



NCF 7

Full Proposal Guidelines

**Climate as Business -
testing innovative green business concepts**

November 2017



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1 INTRODUCTION

The Nordic Climate Facility (NCF) is a challenge fund set up and administered by the Nordic Development Fund (NDF) to finance innovative climate change projects. NCF provides financing for early-stage project development, facilitating the testing of innovative climate change concepts and thereby reducing financial barriers and risks. NCF has five objectives:

- (i) increase low-income countries' capacity to mitigate and adapt to climate change;
- (ii) encourage and promote innovations in areas susceptible to climate change;
- (iii) build partnerships between Nordic and partner country actors, both private and public organisations;
- (iv) contribute to sustainable development and the reduction of poverty; and
- (v) leverage additional financing for climate action.

2 FULL PROPOSAL

These NCF 7 Full Proposal Guidelines only apply to applicants invited to submit a full proposal. Invitations are sent by email to the lead Nordic Partner.

These guidelines set out the processes, procedures and criteria for the full proposal. They are a continuation of the NCF 7 Concept Note Application Guidelines and thus the eligibility criteria set out in the concept note phase continue to apply.

Information about the NCF 7 project implementation requirements can be found in the [Project Implementation Manual \(PIM\)](#). The [NCF glossary](#) is available to clarify NCF's definitions of certain climate change and development terminology.

The purpose of the full proposal stage is to get a more in-depth understanding of the project proposal: the expected impacts and results, the project budget, risks, and the roles and capabilities of the different project partners.

NDF reserves the right to amend these guidelines and the templates, including the timeline, and/or to extend the deadline for submission of the full proposal. If amendments are made, NCF will issue an addendum no later than 10 days prior to the original or extended deadline for submission of the application.

The full proposal shall remain valid and open for contracting during a period of 180 days after the submission deadline. Any changes in the information submitted after the full proposal has been submitted shall be notified by the applicant to NCF as soon as possible. Any and all material changes, including but not limited to changes related to partnerships, ownership, project staff, co-financing, budget revisions, development impacts, climate change impacts, implementation schedule, etc. may, at the discretion of NDF, result in rejection of the proposal or adjustment of NCF funding.



3 NCF 7 APPLICATION PROCESS

A tentative timeline to the continued application process is provided in table 1 below¹.

Table 1- Tentative timeline for the NCF 7 application process

1) Full proposal submission period	22 Nov - 31 Jan 2018
2) Evaluation of full proposals - shortlist and reserve list prepared	1 Feb - 28 Feb. 2018
3) Due diligence interviews with shortlisted applicants	12 Mar - 30 Mar. 2018
4) Final shortlist approved	6 Apr. 2018
5) Negotiations and contract signing	April - May 2018

- 1) Full proposals can be submitted as of: **22 November 2017**
Deadline for submissions: **31 January 2018 at 12:00 noon** Eastern European Time (GMT +3 hrs).
- 2) Evaluations will be conducted by the NCF Evaluation Committee and a shortlist and reserve list will be prepared.
- 3) The shortlisted applicants will be invited to a due diligence interview. The purpose of the due diligence interview is to further assess whether the project partners have the ability (human resources and financial resources) and capacity (knowledge and experience) to implement the project, as well as to seek clarifications on the full proposal. The interview will be conducted by the NCF team. Questions will be provided before the interview. A representative from the lead Nordic partner must participate in the interview and a maximum of two other individuals can participate. The interview can be held either at NDF offices in Helsinki or via videoconference (to be agreed upon).
- 4) A final shortlist will be approved by NDF's management.
- 5) Finally, contract negotiations will take place with the shortlisted applicants, where detailed terms and conditions of the grant are agreed upon for the purposes of the Grant Agreement. A Grant Agreement will be signed between NDF and the lead Nordic partner. A draft template of the [Grant Agreement](#) (still subject to possible changes) is available.

The lead Nordic partner shall have sub-contracts with all other project partners. The lead Nordic partner shall have executed the sub-contracts with all other project partners and submitted copies of the final subcontracts to NDF prior to the first disbursement. Final draft sub-contracts shall be submitted to NDF prior to signing for no-objection or comments.

¹ NDF reserves the right to unilaterally revise the dates.



Please note that:

- Applications received after the submission deadline will be rejected;
- Support questions can be sent via the SmartME system under support or to nordicclimatefacility@ndf.fi;
- Frequently asked questions and answers will be available on [NCF's website](#);
- All documentation and communication related to the full proposal shall be in English;
- The lead Nordic partner is considered to be the main applicant and is thus responsible for submitting the application and will be the main focal point for any communication related to the application;
- Even though the lead Nordic partner was able to submit several concept note proposals, only two concept note proposals from the same lead Nordic partner can be selected for full proposal stage and only one project can be selected for NCF financing;
- NDF reserves the right to request additional information at any stage of the application process;
- All NCF project partners shall adhere to [NDF's Policy on Anticorruption and Integrity](#). Consequently, any project partner who has been engaged in any Prohibited Practice (as defined in this policy) or in other wilful misconduct will be considered ineligible. All project partners are required to provide a signed letter of compliance (see section 7.4.4 of the application form);
- The project partners shall bear all their own costs incurred during the preparation and submission of the full proposal, including but not limited to costs related to the due diligence interview and contract negotiations. NDF will under no circumstance be responsible or liable for such costs, regardless of the conduct or outcome of the application process;
- NDF is under no obligation to select any of the timely submitted full proposals for further evaluation. Likewise NDF reserves the right to cancel the entire application process for any reason, without incurring any kind of liability whatsoever to any of the organisations involved in submitting an application. If the procedure is cancelled, all applicants will be notified accordingly in writing as soon as possible;
- NDF's grant decision/ final shortlist approval is not binding until the related grant agreement has been duly signed following successful negotiations. NDF consequently reserves the right to reject an application until signing of the grant agreement.

3.1 Application System - SmartME

- All full proposals have to be submitted using the online application tool - SmartME²;
- The same account and log-in credentials as for the concept note application should be used;
- The full proposal template will be visible when logged in for applicants selected for the full proposal stage;

² The Smart ME (Smart Monitoring & Evaluation) online system will be used both as the application tool as well as the project management tool during project implementation. SmartME is available at <https://smartme.adalia.fi/login/ncf>



- Applicants will only be able to submit one attachment (PDF) per section, therefore, if several different documents are required please merge them into one PDF and attach it as one package;
- The application cannot be submitted until all required fields have been filled in. A required field is marked with a star * ;
- Instructional videos on how to use the system are available when logged in.

4 FULL PROPOSAL TEMPLATE

The full proposal will consist of the following four parts:

- 1) **Full proposal application**
- 2) **Results framework** (The results framework builder will be visible in the online SmartME system from 1 December 2017)
- 3) **Project budget**
- 4) **Greenhouse gas emission reduction calculation** (only applies to mitigation and combination projects)

Section 4.1 - 4.4 below will provide further guidance on each part of the full proposal. Part 1-3 will be used as annexes to the grant agreement (for the budget, only the budget summary will be used).

4.1 Full proposal application

The [full proposal application template](#)³ is available in the [SmartME system](#). The same account and log-in credentials as for the concept note application should be used.

These full proposal guidelines do not cover all questions and sections included in the SmartME application template. The SmartME application template includes guiding notes and questions to each section. To ensure that all relevant information is included in the full proposal, provide clear and comprehensive responses in the application form responding to the guiding notes and questions.

All substantial changes from the concept note stage shall be clearly explained and justified in section 2.1 of the application form. Examples of substantial changes are, among others, addition or removal of project partners, revision of co-financing shares or change in the project classification. Any revisions have to be in line with both the [Concept Note Application Guidelines](#) as well as the Full Proposal Guidelines. NCF reserves the right to reject a proposal if the revisions are not in line with these guidelines.

³ A PDF-version of the template is available [here](#). The PDF version is for information only and should not be filled in. All full proposal applications should be filled in and submitted through the SmartME online application system.

The Lead Nordic applicant should submit a Full Proposal Submission letter confirming the submission of the full proposal. The template for the letter can be found under section 7.4.6 in the SmartME application system.

4.2 Results framework

Each project should develop a project-specific results framework in the SmartME online application system, as part of the full proposal application. The results framework builder is in a separate view of the application, accessible at the top of the application form. **The results framework builder will be visible in the online SmartME system from 1 December 2017⁴.** The results framework should give an overview of the project's intended results and it will be used as a basis for monitoring progress.

The results framework is an analytical tool for conceptualising the focus of the project and its results. It is used to clarify the cause-and-effect relationship of how the project's resources (inputs) and activities contribute to achieving the planned results of the project. The results framework is presented in a matrix format and it conveys the project functionality on its different levels of hierarchy, from project activities to the expected impact. Based on this logic, activities are at the lowest level of hierarchy, contributing to the fulfilment of outputs (second lowest level of hierarchy), whereas the outputs result in outcomes, which again may be attributed to the expected impacts of the project (highest level of hierarchy). Figure 1⁵ shows the hierarchical relationship of the different parts of the results framework.

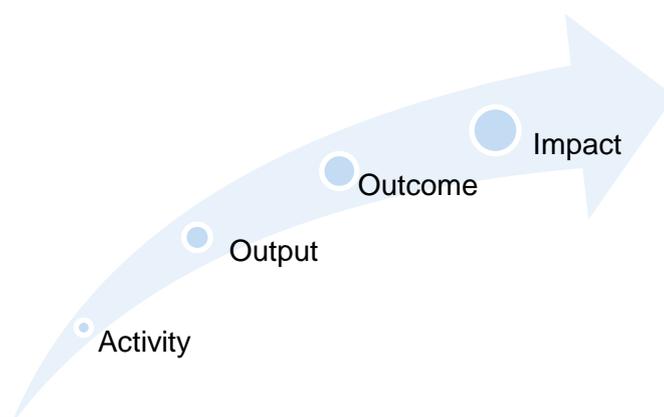


Figure 1

The amount of impacts, outcomes and outputs can be customised for each project. However, each impact shall be linked to at least one outcome and each outcome shall be linked to at least one output. In the following you will find further descriptions of each of the levels of a results framework

⁴ A notification message will be sent out to all full proposal applicants.

⁵ Figure 1: Results framework hierarchy levels. Modified from OECD background report (2000): Results based management in the development co-operation agencies: a review of experience (<http://www.oecd.org/development/evaluation/1886527.pdf>)



and some further information of the inputs needed for building the results framework in the SmartME system.

Impact level

The impact is the highest level in the results framework hierarchy. The impact is the ultimate development objective of the project. The project outcomes shall contribute to the fulfilment of the project impacts. Impact-level results are usually longer-term changes in the society, economy or environment taking place in the geographical area where the project functions, and tend to be more widespread than the project's scope. This level of results is usually difficult to attribute to a specific project activity or output and therefore the project is not directly responsible for the fulfilment of the impacts. Impacts may not be achieved or measurable during the project's implementation period, but months or years after its completion. Projects can have one or several impacts.

The project's impacts shall be linked to the United Nations Sustainable Development Goals (SDGs) and projects are required to show in the results framework which SDGs their projects will contribute towards fulfilling.

Outcome level

Outcomes are at the second highest level in the results framework hierarchy. The outcomes are the overall results of a project, which can be described as the intermediate effects or consequences of project outputs on project beneficiaries⁶. This may be, for example, a reduction in greenhouse gas emissions levels of a sector or company due to the project outputs, or a change in the behaviour or lifestyle of project beneficiaries as a reaction to project outputs. The link between project outcomes and outputs is usually quite direct and obvious. Each output, and consequently also each activity of the project should be directed towards reaching the outcomes of the project. Project outcomes should be reached by the completion of the project. A project should have at least one outcome. Several outcomes can be linked to one impact.

Outcome indicators

All outcomes should have at least one indicator. Each project should use as many as possible of the NCF fund-level indicators (see section 4.2.1). These will contribute to the progress towards expected results on the fund level and will be monitored through a direct linkage between the fund-level outcome indicators and the project-level outcome indicators. Outcome indicators may be disaggregated into a set of sub-groups, such as a break-down of beneficiaries per gender. The disaggregation can be done either in the project formulation stage or during project implementation, depending on project needs. Apart from the NCF fund-level indicators, projects may also have project-specific outcome indicators. Outcome indicators should be quantitative. Quantitative indicators are objectively or independently verifiable numbers, shares or ratios.

Output level

Outputs are at the lowest level of results (under outcomes and impact) in the results framework hierarchy. Outputs are the most immediate concrete results of project activities, leading the project

⁶ See the [NCF glossary](#) for NCF's definition of beneficiaries.



towards its outcomes. Outputs are services or products produced by the project and provided to project beneficiaries or intermediaries. Outputs should be directly linked to an outcome. An outcome should have at least one or more outputs. Outputs can be reached at any point during project implementation. All outputs should be delivered at the latest by the end date of the project.

Output indicators

All outputs should have specific indicators. Output indicators may be disaggregated into a set of sub-groups, such as a break-down of beneficiaries per gender. The disaggregation can be done either in the project formulation stage or during project implementation, depending on project needs. For outputs both quantitative and qualitative indicators may be used. Qualitative indicators are subjective descriptions or categories, such as the existence of something (e.g. existence of a factory or a regulation) or a category (e.g. satisfaction level or geographical area).

Activity level

Activities are at the lowest level in the results framework hierarchy. Activities are interventions or actions taken towards achieving a project output. Each output is therefore the result of a number of activities.

Please ensure that the outcomes, outputs and activities in the results framework correspond to the outcomes, outputs and activities in the budget.

4.2.1 NCF programme level indicators

On facility level, progress will be monitored against NCF's key development indicators, which are the following:

1. **Number of beneficiaries reached** (disaggregated by number of women/men and girls/boys)
2. **Number of people with increased resilience to climate change** (disaggregated by number of women/men and girls/boys)
3. **CO₂e emissions reductions** (actual at project completion and expected during the lifetime of the project's mitigation investments)
4. **Number of green business concepts tested**
5. **Number of new decent jobs created** (disaggregated by number of permanent (women/men) and seasonal (women and men))
6. **Number of people with improved livelihoods/income-generating possibilities** (disaggregated by number of women/men and girls/boys)
7. **Number of multi-stakeholder partnerships developed**
8. **Amount of funds leveraged** (actual project co-financing and secured future investments for scaling-up/replication)

Please select as many of the above indicators as possible to be project's outcome indicators since they will contribute to the fund-level progress and results of NCF.



4.3 Project budget

The [NCF 7 budget template](#) (Excel file) is also available in the online SmartMe system (section 7.2). All financial information shall be in euros (EUR).

A detailed project budget should be developed for the full proposal stage. The NCF budget should be divided into milestones. Milestones are specific points along a project timeline used to report and monitor the progress of a project. NCF projects usually comprise 3-6 milestones. For each milestone, expected deliverables should be defined. Milestone deliverables are outputs and activities that are expected to be completed by each milestone. At the end of each milestone, the pre-defined milestone deliverables should be completed. They serve as a basis for disbursements⁷. The amount of deliverables (outputs and activities) per milestone will depend on the particularities of each project.

Please note the budget template includes three different sheets which should all be filled out and that the columns in each sheet should be altered to reflect all project partners as well as the amount of milestones. The budget should indicate the source of funding, be it one of the partners or an external financier⁸ (the names of all sources of funding shall be inserted in the budget). More detailed guidance on building the budget is found in the [NCF budget template](#) (Excel file). In the following, you will find a short description of each of the budget sheets.

Sheet 1 - Implementation budget. The implementation budget is results-based. This means that the budget is built according to the results framework of the project and should include budget lines for each outcome, output and activity of the project. Activities should further be broken down into inputs. Inputs are the resources (human, financial and material) needed in a project for completing the planned activities in order to produce the expected results of the project. Examples of inputs include staff time and equipment. Staff time input can be shown in the budget at output level, i.e., there is no need to include staff input for each activity separately. The budget rows should be altered to reflect all relevant budget items. Eligible and non-eligible project costs are shown below in section 4.3.1 and 4.3.2.

Sheet 2 - Administration budget. The administration budget shall include all costs related to the management of the project that cannot be attributed to a specific outcome or output of the project. Administration costs include the staff costs of project staff in administrative or coordination roles, as well as travel costs and costs related to financial administration. Eligible and non-eligible project costs are shown below in section 4.3.1 and 4.3.2.

Sheet 3 - Budget summary. The budget summary presents a summary of the two main parts of the budget; the implementation budget and the project management budget, across the planned milestones of the project as well as the project as a whole. The budget summary shall include contingencies. Contingencies are budgeted funds which are not earmarked for any specific activity or input but can be used to cover unforeseen costs that occur during project implementation. Contingency shall be at least 5-10% of the total budgeted project funding. Further, the budget

⁷ More information about disbursements can be found in the [NCF 7 Project Implementation Manual](#).

⁸ A project financier provides financing for the project but they are not actively involved in the implementation of the NCF project.



summary should include an account of advance payments⁹ to be requested from NCF ahead of a milestone together with a calculation of the share of the advance payment compared to the total NCF grant. The budget summary will be a part of the grant agreement. Before building the budget summary, the implementation budget (Sheet 1) and the administration budget (Sheet 2) should be completed. The summary should reflect the numbers resulting from the two afore-mentioned budget sections.

Cost estimations

The project funding (NCF or co-financing) shall not generate profit for the project partners. Daily remuneration rates should reflect the companies' or organisations' actual costs for a project staff member. To ensure cost efficiency, services and equipment purchased under the project shall be procured following the NCF procurement principles¹⁰. If a project partner's own product is used, the valuation of the product shall be based on its production cost. If requested, the manufacturer of the product shall be able to present relevant documentation showing the actual production cost.

It is highly encouraged that costs of budget items, especially larger budget items, are shared between the project financiers to ensure risk-sharing.

Taxes

It is the responsibility of the lead Nordic partner to fully acquaint itself with the tax and excise laws in force, which are applicable in relation to the project, or to the receipt of funding from NCF prior to the submission of the full proposal. The lead Nordic partner shall in the application, clarify value added tax (VAT) status of project partners within the Nordic countries and the European Union.

Reasonable duties, taxes and other levies payable by project partners (Nordic, local and/or other) in relation to the implementation of the project can be included as a cost in the budget. However, VAT that may be deducted or refunded, or compensated for in another way, cannot be included as budget costs. Furthermore, VAT can only be included in the budget when applicable in the country of implementation whereas costs incurred in a Nordic country or within the European Union or elsewhere shall be exclusive of VAT. Appropriate tax modifications may for well-grounded reasons be made to the budget during the negotiations phase, as agreed separately.

Taxes forming part a project's expenditures, are included in the scope of financial audit of the project.

4.3.1 Eligible costs

Reasonable costs related to the following items are considered eligible project costs¹¹:

- daily remuneration rates of project staff;
- services purchased from external service providers;
- costs related to monitoring and the evaluation of project effectiveness;

⁹ More information about advance payments can be found in the [NCF 7 Project Implementation Manual](#).

¹⁰ The NCF procurement principles are available in the [NCF 7 Project Implementation Manual](#).

¹¹ This relates to all project financing, both NCF financing and co-financing.

- equipment and machinery necessary for the implementation of the project, as well as the acquisition costs for the equipment and machinery;
- rental of equipment, machinery and/or premises necessary for project implementation (including motor vehicles);
- administrative costs such as accounting, back-office support, telephone, postal, printing, etc., which have occurred from the implementation of the project;
- staff travel and accommodation expenditures as well as daily allowances. The per diem rates of each partner organisation shall be based on their respective Government-approved per diem rates. It should be made clear in the project budget if the selected per diem rate covers both accommodation and daily allowance or solely daily allowance;
- transaction costs and costs related to currency conversion directly related to the implementation of the project;
- taxes (as defined above);
- financial audit costs; and
- project-related legal expenses.

4.3.2 Ineligible costs

The following items are not eligible project costs:

- project preparation cost or other costs incurred before the grant agreement was signed;
- expenditures that have not been approved by NCF, either in the budget or in writing after the inception of the project;
- companies/organisations' ordinary operation costs, i.e. cost not directly related to the implementation of the project;
- holiday pay, sick leave or other leave of absence;
- merit pay, bonuses, fringe benefits and similar supplements to wages that are paid in addition to regular wage;
- general staff training;
- depreciation of equipment, machinery and vehicles;
- fines, penalty fees and legal expenses, except ordinary project-related legal expenses that have been approved in the budget;
- overhead as a share of total costs (all project-related administrative costs shall be included in the budget as actual planned costs);
- loan set-up costs, loan administration costs, interest on loans and exchange rate losses;
- fees resulting from opening or managing an account, if providing the grant does not specifically require this; and
- value-added tax (VAT) that may be deducted or refunded, or compensated for in another way.



4.3.3 Co-financing

Co-financing is financing from sources other than NCF (i.e. project partners or project financiers¹²), including in-kind contributions from project partners. The budget summary (Sheet 1) should demonstrate the co-financing shares per project partner/financier vis-à-vis NCF's financing, as well as the NCF financing share vis-à-vis the total project financing.

The total co-financing cannot be reduced from the indicated total co-financing at the concept note stage. A reduction in total co-financing from concept note stage will disqualify the application even if the minimum requirement of 25% is fulfilled. An increase in total co-financing is permitted. Furthermore, the shares per source of co-financing may be altered as long as all the minimum co-financing requirements are fulfilled¹³ and the total co-financing set out at concept note stage does not decrease. For example, a Nordic partner may decide to increase its co-financing, and at the same time a local partner may decrease theirs up to the same amount, as long as the minimum NCF co-financing requirements are met.

Co-financing commitment letter

All project financiers shall sign a co-financing commitment letter specifying the amount (in Euros) they will commit for the implementation of the NCF project, including information specifying the type of the funding i.e. if it is provided as loan, equity and/or grant¹⁴. The commitment letter shall be signed by a person authorised to sign on behalf of the company/organisation. The templates of the co-financing commitment letter are available under section 7.2.1 in the SmartME system. Each project financier should provide an individual letter using corresponding template¹⁵.

4.4 Greenhouse gas emissions reduction calculation

Greenhouse gas (GHG) emissions reduction estimates shall be provided for all mitigation and combination projects. The NCF 7 [greenhouse gas emission reduction calculation template](#) is available under section 5.3 in the SmartME system. The template includes instructions on how to complete it. The filled-in template should be attached to the full proposal in the SmartME system. The template has two sections: Section 1 for direct GHG emissions reductions and Section 2 for indirect GHG emissions reductions. Direct GHG emissions reductions are the net emission savings caused by the NCF project during the expected lifetime of the NCF project investment (maximum 20 years). Indirect GHG emissions reductions are the net emission savings likely to be achieved as a result of future investments or policy and regulatory changes attributable to the project. Projects should only fill in the sections that are applicable for their situation. If both direct and indirect GHG

¹² Project financiers are different from project partners. They are not actively involved in the implementation of the NCF project, however, they provide financing for the project.

¹³ The project partners must mobilise co-financing equal to least 25% of the requested NCF grant. Of that amount, the Nordic partner(s) must provide at least 15% as a loan and/or equity and the local partner(s) must provide at least 5% as a loan, equity and/or grant.

¹⁴ Loan means that the co-financing may come from market-based or concessional debt-based financing. Equity means that the co-financing may come from i) the project partner's existing cash and/or cash-equivalent assets as generated by the partner's ongoing operations or otherwise possessed by the partner, and/or ii) capital raised through equity financing.

¹⁵ There are separate co-financing commitment letter templates for the [lead Nordic partners](#) and [all other partners/financiers](#)



emissions reductions are expected, then both Sections 1 and 2 should be completed. When there are only direct GHG emissions reductions, Section 1 should be filled in (Section 2 left empty) and vice versa for only indirect GHG emissions reductions.

There is a special focus on understanding the underlying assumptions of the calculations, and therefore it is important that the template is completed as thoroughly as possible. The following issues should be described:

- A. **Methodology:** In this section, the methodology used to estimate the GHG emissions reductions should be described.
- B. **Boundaries:** In this section, the geographic and timeline boundaries, as well as the sources of emissions resulting from the project should be described.
- C. **Assumptions:** In this section, the rationale behind the calculations should be explained in detail. The net GHG emissions reductions calculations should be calculated as baseline emissions minus project emissions, and therefore the underlying calculations for both baseline emissions as well as project emissions should be spelled out.

Guiding questions are available as comments under each of the assumption section headings in the template. Please keep in mind that the guiding questions might not be relevant for all projects, and that there might be other relevant issues beyond the questions to be included in the template.

The expected GHG emissions reductions of NCF-financed projects are used as the basis for NDF's emissions reductions reporting, and therefore the estimates in the templates need to be calculated on a realistic basis and the rationale and assumptions behind the calculations should be well justified and objective.

5 SELECTION CRITERIA

The eligibility criteria set out in concept note stage still apply. Any deviations from the concept note have to be clearly explained in the application template form (section 2.1).

Full proposals will be evaluated and scored against the following criteria:

		Scoring
Business concept feasibility		30
➤ Feasibility	<i>Is the business concept feasible, e.g. is there a demand, sound value chain, marketing strategy, maintenance plan etc.?</i>	0-5 (weight 4)
	<i>Is the business concept economically, technically, socially and environmentally viable?</i>	
➤ Long term sustainability	<i>Can the business concept be scaled up/replicated?</i>	0-5 (weight 1)
	<i>Is there a long-term plan for the business concept? Is the plan realistic, financially sustainable and geared towards commercial viability?</i>	
➤ Relevance to the NCF	<i>Is the business concept(s) relevant with regards to the</i>	0-5

7 theme	<i>NCF 7 theme - “Climate as business- testing innovative green business concepts”?</i>	(weight 1)
	<i>Is the project innovative based on NCF’s definition of innovation?</i>	
Climate change impact¹⁶		10
➤ Combination projects	<i>Same criteria as for mitigation and adaptation (see below).</i>	0-10 (weight 1)
➤ Mitigation projects	<i>Is the project relevant in terms of national climate change strategies and plans?</i>	0-5 (weight 2)
	<i>Are the proposed mitigation activities and targets relevant and feasible given the proposed approach, target area, time frame and financial resources of the project?</i>	
	<i>Is the <u>direct</u> emission reduction calculation realistic i.e. the rationale and assumptions behind the calculations well justified and objective? Is the <u>indirect</u> emission reduction calculation realistic, i.e. the rationale and assumptions behind the calculations well justified and objective?</i>	
	<i>Are the mitigation monitoring methodologies sufficiently described?</i>	
➤ Adaptation project	<i>Is the project relevant in terms of national climate change strategies and plans?</i>	0-5 (weight 2)
	<i>Are the proposed adaptation activities and targets relevant and feasible given the proposed approach, target area, time frame and financial resources of the project?</i>	
	<i>Are the adaptation monitoring methodologies sufficiently described?</i>	
Development impact		10
➤ Development relevance	<i>Is the project relevant in terms of national development plans and strategies?</i>	0-5 (weight 2)
	<i>Are the development impacts (social and environmental) and targets relevant and feasible given the proposed approach, target area, time frame and financial resources of the project?</i>	
	<i>Will the project contribute to the fulfilment of the selected Sustainable Development Goals (SDG)? Are the descriptions of the project’s relevance to each SDG satisfactorily described?</i>	
Project feasibility and implementation		20
➤ Results framework	<i>Are the project impacts, outcomes and outputs clear and linked to the proposed project?</i>	0-5 (weight 1)

¹⁶ Projects will be evaluated against one of the climate change criteria. Which one will depend on the project classification selected.

	<i>Are the impacts satisfactorily linked to the fulfilment of the Sustainable Development Goals?</i>	
	<i>Are the outcome targets satisfactorily linked to NCF's overall indicators?</i>	
	<i>Are the outputs' targets and indicators attributable to the project?</i>	
➤ Project budget	<i>Is the budget clear and are the costs realistic?</i>	0-5 (weight 1)
	<i>Is the budget linked to the expected project outputs and outcomes?</i>	
➤ Risk (implementation)	<i>Are the project implementation risks and mitigation measures relevant and satisfactorily described?</i>	0-5 (weight 1)
	<i>Are the environmental and social risks and mitigation measures relevant and satisfactorily described?</i>	
	<i>Does the project proposal include a comprehensive and realistic assessment of the necessary approvals/permits and legal/ contractual arrangements needed to implement the project?</i>	
➤ Project partners' experience and capacity	<i>Are the division of roles and responsibilities between the projects partners clear and relevant based on their previous experiences?</i>	0-5 (weight 1)
	<i>Do the project partners together have satisfactory experience and capacity to successfully implement the project?</i>	
Total		70

5.1 Scoring principles

Each screening criteria above will be scored from a 0-5 scale, where five is the highest score.

- 5 - Highly Satisfactory
- 4 - Satisfactory
- 3 - Marginally Satisfactory
- 2 - Marginally Unsatisfactory
- 1 - Unsatisfactory
- 0 - Highly Unsatisfactory