##### FINANCEMENT CLIMATIQUE INTERNATIONAL

**The Luxembourg Government**

**Ministry of the Environment, Climate and Biodiversity**

**Luxembourg NGO Proposals**

*Version December 2023*

**PRESENTATION SCHEME FOR LUXEMBOURG NGO REQUESTS**

*The application can be written in one of the three administrative languages of the country (Luxembourgish, French or German) as well as in English. Applications that are not complete or do not comply with the format will not be considered.*

*Applications must be signed by the legal representative of the applicant and submitted either by postal delivery or by electronic mail to the following address:*

*Ministère de l’Environnement, du Climat et de la Biodiversité*

*L-2918 Luxembourg*

*Luxembourg*

*Email: fce.ong@mev.etat.lu*

*To facilitate the analysis of the financial part, the Ministry requests that the budget and financing plan, in Annex 2, also be submitted in the form of an Excel table.*

*The application can be written in one of the three administrative languages of the country (Luxembourgish, French or German) as well as in English.*

*Applications that are not complete or do not comply with the format will not be considered.*

|  |  |  |  |
| --- | --- | --- | --- |
| 1. | Presentation of the NGO, applicant for funds | | |
| 1.1. | Name of the company | Name of the NGO primarily responsible |
| 1.2. | Contact details of the NGO | Address:  Telephone number:  Fax number:  E-mail:  Bank account number or CCP and BIC code: *number to which the Ministry will have to pay its financial contribution to the project* |
| 1.3. | Person(s) actually responsible for the design and management of the project | Name(s), position(s) and contact(s) |
| 1.4 | Other requests for funding for the project or similar projects in the same locality:   * current projects * projects of the last 5 years | Limit the response to 1000 characters. |
| 1.5 | Expertise of the NGO | Limit the response to 1000 characters.  Describe your skills and expertise that will be used to carry out this project.   * *Project management skills, experience working with public funders.* * *Evidence of previous climate activities (at least three projects/studies in the climate field or five years of experience in the climate field in developing countries)* * *Field experience in the host country or association with local organizations, associations or experts.* |
| 2. | Presentation of the project | | |
| 2.1 | Title of the project or programme and duration | Indicate the title of the project.  Duration: Number of months, number of years. If possible, start date and end date of the project.  Indicate expenditures that exceed the duration of the project (e.g., design and evaluation/audit). |
| 2.2 | Project reference within the NGO | Reference number |
| 2.3 | Country and region and detailed location | Name of the country in which the project will be carried out. Exact location of the project (region, municipality, villages, etc.). If possible, present in the annex a precise geographical map, internet link, GPS coordinates, allowing the exact identification of the location. |
| 2.4 | Targeted climate objectives | Limit response to 1000 characters.  Identify the funding theme applicable.  Is the climate objective the **main objective** or only a significant objective of the proposed activities[[1]](#footnote-1)?  What other objectives are reasons for carrying out the project? | |
| 2.5 | General description of the activities | Limit response to 1000 characters. A summary page of the project may be attached as an annex, not exceeding 1000 characters. |
| 2.6 | Context, issues and direct link to climate change | Limit response to 2000 characters.  Describe the problematic situation to which a solution must be found. Description of the specific development challenges of the target population. Identification and analysis.  Describe in detail the link between the issue and climate change.  **For adaptation projects**:   1. Identify the expected climate changes, the risk of occurrence and the expected impacts (and the time horizon, short and long term). Describe the vulnerability of beneficiaries and target population to climate change. By which tool is the vulnerability analyzed? The analysis must be based on robust data and studies[[2]](#footnote-2). Mention which factors, other than climate factors, contribute to the vulnerability of the target population and their development challenges. 2. Demonstrate precisely how the activities intend to respond to the vulnerabilities identified in the climate vulnerability analysis. Describe how each component/activity of the project will reduce the impacts or vulnerability of the target population. 3. Establish a direct and clear link between climate vulnerability and the activities of the proposed project. The activity must articulate in detail how it addresses the identified climate vulnerabilities. Indicate which project alternatives you have considered. |
| 2.7 | List of specific activities with concrete results and specific indicators of results. | Limit response to 2000 characters.  Complete the following sections according to the climate orientation of the proposed activities (as per the funding themes under Luxembourg’s ICF Strategy). The section serves as a summary for the logical framework, which has to be submitted as a separate annex. |
| **List the proposed activities in** sufficient detail. |
| **List the concrete results of the proposed activities**.  You can use the logical framework method to determine what the results of the proposed activities are and how these results will lead to change to achieve the climate objective and solve the indicated problem. |
| **For each result, identify** specific **indicators** to verify project results and impact. Describe how these indicators will be objectively verified and identify sources of verification. These result indicators will be monitored.  Examples of indicators: see MECB climate financing strategy section 3 of the ICF Strategy |
| 2.8 | Risks and backups  *Environmental and social risks*  *Gender risks*  *Human rights risks* | Limit response to 1000 characters.  Identify potential risks and risk mitigation measures, special focus are human rights, environmental and social risks.  (For REDD+ projects in particular, describe whether the REDD+ safeguards recommended by the UNFCCC[[3]](#footnote-3) are taken into account in the preparation and operation of the project.)  Specify the applicant NGO’s and partner’s gender policy. For details see the Luxembourg ICF Strategy 2021-2025.  Specify how the applicant NGO and its partners will ensure compliance broadly with the principles of human rights and non-discrimination, from the design phase throughout implementation.  **Fill in the Risk Assessment and Management template in Annex 1 for key risks.** |
| 2.9 | Project beneficiaries | Limit response to 500 characters.  Identification of the target population (qualitatively and quantitatively). Who are the beneficiaries of the project?   * Qualitative elements: socio-economic and cultural categories and characteristics (women, children, ethnic group, farmers, traders, etc.). What are the criteria for selecting beneficiaries? * Quantitative elements: number of direct beneficiaries, indirect beneficiaries. |
| 2.10 | Other stakeholders involved | Limit response to 500 characters.  Degree of involvement of stakeholders (institutional actors, local authorities, beneficiaries of the intervention, or others) in the design and planning of the project, planning process and stakeholder consultation. Has an analysis of the parties involved been carried out? Please provide description. |
| 2.11 | Host country strategy | Limit response to 1000 characters.  To what extent does the project fit into a development plan/programme of the[[4]](#footnote-4) partner country or region? Is it aligned with their NAMAs, NAPAs, NAPs, NDCs?  Is the project being implemented in a coordinated manner with other partners? |
| 2.12 | Compatibility with sustainable development objectives 2030 | Limit response to 1000 characters.  Does the project contribute to the achievement of other 2030 Sustainable Development Goals[[5]](#footnote-5) (SDGs)? Describe them briefly.  On which target of objective 13 (climate) of the 2030 SDGs will the project act[[6]](#footnote-6)? |
| 3. | Project governance. | | |
| 3.1 | Role of the NGO requesting funds in the project | Describe the specific roles for implementation, management and coordination. Limit response to 500 characters. |
| 3.2 | Name of the main NGO partner, responsible for implementation in the field | Name  Website (if available) |
| 3.3 | Contact details of the main NGO partner and person(s) in charge | Address:  Telephone number:  Fax number:  E-mail:  Name and contact of the person in charge |
| 3.4 | Expertise of the main NGO partner | Limit the response to 1000 characters   * Proof of previous activities in the climate field. * Field experience in the host country or association with local organizations, associations or experts. * Capacity of the partner(s) in project management * Previous collaboration with the NGO requesting the climate fund |
| 3.5 | Role of the main NGO partner in the project and coordination | Limit the response to 500 characters. |
| 3.6 | Other partners involved in the implementation with respective roles | Limit the response to 1000 characters. |
| 4 | Budget | | |
| 4.1 | Budget for the proposed activities | Demonstrate that the budget is appropriate for the implementation of the activities. Structure the budget according to the proposed activities. Provide the necessary information to justify the budget. |
| 4.2 | Co-financing | Mitigation projects: Can the NGO or local partner mobilize co-financing? Justify the answer. If so, the local contribution must not come from a developed country donor. |
| 4.3 | Financial arrangement | Describe the financial package (budget, financing plan) in Annex 2. |
| 5 | Monitoring and evaluation | | |
| 5.1 | Monitoring of project implementation and reporting to the MECB | Limit the response to 1000 characters.  How will monitoring be implemented?  How and by whom is on-site monitoring organized (by the local partner and/or the decentralized structure of the Luxembourg NGO)?  How many visits are planned during the duration of the project? (1 visit/year with a maximum of 2 people is eligible)  Is any external monitoring being considered?  What is the frequency agreed with the partner for the submission of reports*?* |
| 5.2 | Analysis of the climate impact of the project and report of the impacts carried out at the MECB | Limit the response to 1000 characters.  Describe the evaluation of the project's climate impacts in relation to the indicators (see section 2.7). How will monitoring the evolution of climate impacts be organized and integrated into MECB reporting? |
| 5.3 | Evaluation and audit | Limit the response to 500 characters.  Is an internal evaluation planned for this project?  Is this evaluation conducted jointly by the NGO and the local NGO partner in the field?  Is a peer review (i.e. other NGOs) considered?  It should be noted that for projects lasting more than three years, a mid-term evaluation is mandatory. (For the mid-term evaluation, the NGO may choose the type of evaluation and the modalities of its implementation: internal participatory evaluation, evaluation with external consultant, peer evaluation. A detailed analysis of the project's progress must be carried out (more in-depth than a normal monitoring mission) and quality information should be produced to enable decisions to improve the implementation of the project's continuation.  Is an external evaluation and audit of the project planned for projects with a scope of more than 100,000, - EUR/year? Attach details. |
| 6 | Transformation and sustainability | | |
| 6.1 | Appropriate technologies | Limit the response to 500 characters.  Does the project implement technologies appropriate to the local context? | |
| 6.2 | Capacity building and knowledge dissemination | Limit the response to 1000 characters.  Does the project include capacity building and *knowledge* and/or awareness raising activities at the level of beneficiaries as well as at the level of ministerial institutions and/or government authorities and/or other activities that aim to encourage an enabling environment? |
| 6.3 | Durability  *Social sustainability*  *Economic sustainability*   * Dura | Limit the response to 1000 characters.  How does the project plan to make the results contributing to its objective sustainable? How does the project demonstrate that it is sustainable in the long term?  Does the project take into account the local socio-cultural environment?  Does the project generate recurring cost (operation/maintenance costs)? If so, who pays for these costs?  Is the project likely to produce sustainable economic and financial benefits? If so, will these benefits be so sustainable as to allow the project (partially or fully) to continue to produce the expected benefits for a reasonable period after the end of the project? |
| 6.4 | Gender integration | *Limit response to 800 characters.*  Briefly describe how gender responsiveness considerations are integrated within the proposed activities and how the intervention actively contributes to gender equality. |
| 6.5 | Exit strategy | Limit the response to 1000 characters.  Is there a funding strategy beyond prolonged NGO support (e.g. handing over parts or all of the project to local authorities, finding other donors, integrating the project into an existing mechanism)?  Is there an exit strategy at the NGO and/or partner level? |

**Annex 1: RISK ASSESSMENT AND MANAGEMENT TEMPLATE**

|  |  |  |
| --- | --- | --- |
| RISK FACTORS AND MITIGATION MEASURES | | |
| Please describe financial, technical, operational, and macroeconomic/political risks, environmental and social risks, gender discrimination risks, child labor risks and working condition risks, human rights risks as well as potential exposure to money laundering/terrorist financing (ML/TF), sanctions, prohibited practices, and other risks that might occur as part of implementing the project and that might prevent the project/program objectives from being achieved. Also describe the proposed risk mitigation measures. Insert additional rows if necessary. | | |
| Selected Risk Factor 1 | | |
| Category | Probability | Impact |
| Select | Select | Select |
| Description | | |
| Describe the risk. | | |
| Mitigation Measure(s) | | |
| Please describe how the identified risk will be mitigated or managed. Do the mitigation measures lower the probability of risk occurring? If so, to what level? | | |
| Selected Risk Factor 2 | | |
| Category | Probability | Impact |
| Select | Select | Select |
| Description | | |
| Describe the risk. | | |

*Note: For probability: High has significant probability, Medium has moderate probability, Low has negligible probability*

*For impact: High has significant impact, Medium has moderate impact, Low has negligible impact*

*Prohibited practices include abuse, conflict of interest, corruption, retaliation against whistleblowers or witnesses, as well as fraudulent, coercive, collusive, and obstructive practices, as well as those activities that would fall within the Exclusion List as specified by Luxembourg’s ICF Strategy 2021-2025.*

**Annex 2: PRESENTATION SCHEME FOR BUDGET**

|  |
| --- |
| **FINANCIAL ARRANGEMENT** |

The applicant needs to complete the *budget outline* and *financing plan and present it separately in an excel sheet based on the template below*.

**BUDGET TEMPLATE**

| **Headings** | **Amount (EUR)** | **Total per heading (EUR)** |
| --- | --- | --- |
| **1. Outside of host country** |  |  |
| 1.1. Acquisition of services |  |  |
| 1.2 Personnel expenses |  |  |
| 1.3. Acquisition of movable property |  |  |
| 1.4. Communication and awareness costs |  |  |
| 1.5 Administrative costs (max. 7%) |  |  |
| **2. In the host developing country (DC)** |  |  |
| 2.1. Acquisition of services  *Examples:*   1. *Banking services* 2. *Training fees* 3. *Installation of accounting program* 4. *Office rental* 5. *Insurances* 6. *Charges (gas, electricity)* 7. *Communication costs (telephone, fax, internet)* 8. *Transport costs* 9. *Etc.* |  |  |
| 2.2. Personnel expenses  *Examples:*   1. *Coordinator (xxxx EUR/month x 36 months)* 2. *Etc.* |  |  |
| 2.3. Acquisition of movable property  *Examples:*   1. *Office equipment (papers, notebooks, pens, etc.)* 2. *Office equipment (telephone, fax, computers)* 3. *Vehicles* |  |  |
| 2.4. Acquisition of real estate  *Examples:*   1. *Purchase of a building* 2. *Purchase of land* |  |  |
| 2.5. Valued local real estate contribution  *Examples:*   1. *A valued land* 2. *A valued building* |  |  |
| 2.6. Training and awareness costs |  |  |
| 2.7. Communication costs |  |  |
| **3. Unforeseen costs** (calculated only on 2.) **outside and in the DC** |  |  |
| 3.1 Unforeseen (ceiling: 5% of total 2.) |  |  |
| 3.2 Inflation and exchange rate risk (same ceiling) |  |  |
| **4. Framework expenditure outside and in the DC** |  |  |
| 4.1. Design costs |  |  |
| 4.2 Monitoring costs |  |  |
| 4.3. Audit costs |  |  |
| 4.4 Valuation costs |  |  |
| TOTAL |  |  |

The budget outline is to be broken down over the number of years in the project and must include a final column "TOTAL by budget line".

In the case of a project lasting more than one year, it is to be spread over 2 years and is considered as a multiannual project. If the project is spread over more than one calendar year, a distinction must also be made per calendar year.

If different currencies are used, the budget plan must contain the corresponding value in euros.

(If applicant NGO finances part of a project carried out by other donors, it may choose either a breakdown of all expenditure according to the co-financing percentage of each donor, or distribution at the source of accounting documents between the various donors.

Once the funding method has been chosen, the NGO must respect it throughout the project.)

1. **Excluding Host Countries (outside of developing country)**

*This heading includes all expenses related to the implementation of the project incurred outside a developing country, in particular, Luxembourg.*

1.1 Acquisition of services

Acquisition of service provision means a **one-off** service on the project, of a person with **professional skills especially required for the** successful completion of the project.

*Total expenditure related to the implementation of the project incurred outside a developing country for the acquisition of services (professional expertise, architectural or engineering work, use of any other professional capacities not available at NGO level) necessary for the project and not available in the DC.*

* 1. Administrative expenses

Administrative or indirect costs may not exceed 7% of the total amount to cover the administrative costs of the project or action incurred by the institution. Indirect costs include maintenance, paper, photocopying, postage, telephone, heating, furniture, insurance and other necessary expenses.

1.3 Personnel expenses

*Total expenditure for salaries and related costs for staff engaged in the project, according to an employment contract under Luxembourg law concluded with the Luxembourg NGO responsible for the implementation of the project. (Note: The personnel in question may work on the project site).*

*If the contracts are concluded with non-Luxembourgish and non-accredited NGOs, these costs will have to be borne by the "other donors".*

*Expatriation-related costs (i.e. for security, furniture, cleaning, tuition fees, insurance, etc.) are eligible for co-financing only in the form of a* ***monthly subsistence allowance*** *that can be added to the expatriate's ordinary salary. However, the amount of this bonus must not exceed* ***the amount*** *granted as a resettlement bonus to expatriates under Cooperant status.*

1.4. Acquisition of movable property

*Total expenditure for the acquisition of movable assets necessary for the implementation of the project.*

**2. In the beneficiary developing country or any other developing country**

*This heading includes all expenditure related to the implementation of the project incurred in the beneficiary developing country, i.e. the country in which the project is carried out, or in any other developing country.*

**For items 2.1, 2.3, 2.4, estimates are to be attached for acquisitions exceeding 25,000 euros per budget line.**

2.1 Acquisition of services

*Total expenditure related to the implementation of the project incurred in the beneficiary country or any other developing country for the acquisition of services (professional expertise, architectural or engineering work, use of any other professional capacities not available at NGO level) necessary for the project.*

2.2 Personnel expenses

*Total expenditure on salaries and related costs for staff engaged in the project in the beneficiary country or any other developing country under an employment contract with the local partner.*

2.3 Acquisition of movable property

*Total expenditure for the acquisition, in the beneficiary country or any other developing country, of movable property necessary for the implementation of the project.*

2.4 Acquisition of real estate

*The cost of acquiring real estate, land or construction on the project site and necessary for the completion of the project.*

2.5 Valued local real estate contribution

*Value, according to an officially recognized expertise or a notarial deed of sale (on certified translation into French, German or English of this deed), of property - land or building - constituting a local contribution taken into account as such in the budget.*

*In the case of a donation of land or a building, the following documents are required:*

1. *A true copy of the title deed indicating the name of the legal owner.*
2. *A true copy of the deed of donation to the partner NGO duly signed by the owner and notarized.*
3. *A true copy of the official certificate issued by the authorized local government authority declaring the value of the land.*

*The value of the land eligible for co-financing is limited to the area used for the construction or project.*

**3. Unforeseen costs**

*This heading allows the NGO to provide, where appropriate, a reserve for the occurrence of costs not foreseeable at the time of project design, either directly related to the project or due to economic fluctuations. N.B.: These unforeseen costs should only be calculated on the costs listed under heading 2.*

*The NGO may use the unforeseen costs, within reasonable limits, if they are intended to cover additional expenses relating to activities planned in the project. However, it must justify its use at the time of the intermediate/final reports.*

*If the NGO wants to mobilize unforeseen costs to finance activities not initially planned in the project, it must inform the MECB in advance.*

3.1 Contingencies

*The amount that the NGO wishes to set aside to cover possible expenses that are unpredictable at the time of project design, but necessary for the implementation of the project as provided for in the project document. This amount is capped at 5% of all costs listed under heading 2.*

3.2 Inflation and exchange rate risk

*The amount that the NGO wishes to set aside for possible additional expenses, due to inflation and exchange rate fluctuations during the implementation of the project. This amount is capped at 5% of all costs listed under heading 2.*

**4. Framework expenditure**

*This heading covers the total costs related more to the management of the project than to the execution of the project itself: these are the costs resulting from the identification, planning, design and organization of the project as well as the costs resulting from the monitoring, evaluation and control of the project during or after its implementation. N.B.: for the headings below, the following expenses are taken into consideration:*

* *return economy class travel*
* *vaccination and other similar medical expenses related to travel to a developing country*
* *visa fees*
* *accommodation costs on-site (on the basis of invoices, not a per night at a flat rate)*
* *local transport costs*
* *daily allowance, covering small local expenses, equal to or less than that fixed by the Government in Council Regulation of 21 December 2001 fixing the allowances provided for in Articles 20(1), 22 and 23(1) of the Grand-Ducal Regulation of 5 August 1993 on travel and subsistence expenses and on removal allowances for civil servants and State employees: fixed flat-rate per diem, to be reviewed according to the country.*

4.1 Design costs

*Total costs related to project identification, planning, preparation and organization work that was carried out before the submission of the application to the MECB. These costs must be accurately reflected in the budget of the project document and supported by the relevant invoices, as they were incurred by definition before the co-financing request was submitted.*

4.2 Monitoring costs and reporting of results to the MECB

*Total costs related to the monitoring of the project during the duration of the project. Example: field visit by a representative of the NGO responsible for the implementation of the current project.*

4.3 Audit costs

*Total costs related to the control carried out by a representative of the NGO responsible for the implementation of the project (internal audit) or by an independent expert (external audit), during or after the implementation of the project. This heading may include costs related to the financial audit of the project.*

4.4 Valuation costs

*Total costs related to the evaluation carried out by a representative of the NGO responsible for the implementation of the project (independent internal evaluation) or by an independent expert (external evaluation), during or after the implementation of the project.*

*The purchase of audio-visual equipment (video or photographic camera) for the design/monitoring/evaluation of the project is not eligible for co-financing, but may be included in the reimbursement of administrative costs.*

**Total**

*Total of all sums of costs entered under the various headings 1 to 4.*

**FINANCING PLAN**

**To be broken down by the number of years of the project**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Institutions | **Year 1**  **(euros)** | **Year 2**  **(euros)** | **Year 3**  **(euros)** | **Year 4**  **(euros)** | **TOTAL**  **(euros)** |
| 1 | Share of international climate financing by MECB |  |  |  |  |  |
| 2 | Share of approved NGOs (mitigation project) \* |  |  |  |  |  |
| 3 | Share of other sources of funding (if available) |  |  |  |  |  |
|  | Total cost (1+2+3) |  |  |  |  |  |

*\*During the pilot phase of the MECB's ICF international climate financing program, no co-financing from the NGO is required.*

*\*\* After the pilot phase of the ICF program, the end of which will be defined after consultation between MECB and NGO representatives, co-financing for mitigation projects may be requested from the NGO and cannot be covered by foreign donors.*

1. See the new OECD DAC RIO marker definitions for guidance: DCD/DAC(2016)3/ADD2/FINAL with indicator tables. [↑](#footnote-ref-1)
2. New or existing studies or studies by credible individuals/institutions, IPCC, National Adaptation Plan of Actions, National Adaptation Planning documents, academic documents or scientific literature that highlight risks and impacts. [↑](#footnote-ref-2)
3. Decision 1/CP.16 (Cancun): "The Cancun Agreements: Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention", Appendix I. [↑](#footnote-ref-3)
4. P.ex. Nationally determined contribution (NDC), climate strategy, low emission development strategy, low carbon sectoral policies. [↑](#footnote-ref-4)
5. http://www.un.org/sustainabledevelopment/sustainable-development-goals/ [↑](#footnote-ref-5)
6. http://www.un.org/sustainabledevelopment/climate-change-2/ [↑](#footnote-ref-6)