

---

## Annex IV: Basic criteria and indicative parameters

1. The three basic criteria and the related indicative parameters detailed below are intended to be used in considering the terms and conditions of instruments deployed by the Fund for mitigation and adaptation, including the private sector.

### I. Contribution to the results areas of the Fund

2. Expected *results, type, level* and *timing* of impact towards the shift to low-emission and/or climate-resilient development pathways from the proposed activity.

#### 1.1 Results: Areas and impact

##### Result areas

3. Impact (description and/or quantification of expected results), in terms of:
  - (a) Scope (programmatic or project-based);
  - (b) Paradigm shift (contribution to a paradigm shift);
  - (c) Market impact (minimize market distortion for private sources of finance, minimize market distortion from use of public resources, maximize positive market externalities and maximize predictability);
  - (d) Integration (coherence and complementarity with relevant standards and safeguards);
  - (e) Co-benefits and costs associated with the proposal.

#### 1.2 Types of activities

- (a) Programmatic-based (description of how the proposal will support expected results);
- (b) Project-based (description of how the proposal will support the expected results);
- (c) Capacity building and readiness (description of how the proposal will support the expected results);
- (d) Policy based

#### 1.3 Level(s): Geographical scope of activities

- (a) International;
- (b) Regional;
- (c) National;
- (d) Sub-national.

#### 1.4 Timing: Timeframe of the impact of activities

- (a) Near term;
- (b) Medium term;
- (c) Long term.

---

**II. Viability of implementation**

4. Likeliness of success, in particular:
  - (a) Track record (relevant experience of intermediary);
  - (b) Context (description of key policies, regulatory and/or market environment factors that will affect the delivery of results);
  - (c) Stakeholders (map of key actors and interests, demand for proposal and alignment of interests);
  - (d) Risk management (identification of key risks and mitigation/management approach for each); and
  - (e) Funding structure (description of funding structure).

**III. Efficient and catalytic use of resources**

- (a) Budget (proposed budget using a specified template);
- (b) Efficient use of resources (explanation for the needed level of resources from the Fund, including an analysis of why lower funding would not be sufficient to achieve the desired results and an explanation of what would otherwise happen without access to the Fund's resources); and
- (c) Catalytic use of resources (description of confirmed and potential sources of co-funding, including an estimate of the amount of co-funding and the probability of realization for each source).