



RESPONSIBLE BUSINESS CONDUCT IN LATIN AMERICA AND THE CARIBBEAN FUND

Terms and conditions of the Second Call for Proposals

1. Background

The expectation that goods and services should be produced and supplied in a manner that guarantees the respect for human rights, decent work, and environmental protection has grown significantly. At the same time, the past decades have seen a convergence of international standards on responsible business conduct (RBC), including on the corporate responsibility to respect human rights. Governments, business and civil society are also showing an increased interest in promoting responsible business conduct.

The Responsible Business Conduct in Latin America and the Caribbean (RBCLAC) project is implemented by the International Labour Organization (ILO), the Organization for Economic Cooperation and Development (OECD), and the Office of the United Nations High Commissioner for Human Rights (OHCHR), funded and designed in collaboration with the European Union (EU), supports governments and companies in their efforts to promote and maintain Responsible Business Conduct in accordance with international standards.

The project aims to promote smart, sustainable and inclusive growth both in the European Union and in Latin America and the Caribbean by supporting responsible practices of business conduct in line with the instruments of the UN, ILO and OECD. In this framework, the ILO is responsible for administering a fund to promote and strengthen RBC practices among both Latin American and Caribbean and European companies, including, among others, SMEs.

2. Fund Objectives

The specific objectives of the fund are twofold:

- a) To facilitate collaboration among RBC initiatives.
- b) To facilitate the development of activities conceived and executed by non-for profit entities that promote and strengthen the adoption of RBC practices to be implemented by Latin American and Caribbean and European companies, including but not limited to SMEs.

The fund will favor proposals for activities that bring together individual efforts of different stakeholders, and particularly, but not limited to, initiatives that foster collaboration between the local network of Chambers of Commerce of the European Union or its Member States and employers in Latin America and the Caribbean and business membership organizations. The proposals to be funded should contribute to raising awareness of the benefits and positive impacts of Responsible Business Conduct among governments, companies (including SMEs), employers and workers organizations, and other civil society actors.

3. Eligibility

Eligible applicant organizations include non-profit entities, including government agencies or other public, national, regional, local or state agencies; employers' organizations, workers' organizations, legally recognized non-governmental entities or international organizations. United Nations Agencies, Funds, Programs and Specialized Organizations are not eligible. ¹

Legally constituted grassroots organizations ² and academic, research and educational institutions with activities in the selected countries are also eligible: Argentina, Brazil, Colombia, Chile, Costa Rica, Ecuador, Mexico, Panama and Peru, including those with experience in the subject, as well as the European Union Chambers of Commerce. All applicant organizations or entities must be legally registered and/or incorporated in one of the selected countries of Latin America and the Caribbean or in one of the European Union Member States.

Proposals must involve the design and implementation of activities related to Responsible Business Conduct (RBC) in the region. One (1) winning project will be selected for each of the following sub-regions:

- **North and Central America:** Costa Rica + Panama + Mexico
- **Andean Countries:** Colombia + Ecuador + Peru
- **Southern Cone:** Brazil + Chile + Argentina

The entity that applies must be based or constituted in at least one (1) of the three countries of each sub-region, and the proposed project may develop its actions in one (1), two (2) or in all three (3) countries of that sub-region. Notwithstanding, priority will be given to proposals covering more than one country.

The winning project must be developed and implemented in partnership with at least one (1) grassroots organization for each of the countries where the initiative will be implemented. Proposals should include joint efforts with local grassroots organizations. The budget of the proposed initiative must consider that at least 50 per cent of funds should be executed by the grassroots organizations with whom it is associated.

Activities should result in improved RBC practices and this should be the main objective of the proposal, its target group, and suggested activities.

It is encouraged that any interested entity submits their proposal for activity, regardless their size, years of operation, etc., as long as they comply with the specific requirements for this particular call.

¹ Non-United Nations voluntary initiatives and/or autonomous and independent instruments, as the Global Compact, are eligible to participate in the call.

² Grassroots Organizations are those self-managed organizations formed at the initiative of a community that seek to contribute to the integral development of the town, solve problems of a social, economic and cultural nature to improve the living conditions of its members.

The fund will finance different RBC-related activities, such as:

- a) Learning networks.
- b) Outreach and roundtables for priority sectors on RBC practices.
- c) Facilitation of peer-to-peer exchanges.
- d) Development of training on specific issues.
- e) Creating/strengthening networks.
- f) Conducting research and studies.
- g) Knowledge sharing field visits/Study visits.
- h) Development of tools/materials.
- i) Development and sharing of good practices.
- j) Initiatives oriented to stimulate/facilitate formalization of informal sector stakeholders, including their RBC dimension.
- k) Development of proposals for public and/or legislative policies.
- l) Advocacy strategies.
- m) Communication and awareness campaigns.
- n) Etc.

The actions must contribute to the achievement of the objectives listed under section 2, and should consist of a coherent set of activities with clearly defined operational objectives, target groups and planned and tangible results, to be carried out within a limited timeframe. The proposed actions should be designed to produce specific and measurable outcomes in response to identified problems.

Beneficiaries will be expected to measure the impact of their activities and communicate their achievements effectively. Proposals must be based on concrete, recent, and verifiable information that can clearly identify specific problems and related constraints. It is thus necessary to set clear objectives based on specifically tailored intervention strategies and methodologies that incorporate complementary and consistent activities to directly address the problems identified. The means to be deployed should stem logically from this approach.

3.1. Ineligible Actions

The following types of action are not eligible:

- a) Actions concerned only or mainly to individual sponsorships to participate in workshops, seminars, conferences, and congresses.
- b) Actions related only or mainly to individual scholarships for studies or training courses.
- c) Construction or renovation of buildings or infrastructures.
- d) Actions that discriminate against specific individuals or groups of people on the basis of gender, sexual orientation, religion, ethnicity, political considerations or physical challenges.
- e) Initiatives proposed by entities that have already been awarded a grant in the first call of the RBCLAC Fund.

3.2. Applications will NOT be considered if:

- a) Applications are incomplete.
- b) Applicants are not compliant with the criteria.
- c) Grant applications exceed the maximum grant size.
- d) They do not provide results, within the expected terms.

4. Application Requirements

All proposals must fulfill the following requirements:

- a) Justify how it contributes to achieving the objectives of the grant scheme
- b) Follow the application form established by the Responsible Business Conduct in LAC project for the purpose of the grant.
- c) Propose an initiative(s) that will be implemented in an eligible country (or set of countries) or beneficial to the overall objective of the project.
- d) Propose activities that are feasible within the timeframe and budget range.
- e) Ensure that the initiative promotes the visibility of the RBCLAC Project.

In order to avoid conflict of interest, applicants are required to inform of any professional/commercial connection or family relationships they might have with the evaluation committee members, the EU, ILO, the OECD and the OHCHR.

5. Selection Criteria

Proposals will be assessed and selected based on the extent to which they meet the following criteria:

- a) Encourage collaboration among RBC initiatives or agglutinate isolated initiatives on the same subject.
- b) Have a clear direction on how to promote and strengthen the adoption of RBC practices in target countries.
- c) Clearly address who the main target groups are, as well as beneficiaries.
- d) Provide a detailed workflow, including the envisaged budget for each activity.
- e) Demonstrate proven capacity and expertise to implement the proposed activities.
- f) Provide a plan to share lessons learned throughout the process, encompassing challenges and opportunities.
- g) Demonstrate feasibility and impact.
- h) Be gender responsive and include gender equality objectives.
- i) Adopt an equity approach that considers specific groups in situations of greater vulnerability.
- j) Be as replicable as possible.
- k) Include a long-term sustainability plan.

Based on the eligibility and selection criteria, a selection committee, composed of representatives of the EU, ILO, OECD, and OHCHR, will review all proposals and jointly, by consensus, select those that will be awarded funding. All documentation related to the proposals received and the evaluation process will be kept for post-review.

Section	Maximum Score
1. Financial and operational capacity	20
1.1. Do the applicants have sufficient experience of project management?	5
1.2. Do the applicants have sufficient technical expertise (especially knowledge of the issues to be addressed and the RBC approach)?	5
1.3. Do the applicants have sufficient management capacity (including staff, equipment and ability to manage the budget to implement the action)?	5
1.4. Does the applicant organization have stable and sufficient funding sources?	5
2. Relevance of the action	30
2.1. How relevant is the proposal to the objectives and priorities of the call for proposals?	10
2.2. How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal?	10
2.3. How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?	5
2.4. Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, innovation, and/or the creation of networks and partnerships, joining efforts of different stakeholders to promote RBC?	5
3. Effectiveness and feasibility of the action	20
3.1. Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	10
3.2. Is the action plan clear and feasible?	5
3.3. Does the proposal contain objectively verifiable indicators for the outcome of the action? Is any evaluation planned?	5
4. Sustainability of the action	15
4.1. Is the action likely to have a tangible impact on its target groups?	5
4.2. Is the proposal likely to have multiplier effects (including scope for replication, extension	5

and information sharing)?	
4.3. Are the expected outcomes of the proposed action sustainable?: (1) Financially (how will the activities be financed after the funding ends?); (2) Institutionally (will structures allow activities to remain operational at the end of the action? Will there be local ownership of the outcomes of the action?); (3) At the policy level (what will be the structural impact of the action, for instance, will it lead to improved legislation, codes of conduct, methods, etc.); (4) Environmentally (will the action have a negative/positive environmental impact?)	5
5. Budget and cost-effectiveness of the action	15
5.1. Are the activities appropriately reflected in the budget?	5
5.2. Is the ratio between the estimated costs and the expected results satisfactory?	10
Maximum total score	100

6. Amounts

For this call, a total of three (3) grants will be offered for a minimum amount of US\$ 85,000 and a maximum amount of US\$ 100,000 each. Additional co-financing in kind or cash of at least 10% of the total amount is expected for each proposal.

7. Timeline

All activities must start no later than 60 days after receiving the initial grant installment. The timeframe of the activities may vary, depending on their nature. The maximum project duration is 10 months; therefore, all activities need to be completed within 12 months after receiving the initial grant installment, including evaluation and final/progress reports.

8. Disbursement

Payments will be done in the following manner:

- a) 60% at the moment of signing the grant contract.
- b) 30% after monitoring of satisfactory implementation of at least half of the deliverables previously agreed.
- c) 10% upon receipt of a satisfactory final/evaluation report.

9. Fund scheme implementation and reporting details

The beneficiary is responsible for implementing any activities and/or achieving the outputs identified and established in the fund scheme agreement. The grantee is also responsible for monitoring the execution and timeline.

Following the grant transfer to the grantee, the ILO will take measures to ensure that the conditions set out in the agreement are followed and that the grantee complies with all reporting requirements within the specified time frame.

At the end, a report must be prepared by the grantee, certifying, by the means specified by ILO regulations, that the funds have been used in accordance with the grant agreement, which will be assessed by the ILO. In case such certification is not provided, the last fund transfers may be made under the grant agreement and no new grants can be awarded to the grantee until the matter has been resolved. Additionally, the ILO may request the grantee to refund a grant in full or in part when:

- a) The grant was used for expenditures or purposes other than those mentioned in or in contravention of the agreement.
- b) The final report was not submitted within the established deadline.
- c) The report submitted was not satisfactory.
- d) A negative evaluation of the activity was made by the ILO or the selection committee.

ILO technical departments, regional administrative services and oversight bodies of the EU, ILO, OECD, and OHCHR may carry out random on-site verification to ensure compliance with the agreement.

After completion of the activities, the ILO may request the cooperation of the beneficiary in providing necessary information or data for the preparation of case studies or other publications, which directly relate to the activity funded.

10. Indicative timetable

Dates	Activities
06/11/2020	Publication of the 2 nd call of proposals
22/12/2020	Deadline to submit proposals – Stage 1
11/01/2021	Email notification to shortlisted applicant organizations based on results of Stage 1
22/02/2021	Deadline to submit proposals – Stage 2
08/03/2021	Email notification to successful applicant organizations based on Stage 2 results.
03/2021	Contracts and financial arrangements begin. This includes due diligence checks on successful applicant organizations, including financial and governmental checks.
04/2021	Start of projects and activities.

11. How to apply

- a) Only complete applications meeting application criteria will be considered.
- b) Application forms, including all the required documents, must be completed on the online platform rbclac-fund.org. Applications and documents sent via email or by post will not be accepted.
- c) The deadline for submission is **midnight on December 22, 2020** (Brussels time zone). Applications submitted after the closing date of the call will be automatically rejected.

12. Selection Process

Applicant organizations will be selected through a **2-stage process**.

Stage 1: Applicant organizations must complete a form summarizing the relevant information from the organization submitting the project along with a brief presentation of the project they seek to fund. Based on the information sent in the first application phase, a pre-selection of projects will be made that meet the requirements and objectives of the call.

Stage 2: Shortlisted applicant organizations will need to submit a more detailed application. They may also be asked to give a (virtual) presentation on the project for which they require grant funds.

The ILO, via email, will inform those applicant organizations that are selected. If the applicant organizations do not receive an email from the selection committee after two months of closing the call, it means that their proposals have not been selected. The selection committee cannot provide comments on proposals that have not been selected. Once both parties have signed the grant agreement, disbursements of funds will begin against agreed project milestones.

13. Dispute settlement

The ILO, as a United Nations specialized agency, is not a subject of national law and therefore integrates in its agreements standard conciliation and arbitration clauses. In this manner, the character and nature of the ILO is fully respected while access to an independent and impartial system of justice is ensured. Arbitration will be applied in the events of any disputes, controversies or claims.

14. Confidentiality

Applicants must clearly mark which information should be treated as confidential. In connection with information provided in the application, the applicant may make available to ILO certain confidential and sensitive information for the purpose of the grant application. “Confidential Information” means any data or information, disclosed from the applicant to ILO, marked with the word “Confidential” at the time of submission of the application. ILO undertakes to use Confidential Information exclusively for the selection process of the Grant unless otherwise expressly agreed to in writing by the Disclosing Party. The selection process encompasses the shortlisted candidates



information being distributed to the Selection Committee's members who are responsible to ensure that the agreed principles and objectives are being complied with and that the selection criteria and scoring of applicants were carried out objectively.

15. Contact

For any further clarifications about the procedure details and selection process, contact us at ceralc@ilo.org