

Request for Applications (RFA) SAR-002
Feed the Future Market Systems & Partnerships
MSP Southern Africa Agricultural Trade and Investment Partnership Facility

Funding Opportunity Title:	MSP Southern Africa Agricultural Trade and Investment Partnership Facility
Announcement Type:	Request for Applications (RFA)
Funding Opportunity Number:	RFA-SAR-002
Issuance Date:	February 11, 2022 12:00 PM EST
Deadline for Questions:	5:00 PM EST March 11, 2022
Submit Questions to:	grants_nof@ftf-msp.org
Virtual Applicant Conference	9:00 AM EST February 22, 2022 (registration link: https://dai.webex.com/dai/onstage/g.php?MTID=e9cbf33b59770ec7caacf39773850ac58)
Answers to Questions Posted:	Answers posted weekly, every Tuesday by 8:00 PM EST from February 22 to March 22, 2022
Closing Date for Applications:	8:00 PM EST March 25, 2022
Co-Development and Award Negotiation Period:	April 15-July 15, 2022 (tentative)
Finalists Recommended for Award:	August 1, 2022 (tentative)
Estimated Start Date of Awarded Grants:	September 15, 2022 (tentative)
Submit Full Applications by uploading to:	https://www.mspgrants.com/southernafrica2

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 set forth 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 which are submitted late or are incomplete will not be considered.
- Only applications received through the online grants intake platform found at <https://www.mspgrants.com/southernafrica2> will be accepted, reviewed, and evaluated.
- If an applicant has trouble uploading an application to the website, please immediately contact grants_nof@ftf-msp.org before the 8:00 PM EST, March 25, 2022 deadline.

This RFA is being issued under the Feed the Future Market Systems and Partnerships Activity (MSP), implemented by DAI Global, LLC in support of the USAID Southern Africa Regional Mission. 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 the preparation and submission of 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) Southern Africa Agricultural Trade & Investment Activity (hereinafter referred to as “MSP”), managed by DAI on behalf of the USAID Southern Africa Regional Mission, is offering businesses in southern Africa the opportunity to co-invest with USAID to achieve the following development objectives:

- Increase agricultural trade from regional countries to South Africa;
- Increase agricultural investment from South Africa to the region; and,
- Increase agricultural exports from southern African countries to the United States through the African Growth and Opportunity Act (AGOA).

MSP will leverage South Africa’s advanced economy and financial system to support mutually beneficial trade and investment in the southern African region, or to the United States. MSP will increase the value and quality of products traded in the region and therefore increase incomes throughout the value chain down to the producers.

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 market system. The Partnership Facility mitigates the risk of the private sector to invest, innovate, and engage in areas outside their normal business practices (new business stream or new geographical expansion) 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; to pilot or expand an innovation or practice that can address a development problem; and to contribute to industry-influencing public learning.

Working with and through private sector firms, MSP will co-invest in business concepts or expansions which address one or more of the three objectives above. Applicants will be ranked higher for not only the strength of their proposition from a financial investment perspective (e.g. potential for return on investment, sustainability of the business model, potential risk profile) but also how well it creates a positive economic impact on the target populations of smallholder farming households and producer groups, bottom of the pyramid consumers, and small and medium-sized enterprises in the products or services supply chain in particular women and youth.

Each pilot activity under the MSP Southern Africa Agricultural Trade & Investment Activity will be a maximum of two years, during which time applicants should **demonstrate results** of the business concept, even if intermediate results. For example, if a concept is supporting the increased productivity of coconut farmers, the increased yields from application of improved agricultural practices or productivity trainings may not fully be captured in the two-year period but applicants may demonstrate that supplier farmers have obtained new skills, applied their skills, and are on track to realize improved productivity and increased incomes after the life of the activity.

Finally, applicants are encouraged to identify **end markets and buyers** to which they are currently supplying or will target in their new activities. It is important that applicants 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 concepts which 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. Examples of the types of activities that can be supported by this engagement are highlighted in the text box.

Examples of Potential Partnership Activities and Illustrative Types of Partners

- Supply chain management including efforts to improve traceability, quality, and efficiency and to reduce costs. Potential partners include aggregators, large-scale buyers, processors, traders, distributors, and retailers.
- Business services including financial, management, and advisory services. Potential partners include incubators, accelerators, advisory firms, banks, venture capital providers, angel investors, funds, non-bank financial institutions, insurance providers, and fintech companies.
- Other support services including marketing, ICT, agricultural technology, extension, mechanization, logistics, and transport services as well as cold-chain or agricultural storage. Potential partners include firms that provide any of these services.

SECTION II – AWARD INFORMATION

Type of Anticipated Investment Funding: MSP will issue performance-based grants ranging between US\$250,000 - US\$1,000,000 to establish partnerships with firms and/or investors for meeting the development objectives stated in Section 1. US-based entities are eligible for an award up to \$500,000. The total amount of funding available for this RFA is up to US\$4,450,000.

Required Co-Investment: MSP requires at least one-to-one matching investment from applicants (50% of total investment), or five-to-one matching when partner contributions include loans or equity investments.

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

Performance Period: The performance period of partnership grants will be up to 24 months. Partnerships are anticipated to start in September 2022.

Questions: Please submit any questions regarding the RFA process or activity to grants_nof@ffmsp.org. Questions will be answered weekly and posted to the MSP grants website. The last posting will be no later than March 22, 2022.

Virtual Applicant Conference: MSP will host a Virtual Applicant Conference open to all interested applicants scheduled on February 22, 2022. The virtual conference will be held over Webex. MSP will conduct a short presentation of the program objectives and will 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://dai.webex.com/dai/onstage/g.php?MTID=e9cbf33b59770ec7caacf39773850ac58>.

SECTION III – ELIGIBILITY INFORMATION

Eligible activities include novel ideas and innovative business models in input distribution, supply chain management, business services, and other support services.

Eligible applicants:

- Applicants can include financial institutions, investors, businesses, business service organizations, industry/sector organizations, trade or other private sector associations.



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- Only applicants legally registered to operate in Angola, Botswana, Eswatini, Lesotho, Madagascar, Malawi, Mozambique, Namibia, South Africa, and/or Zambia are eligible to apply. Proposed activities must include South Africa or the United States of America as an end market for their product and demonstrate an increase of trade to South Africa or the United States from at least one of the aforementioned countries. Multi-country concepts are preferred.
- MSP requires at least one-to-one matching investment from applicants, or five-to-one matching when proposed activities include loans or equity investments (see cost evaluation below).
- Concepts for commodities that would have significant impact on US agricultural exports may be deemed ineligible.

Ineligible applicants:

- Not-for-profit organizations.
- Any entity listed in the U.S. government Excluded Parties List.
- Any entity unable to obtain a DUNS number.¹
- 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.
- Any entity focused solely on religious activities.
- Any labor unions.
- Any individuals.

Prior experience with USAID or other US Government entities is not required. MSP encourages applications from potential new partners.

SECTION IV - APPLICATION INSTRUCTIONS

All applicants must register online at the MSP online grants platform (<https://www.mspgrants.com/southernafrika2>) 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 complete 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 PDF or Microsoft Word document (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

¹ Applicants can register for a DUNS number by accessing the following website: <https://fedgov.dnb.com/webform/> . Further instructions are also available here: <https://www.grants.gov/applicants/organization-registration/step-1-obtain-duns-number.html>

core business goals. Potential business concepts could include a supply chain or 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 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 Southern Africa Agricultural Trade & Investment Activity.²
- 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 on their own, 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. Proposed partnership costs will be reviewed 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 becoming more cost-effective over time?
- **Are costs reasonable?** Are proposed costs generally recognized as ordinary and necessary and would they be incurred by a prudent person in the conduct of normal business?
- **Are costs allocable?** Do proposed costs have a legitimate justification for the funding amount requested 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, alcohol, luxury goods, etc.?
- **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 specifically and exclusively be used to implement activities under the partnership, or a transfer of funding to be used in making 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 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

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- ² Objectives of the RFA include: 1) Increase agricultural trade from regional countries to South Africa; 2) Increase agricultural investment from South Africa to the region; and, 3) Increase agricultural exports from southern African countries to the United States through the African Growth and Opportunity Act (AGOA).

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 which include loan or equity investments.

Details regarding the proposed cost sharing contribution by your organization must be included. In-kind contributions will not be allowed under this RFA. All budget lines must be clearly linked to specific partnership activities.

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, 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.

Technical applications will be evaluated by the TEC 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 contains some significant weaknesses that are likely to be resolved through co-development. There is moderate to low risk that the partnership will be unsuccessful.
Marginal	Minimally meets basic requirements but demonstrates a limited understanding of the partnership requirements. 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 instructions of the solicitation. There are irreparable

	deficiencies and/or gross omissions. There is a very high risk that the partnership will be unsuccessful.
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Award recommendation 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 by September 2022, provided the awardee(s) furnish(es) MSP with all the required documentation as itemized in Section VI of this RFA. All grants must be approved by USAID Washington.

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

Prior to 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 detailed instructions will be provided for the co-development and due diligence processes described below. Both procedures will be conducted remotely using online platforms such as Webex or Microsoft Teams. At MSP’s discretion, site visits may be requested for verification of 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 are required to 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 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 other auditor satisfactory to MSP.

- If recently audited financials are not available, 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 activities proposed).
- **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 the costs included in the budget are fair and reasonable (MSP will provide additional guidance based on costs included).

DUNS and SAM: All applicants must show proof of a Data Universal Numbering System (DUNS) and be cleared in the System of Awards Management (SAM).

- **Data Universal Numbering System (DUNS)** – The Data Universal Numbering System is a system developed and regulated by Dun & Bradstreet (D&B) that assigns a unique numeric identifier, referred to as a “DUNS number” to a single business entity. Without a DUNS number, MSP cannot deem an applicant to be “responsible” to receive award funding.

SAM – MSP will conduct a screen for restricted parties through the System of Awards Management (SAM). All applicants must be cleared through the system in order to receive 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 case of conflict between 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) 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 questions or concerns that are outstanding 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 schedule are co-developed with the partner to be comprehensive and ambitious given the proposed activities and their potential impact. Please note that 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 as well as 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 income³ 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 program allowable 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. Grantees who are commercial organizations 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 the attainment of established program objectives in the grant award. Diversion of grant funds to other uses will result in cancellation of award 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 final award negotiation.

³ 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.

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

- **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 host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter will govern.
- **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.
- **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.



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START OF APPLICATION

Download Word and Excel versions of the attachments at

<https://www.mspgrants.com/southernafrica2>

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/southernafrica2>. *All applications are due no later than **8:00pm EST***

March 25, 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-SAR-002) in the footer. Please do not delete the footer.



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ATTACHMENT 1: TECHNICAL APPLICATION FORM

STATEMENT OF LIABILITY (Does not count toward page limit)

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

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

SECTION I: SUMMARY INFORMATION

Southern Africa Agricultural Trade & Investment Activity
RFA-SAR-002

Name of organization	
Address of organization	
Amount of investment requested from MSP	\$
Amount of investment contributed by applicant	\$
Point of contact name and position	
Point of contact phone number	
Point of contact email(s) <i>*Please include 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:
- 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.
 - 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.
 - 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?
 - 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).
 - How does the proposed concept differ from your current business strategy, strengthen or build on existing practices or assets?
 - 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 Southern Africa Agricultural Trade & Investment Activity Facility.⁴ Responses to this section should fully answer the following questions:
- 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 benefit.
 - 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?
 - 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?
 - How will this concept specifically benefit women as suppliers, customers, or employees? Roughly what percentage of those benefiting do you expect to be women?
 - What are the broader impacts from 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:
- What are your estimated financial needs to sustain the proposed concept at the conclusion of MSP's support, and what is your plan for attracting investment or accessing commercial

⁴ Objectives of the RFA include: 1) Increase agricultural trade from regional countries to South Africa; 2) Increase agricultural investment from South Africa to the region; and, 3) Increase agricultural exports from southern African countries to the United States through the African Growth and Opportunity Act (AGOA).

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?
- 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 are the challenges you see in scaling the proposed concept (e.g. adapting 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					

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 from 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)?]



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ATTACHMENT 2: PARTNERSHIP BUDGET (AS AN EXCEL DOCUMENT)

Download the Excel template at <https://www.mspgrants.com/southernafrica2>

Ineligible Costs and Ineligible Use of Funds: All grant funds awarded in any partnership resulting from this selection process shall not 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 a variety of 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.
- 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 equipment, supplies for gambling facilities or any hotels, casinos or accommodations in which gambling facilities are or are planned to be located.
- 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 U.S. 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):
 - 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);



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- 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 is to give 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 units and unit costs and should be consistent with the overall program strategy submitted in your application. 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-SAR-002. 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 (*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 in order 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. Training will be conducted by the technical specialist. 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 2 years, for a total of 8 workshops. (*Applicant*) assumes 50 people will attend each training.



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- 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 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 2 days per month for 24 months, for a total of 48 days. The marketing consultant will work closely with *(Applicant)* to ensure 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 who 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:

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 contribution.