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Planning

Climate Innovation Pull Facility

Department for Energy Security & Net Zero

F01: Prior information notice

Prior information only

Notice identifier: 2023/S 000-037191

Procurement identifier (OCID): ocds-h6vhtk-04269e

Published 18 December 2023, 5:11pm

Section I: Contracting authority

I.1) Name and addresses

Department for Energy Security & Net Zero

3-8 Whitehall Place

London

SW1A 2EG

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>

Buyer's address

<https://beisgroup.ukp.app.jaggaer.com/esop/guest/go/opportunity/detail?opportunityId=55356>

I.3) Communication

Additional information can be obtained from the above-mentioned address

I.4) Type of the contracting authority

Ministry or any other national or federal authority

I.5) Main activity

Environment

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Climate Innovation Pull Facility

Reference number

prj_196

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 exploring the development of a new facility - the Climate Innovation Pull Facility. 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. The planned facility is up to £185m, and subject to approvals. If agreed would be part of the Department's International Climate Finance portfolio and funded with Official Development Assistance (ODA).

This notice is to provide advance warning of an upcoming market engagement event and details for how to register.

II.1.5) Estimated total value

Value excluding VAT: £185,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 66122000 - Corporate finance and venture capital services
- 71314000 - Energy and related services
- 72224000 - Project management consultancy services
- 73210000 - Research consultancy services
- 79100000 - Legal services
- 79994000 - Contract administration services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

Please note that this PIN is issued to inform the market of an upcoming market engagement event and is not a formal PIN marking the start of a procurement procedure. More information about the next steps and forward timeline will be provided in the meeting and in future notices. All information shared in this notice and at the event is indicative and subject to full and final approvals by the Department.

The UK Department of Energy Security and Net Zero is exploring the development of a new facility - the Climate Innovation Pull Facility. 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. The planned facility is up to £185m, and subject to approvals. If agreed would be part of the Department's International Climate Finance portfolio and funded with Official Development Assistance (ODA).

What do we mean by "pull mechanisms"? 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 facility will have a particular focus on clean energy innovation themes. The work being explored would be linked to the Ayrton Fund commitment by the UK Government, to support clean energy research, development and

demonstration (RD&D), as part of the wider UK commitment to tackle climate change. Examples of Ayrton Fund thematic challenges are set out on [gov.uk](https://www.gov.uk).

To explore this concept with stakeholders and the market, the Department hosted some initial engagement in July 2023. As the concept is now progressing further we would like to take the opportunity to provide a further update to the market on our thinking and test some specific ideas for how we plan to structure the facility, in particular some of the commercial elements of the programme. Information from previous sessions can be accessed on our e-sourcing portal:

<https://beisgroup.ukp.app.jaggaer.com/esop/guest/go/opportunity/detail?opportunityId=55356>

The team will be hosting an online presentation on 27 February 2024 at 13:00 GMT to share our current thinking on the scope and content of the programme as well as options for commercial structuring and forward procurement procedure. This will be followed by opportunities in the following 2-3 weeks for the market to provide feedback on a one-to-one basis via call or in writing. Opportunities for calls are time-limited at this stage but we hope to offer multiple feedback avenues to enable as much engagement as possible.

To attend this presentation, please register interest through the following link by 13:00 25 February 2024. We will then share the link to join the session via Microsoft Teams. If you are registering after this date please also email the procurement inbox at internationalclimateandenergy.procurement@energysecurity.gov.uk so we can ensure you receive joining instructions in time.

<https://forms.office.com/e/vjCBdKd4bF>

II.3) Estimated date of publication of contract notice

15 July 2024

Section IV. Procedure

IV.1) Description

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes