

Summary of the Project Disclosure Package for the FP198 Sustainable food group (Griyum)

Sub Project Grant Agreement Title / Name of Project	Sustainable food group (Griyum)
Implementation Country	México
Location of the project	Calle Real 12A, Rincón Ojo de Agua, 76213, Querétaro, Querétaro, México. Link to map: https://goo.gl/maps/CBVZKWfRzFK2
Facilities to be used	Commercial office; Shared rented area (co-working space) less than 100 square meters. Laboratory: rented area of less than 100 square meters. Agricultural production center: rented area of between 500 and 1,000 square meters. The company states that it has no plans to expand the area within the next 6 months.
Grant Period	May 2024 – February 2026
Volume Grant	100,000 EUR (in case of being selected for the CATAL1.5°T Acceleration Program)
Amount of Co-Finance / Own Contribution	TBC
Total Budget	TBC
Project Summary	Griyum produces nutrients with minimal environmental impact through edible crickets grown in rural communities to which they extend the company's cultivation technology under a contract production model, purchasing 100% of the communities' cricket production to process into food-grade flour rich in protein and fiber. In 2022, Griyum had sales of 26,000 USD.
Number of employees, organizational structure, and capacity for ESMP/ESMS implementation	It has 6 full-time employees in total, two of them (women) with formal contracts according to the company. The company has a top-down governance model, starting with a general direction, followed by four strategic directions: technical, operations, finance, and experience. A distribution of the main areas of operation in the company is observed. The company currently has a policy against harassment and discrimination and for the promotion of equal opportunities and gender equity, which is promoted by the general management.

	Likewise, there is compliance with basic labor standards. Due to the structure of the company, it is observed that the implementation of the Environmental and Social Management Plan (ESMP) and the Environmental and Social Management System (ESMS) will be carried out by the general management, which will receive training during the acceleration program. However, the culture derived from the ESMP and the ESMS will be permeated throughout the organization.
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Table 1: **A.** The purpose, nature and scale of the activities, and the intended beneficiaries & **B** The duration of the proposed activities. This section describes the purpose that the venture would give to the resources, if selected in the CATAL1.5°T Acceleration Program.

Actividad / Acción	Propósito	Naturaleza y escala de la actividad/acción	Materiales utilizados (incluyendo materias primas), generación de residuos, generación de aguas residuales	Duración de la actividad/acción	Beneficiarios previstos
1	Scale operations and impact through marketing and sales strategy in channels with better product-market fit	<p><i>Its production scale is small, in the last 12 months it had 31 customers. It is financed with its own resources and private equity funds. If selected, it will use the resources for participation in exhibitions and fairs in the food sector and protein innovation, digital and traditional advertising campaigns aimed at the food sector, organization of tasting events in collaboration with strategic partners, development of demonstration and commercial kit with product applications, development of a demonstration plot for training of 12 to 120 producers (operators) in cultivation techniques and processing of crickets per year, hiring of a team specialized in business development for the food and animal nutrition industry, increase of raw material and packaging inventories, payment of administrative and legal management.</i></p>	<p>Materials Used</p> <p><i>Raw materials:</i></p> <ul style="list-style-type: none"> • <i>Pre-mixed animal feed (200 to 1500 kilograms/month)</i> • <i>Mix of chili powder and seasonings (50 kilograms/month)</i> • <i>Water (10 cubic meters per month).</i> <p><i>Biological Materials:</i></p> <ul style="list-style-type: none"> • <i>Frozen edible cricket (100 to 750 kilograms/month).</i> <p><i>Biodegradable materials:</i></p> <p><i>Kraft Paper Sacks (70 units per month).</i></p> <p><i>Recycled materials:</i></p> <p><i>Cellulose pulp trays (egg carton, 900 pieces).</i></p> <p>Waste generated.</p>	Indefinite	<p><i>Rural producers, food production companies, distributors and restaurants</i></p>
2	Raise an investment round that will allow the venture to benefit more cricket producers and supply new customer segments.			Indefinite	
3	Establish a demonstration plot for producer training and systematic measurement of climate benefits.			Indefinite	

			<p>Compostable Organics:</p> <ul style="list-style-type: none"> • <i>Between 200 and 1,500 kilograms (cricket droppings)</i> • <i>900 trays of cellulose pulp</i> <p>Recyclable inorganics: 25 kilograms of paper and cardboard.</p> <p>Consumption</p> <ul style="list-style-type: none"> • <i>Monthly volume (cubic meters) of water used in the operation of the company: 10 cubic meters.</i> • <i>Monthly volume (cubic meters) of wastewater generated by the project: 4 cubic meters.</i> 		
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Table 2: **C** Summary of stakeholder consultations and the envisaged stakeholder engagement process. Information about the virtual interview phase and delivery of additional information in the screening phase.

Consultation [If applicable, place]	Date	Participants	Information and/or other commitments
<i>Mandate fit check (virtual)</i>	01-25-2024	<i>CXO of Entrepreneurship</i> <i>Instituto Tecnológico de Monterrey</i> <i>GIZ México – CATAL1.5°T</i> <i>LATAM</i> <i>Climate-KIC</i>	<i>Delivery of the necessary documentary evidence identified in the Screening stage.</i>

D. The grievance mechanisms available to receive complaints and facilitate the resolution of complaints by affected and potentially affected communities, groups, and individuals.

The Grievance Redress Mechanism (GRM) is a formal process for managing complaints and minimizing social risk linked to the CATAL1.5°T Initiative. The GRM process is published on the CATAL1.5°T (<https://catalist-initiative.eco/es>) website, and brochures and information about the GRM will be available to all Start-Ups.

- Annex A:** Subproject Disclosure Form (mandatory)
- Annex B+C:** ESIA & ESMP (mandatory)
- Annex D: Land acquisition (if applicable)
- Annex E: IPP (if applicable)

Disclosure package Annex B and C: ESIA and ESMP for category B sub-projects of projects co-financed by the GCF with GIZ as an accredited entity

Tick box of the PS Categorization by the Sub-Project: Sustainable food group (Griyum), México

- A B C Not applicable *Performance Standard 1. Assessment and management of environmental and social risks and impacts*
- A B C Not applicable *Performance Standard 2. Labor and working conditions*
- A B C Not applicable *Performance Standard 3. Resource efficiency and pollution prevention*
- A B C Not applicable *Performance Standard 4. Community Health & Safety*
- A B C Not applicable *Performance Standard 5. Land acquisition and involuntary resettlement*
- A B C Not applicable *Performance Standard 6. Biodiversity conservation and sustainable management of living natural resources*
- A B C Not applicable *Performance Standard 7. Indigenous Peoples*
- A B C Not applicable *Performance Standard 8. Cultural heritage*

Table 1: Environmental and Social Impact Analysis (ESIA) and Management Plan (ESMP) (Safeguard Measures) of the FP198 Sustainable Food Group (Griyum), Mexico

Performance standard (PS 1-8)	Risks of negative impact and type of risk	Risk mitigation measure	Assumed Risk mitigation effectiveness	Expected results of mitigation	Execution Period and Responsibility	Budget allocated for mitigation measures
PS 1. Environmental and Social Assessment and Management System	Occurrence or aggravation of an impact due to failure to properly manage a risk or activity.	Carry out a diagnosis of risks and impacts and establish a specific environmental and social management system (ESMS) that includes an environmental and social policy with: i) internal procedures to identify, evaluate and manage possible environmental and social risks and impacts, including the occupational health and safety plan; (ii) procedures for implementing the environmental and social risk management program or plan; iii) define roles and responsible(s) for the implementation of the ESMS; (iv) a mechanism for dealing with complaints with a person in charge and its functions; (v) mechanism for	High	The environmental and social risks and impacts of the undertaking are identified, assessed, and managed efficiently through the ESMS.	12 months CEO & Management Team	

Performance standard (PS 1-8)	Risks of negative impact and type of risk	Risk mitigation measure	Assumed Risk mitigation effectiveness	Expected results of mitigation	Execution Period and Responsibility	Budget allocated for mitigation measures
		<i>evaluation and continuous improvement of the ESMS.</i>				
	<i>Legal Breach</i>	<i>Include in the ESMS compliance with environmental, occupational health and safety legislation and towards the community.</i>	High	<i>Environmental risks and impacts are managed in accordance with Performance Standards 1, 3 and 6</i>	<i>4 months CEO & Management Team</i>	
	<i>Occurrence or aggravation of risks or social impacts in any area where the Comprehensive Occupational Safety and Welfare Program has not worked or has not been implemented.</i>	<i>Develop or supplement an emergency response plan that includes: (i) emergency response procedures; (ii) qualified human teams; (iii) contacts and communication mechanism; (iv) interaction with local authorities; (v) equipment (fire extinguishers, first-aid stations); (vi) evacuation routes and rendezvous points; (vii) training programme (drills, first aid and others).</i>	High	<i>Accidental and emergency situations associated with the project are adequately prevented, in order to prevent and mitigate any harm to people and the environment.</i>	<i>6 months Human Resources/Operations</i>	
	<i>Aggravation or manifestation of an impact due to failure to follow up or identify it correctly.</i>					
	<i>Stakeholders may be unaware of the project and the potential risks contained in the project</i>	<i>Develop a Stakeholder Engagement Plan that includes the identification of relevant stakeholders and mechanisms and procedures for the dissemination of information, the collection of stakeholder views, the incorporation of agreements into decisions, and feedback to the stakeholders consulted.</i>	High	<i>Adequate mechanisms are in place to promote stakeholder participation, reducing risks</i>	<i>12 months CEO & Management Team.</i>	
<i>PS 2. Labor and working conditions</i>	<i>Abusos laborales por contrataciones irregulares.</i>	<i>Establish a hiring policy and procedures.</i>	High	<i>Workers' labour rights are duly protected under</i>	<i>3 months CEO / Human Resources</i>	

Performance standard (PS 1-8)	Risks of negative impact and type of risk	Risk mitigation measure	Assumed Risk mitigation effectiveness	Expected results of mitigation	Execution Period and Responsibility	Budget allocated for mitigation measures
		Define corporate environmental, social and human resources policies. <i>Establish mechanisms for monitoring and evaluating the implementation of corporate environmental, social and human resources policies.</i>	<i>High</i>	<i>PS2 and national labour legislation.</i>	<i>3 months</i> <i>CEO / Management Team / Operations</i>	
	<i>Labor abuses, injuries, failure to establish social security.</i>	Revision and, where appropriate, updating of the employment contract model to comply with Mexican regulations.	<i>Alta</i>		<i>6 months</i> <i>Human resources</i>	<i>TBC</i>
	<i>Job loss without compensatory mechanisms.</i>	<i>Include social security in workers' benefits, clarify it en el contrato, regularize contracts if necessary.</i>				
	<i>Failing to Deliver on Gender Equality in Practice.</i>	<i>Establish mechanisms for monitoring and follow-up on gender policies. Review management parity, implement corrective measures.</i>	<i>High</i>	<i>It ensures that employment relations are based on the principle of equal opportunities, equity, gender and fair treatment.</i>	<i>12 months</i> <i>CEO & Management Team</i>	
	<i>Injuries and illnesses (inflammation and loss of muscle function) of workers. Fatigue. Psychosocial illnesses (anxiety, stress), due to failure to identify occupational hazards in production areas.</i>	<i>Review, complement and update the Occupational Health and Wellbeing Program with i) correct and complete identification of risks ii) description of functions iii) establishment of timely and appropriate prevention and mitigation measures for each risk, iv) follow-up, v) training, communication, vi) complaint mechanism and vii) continuous improvement; in detail.</i>	<i>High</i>	<i>Workers' labour rights are duly protected under PS2 and national labour legislation.</i>	<i>12 months</i> <i>Operations</i>	
	<i>Lesions. Loss of life of workers. Failure to identify risks in loading areas or vehicle operation.</i>					

Performance standard (PS 1-8)	Risks of negative impact and type of risk	Risk mitigation measure	Assumed Risk mitigation effectiveness	Expected results of mitigation	Execution Period and Responsibility	Budget allocated for mitigation measures
	Injuries to workers (suffocation, burns). Loss of life <i>Damage to facilities and equipment. Failure to identify fire hazards.</i>					
	<i>Occupational diseases of workers (dermatitis, eye and throat irritation, lung involvement, lack of training or failure to use adequate PPE in production (grinding, dehydration, packaging))</i>					
	<i>Injuries and illnesses due to lack of information and training on the risks and hazards of each job.</i>					
	<i>Unfair labor practices at third parties. There is no evidence of third-party contracts.</i>					
	<i>Incumplimiento legal</i>					<i>Register the Health and Wellbeing at Work Program with the relevant authorities upon completion.</i>
<i>PS 3. Resource efficiency and pollution prevention</i>	<i>Excessive or unnecessary water consumption.</i>	Develop and implement an Environmental Risk Management Plan, based on the diagnosis made as part of the activities described in PS1 (see above in this table).	<i>Medium</i>	<i>The volume is reduced and the water available in the area is sustainably managed.</i> <i>Waste of all kinds is properly managed.</i>	<i>12 months</i> <i>Operations</i>	
	<i>Contamination of air, water or soil by waste generation</i>		<i>Medium</i>			

Performance standard (PS 1-8)	Risks of negative impact and type of risk	Risk mitigation measure	Assumed Risk mitigation effectiveness	Expected results of mitigation	Execution Period and Responsibility	Budget allocated for mitigation measures
	<i>Occurrence or aggravation of an impact due to failure to properly manage the use of hazardous materials.</i>	Design of mitigation measures for emission control, water use and proper waste management.	High			
PS 4. Community Health & Safety	<i>Leaks or spills of hazardous materials, fires. Effects on the health or physical integrity of persons or material property.</i>	<i>Develop a hazardous materials management plan, including worker training and documentation of procedures, as well as emergency care.</i>	High	<i>Community health is ensured and environmental emergencies are prevented</i>	6 months Operations	
	<i>Imbalance of ecosystems due to invasive species.</i>	<i>Complement the Invasive Species Prevention Manual with training and implementation of specific actions in each location where crickets are raised, taking into account the environment.</i>	High	<i>The maintenance of the ecosystem is ensured</i>	9 months Operations	
	<i>Failures in the quality or safety of food ingredients.</i>	<i>Complement safety and quality records with a risk management, communication, and emergency response plan.</i>	High	<i>Ensure management of risks to the health of the community</i>	6 months Operations	
	<i>Inability of the community to express itself, due to lack of mechanisms for community participation and communication.</i>	<i>Establish mechanisms for communication with the community and for collecting complaints, as well as their follow-up and attention.</i>	High	<i>The community has at its disposal an effective mechanism to receive their concerns and complaints about the environmental and social performance of the project and to facilitate their resolution.</i>	4 months CEO & Management Team	
PS 5. Land acquisition and	<i>Potential risk of land acquisition without a protocol of compensation or benefits to potential</i>	<i>Develop a protocol for compensation or benefits for potential economic displaced persons.</i>	Medium	<i>Restoration of livelihoods is ensured to compensate affected</i>	6 meses CEO y equipo directivo	

Performance standard (PS 1-8)	Risks of negative impact and type of risk	Risk mitigation measure	Assumed Risk mitigation effectiveness	Expected results of mitigation	Execution Period and Responsibility	Budget allocated for mitigation measures
<i>involuntary resettlement</i>	<i>economic displaced persons.</i>			<i>individuals or communities.</i>		
<i>PS 6. Biodiversity conservation and sustainable management of living natural resources</i>	Risk of escape or loss of control in the handling of insects or larvae, depending on the safety procedures that are handled and that should be part of emergency prevention and response programs.	<i>Complement the Invasive Species Prevention Manual with training and implementation of specific actions in each location where crickets are raised, taking into account the environment.</i>	<i>High</i>	<i>The risk of significant threat to biodiversity is eliminated</i>	<i>6 months Operations</i>	

Additional support for FP198 Environmental and Social Management Framework (ESMF) start-ups: CATAL1.5°T environmental and social support for climate start-ups.

As part of the CATAL1.5°T ESMF, the following complementary activities are carried out to implement measures to mitigate the adverse environmental and social effects of the accepted subprojects, in accordance with PS1:

1. Accepted ventures will receive support in the development of business plans, which will necessarily include environmental and social management plans. Environmental and Social Due Diligence will provide the necessary guidance to identify what type of management plans are required in accordance with the **Green Climate Fund's (GCF) Interim Social and Environmental Safeguards** and guide companies in establishing and monitoring management plans.
2. The companies selected in the Acceleration program will benefit from a reimbursable subsidy of up to 100 thousand euros. The use of reimbursable grants will be governed by a grant agreement signed with each climate venture and the Executing Entity (Instituto Tecnológico de Monterrey), which will include environmental and social clauses on:
 1. Compliance with environmental and social requirements on excluded activities.

2. Establishment of reasonable conditions of employment, protection of the workforce, establishment of a safe and healthy working environment.
 3. Non-violations of human rights.
 4. Zero tolerance for gender-based violence and sexual exploitation, abuse, and harassment.
 5. Cumplimiento de condiciones ambientales y sociales adicionales incluidas en los planes de manejo ambiental y social.
3. In addition, the Acceleration Program will offer mentoring on environmental, social and gender issues.
 4. All reports will include environmental and social reports. Environmental and social reporting requirements will be defined in the business plans.
 5. In preparation for graduation from the Acceleration Program, supported companies will receive assistance in the preparation of long-term environmental and social management plans.