



GORDIAN KNOT STRATEGIES

Trust Us To Unlock Your Impact

OUR TAKE: SMARTER IMPACT SCREENING WITH TRARO

*From 50 Proposals to 5 Investable
Opportunities with Speed and Accuracy*

WHITE PAPER

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The climate finance pipeline is overflowing with projects looking for investment, but the real challenge for investors isn't sourcing deals—it's figuring out which ones are worth the time and resources. With \$8.1 trillion in climate investment in nature-based solutions needed by 2050, the stakes have never been higher for allocating capital to solutions that truly move the needle and deliver lasting impact.

That's where the screening tool Traro[®], developed by Gordian Knot Strategies, makes the difference.

A Repeatable Screening Framework

If you've been following along, you'll remember that in an [earlier](#) Sliced newsletter this month—*Inside the Minds of Impact Investors: Surprising Secrets to Screening Climate Deals*—we pulled back the curtain on how investors actually approach screening. We found that while everyone employs a screening approach, few have an effective and systematic process. Screening often gets squeezed between relationship-building and diligence, creating inefficiencies, wasted time, and missed opportunities.

Traro[®]'s seven pillar filtering framework helps investors quickly identify viable climate projects by assessing problem clarity, solution credibility, stakeholder engagement, team strength, impact measurement, policy alignment, and verified market demand. Together, these seven elements serve as an expedited and consistent model to separate investment-ready climate projects from distractions—turning screening from a “messy middle” into a clear, repeatable deal flow identifying opportunities positioned for both real impact and financial returns.

The Traro[®] Framework in Action

Recently, we worked with an impact investing client who had to evaluate potential investments in a selection of 55 U.S.-based climate projects spanning biomass, timber products, carbon credits and more. The projects seeking investment represented a mix of businesses including early-stage startups, newly established businesses, and companies looking to scale. These 55 applicants were invited to submit their narrative into the online Traro[®] platform, responding to questions for each of the seven key elements in the Traro[®] Archway, which are labeled: Problem, Practices, Participation, Partners, Precision, Policy, and Payors. Applicants have to complete narratives for each element within a specified character limit and are not permitted to upload any attachments. This forces proponents to be absolutely succinct unable to rely on word salads in an attempt to gloss over a question.

At first glance, many of the submitted narratives looked promising with ambitious claims. Yet our client was aware of the risk of “shiny object syndrome”—projects that sparkle up front but collapse under scrutiny. This was the key reason our client wanted the applicants to be assessed using the Traro predictive analytical framework we have developed.

With a maximum Traro score of 60, applicants were sorted into three categories based on the assessment results: those scoring between 50 and 60 were recognized as top performers,

demonstrating optimal potential to deliver both impact and returns; scores between 40 to 50 indicated project opportunities that would benefit from coaching to improve their project designs, and scores below 40 were seen as needing significant improvement before they would be positioned for investments. Those scoring 50+ are typically considered worthy of due diligence with a few to pursuing investment.

Among the 43 applicants who scored below 50 on the Traro[®] screening, approximately 58% failed to clearly define the problem they were attempting to address, 63% presented unproven practices that would be employed to deliver impact, 51% lacked stakeholder participation crucial to the success of the project outcomes, 51% had weak or ill-equipped teams, 47% struggled to describe the precise impact measurement methods they would use, 63% did not show strong policy alignment, and 77% failed to demonstrate they had positioned credible market demand or buyer engagement. These figures reveal common weaknesses that kept many proposals from advancing to the full proposal and subsequent due diligence process.

Traro[®] didn't just screen out weaker projects, it served as a capacity building tool to the field. Each applicant received a Traro[®] Scorecard complete with tailored and implementable feedback to every applicant, helping them improve their design and approach. This guidance gave all applicants a strong foundation to improve project design, which they used to increase the quality of the full proposals they chose to submit.

A game-changing bonus: after receiving their scores and feedback, 43% of applicants (24 out of 55) realized they were not ready and chose not to submit a full RFP, self-selecting themselves out and saving our client and themselves valuable time and resources.

The Outcome: From 55 Proposals to 5 High-Value Opportunities

Applicants who scored highly in Traro[®] consistently rose to the top in the RFP proposal review stage. Again, every applicant received detailed feedback in the Traro phase designed to help them strengthen their final proposals. Applicants applauded the client for taking this innovative step. But, those who chose to ignore this feedback encountered difficulty in advancing through to the finals. Out of a maximum possible RFP score of 215 (with a passing threshold of 143), 14 out of 31 submitted investment proposals made the cut, while 18 fell short of threshold.

This streamlined approach meant the more intensive due diligence and review process was reserved only for the most promising proposals, saving the client weeks of effort and enabling fast and confident decisions. Instead of getting bogged down with “solutions in search of a problem,” or projects with no willing and able payors, impact screening with Traro[®] accelerated the deployment of capital to projects backed by real science, solid stakeholder engagement, and proven market demand. By relying on the Traro[®] predictive analytics solution, our client quickly moved past distractions and focused its due diligence on five truly high-value projects ready for investment

As important as the time saving, Traro[®] also drove significant cost efficiency for the client. In a traditional process, the client would have needed to review all 55 full proposals at approximately 10 hours each if accounting for the internal review, circulation, discussion, and ranking that is typical in the RFP process. This equates to a total of 550 hours and \$137,500 in blended staff time. Leveraging Traro[®], the screening phase took just 55 hours, allowing the RFP review to focus on just the 31 submitted proposal requiring just 310 hours at \$77,500 representing a savings of \$60,000 (does not account for subscription use of the Traro[®] software platform).

The lesson is simple: the challenge isn't pipeline scarcity—it's pipeline clarity. And that requires better screening!

Learn More and Take Action

For a deeper dive, download our free guide: [Smarter Climate Investing: 7 Strategic Filters Before Your First Impact Dollar](#).

And don't miss our upcoming free webinar on October 2nd, where we'll share proven best practices for applying these screening strategies directly to your impact investment process. Spots are limited so reserve your spot [here](#)!



ABOUT

Gordian Knot Strategies is an expert climate finance consultancy firm. Drawing on two decades of experience, our clients rely on us to devise high impact solutions that are innovative and implementable.

Over 80% of the impact investors, corporations, and developers that we serve are repeat clients. They trust us to provide clarity as they mobilize and deploy capital in a complex and rapidly evolving market.

With our proprietary frameworks and deep industry knowledge, our clients are equipped to unlock and optimize environmental impact and returns. Trust us to unlock your impact!

CONTACT

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