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Not applicable

Climate Innovation Pull Facility (CIPF) - Facility Manager - Invitation to Submit Initial Tenders

Department for Energy Security and Net Zero

F14: Notice for changes or additional information

Notice identifier: 2025/S 000-009109

Procurement identifier (OCID): ocds-h6vhtk-04c5c7

Published 12 March 2025, 8:03pm

Section I: Contracting authority/entity

I.1) Name and addresses

Department for Energy Security and Net Zero

3-8 Whitehall Place

London

SW1A 2AW

Contact

Charlotte Finlay

Email

internationalclimateandenergy.procurement@energysecurity.gov.uk

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

https://www.gov.uk/government/organisations/department-for-energy-security-and-net-zero

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Climate Innovation Pull Facility (CIPF) - Facility Manager - Invitation to Submit Initial Tenders

II.1.2) Main CPV code

75211200 - Foreign economic-aid-related services

II.1.3) Type of contract

Services

II.1.4) Short description

The UK Department of Energy Security and Net Zero is procuring a supplier to manage a new facility - the Climate Innovation Pull Facility (CIPF). Through pull finance, this facility will support innovation, scale up and market building for climate change mitigation solutions for developing country contexts, focusing on innovative clean energy technologies and business models in a small number of specific applications/sectors, where the evidence shows support is most needed.

In public innovation financing, "pull mechanisms" create incentives for innovators and other actors by creating viable market demand. They seek to reduce viability gaps and induce innovation by signalling demand for solutions to specific problems. Mechanisms often cited include Advanced Market Commitments, Results or Outcomes Based Financing, Prizes/Challenges, innovation bulk procurements, Contracts for Difference, among others. By contrast, much innovation support has to date utilised "push mechanisms" directly subsidising up-front R&D costs.

In terms of climate mitigation solutions, the CIPF will support the development of

innovation projects aligned to Ayrton Fund themes: industrial decarbonisation, sustainable cooling, smart energy systems and storage and clean transport Further details of Ayrton Fund thematic challenges are set out on <u>gov.uk</u>.

The procurement of this requirement will be in two parts:

- i) A contract for a Facility Manager to manage the programme and identify, incubate, commission and oversee 6-10 climate pull projects of £10m £50m each. This contract will also cover programme monitoring and learning.
- ii) A separate contract for an Independent Evaluator of the programme, who will conduct a mid-term and end-of-term evaluation of the programme's achievement of its development objectives, theory of change and value for money. This procurement is subject to a separate procurement procedure.

The procurement for the Facility Manager is the focus of this notice and will be run as a competitive procedure with negotiation. This contract notice is to invite initial tenders from the market. Further details of the planned procurement process are provided in the procurement documents available on the DESNZ procurement portal at the above link.

The initial contract value is £183m over 5.5 years with options to extend by up to £317m and up to 3 additional years. Of the £183m initial contract value, at least £150m of this will be allocated for climate pull projects, the majority of which will be grant funding.

Section VI. Complementary information

VI.6) Original notice reference

Notice number: 2025/S 000-004832

Section VII. Changes

VII.1.2) Text to be corrected in the original notice

Section number

IV.2.2

Instead of

Date

9 April 2025

Local time

1:00pm

Read

Date

31 July 2025

Local time

1:00pm