GROWTH & INNOVATION FUND

GIF Guidelines
Eligibility

The Small Farm Fund is a closed fund; we will not review any unsolicited applications.

Applicants must be endorsed Better Cotton Programme Partners. Programme Partners must be able to demonstrate that their project is in a location that is a recognised cotton growing area. Project locations must present opportunities for market uptake of Better Cotton produced, and farmers must be able to see the business case for participation. Programme Partners should make solid efforts to build partnerships at a local level that facilitate farmers’ access to the supply chain.

First-time applicants should submit an Expression of Interest (EoI). This can be submitted at any time. If successful, the applicant will be invited to submit a full application in the normal funding cycle.

Programme Partners which had an application rejected in the previous season cannot reapply the following season for the same project. After this time, Programme Partners must submit an EoI before responding to an RFP.

Geographical scope

Applicants must be operating in one of the GIF’s focus countries (see annual RFP for country list).

To be eligible for GIF funding, new countries must meet Better Cotton’s criteria for new countries as well as the following GIF criteria:

- Countries with a majority of smallholders, though medium farmers can be included in projects
- Countries of low income or lower middle income (World Bank 2023)

Length of project

Existing partners funded by the GIF should submit a proposal for a three-year period.

New Partners should submit a one-year proposal. Partners which have a project under “warning approval” can only submit a one-year proposal for the following season of that project.

Number of projects per applicant

A maximum of 4 projects per partner.

Local partners

Programme Partners can subcontract a Local Partner to implement part of the project on their behalf. This type of subcontracting and funding must be permitted by local laws. Programme Partners must inform the GIF if they intend to use this approach in the application. The application should be jointly prepared by the Programme Partner and Local Partner with a clear explanation of each partner’s roles and responsibilities. If the application is approved, the Programme Partner must share a copy of the subcontracting agreement between itself and its Local Partner(s) before the funding agreement is shared.

1. This does not apply to newly endorsed partners or if a project was rejected purely because of inadequate funds or if multiple applications were received for projects in the same geographical area.
Co-funding

Programme Partners are encouraged to provide a contribution to the project, either from their own sources or from other donors. In the case of commercial Programme Partners, we will expect a significant level of co-funding. Better Cotton GIF has identified four categories for commercial partners, with a maximum percentage cap on GIF’s contribution within each category. The final GIF contribution will be contingent upon the quality of the proposals submitted. *(This request for co-funding does not apply to commercial partners in the set-up phase of their project).*

<table>
<thead>
<tr>
<th>Type of commercial partner</th>
<th>Cap for GIF matched funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply chain actor</td>
<td>15%</td>
</tr>
<tr>
<td>Agri consultancy</td>
<td>80%</td>
</tr>
<tr>
<td>Agri tech solutions</td>
<td>50%</td>
</tr>
<tr>
<td>Miscellaneous agri business</td>
<td>To be decided on a case-by-case basis</td>
</tr>
</tbody>
</table>

Process overview

The Better Cotton GIF year runs from 1st April to 31st March. Annual fund management processes and key milestones for the Small Farm Fund for Northern and Southern Hemisphere applicants are reflected in the diagrams overleaf.

Projects which the GIF team recommends for rejection will be presented to the FIIC in December. If the FIIC approves the rejection, partners will receive this decision before the end of the calendar year. This is to facilitate an exit roadmap before the start of the following season. If the FIIC does not reach a consensus decision the project will be discussed in the January FIIC. The FIIC has the final say on all funding decisions, a project recommended for funding by the GIF team and the relevant Better Cotton country team could be rejected by the FIIC and vice versa.
### Process overview: Small Farm Fund

#### Mid Year FIIC
- Previous season review
- Decision making: RFP next season

#### BIC meeting
- Share RFP next season

#### FIIC meeting
- Decision making:
  - Review of Small Farm Fund applications recommended for rejection
  - Small Farms Fund projects
  - Knowledge Partner Fund projects

#### Submission end season and audit report (previous season)

### Operations

- **GIF Team**
  - GIF Team & Country teams alignment on recommendation

- **Applicant**
  - Northern Hemisphere
  - Southern Hemisphere
Application evaluation criteria

After the eligibility of the applicant is confirmed, proposals will be evaluated by the GIF Team and Better Cotton country teams according to the criteria below:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Project design 40%</th>
<th>Partner capacity and track record 60%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Project relevance to 2030 strategy and country objectives</td>
<td>2. Quality of project design</td>
<td>1. Capacity of Programme Partner to implement and monitor the proposed activities, to report on them, and to account for funds. This will include having appropriately qualified &amp; sufficient staff, with adequate gender representation at all levels, and links or planned links with organisations to fill expertise gaps</td>
</tr>
<tr>
<td>3. Potential impact on smallholder farmers and workers, and the environment</td>
<td>4. Inclusivity, particularly in relation to women who are involved in farming cotton as farmers or workers</td>
<td>2. Quality of support / satisfaction of Local Partners (where applicable)</td>
</tr>
<tr>
<td>4. Inclusivity, particularly in relation to women who are involved in farming cotton as farmers or workers</td>
<td>5. Realistic budget which is reflective of project plan</td>
<td>3. Performance progression over the last three seasons</td>
</tr>
<tr>
<td>5. Realistic budget which is reflective of project plan</td>
<td>6. Robust M&amp;E plan</td>
<td>4. Quality of project improvement action plans and follow up</td>
</tr>
<tr>
<td>6. Robust M&amp;E plan</td>
<td>7. Programme evolution plan: e.g., to progress farmers to lead farmers, facilitate FPOs etc</td>
<td></td>
</tr>
</tbody>
</table>

FIIC decisions are:

**Approved**: The project application is approved. **Approved with condition(s)**: The project application is approved on the condition that certain adjustments are made to the application prior to contracting. If these adjustments are not incorporated within the given time, the project will be rejected. **Warning approval**: The project is approved for one season; any subsequent funding will be contingent on significant improvements being made (as indicated in Decision Letter). **Rejected**: The project is rejected.

**FIIC decisions are final and will not be discussed**
Eligibility
Organisations that can strengthen the capacity of Better Cotton Programme Partners. This should take the form of a direct transfer of knowledge and/or skills to the Programme Partner. Activities should comprise strengthening of the capacity of staff and organisational resources (e.g. training materials, strategy documents, tools). Activities directed at farmers and workers by the Knowledge Partner must be shadowed by the Programme Partner.

Organisations applying to this Fund need to be approved and invited by the relevant Better Cotton country team.

Programme Partner engagement
Organisations will be expected to engage and work with Better Cotton Programme Partners before and during the preparation of their project application. Programme Partner conversations will be supported by the country teams when relevant and needed.

Geographical scope
Organisations applying must be based in the Small Farm Fund countries. In exceptional cases, where an organisation offers some expertise/a practice not currently found in Better Cotton's countries of operation, we will consider organisations in other locations.

Length of project
The project length will be determined by the nature of the project. Projects should be a minimum of 1 year and a maximum of 3 years. Applicants will develop a project activity timeline as part of their Stage 2 application.

Number of projects per applicant
There is no maximum, but all proposed projects should be agreed with the relevant country team.

Project budget
We are unlikely to fund capital expenditure items unless there is a strong justification provided. We may deny requests for capital items if we deem them to be out of scope for the Knowledge Partner Fund.

Application evaluation criteria
After the eligibility of the applicant is confirmed, proposals will be evaluated by the GIF Team and Better Cotton country teams according to the criteria below:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Relevance 20%</th>
<th>Quality 30%</th>
<th>Experience 25%</th>
<th>Capacity 25%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project relevance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of project design</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partner has demonstrated experience in similar projects/support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity of the partner: The applicant has proven capacity to implement, manage, communicate, and report on the activities proposed</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FIIC decisions are:
Approved: The project application is approved. Rejected: The project application is rejected.

FIIC decisions are final and will not be discussed.
Innovation and Learning Fund – open fund

Eligibility
The GIF will identify significant challenges or gaps within the implementation of Better Cotton projects and invite applicants to submit their solutions. The Innovation and Learning Fund will provide a space to test breakthrough approaches and cutting-edge field interventions.

Geographical scope
Applicants can be based anywhere but the project should be implemented in a country where Better Cotton is operating (smallholder/medium farm context).

Length of project
Project length will be determined by the nature of the project. Applicants will define a project timeline in their proposal with the ideal project length.

Process overview
See diagram overleaf.

Application evaluation criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Relevance 10%</th>
<th>Quality 20%</th>
<th>Adoption 20%</th>
<th>Scolability 20%</th>
<th>Sustainability 10%</th>
<th>Capacity 20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project relevance</td>
<td></td>
<td>Quality of project design</td>
<td>The solution can be easily adopted by users</td>
<td>The solution has the potential to be scaled up and to be replicated across regions and/or countries</td>
<td>The solution is financially sustainable or the solution will continue without outside support</td>
<td>Capacity of the partner: The applicant has proven capacity to implement, manage, communicate, and report on the activities proposed</td>
</tr>
</tbody>
</table>

FIIC decisions are:
Approved: The project application is approved. Rejected: The project is rejected.

FIIC decisions are final and will not be discussed
FIIC meeting
Decision making:
- Large Farm Fund
- Innovation and Learning Fund

Process overview:
Innovation and Learning Fund

Operations
GIF Team
Applicant

<table>
<thead>
<tr>
<th>Jun-Sep</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation and Learning RFP launch</td>
<td>Application submission</td>
<td>First shortlisting</td>
<td>Detailed application</td>
<td>1:1 meeting with applicants</td>
<td>GIF team and broader Better Cotton teams alignment on recommendation</td>
<td>Funding decision shared with applicants</td>
<td>Funding agreements sent to grantees</td>
<td></td>
</tr>
</tbody>
</table>
Eligibility

Applicants must be current partners of Better Cotton or organisations which have a profound understanding of cultivating cotton in a large farm context.

Geographical scope

The project should be implemented in a country (or countries) where Better Cotton has a large farm programme (direct programme or through benchmarked programme).

Length of project

The project length will be determined by the nature of the project. Applicants will define a project timeline in their proposal.

Number of projects per applicant

One project per applicant.

Co-funding

Applicants will need to provide a contribution to the project, either from their own sources or from other donors. In the case of commercial partners, we will expect a significant level of co-funding.

Process overview

First-time applicants should submit an Expression of Interest. This can be submitted at any time. If successful, the organisation will be invited to submit a full application.

Applications can be submitted at any time of the year. Applications to this fund can be submitted at any time, however, their review and approval will be integrated into the normal GIF funding round and be presented to the FIIC in March. See diagram overleaf.

Application evaluation criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Relevance 10%</th>
<th>Quality 20%</th>
<th>Capacity 20%</th>
<th>Overall impact 30%</th>
<th>Scalability 20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project relevance to 2030 strategy</td>
<td>Quality of project design</td>
<td>Capacity of the partner: The applicant has proven capacity to implement, manage, communicate, and report on the activities proposed</td>
<td>Potential benefit</td>
<td>The solution can be scaled or replicated in similar production contexts</td>
<td></td>
</tr>
</tbody>
</table>

FIIC decisions are:

Approved: The project application is approved. Rejected: The project is rejected.
Process overview:
Large Farm Fund

Applicants are invited to submit their proposals all year round. Proposal review and decision making will be integrated with Better Cotton GIF calendar.

- June to January

Operations:
- GIF Team
- Applicant

Decision making:
- FIIC meeting
  - Large Farm Fund
  - Innovation and Learning Fund

- February
- March
- April
- May

1:1 meeting with applicants (latest by Feb)
GIF team and broader Better Cotton teams alignment on recommendation
Funding decision shared with applicants
Funding agreements sent to grantees
Inclusivity
All partners should demonstrate a commitment to improve inclusion of women and other excluded groups in their own organisations and in their projects.

Sustainability
All partners should aim to reduce the project’s dependency (and their organisation’s) on GIF funding and should work on a plan to ensure project sustainability.

Code of conduct
GIF partners must commit to comply with the Better Cotton Code of Practice and Better Cotton safeguarding policies and procedures.

Suspension / termination of funding
The funding agreement details the circumstances that may a) cause the termination of funding or b) lead to a request to repay unspent funds.

These circumstances include but are not limited to poor performance; unauthorised deviations (activity or budget) from the project application; wrongdoing/misconduct or any act which causes harm to the project stakeholders and/or environment or risks the reputation of Better Cotton.

Policies & other documents for reference
1. Small Farm Fund budget guidelines
2. Knowledge Partner Fund budget guidelines
3. Innovation and Learning Fund budget guidelines
4. Large Farm Fund budget guidelines
5. GIF Appointment of auditors