

# Rules for Calls for Proposals

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# NEFCO

## Responsible Function / Department

Beyond the Grid Fund for **Africa**

## Document version history and review dates

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Rules for Calls for Proposals	Managing Director	10.5.2021	11.5.2021	Public

These Rules shall be reviewed at least every three (3) years.

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## Background

NEFCO started using Calls for Proposals for origination of project proposals in 2009. The process is continuously developed by NEFCO through lessons learned and feedback received from applicants.

NEFCO's general policies, procedures, rules and guidelines are applicable also to trust funds administered by NEFCO, unless otherwise provided for in said legal framework documents or agreed with the donors / investors under specific trust fund programmes and facilities.

Under Article 6.2(b) of NEFCO's Procurement Policy and Procedures<sup>1</sup> (the Procurement Policy) it is foreseen that NEFCO may issue specific rules on the applicability of the Procurement Policy to certain programmes and facilities of NEFCO.

## Section 1 - Scope

NEFCO hereby issues specific rules applicable to Calls for Proposals (the CfP Rules). These CfP Rules replace the Procurement Policy, as regards Calls for Proposals.

## Section 2 - Definition

Calls for Proposals are a competitive method used by NEFCO to originate projects to allocate external funds it holds in trust under certain donor / investor funded programmes and facilities.

## Section 3 - Form and Purpose

The Calls for Proposals process is a flexible mechanism, whereby NEFCO reaches out to the market and invites interested parties to submit project ideas / proposals.

## Section 4 - Main Rule for CfP Process

1. As a main rule, NEFCO's Call for Proposals process includes the steps and procedures described in Sections 5 - 17 of these CfP Rules.
2. Depending on the specific purpose and circumstances of the donor / investor programme and facility in question (e.g. limited amount of funds to allocate and / or particular need for speed) the process and procedures may differ (e.g. not be managed on-line and/or be shorter), as agreed with the donor / investor.

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<sup>1</sup> Adopted by NEFCO's Board of Directors on 23 December 2020 with entry into force on 1 January 2021.

## **Section 5 - CfP Guidelines**

Each Call for Proposals is launched and carried out based on specific tailor-made guidelines, prepared and published by NEFCO (the CfP Guidelines). The CfP Guidelines set out the framework governing each individual Call for Proposals.

## **Section 6 - On-line**

To increase efficiency and transparency, NEFCO's Calls for Proposals are managed on-line. Applicants are requested to provide all information and documentation through the on-line application system in accordance with guidance set out in the CfP Guidelines and the system.

## **Section 7 - Two Stage Process**

Calls for Proposals are organized as a two-stage procedure, consisting of a pre-qualification (the Pre-Qualification) stage and a final application (the Final Application) stage. For each of these stages, NEFCO issues specific CfP Guidelines.

## **Section 8 - Pre-Qualification Stage**

During the Pre-Qualification stage, applicants are requested to provide relatively limited documentation (typically a concept note) and to demonstrate that they fulfil minimum eligibility and capacity requirements by providing information and answering questions in the on-line application system. Only applicants successfully passing the Pre-Qualification stage are invited by NEFCO to take part in the Final Application stage.

## **Section 9 - Final Application Stage**

During the Final Application stage, applicants are requested to provide more comprehensive documentation, including a full description of the project proposal (typically a business plan, including a technical and financial proposal) and to demonstrate the environmental benefits and value for money of the proposal.

## **Section 10 - Pre-Screening Phase**

The Pre-Qualification and Final Application stages are each divided into two phases: (i) a pre-screening phase; and (ii) an evaluation / scoring phase. The pre-screening is a completeness check carried out by NEFCO to ensure all requested information has been provided on-line and applicants / project proposals

meet the eligibility criteria and minimum requirements set out in the CfP Guidelines. The pre-screening is carried out by NEFCO based on the answers and information provided by applicants in the on-line application system.

## **Section 11 - Evaluation Phase**

1. Applicants with project proposals having successfully passed the pre-screening phase are eligible to proceed to the evaluation phase. During this phase, the project proposals and capacity of the applicants are evaluated and scored by external, independent evaluators appointed by NEFCO based on the guiding principles set out in Annex 1.

2. The evaluators are requested to confirm their independence before commencing the evaluation and scoring and to immediately inform NEFCO in case they subsequently should become aware of a situation that could lead to a conflict of interest or a perceived conflict of interest.

3. To ensure the independence and integrity of the process, the evaluation and the scoring are carried out using the on-line application system. In case of significant deviation in the scoring, evaluators are informed about that by NEFCO and may elect to discuss the matter and rescore at their own discretion. Once the evaluation and scoring are ready, NEFCO invites a representative of the evaluators to an evaluation meeting. During the evaluation meeting, the evaluators' aggregated evaluation and scoring results are presented and recorded by NEFCO in a protocol.

## **Section 12 - Information**

Applicants are informed promptly about the outcome of the Pre-Qualification evaluations and scoring shortly after the evaluation meeting. Applicants who did not pass the Pre-Qualification stage are informed that they will not proceed to the Final Application stage. Applicants successfully passing the Pre-Qualification will receive an invitation to take part in the Final Application stage. No other feedback is typically provided to the applicants.

## **Section 13 - Due Diligence Review**

1. During the Final Application stage the highest scoring project proposals / applicants are requested to take part in a due diligence review. A number of applicants may be informed that they are kept in reserve and may be contacted by NEFCO, if some of the highest scoring project proposals should fall out during the due diligence review or contract negotiations.

2. The purpose of the due diligence review is for NEFCO to ascertain for itself, prior to contracting, that information provided by highest scoring applicants during the Call for Proposal process is correct and highest scoring applicants' / projects' compliance with relevant general policies, safeguards and requirements of NEFCO published at NEFCO's website.

## Section 14 - Integrity Due Diligence Review

The due diligence review includes an integrity review of the highest scoring applicants, projects and possible partners carried out by NEFCO before contracting, in accordance with NEFCO's Policy on Integrity Due Diligence.

## Section 15 - Contracting

Financing contracts are negotiated and executed based on draft contract templates made available to applicants during the Final Application stage, with only limited possibilities for changes.

## Section 16 - Final Selection / Signing

1. Final selection and signing of contracts are subject to a successful outcome of the due diligence as well as the integrity due diligence review and prior donor / investor approval or no-objection. NEFCO and the donors / investors are not obliged to accept any proposals.
2. Once finance contracts have been signed, applicants not selected for funding during the Final Application stage are promptly informed about the outcome.
3. In the interests of transparency, a public announcement will be made of the successful applicants or projects.

## Section 17 - Question & Answers

At each Call for Proposal stage, applicants are provided with an opportunity to ask clarifying questions before a set deadline. All questions received are gathered and answered by NEFCO in a redacted form. In the interests of equal treatment, the questions and answers are timely made available to all applicants either publicly (Pre-Qualification stage) or within the on-line application system (Final Application stage).

## Section 18 - Enquiries

1. Applicants are requested to raise all clarifying questions to a specific Call for Proposal during the questions and answers process described in Section 17.
2. Applicants are requested to raise possible other enquiries related to the Call for Proposal process and the selection of projects with the Head of the programme or facility at NEFCO using the standard form made available for this purpose on NEFCO's website (the CfP Enquiry Form).



## Annex 1

# Guiding Principles for Evaluators

The guiding principles for the evaluators are:

*Independence* - evaluators are required to evaluate applications in a personal capacity. Scores should reflect personal, professional views (rather than that of their employer organisation) against the criteria laid down in the respective CfP Guidelines.

*Impartiality* - all proposals must be treated equally and assessed on their merits, irrespective of their origin, the identity of the applicants or previous experience that evaluators may have had with the applicant or members of the consortium.

*Objectivity* - each proposal should be evaluated as submitted, on its own merits and as presented without recourse to other information (e.g. web searches).

*Accuracy* - judgements should be made based only against and include all evaluation criteria in the respective CfP Guidelines.

*Consistency* - the same standard of judgement should be applied to all proposals and evaluators are required to calibrate themselves to ensure consistency of their scoring.