Request for Proposals (RFP)

To provide support in the sourcing and screening of potential adaptation SMEs[[1]](#footnote-0) in the Least Developed Countries (LDC) in Sub-Saharan Africa

# Information about the RFP

| **Summary** | South Pole Carbon Asset Management Ltd (South Pole) invites interested and eligible offerors (Offerors) to submit a proposal for the development of an initial pipeline and assessment of 30 potential adaptation SMEs, the initial screening and preparation of a Project Opportunity Note for 20 adaptation SMEs selected by South Pole, and (optional) developing a pre-investment work plan and a Proposal for Pre-Investment Technical Assistance for adaptation SMEs selected by South Pole. |
| --- | --- |
| **RFP Reference** | RFP-LRF GEF-2024-001 |
| **Date of Issuance** | January 29, 2024 |
| **Due Date of Questions** | February 5, 2024 |
| **Response to Questions** | February 12, 2024 |
| **Closing Date** | February 26, 2024 |
| **Estimated Decision Date** | March 11 , 2024 |
| **Estimated Start Date** | March 25, 2024 |
| **RFP question and submission contact details** | [landscaperesiliencefund@southpole.com](mailto:landscaperesiliencefund@southpole.com) |

# Background

South Pole is the ‘Executing Agency’ for the Global Environment Facility (GEF) funded Project # 10436, “Investment Readiness for the Landscape Resilience Fund”[[2]](#footnote-1).

The Landscape Resilience Fund (LRF)[[3]](#footnote-2) is a foundation under Swiss law, managed by South Pole, that promotes climate change adaptation and sustainable development in developing countries. To achieve this, the LRF:

* Provides loans to adaptation SMEs to scale or replicate their business model
* Facilitates pre-investment capacity building for SMEs
* Takes part in the development of the *landscape* through multi-stakeholder platforms and local community engagement to increase the region’s/sector’s climate resilience

The objective of the ‘Investment Readiness for the Landscape Resilience Fund’ GEF Project is to catalyze private sector investment in SMEs with climate-resilient practices, by providing pre-investment services for investment readiness to adaptation SMEs. Part of the resources provided by the GEF were granted by the Least Developed Countries Fund (LDCF), which is why South Pole seeks to source and screen SMEs in select LDCs located in Sub-Saharan Africa[[4]](#footnote-3).

# Scope of Work

## Place of Performance

Other than as necessary to screen eligible SMEs, this assignment will be desk-based remote work.

## Contract and Period of Performance

To regulate the provision of the services and deliverables contemplated under this RFP, a consultancy agreement will be executed between South Pole and the Selected Offeror (Agreement). The duration of the Agreement will be agreed between the Selected Offeror and South Pole but in any case, shall be no longer than 4 months after the Agreement is fully executed. All Offerors are required to provide a Statement of Availability for all staff included in their proposal as set out in Section III.

## Scope of Work

South Pole is seeking adaptation SMEs that meet specific geographical and business ownership targets, that may be considered as candidates for the LRF’s pre-investment support.

For this assignment, the Selected Offeror must understand LRF’s selection criteria for pre-investment support and loans for SMEs, source and provide an initial level of screening on a pipeline of eligible SMEs in need of pre-investment support, and provide all relevant contact details and make requisite introductions to SMEs to allow the LRF to perform a further screening and grant approval process.

### SME Minimum Eligibility Criteria:

All SMEs originated must comply with the following criteria:

* SME is an agribusiness or similar, with strong links to smallholders or rural livelihoods.
* SME is based in any of the following Least Developed Countries (LDCs) in Sub-Saharan Africa: Burundi, Madagascar, Malawi, Mozambique, Rwanda, Uganda, Tanzania, and Zambia.
* SME is legally domiciled in a country included in the Global Environment Facility’s list of recipient countries[[5]](#footnote-4).
* SME has a business model that enhances the smallholders’ ability to adapt, and builds and/or increases their resilience, to climate change impacts[[6]](#footnote-5). The SME should also contribute to enhancing the smallholders’ knowledge and understanding of risks and impacts of climate change and/or climate variability, including related determinants (exposure and vulnerability), to support decision-making and enable preparedness and early climate change action
* SME meets the following financial conditions:
  + Audited financial statements for at least the most recent financial year. SMEs with audited financial statements covering the previous two years or more will be prioritised.
  + Existing revenues of:
    - average USD 1m over the past three years; and/or
    - annual revenue growth of 30% over the past three years with the most recent full-year revenues no less than USD 500k.
  + Reasonable projections showing profitability within the next 1-3 years.
  + The SME has availability of security to back external investment.
  + Clear intention to fundraise a minimum of $500,000 from long-term investors within the next 12-18 months, and a preliminary pitch of required pre-investment support requested from the LRF.
* SME is NOT:
  + A financial intermediary.
  + Legally domiciled, nor any SME group company, in any jurisdiction included in *EU list of non-cooperative jurisdictions for tax purposes*[[7]](#footnote-6).
  + Included on LRF’s exclusion list (see Annex 3).

### Other SME Criteria

* At least six of the SMEs presented during Phase 2 (see below) should meet the 2X Challenge definition of women-led, namely compliance with at least one of the following criteria:
  + 51% women ownership or the business is founded by a woman.
  + Product(s) or service(s) that specifically or disproportionally benefit women.
  + 30% women in senior leadership or 30% women on the Board.
  + 30-50% share of women in the workforce (depending on sector) and one “quality” indicator beyond compliance.

## D. Deliverables

The work will be split into three phases:

1. Initial pipeline development and LRF pipeline review and assessment.
2. Final pipeline development.
3. Workplan Development (Optional).

#### 

### Phase 1: Initial pipeline development and LRF pipeline review and assessment

The Selected Offeror and South Pole will engage in a 2-stage process of pipeline development to ensure the quality and consistency of SME candidates.

#### First Stage

The Selected Offeror will develop a long list of 30 SME candidates that meet the *SME Minimum Eligibility Criteria* and *Other SME Criteria* above, and it will briefly present them in a two-hour meeting with South Pole and the LRF team.

At this stage, South Pole and the LRF team will be granted an assessment period and the opportunity to reject up to 10 SMEs from the long list and make reasonable adjustments to the eligibility criteria based on sourcing results. South Pole and the LRF team will have the right to terminate the assignment at this stage, based on the results of the initial pipeline development.

#### Second Stage

If required, the Selected Offeror will be granted an extended period to source additional SME candidates to replace SMEs rejected by South Pole and the LRF team in the First Stage and present them in a one-hour meeting.

In any case, South Pole and the LRF team will be granted a second assessment period and will hold an assessment meeting with the Selected Offeror to select a final list of 20 eligible SMEs for the applicant to take forward to Phase 2.

| **Deliverables for Phase 1** | **To be completed no later than** |
| --- | --- |
| 1. Microsoft Excel long list of 30 SMEs including early opportunity rating (*format to be provided by the LRF*) as amended by South Pole and the LRF team according to the process described in the First Stage). | 45 days after the commencement of the assignment. |
| 1. Assessment meeting between the Selected Offeror South Pole and the LRF team to discuss the initial pipeline and sign-off SMEs for final pipeline development and Microsoft Excel final list of 20 SMEs according to the process described in the Second Stage. | 45 days after the commencement of the assignment. |

### Phase 2: Final pipeline development

The Selected Offeror will provide a final pipeline of 20 screened SMEs for South Pole and the LRF team to progress into due diligence. The Selected Offeror will provide an assessment memo for each screened SME presenting the business and their case for LRF pre-investment support.

South Pole and the LRF team must have free access to all SMEs presented in the final pipeline, and SMEs should be free of any ongoing obligations to the Selected Offeror (e.g. success fees, etc). The Selected Offeror shall not be permitted to enter into, or solicit the entry into, a success fee, commission, or revenue-sharing agreement of any nature whatsoever with the SMEs.

The Selected Offeror must not represent to any SME that their inclusion in this final pipeline is a guarantee of support from the LRF. South Pole and the LRF team will make an independent assessment in each case as to whether an SME proposal will be brought to the Technical Committee for support approval.

| **Deliverables for Phase 2** | **To be completed no later than:** |
| --- | --- |
| 1. For each SME:    1. Project Opportunity Note (*format to be provided by the LRF*) setting out the profile and proposal.    2. Dataroom containing all material provided by the SME for LRF to take forward into the due diligence.    3. Fully-signed NDAs (*NDA format to be agreed between the LRF and the applicant*).    4. Facilitation of introductory meeting. | 90 days after the commencement of the assignment. |

### Phase 3 (Optional): Due Diligence & Workplan Development

The Selected Offeror will perform due diligence on any SME chosen from the final pipeline by South Pole and the LRF team. Advanced due diligence shall include for each relevant SME:

* An investment-ready gap analysis highlighting all areas of improvement required to make the SME reasonably capable of attracting external capital from a professional investor.
* Documented advanced screening of the SME, its management, and operations in the form of a Q&A questionnaire (template provided by South Pole and the LRF team) and dataroom.
* A pre-investment support work plan informed by the previous gap analysis & screening. These work plans will outline activities most likely to encourage investment into each SME, tailored to each SME's specific needs. Activities will have discrete deliverables capable of completion within 3-6 months, and all activities are to be completed within a specific per-SME budget cap to be agreed between the Selected Offeror, South Pole, and the LRF team. South Pole will fund these activities through LRF’s pre-investment support, subject to final approval of the work plan and formal approval by the LRF’s Technical Committee. At a minimum, each work plan will include training and support from the LRF on how to integrate adaptation and climate resilience into their business models as well as training on these topics for key SME staff.
* A draft assessment memo for presentation to the LRF Technical Committee (PPITA document) summarising the case for pre-investment support for the SME and the proposed work plan of activities to be funded by LRF’s pre-investment support.

South Pole and the LRF will not be obligated to engage the Selected Offeror on the development of any work under Phase 3. Included in the proposal to this RFP, Offerors should provide a budget for completing Phase 3 activities on one (1) SME, including a breakdown of costs by deliverable.

| **Deliverables for Phase 3** | **To be completed no later than** |
| --- | --- |
| 1. Written gap analysis highlighting areas of improvement required to make an SME investment-ready by a professional investor (*format to be pre-agreed between the consultant, South Pole, and the LRF team*). | 100 days after the commencement of the assignment. |
| 1. Completed Microsoft Excel Q&A questionnaire (*format to be provided by the LRF*), as well as data room containing all information and documents gathered from the SME. | 110 days after the commencement of the assignment. |
| 1. Microsoft Excel Pre-Investment Support Workplan document (*format to be provided by the LRF*), agreed with each relevant SME. | 110 days after the commencement of the assignment. |
| 1. Microsoft Word Proposal for Pre-Investment Technical Assistance (PPITA) memo document (*format to be provided by the LRF*) for presentation to the LRF Technical Committee. | 120 days after the commencement of the assignment. |

## E. Capacity Requirements

Qualification required for the Offeror:

* The work may be carried out by a senior consultant or team of consultants;
* At least 10 years of working experience and a proven track record in consultancy work, with a focus on agri-business/sustainable forest management, procurement, operations and/or supply chain related field;
* At least one of the team consultants should have a University degree in agriculture, economics, accounting, business, finance or a related field; an advanced degree is desirable;
* Priority is given to consultants with significant experience working with agricultural/forestry SMEs in Sub-Saharan Africa, in particular the East African region.
* No conflict of interest regarding an interest in and exposure to any of the promoted SMEs opportunities, or any affiliate.

# IV. SUBMISSION INSTRUCTIONS

## Submission of Questions:

All questions or clarifications regarding this RFP must be in writing and submitted to [landscaperesiliencefund@southpole.com](mailto:contact@landscaperesiliencefund.org) no later than February 5, 2024. Questions and requests for clarification, and the responses thereto, will be circulated to all RFP recipients who have indicated an interest in this RFP.

## Technical Proposal

The technical proposal in response to this solicitation must address how the Offeror intends to carry out the statement of work contained in Section III, separated by deliverable. It should also contain a clear understanding of the work to be undertaken and the responsibilities of all parties involved. Please note that technical proposals will be evaluated based on the evaluation criteria set forth in Section IV. Offerors shall provide all documentation in English. The technical proposal should be in font size 10, Lexend, single spacing. Proposals should not exceed ten (10) pages. Please note that technical and cost applications should be separate files.

1. Proposal Cover Sheet. The first page of the proposal must use the Proposal Cover sheet as per Annex 1. This section does not count against the page limit above.
2. Capability Statement. Provide a short description of the Offeror’s capabilities that qualify the consultant/s to be chosen to conduct the scope of work. This should be one (1) page. In an annex to the technical proposal, you should provide a copy of registration or incorporation in the public registry, or an equivalent document from the government office where the Offeror is registered, a copy of company tax registration, or an equivalent document (if available), and copy of trade license, or equivalent document (if available).
3. Technical Approach: The technical approach should state clearly the Offeror’s understanding of the requirements in Section III as well as the proposed approach to accomplish the contract objectives and achieve results. Offerors should keep in mind the geography of the place of performance and any travel that may be required to accomplish the work. Clarity, completeness, and directness are imperative. Elaborate formats are not desirable. This section should be two (2) pages.
4. Management and Staffing Plan. Please describe how the proposed staff will work collaboratively to achieve the Offeror’s proposed technical approach to the scope of work. The Offeror should include a management and staffing plan including both key and non-key personnel for activities along with details on the roles and responsibilities of the staff. CVs for key personnel may be included in an annex to the technical proposal and will not count against the page limit. This section should be one (1) page.
5. Statement of Availability. Provide a written statement that the proposed named staff listed in the Management and Staffing Plan is/are available to carry out the services relating to this RFP for the period initially envisaged in Section III. This section does not count against the page limit above.
6. Detailed Work Plan. Describe the key activities you will undertake under this contract. At a minimum, the Offeror must include a description of the activity, expected outputs, and estimated completion date. This section should be three (3) pages.
7. Past Performance. Describe the Offeror’s previous experience within the technical area for projects of the same or similar scope and size. Offerors must include details demonstrating their experience and technical ability, including those of proposed consortium members, in implementing the technical approach/ methodology and the detailed work plan. This section should be two (2) pages.
8. References. The offeror shall list at least two major contracts the company has held over the past three (3) years for the same or similar work. This section should be one (1) page. Provide the following information for each contract:
   1. Customer's name, address, and telephone numbers of customer's lead contact and technical personnel;
   2. Date of the contract, place(s) of performance, and delivery dates or period of performance;
   3. Contract size and dollar value;
   4. Brief description of the work, including responsibilities;
   5. Comparability to the work required under this solicitation;
   6. A brief discussion of any technical problems and their resolutions;
   7. A brief discussion of any terminations (partial or complete) and the type (convenience or default) as well as any show cause notices or cure notices (provide explanatory details).

## Cost Proposal

Cost proposals will be evaluated separately from technical proposals. The cost proposal shall include a detailed budget that reflects clearly the costs necessary to implement the proposed contract and must include all taxes that are required to provide the services requested. Costs should be represented in USD. The anticipated award will be an all-inclusive fixed-price contract. No profit, fees, taxes, or additional costs can be added after the award. The cost proposal must be valid for at least 90 days.

1. Proposal Cover Sheet. The first page of the proposal must use the Proposal Cover sheet as per Annex 1.
2. Summary Budget. The Offeror should present a summary budget by line item for each Phase.
3. Detailed Budget. For the detailed budget, the Offeror should fill out the Cost Proposal Template as per Annex 2, and include a breakdown of line items that they believe are realistic and reasonable for the work in accordance with the technical requirements outlined in Section III. Offerors must provide a detailed budget showing major line items, e.g. salaries, fringe benefits, travel costs, other direct costs, indirect rates, etc., as well as individual line items, e.g. salaries or rates for individuals, rent, utilities, insurance, etc. Offerors must show unit prices, quantities, and total price, for each Phase. The Offeror should clearly identify indirect rates (including fringe rates), the base to which each indirect rate is applied, and the cost base.
4. Budget Notes: The Budget Notes should thoroughly explain the estimating methodology used to calculate the budget and any assumptions that may be made by the offeror over and above the ones stated in this RFP that had a material effect on the resulting proposed cost. Offerors must clearly explain the basis of costs, meaning why and how Offerors are costing out certain figures for items or services, to establish the reasonableness of costs. The notes should include a clear and thorough explanation for each budgeted line item, reflecting the rationale for the quantity required. If a proposed benefit (e.g., local fringe) is an all-inclusive rate, notes must specify what benefits are included in the proposed rates.
5. Supporting Documentation: Additional supporting budget documentation (as necessary), including travel quotations, historical cost information, profit/fee policy, etc. to substantiate all proposed costs.

South Pole may require additional, more detailed budget information prior to issuing a subcontract.

## Certifications

Offerors responding to this RFP must include the following disclosures and certifications as part of the proposal submission in an annex to the cost proposal.

1. Disclose any close, familial, or financial relationships with South Pole, the LRF, or project staff. For example, if an Offeror’s cousin is employed by the project, the Offeror must state this.
2. Disclose any family or financial relationship with other Offerors submitting proposals. For example, if the Offeror’s father owns a company that is submitting another proposal, the Offeror must state this.
3. Certify that the prices in the offer have been arrived at independently, without any consultation, communication, or agreement with any other Offeror or competitor for the purpose of restricting competition.
4. Certify that all information in the proposal and all supporting documentation are complete, authentic, and accurate.

## Submission of Proposals

The deadline for submission of proposals is February 26, 2024. Submissions must be forwarded in electronic format only (either PDF or Microsoft Word and Excel) to [landscaperesiliencefund@southpole.com](mailto:contact@landscaperesiliencefund.org). Offeror’s proposals should not contain any unnecessary promotional material or elaborate presentation formats (black and white is preferred). Offerors must not submit zipped files. Those pages requiring original manual signatures should be scanned and sent in PDF format as an email attachment. The technical proposal and cost proposal must be kept separate from each other. Please reference the RFP Name in the e-mail subject line. Offerors are responsible for ensuring that their offers are received in accordance with the instructions stated herein. Late offers may be considered at South Pole’s discretion. South Pole cannot guarantee that late offers will be considered.

## EVALUATION CRITERIA

### Review Process.

South Pole’s reviewers will evaluate the technical proposals based on the Evaluation Criteria outlined in Section B. All technical reviewers will be free of any conflict of interest.

### Evaluation Criteria.

The award will be decided based on the criteria set forth below, as demonstrated in the Offeror’s proposal. Only proposals conforming to the solicitation requirements will be considered. This RFP will use the tradeoff process to determine the best value. That means that each proposal will be evaluated and scored against the evaluation criteria and expectations stated in the table below. Cost proposals are not assigned points, but for overall evaluation purposes of this RFP, technical evaluation factors other than cost, when combined, are considered more important than cost factors. If technical scores are determined to be equal or nearly equal, cost will become the determining factor.

| **Evaluation Criteria** | **Score** |
| --- | --- |
| Technical Approach, Management & Staffing Plan, Detailed Work Plan | 40 |
| Past Performances & References | 25 |
| Experience of smallholder agricultural/processing SMEs & supply chains in the Eastern Africa region | 25 |
| Familiarity with the sociocultural context within the region | 10 |
| TOTAL AVAILABLE POINTS | 100 |

The consultant/s may have no conflict of interest regarding an interest in and exposure to South Pole, the LRF, or any affiliate.

# V. TERMS AND CONDITIONS

## Disclaimers

* South Pole reserves the right to modify by written notice the terms of this RFP at any time in its sole discretion. South Pole may cancel the solicitation at any time
* South Pole may reject any or all proposals received.
* Issuance of RFP does not constitute award commitment by South Pole.
* South Pole reserves the right to disqualify any application based on the Offeror’s failure to follow the RFP instructions.
* South Pole will not compensate Offerors for their response to the solicitation.
* South Pole reserves the right to issue an award based on initial evaluation of applications without further discussion.
* South Pole may choose to award only part of the scope of work in the RFP or issue multiple awards of the scope of work.
* South Pole reserves the right to waive minor proposal deficiencies that can be corrected prior to award determination to promote competition.
* South Pole may contact Offerors to confirm the contact person, address, and that the proposal was submitted for this RFP.
* South Pole may contact listed past performance references without notice to the Offeror. South Pole also reserves the right to contact other past performance information sources that the Offeror did not list in the proposal.
* By submitting a proposal, the Offeror confirms they understand the terms and conditions.
* The Offeror is prohibited from concluding, or attempting to conclude any agreement or transaction with potential SMEs pursuant to which the Offeror stands to receive revenue, commission, success fees, facilitation fees, or any gift or compensation of any nature.
* Information pertaining to and obtained from the Offeror as a result of participation in this RFP is confidential. The Offeror consents to the disclosure of the documents submitted by the Offeror to the reviewers involved in the selection process. Please note that all reviewers are bound by non-disclosure agreements.

## Standard Provisions

The Consultant agrees that in connection with this Proposal, they will comply with the principles of the South Pole Third-Party Code of Conduct as amended from time to time in all material respects. An up-to-date copy of the 3rd Party Code of Conduct can be viewed at:

<https://www.southpole.com/uploads/media/south-pole-third-party-code-of-conduct.pdf>

## Annexes

Annex 1: Proposal Cover Sheet

Annex 2: Cost Proposal Template

Annex 3: LRF’s Exclusion List

# Annex 1: Proposal Cover Sheet

*Instructions: Please fill in the information requested highlighted in yellow below. This page should be the first page in your Technical Proposal Submission and in your Cost Proposal Submission.*

| RFP Title: | | The title of the activity of the RFP |
| --- | --- | --- |
| Submission Date: | | Month/Day/Year -Time AM/PM – Time Zone |
| Anticipated Performance Start Date | | Month/Day/Year |
| Offeror Contact information | Name | Insert here |
| Title | Insert here |
| Email | Insert here |
| Phone | Insert here |
| Address | Insert here |
| Type of Entity | Insert here |
| Persons authorized to negotiate for Offeror | | Insert Name, title, and contact information |
| Total Cost Proposed | | Insert total cost here |
| Total Pages submitted (include all annexes) | | Insert total pages here |
| Offeror Agreement | | |
| By signing this document, Offeror hereby certifies to the accuracy and completeness of all pricing information, technical data, delivery dates, representations and certifications included in their offer as well the acceptance of all of the terms and conditions set forth in the RFP/Solicitation. The Offeror confirms that all prices and delivery dates shall be valid for a period of ninety (90) days following the anticipated performance start date stated above, unless otherwise clearly specified by Offeror. | | |
| Signature: | | |
| Name and Title: | | |
| Date: | | |

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# Annex 2: Cost Proposal Template

The offeror should include a breakdown of line items that they believe are realistic and reasonable for the work in accordance with the technical requirements outlined in Section II

| 1. Remuneration | Unit | Quantity | Unit Rate | Amount |
| --- | --- | --- | --- | --- |
| 1.1 Team Leader |  | ... |  |  |
| 1.2 Expert 1 |  | ... |  |  |
| 1.3 Expert 2 |  | … |  |  |
| .. |  |  |  |  |
| Sub-total | | | |  |
| 2. Allowance, Accommodation, Complementary Travel Costs | | | | |
| 2.1 Allowance, accommodation - Long-term staff |  | ... |  |  |
| 2.2 Allowance, accommodation - Short-term staff |  | ... |  |  |
| … |  |  |  |  |
| Sub-total | | | |  |
| Travel & Transport Cost | | | | |
| 3.1 Vehicle lease/rent |  | ... |  |  |
| 3.2 Other local transport (short-term, peak) |  | … |  |  |
| 3.3 Flights |  | ... |  |  |
| … |  |  |  |  |
| Sub-total | | | |  |
| 4. Reports and Documents | | | | |
| 4.1 ... (Type of reports/documents to be stated) |  | ... |  |  |
| 4.2 ... |  | ... |  |  |
| Sub-total | | | |  |
| … | | | | |
|  |  |  |  |  |
|  |  |  |  |  |
| Total | | | |  |
| Taxes | | | |  |
| Grand – Total | | | |  |

# Annex 3: LRF’s Exclusion List

The exclusion criteria defines the companies, corporations, or sectors that the LRF is not allowed to invest in. The exclusion criteria are based on the most important global environmental and social problems and major risks. Investments in companies and corporations whose behaviour and/or products are at the origin of such problems or which contribute significantly to such a problem are excluded.

The exclusion list is defined in the LRF Support Provisioning and Asset Management Guidelines, approved by the Board on 30th April 2021. The April 2021 list is copied here, but the LRF Support Provisioning and Asset Management Guidelines version is the definitive list, in case of updates.

The following sectors / activities are excluded from the investment universe:

**Climate change**

* Sourcing, processing and distribution of fossil fuels including Coal Mining and Oil & Gas Extraction
* Construction and operation of fossil fuel power plant (excluding utility companies)
* Manufacturing of automobiles, airplanes and other fossil-fuel based vehicles
* Airlines

**Decline in biodiversity**

* Unsustainable forest management
* Unsustainable fishing
* Production and distribution of Persistent Organic Pollutants (POP) covered by the Stockholm Convention;

**Nuclear energy**

* Construction and operation of nuclear power plants
* Manufacturing of nuclear reactors

**Genetic engineering**

* Release of genetically modified organisms
* Therapeutic cloning in human stem cells

**Raw materials**

* Mining and trading of mineral raw materials
* Operation of mines and other mining operations

**Miscellaneous**

* Trade in threatened species according to CITES Appendix 1
* Animal testing for cosmetic or medicinal purposes
* Manufacturing and distribution of ozone-depleting substances
  + Arms & Weapon industry and trade in weapons (including dual-use technology), related infrastructure or correctional facilities
* Manufacturing of alcohol, tobacco and smokers' products
* Production and distribution of pornography
* Projects which have the effect of violating human rights
* Child and forced labor
* Gambling casinos and equivalent enterprises or hotels hosting such facilities
* Any business with a focus on political or religious goals
* Additional companies that are on WWF’s grey list:
  + Large hydropower
  + Large Scale Agribusiness and Agricultural Traders
  + Industrial Fisheries and Fish Trader
  + Petro chemicals and fertilizers
  + Extractives (incl. cement, steel, aluminum)
  + Shipping

**LRF specific exclusions, not included in the LRF Support Provisioning and Asset Management Guidelines, but required under the ESMS:**

* Any activities that destroy or degrade natural habitat
* Any activities that may result in involuntary resettlement

1. According to the Adaptation SME Accelerator Project, “An Adaptation SME is a company providing technologies, products and/or services that:

   1. Address systemic barriers to adaptation by strengthening users’ ability to understand and respond to physical climate risks and related impacts and/or capture related opportunities; and/or,
   2. Contribute to preventing or reducing material physical climate risk and/or the adverse associated impacts on assets, economic activities, people or nature”

   [↑](#footnote-ref-0)
2. https://www.thegef.org/projects-operations/projects/10436 [↑](#footnote-ref-1)
3. https://landscaperesiliencefund.org/ [↑](#footnote-ref-2)
4. This work will focus on the following LDCs located in Sub-Saharan Africa: Burundi, Madagascar, Malawi, Mozambique, Rwanda, Uganda, Tanzania, and Zambia. [↑](#footnote-ref-3)
5. https://www.thegef.org/projects-operations/recipient-countries [↑](#footnote-ref-4)
6. Please refer to ASAP’s taxonomy to qualify and classify Adaptation SMEs: https://climateasap.org/the-asap-taxonomy/ [↑](#footnote-ref-5)
7. <https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/> [↑](#footnote-ref-6)