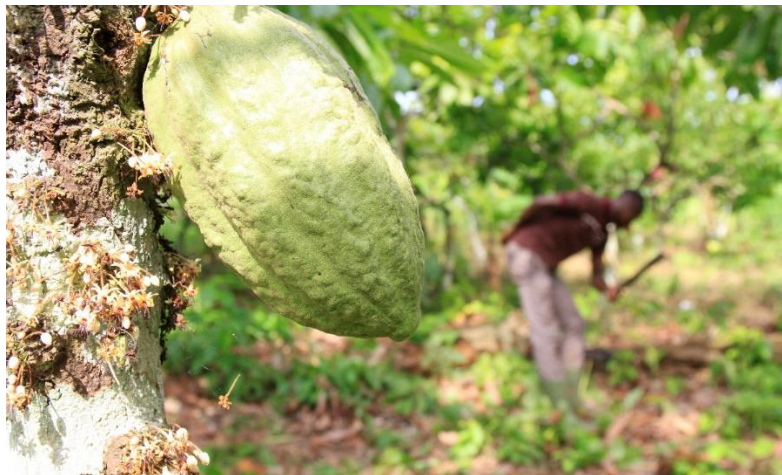


Operating Guidelines

PRO-PLANTEURS-Matching Fund

14.07.2021



Foreword

This document is based on the Operating Guidelines for the Matching Grants Fund of 2019 by the GIZ ComCashew project.

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PRO-PLANTEURS is a joint project of



Overview of the PRO-PLANTEURS-Matching Fund

Goal	Create an opportunity for GISCO members to contribute to PRO-PLANTEURS and GISCO objectives
Function of the Matching Fund	The Matching Fund supports projects financially that contribute to PRO-PLANTEURS or GISCO objectives
Project region	The cocoa growing regions of Côte Ivoire with priority for regions where PRO-PLANTEURS carries out activities.
Eligibility for application	All non-public GISCO members
Funding principles	Commercial partners: 50% Matching Fund Grant & 50% GISCO member(s) Non-profit partners: 75% Matching Fund Grant & 25% GISCO member(s)
Priority is given to Project Applications	submitted by GISCO members financing PRO-PLANTEURS submitted by at least two GISCO members targeting farmer organisations integrated in PRO-PLANTEURS

The Matching Fund within the PRO-PLANTEURS II project

PRO-PLANTEURS is a joint project of the German Initiative on Sustainable Cocoa (GISCO), the Federal Ministry of Food and Agriculture (BMEL), the Federal Ministry for Economic Cooperation and Development (BMZ), and the Ivorian Conseil du Café-Cacao (CCC).

In the phase II of the project (2020-2025), support and monitoring of the 20.000 smallholder farmer families of phase I continues. In addition, another 10.000 smallholder cocoa farming families with their farmer organizations will be included in the activities of the project. As a new activity, PRO-PLANTEURS sets up a Matching Fund to complement its activities with integrated projects implemented together with GISCO members. The budget of the PRO-PLANTEURS Matching Fund will be covered by the BMZ's contribution to the project PRO-PLANTEURS.

The PRO-PLANTEURS Matching Fund is an instrument to financially support activities that contribute to GISCO's or PRO-PLANTEURS' objectives.

The PRO-PLANTEURS Matching Fund brings together GISCO members, such as private sector partners, Non-Governmental Organisations (NGO), and farmers to build closer supply chain linkages and commonly develop the sector. The objectives of the fund are:

- To engage GISCO members within PRO-PLANTEURS in the design and implementation of interventions that **contribute to the achievement to [GISCO's main and specific objectives](#)**, in particular to contribute to achieving a Living Income for cocoa farmers.
- To establish an instrument that allows for **effective and efficient scalability** of PRO-PLANTEURS interventions.
- To create another opportunity for joint learning processes of GISCO members.

GISCO members will propose activities that are supplementary to their already on-going activities. Activities requested for finance by the Matching Fund and to be carried out by a third implementing party should be identified and selected according to GIZ selection rules. The proposed projects will contribute to the objectives of GISCO and PRO-PLANTEURS and do not constitute an investment in the actual core business of the applicant. Support can only be granted if the proposed project would not be implemented without the support of the Matching Fund (subsidiarity). Measures required by law cannot be funded.

Expected results of the Matching Fund projects

Projects implemented under the PRO-PLANTEURS Matching Fund should contribute to any of the following results

- Sustainable cocoa production and improved cocoa farmers income towards a Living Income, for example
 - Increased living standards and ecological sustainability by implementation of agroforestry systems.
 - Additional incomes through diversified production
 - Premiums for farmers
 - Enhanced knowledge in Good Agricultural Practices, agroforestry, climate-smart agriculture to increase farm income and farm resilience
 - Introduction of optimized, centralized and/or decentralized post-harvest systems to increase cocoa yield and quality
 - Strengthened entrepreneurial skills of beneficiaries
- Sustainable value chains, for example
 - Traceable, child labour- and deforestation-free value chains
 - Prevented abusive child labour on cocoa farms
 - Increased efficiency of farmer organizations
- Improved living conditions, for example
 - Improved health, nutrition and education of cocoa farmers and their families

Projects have to show a direct contribution to at least one of the above mentioned results. Examples of activities can be found in annex A, page 7. Specific indicators / datapoints for reporting and monitoring are provided in annex B, page 8.

Project selection

Following criteria have to be met by the project concept and applicants in order to be eligible:

- Only projects that contribute to the described key activities and described expected results are eligible.
- The proposed project shall be in a cocoa growing of Côte Ivoire. There is no restriction to the project region of PRO-PLANTEURS. However, project proposals which target cocoa farmer organizations integrated in the project PRO-PLANTEURS are prioritized.
- Eligible entities for the application for the PRO-PLANTEURS Matching Fund are all GISCO members of the member groups: German retail grocery trade, German confectionary industry and civil society.
- Applications by eligible GISCO members financing the PRO-PLANTEURS project is given priority over applications by GISCO members not financing PRO-PLANTEURS.
- An application can be submitted by at least one GISCO member, however, to encourage closer collaboration in the sector, preference is given to joint applications submitted by two or more members of GISCO.
- In the case of an application by two entities, one entity shall take the lead in the implementation and contracting.
- The inclusion of local actors is recommended and thus included in the evaluation of the project proposal.
- The long-term commercial interest of the applying company in the project must be clearly recognisable and exceed the funded project term. The project must not simply constitute an investment in the actual core business.

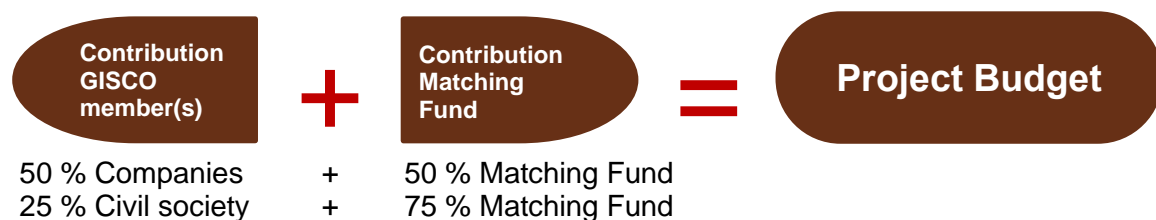
Final decision on the approval for implementation will be provided by a decision committee, taking the following criteria into consideration:

- Objectives and expected results of the project (alignment with purpose of Matching Fund)
- Relevance of Project regarding the Matching Fund purpose, especially regarding the contribution to a living income
- Implementing Capability
- Financial Capability
- Scalability and Replicability

The decision committee will be located in Côte d'Ivoire and composed by members of GISCO, CCC, the Ivorian Ministry for Agriculture and Rural Development (MINADER), the Ivorian National Center for Agronomic Research (CNRA) and representatives of the national Living Income Committee.

Cost Structure of the Matching Fund

The PRO-PLANTEURS Matching Fund will co-finance approved projects with up to 50% of the total costs when the requesting GISCO member is a private company. For projects submitted by the civil society members of GISCO, the contribution of the applicant will be 25% and the Matching Fund will cover 75% to the project's budget.

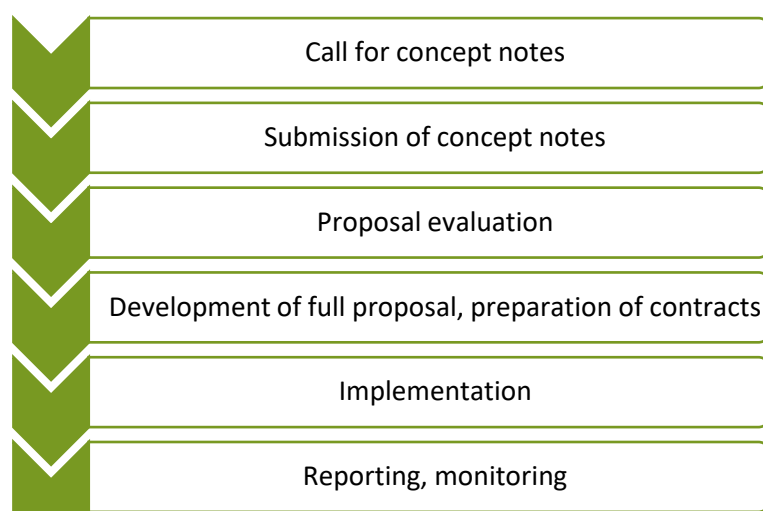


The total contribution of the Matching Fund should not exceed EUR 120.000 for each project.

Eligible costs are directly linked to the project's implementation, such as cost of trainings. Examples of costs and activities eligible for funding are listed in the annex C, page 10.

Matching Fund Grant Procedure

The PRO-PLANTEURS Matching Fund will make one to two calls for concepts. The process entails:



Interested GISCO members are requested to first submit a Concept Note using a standard application form. Concept notes are reviewed and approved for the preparation of a full proposal by PRO-PLANTEURS.

Interested members without an implementation structure in Côte d'Ivoire can also access a list of **project ideas** prepared by PRO-PLANTEURS. These project ideas can be used by members to be presented as concept notes to the Matching Fund. The project ideas are complementary with PRO-PLANTEURS ongoing activities.

The applicants, together with PRO-PLANTEURS will prepare detailed technical and financial proposals only after the concept note has been positively evaluated.

Implementation and Reporting

The agreed funding shall be released to the project partner to **implement** the approved activities, according to the agreed schedule of disbursement of each approved project the duration for implementation of funded activities shall be equal or less than 15 months. The applicant shall be fully in charge of the project implementation.

The beneficiary shall submit semi-annual **reports** to PRO-PLANTEURS. At the end of the implementation period, the beneficiaries shall report on the results/outcomes and submit a final report. The PRO-PLANTEURS Matching Fund reserves itself the possibility of carrying out an audit of the accounts at any time of project implementation and at least five years after implementation has finished.

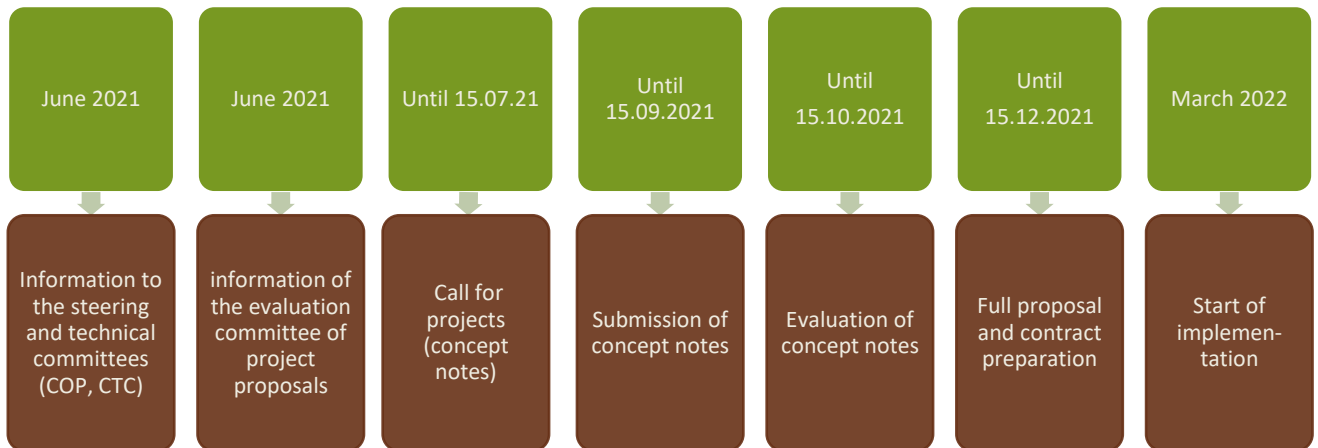
The implementing GISCO partners as well as PRO-PLANTEURS will **monitor** and evaluate the progress of the projects. Specific activities such as monitoring meetings, external evaluations or field visits for this purpose will be agreed within the preparation of the project proposal. Progress and results of the projects will be presented and discussed within PRO-PLANTEURS committees as well as through the working group PRO-PLANTEURS of GISCO in Germany. The sharing of the learnings made in the projects is an important objective of the implementation and reporting of the projects.

Joint Learning

In order to support learning processes within the sector, the project proposal shall include activities for dissemination of project results and learnings within the sector (participation in specialized events, documentation and publication of results, etc).

PRO-PLANTEURS and GISCO will organize annual meetings, where all project partners present the progress and learnings to the other GISCO members and project's partners.

Preliminary timetable of the first call for proposals



Annexes

A. Examples of possible activities

Key activities funded by the PRO-PLANTEURS Matching Fund seek to contribute to GISCOs overall objectives and specific objectives, in particular:

Improving living conditions of cocoa households towards a Living Income

Possible activities include

- Development and implementation of new pricing mechanisms for farmers (premiums)
- Improvement of farm production diversification (FBS, provision of plant material, creation of agroforestry systems)
- General education (for example trainings on entrepreneurship, nutrition trainings, alphabetization etc)
- Improvement of cocoa productivity (intensification of production, cocoa field rejuvenation)
- Additional income generating activities (e.g. payments for environmental services)
- Implementation of further income generating activities (especially for women and youth)
- Development, introduction and strengthening of (mobile) banking systems
- Development and implementation of agricultural/climate insurance models

Sustainable Supply Chain Linkage

Partnerships between cocoa buyers and farmer organisations which undertake specific activities to enhance the productivity of farmers who supply them raw materials as well as to build sustainable, strong and long-lasting supply chain linkages throughout the whole supply chain.

Possible activities include:

- Farmer trainings in topics such as Good Agricultural Practices (GAPs), Integrated Pest Management, agroforestry, climate-smart agriculture, cocoa quality analysis, price negotiation, contracting and product certification processes, diversification for increased productivity and revenue, etc. Innovative approaches will be preferred.
- Capacity building for farmer organizations with trainings in governance, management, accountability, marketing, cocoa market dynamics and improvement of soil nutrition and biological pest control etc.
- Development and implementation of traceability systems for cocoa production
- Implementation of child labour remediation and monitoring systems

The responsibility of project implementation is with the project partner (GISCO member).

The project partner may cooperate or sub-contract third parties for full or partial implementation of the project activities. Activities requested for finance by the Matching Fund and to be carried out by a third implementing party should be identified and selected according to GIZ selection rules.

B. Results and key indicators to be contributed to with projects of the Matching Fund

Expected results	KPIs
Sustainable cocoa production and improved cocoa farmers income towards a living income	
Increased incomes of cocoa farm household	<ul style="list-style-type: none"> - Total net household income - Income from cocoa Benchmark: living income for cocoa farmers
Diversification for improved household income and food security	<ul style="list-style-type: none"> - Income from other crops than cocoa - Income from other income-generating activities - Contribution (%) of own farm production to total food consumption of the household
Increased cocoa productivity, based on intensification of production	<ul style="list-style-type: none"> - Productivity in kg/ha - Contribution margin
Increased cocoa production under diversified or agroforestry systems	<ul style="list-style-type: none"> - Productivity in kg/ha - Hectares of cocoa production in diversified / agroforestry systems
Improved management of farm production system toward a diversification of income sources	<ul style="list-style-type: none"> - Total net household income - Share of income from cocoa - Share of income from other income-generating activities
Premiums for farmers	<ul style="list-style-type: none"> - Premium paid (average/t) and number of farmers reached with a premium
Enhanced knowledge in Good Agricultural Practices, agroforestry, climate-smart agriculture to increase farm income and farm resilience	<ul style="list-style-type: none"> - Number of farmers applying improved methods
Strengthened entrepreneurial skills of beneficiaries	<ul style="list-style-type: none"> - Number of farmers with strengthened entrepreneurial skills
Improved quality and sustainable sourcing	<ul style="list-style-type: none"> - Share (%) of cocoa production with improved quality - Share (%) traceable cocoa - Share (%) certified cocoa
Increased and improved participation of women in the cocoa value chain	<ul style="list-style-type: none"> - Number and share of female producers (listed in cooperatives), members of cooperatives, directives of cooperatives - Number and share of female participants at project activities - Number of women, running a cooperative

Expected results	KPIs
Sustainable value chains	
Traceable, child labour- and deforestation-free value chains	<ul style="list-style-type: none"> - Number and kind of traceability systems in place - Cocoa production covered by a traceability system - Number and kind of child labour monitoring systems in place - Households covered by a child labour monitoring system - Deforestation free cocoa
Prevented abusive child labour on cocoa farms	<ul style="list-style-type: none"> - Child labour incidence in production area - Number and kind of child labour monitoring systems in place - Households covered by a child labour monitoring system - Schooling rate in production area
Increased efficiency of farmer organizations	<ul style="list-style-type: none"> - Efficiency score of cooperatives (for example: ScopeInsight)
Improved market access: access to price and production information and reliable, long-term market etc.	<ul style="list-style-type: none"> - Number of direct sourcing contacts - Production negotiated through direct sourcing contacts
Increased efficiency of the cocoa supply chain; allowing for flow of traceable cocoa downstream to stimulate sustainable investments upstream	<ul style="list-style-type: none"> - Number and kind of traceability systems in place - Cocoa production covered by a traceability system - Credits provided to farmer organizations
Improved representation of cocoa farmers in national platforms	<ul style="list-style-type: none"> - Number of farmers participating in national events and platforms - Women participating in national events and platforms
Human rights and environmental guidelines as well as public reporting compliance programs implemented positively	<ul style="list-style-type: none"> - Status of compliance with the OECD-Guidelines (Chapter 6. Environment) - Checklist: published a declaration of principle, performed risk analysis, programs to ensure compliance with human rights and environmental aspects
Improved living conditions	
Improved health, nutrition and education of cocoa farmers and their families	<ul style="list-style-type: none"> - Selected KPIs FAO, OIM, nutrition scorecard.

C. Eligible costs for funding

Items/Activities eligible for funding	Items/Activities <i>not</i> eligible for funding
Cost of internal and external technical staff/ implementing partner providing specific services on the indicated activities.	Purchase of land.
Travel and subsistence costs of the above-mentioned technical staff, where such travel is relevant for the execution of the project activities.	Taxes, including VAT
Cost of conferences, seminars, workshops and other facilities emanating from the project.	Items already financed by the PRO-PLANTEURS Matching Fund or another Fund/Donor
Cost of research and dissemination of information, printing etc.	Debts and provisions for losses
Direct travel expenses in relation to the product development and marketing.	Transport of goods, insurance and bank transaction costs
Machinery and equipment needed to demonstrate a skill.	Prices and price components such as premiums or other differentials
Cost of farm investment	
Cost to support women production organization and youth engagement	
Expenses in relation to pilot testing of a product.	Certification costs
Auditing of final project accounts.	
Cost of training materials	
Cost of plant material	
Contingency (not exceeding 5% to be justified prior to usage)	