TFCA FINANCING FACILITY

THIRD OPEN CALL FOR CONCEPT NOTES 2025

INSTRUCTIONS TO APPLICANTS: PREPARTION OF PROJECT PROPOSALS

Global Gateway

Co-funded by the European Union

german cooperation
DEUTSCHE ZUSAMMENARBEIT

Implemented by:

KFW IUCN

BACKGROUND

The SADC TFCA Financing Facility (TFCA FF) is a regional financing mechanism established to provide sustainable funding for conservation and management initiatives within Transfrontier Conservation Areas (TFCAs) across the Southern African Development Community (SADC) region. It was created as a flexible, responsive, demand-driven, and performance-based financing mechanism with the distinct mandate of supporting the establishment, development, and long-term sustainability of TFCAs. Initial funding for the establishment of the Facility was provided by the German Government's Federal Ministry for Economic Cooperation and Development (BMZ), through KfW Development Bank. The Facility's long-term vision is to mobilise support from multiple international cooperating partners and innovative financing models, with a target of raising an initial resource base of EUR 100 million. The International Union for Conservation of Nature (IUCN), through its Eastern and Southern Africa Regional Office, serves as the Project Executing Agency (PEA) for the TFCA Financing Facility.

The Facility addresses critical conservation priorities through an integrated approach that recognises the interconnected dimensions of "species," "habitat," and "people." In doing so, it aligns conservation objectives with broader SADC goals related to socio-economic development and regional integration, ensuring that biodiversity conservation contributes meaningfully to sustainable development outcomes.

OBJECTIVES AND PROGRAMME OUTCOMES

The SADC TFCA FF aims to address the critical needs for conservation by integrating the three dimensions of Species, Habitat, and People. Successful applications to the Facility should therefore address one of the main expected outcomes of the SADC TFCA FF described as follows:

- Meta-populations of key species remain stable or increase (Species dimension);
- Improved habitat connectivity, land-use, and management effectiveness of TFCAs and PAs (Habitat dimension); and
- Improved livelihoods outcomes for communities (People dimension)

THIRD OPEN CALL – GREEN ECONOMY

The Third Open Call is a unique approach that has two funding envelopes co-funded by the EU NaturAfrica and German Government. This joint initiative aims to fast-track and scale up sustainable Green Economy initiatives in SADC TFCAs.

The EU through NaturAfrica, have made available a total of **€ 5.7 million** to this funding window. Successful applicants will also can be considered for up to 100% of match-funding contribution from the German Government. Therefore, the Third call has a total funding envelope of up to **€11.4 Million**. Kindly note that the complementary package of German Government funding should consist of actions that are ready for immediate investment that quickly brings scale and adds value to work package one (EU NaturAfrica). The theory of change must be linked to conservation and development in TFCAs.

GEOGRAPHICAL SCOPE

The Third Call for Proposals will support the following 6 TFCAs, as it is primarily based on the following EU-NaturAfrica landscapes:

1. Chimanimani TFCA (Mozambique/Zimbabwe)
2. Great Limpopo TP and TFCA (Mozambique/South Africa/Zimbabwe)
3. Kgalagadi TP (Botswana/South Africa)
4. Kavango Zambezi TFCA (Angola/Botswana/Namibia/Zambia/Zimbabwe)
5. Malawi-Zambia TFCA (Malawi-Zambia)
6. ZIMOZA & LOZAMAP TFCAs (Mozambique/Zambia/Zimbabwe)

ELIGIBLE ACTIVITIES

Selected applications will be those showing the best potential to deliver impact, with an emphasis on market linkages and economic value chains. These activities can be implemented through NGOs and CBOs or incentives to private operators (Please note that this is not an exhaustive list of activities, but only provided for guidance)

Sustainable added value in agriculture

Creating economic opportunities for farmers, workers and communities across the supply chain.

Activities may include:

- Support to agricultural production. Capacity building for smallholder farmers, promotion of best agricultural practices (agroforestry, climate smart agriculture, soil conservation practices to enhance agricultural productivity while preserving the environment)

- Building resilient local food systems that can withstand environmental and economic shocks, e.g., adoption of climate-smart technologies, water efficient irrigation systems, preventing soil erosion and improving watershed management; techniques such as contour ploughing, cover cropping and the construction of check dams can be promoted to enhance water retention and reduce soil degradation.

- Sustainable fisheries, development of sustainable aquaculture, establishment of riparian buffer zones and freshwater protected areas, strengthening of community-based fisheries management for local water bodies, and improvement of fish processing and value addition techniques.

- Non-timber forest and agroforestry products, organic farming and specialty crops, honey and beekeeping, indigenous medicinal plants, etc.

- Market access and value addition: development of market linkages, implementation of post-harvest practices, assistance with certification processes, linking farmers to certified markets for high-value products (timber, fruits, nuts, medicinal plants).

- Specialty crops value chains, e.g., through the development of value chains for indigenous crops, spices, and medicinal plants;

- Providing support for market access, post-harvest handling and the development of sustainable and fair-trade certifications.

<u>Eco-tourism development</u>

Develop nature-based tourism that contributes to conservation and benefits communities.

- In the case of well justified business cases, develop and upgrade eco-friendly tourism facilities, support for the renovation of lodges, campsites and other tourism infrastructure.

- Support the development of nature-based initiatives such as agri-ecotourism (organics farm tours, culinary tours, farm stays, beekeeping/honey tours, agroforestry walks, permaculture workshops, etc.) that integrate agriculture with tourism, creating diversified income sources for local communities.

- Other nature-based tourism activities may involve adventure tourism (hiking trails, wildlife viewing platforms, canopy sightseeing) or cultural tourism (community managed centres, traditional knowledge programmes).

- Support off-grid solutions for local communities and eco-friendly lodges and economic development (agro-processing of raw materials for MSMEs, etc).

- Encourage the adoption of eco-certification standards to promote responsible tourism practices, etc.

- Provide training, mentorship, for entrepreneurs in the region; implement capacity building programmes with international specialised tour operators or international conservation NGOs, for local private operators in ecotourism to leverage private investments and ensure access to the market, promoting an inclusive approach and a diversification of recreational activities involving local communities.

- Support to community-based conservation enterprises and benefit-sharing mechanisms (e.g. CAMPFIRE, conservancies, community-managed tourism ventures).

Sustainable energy

Clean energy solutions that reduce pressure on natural resources and with the aim to create economic opportunities.

- Community-owned and operated sustainable energy systems.

- Energy solutions for businesses e.g., solar-powered refrigeration for perishable agricultural products.

- Measures to reduce the demand for fuelwood (efficient cookstoves, small biogas digesters.

Horizontal measures

Measures needed for an inclusive, conservation-compatible and human rights-based implementation of the productive activities are also eligible, i.e., Human Wildlife Conflict (HWC) response and mitigation. Activities can be proposed to prevent and mitigate HWC in the context of agricultural and livestock value chains (e.g., contributions to early warning systems, community education and awareness programmes, fencing and barriers, etc). Support to participatory land-use and resource planning processes strengthening landscape governance are also encouraged.

All proposals shall also ensure community participation and consultation, ensuring meaningful community involvement in all project phases; gender equality and women's empowerment; implement a rights-based approach notably in relation to Indigenous Peoples' Rights and Traditional Knowledge, and when applicable, environmental safeguards.

Innovative Financing Mechanisms

Applicants can also propose measures to identify, develop, and mobilise innovative financing mechanisms that support landscape sustainability and economic development.

- Ecosystem services financing, including Payment for Ecosystem Services (e.g., Including biodiversity credits, watershed service payments, and community-level PES schemes); applications to Carbon Credits mechanisms.
- Impact Investment and Blended Finance, to scale proven green economy models;

KEY ELEMENTS TO BE CONSIDERED IN THE PROPOSAL

- A clear problem statement, goal, objectives, planned activities, outputs, outcomes, target area, beneficiaries, and partner organisations involved.
- Proposals should prioritise and focus on an economic activity that can demonstrate a clear business model, income-generating activities, revenue projections, and potential to scale.
- The proposal will need to be supported by a clear business case that demonstrates feasibility, with an indication of market demand for the economic activity and sufficient market to drive scale, value chain development, private sector partnerships, and the economic activity should be commercially viable with potential to sustain operations beyond the life of the SADC TFCA FF funding.

- Planned interventions need to have socio-economic (Improved livelihoods, household income, employment, enterprise development, etc.) and conservation outcomes (improved land use, habitat and wildlife corridor protection, land restoration, sustainable harvesting, flagship species protection, etc.).
- Demonstrate alignment of the proposed actions with other initiatives and developments in the target areas. Priority will be given to proposed actions that effectively complement current/foreseen projects in TFCAs including the NaturAfrica landscape grants.
- Clearly demonstrate the project's contribution to the overall goal, outcomes, indicators of the EU NaturAfrica logframe provided on the grants portal.
- Cost-efficiency of project budgets and planned activities, and potential to leverage co-finance.
- Ensure strong complementarity across the two work packages / budgets for the EU and German Government funding.
- Applicants are encouraged to Include Community-based Organisations as partners to build their capacities and access to the benefits.
- Access the proposal template on the Grant Management Portal and complete relevant sections and supporting documents, i.e. budget template.
- The proposal should include clear descriptions and maps of project sites.
- The budget template is to be submitted in Excel format.
- Applicants to consult with the relevant project implementing organisations in the respective TFCAs and EU Landscape Grants to consider possible synergies that need to be clearly outlined in the proposal.
- Submit letter of endorsement for the full proposal. Letters of endorsement should be generated from the office of the National TFCA Coordinating Agency. Where more than one country are involved, letters of endorsement are required for all the countries in question.

BUDGET CONSIDERATIONS

- Applicants are required to contribute at least 10% of the TFCA FF contribution in co-funding – in cash or kind. For example, for a million euro requested to TFCA FF, you need to provide at least €100,000 of co- funding.

- Applicants to provide a detailed budgets for the EU and German Government funding components.

- For regional projects, the amount allocated per country will need to be clearly outlined.

- For consortium arrangements, also outline fund allocation for each of the represented implementation partners.

- Cost-efficiency and value for money will be considered in reviewing proposals.
- Please submit budgets in Excel format, in EUROS. Budgets that do not follow the correct format and currency will be disqualified.

ESMS:

Applicants who were requested to re-submit their General Environmental & Social and Thematic Risk Area questionnaires are required to do so together with the proposal to enable reviewers screen and categorise potential risks.

Applicants with existing Environmental and Social Safeguards Instruments applicable to the activities being proposed for implementation, should submit the instruments together with the Proposal.

EVALUATION CRITERIA

The following criteria will be used to evaluate full proposals**:**

Criteria	Notes	Weight
Technical Coherence	Good business model + clear conservation outcomes	20
Market linkages and Economic Viability	Proposal has clear identified customers and demand, revenue model and profit projections, off-take agreements, clearly identified value chains? Private sector engagement or commercial partnerships?	25
Project Impact	Number of beneficiaries reached; Increased income and diversified livelihoods for local communities; Jobs created; Enterprise establishment, development and/or growth	10
Project Readiness	Proof of concept, clear operational plan; Evidence of support/approval from relevant authorities; Are there any activities foreseen that might potentially delay implementation such as approval of Land Use Plans, environmental authorisations, feasibility studies, land rights?	10
Project Risks	Clear analysis of project risks and mitigation measures (financial, legal, political, environmental and social, organisational capacities, reputational risks)	10
Budget	The reviewer must provide a general comment or assessment on the cost-effectiveness of the proposed activities?	10
Sustainability	Is there a clear approach for ensuring the sustainability of the project activities beyond the end of the project? How likely are the results to be sustained and or scaled up?	5
Synergy with EU NaturAfrica landscape grants and other on-going initiatives	The project has potential to provide added value for ongoing landscape grants under the EU NaturAfrica Programme in any of the 6 landscapes. This can include possible planned joint actions, partnerships, co-finance arrangements, co-delivery on aligned activities, contributing to the same outcome in the same landscape	5
Competency of Lead Applicant and/or implementation partners	Does the proponent have a successful track record of similar projects in the region? Staff capacities to implement the proposed action?	5

DURATION OF PROJECTS
The duration of the projects should range between 12-36 months.

DEADLINE:
The deadline for submission of proposals is **by close of business (5PM SAST: 31 August 2026)**.