

## Frequently Asked Questions (FAQs)

### Concept Phase of the Call for Projects 2024

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## 1 General issues

### FAQ 1. What is the best way to be kept up to date about the upcoming Call for Projects and the Mitigation Action Facility?

Please check our [website](#) for information on the [current Call](#) and [news](#) about the Mitigation Action Facility. We would also encourage you to [subscribe to our newsletter](#) to receive automatic news and updates about the Mitigation Action Facility and its Calls for Projects.

### FAQ 2. Does the Mitigation Action Facility require a matching grant?

No, projects do not need a matching grant to apply to the Mitigation Action Facility. Nevertheless, projects should demonstrate that they can leverage additional private and / or public financing with the funding provided. There is no minimum threshold for the private and public leverage. It is important to demonstrate how the mitigation technology or practice proposed in the project will be financed and showcase that the project will create favourable market conditions for further uptake and upscaling of the mitigation technology or practice.

### FAQ 3. What is the minimum and maximum funding volume per project under the Call for Projects 2024?

Funding volume requested from the Mitigation Action Facility for implementation should be in the range of EUR 5-25 million, excluding funding for the Detailed Preparation Phase (DPP). Additional information can be found in the [General Information Document \(GID\)](#).

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<sup>1</sup> For Glossary, please check the [General Information Document \(GID\)](#), Annex 2 or the [website of the Mitigation action Facility](#)

**FAQ 4. 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?**

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 5. What is the average funding volume per project across all Calls for Projects of the Mitigation Action Facility?**

Please check the [website of the Mitigation Action Facility](#) to learn more about the individual projects in the portfolio and their respective funding volume.

**FAQ 6. Is there a minimum and maximum number of projects that can be funded by priority sector?**

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

**FAQ 7. How many projects do you expect to fund under the Call for Projects 2024?**

The limitation is the total funding available (up to EUR 100 million), not the number of projects to be funded. Applicants may apply for a funding volume between EUR 5-25 million for the duration of the project (Implementation Phase).

**FAQ 8. Must the implementing team be able to speak English/German?**

The project team should be able to demonstrate the skills needed to deliver the project. This includes being able to report to and hold meetings with the Technical Support Unit (TSU) in English and understand any communications circulated by the Mitigation Action Facility in English. Where relevant, and in cases where not all members of project teams speak English, it may be necessary or preferential to include budget for translation.

**FAQ 9. What is ODA?**

ODA is an abbreviation for Official Development Assistance. This assistance has been allocated under Section 1 of the International Development Act 2002. ODA contributes to a reduction in poverty and aims to further sustainable development or improve the welfare of relevant countries.

According to the OECD, Official Development Assistance is defined as financial support to eligible countries and to multilateral development institutions which are: 1) Provided by official agencies, including state and local governments, or by their executive agencies; and 2) Is administered with the promotion of the economic development and welfare of developing countries as its main objective. More information about ODA can be found on the [OECD website](#).

**FAQ 10. If a project successfully passes through the Project Concept, Outline and Proposal Phases, could it still fail to be approved for implementation?**

Yes, this is correct. The final decision whether the project will be approved for implementation is taken by the Board of the Mitigation Action Facility based on the assessment of a full-fledged Project Proposal (incl. corresponding Annexes) which is a result of a Detailed Preparation Phase (DPP) having duration of either 10 or 15 months.

**FAQ 11. Will the Call for Projects 2024 of the Mitigation Action Facility consider projects that integrate revenues from the sale of carbon credits with the grant funding provided by the Facility?**

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.

**FAQ 12. Would a project focusing mainly on feasibility studies and/or further project development activities be eligible for support of the Mitigation Action Facility?**

The need to conduct comprehensive feasibility studies at either the Detailed Preparation Phase (DPP) or during the Implementation Phase of the project would raise concerns regarding the readiness of the proposed intervention overall. In DPP, feasibility studies can be supported in limited cases only if specific details still need to be clarified in regard to, e.g. the financial mechanism or the assessment of economic, social and environmental impacts of a project. However, the overall technological and economic feasibility should be analysed already before a Project Concept is proposed to the Mitigation Action Facility.

**FAQ 13. If we resubmit a Project Outline developed for previous Calls, do we need to participate in the Project Concept Phase?**

Yes, the Project Concept Phase is mandatory. If you have a Project Outline ready, you will still need to submit a Project Concept via OAP and wait for the assessment and selection results.

If the Project Concept is selected to proceed into the Project Outline Phase, you will be invited to submit a Project Outline including the required Annexes.

**FAQ 14. If a project is selected for DPP and completes it earlier than within 10 months, would the project be able to submit a Project Proposal earlier and, upon approval for implementation, receive the funding?**

Yes, it is possible to submit a Project Proposal earlier than within 10 months. The Board will take a decision on a rolling basis as it receives Project Proposals and TSU recommendations.

Please note, while the Mitigation Action Facility welcomes projects with a level of readiness high enough to immediately enter the Implementation Phase, per past experience most projects need at least the minimum amount of DPP time to further elaborate the project design and develop a comprehensive Project Proposal.

### **FAQ 15. Can the Mitigation Action Facility provide funding to a project that have a shorter timeframe than 36 months?**

No, in order to be eligible for the funding of the Mitigation Action Facility, projects shall have a duration between 36 and 66 months. For more details on eligibility criteria and project characteristics, refer to chapter 4 of the [General Information Document](#).

### **FAQ 16. What is the definition of the project implementation duration by the Mitigation Action Facility?**

The project implementation duration is a period of time when the project receives financing from the Mitigation Action Facility and follows all associated monitoring and reporting obligations. In this regard, any preparatory activities that occur before the project implementation (such as during DPP) as well as any follow up activities occurring after the project implementation are not counted in and lie outside the project implementation period.

### **FAQ 17. Are there any requirements of the Mitigation Action Facility regarding the mandatory budget shares of the Implementation Organisation and Project Partners?**

Currently, there is no specific regulation of the Mitigation Action Facility with regard to mandatory shares of the project funding that need to be channelled to an Implementation Organisation and/or Project Partners. The distribution of funds shall be guided by the project design and specific country and sector context.

### **FAQ 18. Alignment with NDC Partnership is listed as one of the required project characteristics, what steps can we take to align our technical assistance or financial support with the NDC Partnership?**

The [NDC Partnership](#) supports member countries to develop and/or strengthen national government-owned plans to inform the implementation of the NDCs. Based on the NDCs submitted by countries to the UNFCCC, as well as other relevant government policies and strategies, these plans – often referred to as Partnership Plans, NDC Implementation Plans or NDC Implementation Frameworks – comprise priority cross-cutting and sector-specific actions and estimated costs. They serve as frameworks to coordinate, scale up and track the resources mobilised for NDC implementation, and inform programming priorities of partners that support NDC implementation. The Partnership also supports countries to develop Programmatic approaches to resource mobilisation through NDC Investment Planning. Alignment with these Plans and the Request for Support Letters (RSL) can be evidenced by showing a direct connection between the proposed Mitigation Action Facility project and specific components of the plan (i.e., Outcomes, Outputs, priorities, etc.) or the RSL. Some of the Partnership Plans and NDC Implementation Plans supported by the Partnership are hosted in the Online Partnership Plan Tool (OPPT) and can be accessed [here](#). [01. Country Folders](#) also include the plans that are not on the OPPT.

Additionally, information on the Partnership's engagement with member countries can be found on [01. Country Folders](#) and through engagement with NDC Partnership government Focal Points and [In-country Facilitators](#). The contact at the NDC Partnership Support Unit to connect with the NDC Partnership Focal Point and/or Facilitator is David Levy ([david.levy@ndcpartnership.org](mailto:david.levy@ndcpartnership.org)).

### **FAQ 19. How does the channelling of funds work at the Implementation Phase, e.g. in case of two Implementation Organisations? Is it possible to have sub-contractors and forward some portion of funding?**

If the project is approved for implementation and has two Implementation Organisations, both organisations will receive their respective shares of funding through the Facility Grant Agent (FGA). Their legal obligations will follow the contract concluded with FGA. The Implementation Organisations will then be able to forward some portions of funding to the Project Partners.

In case a consortium is formed (the Mitigation Action Facility does not set an upper limit to the number of organisations in a consortium but recommends keeping the number as small as possible), the roles of all partners must be well defined, and a lead consortium member should be identified to become the contractual partner for FGA. This partner serves as the funding recipient and can forward funds to other consortium partners.

Good to know: All consortium partners will be subject to an eligibility check before the grant contract is concluded. A formalised consortium is not a prerequisite for two eligible entities to co-operate under one project. Details of the project's institutional set up can be finetuned and revised during the Detailed Preparation Phase (DPP).

**FAQ 20. If two ministries are equally responsible for the sector that the project targets, could both ministries be indicated as "line ministries"?**

In the Project Concept, Applicants are required to indicate a line ministry based on the relevant responsibilities and mandate of the ministry in application to the envisioned project activities. If the Project Concept is selected for the Project Outline Phase, endorsement letters should be provided by the line ministry and the ministry responsible for issues of climate change and environment at the minimum. If there are other ministries and/or governmental agencies whose decisions are essential for the project success, these ministries can be indicated in the Project Concept in section 1.6 (for technical details, see CN II-15). With the submission of a Project Outline, the ministries in charge will have to provide endorsement letters.

**FAQ 21. At which point in time, should the Implementation Organisation and/or Project Partners be defined? Can these be changed later?**

A suitable Implementation Organization shall be nominated within the first three months into the DPP at the latest. Key Project Partners shall be indicated already at the Project Concept Phase (even if tentatively). A firmer commitment and higher level of certainty regarding the envisioned Project Partners is expected in the Project Outline. If the project is selected for DPP and further project elaboration showcases the need in changing Project Partners and/or adding new ones - it can be done upon justification.

**FAQ 22. What does financial leverage mean?**

Financial leverage means funds that would not be invested with the same purpose in the absence of the project in question. Thus, the envisioned financial ambition of a project shall indicate funding leveraged from the public, private sector and/or other donors assuming that the project receives the requested funding support from the Mitigation Action Facility.

**FAQ 23. If a project is selected for the Detailed Preparation Phase (DPP) and / or implementation, how will the Mitigation Action Facility funds be disbursed to the respective Applicant / ASP or Implementation Organisation?**

The disbursement of funds is regulated by the Grant Agreement signed between the recipient of funds (i.e. an Applicant / ASP or an Implementation Organisation) and GIZ as the Facility Grant Agent (FGA). An example of a Grant Agreement for DPP is available under [this link](#) (please note that this example is provided for information purposes only). In the example intended for all organisations based outside Germany, the disbursement procedure is described in Chapter 3, sub-chapter 3.2.

**FAQ 24. Based on the definition of a Partner Ministry in the [General Information Document \(GID\)](#), Annex 2, is it correct to assume that a project can have the public sector engagement with sub-national authorities, or does it need to be only with national-level entities?**

As a rule, projects need to be endorsed by national governments (respective endorsement letters shall only be provided with the submission of a Project Outline and not a Project Concept). At the same time, a sub-national authority can be a Project Partner supporting the practical aspects of the project implementation on site. For more information you can browse through [the current portfolio of the Mitigation Action Facility](#) and check individual projects for their respective national and / or sub-national public sector partners.

## 2 Selection criteria

**FAQ 25. Where can we find out more information about the assessment criteria?**

Please review Section 5 (Project Selection Process) of the [GID](#).

**FAQ 26. Since the ambitious enhanced Nationally Determined Contributions (NDCs) will be an assessment criterion, how exactly will NDCs be assessed?**

The assessment of NDCs is anchored with the Ambition criteria. For more information on the assessment of Project Concepts, Outlines and Proposals please review Section 5 (Project Selection Process) of the [GID](#).

**FAQ 27. What is the expectation of the Mitigation Action Facility with regard to the project alignment with NDC? Do the sectors targeted by projects have to be mentioned in the first updated or second NDC?**

The sector(s) that a project engages with should be explicitly included in the partner country's NDC to affirm the alignment of the project with national priorities and ensure that the project supports the implementation of NDC, is aligned with LTS and contributes overall to the UNFCCC process. The Call for Projects 2024 does not feature any eligibility requirements linked to the submission of the first updated or second NDCs by national governments. However, projects should demonstrate a high level of alignment with the plans developed within the framework of the [NDC Partnership \(NDCP\)](#) as far as these exist. For more information on project characteristics see [GID](#), chapter 4.1.

**FAQ 28. Are projects supposed to address the topic of social inclusion to the same extent as gender equality?**

Yes, the projects are expected to apply intersectional analytical framework and propose concrete measures to address the issues identified in regard to both social inclusion and gender equality as applicable within the project boundary and considering the specific sector- and country-context. For more, please refer to [GID](#), chapter 4.1.

**FAQ 29. Does investment from end-users (e.g., households) qualify as leveraged private funding?**

Yes, this qualifies as private funding mobilised, if the investment benefitted from the support of the project financed by the Mitigation Action Facility.

**FAQ 30. What is the expectation of the Mitigation Action Facility with regard to the project alignment with NDC? Is there any specific requirement with regard to NDC submission by a national government?**

A project should be explicitly included in the partner country's NDC. This is to affirm the alignment of the project with national priorities, to ensure that the project supports the implementation of the NDC, is aligned with LTS and contributes overall to the UNFCCC process. The Call for Projects 2024 does not feature any eligibility requirements linked to the submission of the first updated or second NDCs by national governments. For more information see [GID](#), chapter 4.1.

**FAQ 31. To which level of detail are the Applicants expected to address the topic of upscaling potential at the Project Concept Phase?**

The Applicants are advised to follow the guiding questions in the Project Concept template in [OAP](#) (an example of the Project Concept template can be found [here](#)). Specifically, the topic of upscaling can be anchored with the description of the financial mechanism (e.g. how the market is supposed to operate sustainably after the end of the project), the TA measures (how the proposed measures can lead to long-term behavioural change of the main target group and / or main beneficiaries) and the project's potential for transformational change (e.g. activities and / or expected and justified spill over effects leading to further replication and upscaling of the project approach).

**FAQ 32. If there is no public funding contribution to the project, but public commitment through policy interventions, reforms, tax incentives, how is this considered?**

Policy commitment is encouraged, and quantifiable tax incentives would be taken into account in the assessment as enablers of transformational change. 'Hard' funding commitments might, depending on the specific country context in question, indicate a higher degree of ownership and sustainability of a project.

**FAQ 33. What are the expectations of the Mitigation Action Facility from the projects with regard to policy support and further technical assistance (TA)?**

The key expectation is that the policy support provided by the project as well as TA overall are linked to and enable investments in carbon-neutral technologies as well as facilitate behavioural change among the key stakeholders / the main target group. Specific interventions under the Technical Cooperation (TC) component are sector- and context-specific and should be tailored to address barriers preventing the dissemination of a mitigation technology and 7 or practice in the specific area (sectoral, technological and geographic) of the project implementation.

**FAQ 34. Are there any restrictions or limitations for the use of funding for technical cooperation?**

No, there are no restrictions with regard to the types of technical support measures. The Mitigation Action Facility expects that the technical assistance is linked to and enables investments in



technologies, capacity development and behavioural change driving carbon-neutral development pathways.

### 3 Eligibility of countries

#### FAQ 35. Where can projects be funded?

To apply to the Mitigation Action Facility, projects must be implemented in Official Development Assistance (ODA)-eligible countries. More information about ODA can be found on the [OECD website](#).

#### FAQ 36. Are cross-border and /or regional projects eligible for funding in the Call for Projects 2024?

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 37. Does the Mitigation Action Facility have a preference towards cross-border / regional projects or single country projects?

There is no preference. Both cross-border / regional and single country projects are equally welcome and will be assessed against the same criteria. At the same time, the experience to date has shown that complexity of cross-border / regional projects is rather high which affects the overall feasibility of the project. Feasibility increases when a project focuses on a single rather than several countries at the same time.

#### FAQ 38. Are there any regional and/or geographic priorities in the Call for Projects 2024 of the Mitigation Action Facility?

No, there are no regional and / or geographic preferences as part of the Call for Projects 2024. The Call is open to all ODA-eligible countries.

### 4 Eligibility of Applicants, Applicant Support Partners (ASP)<sup>2</sup> and Implementation Organisations

#### FAQ 40. What type of Applicant / Applicant Support Partner (ASP) can submit a Project Concept?

Project Concepts and, upon selection, Project Outlines can be submitted by the following Applicants:

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<sup>2</sup> For Glossary, please check the [General Information Document \(GID\)](#), Annex 2 or the [website of the Mitigation action Facility](#)



- A national ministry; in that case, a separate legal entity should be identified latest at the Project Outline Phase as the Applicant Support Partner (ASP) for contracting during DPP (not yet required at the Project Concept Phase). The ASP must comply with certain capacity and eligibility criteria to be considered eligible for support.
- Legal entities that comply with certain capacity and eligibility requirements and receive sufficient endorsement by the national government institutions relevant for the potential implementation of the project. The endorsement needs to be demonstrated at the Project Outline Phase in the form of endorsement letters (not yet required at the Project Concept Phase)

All capacity and eligibility requirements of Applicants / ASP are further detailed in chapter 3.4, 5.1.1, 5.2.2 and Annex 3 of the [General Information Document \(GID\)](#).

As government agencies, non-governmental organisations and commercial organisations (national or international) are legal entities, they can serve as Applicant, Applicant Support Partner and, later, an Implementation Organisation. It holds true even if the non-governmental / commercial organisation is located a non-ODA country as long as a proposed project is to be implemented in an ODA-eligible country. It is also possible that the APS is made up of a consortium of legal entities.

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 41. Can a project be developed by a partnership between public and non-public institutions?**

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 42. According to GID, Applicants / ASPs must demonstrate at least 5 years of experience in the respective sector. Does this experience need to have been acquired in the country of implementation?**

Projects which are implemented in the relevant sector but in other countries / regions can be referenced. However, sufficient experience in the country of implementation independent from the sector of intervention is another capacity requirement that Applicants / ASPs need to demonstrate at the Project Outline Phase.

#### **FAQ 43. What type of organisation can submit a Project Concept?**

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 44. Can a government agency submit a Project Concept? Would an endorsement by the national ministry/-ies be required in this case?**

Yes, a government agency is a legal entity and can therefore serve as an Applicant, Applicant Support Partner and an Implementation Organisation. All legal entities have to fulfil certain capacity and eligibility requirements as further detailed in [GID](#), chapters 3.4, 5.1.1, 5.2.2 and Annex 3. If the Concept is selected for the Project Outline Phase, a legal entity will have to demonstrate sufficient endorsement by the national government institutions relevant for the potential implementation of the project.

#### **FAQ 45. Can a non-governmental organisation (NGO) apply?**

Yes, a non-governmental organisation, whether local, national or international, is a legal entity and can therefore serve as an Applicant, Applicant Support Partner and an Implementation Organisation. All legal entities have to fulfil certain capacity and eligibility requirements as further detailed in [GID](#), chapters 3.4, 5.1.1, 5.2.2 and Annex 3. If the Concept is selected for the Project Outline Phase, a legal entity will have to demonstrate sufficient endorsement by the national government institutions relevant for the potential implementation of the project.

#### **FAQ 46. Would a commercial organisation based in the EU be eligible under the Call for Projects 2024, if their application is for a project to be implemented in an ODA-eligible country?**

Yes, a commercial organisation (national or international) is a legal entity and can therefore serve as an Applicant, Applicant Support Partner and an Implementation Organisation. It holds true even if the commercial organisation is located in the EU / other non-ODA country as long as a proposed project is to be implemented in an ODA-eligible country.

All legal entities have to fulfil certain capacity and eligibility requirements as further detailed in [GID](#), chapters 3.4, 5.1.1, 5.2.2 and Annex 3. If the Concept is selected for the Project Outline Phase, a legal entity will have to demonstrate sufficient endorsement by the national government institutions relevant for the potential implementation of the project.

Considering the mandatory public benefit purpose of each project, national and international commercial organisations are encouraged to submit Project Concepts, Outlines and Proposals in a partnership / cooperation with a not-for-profit organisation, e.g. a national NGO, regardless of the possibility to also submit such Project Concepts, Outlines and Proposals on their own. It is also important to keep in mind that any possible funding through the Mitigation Action Facility will be granted following and in accordance with an appropriate legal review, in particular concerning the public-benefit purpose of each project and the non-violation of the EU state-aid law (where it applies).

#### **FAQ 47. Can the Applicant Support Partner (ASP) be different to the Implementation Organisation if the project progresses to the Detailed Preparation Phase (DPP)? How is the Implementation Organisation selected when the project proceeds to DPP?**

The Project Concept and Outline Phases are open to Applicants and ASPs that do not necessarily need to qualify as Implementation Organisations. If the Applicant / ASP for DPP and the intended Implementation Organisation(s) for the Implementation Phase of the project are different entities, the Implementation Organisation(s) must be identified and confirmed within three months of starting the DPP. Implementation Organisations need to fulfil certain capacity and eligibility criteria as stipulated in [GID](#), chapter 3.4 as well as in chapter 5.2.2 and in Annex 3. The Implementation Organisation(s) must be endorsed by the national government to ensure the successful implementation of a project.

#### **FAQ 48. Can a ministry suggest more than one legal entity to become Applicant Support Partner?**

Yes, it is possible that the Applicant Support Partner (ASP) is made up of a consortium of legal entities.

**FAQ 49. Are past or current Mitigation Action / NAMA Facility grantees eligible to apply for funding again?**

Yes, past and current Mitigation Action / NAMA Facility grantees are eligible to apply for funding again. The Call will be run using an open and competitive process. Therefore, there is no guarantee that existing or previous Implementation Organisations will be successful or be allocated new funding. No advantage will be given to existing or previous Implementation Organisations.

**FAQ 50. Do projects need to have a UK / German Partner?**

No, projects do not need to have a UK / German partner. Consortia (partnerships) can be constructed from Applicants / ASPs in any country. However, there is an expectation that either individual Applicants / ASPs or consortia proposed have strong networks and experience in the project implementation country, receive endorsement from the national government and possess necessary expertise in the context of a proposed project. For formal capacity and eligibility requirements to Applicants, ASPs and Implementation Organisations please refer to [GID](#), chapters 3.4, 5.1.1, 5.2.2 and Annex 3.

**FAQ 51. Can an Applicant submitting a Project Concept also potentially serve as an Implementation Organisation?**

Yes, an Applicant can serve as an Implementation Organisation if the Project Concept successfully passes the Project Outline Phase and is selected for a Detailed Preparation Phase (DPP). Please note that an Applicant in this case shall be able to fulfil certain capacity and eligibility criteria applicable to Implementation Organisations (see [GID](#) chapters 3.4, 5.2.2 and Annex 3).

**FAQ 52. The GID defines several capacity requirements that (non-governmental) Applicants, ASPs and Implementation Organisations need to comply with for being eligible to receive funding from the Mitigation Action Facility. How strict is the Facility on the compliance with those requirements, especially the one on implementation experience with a certain number of projects of a similar funding size?**

Applicants, ASPs and Implementation Organisations need to meet all of the capacity criteria included in the respective sections of the [GID](#) for being eligible to receive Mitigation Action Facility funding (GID, section 3.4, 5.1.1, 5.2.2 and Annex 3).

Please note that the capacity requirements for Implementation Organisations are higher than those for Applicants / Applicant Support Partners. The distinction between the two roles was introduced to extend the possibility of participating in the Calls of the Mitigation Action Facility to entities that have the experience and capacity to design projects without necessarily having the mandate, experience or capacity to implement them.

Good to know: Several legal entities can form a consortium of ASPs or Implementation Organisations to combine their expertise and experience to comply with the capacity criteria and to provide the necessary sector expertise for implementation.

**FAQ 53. Is there a specific limit on administration (overhead) costs and if not, how will it be assessed whether the costs proposed by the project are reasonable?**

If an Applicant / ASP requests administration costs that go beyond a certain percentage, the Facility Grant Agent (FGA) uses its internal guidelines to assess the appropriateness of these costs. This is done on a case-by-case basis. As part of the finalisation of the DPP concept that takes place before the conclusion of a funding agreement before the start of DPP, amendments to the budget might be necessary and will be negotiated with the Applicant / ASP.

**FAQ 54. Can a commercial organisation be part of a consortium for a project implementation?**

A commercial organisation (national or international) is a legal entity and can therefore serve as an Applicant, Applicant Support Partner and an Implementation Organisation, or equally be part of a consortium. It holds true even if the commercial organisation is located in the EU / other non-ODA country as long as a proposed project is to be implemented in an ODA-eligible country.

**FAQ 55. Can a commercial organisation serve as a sub-contractor?**

Yes, if a commercial organisation is a designated Project Partner, it can receive a sub-grant which means that some share of funding provided by the Mitigation Action Facility to the Implementation Organisation will be further forwarded to a commercial organisation as a Project Partner. If the commercial organisation is not a Project Partner and is expected to provide services to an Implementation Organisation, a service contract based on public procurement procedures comparable to those applicable to the Facility Grant Agent, should be signed.

**FAQ 56. What is the difference between the Applicant and Implementation Organisation and who is doing what during which phase?**

The Applicant is the institution submitting a Project Concept and, upon selection, a Project Outline to the Mitigation Action Facility. The Applicant (or ASP) will become the contracting partner for DPP and develop the Project Proposal (jointly with the Implementation Organisation) during DPP. The Implementation Organisation will then submit the Project Proposal to the Mitigation Action Facility.

The Implementation Organisation needs to be identified during the first three months of DPP at the latest. The Implementation Organisation will become the contractual partner for the potential Implementation Phase of the project, and it will be responsible for executing the project.

The distinction between the roles of an Applicant / ASP and an Implementation Organisation was introduced to extend the possibility of participating in the Calls of the Mitigation Action Facility to entities that have the experience and capacity to design projects without necessarily having the mandate, experience or capacity to implement them. If the project is approved for implementation, an entity serving as an Applicant / ASP can become a Project Partner, e.g. if it does not have sufficient capacities yet to serve as an Implementation Organisation itself.

**FAQ 57. Can entities based in the European Union serve as Project Partners?**

Yes, entities based in the EU can be Project Partners.

**FAQ 58. Does the Mitigation Action Facility cover administration costs (overheads) that the Applicant, ASP and/or Implementation Organisation will charge during DPP and Implementation Phase?**

Yes, the Mitigation Action Facility can cover administration costs (overheads) of an Applicant / ASP and / or Implementation Organisation for projects selected for DPP and Implementation Phase. Please note that administration costs (overheads) are carefully reviewed with regard to their appropriateness.

**FAQ 59. The General Information Document states that applicants with “limited” previous experience will be able to receive support in the Outline development. What are the eligibility criteria and what type of support is provided?**

All submitted Project Concepts will undergo a desk assessment by the TSU. Based on the assessment and recommendation of the TSU, the Board will select up to 25 Project Concepts to proceed to the Project Outline Phase. The Board will also decide on a limited number of Project Concepts (out of the selected 25) and their respective submitters (Applicants / ASPs) that will receive support in the Outline development.

External experts that will provide support are recruited on the basis of a public tender.

## 5 Eligibility of sectors and technologies

**FAQ 60. Do the sectors targeted by projects have to be mentioned in the first updated or second NDC?**

Yes, projects should target sectors explicitly included in the first updated or second NDC.

**FAQ 61. What is considered as an energy sector project under the Mitigation Action Facility?**

In its approach, the Mitigation Action Facility strives to follow the logic of the [IPCC Common Reporting Framework](#) as well as incorporate recommendations outlined in the [Breakthrough Agenda Report](#).

Thus, the **energy sector** mainly includes projects that aim at GHG emission reductions in the generation of electricity and heat production, including storage solutions for the energy generated from (renewable) sources. Optimisation of energy use through the introduction of energy efficiency measures would also fall within the scope of the sector. The activities may involve both public and private / commercial sectors.

**FAQ 62. What is the scope of a transport project under the Mitigation Action Facility?**

In its approach, the Mitigation Action Facility strives to follow the logic of the [IPCC Common Reporting Framework](#) as well as incorporate recommendations outlined in the [Breakthrough Agenda Report](#).

The **transport sector** covers projects aiming at GHG emission reductions in land, sea and air transport. Land (road) transport includes solutions ranging from the deployment of zero emission vehicles to the development and harmonisation of charging infrastructure as well as interventions along the EV / EV batteries supply chain. Further, expansion of rail network and infrastructure, including public transport, can offer a climate-neutral alternative to individual (road) transport. Sea and air transport also present opportunities for the coordinated deployment of zero emission charging or refuelling infrastructure, e.g. along the major international routes. The mitigation measures can also aim at achieving carbon neutrality in ports / airports.

### **FAQ 63. What does 'industry' encompass as a priority sector of the Mitigation Action Facility?**

In its approach, the Mitigation Action Facility strives to follow the logic of the [IPCC Common Reporting Framework](#) as well as incorporate recommendations outlined in the [Breakthrough Agenda Report](#).

The **industrial sector** would encompass interventions in the heavy (e.g. construction, cement, chemicals, metals) and light industry (e.g. consumer goods, fashion, retail). Interventions such as optimisation of resource use, innovation on industrial processes and product use (IPPU), introduction of near-zero-emission technologies, etc. aiming at GHG emission reductions can target any type of enterprise – small- and medium sized enterprises (SMEs), large companies or even clusters. Projects targeting energy efficiency and / or energy generation in the industrial sector will be considered as cross-sectoral linked to two priority sectors (energy and industry) of the Mitigation Action Facility.

### **FAQ 64. What are examples of cross-sectoral projects that are eligible to take part in the Calls for Projects?**

A biomass to energy project is an example of a cross-sectoral approach linked to one priority sector. Biomass for instance is derived from organic materials such as agricultural or urban waste, trees and plants, which are the (by-)products of other sectors such as waste, agriculture or forestry. Thus, the energy generated from biomass could be used for electricity or heat production, in line with the scope of the priority sector energy.

Cross-sectoral projects could be linked to two of the Mitigation Action Facility priority sectors. For example, a project seeking to promote e-mobility solutions and the development of the necessary (renewable) energy infrastructure to support it.

### **FAQ 65. Could you elaborate more on the eligibility of non-priority sectors?**

For projects in non-priority sectors (e.g. waste and wastewater treatment; agriculture, forestry and other land use (AFOLU); urban planning; etc.) it will be mandatory to demonstrate a link to one of the priority sectors (energy, industry or transport).

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 a further optimisation of resource use and industrial processes that directly lead to emission reductions. Please note that such an intervention must be aligned with and ideally prioritised in NDCs.

### **FAQ 66. Would an AFOLU or waste project be eligible if it is linked to one of the priority sectors of the Mitigation Action Facility?**

As indicated on the [current Call](#) webpage of the Mitigation Action Facility, projects from non-priority sectors that are cross-sectoral and linked to one or more of the priority sectors (energy, transport, industry) are eligible under the Call for Projects 2024.

### **FAQ 67. Would climate adaptation projects be eligible to receive funding from the Mitigation Action Facility or should the projects primarily focus on mitigation?**



The focus of projects should be on mitigation, not adaptation. However, in certain situations, adaptation measures could be a relevant co-benefit of the mitigation project and as such be considered a driver for transformational change. Each project will be assessed on its mitigation potential and potential for transformational change. For details on the assessment criteria, see [GID](#) chapters 5.1.3 (Project Concepts) and 5.1.7 (Project Outlines).

**FAQ 68. Are blue carbon and related projects eligible to apply to the Mitigation Action Facility?**

Yes, but please keep in mind that a respective project would need to fit into / be combined with the priority sectors (energy, transport, industry) of the Mitigation Action Facility.

**FAQ 69. Can the Mitigation Action Facility provide funding support to projects where the final investment decision has been made already?**

This might be considered if the project can demonstrate additionality and justify the need in the funding support from the Mitigation Action Facility.

Please note, the Mitigation Action Facility strives to support governments and the Project Partners in implementing sector-wide mitigation actions, rather than single investment projects such as one solar PV plant or the refurbishment of a single building. The project must be transformational in nature, including elements of replicability and scalability.

## 6 Eligible support instruments and technologies in projects

**FAQ 70. What are examples of novel technologies that projects could pilot?**

There is a substantial number of novel technologies that could be piloted as part of a project. Some illustrative examples are grid-scale battery storage, low emission steel and cement in the built environment, hydrogen production and application.

**FAQ 71. For projects opting to pilot novel technologies, will it be mandatory to achieve the shift from the smaller pilot phase to the large-scale project within the project implementation of maximum 66 months?**

It will be desirable to accomplish the shift to the large-scale project within the project's lifetime. If selected for the Project Outline Phase, Applicants are requested to formulate key milestones associated with the smaller scale pilot phase that need to be achieved before moving into the large-scale project. The specific milestones and criteria for the two stages will be determined in DPP.

**FAQ 72. What financial mechanisms and products can be supported by the project?**

Projects are expected to propose financial mechanisms that enable the leveraging of public and private funds in order to make best use of the grant provided by the Mitigation Action Facility.

This leverage can be achieved through a variety of financial mechanisms and products. The chosen mechanism(s) or product(s) should be the most appropriate and feasible one(s) to overcome identified key barriers. Potential mechanisms include (but are not limited to) guarantee schemes for commercial loans, soft loan programmes, and even direct grant payments. All supported financial mechanisms



need to demonstrate that the subsidy element does not crowd out commercial finance (it should “crowd in” commercial finance), that it is the most efficient and effective solution for overcoming a certain barrier and that there is a clear phase-out concept for the mechanism – or other ways are shown to ensure a sustainable impact of the financing mechanism beyond the project’s lifetime.

The Mitigation Action Facility does not set a rule for the percentage blend of subsidies/credits/equity, etc., but the choice and mix of instruments should be adequately justified.

**FAQ 73. Does the Mitigation Action Facility provide technical assistance for the preparation of national mitigation actions like NAMAs, for updates of NDCs and/or for the preparation of Project Concepts?**

No, the focus of the Mitigation Action Facility’s support is on the implementation of projects. The Mitigation Action Facility does not provide funding for the development of national mitigation actions like NAMAs, for an update of NDCs and/or for the preparation of Project Concepts. Support for the development of these would need to be sought from other sources.

The Mitigation Action Facility will provide tailored expert support in the Outline development to a small number of Project Concepts (out of the 25 selected for the Project Outline Phase) submitted by Applicants that have limited previous experience with the Mitigation Action Facility (and its predecessor, the NAMA Facility).

The Facility also provides funding for DPP of selected Project Outlines to elaborate a comprehensive funding Proposal.

**FAQ 74. Can an organisation apply for the Mitigation Action Facility funding in order to cover organisation's running expenses?**

No, the funding provided by the Mitigation Action Facility is project-based, so can only be allocated to specific projects that meet eligibility criteria and project characteristics of the Facility. For more details, refer to chapter 4 of [GID](#).

**FAQ 75. Can an energy efficiency project have a component that addresses issues up and/or down the value chain?**

Projects are expected to cover the range of activities that, based on the project's Theory of Change, will ultimately lead to the achievement of the project Outcome triggering transformational change in the targeted sector. If activities along the value chain are essential to achieving the project Outcome and facilitating the sector-wide transformation towards carbon-neutrality, then these activities can and shall be part of the project. The interconnections and cumulative effect of various project components is to be elaborated in the project rationale.

Please note that it is expected that the project also presents a thorough analysis of other initiatives in the sector to identify synergies and avoid overlapping activities.

**FAQ 76. Does the Mitigation Action Facility apply any minimum ratio for funding requested for the financial cooperation (FC) and technical cooperation (TC) components?**

No, the Mitigation Action Facility does not apply a minimum ratio between the requested funds for financial and technical support to cater for the different needs of support in different countries and sectors. Nevertheless, it is expected that the project can demonstrate that the TC funding provided by

the Mitigation Action Facility leverages funding from other sources for investments into net-zero technologies.

While in the current portfolio of projects, the average TC to FC support ratio is 40:60, in future projects the Mitigation Action Facility aims to increase this ratio in favour of FC support.

**FAQ 77. Is the Mitigation Action Facility able to cover already incurred project development costs if a project development is in process in order to mitigate investment risks as economic and political circumstances challenge the business case.**

Costs can only be covered for activities that occur after a funding agreement with FGA has been concluded.

## 7 Submission of Project Concepts

**FAQ 78. Is it possible to access a Project Concept template?**

An [example of the Project Concept template](#) is published on the website of the Mitigation Action Facility. Please note that this document serves as a guidance for Applicants and should be used for information purposes only. The template is not suitable for an actual submission of a Project Concept and may be subject to minor changes.

**FAQ 79. When will the Open Application Platform (OAP) be available?**

The [Open Application Platform \(OAP\)](#) will be open for submissions of Project Concepts from **11 Dec 2023 until 29 Feb 2024, 3pm CEST**. In order for Applicants to get an understanding of how [OAP](#) is structured, the Mitigation Action Facility has published an [example of the Project Concept template](#). Please note, the template is not suitable for an actual submission of a Project Concept. The submission of Project Concepts will occur exclusively via an [Open Application Platform \(OAP\)](#).

**FAQ 80. Can a country submit more than one Project Concept in the Call for Projects 2024?**

Yes, this is possible. Each Project Concept is assessed on its own merits and the same selection criteria, regardless of whether it comes from the same or different countries.

**FAQ 81. Are there any restrictions in terms of the number of Project Concepts that can be submitted by one Applicant?**

The number of Project Concepts per Applicant is restricted to 10 Project Concepts at maximum. Any concepts submitted in excess of 10 will be treated as ineligible.

**FAQ 82. The number of Project Concepts that can be submitted by one Applicant (incl. regional structures and / or subsidiaries) is limited to 10. Is this limit cumulative (i.e. will also be applicable in the next Calls of the Mitigation Action Facility) or only valid for the Call for Projects 2024?**

The limitation is only applicable to the [current Call](#) and not cumulative, i.e. has no impact on the ability of an Applicant to submit new Project Concepts in the next Calls for Projects of the Mitigation Action Facility (as soon as such Calls are announced).

**FAQ 83. Does the limit of 10 Project Concepts per organisation only applies when an organisation serves as an Applicant?**

Yes, it is correct. If an organisation submits 10 Project Concepts as an Applicant and also serves as, e.g. a Project Partner in a number of other Project Concepts submitted by other Applicants, these Project Concepts will be considered outside the organisation's allocated cap.

**FAQ 84. While the Call for Projects is open, is it possible for the Mitigation Action Facility to disclose information on whether any regional structures of a given organisation have been preparing or have already submitted Project Concepts?**

The Technical Support Unit (TSU) of the Mitigation Action Facility does not have any detailed information about Project Concepts in preparation unless these Concepts are finalised and submitted via an [Open Application Platform \(OAP\)](#). It is therefore expected that Applicants having regional structures and / or subsidiaries coordinate the process and number of Project Concept submissions. It is in their responsibility to ensure that as an Applicant they do not exceed the limit of 10 Project Concepts defined for the Project Concept Phase of the Call for Projects 2024.

**FAQ 85. What approach are Applicants advised to use in order to estimate the mitigation potential at the Project Concept Phase? Will the Mitigation Action Facility provide any additional guidance on this topic?**

In the Project Concept Phase, Applicants are strongly advised to estimate the mitigation potential based on actual units that will be installed through the financial mechanism during the duration of the project. The [Mitigation Guideline for the Project Concept Phase](#) is available online and specifically catered to the Project Concept Phase but also takes into account the necessary level of consistency and continuity to enable selected Project Concepts to further elaborate their calculations at the Project Outline and upon selection Project Proposal Phases.

**FAQ 86. The Project Concept looks very similar to the Project Outline as it has been used in the previous Calls of the Mitigation Action Facility. Could you please explain in more detail, how the Concept is different from the Outline?**

The Project Concept features the same logic as the Project Outline but offers a much slimmer structure, particularly in sections referring to embedding into national policies as well as financial and mitigation ambition. A lower level of detail is also required with regard to topics such as business model, financial mechanism, target groups and technical assistance. At the same time, the Project Concept is designed in a way that would enable further elaboration of the idea if the project is selected for the Outline Phase. Contrary to the Outline, no Annexes need to be submitted along the Project Concept.

**FAQ 87. With regard to an Open Application Platform (OAP), is it possible to work on the Project Concept repeatedly saving progress before the submission?**

Yes, [OAP](#) foresees the saving function so that Applicants will be able to work on the Project Concepts continuously, saving progress, logging in and out, and amending / filling out the template at their own pace before the final submission. Please note that after the submission, it will not be possible to make any changes in the Project Concept.

**FAQ 88. In OAP, would it be possible to share an account (e.g. between a few staff members of an organisation) or to create a single account with multiple users?**

No, such function is not foreseen in [OAP](#). Staff members of an organisation can share access details at their own risk and discretion, but it is not recommended since, if multiple staff members work simultaneously on a Project Concept, conflicts during saving will occur. It is advisable that only one person enters information on a Project Concept in [OAP](#).

**FAQ 89. Is it possible to add a supplementary document when submitting a Project Concept?**

No, it is not required and therefore not possible. All Project Concept submissions must be made via an [Open Application Platform \(OAP\)](#). [OAP](#) does not foresee a function of adding supplementary documents since these are not required (and will not be taken into consideration) at the Project Concept Phase.

**FAQ 90. In case of a cross-border project, how can we add the line and/or environment and climate change ministries from all participating countries to the relevant section in OAP? Also, in case there are two line ministries for a single-country project, how to reflect it in the OAP submission? It seems that section 1.4 only foresees two entries.**

In case of cross-border / regional projects, or in case of two ministries sharing responsibility for the sector the project targets, Applicants are expected to add one line ministry and one ministry responsible for issues of climate change and environment to the respective section 1.4 in OAP. Section 1.6 can be used for indicating additional ministries.

Please note that a maximum of five institutions / organisations can be added in section 1.6.

**FAQ 91. Can a Project Concept be submitted in other language than English (e.g. French or Spanish)?**

No, all Project Concepts must be submitted in English. For more information, refer to the chapter 5 of the [General Information Document](#).

**FAQ 92. Can the Mitigation Action Facility confirm non-disclosure of confidential information shared by Applicants as part of Project Concepts?**

The information provided in Project Concepts is only shared within the TSU and with the Board of the Mitigation Action Facility. No further assurance of confidentiality can be given at this stage. In addition, when submitting a Project Concept via [OAP](#), Applicants themselves can decide whether they agree that information provided in the Project Concept is shared with selected other funding programmes such as the GCF if the project is not selected for support by the Mitigation Action Facility.

## 8 Detailed Preparation Phase (DPP)

**FAQ 93. The Mitigation Action Facility can cover the cost of the Detailed Preparation Phase (DPP). Should Applicants indicate the envisioned DPP cost in the Project Concept? What were the average funding levels for DPPs in previous Calls?**

Applicants will be required to provide the DPP budget and DPP concept upon selection for the Project Outline Phase. In the Project Concept, there is no need to include the envisioned DPP costs.



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Please note that there is no budget limit for DPP. Nevertheless, it should be kept in mind that large budgets requested for the detailed preparation could be an indicator that the project is actually not ready for implementation. The appropriateness of the requested funding will be assessed on a case-by-case basis. As part of the finalisation of the DPP concept before a funding agreement is concluded, amendments to the budget might be necessary and will be negotiated with the Applicant or Applicant Support Partner. The budget as part of the DPP concept is subject to approval by the Board. During the DPP itself, increases to budgets are not foreseen.

The average funding support requested by projects in previous Calls for their DPP was approximately EUR 250,000. Please note that the requested funding volume and timeframe for the DPP is an indication of the project's level of readiness.

### Last but not least...

If you still have questions, please make sure to submit them to [contact@mitigation-action.org](mailto:contact@mitigation-action.org). Your questions will either be responded to individually or included in one of the Clarification Notes. The publication schedule is available on the webpage of the Call for Projects 2024.

The Clarification Notes I will be published on 17 January 2024 and will include all question submitted to the Mitigation Action Facility by 14 January, 23:59 CET.

Good luck in developing and submitting your Project Concepts.