

Subaward Request for Applications

RFA Release Date: 25 July 2023

Deadline for Questions: 04 September 2023 (extended)

Closing/Submission Deadline: 08 September 2023, 1800 EAT (extended)

RFA Code: IB6TAP5

SUBJECT: Mill training and farmer extension programme

Eligible Organisations/Criteria: Firms and individuals that have comprehensive experience in

capacity building of coffee mills and farmer extension

services in Ethiopia

Dear Applicant,

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. 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.

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

TechnoServe, CASA TAF & 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 investor (e.g., DoB Equity, CFC) 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 Mercon, a global green coffee supplier with existing operations in Brazil, Guatemala, Honduras, Nicaragua, and Vietnam. Mercon implements its "LIFT platform" in all its integrated origins to provide meaningful services to farmers and ensure environmental, social, and economic sustainability in its supply chain. Recent legislative changes in Ethiopia have created the opportunity for Mercon to expand the LIFT platform to Ethiopia, enabling Mercon to capture market share in the sustainable Ethiopian coffee market and deliver positive impact for thousands of smallholder farmers (SHFs) connected to partner mills. Mercon engaged CASA TAF to customise LIFT for Ethiopia and meet customer requirements while improving the livelihoods of SHFs and small agroenterprises, in a commercially viable way.

B. Project Description:

Project goal

In order to meet the company's overall target to source LIFT (sustainable) coffee from Ethiopia, technical assistance is needed to build the capacity of partner coffee mills to establish a stable supplier base, and develop a robust and targeted extension programme. If executed successfully, the technical assistance projects contribute to an incremental income increase of £322 per farmer to ~10k farmers in the long term.

- 1. <u>Mill capacity building</u>: technical assistance will focus on training partner mills covering organisational and business management principles, provision of farmer delivery services and coffee processing.
- 2. <u>Farmer extension services</u>: focused training sessions will be provided to farmers covering key topics such as soil and nutrient management, stumping and harvesting practices. A

sustainability plan will also be developed targeting to embed extension services within partner mills with enough capacity to deliver.

Deliverable 1: Mill training activities

- Design an implementation plan based on the mill training and processing manual developed with CASA TAF
- Develop training and communication materials covering training curriculum and utilise effective training methodologies and delivery channels
- Conduct training sessions to partner mills
- Develop a mill management plan based on the outcome of the training programme to help mills focus on improvement areas and assist them to monitor progress over time

Deliverable 2: Farmer extension programme

- Utilise initial farmer data collected and conduct select farmer interviews to validate capacity gaps considering partner mills' location and LIFT client requirements
- Conduct assessment to determine viability of targeted stumping initiatives
- Develop training programme plan based on validated needs assessment, farmer training manual and mill farmer training targets; iterate training plan based on feedback from initial training sessions
- Roll out training and extension services to farmers under each partner mill using the LIFT farmer training manual
- Create synergies for monitoring and data collection activities, leveraging the LIFT mobile application
- Conduct monthly performance reviews with partner mills, assessing training effectiveness when appropriate
- Develop risk management plan and measures depending on performance results
- Provide input to potential external impact assessment activities

Deliverable 3: Farmer extension programme embedded in partner mills

- Set up Mercon partner mills management structure to enable effective delivery and monitoring of farmer extension services
- Develop detailed sustainability plan embedding extension programme within mill operations with specific roles, responsibilities, targets and budgets

Budget

A total of up to £ 70,000 is available for the cost of implementing this project, including staff time, 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 Limmu, Ethiopia.

Timing

The project duration is estimated until March 2025.

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

- At least five years of relevant work experience and track record required
- At least five years of business or project management in a similar context
- Team members should possess excellent business management and project management skills
- Experience working in coffee value chains
- Experience supporting organisations, cooperatives, and/or farmers to adopt certification standards and productivity improvement techniques, ideally in the coffee sector
- Experience promoting/supporting adoption of technology platforms preferred
- Experience in working with wet and dry coffee mills preferred
- Experience in or passion for implementing field work in a developing country required
- Oromo native/fluent speaker required
- Full professional language proficiency in English required
- Experience working with corporations around shared value initiatives required
- Demonstrated ability to facilitate consultative meetings with farmers, cooperatives, and executive teams
- Ability to synthesise technical findings to a wide audience
- Experience working with agribusinesses around shared value initiatives required
- Full professional language proficiency in English required
- Strong written and verbal communication and interpersonal skills
- Strong computer skills, including MS Word, PowerPoint, and Excel
- Ability to work independently, flexibly, and responsively
- Ability to adapt to changing working conditions
- Ability to prioritise and meet deadlines
- Sub-contracting for certain components of the deliverables listed is allowed

C. The Application and Subaward Process

Application Submission

The subaward application process under this RFA will consist of 1 phase of competition where full applications shall be submitted by interested parties to TechnoServe for evaluation. Application sections must include, but not limited to:

- Company profile or CVs highlighting relevant experience in past projects
- How the firm / individual intends to carry out the project proposed approach, consultant line up to deliver actions/activities, timelines, and project/stakeholder management plan.

- Milestones and results to be achieved over the life of the project
- 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 <u>not</u> 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 to the RFA; feasibility of planned	20
	activities and anticipated results (including project sustainability and	
	impact on target beneficiaries/communities)	
2.	Illustrated capacity of the applicant to implement the project and past	30
	experience with similar projects	
3.	Experience of personnel or consultants proposed	30
4.	Budget reasonableness and cost effectiveness	20
Maximum Score		100

Step 4:

The Selection Committee will recommend those applications with the highest scores for an 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 £ 70,000. Subawards will be issued on a competitive basis and only to a selected number of applicants. A budget template is attached for guidance on the level of detailed needed in the proposal.

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. <u>Personnel</u>: 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. <u>Consultants and Other Outside Services:</u> Fees for any external consultants or contracted firms required to support subaward activities.
 - c. <u>Travel:</u> Flights, per diem, and any other required travel costs for project personnel to conduct implementation activities.
 - d. <u>Office Costs:</u> Any required cost for the sub recipient'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. <u>Other Direct Costs:</u> Any other direct costs of the project, such as costs for conducting trainings, developing publications, etc.
 - h. <u>Indirect Costs:</u> If applicable, organisational overhead costs. This must be an annually audited rate or negotiated through FCDO's NPAC procedure.

i. <u>Taxes:</u> 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

To: Ana Herrera

Email Address: aherrera@tns.org

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

F. Reporting Guidance

1. Financial Reporting

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

2. Programme Reporting

Programme/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.

Attachments to this RFA:

Please click on this link to download the attachments.

Attachment 1: Declarations

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