

ANNEX 2

NCF PRE-QUALIFICATION PHASE GUIDELINES

1. Introduction

The purpose of the Concept Phase is to select proposals to be shortlisted. Only Applicants with shortlisted Projects will be requested to submit a Final Application.

The documentation requested in the Concept Phase is limited, reducing the time and costs for the Applicant to prepare the proposal for the pre-qualification phase. This is likely to result in a large number of proposals during the Concept Phase. The Applicants selected to submit a Final Application, on the other hand, will know that they are participating in a limited contest and can allocate resources accordingly to prepare the Final Application.

2. Structure

The pre-qualification proposal consists of up to four parts.

- 1) Cover letter (free format), 1 page
- 2) Filled, printed and signed Excel Template ² (Annex 3)
- 3) Letter of Responsibility (if applicable), 1 page (Annex 4)
- 4) Completed Excel Template file (Annex 3)

The cover letter, the completed, printed and signed Excel Template and the Letter of Responsibility (if applicable) must be compiled into a single pdf document. A completed Excel Template file must be attached separately. The file must be named “NCF3_Name of the Applicant³_Eligible Country”.

No other documents or annexes are allowed.

Pre-qualification documents exceeding the page limitations will be rejected.

If substantial changes are made in the Final Application, as far as facts, assumptions, references, financial data and/or budget information are concerned, it may lead to disqualification of the Final Application. NCF reserves the right to request additional information in any phase of the process.

² The printed, completed Excel file (without Instruction sheet) may be maximum of 7 pages for adaptation projects and 8 pages for mitigation or combination projects with one Local Partner. If there are more than one Local Partner and/or Other Partners, one page/sheet shall be added per Partner.

³ If there is more than one proposal from the same Applicant, the Applicant should add a number to the end of the Name of the Applicant.

3. Evaluation

Evaluation of the pre-qualification proposal will be conducted in two stages; (i) pre-screening and (ii) scoring.

4. Pre-screening

Pre-screening will be conducted based on the completed Template and the Letter of Responsibility (if applicable). The following criteria must be met:

1) The Applicant must be a currently active and relevant Nordic institution, organisation, company and/or authority holding a registered place of operations in Denmark, Finland, Iceland, Norway or Sweden possessing the necessary technical capacity. Multilateral development funding agencies and their affiliates and bilateral donor agencies are not considered eligible. The Applicant shall have a substantial role in the implementation of the Project.

2) The Applicant's average annual audited turnover for the past two years must exceed the NCF funding applied for. In case the Applicant alone cannot fulfil this requirement, the Applicant is allowed to be supported, on a joint and several basis, by another Nordic institution, organisation or company defined as a Nordic Other Partner in order to fulfil this requirement. In such case, the Nordic Other Partner should execute an undertaking to NCF, substantially in the form of Annex 4 (Letter of Responsibility). This undertaking should be submitted to NCF together with the pre-qualification proposal⁴. The Applicant should be the lead partner, and have a key role in Project implementation.

3) The Applicant shall have a Local Partner with relevant capacity in an Eligible Country where the proposed Project is to be implemented. International development agencies, donor agencies, donor driven trust funds, project implementation units set up for other projects, and fully foreign-owned entities or subsidiaries registered in an Eligible Country are not considered eligible as Local Partners. The majority share of any Local Partner shall be owned locally (when applicable). Locally registered branches of international charitable and equivalent institutions may be eligible as Local Partners. The Applicant may have more than one Local Partner and may have Other Partner(s). Local Partner(s) shall have a key role in Project implementation.

4) The Project must be implemented in one of the following Eligible Countries: Africa: Benin, Burkina Faso, Cape Verde, Ethiopia, Ghana, Kenya, Malawi, Mozambique, Rwanda, Senegal, Tanzania, Uganda, Zambia, Zimbabwe; Asia: Bangladesh, Cambodia, Kyrgyz Republic, Lao PDR, Maldives, Mongolia, Nepal, Pakistan, Sri Lanka, Vietnam; Latin America: Bolivia, Honduras, Nicaragua. The Project can be implemented in several Eligible Countries⁵.

5) The Project shall relate to climate change and it shall have clearly defined and measurable objectives, costs and benefits which relate to climate change (adaptation and/or mitigation). All projects must meet NDF's climate criteria (Annex 5).

⁴ Submission of a Letter of Responsibility is not needed if the Applicant fulfils the annual turnover requirement.

⁵ Regional Projects including countries beyond the Eligible Countries may be accepted. The major part of the Project activity must take place in Eligible Countries.

- 6) The Project proposal shall provide for an innovative, low-cost climate solution and be focused on the development of local businesses.
- 7) The Project shall have a clearly defined and measurable development impact.
- 8) The sustainability of the Project shall be substantiated.
- 9) The proposed financial contribution from NCF shall range from EUR 250,000 to 500,000.
- 10) The implementation period shall be no more than 24 months.
- 11) The following minimum co-financing requirements must be met:
 - At least 20% of co-financing is required;
 - At least 50% of the total co-financing must be cash contribution.

5. Scoring

Applications passing the pre-screening will be scored in the second stage with a maximum of totally 100 points.

- 1) Technical capacity of Applicant, Local Partner(s) and Other Partner(s) - up to 10 points

The Applicant's and the Local Partner(s)' relevant capacity and experience in relation to the country and scope of the project will be scored. If an Other Partner is contributing to the project and its tasks have been clearly defined in the Project, the experience of the Other Partner will also be taken into account.

- 2) Project concept, feasibility and innovativeness - up to 25 points
- 3) Climate change and development impact- up to 30 points
- 4) Sustainability and Replicability - up to 15 points
- 5) Local commitment - up to 10 points

Local commitment will be scored based on local co-financing (cash or in-kind) and/or on other well substantiated local commitment.

- 6) Co-financing - up to 10 points

Full score for the total co-financing will be given to Projects with co-financing of 70% or more of the proposed budget. Any co-financing shall be attributable solely to the proposed project. Well substantiated local in-kind contributions can be taken into account (with minimum of 10% of cash co-financing of the total budget).

Based on the evaluation, a limited number of the highest scoring pre-qualification proposals will be shortlisted tentatively by late February 2012. The shortlisted Applicants will be asked to submit a Final Application tentatively by late April 2012. The final results of the third NCF call will be published later in 2012.

A maximum of two proposals may be selected from the same Applicant to submit a Final Application, and only one Final Application from the same Applicant can be selected.

NCF reserves the right to amend the pre-qualification phase guidelines as appropriate.