



EEP Mekong Grant Facility for Project Preparation Support

APPLICATION GUIDELINE

March 2017

**ENERGY AND ENVIRONMENT PARTNERSHIP
PROGRAMME WITH MEKONG REGION
(EEP MEKONG)**



I. INTRODUCTION

The **Energy and Environment Partnership Programme with the Mekong Region (EEP Mekong)** is funded by the Ministry for Foreign Affairs of Finland aiming at improving access to sustainable energy in the EEP Mekong five partner countries: Cambodia, Lao PDR, Myanmar, Thailand and Vietnam.

The Programme's main objective is to achieve greater access to energy services through the fast tracking of sustainable energy project demonstration and deployment, and to leverage private sector investments.

The EEP Mekong seeks high quality applications to support the preparation of feasibility studies for preparation of sustainable energy projects. The focus is on bioenergy and waste to energy (W2E) projects, but other renewable energy and energy efficiency projects can also be considered.

To facilitate transfer of know-how and technology in Sustainable Energy between Finland and the Mekong Region, the application of projects having partnership between project developers in the Mekong Region and service providers from Finland is encouraged.

II. Project preparation grant

In many cases project developers do not have funding available to prepare project applications to funding stage. EEP Mekong offers financial support to prepare projects for investment, thru funding of feasibility studies¹ with focus on clean energy projects, for both the public and private sector.

The EEP Mekong support is targeted for feasibility studies, however other forms of project preparatory works (e.g. cost-benefit analysis, business plan development, environmental impact studies, etc.) can be considered on case-by-case basis, bearing in mind the requirements by the funding institutions (e.g. Finnfund, the MFA's Public Sector Investment Facility (PIF), or other relevant fund or funding instrument) under negotiation by the project developer. The result of the feasibility study is expected to permit the potential financier to appraise the project for a funding decision.

The grant support from EEP Mekong, can be up to 80 % of the costs of the feasibility study or other preparatory works. The support is provided on cost reimbursement basis, and 25 % advance payment can be made.

¹ Feasibility studies in the context of this funding facility means preparation of project proposals and other fund/loan application documents required by respective funding institutions (PIF, Finnfund, etc.)

III. Eligibility Criteria and Sectors

Eligibility Criteria

Each application will be assessed for suitability in terms of the EEP Mekong Programme objectives. Project developers are strongly encouraged to contact a public or private sector funding institutions to discuss funding for the project.

The following criteria will be used:

a. Basic criteria

- Evidence that there is a demonstrated financial need for the grant.
- Evidence of partnership with companies from Finland and local partner/s (signed MoU or other).
- Evidence that qualified experts have been identified to carry out the feasibility study.
- Evidence that a comprehensive and appropriate scope of services has been identified.
- Submission of a complete and clear cost breakdown (budget) for preparation of feasibility study (or other preparatory works).
- Evidence of negotiations for project funding with a potential financier (such as Finnfund, the MFA for Public Sector Investment Facility, or other).
- Project under preparation is within EEP supported sectors and has a positive development impact.
- Evidence of 'Concept Note' prepared and submitted to a funding institution (*Concept Note* to be attached to the application)

b. Sector or Strategic Fit:

Project, for which the preparation support is applied for, is within the clean energy sector, with priority given to bioenergy and W2E technology, but also other clean energy projects (Renewable Energy – Energy Efficiency) will be considered.

c. National / Regional Priority:

The projects have to be in accordance with the national clean energy policies and priorities of the Mekong partner countries (Cambodia, Lao PDR, Myanmar, Thailand and Vietnam).

d. Institutional Capacity

The project developer must have sufficient project management capacity.

e. Project Size:

The EEP Mekong Programme will in principle consider funding feasibility studies for projects with a minimum capital investment value of Euro 500,000.

IV. Financial and administrative requirements

At the time of application, applicants should have/be

- a) Registered legal entity
- c) Tax clearance certificate
- d) No adverse audit findings in the last two years.
- f) Not credit blacklisted through a default judgment or an un-rehabilitated insolvent.

Evidence for these shall be provided in the annexes

V. Application Process

All applications have to be submitted on-line. The applicants must register at the EEP Mekong website (www.eepmekong.org) to obtain a user ID which is required to access the online application forms to submit the application.

An applicant can submit only one proposal as Lead Applicant but can apply as partner in the project of another lead applicant.

Applicants are advised to take note particularly of the following:

- All application fields must be properly completed, except where indicated as optional.
- EEP Mekong (RCU) reserves the right to request additional information at any stage of the evaluation process.
- All application text must be in English.
- All financial information shall be Euro denominated (EUR).
- Any applicant eventually selected for entering into a project grant agreement will be required to comply with a set of non-negotiable regulations and policies that guide the programme in terms of procurement, travel, government transfers, and payment of fees and reimbursement of costs (see related applicable documents available at www.eepmekong.org).
- Eligible costs for funding are described in the Administration Manual for Project Implementation available at the EEP Mekong Website www.eepmekong.org (How to Apply). Additional information on guidelines for development projects and procurement of MFA are available at this link: <http://www.formin.fi/public/default.aspx?contentid=50616>
- Only requested documents or annexes should be submitted.
- Any attempt to bribe or illegitimately influence the evaluation process and/or decision-making will result in rejection of the application, and possible legal action against the applicant.

VI. Submission of Applications

Online application forms for Project Preparation Support are accessible after registration at <http://www.eepmekong.org>.

Applications can be submitted any time until financing is no longer available, which will be announced at the EEP Mekong website.

The application form shall be completed and submitted online via the EEP website portal incl. all required Annexes.

Additionally, a signed hard copy of the application should also be submitted to the RCU Office in Vientiane.

The application shall be 2–5 pages in length, plus required annexes. The budget with cost break down as well as work plan shall be attached to the application. In addition, the 'Concept Note' for the project under preparation shall be attached to the application following the format given. The CV of the proposed consultants to produce the Feasibility Study or other project preparation documents, shall be submitted.

The following Annexes have to be attached to the application form:

Annex 1	Budget (cost breakdown) of requested project preparation support
Annex 2	Concept Note of project for which support is requested
Annex 3	CVs of proposed consultants
Annex 4	Work plan of activities/milestone, incl. staffing inputs
Annex 5	Company registration document
Annex 6	Audit summary from the past 2 years, incl. tax clearance certificate
Annex 7	Evidence of negotiations with potential financier(s)
Annex 8	Evidence of partnerships established (MoU etc.)
Annex 9	Evidence of compliance with other financial administration requirements, i.e. accounting system in place, internal communication structure, etc.)

RCU will acknowledge receipt of the application within 3 days. Subsequently the application will be screened and evaluated by RCU and the project developers will be informed of the outcome of the evaluation within indicative 30 working days.

Applicants are encouraged to make **inquiries** and **questions for clarification** regarding preparation of proposals and/or application process. Answers to the queries are provided through e-mails.

Enquiries regarding the status of individual applications cannot be responded before the process is completed. The EEP Mekong has no obligation to select any application and reserves the right to amend this set of guidelines.

For any questions regarding details of Proposal preparation and submission, please contact the RCU team:

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Annex 1 Budget with cost breakdown form

The budget template can be downloaded from the EEP Mekong website (www.eepmekong.org).

- All prices must be stated in Euros (€) and exclusive of value-added tax (VAT 0%), but shall include all other taxes and levies.
- The prices are fixed for the duration of the contract.
- An indicative breakdown of reimbursable costs for the experts shall be given in accordance with the following table.
- All the reimbursable costs must be budgeted in accordance with the Standard terms of payment of fees and reimbursement of costs and Finnish Government Travelling Regulations.

Cost item:	Unit type	Quantity	Unit cost (Euro)	Costs (Euro)	FINANCING			
					EEP (Euro)	Applicant and Partners (Euro)	Other sources (Euro)	Total (Euro)
Fees								
Experts	Person day	Days	Fee					0
...	Person day	Days	Fee					0
Sub-total				0				0
Reimbursable and Operational costs								
Travel	Reimbursable Lump sum							0
Specify								0
...								0
...								0
Sub-total				0	0	0	0	0
Total Costs:				0	0	0	0	0

Annex 2 Format for 'Concept Note' of the project in preparation

The 'Concept Note' for the project under preparation shall be attached to the funding application and to follow the format below.

<p>Cover page</p>	<ul style="list-style-type: none"> ● Name of proposed project ● Project target country ● Project partners (if known): <ul style="list-style-type: none"> ○ Project owner in target country ○ Borrower in target country ○ Project's Finnish lead contractor ○ Financial institution providing credit ● Project sector ● Project's preliminary overall costs and estimated share of financing aid ● Contact information for person submitting concept paper and person's proposed role in project ● Date of concept paper
<p>Information on project owner in target country</p>	<ul style="list-style-type: none"> ● Brief description of organisation ● Prior experience of projects of a similar scope or scale ● Prior experience of projects with international financing ● Contact information
<p>Brief project description</p>	<ul style="list-style-type: none"> ● How has the investment need emerged? Which organisation has identified the investment need? ● Is the project ranked as a priority by authorities in the target country? Which authorities? ● Any earlier project stages <ul style="list-style-type: none"> ○ Earlier planning stages ○ Earlier implementation ○ Status of project infrastructure ● Does the project belong to a national development programme in the target country or an investment programme funded e.g. by a development financing institution? ● Project outcomes <ul style="list-style-type: none"> ○ Concrete content of PIF funded project and projected outputs, outcomes and impact ○ Brief description of investment ○ Description of project's target area ○ Other aspects of project, e.g. improvement and development of project owner's organisation ● Budget <ul style="list-style-type: none"> ○ Overall financing ○ Financing support received ● Proposed schedule for implementation, broken down by major project stages
<p>Preliminary plan for post-project</p>	<ul style="list-style-type: none"> ● Measures to ensure long-term sustainability of operations and maintenance

operations and maintenance	<ul style="list-style-type: none"> ○ Improvement of organisational management and practices ○ Operations and maintenance staff training ○ Ensuring spare parts supply ○ Resources and financing required by above tasks
How will project use and empower local people and communities	<ul style="list-style-type: none"> ● Major groups of beneficiaries and intended impacts, detail economic, social and environmental impacts separately ● Do beneficiaries include vulnerable groups? What steps are taken to ensure there are no adverse effects on these groups? ● Other economic, social and environmental impacts on local communities ● Potential adverse impacts
Information on borrower in target country	<ul style="list-style-type: none"> ● Brief description of organisation ● Prior experience of the use of a similar financing instrument in projects funded e.g. by development banks ● Contact information
Additional information (if known)	<ul style="list-style-type: none"> ● Finnish contractor / contractors ● Description of Finnish technology and know-how that the project will use ● Finnish companies' prior experience of projects on similar scale and/or international projects ● Financial institution that is prepared to provide the financing required by borrower in target country ● Description of other partner organisations, their role in the project and contact information
Appendices	<ul style="list-style-type: none"> ● Any project plans and/or feasibility study already prepared ● Other reports and material prepared on the project

Annex 3 Format for CV

The CV form can be downloaded from the EEP Mekong website (www.eepmekong.org).

THE TITLE OF THE PROPOSED EXPERT:	
FAMILY NAME:	
FIRST NAMES:	
PLACE AND YEAR OF BIRTH:	
NATIONALITY/NATIONALITIES:	
COUNTRY OF RESIDENCE:	
CONTACT DETAILS: ADDRESS: TELEPHONE: E-MAIL:	

A. EDUCATION (Excluding short term and non relevant education)

Educational institution	Duration of studies (start – graduation)	Degree completed	Main Subjects

B. LANGUAGE ABILITIES

Language	Native language	Basic level 1 or 2	Intermediate level 3 or 4	Advanced level 5 or 6
e.g. Finnish				
English				
Thai				
Lao				
Vietnamese				
Burmese				

Certificates, diplomas, work certificates, testimonials and language certificates shall be provided if separately requested by Ministry for Foreign Affairs of Finland.

C. KEY QUALIFICATIONS

Ares of expertise, general country/region-specific experience

D. WORK CAREER (MAIN PERMANENT JOBS / EMPLOYERS)

Years (from-to)	Location	Company/Agency	Position	Description (main duties)

E. REFERENCES (PROJECTS, PROGRAMMES, RESEARCH AND OTHER ASSIGNMENTS RELEVANT TO THE TASK)

Years (from-to)	Location	Company/Agency	Position	Description (main duties and work carried out within the project / programme)	Months total ¹
<i>Substance-related references relevant to the task (e.g. Feasibility Studies, etc.)</i>					
<i>Other references from the country/region (specify the country/region here)</i>					
<i>Other references</i>					

¹ Efficient working months total for each specific assignment

F. OTHER RELEVANT EXPERIENCE AND REFERENCES SUCH AS PUBLICATIONS, COMPUTER SKILLS, ETC.