



Common Fund for Commodities

12th Open Call for Proposals

1. The Executive Director presents his compliments and, for the information of Members, attaches a document received from the Common Fund for Commodities (CFC), which contains the 12th Open Call for Proposals application form and the instructions to fill in the form. Applications are to be made in English only as the CFC cannot provide for translations of proposals submitted in other languages.
2. The deadline for Members to submit proposals to the CFC requesting financing for projects is **15 April 2018**.

**THE COMMON FUND FOR COMMODITIES
12TH OPEN CALL FOR PROPOSALS**

[PROJECT TITLE]

Submitted by [Organization Title] on [Date]

Part I. General Information

0. AFFIRMATIONS

The application is completed by the undersigned,

Full Name:	
Official Title:	
Date the application form was completed:	
I hereby confirm that:	Please confirm by marking "V"
I am duly authorized to represent the Applicant: [enter the official name of organization submitting the application]	
The country in which my project is to take place is a CFC member country ¹ .	
The Applicant is in compliance with all applicable social and environmental regulations and will remain complaint for the whole period of the requested CFC involvement.	
The Applicant is not the subject of, a defendant in, or respondent to any investigation, civil litigation, arbitration, or other action or proceedings related to their business activities. I will inform the CFC without delay if any such action or proceedings occur after the date of submission of this application.	
I warrant that the information provided in this application form is true and accurate.	<sign or type your full name here>

1. KEY INFORMATION ABOUT PROPOSAL

1.1 LOCATION OF OPERATIONS AND DEVELOPMENT RELEVANCE, INCLUDING SDGS

1.2 TARGET MARKET AND COMMODITY-ORIENTATION

¹ See for the actual list of CFC member countries www.common-fund.org/organization/members-of-the-CFC.

1.3 FINANCIAL VIABILITY

Form of financing requested	
Total project cost (USD or EUR)	
CFC Financing requested (USD or EUR)	
Project IRR, %	

1.4 RELEVANT EXPERIENCE IN THE PROPOSED TYPE OF OPERATIONS

1.5 LIST OF OPERATING OR EMERGING COMPETITORS IN THIS FIELD

2. DOCUMENTS SUBMITTED WITH THE PROJECT PROPOSAL

The proposal contains the following documents (check what applies):

	Indicate YES if included with the proposal
Application form of <u>less than 20 pages</u>	
Attached financial <u>projections</u> for the project (in Excel):	
Cash flow	
Income and expenditure	
Balance sheet	
Background information about the proponent	
Financial results of the proponent for the last three years	
Background information on key individuals	
Evidence of registration and good standing	
Evidence of relevant partner relations e.g. cofinancing agreements	
Evidence of collateral and/or other risk mitigation facilities	

I understand that any information supplied to the CFC in this application form and its attachments will be made available for consideration by the Consultative Committee and other Governing Bodies of the CFC. **If any of the documents contain sensitive financial or commercial information, please indicate this clearly.**

Part II. Request for Financing

CFC financing can be provided in either USD or EUR. Depending on the form of financing required for the project, please complete ONE of the tables below, as follows:

If loan or impact bond financing is requested, please complete Table II.1

If equity financing is requested, please complete Table II.2

If financing is requested under Fast Track procedure, please complete Table II.3.

TABLE II.1 TERM LOAN

CFC loan terms	Please describe your proposed terms
The loan amount, normally, is not less than USD 300,000 and up to USD 1,500,000; in exceptional cases amounts of around USD 2 million (or EUR equivalent) may be considered	Loan amount (in USD or EUR):
The loan amount requested from CFC is matched with at least the same amount of co-financing provided by the applicant and/or by other defined co-financiers.	Amount of co-financing (in your requested currency) provided by the applicant : Amount of co-financing (in your requested currency) provided by co-financiers:
The loan period can be up to 5 years with maximum grace period of up to 2 years, depending on the financing needs of the project to be financed.	Loan period:
The loan is to be collateralized with a pledge or mortgage over assets or with a third party guarantee.	Collateral:
CFC's indicative interest rates range between 5% and 10% per annum, depending on the risk profile of the project.	Interest rate:

TABLE II.2 EQUITY

CFC equity terms	Please describe your proposed terms
The equity amount is not less than USD 300,000 and not more than USD 1,500,000 (or EUR equivalent).	Equity (in USD or EUR):
The equity amount requested from CFC is matched with at least the same equity amount provided by the applicant and/or by other specified co-investors.	<p>Amount of co-investment (in your requested currency) provided by the applicant:</p> <p>Amount of co-investment (in your requested currency) provided by co-investors:</p>
The equity participation will not result in an ownership of more than 49% of the share capital.	Percentage of share capital ownership:
There is to be a clear exit / divestment strategy.	Exit / divestment strategy:

TABLE II.3 FAST TRACK

CFC Fast Track terms	Please describe your proposed terms
The amount is not less than USD 50,000 and not more than USD 120,000 (or EUR equivalent).	Amount (in USD or EUR):
Fast Track funding is in principle repayable, unless satisfying justification is provided for non-repayable funding.	Provide repayment terms or provide rationale for requesting non-repayable funding.
The amount requested from CFC is matched with at least the same amount of funds provided by the applicant and/or by other defined co-financiers.	<p>Amount of co-financing (in your requested currency) provided by the applicant:</p> <p>Amount of co-financing (in your requested currency) provided by co-financiers:</p>

Part III. Project Description

Please note that the CFC will withdraw its commitment to any projects failing to provide reasonably accurate and complete information about the project in this application form, e.g. regarding regulatory constraints or competitive challenges. All information for projects receiving approval of CFC financial support will be verified at the due diligence stage.

III.1 PROJECT OPERATIONS

III.1.1 OPERATIONAL MODEL

Current operational practices

Intended Operational Model

III.1.2 OPERATIONAL CAPACITY

III.1.3 MARKET SYSTEM IMPACT/INNOVATION

III.1.4 COMPETITIVE CHALLENGES

III.1.5 SWOT ANALYSIS

	Positive Factors	Negative Factors
Internal	Strengths	Weaknesses
External	Opportunities	Threats

III.2 PROJECT DEVELOPMENT IMPACT

III.2.1 NET ECONOMIC IMPACT

III.2.2 SUSTAINABILITY OF THE PROJECT MODEL

III.2.3 POVERTY PROFILE OF THE END BENEFICIARY AND SOCIAL IMPACT

III.2.4 ENVIRONMENTAL IMPACT

III.2.5 KEY IMPACT INDICATORS

III.2.6 MONITORING AND EVALUATION ARRANGEMENTS

III.3 FINANCIAL VIABILITY OF THE PROJECT

III.3.1 SUMMARY FINANCING STRUCTURE AND ADDITIONALITY OF CFC FINANCING

III.3.2 PAST FINANCIAL TRACK RECORD

III.3.3 FINANCIAL PROJECTIONS

III.3.4 EXIT STRATEGY AND SUSTAINABILITY AFTER COMPLETION

III.3.5 RISK MITIGATION FACILITIES

Part IV. Other Information

IV.1 ORGANIZATIONAL DATA:

Registered name of the organization	
Type of organization: (private company, cooperative, investment fund, NGO, governmental organization)	
Registration data	
Year of incorporation / registration	
Country and address	
Name (contact person)	
Email (contact person)	
Cell phone (contact person)	
Website	

IV.2 HOW DID YOU FIND OUT ABOUT THE CFC CALL FOR PROPOSALS?

Advertisement – please name the publication	
CFC's website	
Any other – please specify	

ANNEX I.1 IMPACT INDICATORS

Please choose the applicable indicators from the list below and provide the requested information.

Feel free to add indicators you think relevant.

Indicator (include IRIS, GRI or other relevant reference code if applicable)	Current situation (A)	Situation after project completion (B)	Explain how your project will contribute to the change from A to B
<p>Economic</p> <p>Number and type of beneficiaries/ households (m/f)</p> <p>Average net (additional) income per type of beneficiary/household</p> <p>Number of additional jobs created</p> <p>Average net (additional) income per job</p> <p>Total hectares financed</p> <p>Total production volume, processed output (output type/quantity)</p> <p>Net average income per hectare</p> <p>If possible: opportunity cost = net value of alternative activities foregone by beneficiaries to participate in the project</p>			
<p>Social</p> <p>.....</p>			
<p>Environmental</p> <p>.....</p>			
<p>Value chain development</p> <p>....</p>			

ANNEX I.2 FINANCIAL RATIOS

PLEASE INDICATE THE BELOW RATIOS FOR PLANNING HORIZON OF THE PROJECT

FINANCIAL RATIO	Current				After project completion	
	Year -3	Year -2	Year -1	Year 0	Year 1 Year 7
1) Equity ratio (%)						
2) Leverage ratio						
3) Interest Cover Ratio (ICR)						

To be computed as follows*:

1) Equity ratio (in %): Total Equity / Total Assets

2) Leverage ratio: Total Debt / EBITDA

Total Debt should include: Bank overdrafts and short term loans + Current portion of long term debt + Long term bank loans + Subordinated / Shareholder loans + CFC loan/ Enhanced equity

3) Interest Cover Ratio (ICR): EBITDA / Interest expenses

Interest expenses should include all interest and other finance charges in respect of Total Debt.

** Please make sure that the calculation base of the financial ratio's shall have the same meaning as given in Annex II (Financial model of the project).*

ANNEX II. FINANCIAL MODEL OF THE PROJECT

Please provide the financial model including Profit and Loss and Balance Sheet projections as Excel files based on the template included in the application package.

ANNEX III. PLANNED FINANCING STRUCTURE

Year / in USD	0	1	2	3	4	5	6	7
Expenditure to be financed (CF)								
Capital expenditure (mobile)								
Capital expenditure (immobile)								
Net Total Capital Expenditure								
Net Cash Flow working Capital								
Net Cash Flow								
Financed by CFC								
In %								
Co-financier A								
In %								
Co-financier B								
In %								
Grant financing								
In %								
Counterpart contribution								
In %								
Total Financing								

**THE COMMON FUND FOR COMMODITIES
12TH OPEN CALL FOR PROPOSALS**

**Instructions for completing the
CFC Application Form**

CFC does not charge any fees during the application stage. However, on approval of CFC financing, successful proponents are expected to cover a fair share of the applicable legal and due diligence costs in connection with the applicability and use of the CFC financing.

**PLEASE SUBMIT THE COMPLETED APPLICATION FORM AND ANY SUPPLEMENTARY
DOCUMENTS TO**

opencall@common-fund.org

or by mail addressed to the

**Managing Director, Common Fund for Commodities,
P.O. Box 74656, 1070 BR, Amsterdam, The Netherlands**

PLEASE DO NOT SUBMIT THIS DOCUMENT TO THE CFC WITH THE APPLICATION

Information on the process of consideration of applications received through the open call

Proposals must be submitted by completing the prescribed application form.

The applications received will be screened internally by the CFC Secretariat for their completeness and for meeting the basic criteria as given in the Open Call.

The applications passing the screening process will be subjected to a detailed approval process commencing with an evaluation by the Fund's external technical advisory committee, the "Consultative Committee".

Upon positive review by the Consultative Committee, the applicant will receive a term sheet stipulating the key terms and conditions of the CFC financing. Upon acceptance of the term sheet by the applicant, the CFC Secretariat will prepare a recommendation for a decision by the Executive Board. In case a communication of such an acceptance of the term sheet is not received, the application will not be considered by the CFC.

The Executive Board approves or rejects the proposal. The Secretariat will communicate the decision by the Executive Board to the applicants. The Executive Board may approve the proposal along with additional conditions to be met by the applicant.

During the whole process, the applicant may be required to provide further information and documentation. In the period between the positive review by the Consultative Committee and the final approval, the applicant may be visited by CFC representatives for due diligence purposes.

Please note that the CFC will withdraw its commitment to any project failing to provide reasonably accurate and complete information about the project in the application form, e.g. regarding regulatory constraints or competitive challenges. All information for projects receiving approval of CFC financial support will be verified at the due diligence stage.

CFC will only contact proponents of proposals that are deemed suitable for further consideration. Unfortunately, the CFC is unable to respond to queries concerning individual applications.

SELECTION CRITERIA

Each application will be assessed against:

- the CFC objectives as stated in the Open Call;
- the track record of the applicant and its technical, managerial and financial capacity to execute the project and reach the targeted goals in stipulated time;
- the quality of the application in terms of completeness and the logic of the project design;
- the quality and transparency of the underlying financial information provided.

Every proposal needs to substantiate and quantify its projections and demonstrate a financially sustainable business plan.

PROCESS AFTER APPROVAL BY THE EXECUTIVE BOARD

As soon as all conditions for final approval have been fulfilled, the applicant will receive one or more agreements governing the CFC finance. For disbursement of the CFC finance the agreement(s) need(s)

to be duly signed by both parties and certain conditions precedent need to be fulfilled. The conditions precedent normally include a legal opinion on the compliance and effectiveness of the CFC agreements under the law and regulations of the country of the applicant.

CALENDAR OF THE 12TH OPEN CALL FOR PROPOSALS

1 January to 15 April 2018:	Applications received by the CFC
16 April to 01 June 2018	Screening of applications by the CFC
01 June 2018:	Submission of project proposals to the Consultative Committee
02 to 05 July 2018:	Consideration of project proposals by the Consultative Committee
06 July to to 10 September 2018:	Negotiation of the key terms and conditions and preparation of recommendation to the Executive Board
10 October 2018:	Consideration of financing recommendations by the Executive Board

The final decision of the Executive Board will be communicated shortly after the Board meeting in October 2018.

IN THE CASE OF BOARD APPROVAL

The Board will consider and approve/reject project proposals based on the information supplied to the CFC in the application form and responses to questions raised by the CFC Secretariat and the Consultative Committee.

The proponents of projects receiving positive conclusion by the Executive Board will be expected to meet the conditions specified by the Board, and facilitate the conclusion of the necessary legal documentation to enable the CFC to provide its financial support. The key steps in the process will be as follows:

The non-binding term sheet will be provided to the project proponent after desk due diligence, which includes preliminary conditions of the final loan contract, to be verified during an onsite due diligence by CFC.

On-site due diligence by the representative of the CFC will be undertaken which the project proponent is expected to support

The draft contract and a draft security pledge agreement is finalised containing all conditions proposed to the project proponent after the onsite due diligence.

THE “SUNSET CLAUSE”. All projects approved by the Executive Board must complete the relevant legal and due diligence process and become operational within 24 months after the date of approval. The CFC will withdraw its financial commitments to projects failing to meet this condition.

The CFC envisages to finalize a project with the above mentioned documents within 12 months after the project approval, if no extraordinary circumstances inhibit the finalization of these key steps.

Instructions for completing Part I: General Information

0. AFFIRMATIONS

Please complete all fields in this section. The application may only be considered by the CFC if all statements are positively confirmed.

I.1. KEY INFORMATION ABOUT PROPOSAL

I.1.1 LOCATION OF OPERATIONS AND DEVELOPMENT RELEVANCE

Please indicate the primary and any secondary geographical location(s) where project operations would take place and how the proposed operations would relate to the development issues prevailing in those locations. The CFC expects that projects receiving financial support are implemented in the Member Countries of the CFC (see the website of the CFC for a complete list). The proponents are expected to be aware of the need for achievement of Sustainable Development Goals (SDGs) and to relate the development impact of the proposal to achieving specific SDGs.

I.1.2 TARGET MARKET AND COMMODITY-ORIENTATION

Please characterise the target market from which the project would generate income stream(s) and how these are related to the commodity sector. The CFC expects that projects primarily take advantage of opportunities in commodity value chains.

I.1.3 FINANCIAL VIABILITY

Please complete all cells in the table provided in this section. The CFC expects to finance projects with recoverable forms of financing, e.g. loans, equity, quasi-equity etc. Projects with a CFC contribution not exceeding USD120, 000 are eligible to be financed under the Fast Track Facility.

I.1.4 RELEVANT EXPERIENCE IN THE PROPOSED TYPE OF OPERATIONS

Provide a short summary of the most relevant past experience in the implementation of the type of operations envisioned in the project proposal.

I.1.5 LIST OF OPERATING OR EMERGING COMPETITORS IN THIS FIELD

Provide a short summary of the most relevant competitors operating or currently emerging in this field of business.

I.2. DOCUMENTS SUBMITTED WITH THE PROJECT PROPOSAL

Please complete the table indicating which documents are submitted to support the proposal. The completed Application Form may not exceed 20 pages. Please do not include documents unless they contain information directly relevant to the proposal.

PLEASE MAKE SURE TO PROVIDE COMPLETE FINANCIAL DATA AND A FINANCIAL PLAN. For all financial projections it is strongly recommended to use the model Excel worksheets provided with this Call for Proposals. To facilitate any analysis of data, the files containing completed financial worksheets should be submitted electronically together with the application form. Please provide the original Excel worksheets rather than pdf or screenshot versions of the same. Absence of such original worksheets will lead to rejection of such a proposal.

Instructions for completing Part II: Request for Financing

CFC financing can be provided in either USD or EUR. Depending on the form of financing required for the project, please complete and include only ONE of the tables in this Section II, as follows:

If loan or Development Impact Bond financing or is requested, please complete Table II.1

If equity financing is requested, please complete Table II.2

If financing is requested under Fast Track procedure, please complete Table II.3.

TERM LOANS:

- loan amount between USD 300,000 and USD 1,500,000 (or EUR equivalent);
- loan period up to 5 years with maximum 2 year grace period;
- collateralized with pledge / mortgage over fixed assets or with third party guarantees;
- indicative interest rate between 5% and 10% depending on CFC's assessment of risk and local market rates.

DEVELOPMENT IMPACT BONDS:

The CFC is behind the first Development Impact Bond in the commodity sector and will consider participating as investor in projects financed under DIB model¹. If applying for DIB financing, please complete Section III.2.5 in full.

EQUITY STAKE IN IMPACT INVESTMENT FUNDS AND OTHER FORMS OF IMPACT FINANCING:

- equity amount between USD 300,000 and USD 1,500,000 (or EUR equivalent);
- minority stakes only;
- clear exit divestment strategy;
- board representation by a CFC nominated delegate may be required.

FAST TRACK FINANCING

Can be considered for activities yielding immediate results towards CFC objectives as stated under Section 4 and / or the development of innovative products and services in a pre-commercial phase:

- financing amount of between USD 50,000 and USD 120,000 (or EUR equivalent);
- in principle, Fast Track financing concerns returnable funding with flexible financing and security conditions, under a simplified approval procedure.

Please bear in mind that:

- the CFC will only consider proposals where its share of financing does not exceed 50% of the total amount of financing required for the project;
- the term of the loan should normally be 3 to 5 year duration. In an exceptional case, reasons the same to be provided by proponents at the proposal submission stage, may be extended but should not exceed 7 years;
- the applicable interest rate will be determined by the CFC based on the risk profile of the project;
- equity financing is mainly intended for projects where equity is explicitly required, e.g. impact investment funds;
- in the case of equity investments, the CFC usually owns a minority stake only, and never more than 49 % of equity capital.

¹ For details, see <http://www.developmentbookshelf.com/doi/abs/10.3362/1755-1986.16-00029>

Please ensure that a financial plan including a consistent balance sheet is provided. The CFC will not be able to consider project proposals without clearly stated financial projections.

Instructions for completing Part III: Project Description

III.1. OPERATIONS

III.1.1 OPERATIONAL MODEL (UP TO 700 WORDS)

- Current operational model:
 - Description of the critical elements of the current business activities.
 - Information on track record and management experience in the target market.
- Target operational model:
 - Please clarify if the targeted operational model is a modification of the business model or a growth strategy only;
 - Please elaborate on the critical elements of the intervention for project operations:
 - target product(s) and market(s);
 - activities required to reach the market(s);
 - availability of inputs, human resources and skills for business operations;
 - positioning of the enterprise in operational/competitive environment;
 - competitive advantage of the enterprise in the target market;
 - intended growth model.
- Operational plan: Please explain what specific actions are expected to be financed and implemented to execute the transition from the current to the new operational model.

III.1.2 OPERATIONAL CAPACITY

Please provide information concerning the operational and financial management capacity of the organization which will implement the project. Please elaborate on any change of operational structures required due to the anticipated growth or modification of the business model. The financial model will be assessed and evaluated based on the assumptions provided

The following information should be provided.

- (i) operational management capacity:
 - company can demonstrate documentation concerning day-to-day operational management processes;
 - company monitors its inventory levels;
 - company has established/repeated relations with its buyers. This means that the company does not rely on one-off sale contracts for major part of its operations;
 - company executives have track record of running a profitable operation in the same or related sector;
 - company is aware of its obligations regarding legal practices, can demonstrate licenses, certificates, anti-fraud and anti-corruption policies;
- (ii) financial management capacity:
 - ability to manage the financial resources available to be evaluated based on financial ratios of profitability, EBITDA, gross profit margin, return on assets, debt ratio, asset turnover, average collection period etc.;
 - how many years of audited financial reports are available for the company or its parent companies;

- evidence of past payment of corporate taxes, and bank references;
- references from existing financiers and operational partners of the company.

III.1.3 MARKET SYSTEM IMPACT/INNOVATION

Please explain any innovation impact of the proposed project and indicate its expected multiplier effect, and/or demonstrate the possibility for expansion/replication. The section should clearly demonstrate the relevance of the project to the broader mandate of the CFC, e.g. how the project would contribute to addressing the adverse consequences of commodity dependence and/or improve the position of commodity producers in the value chain. The following questions may be considered:

- Will the project lead to any positive changes in legislation and policies?
- Will the project lead to any changes in physical or market infrastructure to support other farmers?
- What is the potential for upscaling of the project, or for crowding-in of other businesses (e.g. value chain), or other forms of replication of success? This question can be evaluated based on the estimates of the market size which can be captured using the operational model of the project;
- Whether the project contains sufficient element of innovation in terms of implementing a new model, or adapting an existing model to new circumstances.

III.1.4 COMPETITIVE CHALLENGES

Please clearly indicate the competitive environment in which your interventions take place:

- Description of the competition the company / operation is facing
- List of companies/ operations competing with your organization
- Competing suppliers
- Competing buyers
- Other relevant facts

III.1.5 SWOT Analysis

Please complete the Strengths, Weaknesses, Opportunities and Threats (SWOT) table indicating positive and negative factors, both external and internal, potentially affecting the implementation of the project.

III.2 DEVELOPMENT IMPACT

The CFC operates as part of the global development community and finances interventions, which are consistent with the agreed global development priorities, including the Sustainable Development Goals. The proponents are advised to consider and clearly state the relevance of their proposed activities in the stated context under this section. The involvement of any special vulnerable groups, such as Least Developed Countries, Landlocked Developing Countries, also needs to be clearly stated here.

The CFC expects the development impact of the project to be quantified, wherever possible. This should be based on the clear identification of the target beneficiary group(s), indicating the nature of development gains and the numbers of people expected to benefit from the project. This includes both the direct and indirect and/or secondary effects of the project operations in the context of the current situation in the relevant commodity value chain(s).

III.2.1 NET ECONOMIC IMPACT

The net economic impact of the project is evaluated on the basis of a beneficiary model presented by the applicant. The key performance indicators critical for achieving the intended impact should be identified. The target levels for these indicators should be indicated and compared with respective current levels. Additional target indicators may be included if they contribute to demonstrate the impact of the project.

Please spell out clearly any underlying assumption for these estimates, as well as any other input used as the basis for the calculations of key performance indicators showing the NEI (net economic impact) of the project.

The following core impact indicators are mandatory and shall be provided:

- Number and type of beneficiaries/households (m/f);
- Net (average) additional income per beneficiary/household;
- Number of additional jobs created;
- Net (average) income per job;
- Total hectares financed (if applicable);
- Processing volume and productivity;
- Net (average) income per hectare/unit as applicable;

and, if possible

- opportunity cost = net value of alternative activities foregone by the household to participate in the project

Additional performance indicators may be included for each project individually, but do not substitute for the above mentioned indicators, regarded as the minimum to be delivered. Please clearly explain assumptions underlying the estimates. Please fill out the details in Annex 1 to the Application form.

III.2.2 SUSTAINABILITY OF THE PROJECT MODEL

The economic sustainability of the project is assessed from the point of view of the end beneficiaries. The following questions illustrate typical challenges to the sustainability of a project:

- Is this a long term productivity gain for the household? Productivity gain is NOT long-term if, inter alia:
 - it depends on a non-renewable resource;
 - it depends on one-time contribution e.g. of skill/capital/labour;
- does the project depend on technology which cannot be supported by the beneficiaries without further external subsidies;
- are there potential competitive threats to the development gain? If yes, would they be serious enough to impede the operational model introduced by the project?
- are there external threats, e.g. market prices, natural risks which can undermine the project model? If known, how many years since the most recent critical event in prices, weather?
- are there challenges to the rate of participation of the target beneficiary group(s) in the operational model of the project, e.g. social, cultural impediments to sustained involvement in the project?
- any other considerations impeding the sustainability of the project activities for the end beneficiaries.

If any measures can be taken to mitigate the challenges to project sustainability, these need to be mentioned in this section.

III.2.3 POVERTY PROFILE OF THE END BENEFICIARY

Please provide the reference information about the poverty situation of the target group(s) participating in the project, quoting sources where relevant. The information should provide sufficient background for the evaluation of other measures of the project impact. The poverty profile is evaluated based on the public statistical information; the typical indicators which can be provided in this section include:

- the poverty line in the target **country**;
- the income distribution data for **the country/region** , including average, median incomes, average GDP per capita and income inequality score;
- the income data of the **target project group**, including any special vulnerable group considerations e.g. gender, or marginal region;
- the project connection to any special vulnerable groups, such as women or unemployed youth or persons below the poverty line. .

III.2.4 ENVIRONMENTAL IMPACT

Please list any factors creating positive environmental impact, including their estimated value in USD if possible. The CFC would normally expect projects to be environment-neutral and would not consider projects with negative environmental impact. Any clear evidence indicating that the project would generate positive environmental impact can be considered an additional factor in support of the project. Examples of acceptable evidence include but are not limited to:

- independently assessed value of environmental services generated by the project, e.g. carbon credits;
- evidence of reduced costs of environment clean-up which would otherwise be needed without the project, e.g. savings on waste disposal resulting from utilization of waste by the project;
- certification of the project under one of the commonly recognized environment protection regimes.

III.2.5 KEY IMPACT INDICATORS

Please provide objective indicators which will be used to evaluate the project impact in its three dimensions, namely economic, social and environmental. Please complete the table in Annex I.1 with impact indicators which are expected to be monitored and assessed during the implementation of the project. Please relate the indicators to the relevant Sustainable Development Goals (SDGs). If using any standard metrics such as IRIS or GRI, please clearly state the relevant indicator references.

For development impact bonds, please indicate the approximate share of each indicator in the total cost of the project.

III.2.6 MONITORING AND EVALUATION ARRANGEMENTS

Please list any specific arrangements in operation/practice for monitoring and evaluation of the proposed project, based on the relevant key performance indicators. The following questions may be considered:

- does the project have or can the project produce a clear checklist for monitoring and evaluation of its results?
- does the project provide for any format for providing external monitoring and evaluation?
- whether the performance indicators of the project could be clearly attributed to the activities of the project?

III.3. FINANCIAL VIABILITY

III.3.1 SUMMARY FINANCING STRUCTURE AND ADDITIONALITY OF CFC FINANCING

Please indicate the total project cost and all sources of financing including the total investment over the course of CFC involvement. Do not miss to please complete table in the Annex IV providing a budget break-down and a description of the sources of financing.

Why is financing sought from the CFC: The *additionality* of CFC financing refers to the challenges to the feasibility of the project in the absence of CFC involvement. Please indicate any specific reasons, if any, why locally available financing cannot replace the CFC involvement. The CFC aims to enable and supplement various sources of financing including from commercial sources, but not to compete with them.

III.3.2 PAST FINANCIAL TRACK RECORD

Please attach the financial statements (balance sheet and profit and loss statement) of the proponent for the past three years indicating whether these statements have been audited. Please also attach the evidence of good financial standing e.g. references from the bank, evidence of tax payments.

III.3.3 FINANCIAL PROJECTIONS

In this section of the document please provide a financial projection of a profit and loss statement and of a balance sheet. Cash flow statements for the planned implementation period (has to be identical with the life time of the loan requested, up to the maximum of 5 years) as stated in Annex II of the project document. All information provided in the financial projections should be in line with the statement about the operational model in Section III.1.

The following information is required:

- Please provide all key assumptions underlying the financial projections;
- Please provide supporting information illustrating that these assumptions are realistic (historic data, market research etc.);
- Please fill in financial ratios (equity ratio, debt coverage ratio, and interest coverage ratio according to Annex I.2);
- Please complete Annexes II and III of the application form. The financial projections should assume the realization of the operational model presented in this application and should cover the full period of CFC's involvement.
- Please also provide cash-flow projections explicitly demonstrating the anticipated schedule of disbursements of CFC funding as well as the projected repayment / exit of CFC.
- For all financial projections it is strongly recommended to use the model Excel worksheets provided together with this Call for Proposals. To facilitate further analysis, the files containing completed financial worksheets should be submitted electronically together with the application form. Please provide the original Excel worksheets only rather than pdf or screenshot versions of the same.

In case of a loan request please include the requested amount of the CFC loan into the line item i.e. "long term bank loans" as provided in the excel spread sheet delivered. As the final interest rate is only determined after full due diligence of the project please use 7.5 % as the mid-rate between 5 % and 10%.

In case of an equity investment, please include in the requested amount of the equity into the line item "equity".

For impact investment funds, please attach a full term sheet or an investment memorandum, showing

- the target projected rate of return
- details on management fees
- other costs, fees and charges
- hurdle for carried interest and distribution of return (net return) between investor and management, or the “waterfall” of income distribution in the fund.

III.3.4 EXIT STRATEGY AND SUSTAINABILITY AFTER COMPLETION

This refers to equity structures only: "Exit" means the end of financial support by the CFC upon completion of the project, including the recovery of any funds advanced for the project. The CFC expects its exit to be planned in a way that it would not undermine the continuation of the operations established by the project.

Please provide any details concerning the plans for the future exit by the CFC from the project, and any factors which may affect the actual exit.

III.3.5 RISK MITIGATION FACILITIES

Please describe the guarantees and collateral arrangements the project may be able to provide to the CFC. Please indicate which collateral will be available, or if there may be a negative pledge clause or other similar arrangements, which could limit the potential for providing securities. As a minimum please indicate if guarantees by governmental or non-governmental institutions or by individuals may be available. Other provisions will be considered if required by the CFC.

For each risk mitigation measure, please indicate the relevant type of risk and the amount of security available. Please indicate the conditions for the use of the risk mitigation facilities, if any.

Instructions for completing Part IV: Other Information

Please supply additional information concerning your organization and this application:

Registered name of the organization: please indicate all names under which the organization is publicly known.

Type of organization: please indicate whether the submitting organization is a private company, cooperative, investment fund, NGO, governmental organization or another type of organization.

Registration data: please indicate the reference data under which the organization is known in the official registration records. Copies of the registration documents may be attached.

Year of incorporation / registration: Please indicate when the company has been registered under its current trading name.

Country and address: Please provide a postal address for the company. If the company has a postal address which is different from its street address (e.g. a P.O. Box), please indicate both the postal and the street address.

Name contact person: please provide the name and official title of the person(s) who can be contacted with regard to this application.

Email contact person: please provide one or more email addresses where we could send enquiries regarding this application.

Cell phone contact person: please provide a telephone number including the full international and regional codes.

Website: if the company has a web site, please provide its address here.