# UK PACTORY GREEN RECOVERY CHALLENGE FUND

### UK PACT OVERVIEW

## UK PACT: Partnering for Accelerated Climate Transitions

#### **UK PACT** is a £60m programme

- UK PACT is funded by the UK's Department for Business, Energy and Industrial Strategy (BEIS), and delivered under the UK's International Climate Finance (ICF) portfolio
- UK PACT will deliver £60
  million between 2018-2022,
  through Country Programmes,
  Skill-Shares and
  Secondments and a Green
  Recovery Challenge Fund
- UK PACT is working with highambition countries in Asia, Africa and Latin America, and currently has programmes in China, Colombia, Malaysia, Mexico and South Africa

The Green Recovery Challenge Fund will focus on the following countries\*



Argentina



Bangladesh



Brazil



China



Colombia



Ethiopia



India



Indonesia



Kenya



Malaysia



Mexico



Nigeria



Peru



South Africa



Thailand



Vietnam

## UK PACT: Partnering for Accelerated Climate Transitions

#### **MISSION AND VISION**

- UK PACT is a capacity building programme under the UK's International Climate Finance (ICF) portfolio. It is part of the UK's commitment to deliver £5.8bn in International Climate Finance by 2021
- The programme supports countries to implement and increase their ambitions for carbon emission reductions in line with their Nationally Determined Contributions (NDCs), and to meet the goal of the 2015 Paris Agreement to limit dangerous climate change
- UK PACT is demand-driven, adjusting key focus areas based on partner countries' needs and sectoral priorities

#### IT 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 to support transformational change

UK PACT is designed to be flexible and adaptive, with 3 core components to its delivery model. BEIS has procured a delivery partner to lead the delivery of each component:



#### STRATEGIC OVERSIGHT

#### 1. COUNTRY PROGRAMMES:





support innovative projects in partner countries to provide capacity building in line with the country context and demand from government stakeholders

#### 2. GREEN RECOVERY CHALLENGE FUND (GRCF):



Support for innovative capacity building projects to promote low-carbon solutions and a green, resilient and inclusive recovery in a wider range of countries

#### 3. SKILL-SHARES AND SECONDMENTS:





provide both short-term peer-to-peer **skill shares** with country counterparts, and long-term **secondments** into key institutions



**MONITORING, EVALUATION AND LEARNING** 

#### Supporting a 'green recovery'

UK PACT is a long-term programme and is actively supporting green and inclusive economic recovery efforts for Government, businesses and civil society

- Following the strain put on by COVID-19, a swift and sustainable recovery will be a priority for government and businesses
- UK PACT has an important role to play in contributing to this recovery and ensuring a global 'green recovery'

- Project proposals must contribute to these green recovery efforts and align with both emissions reductions and economic recovery objectives
- Our robust risk assessments and mitigation strategies will ensure projects have the necessary built-in flexibility and adaptability

### GRCF OVERVIEW



#### The Green Recovery Challenge Fund

What it is



£12M



**GREEN RECOVERY** 



**GRANTS OF UP TO £500,000** 

## What are we looking for?

We are looking for innovative ideas that address specific low-carbon challenges, show measurable results, promote social inclusion and inspire future actions to increase climate ambition at scale while supporting countries to rebuild their economies after the COVID-19 outbreak.

Applications are open to international and local non-governmental organisations (NGOs), civil society organisations, research institutes and private sector companies. Each project has the potential to be awarded up to £500,000 over the course of a 12-month implementation period.

**Examples of activities we expect to fund include:** 

### ENHANCING SKILLS IN KEY INSTITUTIONS BY PROVIDING TRAINING

RECOMMENDATIONS OF NEW POLICIES OR TOOLS TO ACCELERATE EMISSION REDUCTIONS

CREATING KNOWLEDGE AND COMMUNICATION PRODUCTS (E.G. RESEARCH PAPERS)

STRENGTHENING NETWORKS OF KEY ACTORS TO DRIVE CLIMATE ACTION.

## The Green Recovery Challenge Fund is distinct from other parts of UK PACT, namely from the Country Programmes.

Category	GRCF	<b>Country Programmes</b>
Funding capacity building projects		
Single-country projects		
Regional and multi-country projects		X
Countries		
Focus areas	Thematic windows	Tailored to specific country priorities

# THEMES FOR THE SECOND FUNDING ROUND



### Theme 1

# Nature Based Solutions



#### **Nature-Based Solutions:**

#### Promotion of sustainable agriculture and forestry

#### Location

Latin America and Sub Saharan Africa

#### **Context**

Around the world, **climate change poses a systemic risk** to economies and societies. COVID-19 has exacerbated the impacts of unsustainable agricultural practices and systems.

Latin American and African economies have strong contributions from the agricultural sector. However, the lack of robust sustainable agricultural management and resilient supply chains jeopardises the ability to meet Paris Agreement climate targets and support a longer-term recovery from the pandemic.

#### Action

Enhancing **sustainable agriculture and forestry** inclusive to agroforestry, silvopastoral and regenerative practices, will play a pivotal role in supporting the green recovery and addressing climate mitigation, particularly across Latin America and Sub-Saharan Africa.

These practices include sustainable land use, soil restoration, as well as integrating carbon sequestration, in order to achieve sustainable agricultural production whilst mitigating emissions. Supporting the management and scaling up of sustainable agricultural practices can provide a boost to rural economies and create jobs. It can also allow to restore and protect the environment, to help long-term development associated with increasing food security.



#### **Nature-Based Solutions:**

#### Promotion of sustainable agriculture and forestry

#### Scope

- Implementation and strengthening of policy, monitoring, reporting and verification (MRV) practices towards Sustainable Agricultural land management, inclusive of agroforestry, silvopastoral and regenerative practices.
- Increasing awareness and building capacity for agroforestry and restoration of degraded soils from agricultural practices, i.e. through silvopastoral practices, yield improvements, diversification, transparency, sustainable fertilizers, soil biodiversity and carbon sequestration.
- Developing scalable business models and enhanced market demand for sustainable supply chains that target local and zero deforestation commodities, including food, crops, and sustainable wood and lump charcoal.

#### **Not in Scope**

- Projects which focus on pure afforestation and forestry that is NOT inclusive to agroforestry and silvopastoral practices, as defined in the scope.
- Projects that do not place emphasis towards mitigation practices for nature-based solutions/agroforestry (i.e. projects primarily focused on adaption).



#### **Nature-Based Solutions:**

#### Promotion of sustainable agriculture and forestry

#### **Example projects**

- Developing digital tools to aid data profiling with agroforestry and climate accounting e.g. MRV of silvopastoral practices, the integration of tree cover and pastureland.
- Sharing best practice and undertaking **training on advanced agroforestry regenerative practices**, such as soil carbon sequestration.
- Building stakeholder platforms and network strategies to support the access of agroforestry management and sustainable supply chains between smallholder farmers to private sector and local government; as well as supporting local and indigenous communities.
- Sharing knowledge and providing training on Farmer Managed Natural Regeneration (FMNR)
  practices which allows for the conservation management of degraded agroforestry and sustainable
  land use.
- Developing business tools and engagement to enable the scaling up of sustainable supply chains linked to agricultural produce.

### Theme 2

## Clean Energy Transition



#### **Clean Energy Transition:**

#### Integrating grid and off-grid low-carbon energy solutions

#### Location

Latin America and Sub - Saharan Africa

#### **Context**

Around the world, climate change poses a systemic risk to economies and societies. In the wake of COVID-19, these risks and impacts have been exacerbated, and many countries are responding to the pandemic with economic stimulus packages.

These impacts can stretch the energy sector's capacity and impede a country's ability to cope with the crisis and economic downturn. The pandemic does not dampen the need for clean and reliable energy access which remains a major challenge in Africa. Supporting grid and off-grid solutions is therefore a major opportunity in the context of national stimulus and recovery programmes.

#### **Action**

The recovery from COVID-19 needs to support the move towards clean and affordable energy for all that ensures resilience, reliability and poverty reduction.

The clean energy transition across Sub-Saharan Africa has significant potential to accelerate the low-carbon transition, stimulate a Green Recovery and spur sustainable and inclusive growth. Where access to electricity is low or supply is intermittent, a mixture of grid and off-grid solutions is key to ensure development happens when and where it is needed, in a coordinated, efficient and resilient way.

This requires policy for optimal and coordinated technology deployment, improvement of data quality to inform policy decisions and capacity building through the provision of training at national, federal, and subnational levels and knowledge sharing activities.



#### **Clean Energy Transition:**

#### Integrating grid and off-grid low-carbon energy solutions

#### Scope

- Strengthening institutional capacity on policy and technology areas at the national, federal, and subnational levels to accelerate the integration of lowcarbon grid, mini grid and off-grid solutions (including productive use of electricity) and remove roadblocks.
- Improving data quality and data sharing to provide a more robust evidence base to inform decision-making.
- Developing timely and cost-effective clean energy transition pathways and energy scenarios.
- Preparing and delivering action plans, including policy and regulation, to integrate and interconnect clean offgrid and grid technologies and enhance electricity access, resilience and reliability.
- Developing grid and off-grid energy management awareness, including energy efficiency.

#### **Not in Scope**

- Financing renewable infrastructure projects.
- Investing to commercialise new technologies.
- Reconciling existing databases.
- Clean cooking projects.



#### **Clean Energy Transition:**

#### Integrating grid and off-grid low-carbon energy solutions

#### **Example Projects**

- Developing and validating data on projected energy demands and load factors for renewable energy technologies to inform national strategies and models.
- Developing a methodology to timely predict demand and generation needs and the mix of suitable technologies to set targets accordingly.
- Training officials at the national and sub-national level to develop and implement policies that harmonise low-carbon grid and off-grid solutions.
- Designing a methodology to identify locations where grid can economically expand as well as identify areas where off-grid solutions are more appropriate.
- Exploring the impact of **targeted regulatory and policy interventions** to enable cost reflective price signals and tariff structures.
- Designing of campaigns to raise awareness and promote energy management & efficiency.

## APPLICATION PROCESS

#### **Application process**



#### **Applications stages: EOI and Full Proposal**

#### **Expression of Interest (EOI)**

Capturing initial concepts and assessing eligibility

#### **INCLUDES**

- Eligibility checklist
- Thematic focus/ strategic fit of project
- Information on implementing consortium
- Demand from stakeholders

- Impact potential
- Gender and inclusion consideration
- Key risks
- High-level budget

#### **Full Proposal**

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

#### **INCLUDES**

- Full project description and transformational change criteria (impact, sustainability, political buy-in, leverage)
- Full stakeholder analysis and demonstration of beneficiary buy-in/engagement, including communications plans
- Full risk analysis

- Description of delivery team
- Project and financial management
- Gender and inclusion considerations
- Detailed project workplan
- Detailed budget

Applicants successfully selected following full proposal stage will be provided the necessary support and guidance to ensure projects are full aligned with UK PACT requirements (this may include budget and milestones, monitoring and reporting, communications and gender and inclusion support, among other aspects)

#### Selection criteria – Expression of Interest



#### **Project Eligibility Criteria**

#### **RELEVANCE AND STRATEGIC FIT**

- Accelerate low-carbon transition and promote a greener, fairer and more resilient future
- Nature based solutions in Latin America and Sub- Saharan Africa
- Clean Energy Transition in Sub- Saharan Africa

#### **ODA-ELIGIBILITY**

 Contribute to a reduction in poverty, enhanced sustainable development and/or improved welfare of the country's population

#### **DURATION**

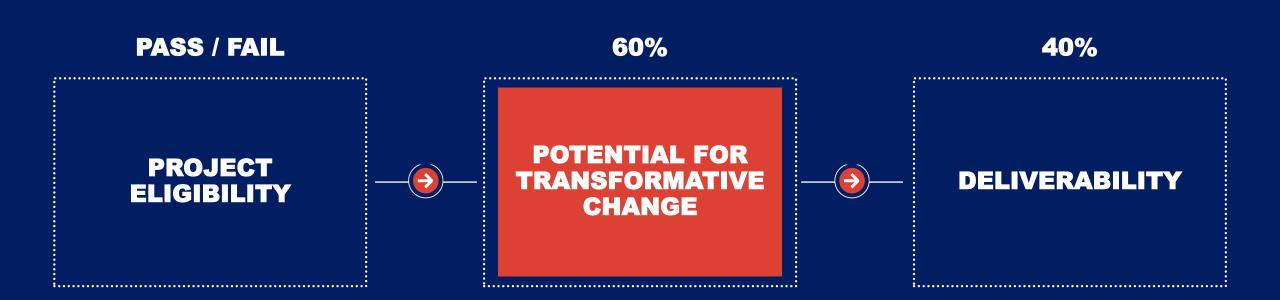
Up to 12 months\*

#### BUDGET

- Up to £500,000
- To be paid in GBP in arrears for completed tasks

<sup>\*</sup> Possibility for project extensions beyond one year, pending further funding for the UK PACT programme

#### Selection criteria – Expression of Interest



#### **Key selection criteria**



### Transformational change:

In order to sustainably reduce emissions and shift to lower-carbon patterns of development, countries need interventions that can catalyse further change. This means contributing to 'transformational change' by encouraging others to adopt, replicate and scale-up successful activities and by facilitating substantive institutional and policy change towards a low-carbon future.



#### **Demand-led:**

All project proposals must identify beneficiaries that will ensure the buy-in and absorption of the capacity building proposed. Applicants will be expected to have strong in-country networks and well-developed engagement plans for ensuring the uptake of project outputs

#### Key Selection criteria-Gender Equality and Social Inclusion

Support the inclusive low-carbon transition and a green, resilient economic recoveryneeded to reduce poverty in partner counties, contributing to the UN Sustainable Development Goals.



















Consideration of gender equality and inclusion are a minimum requirement to ensure no harm is done

Do No Harm | Ensure each intervention will not lead to unintended negative gender and/or discrimination impacts

#### **NON-COMPLIANCE**

**GESI Unaware/Blind** 



#### MINIMUM COMPLIANCE

**GESI Neutral** 



#### **EMPOWERMENT**

**GESI Sensitive** 



#### **TRANSFORMATION**

**GESI Transformative** 

#### Selection criteria – Expression of Interest



#### **Key selection criteria**



The deliverability of the project will be assessed to determine the expected likelihood of successful delivery of the project.

Does the implementing organisation have the skills, knowledge, experience to deliver the capacity building project?

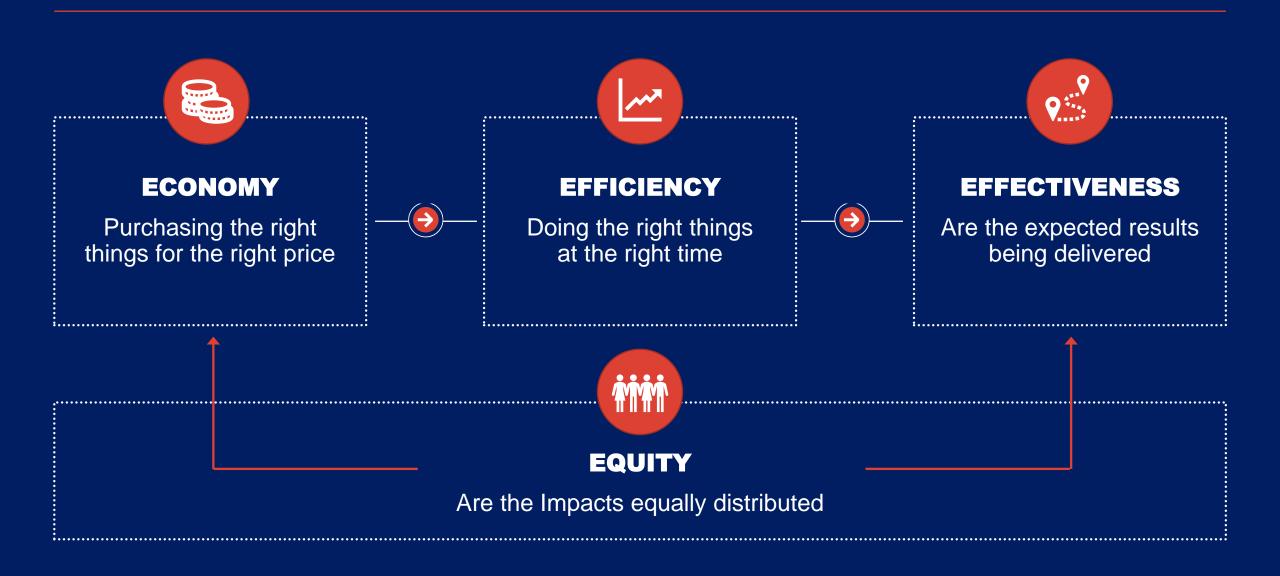
Does the proposed project have an appropriate design, including a clear, logical and achievable plan?

#### Selection criteria – Full Proposal



DEVELOPS AND BUILDS ON INFORMATION GATHERED AT EOI

#### Selection criteria – Value for Money







About Country Programmes Green Recovery Challenge Fund Skill-Shares and Secondments Events News





A £12million capacity-building fund to support low-carbon transitions and a green, resilient and inclusive economic recovery across ODA-eligible countries.

#### What is it?

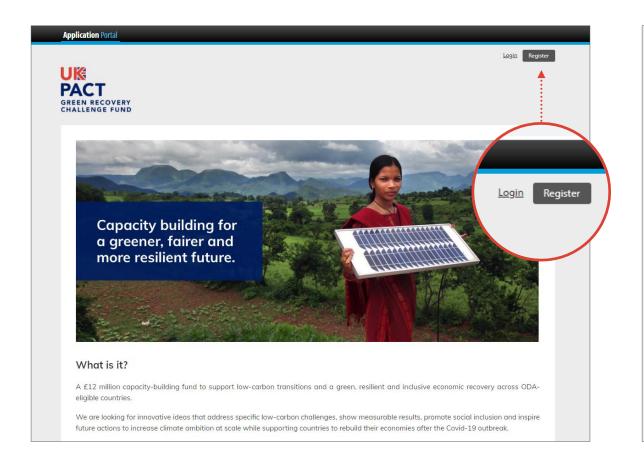
The UK Department for Business, Energy and Industrial Strategy (BEIS) has partnered with ICF Consulting to deliver the Green Recovery Challenge Fund under the UK PACT (Partnering for Accelerated Climate Transitions) programme funded by UK International Climate Finance.

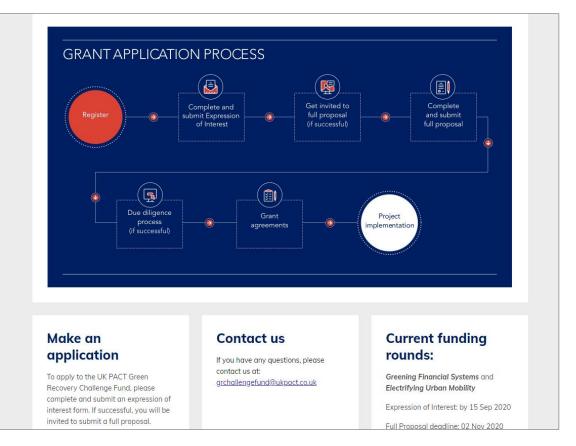
The UK PACT Green Recovery Challenge Fund will disburse £12 million over years on projects that will help countries accelerate their low-carbon transi will focus on projects that maximise emissions reductions in ODA-eligible across Latin America, Sub-Saharan Africa, and Asia. In the wake of the C pandemic, there will be a focus to support projects that promote a gree and more resilient future.

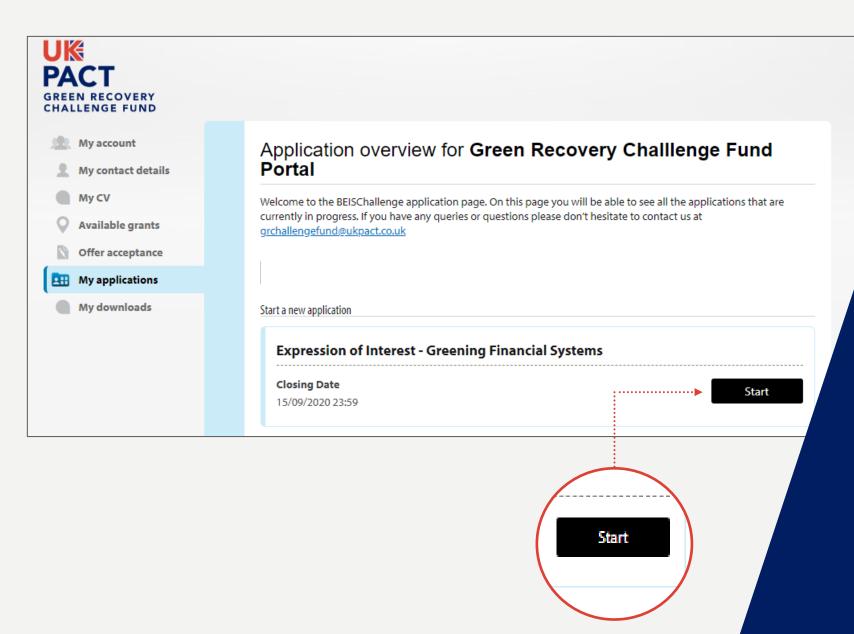
## How to apply through the application portal

www.ukpact.co.uk/apply-now

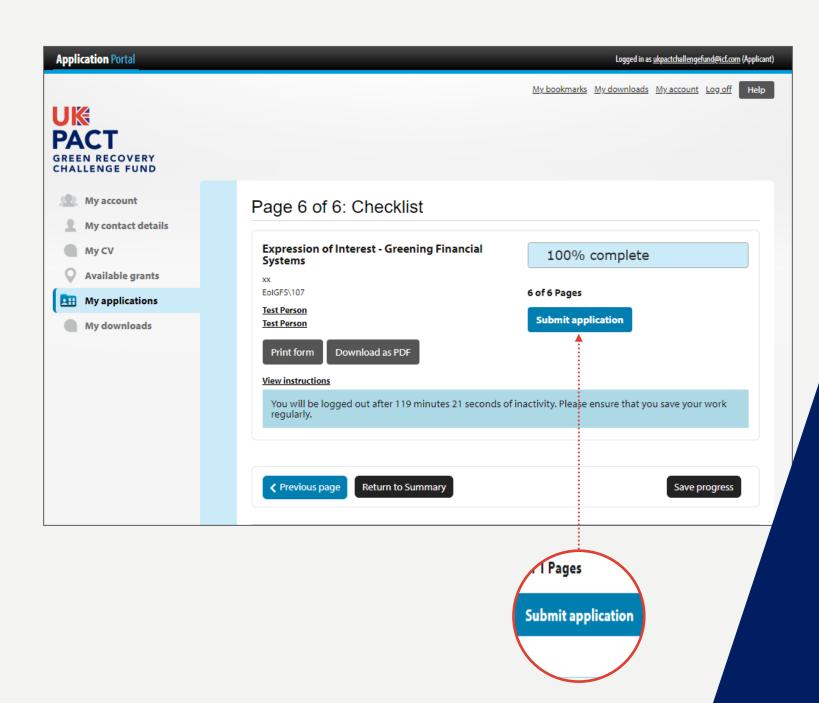
#### How to apply through the application portal







## How to apply through the application portal



## How to apply through the application portal

#### What's next?

 If you haven't already, check the eligibility checker and read the theme descriptions

 Supporting material including Guidance Document and Expression of Interest template are available on the website www.ukpact.co.uk/green-recovery-challenge-fund

 Then from 10 November 2020 12:00GMT, register on the portal and start your application! <a href="www.ukpact.co.uk/apply-now">www.ukpact.co.uk/apply-now</a>





Recording available this week

Applications open 10 November 2020 at 12:00GMT

www.ukpact.co.uk/green-recovery-challenge-fund