

International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) Country Specific Selection Procedure

Request for Programme Outlines (RfP) for the Federal Republic of Argentina

December 2018

Contents

1. BACKGROUND	1
2. REQUEST FOR PROGRAMME OUTLINES	
2.1 ELIGIBILITY	
2.2 THEMATIC PRIORITIES FOR FUNDING	?
2.2.1 Forest and Landscape Scale Restoration	
2.2.2 Resource Efficiency	4
2.2.3 Sustainable Transport	4
2.3 Possible Programme products and activities	6
3. SELECTION CRITERIA	6
3.1 RELEVANCE TO THE NDC AND NBSAP IMPLEMENTATION PROCESS	6
3.3 APTNESS OF THE PROGRAMME:	7
4. FUNDING RECIPIENTS AND PROGRAMME ORGANISATION	7
5. SELECTION PROCEDURE	9
ANNEX 1: REQUIREMENTS FOR SUPPORT	
ANNEX 2: TYPE, EXTENT AND AMOUNT OF THE FUNDING	11
ANNEX 3: GRANT CONDITIONS	12
· ····· · · · · · · · · · · · · · · ·	

1. Background

The purpose of this document is to assist applicants in preparing and submitting programme outlines for this country call.

Since COP 21 and the adoption of the Paris Agreement, a key focus of the International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) is the effective support for the Nationally Determined Contributions (NDCs) 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.

By ratification of the Paris Agreement in September 2016, Argentina confirmed its <u>NDC</u> including mitigation and adaptation elements and implementation measures. Presently, Argentina has reactivated its agenda in international policy, is in charge of the G20 presidency, has expressed its intention to join the OECD and has started its observer role in the Pacific Alliance.

Argentina is one of the few countries which has presented an improved NDC as of end of November 2016. It has revised its 2015 INDC from an unconditional 2030 target of 570 metric tons of carbon dioxide equivalent (MtCO2e) to 483 MtCO2e, representing a reduction in the growth of emissions from about 60 percent to 22 percent above 2010 levels.

As of yet, Germany and Argentina have worked together in a number of climate and biodiversity policy areas. Germany and Argentina intend to continue their cooperation in a yet deepened dialogue, developing the cooperation portfolio with a strong focus on the implementation of: a) the NDCs 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) and respective National Biodiversity Strategies and Action Plans (NBSAPs) as well as c) the Sustainable Development Goals (SDGs).

An overview of ongoing IKI projects, multilateral regional and global projects with an Argentinean component, can be accessed at https://www.international-climate-initiative.com/en/projects/ (search for Argentina on the world map).

2. Request for Programme Outlines

2.1 Eligibility

IKI seeks to support an ambitious programme on technical advice and/or investments which supports sustainable implementation of the mitigation and adaptation actions of the respective **NDC and NBSAPs** as well as **related SDGs**. This may include:

- 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 Monitoring, Reporting and Verification (MRV) tools and/or systems,
- local capacity development, technology cooperation and financial investments/leverage. The latter can include but must not be limited to cofinancing, 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.

The programme should aim for a **comprehensive**, **inter-sectoral and territorial approach**, be embedded consistently in **national strategies and policies** and serve to implement them. Close cooperation with the relevant partner institutions in Argentina is therefore a prerequisite, and collaboration with other government agencies, local governments, private sector and CSOs/NGOs is essential.

This RfP seeks proposals for **one integrated bilateral programme** that needs to fulfil the following requirements:

- The programme is expected to be completed within **seven years.**
- The funding volume will be up to max. EUR 15 Mio.
- The programme needs to be implemented in a consortium of more than two organisations (minimum) 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 refers to implementing actors such as NGOs, universities, think tanks, financial institutions or the private sector, not to political partners (also see Section 4).
- Programme outlines may be proposed on **one, two or all three thematic priority areas,** while integrating a **cross-cutting regional approach** (for details, please see sections 2.2).

The programme further 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 programme partners,
- participation in international political and **knowledge exchange** fora, in particular the international NDC Partnership and NBSAP implementation where applicable.

2.2 Thematic priorities for funding

The contribution to the implementation of the Argentinean NDC and NBSAP as well as related SDGs and the alignment of the programme goals and activities with them is considered to be indispensable. Furthermore, from the following topics, the programme must include **at least** one of the following thematic priorities while integrating a cross-cutting regional approach, integrating as many of the others as feasible.

2.2.1 Forest and Landscape Scale Restoration

As deforestation and land degradation continue at an alarming rate, large landscapes have lost their capacities to provide these benefits in quantity and quality. By means of forest and landscape restoration (FLR), deforested land, degraded forests, and degraded land can be brought back into a healthy state, regaining their ecological functions and thus enhancing human well-being. This can be achieved either by **tree planting, stimulating natural regeneration or agroforestry**, taking into account the complexity of landscapes in terms of their functions, beneficiaries and history.

The scope of the programme is defined by the thematic fields **carbon capture**, **reforestation**, **and restoration with an emphasis on the production of native species** and on **avoiding deforestation**. The main barriers for scale shall be identified and tackled.

More specifically, the programme should strive to improve the entire **forest-based production chain** and the potential for restoration and reforestation actions in the following key areas, among others: a) generate the conditions of an enabling political framework, b) remove scientific and technological barriers, and c) develop and test innovative financing tools.

Key measures will comprise:

- a) Designing funding and executing the successive phases of the National Reforestation Strategy (ForestAR 2030).
- b) Identifying and analysing base line conditions of degraded lands and forests.
- c) Prioritize and fund restoration projects whose scales allow generating impacts at the landscape level.
- Integrate targets concerning commercial plantations into the national forest sectoral

planning for climate change (NDC), while providing for adequate consideration of avoidance and mitigation of any projected impact upon key conservation targets across priority landscapes.

- Social aspects (e.g. gender mainstreaming, human rights, indigenous rights, etc.) and education, training and capacity building.
- Establishment of an outcomes' dashboard for the National Program of Native Forest Restoration considering the main targets of the programme, and their associated benefits for climate and socio-economic indicators (investment and job generation).

2.2.2 Resource Efficiency

Population growth, urbanisation and economic growth are causing a relentless rise in the consumption of resources. Sustainable consumption and production patterns are just as important as the efficient use, reuse and exploitation of resources, which includes avoidable waste, such as residual materials and wastewater. These topics can be addressed by promotion of **policy frameworks**, **institutional structures** and expertise for **sustainable circular economy**.

To shift Argentina's economy more towards resource and energy efficiency, a broad national multi-stakeholder dialogue is needed. To foster sustainable consumption and production patterns, various stakeholders on national, regional and local level, including the private sector and industry, need to be integrated.

The promotion of **cross-cutting resource efficiency approaches** with environmental and social standards and information systems, examination of holistic life cycles for products, and optimization of local value chains should lead the way forward to change consumer habits and production patterns in the long term. Initiatives like "Deforestation Free" for example could play a major role. As additional input to promote sustainable consumption among the population, a national eco-labeling and a national energy efficiency labeling scheme should be developed or rather strengthened.

The principal objective is to establish a **multiscale sustainable consumption and production strategy** based on a more efficient use of the resources. The strategy should include actions at different levels (national/sectoral/production plant process/product). This ranges from the development of training tools and activities, the generation of incentives and in particular **the promotion of private sector participation** in the proposed actions.

The sub-objectives are focused to better get to know the state of the current resource consumption in specific production processes, life cycles and value chains. The development of methodologies and the improvement of information systems to measure environmental performance and quantify GHG emissions and energy consumption of resource intensive productions help identify appropriate measures and technologies towards a green economy.

2.2.3 Sustainable Transport

Mobility is essential for the social and economic development of a country. Reliable transport systems have positive impacts on a country's economy and improve access to jobs, education and health care. However, current trends in the transport sector are mostly unsustainable. The tremendous growth of motorised transport is one of the key challenges

for sustainable development worldwide. The transport sector already contributes the second highest share of energy-related CO2 emissions globally and is the fastest growing sector in terms of greenhouse gas (GHG) emissions.

These trends and its concomitant problems, such as air pollution and road traffic impacts, can only be addressed by **systematically improving personal mobility on the basis of sustainable transport solutions**, ideally guided by the Avoid – Shift – Improve – Fuel Switch Approach. This approach reduces unnecessary traffic, promotes the shift to more environmentally friendly modes of transport for people and goods, improves transport efficiency and decarbonises fuels and energy sources used by the transport sector.

The main objective of this proposal is **to improve the energy efficiency of the current transport systems** following the principles outlined above. In order to do so, all aspects of transport systems, such as vehicle operation, energy/fuel supply chain, vehicle and infrastructure maintenance and construction and managerial and personnel aspects should be taken into consideration.

In order to achieve the main objective using Best Available Technology, it is proposed to implement preliminary measures to **assess the situation** regarding efficiency of the current transport system, the available technologies and their associated costs; to deepen the assessment of **barriers to their development**, mechanisms that facilitate the implementation of new technologies and a monitoring scheme that allows determining the impact in terms of GHG emissions.

It will seek to identify and **analyse measures and technologies** most appropriate, incorporating an analysis of barriers with their corresponding tools to overcome them, identifying possible sources of funding, preparing the appropriate monitoring plan and a schedule that specifies the future steps for its implementation in the territory.

The programme should focus its implementation also on crosscutting regional actions, taking into account the development of mechanisms for collaboration and advocacy of the national environmental policy. It should **support the establishment of institutional structures** through measures such as:

- establishing regional structures that contribute to the harmonization and promote the
 participation of the Ministry in the climate change and conservation of the biodiversity
 topics that are the object of the programme,
- collecting information in the provinces,
- supporting the development of capacities in the offices on conservation of biodiversity and climate change adaptation and mitigation topics,
- Preparation of regional plans in each of the six regions for both adaptation and mitigation, linked to the measures that have been proposed at national level within the framework of the NDCs. In this context, it is essential to identify those sectors that are relevant for the development and implementation of said measures and actions, the potential of each of the sectors, the provincial institutions involved, always bearing in mind the opportunities, barriers and needs of each province.

As far as tangible measures as mentioned above 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 **MRV systems** or where available connect to already existing monitoring efforts. Furthermore, activities of projects in **implementation** have to be taken into account and overlaps must be avoided.

2.3 Possible Programme products and activities

The programme is also expected to include an appropriate mix of "programme elements/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 cofinancing,
- capacity building including events, delegation visits or expert stays.

3. Selection criteria

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

3.1 Relevance to the NDC and NBSAP implementation process

- Requirements stated in Section 2 for eligibility and thematic priorities for funding
- 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 <u>UNFCCC</u>, including the resolutions on NDC
 implementation, the climate-related negotiations conducted within the framework of the
 <u>Montreal Protocol</u> and/or contribution to international cooperation in the context
 of the CBD processes through support for implementation of the Strategic Plan 20112020 of the CBD and Argentina's NBSAP
- Relevance to **implementation of SDGs** of the 2030 Agenda on Sustainable Development
- 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

3.2 Aptitude of submitter(s):

- Requirements stated in Section 2.1 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
- 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

3.3 Aptness of the programme:

- Alignment with Thematic Priority guidance of the IKI in this RfP (see sections 2)
- Ambition and contribution to <u>IKI Standard Indicators</u>, which allow to aggregate the effects of the overall IKI programme
- 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 programme products
- Convincing allocation of the budget among the proposed programme partners
- Envisaged co-financing from the Argentinean 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

4. 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 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 Argentina. 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 programme 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. Selection procedure

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

 Outline stage: In the first stage, a programme outline is submitted (in English language) via online platform on the <u>IKI website</u>. No further templates or documents have to be submitted. At the end of the assessment of programme outlines by BMU and the Argentinean government, the most suitable proposal will be pre-selected to enter the second stage.

The following deadline applies: For the Request for Programme Outlines ARG selection procedure, programme outlines must be submitted online by 29 April 2019 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 about the result of the evaluation in writing.

2. Formal programme 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. In accordance with IKI procedures, the programme can receive funding at the earliest in the second half of 2020.

Involvement of the ZUG gGmbH

BMU has commissioned the IKI-Secretariat managed by the Zukunft-Umwelt-Gesellschaft (ZUG) gGmbH to manage the funding programme:

IKI Secretariat Zukunft – Umwelt – Gesellschaft (ZUG) gGmbH Köthener Straße 4 D-10963 Berlin E-Mail: iki-secretariat@z-u-g.org

Annex 1: Requirements for support

Formal confirmation of the support of the Argentinean 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.

Annex 2: 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.

Annex 3: 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.