



# **Malaysia-UK PACT:**

# **Market Engagement Webinar**

UK PACT Country Programmes

29 September 2020

# Agenda

**01**

**15.00-15.20**

Welcoming remarks

**02**

**15.20-15.30**

Introduction to  
the UK PACT programme

**03**

**15.30-15.55**

Malaysia-UK PACT Call for Proposals

**5 min  
break**

**04**

**16.00-16.30**

Application process and requirements

**05**

**16.30-16.55**

Questions and answers

**06**

**16.55-17.00**

Wrap-up

# 01

## **Welcoming remarks**

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**David Thomas**

*Deputy High Commissioner to Malaysia*

# 02

## Introduction to UK PACT

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**Mike Irwin**

*Head of Africa and Asia  
Partnerships and Capability Team  
Department for Business, Energy &  
Industrial Strategy (BEIS)*

# UK PACT: Partnering for Accelerated Climate Transitions

UK PACT is a £60 million programme running between 2018 and 2022

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## Mission and vision

- Delivered by BEIS, the UK's Department for **Business, Energy and Industrial Strategy**, through the UK's International Climate Finance (ICF)
- Supporting **achievement of Nationally Determined Contributions (NDCs)** and the long-term goal of the 2015 Paris Agreement to **limit dangerous climate** change
- **Demand-driven**, adjusting key focus areas based on partner countries' needs and sectoral priorities

## We will achieve this by:

- Working with partner countries to improve the capacity and capability of key institutions to reduce emissions and foster inclusive economic growth
- Addressing barriers and constraints to clean growth
- Pursuing opportunities for greater climate ambition

# UK PACT Programme Structure

A flexible, demand-driven delivery model with three core components to support transformational change

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## Strategic Oversight

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### Country Programmes



Support in partner countries for **demand-driven projects providing capacity building** to accelerate low-carbon transitions

### Green Recovery Challenge Fund



Support for **innovative capacity building** projects in a **wider range of ODA-eligible countries** to promote emissions reductions and low carbon solutions

### Skill-Shares and Secondments

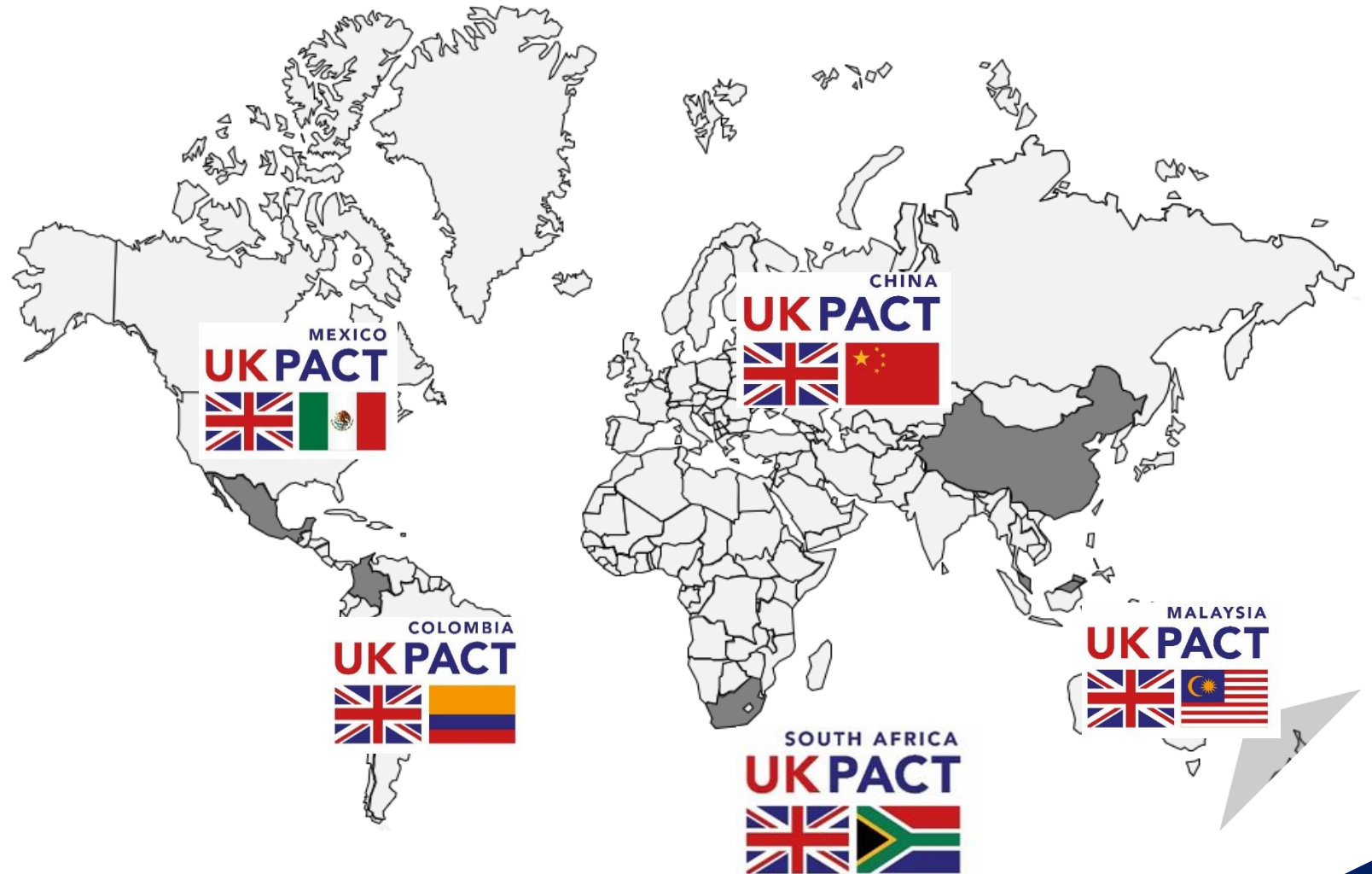


Short term **skill shares** between UK experts and their country counterparts, and long-term **secondments** into key institutions

# UK PACT Country Programmes

Palladium International Ltd. will deliver the Country Programmes

- UK PACT Phase I launched in 2018 and has supported **34 projects across China, Colombia and Mexico.**
- UK PACT Phase II launches in 2020 with Country Programmes extended to **Malaysia and South Africa.**
- An **open, competitive grant facility** to support activities in priority sectors.



**Zoom**

**Audience poll**



# 03

## Malaysia-UK PACT Call for Proposals

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**Murali Ram**

*Malaysia-UK PACT*

**Pasquale Capizzi**

*UK PACT Country Programmes*

## Key Parameters for Malaysia-UK PACT

The 2020 call for proposals will allocate up to £2.5 million of funds through an open, competitive grant facility

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The following parameters will guide a call for proposals in Malaysia:

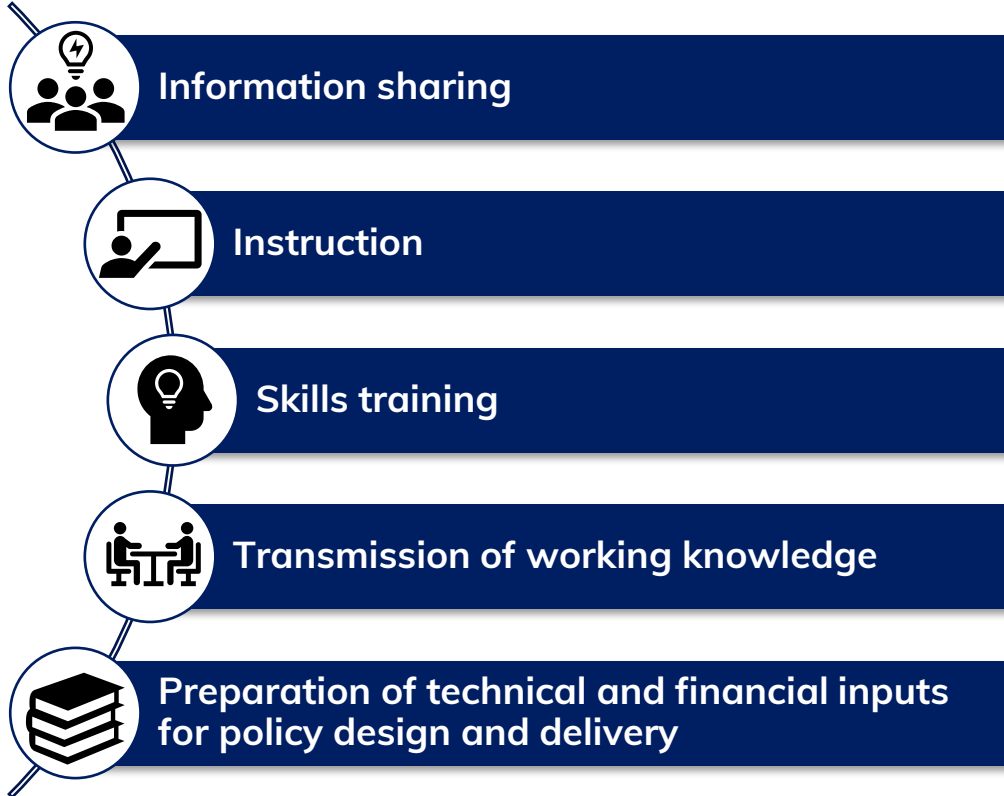
- **Budget Allocation (approximately):** up to £2.5 million available for funding in 2020 - 2021
- **Size of projects:** between £100,000 and £375,000 or  
~RM 536,000 – RM 2,010,000 (based on 1£= RM 5.36)
- **Timing of projects (approximately):** beginning April 2021 and lasting 9 months

**Projects should deliver technical assistance and capacity-building support.**

# Eligible activities – what is meant by technical assistance?

UK PACT projects must build capacity in key institutions to support low carbon transitions

Technical Assistance is defined as **non-financial support provided by external specialists** which can take the form of:



## UK PACT activities may include:

- research and studies
- training
- advisory services
- convening and facilitation of dialogues and exchanges
- development and communication of models, tools and other resources
- provision of recommendations and review services

# Who are the beneficiaries of technical assistance?

UK PACT projects must build capacity in key institutions to support low carbon transitions

## Primary beneficiaries are likely to include:

National government departments

State government departments

Local government (city, district and local municipalities)

State-owned enterprises and other state-funded agencies, regulatory bodies and policy centres

## Secondary beneficiaries (in partnership with primary beneficiaries) could also include:

NGOs

Industry associations

Private sector enterprises

# Who provides technical assistance?

## Types of organisations eligible for UK PACT grants (UK PACT Implementing Partners)

The following types of organisations are considered eligible for UK PACT Grant Funding:

- Academic institutions
- Consultancies and engineering firms (private sector firms)
- Industry or professional associations
- NGOs
- Think tanks

**Any organisations with the knowledge, skills and experience to deliver Technical Assistance projects relating to one of the priority sectors**

**Government departments and/or agencies are not eligible for UK PACT Grant Funding.**

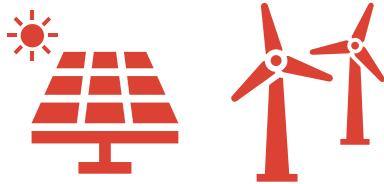
# Priority sectors for the Malaysia call for proposals (CfP)

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# 1

## Climate Action Enabling Environment

Development of enabling conditions for enhanced climate action with a focus on climate governance, (cross) sectoral data generation and management; participation; and capacity-building at national and city-level.



Enhance Malaysia's Energy Transition Pathways, with a whole-system approach through initiatives for Renewable Energy, Energy Efficiency and Alternative Fuel Sources Development.

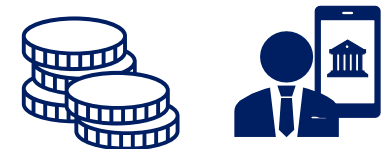
**Energy**

# 2

# 3

## Green Finance

Leverage Malaysia's leadership position to incentivize and remove barriers for green finance through improved disclosure, increased transparency and data-driven decision making, i.e. Greening Practices and Greening Investments



# Eligible activities – what is meant by Technical Assistance?

Examples of possible entry points for UK PACT assistance



## Climate Action Enabling Environment:

- **Capacity building of key government agencies and departments**, as well as city managers, to plan and deliver ambitious climate agenda and initiatives.
- Technical assistance to support organisations and institutions **to improve climate governance and implement climate action**
- Research and evidence generation for different applications, such as **business cases to support upstream pipelines** of projects in multiple sectors, for instance concerning *sustainable forestry initiatives* or emission inventory in different sectors
- **Review of policies and legal settings** to provide evidence required for future development or revision of climate policies and acts
- Capacity-building in data analytics for agencies or cities, e.g. climate scenarios and GHG modelling and analysis.
- Development of data & evidence management platforms or applications, such as **Data Repository Portals** or **user-friendly carbon and climate-data applications**
- Initiatives that enable **the active participation of the private sector and major groups**, with a focus on youth

# Eligible activities – what is meant by technical assistance?

## Examples of possible entry points for UK PACT assistance

### Energy:

- **Development of evidence-based roadmaps** to provide incentives and remove barriers for enabling renewable energy, energy efficiency and alternative fuels sources
- **Capacity building initiatives**, for instance for enabling Renewable Energies and Efficient Energy Management Authority in appraising, selecting and financing energy access and energy efficiency projects
- **Enabling policy initiatives for Energy**, such as the development of incentives for a Green Hydrogen economy, through financial and governing structures for mass adoption of community-based solar energy generation; and development of monitoring, reporting and validation (MRV) methodologies



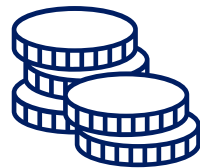


# Eligible activities - what is meant by technical assistance?

## Examples of possible entry points for UK PACT assistance

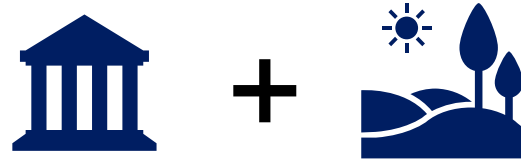
### Green Financing:

- Development of evidence-based roadmaps for **creating incentives and remove barriers in policy and regulations** to enable green finance opportunities
- **Identification of green investment opportunities, and upstream pipelines of projects**, to scale up green bond issuance at local level, and promoting participation in the carbon markets.
- Initiatives that **build capacity** of key government agencies, the private sector, and other stakeholders of the importance, benefits and mechanisms of climate-smart investment strategies, relevant to *Climate Related Financial Disclosure* frameworks

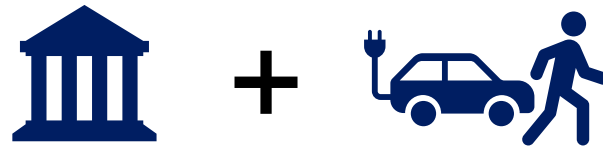


# Priority sectors + Key themes in the Malaysia call for proposals (CfP)

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Development of evidence that enable policy-making, and the involvement of the private sector in sustainable practices, in the **Forestry** sector will be particularly welcomed through the **Climate Action Enabling Environment** and the **Green Finance** window



**Sustainable Mobility** will be considered in the next phases of the project. At this stage, initiatives to generate evidence and business cases for sustainable mobility may be eligible under the **Climate Action Enabling Environment** window

# Adapting to COVID-19 – Supporting a ‘green, clean and resilient recovery’

UK PACT aims to deliver sustainable change and support a green and inclusive economic recovery

- New policy, planning, investment and action must remain aligned with climate ambitions.
- We will be looking for evidence of how project proposals can contribute to **both emissions reductions and economic recovery** objectives.
- We will also be looking for **robust risk assessments and mitigation strategies**.



**Zoom**

**Audience poll**



**5 minute break**



**5 minute break**



# 04

## **Application process and requirements**

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**Cassie Yates,** *UK PACT*

# Two key application stages: Expression of Interest and Full Proposal

What are the main components at each stage?

## 1. Expression of Interest (EOI)

Capturing initial concepts and assessing eligibility

### Includes:

- Eligibility
- Strategic fit
- Early planning
- High-level budget

## 2. Full Proposal

More detail provided on full project scope, activities, management, risk and reporting

### Includes

- Full project description
- Detailed project workplan
- Detailed budget
- Full risk analysis



Applicants successfully selected following Expression of Interest stage will be provided further guidance during the selection process

# Overview: applications key steps and timelines

Indicative timeframe for CfP process





# What's required? Eligibility requirements

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## Organisation eligibility

- ✓ Think tanks, consultancies (private sector firms), academic institutions, NGOs, professional associations or similar organisations that have the knowledge, skills and experience to deliver Technical Assistance projects relating to one of the priority sectors outlined
- ✓ Registered to lawfully conduct activities in Malaysia
- ✓ Experience of delivering similar projects
- ✓ Consortia welcome

## Project Eligibility

- ✓ Strategic fit with the UK PACT priorities outlined
- ✓ Demonstrate clear pathway and plan to engage intended beneficiaries in Malaysia
- ✓ Up to 9 months duration (including delivery of intermediate outcomes)
- ✓ Between approximately £100k and £375k
- ✓ ODA Eligible (Economic Development and Social Welfare)
- ✓ Incorporating opportunities for Gender Equality and Social Inclusion (GESI)

**Government departments and/or agencies are not eligible for UK PACT Grant Funding.**

# Project building – developing a successful project

The importance of developing a “Theory of Change” (project logic)

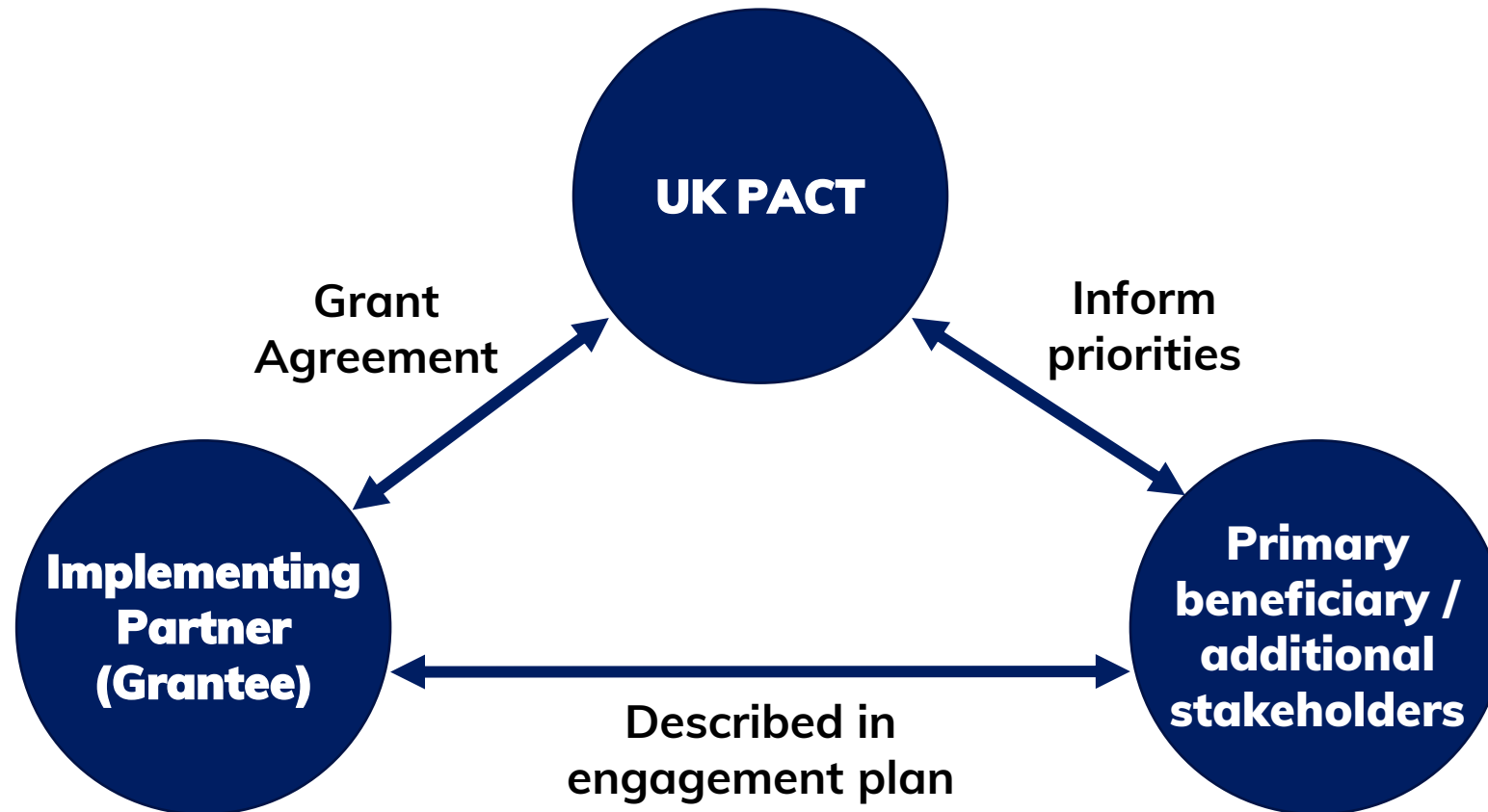
- Clearly outlined **activities**
- Clearly outlined **outputs** that address key constraints to UK PACT objectives
- A causal link between the proposed outputs and **intermediate outcomes**
- **Skills enhanced**
- **Recommendations proposed**
- **Knowledge and communications products developed/ disseminated**
- **Networks and partnerships established**

**Applicants should explain how outputs will lead to enhanced capacities and capabilities amongst target stakeholders, and how this in turn will contribute to enhanced and sustained action on emissions reductions.**

**Further Monitoring, Evaluation and Learning (MEL) Guidance will be available during the application process.**

# Project building – developing a successful project

Demonstrating a close collaboration model



# Project building – beneficiary engagement

What do we expect to see at each stage?

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## Expression of Interest (EOI) stage:

Identify primary beneficiary partnerships and additional stakeholders.



## Full proposal stage:

Shortlisted applicants will be asked to develop proposed engagement plan with beneficiaries as appropriate to the project. This could include:

- Informing beneficiaries through regular communications,
- Establishing joint working groups,
- Agreeing to more specific project Terms of Reference if appropriate

# Key principles of project selection

Project selection criteria designed to ensure a strong portfolio of relevant projects

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## Transformational Change:

- Far reaching interventions that can overcome widespread behavioural inertia
- Encouraging others to adopt, replicate and scale-up successful activities
- Facilitating substantive institutional and policy change towards a low-carbon future

# Key principles of project selection

Project selection criteria designed to ensure a strong portfolio of relevant projects



## Demand led

- UK PACT objectives and local and national priorities
- Beneficiary and stakeholder interest



## Deliverability

- Skills, knowledge, experience to deliver the project
- Technically sound delivery model



## Value for Money

The Four E's:

- Economy
- Efficiency
- Effectiveness
- Equity

# Key principles of project selection: Political will and buy-in

Responding to demand, evidencing political will and support for the project

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- ✓ Need for the project and level of demand for the project
- ✓ Strong understanding of the context
- ✓ Primary beneficiary engagement in the development of the project proposal
- ✓ Plan for working with beneficiaries to deliver

- ✓ Identification of other stakeholders and their type and level of interest.
- ✓ Broad support from across societies, cultures, and interest groups
- ✓ Clear plan for maintaining support as the project progresses
- ✓ Impact of COVID-19

# Key principles of selection: Incentivising Action

Ensuring we support projects that will incentivise action and ensure uptake of outputs

How will the project incentivise others to act on climate change?

## For policy and capacity building activities:

- how the project **could** lead to incentivised action (for example producing evidence making acting on climate change a sensible decision for public agencies, commercial firms, and private individuals) and then **how the applicant will carry out activities** that encourage that uptake.

## For project level interventions: (initiatives in sub-national energy efficiency or city level sustainable mobility)

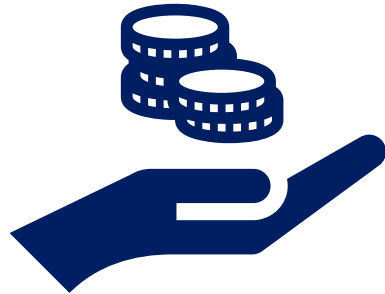
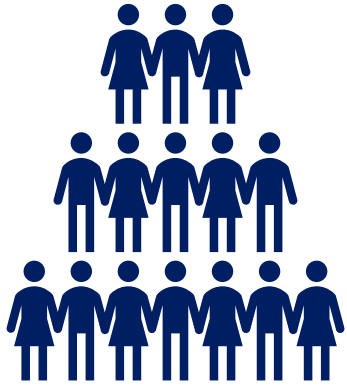
- a strong understanding of the **replicability and the scalability** of the project activities and results. This includes **outlining who might replicate project activities** and results and how, and **identifying pathways to scale**.



# Key principles of selection: Economic Development & Poverty Alleviation

Delivering positive economic and social outcomes across society

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- All UK PACT projects must be focused around economic development, poverty alleviation and welfare objectives
- Applicants will be asked to describe how the project could lead to improved economic outcomes across society
- This includes **identifying both potential positive and negative actions and outcomes**

# Key principles of selection: Gender Equality and Social Inclusion

Delivering positive outcomes for all

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Gender Equality and Social Inclusion (GESI) will be mainstreamed into the Grant Selection process:

- Identify possible positive and negative outcomes or unintended impacts
- Identify activities that offer opportunities for inclusion
- Identify how they will monitor and evaluate specific GESI related impacts during project implementation

## **Social inclusion:**

improving the conditions of disadvantaged individuals and groups

**Equality:** distribution of opportunities, choices and resources

# Key principles of selection: Skills, knowledge and experience

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## Projects will be assessed to ensure:

The proposed consortium has **relevant knowledge and experience** in the subject area and the **skills in the team to deliver the project**. This might include:



Staff members with a relevant background



Experience delivering similar contracts

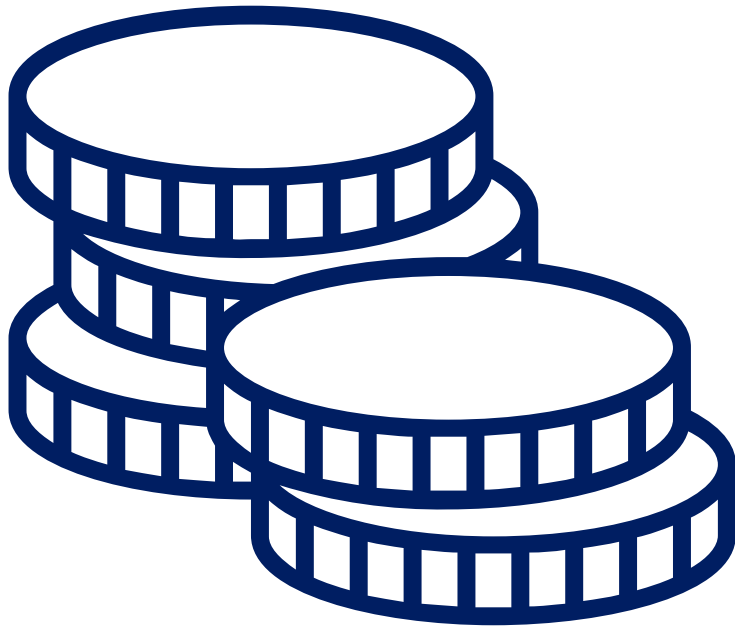


Appropriate blend of partners within consortium

**We welcome applications from consortia involving Malaysian, International and UK based partners - strong networks in country are required**

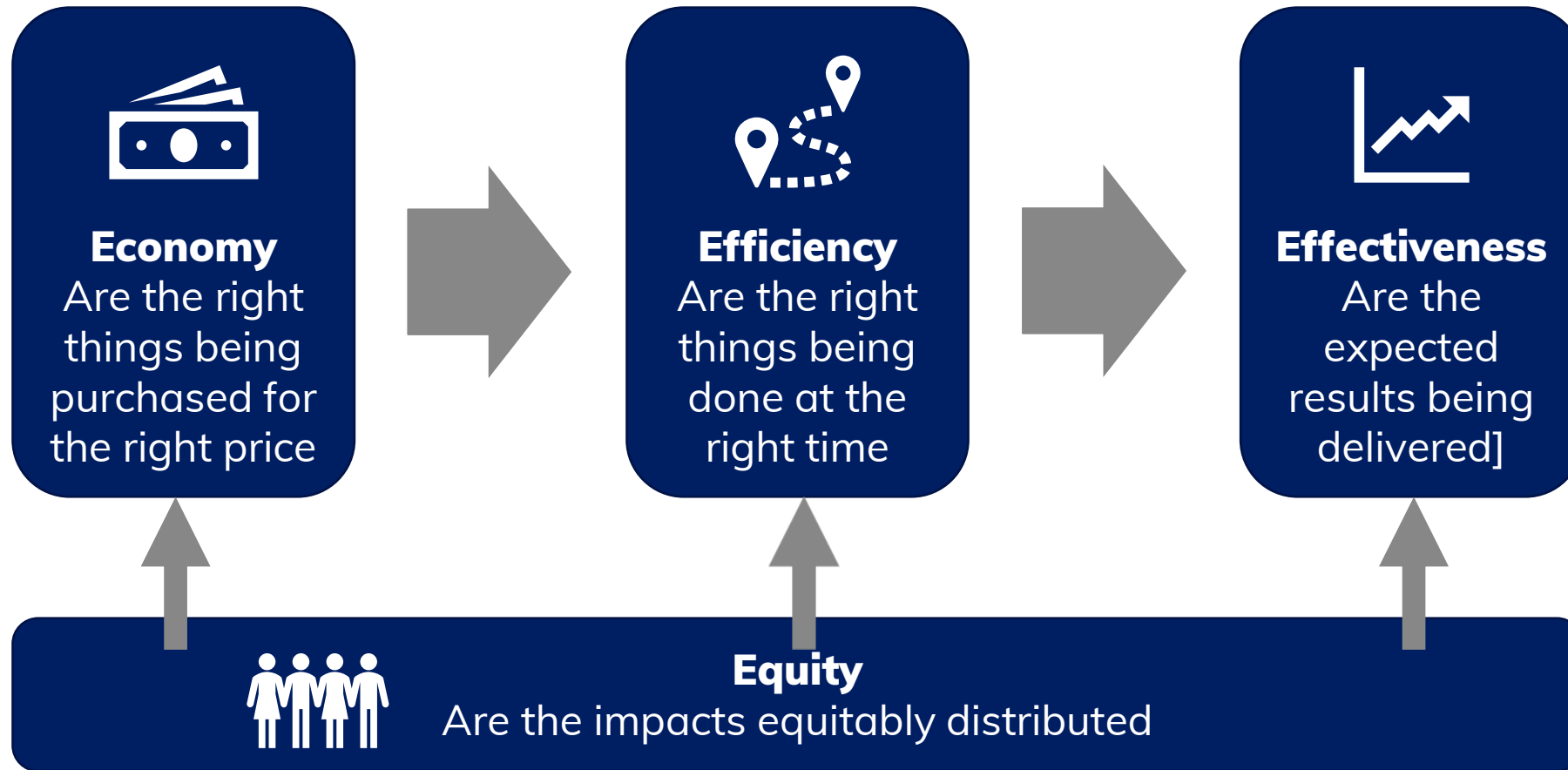
# Key principles of selection: Commercial viability

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- Budget within the available funding range
- Costs indicated are eligible and clearly linked to the activities and outputs outlined
- Cost reasonableness:
- Rates of staff; benchmarking; procurement approach and policy
- Project Management
- Financial management
- Risks management
- Environmental impact

# Key principles of selection: Value for Money (VfM)



# Budgeting for UK PACT

## Submitting a proposal that includes eligible costs

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### Eligible costs include:

- Consultancy and staff time required to deliver activities.
- Costs related to promoting the dissemination of project outputs and their adoption or uptake by beneficiaries and key stakeholders. Limited budget may be available for wider communications costs to promote your individual project, where there is a strong justification.
- Wider marketing and communications costs linked to other work delivered or to the organisation receiving the grant are not eligible.
- Travel and subsistence costs for staff or consultants working on the project when delivering project activities.
- Other delivery costs directly related to activities and outputs (workshops, seminars, production of outputs, translation etc.).
- Reasonable administration costs/overheads.
- UK PACT **does not fund** the purchase or maintenance of any assets (capital expenditure or CAPEX).

# Budgeting for UK PACT

## Submitting a proposal that includes eligible costs

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- Unless approved by the UK PACT programme team, the funds **cannot be used to pay for the costs/ time of any other organisation/ expert** other than those approved and indicated during the Call for Proposals process.
- UK PACT **does not fund** infrastructure or construction.
- **Profit is not** an eligible cost.
- The funds **cannot be used to pay for Government Officials' time** involved in the project.
- Applicants should note that **UK VAT is not eligible** as a cost in the budget however, **local taxes** can be included.

# Reporting and monitoring, evaluation and learning (MEL)

Developing a robust MEL framework will be essential for capturing impacts and building an evidence base

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- Full proposal stage - initial project plan will be developed, including indicators and verifiers to track progress against expected outputs and intermediary outcomes
- Further guidance on UK PACT's programme level MEL framework, including ToC and logframe, will be provided alongside the application process to facilitate project MEL development
- Projects will be expected to report on a quarterly basis on MEL, alongside technical, financial and risk reporting
- Projects will be encouraged to identify opportunities for developing case studies





# Grant payments and recording

## What payment mechanisms do you offer?

- Payments to recipients to be made in arrears upon the achievement of pre-agreed milestones (**Milestone cost reimbursement**).
- Once pre-agreed milestones have been achieved, recipients may request reimbursement for any eligible costs incurred undertaking grant funded activities.
- Applicants should consider whether they are able to cashflow the project they are proposing to deliver.
- Payments will be made in **GBP (£)**. Applicants will be expected to manage exchange rate fluctuations.

### Milestone cost reimbursements

- Evidence of achievement of pre-agreed milestones is required to trigger payment
- Reporting takes place at least quarterly
- Payment is made on the basis of actual amount spent up to the point of milestone achievement.
- All expenditure is evidenced throughout implementation as standard.

# Due diligence: Pre- and Post-award

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- Financial Health, Financial Governance, and Fraud Control Policies
- Governance (including good conduct)
- Conflict of interest
- Data security
- Procurement
- Recruitment and employment practice
- Safeguarding practices
- Environmental Safeguards
- Sub-subcontractors
- Any additional disclosures
- Self-certification

- Palladium will request and review basic due diligence information at EOI stage and a more in depth due diligence review post award
- **Palladium will support organisations** with training and other forms of ad hoc support to help grantees through the process
- Assessment of the due diligence information will respond to specific risks relevant to the programme

# How to apply?

Applications must be made through the UK PACT Country Programmes application portal

**Launch date:**

9 October 2020

**Application portal:**

[www.ukpact.co.uk/country-programmes/applications](http://www.ukpact.co.uk/country-programmes/applications)

**Language of application:**

ENGLISH

- ✓ Online EOI form
- ✓ All sections completed, within word limits
- ✓ Eligibility and due diligence checklist completed

**Further guidance, including consolidated FAQ, will be made available to accompany the application process.**

**Zoom**

**Audience poll**

# 05

## Questions and Answers

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# 06

**Wrap-up**

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## Wrap-up and next steps

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- This presentation will be published on the UK PACT website shortly ([www.ukpact.co.uk](http://www.ukpact.co.uk))
- You will receive a survey regarding this webinar and we appreciate your feedback
- The Call for Expression of Interest is planned for release on **9 October 2020**
- Window for further clarification questions is open until **16 October 2020**. Please submit questions to: [malaysia@ukpact.co.uk](mailto:malaysia@ukpact.co.uk)
- For any technical issues when registering on the application portal please contact: [support@touchstonereview.com](mailto:support@touchstonereview.com)



**THANK  
YOU**



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