



UNIDO CLARIFICATION NOTE No. 3

6 August 2024

**UNIDO CALL FOR PROPOSAL NO. 7000007043
FOR THE SELECTION OF GRANT BENEFICIARY FOR THE
IMPLEMENTATION OF A2D FACILITY PILOT DEMONSTRATION PROJECTS IN DEVELOPING COUNTRIES"**

Please find below technical questions raised by potential bidder(s) and UNIDO's replies thereto.

Question	Answer
<p>1. Organization eligibility:</p> <ul style="list-style-type: none">- Are we allowed to select partners from any country globally, or are there specific requirements to choose partners from African countries, the UK, or a representative country from each continent?- Does the partner identified to apply to the mechanism must be private or could it be public or mixed – for example a natural heritage fund.- Could a MME be an applicant? Should the support of the MME be written in a letter?- Does the applying partner have the obligation to offer a counterpart?	<p>As outlined in section VI Part A of the Call for Proposal Information Form, the lead organization in a proposal must partner with at least one organization from the developing country where the demonstration project will be operated. Please note that if the lead organization is from the developing country-of-focus, this requirement is automatically met. Any type or size of organization can apply from any country, as long as this requirement, and the other requirements outlined in the Call for Proposal Information Form, are met. It is likely that project developers or equivalent will be the stakeholder groups most interested in the call due to the focus on implementing and operating (rather than planning) demonstration projects.</p>
<p>2. Co-financing and budgets:</p> <ul style="list-style-type: none">- Is there a specific percentage of co-financing that we are required to obtain?- Is there a minimum or maximum cap on the CAPEX of the project?- What is the minimum amount of cofinancing requested?- Must this funding be allocated specifically for the pilot project, or can it be used for related tasks, for example non-hardware aspects, i.e. dissemination events such as a conference.- Are there any minimum or maximum capacity and investment limits for the specific project?- How many projects with a value of USD 5 million can be funded if they all meet the criteria?- Will the funds be disbursed in phases?- Is there any specific activity (such as feasibility studies, FEED, or project implementation) for which grant funds must be used in a specific project?	<p>Please refer to Section 5, Parts C and D, and Section VI, Parts A, B and C, of the Call for Proposals Information Form for further information on the compulsory requirements for co-financing, financial and procurement management, and budgets. The A2D Facility-funded components of the wider demonstration project should be used for meeting the requirements outlined in section V Parts A, B and C of the Call for Proposals Information Form, including the compulsory monitoring, reporting and dissemination activities, in addition to activities for implementing demonstration projects, such as equipment purchases, construction or technological application, testing and operation, and training and capacity building activities directly linked with implementing and operating the supported demonstration project. As outlined in the Call for Proposals Information Form, the above activities must be</p>

<ul style="list-style-type: none"> - Is the MME as a project partner (wirdner) obliged to offer a counterpart contribution? - Is the financing from the private sector mandatory and does this financing have a mandatory % in the whole project? - Could you provide guidance on how the budget (USD 3-5 million) should be allocated among partners? Is there a cap on the expenditure for a single piece of equipment? - Is this financing 100% non-reimbursable? - How are the resources disbursed? - Personnel Funding: Is it permissible to use the budget for recruiting new personnel on fixed-term contracts specifically for this project? Is the budget intended for providing a budget to current employees working on the project, or does it not cover new recruitments at all? - Does UNIDO fully funds projects of this type or if financing from private entities is expected. - The information provided indicates that the program can cover costs between 3 and 5 million dollars, but we are interested in knowing if a project with a lower cost is still eligible. This detail is important because our company intends to participate independently. - Regarding the requirement for co-financing the project, it is unclear whether the company must provide a specific amount of money to invest in the project. Is this a mandatory requirement, or can co-financing be demonstrated through other means such as personnel, facilities, or space for construction? In other words, is it necessary to show a monetary contribution, or can other resources suffice to meet the co-financing requirement? 	<p>included in proposals and the grant funding cannot be used to focus on just one of these types of activities. All A2D Facility funding for this call-for-proposals is grant funding and the A2D Facility would provide USD 3-5 million of grant support per proposal. However, for smart energy projects, proposals may seek A2D Facility grant funding of USD 1-5 million, and for critical minerals projects, of USD 2-5 million per proposal (for clean hydrogen and industrial decarbonization projects, proposals may seek A2D Facility grant funding of USD 3-5 million). Please see section V Part D of the Call for Proposals Information Form in relation to payments by milestones and the compulsory requirements to provide disbursement schedules. Information related to budgets, financial and procurement management can be found in this section. As stated in section V Parts A and B of the Call for Proposals Information Form, the A2D Facility focuses on the implementation and operation stages of demonstration projects. Activities related to project planning or pre-implementation stages of project development are out-of-scope, such as supporting feasibility studies or equivalent.</p>
<p>3. Experience:</p> <ul style="list-style-type: none"> - Reference is made to 3 years of experience of the applicant: is it considered 3 years of experience in the sector or in the application to the call for proposals? 	<p>Considering the complexity and high volume of the grant support per proposal, at least three years of experience in the field of services specified in the Call-for-Proposals is required.</p>
<p>4. Timelines:</p> <ul style="list-style-type: none"> - What are the estimated timeframes for both application and execution? - When the projects can start, i.e. is there project start date, and the timeline we are meant to work with. Are there proposed timelines? 	<p>The A2D Facility-funded components of a wider demonstration project are expected to start in early December 2024. Please note that this only refers to the activities supported through A2D Facility grant funding within the wider demonstration project. This call-for-proposals supports A2D Facility-funded components of wider demonstration projects for up to four years with all A2D Facility-funded components fully closing no later than 31 December 2028 or earlier (the closure process for those activities should begin at least six months before this end date). The wider demonstration project may continue beyond 31 December 2028 with the wider co-financing and other funding sources, but the A2D Facility-funded components of the demonstration project must close by then.</p>

<p>5. Focus of industrial decarbonization thematic area:</p> <ul style="list-style-type: none"> - Is there a priority sector for industrial decarbonization? - Are there any restrictions on the utilization of captured CO₂ from industrial flue gases for the CCUS project? - The A2D Facility will support the implementation and operation of catalytic “lighthouse” pilot demonstration projects in the thematic areas-of-focus: critical minerals, clean hydrogen, smart energy and industrial decarbonization. Will “lighthouse” be the name of pilot project or we have to build “lighthouse”. 	<p>Please see Annex I of the Call for Proposals Information Form for illustrative examples of what innovative solutions and projects might be supported under each of the four thematic areas-of-focus for this call-for-proposals. In industrial decarbonization, illustrative examples of the types of innovative solutions that might be supported are, but not limited to, innovative solutions to achieve deep decarbonization of hard-to-abate sectors, such as energy-intensive and heavy industries, through fuel-switching, electrification (from clean energy sources), carbon capture, usage and storage (CCUS), digitalization and smart solutions, circular economy approaches, and other related innovative solutions. The A2D Facility supports demonstration projects of innovative solutions that have catalytic, transformational and scalable potential in the developing countries where they are being implemented and operated. The A2D Facility-funded components of demonstration projects cannot be used to support the pre-implementation planning stages of project development, as outlined in section V Part B of the Call for Proposals Information Form.</p>
<p>6. Country eligibility:</p> <ul style="list-style-type: none"> - Is A2D facility funding only open to countries eligible to receive Official Development Assistance or if for example Costa Rica can also present projects? - Is facility only oriented to non-governmental organizations or if country projects could also be submitted? - Is it available for Afghanistan? 	<p>As outlined in the Call for Proposals Information Form, the A2D Facility supports demonstration projects in countries that are eligible to receive Official Development Assistance (ODA), as defined by the DAC List of ODA Recipients. Proposals can be submitted by any organization and organization size as the lead applicant if they adhere to the eligibility criteria and requirements in the Call for Proposals Information Form. It is likely that project developers or equivalent will be the stakeholder groups most interested in the call due to the focus on implementing and operating demonstration projects.</p>
<p>7. Proposal scope:</p> <ul style="list-style-type: none"> - Can one application be submitted that covers 4-6 different projects, for example, or whether we can only submit one project? 	<p>The A2D Facility provides grant support of USD 3-5 million per demonstration project (for smart energy projects the range is USD 1-5 million, for critical minerals projects the range is USD 2-5 million, for industrial decarbonization projects the range is USD 3-5 million, and for clean hydrogen projects the range is USD 3-5 million). Please also refer to Annex VII ‘Statement of Confirmation Form, which clarifies that: ‘Declarant has not submitted more than one grant proposal in the grant procedure, for example, on its own and separately as a joint venture partner (except as declared sub-contractor) with another applicant (an applicant’s submission of more than one grant proposal will result in the disqualification of all grant proposals in which such applicant is involved).’</p>

ADDITIONAL INFORMATION/CLARIFICATIONS:

Please note that individual clarification meetings with companies are not envisaged at this stage of the Call for Proposal.

Please note that at this stage of the CfP UNIDO cannot respond to requests on the eligibility, suitability of an organization or consortium. All organizations are requested to kindly carefully review the Call for Proposal documents (CfP documents) and decide, if and how, they can address the CfP. Eligible sectors, list of countries etc. are provided in the documents accordingly.

Once UNIDO received all proposal these will be evaluated in detail in line with the established qualification and evaluation criteria.

Considering the complexity and high volume of the programme, a rating report is required - in particular if your Profit Margin Ratio is not positive. It is also advised to include additional information regarding the profit margin ratio, i.e., possible reasons for the negative ratio. In addition, applicant might consider partnering up with another company/institution which can take the lead and would be able to meet the qualification requirements. The financial qualification criteria must be met by the lead organization which will be the signatory of the contract.

All Call for Proposal documents for the Call for Proposal (RFx No. 7000007043) may be found:

- UNIDO Procurement portal for the Call for Proposal (One-time REGISTRATION REQUIRED!)
- United Nations Global Marketplace (UNGM): under Procurement Opportunities (www.ungm.org).

Submission of proposals must be done in the UNIDO Procurement portal.

For registration in the UNIDO Procurement Portal a period of approx. 3 days must be considered.

Inquiries related to the Call for Proposal (e.g. document download, preparation of the proposal, questions related to the content of the CfP etc.) must be sent to UNIDO Procurement Services (C.Ziniel@unido.org; J.Gavranic@unido.org; e.dorner@unido.org) or through the Q&A section directly in the UNIDO e-procurement portal under RFx No. 7000007043 **at the latest eight working days prior to the indicated deadline for submitting a grant proposal.**

The virtual announcement event hold on 18 July 2024: [A2D Facility Call for Proposals - Announcement Event \(youtube.com\)](https://www.youtube.com/watch?v=...)

Submission deadline is until **19 August 2024 16:00 Vienna CET**