

Request for Applications (RFA) Mozambique-001
Feed the Future Market Systems & Partnerships
MSP Mozambique Partnership Facility

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| Funding Opportunity Title: | MSP Mozambique Partnership Facility |
| Announcement Type: | Request for Applications (RFA) |
| Funding Opportunity Number: | RFA-MOZ-001 |
| Issuance Date: | October 25, 2022 |
| Deadline for Questions: | December 20, 2022 |
| Submit Questions to: | mozrfaquestions@ftf-msp.org |
| Virtual Applicant Conference | November 8, 2022, 9:00 am Eastern Time (GMT -5)/ 4:00 pm Maputo Time (GMT +2) (registration link: https://us06web.zoom.us/meeting/register/tZ0vf-mhqzgvGdLSgobMpcVQD1AL6rF-A_Cn) |
| Answers to Questions Posted: | Answers posted weekly, every Tuesday: from November 1 to December 20, 2022 |
| Closing Date for Applications: | December 30, 2022, 5:00 pm EST (GMT-5) / December 31, 2022, 12:00 am Maputo Time (GMT +2) |
| Co-Development and Award Negotiation Period: | January 2023- May 2023 (tentative) |
| Finalists Recommended for Award: | January 2023 (tentative) |
| Estimated Start Date of Awarded Grants: | June 2023 (tentative) |
| Submit Full Applications by uploading to: | https://www.mspgrants.com/opportunities/ |

This RFA is issued as a public notice to ensure that all interested and qualified organizations have a fair opportunity to qualify for funding. To be considered for an award, applicants must respond to all the requirements and instructions of this RFA. MSP will review applications based on the criteria and instructions outlined in this RFA.

Application Submission Requirements:

- All applications received by the deadline will be reviewed for responsiveness and programmatic merit according to the specifications outlined in this RFA.
- All applications must use the provided formats in this RFA.
- Applications that are submitted late or incomplete will be disqualified from consideration.
- Only applications from the online grants intake platform found at <https://www.mspgrants.com/opportunities/> will be considered.
- If an applicant has trouble uploading an application to the website, please immediately contact mozrfaquestions@ftf-msp.org before the December 30, 2022, deadline.

This RFA is being issued under the Feed the Future Market Systems and Partnerships Activity (MSP), implemented by DAI Global, LLC under USAID contract No. 7200AA20C00054, in support of the USAID mission in Mozambique. Issuance of this RFA does not constitute an award commitment on the part of MSP, nor does it commit MSP to pay for costs incurred in preparing and submitting an application. Further, MSP reserves the right to reject any or all applications received. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense.

MSP reserves the right to modify the terms of this RFA at any time by written notice or to withdraw this RFA at any time – with or without a statement of cause – prior to any funding award. MSP reserves the right to fund any or none of the applications submitted.

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SECTION I - FUNDING OPPORTUNITY DESCRIPTION

Through this Request for Applications, the Feed the Future Market Systems and Partnerships (MSP) Mozambique Partnership Facility (hereinafter referred to as "MSP"), managed by DAI on behalf of the USAID/Mozambique Mission, is offering businesses operating in **Mozambique** the opportunity to co-invest with USAID to address the national food crisis resulting from shortages of food, fuel, and fertilizer as a result of Russia's war on Ukraine. Through the Partnership Facility, MSP seeks to channel business resources, expertise, technology, and influence to contribute to one or more of the following objectives:

- Encouraging and incentivizing innovations and investments in agriculture food systems by agribusinesses linked with smallholder farmers and/or farmer associations/cooperatives.
- Expanding fertilizer investment and finance across fertilizer supply chains.
- Building systems capacity to manage future shocks and stressors.
- Reducing food loss and waste.
- Increasing investments in agriculture capacity and resilience (i.e., promoting increased agribusiness efficiency, last mile distribution of local products, digital applications, etc.).

Illustrative partnership activities that could meet these objectives by introducing or scaling technologies and improved management practices include but are not limited to:

- Warehousing, storage, cold chain, logistics/transportation, and other technologies that prolong shelf-life, improve food safety, and reduce product losses from damage or spoilage in agriculture market systems.
- Practices that create circular economy opportunities where unsafe or inedible foods are safely recycled back into the food system for human, animal, or fish consumption.
- Technologies that improve sanitary and phytosanitary food safety standards.
- Agro-processing that generates additional income for smallholder farming households and expanded opportunities for farmer groups (e.g., value addition, washing, grading, sorting and packaging).
- Climate-smart agriculture (CSA) technologies and practices (e.g., climate-smart agriculture including crop management practices, agriculture water management, salt-tolerant and other resilient seed varieties, net houses, CSA mechanization technologies and services, and carbon credit programs from the reduction of GHG emissions in agriculture).
- Other practices or services that promote value addition and prevent food loss or waste, support fertilizer finance/supply chain, or agricultural resilience.
- Innovations in agriculture food systems, including digital technologies and digital financing.

Through this mechanism, MSP **co-creates and co-invests** with strategic firm partners through **milestone-based grant partnerships** to develop solutions that align core-business objectives with development goals. In doing so, MSP leverages USAID's convening power, positive relationships, and technical know-how in piloting or scaling these solutions. Partnership activities focus on ensuring that these market-led solutions take root and can flourish within the Mozambican market system. The Partnership Facility mitigates the risk of the private sector to invest, innovate, and engage in areas outside their standard business practices (new product or service or new supply/marketing model) but within their core business interests. Through a competitive process, MSP will evaluate partnership grant activities for their ability to mobilize significant and responsible private investment, pilot or expand an innovation or practice that can address a development problem; and contribute to industry-influencing public learning.

Working with and through private sector firms, MSP will co-invest in business concepts or expansions that address one or more of the objectives above. Applicants will be ranked higher for

not only the strength of their proposal from a financial investment perspective (e.g., potential for return on investment, sustainability of the business model, potential risk profile) but also for how well it creates a positive economic impact on the target populations of smallholder farming households and producer groups, poor or low-income consumers, and small and medium-sized enterprises in the products or services supply chain. In particular, MSP seeks opportunities to positively impact women and youth.

Each pilot activity under the MSP Mozambique Partnership Facility will be a maximum of two years. During that time, applicants should **demonstrate results** of the business concept, even if intermediate results. For example, if a concept supports increased productivity of a tree crop, the full impact of improved agricultural practices or productivity training may not be fully realized during the two-year partnership period. However, applicants may demonstrate that farmers have strengthened and applied good agricultural practices and are on track to realize improved outcomes and increased incomes.

Finally, applicants are encouraged to identify **end markets and buyers** that they are currently supplying or will target in their new activities. Applicants must demonstrate their existing or planned linkages to buyers to show that the concept has a marketing plan in place and has identified a market demand that they can fulfill. MSP seeks to co-invest in ideas that will generate sustainable and lasting impacts on the selected sub-sectors, smallholder actors, and processors operating therein, so the demonstration of existing or required market linkages is critical to preparing a successful application.

SECTION II – AWARD INFORMATION

Type of Anticipated Investment Funding: MSP will issue performance-based grants ranging from \$250,000 - \$500,000 United States Dollar (USD) to establish partnerships with firms and/or investors for meeting the development objectives stated in Section 1. . The total anticipated amount of funding for this RFA is up to \$1,171,178.

Required Co-Investment: MSP requires at least **one-to-one matching investment from applicants (50% of total investment)**. For example, if a partner submits a budget indicating an MSP investment of \$500,000, they must also demonstrate a unique commitment of \$500,000 of their own funds to be considered for the partnership. If loans or equity investments are included in partner activities, MSP requires a five-to-one matching investment.

Performance-based grants: Payments under performance-based grants are made upon accomplishment of predetermined results, referred to as milestones. Milestones are agreed upon between MSP and the partner before the grant is awarded. The specific type of performance-based grant will be a fixed amount award (FAA) agreement under USAID regulations. MSP and the applicant will agree to the metrics and verification methods of those milestones during the development of the final grant award, giving the partner latitude on how it will accomplish the agreed upon milestones.

Performance Period: The performance period of partnership grants will be up to 24 months. Partnerships are anticipated to start on or about June 2023.

Questions: Please submit any questions regarding the RFA process or activity to mozrfaquestions@ftf-msp.org. Questions will be answered weekly, and responses will be posted to the [MSP Grants website](#). The last posting will be no later than December 21, 2022.

Virtual Applicant Conference: MSP will host a Virtual Applicant Conference open to all interested applicants scheduled on November 8, 2022, at 9:00 am Eastern Time (GMT -5)/ 4:00 pm Maputo Time (GMT +2). The virtual conference will be held over Zoom (link below). MSP will conduct a short presentation of the program objectives and answer pre-submitted and real-time questions regarding the program and the RFA. Applicants must be registered for the event to attend. Please register online at https://us06web.zoom.us/meeting/register/tZ0vf-mhqzgvGdLSgobMpcVQD1AL6rF-A_Cn#/registration.

The conference materials will be posted to the [MSP Grants website](#) following the event.

SECTION III – ELIGIBILITY INFORMATION

Eligible activities include novel ideas and innovative business models in input distribution, food loss and waste, agri-processing, supply chain management, climate-smart agriculture, business services, agribusiness finance, and other support services that contribute to local market systems resiliency. (See examples in Section 1 for the types of ideas that could be funded within this mechanism)

Prior experience with USAID or other US Government (USG) entities is not required. MSP encourages applications from entities that haven't partnered with USAID or the USG in the past.

Details on eligible and ineligible applicants are as follows:

Eligible applicants:

- Applicants can include financial institutions, investors, businesses, business service providers, industry/sector organizations, trade, or other private sector associations in the agriculture food systems.
- Applicants must be legally registered to operate in Mozambique at the time of the award.
- MSP requires at least one-to-one matching investment from applicants or five-to-one matching when proposed activities include loans or equity investments.
- Concepts for commodities that would significantly impact U.S. agricultural exports may be deemed ineligible.

Ineligible applicants:

- NGO, as lead applicant¹
- Any entity listed in the US government Excluded Parties List.
- Any entity unable to obtain a Unique Entity Identifier (UEI) in the US Government System for Award Management.²
- Any entity excluded in the US Government System for Award Management.
- Any Public International Organization (PIO).
- Any entity affiliated with DAI or MSP directors, officers, or employees.
- Any military organization.
- Any political party organization or an organization clearly identifiable with a political party.
- Any entity focused solely on religious activities.
- Any labor unions.
- Any individuals.³

¹ MSP allows consortiums to apply, however, there must be a lead fiduciary applicant that is a private sector entity.

² Applicants can register for a UEI number by accessing the following website: <https://sam.gov/content/home>

³ A legally registered sole proprietor business entity applicant is eligible; however, an individual that owns an unregistered business qualifies as ineligible.

SECTION IV - APPLICATION INSTRUCTIONS

All applicants must register online at the MSP online grants [platform](#) to submit an application. All applications will be reviewed by a Technical Evaluation Committee (TEC) based on the criteria outlined below. Applicants shortlisted by the TEC will complete a financial and organizational due diligence and co-development process as outlined below. Only those applicants who show sufficient financial and organizational capacity and meet the co-development process will be considered eligible for a grant award.

An application consists of the following:

1. Technical application form uploaded as a Microsoft Word document (PDF or scanned documents will not be accepted) (Attachment 1).
2. Partnership Budget uploaded in Microsoft Excel with formulas included (Attachment 2).
3. Corresponding Cost Narrative uploaded as a Microsoft Word document (Attachment 3).

Technical Application: Applicants are required to submit a technical application, using the template provided in Attachment 1, describing the proposed activities and addressing each of the five technical selection criteria listed below. Technical applications must address all criteria to be considered for partnership award funding; otherwise, the technical application will not be reviewed.

- **Proposed Business Concept** - A new or expanded business concept that is feasible, viable, and innovative and provides a market-based solution to an identified business challenge aligned with core business goals. Potential business concepts could include a supply chain, marketing model, or a new product or service offering and should be a new/different business model from current business efforts.
- **Development Impact (Result)** - The specific, measurable, and significant impact on target groups (e.g., smallholder suppliers, poor or low-income individuals, small and growing businesses). This impact can be made either as consumers or producers and contribute to industry-wide concerns/growth the applicant seeks to directly achieve through the proposed partnership—aligned with the objectives of the MSP Mozambique Partnership Facility (per section 1 of the RFA).
- **Sustainability** - The strategy for the business concept to successfully continue without additional donor assistance beyond the life of the MSP partnership.
- **Scale** - Projection of the potential pathway to scale—when the investment or approach will expand and by how much.
- **Funding Justification** - The justification of why the applicant cannot execute the proposed concept independently without MSP's participation.

Cost Application: Applicants are required to submit a cost application in support of their technical application using Attachments 2 and 3. MSP will review the proposed partnership costs based on cost-effectiveness, reasonableness, allocability, and allowability. Costs that do not meet the criteria below will be deemed non-responsive.

- **Are costs effective?** Will proposed costs provide a good value in achieving desired outcomes at a relatively low cost or become more cost-effective over time?
- **Are costs reasonable?** Are proposed costs generally recognized as ordinary and necessary, and would a prudent person incur them in the conduct of standard business?

- **Are costs allocable?** Do proposed costs have a legitimate justification for the requested funding, and is the cost clearly captured in the budget and concept paper?
- **Are costs allowable?** Are proposed costs strictly for the achievement of the partnership, and are they free of any restrictions or limitations, such as vehicles, construction costs, alcohol, luxury goods, etc.?

See the list of Ineligible Costs and Ineligible Use of Funds in Attachment 2 for a detailed list.

- **Applicant contribution:** Applicants must contribute a cash co-investment to the proposed activity 50% or greater than the value of total investment value (1:1 ratio, partner to MSP investment). A cash contribution is a transfer of funding from the private sector entity to pay for goods and services that will be specifically and exclusively used to implement activities under the partnership or a transfer of funding to make loans or equity investments under the partnership. Please note that neither the investment from the applicant nor the investment requested from MSP can cover costs already incurred, in-kind contributions, business-as-usual operating costs (i.e., rent or utility for existing facilities, cost of goods sold, costs associated with any existing services, etc.), or existing staff time that is not directly attributable to the completion of partnership milestones. The applicant's contribution may include select staffing costs of existing or new staff that are specifically committed to implementing the new or expanded business concept.
 - When activity funds are used for **loans or equity investments**, MSP requires a co-investment at least five times greater than the value of the MSP grant. An equity investment is defined as the purchase of shares of a company, and a loan investment is defined as the use of funds to provide credit to stakeholders. An example of a loan investment in this context could be a firm providing credit for inputs or other services to agricultural producers who are suppliers to that supply chain. The firm would need to contribute credit five times greater than the USAID contribution to those suppliers if proposing this type of engagement. The higher contribution requirement only applies concepts that include loan or equity investments.
- **Personnel Costs:** The applicant's contribution may include select staffing costs of existing or new staff that are specifically committed to implementing the new or expanded business concept. Applicants may budget staff on a long-term, short-term, full-time, or part-time basis as long as they can demonstrate that staff is budgeted in accordance with the time that they will actually spend supporting the concept and that those costs are not already covered by the applicant's existing operational costs. All costs proposed will be evaluated for realism.

The applicant must include details regarding the proposed cost-sharing contribution of the organization. In-kind contributions will not be allowed under this RFA. All budget lines must be clearly linked to specific partnership activities.

Cost Narrative Explanation: Please refer to Attachment 3.

SECTION V – SELECTION PROCESS

The TEC will include representatives from MSP and USAID. All applications that meet the RFA requirements will be reviewed by the TEC. Throughout the evaluation process, MSP will take steps to ensure that members of the TEC do not have any conflicts of interest or the appearance of such with the organizations whose applications are under review. An individual shall be considered to have the appearance of a conflict of interest if that person, or that person's spouse, partner, child, a close friend, or relative works for or is negotiating to work for or has a financial interest (including being an unpaid member of a Board of Directors) in any organization that submitted an application currently under the TEC's review.

The TEC will evaluate technical applications against the technical criteria stated in Section II using the scoring system identified below:

| Rating | Description |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outstanding | Greatly exceeds expectations by providing information that is comprehensive, thorough, and with outstanding merit; very clearly showcases alignment with the RFA objectives; and undoubtedly demonstrates how the proposed partnership will result in efficient, effective, innovative, and shared value, capable of scale. Exhibits no significant deficiencies or weaknesses. The application suggests a highly successful partnership. |
| Good | Meets or exceeds requirements and demonstrates an understanding of the objectives and its alignment with the criteria through the presentation of a novel idea or innovative approach. While the applicant demonstrates an ability to fulfill the partnership, there may be some weaknesses that need to be addressed. However, these weaknesses or deficiencies can easily be resolved in co-development. There is a low risk that the partnership will be unsuccessful. |
| Satisfactory | Meets minimum requirements and is mostly aligned with the criteria. It may contain some strengths but also includes some significant weaknesses that are likely to be resolved through co-development. There is a moderate to low risk that the partnership will be unsuccessful. |
| Marginal | Minimally meets basic requirements but demonstrates a limited understanding of the partnership requirements. It contains deficiencies and significant weaknesses that may negatively affect performance and are unlikely to be resolved through co-development. There is a moderate to high risk that the partnership will be unsuccessful. |
| Poor | Does not meet basic requirements, fails to address the criteria completely, fails to understand the work necessary to perform the requirements or partnership, or fails to follow the solicitation's instructions. There are irreparable deficiencies and/or gross omissions. There is a very high risk that the partnership will be unsuccessful. |

Award recommendations will be made for applicants whose applications offer the best value proposition for delivering an innovative market-led solution contributing to the development

objectives stated in Section I of this RFA. Applications that consistently score 'Good' and/or 'Outstanding' across all criteria will be prioritized.

To the extent necessary, co-development, due diligence, and final award negotiations will occur after the selection phase to refine partnership activities, milestones, and corresponding budgets. Final grants will not be issued until all parties are in agreement and USAID approval is received.

MSP plans to negotiate and request final USAID approval for awards on or around June 2023, provided the awardee(s) furnish(es) MSP with all the required documentation as itemized in Section VI of this RFA. USAID Washington must approve all grants.

SECTION VI – POST-COMPETITION PROCEDURES

Three procedures comprise the post-competition process:

1. Financial and organizational due diligence
2. Co-development and award negotiation
3. Final award review and approval

Before finalizing an award, applicants will complete MSP's financial and organizational due diligence process and undergo co-development of the proposed concept. After the conclusion of the TEC, the MSP team will contact shortlisted applicants to schedule an initial consultation, during which MSP will provide detailed instructions for the co-development and due diligence processes described below. Both procedures will be conducted remotely using online platforms such as Zoom or Microsoft Teams. At MSP's discretion, site visits may be requested to verify either procedure. A site visit may include in-person meetings to discuss the content of an application or verify financial or organization documents listed in procedure 1. Additionally, the MSP team may request to tour facilities or meet with other stakeholders of the proposed activities.

PROCEDURE 1: FINANCIAL AND ORGANIZATIONAL DUE DILIGENCE

Financial and Organizational Due Diligence: All shortlisted applicants must undergo and fully complete MSP's financial and organizational due diligence process (which includes an environmental procedure review). Throughout the process, the MSP team will work closely with applicants to provide additional guidance and ensure the necessary documentation meets requirements. All applicants will be expected to provide the following documents during the due diligence process:

- **Incorporation Papers or Certificate of Registration and Statute**
- **Organizational Chart**
 - CVs for staff responsible for the implementation of partnership activities (MSP will provide additional guidance based on activities proposed).
- **Financial Reports**
 - Copy of the applicant's most recent financial report, which has been audited by a certified public accountant or another auditor satisfactory to MSP.
 - If recently audited financials are unavailable, a "Balance Sheet" and "Income Statement" for the most current and previous fiscal year will be requested.
- **Financial Systems and Control Policies and Manuals (or similar documents)**

- Copy of Accounting Manual.
- Description of management structure and/or oversight procedures, if available.
- **Past Performance References**
 - A minimum of three references will be requested (MSP will provide additional guidance based on proposed activities).
- **Personnel Policies and Procedures Manual**
 - Copy of Human Resources Manual, Personnel Manual, or other written policies.
- **Procurement and Inventory Control Policies and Manuals (or similar documents)**
 - Copy of applicant's Operations Manual.
 - Copy of purchasing policies and description of the applicant's purchasing system.
- **Cost Verification Documents**
 - Documentation to support that the specific costs included in the budget are known, fair, and reasonable (MSP will provide additional guidance based on costs included). This will consist of obtaining up to three quotes for each line item.

Unique Entity Identifier and SAM: All applicants must be cleared in the System of Awards Management (SAM).

SAM – MSP will conduct a screen for restricted parties through the System of Awards Management (SAM). All applicants must be cleared through the system to receive the award.

Environmental Due Diligence: The MSP Grants Team will work with the applicant to ensure proposed partnership activities comply with host country environmental regulations and/or USAID policies for environmental procedural reviews unless otherwise directed in writing by USAID. This will include an environmental screening and climate risk assessment. In the case of conflict between the host country and USAID regulations, the latter will govern (www.usaid.gov/policy/ads/200).

PROCEDURE 2: CO-DEVELOPMENT & AWARD NEGOTIATION

Apparently Successful Applicants (ASA) (applicants tentatively recommended for an award after technical review but have not yet received one) will receive a draft partnership description and a list of specific questions to review and provide feedback on following the notification of their selection. As needed, MSP will organize one-on-one meetings with each ASA to co-develop and clarify any outstanding questions or concerns within the draft partnership description. For each award, MSP will consider the RFA criteria and application instructions to ensure that the partnership description and milestone schedules are co-developed with the partner to be comprehensive and ambitious, given the proposed activities and their potential impact. Please note that the award of the grant is not guaranteed until the final grant agreement has been cleared by the MSP team and fully approved by the USAID Contracting Officer. Selection is not a guarantee of funding.

PROCEDURE 3: FINAL AWARD APPROVAL

USAID Approval: Following the completion of negotiations, MSP will prepare a final award package and will request approval from USAID to award the grant.

Signing of Grant Agreements: Upon USAID approval of the grant, a Grant Agreement will be prepared and signed between the approved awardee and MSP. After MSP and the successful applicant have signed the Grant Agreement, MSP will host a kick-off meeting with the awardee and USAID. All reporting and agreement obligations will be explained to the grant recipient and procedures for collaboration, learning, and adaptation (CLA) during implementation.

SECTION VII – AWARD ADMINISTRATION INFORMATION

MSP reserves the right to modify by written notice the terms of this RFA at any time or to withdraw this RFA at any time—with or without a statement of cause—prior to any funding award.

The following award requirements for any grants issued in response to this RFA will apply:

Permitted Uses of Program Income: The grantee will inform MSP of any program income⁴ generated under the grant and agrees to follow USAID's disposition requirements for such program income, which is in accordance with 22 CFR 226.24. Program income earned under this agreement shall be applied and used in the following descending order:

1. Added to funds committed by USAID and the recipient to the project or program and used to further eligible project or program objectives;
2. Used to finance the non-Federal share of the project or program; and
3. Deducted from the total project or allowable program cost in determining the net allowable costs on which the federal share of costs is based.

If the terms and conditions of the award do not specify how program income is to be used, then number 2 shall apply automatically. Commercial organizations grantees may not apply Option 1 to their program income. MSP will provide additional guidance regarding program income during the co-development and final award negotiation phases.

Use of Funds: Funds provided under any grant awarded shall be used exclusively toward attaining established program objectives in the grant award. Diversion of grant funds to other uses will result in award cancellation and retrieval of funds disbursed to the grant recipient.

Project Monitoring: MSP staff will monitor projects in terms of both programmatic milestone attainment and payments. Grant recipients will be expected to facilitate monitoring by making relevant information available to MSP staff, including requisite verification documentation and reporting for milestone review and completion. Monitoring and reporting requirements will be agreed to during the final award negotiation.

Applicants that receive award funds will be required to comply with USAID rules and regulations necessary, including:

⁴ Program income means gross income earned by the non-US entity that is directly generated by a supported activity or earned as a result of the US Government (USG) award during the period of performance. Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under USG awards, the sale of commodities or items fabricated under a USG award, license fees and royalties on patents and copyrights, and principal and interest on loans made with USG award funds. Except as otherwise provided in USG statutes, regulations, or the terms and conditions of the USG award, program income does not include rebates, credits, discounts, and interest earned on any of them.

- **Combating Trafficking in Persons (TIP):** www.acquisition.gov. For work performed outside the United States, FAR clause 52.222-50 shall be incorporated into grant award agreements with awards above \$500,000 requiring a TIP compliance and training plan.
- **Certifications, Assurances, Other Statements of the Recipient and Solicitation Standard Provisions:** www.usaid.gov/sites/default/files/documents/303.pdf. In accordance with ADS 303.3.8, MSP will require awarded grant partners to submit signed copies of required certifications and assurances.
- **Environmental Procedures:** www.usaid.gov/policy/ads/200. In addition, the partner must comply with the host country's environmental regulations unless otherwise directed in writing by USAID. The latter will govern in case of conflict between host country and USAID regulations.
- **Branding:** www.usaid.gov/sites/default/files/documents/320.pdf All USAID-sponsored assistance awards are required to adhere to branding policies and revised marking requirements for grants and cooperative agreements in accordance with ADS 320. During the co-development period, specific guidance on MSP's branding and marking procedures will be provided.
- **Mandatory Standard Provisions:** Any grant issued under MSP will be managed according to the following Mandatory Standard Provisions:

Mandatory Standard Provisions for US Nongovernmental Recipients:
<https://www.usaid.gov/sites/default/files/documents/1868/303maa.pdf>

And/or

Mandatory Standard Provisions for Non-US Nongovernmental Recipients:
<https://www.usaid.gov/sites/default/files/documents/303mab.pdf>

MSP will provide additional guidance on all applicable USAID rules and regulations during the co-development and final award negotiation phases.

SECTION VIII – CONTACTS

Any questions during the RFA process should be directed to grants_nof@ftf-msp.org.

Any applicant desiring an explanation or interpretation of this RFA can request it in writing or raise it during the co-development and due diligence procedures. MSP will send any amendments to this RFA directly to applicants via email.



Shaping a more livable world.

START OF APPLICATION

Download Word and Excel versions of the attachments

Instructions

Please delete all instructions, red text, and text boxes before submitting an application

A complete Application submission includes the following:

Attachment 1: Application Form (submitted in Microsoft Word or PDF)

Attachment 2: Budget (Submitted in Microsoft Excel)

Attachment 3: Cost Narrative (Submitted in Microsoft Word)

All documents must be submitted via the online grants platform found at

*<https://www.mspgrants.com/opportunities/> All applications are due no later than **December 30, 2022***

Instructions for the written application submission

Format – Technical Application (Attachment 1) must be prepared in English in Microsoft Word using the template provided below.

Font – Technical Applications must use font type Times New Roman with font size 11 only.

Length – Technical Applications (Attachment 1) must not exceed 7 pages.

All pages in Attachment 1 must keep the RFA number marking (RFA-MSP-MOZ-001) in the footer. Please do not delete the footer.

ATTACHMENT 1: TECHNICAL APPLICATION FORM

STATEMENT OF LIABILITY (Does not count toward the page limit)

I, the undersigned, being the person responsible for this project's applicant organization, certify that the information given in this application is true and accurate.

| | |
|-------------------|--|
| Name and surname: | |
| Position: | |
| Signature: | |
| Date and Place: | |

SECTION I: SUMMARY INFORMATION

NAME OF FUNDING OPPORTUNITY
RFA-MOZ-001

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| Name of organization | |
| Address of organization | |
| Amount of investment requested from MSP (USD) | \$ |
| Amount of investment contributed by applicant (USD) | \$ |
| Point of contact name and position | |
| Point of contact phone number | |
| Point of contact email(s) <i>*Please include the email address(es) that are regularly accessed; the email accounts listed will be used to contact for communications related to award and clarification</i> | |
| Headquarters location | |
| Countries of registration (if different than headquarters location) | |
| Location of proposed activities (country, province/municipality, city/village(s) if applicable) | |
| Summary of activities proposed (3-5 sentences) | |
| Is the concept you are proposing (select one): A. a new business activity B. an expansion of an existing business activity to a new geographic area, | |

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| market channel, or customer segment | |
| Please provide information on any financial or other support from donors or donor projects currently or in the past 3 years. For each donor support activity, please provide the following information: 1) donor name, 2) support type (technical assistance/training, grant, etc.), 3) timeline, 4) value of funding (if grant) | |

SECTION II – DESCRIPTION OF TECHNICAL APPROACH

Introduction:

This section should be used to provide brief background information on your company. It will not be scored in the technical evaluation.

Describe your firm(s) current operations and product or service offerings:

- What is your current core business model? What are your primary products or services? Who are your target customers? Where do you operate?
- How many years has your company been in operation?
- What are your main sources of financing?

Description of the proposed activity and partnership:

- A. Proposed Business Concept:** [Describe the new or expanded business concept that is feasible, viable, and innovative and provides a market-based solution to an identified business challenge aligned with core business goals. Business concepts may include a supply chain or marketing model, a product or service offering, etc. Responses to this section should fully answer the following questions:
- a. Clearly describe the viable, feasible, and innovative business concept. Specify if this is a greenfield operation (new) or an expansion of an established model, product or service offering into new and underserved geographic or customer markets.
 - b. Briefly describe the current market for the proposed concept. Explain any market analysis done to date assessing market context (e.g., demand analysis, pricing studies, customer insight surveys, etc.) and any evidence that supports your proof of concept.
 - c. Do you have experience introducing new models/products/services to market and/or working with these target supplier/end market demographics? Do you have the management or technical expertise on staff to do this successfully?
 - d. What is the specific challenge to your business and/or the broader industry that this concept addresses? Preference will be given to concepts that have the potential to impact/contribute to addressing industry-wide challenges (e.g., a product that reduces costs or risks for many firms; a processing innovation that increases the industry's competitiveness in regional/global markets).
 - e. How does the proposed concept differ from your current business strategy, strengthen or build on existing practices or assets?

- f. What are the proposed business targets you expect to achieve during the life of this partnership from this proposed concept? (e.g., the value and volume of increased sales from the new product or service)?]

B. Development Impact (Result): [The specific measurable, and significant impact on MSP USAID target populations (e.g., smallholders suppliers, bottom of the pyramid (BOP) consumers, small and growing businesses) and contribution to industry-wide concerns/growth the applicant seeks to directly achieve through the proposed partnership—aligned with the objectives of the MSP Mozambique Partnership Facility.⁵ Responses to this section should fully answer the following questions:

- a. Which groups from the defined target population will you engage in this proposed concept (e.g., smallholder farmers as suppliers, women and/or youth suppliers)? Preference is given to concepts that engage women as suppliers, customers, or employers and offer meaningful economic or social benefits.
- b. How many people from the defined target population will benefit from the proposed concept? How will they benefit (e.g., increased sales volume, higher market prices, reduced input costs, expanded market access, better wages or benefits, reduced vulnerability to supply chain or weather risks, etc.)? What is the estimated quantified benefit to each individual engaged?
- c. Do you currently engage with these populations? If yes, how are the populations currently engaged, and what portion of your overall base do they make up? What is your engagement strategy for this concept?
- d. How will this concept specifically benefit women as suppliers, customers, or employees? Roughly what percentage of those benefiting do you expect to be women?
- e. What are the broader impacts of this concept that could benefit other market actors (e.g., firms in your market or associated markets, industry groups) beyond your immediate suppliers/consumers? How can you contribute to this during this partnership?]

C. Sustainability: [Explain the strategy for the business concept to successfully continue without additional donor assistance beyond the life of the MSP partnership. Responses to this section should fully answer the following questions:

- a. What are your estimated financial needs to sustain the proposed concept after MSP's support, and what is your plan for attracting investment or accessing commercial financing after MSP's support? How will the MSP partnership position your firm to attract debt financing or equity investment?
- b. When is the break-even point at which you will begin seeing a positive return on investment (without donor support)?]

D. Scale: [Describe the potential pathway to scale—when the investment or approach will expand and by how much. Responses to this section should fully answer the following questions:

- a. Please describe how you anticipate expanding or scaling this activity to higher volumes, other markets, and/or product lines after the partnership ends. What is the timeline?

⁵ Objectives of the RFA include: 1) Encouraging and incentivizing innovations and investments in agriculture food systems by agribusinesses and smallholder farmers; 2) Expanding fertilizer investment and finance across fertilizer supply chains; 3) Building systems capacity to manage future shocks and stressors and reducing food loss and waste; 4) Increasing investments in agriculture capacity and resilience

- b. How does your proposed concept help you determine if this will make good business sense to do this?
- c. If you succeed, how will this influence the number of people or firms in MSP's target population groups that you engage? Please provide 5-year estimates on the number of people from the target population engaged and any increased benefits to them.
- d. What challenges do you see in scaling the proposed concept (e.g., adapting the distribution model, size of market demand, actions others would need to take)? What are your plans to mitigate those challenges?
- e. Over a 5-year period, what are the long-term estimated business targets from this proposed concept (e.g., increased sales and profit generated from the new product or service)? Please provide 5-year projections of volume of sales, revenue, and net profit using the table below.]

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------------------|--------|--------|--------|--------|--------|
| Revenue (total in USD) | | | | | |
| Sales (volume of product) | | | | | |
| Net Profit (revenue minus expenses) | | | | | |

- E. Funding Justification:** [Describe the justification for why you cannot execute the proposed concept on your own without MSP's participation. Responses to this section should fully answer the following questions:
- a. Why is MSP support needed, and why is traditional debt financing or investment, not a viable option?
 - b. What are the specific risks that are mitigated through MSP's engagement?
 - c. What key resources will your company invest in as part of this partnership? What resources are you requesting MSP to invest? Why are these resources (e.g., equipment, inventory planning or traceability systems, marketing and distribution efforts) essential to achieving the concept goals?
 - d. What kind of support do you need from MSP or USAID more broadly, other than grant funding (e.g., introductions to other market actors, including government; convening with other key actors; developing peer networks; facilitating public-private dialogue)?]

ATTACHMENT 2: PARTNERSHIP BUDGET (AS AN EXCEL DOCUMENT)

Download the Excel template

Ineligible Costs and Ineligible Use of Funds:

All grant funds awarded in any partnership resulting from this selection process shall neither be included under co-investment nor be used to finance any of the following:

- Any cost related to construction — including building renovations — cannot be funded under this RFA, whether through the grant or as part of the one-to-one cash contribution. MSP defines construction costs as the construction, alteration, rehabilitation, improvement, or repair (including dredging, excavating, and painting) of various structures or facilities. This may include agricultural facilities, such as irrigation systems or other improvements, markets, warehouses, or other types of buildings, roads, bridges, and collection sites. MSP can fund activities such as environmental assessments, building design, and feasibility assessments for construction projects.
- Pharmaceuticals, pesticides, seed, or fertilizers.⁶
- Profit or fee, application preparation costs, or payment of debt.
- Fees of country registration for becoming eligible for award funding.
- Political elections, fees for public and elected government officials, fines and penalties or creation of endowments.
- Goods or services which are to be used primarily to meet military requirements or to support police or other law enforcement activities.
- Surveillance equipment.
- Equipment, research and/or services related to involuntary sterilization or the performance of abortion as a method of family planning.
- Gambling facilities or hotels, casinos, tourist accommodations, or housing which have or plan to install such facilities
- Activities which significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas.
- Establishment or development of any export processing zone or designated area where the labor, environmental, tax, tariff, and/or safety laws of the country in which such activity takes place would not apply.
- Logging equipment or Luxury goods (including alcoholic beverages and jewelry).
- Establishing or expanding any enterprise that will export raw materials that are likely to be in surplus in world markets at the time such production becomes effective and that are likely to cause substantial injury to US producers.
- Activities which would result in the loss of forest lands due to livestock rearing, road construction or maintenance, colonization of forest lands or construction of dams or other water control structures.
- Activities which are likely to have a significant adverse effect on the environment, including any of the following (to the extent such activities are likely to have a significant adverse impact on the environment):

⁶ “The purchase of pharmaceuticals, pesticides, seed, or fertilizers may be proposed under the partner’s contribution/co-investment and must not be included under MSP contribution or funding. The final acceptance of this co-investment is contingent upon whether it meets industry environmental, safety and efficacy standards.”

- Activities which may lead to degrading the quality or renewability of natural resources;
- Activities which may lead to degrading the presence or health of threatened ecosystems or biodiversity;
- Activities which may lead to degrading long-term viability of agricultural or forestry production (including through use of pesticides);
- Activities which may lead to degrading community and social systems, including potable water supply, land administration, community health and well-being or social harmony.
- Activities which are likely to involve the loss of jobs in the United States due to the relocation or expansion outside of the United States of an enterprise located in the United States.
- Activities which the grantee is aware are reasonably likely to contribute to the violation of internationally or locally recognized rights of workers.

ATTACHMENT 3: COST NARRATIVE

Feed the Future Market Systems and Partnerships Cost Narrative Template

Background: *The template provided gives applicants an indication of the detail MSP requires when reviewing cost proposals. Numbers, units, and explanations below are **ILLUSTRATIVE**. Please use these as guidance in structure only; your costs and cost rationale should be consistent with your activity's needs and your company's policies.*

A cost narrative, in a Word or PDF file, is a required element of your application. The cost narrative should explain the rationale behind unit and unit costs and be consistent with your application's overall program strategy. Applicants must provide a description and justification for each line item included in the budget, whether it is MSP requested funding, co-investment, or a third-party contribution. Use your company/organization letterhead for the cost narrative.

INTRODUCTION:

The following document captures the cost descriptions and allocation for (*applicant's*) application in response to **RFA-MOZ-001**. The costs below represent all required costs to complete the proposed activity, which is anticipated to be conducted over a (*24-month*) period. All costs are consistent with current prices paid, quotes obtained, or historical precedent, and we understand that cost verification will be required prior to any funds being awarded by MSP. We also understand that should (*the applicant*) be selected as a finalist, the final program description, milestone schedule, and budget will be negotiated prior to any award signature.

REQUESTED FUNDING

MATERIALS & EQUIPMENT:

Processing Machine:

(*Applicant*) will procure one processing machine to increase the capacity at its current factory to meet the increased sales targets under this partnership. The machine has been budgeted at \$40,000, inclusive of delivery and installation. This price is consistent with quotes received by (*Applicant*).

OTHER DIRECT COSTS:

Local Transportation:

Local transportation costs have been budgeted for Technicians to travel to the field to provide after-sale support to producers. On average, Technicians travel 50 kilometers per day at a fuel cost of \$1 per kilometer for a total of \$25 per day. A total of 25 days has been budgeted for a total cost of \$625.

Training:

(*Applicant*) has budgeted for quarterly workshops/training under this activity. The technical specialist will conduct training. Topics will include ____, ____, and ____, and will increase the adoption of best practices in (focus area) as well as market (*Applicant's*) technology and services to the target communities. The following costs will be associated with training:

Training Workshops have been budgeted at one per quarter for two years, for a total of 8 workshops. (*Applicant*) assumes 50 people will attend each training.

- Room Rental is budgeted at \$100 per workshop, which is consistent with room rental rates paid in similar trainings.
- Attendee Refreshments are budgeted at \$2 per person, per quotations received by local hotels in Tanzania.
- Attendee training materials are budgeted at \$2 per person. This cost will cover a notepad and pen during the training.

Workshop Training Materials are budgeted at \$5 per person. This will cover the cost of a bound training manual which attendees can take home with them and use as reference material.

CO-INVESTMENT

Note to applicant: *Cost notes must be included for co-investment at the same level of detail as the applicant's cost notes.*

PERSONNEL

Note to applicant: *Staffing is only an eligible cost in applicant contribution.* The applicant's contribution may include select staffing costs of existing or new staff that are specifically committed to implementing the new or expanded business concept.

(*Applicant*) has budgeted for short-term labor under this activity. Per MSP standards, 260 days represents one full-time person for one year of labor.

Short Term Local Staff:

A TBD Marketing Consultant is budgeted at two days per month for 24 months, for a total of 48 days. The marketing consultant will work closely with (*Applicant*) to ensure the local context is integrated into the sales and marketing strategies. This consultant will also be available as needed for training and feedback. This position is budgeted at \$350 per day, which is consistent with quotes obtained by (*Applicant*) for similar consulting positions.

MATERIALS & EQUIPMENT

OTHER DIRECT COSTS

THIRD-PARTY INVESTMENT (*if applicable*)

(*Applicant*) will partner with three local companies that will begin local manufacturing and/or distribution of the technology. Their cost notes are attached as addendums to this document. **Note:** *Cost notes must be included for all other investments at the same level of detail as the applicant's cost notes.*

PERSONNEL

MATERIALS & EQUIPMENT

OTHER DIRECT COSTS

OVERALL COST OF PROGRAM:

Example: The total cost of this activity is a proposed \$1,377,954, of which we request \$663,396 from MSP and commit \$714,558 from (*Applicant*) and third-party resources. This adheres to the one-to-one matching requirement for requested funds versus applicant contributions.