Kigali Cooling Efficiency Program (K-CEP)

NDC Support Facility for Efficient, Climate-Friendly Cooling – Request for Proposals

**(UPDATED JUNE 9, 2020)**

**Request**

This solicitation seeks to identify governments who plan to embed efficient, climate-friendly cooling into their enhanced Nationally Determined Contributions (NDCs) and organizations interested in partnering with countries to support implementation of solutions to meet these commitments. The Kigali Cooling Efficiency Program (K-CEP) is making available up to US$12 million to fund technical assistance providers seeking between US$500 thousand and US$2.5 million (for large-scale mitigation projects) of support under this Facility.

In response to the full-year delay of the United National Climate Change Conference (COP 26), but recognizing the urgency of ramping up efficient, climate-friendly cooling, K-CEP has elected to re-launch the NDC Facility using a hybrid application model that encourages early submission of an initial round of applications but with an option to withhold funds for a second round of applications contingent on varying countries’ submission timelines for revised NDCs and quality of initial applications. K-CEP is proceeding under the assumption that countries are still required to submit revised NDCs by year-end 2020, although we note that some countries may delay their submission until 2021 as they remain preoccupied with the global disruptions caused by COVID-19.

Applications are due on September 4th, 2020 at 11:59 pm EDT. Selected applicants will be notified of likely funding by mid-November 2020, with the exact timing dependent on the certainty of the inclusion of new cooling commitments in the country’s enhanced NDC. For successful applicants in Round 1, funding will be disbursed in tranche payments contingent on the submission of an enhanced NDC that specifies cooling ambitions, or the release of another public document that provides an ambitious commitment to efficient, climate-friendly cooling.

It is expected that multiple applicants will receive grants under this solicitation. Submission of a proposal is not a guarantee of funding.[[1]](#footnote-2)

**About the Kigali Cooling Efficiency Program**

K-CEP was launched in March 2017 to significantly increase and accelerate the climate and development benefits of the Montreal Protocol refrigerant transition by maximizing a simultaneous improvement in the energy efficiency of cooling. The Program is a collaboration between foundations, governments, and individuals who collectively agreed to use their resources for further advances in cooling in order to double the climate benefits and significantly increase the development benefits of the Kigali Amendment to phase down HFCs.

K-CEP is managed by the Efficiency Cooling Office (ECO), housed at the ClimateWorks Foundation. ECO supports K-CEP’s strategy design, implementation, grantmaking, and operations. For more information about K-CEP, visit [www.k-cep.org](http://www.k-cep.org).

**About CEA Consulting**

CEA Consulting is an environmental management consulting firm based in San Francisco, California and is supporting K-CEP with the NDC Facility’s selection process. CEA works with foundations, NGOs, development banks, and businesses on climate change and other environmental issues. For more information about CEA Consulting, please visit [www.ceaconsulting.com](http://www.ceaconsulting.com).

**Background context and rationale for the NDC Facility**

To meet global climate goals, the world must reduce greenhouse gas (GHG) emissions from today’s levels to net-zero by mid-century. Success will require powerful and sustained action. Global emissions must peak around 2020 and drop at an unprecedented pace — between 7 and 8 percent per year — thereafter. We must achieve large reductions in GHG emissions in the near-term, while planting seeds for deeper cuts in the future.

With increasing urban growth and economic development, especially in emerging markets, coupled with warming temperatures across the globe, the demand for cooling is booming. Sales of air conditioners alone are projected to increase from 1.6 billion today to 5.6 billion by 2050. Cooling currently accounts for 15 percent of global energy consumption, with air conditioning responsible for 10 percent of global electricity consumption. By 2050, according to the International Energy Agency (IEA), space cooling is expected to be the second-largest source of global electricity demand – consuming as much electricity as all of China and India today.

Cooling is also the single largest contributor to peak energy demand in many countries around the world. Greening this volume of electricity could use up most of the world’s projected renewables capacity. For example, in 2018 – a record year for solar growth – all 100 GW of new solar capacity was eclipsed by the incremental room air-conditioning load added to the grid.

Preventing the growth of demand for cooling solutions is not an option. Cooling is fundamental to achieving numerous sustainable development goals, including those related to health, poverty reduction, education, shelter, gender, and energy access. Cooling is essential to keeping vaccines stable, food nutritious, and workers productive.

Fortunately, solutions are available to help transition traditional cooling systems to cleaner alternatives and meet the increasing demand for access to cooling. While the world is already making strides in maximizing the efficiency of appliances and piloting some work in buildings, huge opportunities still remain to further help developing countries fulfill their climate ambitions and ensure access to efficient, climate-friendly cooling for all. A scaled-up program of work that embeds efficient, climate-friendly cooling solutions into longer–term policy making can deliver much needed progress as we head towards and beyond the COP 26 climate negotiations.

All Parties to the Paris Agreement are requested to submit new or updated NDCs by 2020 and every five years thereafter (e.g. by 2020, 2025, 2030), regardless of their respective implementation timeframes. As countries revise their NDCs and look to COP 26 as a moment to enhance their emissions reductions commitments, many could benefit from the solutions presented by efficient, climate-friendly cooling, including:

* Nature-based cooling solutions
* Improved thermal regulation of buildings
* Increasing the energy efficiency of cooling appliances such as air conditioners and refrigerators
* Well-designed, adaptive, urban environments
* Behavior change (individual and community responses)
* Cooling technology powered by renewables, including off-grid solutions
* Thermal storage and other demand side management technologies

Governments across the world have made some progress implementing these solutions, however implementation has not been consistent enough over time or across jurisdictions, ambitious enough to address the climate crisis, or monitored sufficiently to ensure full compliance.

As such, K-CEP is offering support to partners – UN agencies, development banks, NGOs, academia, consultants, etc. – who are working directly with developing country governments to scale up efficient, climate-friendly cooling policies, finance, and initiatives; and to embed such solutions into the next round of countries’ NDCs, which are expected to be put forward by the end of 2020.

In order to receive support to help implement efficient, climate-friendly cooling initiatives, proposals must signify a country’s intent to include [additional cooling initiatives/commitments](https://www.k-cep.org/wp-content/uploads/2019/07/Guidance-on-Incorporating-Efficient-Clean-Cooling-into-the-Enhancement-of-Nationally-Determined-Contributions.pdf) in their updated NDC or other public, written form. Proposals will be evaluated based on the strength of the commitment and other criteria outlined in the “Applicant and Selection Criteria” described below. Selected applicants will be notified of likely funding no later than mid-November 2020, with the exact timing dependent on the certainty of the inclusion of new cooling commitments in the country’s enhanced NDC. Funding will be disbursed in tranche payments contingent on the submission of an enhanced NDC that specifies cooling ambitions, or the release of another public document that provides an ambitious commitment to efficient, climate-friendly cooling.

Support will be delivered to winning applicants starting in early 2021 and running through 2023. Note that while the host country government needs to indicate their intent to include cooling in their updated NDC, K-CEP funding is to be delivered to partner organizations, not the governments themselves. Governments should indicate which partner organization(s) they would like to work with, and K-CEP can pair interested countries with a Technical Assistance (TA) partner if there is not one identified.

By providing support to implement efficient, climate-friendly cooling solutions and linking these solutions to the systematic scaling of ambition that the Paris Agreement requires, the NDC Facility for Efficient, Climate-Friendly Cooling aims to catalyze new cooling solutions and institutionalize continual improvement to unlock the significant contribution efficient, climate-friendly cooling can make to climate and development goals, at the same time complementing the Kigali Amendment to the Montreal Protocol.

**NDC Facility Aim**

To unlock the potential of emissions reductions in the cooling sector by supporting developing countries to optimize the contribution that efficient, climate-friendly cooling can make in their updated NDCs and by funding the implementation of these commitments.

**Eligibility**

**Eligible organizations:**

This proposal is open to all NGOs, academics, international organizations, research institutions, and consultancies who are able to provide assistance to developing countries, or Article 5 countries under the Montreal Protocol. Note that unlike previous K-CEP funding, this NDC Facility is open to *all* Article 5 countries (including Article 5 group 2 countries) that are willing to include cooling initiatives in their revised NDCs and are looking for TA partners to support these commitments. Organizations already receiving K-CEP funding are eligible to apply.

Both country governments and TA partners are eligible to apply (applicants must fill out either the application for governments or the application for TA partners – please do not complete both).

For technical assistance partners: TA partners should specify which country they intend to work with and provide a Memorandum of Understanding (MoU) or letter of support from that country’s government. For organizations that intend to subcontract to local organizations, all intended partners and subcontractors should be listed on the application, to the extent possible.

For countries: Country applicants should include a preferred TA provider (or multiple providers) that is best suited for their proposed activities. While support from the Facility is open to all eligible organizations and we encourage all eligible organizations to apply, Lawrence Berkeley National Laboratory (LBNL) is the preferred delivery partner for the following activities:

* Technical assistance to small and medium-sized air-conditioner manufacturers to improve energy efficiency while changing refrigerants
* Technical assistance for the adoption, improvement and revision of model regulations

Countries interested in partnering with LBNL are encouraged to coordinate with them prior to submitting a proposal. All inquiries about collaborating with LBNL as a part of the NDC Facility should be directed to Nihar Shah (cooling@lbl.gov).

**Eligible sectors:**

Eligible sectors include

* Residential AC
* Commercial AC
* Industrial AC
* Mobile AC
* Domestic refrigeration
* Commercial refrigeration
* Industrial refrigeration
* Transport refrigeration
* Residential buildings (covering both active and passive cooling solutions)
* Industrial buildings (covering both active and passive cooling solutions)
* Commercial buildings (covering both active and passive cooling solutions)

**Eligible activities:**

The specific activities should be guided by the country to ensure they are suitable to the national context. We anticipate that the majority (~80%) of the funds awarded from the NDC Facility will go to the following types of interventions, but the Facility invites creative proposals and is open to funding other work that delivers efficient, climate-friendly cooling:

* Technical assistance to cooling equipment manufacturers
* Adoption of [model regulations](https://united4efficiency.org/resources/model-regulation-guidelines-for-energy-efficient-and-climate-friendly-air-conditioners/) and standards
* Appliance replacement programs
* Better enforcement and monitoring of existing regulations and standards
* Passive cooling solutions, including nature-based solutions to cooling
* Improved access to efficient, climate-friendly cooling for those most at risk, especially through passive cooling solutions and (agricultural and medicinal) cold chain improvements and demonstration projects
* Mobilization of finance for efficient, climate-friendly solutions

Proposals will need to set out how the NDC commitment will be implemented using the associated TA requested from the NDC Facility, alongside other efforts the government may make.

The NDC Facility will encourage solutions that reduce the use of F-gases but will be geared towards improving the energy efficiency of cooling solutions or clean-energy cooling. Funds will not be used to pay for F-gas solutions in order to avoid duplication of the funding provided by donor governments through the Multilateral Fund (MLF) of the Montreal Protocol. However, K-CEP encourages proposals that improve energy efficiency whilst also moving ahead on the need to phase out and down F-gases, as required by the Kigali Amendment. This can create more synchronized policy-making and financing, and harmonize the product and systems changes that businesses need to make.

**Applicant and Selection Criteria**

Applicants should submit a single proposal (either the government application form or the TA partner application form) and should specify how they will coordinate efforts with the target country or TA provider(s) to ensure that specific policy and program opportunities can be integrated into enhanced NDCs.

All applicants should:

* Include a list of team members (one-page CV maximum per individual) and
* Provide three examples of similar work previously undertaken (citations).

Additionally, TA providers should identify what their formal relationship is, if any, with the country or countries with which they are collaborating. Written MoUs, letters of support, or other evidence of intent to collaborate on behalf of the country should be included in the proposal.

Recognizing that NDC enhancements are a sovereign decision but with an overall aim of helping countries achieve the ambition required to meet the Paris goals, countries will be invited to receive indirect support from the NDC Facility in relation to the commitments they choose to make on efficient, climate-friendly cooling reflected in or linked to their updated NDCs.

We recognize that some countries may want to make a firm commitment on efficient, climate-friendly cooling but are unable reflect a commitment in their NDC. Such countries would still be eligible for funds but will need to demonstrate their commitment to action through other means, e.g. a written statement from the government.

Applications that come from countries and/or TA providers that are already in receipt of funds from K-CEP will be considered in relation to the stage of work already being done and what that means in terms of the likelihood of success and additional value of the new work being proposed.

Scoring criteria for selecting the most ambitious proposals are outlined below with their percentage contribution to overall scores.

* Program/Project Concept – Viability of proposed activities and likelihood of success, including the robustness of a monitoring and evaluation system to measure outcomes (20%)
* Country Commitment – The clarity and scale of commitment of the partner country to the program/project and to add or enhance cooling commitments into their updated NDC (noting that other demonstrations of strong government commitment outside of the NDC context are also eligible). (20%)
* *Impact* – Impact will be assessed based on the focus of the project. (30%)
	+ Greenhouse gas focused projects – Impact will be assessed based on the GHG emissions reduction potential of the proposed activities. These activities must be additional to other work previously funded, e.g., by K-CEP, the Multilateral Fund, or others.
	+ Access to cooling-focused projects – Impact will be assessed based on the project’s impact on improved access to efficient, climate-friendly cooling within the target country with an emphasis on passive cooling solutions. Applicant countries that request support for cooling access work and are listed as “high-risk countries” in SEforAll’s *Chilling Prospects:* [*Sustainable Cooling for All*](https://www.seforall.org/publications/chilling-prospects-2019)2019 Outlook report will receive a higher score, particularly those that focus on the most vulnerable populations within these countries.
	+ Projects focused on both access and greenhouse gas mitigation – 20% of overall scoring will be for greenhouse gas mitigation and 10% for improved access to cooling
* Mobilization of Finance – The ability and strategic plan to mobilize other funds (including MLF) for implementation of the NDC. This includes if partners are able to demonstrate co-funding for the program/project. (10%)
* Team and Experience – The experience of the team, including TA Partner and/or Ministry of the government, working on proposed activities and the experience of the proposed TA partner working with the partner country. (10%)
* Project Budget – Overall cost effectiveness of the proposed activities (10%)

Some of the NDC Facility funds have been allocated specifically for work on improving access to cooling. Therefore, proposals that incorporate access to cooling may be prioritized for selection. The amount of funds allocated for these different activities is as follows:

* Access to cooling, emphasizing passive cooling solutions: ~US$3 million
* Support for small and medium-sized enterprises in manufacturing countries to improve the energy efficiency of air-conditioning equipment: up to US$5 million. This funding is linked specifically with LBNL as a TA provider (see details on this below).
* All other cooling efficiency work (noting priority areas under ‘eligible activities’ on page 5 above): ~US$4 million
* Additional technical assistance to help mobilize funding may also be available through UNIDO’s Private Finance Advisory Network (PFAN). See [www.pfan.net](http://www.pfan.net) for more information.

As mentioned above, up to US$5 million of the NDC Facility’s funds have been pre-allocated to LBNL to provide technical assistance to small and medium enterprises (SMEs) that manufacture air conditioning equipment. Developing countries with robust air conditioning SME manufacturing presence such as Argentina, Bangladesh, Brazil, Egypt, India, Mexico, Pakistan, Thailand, and Vietnam are encouraged to apply for this funding (however please note that these countries are welcome to apply for additional funds from the NDC Facility separate from this dedicated funding for SME support). For more information, please get in touch with Nihar Shah (cooling@lbl.gov).

In addition, K-CEP continues to fundraise for this effort and so the total amount of funding allocated to the Facility may increase. We anticipate that the total amount awarded will be at least US$10 million depending on the funds made available through K-CEP’s donors and the receipt of a sufficient number of proposals that meet the criteria of this RFP. If proposals are not sufficiently robust to satisfy the priorities of the NDC Facility, funding may be allocated for other purposes. Furthermore, a second round of applications for 2021may be announced before the end of 2020. K-CEP will continue fundraising to increase the pool of funds available for round 2 but reserves the right to disburse all funds during the first round in 2020 if the initial set of proposals is high quality and ambitious.

All proposals are subject to compliance review. We fund globally to the extent we have verified compliance with all applicable laws and regulations.

**Results Framework**

The NDC Facility is aiming to achieve the following results. Applicants should indicate which of these results they intend to achieve with the support provided.

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| **Outputs**  | **Indicators** |
| 1 | Technical assistance is provided to countries to help implement efficient, climate-friendly cooling policies, standards, or programs, or for Monitoring Reporting and Verification. | Number of countries receiving TA to help implement cooling policies standards or programs |
| 2 | Efficient, climate-friendly cooling implementation projects are launched (including passive cooling projects) | Number of projects launched |
| 3 | Proposals for additional public/private/philanthropic funding for efficient, climate-friendly cooling programs are written with support from K-CEP’s NDC Support Facility  | Number of proposals written |
| **Outcomes**  | **Indicators** |
| 1 | National or sub-national governments propose, adopt, or implement best practice cooling policies, standards, or programs.  | O1.1: # of countries/jurisdictions that propose, adopt, or implement best practice cooling policies, standards, or programs.O1.2: # of best practice cooling policies, standards, or programs proposed, adopted, or implemented.O1.3: # of policies, programs, or standards that are more stringent or implemented faster than would otherwise have been the case without K-CEP support. |
| 2 | Countries add efficient, climate-friendly cooling commitments to their enhanced NDCs | O1.3: # of countries that add efficient, climate-friendly cooling policies, standards, programs or commitments to their NDC  |
| 3 | Increased access to efficient, climate-friendly cooling, especially for the most at risk | O2.1 # of policies or programs proposed, adopted or implemented at national or sub-national level that target increasing access to cooling for at risk populations.O2.2 Number of people with increased access to efficient, climate-friendly cooling. |

**Timing**

All activities and deliverables should be completed within three years or less of the grant award or contract execution. Support will be awarded for activities to be undertaken between 2021 and 2023. Tranche payments will be made based on the completion of program/project milestones.

## **Proposal deadlines and process:**

**Launch Webinar: January 28th, 2020**

K-CEP and CEA hosted a launch webinar on January 28, 2020. The slides have been changed to reflect the revised scoring template and updated timeline and are available [here](https://www.k-cep.org/wp-content/uploads/2020/06/RFP-Launch-Webinar_v1019366.pdf).

**Round 1 Questions Submission: August 21st, 2020**

Proponents can submit questions to CEA Consulting (coolingfacility@ceaconsulting.com), and responses will be posted on a rolling basis. Final questions must be received by 11:59 pm EDT on August 21st, 2020. The ECO team and CEA Consulting will compile and share responses to the questions.

**Round 1 Proposal Submission Deadline: September 4th, 2020**

The initial proposals should be developed and submitted by 11:59 pm EDT on September 4th, 2020. Applicants must use the appropriate NDC Facility application form based on the type of organization applying (country or technical assistance partner) and follow the application guidelines laid out in that document.

**Round 1 Proposal Review and Iteration: September 4th – October 30th**

Following the initial review of proposals, K-CEP’s ECO team may iterate with applicants to develop revised proposals based on initial feedback from CEA Consulting and other reviewers.

**Round 1 Final Review and Selection: October 30th – November 13th**

A review committee composed of representatives from the ECO team, technical experts, and funders will evaluate revised proposals beginning in November. Selected applicants will be notified of likely funding no later than mid-November 2020, with the exact timing dependent on the certainty of the inclusion of new cooling commitments in the country’s enhanced NDC. Funding will be disbursed in tranche payments contingent on the submission of an enhanced NDC that specifies cooling ambitions, or the release of another public document that provides an ambitious commitment to efficient, climate-friendly cooling.

Round 2

**Announcement of Round 2 timeline: Before year-end 2020**

The ECO team and CEA consulting will announce details on a potential second round of applications before the end of 2020, depending on the quality of applications submitted in the first round and the amount of funds disbursed.

**Proposal considerations**

**Approach:**

* All proposals should identify the country in which the work will be undertaken and provide proof of a formalized relationship between the technical assistance partner and the relevant ministry with jurisdiction.
* Proposals should address anticipated climate and development benefits and quantify potential impacts where possible.
* Proposals should where possible, also note if the country is a major cooling manufacturing country, is expected to be a major importer of cooling equipment in the coming decades, and/or how they rank in terms of expected cooling demand.
* Proposals should identify which of the results in the NDC Facility Results Framework they aim to achieve, the feasibility of achieving the proposed results, and the risks of the proposed approach.
* Proposals focused on cooling access should address how the proposed project will benefit the most vulnerable populations, including women, children, and the elderly.

**Government commitment:**

* Proposals that have an official government request for support for design and implementation of energy efficiency policies, standards, or programs as part of their NDC will be favored. Proposals that show clear government intent to embed cooling in NDCs will also be favored. Greater specificity on the intended policy or program objectives and how K-CEP support will help in achieving those objectives is welcome.

**Delivery team:**

* Organizations with a track record of working in or having capacity in particular countries or regions will be favored. If the proposed assistance provider does not have a track record of working in-country, then a strong case will need to be made for their ability to execute the proposed work.
* Proposals should highlight where core staff are needed, how much of their time will be required (full time, part time), and at what cost they will work on the program.
* Proposals that identify local capacity for subcontracting (organizations and individuals) will be favored.

**Complementary funding:**

* Proposals that leverage complementary funding will be favored.

**Cost:**

* Applicants are encouraged to include a project budget as an attachment in addition to filling out the budget template.
1. Should there be an insufficient number of robust proposals, K-CEP reserves the right to use these funds for other initiatives. A second round of applications for 2021may be announced before the end of 2020. K-CEP will continue fundraising to increase the pool of funds available for round 2 but reserves the right to disburse all funds during the first round in 2020 if the initial set of proposals is high quality and ambitious. [↑](#footnote-ref-2)