

REQUEST FOR PROPOSALS

Project with strong gender equality ambitions and core activities combating land degradation seeking support to secure private investment

September 2021

The Land Degradation Neutrality (LDN) Fund and Technical Assistance Facility (TAF) aim to support projects that have a positive impact on the lives of women and girls. To stimulate the inclusion of such projects in investment portfolios, IDH, as manager of the LDN TAF, in partnership with Mirova, as manager of the LDN Fund, invite eligible companies and organizations to submit project proposals that will support and enable commercially viable projects with strong gender equality ambitions to attract private / blended-finance investment for scaling up activities that combat land degradation.

This Request for Proposals (RfP) elaborates on the objectives of the RfP, the concept note and proposal requirements, as well as the project selection and contracting procedure. This RfP includes the submission of a concept note and feedback on the concept note to support and facilitate applicants in the submission of their proposal.

Parties that consider submitting a proposal are requested to carefully read this request for proposals, as deviation can result in exclusion from further participation in the procedure or their submitted proposal not being selected.

A. BACKGROUND

The Challenge

Achieving gender equality is widely acknowledged as critical to the Sustainable Development Goals (SDGs), including SDG 15.3 which aims to combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world. Gender inequality is a key driver of poverty, meaning gender inequality is not only a human rights issue, it is also a development and business issue. Many people and organizations are making strong efforts to 'close the gender gap'. Yet, at the current rate of progress, it will take another 135 years before women and men face equal treatment and opportunities worldwide¹.

Looking at sustainable land use, women play important roles in global, regional and local supply chains, in the farms and processing facilities that supply the world with goods and services. Although women contribute significantly to these sectors, they often remain invisible and receive little to no pay. Women contend with additional barriers such as discriminatory cultural practices and social norms, which restrict their access to opportunities, resources, and decision-making power. Gender gaps are also significant in access to productive resources such as land, inputs, markets, technology, education, and financial services. Although women make up around 60% of the labour force in agriculture, they only make up to 30% of cooperative memberships (even less in leadership positions).

Women living in rural areas also rely heavily on local natural resources and play essential roles in agroforestry, watershed management, forest protection and conservation. Despite this, women are disproportionately impacted by the negative impact of climate change, which exacerbates existing social inequalities that threaten the health, safety, and wellbeing of women and girls.

¹ World Economic Forum, Global Gender Gap Report 2021

The business case for gender

Gender equality is not only a challenge, it can also be a catalyzer for improved productivity and growth. Gender equality and women's empowerment are essential to building healthy and resilient businesses. Here are just 4 reasons why:

- By tailoring goods and services to the needs of women, companies can reach a large and often underserved market, potentially increasing revenues from service provision or enhancing their supply security when sourcing from these farmers.²
- If women are supported to achieve similar access to and control of productive resources as men, yields of female farmers could increase by up to 30 percent. Higher yields and incomes at the farm-level create greater business opportunities for the companies interacting with those farmers. Greater control over farm and household income by women also increases investments in children's health and education, with positive effects on food security and economic growth.³
- Companies that are committed to gender equality outperform their peers. Improving gender diversity in the workplace can improve a company's financial performance by up to 25 percent. Gender inclusion has been proven to lead to better business results: greater access to talent; lower turnover costs; increased consumer insight; and strengthened employee engagement.⁴
- When companies are seen to invest in gender equality, this has the potential to lead to higher levels of farmer and/or worker loyalty. Conversely, unequal opportunities for women can negatively affect companies' reputations which can lose businesses customers as well as workers.⁵

There is ample evidence that when the private sector has gender inclusive strategies and gender smart interventions integrated in their core business, their impact increases and their business models will be more commercially viable.

LDN Fund and Technical Assistance Facility

The LDN Fund and TAF primarily address the agriculture and forestry sectors which are a significant source of employment for women working in rural areas. Recognizing that gender equality and women's empowerment is essential to addressing land degradation, the Fund and TAF are committed to addressing these challenges by mainstreaming gender across LDN projects and programmes they support, using a project-specific contextual analysis based on the needs and priorities of women and men.

While investments in land restoration and Sustainable Land Management (SLM) practices are needed to avoid, reduce and reverse land degradation, project preparedness can be a major bottleneck for restoration and SLM investment. The LDN TAF was established to help alleviate this bottleneck, and link projects to the LDN Fund⁶ and LDN impacts. The facility is managed by IDH The Sustainable Trade Initiative. The LDN TAF can provide grants and reimbursable grants to (potential) LDN investment projects, to improve technical quality, and strengthen environmental and social impacts, so that the investment project meets the LDN Fund investment criteria. More information on the LDN TAF can be found on: <https://www.idhsustainabletrade.com/landscapes/ldn-taf/>

² ICRW, 2016. The Business Case for Women's Economic Empowerment: An Integrated Approach.

³ FAO, 2011. The State of Food and Agriculture; BSR Women's Empowerment in Global Value Chains Framework for Business Action.

⁴ McKinsey & Company, 2020. Diversity wins: How inclusion matters.

⁵ IFC, 2016. Investing in Women along Service Provider Value Chains.

⁶ The Land Degradation Neutrality Fund, copromoted by the UNCCD, is a first-of-its-kind fund investing in profit-generating sustainable land management and land restoration projects that contribute to SDG 15.3. The LDN Fund provides long-term debt and equity financing for sustainable land use projects that avoid, reduce or reverse land degradation. It is structured as a blended finance fund, pooling resources from both public and private investors committed to the goal of stopping land degradation. The LDN Fund is designed to offer financing solutions that are not readily available in the market, providing finance and strategic benefits in ways other investors or banks might not, e.g. longer tenors, longer grace periods, more flexible repayment schedules.

Mobilizing projects with strong gender equality ambitions

The LDN Fund and TAF's approach to gender aspects is aligned with the objectives and principles of the UNCCD's 2018 Gender Action Plan, which outlines the four priority areas to incorporate in LDN implementation⁷. The gender approach also considers the UNCCD manual⁸ that provides guidance for mainstreaming gender in LDN projects and programmes with the aim of addressing gender-related issues in the land use sector.

The LDN TAF seeks to support companies, organizations or cooperatives with core activities that combat land degradation, and which demonstrate strong gender equality ambitions on their path towards meeting the investment requirement of commercial impact investors, like the LDN Fund.

This RfP is aimed at projects contributing to land degradation neutrality while also having:

- business models that are inherently built on activities that empower women and/or have strong female representation in leadership positions.
- an ambitious gender equality strategy and, with the support of the LDN TAF, want to become gender transformative.

Action examples (not exhaustive):

- *developing and delivering training on gender-sensitive SLM techniques for smallholder farmers, including women;*
- *planning and holding gender-sensitive community engagement events and outreach for women and men smallholder farmers on SLM and environmental conservation practices;*
- *delivering conservation activities that will equally benefit women and men smallholder farmers and address their specific needs and priorities;*
- *Other activities increasing decision-making power and access to economic and social resources of women tackling the root cause of gender inequality and redressing the power dynamics and structures that reinforce gender inequalities.*

Outcome examples (not exhaustive):

- *Increased adoption of gender-responsive sustainable land management (SLM) and environmental conservation practices;*
- *Improved capacity of farmers, and particularly women smallholders, to implement SLM models that are climate resilient and have environmental benefits;*
- *Increased investment in and adoption of gender-responsive SLM practices by financial institutions and business in vulnerable areas;*
- *Smallholders, cooperatives, and small farming business show increased representation in leadership and skilled/technical roles, and increased female decision making;*
- *Significant contribution to the creation of jobs/income opportunities for women.*

For inspirational examples please have a look at:

- IDH - Gender Toolkit and Guide
<https://www.idhsustainabletrade.com/publication/idh-gender-toolkit-guide/>
- UNCCD – Unlocking women's transformative potential for LDN and the SDG agenda
<https://www.unccd.int/actions/gender-action-plan>
- WWF - Women and Girls Initiatives
<https://www.worldwildlife.org/initiatives/women-and-girls>
- The GEF - Gender
<https://www.thegef.org/topics/gender>
- AFD – Gender equality
<https://www.afd.fr/en/page-thematique-axe/gender-equality>

7 1. Ensure women's participation in decisions 2. Integrate women's economic empowerment 3. Strengthen women's land rights and access to resources 4. Enhance women's access to improved knowledge and technology
<https://www.unccd.int/publications/gender-action-plan>

8 http://catalogue.unccd.int/1223_Gender_Manual.pdf

The LDN TAF works with projects that are mature enough to be close to securing private investment at significant scale. The LDN TAF has standard eligibility criteria⁹ for proposals that can be submitted at any time. For this RfP, the LDN TAF applies the same eligibility criteria with the exception of the maturity level/scale of the project. Gender equality being a high priority for the LDN Fund and recognising the obstacles of developing a commercially viable SLM/restoration project at scale with strong gender equality components, LDN TAF is open to work with projects with a clear concept/business model and significant projected LDN impact but which are too early stage to attract significant private investment, like from the LDN Fund, within a short timeline¹⁰.

B. REQUEST FOR PROPOSALS

Key project criteria

This RfP is aimed at entrepreneurs, companies, green and social business, young or mature, with strong gender equality ambitions that are looking to scale up and strengthen their business or business idea. For a project to be eligible for this RfP the proposed/implemented business model needs to:

- contribute to the target of a land degradation neutral world¹¹;
- be commercially viable / income generating and have the potential to become investible;
- contribute significantly to gender equality and empowerment as part of the core operations;
- have the potential to scale (with private investment) and generate significant positive environment and social impact.

The business may be in any land based sector (e.g. agriculture, (agro)forestry, farmer-managed natural regeneration, eco-tourism, etc.). It is expected to integrate both the landscape dimension and the supply chain one. Preference will be given to projects that in addition to having a strong gender impact significantly contribute to the following impact areas:

- smallholder inclusion, including clarification of land rights;
- engagement of youth / opportunities creation for youth;
- (local) food security;
- strengthening of local markets;
- climate adaptation/mitigation;
- restoration/protection of remaining natural ecosystems.

Eligible TA support

- Examples of the type of activities that will be eligible for funding of the LDN TAF include¹²:
 - Enhancing operational and financial structures:
 - Establish a robust business plan;
 - Design/roll out of financing structure, overall contractual scheme, risk management process of the project;
 - Capacity building to improve operational processes.
 - Project preparation support:
 - Site/project-specific land tenure analysis;

⁹ www.idhsustainabletrade.com/publication/ldn-taf-eligibility-criteria

¹⁰ Normally the LDN TAF works with projects that aim to secure private investment at scale within 12-24 months. For this RfP the LDN TAF is open to work with projects that are projected to reach investment readiness within 3-4 years.

¹¹ Building on the UNCCD's LDN Scientific Conceptual Framework, LDN looks at three sub-indicators: land cover, land productivity, and carbon stock (measured as Soil Organic Carbon (SOC)). Based on a one-out-all-out principle (each of the three LDN sub-indicators needs to showcase either a stabilization or improvement), a positive overall change indicates land increasing in productivity and health, and land degradation being reversed. For more information go to <https://knowledge.unccd.int/topics/land-degradation-neutrality>

¹² These are examples. The support the LDN TAF is not limited to these examples. Other projects that have been supported by the LDN TAF can be found at: www.ldninsights.org

- Analysis, of project-specific opportunities to optimize social and environmental impact within the investment, including on climate change adaptation, sustainable land and water management, biodiversity, community development, smallholder income and gender;
 - Market research.
 - Project implementation support;
 - Capacity building and pilot project implementation to strengthen proof of concept
 - Defining / piloting an ambitious gender equality strategy
- The LDN TAF co-funding that can be applied for can range from **50.000 to 100.000 EURO**¹³.
 - The latest end date for the TA project is **December 2023**.

Company / organization requirements

- The applicant is a private sector operator, partners with a private sector operator or aims to establish a private sector operation (e.g. being a civil society organization intending to spin-off a commercial activity).
- The project partner is financially sound or will formulate its need for support through the LDN TAF to become financially sound.
- The project partner has, or partners with an implementing partner that has, the appropriate technical and financial capacity and expertise to implement the TA project successfully and deliver technical and financial reporting as requested by IDH.
- The project partner needs the contribution of the TA project with co-funding. LDN TAF's total contribution to the project shall be proportionate to and dependent on the total private sector contribution to the project, in line with the ratio of minimal 1:1 (LDN TAF : private co-funding).
- The project partner, as well as possible implementing partners, explicitly commit and agree to share information (other than commercial/confidential information), methodologies and lessons learned with IDH. Where appropriate, partners who developed such materials will be acknowledged.
- The project partner confirms compliance and signs the Statement of Integrity, attached hereto as Annex 1.

C. PROPOSAL FORMAT

The proposal must include:

- Current status of the project and the envisioned impact that could be achieved through scaling with private investment.
- Description of activities for which TA support is requested, key milestones and budget per milestone.
- Plan for data collection and monitoring compliant with the IDH Guidelines for Planning & Reporting (attached hereto as Annex 2). Specific indicators on which Project partners/Implementing partners will report the progress of the TA support.
- Proposed budget. The budget must be sufficient to successfully implement the project, and needs to be cost efficient. Where applicable, efficiency can be measured in terms of total project cost per farmer reached and/or total project cost per hectare planted.

¹³ Administrative coordination costs (including all administrative personnel) should not exceed 10% of the total project cost. Projects with a LDN TAF contribution exceeding 75.000 EUR need to include a financial project audit. All personnel/audit costs associated with administrative coordination and activities must be included within the 10% threshold. The LDN TAF can not finance fixed assets.

As part of the application process, the applicant must submit four documents:

- The Concept Note (template see annex 3)
- The Technical Proposal (template see annex 4)
- The Financial Proposal (template see annex 5)
- Signed Statement of Integrity (template see annex 1)

D. PROJECT SELECTION

Project proposals will be evaluated by the LDN TAF, in close consultation with the LDN Fund, based on the RfP specific criteria mentioned above and the general LDN TAF project selection criteria (annex 4).

IDH aims to select up to 5 projects to be presented to the LDN TAF Project Selection Committee for approval.

E. TIMELINE

Deliverable	Due date
Publication of RFP	Week 38
Submitting a concept note (annex 3) to IDH for feedback	Deadline: 17 October 2021
Feedback on concept note / Announcement of short-listed projects	Week 42
Submission of full proposal	Deadline: 21 November 2021
Selection	November / December 2021
LDN TAF Project Selection Committee	December 2021
Contracting	January / February 2022
Start implementation of TA project	February 2022

The dates specified for submitting the concept note and the full proposal in the schedule above are considered deadlines. Concept Notes and proposals not submitted in time will not be considered. The other dates are indicative and not binding. IDH reserves the right to change all dates, and will inform applicants in a timely manner in case of such changes.

F. TERMS AND CONDITIONS

By participating in this procedure, the applicant declares to unconditionally agree to the contents of this RfP and its annexes. IDH is not obliged in this procedure to make an award decision or to conclude a contract with an applicant.

IDH reiterates its right to update, change, extend, postpone, withdraw or suspend the RfP, the time schedule, or any decision related to the selection, contract award decision or contract. IDH also reserves the right to make any decision subject to conditions.

No claim for compensation can be made towards IDH, its employers or third parties acting on their behalf, or affiliated entities.

This RfP does not constitute an offer or a commitment from Mirova or the LDN Fund to finance directly or indirectly any projects submitted and/or selected under this RfP. Any such commitment shall be subject to inter alia, a detailed technical, financial and legal due diligence of the proposed project/program, as well as all required committees' approval, including Know Your Customer verifications.

The applicant will inform IDH, without delay, if at any time during the course of the procedure, or during the execution of the contract, it can no longer comply with the criteria set in the request for proposals. Please note that this could lead to exclusion from further participation in the procedure.

G. GROUNDS FOR EXCLUSION

Service Providers shall be excluded from participation in a procurement procedure if:

- a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) they or persons having powers of representation, decision-making or control over them have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
- c) they have been guilty of grave professional misconduct proven by any means which the IDH can justify;
- d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established, or with those of the Netherlands or those of the country where the contract is to be performed;
- e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization, money laundering or any other illegal activity, where such illegal activity is detrimental to the MFA's financial interests.
- f) Tenderers shall not make use of child labor or forced labor and/or practice discrimination and they shall respect the right to freedom of association and the right to organize and engage in collective bargaining, in accordance with the core conventions of the International Labor Organization (ILO).

Service Providers must confirm in writing that they are not in one of the situations as listed above (see Statement of Integrity – Annex 1).

IDH will reject offers if any illegal or corrupt practices have taken place in connection to the award or the RfP procedure.

H. CONTACT INFORMATION

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I. ANNEXES

Annex 1:	Statement of Integrity
Annex 2:	IDH Guidelines for Planning & Reporting
Annex 3:	Concept Note - template
Annex 4:	Technical Proposal - template
Annex 5:	Financial Proposal - template

About IDH Sustainable Trade Initiative

IDH, The Sustainable Trade Initiative, convenes companies, governments, financiers and others in public-private partnerships. Together we drive the design, co-funding and prototyping of new economically viable business models to delink tropical commodity production from deforestation and create shared value for all stakeholders. IDH has a network of over 400 companies, CSOs, financial institutions, producer organizations and governments. IDH works in 12 agricultural sectors and 12 landscapes in over 40 countries to achieve scalable impact on the Sustainable Development Goals. IDH's approaches are designed to drive sustainability from niche to norm in mainstream markets. IDH focuses on creating positive impact on deforestation, living incomes and living wages, working conditions, toxic loading and gender.