

The climate fund driving sectoral decarbonisation



Mitigation Action Facility Offer

## Solution

Multilateral funding for a blend of technical and finance cooperation through bilateral projects selected in annual calls, demonstrating that climate finance can effectively catalyse transformational change and enhance carbon-neutral development.

Political relevance

Alignment and implementation support for Breakthrough Agenda, Nationally Determined Contributions (NDCs), Longterm Strategies and UNFCCC processes.

Proven Success In 2023, more than 300 project concepts were submitted from 105 countries, indicating the Facility's ongoing success in attracting the best mitigation projects from around the world. Building on experience from the NAMA Facility (2013-2022)

668 Million € committed

1.6

9.7

Billion € leveraged

47

projects selected

**25.5** Million people benefitting

Million tons C0<sub>2</sub> reduced





Open to all Official Development Assistance (ODA) eligible countries and no pre-accreditation required for applicants Entirely grant-based funding for technical assistance and financial cooperation to support ambitious mitigation actions in key sectors

Funds demonstration projects to enable innovation & upscaling Cooperates with NDC Partnership to speed up the implementation of NDCs



- Energy, transport and industry contribute 67% of annual global emissions.
- Global emissions must be halved by 2030 to tackle the climate emergency.
- Cross-sectoral projects linked to
  priority sectors are also supported.



Renewable energy supply, integration and storage, energy efficiency



Land transport, shipping, aviation, e-mobility, charging



Heavy and light industry, production processes, product use





Annual Calls for Projects for implementation in ODAeligible countries focused on the 3 priority sectors providing:

Technical Assistance to enhance policies & enabling environment Competition based project selection

**Technical Assistance** 

Financial mechanism to support the significant mobilisation of climate finance

**Financial Mechanism** 

- Country-driven projects
- Diversity of delivery partners
- Increased quality and innovation

• Building capacity in countries

- Policy support
- Enabling environment
- Transformative impact
- Unlock public & private investment
- Scaling and replicating solutions in countries
- Sustainability beyond project



## No debt burden

Open to all

National ownership

**Project Support** 

Technical assistance & financial support

Flexibility

Networking potential

100% of funding is grant-based

Open to all ODA-eligible countries & no accreditation requirement for Applicants

Projects are country-driven & linked to NDCs, national development strategies & plans

Extensive advice at all phases of project cycle including provision of funding support for detailed proposal development

Up to EUR 25 m available per project for technical assistance and financial cooperation to support ambitious mitigation projects

Meeting needs of individual projects, acknowledging dynamic country/sector contexts & socio-political & economic uncertainties

Frequent exchanges on cross-cutting topics (e.g. financial mechanisms, monitoring, gender) between projects



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### 2 months

Call for Projects

Open Call for Projects in priority sectors

### 8 months

Assessment and selection of projects

1<sup>st</sup> stage: Project Concept assessment, selection of concepts invited to submit Outlines A limited number will be able to receive support in Outline development

2<sup>nd</sup> stage: Project Outline assessment and selection of projects to be taken forward to Detailed Preparation Phase

### 15-20 months



10 or 15 months funded to develop full Project Proposal

3<sup>rd</sup> stage: Project Proposal assessment, decision on implementation of the project by the Board

### Up to 66 months

# Project implementation

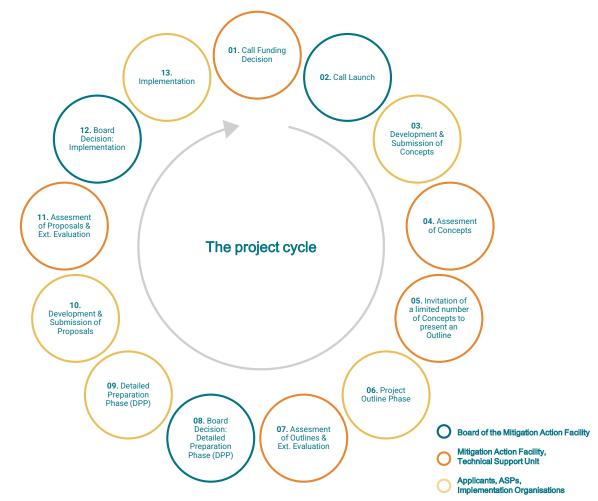
Project duration: 3 – 5.5 years, funding volume: EUR 5 – 25 m

Mid-term and final Evaluation and Learning Exercise



Project Concept Phase will be followed by an Outline Phase, Proposal Phase, and Implementation Phase.

- Up to 25 Project Concepts approved to enter the Outline Phase
- Out of the 25 Project Concepts, a small number of submissions by Applicants having limited experience with the Mitigation Action Facility will be able to receive external support in Outline development



### Mitigation Action Facility Assessing projects



# **Mitigation potential**

Realistic, clear and wellsubstantiated calculations for direct and indirect emission reductions

**Technical and** 

economic viability

Inclusion of the technological

rationale, appropriate business

model

## **Financial mechanism**

Well-defined institutional set-up, clear rationale for the proposed mechanism, coherent phase-out concept

## **Barrier analysis**

Proper analysis of the targeted sector- or country-context as well as tha of the project



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