



## FREQUENTLY ASKED QUESTIONS (FAQ) African Development Fund Climate Action Window Mitigation sub-Window

### CONTEXT

#### What are the Bank's priorities?

[The African Development Bank's Strategy for \(2024 – 2033\)](#) sets out two key objectives which are accelerating inclusive green growth and driving prosperous and resilient economies. The [Bank's High 5 priorities](#) are to: [light up & power Africa](#); [feed Africa](#); [industrialize Africa](#); [integrate Africa](#); and [improve the quality of life for the people of Africa](#); and [Gender Strategy for 2021-2025](#). Concept notes should be aligned to these priorities.

#### What is the African Development Fund?

The [African Development Fund](#) (ADF) is the concessional window of the African Development Bank (AfDB) Group established in 1972 and became operational in 1974. It is a separate legal international organization part of the African Development Bank Group. It is supported by 32 donors (including the African Development Bank) who replenish the fund every three years. Over the past 47 years, the ADF has played a central role in providing concessional resources and knowledge services to low-income African countries while demonstrating clear value for money. ADF delivers transformative ideas and catalytic finance to Africa's low-income countries, including those in fragile situations. The ADF is an important source of funding, the development impact from its operations is efficient and demonstrates value for money, making the ADF a trusted and strategic partner to its stakeholders.

#### What is the Climate Action Window?

In 2022, recognizing that climate change poses the single greatest threat to development in Africa and affects Africa's low-income countries disproportionately, the African Development Fund (ADF) Deputies agreed to establish the first ever dedicated Climate Action Window (CAW) with a strong focus on accelerating adaptation action under the ADF. The CAW is designed to increase incentives for ADF countries to participate in climate adaptation and mitigation projects, despite their limited resources.

The **Climate Action window** has three sub-windows:

- **Adaptation sub-window:** resources channeled through the sub-window will build resilience to climate-related shocks and extreme events, and strengthen the adaptive capacity of ecological, social, or economic systems or policy processes in response to climate change and related impacts.
- **Mitigation sub-window:** resources channeled through the sub-window will support projects that aim to reduce the emissions of greenhouse gases or enhance the sinks that accumulate and store them. The goal is to promote approaches that avoid emissions altogether.
- **Technical assistance sub-window:** resources channeled through this window will support ADF countries to increase the bankability of Paris-aligned climate projects, prepare, and strengthen Long-Term Strategies (LTSS), NDCs, National Adaptation Plans (NAPs), Climate Diagnostics for Country Strategy Papers and provide project preparation grants.

**This call for proposal (CfP2) focuses on the Mitigation Sub-window of the CAW.**



## **What are NDCs, Paris Agreement Alignment, Long Term Strategies, and sectoral strategies?**

At the U.N. Framework Convention on Climate Change (UNFCCC) Conference of the Parties (COP21) held in Paris in December 2015, countries put forward the post-2020 climate adaptation and mitigation actions they intend to take, called **the Nationally Determined Contributions** towards the implementation of the **Paris Agreement**, as well as Long-Term Strategies. Please learn about the NDC of the country and **Long Term Strategies** where your project will be developed.

**Sectoral Plans and Strategies:** Individual countries often develop specific strategies for key sectors like energy, transportation, infrastructure, finance, and others. These sector-specific plans outline the country's prioritized objectives and actions for maintaining emissions within a Paris-aligned pathway. Your project should be aligned to country sectoral strategies where they are available.

## **HOW TO APPLY TO THE CALL FOR PROPOSALS**

Eligible applicants should visit the Second Call for Proposals (CfP2) Mitigation Sub-window online application portal to sign up. The Call for proposals will be conducted solely on this online grant management website. Only concept notes submitted online will be considered. The application process consists of **two** stages:

### **Stage 1 – Eligibility Questions:**

1. Create an account on the application site and choose your preferred language, either **English** or **French**.
2. Click on "apply" to start your application and enter the title of your project.
3. Complete and submit the eligibility questions (see full list of eligibility questions in Annex 1 of the guidance note). You will receive an email notification regarding the eligibility status of your application. If your application is ineligible, it ends here. If eligible, you can proceed to Stage 2.

**Note:** It is advised to complete Stage 1 early and not delay until the deadline because completing Stage 1 of the application process does not mark the end of the process. Only after successfully completing the eligibility form would applicants then be able to download the concept note template from the portal. The second stage of the application process, which requires the development of a project concept note, requires even more time to complete. **If your application is eligible at the end of Stage 1, you will receive a notification to this effect via email. You will also receive a notification via email if your application is ineligible.**

### **Stage 2 – Submission of Concept Note:**

1. Log in to the application platform.
2. Download the Project Concept Note template from the application platform.
3. Fill out the Project Concept Note template (see a copy in Annex 2 of the guidance note) with your project details.
4. Compile all pertinent supporting documents into a single file and attach it to the annex of your concept note.
5. Upload your completed Project Concept Note along with all relevant annexes as one file, then click "submit".

Ensure you submit your project concept note by the **deadline of 11:59 PM GMT on July 08, 2024**. **You can submit your application in either English or French.** All sections of the application (the eligibility questionnaire and the Project Concept Note) must be completed. **Incomplete Project Concept Notes submitted via the portal will not be considered.** Furthermore, **Project Concept Notes submitted via the CAW Secretariat email will not be considered.**



## **ELIGIBLE BENEFICIARIES**

### **Who are the eligible beneficiaries?**

#### **External beneficiaries:**

- (i) Governments and government entities of ADF countries (see below for a list of ADF countries)
- (ii) Regional or sub-regional intergovernmental bodies and other intergovernmental vehicles including climate centers, river basin organizations, regional economic communities.
- (iii) Non-sovereign entities (such as NGOs, Community Based Organizations and UN Agencies) that fulfil the eligibility criteria.
- (iv) Proposals from consortia are allowed if all members of the consortium are eligible beneficiaries.

#### **Internal beneficiaries:**

- (i) African Development Bank departments: Bank departments may submit proposals directly or may work with eligible external beneficiaries to support them in preparing high quality project concept notes.

### **Am I required to demonstrate country ownership of my project for it to be considered?**

Yes. The project must have strong country ownership and, in the case of multi-national projects, strong ownership of participating countries, and ownership from project sponsors at the country and regional levels. Evidence of such commitment should be a no-objection letter from the relevant ministry of the host government(s). Additionally, evidence of partnerships with other implementation partners, such as memorandums of understanding that demonstrate broad commitment to the project, should be included in Annex 5 of your Project Concept Note.

Please note that this is not required for sub-national governments and government entities applying since your application as a government entity demonstrates country ownership. Evidence of country ownership, as described earlier, should be uploaded to the application portal during Stage 1 of the application process concerning project eligibility. This evidence must also be included in Annex 6 of your Project Concept Note (PCN) during Stage 2 of the application process concerning PCN submission. The country ownership letter should come from the relevant government ministry.

### **Can consultancy firms/private companies/social enterprises apply for funding?**

While non-sovereign entities such as NGOs, CBOs and UN agencies are eligible to obtain CAW funding, the private sector is not eligible to apply.

### **Can I submit a concept in collaboration with others?**

Grant requests may be submitted by consortia, in which two or more institutions partner on a proposal to draw on the respective strengths of each institution and promote collaboration towards a common goal. The roles and responsibilities of each consortium member must be clearly defined, including identification of the lead member. All members of the consortium must be eligible beneficiaries.

### **What if one of the partners in the consortium is not an eligible beneficiary of the CAW?**

All members of the consortium must be eligible beneficiaries. Any expertise required for the execution of the project that does not reside within the consortium members may be contracted through a competitive procurement process during the project execution.

### **Are all African countries eligible?**

**Only the following 37 African countries are eligible to obtain CAW funding:** Benin, Burkina Faso,



Burundi, Central African Republic, Cameroon, Chad, Comoros, Cote d'Ivoire, Democratic Republic of Congo, Djibouti, Eritrea, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Liberia, Lesotho, Madagascar, Malawi, Mauritania, Mali, Mozambique, Niger, Rwanda, Sao Tome & Principe, Senegal, Sierra Leone, Somalia, South Sudan, Sudan, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

## NGO or CBO ELIGIBILITY

### Can an NGO or CBO based outside of Africa apply?

Only NGOs or CBOs legally registered in Africa are eligible. If the headquarters of an NGO/CBO is registered outside of Africa but has a subsidiary/branch/office with legal registration in an African country, the subsidiary/branch/office is eligible to apply.

NGOs, CBOs will be asked to provide evidence of valid legal registration under the laws of the African country in which they operate, as well as evidence of a certificate to carry out development work in the African country in which they intend to carry out the activity (if different from the place of legal registration).

### Legal registration and or date of establishment of your institution

For UN Agencies and Government entities, who are established by national or UN treaties, answer YES to question 1.3, indicating that you are legally established. For UN Agencies, indicate the UN treaty that established the institution, and under the registration number indicate the year of establishment of the entity. For Government entities, also answer YES and indicate the national treaty or law that established your agency and the year of establishment and under registration number indicate the year of establishment of the entity.

### I have read through the eligibility criteria, and I am still not sure if my institution is eligible; should I still apply?

The CAW Secretariat is not in the position to answer every individual request about an institution's eligibility. You may wish to take the chance of completing the eligibility requirements and if your institution is eligible, you will be granted access to complete the concept note template. If your project is shortlisted, you will receive an email notification.

## FUNDED ACTIVITIES

### What activities does the CAW Mitigation sub-window fund?

1. Standalone projects that are specifically aimed at reducing greenhouse gas emissions. They must be designed and implemented independently, focusing solely on climate change mitigation efforts.
2. Projects that are either ongoing or newly initiated, where financing from the CAW is dedicated solely to the mitigation aspects of the project.

Refer to the guidance note for the priority/focus areas.

### What are the eligible sources of CAW projects?

1. **ADF funded pipeline:** Ongoing ADF projects with high climate action outcomes may be expanded in size or geographical scope using CAW resources.
2. **ADF un-funded pipeline:** CAW resources may be allocated for high climate action outcome projects in the Fund's IOP that are not funded with ADF resources, and which would not otherwise be implemented due to limited ADF core allocations.
3. **Projects from country NDCs, LTSs, NAPs:** The CAW may prioritize projects drawn from the national climate change framework documents of ADF countries, including NDCs, LTSs, national sectorial strategies and action plans, even where these projects have not been initially captured within the ADF's pipeline.
4. **Other Bank and Partner Initiatives:** The CAW may fund co-finance high impact projects developed



in conjunction with partners and other Bank Group Initiatives, especially where technical assistance support has resulted in the development of investment projects in ADF countries.

### Does the CAW fund individuals for scholarships/studies or participation in international conferences?

The CAW does not fund individuals. Please refer to the eligibility questions.

### What does demonstration of additionality and transformative projects mean?

To be eligible for CAW resources/funding all projects are expected to become a game changer in providing access to climate finance and commitment to highly transformative and impactful climate actions in ADF countries. Specially, CAW projects must have eligible climate activities that cannot be funded by other existing sources. They must demonstrate focus on mitigation, address some measure of debt distress, plug the country needs for climate finance, play a catalytic role of complementing other climate finance sources and provide support to fragile and underserved regions and communities.

## CO-FINANCING

### Is co-financing an eligibility requirement?

Yes. Co-financing is required as CAW resources aim to co-mobilize and channel additional climate finance to low-income ADF countries. It is important to note that co-financing refers specifically to funding received from sources outside the ADF. This co-financing must be designated for climate action within the project and attributable as climate change mitigation finance according to the [Common Principles for Climate Change Mitigation Finance Tracking](#). To ensure country ownership and prioritization, eligible countries and entities are strongly recommended to cover a portion of project costs attributed to them through counterpart funding, co-financing from development partners, and/or in-kind contributions. The cost-sharing arrangement (counterpart funding and co-financing or contributions in kind) is intended to reinforce ownership, share risks, and catalyze co-financing for scale, leading to higher impact, efficiency, and effectiveness. **The CAW will prioritize projects that leverage high co-financing ratios, ideally 1:3, notably by seeking to co-finance projects with other climate funds, bilateral, multilateral, and other sources with the aim to maximize climate benefits in ADF countries and increase their levels of access to climate finance.** Decisions on counterpart funding will be made in line with the Policy on Expenditure Eligible for ADF Financing.

### What if the project that I am submitting has components or areas of focus of the CAW that are already covered by a co-financier?

In this instance, prepare the proposal including the areas covered by the co-financier. If eligible, the funding sought under the CAW should cover the remaining areas of focus.

### What if the timeline for co-financing does not align with the timelines of the CAW?

The co-financing resources that have been mobilized or are expected to be mobilized should be available for the project's execution concurrently with the resources from the CAW. The project must clearly specify the specific activities to be funded by CAW resources and other co-financing sources.

### Are other internally generated funding sources from the African Development Bank Group considered as part of co-financing?

No, African Development Bank Group resources are not considered as co-financing, except for those mobilized from climate funds.



### **Can past and on-going funding partnerships be considered as co-financing?**

The funding must be on-going or secured during project implementation to be considered as co-financing. Kindly note that co-financing needs to fit under climate finance as per the Joint MDB climate change finance tracking methodology.

## **GENERAL INQUIRIES**

### **Can I submit a concept note in French or Portuguese?**

The CAW accepts concept notes in English and French only.

### **The AfDB is already funding a project in my country, can I still apply?**

Yes, you can still apply following the requirements.

### **Is there a limit on the number of proposals that can be submitted per country?**

No, there is no limit. However, the CAW is not likely to fund more than one project from the same external institution at the same time. Eligible beneficiaries are therefore encouraged to prioritize their submission.

### **What is the minimum and maximum duration of the project?**

There is no prescribed minimum or maximum duration, however, we recommend up to 3 years with applicable extensions.

### **Do I need to identify a bank department and task manager to work with before submitting my application?**

No, you are not obligated to identify a bank department to submit an application. However, getting in touch with an AfDB country office/task manager/department will be preferred as this will be required later if your concept note is selected. The CAW Secretariat is not responsible for putting you in contact with Bank departments or task manager. Do reach out directly to your AfDB country office to connect you to a department or task manager. Note that being in contact or not with a Bank department or task manager is not going to impact the way your proposal is evaluated at this stage.

### **If our project concept note is selected, what are the next steps?**

When you are informed of your concept note being selected, you will be required to work with the identified bank department that you submitted the concept note with at the beginning to develop the Project Appraisal Report (PAR) to be submitted to the Bank's board of directors for review and approval. If you did not identify a Bank Task Manager/Department at the beginning of the process, you will be required to do so at the PAR development stage.

### **If my concept note is shortlisted, what is the timeline for appraisal and approval?**

Refer to the guidance note for the “**Estimated timeline for the Cfp2 CAW Mitigation sub-window**”.

### **If I am invited to submit a full Project Appraisal Report, am I guaranteed to receive a grant?**

Only once the Bank's Board of Directors approves your Project Appraisal Report (or Full Project Proposal), which must be prepared and submitted after the CAW Secretariat notifies you that your project has been



prioritized.

**If my Project Concept Note is shortlisted, what is the timeline to prepare the Project Appraisal Report?**

Once your concept note is shortlisted, you will have to work with a Bank department and experts to start the Project Appraisal Report preparation which will include a visit to the country/countries. The timeline will be prepared with the Bank's Task Manager/Responsible Department.

**Can an eligible institution submit more than one application on different thematic areas?**

More than one application from the same institution is not prohibited, however the CAW is not likely to fund more than one project from the same external institution at the same time. Eligible beneficiaries are therefore encouraged to prioritize and identify one project for submission.

**Is there provision for including a certain percentage of overhead costs?**

No, but whatever costs are presented must reflect direct and indirect costs. Refer to the co-financing section on cost-sharing.

**Can I submit a project that will take place in several countries?**

Yes, multinational/regional projects are allowed if they are part of the 37 ADF eligible countries.

**What are the sources of funding for the CAW?**

The CAW can receive resources from ADF donor countries and non-ADF donors, as well as non-state actors. Contributions count 100% towards climate finance commitments under the Paris Agreement & Glasgow Climate Pact.

**Is there a threshold amount or ceiling to apply for a project or country?**

The financing envelope for a single project to be submitted is from US\$ 3 million to 5 million for the Mitigation sub-window call. In exceptional cases and on recommendation by the Independent Evaluation Panel, funding may be granted above or below these limits.

**Is the CAW a 100% grant or will it be part of concessional loan?**

In the current program window, the CAW provides only grant finance.

**Are there ring-fenced TA provisions for countries that are climate stressed.**

There are no ring-fenced TA provisions for countries. However, all ADF countries are eligible to access the Technical Assistance sub-window.

**When will the TA call for proposals be launched?**

There will be an announcement regarding when the Technical Assistance CfP will be launched.

**I have not contacted the Bank before submitting an application, will my project be ineligible?**

No, your project is not ineligible if you have not yet reached out to the Bank about your project before submitting an application. However, should your project be prioritized by the CAW Secretariat, it will be necessary for you to contact the Bank to have a task manager assigned to your project. This task manager will then be responsible for taking your project to the board for approval.