



## TERMS OF REFERENCE

for Challenge Fund for Firm or association

### Sustainable Production and Ethic Responsible & Women Empowered Coffee value chain in Lao PDR (SuPER WE Coffee)

#### I. Background

The project **SuPER WE Coffee**, *Sustainable Production and Ethic Responsible & Women Empowered Coffee value chain in Lao PDR*, aims to develop and adopt a more resource-efficient, gender-inclusive and climate change resilient production in Lao PDR and increase its integration in a greener global value chain as specialty coffee market. The project aims to empower the coffee producers' group of the Dak Cheung District, to increase their productivity and quality of coffee and increase their household income by supporting the establishment of coffee processing centers, planting, and processing techniques for production groups. Moreover, the coffee production of Dak Cheung District in Sekong Province, has high economic potential and the potential to promote it internationally, to help generate income for the community and raise the quality of Lao coffee products internationally. The project started in 2022, and it will end on 30 June 2026. More information on the project can be found [here](#).

Under the Project's **Challenge Fund**, CARE partners with private-sector actors to build shared value with Dak Cheung coffee producer groups. The Challenge Fund focuses on:

1. **Strengthening value chain relationships** including technical support, upgrading production quality, processing skills, group management, and improving market access.
2. **Supporting a green and climate-resilient economy** promoting forest protection, resource efficiency, and agroforestry-based cultivation techniques that reduce inputs and increase climate resilience.

These Terms of Reference outline the **conditions and obligations** that all grant recipients must comply with to ensure transparent, effective, and accountable use of funds.

#### II. Objectives of the Challenge Fund

The Challenge Fund aims to:

1. Build sustainable value-chain partnerships that provide producer groups with:
  - Technical support and training for coffee cultivation, processing, and organizational management.
  - Fair and transparent market access with long-term progress toward specialty coffee sales.
2. Promote green economic practices through:
  - Forest protection and conservation-oriented cultivation.
  - Resource-efficient production techniques and agroforestry systems.
  - Increased resilience to pests, diseases, and climate impacts.

#### III. Conditions and Obligations of Grant Recipients

##### 1. Matching Fund Commitment



- Grant recipients must contribute at least 50% co-financing as specified in their proposal.
- Co-financing may include cash, equipment, personnel time, or in-kind contributions.
- All expenses must be pre-financed by the grantee, with CARE reimbursing costs upon verified proof of expenditure.

## 2. Use of Funds for Approved Purposes Only

- Challenge Fund reimbursements apply only to approved activities and budget lines.
- All expenditure must occur after the approval date (expected March 2026) and before the agreed end date (June 2026).
- All receipts and support documentation must be submitted to CARE no later than (INSERT DATE).

## 3. Financial Record Keeping

- The grantee must retain all original financial documents, including receipts, invoices, bank transfer records, and payroll evidence.
- CARE may request copies or physical verification at any time.

## 4. Audit

- CARE International or a designated external auditor must be provided with full access to financial records, documentation, and relevant personnel for verification.

## 5. Payment Schedule

- Upon submission of a complete acquittal package and final report, CARE will process reimbursements within 15 working days of acceptance.

# IV. Program Implementation and Results

## 1. Achievement of Shared Objectives

All planned activities must be implemented as agreed, with specific focus on:

- Improving coffee quality and productivity.
- Enhancing market linkages and transparency.
- Strengthening the organizational capacity of Dak Cheung producer groups.

## 2. Reporting

The grantee must submit:

- A final project report summarizing activities, results, expenditures, challenges, and next steps for the following 12 months.
- Any additional documentation requested by CARE for monitoring or donor reporting.

## 3. Compliance with Standards

- All activities must adhere to agreed production, quality, and ethical trade standards, including fair and transparent pricing principles.

## 4. Capacity Building for Partners

The grantee must provide technical support to producer groups through:

- Training sessions, workshops, and demonstrations.
- Sharing materials, tools, and knowledge enhances skills and production capacity.

## 5. Ethical and Compliance Obligations

### 1. Legal Compliance



- All actions under the grant must comply with applicable laws and regulations of Lao PDR, including labor, environmental, business registration, and safety standards.
- 2. Social and Environmental Safeguards**
- Activities must not cause negative social, environmental, or community health impacts.
  - The guarantee must ensure that no coffee gardens are established through support that involve forest clearance, in line with CARE's environmental safeguards.
- 3. Conflict of Interest and Anti-Fraud Measures**
- The grantee must avoid any conflict of interest or misuse of funds.
  - Fraud, corruption, bribery, or falsification of documents will result in immediate termination of the grant.
- 4. Communication and Visibility**
- All communication materials, public events, and outputs must acknowledge support from:  
CARE International / SuPER WE Project, using logos and branding guidelines provided by CARE.

#### **Application Submission Requirements**

Interested firms should submit their applications to [Lao.contracts@care.org](mailto:Lao.contracts@care.org) by **March 5, 2026**. Please indicate “**Challenge Fund for SuPER WE**” as the subject heading.

Applications will be evaluated based on the following criteria:

- Proposal form
- CV
- Cover Letter