

REQUEST FOR GRANT APPLICATIONS (RFA)

TRADE EXPANSION SUPPORT GRANTS TO SMEs ENGAGED IN REGIONAL FOOD TRADE LED BY WOMEN AND YOUTH IN WESTERN, EASTERN AND SOUTHERN AFRICA

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A. SYNOPSIS OF THE RFA

RFA No.	PSC/RFCN 008/2023
Issue date	Tuesday May 30, 2023
Title	Request for Concept notes for Grant Application – Trade Expansion support grants to SMEs engaged in regional food trade led by women and youth or in support of women and youth in Western, Eastern and Southern Africa.
Issuing organization	AGRA – Sustainably growing Africa's Food Systems Head office: West End Towers, 4 th Floor Kanjata Road, off Muthangari Drive, Off Waiyaki Way P.O. Box 66773 Wetlands, 00800 Nairobi, Kenya
Submission of Concept note applications and questions	We only accept online submission at AGRA's online portal AMIS (the link for online submission will be live on AGRA's website upon the RFA launch on May 30, 2023)
Potential Grants size	USD 25,000 per Grant
Deadline for Receipt of Questions	By Wednesday June 7, 2023
Deadline for Responding to the questions (for AGRA)	By Sunday June 11, 2023
Final Deadline for Receipt of Concept note Applications	Friday, July 7, 2023 before 11:59 pm, Eastern Africa Time(EAT).

B. SCOPE OF WORK

1.0 Background

1.1 AGRA

Founded in 2006, AGRA is an African-led African-based organization that seeks to catalyze Agriculture Transformation in Africa. AGRA is focused on putting smallholder farmers at the center of the continent's growing economy by transforming agriculture from a solitary struggle to survive into farming as a business that thrives. As the sector that employs the majority of Africa's people, nearly all of them small-scale farmers, AGRA recognizes that developing smallholder agriculture into a productive, efficient, and sustainable system is essential to ensuring food security, lifting millions out of poverty, and driving equitable growth across the continent.

AGRA is rolling out a new 5-year strategy to catalyze the Food System-led Inclusive Agricultural Transformation in Africa to increase incomes and improve food security for 28 million farmers across 11 countries in West, East and Southern Africa. The new Strategic Plan sets out to catalyze the growth of sustainable food systems across Africa by influencing and leveraging partners to build a robust enabling environment where the private sector thrives, and smallholders are empowered to produce sufficient, healthy food in an equitable and inclusive manner.

There is increasing acknowledgement that gender inequality and social exclusion of women, youth and rural poor continue to impede Inclusive Agricultural Transformation (IAT). State of the art evidence shows that agricultural development interventions can only be effective if they are intentional in their approaches towards gender equality and social inclusion (Quisumbing et al., 2020; Nyasimi and Huyer, 2017; Doss, 2016).

Another critical component in inclusive agricultural transformation is participation by youth, a population which is rapidly growing and is expected to double to 830 million by 2050. A total of 12 million youth enters the employment market each year but only 25% are absorbed into formal jobs leaving large numbers either unemployed or underemployed (AfDB, 2016). AGRA's approach to the

youth is anchored on its inclusive agriculture transformation goal, driving broad-based agricultural transformation that will make agriculture more productive and profitable, thereby creating on-farm and off-farm opportunities.

To attain the levels of scale and reach necessary to create fundamental change in youth employment in Africa, it is critical to come up with scalable solutions that reach a substantial proportion of youth – the food system and agriculture present an opportunity in this regard.

Building on the gains AGRA has achieved over the past decade and a half and leveraging the learnings from our recent Impact Evaluation, AGRA intends to make focused and catalytic investments that contribute to inclusive agriculture and food systems transformation. AGRA's 2030 Strategic framework directly draws on and contributes to the 2030 Agenda for Sustainable Development and is anchored in unlocking systemic barriers and building resilience and capabilities to catalyze the growth of sustainable food systems on the African continent. To achieve its vision, mission and strategic objectives, AGRA will build on key assets, models and key lessons accruing from past strategic investments to deliver three core objectives:

1. to empower and build the resilience of smallholder farmers;
2. to support the development of inclusive markets that can further unlock and sustain functional agricultural and food systems; and
3. to build state capacity to scale and sustain agricultural and food systems transformation.

To achieve the vision, mission, and objectives of the new Strategic Plan, AGRA has prioritized and organized its work around four interlinked business lines to catalyze agricultural transformation which include 1) Policy and State Capability; 2) Seed Systems; 3) Inclusive Markets and Trade; and 4) Sustainable Farming. The new strategy has also prioritized three cross-cutting areas which are critical to ensuring that agricultural transformation is inclusive and reflective of broad food system needs. Intentional inclusivity is one of the three cross-cutting areas which seeks to eliminate barriers to participation of women and youth for them to contribute to, and benefit from agricultural transformation.

1.2 Inclusive Markets and Trade (IMT)

The Inclusive Markets and Trade business-line of AGRA focuses on strengthening viable and inclusive local and regional agri-food markets to facilitate entry of female and male farmers and businesses including young people into a positive and sustained cycle of commercialization and reinvestment. Progress on Inclusive Markets and Trade continue to face several systematic barriers which include:

- i. Limited/inadequate alignment of agricultural produce with quantity, safety and quality demands of domestic and regional markets;
- ii. The lack of sufficiently available nutritionally rich food that is easily accessible and affordable to regional market consumers;
- iii. Limited market information, linkages and matching platforms that impede access to domestic and regional markets;
- iv. Inadequate access to finance which affect agriculture SMEs to grow to scale, and participate competitively in agricultural markets and trade;
- v. Limited transparency and predictability of trade policies, and non-tariff barriers that hinder effective participation of agriculture SMEs in markets and trade;
- vi. Limited participation of women and youth in agriculture trade, as well as climate change and global shocks which have negatively affected agriculture trade.

In the new strategy, AGRA will tackle systematic constraints in access to finance, market, and trade institutions in order to build a strong agri-food markets and trade at the domestic, regional, and continental level. This will help to ensure that increased on-farm productivity is matched by post-harvest opportunities for aggregators, traders, and processors as well as access to finance that is required to pursue these opportunities. To achieve these systematic changes, AGRA through IMT business line will seek to deliver the following by leveraging resources from its key strategic partners:

- i. Develop inclusive market systems by shaping markets based on consumer demands and increasing local capacity for safe and nutritious foods;
- ii. Facilitate stronger intra-African agricultural and food trade by reducing search and transaction costs, and improving predictability and transparency;
- iii. Enhance market actor competitiveness by enhancing market access, improving market access to finance, and enhancing capacity and incentives for agri-food system actors.

Key expected results from this work include the following, for which this grant applicant will also be contributing:

- At least 500,000 youth and women in work opportunities created.
- Reduction in non-tariff barriers in supported trade corridors/value chains particularly those that affect participation of women and youth in domestic and regional markets.
- Increase in the number of policies, regulations, certifications, and standards related to markets and trade that are adopted and implemented in the targeted countries.
- Increase in the number of supported countries using improved market data and information systems for supported commodities.
- Increase in the number of targeted countries adopting reforms for improving the functionality of the national Strategic Food Reserves.
- Increase in volume and value of net agricultural exports of supported commodities and corridors in the targeted countries.
- Reduction in the cost of doing business in the targeted countries particularly in the reduction of cost/time of obtaining trade documents.
- Increase in the number of new SMEs/agribusinesses established (including women and youth led) within the selected value chains in the targeted countries.
- Increase in the number of targeted smallholder farmers and SMES in the targeted countries that are able to increase volume and value of agriculture food trade.
- Increase in volume and value of off-taker sales for supported market actors.
- Increase in the number of targeted smallholder farmers/SMEs/agri-preneurs accessing and using business development services including financial and or market information services.

1.3 Call for Grant Applications

Inclusive Markets and Trade (IMT) work will be centered around i) creating an enabling environment for inclusive markets, trade, and finance (i.e. policy reforms, implementation, trade facilitation, etc.) and ii) supporting a well-functioning private sector that will be capable of driving farmers and agri-business into a cycle of commercial growth and reinvestment. To support the implementation of Inclusive Markets and Trade work through market shaping/trade facilitation interventions, **AGRA is seeking potential partners, to manage the necessary sub-awards**, to deliver the three long-term Objectives of the IMT program:

- SO-1:** Resilient supply and demand of supported agricultural products and services;
- SO-2:** Inclusive market (output and finance) performance for supported value chains;
- SO-3:** Improved enabling environment for inclusive markets, trade, and finance especially for youth and women agri-entrepreneurship.

The potential partners will include, but not limited to, the following:

- Export ready firms and SMEs engaged in regional food trade led by women and youth or in support of women and youth in Western, Eastern and Southern Africa in one or more of the targeted trade corridors and priority value chains (see section 3 for targeted trade corridors).

AGRA therefore invites submissions of grant applications from interested and qualified export ready firms and SMEs operating in the agricultural value chains for projects within the targeted trade corridors that will contribute to the achievement of AGRA's stated intended objectives and outcomes.

2.0 Grant Investment Area

Interested applicants are invited for submitting concept notes covering the Western, Eastern and Southern Africa region (see details of targeted trade corridors in section 3) for these investment areas, as summarized below:

- Co-investment in value-adding machinery or equipment to boost or scale the production capacity.
- Co-investment in construction of aggregating centers to enhance the product quality and safety.
- Co-investment in acquisition of transport vehicles to reduce the product transportation cost.
- Co-investment in acquisition of digital tools (portal or devices) to enhance the outreach to regional markets.
- Capacity building through provision of mentorship; advisory support and/or leadership (Quality standards or certification etc.) to enhance the participation in regional food trade markets.
- Training initiatives covering aspects of financial management; IT, trade business skills, expanding customer base, use of digital tools, new products development, negotiation and pricing and trade/export etc.
- Training on product quality assurance for service providers (suppliers, and aggregators) to the SMEs applicant/s.

3.0 Project Implementation Potential Geography

REGION	CORRIDOR	COUNTRIES COVERED
EAST AFRICA	Northern Corridor	Kenya – Uganda – Rwanda – Burundi – DRC
	Nairobi Lusaka Corridor	Kenya – Tanzania – Zambia – South Africa
	Mbale Market Shed	Uganda
	Arusha Market Shed	Tanzania
WEST AFRICA	Abidjan Lagos Corridor	Cote d'Ivoire – Ghana – Togo – Benin – Nigeria
	Tema – Ouagadougou Corridor	Senegal – Mali – Guinea – Niger – Burkina Faso
	Dawanau Market Shed	Nigeria
	Sikasso Market Shed	Mali
SOUTH AFRICA	Nacala Corridor	Mozambique – Malawi – Zambia
	Tete Marker shed	Mozambique
	Nampula Market Shed	Mozambique

4.0 Period of Project Performance

The overall period of this project performance is estimated to be 2 years' maximum, from 1st September 2023 to 31st August 2025.

5.0 Period Grant Applications will be Accepted

This Request for grant concept notes applications will remain open for a period of 20 working days, from May 30, 2023, to 7 July 2023 before 11:59 pm Eastern Africa Time (EAT). Interested firms, SMEs, organizations/ institutions must submit their applications before the final deadline; and grant applications will be evaluated on a rolling basis as indicated above in the synopsis. Applications made after the final deadline of 7 July 2023 will not be considered.

Applicants must follow the instructions mentioned below and must submit their grant concept notes applications using the AGRA guidelines and above mentioned scope of work following AGRA's online portal link of AMIS system .

C. TECHNICAL EVALUATION CRITERIA

Evaluation Criteria		Points
1.	<p>Relevance and Impact – Description of the required co-investment justification which is relevant to the stated scope of investment in this Request for Grant Application. The requested investment in innovation have scale up potential, including the potential to develop new markets and impact on the growth of the applicant SME.</p> <p>The clear demonstration of the commitment towards agriculture food trade systems development and youth and women empowerment in African context through proposed Developmental Impact from the investment i.e.,</p> <p>Development Impact = $\frac{\text{No of Youth and Women Farmers outreached} + \text{No of Jobs created}}{\text{(Total Project Budget)}}$</p>	35 Points
2.	Management Capacity – the grant application should describe how the proposed team members have the necessary experience and capabilities to carry out the scope of work.	30 Points
3.	Past Experience: Evidence of at least two (2) years of demonstrable organization working experience in the food trade business and sound understanding of regional and continental level trade market opportunities.	35 points
Total		100 points

NB. Once attained the proposal development after the approval of initial concept note, for the financial proposal to be considered by AGRA, the applicant's technical proposal must score 70 points and above. The financial proposal will be reviewed against the proposed approach and methodology, and cost negotiations held if applicable.

D. ELIGIBILITY REQUIREMENTS

Firms and SMEs contemplating submission of concept note applications in response to this request for grant applications (RFA) must determine whether they meet the following requirements to be eligible for AGRA financial assistance::

- Legally registered SMEs that active or spire to participate into regional food trade.
- Functioning SMEs business with established operations, with investments made in business infrastructure (processing/ aggregation facilities).
- SMEs businesses with significant participation of women and youth.
- SMEs that are established in above indicated geographies or food trade corridors.
- Clear vision and mission established of the SMEs business in context of regional trade.
- At least two (2) years of demonstrable organization working experience in the food trade business.
- Good understanding of regional and continental level trade market opportunities.
- Committed to agriculture food trade systems development and youth and women empowerment in African context.
- Committed towards jobs creation, mainstreaming approaches for climate resilience, nutrition sensitive agriculture, value-addition and trade and participation of vulnerable groups such as women and youth in regional value chains will be considered an asset.

If an institution/organization meets the above eligibility criteria AGRA may request additional documentation to be submitted as part of the pre-award process. Organizations are advised that any funds made available are subject to AGRA's and its funding partners accountability and audit requirements.

E. HOW TO APPLY

If eligible and interested in this Request for grant concept note Application, please provide the following via AGRA's online portal AMIS by/before, **7 July 2023 before 11:59 pm Eastern Africa Time (EAT)**. Additionally, applicants at proposal-stage once AGRA has communicated to the applicant of the approved concept, are expected to make submission of following documents (at AGRA AMIS online system for which applicant will be informed by AGRA);

1. Request a new account from here: <https://agra.synisys.com/>
2. Create an account as an applicant
3. Log in to the system with your credentials: <https://agra.synisys.com/portfolio/requests>
4. Choose the request and submit your application via Create New Response section of the form before or by 7th July 2023.
5. Detailed organization profile with CVs of project implementation team.
6. Technical proposal - At this stage, applicants are expected to submit a brief concept note only. Once short-listed, AGRA expects submission of a detailed technical proposal from short-listed applicants clearly stating an understanding of the scope of work and elaboration of the methodology including how each of the tasks will be executed. Additional details will include;
7. Financial Proposal – At this concept stage, applicants are expected to provide a brief budget of the project only. Once short-listed, AGRA will request a detailed financial proposal from short-listed applicants.
8. Two (2) years Audited financial statements at proposal submission stage by short-listed applicants only(send a signed copy by the auditor).
9. A copy of your organization's registration certificate at proposal submission stage by short-listed applicants only.