To achieve the global goals on energy in LDCs, it will be essential to act fast in creating enabling environments for private sector investment and to promote attractive project pipelines. This will require well-functioning institutions and policy and regulatory reforms to help build credibility with investors and effectively scale-up private investment and leverage public resources for country-level implementation. Also governments and power utilities can focus on improving the governance and management of their energy sector to enhance its creditworthiness.

One of the main constrains in accessing the funds include weak project preparation, implementation and monitoring capacities and lack of financing models that encourage blending of investments and thus, attract more private sector funds. Financial and human resources needed for project preparation, implementation and monitoring are considerable. A full range of elements are required to develop a sustainable business model, which takes into account ownership structure, communities, understanding requirements for funding, capacity, technology, financial models, environmental and market analysis, etc. Many LDC project developers find that having the technical capacity and/or connections is not sufficient to develop a bankable, financially viable project and the shortage of funds to undertake this critical preparation work further hampers the creation of bankable project concepts in LDCs.

Therefore LDC energy investment plans should be tailored to take into account the challenges and resources available in LDCs. This means that various aspects of project preparation, securing the financing, operational support, maintenance and necessary training for operational and maintenance staff are included in the original business plan.
Key questions to address include:

- What are the critical project preparation, implementation and monitoring skills needed and how these can be best acquired?

- What is the experience of least developed countries with project preparation facilities? What is the most critical part of the project lifecycle where project preparation, implementation and monitoring facilities can assist?

- What are the specific considerations for ensuring economic and financial viability of renewable energy projects?

- What are the criteria used by MDB, regional development banks and other financiers before taking a decision to invest in a sustainable energy project?

- How can the preparation of sound and financially sustainable energy projects be strengthened with technical assistance? What type of technical assistance has proven most effective?