

Applicant: **Mohanan, Kiran**
Organisation: **Fauna & Flora International**
Funding Sought: **£54,033.00**

CV19RR\1053

Sustainable finance for chimpanzee conservation and green-recovery in Hoima, Uganda

Project aims to enhance economic resilience of community-based grassroots organisations - the Private Forest Owners Association (PFOA) and its enterprise arm, Village Saving and Loan Association (VSLA) - during Covid-19, by providing additional capital to implement sustainable financing model where a portion of interest repayment directly fund PFOA's conservation activities. Training provided will strengthen VSLA governance and adapt activities to physical distancing norms, and affordable new credits provided to its members to pursue biodiversity-friendly enterprises created by current Darwin project.

Section 1 - Contact Details

PRIMARY APPLICANT DETAILS

Title Dr
Name Kiran
Surname Mohanan
Organisation Fauna & Flora International
Website <http://fauna-flora.org/>
Tel (Work) [REDACTED]
Email (Work) [REDACTED]
Address [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

OTHER DETAILS

Title Mr
Name Rogers
Surname Niwamanya
Organisation Fauna & Flora International
Website fauna-flora.org/
Tel [REDACTED]
Email [REDACTED]
Address [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

GMS ORGANISATION

Type	Charity/ trusts
Name	Fauna & Flora International
Phone	[REDACTED]
Email	[REDACTED]
Website	[REDACTED]
Address	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

Section 2 - Project Title & Previous Applications

Q3. Project Title:

Sustainable finance for chimpanzee conservation and green-recovery in Hoima, Uganda

Q4. Existing project

Q4a. Does your organisation have an existing (or recently finished) project under either Darwin Initiative, Darwin Plus or Illegal Wildlife Trade Challenge Fund?

Yes

If yes, please list the project reference and title of relevant projects (e.g. 25-001, DPLUS090, IWT099).

Reference of current/recent project:	Title of current/recent project:
27-017	Community-led approaches to reforestation benefitting chimpanzees and livelihoods in Uganda.
IWT082	Combating poaching and trafficking of Critically Endangered sturgeon.
IWT081	Enabling and promoting communities to tackle IWT in Southern Myanmar
27-010	Community-led stewardship and conservation of the Ometepe Island Biosphere Reserve
26-020	Securing wild tulips and pastoral communities in the Kyrgyz mountains
IWT072	Reducing demand for marine turtle products in Nicaragua

Q4b. Is this proposal directly relevant to one of the projects listed above?

Yes

If yes, please list the relevant project reference and title.

27-017 Community-led approaches benefitting chimpanzees and livelihoods in Uganda

Section 3 - Countries, Dates & Budget Summary

Q5. Which Fund's objectives will your project most directly address? (please only select one)

Darwin Initiative

Q6. Country(ies)

Which eligible country(ies) will your project be working in?

Country 1	Uganda	Country 2	<i>No Response</i>
Country 3	<i>No Response</i>	Country 4	<i>No Response</i>

Do you require more fields?

No

Q7. Project dates

Start Date:

01 January 2021

End date:

31 March 2021

Q8. Budget summary

Darwin/IWT Funding Request

Total request 2020/21:

54,033.00

Please note all spending must fall between 1st January 2021 - 31st March 2021

Q8a. If any matched funding arrangements are proposed, please detail them here.

not applicable

Section 4 - Project Outcome and Summary

Q9. Outcome

What is the expected Outcome of this project?

Green economic recovery in the wake of Covid-19, rapidly enhanced by improved governance and sustainable financing for three community-based institutions for conservation, within a critical Chimpanzee landscape.

Q10. Summary of project

Please provide a brief summary of your project, its aims, and the key activities you plan on undertaking. Please note that if you are successful, this wording may be used by Defra in communications e.g. as a short description of the project on GOV.UK.

Project aims to enhance economic resilience of community-based grassroots organisations - the Private Forest Owners Association (PFOA) and its enterprise arm, Village Saving and Loan Association (VSLA) - during Covid-19, by providing additional capital to implement sustainable financing model where a portion of interest repayment directly fund PFOA's conservation activities. Training provided will strengthen VSLA governance and adapt activities to physical distancing norms, and affordable new credits provided to its members to pursue biodiversity-friendly enterprises created by current Darwin project.





Section 5 - Project Partners





Q11. Project partners

Please list all the partners involved (including the Lead Organisation) and provide a summary of their roles. Please upload letters, emails or other confirmation of support from any new partners.

Lead Organisation name:	Fauna and Flora International
Other partners involved:	Private Forest Owners Associations (PFOAs) District Local governments (Kikuube, Masindi and Hoima districts)
Summary of roles and responsibilities in project:	<p>FFI will provide in-house expertise in green inclusive finance, market development, social assessment and project management. This diverse expertise will ensure that VSLA has inclusive governance system in place to effectively manage the fund, and interest rates are affordable to marginalised community members. We will ensure there is markets for the micro-enterprises being promoted.</p> <p>PFOAs and its VSLA enterprise units, will play a key role in implementing and monitoring project activities within the forest corridors. They will support and benefit their membership through accessing micro credit for conservation agriculture, Monitoring Chimps and reforestation, biodiversity-friendly value chains.</p> <p>District local governments will strengthen group dynamics and effective working during the current COVID crisis.</p>
If you have not provided evidence of support from the Lead Organisation or partners above, please explain why:	We have submitted letter of support from Lead organisation (FFI) and partner organisation (PFOA). We weren't able to submit a letter of support from the District Government as office operations are currently affected due to COVID, but during the Darwin Initiative proposal, letter of support from District Government was submitted.

Please provide a combined PDF of letters of support from the lead organisation and partner(s) as relevant.

 [FFI Letter of Support Uganda](#)
 02/11/2020
 14:47:55
 pdf 379.26 KB

 [PFOAs support letter](#)
 02/11/2020
 14:47:54
 pdf 201.62 KB

Section 6 - Project Staff

Q12. Project staff

Please identify the core staff on this project, their role and what % of their time they will be working on the project. Further information on who should be classified as core staff can be found in the guidance. Please provide a 1 page CV for the proposed Project Leader and any co-Project Leader if relevant.

Name (First name, surname)	Role	% time on project	1 page CV attached?
Kiran Mohanan	Project Leader	18	Checked
Rogers Niwamanya	Project Manager	38	Checked
Stella Ajilong	Finance Manager	30	
Alison Mollon	Project Overview	3	

Do you require more fields?

Yes

Name (First name, surname)	Role	% time on project
In the process of recruitment	Agribusiness officer	90
In the process of recruitment	Agriculture Officer	12
Rob Small	Livelihoods Advisor	7
James Pilkington	Finance Specialist	5
Charlotte Klinting	VSLA Governance Specialist	7
Cooper Renfro	Sustainable Finance Advisor	3
<i>No Response</i>	<i>No Response</i>	0
<i>No Response</i>	<i>No Response</i>	0

Please provide 1 page CVs for the proposed Project Leader and any co-Project Leader listed above as a combined PDF.

Ensure the file is named clearly, consistent with the named individual and role above.

📎 [CV NRogers.](#)
📅 02/11/2020
🕒 13:07:42
📄 pdf 456.38 KB

📎 [CV Kiran Uganda DEFRA](#)
📅 02/11/2020
🕒 13:03:30
📄 pdf 645.86 KB

Section 7 - Problem, Method and Change Expected

Q13. Problem the project is trying to address

Please describe the problem your project is trying to address in terms of Covid-19 and its impact on biodiversity or IWT and sustainable livelihoods. For example, what are the drivers of loss of biodiversity that the project will attempt to address? Why are they relevant, for whom? How did you identify these problems? Please cite the evidence you are using to support your assessment of the problem (references can be listed in an additional attached PDF document).

The Albertine Rift is an internationally-recognized biodiversity hotspot home to the last remaining habitat for Uganda's 5,000 eastern chimpanzees (*Pan troglodytes schweinfurthii*) (Plumptre et al 2003, Plumptre et al 2010). Human-wildlife conflict (HWC) involving chimps is a major threat to species, as their ranges infringe on community farmlands. Tackling habitat fragmentation and increasing community involvement have been cornerstones of chimpanzee conservation for over a decade.

FFI has invested in strengthening the capacity of PFOA, a grassroots institution committed to protecting existing forest patches, reforestation and wildlife monitoring activities. VLSA are a sub-committee of PFOA, providing microcredits to members and creating economic incentives for more community members to join PFOA and conservation efforts.

The current economic crisis resulting from Covid-19 has put PFOA, VSLA and its members under extreme financial stress, with years of conservation and institution-building efforts at risk. PFOA, traditionally reliant on grant funding and voluntary labour contribution from its members, has seen its financial reserve significantly affected. Members are no longer able to provide labour hours for free for conservation activities, and there is urgent need to develop sustainable income streams. During the recent national lockdown, VSLA released all its emergency reserve funds to its members facing livelihood challenges, and regular meetings and collection of repayments have been affected due to physical distancing norms.

The agriculture sector is one of the most affected by the pandemic; with 1.7 million rural dwellers moving into poverty. Supply chains are disrupted, farm input prices have doubled, and there is concern for falling market demand due to lower purchasing power among consumers (Fowler, USAID). Under the current Darwin, FFI will be addressing these market challenges using a Participatory Market System Development (PMSD) approach, however, with financial assets significantly depleted, communities have limited capital to invest and capitalise on these new market opportunities.

Q14. Methodology

Describe the methods and approach you will use to achieve your intended Outcome. Provide information on:

- How you have analysed historical and existing initiatives and are building on or taking work already done into account in project design. Please cite evidence where appropriate.

- The rationale for carrying out this work and a justification of your proposed methodology.
- If relevant, how this project links to an ongoing Darwin/IWT project.
- How you will undertake the work (materials and methods).
- How you will manage the work (roles and responsibilities, project management tools etc.).

Projects should also consider how best they can address inequality, especially gender inequality, as per the existing guidance for each fund.

Please make sure you read the Guidance Notes, particularly Section 3, before answering this question.

FFI has been working with PFOA since 2014, to provide economic incentive to increase participation of more community members in PFOA, a VSLA component was piloted in 2017 which has been operating successfully with default rate as low as 2%. The current Darwin project (REF No: 27-017) supports Agroforestry and developing markets for biodiversity-friendly products, but Covid-19 has significantly depleted the financial assets of households and community-based organisations (CBOs) and now during community meetings, members have shared concerns about not having the capital to invest in biodiversity-friendly livelihood opportunities. Communities no longer have the economic means to provide their labour hours for free, and PFOA need to start covering its core conservation activity costs, reducing dependence on external financial support.

To address these issue, we propose providing additional capital to the VSLA and strengthening the governance systems to ensure all members including women and vulnerable groups benefit equitably and using income from interest payments as sustainable finance for the PFOA to continue conservation efforts with a lesser reliance on external funding. This additional capital will significantly enhance the impact of ongoing activities, as more community members will have the capital to invest in biodiversity-friendly enterprises set up under the project and capitalise on new market development opportunities.

Our proposed methodology:

In the first month of the project (Jan 2021) :

FFI's Livelihood and Governance specialist will provide training for its project staff to carry out governance assessment of three VSLAs already active in the landscape. This will focus on good governance principles, identifying capacity gaps, and using participatory methodologies. We will assess the impact of COVID on groups' operations, and necessary training will be provided to address the gaps identified.

Using financial data collected over the last 2 years of VSLA operation, FFI finance specialists will develop a financial model, calculating interest rate that would be affordable to poorest of households, and yet financially viable for VSLA to self-sustain and generate income for PFOA.

Aligning well with step 2: Market analysis in the current Darwin PMSD project, a rapid market assessment will be carried by FFI to ensure markets for biodiversity-friendly microenterprises such as ginger and other opportunities for VSLA investment.

The second month of the project (February 2021)

Community consultations with three PFOAs and VSLAs, registration of new members and agreements on the loan and repayment terms, including the condition to refrain from any unsustainable resource use and sharing income from interest repayment for PFOA conservation activity. (PFOA and VSLA group leaders are

already in agreement with such benefit sharing for conservation).

Once all the above steps are completed, capitalising PFOA bank accounts and issuing new loans to its members.

The third month of the project (March 2021)

FFI along with PFOA committee will monitor and evaluate the use of funds, reporting on indicators including the number of beneficiaries, enterprises promoted and their progress, and funds to be generated for conservation.

FFI will continue monitoring VSLA groups and provide mentorship support over the next 2 to 3 years

Q15. Change expected

Detail the expected changes this work will deliver. You should identify what will change and who will benefit a) in the short-term (i.e. during the life of the project) and b) in the long-term (after the project has ended). Please describe the changes for biodiversity/environment and for people in developing countries, and how they are linked. If you are proposing building on a current or past project, be clear how additional benefits will be delivered through this project.

When talking about people, please remember to give details of who will benefit and the number of beneficiaries expected. The number of communities is insufficient detail – number of households should be the largest unit used. If possible, indicate the number of women who will be impacted.

By the end of the project

Sustainable income from VSLA increasing economic resilience of PFOA:

Currently, VSLA is nested within the PFOA governance committee, and the microcredits provided by the savings groups are economic incentives for community members to join PFOA and involve in conservation activities. This project will take the current incentive model one step further, by developing a sustainable financing mechanism, where a portion of interest repaid will be retained by PFOA to directly finance at least 40% of cost of conservation activities such as patrolling and species monitoring.

Strengthening of PFOA and VSLA institutions:

Additional capital through the project will double VSLA's financial assets, and with the additional capital, VSLA will be able to provide loans to more members and with a bigger loan size. This will incentivise at least 400 new community members to join PFOA during this project period. This estimation is based on the keen interest and request from community members recently for additional credit support. This new enrolment will increase percentage of landowners registered with PFOA from current 34% to 60% during the project period. Training in governance strengthening and COVID response, will ensure VSLA group adapt to COVID pandemic social distancing.

Green economic recovery:

During the project period, this additional capital will provide affordable credits to at least 400 members (with women to men beneficiary ratio of about 60: 40)). With this credit support, in the next two years, these members will be able to invest in biodiversity-friendly enterprise opportunities created by the current Darwin project (No: 27-017) and accelerate green recovery in the landscape in the medium term.

If necessary, please provide supporting documentation e.g. maps, diagrams, references etc., as a PDF

using the File Upload below:

No Response

Section 8 - Aims, Objectives and Exit Strategy

Q16. Aims and objectives

Clearly outline the aim and objectives of the project and how the achievement will be measured. Use SMART objectives if possible.

This project aims to enhance economic resilience of three Private Forest Owners Associations (PFOAs) and its enterprise arm, Village Saving and Loan Association (VSLAs) in Bugoma-Wambabya and Budongo-Mukihani chimp corridors currently affected by Covid-19 crisis. A sustainable financing mechanism will be developed for the three PFOAs and its VSLAs where a portion of interest repayment directly fund PFOA's conservation activities. At least three trainings will be provided to strengthen VSLA governance mechanisms and to adapt its activities to physical distancing norms, and affordable credits will be provided to 400 members to pursue biodiversity-friendly enterprises the current Darwin project create.

Specific objectives of the project are:

By February, 2021, strengthening governance of the 3 PFOAs currently operating in Bugoma-Wambabya and Budongo-Mukihani chimp corridors, identify gaps and ensuring equitable participation and benefit sharing among women and men; and ensuring group activities are adapted to Covid physical distancing norms.

By March, 2021, developing a sustainable finance model for 3 PFOAs operating in the above wildlife corridor, where income from VSLA interest repayment cover at least 40% of PFOA's core conservation cost such as patrolling and wildlife monitoring.

Enhancing green recovery in this critical chimp corridor by providing affordable credits to at least 400 VSLA members (with women to men beneficiary ratio of about 60: 40) by March 22nd, 2021, to invest in biodiversity friendly enterprises set up under the current Darwin project.

Q17. Exit strategy

State how the project will reach a stable and sustainable end point, and explain how the outcomes will be sustained, either through a continuation of activities, funding and support from other sources or because the activities will be mainstreamed in to "business as usual".

FFI is committed to strengthening and developing the capacity of community-based organisations (CBOs), for the long-term conservation of the Albertine Rift biodiversity hotspot.

The projects look at multistage capacity development that will add to the existing skillset of Private Forest Owners Associations (PFOAs), CBOs for wildlife monitoring and afforestation activities in this landscape, ensuring that all project activities will be taken over by the PFOA for continuity. FFI presence and collaboration with the PFOA and continued implementation for the current Darwin project over the next two years and three months, ensures additional capital provided to the PFOA's VSLA groups are effectively

managed. It's envisaged that the PFOA's governance committee will then take responsibility and ownership of the funds for continuity.

During the course of the current Darwin project, we will facilitate discussion between VSLA groups with rural banks/microfinance institutions to explore collaboration to access additional capital and mobile phone-based loan-tracking technology, which reduce loan processing and other transaction costs, which are important for scaling up this model going forward.

Section 9 - Budget

Q18. Budget

Provide a detailed breakdown of costs to be funded by the Darwin Initiative/Darwin Plus/IWT Challenge Fund in GBP.

See Finance for Darwin/IWT for which costs sit under which budget line.

Budget Line	Cost in £ (GBP)
Staff costs	██████
Consultancy costs	0
Overhead costs	██████
Travel and subsistence	██████
Operating costs	██████
Capital equipment*	0
Other costs	██████
Total (Must be less than or equal to £60,000)	54,033.00

***If you are proposing to purchase any capital items over £1,000 please detail these here and provide justification below** *No Response*

Q19. Financial Risk Management

This question considers the financial risks to the project. Explain how you have considered the risks and threats that may be relevant to the successful financial delivery of this project. This includes risks such as fraud or bribery, but may also include the risk of fluctuating foreign exchange and internal financial processes such as storage of financial data.

FFI has a zero-tolerance approach to bribery and is fully compliant with the UK Bribery Act (2010). All funds will be managed through FFI and partner PFOAs. Funds transferred to partners will be governed by sub-grantee agreements and reported through quarterly expenditure reports, verified by original documentation and approved against pre-agreed budgets. Streamlining of financial management across all partners will be instituted at inception. FFI will request that partners report financially using the FFI templates/approach.

The Ugandan Shilling (UGX) is volatile and exchange rates are a risk to project funds. This project will adopt the procedures used by FFI in Uganda to transfer GBP to USD, and then exchange USD to UGX as needed according to the prevailing rate.

Q20. Capital items

If you plan to purchase capital items with Darwin/IWT funding, please indicate what you anticipate will happen to the items following project end. If you are requesting more than 10% capital costs, please provide your justification here.

Not Applicable

Q21. Value for Money

Please describe why you consider your application to be good value for money including justification of why the measures you will adopt will secure value for money.

Through additional injection of funds to the VSLAs, it will enhance the current Darwin projects ability to meet its time-bound target of 15% increase in agriculture income of PFOA member despite the Covid-19 disrupting rural household's financial assets.

As the project will implement a sustainable financing model, where a portion of interest repayment will directly fund PFOA's conservation activities, this will not only support green recovery and biodiversity-friendly enterprise but will also result in increased funding for conservation work in the long-term. Additionally, since additional capital is provided to community as affordable credits, the capital borrowed will be repaid and continue to circulate within the community as a revolving fund promoting biodiversity-friendly entrepreneurship going forward.

The project operates through existing infrastructure and staff resource within FFI in Uganda. FFI will use its in-house expertise for the technical support required to implement the sustainable financing model, which is more cost-effective than using consultants.

Training will provide long-term capacity for the associations to adapt to the impact of Covid-19, thereby increasing the effectiveness of the current Darwin project.

Section 10 - Ethics and Safeguarding

Q22. Ethics

Outline your approach to meeting Darwin/IWT's key principles for ethics as outlined in the guidance note. Additionally, are there any human rights and/or international humanitarian law risks in

relation to your project? If there are, have you carried out an assessment of the impact of those risks, and of measures that may be taken in order to mitigate them?

FFI recognises it has a responsibility to avoid creating dependence, and to respond to communities' development and conservation ideas using a bottom-up approach.

On Human Rights, FFI will ensure that all partners follow the principles of Free, Prior and Informed Consent in interactions with beneficiaries.

The project will take an 'opt-in' approach to activities, and messaging will be sensitive to issues such as literacy and gender norms.

The project recognises local traditional knowledge and practices, especially on agricultural practices and resource rights. FFI's long-term engagement in this landscape will help to ensure that cultural norms are respected at every stage.

Q23. Safeguarding

Projects funded through the Darwin Initiative/IWT Challenge Fund must fully protect vulnerable people all of the time, wherever they work. In order to provide assurance of this, projects are required to have appropriate safeguarding policies in place. The award Terms and Conditions set out clear requirements on safeguarding. Please confirm you have read and understand these and that you comply with them all.

Checked

Section 11 - Key Milestones

Q24. Provide an overview of your proposed project, outlining key milestones.

N.B. This should cover the period of your requested project only and the start/end dates should match with those provided in Question 7.

Date	Key Milestone
01 January 2021	START
15 January 2021	Training of project staff in Governance assessment tools completed.
29 January 2021	Sustainable Finance model for PFOA developed based on income from interest repayment

29 January 2021	Rapid market assessment of the biodiversity friendly crops completed.
12 February 2021	Terms and condition of loan and benefit-sharing agreement between VSLA and PFOA finalised.
26 February 2021	Three VSLA bank account capitalised with additional capital and new loans issued.
22 March 2021	Monitoring and Evaluation of the use of additional capital and reporting against the indicator set with the donor.
<i>No Response</i>	<i>No Response</i>
<i>No Response</i>	<i>No Response</i>
<i>No Response</i>	<i>No Response</i>
<i>No Response</i>	<i>No Response</i>
<i>No Response</i>	<i>No Response</i>
31 March 2021	FINISH

Section 12 - Certification

Q25. FCDO notifications

Please check the box if you think that there are sensitivities that the Foreign, Commonwealth and Development Office will need to be aware of should they want to publicise the project's success in the Darwin/IWT competition in the host country.

Unchecked

Please indicate whether you have contacted your Foreign Ministry or the local embassy or High Commission (or equivalent) directly to discuss security issues (see Guidance Notes) and attach details of any advice you have received from them.

No

Q26. Certification

On behalf of the

Company

of

Fauna and Flora International

I apply for a grant of

£54,033.00

I certify that, to the best of our knowledge and belief, the statements made by us in this application are true and the information provided is correct. I am aware that this application form will form the basis of the project schedule should this application be successful.

(This form should be signed by an individual authorised by the applicant institution to submit applications and sign contracts on their behalf.)

- I have enclosed a CV for the Project Leader/co-PL and letters or confirmation of support (uploaded at appropriate points in application)

Checked


Name


Matt Walpole

Position in the organisation

Senior Conservation Director, Regional Programmes

Signature (please upload e-signature)

 [MW signature black](#)

 02/11/2020

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Date

02 November 2020

Section 13 - Submission Checklist

Checklist for submission

Check

I have read the Guidance, including the "Guidance Notes for Applicants" and "Finance for Darwin and IWT Challenge Fund". Checked

I have read, and can meet, the current Terms and Conditions for the relevant fund. Checked

I have provided actual start and end dates for my project.	Checked
I have provided my budget in GBP.	Checked
The application has been signed by a suitably authorised individual (clear electronic or scanned signatures are acceptable).	Checked
(If copying and pasting into Flexi-Grant) I have checked that all my responses have been successfully copied into the online application form.	Checked
I have included a 1 page CV for the Project Leader (and co-Project Leader if relevant).	Checked
I have included a letter or electronic confirmation of support from the lead organisation and main partner organisation(s) identified at Question 11, or an explanation of why not.	Checked
I have checked the website on GOV.UK immediately prior to submission to ensure there are no late updates.	Checked
I have read and understood the Privacy Notice on GOV.UK.	Checked

Data protection and use of personal data

Information supplied in this application form, including personal data, will be used by Defra as set out in the latest copy of the Privacy Notice for Darwin, Darwin Plus and the Illegal Wildlife Trade Challenge Fund available [here](#). This Privacy Notice must be provided to all individuals whose personal data is supplied in the application form. Some information may be used when publicising the Darwin Initiative including project details (usually title, lead organisation, location, and total grant value) on the GOV.UK and other websites.

Information relating to the project or its results may also be released on request, including under the 2004 Environmental Information Regulations and the Freedom of Information Act 2000. However, Defra will not permit any unwarranted breach of confidentiality nor will we act in contravention of our obligations under the General Data Protection Regulation (Regulation (EU) 2016/679).