



May 2018 - Request for Proposals for the Federal Republic of Mexico under the International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety

1. Introduction

This funding information - IKI Request for Proposals for Mexico (RfP) - describes the procedure and criteria for the selection of an integrated programme with a volume of at least EUR 25 Mio and up to max. EUR 30 Mio in Mexico that, in accordance with IKI procedures, can receive funding at the earliest in 2019.

Purpose of this document is to assist applicants in preparing and submitting programme outlines.

2. Background: Mexican-German co-operation on climate change and biodiversity

By ratification of the Paris Agreement in September 2016, Mexico confirmed its NDC including mitigation and adaptation actions; considering adaptation to climate change as a priority to reduce the country's vulnerability. The National Strategy of Climate Change was published in June 2012. At the subnational level, States and Municipalities have embarked on adaptation efforts as reflected in their own Climate Change Plans. The national REDD+ Strategy 2017-2030 (ENAREDD+) was published in 2017. In 1993 Mexico ratified the Convention on Biological Diversity and in June 2000 submitted its National Biodiversity Strategy and Action Plan (ENBioMex) to the CBD Secretariat. During COP 13 of the CBD, which was hosted by the Mexican Government in Cancun in 2016, detailed strategies for the integration and mainstreaming of biodiversity concerns into the four main productive sectors (agriculture, forestry, fishery and tourism) were elaborated.

Bilateral cooperation between the Republic of Mexico and Germany/BMU under the International Climate Initiative (IKI) started in 2009. To this date, Mexico is among BMU's main recognized IKI partner countries. Both countries intend to continue their fruitful cooperation in a yet deepened dialogue, developing the cooperation portfolio with a strong focus on the implementation of: a) the Nationally Determined Contribution (NDC) which are at the heart of the Paris Agreement and the United Nations Framework Convention on Climate Change (UNFCCC), b) the national implementation of the Aichi Biodiversity Targets of the Strategic Plan for Biodiversity 2011 – 2020 of the Convention on Biological Diversity (CBD) as well as c) the Sustainable Development Goals (SDGs).



As of yet Germany and Mexico have worked together in a number of climate and biodiversity policy areas. Also, Mexico is a member of the global NDC Partnership (NDC-P) which aims to enhance cooperation in the field of NDC implementation. Completed and ongoing activities within NDC-P, IKI projects, or any other projects in these areas in the framework of international cooperation need to be taken into account when establishing further proposals, also taking into account the 10 guiding principles of the NDC-P.

An overview of ongoing IKI projects, including regional and global projects with a Mexican component, can be accessed at www.international-climate-initiative.com/en/projects/ (search for Mexico on the world map). Furthermore, the IKI project "Mexican-German Climate Change Alliance" manages an online blog as well as an "IKI Alliance Mexico" newsletter to promote exchange and synergies among IKI projects in Mexico - <http://www.iki-alliance.mx/en>. Also, the following bilateral projects have been approved recently:

- Climate protection in the Mexican urban policy including pilot projects in three cities
- Enhancing the coherence of climate and energy policies in Mexico
- Preparation of an Emissions Trading System (ETS) in Mexico
- Ecosystem-based Adaptation to Climate Change in cooperation with the private sector (in particular tourism) in Mexico
- Mainstreaming Biodiversity into the Mexican Agricultural Sector
- Scaling up the conservation of biodiversity through climate smart agro-silvo-pastoral practices in landscapes dominated by cattle-raising systems in the tropical regions of Mexico
- Mangrove forestry landscape restoration; an opportunity of social development in the Alvarado Lagoon System Ramsar Site, Veracruz, Mexico

3. Request for proposals for IKI cooperation with Mexico

This RfP seeks proposals for an integrated bilateral programme, which will be implemented in a consortium of more than two organisations, with very strong involvement of national actors that are expected to receive at least 50% of the programme resources, in the interest of bringing together different comparative strengths. National actors here refer to implementing actors such as e.g. NGOs, universities, think tanks, financial institutions or the private sector, not to political partners.

Since COP 21 and the adoption of the Paris Agreement a key focus of BMU's International Climate Initiative is the effective support for the NDC implementing institutions of its partner countries, the climate and/or environment ministries, but also involving relevant sectoral ministries. IKI's prime intent is to support programmatic



approaches that foster highly ambitious climate and biodiversity measures while ensuring significant national participation in implementation structures and strong financing elements in the programming.

3.1 Eligible measures, support approaches and project products:

IKI seeks to support an ambitious programme on technical advice and/or investments, which supports an effective and large-scale NDC and NBSAP implementation and takes into account the implementation of related SDGs. The programme should gear for a comprehensive, inter-sectorial and territorial approach, be embedded consistently in national strategies and policies and serve to implement them. Close cooperation with the relevant partner institutions in Mexico is therefore a prerequisite, and collaboration with other government agencies, local governments, private sector and CSOs/NGOs is essential.

In particular, the following approaches are eligible:

- Sustainable implementation of the mitigation and adaptation actions of the respective NDC and related SDGs, e.g. through: implementation of national and subnational policies and strategies, regulatory and institutional framework conditions, evaluation and contribution to transformation within sectors and within society, further development of MRV tools and/or systems, local capacity development, technology cooperation and financial investments/leverage. The latter can include but must not be limited to co-financing, blended finance approaches as well as other innovative financing mechanisms that should be identified, developed and implemented, in particular to leverage financing sources from the private sector; as well as pipeline development combining technical and financial assistance;
- Conservation of biological diversity, restoring ecosystems and sustainable use of terrestrial and marine biological resources through integrative approaches and cross-sectoral cooperation.

The integrated programme needs to be based on

- firm political ownership of the country; both coordination among and involvement of relevant line ministries on national and where necessary also local level;
- involvement of relevant stakeholders in civil society, the private and the financial sector;
- involvement of UNFCCC and CBD focal points;
- a significant involvement of national implementers as project partners; participation in international political and knowledge exchange fora, in particular the international NDC Partnership and NBSAP implementation - where applicable.



The programme will also include an appropriate mix of so-called “project products” such as:

- consultancy services for the processing and elaboration of strategies, “roadmaps”, action plans or similar processes and written documents;
- studies or analytical research services on selected topics;
- inputs to the development of governmental documents such as land use plans for selected regions and cities (to be quantified preliminarily);
- inputs to the development of financial programmes to support actual measures on mitigation, adaptation and biodiversity in the requested areas including co-financing;
- technical and pilot projects, e.g. in federal states, cities and/or enterprises including co-financing;
- capacity building including events, delegation visits or expert stays;

3.2 Thematic priorities for funding

The contribution to the implementation of the Mexican NDC and its National Biodiversity Strategy and Action Plan (ENBioMex) and the alignment of the project goals and activities with the NDC and ENBioMex is considered to be indispensable. Furthermore, from the following topics, the programme must include at least one topic, integrating as many of the others as feasible. As far as tangible measures as mentioned below are concerned, co-financing contributions from state, federal and also municipal level and/or from private actors would be an advantage in the final selection. Activities must also foresee the development of adequate Monitoring, Reporting and Verification (MRV) systems or where available connect to already existing monitoring efforts. Furthermore, activities of projects in implementation, especially the ones mentioned under point 2, have to be taken into account and overlaps must be avoided.

- a. Land and Marine Spatial Planning (LMSP):** In order to conserve biodiversity and to maintain ecosystem services the programme is expected to integrate climate change mitigation and adaptation as well as biodiversity conservation into territorial planning instruments and hence reduce vulnerability and enhance resilience in terrestrial (urban and rural), limnic, coastal and marine ecosystems (including blue carbon and climate-smart land use planning). Conservation, restoration, connectivity of ecosystems and the maintenance of their services, such as their contribution to human health, livelihoods and wellbeing should be taken into consideration in order to integrate existing experiences into a transformational process towards a comprehensive integrated land-/seascape approach. Land and Marine Spatial Planning (LMSP) is to be applied as an important instrument with the aim to increase resilience in accordance with the National Strategy of Climate Change. The development, implementation and evaluation of a certain number of plans on federal states, regional or municipal level might be an outcome of common interest.



- b. **Ecosystem-based adaptation:** Emphasis is to be put on the integration of ecosystem-based adaptation measures in water and land use management and planning (including terrestrial, coastal and marine areas, watershed management as well as protection of biodiversity) in order to increase resilience and reduce vulnerability of rural, urban and coastal communities. It is expected to suggest a certain number of actions to be taken, in particular on the above mentioned levels and to implement some of them within the project, combined with co-financing from one or more of the different levels.
- c. **Forestry sector:** As the forestry sector is key to achieve the NDC, for both mitigation and adaptation, as well as the ENBioMex for biodiversity conservation, the implementation of the National Strategy for Reducing Emissions from Deforestation and Degradation (ENAREDD+) under the landscape approach is to be considered as an equally important element of the programme. In this context, it is expected to develop a certain number of sectorial actions including cost assessments and monitoring in a transparent process that recognize the importance of mitigation, adaptation and biodiversity aspects of the REDD+ approach and the integration of the Land Use, Land-Use Change and Forestry (LULUCF) sector.
- d. **Agricultural sector:** Land-use approaches promoting all kind of actions regarding mitigation and adaptation in agricultural landscapes are to be integrated into the planning process. For this purpose instruments for the conservation of biodiversity and the promotion of sustainable land use practices should be integrated.

3.3 Regional priorities for funding

The programme should focus its implementation activities on particular areas in Mexico, which could comprise several jurisdictional units, such as municipalities highly vulnerable to climate change and states with biodiversity strategies among others, while also contributing to a policy change on the national level.

The strategies shall be implemented, including “bottom-up” approaches, within several (2 up to 5) priority regions, while also contributing to a policy change on the national level. These regions can be states, large municipalities, eco-systems or otherwise defined areas that will be selected depending on whether they cover one or more of the criteria listed below:

1. States that have a biodiversity study or strategy, preferably related to ENBioMex
2. States with which CONANP has agreements or co-managed national protected areas
3. States with protected areas systems
4. States identified as vulnerable to impacts of climate change



5. States with a REDD activities
6. States with State Forestry and Soil Inventories

One region of particular interest is the Selva Lacandona with its high biological importance in North America, and presence of indigenous communities (ethnic groups such as Maya Lacandon, Tzeltal and Chol, among others). The stabilization of agricultural and forestry frontier in this region as well as the development of a system to monitor changes in land use, are topics of interest. However, any of the aforementioned topics in a suitable region in Mexico are equally eligible with this RfP.

4 Selection criteria

Submitted programme outlines will be evaluated and selected by BMU, in cooperation with the Mexican government, according to the following conditions and criteria:

4.1 Relevance to the NDC and CBD implementation process in the country:

- Transformative impact, level of ambition and innovation potential (technological, economic, methodological, institutional)
- Contribution to international climate cooperation, in particular in the context of the UN climate negotiations through support for implementation of the resolutions of the Conferences of the Parties to the [UNFCCC](#), including the resolutions on NDC implementation, the climate-related negotiations conducted within the framework of the [Montreal Protocol](#) and/or contribution to international cooperation in the context of the CBD processes through support for implementation of the Strategic Plan 2011-2020 of the CBD
- Relevance to implementation of the UN sustainability goals (SDGs)
- Political ownership of the country and the involvement of UNFCCC and CBD focal points, of line ministries, of relevant stakeholders in the private sector, in finance and civil society. Participation in international political and knowledge exchange fora on NDC implementation – in particular the international NDC Partnership - and NBSAP implementation.
- Contribution to economic and social development in the partner country and to the creation of enabling political conditions in the partner country
- Coherence with and integration into national and/or regional/transnational strategies, international cooperation and synergies with other projects and sectors

4.2 Aptitude of the submitter(s):

- Requirements stated in Section 2 and 4 below for implementing actor/joint programme coordinator (notably: competence, capacity, experience (thematic and regional), professional business management of submitter and the submitter's partners in the joint programme).



- Consortium with clearly described comparative advantages of partners
- Strong focus on national implementing institutions. IKI expects a strong involvement of national/local partners in the consortium, receiving a minimum of 50% of the programme's budget.
- Cooperation with national, local or regional partners in order for the activities to be anchored long-term in the target region
- Track-record of the organisation that coordinates the joint programme regarding the appropriateness, effectiveness and efficiency of use of funds

4.3 Aptness of the programme:

- Alignment with Thematic Priority guidance of the International Climate Initiative in this RfP (see Sections 2 and 3)
- Ambition and contribution to IKI Standard Indicators
- Sustainability of outcomes and replicability of the concept and/or results; the measures that promote sustainability (e.g. decreasing volume of funds over the course of the programme) should be specified
- Potential for large-scale and long-term impact
- Maturity and coherence of the concept, including programme management and monitoring
- Convincing allocation of the budget among the proposed project products
- Convincing allocation of the budget among the proposed project partners
- Envisaged co-financing from the Mexican Partners on several levels including private sector
- Own contributions from implementing organisation and third-party financing
- Appropriateness, effectiveness and efficiency of the use of funds

5. Formal aspects

5.1 Funding recipients and programme organisation

IKI supports activities by implementing agencies, NGOs, consultancies, universities, research institutions, based in Germany and abroad, by international and multilateral organisations and institutions, e.g. development banks and United Nations bodies and programmes.

The programme should be implemented in a consortium of more than two organisations (minimum), including significant participation of national implementing agencies (compare section 2) in the framework of a cooperation agreement (see fact sheet Consortium Agreement), with one organisation acting as joint programme coordinator. This joint programme



coordinator is the sole recipient of the approval notification and the sole contract partner of BMU receiving direct payments through BMU; no grants funds are paid directly to other partners in the joint programme. The joint programme coordinator is responsible for forwarding the grant to the partners as agreed within the consortia of the programme.

The joint programme coordinator and its consortia partners are expected to have comprehensive relevant expertise and experience in Mexico. The joint programme coordinator must display this expertise and, as a rule, demonstrate that it has continuously implemented international cooperation programmes in the relevant thematic area jointly with partners in the region for at least five years. The partners must demonstrate their expertise in accordance with their role in the programme.

The joint programme coordinator must be able to undertake qualified planning and a cost-effective implementation of programmes and to monitor and render account for them, if necessary in collaboration with the partners or subcontractors directly involved. This includes ensuring compliance with relevant environmental and social safeguards in accordance with IKI's safeguard policy. Specific monitoring of the programmes is expected. Programme planning and monitoring should be based on the results framework developed by the Organisation for Economic Co-operation and Development (OECD) (see introduction on the online platform for more information via the [IKI website](#))

The joint programme coordinator and the consortia partners must provide competent staff for the technical and administrative programme implementation. Average annual BMU funding volume should not exceed the grant recipient's average annual turnover over the last three business years. When the grant is forwarded, the joint programme coordinator is responsible for ensuring that the programme partners (forwarding recipients) also comply with this requirement in respect of their funding share. The average annual funding volume derives from the planned total BMU funding volume and the planned duration of the project as stated in the outline.

Activities by organisations/institutions based in Germany and abroad are supported via grants. Activities conducted by German federal implementing agencies are commissioned pursuant to the terms and conditions applicable to these agencies. With regard to funding for institutions based abroad, the sections of this funding information apply correspondingly.

5.2. Requirements for support

Formal confirmation of the support of the Mexican government for the programme will be obtained by BMU. Programmes must be implemented in cooperation with national, local or regional political partners. Partners are to be named in the programme outline.



The programme or parts of it cannot have already started, and it is expected to be completed within seven years.

Support by IKI can be provided only if implementation of the programme is impossible without public funding.

In order to fully exploit synergies and to prevent duplication of funding, relations to other instruments or areas of support, to ongoing or earlier funding measures of the Federal German Government, the German federal states or the European Union or to any international measures (bilateral/multilateral) must be disclosed and their relevance for the proposed programme explained. The closer the proposed programme is in its goals, target groups, activities and concrete outcomes to a concluded/ongoing project, the more precisely the demarcation from or linkage with such a project needs to be presented. Intended or previously approved support from third parties for the proposed programme must be stated, specifying the support donor(s) and the specific amount(s) of funding. Proof of such intended or approved support must be provided in the second stage of the selection procedure at the latest.

In order to ensure the additionality of greenhouse gas reduction and of the German contribution to international climate finance, no emissions certificates or other emissions credits generated by IKI programmes may be traded either during or after the programme term. For this reason, funding resulting from the sale of such emissions permits or credits may not be accounted for in the overall financing of IKI-supported programmes. However, this does not apply to emissions credits within the non-compliance market, insofar as they comply with the relevant IKI guidelines and are demonstrably being used to ensure the sustainable funding of climate protection activities in the fields of agriculture, forestry or land use.

5.3. Type, extent and amount of the funding

Support can be granted for all expenditures necessary and in line with the principles of sound financial management to achieve the programme goal, insofar as it is not possible to achieve this goal without this support. There is no provision for grants on a cost-basis.

It is generally a condition for approval of a grant that the applicant makes an appropriate contribution, that there is appropriate input from the partners, and that additional funding is mobilised to meet the eligible expenditure.

A preliminary intended allocation of the budget has to be presented including a description on the allocation to outputs and to the specific project partners.

Efficiency of expenditures as well as economic use of the funds must be demonstrated.

The support granted must promote sustainable development in the partner countries. It is not



intended to give the grant recipient an economic advantage.

The funded programmes must meet the criteria for recognition as Official Development Assistance (ODA).

BMU advocates climate-neutral business travel. Measures include in particular reducing business travel. Where it cannot be avoided, expenditure for offsetting greenhouse gas emissions resulting from traveling within the IKI programme is eligible for funding.

5.4. Grant conditions

Implementation of IKI support measures is governed by Sections 48 to 49a of the German Administrative Procedures Act (VwVfG) and the general collateral clauses for grants to support projects (Allgemeine Nebenbestimmungen für Zuwendungen zur Projektförderung, [ANBest-P](#)).

The Federal Audit Office has a right of audit under Sections 91 and 100 of the German Federal Budget Code (BHO).

BMU or its agents must upon request be provided with any necessary information and permitted to view books and documents relating to the programme and to conduct audits. In the application for a grant, applicants must declare that they consent to BMU or its agents publicising the name of the supported organisation and the purpose of the grant in the course of its publicity work. If there is evidence that the grant conditions have not been complied with, the grant approval can be withdrawn in accordance with the statutory provisions and return of the grant funds can be required.

In the case of contracts with foreign grant recipients, collateral clauses corresponding to the ANBest-P will become part of the contract.

There is no right to be awarded a grant. The decision to approve support is taken by BMU after due assessment of the circumstances and in the light of the budgetary funds available.

6. Decision-making procedure

6.1 Selection procedure

The selection process is based on a two-stage procedure:



1. **Outline stage:** In the first stage, a programme outline is submitted (in English language) via online platform on the [IKI website](#). No further templates or documents have to be submitted. At the end of the assessment of programme outlines by BMU and the Mexican government, most ambitious proposals will be pre-selected to enter the second stage.

The following deadline applies: For the Request for Proposals/MEX selection procedure project outlines must be submitted online by 27 September 2018, 24:00 (Central European Summer Time, CEST). The online platform will not be accessible after this deadline, and outlines that are not submitted by the designated means cannot be considered for the selection procedure.

All outlines that have been submitted through the online platform by the deadline will be evaluated. All applicants will be informed in writing of the result of the evaluation.

2. **Formal project proposal stage:** Once preselected, the joint programme coordinator will receive a written invitation to submit a formal request for funding for an appraisal mission (start of second stage). Joint programme coordinators then have up to six months to complete the appraisal mission and on that basis have to submit a thoroughly prepared programme proposal. BMU/IKI will then decide on this application in a final review. The relevant terms and application templates to be taken into consideration – including the requirements concerning monitoring and safeguards – will be provided after the first stage.

6.2 Involvement of a Programme Office

BMU has commissioned the Programme Office of the International Climate Initiative ('Programme Office') to manage the funding programme:

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Potsdamer Platz 10
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