

# Webinar: Contracting with TerraFund



WORLD  
RESOURCES  
INSTITUTE



ONETREEPLANTED

**TerraFund**  
for **AFR100**

# Agenda

1. Welcome
2. Final Application Revisions on TerraMatch
3. Impact Targets
4. Due Diligence / Know Your Customer
5. Important Contract Terms

*Questions will be answered via the Q&A function on Zoom.*

# **Final Application Revisions on TerraMatch**

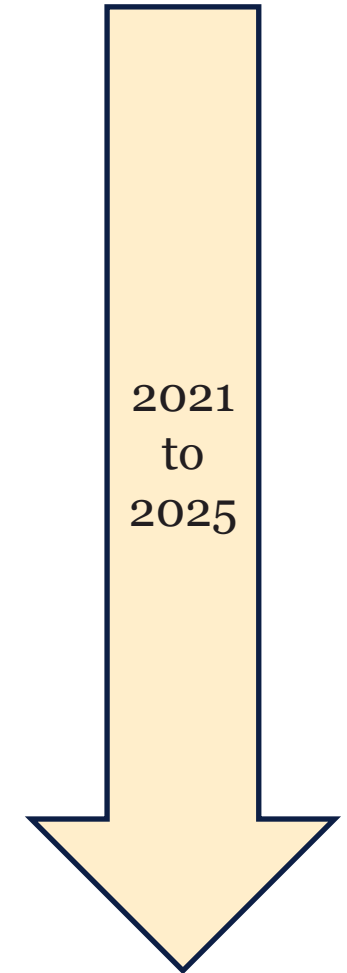
# Purpose of the 2025 TerraFund Cohort

- Further concentrate high-quality, locally led restoration
- Direct funding toward the most critical biodiversity & food-security areas
- Deliver deeper, more verifiable impact by co-creating projects with champions in the areas where restoration benefits will be greatest
- Learn how to co-create with *you*.
- Your project was reviewed by a committee 10+ experts – and it passed.

**Top 100**  
Identified leading restoration champions across Africa

**Landscapes**  
Concentrate into landscapes to bring in local expertise, engage government, and train more effectively

**2025 Cohort**  
Tightly defined clusters to maximize ecological outcomes, strengthen locally led models, and improve MRV and government alignment



# Thank You for the Past 6 Months

## January - June 2025

- Landscape teams flagged potential applicants
- We mapped the “high-priority clusters” where you are proposing projects
- Champions shortlisted and paired with focal points



## July - August 2025

- Co-creation workshops hosted
- Co-creation focal points crafted applications with champions



## Sept. - October 2025

- Applications vetted through standard framework
- Landscape teams shortlist most promising applications
- Applications sent back for revision



## November 2025 – February 2026

- Applicants revise and resubmit applications
- Portfolio approved by selection committees
- Contracting completed

# Finishing the TerraFund Process

- In the final stage of the process, you will hear from four TerraFund Partners.
- **World Resources Institute:** Convening TerraFund and the sourcing process
- **Vumbuzi Impact Africa (VIA) Foundation:** Issuing grants to non-profit champions
  - VIA Foundation is an independent common-benefit foundation based in Rwanda
- **Africa Trees:** Issuing debt & equity to enterprises
  - Africa Trees is a wholly owned subsidiary of **Realize Impact**, a U.S. non-profit

# Immediate Next Steps...

## Finalize Project Details

- Lock impact targets
- Confirm final locations, budgets, and any outstanding revisions

## Mid-February Launch!

- Introduce the new cohort
- Create TerraMatch profiles for initial transfer

## Contract Execution

- Finalize agreements with VIA Foundation & Realize Impact
- Complete due diligence and begin account setup for disbursements

## Onboarding & Peer-to-Peer Learning



# Resubmitting Final Edits on TerraMatch & Due Diligence

- Each project has **specific edits that must be addressed** before a contract is signed.
- VIA Foundation and Africa Trees have their own **due diligence processes**, too.
- Through January, you will work with two people to complete this process:
  - **Focal Point**: Your focal point at WRI will walk you through the suggested edits, finalize your budget, and confirm your impact targets.
    - You may have a new Focal Point assigned to you.
  - **Due Diligence Lead**: A staff member at VIA Foundation (non-profits) or Realize Impact (enterprises) will request due diligence documentation.
- If you pass this step, you will receive a **signed contract to countersign** – and that will mark your official investment from TerraFund.

# Impact Targets

# Let's Start With Our Impact Targets

- We expect you to meet these targets – standard across non-profits and enterprises.
- These will come directly from your final “approved” TerraMatch application.

<b>Project Overview</b>	<b>Target</b>
Project Code	[CODE from VIA Operations]
Organization Name	[TEXT from TerraMatch]
Project Name	[TEXT from TerraMatch]
Country	[TEXT from TerraMatch]
Cluster	[TEXT from Airtable]
Admin 1 Jurisdictions of Implementation	[TEXT from TerraMatch]
Admin 2 Jurisdictions of Implementation	[TEXT from TerraMatch]
Approved Budget in USD	[USD from TerraMatch]
Project Period	January 1, 2026 to March 31, 2032

# Tree Targets Are Independently Verified – Species Must Be Accurate

<b>Tree Restoration</b>	
Number of Trees Planted in 2026	[# from TerraMatch]
Number of Additional Trees Planted in 2027	[# from TerraMatch]
Total Number of Trees Planted by Dec 31, 2027	[# from TerraMatch]
Total Number of Trees Planted by Species	[Array from TerraMatch]
Survival Rate of Planted Trees	[% from TerraMatch]
Total Number of Trees Naturally Regenerating by 2027	[# from TerraMatch]
Total Number of Trees Grown by Dec 31, 2032	[CALCULATION: Total Trees Planted x Survival Rate + Total Trees Regenerated]

# Hectares Under Restoration Are Counted within Geospatial Polygons

<b>Land Restoration</b>	
Number of Hectares Under Restoration in 2026	[You will have to supply this number.]
Number of Additional Hectares Under Restoration in 2027	[You will have to supply this number.]
Total Number of Hectares Restored by Dec 31, 2032	[# from TerraMatch]
Number of Hectares Restored by Restoration Practice	[Array from TerraMatch with Practice & %]
Target Land Use Types	[Multiselect from TerraMatch]
Land Tenure Regime	[Multiselect from TerraMatch]

# Socioeconomic Indicators: Jobs, Volunteers, and Beneficiaries

- A “job” is a person directly employed by your project; a volunteer is a person who works on the project but is not paid; a direct beneficiary does not directly work on the project. These are mutually exclusive categories.

<b>Jobs Created</b>	
Total Number of People Employed by the Project	[# from TerraMatch]
Total Number of Volunteers Engaged by the Project	[# from TerraMatch]
<b>People Benefitted</b>	
Total Number of Direct Beneficiaries	[# from TerraMatch]
Type of Non-Tree Initiatives Supported	[INPUT FROM LIST]

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Type of Non-Tree Initiatives Supported	[INPUT FROM LIST]

# **Due Diligence & Contracts – Non-Profits**

# Standard Contract Terms for All Champions

*This is a selection of the terms, and we stand ready to answer any questions!*

- **Term:** January 20, 2026 – March 31, 2032
- **Reporting:** 12 reports, geospatial polygons, and documentation required for payments.
- **Budget:** >10% change across “Summary” tab line items requires prior approval.
- **Data-Sharing:** TerraFund protects all personally identifiable information, but we will share data about your project progress publicly on a dashboard.
- **Subcontracting:** TerraFund must approve any implementation subcontracts before they are issued, e.g., if you contract a third-party to do work on your behalf.
- **Outcomes Attribution:** TerraFund can “attribute” the impact of your project from one TerraFund donor to another. You always have the right to claim your own impact.
- **Carbon Credits:** You must notify VIA Foundation before you include any trees funded through this project in a carbon crediting project.
- We have standard policies on terrorism, bribery, child labor, etc. that you must follow.

# Due Diligence for Non-Profits: VIA Foundation

- VIA Foundation assigns a **risk score of high, medium, or low** by collecting these documents:
  - Registration or incorporation certificate
  - Tax compliance certificate
  - Organizational chart and list of key personnel
  - Bank verification letter or bank statement matching the organization name on the contract
  - List of authorized bank signatories
  - Past 3 years of audited or certified financial statement (or approved unaudited equivalent)
  - Key policy documents for procurement, human resources, anti-fraud, safeguarding, data protection, and conflict of interest.
- High-risk or medium-risk organizations will create an “**Operational Improvement Plan**” to transition to “low risk” within the 18 months.

*You have already submitted much of this information. We will only ask you for more if something is missing.*

# Non-Profit Organizations Only – VIA Foundation

- **14 Standard Payments:**
  - Aligned with your submitted budget at a standard distribution.
  - 3 payments in 2026
  - 2 payments in 2027-2031
  - 1 payment in 2032
- **Supplemental Payment Incentive:**
  - In 2030, VIA Foundation may issue you an extra “success” payment if satellite data indicates you have reached your contractual survival rate.
  - Dependent on available funding and the applicability of satellite monitoring data to your project.
- **Termination/Suspension:** Mutual for convenience; VIA Foundation may terminate for cause.
- **Audit:** VIA Foundation has the right to call for a project-specific audit but will pay for it.



to	[INSERT CHAMPION NAME] Attn to [INSERT SIGNATORY NAME], [INSERT SIGNATORY TITLE]
date	[INSERT]
code	[INSERT PROJECT CODE]
subject	Subagreement between Vumbuzi Impact Africa Foundation and [INSERT CHAMPION NAME]

Dear [INSERT CONTACT NAME],

We have the pleasure to inform you that Vumbuzi Impact Africa (VIA) Foundation has awarded [INSERT ORGANIZATION NAME] [FINAL APPROVED FUNDING] in support of a project titled "[CHAMPION NAME's 2026 TerraFund Project]," starting on January 20, 2026 and ending March 31, 2032.

This grant is provided to enable [CHAMPION NAME] to implement a TerraFund project in [ENTER CLUSTER AND COUNTRY], with the purpose of advancing ecosystem restoration and in consortium with [INSERT ADDITIONAL CHAMPION NAMES]. Enclosed to this letter is the grant agreement to serve as the legal basis of our collaboration.

This Subagreement consists of the body of this Subagreement award letter and its Attachments 1 through 6. Should an inconsistency exist between the body of this Subagreement and/or its Attachments, it shall be resolved by giving precedence in the following order:

- (1) Attachment 1: Scope of Work & Outcomes Targets
- (2) Attachment 2: Budget
- (3) Attachment 3: Payment & Reporting Schedule
- (4) Attachment 4: Monitoring, Reporting, and Verification Requirements
- (5) Attachment 5: Indicator Definitions
- (6) Attachment 6: Consortium Roles & Responsibilities
- (7) All other Attachments.

Please indicate your acceptance of the award pursuant to the terms of this Subagreement by signing the document.

Yours sincerely,

Assumpta Uzamukunda  
Interim CEO  
VIA Foundation

# Consortium Applications – VIA Foundation

- *Only relevant if you're in an official consortium.*
- **Lead Partner Responsibilities:** Managing the overall budget and subgranting to junior partners.
- **Participation:** Junior partners will participate in all TerraFund events and have access to TerraMatch.
- **Special Annex:** Clarifies roles and responsibilities between the partners, like an MOU.
- **Third-Party Beneficiary:** VIA Foundation may intervene on behalf of a junior partner if mistreatment occurs.
- **Multiple Signatories:** Each subgrantee will sign the contract as a “witness” for mutual accountability.

## Attachment 6: Consortium Roles & Responsibilities

Subrecipient (Lead partner) and Subgrantee Partners implement this Project together, with funding allocated according to the Budget. This Attachment outlines the roles and responsibilities of each partner.

### Subrecipient:

- Issue subgrants to Subgrantee Partners, following the Budget,
- Compile information from Subrecipient and Subgrantee Partners and submit all required reports and geospatial data on TerraMatch, as outlined in Attachment 4.
- INSERT ADDITIONAL ROLES

### Subgrantee Partner 1: [INSERT NAME]

- INSERT ROLES

### Subgrantee Partner 2: [INSERT NAME]

- INSERT ROLES

# **KYC & Contracts – Enterprises**

# Know Your Customer for Enterprises: Africa Trees

- Government regulations and Africa Trees require the following documentation:
  - Corporate description
  - Certificate of incorporation
  - Tax identification number
  - Bank account information
  - Registered business location(s)
  - List of corporate officers
  - List of corporate directors
  - Table of shareholders
  - Table disclosing status of existing debt
  - Organization chart
  - A copy of the passport of the CEO.
  - Signed audited financials (or management accounts)

*You have already submitted much of this information. We will only ask you for more if something is missing.*

# For-Profit Organizations Only – Africa Trees

- **Term Sheet:** We offer you 2-3 options for investment.
- **2+ Investments in Debt or Equity:**
  - Each tranche of debt or equity is treated as a separate investment but monitored together.
  - Aligned with your submitted budget.
  - 1<sup>st</sup> tranche upon signature in 2026
  - 2<sup>nd</sup> tranche eligible 12 months after signature
- **Loan Terms:**
  - 12-60 months, with interest-only period.
  - Interest: 8% USD, 12.5% KES, 14% RWF, 15% GHS.
  - We charge late payments of \$250.
- **Loan Credit Incentive:**
  - TerraFund will apply an annual credit to your loan if you have made all payments on-time and met all reporting and other monitoring requirements.
  - This will lower the balance on your loan every year!

This Promissory Note Agreement (“**Agreement**”) is made on \_\_\_\_\_

## **BETWEEN**

**AFRICA TREES LTD**, a company incorporated under the laws of Mauritius, having its registered office at c/o Rogers Capital, Level 3, Rogers Capital House, 5 President John Kennedy Street, Port Louis, Mauritius (hereunder referred to as the “**Lender**”)

## **AND**

**COMPANY NAME**, a company duly incorporated in [COUNTRY], with registration number NUMBER, having its registered office at [ADDRESS] (hereunder referred to as the “**Borrower**” or “**Company**”).

(Collectively referred to as the “**Parties**”).

## **WHEREAS:**

(A) The Company desires to borrow money from the Lender.

## **IT IS HEREBY AGREED AS FOLLOWS:**

### **1. DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, unless the context otherwise requires, the following words and expressions and abbreviations shall have the following meanings:

“**Agreement**” means this Promissory Note Agreement as being entered into by the abovenamed parties;

“**Business Day**” means a day (excluding Saturdays, Sundays and any Public Holidays) on which banks generally are open in Mauritius for the transaction of normal banking business;

“**Company**” means [COMPANY];

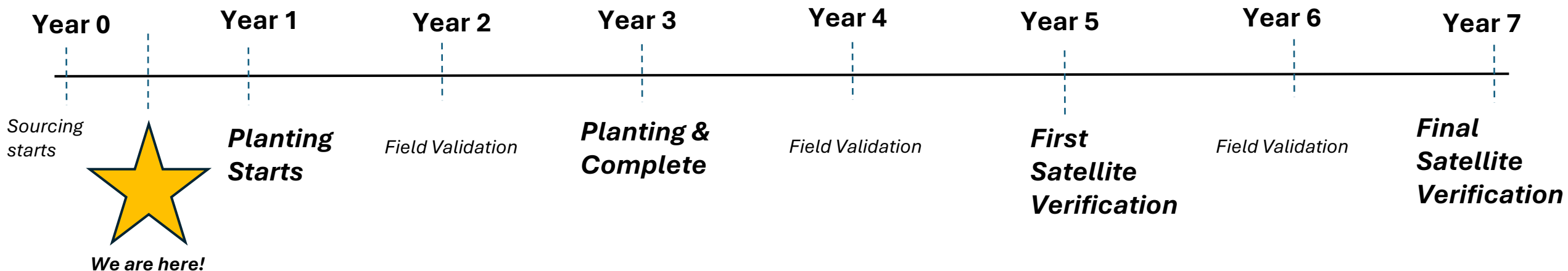
# For-Profit Organizations Only – Africa Trees

- **Equity Terms:**
  - **Valuation:** 1.5-2x of your annual "top line" revenues – the company's total revenue or gross sales before any expenses are deducted.
  - **Patient:** No expectation of your company having an "exit."
  - **Ownership Cap:** Africa Trees never purchases more than 33% of a company's total shares and will consult with you before selling its shares to a third party.
  - **Governance:** TerraFund may appoint a member to your company's board of directors.
    - As a partial owner, TerraFund can support your company grow for the long haul!
    - We ask that you consult us on major business decisions, e.g., taking on debt, equity share issuance, major changes to the business.

<b>T</b>	Trailing 12 months revenues (in USD)	
<b>X</b>	X	Valuation multiple
<b>V</b>	$T \times X$	Pre-investment valuation
<b>A</b>	Adjustment due to inventories or other significant assets	
<b>F</b>	Fully Diluted (number of) shares	
<b>P</b>	$\frac{(V + A)}{F}$	Price per share
<b>D</b>	Investment amount	
<b>S</b>	$D \div P$	Number of shares to be purchased, rounded down to the nearest whole number of shares

# Remember: Payments Are Contingent on Submission & Approval of...

- **Reports:** Impact reports and supporting documentation are collected every 6 months.
  - Expense and financial reports are collected every 12 months.
  - Reports of disturbances, e.g., fire, flood, are collected right after they occur.
  - Supporting documentation is required: land agreements, employee registry, etc.
- **Polygons:** You must collect geolocation data during planting seasons.
- **Site Visits:** Field officers will visit you regularly. We will conduct 3 evaluation visits.



# Reminder: Next Steps

## Finalize Project Details

- Lock impact targets
- Confirm final locations, budgets, and any outstanding revisions

## Mid-February Launch!

- Introduce the new cohort
- Create TerraMatch profiles for initial transfer

## Contract Execution

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***Wishing you a  
festive end of  
year holiday!***

**Thank you!  
Questions?**