

Description and Terms of Conditions Ethical BioTrade Community Grants

The Ethical BioTrade Community Grant Programme aims to assist local community suppliers to meet the principles and criteria of Ethical BioTrade in collaboration with Union for Ethical BioTrade (UEBT) Member organizations that source from these communities.

Ethical BioTrade Community Grants, including obligations and eligibility guidelines, are elaborated below.

Knowledge of these terms is a necessary pre-requisite to any application.

Overall objective:

Increase the traded volume on the international or national market of ingredients that comply with Ethical BioTrade principles, thereby contributing to local sustainable development in beneficiary communities and the areas where they live.

Key features of the programme:

Small and medium-sized Trading Members (Approved Candidate, Provisional Member, or Member) of UEBT have the possibility to apply for grants aimed at working with local community suppliers to support Ethical BioTrade practices at the community level. (See also the terms of eligibility below.)

Final beneficiaries of the grants should be local and/or indigenous communities involved in supply chains of **native natural ingredients**.

The funds will be administered by the organizations that have applied for the grants.

The maximum grant per applicant awarded by UEBT will be 20,000 Euros.

The grant will cover costs related to the verification and the design and implementation of Ethical BioTrade practices at the community level.

Financed activities will depend on the needs of the applicant, and vary on a case-by-case basis. They will typically include funding for:

- Scientific research regarding sustainability aspects of used species and their ecosystems;
- Development of educational materials for local communities;
- Coaching and training of local populations at the community level;
- Legal advice regarding issues related to access to biodiversity, benefit sharing, or the use of traditional knowledge;
- Establishment of baselines and monitoring and evaluation systems;
- Support for developing work-plans to attain the Ethical BioTrade Standard;
- **Two local audits** against the UEBT's Standard at the beginning and at the end of the project.

Eligibility:

UEBT Trading Members in tier 1 and 2 categories that are up-to-date in their membership obligations are eligible to apply for grants.

Large Trading Members (tier 3) are not eligible under the grant programme.

Obligations of the applicant:

- The applicant should be able to demonstrate contribution of at least one third (1/3) of the required investment. The contribution of Trading Members can be made in kind, or as an initial cash contribution, or afterwards through premiums paid when buying the ingredients from the communities involved, with a maximum of 50% in kind. All contributions must be well-documented and be described in the budget document.
- The organization that applies for the grant must commit to buy the ingredients from the involved communities for a minimum of 3 years. Compliancy with this commitment must be documented.
- The Trading Members will be required to work with credible (local) technical partners in the design of Ethical BioTrade practices to help ensure the provision of high-quality, locally-appropriate advice and assistance.
- Full compliance with UEBT's Standard should be reached at the community level for traded ingredients, after the activities foreseen in the grant have been fully executed.
- As part of the project, the applicant should hire a qualified Verification Body to conduct two field audits against UEBT's Standard - at the beginning of project and at the end of project - and to approve the developed work-plan of the grant recipient to achieve compliance at the community level with UEBT's Standard. The initial audit may be waived if a qualified auditor has already conducted a UEBT field audit in the community concerned.
- Grant beneficiaries are required to establish baselines in the beginning of the project and include the development of a robust monitoring and evaluation system in their project work-plans. Beneficiaries should use the UEBT impact methodology for this. The baselines are thus established as part of the initial audit to be undertaken in the context of the grant programme.
- Grants should be executed satisfactorily within **two years** following receipt of the first instalment by the Trading Member. If the agreed grant objectives are not met, as determined by an assessment of the UEBT Secretariat or the Verification Body, beneficiaries may be required to repay the grant to the UEBT.
- UEBT will prepare case studies and communication materials regarding the results achieved by a representative sample of the grant recipients. The information will be used to develop UEBT training materials, support the exchange of best-practices among members, and help inform the general public about the UEBT's efforts and impacts at the community level. The grant recipient commits to support UEBT in developing such communication materials and will make these available free of charge.

Payments:

Grant payments will normally be made in three instalments:

- 25% upon signature of the grant agreement,
- 60% upon submission of the first audit report and work-plan, and
- 15% upon presentation of the final report, including the final audit showing compliance with the UEBT's Verification Framework.

Grant agreements may be signed in US dollars or Euros.

Selection procedure and criteria:

- Applications will be reviewed by the UEBT Secretariat with advice from a Grant Committee composed of leading NGOs and international organisations. This committee will be established for the sole purpose of selecting grantees. The exact composition of the committee will not be made public.
- The UEBT Secretariat and the Grant Committee will treat information submitted to the UEBT as confidential.
- There is no possibility to appeal decisions taken by UEBT regarding the grant awardees.

- Grant applications must include the following:
 - Specific products (ingredients/species) and community beneficiaries identified;
 - The type of products to benefit from the grants must be native and/or natural ingredients, covered by the UEBT Standard;
 - A formal commitment from the applicant organization to contribute to the project on at least a 1:3 basis;
 - Commitment by the applicant organization to buy the relevant ingredients from the involved communities for a minimum of 3 years;
- The following will also be considered during the review process:
 - Feasibility of reaching compliance with the UEBT Standard at the community level after the activities foreseen in the grant have been fully executed (i.e. within 2 years);
 - Availability of credible local technical partners to support the design of Ethical BioTrade practices;
 - The level of the requested grant amount in relation to the income generated at the local level;
 - When deciding between competing proposals, priority will be given to those with the highest credible projections regarding:
 - the number of community beneficiaries,
 - the volumes of species/ingredients traded,
 - the income generated,
 - the ratio between the grant amount and the income generated;
 - the biodiversity significance of the eco-system involved, and
 - the relative importance of the grant for the beneficiary communities.
 - Initiatives that promote trade between UEBT members and/or have higher ratios of matching funds will be regarded positively as well. Organizations that already receive support from other organisations related to UEBT will be given lower priority.

Reporting, monitoring and impact evaluation:

For the duration of the grant period, organizations that receive grant funding will be required to report annually on progress made in the implementation of assistance to the identified local suppliers, as part of the annual reporting required by UEBT. The implementation indicators of the project should be filled in each year for the annual report.

Final grant reports submitted by beneficiary members shall include the final audit report, the work-plan, the impact measurement forms and financial reports. The final audit will include additional checks on issues like beneficiary satisfaction at the community level, the contribution and premiums paid, and the importance of the grant for community beneficiaries.

Timelines:

- Members interested in taking part must notify the Secretariat by 15 September 2010
- Completed applications must be received at the UEBT Secretariat by Monday 18 October 2010.
- Grant decisions will be announced on or before 31 November 2010.

Complete ***applications*** must consist of:

1. Application Form: Completed in Word format and a copy **signed and scanned**, sent to info@ethicalbiotrade.org;
2. Description of the project outlines as a fact sheet, max. 1 page;
3. Project budget: 1 Excel sheet (or table) with all the activities and associated resources listed (human resources, UEBT grant, Organization's contribution in kind, in cash, other funds...).
4. Any additional information that the applicant wants to provide as annexes to the Application.

Note: The Grant Committee will base its formal decision on points 1 to 3.