

QUESTIONS AND ANSWERS

This document contains answers to questions which have been received by the Swedish Energy Agency and, in some cases, by Switzerland's KliK Foundation. This document will be updated continuously, as the Swedish Energy Agency receives additional questions.

ELIGIBILITY

1. Do you recommend submitting REDD+ activities, despite them being excluded from the eligible activities?

We are unable at this time to consider concept note submissions for REDD+ or LULUCF.

2. If we do not have a track record of starting or developing carbon projects, is that a problem?

Experience and capability to develop, lead and manage large mitigation programs is an important criterion for the evaluation. We will want to not only see an academic understanding of the issues related to Article 6, but a reasonably demonstrable capacity to implement the proposed activity, or to effectively manage/oversee its implementation.

FORMAT OF THE SUBMISSION

3. Can proposals be submitted in languages other than English and Swedish?

No. Only submissions in English or Swedish will be considered.

4. Can proposals be submitted in any other form than the questionnaire template document?

No. Proposals are only considered if they are in the form of a filled-out questionnaire (Concept Note) and submitted via e-mail to registrator@energimyndigheten.se.

METHODOLOGY

5. Are we permitted to use the suppressed demand concept to estimate potential emission reductions?

Proposals that account for suppressed demand are only allowed if the proposed activity is in a Least Developed Country.

6. Is there a requirement to apply a methodology that is approved under a certification scheme (CDM, Gold Standard, NAMA, etc.)?

No, there is no need to apply an approved methodology. However, the robustness of the methodology – if available – is subject to evaluation. Therefore, the reference to an approved methodology is recommended. In all cases a third-party validator will validate the robustness and accuracy of the methodology and baseline determination process employed by the implementing organization to ensure environmental integrity and compliance with international rules and norms.

7. What is the earliest eligible starting date for a proposed activity?

The SEA will be considering mitigation outcomes for acquisition if they are generated during the period 2021-2030.

8. The tender documentation refers to NDC. Does this also mean INDCs in cases where no NDC is submitted?

Yes, in the absence of an NDC you may refer to the INDC.

COUNTRIES

9. Can proposals span multiple countries?

No, each proposal should be specific to a single country. Regional activities must be submitted as multiple proposals, one for each country. Note that there is no limit in the number of proposals that may be submitted.

10. Are any countries considered to be ineligible?

All non-annex 1 parties to the UNFCCC will be considered eligible, taking host country characteristics into account.

COSTS

11. Do you fully fund the mitigation activity description document (MADD) and how much will it cost to conduct an ITMO project?

The SEA is prepared to fund, if required, the full amount of the MADD work. However, there is no fixed amount of costs covered. Also note that there is no obligation for Sweden to contract the MADD development if no agreement regarding the scope of work or the costs to be covered can be established.

12. when will the funding of the MADD work be available?

If SEA is funding the MADD, the funding will be available as soon as we have agreed to start working together on the proposal.

COMMERCIAL TERMS

13. When in the process would a MOPA be signed?

The MOPA may be established after the finalization of the MADD and the endorsement of the activity by the countries under the bilateral agreement.

14. Do the volume requirements (1-10 MT until 2030) refer to one proposed activity or all the activities that the Swedish Energy Agency wants to fund? How strict are these requirements?

The volume requirements are per proposed activity. They are strict in the sense that proposals that fulfill the volume requirements will be considered before proposals that do not fulfill them. We do acknowledge that it is impossible to know exact mitigation outcomes before the activity is implemented, so any calculation that provides a credible estimate between 1-10 MT is considered as fulfilling the requirement.

15. What possibilities does the SEA have to provide upfront investment?

The SEA intends to finance activities on a payment-upon-delivery basis. However, on a case by case basis, SEA can work with the applicant to seek out additional sources of financing.

16. Does the SEA have an indicative price range for ITMOs?

The SEA does not give indications about a price range. At this stage the information in the proposal that refers to price is not meant to be competitive.

Each proposal will be considered on its own merit, and applicants are encouraged to identify a price level that enables real, additional and verifiable emissions reductions within the specific sectoral and host country context.

17. During which period will the Swedish Energy Agency pay for ITMOs?

Until 2030. Thus, the number of years during which payments can be made depends on when the activity is implemented and starts reducing emissions.