# Information note/instruction for applicants for call for proposals

# Tropical Forest Initiative KLIMA

20th February 2025

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#### 1. Background

Preserving forests and securing sustainable forests management plays a crucial role in addressing the effects of climate change, conservation of biodiversity and the promotion of sustainable social and economic development for the millions of people who live in and around forests. To address the negative impact on climate, biodiversity and socio-economic development from deforestation and forest degradation, a Danish Tropical Forest Initiative (TFI) for Climate and Sustainable Development, has been developed and was approved in October 2024.

The initiative will address deforestation and support transformative and sustained change through long-term engagements in existing and new projects on forest protection and conservation. The TFI has a global scope focusing on current and future hotspots for deforestation and forest degradation as well as at-risk natural ecosystems and biodiversity hotspots. The programme supports the achievement of the goals of the Paris Agreement, the Biodiversity Convention, and the ambition to ensure sustainable economic development. It contributes to the fulfilment to halt deforestation by 2030 as agreed in the Glasgow Leaders Declaration on Forests and Land-use.

Up to 90 pct. of global deforestation is caused by extension of agricultural land, including both industrial commodity production and small-scale farming. Other drivers of deforestation are illegal logging, mining and infrastructure as well as structural drivers like population growth, food insecurity, conflict, lack of plans for land use and poor land rights. Causes and implications of deforestation and forest degradation vary from region to region but are generally of high complexity, closely linked and interdependent. Possible solutions must therefore be of cross-sectoral nature and context specific to have a positive impact on humans, animals, plants, climate, and environment.

While climate changes are global, climate adaptation, poverty reduction, and conservation of biodiversity are depending on the local context. Geography, political issues as well as socio-economic development and conditions should define the approach for fighting local deforestation while respecting the importance of forests for both climate, biodiversity, nature, and not least for the Indigenous Peoples and local communities depending on the forests for their livelihood. The Tropical Forest Initiative has a strong focus on climate adaptation, poverty reduction and inclusion of Indigenous Peoples (IP) and

Forest Dependent Communities (FDC) to address the climate-development nexus in the implementation of projects.

#### 2. Objectives and priority issues

The strategic priorities of the Tropical Forest Initiative aim to utilize the potential of forests as a nature-based solution in response to climate change. The desired impact is to reduce Co2 emissions, increase climate adaptation, protect biodiversity, and promote sustainable development. As such, the overall objective of the Tropical Forest Initiative is to:

Reduce deforestation and degradation of natural forest in response to global climate change, to protect biodiversity, and to promote sustainable development, including among Indigenous Peoples and Forest Dependent Communities.

The dual ambition of Denmark's development cooperation is to fight poverty and address climate change to restore a planet in balance. This ambition is reflected in the overall objective of the forest programme as it reflects the link between climate and development, including the complex nexus of poverty and deforestation, and underlines that both the challenges and solutions are interlinked.

The geographical focus of the proposed activities should be countries with tropical forest, mainly in Central Africa, the Amazon and South East Asia.

The objective of this Call for Proposals is to identify projects which can contribute to the overall goal of the TFI. The proposed projects should therefore contribute to the achievement of one or more of the three strategic priorities identified for the TFI.

#### Strategic priorities:

#### Climate change mitigation and adaptation

In Denmark's strategy for development cooperation, the ambition is for Denmark to be leading in combating climate change and restoring planetary balance. A key priority is climate adaptation efforts to enhance resilience to climate change among the poorest and most vulnerable nations and communities. Additionally, Denmark aspires to contribute to climate change mitigation and the reduction of global CO2 emissions.

Nature-based solutions are seen as a tool to achieve the ambitions on climate adaptation, mitigation, and sustainable development. Protecting forests and halting deforestation is one of the most efficient and cost-effective nature-based solutions to address climate change. Utilizing forests' potential as a nature-based solution offers opportunities to both reduce CO2 emissions (though CO2-sequenzation and CO2-storage in trees) and to strengthen adaptation capacities locally and regionally. The realization of the positive benefits on climate mitigation and adaptation from forests requires sustainable governance and management of forest and forest resources. Land use policies, regulation, and enforcement is the foundation for sustainable forest management and addresses both direct and indirect drivers of deforestation, including illegal logging, gathering of wood for fuel and charcoal, weak governance, and insecure tenure rights.

The achievement of the strategic priority of climate mitigation and adaptation could be supported by activities that promote better and more sustainable management of forests and deliver an alternative livelihood for the local Forest Dependent Communities.

#### Poverty alleviation and sustainable development

Globally, more than 90 % of the world's extremely poor depend on forests for food, (wood) energy and other aspects of their livelihood. Adapting a landscape-based approach to address the interconnected challenges of poverty, climate change and biodiversity loss offers the opportunity to focus on integrated solutions with a potential triple-win.

In the context of deforestation and forest degradation, using a landscape-based approach will address the multiple and often competing land uses in and around the forest. This is done by bringing together the diverse range of stakeholders operating in the landscape. The approach requires working across sectors horizontally – e.g. forest sector, agricultural sector and energy sector – and vertically, including Indigenous Peoples and Forest Dependent Communities, private sector, CSO's, and policymakers at both local, regional and state/federal level. For the landscape-approach to be successful there needs to be a stringent approach to secure local leadership and ownership to forest governance. While complex to design and implement, interventions based on an integrated landscape-based approach holds the potential for transformative change at scale and to realize the strategic priorities of poverty alleviation and sustainable development for Indigenous Peoples and Forest Dependent Communities.

Activities to support the principles of landscape-based approach to promote sustainable forest management could include Participatory Forest Management, innovative models for benefit-sharing from forest services, Payment for Environmental Services and inclusion of small-holder farmers in sustainable global supply-chains.

#### **Biodiversity Conservation**

The rationale for protecting biodiversity is that the most serious lasting effect of human activity on the environment is species extinction, as it upsets the balance of nature and makes ecosystems more fragile and less resistant to disruptions. The linkage between biodiversity loss and deforestation is well known, and studies show that tropical forests are home to over half of the world's vertebrate species. As such, loss of forests is a direct cause of loss of biodiversity and fighting deforestation will generally also result in protecting and improving biodiversity and habitats. This is especially true when it comes to moist or semi-moist natural tropical forest, where biodiversity is especially high. These are also some of the forests which are under significant deforestation and degradation pressure.

Supporting the conservation and management of tropical forest in countries with high forest biodiversity would contribute substantially to biodiversity conservation globally. It will be essential that the biodiversity components in the projects under TFI are aligned with the targets from the Global Biodiversity Framework.

Activities could include interventions in regards to establishment of protected areas and buffer zones as well as conservation and restoration of original forests and ecosystems.

#### **Cross-cutting issues**

In addition to the three strategic priorities, the main cross-cutting issues which should be taken into consideration are:

#### **Indigenous Peoples and Forest Dependent Communities**

Tropical forests influence directly or indirectly the well-being and life support of numerous Forest Dependent Communities, as well as many groups of Indigenous Peoples. Forests are also a direct source of livelihoods for Indigenous Peoples and Forest Dependent Communities who safeguard around 80% of the world's biodiversity. Studies show that there is a close link between the well-being and livelihoods of local communities and the health of ecosystems. A healthy environment is crucial for communities, and strong and cohesive communities make conservation efforts more effective in maintaining healthy ecosystems.

Studies also show that different approaches to Participatory Forest Management (PFM) can lead to better management of forests. From an economic perspective, the approach of engaging Indigenous Peoples and Forest Dependent Communities in forest management is less costly because the people living in and of the forest take the responsibility of protecting it. This is often more economically effective than investing in traditional forest law enforcement, forest rangers and oversight.

The activities in support of Indigenous Peoples and Forest Dependent Communities could include addressing issues of land tenure for Forest Dependent Communities, including Indigenous Peoples, supporting activities that promote IPs and FDCs gaining control over their land, addressing sustainable use of forest for IPs and FDCs, and provisioning of technical assistance, legal support and policy inputs to support the rights of Indigenous Peoples.

#### Gender

Women in local and indigenous communities often have a strong attachment to the forest as they are the main collectors and users of non-timber forest products and firewood. However, Indigenous Peoples and Forest Dependent Communities women face multiple and interconnected barriers that restrict their ability to effect change in forest management and forest use in their communities. These barriers are structured by formal and informal institutions and include context-specific gender norms. Land tenure and access to resources remain important impediments to gender equality in forestry and the forest sector in general. At the same time, Indigenous Peoples and Forest Dependent Communities women represent powerful change agents in the fight against deforestation and for better forest management.

Projects could support the role of women as well as women's climate leadership and effective participation at local, national, and global levels. Activities could include proactive measures to achieve gender equality, including use of clear gender assessments, allocation of dedicated gender resources, and development of specific gender action plans with targets that are monitored using gender disaggregated data.

#### Human Rights Based Approach (HRBA)

Denmark promotes and defends human rights, with particular focus on the rights of girls, women and marginalised groups. The TFI aims to ensure that projects are working to promote the human rights of the targeted communities including the rights of Indigenous Peoples and local Forest Dependent

Communities. In this respect, activities could include promotion of good forest governance as well as democratic and transparent institutions, which are relevant for targeted local communities. It is important that those responsible for the conservation of forests incorporate a HRBA in all activities pertaining to forest conservation and management. Specifically, ensuring active participation in decision making of the communities is of specific importance to contribute to a HRBA.

#### Leave no one behind (LNOB)

Leave no one behind (LNOB) is a key cross-cutting principle in Danish development cooperation. Implementing this cross-cutting principle entails an emphasis on addressing and reducing extreme poverty. The groups left behind will often exist in the nexus between poverty, in some cases extreme poverty, and exclusion due to, for example, ethnicity, gender, disability or sexuality. The TFI addresses LNOB by ensuring that discrimination and exclusion, as well as inequalities and vulnerabilities, are being addressed as part of the supported projects. This requires assessing approaches and procedures of the projects for their positive contribution to LNOB, especially analysing how they address inclusive access to forest related services for the poorest, the pro-poor nature of forest policies, and access to forests, land, and resources by the poorest of the poor.

More information about the Tropical Forest Initiative can be found on <u>Meeting in the Council for Development Policy on 12 September 2024</u>

#### 3. Eligibility criteria

The eligibility of the application/lead applicant will be assessed on the basis of the following criteria:

- Proposals must be in support of the above-mentioned objectives, strategic priorities, geographies and cross-cutting issues of the TFI as well as national strategic priorities in the targeted country(ies).
- Proposals may be submitted on behalf of consortiums. A consortium can consist of a Lead Applicant along with one or more Danish, international or local organization(s). All members of such a consortium must be registered legal bodies and must document their ability and commitment to comply fully with MFA zero-tolerance towards corruption. Please also refer to section 6. Ethics and code of conduct in this document.
- The proposed project must include an active involvement of and ownership by a local organization in project planning, implementation and follow up of the proposed activities. The local partner does not have to be a full and formal member of the consortium.
- The applicants must have demonstrated experience implementing similar projects in the targeted country(ies).
- The lead applicant should have prior experience of implementing projects with a budget of minimum DKK 20.000.000.
- Proposed activities must fall under the following thematic areas: conservation and protection of tropical forest and eco-systems, reforestation of tropical forests, conservation of biodiversity, collaboration with local forest dependent communities and Indigenous Peoples, sensitization on issues related to the importance of tropical forests.
- Activities must take place in countries/regions with tropical forest. Activities can take place in one or more countries.

## 4. Evaluation criteria

The evaluation of the **concept notes** will be based on the following overall criteria:

Section	Maximum score		
1) Relevance and coherence	30		
1.1 To what extent is the concept note coherent with the objectives and strategic priorities of the Tropical Forest Initiative?			
2) Project design			
2.1 To what extent is the concept note built on a clear, articulated and logical link from a comprehensive analysis of context, needs and relevant stakeholders to the specification and outline of objective, expected outcomes, outputs and planned activities?			
2.2 How precise and comprehensive are project activities presented?			
2.3 To what extent does the proposed project present a clear landscape-based approach which is likely to make a positive and sustainable impact?			
2.4 To what extend does the project provide value for money (efficiency)?	10		
3) Choice and strategic involvement of partners			
3.1 To what extent does the proposed consortium partners match the geographical context and thematic focus for the proposed project in terms of capacity, local knowledge, previous relevant experience etc.?			
3.2 To what extent does the project proposal include local Forest Dependent Communities and Indigenous Peoples?			
Total maximum score	100		

The evaluation of the full project proposals will be based on the following overall criteria:

Section	Maximum score
1) Relevance and coherence	30
1.1 To what extent is the proposal coherent with the objectives and strategic priorities of the Tropical Forest Initiative?	20

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1.2 To what extent is the proposal coordinated with national strategies and relevant actors within the project area in order to complement other stakeholders' initiatives, avoid overlaps and realize synergies?				
2) Project design	40			
2.1 To what extent is the proposal built on a clear, articulated and logical link from a comprehensive analysis of context, needs and relevant stakeholders to the specification and outline of objective, expected outcomes, outputs and planned activities?				
2.2 To what extent does the proposal include a well-articulated and clear Theory of Change and results framework?				
2.3 How precise and comprehensive are project activities presented?				
2.4 To what extend does the project provide value for money (efficiency)?				
2.5 To what extent is the risk analysis and risk management plan sufficiently clear and comprehensive to allow for necessary adjustments during the project lifetime?				
2.6 To what extent does the proposed project present a clear landscape-based approach which is likely to make a positive and sustainable impact?				
3) Choice and strategic involvement of partners	30			
3.1 To what extent does the proposed consortium partners match the geographical context and thematic focus for the proposed project in terms of capacity, local knowledge, previous relevant experience etc?				
3.2 How well is the choice of the applicant's <i>local</i> partners including their added value in terms of presence, capacity and experience justified against the geographical context and the thematic focus for the proposed project, as well as their potential capacity for future locally-owned interventions?				
3.3 To what extent does the project include local Forest Dependent Communities and Indigenous Peoples?	5			
3.4 To what extent does the division of responsibilities between the main applicant and all other project partners ensure an accountable and efficient utilisation of comparative advantages when seeking to meet the overall objective?	5			
Total maximum score	100			

# 5. Eligibility of costs

Only eligible costs can be covered by a grant. The categories of eligible costs and non-eligible are indicated in Annex 3.

# 6. Ethics and code of conduct

Grant applicants are expected to live up to high ethical standards as well as organisational integrity, including respect for human rights as well as environmental legislation, compliance with core labour standards and zero-tolerance for sexual exploitation, abuse and harassment (SEAH) and corruption. Applicants may be excluded at any stage of the selection process if they do not live up to requirements in this area.

#### 7. Duration, grant size and number of proposals to be selected

The planned duration of the proposal must not be less than 36 months and must not exceed 48 months.

The overall indicative amount made available under this Call for proposals is DKK 100 million. The minimum grant amount to be requested under this Call for proposals is DKK 25 million. The maximum grant amount to be requested is DKK 35 million.

A maximum of 4 proposals will be selected. The MFA reserves the right to adjust the budgets of one or more project proposals to remain within the overall budget. Such adjustments will happen in close consultation with relevant applicants.

Lead Applicants can only send **one** application under this CfP.

#### 8. Application and selection process

There are two stages in this application process, the preselection stage and the full project development stage.

#### 1) Preselection stage – submission of concept note

In accordance with the template in Annex 1, lead applicants are invited to submit a proposal in the form of a concept note. Care should be exercised when developing the concept note in order to ensure its relevance and realism.

The deadline for the submission of the concept note is 21<sup>st</sup> March 2025 at 13hrs and the proposal should be addressed to Charlotte Laursen (<u>chalau@um.dk</u>) and Lena Veierskov (<u>lenvei@um.dk</u>).

The proposal should be submitted as PDF-files as well as in original formats (Word, Excel, etc). All documents should be drafted in English.

Questions in relation to the Call for Proposals from potential applicants may be submitted in writing no later than 2<sup>nd</sup> March 2025 at 13hrs to the following e-mail address: chalau@um.dk and lenvei@um.dk. For the sake of transparency, all answers to questions received in writing from potential applicants will be published on the Call for proposals MFA website no later than 7<sup>th</sup> March 2025. In case of further questions to the answers provided, the MFA will publish the answer to these new questions on the website, if deemed relevant. However, the MFA reserves the right not to answer these follow-up questions. No individual replies will be given to questions received from potential applicants. To ensure equal treatment of applicants, the MFA cannot give a prior opinion on eligibility to potential applicants.

An MFA evaluation committee will be established to evaluate the proposals received under the call for proposals with the possible assistance of external consultants.

#### Administrative checks

During this step, members of the Evaluation Committee will ascertain that:

- The deadline has been met and formal requirements regarding the proposal format have been respected. All instructions must be adhered to, otherwise the application may be rejected on technical grounds.
- The proposal satisfies all the Eligibility Criteria listed above. If any of the mentioned criteria are not met or if any information is missing/incorrect, the application may be rejected on that sole basis and the application will not be evaluated further.

#### Evaluation of concept notes

For proposals that have passed the administrative checks, the concept note will be assessed by the Evaluation Committee based on the Evaluation Grid.

A maximum of 8 applications will be preselected based on the concept notes and will be invited to move on to the project development stage.

The MFA will inform the lead applicants about the results of the evaluation and whether the application has been preselected by  $3^{rd}$  April 2025.

The MFA is not obliged to fully support the proposals submitted. Hence, the MFA will inform the lead applicants that have been preselected, about their tentative level of funding and give feedback to the concept note.

#### 2) The project development stage – submission of full project proposal:

Lead applicants will submit a full project proposal with annexes in accordance with the formats provided in Annex 2. The full project proposal document must be based on the content of the concept note and take feedback from MFA into account. Deviations from this will not be accepted unless justified by significant, sudden and unexpected changes in the context.

The full project proposal should be submitted by 9<sup>th</sup> May 2025 and addressed to Charlotte Laursen (<u>chalau@um.dk</u>) and Lena Veierskov (<u>lenvei@um.dk</u>).

The full project proposal will be evaluated and scored by the MFA Evaluation Committee.

The MFA will make the final selection of maximum 4 applications based on the scoring of the full project proposals. The MFA will inform the Lead Applicants about the outcome of the evaluation by **6**<sup>th</sup> **June 2025** (tentative). Unsuccessful lead applicants must be informed about the reasons why they were unsuccessful.

The MFA reserves the right to reject applications that do not conform to the instructions at any stage of the selection process.

#### 9. Final eligibility assessment

Before the final award of grant, the MFA must conduct a final eligibility assessment e.g. by requiring supporting documents and initiating further inquiries as part of the MFA's obligation to carry out a partner assessment/ due diligence review (cf. MFA Financial Management Guidelines for Development Cooperation)<sup>1</sup>. The purpose of this assessment is to ascertain grant recipients' financial, operational, organisational capacity and compliance with general safeguards and MFA requirements. The level of detail of the final eligibility assessment prior to the grant award may vary according to the specific situation and the context. The MFA may also decide to check eligibility at any previous step of the evaluation of applications.

#### 10. Administration and dialogue with the MFA

The call for proposals and the subsequent project/grant will be managed by KLIMA.

The grant will be administered according to Guidelines for single projects Enkeltprojekter (um.dk)

The following additional special conditions (requirements) apply for the implementation of projects based on this CfP:

- Annual narrative, results and financial reporting shall be submitted to KLIMA at the latest 3 months after the period in question;
- Requests for payments shall be accompanied by a work plan and budget for the coming period as well as a copy of bank statement including the balance of funds.

#### 11. Tentative timetable for the application and selection process

		Date	Time (CET)
1.	Call for proposals published	20.02.2025	
2.	Deadline for requesting clarifications	02.03.2025	13.00
3.	Deadline for issuing Q&A	07.03.2025	
4.	Deadline for submission of concept notes	21.03.2025	13.00
5.	Information to applicants on preselection/invitation project development stage	03.04.2025	
6.	Deadline for submission of full project proposals	09.05.2025	13.00
7.	Information to applications on evaluation of full project proposals/notification of award of grant	06.06.2025 (tentative)	
8.	Signature of grant agreement	September 2025 (tentative)	

<sup>&</sup>lt;sup>1</sup> General Guidelines for Financial management (um.dk)