**Request for Proposal from Indian CSOs seeking small grant support to strengthen their earned income model**

Welthungerhilfe (WHH) is one of Germany's largest private aid agencies. In South Asia, over the past 55 years, WHH has supported over 1500 rural development projects through local partner organizations contributing towards combating poverty, hunger and malnutrition with the overall goal of achieving zero hunger by 2030. WHH is looking to extend its CSO cooperation in India, by inviting requests for proposal from Not-for-Profit Organizations aiming to diversify their funding sources (grants plus earned income). This RFP is invited under a European union co-funded programme aiming at building domestic resource mobilization capacities of CSOs.

**Eligibility**

* Civil Society Organizations (CSOs) including Trusts, Society or Section-8 companies, aiming at diversifying their funding sources through sound revenue generating models.
* The earned income model can range from skilling people, providing market linkages, enabling community-based organizations to add value to farm products, rural/eco-tourism, selling products or offering services with impact model focussing on food and nutrition security/conservation of natural resources.
* Only organizations which are willing to utilize the earned income/surplus to achieve their non-profit mission are eligible.
* CSOs having an operating history of over 15 years with strong grounding within the local communities and government.
* Valid FCRA registration at least till 2021.
* Strong human resource bandwidth to allocate for the initiative.

**Our offerings**

This request for proposal provides a grant of aproximately10,000 Euros to the selected CSOs through a defined selection process.

In addition to the grant, the eligible organizations would receive non-financial support on the following:

* Organizational Development for the CSO and mentoring for the revenue/ fund diversification model.
* Handholding support to develop a clear social enterprise strategy with respect to macro environment.
* Curated tailored handholding sessions on social enterprise functions like financial modelling, marketing and sales, value proposition identification and strategic social business planning support for the team.
* Legal consultation on compliances, administration and reporting within the Indian legal framework.
* Technical assistance on production design, quality management and process optimization through technology solutions.
* Network access to impact investors, banks and other philanthropic funding agencies.

CSOs which do not qualify for the small grant are still eligible to receive the **non-financial support mentioned above**.

**Approach**

We offer a sensitively curated approach for CSOs, so that their strategic mission and core values remain intact while moving towards hybrid (revenue + grant) models. We support them in following a non-disruptive, sequential and incremental change management through our Organizational Development support.

**Grant Conditions**

* First instalment (75% of grant) to be provided after final selection by the selection committee whereas the next 25% would be released only if the milestones set in proposals are achieved.
* The grant ticket size can be maximum of 10,000 euros based on real cost basis determined after due diligence by the selection team and based on the proposal given by CSOs at the second stage.
* This grant is not be utilized for administration, salaries, direct or indirect expenses of CSOs. Rather, support for local communities/ CBOs/ FPOs is encouraged.

**How to apply**

Eligible CSOs are requested to express their interest by sending an email to [recruitment.india-regional@welthungerhilfe.de](mailto:recruitment.india-regional@welthungerhilfe.de) by attaching the following documents before 27th January 2020:

* Filled Initial Assessment Tool (Annex 1).
* A one-page concept note by the organization detailing out the journey it wants to take towards earned income model.

**Indicative timetable**

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| Milestones | Completion Deadline |
| 1. Written expression of interest from CSOs with Organization and filled Initial Assessment Tool (Annex 1) | 27th January 2020 |
| 1. Skype discussion and additional information exchange | 29th February, 2020 |
| 1. Due diligence by visiting field | March-April 2020 |
| 1. Confirmation & Contract Signing | May 2020 |

**Annex 1. Initial Assessment Tool**

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| --- | --- |
| **Part -1 Civil Society Organization Details** | |
| **GENERAL INFORMATION** |  |
| **Organization Name** |  |
| **Email** |  |
| **Established (place and year)** |  |
| **Organization Address** |  |
| **Organization Phone** |  |
| **Organization Website** |  |
| **Point of Contact Mobile Number** |  |
| **ABOUT THE ORGANIZATION & THE TEAM** |  |
| **Question** | **Organization's Response** |
| **Name all the functions within your organization and how many staff members fall within each function.** |  |
|  |  |
| **Describe the organization's leadership team structure and roles (Executives/Directors/High-level managers). What are their qualities? Weaknesses?** |  |
|  |  |
| **Does the organization have a board of directors? If so, is it voluntary board? Qualities and weaknesses? What is their main role?** |  |
|  |  |
| **Do the organization have a dedicated resource or team to manage and govern the initiative? Please describe** |  |
|  |  |

**Part -2 Earned Income Generation Model Details**

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| --- | --- |
| **GENERAL INFORMATION** |  |
| **Name of the Initiative** |  |
| **Leader of the initiative** |  |
| **Website (if any)** |  |
| **Inception (place and year)** |  |
|  |  |
| **ABOUT THE ENTREPRISE/INITIATIVE** |  |
| **Question** | **Response** |
| **Describe the origin of the idea and its evolution** |  |
| **What are your most critical needs at this point apart from market linkages?** |  |
| **What are your most specific and critical needs in market linkages at this point?** |  |
| **Do you feel your initiative is at a point of transition? Explain** |  |
| **Where do you see the initiative in five years?** |  |
|  |  |
|  |  |
| **ABOUT THE INITIATIVE & THE TEAM** |  |
| **Question** |  |
| **What is the initiative's mission and vision? (Is it understood and embodied by the team?)** |  |
|  |  |
| **What's new about your idea? How is it innovative?** |  |
|  |  |
| **How does the initiative contribute to target communities' progress?** |  |
|  |  |
| **Name all the functions within your initiatives and how many staff members fall within each function.** |  |
|  |  |
| **Describe the initiatives' leadership team structure and roles (Executives/Directors/High-level managers). What are their qualities? Weaknesses?** |  |
|  |  |
| **Does the initiative have a dedicated board of directors? If so, is it different from the organization's board? Qualities and weaknesses? What is their main role? If no, how is the initiative being governed now?** |  |
|  |  |
| **Do the initiative have market ready products or services in recent years? Please describe** |  |
|  |  |
| **What new products or services could you develop through the initiative in the near future?** |  |
|  |  |
| **Do you have the following materials for the initiative's communication efforts?** |  |
| ***Logo*** |  |
| ***Brochure*** |  |
| ***Newsletter*** |  |
| ***Website*** |  |
|  |  |
| **SUSTAINABILITY** |  |
| **Question** |  |
| **Current annual budget of the initiative** |  |
|  |  |
| **Expected annual income from the initiative for next fiscal year** |  |
|  |  |
| **How is your initiative financed?** |  |
| ***Has your initiative received funding from:*** |  |
| ***Individual Donors*** |  |
| ***National Foundations*** |  |
| ***International Foundations*** |  |
| ***Government (local, regional, or national)*** |  |
| ***Corporations (local, regional, regional, or national)*** |  |
| ***Multilateral Agencies*** |  |
| ***Other?*** |  |
|  |  |
| **Do you have a contingency plan if expected income targets of the initiative are not met?** |  |
|  |  |
| **Do you have a financial growth plan for the initiative? What is its fundraising strategy?** |  |
|  |  |
| **How is the initiative's budget allocated? (By percentage)** |  |
| ***Cost of Goods/Services Sold (COGS)*** |  |
| ***Selling, General and Administrative expenses (SG&A)*** |  |
| ***Finance Cost (Interest etc.)*** |  |
| ***Other*** |  |
|  |  |
| **What has been the income growth of the initiative since inception?** |  |
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| **What are the key barriers to preventing initiative's potential growth?** |  |
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| **How do you envision the initiative's growth in the next 3-5 years?** |  |
|  |  |
| **IMPACT** |  |
| **Question** |  |
| **What is the impact that you want to create through your initiative?** |  |
|  |  |
| **How do you measure the impact of your initiative? What system do you have in place to measure your impact?** |  |
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| **How many people benefitted from your initiative this past year? Since inception?** |  |
|  |  |
| **By how many additional beneficiaries/customers does your initiative plan to serve in the coming years?** |  |
|  |  |
| **Have you impacted local/regional/national policy around this issue?** |  |
|  |  |
| **Are there other ways increasing the impact of your initiative outside of increasing the number of beneficiaries/customers?** |  |
|  |  |
| **Have you expanded your initiative to other cities/regions/countries?** |  |
| ***If so, where and when?*** |  |
|  |  |
| **What are key barriers to increasing the number of beneficiaries/customers? Or continuing to grow your impact** |  |