

**USAID AFRICA TRADE AND INVESTMENT ACTIVITY**  
**Building Market System Resilience for Food Security in Southern Africa<sup>1</sup>**  
**Request for Proposal (RFP)**

**Introduction**

The USAID Africa Trade and Investment (ATI) program is designed to bolster the U.S. Government's ability to boost trade and investment to, from, and within the African continent. The continent-wide program is USAID's flagship effort in support of the Prosper Africa initiative and will expand and accelerate two-way trade and investment between African nations and the United States.

Driven by market demand, ATI embraces innovative approaches to achieve its goals. ATI is designed as a small, core set of centrally coordinated technical and institutional support activities, and a large, flexible performance-based subcontracting and grants under contract facility designed to support the needs and opportunities that USAID Missions and the private sector identify.

In the wake of Russia's invasion of Ukraine in February 2022, the global repercussions, particularly in terms of food, fuel, and fertilizer shortages, have been deeply felt. The African continent, already grappling with challenges from the long-term effects of the COVID-19 pandemic, climate-related shocks, and internal conflicts, has witnessed a further decline in access to essential food and fertilizer imports due to the ongoing conflict.

Recognizing the urgent need to address the specified challenges, USAID has partnered with ATI to foster private-sector collaborations aimed at swiftly enhancing access to and availability of crucial agricultural inputs, technologies, and food across Africa. As part of this initiative, ATI is actively seeking established southern African cooperatives or private sector companies with smallholder farmer networks to produce and market agriculture products for local consumption and intra-regional exports. These potential partners will identify, capacitate, and aggregate products from the region and find opportunities for additional markets within the region and beyond. The main goal is to increase the availability, accessibility and affordability of agricultural products in the region, ensuring stability and resilience in the face of the complex challenges they are currently confronting.

**Purpose & Background**

Southern Africa faces persistent challenges related to food security, necessitating collaborative efforts to strengthen market systems. Established cooperatives and private companies play a pivotal role in catalyzing positive change within the agriculture sector. Recognizing the significance of this collaboration, USAID-ATI seeks proposals to engage existing cooperatives and/or private companies in the region that can quickly mobilize trade and investment to address food security in the region.

The activities should emphasize impactful results, articulating specific criteria and objectives aligned with USAID and ATI trade and investment goals. Proposal must include a clear definition of the target demographic, encompassing smallholder farmers, women, and youth, to ensure inclusivity and maximize social impact, reinforcing the market systems resilience of the institutions, agri-businesses, and participants.

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<sup>1</sup> Southern Africa - Angola, Botswana, Eswatini, Lesotho, Madagascar, Malawi, Mozambique, Namibia, South Africa, and Zambia.

## **Objectives**

The subcontract aims to enhance the active involvement of smallholder farmers within the Southern Africa region within cooperative societies in a resilient market system for food security. This targets to facilitate their entry into well-organized and more lucrative domestic and export markets, ultimately, and empower them to enhance their crop production and marketing capabilities. The overarching goal is to fortify their resilience in the face of prevailing economic challenges.

## **Scope of Work**

- a) Support at least three established businesses, farming associations, and related enterprise for rapid scaling to access key inputs
  - Collaborate with established agricultural input suppliers, distributors, and retailers to ensure widespread availability of quality seeds and fertilizers through partnerships or incentive programs that encourage these businesses to reach remote and underserved areas, serving at least 20,000 including women and youth farmers.
  - Work with established businesses to promote the adoption of modern agricultural technologies including seed varieties, precision farming tools, sustainable intensification practices, pre- and post-harvest technologies, and others.
- b) Scale up the production of food crops critical to food security, livelihoods, and nutrition across multiple markets
  - Identify and prioritize key food and cash crops (e.g., dry beans, sweet potatoes, groundnuts, horticultural products, macadamia) that are critical for addressing nutrition, food security, and livelihood opportunities, ensuring gender inclusivity throughout valuechains, in various regions.
  - Promote enhanced resilience to pests, diseases, and climate change always ensuring a reliable and safe food supply.
- c) Facilitate trade deals locally, regionally and with the U.S. that deliver food and inputs in a timely manner, and that would create market access for improved livelihoods.
  - Optimize the use of resources, reducing food loss and waste, while promoting sustainability.
  - Incorporate systems to address food safety, food loss and waste, digitization, and better business management.
  - Promote exports for food availability, market diversification, job creation, and economic growth stimulation.
- d) Prioritize the resilience of smallholder farmers through productive assets, protection, and access to diversified inputs and markets, with a special emphasis on women and youth.
  - Place special emphasis on the needs of women and youth to contribute to a more inclusive and sustainable economic growth within Southern Africa.
  - Promote broader social and economic development within Southern Africa.
  - Promote innovative finance, blended finance, and risk reduction tools as safety nets for farmers and businesses.

### **Illustrative Deliverables:**

The following is an illustrative list of deliverables under the subcontract:

1. Increased membership of over 20,000 smallholders actively engaging in formal, lucrative agricultural markets to be submitted in verifiable format
2. Comprehensive sales records supported by evidence indicating the trading of more than 20,000 metric tons of various commodities, including dry beans, sweet potatoes, groundnuts, horticultural products, and macadamia.
3. Detailed reports demonstrating the facilitation of over \$10 million in financing to farmers and traders.
4. Evidence of increased incomes of at least ten (10) percent for agribusinesses and farmers, achieved through the promotion of fair market prices for commodities and products.
5. Documentation highlighting inclusive and enhanced access to quality, affordable inputs such as fertilizers and seeds, along with improved access to pre- and post-harvest technologies for at least 10,000 (50%) of participating farmers.
6. Report showcasing increased access to input credit or lending finance for at least 6,000 (30%) of participating farmers and businesses, with a focus on increased access to credit for women and youth.
7. Comprehensive reports outlining tangible outcomes in terms of enhanced agricultural productivity and marketing skills for farmers, with a focus on women and youth empowerment.
8. Conduct baseline and endline surveys to measure the impact and effectiveness of interventions accurately and assess outcomes and progress achieved.

The subcontractor should include in their proposal the data currently captured as part of their standard data reporting, and any due diligence procedures that will be shared with ATI as part of this activity. Given the broad range of sectors and types of entities supported under this activity, performance metrics will be defined and finalized for each engagement individually and included as part of each workplan. The subcontractors should propose a methodology to establish an engagement-level performance fee structure that reflects the broad range of sub-sectors and types of entities that will be supported under this activity. All compensation for this work will be per the terms of this contract.

### **Additional Proposal Requirements:**

Prospective applicants are required to submit comprehensive proposals including the following key elements:

- a) **Company/Cooperative Profile:** Provide a detailed overview of your organization, highlighting relevant experience in the agriculture, trade, and food industry, with documents backing sales quantities and value.
- b) **Implementation Plan:** Present a clear plan outlining how you intend to achieve the objectives outlined in the scope of work in a relatively short term and considering agricultural seasonality.

- c) Target Population: Clearly define your approach to inclusively engaging at least 20,000 smallholder farmers, women, and youth in the agricultural value chain.
- d) Volume and Value: Specify the anticipated volume and value of commodities to be traded, demonstrating scalability and impact.

### **General Implementation Structure**

Upon review of the proposal and award, ATI will work closely with the subcontractor to determine the contract structure including final timelines, deliverables, and associated costs based on performance-based milestones. Additionally, ATI and USAID will also work closely with the subcontractor on the overall learning agenda, including the appropriate cadence for reporting, communications, and other general ongoing project management activities, as well as be a resource to help the subcontractor achieve overall objectives. The subcontractor will be required to provide the quarterly progress report following USAID's schedule of deliverables.

Given the evolving nature of transactions, alternative transactions may be considered during implementation should new transactions become a better opportunity than the initially proposed transactions.

### **Monitoring, Evaluation and Learning (MEL)**

ATI will work closely with the subcontractor to define appropriate indicators to measure progress. The subcontractor must be able to track the number of people benefiting from this intervention, disaggregated by age and gender, investments, increased sales, exports, and jobs for the overall interventions. ATI will work with the subcontractor to revise its final MEL plan and implement a collaboration, learning, adaptation (CLA) approach as needed during implementation (e.g., if additional transactions are added). The subcontractor will be required to reasonably maintain and report on relevant data as part of the periodic check-in process. DAI will conduct data quality assessments as necessary. In many cases, the subcontractor must be willing to share results for at least a six-month period following the completion of their subcontract in order for ATI and USAID to accurately capture results (e.g., an investment that closes after the period of performance but was facilitated during the contracted support).

### **Place of Performance**

The place of performance will be in the Southern Africa region covering any of the 10 countries (Angola, Botswana, Eswatini, Lesotho, Madagascar, Malawi, Mozambique, Namibia, South Africa, and Zambia.) The subcontractor should provide details on their approach to working in the relevant country as the activity requires. The selected firm(s) will report to the ATI Regional Director- Southern Africa and work closely with the activity team based in South Africa and Kenya.

### **Implementation Timeframe**

The activities outlined above should be completed in a period of 24 months from the signing of the contract. In response to this solicitation, the subcontractor may propose alternate timelines, work plans, and level of effort associated with the various components of the activity in line with their proposed approach.