

Eligibility Criteria and Guidelines for Accessing the Energy Efficiency and Low Carbon Measures Sub-Fund

This paper sets out the overall governance arrangements for the Energy Efficiency and Low Carbon Measures (EELCM) Sub-Fund including the eligibility criteria.

Background

APEC's Sub-Fund on Energy Efficiency and Low Carbon Measures was established in 2009 with Japan's initial contribution of JPY120 million and additional JPY360 million in 2010 to promote energy efficiency activities and low-carbon measures in APEC. In particular the funds are for supporting the Low-Carbon Model Town (LCMT) Projects, a low-emission urban development initiative, agreed at the APEC Energy Ministers Meeting in June 2010 in Fukui, Japan.

Administration of the EELCM Sub-Fund

The APEC Secretariat will be responsible for the administration of the EELCM Sub-Fund. Projects that have been assessed and endorsed by the EWG, according to the EWG agreed eligibility criteria, will be allocated to the list of applications for the EELCM Sub-Fund. Following scoring of eligible Concept Notes by the EWG, the Secretariat will calculate how many of the projects can be funded from the available EELCM Sub-Fund balance for the project Session underway. Concept Notes which can be funded from the balance will then be submitted to the Budget Management Committee (BMC) for approval in accordance with the Guidebook on APEC Projects.

Guidelines for Accessing the EELCM Sub-Fund

Any interested member economy may submit Concept Notes (CNs) which fall within the scope of the sub-fund. All APEC fora may apply for EELCM funding. Every CN applying for the EELCM Sub-fund must have no fewer than four co-sponsors, irrespective of the originating forum. Co-sponsorship must be obtained in writing by the Project Overseer (PO) from an originating fora representative in accordance with the Guidebook on APEC Projects, before seeking endorsement (or co-endorsement) from EWG. In the case of CNs originating in EWG, co-sponsorship decisions are confirmed to the APEC Secretariat through submission by fora representatives of a Co-sponsorship Declaration Form. For POs outside EWG it is strongly recommended that their EWG economy representatives, and the EWG representatives of the co-sponsoring economies, are made aware of the CN in the interest of concept socialisation.

All CNs seeking EELCM funding must be endorsed by consensus by EWG members to be considered eligible. CNs originating outside EWG must first be endorsed by the originating forum. CNs originating in any APEC forum may be submitted for review and endorsement at Submission Step 1 (see below), but this is not mandatory, and EWG endorsement may be sought on an inter-sessional basis during the standard time allocated for endorsement within the standard APEC Project Session cycle. See Submission Option 2 (below).

Submission Step 1 (Optional Draft Concept Note Review)

Submit the Draft Concept Note early and benefit from the feedback from EWG and EWG sub-fora members. This step is optional.

Under the optional Step 1, any CN, including those from fora outside EWG, can be submitted by the Proposing Economy Fora representative (or POs in the case of submission of CNs by the PO) to the relevant Expert Groups (EG)/Task Forces (TF) and the PD below by the Step 1 submission deadline, ie the ‘EWG Project Review Deadline’, for review. This deadline are typically well in advance of the standard APEC Project Session cycle and you are advised to check the APEC website for more information. The timelines for Step 1 processes for EWG will be announced by the PD after consultation with the EWG Secretariat, if possible at least 2 months prior to the Step 1 Submission deadline (the ‘EWG Project Review Deadline’).

The PO is strongly advised to nominate one or more of the EWG Sub-fora to assess the CN, as relevant to the particular CN.

EWG Sub-fora are as follows:

- Expert Group on Clean Fossil Energy (EGCFE)
- Expert Group on Energy Data and Analysis (EGEDA)
- Expert Group on Energy Efficiency and Conservation (EGEEC)
- Expert Group on New and Renewable Energy Technologies (EGNRET)
- Low-Carbon Model Town Task Force (LCMT-TF)
- Energy Resiliency Task Force (ER-TF).

As per the provisions of the EWG Project Process, projects which cut across the mandates of more than one EWG Expert Group or Taskforce are strongly advised to be submitted for review to all relevant EWG sub-fora.

CNs will be reviewed by the relevant EWG Sub-fora, and/or EWG itself, and the PO will have the opportunity to revise and strengthen the CN in accordance with the feedback received from members and guests of EWG and its sub-fora.

The final CN will then be submitted by the Proposing Economy Fora representative (or POs in the case of submission of CNs by the PO) to the APEC Secretariat according to the standard APEC Project Session deadlines approved by BMC, for subsequent endorsement, eligibility assessment and scoring by EWG (see Step 2 below).

Submission Step 2 (Finalised Concept Note Assessment)

Submit the CN to the PD by the standard APEC Project Session deadlines for endorsement, eligibility assessment and scoring by EWG. This step is mandatory.

All Proposing Economy Fora representatives (or POs in the case of submission of CNs by the PO) will need to follow the standard APEC Project Session deadlines and submit a finalised CN (whether or not it has been reviewed in accordance with Step 1 under EWG Project Process) to the APEC Secretariat for EWG’s endorsement (or co-endorsement), eligibility assessment and scoring on an inter-sessional basis according to the standard APEC Project Session deadlines approved by BMC. Hence the deadline to submit new concept notes under EWG and its sub-fora will be the same as the deadline that applies to all other APEC concept notes (i.e. a date in 2018 for 2018 concept note submissions).

CNs originating from fora other than EWG will need to be endorsed by their respective originating fora before seeking endorsement from EWG.

EELCM Sub-Fund Eligibility Criteria and Assessment

All Concept Notes seeking funding from the EELCM sub-fund, that have been endorsed (or co-endorsed in the case of other fora) by EWG; meet the co-sponsorship requirements; and are otherwise conform to the Concept Note compliance requirements of the Guidebook on APEC Projects, will be submitted by the APEC Secretariat to EWG for eligibility assessment, following the standard Project Session deadlines.

EWG members will decide the eligibility of each Concept Note by consensus. If any member assessing a Concept Note decides that it is ineligible for funding under the EELCM Sub-fund, they will be required to provide a reason, which will be shared with the PO by the APEC Secretariat, on a non-attribution basis. Only those Concept Notes assessed as eligible will be subsequently scored by EWG.

Proposals to be considered for the EELCM Sub-Fund must have a clear relation and contribution to dissemination of low-carbon towns and/or improvement of energy efficiency and/or accelerating deployment of renewable energy.

To be eligible, projects must:

- Have at least 4 co-sponsoring economies from the project's originating forum, as confirmed by the APEC Secretariat; and
- Focus on activities which will contribute to achieving APEC's aggregate energy intensity reduction goal of 45% by 2035 which was agreed at the APEC Leaders Meeting in Honolulu in 2011; and/or
- Focus on activities which contribute to achieving the goal of doubling the share of renewables by 2030 which was endorsed by the APEC Leaders Meeting in Beijing in 2014; and
- Demonstrate that the proposed project will meet capacity building needs for APEC developing economies; and
- In case of Category 2 projects, have a total APEC-funded budget of USD 100,000 or less.

Projects applying for the sub-fund should be catalytic (ie designed to lead to concrete actions), and clearly and practically demonstrate how they will accelerate progress towards achieving APEC's renewable energy and/or energy intensity goals across APEC economies, including through strong partnerships with relevant external stakeholders including, where relevant, private sector and international organisations.

EELCM Sub-Fund Scoring

All CNs assessed as eligible by EWG are then scored by EWG, according to the APEC Project Session deadlines. The standard APEC Scoring Template will be used.

Priority for funding

Category 1 Projects

Support for the projects listed in Category 1 are the top priority of the EELCM Sub-Fund and as such, subject to EWG endorsement, a maximum of 1 project per year would be funded from Category 1 project applications, before all other projects applying for the sub-fund. Therefore, the highest scoring Category 1 Concept Note will be funded first before any Category 2 Concept Notes are recommended for funding:

- Low-Carbon Model Town (LCMT) as reflected in the official APEC LCMT Concept approved by all EWG members, including through policy making and dissemination of APEC low-carbon towns. This concept may continue to evolve and improve over time on the basis of lessons learned from previous phases and feedback from EWG members.
- Only one project per year will be eligible for funding under Category 1. Priority for funding will be determined by the scores given to Category 1 projects, with the project funded to be determined by the highest scoring Category 1 project for any given calendar year.
- POs for Category 1 projects are strongly encouraged to follow Submission Option 1 to allow their Category 1 project(s) to be reviewed by the Low Carbon Model Town Task Force of EWG.

Category 2 Projects

The highest scoring Category 2 Concept Notes will only be funded after the highest scoring Category 1 Concept Note has been funded:

- Category 2 Projects are defined as all other energy efficiency and low carbon measures projects, including renewable energy projects, and must also meet the EELCM eligibility criteria.
- Category 2 projects may include Peer Review on Energy Efficiency (PREE) and Peer Review on Low-Carbon Energy Policies (PRLCE) projects. LCMT related projects not funded under Category 1 may also be considered under Category 2.
- Each project in Category 2 is required to have 50% of total average score as a minimum to be eligible in order to enhance project quality.

With the **exception** of Category 1 projects, **a funding cap of USD100,000 will apply** to CNs applying for the EELCM Sub-Fund. Self-funding is therefore a potentially important component of the total APEC project budget and is welcomed.

If there are no Category 1 applications in a project session, all available project funding would be available to Category 2 project applications for that project session.

Development of Project Proposals

All Project Proposals will be submitted to the APEC Secretariat through the relevant Program Director, as per the standard APEC-wide process. Project Proposals would require the endorsement of EWG, regardless of the originating forum. In case of projects originating from fora outside EWG, the PO must ensure that the Project Proposal demonstrates a plan for appropriate collaboration with EWG during project implementation, as well as a collaboration plan in the post implementation phase.

Appropriate collaboration with EWG during project implementation could include, but is not limited to, seeking EWG inputs to workshop agendas, funding participation of EWG nominated speakers and participants at any events held under the project, seeking EWG members' endorsement of any draft publications, briefing of EWG and EWG sub-fora members at meetings or intersessionally on projects during any pre-approval review as per the EWG Project Process and during project implementation as per the provisions of EWG and its sub-fora, (for instance as communicated through meeting agendas including such presentations on projects). Final project outputs and outcomes, should also be shared with EWG members as appropriate, through the APEC Secretariat.

In case of failure by the PO to implement EWG collaboration approach included in the BMC approved Project Proposal, or any other aspects of the approved Project Proposal, without the necessary project amendment approval as per the Guidebook on APEC Projects, funding of the project may be withdrawn in accordance with the Guidebook on APEC Projects.