



## **ENERGY EFFICIENCY MICRO-CAPITAL GRANTS TO SUPPORT ARTISANAL PALM OIL MILLERS AND PRODUCERS 2<sup>ND</sup> CALL FOR PROPOSAL – INFORMAL SECTOR**

### **A: SUMMARY INFORMATION ABOUT THE INITIATIVE**

The energy sector in Ghana remains one of the key sectors for transformation to address poverty, climate crisis and build resilience. Greener and cleaner energy use penetration and increased demand-side energy use efficiency are needed in both the formal and informal food production sub-sectors.

In the informal sector, energy use for heating relies on various sources such as car tyres, fibre, firewood, etc. These sources cause pollutants, including smoke, excessive heat, noise, steam/vapour, and other particulate emissions. All of these negatively impact the environment and human health. One of the sub-sectors where such pollutants, emissions, and health-related issues arise is the informal palm oil production sector in Ghana. Within the artisanal palm milling and oil production, the cooking operation, which uses inefficient equipment, is optimized by the use of more fuel. This is not the best practice and should be improved.

In addition, the management of waste generated in palm processing are further debilitating to the environment, climate and human health. These current waste management practices include burning of solid wastes generated and the discharge of untreated liquid waste mainly generated from residual cook water, slurry and sludge into the environment. The dumping and burning of waste results in emissions that will contribute to future, frequent and intense climate stressors, and poor public health, whilst the discharge of wastewater (palm oil mill effluent) affects waterbodies and biodiversity.

There are several energy use efficiency improvements needed along the palm milling and oil production value chain. Improvement measures may include the use of more energy efficient equipment like expellers, pots and improved stoves. Furthermore, workers require a formal training in greener solutions in operating new energy efficient technology, and in activities of the sector that require attention to environmental, occupational health and safety standards.

In this context, UNDP in partnership with the Ministry of Environment, Science, Technology and Innovation (MESTI) and the Environmental Protection Agency (EPA) of Ghana under the NDC Support Programme, carried out an inventory study on steam production systems in the food, beverage and palm oil industries resulting in a report published in September 2021. The [assessment](#) helped identify the types of boilers and cookers used, and the challenges associated with the operation of these boilers and cookers. The outcome of the study has informed the design of the technical and financial package for the project's next steps in supporting the improvement of boiler and cooker efficiency to reduce greenhouse gas emissions, improve air quality and health and safety conditions of the Artisanal palm oil producers especially women, as they are the larger group



engaged in the production and trade. Secondly, through improved waste management, the project seeks to eliminate the detrimental impacts that current waste management practices of artisanal oil palm millers and producers have on waterbodies and human health, particularly in areas where the communities depend on streams for their water needs.

It is against this background that UNDP in partnership with MESTI and the EPA put out an initial call for proposal in 2022, and successfully provided low-value grants to 4 non-governmental entities who have improved energy efficiency and waste management through equipment upgrade, new installations and replacements, and associated technical trainings, which has positively impacted productivity, production time, labour, and public health in 10 palm oil production and milling sites, benefitting over 800 people with 60% being women.

Due to the high quality of the results from the initial call, and the demand from sector stakeholders for the intervention to be replicated across more palm oil milling and processing sites, UNDP Ghana together with MESTI and EPA, under the flagship UNDP [Climate Promise](#) programme being implemented in 120 countries, is advertising this 2<sup>nd</sup> call for proposals from NGOs, Community Based Organisations, and Associations to access Micro-Capital Grants for energy efficiency and waste management improvements in the artisanal palm oil sector. The projects, to be supported by this low value grants programme, is focused on the **Central and Western Regions** of Ghana and seeks proposals from applicants under any of these **two categories**:

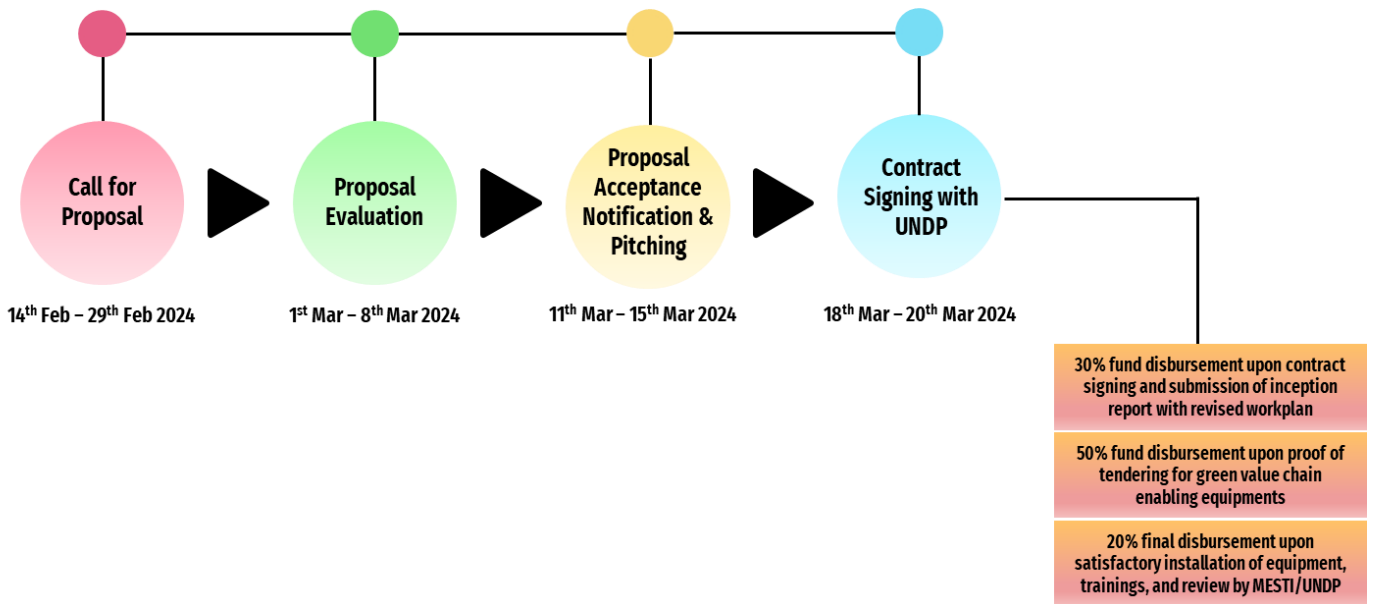
1. **Artisanal Palm Oil Cooperatives/Associations:** Already existing and recognized platform of artisanal palm oil producers that provides a collective voice for the members and steers the collective goals of the producers.
2. **CBO/NGO/CSOs:** Community-based organizations, civil society organisations or non-governmental organizations that work with one or more small scale palm oil producers in the informal sector and have support of these artisanal producers to represent them in making this application.

## **B: THE APPLICATION & SELECTION PROCESS**

The proposal submission is the first step of the application process to the Energy Efficiency Micro-capital Grant. The process to be followed for a successful grant award with UNDP, and subsequent fund disbursements is as illustrated below:



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1. **Proposal Submission:** Interested and qualified applicants (duly registered and legally recognised associations, NGOs, CSOs, CBOs), can download, complete and submit the application form and proposal template available at [UNDP website](#). The communities to be supported should be in the Central or Western Region. Applicants can and are encouraged to apply to support one or more oil palm milling sites. Please note that separate proposals should be submitted for each milling site for which support is sought. Each intervention proposal submitted should target **not less than 100 beneficiary artisans, with at least 60% being women**. All submissions should be made before the deadline stated in this call for applications and accompanying guidelines. UNDP will conduct a preliminary review of the proposals using these criteria:

CRITERIA FOR PRELIMINARY REVIEW	SCORE
Forms fully completed	Pass/Fail
Intervention support is to an already existing mill in either the Central or Western Regions	Pass/Fail
At least <b>15%</b> matching funds provided by the applicant in cash or in-kind (i.e. staff time, logistics support)	Pass/Fail

2. **Proposal Evaluation:** Only applications that are awarded ‘Pass’ in all criteria above will be fully assessed by an evaluation panel made of personnel from UNDP, MESTI and EPA. The proposal is a detailed document which, amongst other things, will highlight in much greater detail: how the project will be implemented in terms of activities and proposed timelines, and where possible attach a pictorial of how they envisage the improvement measures on the beneficiary community; how the project will address the challenges identified in the sector; how it will impact on the poorer segments of the Ghanaian society; and provide a detailed financing plan to understand how costs will be shared between the applying entity and the



UNDP/MESTI/EPA partnership project. The criteria for the full evaluation are clearly defined in the application form. Only proposals assessed with a minimum score of 70 out of 100 will qualify to the next stage.

3. **Proposal Acceptance Notice:** An applying entity will be informed at this stage of the successful selection of their proposal based on the outcome of stage 2 above. The successful entity shall at this stage, be invited to present to a team of experts, the key highlights of the proposal including drawing out linkages to 2030 SDGs. Based on this pitching encounter, the evaluation panel will finally select the convincing proposal(s). As part of the process to select successful application(s), UNDP will conduct a due diligence assessment of entities under consideration.
4. **Contract:** A contract will be signed between UNDP and the selected entities. Please note that first payment of 30% will be made after contract has been signed, a revised satisfactory workplan **AND** inception report has been submitted. The next 50% payment will be based on accepted proof of tenders for equipment fabrication. The final tranche of funds (20%) will be transferred upon satisfactory installation of the equipment, associated technical trainings, and a positive review by UNDP/MESTI/EPA.
5. **Reporting:** The contracted entity will periodically record and report, including picture and video submissions, on all activities undertaken to UNDP/MESTI as part of the contract signed with UNDP. UNDP in collaboration with MESTI and EPA will review reports and upon clearance and acceptance, process any outstanding disbursements.

## **C: THE INTERVENTION**

The Energy Efficiency and Improved Waste Management Micro-Capital Grants for supporting Artisanal Palm Oil Producers and Millers will award grants to:

*The adjudged best business case(s) poised to promote and improve energy use efficiency and waste management which positively impacts health and work environments especially for women and youth in palm oil milling and production. The entity should have a good management structure; clearly identified geographic areas of interventions; should have identified the number of groups targeted and total number of individuals to be impacted (segregated by sex); and should lead in bringing modernised energy efficient equipment and the needed trainings as part of sustainable solutions to emission reduction, improved health, and better waste management across the informal palm oil production sector.*

## **D: ELIGIBILITY OF APPLICANTS**



Applications must be submitted by duly registered and legally recognised entities in Ghana; including NGO's CSO's, CBO's, Artisanal Palm Oil producer Associations/Cooperatives. Applying entities must have a solid management team, demonstrate strong evidence of credibility and experience in working with artisanal palm oil producers and millers, or of working in the palm oil production sector.

Applicants must meet all the following criteria for your application to be considered:

- The total grant funds requested per application must not be more than US\$ 85,000 and must support at least 100 direct beneficiaries with 60% comprising women.
- The applicant indicates and provides a 15% of matching funds to be committed towards total cost of the intervention. This can be financial or in-kind such as staff time logistics support, etc.
- Applicants must demonstrate that the project could not go ahead without UNDP funding or that, if it would go ahead anyway, it would be at a much-reduced pace or scale.
- The funding request is for specific identified areas and artisanal palm oil production groups, new equipment i.e. improved and efficient cooking and milling equipment with locally available parts that addresses the challenges enumerated above in Section A of this call.
- The equipment to be supplied to the artisanal palm oil producers and millers must be locally fabricated, of acceptable quality standard and sourced from an entity registered in Ghana.
- Applicants must demonstrate planned trainings on use of new equipment and on general best practices of resource use efficiency. Training of workers in best practices in palm oil processing including resource use efficiency, pollution control and waste management, equipment setting and maintenance documentation, financial management, record keeping, and leadership in business.
- Exploring the feasibility of collecting process waste/wastewater (palm oil mill effluent) to generate additional energy or processed for use as fertilizer on farms.
- Applicants must demonstrate monitoring and documentation plans over a specified period after equipment installation. This requires developing an environmental management system to monitor the operation of artisanal palm oil facilities.
- A consortium may be formed, but the lead applicant is responsible for the project/idea and must warrant that the permission of the other members has been obtained.



## **E: SUBMITTING PROPOSALS**

Ensure the use of the appropriate **official template** provided (attached separately).

As the first stage of the competition is judged solely on the content of this form, it is critical that applications are submitted within the deadline established and communicated in this call. The deadline for submission of proposals is on **29<sup>th</sup> February 2024 at 5.00 pm GMT**.

Proposals should be delivered electronically to: [abdul-razak.saeed@undp.org](mailto:abdul-razak.saeed@undp.org) with the subject, “Application for Energy Efficiency Micro-Capital Grants”. Proposals of applicants that fail to meet the deadline, will not be accepted and thus, not assessed by the evaluation panel.

All enquiries should be directed to Saeed Abdul-Razak (UNDP) at [abdul-razak.saeed@undp.org](mailto:abdul-razak.saeed@undp.org) or to Mohammed Gyimah at [mohammedmesti@gmail.com](mailto:mohammedmesti@gmail.com)

## **F: TERMS AND CONDITIONS FOR THE ENERGY EFFICIENCY MICRO-CAPITAL GRANT**

Kindly note that all activities by selected grant awardees should be fully implemented, and final reports submitted no later than 1<sup>st</sup> October 2024.

In keeping with UNDP's goals to achieve the broadest positive impact for all, the process, outputs, and learnings will be made public on open exchanges.