financial-ready state, are prepared to understand the importance of financial readiness of a project and how it relates to the development and preparation of a high-quality project proposal. It further examines the challenges and opportunities faced during the financing process and helps respective actors to prepare for the questions that might be asked by potential investors.

1.1 Why do I need to develop a detailed project proposal?

Developing a project proposal in detail will help you to attract resources from both public and private investors and ensure that your project is economically sound and financially viable¹. Understanding and effectively communicating your project details will help to pinpoint the best financing options available for your project and ease the application process.

Figure 1: Where assessing finance readiness for your project proposal fits in the project timeline



¹ European Commission (EC). (2017). Assessment of the Financial Readiness. *CEF Blending Info Day – 27 February 2017*. https://ec.europa.eu/inea/sites/default/files/8_gc_cefblending_27_02_17_last_version.pdf

1.2 What is financial readiness?

Financial readiness describes the ability of a project to secure financing from either public or private financing institutions within a certain timeframe, and is often part of a selection process. It is generally defined as the demonstration of all aspects expected to be reviewed by a financial institution in order to successfully receive funds. Financial readiness does not include the assessment of the profitability or market readiness of a project¹.

Generally, if you have reliable returns and use proven technologies, the more attractive your project is to potential investors. Options for financing tend to increase as the technologies you use reach later stages of maturity, have a stable market and decreased risk, and when your returns on investments become more predictable. With fewer risks and a steadier returns or revenues, the more creditworthy your proposed project will be, and will be considered more finance ready. When you reach later stages of financial readiness, a greater number and more complex financing schemes will become available to you. In basic terms, your financial readiness will depend on a combination of how much information you have gathered for your proposal and how favorable the conditions are for your intended measures.

Assessing the financial readiness is part of the proposal process, mainly focusing on the components of the project proposal itself. The financial readiness assessment will be used to determine the maturity of a project and the project's ability to gain resources to close its funding gap. Assessing financing readiness can also help you to increase the transparency of a project, understand the financing challenges and potential pitfalls of the proposal, weakness or potential risks, which are the most appropriate combinations of financing for the project, and lastly, reduce risks.

1.3 General tips for preparing a project proposal

It can be easy to get caught up in the details of a project proposal, here are some things to keep in mind for its overall coherence and preparation:

- Start early
- Ensure all information you provide is consistent
- Use resources, especially the FAQs and Terminology found on the PROSPECT+ website under "Resources"
- Project merit and qualitative information is just as important as showing financial and quantitative data
- Be specific
- Know your strengths and weaknesses
- Work as a team
- Always have someone else proofread and validate your work

PRO tip: A glossary on financial terms is available from the [PROSPECT+ website](#).

1.4 Overview: Components of a project proposal

Here, we provide you with the components of a project proposal before going into detail about what you need to prepare, in the next sections. In the annex, you will find relevant questions to consider along the development of your project proposal.

General Background on the Project's Lead Entity (Local Authority)

- **Institution Information:** Name, address, department, and contact person of the leading authority.
- **Municipality Details:** Location, size, and governance structure (roles, responsibilities, organizational chart).
- **Processes:** Monitoring, reporting, and procurement standards.
- **Fiduciary Information:** Past financial budgets, credit ratings, and conflict of interest disclosures.
- **Policies:** Anti-money laundering/anti-terrorism financing, and environmental policies.

Project Description and scope

- **Background:** Overview of the project's context, rationale, and location for sustainable energy investment.
- **Target Sector & Stakeholders:** Sectors and entities involved in the project.
- **Project Details:** Main goals, objectives, intended measures, beneficiaries, and anticipated outcomes.
- **Supporting Documents:** Includes plans (e.g., SEAP/SECAP), energy audits, and technology assessments.
- **Financials & Impacts:** Investment size, estimated energy savings/renewables produced, CO2 emissions avoided, and other impacts.
- **Timeline:** Detailed Gantt chart (*see Figure 2*) or similar project schedule.

Promoter(s) and (Local) Stakeholders

- **Analysis:** Stakeholder roles, asset ownership, management, and risk profile.
- **Supporting Documents:** Letters of support or commitment.

Legal Feasibility

- **Analyses:** Legal feasibility, requirements, incentives, risks, and applicable standards.
- **Studies:** Environmental and regulatory impact studies (e.g., EIA, SEA).
- **Supporting Documents:** As needed for the project.

Economic and Financial Analysis

- **Market & Financial Data:** Market analysis, cost/revenue breakdown, and assumptions.
- **Cash Flow:** Own funds, requested investments, and economic viability analysis.
- **Details:** Discount rates, project lifetimes, and maintenance considerations.

Additional documents

- Depending on the financing scheme you wish to apply for, certain additional documents might be required

2 Getting a project proposal finance ready

The following provides an insight into the sections of the tool which was developed in the context of the CBP of the PROSPECT+ team and, above all, how users of the tool can best prepare themselves to achieve a satisfactory result and thus a solid status in terms of project finance readiness. In the subsequent comments on the sub-areas, numerous suggestions and recommendations are given, which on the one hand refer to official documents as a support aid, but also recommend certain studies, key questions and key points to be considered when working on particular sequences. The more diverse and targeted the preparation is with regard to the different sequences listed below, the more successful it is to achieve a consistent level of project finance readiness.

2.1 How to prepare the General Info & Background

As a first step it is important to provide background information about the local authority being responsible for overseeing the project, which should include details on the size of the municipality, an overview of the governance structure, and the contact person responsible for communications. Furthermore, it is essential to describe the monitoring and reporting processes and provide fiduciary information in the following sections. If there are similar projects that are already developed or on-going, it can be helpful, also in terms of experience in developing sustainable energy projects, to quote them and being able to give an overview of these projects.

At this point, the document should mention any analysis that have already been completed regarding the project and outline the technical expertise available in-house. It should also clarify whether any external experts might need to be involved.

Lastly, any relevant supporting document – such as a SEAP/SECAP (Sustainable Energy Action Plan), an energy audit, or an assessment of suitable technology options – should be attached as annexes to the project description.

While writing the project description, you should already think about the following things:

- Who will be responsible for authorising your proposed project?
- Does the municipality have a track record of successful investment projects?
- Can the municipality borrow money directly or is approval required?
- Is the municipality creditworthy?
- How will the project be reviewed?
- What regulatory factors will impact the project?
- Does an EIA/SEA need to be carried out?

2.2 Fiduciary Information

Investors generally require assurance that the project is backed by a financially stable authority with a track record of prepared and balanced budgets from previous years. Demonstrating stable revenue streams and creditworthiness is key to proving that the project can meet financial obligations and minimize risks.

Additionally, the ability to provide internal or external financial audits ensures transparency and accountability, giving investors confidence in the financial management of the project. Procurement and tendering standards are also vital, as they show that the authority follows best practices in their course of conduct, further mitigating risks.

Sufficient financial resources are essential to guarantee that the project can be successfully implemented and sustained over time. The disclosure of potential conflicts of interest is necessary to maintain trust and fairness throughout the investment process. Regulations aimed at protecting investors provide added security, ensuring their financial interests are safeguarded.

Finally, integrating a social responsibility or ESG strategy (Environmental, Social, and Governance) aligns the project with sustainable investment goals, further attracting investors looking for long-term impact and ethical returns. Together, these elements build the foundation for a finance-ready project.

The following checklist can help you including all relevant aspects for preparing the fiduciary information:

CHECK-list:

- ✓ Prepared budgets?
- ✓ Stable revenues?
- ✓ Creditworthiness?
- ✓ Financial audits?
- ✓ Procurement & tendering?
- ✓ Sufficient financial resources?
- ✓ Conflicts of interests?
- ✓ Investor protection regulations?
- ✓ Any ESG strategies?

2.3 Scope of Proposal

The scope and description of the project proposal represents certainly one of the most critical parameters to look after when estimating whether a sustainable energy project is finance-ready or not. The general project background, context, and rationale should be consolidated into a single document that is clear, concise, and easy for potential investors to review. The investment project must be fully described, including its main goals, the intended measures, the target sectors, and the project's beneficiaries.

It involves clearly defining the measures to be implemented and providing a detailed outline how these will be carried out. At this point, it already makes sense to organise an overview on the project stakeholders and their roles, in order to align them and their responsibilities for later explanation purposes.

A key aspect is the availability of a baseline of energy consumption, ideally determined through energy audits or similar assessments. This baseline allows the project’s impacts to be quantified, such as expected energy savings or renewable energy generation. Additional benefits, such as avoided carbon emissions, should also be highlighted, if applicable.

The proposal should then detail the total investment costs and include already defined funding sources. A comprehensive budget plan, covering all costs and, especially, expected operating costs (OPEX) is an essential cornerstone, along with a cash flow plan that considers influencing factors on revenue streams. Expected revenues, whether from energy savings or selling renewable energy, must be outlined in addition.

If available, previously conducted financial analyses should be included, as they help demonstrate the profitability of the project. A planned payback period is also necessary for investors in order to better evaluate the project’s break-even-point. Additionally, the proposal should address market conditions, including any incentives or barriers. Any developed risk analysis should be presented along with a risk mitigation plan to reassure investors. Preparing this detailed proposal helps ensuring the project is finance-ready by providing clarity on costs, returns, and risks.

PRO tip: A [template on financial indicators](#) is available from the PROSPECT+ website, it will help to calculate relevant components of a financial analysis for a project.

The official documents illustrated in the following graphic can help you in the process of preparing your project’s scope of proposal.



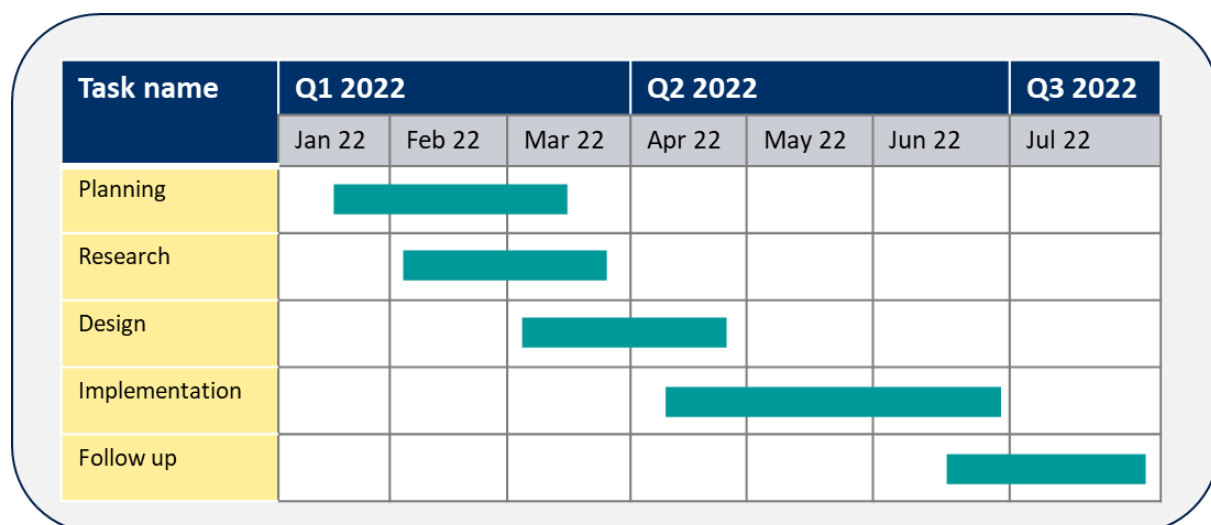
2.4 Project Management

Why is a decent project management planning supportive to becoming project finance ready? First off, it ensures that clear structures and processes are in place for successful execution. A key aspect of this planning is the determination of decision-making power, specifying who holds authority at different stages of the project. Clearly identifying who is and should oversee decisions reassures investors that the project is being managed effectively and with accountability.

An important part of the plan is the monitoring process for overseeing project implementation. This involves having a system in place to track progress and flag potential issues already early on. Such mechanisms help prevent delays or budget overruns, which are critical concerns for investors.

In addition, having a working plan or roadmap already developed is essential. Providing this will help potential financiers to understand how the project will be carried out, and its timeline. This document should outline the different steps required to achieve project milestones, as well as the responsibilities of key personnel. It further ensures that the project is well-organized and that every task has an assigned owner, improving the chances of meeting deadlines and staying within budget. A Gantt chart is typically used to graphically represent activities of a project through time (*see Figure 2*). Project management activities and tasks are shown as a bar chart showing start and end dates, as well as scheduling, deadlines, who is responsible for the task, and which tasks depend on others to be finished.

Figure 2: Example Gantt Chart



The following three aspects are the overall characteristics to take care of for preparing the project management properly:

- **Ownership of assets and decision-making processes**
- **Operational control as well as implementation & problem-flagging**
- **Existing working plan or roadmap**

Together, these aspects of project management planning show that the project is well-structured and capable of being successfully implemented, which is key to gaining investor confidence and securing funding.

2.5 Promoters & Stakeholders

This section of the project proposal highlights the stakeholders and their involvement in a project. First, you should provide a detailed overview of the project promoter(s). A stakeholder analysis should be carried out to determine the primary, secondary, and additional actors. For each of the key stakeholders who are involved in implementing and carrying out the project a risk profile should be provided so that investors can have an overview of the stakeholder's financial capabilities.

PRO tip: Check out the template for a stakeholder analysis in the annex.

This also includes explaining the specific roles of the respective stakeholders in the project, how they are involved in the project and in relation to what, as well as the extent to which they are already involved in the project or are to be further involved. It is also helpful to describe the needs and expectations of the stakeholders to be able to fulfill specific goals in this regard.

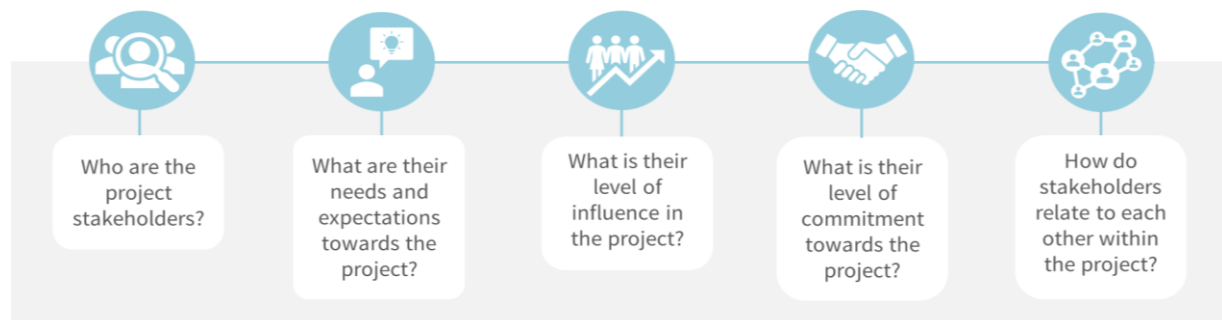
The ownership of assets and management structure of the project should be described in relation to the affiliated stakeholders. Supporting documents, such as letters of commitment or support should be added to this section as annexes as well.

One way to better integrate stakeholders into the project can be the so-called stakeholder engagement strategy. It ensures that all relevant parties – such as local authorities, investors, community groups, and potential beneficiaries – are actively involved and aligned with the project's goals. The pre-definition of following elements of the proposed strategy are essential for a sound and decent integration:

- Types of stakeholders (energy providers, ESCOs, citizens, local businesses etc.)
- The stakeholders' interest (can be monitored e.g. by using a scale)
- The influence stakeholders have (can also be monitored by using a scale)
- Engagement activities (awareness raising activities, surveys, community events, public consultations, meetings etc.)
- Instruments & channels for communication

In the following contains some guiding questions for a stakeholder engagement strategy that may help you to properly stick to the aspects helping for a decent engagement:

Figure 3: Guiding questions – Stakeholder engagement strategy



2.6 Legal and Regulatory Analysis

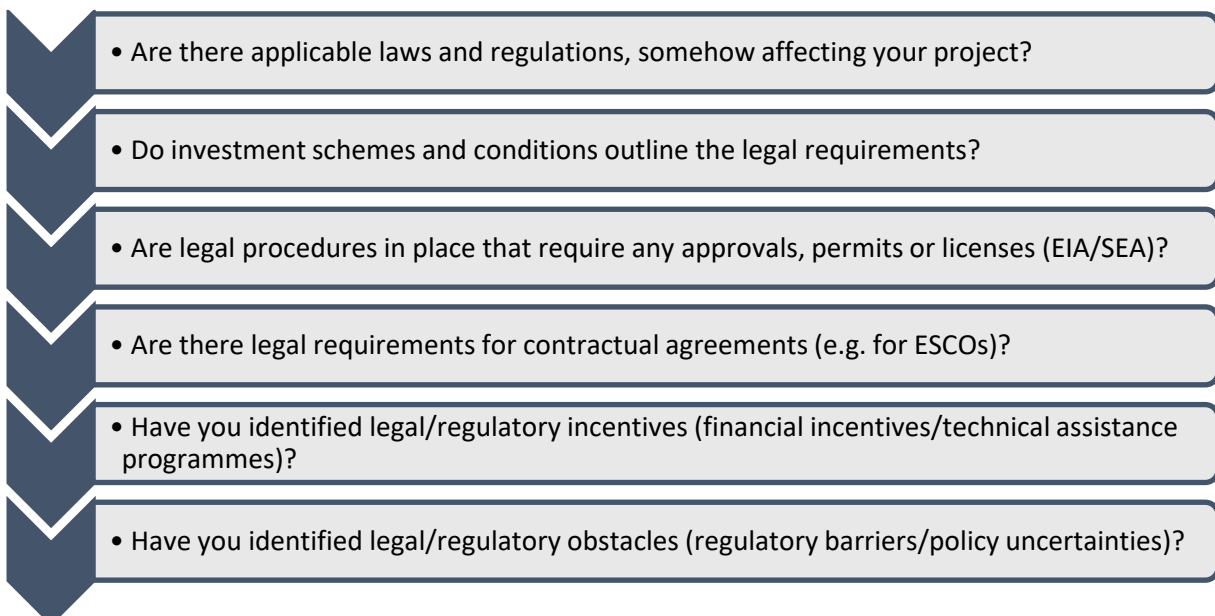
The legal and regulatory analysis is another essential part for ensuring that a sustainable energy project is finance-ready, as it helps identifying both opportunities and potential challenges within the regulatory framework. The first step in this preparation involves the pre-identification of any supportive regulations or policies at the local or national level that could facilitate the project's development. These might include incentives for renewable energy, tax breaks, or funding programs. At the same time, the analysis must consider any challenging regulations or policies that could act as barriers or increase project risk. Identifying such challenges early allows the project team to plan for mitigation strategies or adjustments.

In addition, it is also important to assess relevant legal requirements, laws, or frameworks that could affect the project, such as zoning laws, permitting processes, or compliance with renewable energy standards. Projects should also adhere to environmental or engineering standards to meet legal and safety obligations. For example, energy efficiency improvements in buildings might be affected by an existing building code or by regulations regarding monument protection. In case an ESCO financing model is applied, there might be legal and regulatory conditions for the formation of ESCOs that need to be considered.

If available, supporting documents such as Environmental Impact Assessment (EIA) Reports or Strategic Environmental Assessments (SEA) provide valuable insights into the project's feasibility and compliance with environmental laws. Lastly, having a dispute resolution system in place can be a key instrument for addressing any legal issues that arise during the project's execution, offering further assurance to investors that potential conflicts can be managed effectively. Legal implications of the project can also relate to insolvency and protecting your investors from bankruptcy, and how such disputes can be resolved.

Understanding legal implications means that the limitations of contracts with your potential financiers and who has the right to override contracts are known.

It can be helpful to keep the following guiding questions in mind when conducting the Legal and Regulatory Analysis:

- 
- Are there applicable laws and regulations, somehow affecting your project?
 - Do investment schemes and conditions outline the legal requirements?
 - Are legal procedures in place that require any approvals, permits or licenses (EIA/SEA)?
 - Are there legal requirements for contractual agreements (e.g. for ESCOs)?
 - Have you identified legal/regulatory incentives (financial incentives/technical assistance programmes)?
 - Have you identified legal/regulatory obstacles (regulatory barriers/policy uncertainties)?

2.7 Additional information for EPC financing

Energy Performance Contracting (EPC) is a financing model that allows organizations to improve their energy efficiency or implement renewable energy projects without the need for upfront capital investment. In an EPC arrangement, an Energy Service Company (ESCO) takes on the responsibility for financing, designing, implementing, and sometimes maintaining the energy-saving measures. The repayment for these services is typically based on the energy savings achieved. Essentially, the ESCO guarantees a certain level of energy savings, and the client uses a portion of these savings to pay for the project over an agreed contract period.

EPC is a suitable financing method for your project, if ...

- ... you lack the capital to invest upfront in energy efficiency improvements
- ... the system you are operating is outdated and has significant energy-saving potential
- ... you want to reduce operating costs and carbon emissions but want to avoid debt-financing ... or direct investments
- ... your energy consumption patterns are predictable and are seeking guaranteed energy savings.

In the context of EPC, additional information is crucial to assess a project's finance readiness, especially when seeking investment through this model. The first step is determining whether the EPC model is legally permitted under national regulations, as there are countries where this is not allowed. For example, certain public sector projects in Germany and Italy face restrictions, and some emerging markets may lack a clear legal framework for EPCs.

Next, you, as the project owner, must evaluate whether the EPC model is suitable for the project's specific duration and scope. An EPC is generally more appropriate for projects with significant energy savings potential and longer-term contracts, so the suitability of the project conditions needs to be confirmed.

It's also essential to investigate the availability of active ESCOs in the project area. If a business model or contract has already been negotiated, details such as contractually agreed energy savings and the financial consequences in the case that these targets are not met, must be outlined.

Additionally, it needs to be clarified whether the contract addresses the right to override the agreement in certain situations and define what happens if the ESCO fails or goes bankrupt. You should be aware of these risks and, ideally, have precautionary measures in place, such as guarantees or alternative solutions, to protect the project and its investors.

However, EPC financing requires a thorough legal and contractual framework to protect both parties, which is why it's critical to examine the various legal, regulatory, and risk factors that have been mentioned previously, before proceeding.

3 The Project Finance Readiness Tool

The PROSPECT+ team developed the Project Finance Readiness tool to help users to assess the financial maturity of their planned sustainable energy projects. The tool is a self-assessment of the finance readiness of their projects to seek funding for its implementation. The tool further provides orientation for its users on the elements needed to provide potential financiers with a high-quality proposal. The tool includes several questions and criteria that align with the concepts presented in this handbook and consolidates them into one document – providing further guidance on how to present project proposals to financiers.

The Project Finance Readiness Tool serves as an instrument developed for the sustainable energy development project sector to give users an understanding of the extent to which their intended project meets the planning requirements in order to increase their chances of obtaining financing and investment.

The tool can be used anonymously for the most part; contact details can be provided for the purpose of resuming previously started project analyses. Projects in the sustainable energy sector can be extremely diverse and vary greatly in nature and type. However, the Project Finance Readiness Tool determines the financial viability status of each project in the same way; questions and evaluation principles are not customizable - precisely because of the great diversity of projects. In this way, however, the tool can create reference values and users can draw very good comparisons for several of their projects.

The tool collects information for the following categories enabling qualified conclusions to be drawn and recommendations to be made:

- **General Info & Background**

Within this first section, users are made aware of the relevant information that needs to be provided to successfully produce an analysis result. This includes e.g. contact information, letters of support, as well as the availability of management structure and organization charts.

- **Fiduciary Information**

Information on fiduciary matters is a relevant premise for assessing financial viability. This primarily involves information on past budget planning, revenues, potential conflicts of interest and financial resources.

- **Scope of Proposal**

The scope and description of the project should create a meaningful picture with the additional information provided. For this reason, it is important to feed the tool in this chapter with information on the availability of data on energy consumption, the effects of energy savings or renewable energy production, carbon savings and investment costs. At this point, the tool also requests the availability of information on revenue channels, capital flows, operating expenses, profitability and risk analyses.

- **Project Management**

To be able to determine to what extent the management of the planned project has already reached a robust and sufficient point for the possible financial support of the project,

information on the preparation status of the project implementation, authorized subjects for decision-making and project roadmaps are requested in this segment.

- **Promoters & Stakeholders**

Structures on the framework conditions of the promoters and stakeholders involved in the project are highly relevant information for potential investors and funding providers. The availability of such information is therefore an essential condition for the successful acquisition of funding and the cooperation of potential investors. This section includes questions on the stakeholders involved and their participatory role within the project, ownership structures, risk profiles, project approvals for the planned projects and possible external experts.

- **Legal & Regulatory Analysis**

Legal issues can pose major and unforeseen risks for any project. Consequently, it is extremely important that legal and regulatory contingencies are researched, identified, classified and, if necessary, minimized and eliminated at an early stage. Above all, this includes assessing legal provisions and requirements, as well as laws and environmental standards. These aspects should have been taken into account in order to successfully analyze this subsection.

- **Additional Information for EPC Financing**

Note: The information in this section is only required if you are planning to use Energy Performance Contracting (EPC) as an intended financing option. Otherwise, this section will not be displayed. If this is the case, you will be asked to provide information on the processing status of the EPC planning. This includes the basic legitimization of the state for EPC approval, the identification of possible Energy Service Companies (ESCOs), suitable business models, agreed energy savings and the impact of possible risks.

Project Finance Readiness Summary

The results of the analysis data can be interpreted as follows: Your result is clearly displayed in a color scale. In addition, there is a scoring system below the color scale that corresponds to the score indication of your result. Generally speaking, the more the slider tends towards the red margin of the color scale and the zero value of the point scale, the more improvable the financial preparation and completeness of your sustainable energy project. However, the more the slider tends towards the green margin of the color scale and the 100-point score on the rating scale, the closer you are to optimal financial readiness and sufficient preparation for raising funds from potential investors.

In addition, each section processed is given individual feedback and a general feedback for the overall status. For the individual sections, there is a percentage indication of the extent to which the necessary information is provided and appropriate. This makes it possible to identify precisely in which fields there is still room for improvement.

By simply selecting “Download”, the results can be retrieved as a PDF file for further consultation.

Stakeholder Analysis Template

	State	Private sector	Civil society	Role in the project	Potential risks
Key	I.e. Ministries and agencies	I.e. Associations of energy efficiency, railroads, etc.			
Primary	I.e. National organisations and research institutions	I.e. Banks (all private & development banks)	I.e. NGOs mainly environmental (e.g. WWF, Greenpeace etc.)		
Secondary	I.e. State Universities	I.e. Private Universities, Colleges and other research institutes			

Project Finance Readiness Questions

Ask yourself the following questions during project proposal writing:

Political:

1. Who is responsible for authorising the proposed project? If more than one, has your project been approved by all parties?
2. Can your municipality borrow money directly without going through other government bodies? If approval is required, what is the process?
3. Is there a track record for success of public projects in your municipality? If yes, record some examples.
4. Is your municipality creditworthy?
5. Are there other political factors that might affect your project?

Regulatory:

6. What regulations and policies exist that can help to develop your project?
7. Are there departments within your municipality that typically issue approval for public or private projects or programmes?
8. Are there regulations in place to protect your project/programme's investors?
9. How will my project/programme be reviewed?
10. What other regulatory factors might influence your project/programme?

Legal:

11. What laws might affect your project?
12. Are there any laws regarding public-private partnerships in your region?
13. What legal frameworks can impact your project or programme?
14. What are the relevant environmental or engineering standards that you need to note for your project?
15. Is there a legal structure that affects your project/programme investors or protects them from bankruptcy?
16. Are there insolvency laws in place?
17. What resolution systems can you use when there are disputes regarding your project/programme?
18. Are there limitations on freedom of your contract with your potential financing scheme?
19. Does your contracting authority have the right to override your contract?

Financial:

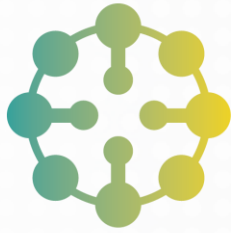
20. Has your municipality had steady financial revenues over the last three to five years?
21. What revenue streams are anticipated for your project/programme?
22. Has your municipality conducted any financial modelling analyses for the proposed project? If so, what are the results?
23. How has your municipality financed projects and programmes in the past?
24. What factors could influence the revenue streams of your project/programme?

Technical:

25. What analyses have already been carried out in relation to the project/programme?
26. What in-house technical expertise is available to you?
27. What outside technical experts might need to be involved in the implementation of your project/programme?

Procurement:

28. What is the bidding and procurement procedure that needs to be followed in your authority?
29. Do local procurement processes conflict with state, national or EU level policies? If so, which will be followed for your project/programme?



PROSPECT+



FEDARENE



ENERGYCITIES



h2020prospect.eu



The PROSPECT+ project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 101023271