

**Annex I**

**Project proposal**

Subsidy Programme for Responsible Business (SPVO)

# Instructions

* You can only apply for the Subsidy programme for Responsible Business (SPVO) after receiving our written advice based on the mandatory quick scan.
* Complete this template and all required annexes.
* You must complete and submit all mandatory documents before 7 October 2024, 15:00 CET.
* We will only process complete applications.

Please note: The project plan should be at most 25 pages. You can delete the informative, blue texts.

We need to process your personal information to carry out this subsidy scheme. The Netherlands Enterprise Agency (RVO) handles your information confidentially. Read more about our privacy policy: [english.rvo.nl/privacy](https://english.rvo.nl/about-netherlands-enterprise-agency/privacy).

# General information

Project title

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**Project partners**

Company (Dutch)

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Civil organisation (NGO)

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Local company

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Local civil organisation (NGO)

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Other partner companies or civil society organisations (optional):

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1.1 Please specify in which sector the project will focus.
For example, cocoa, coffee, textile, gold, mica, and so on.

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1.2 In which country will the project take place? State the exact locations or areas.

Be as specific as possible. For example, a region, a group of villages, a city area, and so on.

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1.3 Describe the value chain in which the project is active as complete as possible.
Also, describe the role and position of the companies in this value chain.

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# Summary

(no more than half a page)

The summary must include your proposal's most essential elements that address the social sustainability risks in your supply chain. Include information about:

* The target country's context;
* How often the social sustainability risks are likely to occur;
* Your approach to creating an action plan with your partners and
* Your motivation to improve social sustainability in your supply chain. For example, risk-reduction, client requests, business cases, preparing for upcoming legislation, your wish to do business responsibly and so on.

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# Risk Analysis results

You carried out a social sustainability risk analysis before or during the quick scan phase. The following questions relate to the results of your risk analysis.

**For the risk analysis, we use the following definition:**"A broad assessment of the social sustainability risk(s) in your value chain(s) based on (existing) available research and publications. You may substantiate your risk analysis with your own knowledge and experience of the value chain."

3.1 Describe the most important conclusions of your risk analysis.

Explain the social sustainability issues in your value chain, including the following themes:

• Combatting and preventing child labour;

• Improving working conditions;

• Working towards a living wage or living income.

Attach a copy of the risk analysisor similar documents that support your conclusions and analysis.

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3.2 What risk(s) and area(s) will the project focus on?

Explain your choices.

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3.3 Where do the most severe and common social risks happen in the value chain?

How can the companies make a difference here?

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3.4 Who are the project's beneficiaries and how many people will the project reach?

How does the project aim to improve their situation?

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# Phase A - Local Impact Assessment (A1) and Developing an Action Plan (A2)

A Social Sustainability Fund project has 2 phases: A and B, with the following components.

**Phase A**

Phase A consists of a local impact assessment, due diligence research and developing an action plan. To implement the action plan in phase B, you need our approval on your phase B proposal.

**Local impact assessment (Phase A)**

For the local impact assessment, we use the following definition: "In-depth assessment of the occurring social sustainability issue(s) and its root causes in the proposed project area in the target country. The local impact assessment gives detailed insights into the current situation and a starting point for developing the action plan and carrying out effective measures."

**Developing the Action Plan (Phase A)**

For this action plan, we use the following definition: "In the action plan, a joint approach is agreed upon regarding the mutual responsibilities to improve the social sustainability challenges in the value chain. For example, the local partner is willing to make improvements regarding, living income/wage, proper working conditions, or combatting child labour. In return, the international company is willing to adapt its procurement conditions, its pricing strategy or invest in the transfer of relevant knowledge."

**Implementation Plan of Action (Phase B)**

Implementing the first (short-term) steps identified in the action plan. You will have to get our approval on your phase B proposal.

4.1 Please fill out Annex II Result Sheet and Annex III Budget for phase A.

Summarise below who will carry out what, when and how.

Attach the annexes to your proposal.

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4.2 Describe the project partners' relevant expertise and experience.

Explain how the partnership understands the local context.

Explain the partnership's local network, especially if the partnership does not include a local social organisation (NGO). The partnership should be able to secure, set up and carry out the project locally.

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4.3 Explain how you will divide roles and responsibilities between the project partners in the Netherlands and the target country. For example:

* Collecting and analysing data;
* Drafting the annual report;
* Monitoring the project's progress;
* Coordinating the project, and so on.

If you plan to involve third parties in this project, please describe their roles.

Be as clear as possible.

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## A1 Local Impact Assessment

The local impact assessment must include the following elements:

* Stakeholder mapping and consultation;
* Value chain mapping;
* Baseline research;
* In-depth, qualitative research of the underlying causes of the social sustainability risks in the local context and
* Due diligence research (see point 5).

4.4 Explain which elements you will research during phase A.

What information do you already have, and what information is still missing?
If you already carried out a local impact assessment or elements of the local impact assessment, please attach the reports to your application.

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4.5 Do the companies involved have experience with similar projects?

In what ways is this project new for the companies, the country or the sector?

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## A2 Developing the Action Plan

4.6 What potential measures could you include in the plan to address the social sustainability issues (as identified so far)?

Are there other (local) initiatives you can join?

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4.7 How will you start the dialogue about your joint action plan?

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4.8 Together with your partners you should develop a joint action plan that you all agree on. What challenges do you expect during this process?

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4.9 How will you involve local stakeholders not part of the partnership in developing the action plan for

Phase B?

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4.10 Do local companies feel resistance to tackling social sustainability issues?

If so, in what ways and what are the main causes?

Could addressing the social sustainability issues create opportunities for the companies?

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4.11 Which factors could negatively impact carrying out your project successfully during phase A? How will you reduce those risks?

For example:

* No engagement of stakeholders;
* Reputational risks for the companies;
* Risks for the people and families involved;
* Highly competitive sector;
* Different social and cultural norms, and so on.

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4.12 Estimate the budget you need for your planned activities in phase B on Annex III Budget Sheet.

See tab Instructions for help.

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# Due Diligence Research

The due diligence research (part of phase A) should include the following elements:

* Corporate connection: To determine the extent to which the Dutch company contributes to the possible underlying causes;
* Gap analysis of the Dutch company's due diligence processes.

5.1 Integrate these elements in Annex II Result Sheet.

Describe your findings if you have already determined the corporate connection and analysed the gap.

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5.2 Describe how the Dutch company's senior management is involved. Would it be possible to adjust business processes and procedures in response to findings from the research phase?

For example, adjusting the purchasing objectives.

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5.3 Which Dutch company departments will you involve in developing the action plan?

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5.4 Does an internal risk management system address sustainability risks?
If so, how do you monitor the sustainability risks and how have you been communicating with your suppliers about these risks?

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# Communication

6.1 Describe how you plan to communicate about this project and its achievements on social sustainability in your supply chain.

For example, how do you plan to inform your stakeholders?

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6.2 An important goal of the Subsidy Programme for Responsible Business is to share knowledge about social sustainability in global supply chains between companies and other organisations. Do you support this goal? Are there any sensitive issues that you want us to be aware of? We will always consult with you before sharing any information.

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