

INVITATION FOR APPLICATIONS

PROGRAM TO SUPPORT THE MARKET FOR AGRICULTURAL, ANIMAL HEALTH AND LIVESTOCK INPUTS IN <COUNTRY>

The project's Market Systems Unit (MS Unit) is inviting companies which import, produce, distribute, or retail: a) **agricultural inputs** (including seed, fertilizers, chemicals, tools, etc.), and/or; b) **animal health and livestock inputs** (including medicines, vitamins, feed, new breeds, and vaccines) in <Country> to submit applications to develop or expand their capacity to produce and sell affordable and quality inputs to smallholder producers in any of the following districts: <list relevant districts/villages>

Technical and financial support agreements (with cost-share components ranging from \$2,000 to \$5,000 USD (*convert to local currency and insert amounts appropriate for project*)) will be negotiated with selected companies based on the criteria described below. This support must contribute to a significant investment (in cash or in-kind) that the companies will make. <Project> staff will also provide technical support as needed to build the capacity of successful applicants to implement their proposed initiatives.

Applications must be submitted in accordance with the format described and received no later than <insert date>.

Background

One of the objectives of the project is to promote greater access to quality agricultural, animal health, and livestock inputs (and better information on the use of those products) for smallholder producers in the targeted districts. <Project> realizes the importance of private sector companies to drive change and provide needed inputs and technical support to the producers with whom they transact.

Recent assessments carried out by in the targeted districts showed that smallholder farmers lack: 1) information and access to quality agricultural inputs at affordable prices, and; 2) appropriate knowledge and skills to use them properly. This results in low productivity and yield, crops being more prone to diseases, and increased chances for crop loss. Some of the challenges that input supply companies interviewed face in addressing these and other constraints include:

- Poor infrastructure and long distances to remote markets hinders sales in those areas
- Lack of training among village-level retailers and paravets to effectively advise farmers about the selection and use of inputs
- Extensive time and expense required to approve the import of new products
- Lack of information among those in their distribution network (dealers, retailers, service providers, etc.) about new equipment and tools available on the market
- Constant flow of new inputs and input providers in the marketplace
- Competition from government and NGO subsidies
- Counterfeit products in the market
- Emergence of new diseases
- Negative publicity due to misuse of inputs
- Low repayment rates when credit is offered
- Lack of facilities to properly test/ validate the quality of inputs
- Lack of display space for retailers and vendors operating in remote areas
- High customs duties, especially for feed supplies and raw materials used to produce inputs (meanwhile import of many finished products are not taxed)
- Lack of practical registration policy for retailers of animal health/livestock inputs

The <Project> is therefore seeking to collaborate with both: a) agricultural input supply companies, and; b) animal health and livestock input companies, to support initiatives that will address these challenges, improve their competitiveness, expand their distribution networks, build their capacity to provide useful information and training to producers, and offer a greater variety of quality products adapted to the needs of the producers.

Illustrative Areas for Support

Proposed activities should contribute to the company’s ability to significantly improve or expand the sale of quality and affordable agricultural, animal health, and livestock inputs to small-scale farmers and producers in the targeted districts. Proposed initiatives should also address the challenges (listed above) that company’s face in doing this.

See appendix 1 and 2 for examples of activities that could be supported. Please note that the *company will be responsible for organizing and managing these activities with technical and/or financial support from <Project>*.

<Project> cost share funds cannot be used for:

- Working capital (day to day company operations for salaries, rent, purchases, etc.)
- Direct payment or subsidy to producers
- Fixed assets (computers, vehicles, tools, equipment, etc.)

General Criteria:

Eligible applicants for this program must:

- Have existing commercial sales to at least 2,500 farmers/ producers (either directly or through their distribution networks). Livestock breeders must be selling to at least 100 producers.
- Have been in operation for at least the past two years.
- Have commercial interest and incentives to invest in the development and expansion of their rural distribution networks and in the intermediaries and farmers they sell to (through improved inputs, packaging, information, training, and/or other forms of support).
- Be selling inputs of acceptable quality that respond to the needs of farmers/producers
- Have policies in place to ensure that no dangerous, illegal or counterfeit products are being sold to farmers/producers.
- Make an investment of at least 30% of the cost of the initiative
- Propose initiatives where at least 60% of proposed activities/ budget is for activities that involve direct support to farmers (*either directly by the company or through their distribution networks*).

Note: Program is not eligible for NGOs, consulting firms, or associations

After review of the proposed applications, the <Project> may determine that some of the proposed initiatives (such as exposure visits) might be best pursued as “cross-company” activities, with several companies participating. This could have the effect of reducing costs and promoting lateral learning among the participating companies. This assessment (as well as discussions with the Applicants) will take place once companies have submitted their applications.

Expected Results: While it is expected that participating companies will benefit from these activities, it is also expected that they will result in commercially viable distribution networks that make quality and affordable agricultural, animal health and livestock inputs (as well as information on how to use them correctly) available to targeted farmers and producers in a sustainable manner.

Preparation and Review of Applications: The <Project> will review all applications based on the criteria above and in the table below. *All applicants that meet the criteria will be considered for technical and financial support.* Applicants are invited to discuss their ideas and request advice from <Project> staff in the preparation of their applications.

INSTRUCTIONS AND FORMAT

<p>Cover Page <i>Name and Address of Applicant (address, phone, fax, email)</i> <i>Date of Submission</i> <i>Lead Person to Contact</i> <i>Reference: <Project> Application</i></p>
<p>Proposed Initiatives and Impact (up to 2 pages): <i>Clear description of proposed initiatives including how they will contribute to improved competitiveness of the company and how they will expand commercial sale of improved inputs to</i></p>

farmers and producers in the targeted districts. A summary work plan that includes proposed tasks the company will undertake should be included.

Personnel (up to ½ page):

Name and qualifications of the company staff who will be responsible for implementing the activities.

Experience (up to ½ page):

Brief description of past or current initiatives that company has conducted similar to those proposed or why the company feels it is qualified to successfully conduct the proposed activities.

Sustainability (up to ½ page):

A clear description of how the proposed initiatives will result in increased and sustainable commercial relationships between the company, the participants in their distribution networks and farmers/producers, and how the company will be able to continue these relationships and support once the activities end.

Applications must be submitted in English and be no more than four pages in length (not including the budget or budget notes) by <date>. The <Project> will select applicants that meet criteria by <date>. At that time, more detailed activity planning will take place between the <Project> and the applicants. This planning will include:

- A business plan and/or strategic planning exercise related to the proposed initiatives
- Detailed discussions and agreement on strategy, budget and timing for different activities
- Discussions on how technical support from <Project> staff can be provided to support the agreed upon activities
- Discussions on how combined technical support or “cross-company activities” might be organized with several companies.

Company initiatives must be completed within six to nine months of signing an agreement with <Project>. Additional initiatives can be considered after the first ones are complete.

Please submit an electronic copy of your application by <date> to the <Project> at email: <email address>. Please include the name, title, phone number, and email of the lead contact person who will be involved with the application process.

Conditions: Issuance of this Invitation for Application in no way constitutes a commitment by the <project> to execute any agreement or to pay any costs incurred by any applicant in submitting an application.

Please note that <Project> **will fully respect the confidentiality** of all companies involved in the program.

If applicants are selected, <Project> will establish a memorandum of understanding (and subsequent technical/financial support agreements) with the company. This document will describe the objective of collaboration and clearly define each party’s respective responsibilities, roles, and obligations. Successful applicants must be willing to share information with <Project> regarding the increased sales and impact that result from their initiatives. <Project> staff (on a sample basis) will conduct interviews with participants in the company distribution network as well as farmers/producers to gather information on impact and to monitor progress.

Instructions for Completing the Budget

Each applicant will prepare a budget using the format below. If possible (though not mandatory) the applicant should prepare and send this budget as an additional file in Microsoft Excel format. ***Applicant must contribute at least 30% to the proposed costs of the initiative.***

	Line Item	Budget Notes (describes line item in more detail)	Cost/ Unit	Days/ Unit	People/ Number	Total Cost	Company Investment	Project Cost Share
1								
2								
3								
5								
6								
7								
8								
9								
10								
11								
	Total <project> cost share (up to 70%)							
	Total Company investment (at least 30%)							

**** Please contact <Project> for any assistance or questions you may have.***

APPENDIX 1: ILLUSTRATIVE COMPANY-LED INITIATIVES FOR AGRICULTURAL INPUTS

Provide Training, Promotion and Extension to Producers and Intermediaries

- a. Development of promotion/training modules to expose smallholders to correct usage and application of company's agricultural inputs (seeds, fertilizers, organic manure, pesticides, micronutrients, etc.)
- b. Education of retailers and mobile vendors selling company products to increase their awareness, skills, and abilities to advise farmers on use of agriculture inputs
- c. Development and implementation of training programs to demonstrate to farmers how company inputs can be used for successful off-season vegetable production.
- d. Link with micro-finance institutes to promote small-scale loans to farmers to access inputs like fertilizers, seeds, chemicals etc.
- e. Capacity building of company staff to provide improved extension services to farmers
- f. Organizing training activities, demonstration plots and/or field days for farmers to promote the sale of the company's agricultural inputs and how to use them correctly

Explore/ Develop New Markets to Sell Products

- a. Conducting meetings with producers to inform them about the inputs (products and services) they offer to improve agricultural production
- b. Development of promotional materials, catalogues, web pages, product information sheets, point of sale materials, etc.
- c. Training and capacity building of intermediaries carrying company products (retailers, mobile vendors, commissioned agents, etc.) to enable them to better inform producers on the correct use of the products that the company is offering
- d. Developing posters, brochures or other materials to assist in dissemination of good use of agricultural inputs for smallholder farmers
- e. Expanding the company's rural distribution network through the identification and training of individuals that can serve as commissioned agents
- f. Identifying, testing and/or producing new agricultural inputs to meet the needs of farmers

Introduce New Products to Improve Production (*within the company, with producers, etc.*)

- a. Develop or expand seed development and testing sites that can produce hybrid and improved seed varieties
- b. Improvement of seed packaging for better storage and brand recognition
- c. Introduction of new methods for storage and/or methods to preserve quality and value of agricultural inputs.
- d. Identification and testing of new seed varieties and other inputs appropriate and affordable for farmers
- e. Developing/expanding contract growing/outgrowing system for seed multiplication
- f. Developing, promoting and integrating Information Communication Technologies into company operations

Business and Strategic Planning

- a. Development of business plans
- b. Strategic planning exercises
- c. Improving quality management

***Note:**

1. *A business or strategic planning exercise will need to be conducted to facilitate the implementation of many of these initiatives.*
2. *Input Supply Companies will need to show how they work with, coordinate, and/or build the capacity of their dealers and/or retailers to implement many of these initiatives.*

This list is non-exhaustive, and your company might have additional or better ideas. The purpose of this list is to provide illustrative examples of company initiatives that could be supported by the <Project>.. Any combination of these activities is encouraged. However, ***all supported activities must show how they will improve/expand your company's rural distribution networks and make high quality and affordable commercial agricultural inputs (and information about the correct use of those inputs) available to a greater number of smallholder farmers in the targeted districts.***

APPENDIX 2: ILLUSTRATIVE COMPANY-LED INITIATIVES FOR ANIMAL HEALTH AND LIVESTOCK INPUTS

Provide Training, Promotion and Extension to Producers and Intermediaries

- a. Development of producer training modules in the usage and application of animal health and livestock inputs
- b. Company-led training and awareness raising activities for producers in: a) improved usage/application of input supplies; b) hygiene and disease prevention methodologies; c) characteristics of available livestock input products and their benefits
- c. Organization of demonstrations to expose producers to improved practices and/or new livestock inputs
- d. Capacity building of company staff / lead farmers to provide improved extension and training services to livestock producers on topics including: treatment and prevention of livestock diseases and methods to increase production.

Introduce New or Improved Sources of Animal Feed

- a. Identification and testing of new pasture seed varieties
- b. Identification of additional sources of quality animal feed
- c. Development and marketing of locally produced quality feed

Introduce New Products to Improve Production *(within the company, with producers, etc.)*

- a. Introduction of improved tools, equipment, and methods to preserve quality and value of animal health and livestock inputs
- b. Introduction of new equipment such as cool-boxes to help intermediaries and service providers selling company products to maintain cold chain and quality of veterinary medicines during storage and transportation
- c. Technical support for the company to develop or improve its final products (quality, packaging, traceability, product diversification, etc.)

Explore/ Develop New Markets to Sell Products

- a. Conducting meetings with producers to inform them about the inputs (products and services) they offer to treat and prevent livestock diseases and to increase overall livestock production
- b. Development of promotional materials, catalogues, product information sheets, etc.
- c. Training and capacity building of intermediaries carrying or promoting company products (retailers, paravets, veterinarians, etc.) to enable them to better inform producers on the correct use of the products that the company is offering or to use those products in their service provision.
- d. Developing posters, visual aids, etc. to assist in dissemination of good use of animal health and livestock inputs for small-scale producers
- e. Expanding the company's rural distribution network through the identification and training of individuals that can serve as service providers and/or commissioned agents

Business and Strategic Planning

- a. Development of business plans
- b. Strategic planning exercises
- c. Improving quality management systems

***Note:**

1. *A business or strategic planning exercise will need to be conducted to facilitate the implementation of many of these initiatives.*
2. *Input Supply Companies will need to show how they work with, coordinate, and/or build the capacity of their retailers and/or service providers (veterinarians, paravets, etc.) to implement many of these initiatives.*

This list is non-exhaustive, and your company might have additional or better ideas. The purpose of this list is to provide illustrative examples of company initiatives that could be supported by the <Project>. Any combination of these activities is encouraged. However, **all supported activities must show how they will improve/expand your company's rural distribution networks and make high quality and affordable animal health and livestock inputs (and information on the correct use of those inputs) available to a greater number of producers in the targeted districts.**