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Webinar II Submission of Project Concepts

Mitigation Action Facility
17 May 2023

Welcome to this Webinar

Thank you for your interest in the Call for Projects in 2023 of the Mitigation Action Facility!

Goals for today:



Recap: What is the Mitigation Action Facility?



Recap: Project cycle



How to submit a (successful) Project Concept



Answer your questions and point to useful resources

The Mitigation Action Facility Webinar Team









Before We Start...

Take a minute to answer a few questions in a poll

Structure of the Webinar

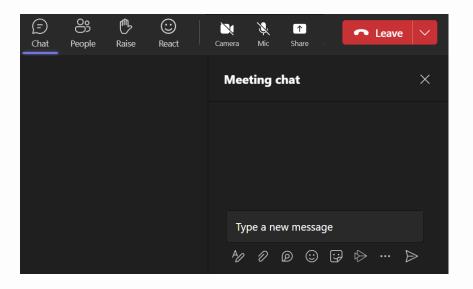
- 1. Technical overview
- 2. What is the Mitigation Action Facility
- 3. Project cycle Call for Projects 2023
- 4. Project Concept submission step-by-step
- 5. FAQs and Q&A

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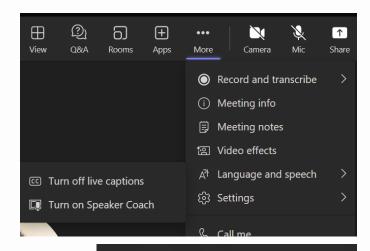
Technical Overview

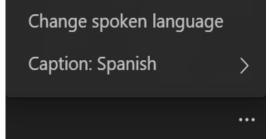
- Welcome to a Microsoft Teams event!
- Control panel in the top right corner of your screen:
 - 1. You are muted automatically
 - 2. Submit your questions in the chat



Technical Overview - Subtitles

- Control panel in the top right corner of your screen:
 - 1. Click on 'More'
 - 2. Click on 'Language and speech' --> 'Turn on live captions'
 - 3. On the right side, click on the three dots ('...') to change caption language





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Challenge

To keep 1.5° goal in reach, emissions need to be halved by 2030. To avoid the worst impacts of climate change, at least USD 4.3 trillion is needed annually by 2030. Only 16% of needed climate finance is currently being provided.

Mission

Accelerate decarbonisation to keep temperature rises to below 1.5° by financing measures that shift priority sectors in partner countries towards a sustainable carbon-neutral pathway.

Value Proposition

An agile, high-impact and country-driven fund, the Mitigation Action Facility supports scaleable, replicable sector-wide solutions incl. pilots that enable Official Development Assistance (ODA)-eligible partner countries to meet their climate goals.



Multi-Donor fund by







Denmark





Children's Investment Fund Foundation (CIFF)

Created in: 2012

Rebranded in: 2023

Total funding volume: EUR 668m

Calls for Projects: 10 Calls (incl. Call for

Projects 2023)

Current portfolio: 47 projects

33 countries

Across sectors: transport, energy,

industry, cross-sectoral



- Up to EUR 100 m for Call for Projects 2023 announced at COP27 to accelerate decarbonisation in priority sectors
- Energy, transport and industry contribute 67% of annual global emissions
- Cross-sectoral projects linked to priority sectors are also supported



Renewable energy supply, integration and storage, energy efficiency



Land transport, shipping, aviation, emobility, charging



Heavy and light industry, production processes, product use



Why apply for funding?

	No debt burden	100% of funding is grant-based
	Open to all	Open to all ODA-eligible countries & no accreditation requirement for Applicants
	National ownership	Projects are country-driven & linked to NDCs, national development strategies & plans
	Project support	Extensive advice at all phases of project cycle including provision of funding support for detailed proposal development
	Technical assistance & financial support	Up to EUR 25 m available per project for technical assistance and financial cooperation to support ambitious mitigation projects
	Flexibility	Meeting needs of individual projects, acknowledging dynamic country/sector contexts & socio-political & economic uncertainties
	Networking potential	Frequent exchanges on cross-cutting topics (e.g. financial mechanisms, monitoring, gender) between projects

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Sign up for our <u>newsletter</u> to receive updates on the Call for Projects 2023 Webinar Series. Visit this <u>event page!</u>

Up to **EUR 100 million** available for Call for Projects 2023 to support ambitious mitigation projects via technical assistance and financial mechanisms

Project characteristics (see chapter 4.1 of the General Information Document):

- 1) In one of the three priority sectors or crosssectoral linked to one of the priority sectors;
- 2) Country-driven and embedded in national development strategies;
- 3) Alignment with NDC Partnership Plans;
- 4) Combine technical assistance with financial mechanisms
- 5) Used to leverage additional public and/or private capital investment;
- 6) Funding must qualify as Official Development Assistance (ODA);
- 7) Implementation ready; and
- 8) Apply intersectional understanding of gender and social inclusion

Eligibility and selection criteria for the Project Concept Phase: More information can be found in chapter 5.1 of the General Information Document



- Simplification of the application process
- More accessibility in terms of eligibility requirements for the Applicants at the Project Concept Phase and a possibility to address eligibility-related shortcomings during the Outline Phase upon selection
- Participation of a wider range of potential Applicants and partners
- Wider range of ideas to drive ambitious climate action

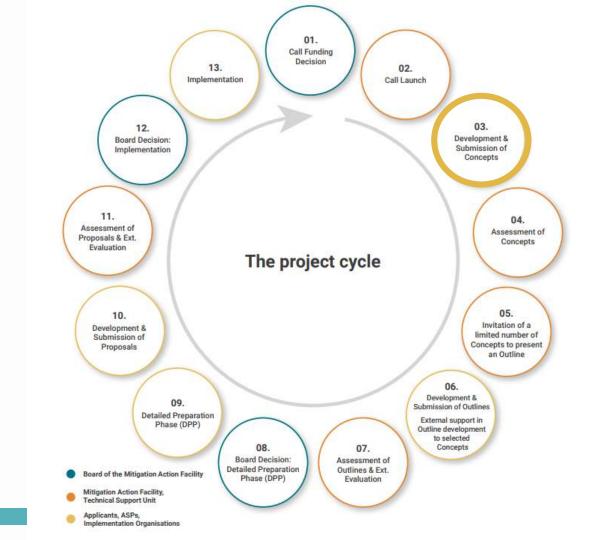




Up to 25 Project Concepts selected to enter the Outline Phase will be invited to submit Project Outlines supplemented by a number of Annexes.

A limited number of promising Project Concepts (out of the 25 selected for the Outline Phase) submitted by Applicants that have limited previous experience with the Mitigation Action Facility (i.e. its predecessor, the NAMA Facility) will be able to receive tailored support in the Outline development.

More information can be found in the General information Document -Call for Projects 2023





LAUNCH OF THE CALL:

Mitigation Action Facility side event at the Global NDC Conference (2 June 2023, time tba)

PROJECT CONCEPT PHASE (MANDATORY):

2 June - 31 July 2023

ASSESSMENT AND SELECTION OF PROJECT CONCEPTS:

August-September 2023

PROJECT OUTLINE PHASE:

1 October - 31 December 2023

ASSESSMENT AND SELECTION OF PROJECT OUTLINES:

January-March 2024



The number of Project Concepts to be submitted per Applicant is limited to 10 Project Concepts!

- All regional structures (subsidiaries) of an individual Applicant, e.g. an international NGO or a bilateral development agency, are counted as one and same Applicant
- The cap is time-based, i.e. only the first 10 Project Concepts received from an Applicant by the time of submission will be considered

Coordination between regional & global structures, ability to set priorities and pre-select the most promising Concepts will be required from Applicants



Mitigation Action Facility introduced a **Gender Vision** with the objective to advance gender equality and social inclusion in climate action, and beyond:

- Projects are expected to not only acknowledge the problems of gender discrimination and / or social exclusion but to address them through concrete activities and measures
- The level of detail progresses from the submission of a Project Concept up until the submission of a Project Proposal (upon selection)

Project Concept: identification of opportunities to promote gender equality and social inclusion

Project Outline: consideration of the topics of gender equality and social inclusion as part of the project rationale

Project Proposal: (1) gender equality and social inclusion as part of risk analysis; (2) TA to include measures to support gender equality and social inclusion

Section 4.1 (GID)

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Section 1 – General Information, sub-sections 1.1-1.6

- All fields are mandatory to be filled out!
- Sub-section 1.5 Applicant put information about your organisation as an Applicant (any organisation can serve as an Applicant at the Project Concept Phase)
- Sub-section 1.6 Main Project Partners put at least one and at maximum five main partners (e.g. a commercial company, financial institution, NGO, etc.)

	Project title			
1.1 Project Data	Country of implementation			
	Sector focus (if you apply with a cross-sector project, please indicate the priority sector your cross-sector project is linked to)	☐ Industry ☐ Transport ☐ Energy		
	Envisioned total funding volume from the Mitigation Action Facility (EUR 5- 25 million)	EUR XX million		
	Envisioned duration of the project implementation (36-66 months)	XX months		
1.2 What is the	Please describe what the project wants	to do in a single sentence.		
project about?		II at least 50MW of roof-top PV systems in low-income e energy applications in the housing sector.)		
In one sentence				
1.3 What will have changed at the end of the project? In one sentence	Please describe what will have changed through the project at the end of its implementation. (e.g. Prices for small PV systems in country X have decreased through wide availability and enhanced compatition on the PV merket resulting in the affordability of small PV systems for certain law-income household segments without further support, while the government has expanded the coverage of the support programme to include additional RE applications and additional target groups.)			
1.4 National Ministry /-ies	Name of responsible national line Ministry	Please indicate the name of the national ministry responsible for the sector of the proposed project.		
/-les	Department			
	Have any consultations with regard to the project idea been held with the Ministry? [*25 words]	Yes / No If "yes", indicate what kind of consultations have taken place.		
	Name of the national Ministry responsible for issues of environment and climate change	Please indicate the name of the national ministry responsible for climate change mitigation (incl. coordination of the UNFCCC process).		
. 9	Department			
	Have any consultations with regard to the project idea been held with the Ministry? [~25 words]	Yes / No If "yes", indicate what kind of consultations have taken place.		
	Name of institution	Please indicate the name of the entity.		
1.5 Applicant	Type of institution	International, National, Local		
	Legal form	An NGO, a UN organisation, a Micro Finance Institution (MFJ) / Multilateral Development Bank (MDB), a bilateral cooperation agency, a governmental entity or a commercial entity		
	Number of staff	1-20; 21-50; 51-100; more than 100		
	Website link			
	Role in the project	Please specify the role in the project preparation and if applicable project implementation.		
1.6 Main project	Name of organisation 1	Please name project partner (governmental or non- governmental).		
partners	Type of organisation 1	International, National, Sub-national		



Section 2 – Project Concept, sub-sections 2.1-2.7

- Try to respond in as much detail as possible to the guiding questions
- Keep in mind that good barrier anaylsis is key for developing a robust Project Concept
- In addition to the technical side (i.e. technology, financial mechanism, number of units, etc.) also consider and describe properly the "soft" elements – target group considering behavioral issues and opportunities for promoting gender equality and social inclusion
- To justify the proposed financial mechanism, some background calculations will be required – this will also strengthen your narrative on a business model
- Don't forget to analyse and list initiatives, projects and programmes that are implemented in the (sub-)sector in the country already

2 Project Concept					
2.1 Starting situation [~ 200 words]	Please briefly outline the starting situation.				
2.2 Barrier analysis	Please describe what is blocking the situation from changing.				
[~ 300 words]	List and describe - in the order of importance - the key barriers, which are preventing a transformation of GHG emission trends in the (sub-)sector(s) targeted by the project. The barriers should cover the following areas at minimum: economic, financial, technical, regulatory, behavioural/cultural, structural barriers.				
2.3 Project rationale	 Objectives of the project [150 words]: Outline the project's objectives (impact(s) and outcome(s)). What will be different at the end of the project? 				
[~ 500 words]	Scope of the project [250 words]: Define the project's intended scope. Which share of the (sub-)sector the project intends to target? How does this relate to the overall GHG emission reduction potential in the (sub-)sector? How would the intended scope induce a change towards sustainable carbon-neutral development in the (sub)-sector in the country?				
	Target group(s) [100 words]: Define the target group (e.g. public actors such as municipal authorities, employees of governmental institutions etc.; private sector, incl. informal sector, households, etc.). Indicate estimated numbers of people/households targeted by the project Consider specifically the situation of the informal sector as well as opportunities / challenges for promoting gender equality				
	 What will have changed for the target group(s) as a result of the project? If you're targeting a piloting modality according to chapter 6 of the General Information Document (GID) please explain what the pilot stage of the project will entail and what scope it will have. 				
2.4 Proposed	Describe the technologies/practices to be supported.				
technologies/ practices	 What are the technical features (e.g. capacities, size) of the proposed technology / practice? Is the proposed technology / practice available on the national market? If you are piloting a novel technology, please clearly state that and explain the technology. 				
[~ 400 words]	 Please explain why the technology / practice is suitable to achieve the desired GHG emissions mitigation effect, e.g. in comparison to the business-as-usual as well as alternative technologies / practices. 				
	 Are there any experiences and pilots with regard to the proposed technology / practice in the country where the project is to be implemented? If so, describe briefly these experiences 				

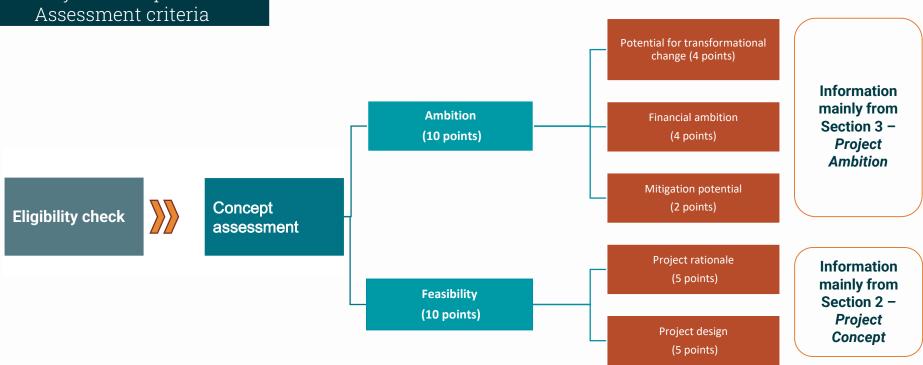


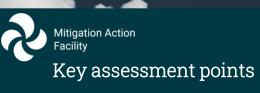
Section 3 – Project Ambition, sub-sections 3.1-3.3

- Try to respond in as much detail as possible to the guiding questions but also be precise and conservative
- Estimate your financial ambition based on (1) volume of funds foreseen for the financial mechanism; (2) type of financial instruments and their respective potential for mobilising finance
- Estimate the mitigation potential based on <u>actual</u> units that will be installed through the financial mechanism during the duration of the project!

3 Project Ambiti	on it
3.1 Potential for transformational change	Transformational Change has the following definition at the Mitigation Action Facility: "Catalyti change in systems and behaviours resulting from disruptive climate actions that enable actors to shift to carbon-neutral pathways".
[~ 500 words]	Please describe the potential for transformational change with regard to the following categories:
	Demonstration effect - How will the project ensure systemic dissemination of key lessons and results to promote long-term stakeholder buy-in?
	Catalytic effect and systemic change
	- How will this project achieve a catalytic effect?
	 How will this project promote systemic change in terms of promoting new market behaviour and economic incentives, catalysing a shift in values, and securing long-term political support? What developments/regulations does the project trigger in order to accelerate or initiate sector development towards a carbon-neutral pathway?
	Replicability/scalability
	 Does the project envisage and enable a scaling up on national/regional level or a replication in other sectors/countries? How will the project achieve this?
	 Is the project's technology/practice relevant and applicable to other contexts? How will the project support this transfer?
	 Sustainability - How does the project significantly and permanently reverse the flow of funds in the country/sector (public budget, private investments) towards a carbon-neutral pathway?
3.2 Financial ambition	Please provide a description of the financial ambition of the project, specifically for each of the following categories:
[~ 100 words]	Public sector (incl. potential in-kind contributions): EUR XXX million Private sector: EUR XXX million Other donors: EUR XXX million
3.3 Mitigation potential	What is the envisioned GHG mitigation potential in <u>tCOse</u> (rough conservative estimate, a range or values "from XXX tCOse to XXX tCOse" is acceptable) of the project over the implementation period









Mitigation potential

Realistic, clear and wellsubstantiated calculations for direct and indirect emission reductions

Financial mechanism

Well-defined institutional set-up, clear rationale for the proposed mechanism, coherent phase-out concept

Technical and economic viability

Inclusion of the technological rationale, appropriate business model

Barrier analysis

Proper analysis
of the targeted sector- or
country-context as well as that
of the project



Cross-sectoral projects

- (1) Combination of two priority sectors
- (2) Combination of a priority sector with a non-priority sector
- Examples of non-priority sectors: waste and wastewater treatment; agriculture, forestry and other land use (AFOLU); urban planning; etc.
- Link to one of the priority sectors is mandatory, e.g. production of energy blocks and/or pellets from forest residues or invasive species; urban planning with a focus on net-zero public transport; energy generation from waste in alignment with the 3Rs concept
- Projects targeting food processing as well as agricultural projects focusing on the
 entire value chain can be considered in the Call if the interventions also include an
 energy-related component (EE, self-supply RE, etc.) and/or further optimisation of
 resource use and industrial processes that directly lead to emission reductions. <u>Please</u>
 note that such an intervention must be aligned with and ideally prioritised in NDCs



Innovative technologies suitable for a piloting modality

- Generally, technologies with a technology readiness level (TRL) 5 and 6
- TRL 5 "small prototype"; technology validated in relevant environment (industrially relevant environment in the case of key enabling technologies)
- TRL 6 "full prototype at scale"; technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)
- Examples: Thermo-acoustic heat pump (buildings, TRL 6); hydrogen-/ ammonia-fuelled engine (shipping, TRL 4-5); improved ore refining methods (iron & steel, TRL 4-6)
- For further examples, Applicants can consult IEA's <u>ETP Clean Energy</u> <u>Technology Guide</u>

Mitigation Action Facility Project Concept — Eligibility criteria

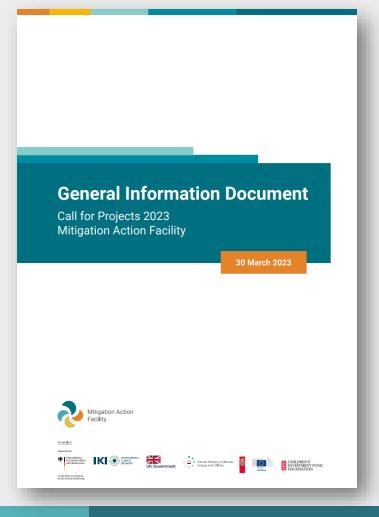
- Timely submission by 3 pm CEST on 31 July 2023
- Focus on one of the three priority sectors energy, industry or transport; or a cross-sectoral project linked to one of the priority sectors
- Completeness of information (all mandatory fields in OAP are filled out)
- Information provided in English
- ODA-eligibility of the country according to the OECD DAC-list
- Funding volume requested from the Mitigation Action Facility for project implementation: EUR 5-25 million excluding DPP funding
- Envisaged implementation duration of 3 5 ½ years



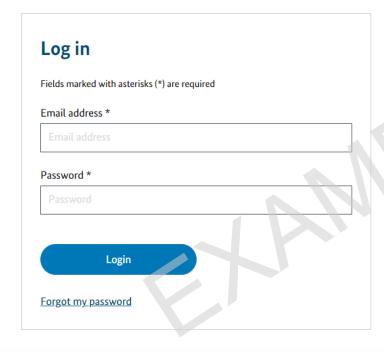
Available in: Coming by mid-June:

English

- Spanish
- French



Mitigation Action Facility Open Application Platform (OAP)



Create an account

To be able to submit applications, you need a user account.

By registering, you accept the privacy policy.

Create an account

- Registration needed
- Save & edit later feasible
- Free text, radio buttons (e.g. type of institution; legal form; number of staff, etc.), date picker, automatic validation
- Export submission to Word or pdf
- Dashboard for applicants





Webpage of the Call for Projects 2023



Webinar I (26 April 2023) - recording, slide deck and FAQs



Factsheet on Financial Mechanisms under the Mitigation Action Facility



Factsheet on Transformational Change



Contract Templates for Detailed Preparation Phase (DPP)



Paper "Driving Sectoral Decarbonisation"



Mitigation Action Facility's Gender Vision



Mitigation Guidelines at the Project Concept Phase (coming in June)

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FAQs

FAQ (1)

Q1: If an Applicant submits a Project Concept without securing other partners, is there a process to connect the Applicant to relevant ministries and / or partner financial institutions?

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A: All Applicants are encouraged to present their ideas during the Project Concept Phase even when future Project Partners are not entirely defined. If the Project Concept is selected to progress to the next assessment phases (i.e. the Outline Phase and ultimately, the Proposal Phase), the Technical Support Unit (TSU, the Mitigation Action Facility secretariat) will assist the Applicant to ensure that a suitable consortium is identified.

FAQ (2)

Q2: Is there a minimum and maximum number of projects that can be funded by a priority sector?

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A: The Mitigation Action Facility does not earmark the funding available in the Call by sector.

FAQ (3)

Q3: Are cross-border and /or regional projects eligible for funding in the Call for Projects 2023?

FAQ (3)

Q3: Are cross-border and /or regional projects eligible for funding in the Call for Projects 2023?

A: Projects in the cross-border and regional contexts are eligible. Please note that if the Project Concept in a cross-border / regional context is selected for the Project Outline Phase, the political commitment, readiness, implementation structure, etc. for all countries involved will be assessed at the Project Outline Phase. Endorsement letters from national ministries of all involved countries will also be required at this stage. In addition, such cross-border or regional approaches would need to demonstrate a common "raison d'être"; for instance, several small island states of a region could join forces within one project in order to achieve a reasonable project size and scaling effects. However, it would be difficult to make a case for the common raison d'être simply because an organisation is active in three or four countries across a continent.

FAQ (4)

Q4: Can a project be developed by a partnership between public and non-public institutions?

FAQ (4)

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A: Yes. As indicated in the GID (chapter 3.4) Applicants / Applicant Support Partners (ASPs) can form a partnership to prepare and submit a Project Concept. In this case, profiles, roles and responsibilities of partners must be well-defined and clearly described in the Project Outline at the latest. Since both public and non-public institutions can serve as Applicants and/or ASPs, Project Concepts / Outlines can be submitted jointly by a public and non-public institution.

FAQ (5)

Q5: What type of organisation can submit a Project Concept?

FAQ (5)

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A: Project Concepts can be submitted by all types of organisations. In case a Project Concept is selected for the Outline Phase, the Technical Support Unit (TSU) will assist individual Applicants and/or ASPs shall there be a need in identifying additional partners (e.g. to form a partnership in case of insufficient individual capacities or for a national ministry to define an ASP).

FAQ (6)

Q6: Will the Call for Projects 2023 of the Mitigation Action Facility consider projects that integrate revenues from the sale of carbon credits with the grant funding provided by the Facility?

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A: At this time, the Mitigation Action Facility is in the process of refining its position on collaborating with carbon markets. To better understand the level of interest from potential Applicants in combining the Facility's funding with carbon credit revenues, we are using the Project Concept Phase as an opportunity to explore the various approaches that are available. As such, we are welcoming all project ideas, including those that engage with carbon markets, during the Project Concept Phase. At this stage, Applicants are invited to present their ideas without limitations as the Mitigation Action Facility looks forward to seeing what innovative concepts may emerge.

Q&A



Contact the TSU at contact@mitigation-action.org

Subscribe to the newsletter under www.mitigation-action.org/newsletter/

- Webinar recording on our website in the next few days, presentation already online
- Update of FAQs based on questions received during webinar II by the end of May
- Call launch on 2 June 2023 stay tuned for further news and website updates!
- One additional webinar during the Project Concept Phase on 19 July
- Publication of Clarification Notes
 - Clarification Notes #1 12 June 2023 (for all questions received until 4 June, 23:59 CEST)
 - Clarification Notes #2 3 July 2023 (for questions received from 5 June until 25 June, 23:59 CEST)
 - Clarification Notes #3 24 July 2023 (for questions received from 26 June until 16 July, 23:59 CEST)
- Mitigation Action Facility website: <u>dedicated page for the Call for Projects 2023</u>

Please remember that the deadline for submitting Project Concept under the Call for Projects 2023 is 31 July 2023, 3pm (CEST)

We value your feedback...

- Take a minute to take a survey and answer a few questions
- For that, follow the link published in chat, or insert the following URL in the browser's address panel:

https://forms.office.com/e/igV0g03ehN





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on the basis of a decision by the German Bundestag

Thank you!

