

Subaward Request for Applications

RFA Release Date:	16 November 2022
Deadline for Questions:	23 November 2022
Closing/Submission Deadline:	30 November 2022
RFA Code:	IB12 TAP2
SUBJECT:	Vanilla Centres of Excellence (VCoE) scale up support
Eligible Organizations/Criteria:	Open competition process: individuals meeting criteria listed on Page 5.

Dear Applicants,

This document constitutes a request for applications (RFA) from eligible bidders for a project funded by the Commercial Agriculture for Smallholders & Agribusinesses (CASA) Technical Assistance Facility. It is accompanied by a template for a letter of intention to submit an application and a budget template. Interested bidders should sign and return the letter of intention to submit an application to TechnoServe per contact details described in Section E (submission guidelines). Upon receipt of that letter, which also serves as a non-disclosure agreement, TechnoServe may provide additional information to the bidder.

Issuance of this RFA does not constitute an award commitment on the part of TechnoServe, nor does it constitute a commitment to pay for costs incurred in the development of an application. Final award commitment is subject to donor funding approval.

Questions regarding the RFA requirements must be submitted in writing to Melanie Machingawuta mmachingawuta@tns.org by the deadline listed above. Include the RFA Code and Subject in the subject line for your questions.

TechnoServe, CASA TAF & the Foreign, Commonwealth and Development Office (FCDO) aim to create an inclusive culture of best practice with the delivery partners with whom it engages and which receive UK taxpayers' funds. All Supply Partners and Subrecipients should adhere to the overarching principles of the Supply Partner Code of Conduct to:

- Act responsibly and with integrity
- Be transparent and accountable
- Seek to improve value for money
- Demonstrate commitment to poverty reduction and FCDO priorities
- Demonstrate commitment to wider HMG priorities

A. Background

Established in 1968, TechnoServe works with enterprising people in the developing world to build competitive farms, businesses, and industries. We have worked in more than 40 countries across Africa, Latin America, and Asia, assisting thousands of businesses and improving the incomes of millions of people.

We provide business solutions to poverty by linking people to information, capital and markets. With five decades of proven results, we believe in the power of private enterprise to transform lives.

The CASA TAF is an £8 million Foreign, Commonwealth and Development Office (FCDO) funded Technical Assistance Facility (TAF) to support agribusinesses that have received development finance institution (DFI) or impact investor financing to extend and deepen their smallholder impact. The facility will provide grants and technical assistance to agribusinesses that have received financing from a DFI (e.g., BII, FMO, Norfund) or an impact/patient capital investor (e.g., Dob Equity, C4D Partners, the Common Fund for Commodities) for projects which will increase the volumes of purchases from smallholders and bring new smallholders into business supply chains. CASA-TAF's aim is to increase the development impact of individual deals and help build an evidence base of the potential development returns from agribusiness investments that can be used to raise expectations of investors from future deals. CASA-TAF has the potential to re-define the role that private investments in agriculture can play towards driving development impact for millions of smallholder producers across the globe. Over 5 years, our objective is to work with 35 agribusinesses to increase sales and productivity of over 100,000 smallholders and increase jobs and rural income generation opportunities.

TechnoServe is working with Natural Extract Industries (NEI) – a ~\$4m vanilla processor based in Tanzania that produces high quality cured vanilla pods and vanilla extracts for global specialty and natural foods markets in Europe and North America. The business currently purchases vanilla from over 6,000 smallholder farmers in Tanzania. NEI expects to enter a period of rapid volume growth, where sourcing requirements are expected to surpass forecast production capacity of the registered smallholder network. NEI is thus exploring a range of strategies to grow supply in a cost-effective and impactful manner.

One of its major strategies includes transitioning its current direct smallholder sourcing model to a more scalable decentralised model (“Vanilla Centers of Excellence” / VCoE). The VCoE model represents a significant commercial opportunity for NEI and has the potential to impact ~13.5k smallholder farmers in Tanzania with a net income benefit of ~\$200 per farmer p.a. by 2030 (through supporting entry of new farmers to vanilla cultivation, and increasing the cadence and therefore effectiveness of extension). Within this, there is an opportunity to integrate agroforestry solutions and carbon finance into the VCoE scale up – with high potential returns from more sustainable land management associated with tree planting, mulching, and more diversified agricultural practices; as well as a potential added revenue stream for VCoEs from carbon credits.

B. Project Description:

Project goal. The Vanilla Centres of Excellence (VCoE) scale up support project will provide NEI with technical assistance to manage the careful evaluation and scale up of the VCoE model, through the deployment of an experienced agribusiness and micro-franchise expert to support adaptation of the model based on review of initial pilot progress and learnings. The VCoE Scale Up Manager will provide technical and operational support to NEI to ensure that the franchise network achieves commercial sustainability and its full impact potential.

The expert would work alongside NEI management and supply chain staff, specifically supporting the following deliverables:

Deliverable 1: Evaluation of existing VCoE model and scale up recommendations

- Conduct site visits to 7 existing VCOEs (4 regions with a focus on Kagera, Kilimanjaro, Mbeya, and Morogoro) and interview company management and existing VCoE agents to understand the current model (structure, economics, what's working well/not, emerging initiatives such as improved agroforestry that could impact the model, etc).
- Based on interviews and assessment, review economic feasibility; advise on optimal and practical business model(s) for VCoEs that reflect the reality on the ground, including opportunities to improve the model.
- Review parameters for identifying and testing various VCoE models/pilots; and propose modifications required to maximise viability and/or scalability of VCoE model. Evaluate and consider performance of existing VCoE pilots, and observations made on benefits/drawbacks of different ownership models, geographic locations, staffing structure etc.).
- Based on above, refine (and agree with NEI management) criteria for selecting sites and entrepreneurs, as well as capacity gaps and support needs, for VCoEs going forward.
- Assess value proposition for farmer investment in vanilla cultivation; explore and determine possible risk-mitigation strategies (e.g. improved agroforestry practices, vine subsidy mechanisms).
- Summarise key success factors and risk mitigation measures for future VCoE model based on above.

Deliverable 2: Operational support to NEI to manage VCoE model

- Develop selection criteria for optimal sites and entrepreneurs to pilot new/revised VCoEs
- Review and compare performance of existing and new VCoEs; iterate and adapt quickly/nimble based on progress on the ground; make recommendations to NEI on which VCoEs to prioritise and scale up based on performance and which to drop using a fail fast approach.
- Identify additional financing/funding needs to scale up VCoE model; explore (and support) possible opportunities for entrepreneurs or NEI to access funding to address these gaps.
- Advise on NEI management structure/resources needed to manage VCoE model; agree on adjusted organogram (as appropriate).
- Support hiring and/or training of existing/new staff to support above proposed management structure.
- Develop standard operating procedures (SoPs), systems and processes to support smooth execution and management of VCoE model; support training and coaching of staff to implement.
- Identify opportunities to use digital management to monitor franchisees and activities.
- Support training of NEI staff and micro-franchisees/agents to use technology (depending on above recommendations) and roll out accordingly.

Deliverable 3: Capacity building of VCoEs

- Support selected VCoEs on business plan development, to demonstrate/ measure economic feasibility
- Facilitate training (directly or via 3rd parties as appropriate) to develop franchisee operational and financial management skills
- Facilitate training (directly or via 3rd parties as appropriate) to develop micro-franchisee business skills
- Support ongoing franchisee assessment of profitability and business model adjustments needed, as required.
- Work with NEI team to provide ongoing mentoring and coaching to micro-franchisees to understand/implement required activities/services, communicate effectively with NEI as well as SHFs, understand systems/processes and to adopt tools/ digital systems (as relevant).

Deliverable 4: Explore improved agroforestry and carbon finance opportunities

- Support NEI team to identify an approach to deliver broader agroforestry support as part of VCoE model, including assessing skills, resources, and capital investment required to implement successfully
- Support NEI and CASA TAF teams (including working with a separately contracted Agroforestry expert) in assessing potential for an agroforestry and carbon credit-based revenue model for VCoEs through e.g., developing and testing qualitative and quantitative assumptions

Deliverable 5: Overall programme management, performance monitoring & learning

- Determine and lay out key success factors and performance indicators
- Support company to create dashboard, track progress and make decisions based on KPI framework
- Measure cost-benefit for NEI of VCoE improved agroforestry model; and SHF impact from access to VCoEs. Report to NEI and CASA TAF.

Budget

A total of up to **£ 86,000** is available for the cost of implementing this project, including the budget for the individual consultant (based on a daily rate and estimated level of effort required), associated costs of the consultant to deliver the assignment (e.g. travel, supplies etc) and provision for 3rd parties that may be required for niche training needs. These funds are provided by the CASA TA Facility. A performance-based fixed fee contract will govern the fee payments for the project.

Location

The project will be based in Moshi, Tanzania with regular travel to company headquarters in Moshi as well as the 7 VCoEs in 4 regions (Kagera, Kilimanjaro, Mbeya and Morogoro) required.

Timing

The project duration is estimated at 28 months starting December 2022.

TA mechanism

Open

Value for money

Potential TA providers will be evaluated in terms of value for money with a benchmarking of bidder costs in relation to outputs before TA contracts are awarded.

The selected subrecipient will be subject to a Risk Assessment Analysis prior to contracting which will ascertain the TAF service provider's value for money capabilities and commitment. Proposed costs will be analysed in relation to market rates. However, payment will be based on performance once the project is contracted.

Duty of care

The Sub-recipient owes a duty of care to the Subrecipient personnel and is responsible for the health, safety, security of life and property and general wellbeing of such persons and their property and this includes where the Subrecipient personnel carry out the Services. An assessment of the consultant's duty of care capabilities will be undertaken pre-award.

Required Qualifications

- Bachelor's Degree with a minimum of 10 years of relevant work experience
- Advanced degree in business management or other relevant field preferred
- At least 8 years of business or project management experience in a similar context
- Should possess excellent agribusiness management skills, and experience working at senior management level within an agribusiness or experience running an agribusiness in the past
- Experience working to support inclusive sourcing and/or last mile distribution schemes required. Strong preference for individuals who have run similar micro-franchise or independent aggregation agent models in developing countries
- Experience in or passion for implementing field work in a developing country required, experience in Tanzania strongly preferred
- Experience working with corporations around shared value initiatives required
- Proven analytical and quantitative skills
- Track record in performance monitoring and management, including developing KPI frameworks; conducting Monitoring & Evaluation for donor funded projects; and developing/operationalising user-friendly tools to help companies/teams track progress against KPI frameworks
- Excellent written and verbal communication and interpersonal skills
- Fluent English required and fluent Swahili speaker a bonus
- Strong computer skills, including MS Word, PowerPoint, and Excel
- Ability to work independently, collaboratively, flexibly, and responsively
- Ability to adapt to changing working conditions
- Ability to prioritise and meet deadlines

C. The Application and Subaward Process

Application Submission

The subaward application process under this RFA will consist of one phase of competition where full applications shall be submitted by interested parties to TechnoServe for evaluation. Application sections must include, but not limited to:

- How the individual intends to carry out the project – proposed approach including actions/activities and timelines and how the individual intends to work with company management and any other key stakeholders
- Milestones and results to be achieved over the life of the project
- CV highlighting relevant experience in past projects
- Budget details (including any value for money arguments) with the level of detail similar to the budget template provided for guidance, and compliant with FCDO's Cost Eligibility Guidance for Commercial Contracts (found [here](#)).
- Risk Matrix and risk mitigation strategy - A risk matrix should be included that outlines the risks to project success, the size/importance of each risk to the project, and the proposed mitigation strategy that the TA Provider will take to minimise the risk becoming a reality. The table should also include a column indicating how the TA Provider will track the status of the risk and how this will be reported on during the project.
- Referees: Names and contact information for work completed on similar projects (references will only be collected if bidder is shortlisted and bidder will be notified prior to communication with any referees listed).
- Signed declarations – Attachment 1 to this RFA
- Duty of Care Response – Attachment 2 to this RFA

Step 1:

Applications will be developed and submitted by the Applicant to TechnoServe utilising the templates provided (or other referenced material as stated in the RFA) in accordance with all guidelines by the stated submission deadline. Late submissions will not be accepted.

The main body of the technical proposal should be no longer than 5 pages.

Step 2:

Applications will be vetted by TechnoServe staff to ensure each application meets the requirements set forth in this RFA. Any applications failing to meet minimum requirements will be disqualified from competition. The minimum requirements include the eligibility criteria, use of application templates provided, submission by the deadline, etc.

Step 3:

Applications received within the application deadline that meet the minimum requirements set forth in the RFA will be evaluated by a Selection Committee using the following criteria:

Selection Criteria	Scoring
1. Relevance of the proposed project approach to the RFA	20
2. Illustrated capacity of the applicant to implement the project and past experience with similar projects	40
3. Experience of personnel proposed	20
4. Budget reasonableness and cost effectiveness	20
Maximum Score	100

Step 4:

The Selection Committee will recommend those applications with the highest scores for award. As applicable, the Selection Committee may request applicants to provide additional information and edit their applications. In such cases, the Selection Committee will also establish a deadline for submission of revised applications.

Step 5:

Successful applicants will be notified by TechnoServe and will begin to work with TechnoServe staff to revise their applications to be incorporated into a full subaward. This step will include a pre-award risk assessment.

Step 6:

Following the successful conclusion of the application process and acquisition of any required donor approvals, TechnoServe will issue the successful applicant(s) with a subaward with details on the scale, scope, cost, and terms and conditions. Whenever possible, TechnoServe will meet with new subrecipients to provide an orientation outlining the main requirements for performance and reporting.

Step 7:

Throughout the duration of the subaward, TechnoServe will monitor the subrecipient’s performance and compliance with all subaward terms and conditions.

D: Project Budget Submission and Costing guidelines

Individual subawards will vary depending on availability of funding, nature and scope of project activities, the period of implementation, and justification of costs proposed. Although consideration will be given to all applications received by the deadline, it is recommended that the total budget requested from TechnoServe does not exceed £86,000. Subawards will be issued on a competitive basis and only to a selected number of applicants.

While reviewing application budgets, the Selection Committee will ensure that:

1. The budget application reflects all the resources necessary for program implementation (Direct and Indirect Costs, including taxes, as applicable).
2. The budget notes column provides details on all types of costs planned and cost justification.
3. All costs budgeted are eligible. Information on eligible and ineligible costs can be found [here](#). Budgeted costs categories may include but are not limited to:
 - a. **Personnel:** Salaries and benefits for full and part-time staff involved in the project. Staff can be paid only for activities performed within the framework of the proposed project. All personnel expenses must be justified with information on the role of the proposed staff in project implementation.
 - b. **Consultants and Other Outside Services:** Fees for any external consultants or contracted firms required to support subaward activities.
 - c. **Travel:** Flights, per diem, and any other required travel costs for project personnel to conduct implementation activities.
 - d. **Office Costs:** Any required cost for the subrecipient's local office to support project implementation.
 - e. **Supplies and small equipment under £500:** Any project-related supplies and small equipment with a unit cost under **£500**.
 - f. **Equipment:** Any project-related equipment with a unit cost above **£500**, such as project vehicles or generators.
 - g. **Other Direct Costs:** Any other direct costs of the project, such as costs for conducting trainings, developing publications, etc.
 - h. **Indirect Costs:** If applicable, organizational overhead costs. This must be an annually audited rate, or negotiated through FCDO's NPAC procedure.
 - i. **Taxes:** The applicant agrees to adhere to the appropriate regulatory requirements and ensures that the correct taxes are included in the proposal in relation to the country in which the applicant operates.

Pre-Agreement Costs - TechnoServe will not reimburse costs incurred prior to the effective date of the subaward. In special cases where pre-agreement costs are necessary to comply with the proposed delivery schedule, TechnoServe may discuss and negotiate with the applicant the approval of certain pre-agreement costs. Such costs are only eligible with the prior written approval of TechnoServe.

E. Submission Guidelines

Applicants must submit their applications, budgetary information as well as any other information responding to the terms, conditions, specifications and requirements of this RFA to:

TechnoServe Inc

To: Melanie Machingawuta, Team Lead

Email Address: mmachingawuta@tns.org

Applications must be received by the submission deadline specified on the first page of this RFA. Late submissions will not be accepted.

F. Reporting Guidance

1. Financial Reporting

This is a Fixed Amount subaward. No financial reporting on expenditures is required.

2. Program Reporting

Program/technical reporting will be defined during the contract negotiation stage and is expected to be closely linked to the milestones to be defined in the Subaward.

Given the length of the program, performance reports are likely to be required to be submitted on at least a quarterly basis.

Attachments to this RFA:

Please click on the following link to download the: [attachments](#)

Attachment 1:	Declarations
Attachment 2:	Duty of Care Response
Attachment 3:	Budget Template
Attachment 4:	Letter of Intention

