TERRAFUND FOR AFR100 LANDSCAPES

REQUEST FOR PROPOSALS INFORMATIONAL PACKET

April 2023

WORLD RESOURCES INSTITUTE

ONETREEPLANTED

Realize Impact

TERRAFUND FOR AFR100

Restoring degraded and deforested land is key to holding global average warming to below 1.5°C. To fight climate change, boost food security, and help thousands of rural communities thrive, 33 African governments have pledged to begin restoring 100 million hectares of degraded land by 2030 through the AFR100 Initiative. Hundreds of local innovators are now pioneering project and business models that show that restoration can create a prosperous, net-zero emissions future for Africa.

But they need support. That is why funders ***are looking to finance the top non-profit community organizations and for-profit businesses*** *that are restoring land by planting and growing trees in rural and urban landscapes.*

After selecting of cohort of 100 restoration champions in 2021, the TerraFund for AFR100 initiative is ready to expand its network of partners in the three target landscapes. After a two-stage application process, the new cohort of projects will be announced in fourth quarter of 2023.

To find our more information about the initiative and how to apply, please visit our TerraMatch help center. To
express your interest in this opportunity, please apply on TerraMatch.

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1 EXPRESSION OF INTEREST (EOI)

Expression of Interest Submission Period: April 5 – May 5, 2023

World Resources Institute (WRI), One Tree Planted (OTP), and Realize Impact invite eligible for-profit companies and non-profit organizations to submit funding proposals for land restoration projects that grow trees in 3 key regions of Africa:

- Kenya's Greater Rift Valley
- Lake Kivu & Rusizi River Basin of Burundi, the Democratic Republic of the Congo, and Rwanda
- Ghana Cocoa Belt

Non-profit organizations and enterprises can apply for funding of **$50,000 to $500,000 USD** to support their work. Non-profit organizations can apply for grants, and for-profit enterprises are eligible for loans. We intend to disburse funding to the selected projects starting in **the fall of 2023.**

Active restoration work will occur in 2024 and 2025, and monitoring will continue for 6 years after funding is disbursed.

All applications must be submitted through the online TerraMatch system. Applications submitted after May 5 will not be considered for funding. Throughout this document, you can find information on the requirements for submitting a proposal and details on the project selection procedures.

A team of independent experts will score each expression of interest according to a standard system. The top-scoring organizations will be invited starting in May to submit a more detailed full proposal.

2 SCHEDULE AND DEADLINES

Activity	Date
Informational Webinar (Optional)	English: March 28, 2023 French: March 29, 2023
Expression of Interest opens for applications on TerraMatch	April 5, 2023
Step 1: Expressions of Interest (EOI) submitted through TerraMatch	**Deadline: You must submit this application by May 5, 2023**
Partners will receive notice about their application status & whether they will be invited to submit a full application	May 22, 2023

Step 2: Full application submitted through TerraMatch	**Deadline: If eligible, you must submit this application before June 16, 2023**
Final decision: The vetting, interview, and selection process will conclude, and all applicants will receive feedback	Mid-September, 2023
Contracting concludes, and funds are disbursed through partners One Tree Planted and Realize Impact	October 2023
Step 3: Cohort is announced, and project implementation begins	Fall 2023
Step 4: Projects and enterprises submit their first reports on TerraMatch	January 31, 2024

3 APPLICATION & SELECTION PROCESS

All applicants will submit an application via the TerraMatch platform. There will be two application stages: 1) Expression of interest (EOI) and 2) Full application. The review and selection team include experts from the World Resources Institute, One Tree Planted, and Realize Impact. Every application will be seen by at least one reviewer, and each applicant will receive personalized feedback.

Every piece of information you submit will be reviewed and taken into consideration**. We will only accept information that is submitted via TerraMatch**. If you have additional documents that you would like us to consider, there will be an option to upload supporting documents as part of the application in TerraMatch. We will not consider any application materials submitted via email or another platform.

A selection committee made of the consortium partners and external advisors will review applications at the EOI and full application stages. Government agencies mandated by AFR100 will also review submissions during the full application stage. After interviews and due diligence are complete, an independent project acceptance committee (PAC) will then award grant finance to non-profit organizations and debt and equity finance to for-profit enterprises.

We assess applications according to the following five criteria:

- **Organization**: Are the organization and project well run?
- **Scalability**: Can it expand with more funding and reach economies of scale?
- **Replicability**: Can its model/approach apply to other landscapes?
- **Environmental impact**: How will it improve soil, water, carbon storage, and biodiversity?
- **Social impact**: How will it improve the livelihoods of local communities and marginalized people?

- **Profitability** (for enterprises): Is the business model viable?
    - Priority focus will be operational stage companies and organizations that have at least have an active prototype, product, or service.

4 FUNDING GUIDANCE

Funding Model

Eligibility for a loan or a grant depends on the type of organization. For-profit organizations can only apply for loans, and non-profit organizations can apply for grants.

- *Grant finance for non-profits/community-based organizations:* Through One Tree Planted, grants are disbursed in several tranches, starting with the signing of the agreement and then following reports.
- *Low-interest loans for for-profit organizations*: Through Realize Impact, low-interest loans are issued in tranches, with term lengths of one to five years.

One Tree Planted issues grants to non-profit organizations and Realize Impact issues debt and equity to for-profit organizations. All funding decisions are made collectively by the consortium of partners, led by World Resources Institute.

Available funding

We have committed to funding a **minimum of 85 projects**, with each project receiving a **minimum of $50,000 USD in funding**. Projects and enterprises can apply for a **maximum of $500,000 USD**. We anticipate that some of our partners may receive more funding than others, depending on the scope and scale of their proposed projects.

We believe that this funding range is sufficient to support a wide range of innovative and impactful projects that align with our mission and goals. We are committed to making our funding process as transparent and fair as possible.

Performance-based Payments

We are committed to using a range of financing arrangements to support our grant and loan programs. We use results-based finance to ensure that funding is disbursed as the project evolves. We believe that this approach can be an effective way to encourage positive outcomes and promote accountability among our partners.

We issue TerraFund grants and loans in tranches. Through this system, we provide funding in stages, with each tranche contingent on the achievement of specific milestones or targets, including TerraMatch project reports.

This approach can help to ensure that funding is used effectively and efficiently and allows us to provide additional support and guidance to our partners as they work to achieve their goals.

Funding Requests

Organizations should not apply for more than their total budget (non-profit organizations) or total revenues (for-profit organizations) from 2020, 2021, and 2022. Applying for more funding than an organization has managed in past years signals to reviewers that your organization's ambition and traction do not match.

The proposed project budget should reflect the total costs of implementing the project and should include monitoring and evaluation expenses. If your organization is invited to submit a full application, you will have to fill out and submit a detailed budget, using a standard template. Note that TerraFund caps all indirect and administrative costs at 20% of the total budget.

Even if you apply for an appropriate amount of funding, the TerraFund for AFR100 Landscapes team may ask you to decrease your budget during the negotiation process in order to more accurately reflect your proposed scope of work.

5 ELIGIBILITY: RESTORATION METHODS

Below you will find a list of the acceptable restoration methods for this request for proposals. Your project can incorporate one or multiple of these intervention types. In this application, we use the following definitions:

Agroforestry: The intentional mixing and cultivation of woody perennial species (trees, shrubs, bamboo) alongside agricultural crops in a way that improves the agricultural productivity and ecological function of a site.

Applied Nucleation: A form of enrichment planting where trees are planted in groups, clusters, or even rows, dispersed throughout an area, to encourage natural regeneration in the matrix between the non-planted areas.

Assisted Natural Regeneration: The exclusion of threats (i.e. grazing, fire, invasive plants) that had previously prevented the natural regrowth of a forested area from seeds already present in the soil, or from natural seed dispersal from nearby trees. This does not include any active tree planting.

Direct Seeding: The active dispersal of seeds (preferably ecologically diverse, native seed mixes) that will allow for natural regeneration to occur, provided the area is protected from disturbances. This may be done by humans or drones- implies active collection and dispersal, not natural dispersal by natural seed dispersers that are part of natural regeneration processes.

Enrichment Planting: The strategic re-establishment of key tree species in a forest that is ecologically degraded due to a lack of certain species, without which the forest is unable to naturally sustain itself.

Mangrove Restoration: Specific interventions in the hydrological flows and/or vegetative cover to create or enhance the ecological function of a degraded mangrove tree site

Reforestation: The planting of seedlings over an area with little or no forest canopy to meet specific goals.

Riparian Restoration: Specific interventions in the hydrological flows and vegetative cover to improve the ecological function of a degraded wetland or riparian area.

Silvopasture: The intentional mixing and cultivation of woody perennial species (trees, shrubs, bamboo) on pastureland where tree cover was absent in a way that improves the agricultural productivity and ecological function of a site for continued use as pasture.

6 ELIGIBILITY: ORGANIZATIONS

In this section, you will find more information about the type of projects and enterprises that are eligible for this funding program. Please read the details and application guidance carefully to make sure your organization is eligible before submitting an application.

All TerraFund for AFR100 applicants should meet the following criteria:

- ❑ The applicant is a business, enterprise, non-profit, or community-based organization that is officially registered in the countries in which it operates.
- ❑ The applicant has experience growing trees on degraded land within TerraFund's target landscapes.
- ❑ The applicant has experience mobilizing communities to understand their restoration priorities.
- ❑ The applicant is financially sound or clearly outlines how funding could enable it to become financially sound.
- ❑ The applicant has the appropriate technical and financial capacity and expertise to manage and implement projects successfully and deliver technical and financial reporting, as requested.
- ❑ The applicant explicitly commits and agrees to share information (other than commercial/confidential), methodologies, and lessons learned with the consortium.

7 ELIGIBILITY: LANDSCAPES

To be eligible for TerraFund for AFR100 Landscapes funding, the proposed project must operate in Kenya's Greater Rift Valley; the Lake Kivu & Rusizi River Basin of Burundi, Democratic Republic of the Congo, and Rwanda; or the Ghana Cocoa Belt. To view the exact boundaries, please visit our online help center - terramatchsupport.zendesk.com.

Our objectives in choosing these three landscapes, and how we define the extent of each landscape, are explained below. All funded projects will need to restore land within one of these landscapes in order to be eligible for financing. The TerraFund for AFR100 Landscapes team works closely with mandated government agencies in each landscape to ensure that funded projects contribute to local and national economic development and environmental management goals.

Greater Rift Valley of Kenya

Why We Chose This Landscape:

Kenya's iconic forests rest on the heights of the country's mountains in the rocky Greater Rift Valley. Locals call them "water towers" because their trees are the source of 75% of the country's water supply.

But Kenya has lost 11% of its natural forests since 2010, the result of urban expansion, uncontrolled logging, and the conversion of ecosystems into agricultural land.

Millions of hectares can be restored in this landscape, and 111 applicants responded to TerraFund for AFR100 2021 call for proposals to do just that.

How We Define this Landscape

The following constituencies are considered to be within the Greater Rift Valley of Kenya. You can use this list to see if your proposed project would fit within the boundaries of this landscape.

Region	Eligible Constituencies
Baringo	Baringo Central, Baringo North, Baringo South, Eldama Ravine, Mogotio, Tiaty
Elgeyo-Marakwet	Keiyo North, Keiyo South, Marakwet East, Marakwet West
Kajiado	Kajiado Central, Kajiado East, Kajiado North, Kajiado South, Kajiado West
Kiambu	Kikuyu, Lari, Limuru
Laikipia	Laikipia East, Laikipia North / Sosian, Laikipia West
Makueni	Kaiti, Kibwezi East, Kibwezi West, Kilome, Makueni, Mbooni
Marsabit	Laisamis, North Horr / Ileret, North Horr / Dukana, North Horr
Nakuru	Bahati, Gilgil, Molo, Naivasha, Nakuru Town East, Nakuru Town West, Njoro, Rongai, Subukia
Narok	Narok East, Narok North, Narok South
Nyandarua	Kinangop, Kipipiri, Ndaragwa, Ol Jorok, Ol Kalou
Samburu	Samburu West, Samburu North
Turkana	Turkana Central, Turkana East, Turkana North, Turkana South, Turkana West
West Pokot	Kacheliba, Kapenguria, Pokot South, Sigor

Lake Kivu & Rusizi River Basin

Why We Chose This Landscape:

The region surrounding Lake Kivu and the Rusizi River consists of a dense system of fresh water sources that host endangered biodiversity and provide food and natural resources to more than 5 million people.

Unsustainable farming practices and charcoal production have led to widespread soil erosion, threatening food security and reducing hydropower production. To combat degradation across Burundi, Democratic Republic of the Congo, and Rwanda, 83 champions applied during TerraFund for AFR100's 2021 call for proposals.

How We Define this Landscape

The following communes are considered to be within the Lake Kivu & Rusizi River Basin. You can use this list to see if your proposed project would fit within the boundaries of this landscape.

BURUNDI	
Region	**Eligible Communes**
Bubanza	All communes
Bujumbura Mairie	All communes
Bujumbura Rural	All communes
Bururi	All communes
Cibitoke	All communes
Rumonge	All communes

DEMOCRATIC REPUBLIC OF THE CONGO	
Region	**Eligible Communes**
Nord-Kivu	Goma, Masisi, Nyiragongo
Sud-Kivu	Baraka, Bukavu, Fizi, Idjwi, Kabare, Kalehe, Uvira, Uvira (ville), Walungu

RWANDA	
Region	**Eligible Communes**
Western Province	Karongi, Ngororero, Nyabihu, Nyamasheke, Rubavu, Rusizi, Rutsiro

Ghana Cocoa Belt

Why We Chose This Landscape

Ghana is the world's second largest exporter of cocoa, generating $2.2 billion per year. However, the sector is facing serious environmental challenges. Between 2001 and 2017, illegal cocoa production decimated 13% of Ghana's forest cover.

The unchecked conversion of forests to farmland has eroded the soil and reduced agricultural productivity, lowering returns for the region's cocoa farmers. But that same land can be restored to health. And 54 restoration champions in the Ghana Cocoa Belt responded to the 2021 TerraFund for AFR100 call for proposals.

How We Define this Landscape

The following constituencies are considered to be within the Ghana Cocoa Belt. You can use this list to see if your proposed project would fit within the boundaries of this landscape.

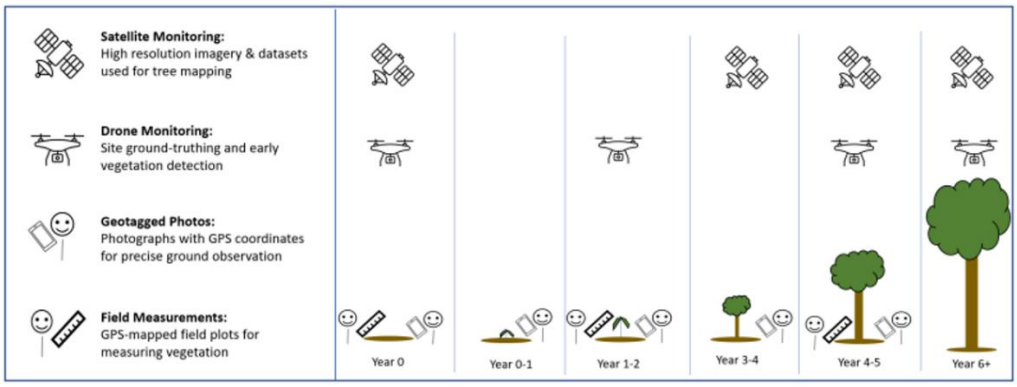
Region	Eligible Constituencies
Ahafo	Asunafo North, Asunafo South, Asutifi North, Asutifi South, Tano North, Tano South
Ashanti	Adansi Akrofuom, Adansi Asokwa, Adansi North, Adansi South, Afigya-Kwabre North, Afigya-Kwabre South, Ahafo-Ano North, Ahafo-Ano South East, Ahafo-Ano South West, Amansie Central, Amansie South, Amansie West, Asante-Akim Central, Asante-Akim North, Asante-Akim South, Asokore-Mampong, Asokwa, Atwima-Kwanwoma, Atwima-Mponua, Atwima-Nwabiagya North, Atwima-Nwabiagya South, Bekwai, Bosome Freho, Bosomtwe, Ejisu, Ejura-Sekyedumase, Juaben, Kumasi, Kwabre East, Kwadaso, Mampong, Obuasi, Obuasi East, Offinso, Offinso North, Oforikrom, Old Tafo, Sekyere Afram Plains North, Sekyere Central, Sekyere East, Sekyere Kumawu, Sekyere South, Suame
Bono	Berekum East, Berekum West, Dormaa, Dormaa East, Sunyani, Sunyani West, Wenchi
Bono East	Atebubu-Amantin, Kintampo South, Nkoranza North, Nkoranza South, Pru West, Sene East, Sene West, Techiman, Techiman North
Central	Asikuma-Odoben-Brakwa, Assin Central, Assin North, Assin South, Komenda-Edina-Eguafo-Abirem, Twifo-Atti-Morkwa, Twifo-Hemang-Lower Denkyira, Upper Denkyira East, Upper Denkyira West
Eastern	Abuakwa North, Abuakwa South, Achiase, Akwapem North, Akwapem South, Akyemansa, Asene-Manso-Akroso, Asuogyaman, Atiwa East, Atiwa West, Ayensuano, Birim Central, Birim North, Birim South, Denkyembour, Fanteakwa North, Fanteakwa South, Kwaebibirem, Kwahu Afram Plains North, Kwahu Afram Plains South, Kwahu East, Kwahu South, Kwahu West, Lower Manya-Krobo, New Juaben North, New Juaben South, Okere, Suhum, Upper Manya, West Akim, Yilo-Krobo
Greater Accra	Ada East, Ada West, Kpone-Katamanso, Ningo-Prampram, Shai Osudoku
Oti	Biakoye, Jasikan, Kadjebi, Krachi East, Krachi West

Volta	Adaklu, Afadzato South, Central Tongu, Ho Municipal, Ho West, Hohoe, Kpando, North Dayi North Tongu, South Dayi, South Tongu
Western	Ellembelle, Jomoro, Mpohor, Shama, Wassa Amenfi Central, Wassa Amenfi East, Wassa Amenfi West, Wassa East
Western North	Aowin, Bibiani-Anhwiaso-Bekwai, Bodi, Sefwi-Akontombra, Sefwi-Wiawso, Suaman

8 MONITORING, REPORTING, & VERIFICATION

TerraFund for AFR100 is pioneering a new approach to empower locally led restoration projects to set a new global standard for restoration implementation. To prove what's happening on the ground, WRI and our partners have designed practical methods that provide reliable, repeatable and robust data to monitor projects throughout their entire lifecycle.

Funded projects will be required to regularly submit project reports every six months on TerraMatch. That data will then be verified with 4 independent sources of information to cross-check and confirm the accuracy and completeness of reported progress.



Monitoring, Reporting, and Verification (MRV) is conducted via TerraMatch, which we use:

1. For project developers to submit three types of reports (site, nursery, and project)
2. For WRI to share summary results of progress back to project developers and funders.

Funded projects will be expected to report every six months on the indicators listed below, which can be found in all their details within our monitoring, reporting, and verification framework.

Indicator 1: Number of Trees Restored

Indicator 1.1 Number of trees under restoration

- *Description*: This indicator combines 2 numbers: the number of trees planted and number of trees grown through assisted natural regeneration practices in planned sites. This indicator represents aggregated number of trees planted, including applied nucleation, and number of trees grown through assisted natural regeneration (e.g. enrichment planting, direct seeding) across sites over a 6-year period. This indicator is

updated with the submission of every 6-month progress report, which continues for 6 years after funding is disbursed.
- *Importance*: This set of numbers, total by site and total by project, is used to understand the progress of project implementation throughout the 6 years.

Indicator 1.2 Number of seedlings or saplings grown in nurseries annually and over a 5-year period

- *Description*: Number of Seedlings grown in nurseries for tree planting/growing across sites and projects.
- *Importance*: Nursery tree count is an intermediary progress indicator for the number of trees planted/grown. In the early stages of project implementation, when seedings or saplings have not been planted, projects can still report progress on their seedlings, showing partners and investors that their tree planted/grown target are in progress.

Indicator 1.3 Number of trees counted at Year 0, Year 3, and Year 6 and change in tree count from Year 0 – 6 across all sites

- *Description*: Remote baseline establishment and evaluation of change in tree count within site areas.
- *Importance*: The Tropical Tree Cover (TTC) dataset and analyses establish Year 0 tree cover, Year 3 tree cover, Year 6 tree cover, as well as the change in tree canopy cover for all sites in a project. This is an impact indicator that shows the growth of trees over the lifetime of the project. The result can be used for adaptive management. For example, if a project used the same methods in two sites, but have different changes in tree cover percent across the project lifetime, this insight can be used to understand the contributing factors of project success and/or failure (e.g. soil type, aspect, slope, project size, planting month). This protocol generates data on the number of trees of a certain size visible within the plot at Year 0, Year 3, and Year 6, developed from best available satellite data at plot level granularity. The method is used as an independent data source to measure progress towards each project's tree planting target.

Indicator 1.4 Percent tree cover at Year 0, Year 3, and Year 6 and change in percent tree cover in restored

- *Description*: Remote baseline establishment and evaluation of change in tree cover within site areas.
- *Importance*: The protocol describes how to collect tree count data using satellite imagery, and it is used to count trees at three moments in time: Year 0, Year 3, and Year 6. Year 0 is defined as 6 months from the date of the first signed contract in the cohort, Year 3 is 3 years from the date of Year 0, and Year 6 is 6 years from the date of Year 0. For example, if the first signed contract happened on January 1, 2023, then the satellite image used for Year 0 will be the best available satellite data at plot level granularity on or as close as possible to July 1, 2023 and before the planting date. Year 3 would be on July 1, 2026, and Year 6 would be on July 1, 2029. The results generated from this analysis, which is limited to trees that are large enough to be visible in the imagery, will be verified via comparison with available information from 6-month reports, geotagged photos, and drone imagery data.

Indicator 2: Hectares Under Restoration

Indicator 2.1 Hectares under restoration and hectares by intervention

- *Description*:
  - Hectares under restoration – The total land measured in hectares with active restoration intervention based on polygons and data submitted by projects.
  - Hectares by intervention – The total land measured in hectares with active restoration intervention, disaggregated by intervention.
- *Importance:* Polygons and related attribute tables are critical to the assessment of impact and indicators 1.3, 1.4, 2, 2.1, and 2.2. They are the basis for generating accurate tree count, tree cover, and data for other indicators within each site area over the lifetime of the project. Polygons are required as input to create Collect Earth Online surveys used to collect tree count, estimate tree cover, and accurately estimate the hectares under restoration and by intervention

Indicator 2.2 10-year lookback analysis

- *Description*: The lookback analysis reviews land conditions and tree dynamics going back 10 years before the start of the project.
- *Importance*: Major disturbances may include fire, flood, hurricanes, uncontrolled grazing, pest outbreaks, and intentional clearing. Some disturbances are natural, some are human-driven - and all can cause degradation.

Indicator 3: Number of Jobs Created

- *Description:* Number of jobs created by the restoration project or enterprise.
- *Importance:* Investment in forest and landscape restoration is touted for creating jobs in rural areas. Therefore, both demographic information and the number and types of jobs created are necessary to quantify and assess the benefits of restoration projects. Researchers can also use this data to complement additional surveys or focus groups to understand the types and quality of jobs within the restoration sector and which demographic categories benefit from the highest quality and full-time jobs. The information in this indicator is also connected to the livelihoods metrics covered by Indicator 4.

Indicator 4: Livelihoods Benefits

- *Description*: The number of people who have reported increased annual income, knowledge, and/or skills
- *Importance*: The co-benefits of restoration activities are difficult to capture accurately and consistently. Our intention is to simplify the quantification and use contextual narratives to support the number. Ultimately, we aim to showcase that restoration has other benefits beyond tree growth and support project developers to tell that story. We would also like to know how restoration benefits women and other disadvantaged groups in the restoration industry as well as other benefits they want to share such as increased community awareness of restoration efforts, improved knowledge and skills on restoration, improved productivity on farms, access to clean water, improved food security, etc.

Indicator 5: Financial Growth

- *Description*: Annual change in budget or revenue and net income.
- *Importance*: Many TerraFund project developers struggle to produce high-quality audited financial statements, which are the backbone of the health of an organization. For small-and-medium enterprises, this is especially important: The lack of a financial statement, where investors can track revenue changes over time, calls into question the ability of that enterprise to pay back any debt or report back to their shareholders. By providing a standard format for all TerraFund recipients to submit their audited financial statements, in addition to profit & loss statements for enterprises, TerraFund can build up the expectation of collecting accurate financial data for growing for-profits and non-profits.

Indicator 6: Carbon Sequestered

- *In pilot, coming soon in September 2023.*
- *Description*: Biomass carbon sequestered.
- *Importance*: Trees outside of forests are an important but often overlooked natural resource throughout sub-Saharan Africa, providing benefits for livelihoods as well as climate change mitigation and adaptation. The development of an individual tree cover map using very high-resolution remote sensing and a comparison with a new automated machine learning mapping product revealed an important contribution of trees outside of forests to landscape tree cover and carbon stocks in a region where trees outside of forests are important components of livelihood systems. The measurement of tree cover and carbon in these landscapes has important applications in climate change mitigation and adaptation policies

Indicator 7: Ecosystem Services Enhanced

- *Coming in late 2023.*
- *Description*: Restoration is a means to achieve many ecological goals, such as improved hydrological flows, reduced erosion, moderated climate, and increased species diversity; field work is required to measure the long-term effects of restoration years after the project is complete. Based on the intervention, studies could assess the effects of restoration on soil, water, plant and animal diversity, community well-being, food production, energy, and sustainability