

## ***Grant Opportunity: guide for applicants***

# Collective action to strengthen human rights and promote decent work in the sugarcane sector

### Summary

<ul style="list-style-type: none"> <li>Grants available</li> </ul>	<ul style="list-style-type: none"> <li>Two grants of up to £150,000 each</li> </ul>
<ul style="list-style-type: none"> <li>Maximum length of grant</li> </ul>	<ul style="list-style-type: none"> <li>30 months</li> </ul>
<ul style="list-style-type: none"> <li>Expected impact</li> </ul>	<ul style="list-style-type: none"> <li>Human rights and decent work are strengthened in sugarcane milling and farming through actions that:             <ul style="list-style-type: none"> <li>eliminate-and/or remediate child labour and forced labour</li> <li>advance women's empowerment, or</li> <li>promote action on Living Wages.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>Targeted beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Workers and communities linked to sugarcane value chains</li> </ul>
<ul style="list-style-type: none"> <li>Eligibility criteria</li> </ul>	<ul style="list-style-type: none"> <li>Lead applicant must be a Bonsucro member</li> <li>Collaborative project involving at least three partners - one of which must be an intermediary or end-user of sugarcane products.</li> <li>Match funding of at least 40%</li> </ul>
<ul style="list-style-type: none"> <li>Closing date for concept notes</li> </ul>	<ul style="list-style-type: none"> <li>9 September 2022</li> </ul>
<ul style="list-style-type: none"> <li>Priority countries for project implementation</li> </ul>	<ul style="list-style-type: none"> <li><b>Americas:</b> Brazil, Mexico, Guatemala, Costa Rica, Bolivia, Honduras, Dominican Republic</li> <li><b>Africa:</b> South Africa, Cameroon, Eswatini, Mauritius, Kenya</li> <li><b>Asia-Pacific:</b> India, Thailand, Pakistan</li> </ul>

# CONTENT

1. THE BONSUCRO IMPACT FUND .....	2
2. WHY FOCUS ON HUMAN RIGHTS AND DECENT WORK? .....	2
3. WHAT TYPE OF HUMAN RIGHTS AND DECENT WORK PROJECTS IS THE BONSUCRO IMPACT FUND LOOKING TO SUPPORT? .....	4
4. HOW TO APPLY? .....	5
4. WHAT STEPS ARE INVOLVED IN CONTRACTING? .....	7
5. WHAT DO WE ASK OF GRANT RECIPIENTS? .....	8

## 1. The Bonsucro Impact Fund

The Bonsucro Impact Fund (BIF) was launched in early 2022. This grant-making fund leverages the income made from sales of Bonsucro Credits through the Bonsucro Credit Trading Platform, to co-invest in impact projects. Impact projects are initiatives that catalyse or accelerate sustainable sugarcane production, in line with [Bonsucro 2021-26 strategy](#). They typically involve multiple supply chain actors and partners working in concert to address critical challenges facing the sugarcane sector and to develop shared solutions that can be replicated by others.

The fund works by publishing “Calls for Proposals” focused on specific themes and invites members and partners to apply for grants through a competitive selection process. These themes connect to key areas of Bonsucro’s Strategic Plan and contribute to the achievement of Bonsucro’s strategic aims.

This specific Call for Proposals is focused on supporting projects that take a targeted, multistakeholder approach to addressing human rights and decent work issues in one or more sugarcane production areas.

## 2. Why focus on human rights and decent work?

Sugarcane is grown in more than 110 countries around the world and regardless of where it is produced, it is considered a “high impact” crop – it generates significant positive and negative environmental and socio-economic impacts. It is estimated that over 100 million people across the globe make their living from sugarcane cultivation and processing. For some workers and growers, sugarcane production offers a pathway to prosperity – however, this is not the case for all. Since much of the world’s sugarcane is grown in countries with significant social and labour challenges, tackling issues around adequate pay, basic rights, gender equality and working conditions requires a systemic approach.

The employment of seasonal and migrant workers can create opportunities for unethical recruitment practices to go unchecked, which can lead to debt bondage and human trafficking. For example,

sugarcane has been identified by the US Department of Labour<sup>1</sup> as a commodity associated with forced labour in Bolivia, Brazil, the Dominican Republic, Myanmar, and Pakistan. Child labour is also a problem in some countries. According to the International Labour Organization (ILO), almost a quarter of the migrants working in the sugarcane harvest in Bolivia are children under the age of 14<sup>2</sup>.

With respect to wages, in many countries seasonal workers are paid on a piecework basis – i.e. per tonne of cane cut. The low rates paid for piecework encourages long working hours risking their physical health. Overall wages in the sector tend to be low and insufficient to guarantee a decent standard of living. A study looking at wages paid in eight sugarcane countries found that Peru was the only country where workers were paid a living wage<sup>3</sup>.

There are various forms of gender discrimination faced by women in the sugarcane industry. The sector is male-dominated, and women workers are mostly found in specific, lower-paid, gendered roles. Research has confirmed that a significant gender pay gap exists in the sector, women workers are denied equal working conditions, or work in unsafe environments. In India for example, women day labourers on sugar farms in Uttar Pradesh earn half of what their male counterparts earn for the same work<sup>4</sup> and in the case of South Africa, a gender imbalance was found in sugarcane operations around skills development, hiring and training practices<sup>5</sup>. Gender-based violence is also an issue for the sugarcane sector. Reports of sexual harassment from labour brokers and requests for sexual favours in exchange for job opportunities or lighter work have been reported in Malawi and Guatemala<sup>6</sup>.

In general, the physically demanding nature of sugarcane production poses a health risk to those who work in the industry. Long hours of exposure to high temperatures, pesticides, and smoke from burning cane fields leaves workers vulnerable to heat exhaustion and dehydration, as well as workplace injuries and chronic kidney disease. These health challenges are exacerbated by inadequate access to health care which is a feature of the industry.

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<sup>1</sup> US Department of Labor, 2021. [https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods-print?items\\_per\\_page=10&combine=sugar](https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods-print?items_per_page=10&combine=sugar)

<sup>2</sup> International Labour Organisation, 2017. Child labour in the primary production of sugarcane / International Labour Office, Fundamental Principles and Rights at Work Branch (FUNDAMENTALS) - Geneva: ILO.

<sup>3</sup> CNV Internationaal and the Platform Living Wage Financials, 2021. Position Paper and Roadmap: A living wage throughout the cane sugar supply chain. The Netherlands: CNV Internationaal.

<sup>4</sup> Oxfam India, 2018. The Human Cost of Sugar. A farm-to-mill assessment of sugar supply chain in Uttar Pradesh. Oxfam India Discussion Paper.

<sup>5</sup> Nemarumane, T.M.; Mbohwa, C. 2015. Social life cycle assessment in the South African sugar industry: Issues and views. In Social Life Cycle Assessment; Singapore: Springer

<sup>6</sup> International Labour Organisation, 2017. Child labour in the primary production of sugarcane.

### 3. What type of human rights and decent work projects is the Bonsucro Impact Fund looking to support?

While certification can make a positive contribution to improving human rights in the cane sector, it will not deliver the necessary systemic changes needed. Systemic change requires collective action and the engagement of multiple stakeholders who have a shared interest in finding long-term solutions to these difficult problems. This Call for Proposals is aimed at catalysing initiatives that take a targeted, collaborative approach to strengthen respect for human rights and decent work in sugarcane farming and milling. Projects that address the prevention and remediation of child labour and/or, forced labour; promote, gender equality or progress on living wages are strongly encouraged to apply.

Two grant awards valued at up to £150,000 each are available to Bonsucro members and their project partners.

**Projects need to take a systemic approach that connects to the root causes of the problem:** The root causes of problems such as child labour or gender discrimination are incredibly complex and it is generally accepted that they cannot be eliminated following a narrow sectoral approach, or through limited project interventions. Projects put forward should reflect this insight and any intervention proposed should be presented as part of a coherent longer-term strategy to tackle the underlying drivers of human rights abuses. For example, a project that aims to advance the payment of living wages by calculating living wage benchmarks for sugarcane workers is a good first step. However, this initiative will not be effective in the longer term if it ignores issues such as freedom of association, the legal minimum wage, the status of informal workers, the gender pay-gap and excessive working hours. Projects don't have to address all root causes, but the planned intervention needs to be framed as part of a broader root-cause strategy.

**Projects need to be collaborative and involve local stakeholders:** All proposed projects put forward must involve at least three organisations – the main applicant (a Bonsucro member) and two co-applicants (these can be members or non-members). Furthermore, one of the project partners should be an intermediary or end-user of sugarcane products. It has been suggested that the buy-in and support of traders and food and beverage manufacturers is critical to the success of any decent work intervention<sup>7</sup>.

Similarly, all projects must involve local stakeholders, particularly government bodies and local NGOs. A project that aims to better detect the incidence of child labour will not be successful without a community monitoring element or a remediation strategy that has the support of local authorities.

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<sup>7</sup> International Labour Organisation (ILO), 2019. ILO Decent Work Interventions in Global Supply Chains: A synthesis review on lessons learned – what works and why, 2010-2019. Geneva:ILO.

Local stakeholders don't have to be formal project partners, but they must be involved in project activities.

A further aspect of collaboration is the extent to which the project builds on existing initiatives and the learning, experience, and tools of others. Projects should clearly demonstrate how their efforts don't replicate or duplicate but complement the work of others.

**Projects need to include a convening element to inspire and coordinate collective action:** All projects put forward must include a convening element. This component of a project should bring together local and/or international stakeholders to encourage open and frank dialogue on decent work issues, and to inspire and coordinate collective action. Establishing a multi-stakeholder working group or hosting a series of workshops or on-line discussion groups, are examples of activities that can be undertaken as part of this convening element.

**Projects should take place in one of Bonsucro's prioritised countries:** While Bonsucro is a global organisation, it has small regional teams based in a handful of countries. Rather than spread its impact projects too thinly, this call for proposals is aimed at supporting the implementation of projects where the bulk of activities will be carried out in the following countries:

Americas	Brazil, Mexico, Guatemala, Costa Rica, Bolivia, Honduras, Dominican Republic
Africa	South Africa, Cameroon, Eswatini, Mauritius, Kenya
Asia-Pacific	India, Thailand, Pakistan

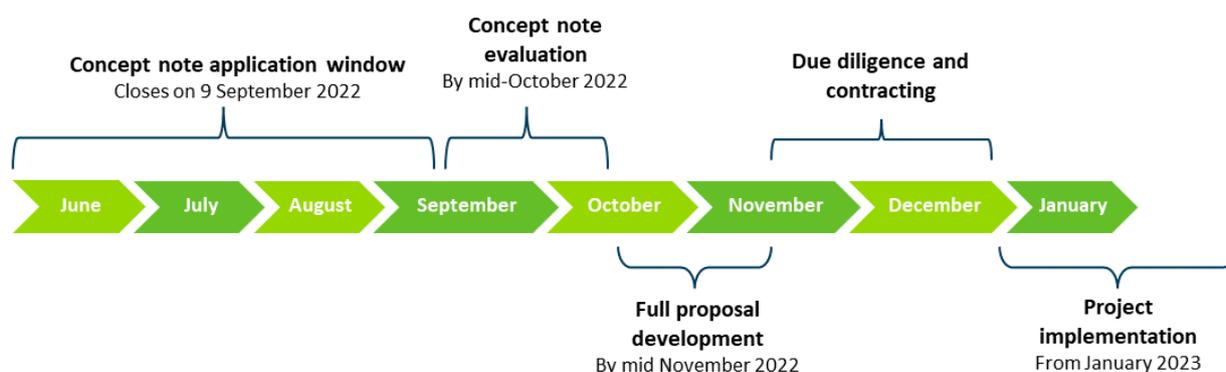
**Projects need to be able to measure/demonstrate their impact:** Measuring the impact of a project is difficult – especially if the project includes an advocacy and convening element. However, all projects supported by the fund are required to have a Monitoring, Evaluation, and Learning (MEL) component built into their design that should link to Bonsucro's Global Indicators. If needed, Bonsucro will provide technical support to farmer organisations and NGOs to help draft this framework. In general, project partners must be committed to measuring their results and sharing their learning.

**Projects need to be co-funded:** All project applicants must also provide some co-funding to support project implementation. For our decent work grants, this must be a minimum of 40% of the total project budget. This works out to a minimum of £100,000, if the full grant of £150,000 is being requested, then the total project budget is £250,000. This co-funding can come from different sources including in-kind contributions (for example, staff time) or funding provided by other donors.

## 4. How to apply?

Applying for grants can be a time-consuming process, especially if you are still finalising your project idea and confirming the partners involved, activities and budget. To make it easier for members to put forward impact projects, we follow a two-stage application process.

The **first stage** involves preparing a short concept note outlining your project idea. These concept notes are evaluated by the Project Selection Committee (PSC), and the most promising project ideas are invited to proceed to the **second stage** - submitting a full proposal. The steps involved in our grant-making project are shown in the graphic below.



## Project Concept Notes

The project concept note template (available [here](#)) asks applicants to describe the need for the project, its envisaged impact, the activities planned, as well as who will be involved in the implementation. The Concept Note template can be completed in English, Spanish or Portuguese and needs to be sent to [fund@bonsucro.com](mailto:fund@bonsucro.com) before the closing date – **9 September 2022**.

If you are thinking of submitting a concept note, you should let us know as soon as possible by emailing us at [fund@bonsucro.com](mailto:fund@bonsucro.com) . Bonsucro staff can help by sense-checking concepts, connect you to potential partners, and highlight synergies and overlaps with other projects. We will also be able to send you additional information on our contracting procedures and share our list of Frequently Asked Questions.

All the concept notes we receive are evaluated by the fund’s [Project Selection Committee \(PSC\)](#)<sup>8</sup> and the most promising project ideas are invited to submit a full proposal. The criteria the PSC uses to evaluate the concept notes include:

**Relevance of the planned project:** Is the specific decent work issue the applicant is proposing to address material to the region where the project will be implemented, and will the initiative add-value to what others are already doing?

**Relevance of approach:** Is the project concept and partnership arrangement sound, has a root-cause approach been followed and does the project include a convening element?

<sup>8</sup> This PSC is an independent body consisting of three representatives from Bonsucro’s Members Council, 2 Bonsucro staff members and an independent expert nominated by Bonsucro’s Technical Advisory

**Scale of impact:** Should the project be successful, how replicable and scalable is the concept?

## Full Project Proposals

The Full Project Proposal template builds on the concept note you submitted but asks for more detailed information. Additionally, applicants need to provide information on how they will approach monitoring and evaluation. If needed, Bonsucro can offer some technical support to develop this, but it's on a first come, first served basis and it is limited to farmer organisations and NGOs. When inviting a full proposal, we will also let you know about any specific concerns or issues the PSC raised when they reviewed your concept note. The Full Project Proposal template is only available in English and only submissions in English will be accepted (unless otherwise discussed with and agreed by Bonsucro).

The PSC evaluates these full proposals by looking at several criteria, and then makes a recommendation to the Board of Bonsucro about which projects should receive a grant. The criteria the PSC uses to evaluate proposals on the human rights and decent work theme include:

**Relevance of the project and its approach:** Is the specific issue the applicant is proposing to address material to the region where the project will be implemented, and will the initiative add-value to what others are already doing? Does the project build on the work of others in the sector and/or region? Is the project concept sound, has a root-cause approach been followed and how encompassing is the convening element?

**Replicability and scalability:** What is the expected scale of impact and can the project strategy be easily replicated by others in the sector and beyond?

**Ownership and stakeholder engagement:** Have the intended beneficiaries of the project been engaged and expressed a commitment to participating in the project? How does the project involve local, national and industry stakeholders? Is the projects engagement approach credible?

**Measurability:** Does the proposed project clearly articulate its contribution to Bonsucro's identified aims and targets? Does the monitoring and evaluation approach aim to track the impact of the convening component of the project?

## 5. What steps are involved in contracting?

### Finalising the proposal and budget

Once an in-principle decision has been made to award a grant for a specific project, based on feedback from the PSC or the Board, we might ask the applicant to adjust their full proposal and budget. This final negotiated proposal and budget will be used as part of the Grant Agreement.

### Due diligence

Before signing a Grant Agreement, lead applicants will be asked to complete Bonsucro's grant due diligence questionnaire and submit relevant supporting documentation. This questionnaire looks at whether the applicant who will receive our grant has sound management and financial systems in

place and whether they are up to date with the Bonsucro reporting requirements against the Code of Conduct. An example of this due diligence questionnaire can be found [here](#).

### Signing the Grant Agreement

If you are considering applying for a grant, it's worth noting that our Grant Agreement has two clauses that are particularly important. The first one deals with Prohibited Uses of the grant and states that the funds can only be used for the project in accordance with the approved budget and, among other prohibited uses, cannot cover expenses incurred before the project start date and after the completion date as set out in the agreement. The second important clause is about Intellectual Property (IP) Rights. This states that the IP will be jointly owned by Bonsucro and the grantee. When you submit a full proposal, please let us know whether you anticipate that either of these clauses will be problematic for your organisation and the reason for this.

### Preparing a Partnership Agreement

A valid Partnership Agreement must be in place between all project partners within one month of having signed our Grant Agreement. Preparing these agreements can be challenging and once we let you know that you have been awarded a grant, we will provide you with a Partnership Agreement template and checklist to help with this process.

## 6. What do we ask of grant recipients?

### Grantee conduct

Recipients of our grants are expected to follow both the terms and spirit of our grant agreement. They must always respect basic human rights in accordance with [Bonsucro Code of Conduct](#) and comply with the employment laws in the countries where project activities are being carried out. They must also carry out due diligence on all subcontractors to ensure they also meet these minimum standards.

### Reporting requirements

Grantees are required to submit a short narrative and financial report every six months. For the narrative report, grantees will be asked to reflect on the progress of their project, obstacles encountered, and strategies used to overcome these. The financial report is activity based and grantees need to report on actual expenditures incurred versus planned expenditures.

An end of project completion report must also be submitted shortly after the project closes. The purpose of this report is to summarize the main outputs of the project and reflect on the extent to which the project's objectives were achieved.

### Grant payments

A first payment of 25% of the grant value is made upon signing of the Grant Agreement. The balance of the grant – the remaining 75% - will be paid in three pre-agreed instalments linked to the completion of project milestones. The payment schedule is included in the Grant Agreement.

## Communications and visibility

To increase Bonsucro's visibility and make it easier for us to attract resources for the Bonsucro Impact Fund, grantees need to acknowledge our support by adding the Bonsucro logo to all publications, reports, banners, press materials and other products that the project develops. After signing a Grant Agreement with Bonsucro you will receive detailed guidance on where and how to use our logo and acknowledge our support.

## Project Modifications

We know that in the real-world projects don't always go perfectly to plan. We recognise this and have procedures in place to manage this process.

**Requests for budget modifications:** Small transfers (less than 10% or GBP £1000 per budget line – whichever is the largest) between approved budget lines don't need our approval. However, if you want to transfer more than 10% between budget lines we need to approve this change, and issue you with a grant amendment before the change happens.

**Requests for project time extensions:** If you need to extend the time period of your grant (the amount of the grant cannot be increased, but no-cost extensions are allowed if reasonably justified) you should let us know by sharing a brief description of why you need the extension and how long this extension is needed for. You should let us know about this at least three months before your grant is expected to end.