

Frequently Asked Questions – 3DEN Phase II: Call for Proposal

General Information

1. Will you share the slides afterwards?

Yes, the presentation slides from the webinar are made available on the [3DEN project website](#).

2. Is the Call for Proposal document already available?

Yes, the Call for Proposal document and Application Form are available. You can access them on the [3DEN project website](#).

3. What is the submission deadline?

The deadline for submission is 23rd May 2025.

4. How should we send our completed Application Form?

Please submit the completed Application Form, and associated supporting documents to 3DEN@energy-base.org. Please include in the subject line “Proposal Submission: 3DEN Phase II”.

Eligibility

5. Do UN Agencies or consortiums including UN Agencies qualify to apply?

No - UN agencies cannot submit applications to avoid conflicts of interest, as UNEP manages the selection and evaluation process.

6. Can the lead applicant be from a country outside the eligible geographic focus?

The consortium lead must not be from one of the eligible focus countries. However, they must demonstrate a high level of local content or presence (either themselves or with other consortium members).

7. Can small companies submit projects, or do they need to partner with energy companies?

Small companies are welcome to apply. Partnerships with stakeholders relevant to the project's specificity, such as energy companies or others, are encouraged to enhance the project's implementation capacity and scalability.

8. Are applications that include a private sector entity and think tanks/universities/research agencies preferred, or are applications from only private sector entities also eligible?

According to the "Digital Demand Driven Networks Initiative (3DEN): Phase II Open Call for Proposals Framework Document" the consortium must be international including diverse stakeholders -the private sector, public institutions (including research organizations and universities)-with expertise in digital energy solutions, the agro-food industry and urban energy to ensure comprehensive expertise and resources. The consortium, furthermore, must demonstrate a high level of local content or presence.

9. What are the eligible countries?

Brazil, South Africa, Morocco, Tunisia, Kenya, Nigeria, Ethiopia, and Tanzania are eligible countries.

10. Can the same project be proposed in multiple countries?

Provided that meet all the eligibility criteria, proposals concerning the same approach may refer to multiple countries, but the added value should be identified with distinct objectives and activities tailored to the different contexts. Each country component participates in the overall project value. It is also possible to elaborate on separate proposals using the same approach in different countries.

11. What is the expected project duration?

Projects must be implemented within a 24-month timeframe, including all phases from initiation to final reporting.

12. Are non-UN international organizations eligible to apply for this funding opportunity?

Yes, non-UN international organizations are eligible to apply. The funding opportunity is open to a wide range of organizations, including technical and financial institutions that operate independently of the United Nations. Eligibility criteria may vary depending on the specific call for proposals, so applicants are encouraged to review the guidelines carefully and ensure they meet all requirements.

Funding and Co-Financing

13. What is the budget range for projects?

Projects must have a budget between USD 500,000 and USD 2,000,000.

14. Could you provide more details about co-funding requirements?

Co-funding of at least 30% of the total project budget (including both grant and co-financing) is mandatory. This must be explained in the project cost breakdown submitted together with the project concept. This can include the following:

- Beneficiary's own resources, such as self-financing by project partners
- Private funding - Contributions from investors, companies, or foundations
- In-kind contributions - Project staff not funded completely by the grant, equipment and infrastructure usage, and software without direct charge to the project
- Private Funding, such as investments
- Reinvested income from the project, such as fees and licensing

15. Is it expected that all consortium members co-finance the project?

No, all consortium members don't need to provide co-funding. However, the consortium must collectively meet the 30% co-funding requirement.

16. Are there limitations on how grant funds can be used?

Please refer to the "Digital Demand Driven Networks Initiative (3DEN): Phase II Open Call for Proposals Framework Document" in the session "List of eligible and ineligible costs with corresponding maximum percentage limits" for guidelines on eligible and ineligible costs and their caps.

17. What kind of expenses are covered under the grant?

The eligible costs indicated in the “Digital Demand Driven Networks Initiative (3DEN): Phase II Open Call for Proposals Framework Document” are:

- Overhead (20% maximum)
- Project management (7% maximum)
- Hard-ware purchase (15 % maximum)
- Software costs (for permits, if any)
- Installation costs
- Working hours
- Travel costs
- Meeting costs
- Communication
- External services
- Other eligible pre-operative expenses approved

18. Please elaborate on overhead expenses, what expenses are considered under this category?

Overhead costs, also called Indirect costs, are all those eligible costs connected with the general operation of the organization conducting the project such as water/gas/electricity, office rent, telephone expenses, accounting fees, maintenance, insurance, supplies and office equipment, connectivity costs, postage, etc., and costs connected with horizontal services such as the "administrative" and "financial" management staff. Overhead are those eligible costs that cannot be identified by the beneficiary as being directly attributed to the project.

Overhead costs represent a maximum 20% flat rate of the total direct eligible costs which serve as "all-inclusive compensation" for indirect costs.

19. Are purchase costs considered eligible costs, or should depreciation be noted instead?

Hardware purchase costs are eligible for coverage under the grant but must not exceed 15% of the total grant requested. Grant awardees are required to provide a comprehensive project budget to UNEP, which should include purchase costs and the rate of return on investment. This will also require the calculation of depreciation as part of the financial assessment.

20. Are expenses related to monitoring, reporting, and verification (MRV) covered?

Yes, expenses related to MRV are eligible for funding, provided they are directly tied to the project's objectives and contribute to transparency and knowledge sharing.

21. Which expenses are included as pre-operative expenses?

Pre-operative expenses refer to costs incurred prior to the implementation or operationalization of the pilot project. These can vary depending on the project's scope but generally include:

- Retrofitting of existing infrastructure or equipment, such as modifying or upgrading facilities to support digital tools or renewable energy systems, if functional and to the extent (being proportionate) strictly necessary for the execution of the project.
- Limited technical assessments and feasibility studies, which inform implementation strategy, ensure compatibility with existing systems, and mitigate risks.
- Stakeholder and community engagement activities necessary for building project support or fulfilling social safeguards.
- Training and capacity-building workshops for staff or community members, if conducted before implementation.

Other pre-operative costs may be approved on a case-by-case basis by the UNEP project team, subject to relevance and justification within the project proposal. Applicants are encouraged to clearly specify these costs in their budgets. Consortia with specific questions or requiring clarification on what qualifies as a pre-operative expense are encouraged to reach out to the UNEP team directly for clarification, prior to the formal submission deadline. In all the cases, the amount of pre-operative costs has to be proportionate to the whole project's costs and scope.

22. What expenses are covered under software costs?

Software costs under the 3DEN Phase II initiative encompass:

- Licensing fees for proprietary software solutions used in project implementation, such as platforms for energy management, digital irrigation control, or supply chain traceability.
- Integration costs for connecting software to other existing software, hardware, sensors, or systems (e.g., integrating digital twins with agro-processing lines or smart grids).
- Custom software development where off-the-shelf solutions do not suffice, including developing dashboards, mobile interfaces, or predictive maintenance platforms, including development, configuration and customization of existing software to meet specific project needs.
- Subscription fees for cloud-based services or SaaS products required during the project lifecycle.
- Software required for regulatory permits or environmental monitoring, if explicitly linked to the implementation of project activities.

Software-related expenses must be clearly detailed in the budget and align with the digitalization goals of the initiative. As with other budget categories, consortia are encouraged to reach out with specific budget-related questions prior to project submission, especially where the eligibility of certain software costs may require clarification. In all the cases, the amount of Software costs must be proportionate to the whole project's costs and scope.

Proposal Requirements and Project Design

23. What level of project maturity is required?

Projects must be beyond the conceptual stage, demonstrating readiness for implementation. Proposals should include technical documentation and evidence of financial and technical feasibility.

24. Are feasibility studies eligible for funding?

The primary focus of the call is implementing concrete pilot activities. However, feasibility studies are eligible if they are directly tied to the implementation of the proposed project and contribute to achieving its objectives. They must be justified and instrumental to the project's implementation.

25. Can the proposal be linked to other existing and funded projects?

Yes, projects can build upon existing initiatives, provided the 3DEN funding supports additional innovations, scaling, or complementary innovative digital solutions.

26. Should the project be connected to both focus areas, or can we choose just one?

Applicants are not required to address both key areas. Applications should focus on a single area—either Agro-food OR Urban Energy Systems—based on the organization's expertise and project objectives. Proposals will be assessed on their alignment with the selected focus area and the overall objectives of the call.

27. Do you require an approach and methodology detailed in the proposal?

Yes, the proposal requires a detailed approach and methodology. Applicants must clearly outline the steps, strategies, and technical and financial details for project implementation, ensuring alignment with the call's objectives. This section should also include plans for monitoring, reporting, and verifying the project's progress and impact.

Consortium-Related Questions

28. Are there criteria for consortium composition?

Yes, the requirement for the consortium is indicated in the “Digital Demand Driven Networks Initiative (3DEN): Phase II Open Call for Proposals Framework Document”. Project must be submitted by “international” consortia, including public, private, and research institutions with expertise in digital energy solutions, the agro-food industry and urban must submit projects. Furthermore, the consortium must demonstrate a “high level” of “local” content or presence.

29. What is the role of the lead applicant in a consortium?

The lead applicant is responsible for coordinating project activities, managing financial resources, including co-funding contributions, acting as the primary point of communication with UNEP, and ensuring compliance with reporting and implementation obligations. If awarded, the consortium lead accepts the fiduciary responsibility for the grant.

30. Can multiple organizations from the same country form a consortium?

According to the “Digital Demand Driven Networks Initiative (3DEN): Phase II Open Call for Proposals Framework Document” multiple organizations from the same country can form a consortium as long as they meet the eligibility criteria.

The consortium must be international including diverse stakeholders (the private sector, public institutions including research organizations and universities) with expertise in digital energy solutions, the agro-food industry and urban energy to ensure comprehensive expertise and resources. The consortium, furthermore, must demonstrate a high level of local content or presence.

31. Is there a maximum number of consortium members?

The number of consortium members is not limited. However, the consortium should remain manageable, with clear roles and responsibilities assigned to each member to ensure effective coordination.

Evaluation and Selection

32. How will climate justice and low-tech solutions be rewarded?

Proposals addressing climate justice, such as targeting smallholder farmers or marginalized communities, will be evaluated under the "Transformational Impact" criterion. Low-tech solutions demonstrating innovation, scalability, and alignment with sustainability goals are equally possible.

33. How will added value in the agricultural sector be evaluated?

The added value will be assessed based on measurable outcomes such as improved energy and water efficiency, productivity, resource efficiency, and enhanced market access. Each project should define clear metrics and methodology to demonstrate its impact.

34. What business models do you prioritize for pilot projects?

Projects that demonstrate innovative, scalable, and replicable business models are prioritized.

35. How many projects will be funded in total and per country?

There is no fixed number of projects per country. Funding decisions will be based on project merit and alignment with the initiative's objectives.

36. How will UNEP/IEA/Italy support and lead the process across the project lifecycle?

Each partner has a distinct role in ensuring the success of the projects:

Italy oversees the initiative's strategic direction, ensuring alignment with Italy's goals under the Paris Agreement and "Piano Mattei" for sustainable development and energy transition. The Ministry fosters collaboration with international partners and forums and provides high-level oversight of the initiative.

UNEP is the implementing agency responsible for selecting, managing, and monitoring pilot projects. UNEP ensures projects align with the 3DEN initiative's objectives and facilitates reporting, coordination, and knowledge sharing throughout the lifecycle.

IEA will develop insights and recommendations to inform policy, regulatory frameworks, technology deployment, and investment guidance to accelerate energy modernization and digital transformation. IEA's outputs are publicly available, and additional reports targeting specific projects will not be produced.

37. What are the partners' obligations during the contracting phase?

Consortiums shall provide both financial and progress reports on overall projects, compliance with the project's goals and targets, as well as audit reports when needed. Partners must also participate in knowledge-sharing activities. These obligations will be further enumerated during the signing of the grant award agreement.

Technical and Other Details**38. Are clean cookstoves eligible under this call?**

No – clean cookstoves are not eligible under this call for proposals. Examples of eligible projects under the two focus areas – urban smart energy and agro-food systems - are listed in the Call for Proposals document.

39. Are projects related to policy creation eligible?

Policy creation may be one of the pilot project's focuses but not the only proposed intervention. Projects that support policy creation, particularly those enabling digitalisation or enhancing regulatory frameworks for energy systems, are eligible if they align with the call's objectives.

40. Are clean energy solutions, such as solar or wind power, prioritized in the call?

Projects incorporating renewable energy solutions like solar or wind are possible when combined with digital tools to optimize energy use and sustainability.

41. What are the timelines for each step in the process?

The internal evaluation process is set to be completed by Q3 2025. Subsequently, shortlisted candidates will be contacted to begin the due diligence process. A public announcement will be made prior to the eventual grant award in Q4 2025.

42. Does the project aim to generate revenues to ensure financial viability in the long run?

While generating revenues can enhance a project's financial sustainability, it is not a strict requirement. Proposals must demonstrate a credible plan for financial sustainability, which could include external funding or other long-term mechanisms.

43. Once the project is completed, who will own the project?

The consortium will own the projects. However, based on the terms agreed to as part of the grant award, UNEP and the Italian Government reserve the right to share information as may be needed as part of the inter-agency initiative.

44. What level of data sharing is required?

Awardees must provide relevant project data for monitoring and evaluation but may negotiate confidentiality agreements where necessary. Knowledge sharing is a key element of the 3DEN Initiative. As such, consortium leads will be expected to participate in workshops and events to present their project activities, as well as contribute to the development of 3DEN case studies and policy briefs based on their project data.

45. What are the guidelines for intellectual property sharing between consortia, UNEP/IEA/Italy?

Legal agreements will be signed with each awardee before the grant award, including specific clauses on IP rights. While ownership will rest with the consortium, UNEP, IEA, and Italy will reserve the right to disseminate information and data from the projects as part of the broader inter-agency initiative.

46. Would disseminating results/monitoring data from these pilot projects be mandatory? Is there room for negotiating part-confidentiality of results/monitoring data?

Overall, the pilot projects' results and data will feed into the IEA's Digital Demand-Driven Electricity Networks Initiative. Confidentiality regarding specific data portions will be discussed case-by-case with grant awardees.

47. Can one organization submit multiple proposals?

An organization can submit multiple proposals, provided each addresses different geographic areas and meets the eligibility criteria.

48. Would the approved amount be disbursed in tranches on a milestone payment basis, or is it a single disbursement?

Payment will be disbursed in tranches, with a token amount disbursed on the signature. The following payments will be based on deliverables agreed to with each awardee.

49. Do you require an approach and methodology detailed in the proposal?

Yes. Projects will be assessed partly based on the strength of their proposed approach and methodology. Please refer to the application form and “Digital Demand Driven Networks Initiative (3DEN): Phase II Open Call for Proposals Framework Document” for detailed guidelines.

Collaboration and Outreach**50. Is there a way to find potential consortium members?**

No, the initiative does not provide a formal platform to find consortium members. Applicants are encouraged to use their existing networks or explore partnerships with relevant organizations within the eligible focus countries that align with their project goals.

51. May we arrange a call to discuss our proposals?

Please address all questions to the 3DEN team contacts. We prioritize email responses, which will be made available on this page (FAQ). If the project team deems it necessary, bilateral calls may be organised on demand and on a case-by-case basis.

Disclaimer

The information provided in this Frequently Asked Questions (FAQ) document is for general guidance purposes only and is based on the latest available details from the Call for Proposals (CFP) for 3DEN Phase II at the time of publication. While we strive to ensure accuracy, we do not guarantee the information's completeness or timeliness.

Applicants are strongly encouraged to refer to the official Call for Proposals document for the most up-to-date and comprehensive details regarding eligibility, application procedures, funding requirements, and selection criteria.

For any clarifications or specific inquiries, please contact the relevant UNEP representatives:

- Aarth Saraph (aarth.saraph@un.org)
- Carolina Merighi (carolina.merighi@un.org)

The organizers of this initiative assume no responsibility for any errors, omissions, or changes that may occur in this FAQ.