



Federal Ministry
for the Environment, Nature Conservation
and Nuclear Safety

International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU)

Country Specific Selection Procedure

Request for Programme Outlines (RfP) for the Federal Republic of Costa Rica

December 2018

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1. Background

The purpose of this document is to assist applicants in preparing and submitting programme outlines for this country call.

Since COP 21 and the adoption of the Paris Agreement, a key focus of the International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) is the effective support for the Nationally Determined Contributions (NDCs) implementing institutions of its partner countries, the climate and/or environment ministries, but also involving relevant sectoral ministries. IKI's prime intent is to support programmatic approaches that foster highly ambitious climate and biodiversity measures while ensuring significant national participation in implementation structures and strong financing elements in the programming.

Costa Rica is not only vulnerable to the impacts of climate change, it is also ambitious when it comes to climate change mitigation. Costa Rica has a commitment to transformational processes that allow the country to become a laboratory for the decarbonization of the economy and the transformation towards a model of sustainable and inclusive development. By ratification of the Paris Agreement in October 2016, Costa Rica confirmed its economy-wide NDC including mitigation and adaptation actions. The National Climate Change Strategy (ENCC) was published in 2008. The National Development Plan (NDP) embeds climate policy into the country's medium-term development objectives. Costa Rica has a Carbon Neutrality Strategy for 2021 as well as the National Biodiversity Strategy (2016-2025) (ENB2). Costa Rica is currently developing its long-term strategy including a Decarbonization Plan which will provide the country with a comprehensive long-term roadmap that facilitates the transformation of its development model into a low-emission, inclusive and resilient model. Furthermore, Costa Rica has published its National Adaptation Policy and is currently working on its National Adaption Plan.

Bilateral cooperation between the Republic of Costa Rica and Germany/BMU under the IKI started in 2008. To this date, Costa Rica is among BMU's main recognized IKI partner countries. Both countries intend to continue their fruitful cooperation in a yet deepened dialogue, developing the cooperation portfolio with a strong focus on the Post-Paris Agreement priorities and the implementation of the NDC, the national implementation of the Aichi Biodiversity Targets of the Strategic Plan for Biodiversity 2011 – 2020 of the Convention on Biological Diversity (CBD) and respective National Biodiversity Strategies and Action Plans (NBSAPs) as well as the Sustainable Development Goals (SDGs).

As of yet, Germany and Costa Rica have worked together in a number of climate and biodiversity policy areas. Furthermore, Costa Rica is a member of the global NDC Partnership (NDC-P) which aims to enhance cooperation in the field of NDC implementation. Completed and ongoing activities within NDC-P, IKI projects or any other projects in these areas in the framework of international cooperation need to be taken into account when establishing further proposals, also taking into account the 10 guiding principles of the NDC-P.

An overview of ongoing IKI projects, including regional and global projects with a Costa-Rican component, can be accessed at <https://www.international-climate-initiative.com/en/projects/> (search for Costa Rica on the world map).

2. Request for Programme Outlines

2.1 Eligibility

IKI seeks to support an ambitious programme on technical advice and/or investments which supports sustainable implementation of the mitigation and adaptation actions of the respective **NDC and NBSAPs** as well as **related SDGs**. This may include:

- implementation of national and subnational policies and strategies, regulatory and institutional framework conditions,
- evaluation and contribution to transformation within sectors and within society,
- further development of Monitoring, Reporting and Verification (MRV) tools and/or systems,
- local capacity development, technology cooperation and financial investments/leverage. The latter can include but must not be limited to co-financing, blended finance approaches as well as other innovative financing mechanisms that should be identified, developed and implemented, in particular to leverage financing sources from the private sector; as well as pipeline development combining technical and financial assistance.

The programme should aim for a **comprehensive, inter-sectoral and territorial approach**, be embedded consistently in **national strategies and policies** and serve to implement them. Close cooperation with the relevant partner institutions in Costa Rica is therefore a prerequisite, and collaboration with other government agencies, local governments, private sector and CSOs/NGOs is essential.

This RfP seeks proposals for **one integrated bilateral programme** that needs to fulfil the following requirements:

- The programme is expected to be completed within **seven years**.
- The funding volume will be **at least EUR 11 Mio and up to max. EUR 12.5 Mio**.
- The programme needs to be implemented in a **consortium of more than two organisations** (minimum) with very **strong involvement of national actors that are expected to receive at least 50% of the programme resources**, in the interest of bringing together different comparative strengths. National actors here refers to implementing actors such as NGOs, universities, think tanks, financial institutions or the private sector, not to political partners (also see Section 4).
- Programme outlines should be proposed on **the two thematic priority areas** (for details, please see sections 2.2).

The integrated programme further needs to be based on:

- firm political ownership of the country; both coordination among and involvement of relevant line ministries on national and where necessary also local level;
- involvement of relevant stakeholders in civil society, the private and the financial sector;
- involvement of UNFCCC and CBD focal points;
- a significant involvement of national implementers as project partners;
- participation in international political and knowledge exchange fora, in particular the international NDC-P and NBSAP implementation - where applicable.

2.2 Thematic priorities for funding

The contribution to the implementation of the Costa Rican NDC and NBSAP as well as related SDGs and the alignment of the programme goals and activities with them is considered to be indispensable. **The programme should develop an approach that addresses the following two topics (2.2.1 and 2.2.2) in an integrative manner.**

This programme should be ambitious in the short and the long term and contribute to the transformational process of Costa Rica towards the decarbonisation of the economy and towards reduced vulnerability of its ecosystems to climate change as well as the protection of its biodiversity. It should be explicit how the following two topics can be integrated in one programme mutually supporting each other's goals in a specific region in Costa Rica. Activities under 2.2.1-2.2.2 must foresee the development of adequate MRV/Monitoring and Evaluation (M&E) systems or, where available, connect to already existing monitoring efforts. Additionally, the programme should aim to support regional partnerships and South-South cooperation between countries facing similar challenges to find solutions together and exchange lessons learnt.

As far as tangible measures as mentioned above are concerned, **co-financing contributions** from state, federal and also municipal level and/or from private actors would be an advantage in the final selection. Furthermore, activities of projects in **implementation** have to be taken into account and overlaps must be avoided. Capacity building, knowledge management and the promotion of instruments and platforms for public-private dialogue and partnerships in order to catalyse the transformation should be important elements throughout the whole programme.

2.2.1 Rural landscape: Support for the sectorial implementation of the emissions reduction agreement of the agricultural sector

The programme is expected to develop a number of ambitious and innovative actions to catalyze the implementation of the Decarbonization Plan in areas related to the Emissions Reduction Agreement of the Agricultural Sector and thereby the sector's transformation towards a low carbon, resilient agricultural and livestock production. **Emphasis** is to be put **on the consolidation of NAMA processes in the most emitting subsectors and scaling up of those that are more advanced** (e.g. coffee and livestock). The program

is expected to suggest actions to **ensure private sector participation** in the carbon neutrality program 2.0 and to increase the awareness for low carbon products among consumers and institutional suppliers. The importance of technology transfer to reduce emissions, improve efficiency and productivity and increase the resilience in the subsectors is expected to be reflected in the programme's activities.

Financial instruments, market mechanisms and incentive schemes also play a key role for the decarbonization and eco-competitiveness of agricultural production. For example, tree plantations for multiple use as well as the maintenance of the forest on farms are important ecological aspects. Payment for Ecosystem Services (PES) and results-based payments, complemented with new incentive models could be suitable instruments for promoting those. Therefore, the programme is expected to suggest a number of **actions to extend and enhance the *Banking System for Development* (SDB or Sistema de Banca para el Desarrollo for its acronym is Spanish) portfolio** of financial incentives for the planting of multiple-use trees and silvo-pastoral schemes as well as credit lines and other financial products to support the adoption of low-carbon technologies in the subsectors. Possible opportunities to access and leverage climate finance and existing public funds at SDB and the National Forestry Financing Fund (FONAFIFO) should be taken into consideration.

2.2.2 Blue landscape: Promotion of a blue economy model as a strategy for the adaptation of marine ecosystems to climate change

Intact marine and coastal ecosystems are vital for the livelihood of local communities and their resilience to climate change. The programme is expected **to increase the resilience of Costa Rica's marine ecosystems** through developing actions to consolidate an integrated management system of Costa Rica's coastal and marine resources, based on the **blue economy concept**, and to enhance the protection of marine and coastal ecosystems. **Land and Marine Spatial Planning (LMSP)** is to be applied **as an important instrument** to define different usage zones, engage with key users and develop management plans for fishery and recreational activities, including tourism. The management capacity and resilience of key marine and coastal conservation areas and their surroundings must be improved and their area expanded. The programme is expected to **develop actions in support of governance models at the local, national and international level**. A close consultation with relevant stakeholder groups is crucial to gain reliable support and broad understanding for the changes needed. Smart communication focusing on various target groups and promoting the expected sustainable development benefits should underpin the processes.

2.3 Possible Programme products and activities

The programme is also expected to include an appropriate mix of "programme elements/products" such as:

- consultancy services for the processing and elaboration of strategies, "roadmaps", action plans or similar processes and written documents,
- studies or analytical research services on selected topics,

- inputs to the development of governmental documents such as land use plans for selected regions and cities (to be quantified preliminarily),
- inputs to the development of financial programmes to support actual measures on mitigation, adaptation and biodiversity in the requested areas including co-financing,
- technical and pilot projects, e.g. in federal states, cities and/or enterprises including co-financing,
- capacity building including events, delegation visits or expert stays.

3. Selection criteria

Submitted programme outlines will be evaluated and selected by BMU, in cooperation with the Costa Rican government, according to the following conditions and criteria:

3.1 Relevance to the NDC and NBSAP implementation process in the country

- Requirements stated in Section 2 for eligibility and thematic priorities for funding
- **Transformative impact, level of ambition and innovation potential** (technological, economic, methodological, institutional)
- **Contribution to international climate cooperation**, in particular in the context of the UN climate negotiations through support for implementation of the resolutions of the Conferences of the Parties to the UNFCCC, including the resolutions on NDC implementation, the climate-related negotiations conducted within the framework of the [Montreal Protocol](#) and/or contribution to **international cooperation in the context of the CBD processes** through support for implementation of the Strategic Plan 2011-2020 of the CBD and Costa Rica's **NBSAP**
- Relevance to **implementation of the SDGs** of the 2030 Agenda on Sustainable Development
- Contribution to economic and social development in the partner country and to the creation of **enabling political conditions** in the partner country
- Coherence with and integration into **national and/or regional/transnational strategies, international cooperation and synergies** with other projects and sectors

3.2 Aptitude of submitter(s):

- Requirements stated in Section 2 and 4 below for implementing actor/joint programme coordinator (notably: competence, capacity, experience (thematic and regional), professional business management of submitter and the submitter's partners in the joint programme).
- Consortium with clearly described comparative advantages of partners
- Cooperation with national, local or regional partners in order for the activities to be anchored long-term in the target region

- Track-record of the organisation that coordinates the joint programme regarding the appropriateness, effectiveness and efficiency of use of funds

3.3 Aptness of the programme

- Alignment with Thematic Priority guidance of the IKI in this RfP (see Sections 2)
- Ambition and contribution to IKI Standard Indicators, which allow to aggregate the effects of the overall IKI programme
- Sustainability of outcomes and replicability of the concept and/or results; the measures that promote sustainability (e.g. decreasing volume of funds over the course of the programme) should be specified
- Potential for large-scale and long-term impact
- Maturity and coherence of the concept, including programme management and monitoring
- Convincing allocation of the budget among the proposed project products
- Convincing allocation of the budget among the proposed project partners
- Envisaged co-financing from the Costa Rican Partners on several levels including private sector
- Own contributions from implementing organisation and third-party financing
- Appropriateness, effectiveness and efficiency of the use of funds

4. Funding recipients and programme organisation

IKI supports activities by implementing agencies, NGOs, consultancies, universities, research institutions, based in Germany and abroad, by international and multilateral organisations and institutions, e.g. development banks and United Nations bodies and programmes.

The programme should be implemented in a **consortium of more than two organisations** (minimum), including significant participation of **national implementing agencies** (compare section 2) in the framework of a cooperation agreement (see fact sheet Consortium Agreement), with one organisation acting as **joint programme coordinator**. This joint programme coordinator is the **sole recipient of the approval notification and the sole contract partner** of BMU receiving direct payments through BMU; no grant funds are paid directly to other partners in the joint programme. The joint programme coordinator is responsible for forwarding the grant to the partners as agreed within the consortia of the programme.

The **joint programme coordinator and its consortium partners are expected to have comprehensive relevant expertise and experience in Costa Rica**. The joint programme coordinator must display this expertise and, as a rule, demonstrate that it has continuously implemented international cooperation programmes in the relevant thematic area jointly with partners in the region for at least five years. The partners must demonstrate their expertise in accordance with their role in the programme.

The **joint programme coordinator must be able to undertake qualified planning and a cost-effective implementation of programmes and to monitor and render account for them**, if necessary in collaboration with the partners or subcontractors directly involved. This includes ensuring compliance with relevant environmental and social safeguards in accordance with IKI's safeguard policy. Specific monitoring of the programmes is expected. Programme planning and monitoring should be based on the results framework developed by the Organisation for Economic Co-operation and Development (OECD) (see introduction on the online platform for more information via the [IKI website](#)).

The joint programme coordinator and the consortium partners must provide competent staff for the technical and administrative programme implementation. Average annual BMU funding volume should not exceed the grant recipient's average annual turnover over the last three business years. When the grant is forwarded, the joint programme coordinator is responsible for ensuring that the programme partners (forwarding recipients) also comply with this requirement in respect of their funding share. The average annual funding volume derives from the planned total BMU funding volume and the planned duration of the project as stated in the outline.

Activities by organisations/institutions based in Germany and abroad are supported via grants. Activities conducted by German federal implementing agencies are commissioned pursuant to the terms and conditions applicable to these agencies. With regard to funding for institutions based abroad, the sections of this funding information apply correspondingly.

5. Selection procedure

The selection process is based on a two-stage procedure:

- 1. Outline stage:** In the first stage, a programme outline is submitted (in English language) via online platform on the [IKI website](#). No further templates or documents have to be submitted. At the end of the assessment of programme outlines by BMU and the Costa Rican government, the most suitable proposal will be pre-selected to enter the second stage.

The following deadline applies: For the Request for Programme Outlines CRI selection procedure project outlines must be submitted online 29 April 2019 24:00 (Central European Summer Time, CEST). The online platform will not be accessible after this deadline, and outlines that are not submitted by the designated means cannot be considered for the selection procedure.

All outlines that have been submitted through the online platform by the deadline will be evaluated. All applicants will be informed about the result of the evaluation in writing.

- 2. Formal programme proposal stage:** Once preselected, the joint programme coordinator will receive a written invitation to submit a formal request for funding for an appraisal mission (start of second stage). Joint programme coordinators then have up to six months to complete the appraisal mission and on that basis have to submit a thoroughly prepared programme proposal. BMU/IKI will then decide on this application in a final review. The relevant terms and application templates to be taken into consideration – including the requirements concerning monitoring and safeguards – will be provided after the first stage. In accordance with IKI procedures, the programme can receive funding at the earliest in the second half of 2020.

Involvement of the IKI Secretariat

BMU has commissioned the IKI-Secretariat managed by the Zukunft-Umwelt-Gesellschaft (ZUG) gGmbH to manage the funding programme:

*IKI Secretariat
Zukunft – Umwelt – Gesellschaft (ZUG) gGmbH
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Annex 1: Requirements for support

Formal confirmation of the support of the Costa Rican government for the programme will be obtained by BMU. Programmes must be implemented in cooperation with national, local or regional political partners. Partners are to be named in the programme outline.

The programme or parts of it cannot have already started, and it is expected to be completed within seven years.

Support by IKI can be provided only if implementation of the programme is impossible without public funding.

In order to fully exploit synergies and to prevent duplication of funding, relations to other instruments or areas of support, to ongoing or earlier funding measures of the Federal German Government, the German federal states or the European Union or to any international measures (bilateral/multilateral) must be disclosed and their relevance for the proposed programme explained. The closer the proposed programme is in its goals, target groups, activities and concrete outcomes to a concluded/ongoing project, the more precisely the demarcation from or linkage with such a project needs to be presented. Intended or previously approved support from third parties for the proposed programme must be stated, specifying the support donor(s) and the specific amount(s) of funding. Proof of such intended or approved support must be provided in the second stage of the selection procedure at the latest.

In order to ensure the additionality of greenhouse gas reduction and of the German contribution to international climate finance, no emissions certificates or other emissions credits generated by IKI programmes may be traded either during or after the programme term. For this reason, funding resulting from the sale of such emissions permits or credits may not be accounted for in the overall financing of IKI-supported programmes. However, this does not apply to emissions credits within the non-compliance market, insofar as they comply with the relevant IKI guidelines and are demonstrably being used to ensure the sustainable funding of climate protection activities in the fields of agriculture, forestry or land use.

Annex 2: Type, extent and amount of the funding

Support can be granted for all expenditures necessary and in line with the principles of sound financial management to achieve the programme goal, insofar as it is not possible to achieve this goal without this support. There is no provision for grants on a cost-basis.

It is generally a condition for approval of a grant that the applicant makes an appropriate contribution, that there is appropriate input from the partners, and that additional funding is mobilised to meet the eligible expenditure.

A preliminary intended allocation of the budget has to be presented including a description on the allocation to outputs and to the specific project partners.

Efficiency of expenditures as well as economic use of the funds must be demonstrated.

The support granted must promote sustainable development in the partner countries. It is not intended to give the grant recipient an economic advantage.

The funded programmes must meet the criteria for recognition as Official Development Assistance (ODA).

BMU advocates climate-neutral business travel. Measures include in particular reducing business travel. Where it cannot be avoided, expenditure for offsetting greenhouse gas emissions resulting from traveling within the IKI programme is eligible for funding.

Annex 3: Grant conditions

Implementation of IKI support measures is governed by Sections 48 to 49a of the German Administrative Procedures Act (VwVfG) and the general collateral clauses for grants to support projects (Allgemeine Nebenbestimmungen für Zuwendungen zur Projektförderung, [ANBest-P](#)).

The Federal Audit Office has a right of audit under Sections 91 and 100 of the German Federal Budget Code (BHO).

BMU or its agents must upon request be provided with any necessary information and permitted to view books and documents relating to the programme and to conduct audits. In the application for a grant, applicants must declare that they consent to BMU or its agents publicising the name of the supported organisation and the purpose of the grant in the course of its publicity work. If there is evidence that the grant conditions have not been complied with, the grant approval can be withdrawn in accordance with the statutory provisions and return of the grant funds can be required.

In the case of contracts with foreign grant recipients, collateral clauses corresponding to the ANBest-P will become part of the contract.

There is no right to be awarded a grant. The decision to approve support is taken by BMU after due assessment of the circumstances and in the light of the budgetary funds available.