



CALL FOR PROPOSALS

COMPETITIVE BUSINESS GRANTS AND BUSINESS DEVELOPMENT SERVICES FOR CASSAVA AND SESAME VALUE CHAIN ACTORS IN ARUA, MADI-OKOLLO AND TEREGO DISTRICTS.

1.0 BACKGROUND:

The International Labour Organization (ILO) is part of Partnership for improving prospects for forcibly displaced persons and host communities (PROSPECTS). The Partnership is a multi-year programme, funded by the Government of the Netherlands, which brings together five agencies – International Labour Organization (ILO), International Finance Cooperation (IFC), World Bank, UNICEF and UNHCR to devise collaborative and innovative approaches for inclusive job creation and education in contexts characterized by forced displacement. The Programme is working in Arua, Madi-Okollo and Terego districts to enhance Local Economic Development and increase economic opportunities for host communities and refugees.

The ILO, through the Approach to Inclusive Market Systems (AIMS) and financial inclusion, seeks to implement market-based approaches to strengthen cassava and sesame value chains, working with market players, including private sector, government and development actors, to design and pilot sustainable business models. The AIMS approach applies the Making Markets Work for the Poor (M4P) methodology to forced displacement contexts and is based on the premise that in order for anyone to build sustainable livelihoods, two conditions must be met:

- 1. There are opportunities in the market, either for employment or self-employment.
- People need the necessary skills and competencies to access such existing market opportunities.

In this line, the AIMS approach foresees two sets of separate, but interlinked interventions that combine "push" and "pull" factors. "**Push**" factors aim at building the capacities of the target group

to engage with the market, for instance through skills development, transfer of assets and/or strengthening social networks, while "pull" factors focus on developing market systems in such a way as to expand and diversify the market opportunities available to both refuges and the host community. While "push" interventions usually focus on working with the target group directly, "pull" interventions tend to work with a wide range of market actors.

Interventions should be designed to respond directly to the results of the <u>value chain analysis</u> conducted by the ILO and to tackle the constraints and bottlenecks identified in the various areas of the market system. Sustainable business models can address bottlenecks at the level of rules and regulations, at the level of supporting functions, or at the level of the value chain itself. Strengthening supporting functions could include working with existing service providers to strengthen their capacity and/or facilitate access of the target group to training and business development services, financial services, information, and cooperatives support. Value chain development interventions focus on pull interventions that result in increased demand, easier access to markets for the target group, and increased capacity of the value chain to promote growth and create additional employment, including through improving market linkages.

For detailed guidance on the ILO's approach to value chain development in forced displacement settings see: https://www.ilo.org/empent/Projects/refugee-livelihoods/WCMS_634395/lang-en/index.htm

Ag-Ploutos Company Limited is an agricultural supply chain company whose core business is to strengthen food supply chains by partnering with public and private partners such as government, development partners, independent farmers as well as farmers' groups and cooperatives, input suppliers, financial institutions, machineries fabricators and equipment suppliers, aggregators, individual agribusiness, off takers and agri-corporation to build a sustainable supply chain. The company has been identified to collaborate with ILO to support the design and implementation of sustainable business models in line with the AIMS approach along the cassava and sesame value chains with matching grants and other business development services. The recipients of the grants, a maximum of USD 30,000 per actor, will be determined by Ag-Ploutos and the ILO through a competitive process in which proposals for sustainable business models are assessed based on a set of pre-determined criteria developed jointly by Ag-Ploutos and the ILO. Grant recipients will also be supported to fine-tune their business models and introduced to the AIMS approach.

2.0 OBJECTIVES OF THE GRANTS AND BUSINESS DEVELOPMENT SERVICES

- a) Support innovative enterprises and their sustainable business models in the sesame and cassava value chains that have the potential to increase economic opportunities and improve livelihoods of host communities and refugees through their engagement in the selected value chains in the districts of Arua, Madi-Okollo and Terego.
- b) Support growth-oriented actors in the cassava and sesame value chains (e.g. farmer groups, cooperatives, marketers, processors) who will significantly contribute to increase in production, productivity and competitiveness of the value chains by improving quality of inputs, contributing to market linkages for the producers or value addition to benefit the host communities and refugees.
- c) Promote local economic development by supporting businesses or enterprises that innovatively address the challenges that host communities and refugees face in the districts of Arua, Madi-Okollo and Terego in the cassava and sesame value chains through sustainable business models.
- d) Support enterprises that are engaged in the marketing and value addition to the cassava and sesame value chains. This will create the pull for production activities in these value chains.
- e) Facilitate the link between supported enterprises and financial service providers for all types of financial services, including loans to increase their capital and match the grant, to digital payments for their transactions.

3.0 ELIGIBILITY CRITERIA

- a) The applicant must have presence in at least one of the three target districts and be willing to serve both host communities and refugees.
- b) The applicant enterprise must have been in existence for at least 3 years and be registered to operate in any of the three target districts.
- c) The applicant enterprise/entity must have financial and audited records of business activities for at least two years.
- d) The applicant must show evidence of ability to provide counterpart funding of at least 30% own funds either in cash or in kind to implement the business model proposed.

- e) The applicant must be offering products and services along the cassava and sesame value chains e.g. input provision, produce marketing, processing or value addition to the agricultural products, provision of storage facilities, provision of vital production or market information and access to finance etc.
- f) The applicant's proposed intervention should clearly demonstrate innovative and sustainable business models that will contribute to increased production, productivity and competitiveness of the value chain. The applicant should state the envisaged impact of the intervention to the above three areas.
- g) The proposed intervention should have potential to generate economic opportunities that improve livelihoods for the beneficiaries in the target area. The application should give an indication of the direct and indirect economic opportunities that will be created for host communities and refugees.
- h) Be able to identify a path for growth beyond the grant period.
- i) Special consideration will also be given to women-owned organizations and sustainable business models that that promote youth engagement and inclusion.

4.0 APPLICATION PROCESS

Interested applicants that meet the eligibility requirements should send their technical and financial proposals to electronically to: grants@ag-ploutos.com not later than Thursday July 8, 2021. 5:00PM EAT. For clarification contact **Tel:** +256-700709912 / +256-778912762 or email at info@ag-ploutos.com.

A pre-proposal bidders' zoom meeting is scheduled on 29th June, 2021 at 11: 00 am via zoom link; https://zoom.us/j/94690071204?pwd=RmtJM2hyNXltUEJRZVNhcjNyZ2JLZz09 Passcode: 8qHi4k