

Terms of Reference: Forest sector

Strengthening Brazil's National Bioeconomy Policy

Grant value:

Up to £500,000 per financial year (Apr-Mar), up to a maximum of £1,000,000 over 24 months

Project duration:

Up to 24 months. The project is expected to start in December 2023, and can end no later than November 2025. The project must have a clear indication of the outcomes and impacts expected to be achieved in the first year, as well as in any subsequent years of implementation.

Deadline for submission of applications:

9 October 2023, 12.00 (BRT)/ 15.00 (UTC)

Apply through Country Programmes Opportunities Portal: Here.

The UK Government is looking to extend its support to the forest sector in Brazil, through a technical assistance and capacity-building project aimed at supporting the National Secretariat of Bioeconomy from the Ministry of Environment and Climate Change in developing the National Bioeconomy Policy, the National Bioeconomy Plan, and the National Sociobioeconomy Programme.

This initiative is being delivered through the Brazil-UK PACT (Partnering for Accelerated Climate Transitions) Country Programme, and it is aligned with the UK-Brazil Partnership on Green and Inclusive Growth launched in May 2023.



What is Brazil-UK PACT?

UK PACT is funded by the UK Government through its International Climate Finance (ICF) portfolio and works in partnership with Official Development Assistance (ODA) eligible countries with high emissions reduction potential, to support low-carbon development and clean growth transitions. UK PACT Country Programmes respond directly to identified demand by partner governments and provide grants for capacity-building projects in priority areas, which are delivered implementing partners.

The Brazil-UK PACT Country Programme is looking to extend and strengthen existing bilateral climate initiatives, while also exploring new areas where Brazil and the UK can collaborate on reducing emissions and promoting low-carbon development.

In this call for proposals, Brazil-UK PACT is responding to a demand identified during engagement with the Brazilian government, and the content has been developed in consultation with the Brazilian National Secretariat of Bioeconomy (SBC) from the Ministry of Environment and Climate Change (MMA).



Why are we focusing on Bioeconomy?

- Brazil has a forest area of about 498
 million hectares, equivalent to more
 than 58% of the country's territory. In
 the last 30 years, more than 70 million
 hectares have been deforested
 according to the National Forest
 Information System (SNIF).
- Brazil remains the country with the most tropical primary forest loss by far

 in 2022 it accounted for 43% of the global total. Its 1.8 million hectares of primary forest loss resulted in 1.2 Gt of carbon dioxide emissions.²
- Land use, land-use change and forestry (LULUCF) was the biggest source of carbon emissions in Brazil in 2021 accounting for 49% of the country's total emissions. Adding the emissions from LULUCF to those from the agricultural and livestock sector accounts for 74% of all climate pollution in Brazil.
- The agriculture and livestock sector, which accounted for 8% of 2022
 Brazil's GDP, was responsible for 95.7% of the country's deforestation, followed by small-scale mining activities (5,965 ha), industrial mining activities (1,128 ha) and urban expansion (3,407 ha).⁴

- To reduce the rate of deforestation and promote the growth of sustainable land use it is important to identify potential solutions to increase the value of standing forests, for example, through bioeconomy value chains (presence has grown by 46% in 2022 in Brazil)⁵ and sustainable agricultural practices.
- Bioeconomy, as a cross-government model of development, requires coordination so that it can foster a fair and sustainable model of economic growth. This growth must be grounded in the sustainable use of natural resources, respecting Brazilian biodiversity, while being guided by traditional and scientific knowledge, innovation and technologies.
- This Call for Proposals aims to promote sustainable bioeconomy policies, while also helping to drive economic development by increasing the value of standing forests to reduce deforestation in Brazil.

¹ https://snif.florestal.gov.br/pt-br/os-biomas-e-suas-florestas

² https://research.wri.org/gfr/latest-analysis-deforestation-trends

^{3 &}lt;u>https://www.cepea.esalq.usp.br/br/pib-do-agronegocio-brasileiro.aspx</u>

 $^{4\ \}underline{\text{https://storage.googleapis.com/alerta-public/dashboard/rad/2022/RAD_2022.pdf}}$

 $^{5\, \}frac{1}{https://agro.fgv.br/sites/default/files/2023-06/2023.04.06\%20-\%20Balan\%C3\%A7a\%20comercial\%20da\%20Bioeconomia\%20brasileira.pdf}$



Funding priority in the forest sector for this Call for Proposals: Strengthening Brazil's National Bioeconomy Policy

This Call for Proposals seeks to provide support for the National Secretariat of Bioeconomy (SBC) on their strategy to position the bioeconomy sector as a new development paradigm in Brazil by developing three new governance mechanisms: the National Bioeconomy Policy, the National Bioeconomy Plan, and the National Sociobioeconomy Programme.

- The National Bioeconomy Policy will provide clear guidelines and strategies, based on the sustainable use of natural resources, especially Brazilian biodiversity, scientific and traditional knowledge, and current and potential innovations and technologies.
- The National Bioeconomy Plan will be the mechanism for implementing the policy this must be developed through a participatory process, with the involvement of civil society organisations, indigenous groups, scientific institutions, the private sector and other relevant stakeholders.
- The Sociobioeconomy Programme will acknowledge Brazil's sociobiodiversity, cultural values and territories of indigenous peoples and other traditional and forest communities. It will be the mechanism that ensures that these groups have access to solutions, instruments and strategies for improving their community-based businesses, aiming at generating income from activities that protect, manage and regenerate Brazilian forests.

Each of the three governance mechanisms listed above will be anchored by an implementation, governance and fundraising strategy that responds to the urgency required for action around sustainable economic development, social inclusion and climate change mitigation and adaptation.

More detail and expectations for the project are outlined in the table below, as well as illustrative activities that are thought best suited to achieve the desired outcomes. Applicants should consider these activities when developing their proposal, but additional ones are welcome, if applicable.



Key	Summary
Key counterparts	National Secretariat of Bioeconomy (SBC) from the Ministry of Environment and Climate Change (MMA)
Objectives	Provide technical support to the National Secretariat of Bioeconomy (SBC) in the development, launch and implementation of the National Sociobioeconomy Programme, the National Bioeconomy Plan and the National Bioeconomy Policy. The overall purpose of these governance mechanisms is to establish guidelines for the bioeconomy sector, including a portfolio of economic incentives, public policies and alliances with multisectoral partners, while taking the specificities of the six Brazilian biomes into consideration.
	The focus will be on two pillars of work:
	Pillar 1: Bioeconomy – Design of the strategy for structuring and enacting the National Bioeconomy Policy and the National Bioeconomy Plan.
	Pillar 2: Sociobioeconomy - Strengthening sociobiodiversity in Brazil through the National Sociobioeconomy Programme and support for community businesses.
	Cross cutting activities will include:
	 Facilitating collaborative participation with different sectors, ministries and other jurisdictions in the development of the three bioeconomy strategies. Promoting actions for gender equality and social inclusion (GESI), in particular with regard to the inclusion of indigenous peoples and forest communities. Supporting the Interministerial Committee and Executive Group for Bioeconomy.

Illustrative (non-exhaustive) activities for each pillar and suggested timelines are presented below. The final workplan will be defined together with the Secretariat of Bioeconomy and implementing partner after the selection process.

Pillar 1: Design of the strategy for structuring and enacting the National Bioeconomy Policy and the National Bioeconomy Plan

Main activities	Suggested timeline (calendar year)
Develop and implement a strategy for the development of the National Bioeconomy Policy and Plan. This should include a stakeholder engagement plan for the private sector, third sector, ministries, other jurisdictions, as well as the identification and engagement of key actors to constitute the Interministerial Committee and Executive Group for Bioeconomy.	Q1/2024
Develop a baseline assessment on bioeconomy in Brazil, by region and biome, to support strategic political definitions for the theme, based on secondary data.	Q1/2024
Develop a proposed framework for bioeconomy in Brazil, which will support the discussions of the Executive Group for the development of the Policy and the Plan, considering regional specificities. Topics to be included (non-exhaustive): i) Economic and Regulatory Instruments; ii) Business and Market Development; and iii) Research, Innovation and Technological Development	Q2/2024
Identify key demands and opportunities by region and biome for the development of the National Bioeconomy Plan.	Q2/2024
Develop and support a strategy for the public consultation process that will support the development of the National Bioeconomy Policy. This could include creation of a public consultation plan, stakeholder mapping, and supporting SBC with data collection to support the formulation of the public consultation document*, a National Seminar to validate the National Policy, monitoring and follow-up of the public consultation process and systematisation of the contributions presented in a final document. *Public consultation expected to be available by Jun/24	Q3/2024
Develop a dissemination, monitoring and evaluation strategy for the Plan, including a platform for data and information to be integrated into MMA platforms, and a publication on bioeconomy in Brazil.	Q4/2024-end of the project

Pillar 2: Strengthen sociobioeconomy in Brazil through the National Sociobioeconomy Programme and support for community businesses.

Main activities	Suggested timeline (calendar year)
Develop a strategy for the development and promotion of the National Sociobioeconomy Programme, including data collection with key actors to support the formulation of the public consultation document, up to four regional workshops, monitoring and follow-up of the public consultation process and systematization of the contributions presented in a final document.	Q3/2024
Develop and implement a methodology for registering community-based businesses, including tools and instruments of information management that can be integrated into MMA platforms.	Q3/2024
Conduct a feasibility assessment to inform the development of up to seven BioHubs (bioeconomy poles) in the Amazon and Cerrado. These BioHubs will support the implementation of the National Policy by providing the necessary infrastructure and services to community-based businesses in each priority territory. For feasible BioHubs, develop an implementation plan which should cover: i) sociobioeconomy value chains and key actors; ii) opportunities and challenges for the development of sociobioeconomy; ii) evaluation of public infrastructures in the municipalities where the hubs will be located.	Q4/2024
Develop a strategy to identify funding streams to provide sustainable finance to community-based businesses, with an emphasis on accessing private sector funding.	Q3/2025

UK PACT is planning a skill-share initiative to share the UK's expertise on stakeholder engagement to complement the Secretariat's strategy for the National Bioeconomy Policy. The selected implementing partner will be expected to collaborate, to leverage any synergies between the two initiatives.



The importance of considering Gender Equality and Social Inclusion (GESI) in your application:

All projects are required to mainstream GESI within activities. Proposals must consider inclusivity as a key action area in enhancing the power, influence and benefits deriving to women, Indigenous People, local communities, people with disabilities and other marginalised groups. Having GESI-centred interventions through UK PACT will not only contribute to the transition to a low-carbon economy, but also to fairer socioeconomic development based on social and gender equity goals.

Bioeconomy has great potential for direct GESI-focus outcomes, especially for minority and traditional groups that depend on nature resources for their subsistence and for women that play important roles in those communities.

All proposals should identify specific GESI outputs and outcomes that demonstrate measures for these groups to articulate their needs, and to play a role in ensuring those needs are addressed through the project, with a focus on the key issues of affordability, accessibility, safety, and representation.

Proposals should also make clear the specific GESI outcome statement in the project design, and monitoring framework should explicitly mention GESI and include GESI-specific indicators.

Illustrative examples of potential activities include:

- Taking a participatory approach to policy-making, ensuring full engagement of women, youth, indigenous and other traditional communities, people with disabilities and other marginalised groups.
- Increasing the integration of GESI-considerations in policies, regulation, and planning processes and/or improved implementation of these.
- Systematically taking into account the differentiated needs, knowledge, experiences, and priorities of women, youth, indigenous and other traditional communities, people with disabilities and other marginalised groups in all project activities.
- Ensuring that the development of new regulations is built on inclusive basis, providing opportunities to indigenous peoples, forest communities, small businesses, marginalised groups, and those working in sectors related to bioeconomy.

Applicants are encouraged to review UK PACT's <u>GESI Guidance</u> when developing their proposals.



Each proposal will be assessed independently. We will support one project with a grant valued at no more than £500,000 per financial year (UK financial year, April – March) up to a maximum of £1,000,000 over two years. Applicants should propose a project of 12 to 24 months in duration as is relevant to the intervention being delivered. The project is expected to have a start date in December 2023, and can end no later than November 2025.

All proposals must have a clear indication of the outcomes and impacts expected to be achieved within the first implementation cycle (12 months). The second year will depend on a previous performance evaluation and alignment with UK PACT strategy for the project's continuity.

For more information on what is eligible for funding, please refer to the Applicant Handbook (see **Relevant documents** section).

Important things to consider in your application



Project workplan

All proposals must include an inception phase of one month in the workplan, during which time any necessary engagements with Secretariat of Bioeconomy will be carried out, deliverables confirmed and theory of change finalised. At the end of this period a revised workplan may be required.



Government engagement

As a demand-led programme, the Brazil-UK PACT Country Programme aims to align its support with existing Brazilian Federal plans and policies towards a low carbon economy. Applicants are advised to refer to these policies, which include:

- Brazil NDC
- The Action Plan for the Prevention and Control of Deforestation in the Legal Amazon (PPCDAm)
- <u>Ecological Transition Plan to be launched soon</u>
- Biodiversity Law n° 13123/2015
- National Policy for the Sustainable Development of Traditional Peoples and Communities



What is the timeline for selection?

Stage	Date
1.Terms of Reference (ToR) and application process launched	06 Sep 2023
2. Deadline for receipt of clarification questions	26 Sep 2023
3. Deadline for submission of applications	9 Oct 2023 at 12.00 BRT/ 15.00 UTC
4. Applicants notified of project selection	w/c 30 Oct 2023
5. Due Diligence, Co-Creation and Grant Signing	Nov 2023
6. Project start date	Dec 2023



Application guidance

All applications must be made through the Country Programmes Opportunities Portal. For full instructions on how to apply please refer to our Applicant Handbook.

	Eligibility criteria
Applicant	 Only non-profit organisation can apply as lead organisation. For-profit organisations can participate in the call for proposals as partners within a consortium. Government agencies and/or departments are not eligible to apply either as a lead organisation or partner in a consortium. All consortia must have at least one local partner. The local organisation does not need to be the consortium lead. A local partner understood as an organisation that operates in Brazil under a National Register of Legal Entities (Cadastro Nacional de Pessoa Jurídica – CNPJ).
Project	 Proposals must respond to the strategic priorities outlined in these terms of reference. Budgets must not include capital expenditure or tangible assets. The project value must not exceed £500,000 per financial year (April-March), with a maximum of £1,000,000 total budget over 24 months total period of performance.
Application	 Applications must be coherent and legible. All relevant sections must be completed. Applications must be submitted in English.

What are the selection criteria?

Area	Heading	Criteria description	Weighting
Technical (70%)	Impact	The applicant clearly articulates how the project will specifically help the counterpart achieve and accelerate their goals of strengthening Bioeconomy Policies in Brazil. The applicant provides a clear impact pathway [Project ToC Application Form] showing how their outputs will lead to the outcomes required for transformational change and identifies opportunities for replication / scaling up of activities.	15
	Project description, approach, and plan	The applicant clearly articulates how the project responds to the terms of references and plans to deliver the expected outputs and lays out a project plan which includes a project, activities, workplan, and stakeholder engagement plan. The applicant provides a convincing rationale for the ability of the project to deliver outcomes and a clear plan for engaging with key counterparts during delivery to ensure uptake of project outputs.	20
	Gender and social inclusion - GESI	The applicant clearly identifies how the project could -both positively and negatively – socially and economically benefit women, Indigenous People, local communities, and other under-represented groups. The applicant clearly identifies how the project will ensure the participation of indigenous groups, women and other marginalised groups in policy-making. The proposal has successfully mainstreamed GESI in their project and identified specific outputs that would lead to desired GESI outcomes.	20
	Knowledge, skills, experience, and team structure	The proposed project team has relevant knowledge and experience in the subject area and has the skills in place to deliver the project. This includes knowledge, skills and experience in; the specific priority area the proposal responds to, technical assistance/capacity building, and public sector project implementation. The core skills, experience and knowledge required to deliver all elements of the project that have been outlined (including GESI) within the ToR are covered and the team is well structured and available to mobilise quickly. To ensure effective knowledge transfer and capacity building, applicants must demonstrate a strong understanding of Brazilian priorities and delivery context, as well as bringing the relevant expertise required.	15

What are the selection criteria?

Area	Heading	Criteria description	Weighting
Project Management (20%)	Project management	The proposal outlines a clear plan for mobilising the project quickly and effectively. There is a robust project management mechanism to ensure activities stay on track, on budget and deliver project results. This must include collating and submitting evidence of activities, outputs and reporting project progress to UK PACT. The applicant provides a clear plan for managing consortia where applicable.	15
	Risk management	The applicant has clearly outlined the key risks associated with delivery with clear plans for mitigating these and an understanding of the likelihood and impact of each. This includes risks associated with impacts on marginalised groups and changing political contexts.	5
Financial (10%)	Budget and Value for Money	The budget is clearly linked to the activities and outputs outlined, with appropriate allocation of time and resources, and costs that appear reasonable for the activities proposed, including sufficient allocation for project management, reporting and data collection to allow for close coordination with UK PACT. The application provides confidence that the project will represent good value for money, including FCDO's Four Es (economy, efficiency, effectiveness, and equity). The Four Es are detailed in the Applicant Handbook.	10

How do we score each criterion?

Score	
5 (Excellent)	Demonstrates an expert understanding of the project and proposes excellent and accurate solutions which address all requirements, and which are innovative where appropriate. Responses are excellently tailored to the context in all aspects. The level of detail and quality of information provides the highest degree of confidence in the ability to deliver.
4 (Very Good)	Demonstrates a very good understanding of the topic relating to delivery of the project. Responses are relevantly tailored to the context in the majority of aspects. There is sufficient detail and quality of information to give a strong level of confidence that they will deliver.
3 (Good)	Demonstrates a good understanding of the topic relating to the delivery of the project. Responses are reasonably tailored to the context for many of the aspects. There is a good level of detail and quality to give a good level of confidence that they will deliver.
2 (Satisfactory)	Demonstrates a satisfactory understanding of the topic relating to delivery of the project. Some appetite to tailor to context where required. Provides a limited level of detail and the quality of information provided gives only some level of confidence that they will be able to deliver satisfactorily.
1 (Unsatisfactory)	Demonstrates a poor understanding of the topic relating to delivery of the project. Poor tailoring to the context where this is required. Generally, an unsatisfactory and a low level of quality information and detail, leading to a low level of confidence that they will deliver.
0 (Fail)	Failure to address the material requirements of the project. No tailoring of responses to meet the context. No quality responses providing no confidence that they will deliver.

What to do if you have questions?

Applicants should read these terms of reference in conjunction with the Applicant Handbook for full details of how to apply. Further questions on the scope of this call for proposals can be addressed to: **brazil@ukpact.co.uk**.

Clarification questions will be accepted until 18.00 BRT / 21.00 UTC on 26 September 2023, and answers will be published on the Country Programmes Opportunities Portal.

If you have any technical issues with the Country Programmes Opportunities Portal, please contact: support@touchstonereview.com.

Relevant documents

- Applicant Handbook
- UK PACT Country Programmes Proposal Template
- UK PACT Country Programmes Budget and Workplan Template
- Project ToC Form
- UK PACT's GESI Guidance

These will be available on the portal when you apply