Request for Applications (RfA)

RFA Reference no: IUCN-25-10- P02886-01

TWENDE – TOWARDS ENDING DROUGHT EMERGENCIES PROJECT

Community Resilience Facility (CRF) SUB-GRANTS

ESARO-KENYA-TWENDE PROJECT

DETAILED INSTRUCTIONS FOR APPLICANTS

October 1, 2025 – October 31, 2025

Applicants must read this guidance document in its entirety before completing and submitting an application for Community Resilience Facility Sub-grants

1. Background Information

The Towards Ending Drought Emergencies (TWENDE): Ecosystem Based Adaptation in Kenya's Arid and Semi-Arid Rangeland, is a 5-year project funded by Green Climate Fund (GCF), with IUCN as the accredited entity. The main objective of the TWENDE project is to reduce the cost of climate change induced drought on Kenya's national economy by increasing resilience of the livestock and other land use sectors in restored and effectively governed rangeland ecosystems. The project contributes to Kenya's national policy of "Ending Drought Emergencies", as outlined in "Kenya Vision 2030". It strengthens climate change adaptation in Kenya's arid and semi-arid lands (ASALs).

The project is being implemented across three landscapes—Sabarwawa, Mid Tana, and Chyulu Hills—which span 11 counties. These target landscapes are currently dealing with a range of challenges, including weak capacity for landscape planning, poor access to climate data and analysis, and limited access to markets and financial services. The TWENDE project addresses these issues through three main components

1. Component 1: Climate change adapted planning for drought resilience
2. Component 2: Restoration of rangeland landscapes for ecosystem-based adaptation
3. Component 3: Climate change resilient ecosystem management for investments

Under component 3, IUCN- Kenya under the stewardship of Conservation International (CI) intends to use part of the TWENDE project funding received from the Green Climate Fund to provide targeted technical assistance support to develop and implement a Community Resilience Facility (CRF). The main objective of this facility is to provide a financial mechanism that seeks to incentivize sustainable land management and natural resource governance through community land use and restoration plans. It aims to provide access to finance, coupled with sustainable land management practices & incentives, to improve not only arid lands productivity but also resilience to climate change. The facility will benefit communities by fostering improved livelihoods and driving sustainable land management and incentivizing restoration activities.

2. Objectives

This Request for Applications (RFA) announces an opportunity for funding designed to empower Community Groups and SACCOs involved in saving and loaning. The funds will be used for onward lending to members, enabling them to implement sustainable land management and restoration activities and, critically, improve their livelihoods through annual lending cycles.

While KPIs must be met by August 2027, the core intent is for this seed capital to remain within the community and revolve indefinitely, ensuring a lasting impact.

3. Financial Allocation and use of proceeds

This sub-grant represents a 100% contribution to your group's Environmental Revolving Fund, a core mechanism for ensuring the capital remains a permanent, self-sustaining community resource.

3.1. Fund limits and sustainability

- Grant Size: The grant size carries strict limits: a floor of KES 200,000 and a ceiling of KES 1,000,000.
- Matching: Applicants are not required to contribute external matching funds.
- Fund Growth: Groups must clearly articulate their plan for long-term CRF fund growth. This depends entirely on how they will plough back both member savings and any surplus service charges into the revolving fund pool.

3.2. Budget and financial planning

Groups must generate realistic financial projections for the CRF annually, extending through December 2027.

- Cost inclusion: Your budget must cover ALL operational expenses—including Loan Administration Fee, Governance Fee, Insurance Cover, and the Conservation Kitty—using a maximum allowable service charge of 5%.
- Governance allotment: Note that this 5% service charge must specifically set aside a 2% allocation to directly support the necessary CRF governance activities.

3.3. Compliance and Verification

Strict compliance is required. Every loan application processed by the community saving and loaning groups must meet the CRF Eligibility Criteria (see Section 5 for details).

- Activity alignment: Activities proposed by your members using CRF loans must be entirely consistent with the Eligible Activities list (section d) and align with the relevant Ward Restoration Plans developed under the TWENDE project (IUCN Kenya will share specific plans).
- Audit authority: **ALL** loan expenses are subject to verification by IUCN Kenya. This verification can take the form of immediate spot checks or a comprehensive final audit.

3.4. Disbursement Structure (Two Instalments)

The sub-grant capital, intended to capitalize the loan instrument, will be delivered in two separate instalments per grant.

- Payment basis: Subsequent payments are strictly tied to the successful achievement of milestones and deliverables that will be defined and enshrined in the signed Sub-grant Agreement.
- Second payment condition: Before receiving the second instalment, the group must establish and commit to clear, measurable environmental, economic, and social targets they aim to achieve within the following 6 to 12 months.

4. Project duration

The Community Resilience Facility is a long-term community owned asset for supporting their restoration plans. The start date of the community resilience facility will be determined by the date of the signature of the sub-grant conservation agreement. The suggested results and milestones need to be clear and attainable within the timeframe of the TWENDE project period

(August 2027). Before the end of the TWENDE project period, the fund oversight will totally transition to landscape committees or the established community SACCOs.

5. Eligibility criteria

a. Eligible sub-projects or community groups

Selection by IUCN Kenya of the community resilience Facility ("CRF") partners (i.e., sub grantees) will be based on their experience and expertise in community savings and loans facilities, and the potential positive climate and community impact of their proposed facilities (on-lending grant projects). The selection of Sub-Projects or community groups shall be subject to IUCN Kenya's final decision-making and targeted selection of community groups will be adopted as per grand award manual (GAM).

The initial criteria for selecting Sub-Projects and community groups under this Activity are as follows:

- The relevant project proposal's technical and economic viability in community savings and loans facilities.
- Interventions to be financed and implemented are on agreed Ecosystem Based Adaptation (EbA) in relation to the sustainable land management activities targeted under this activity (Community Resilience Facility).
- Adherence to the implementation of Environmental and Social Safeguard System.
- Demonstrate gender mainstreaming consistent with the TWENDE Project Gender Action Plan, that is, involvement of women and youth in the trainings, dialogue and establishment of community resilience facilities in each community & allocation of funds to incentivize community land use plans should be done equally between men and women, ensuring there are women and youth in leadership positions.
- The contribution of the project proposal to the achievement of the Funded Activity's objectives and to the Fund's objectives, and be consistent with GCF's investment criteria; and The applicant's implementing capacity, and the duration of projects to align with the Project's implementing period (i.e. all the proposed Sub-Project's measures and activities must be finalized prior to the Completion Date -August 2027 before new cycle or commitments with landscape committee are signed).
- Applicants should have an existing working relationship with the TWENDE project and must have received the required CRF training delivered by IUCN Kenya within the one year preceding the date of this advertisement.

b. Eligible final beneficiaries or community group members borrowing

The Final Beneficiaries will be community members engaging in restoration enterprises or climate smart activities. Indicative requirements for selecting the Final Beneficiaries under this Activity are the following:

- Community members that have (i) individual legal personality; and (ii) the power and capacity to enter into valid contracts on their own name and independently, without requiring further approvals of any authority or person.

- Ability to deliver community-based restoration enterprise or climate smart projects.

- Previous experience of implementing community-based restoration enterprise or climate smart projects and records of past community-based restoration enterprise and climate smart activities in the landscape.
- Assurance of community participation in project design, implementation, monitoring and evaluation.
- Good knowledge of the EbA, landscape resilience and food security.
- Demonstrates sound financial management experience.
- Experience in managing funds; and
- Well-established accounting and financial reporting systems (record keeping), and compliance with reporting and auditing requirements.

c. *Target area for CRF sub-grants*

The following 39 wards, in 11 counties and 3 landscapes are the target areas

Landscapes	Counties	Wards
Sabarwawa (4 wards)	Marsabit	1. Laisamis
	Samburu	1. Waso
	Isiolo	1. Chari 2. Cherab
Mid-Tana (24 wards)	Isiolo	1. Garbatulla 2. Kinna
	Meru	1. Igembe East, 2. Athiru Gaiti, 3. Kanuni, 4. Akachiu, 5. Thangatha,
	Tharaka Nithi	1. Mukothima 2. Gatunga 3. Marimanti 4. Nkondi 5. Chiakariga
	Kitui	1. Tseikuru, 2. Tharaka, 3. Ngomeni, 4. Kyuso
	Tana-River	1. Bangale 2. Madogo
	Garissa	1. Saka 2. Denyere 3. Balambala 4. Jara Jara 5. Benane 6. Maalimin

Chyulu Hills (11wards)	Makueni	1. Ivingoni-Nzambani 2. Thange 3. Nguumo 4. Makindu 5. Nguu-Masumba
	Kajiado	1. Imbirikani 2. Kuku 3. Kenyawa poka 4. Rombo
	Taita-Taveta	1. Ngolia 2. Chala

d. Eligible Activities (Funded through loans)

i. Sustainable Land Management (SLM) Activities

These aim to enhance land productivity while conserving natural resources.

- **Soil and water conservation (SWC)**- Construction of terraces, bunds, zai pits, sand dams, and check dams to reduce erosion and increase water retention.
- **Agroforestry**- Integration of trees like Acacia, Moringa, and Melia volkensii with crops to improve soil fertility and provide fodder/fuel.
- **Dryland farming techniques**- Use of drought-tolerant crops (sorghum, millet, cowpeas), mulching, minimum tillage, and crop rotation.
- **Rangeland management-** Rotational grazing, reseeding degraded grazing lands with indigenous grasses, and community grazing plans.
- **Rainwater harvesting**- Farm ponds, roof catchments, and rock catchments to capture water for domestic and productive use.
- **Contour farming and stone lines** -Reduces surface runoff, controls erosion on sloped land. Common in Eastern and Northern Kenya.

ii. Restoration activities

Targeting degraded ecosystems such as drylands, riverbeds, and overgrazed rangelands.

- **Reseeding of degraded rangelands**- Using indigenous grasses (e.g., Cenchrus ciliaris) and legumes for soil cover and fodder.
- **Assisted natural regeneration (ANR)**- Protecting and managing existing rootstock or stumps to encourage regrowth of native trees.
- **Tree planting and enrichment planting -**Planting drought-tolerant species such as Acacia senegal, Melia volkensii.
- **Gully rehabilitation-** Use of check dams, gabions, and grass to stabilize gullies and prevent further erosion.
- **Riverbank and wetland restoration** -Re-establishing riparian vegetation and protecting wetlands to improve hydrology and biodiversity.
- **Ex-closures and land resting**- Temporarily fencing off severely degraded lands to allow vegetation and soil recovery.

iii. Nature-based enterprises/value chains

Diversified livelihoods using sustainably harvested or produced resources.

- **Honey/beekeeping**- Apiary establishment using Langstroth or top-bar hives, training on hive management, honey processing, packaging, and marketing. Species: Apis mellifera scutellata.
- **Fodder production-** Growing and selling grass species like Cenchrus ciliaris, Sporobolus, and Napier grass for livestock feed. Includes fodder banks and hay baling units.
- **Gums and resins**-Harvesting and value addition of Acacia senegal (gum arabic) and Boswellia species (frankincense). Activities include sustainable tapping, grading, drying, and aggregation.
- **Camel milk production** - Improved milking hygiene, establishment of cold chains, camel health services, milk collection centers, and value-added products (e.g., yogurt, powdered milk).
- **Aloe vera farming & processing** -Cultivation and processing into value added products such as soaps, gels, and creams and others.
- **Eco-tourism and cultural tourism** -Community-based tourism tied to landscapes (e.g., sacred hills, wildlife corridors), traditional knowledge, and homestead visits.
- **Handicrafts from natural fibers** - Making baskets, mats, and jewellery from palm, sisal, and other local materials.

iv. Ineligible Activities

- Any sub-projects or activities that involve physical and/or economic displacement of communities and individuals.
- Any sub-projects or activities that involve restrictions on water use and as such would affect the livelihood of local communities.
- Any sub-projects or activities that involve significant conversion or degradation of critical natural habitats and forest resources.
- Any sub-projects or activities that adversely affect cultural heritage.
- Any sub-projects or activities requiring land acquisition or relocation of local communities.
- Any sub-projects or activities affecting indigenous peoples without having obtained their free, prior and informed consent.
- Any sub-projects or activities involving the following types of facilities or structures: permanent boreholes, major water pans or other water storage devices, structures that would imply large scale disturbance of soil/sub-soil; and
- Any sub-projects or activities involving the introduction of invasive alien species.
- **Non-SLM Related Investments -**Activities that do not contribute to sustainable land management, ecosystem restoration, or climate resilience. Investments in sectors unrelated to land use, such as retail shops, entertainment, or general trade.
- **Environmentally Harmful Practices -** Use of funds for activities that degrade natural resources, such as charcoal production, deforestation, unsustainable mining or quarrying, and use of harmful pesticides or chemicals.
- **Non-Compliant Financial Practices -** lending without applying the agreed service charge structure; onward lending to non-members or unregistered entities; use of CRF funds for personal or administrative expenses.

- **Activities Outside Target Areas -** Projects implemented outside the designated 39 wards in the 3 landscapes or 11 counties. Beneficiaries not residing or operating within the 39 target wards.
- **Unapproved Infrastructure Projects -** Construction of permanent buildings or facilities not directly linked to SLM goals. Purchase of vehicles or machinery not justified in the investment plan.
- **Political or Religious Activities - U**se of funds to support political campaigns, religious events, or sectarian activities.
- **Activities with High Risk and No Mitigation -** Projects with high financial, environmental, or social risk that lack a clear mitigation strategy. Lending to members without proper risk assessment or repayment plans.
- **Duplicate Funding - A**ctivities already funded by other loans, grants or programs without clear differentiation or added value.
- **Group Dissolution or Mismanagement -** Groups that dissolve or fail to maintain governance structures during the grant period. Misuse or misappropriation of funds, which may trigger full grant recovery.

v. Eligible use of CRF Sub-grant

The CRF sub-grant is exclusively designated for lending to community group members who are engaged in sustainable land management (SLM) and restoration initiatives, fostering environmentally responsible and climate-resilient practices at the grassroots level.

vi. Ineligible uses of CRF sub-grant

- Applicants or community groups may not propose financial support to third parties through sub-grants.
- Ineligible costs include covering administrative or operation costs, CRF governance costs, CRF insurance cover, group interventions or income generating activities, debts and debt service charges (interest), provisions for losses or potential future liabilities, exchange rate losses and purchases of land and buildings.

  Please note: The service charge collected by applicant can be used to cover administrative or operation costs, CRF governance costs, and CRF insurance cover.

vii. Main guiding document

- TWENDE-Towards Ending Drought Emergencies Project [TWENDE: Towards Ending Drought Emergencies: Ecosystem Based Adaptation in Kenya's Arid and SemiArid Rangelands | Green Climate Fund]

6. Components of the application

Application templates (technical and financial) will be shared to the targeted groups after physical sensitization on CRF sub-grants for submission after filling through the provided emails. Applicants can submit applications in English and the templates and guidelines are available in english.

The application must indicate how the CRF sub-grant will be administered, governed and managed. Applicants must demonstrate capacity to manage CRF and support member lending to implement successful SLM activities and be linked with the ward restoration plans. Applications should include concrete impacts of sub-grant and a loanees monitoring plan with clear measurable indicators; the following indicators must be considered:

- **Environmental Indicators –** restoration targets (in terms of hectare of land, forest, range land restored, rehabilitated, protected or conserved) and increased uptake of climate resilient techniques.
- **Economic indicators** - Improved commodity volume and value of respective value chain, increased incomes for producers and other value chain actors, green jobs created and improved capital mobilization from internal and external sources including conventional financial institutions.
- **Social indicators** - Jobs created for women & youth by the community groups or enterprises, increased percentage of women & youth-led enterprises along the Value Chains, and number of women & youth accessing support.
- **Technology indicators** - Accelerate uptake of smart technologies and innovations by group members.

e. Sub-grant Evaluation Scores

All eligible applicants will be assessed using the attached evaluation matrix, which is derived from the application form and reflects the eligibility criteria for the Community Resilience Facility (CRF). The matrix covers key areas including Organizational Capacity, Track Record & Background, Investment Proposal Quality, Budget and Resource Mobilization, and Compliance & Integrity. To qualify for sub-grant consideration, a group must attain a minimum of 70% of the total score. Eligible groups will be ranked based on their final scores, and sub-grants will be awarded in descending order of performance, subject to the availability of funds allocated for each ward.

S/no	Category	Score in %
1	**Eligibility Check:** This section is not scored but must be passed for the application to proceed - Status of applicant, Match with target counties, Type of activities and thematic focus, Innovation, Budget & Letters of support	Pass/Fail
2	Organizational Capacity - Legal status and registration, Staffing and gender balance, financial systems/records, Governance structure & References	18%
3	Track Record & Background - Mission and purpose, Achievements, Revenue generation, Smallholder engagement & Experience in lending	18%
4	Investment Proposal Quality - Problem statement, Project goals and outcomes, Timeline and activity plan, Environmental/social/economic benefits, Member targeting and inclusion, Risk management, Monitoring and reporting, Market opportunity and income projection Sustainability and scalability	36%
5	Budget and Resource Mobilization - Budget clarity and justification, CRF fund growth strategy & External support	18%
6	Compliance & Integrity - Legal and ethical standing, Contract performance history, Conflict of interest & Transparency in disclosures	10%

7. How to apply

Community Savings and Loaning Groups interested in accessing the Community Resilience Fund (CRF) sub-grant under the TWENDE Project will be invited to submit their applications for onward lending focused exclusively on sustainable land management (SLM) and restoration activities.

Application Submission Guidelines

To apply, eligible community groups must prepare and submit the following documents:

- A completed CRF sub-grant application form (attached)
- Group constitution, bylaws or governance documents
- Financial statements or records from the past 12 months
- Full list of group members
- Endorsement letter from area chief or wards administrator or department of social services.

Submission Emails

Community groups sensitized on CRF will send their complete application package to the following email addresses: kecrftwendegrants@iucn.org

All documents should be submitted in PDF format. In the subject line of your email, please include: **"CRF Sub-Grant Application – [Your Group Name]"**

Deadline

Phase 1 applications should be submitted to the indicated email by **November 15, 2025**, and the evaluations will be done after the deadline.