







**Business Support Facility for Resilient Agricultural Value Chains** 

# **Guidelines for Call for Applications**

Matching Grant Fund 3rd Call July 2024

Implemented by







# **Table of Contents**

Table of Contents	2
List of Abbreviations	3
Section 1: Introduction	4
Section 2: Overview of the Matching Grant Fund (MGF)	5
Section 3: Background	8
Business Support Facility for Resilient Agricultural Value Chains	8
Section 4: Guidelines for Matching Grant Fund Applications	9
Matching Grant Fund	9
Objective of the MGF	9
Who can apply for the Matching Grant Fund?	9
Project duration and size	11
Which project activities will be supported under the Matching Grant Fund?	12
Which costs are eligible for reimbursement under the Matching Grant Fund?	13
MGF Project indicators	13
Section 5: Matching Grant Fund Process	14
Application Process	14
Data Protection	17
Glossary	18
Annexes	21

## **List of Abbreviations**

ABF	Agri-Business Facility for Africa		Deutsche Gesellschaft für	
ACA	African Cashew Alliance	GIZ	Internationale Zusammenarbeit (GIZ) GmbH	
ATVET	Agricultural technical and vocational education and training institutions	GmBS+	Gender makes Business Sense plus	
BMGF	Bill & Melinda Gates Foundation	iCF	inclusive Contract Farming	
BMZ	German Federal Ministry for Economic Cooperation and Development	iDPP	integrated Development Partnerships with the Private Sector	
CBS	Cooperative Business School	IPM	Integrated Pest Management	
CA	Conservative Agriculture	ITC	International Trade Centre	
CC	Adaption to climate change	LCU	Local currency unit	
CEMAC	Communauté Économique et Monétaire de l'Afrique Centrale	Lol	Letter of Intent	
CICC	Consultative International Cashew	MGF	Matching Grant Fund	
0100	Council	MoU	Memorandum of Understanding	
CNSL	Cashew Nutshell Liquid Concept note	MOVE	Market Oriented Value Chains for Jobs and Growth in the ECOWAS Region	
ComCashew	Competitive Cashew Initiative	мемп	-	
EAC	East African Community	MSME	Micro, small, and medium enterprises	
	Inter-institutional Expert Committees /	MSP	Multi-Stakeholder project	
EC	Evaluation committee	OACPS	Organisation of African, Caribbean, and Pacific States	
ECOWAS	Economic Community of West African States	PBS	Processor Business School	
EU	European Union	RCN	Raw Cashew Nut	
EU-INTPA	European Commission - International Partnerships	REC	Regional Economic Communities	
FBS	Farmer Business School	ROM	Result-oriented management review	
FDI	Foreign Direct Investment	SADC	Southern African Development Community	
GAP	Good Agricultural Practices	SNI	Sustainable Nut Initiative	
GHG	Green House Gas	vc	Value chain	

#### **Section 1:**

## Introduction

Are you working in the **cashew**, **cocoa**<sup>1</sup>, **maize**, **or livestock** (**cattle**, **sheep**, **goats**) sectors in a member state of the Organisation of African, Caribbean, and Pacific States (OACPS)? Are you from the private sector, with a high interest in resilience, competitiveness, or direct supply linkages with off-takers for sustainability?

Do you have an innovative idea that makes the above-mentioned value chains less fragmented, more inclusive, particularly for women and youth, sustainable, and profitable? This also includes innovations for by-products of the sectors.

Then this is a unique opportunity for you to realize your goal!

This document summarizes key steps to follow in applying for the Matching Grant Fund focusing on cashew, cocoa, maize, or livestock (cattle, sheep, goats), where you may obtain funding to realize your ideas in a better (faster, more efficient, more effective, more sustainable) way and contribute to fostering your respective sector.

Kindly read this guide for more information. Also, we highly encourage you to monitor closely our Readiness Programme of the value chains' Matching Grant Fund and all related documents that you can find here:

For cocoa, maize or livestock:

https://www.agribusiness-facility.org/funding.html.

For cashew:

https://www.comcashew.org/matching-grant-fund

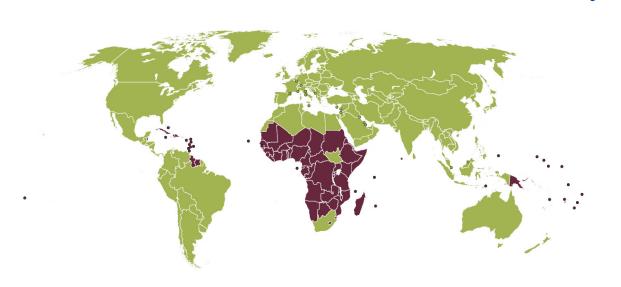


Figure 1: Map of current OACPS member states

<sup>1.</sup> Ghana, Cote d'Ivoire and Cameroon are not eligible for Matching Fund support for the cocoa sector, as they are already benefiting from policy dialogue and sustainability models under the EU cocoa initiative.

#### **Section 2:**

# Overview of the Matching Grant Fund (MGF)

This section offers a quick overview of the Matching Grant Fund. For further details on each part, please keep reading the document.

#### **Objective of the MGF**

The overall objective of the Matching Grant Fund is to leverage contributions from partners for the implementation of specific interventions towards the development of the cashew, cocoa, maize, and livestock (cattle, sheep, and goats) value chains and build ownership to drive sustainable growth in the respective sectors, strengthen private sector development, and improve the productivity and profitability of stakeholders in all 79 OACPS member states for cashew, cocoa, maize, cattle, sheep, and goats value chains.

What do we mean by innovative climate resilient agricultural value chain projects?

Business approaches, business models, or best-practices owned by the private sector that will support the sustainability of targeted value chains and their segments. Segments include input supply, primary production, trade, and processing.

Climate resilience means the capacity of actors along the value chains to prepare for, respond to, and recover from the impacts of climate change in a way to maintain their productivity, functionality, and sustainability while keeping damages minimal. It comprises climate smart agribusiness practices that allow to adapt to actual or expected climate change impacts (adaptation) as well as to prevent, reduce, or remove emissions of greenhouse gases (mitigation).

Ideally, approaches are inclusive, replicable, and scalable in order to maximize impact, equality, and value.

### Who can apply for the MGF?

Lead applicants (legally registered private entity2)

- Processing company
- · Agricultural producer organisations (Farmers organisations)
- Off-takers of the main final product of the value chain and/or its by-products

NB. We strongly encourage consortium applications and will only consider single applicant submissions in exceptional cases.

Consortium Partners (not lead applicants)

Consortium partners are legally registered entities, that can enter into binding agreement to implement the proposed project.

Consortium partners cannot be service providers for the proposed project or private persons.

At least one partner in the project should be a national / local partner (e.g., an MSME, Producer Organisation or similar)

<sup>2.</sup> Evidence of legal form and registration in accordance with the legal provisions that apply in the country in which the private entity is based. Please attach extracts from the appropriate register/formation documents showing the location of the private entity's registered office and the year of formation (if not shown in the register entry)/tax number or other forms of substantiating documentation generally required in the country. Non-profit organisations are not eligible.

#### Eligibility criteria

- Applicant must be a legally registered private entity with the mandate to enter into binding commercial and cooperation agreements. A proof has to be provided and submitted along with the filled application documents.
- For consortium applications, letter of Intent (LoI) using the provided template must be filled and signed.
- Applications are addressing one of the value chains listed above: cashew, cocoa, maize and livestock.
- Contribution of the consortium to the project of at least 60% for cashew and at least 50% for other value chains (in cash and/or in kind)
- The amount requested via GIZ is min. 40,000 EUR up to 100,000 EUR. For exceptional projects, where the implementation will take place in multiple countries, the amount requested via GIZ can be up to max of 200,000 EUR
- Partners who already received grant from either the 1st or 2nd call of the GIZ MGF are not eligible for this call neither as lead applicant, nor as consortium partner
- The lead applicant is required to provide the largest portion of the consortium's total contribution.
- The lead applicant must present a solvency ratio (Solvency Ratio = Total Assets ÷ Total Long-Term Debt) of no less than 0.5 or 50%.
- Based or operating in an OACPS member state
- All OACPS member states are eligible to apply for the matching grant fund.
   However, in the interest of regional balance, during this call, priority will be given to projects originating from countries with no or few projects from our previous calls. A list of countries and number of projects is <u>published on the respective</u> websites.

All criteria above must be fulfilled, and proof must be sent latest by 18th August (12pm GMT) to be assessed by the Evaluation Committee.

The assessment process for applications is described here

#### **Key Performance Indicators (KPI)**

#### Output level KPIs (individual MGF project level)

- Additional resources are mobilized by the lead applicant and consortium partners 50% of the activities promoted should be led by women
- 50% of activities should be led by youth

#### Outcome Level KPIs for the MGF projects as a whole

- 75% of the promoted business entities in agriculture, processing, or service provision apply resilient practices
- 60% of supported projects that are labelled as "innovative" successfully reduce CO2 and/or CO2 equivalents or store CO2 and/or CO2 equivalents on the ground in line with internationally recognized standards

#### **Legal provision**

- Proposed project ideas must have a direct development outcome and a publicbenefit character. The benefit of lead applicant and consortium partners can be a 'by-product', but not the main goal.
- Objective of the project must be defined and formulated such that it describes the development objective and not the commercial benefit for the partner company.

### Activities under the MGF

Strengthening linkages between value chain actors. Capacity building of value chain actors (including primary producers) through:

- Technical trainings (such as Good Agricultural Practice (GAP), Adaptation to and/or Mitigation of Climate Change (CC), Conservative Agriculture (CA), Agroforestry and Improved Planting Material)
- Entrepreneurial trainings (Farmers Business School (FBS), also possible with a focus on climate change (FBSClimate), Cooperative Business School (CBS), Processor Business School (PBS), Gender Makes Business Sense Plus (GmBSplus), mitigation of climate change
- Other innovative and inclusive approaches
- Approaches strategies leading to CO2 and equivalents reduction and removal

## Project duration and size

Maximum of 18 months implementation period can be foreseen for the proposed projects. The amount requested via GIZ is min. 40,000 EUR up to 100,000 EUR. For exceptional projects, where the implementation goes beyond one country, the amount requested from GIZ can be up to max of 200,000 EUR.

## MGF process steps

- Call for applications, launch of 3rd Call (all value chains: cashew, cocoa, livestock, cattle, goat, sheep)
- Point 2 change wiith this: From 8 July until 18 August, readiness programme in English, and French for potential applicants is offered. Additionally, one webinar in Spanish and one webinar in Portuguese would be offered. All information publicly available on the respective websites. <a href="https://www.agribusiness-facility.org/funding.html">https://www.agribusiness-facility.org/funding.html</a> and <a href="https://www.comcashew.org/matching-grant-fund">https://www.comcashew.org/matching-grant-fund</a> during this time.
- 3. Deadline to submit concept note and all application documents latest by **18th August 12pm GMT (noon).**
- Evaluation of concept notes by an inter-institutional and international expert committee and Board decision on the invitation of shortlisted applicants for full proposal development.
- Shortlisted applicants receive further insights and document to develop their full
  proposal and submit their application documents by end of October. Evaluation and
  decision for the MGF finalists based on full proposal. Budget is subject to change at
  this stage.
- 6. Commercial and legal eligibility assessment of the lead applicant and due diligence process
- 7. Contracting of finalists who passed depending on the result of the commercial and legal eligibility assessment with success.
- 8. Implementation, support, M&E cycle, and reporting
- 9. Audit and closure
  - → Please click here to see the detailed timelines.



#### Section 3:

## Background

#### **Business Support Facility for Resilient Agricultural Value Chains**

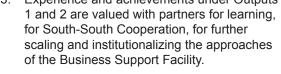
The "Business Support Facility for Resilient Agriculture Value Chains" is a project to support African, Caribbean and Pacific (ACP) agricultural value chains' development, co-financed by the European Union (EU) under the Samoa Agreement with the Organisation of African, Caribbean and Pacific States (OACPS) and by the Federal Ministry of Development and Economic Cooperation (BMZ) and implemented by GIZ.

The project is based on longstanding working experience with the promotion of sustainable agribusiness and value chain (VC) development. Focusing on cashew, cocoa, maize, and livestock value chains, the project aims to contribute to economic and climate resilience of mentioned value chains, as well as food security, increased income, and employment in the 79 OACPS member states under Samoa Agreement.

The project is geared to develop and enhance the capacities of actors along ACP agricultural value chains to attract finance and investment, particularly towards low-emissions and climate resilient practices and value chains through the following outputs:

- 1. Successful agribusiness training approaches and tools are scaled through self-paced e-learning and blended learning (online and face-to-face formats) for cost-effective capacity development in large scale.
- 2. Establishment of a competitive Matching Grant Fund (MGF) to maximize outreach across countries and value chains foster excellence and ownership and mobilize additional resources for implementation. The competitive MGF shall translate the strategic and thematic directions of the component in up to 85 meaningful and costeffective consortia projects involving private and public actors along VCs.

3. Experience and achievements under Outputs 1 and 2 are valued with partners for learning, for South-South Cooperation, for further scaling and institutionalizing the approaches







The Business Support Facility for Resilient Agricultural Value Chain project covers the period from 1st March 2023 until 28th February 2027. It is implemented by two projects of the German Development Cooperation, GIZ, namely MOVE-ComCashew working in the cashew value chain and the Agri-Business Facility (ABF), working on cocoa, maize, and livestock (sheep, goat, cattle).

#### **Section 4:**

# **Guidelines for Matching Grant Fund Applications**

#### **Matching Grant Fund**

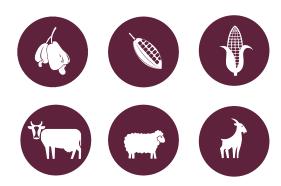
The Matching Grant Fund is one of GIZ's financing tools which will be used in the implementation of Business Support Facility for Resilient Agricultural Value Chains Project Output 2. It is used as an instrument to leverage contributions from private sector actors such as processors, Agricultural Producer Organizations (POs), buyers or off-takers of cashew, cocoa, maize, livestock, and its by-products from the targeted OACPS member states.

Under the Matching Grant Fund, eligible private sector partners can apply for grants by submitting project proposals to jointly work on selected challenges of the cashew, cocoa, maize, and livestock value chains. Grants will then be assessed and allocated based on a set of eligibility criteria, including a cost-share requirement from the grant recipient.

The fund is expected to increase productivity, climate resilience, inclusiveness (women and youth), supply chain linkage and profitability in the cashew, cocoa, maize and livestock (cattle, sheep, and goat) value chains.

#### Objective of the MGF

The overall objective of the Matching Grant Fund is to leverage contributions from partners for the implementation of specific interventions towards the development of the cashew, cocoa, maize, and livestock (cattle, sheep, and goats) value chains and build ownership to drive sustainable growth in the respective sectors, strengthen private sector development, and improve the productivity and profitability of stakeholders of the VCs in all 79 OACPS member states.



#### Who can apply for the Matching Grant Fund?

Multi-stakeholder partnerships (MSP), that consist of a lead applicant (private entity) and its consortium partners, can apply for the MGF. The general idea of MGF is to create a public good that is supporting the existing network the applicant operates in. This can be achieved through knowledge and innovative technologies of production based on open access rules or through capacity strengthening of actors on proven agribusiness approaches along the value chain.

#### Please note:

- All OACPS member states are eligible to apply for the Matching Grant Fund for the value chains: cashew, cocoa, maize and livestock (cattle, sheep and goat). However, in the interest of regional balance, during this call, priority will be given to projects originating from countries with no or few projects from our previous calls. A list of countries and number of projects is published on the respective websites here
- Proposals on the cocoa VC from Ghana, Côte d'Ivoire, and Cameroon are <u>not eligible</u> for this call since these countries are already being supported through the EU Sustainable Cocoa Initiative.

#### Eligible lead applicants (as part of a consortium):

These are legally registered private sector entities such as

- · Processing companies
- Agricultural producer organisations
- Off-takers of the main final product of the value chain and/or its by-products

Please note that **lead applicants must come from the private sector**, whether they are agricultural producers' organisations, processors, or off-takers. **Evidence of legal form and registration** in accordance with the legal provisions that apply in the country in which the private entity is based **must be provided**.

#### Consortium partners (that are not lead applicants):

Consortium partners are legally registered entities entering a binding agreement to implement the proposed project. Consortium partners cannot be service providers for the proposed project or private persons.

Examples for the private sector companies and public sector institutions that can be consortium partners can be found below:

- Processing company
- Agricultural producer organisations
- Off-takers (e.g. traders) of the main product of the value chain and / or its by-products
- Trading/buying companies.
- Business development services
- Agricultural technical and vocational education and training institutions (ATVET)

- National extension organisations (public and private)
- · Civil society actors
- Private Sector Foundation

In terms of the requirements for a consortium, all partners must be legally recognized and empowered to enter into binding agreements. It is fundamental **that each consortium consists of at least one national** / **local partner** (e.g., an MSME, Producer Organisation or similar).

Partners who already received grant from either the 1st or 2nd call of the GIZ MGF are not eligible for this call neither as lead applicant, nor as consortium partner.

For the initial application stage, the filled and signed concept note (see Annex 1), the filled and signed Letter of Intent (LoI, see Annex 2), and the evidence of legal registration of the lead applicant hast to be submitted. A signed Memorandum of Understanding (MoU) that clarifies the roles, governance structures in the consortium, responsibilities, and contributions of each partner will additionally be required for the finalization of the Matching Grant Fund contract.

Pre-existing business linkages between consortium partners prior to the Matching Grant Fund call for proposals should be indicated in the proposal, as it may be beneficial for the application.

All Matching Grant Fund consortium partners must make a specified contribution to the project, which can be provided in cash, in kind, or a combination of the two. The lead applicant is expected to make the largest contribution. Applicants may also wish to enlist external service providers as part of the proposed project.

#### **Consortium Partner versus Service Provider**

#### What is a consortium partner?

Consortium partners are contractual partners in a Matching Grant Fund project that have entered into an official understanding and intend to present a joint project. **They make a specific contribution to the project, whether in cash or in kind.** 

Example: A processing company or producer organization.

#### Who is a service provider?

A service provider **delivers a specific service against payment**. Service providers are not part of the formal consortium and are not expected to contribute cash or in kind to the project. Service providers are selected through a tender process as per procurement guidelines.

Example: (Master) Trainer facilitating a proposed training approach or a consulting firm hosting a digital platform as a service provider.

Note: Women and youth-led consortia are encouraged to apply

#### Project duration and size

Each Matching Grant Fund project can have a duration up to 18 months. You will find details on the stages below.

The financial contribution from EU INTPA, OACPS and BMZ (further referred to as contribution through GIZ / GIZ-part) for each Matching Grant Fund project will be up to a maximum of 100,000 € for all VC's. For exceptional projects, where the implementation goes beyond one country, the amount requested via GIZ can be up to max of 200,000 EUR. For all Matching Grant Projects, the contribution through GIZ would be a maximum of 40% (for cashew) and 50% (for other value chains such as cocoa, maize, livestock- cattle, goat, sheep) of the total budget. The minimum amount requested via GIZ must be 40,000 EUR.

For illustration purposes, the table below lists some project sizes and what financial contributions would be expected from GIZ and the partner(s).







Table 1: Example of contract values and breakdown

	Project value (€)	Contribution by consortium (lead applicant and partners)	Contribution through GIZ (max%)	Contribution through GIZ (€)
Possible for maize, cocoa, livestock	200,000	100,000	50%	100,000
Possible for cashew	200,000	120,000	40%	80,000
Exceptional case cashew (The project is implemented in multiple countries)	500,000	300,000	40% for cashew	200,000
Exceptional case maize, cocoa, livestock (The project is implemented in multiple countries)	400,000	200,000	50% for other VC	200,000

Contributions via GIZ shall be of minimum 40,000 EUR. The contribution via GIZ cannot exceed 100,000 EUR for concepts presented in maize, cocoa, and livestock value chains.

For exceptional projects, where the implementation goes beyond one country, GIZ amount can be up to max of 200,000 EUR

Thus, the Matching Grant Fund partners will be required to contribute at least 60% (for cashew) and 50% (for other value chains such as maize, cocoa, livestock) of the project's cost. Consortium partners are required to make a specified contribution in kind or cash. In-kind contribution, such as staff time, will be included in the calculation of partner's contribution to the entire project cost.



## Which project activities will be supported under the Matching Grant Fund?

Legal provision:

- Proposed project ideas must have a direct development outcome and a public-benefit character. The benefit of lead applicant and consortium partners can be a 'by-product', but not the main goal.
- Applicants expected to define and formulate the objective of the project such that it describes the development objective and not the commercial benefit for the private partners.

Proposed project interventions may aim at addressing the following:

- Enhancing the capacities and skills
   of the mentioned agricultural value
   chains' stakeholders, notably producers,
   processors, off-takers, and MSMEs, to
   attract finance and investment.
- Strengthening the competitiveness, upgrading, and viability of agricultural value chain actors in terms of value addition, technology content, and conformance to international standards.

- Strengthening the integration of producers, processors, off-takers, and MSMEs into national, regional, and global value chains.
- Improving the trade and export competitiveness of the agricultural value chain.
- Setting up an enabling environment for fostering access to finance by agricultural stakeholders through value chain finance.
- Promotion of nutrition-sensitive agricultural value chains.
- Encouraging sustainable agricultural practices and improving environmental and climate change resilience.

Capacity building activities must include a selection of the below mentioned training topics and areas. Information on the approaches can be found in our readiness programme here:

https://www.agribusiness-facility.org/funding.html/ https://www.comcashew.org/matching-grant-fund.

Please be aware that the readiness programme only includes general information hence the exact adaptation of the training material must be specific to your context (i.e., value chain, country, resources, target group, etc.).

- Technical training for value chain actors Topics may include Good Agricultural Practice (GAP), Adaptation to Climate Change (CC), Conservation Agriculture (CA), Agroforestry, Improved Planting Material, etc.
- 2. Entrepreneurial training for value chain actors Topics may include Farmers Business School (FBS, also possible with a focus on climate change), Cooperative Business School (CBS), Processor Business School (PBS), Gender makes Business Sense Plus (GmBS<sup>plus</sup>), mitigation of climate change or adaptation to climate change and other entrepreneurial topics.

These mentioned knowledge products fit for the MGF purpose and bring many advantages for scaling and effective skills enhancement.

Additionally, the proposed projects can include **other innovative and inclusive value chain promotion approaches** combined to the indicated technical and entrepreneurship training approaches.

## Which costs are eligible for reimbursement under the Matching Grant Fund?

Only the actual direct costs (with no mark-ups) immediately incurred by the project are eligible for reimbursement, in accordance with the GIZ contribution agreed in the contract. Costs that exceed the percentage of total costs or the upper limit set by the contract will not be reimbursed. Costs incurred outside of the contract term of the Matching Grant Fund will also not be reimbursed. Overhead costs and other lump-sum amounts, imputed costs, amortization and depreciation, allocations to provisions, and profit mark-ups or other costing mark-ups are not eligible for reimbursement. To know which costs are eligible for reimbursement under the Matching Grant Fund, please see Annex 3.

A detailed budget is required to be handed in with the full project proposal to set up the contract. You can find the template to the application in the readiness programme here:

https://www.agribusiness-facility.org/funding.html/

or <a href="https://www.comcashew.org/matching-grant-fund">https://www.comcashew.org/matching-grant-fund</a>.

#### **MGF Project indicators**

Key performance indicators that feed into the Business Support Facility for Resilient Agricultural Value Chains project's objectives will be used to measure the success or failure of the Matching Grant Fund projects. Indicators will be monitored in a gender-differentiated manner, and a high integration of women and youth (at least 50% respectively) is an essential objective of the project.

The indicators that might be relevant for the project proposal are related to increase of income of producers, processers, their organisations; increased access to financial products and production and processing resources, increased knowledge and skills in entrepreneurship, climate resilient production and processing techniques, as well as implementation of strategies with potential for CO2 equivalent reduction or removal/storage. Increased business linkages and opportunities for youth and women are essential. Furthermore, addressing job creation in primary production, processing and related services along the value chain, improving food security, and introducing innovations (technical, digital, business services) towards climate resilience in the value chains can be noted as potential goals for the proposed project.

It is also important to note that including and empowering women and youth within the value chains is one of the key objectives of the Matching Grant Fund. Applicants should indicate in their proposals if there are women and young people represented in the management of the organisation or if they are part of the owners, as this will be looked upon favourably during the selection process. Applicants should clearly explain how they plan to ensure that at least 50% of the project's target group (e.g., training participants, management of the firm or business unit) are women and young people (age 18-35).

Example of successful project idea can be found on our websites. Please follow the link:

https://www.agribusiness-facility.org/funding.html https://www.comcashew.org/matching-grant-fund

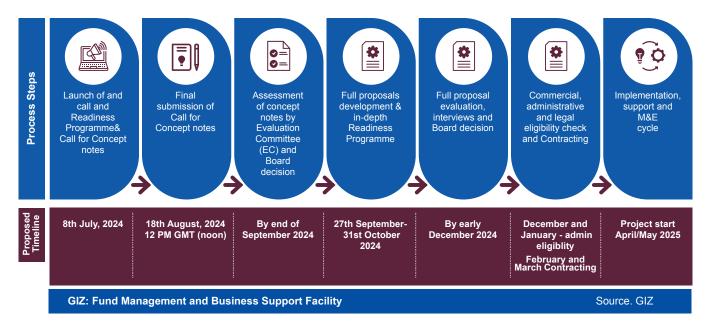


#### **Section 5:**

# Matching Grant Fund Process

#### **Application Process**

#### 1. Timeline for the current call:



The Matching Grant Fund process will commence with a publicized call for concept notes. The call will last for 6 weeks. Once GIZ has received all completed concept notes, they will be assessed and evaluated by a dedicated, independent expert committee. Shortlisted applicants will then be invited to develop a full technical proposal and budget.

During this stage, the GIZ team will work closely with the shortlisted applicants to provide on-demand support in refining the concept and to ensure the final proposal meets the contracting requirements and technical MGF criteria. Furthermore commercial, legal and administrative eligibility assessment of the lead applicant will be conducted for all selected projects before contracting.

The current call for the Matching Grant Fund is managed by the GIZ team. There will be a Matching Grant Fund Evaluation Committee, which comprises individuals selected based on specific profiles (validated by donors) from partner institutions in respective countries. They will evaluate the concept notes as well as full proposals based on pre-validated objective scoring criteria. The final decision on which projects shall be financed would be taken by the Matching Grant Fund Board, made up of representatives of OACPS, EU-INTPA, BMZ and GIZ (being the secretary), as well as the chairperson appointed from the Evaluation Committee.

**Readiness Program:** All documents, including this and further detailed guidelines about the Matching Grant fund application and entire process, will be made available on the ABF, MOVE ComCashew, and partner websites with the launch of the call. General information on training approaches will equally be made available to potential applicants for the Matching Grant Fund in this programme. In addition, webinars on the application process will be organized and links to the MS Teams meeting will be shared on our websites:

Official launch of the call July 8, 2024 (EN and FR)

Application process July 9, 2024 (EN & FR)

Human Capacity Development – eLearning and Trainings July 10, 2024

Portuguese webinar on the process, budget and technical topics July 11, 2024 (PT)

Spanish webinar on the process, budget and technical topics July 11, 2024

Budget and project finance July 12, 2024 (EN & FR)

Gender **July 16, 2024** (EN & FR)

Climate **July 18, 2024** (EN & FR)

For exact times, kindly refer to the websites: <a href="https://www.agribusiness-facility.org/funding.html/">https://www.agribusiness-facility.org/funding.html/</a> or <a href="https://www.agribusiness-facility.org/funding.html/">h

Potential applicants will have the opportunity to ask all questions by contacting <a href="mailto:cashew@giz.de">cashew@giz.de</a> for cashew related issues and <a href="mailto:abf-fund@giz.de">abf-fund@giz.de</a> for cocoa, maize and livestock related issues during the call. The questions and related responses will be published on the website.

The **call for concept notes** will be officially announced and circulated through several channels to maximize its reach. It will be published online, building on the accessible resources of the readiness programme, including the standardized templates and guidelines provided. Potential partners and consortia have the chance to submit concept notes that must, however, align with agreed-upon quality and eligibility criteria according to the targeted agricultural value chains. The main language of the application process will be English and French, however concept notes can be submitted in Spanish and Portuguese as well.

The concept note will provide information about the prospective partners' interests, with details on the Matching Fund partner or consortium and the proposed interventions. Eligible applicants must hand in the application documents by <u>August 18, 2024 12 pm GMT (noon)</u>, to be considered for the assessment by the Evaluation Committee.

Following documents must be filled and submitted by the lead applicant:

Annex 1. Filled and signed concept note template

Annex 2. Letter of intent template filled and signed by all consortium partners.

Proof of legal registration (please attach evidence of legal form and registration in accordance with the legal provisions that apply in the country in which the private entity is based).

 Evaluation of Concept Notes: The received concept notes that fulfill the eligibility criteria and complete formalities of application as stated above will be assessed by a designated Evaluation Committee per value chain.

The Evaluation committee members shall come from private entities, development-cooperation organisations, and governmental and non-governmental institutions, providing diverse perspectives and expertise to support a fair, impartial, and transparent selection process. Subgroups will be constituted for the reading and scoring of concept notes. If needed, simultaneous translation will be provided during the in-person workshop for pre-selection of concept notes and the online sessions for deliberation on the full proposals.

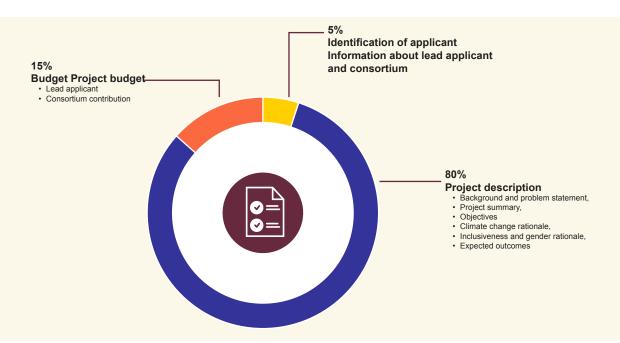
Gender balance and geographical coverage will guide the choice of persons for this evaluation committee from various African, Caribbean, and Pacific regions, with professional experience in technical and managerial approaches, agribusiness and entrepreneurship, agricultural development, private sector organisation and/or

institutional development. They will be approached and shortlisted to participate in the evaluation process.

Scoring systems and assessment protocols are prepared by ABF and MOVE ComCashew and validated by the EU and OACPS. Only high scoring concept notes will be selected to enter the second phase of the readiness programme for full proposal development. The Evaluation Committee will review all concept notes that are submitted and assign an overall score according to technical criteria. For example, it will be assessed how well each proposed project addresses key challenges in the targeted agricultural value chain. To maximize the chances of your proposed project being shortlisted, please read these guidelines carefully and provide detailed information as required in the concept note template.

#### How will your concept note be assessed?

The concept notes will be assessed by the Evaluation Committee based on the following criteria:



The selection process for the Matching Grant Fund will ensure a balance between technical excellence and geographical diversity. The evaluation will be conducted in two stages: general technical ranking (see criteria chart above) and country-specific ranking. Priorities will be given to projects from countries that are underrepresented in our project portfolio. The Board approves the selection of concept notes before they are shortlisted to full proposal development.

3. Full Proposal Development: Shortlisted applicants will be contacted and asked to submit a full technical proposal and budget using the appropriate template. At this stage, you will need to provide more information and additional data for the same eligibility criteria and develop detailed and operationalized strategies. The second phase of the readiness programme will also be open to shortlisted applicants. There you will find further tools and information on proposal design, building modules for the strategy requirements, planning and information on indicators to be achieved, budgeting tools, etc. For the budget, the detailed partner contributions (in cash and in kind) and GIZ contribution sought must be prepared at this stage. Please be aware that a periodic audit will be mandatory for this contract and should be planned for in the project budget. Annex 3 provides more details on the eligible costs. All requested information, including annexes as relevant, needs to be provided to be eligible.

During this stage, applicants will be invited to complete a short questionnaire and submit some relevant documents against the commercial and legal eligibility checks which will be conducted later should your full proposal be endorsed or selected. In some cases, lead applicants may also have to undergo a reputational risk analysis.

4. Evaluation of full proposals: The Expert Committee will assess and score the full proposals and conduct interviews with the applicants, according to the assessment criteria. They will prepare an overview of the scores and the rankings (technical and per-country) for final approval by the Matching Grant Fund Board. The final decision regarding applications will be issued in a timely manner after the submission of the full technical proposals and budgets and will be communicated in writing to all applicants. Commercial and legal eligibility check shall be conducted for selected projects at their respective countries in-person or remotely.

During the final assessment, a balanced portfolio is aimed at. The number of projects selected will ultimately be determined by the budget available to GIZ, which is active in 79 African, Caribbean, and Pacific Countries (see list above under Section 3). Priorities will be given to projects from countries that are underrepresented in our project portfolio.

5. Contracting and Implementation: Upon successful completion and passing of a due diligence process, including the commercial, legal and administrative eligibility check, a suitable contract format will be prepared between GIZ and the lead applicant representing the consortium (most likely an implementation agreement). GIZ finance and administration team will also be in contact with you to explain the nature of the contract and answer any questions, in addition to planned webinars and information in the framework of the readiness programme.

The (lead) applicant shall be legally responsible for the project's implementation and will consult regularly with the GIZ project team, who will be available on an ongoing basis to provide assistance. The agreed funding shall subsequently be released to the (lead) applicant to implement the approved activities according to the agreed schedule of disbursement.

In terms of reporting requirements, the lead applicant will be required to provide regular technical and financial reports (bi-annually) that will be focused on the key interventions tied to the constraints that the Matching Grant Fund investment is addressing using the MGF reporting template. An external audit will need to be performed for all private-led projects. Customized requirements related to the specific conditions and set-up of the partners/consortia may be considered and agreed on during the contracting phase.

At the end of the agreed project period, once the final technical and financial reports are received from the lead applicant and the final external audit report has been submitted, GIZ will formally close the project.

#### **Data Protection**

For Matching Grant Fund applicants, please note that information will only be used internally for the process of partner selection and assessment of concept notes and proposals. Documents will not be shared without the prior consent of the applicants. Please do not hesitate to contact the GIZ team for further clarification.

# Glossary

Please refer to this glossary for definitions of key terminologies:

Key terminology	Definition	
Adaptation (related to climate change)	Adaptation to climate change in agriculture refers to the <b>proactive measures and strategies implemented to reduce the vulnerability of agricultural systems and communities to the impacts of climate change.</b> As climate change brings about shifts in temperature patterns, rainfall variability, increased frequency of extreme weather events, and other climate-related challenges, adaptation becomes crucial for maintaining agricultural productivity, ensuring food security, and building resilience.	
Bankable	Bankable projects are acceptable to or at a bank. This means the financial service requested is offered by the financial institution, and in this case, a financial service request can be submitted and assessed (i.e., due diligence), and the request and clients are assessed as acceptable for the bank. Bankable projects result in profits. To ascertain this, 3 stages of analysis are indispensable: a. technical viability, b. Economic viability (i.e., without cost of financing) in the short, medium, and long term; c. financial viability for the client and bank requested to provide services. This entails the composition (and origins) of investment capital, resources mobilized, management of liquidity (own capital and loans), reimbursement plan, interests, and fees to be paid, profitability after financing, collaterals (different forms), break even with the cost of financing, and sensitivity w/r key parameters of the investment, e. g., prices of crucial inputs, level of interest rates, product prices, and their prospective volatility. Tools and HCD propagated in a MGF and under output 1 of the Action will need to cover these stages in a coherent and user-friendly way.	
Blended Learning	Mix of complementary Online and face-to-face formats.  It integrates the benefits of <b>both in-person and online learning to create a flexible and engaging learning environment.</b> Blended learning typically involves a mix of classroom-based instruction, independent online learning, and interactive digital resources.	
Carbon Credit	Mechanism that allows farmers and agricultural entities to earn credits for implementing practices that reduce greenhouse gas (GHG) emissions or sequester carbon dioxide from the atmosphere. These credits can then be sold or traded on carbon markets. The concept of carbon credits aims to incentivize sustainable agricultural practices that contribute to mitigating climate change.	

#### **Key terminology**

#### **Definition**

#### Climate Resilience

Climate resilience means the capacity of actors along the value chains to prepare for, respond to, and recover from the impacts of climate change in a way to maintain their productivity, functionality, and sustainability while keeping damages minimal. It comprises climate smart agribusiness practices that allow to adapt to actual or expected climate change impacts (adaptation) as well as to prevent, reduce, or remove emissions of greenhouse gases (mitigation.)

These **practices** aim to enhance the ability of communities, ecosystems, and infrastructure to withstand and recover from climate-related hazards, such as extreme weather events, sea-level rise, and changing precipitation patterns. (e.g., ecosystem-based approaches; water resource management; climate-smart agriculture; early warning systems; emergency preparedness, etc.).

# Competitive matching grant scheme

Funding mechanisms are designed to leverage additional resources by encouraging private or/and public organizations to invest their own funds alongside the grant. In this scheme, a funding entity offers a grant that requires the recipient to contribute their own funds or resources in a matching ratio. It promotes ownership and sustainability of projects while allowing funding entities to extend their reach and support a broader range of initiatives.

#### Concept Note

A concise document that outlines the **key innovative ideas**, objectives, and proposed activities of a project. It serves as a preliminary step in the project development process, providing **an overview of the project** to stakeholders, potential funders, or partners.

#### Consortium

A consortium refers to a collaborative arrangement or partnership formed by multiple organizations or entities to work together towards a common goal or objective. Consortiums are often established to pool resources, expertise, and capacities in order to tackle complex challenges or pursue opportunities that may be difficult to achieve individually. (e.g., of consortiums (1) Producers" organization and processing unit; (2) Farmers' organization and wholesaler; (3) Producers' organization and wholesaler; (4) Producers' organization and NGO; (5) Producers' organization and Research or extension service; (6) Producers' organization and ATVETs; (7) Producers' organization and Financial institution; (8) Producers' organization, processing unit, and research or extension service;

## Key performance indicators (KPIs)

Quantifiable metrics are used to evaluate the performance and progress of a project or specific objectives. be specific, measurable, achievable, relevant, and time-bound (SMART), and be regularly monitored and reviewed to drive performance improvements.

## Low emission

Reducing greenhouse gas (GHG) emissions in agriculture is important for mitigating climate change and promoting sustainability in the sector. (e.g., Improved Nutrient Management; Efficient Irrigation; Conservation Tillage; Manure Management; Improved Livestock Management; Agroforestry and Afforestation; Renewable Energy; Waste Reduction and Recycling; Adoption of Climate-Smart Agriculture...etc)

### Letter of Intent

A letter of intent (LOI) is a non-legally binding document that outlines the **preliminary agreement or understanding between two or more parties** regarding a particular project, collaboration, or business transaction. It is often used as an initial step in formalizing a relationship or partnership.

Key terminology	Definition		
Multi- Stakeholder Project	Multi-Stakeholder projects (MSP) refer to the <b>consortium</b> built in this call for concept notes. A consortium is made out of a lead applicant (private entity) and the consortia partners. Several entities (private enterprise, public consortia partner etc.) come together to work on a joint effort contributing in cash or kind. Funding from donors through GIZ also forms one part of the resources for the MSP.		
	The MSP works towards a joint public goal by collaborating in transparent manner in the covered intervention area.		
Resilience	Resilience in agriculture refers to the capacity of agricultural systems, communities, and ecosystems to withstand and recover from shocks, stresses, and disturbances while maintaining their productivity, functionality, and sustainability. It involves building adaptive capacity and implementing strategies that enable agriculture to thrive and continue providing food, income, and ecosystem services in the face of climate change, natural disasters, market volatility, and other challenges.		
Scaling	Process of expanding successful practices, technologies, or interventions to reach a larger number of producers, regions, or markets. It involves taking proven approaches and replicating them on a larger scale to maximize their impact and benefits.		
South-South Cooperation	Cooperation amongst partners in the OACPS member states for continuous exchange of, e.g., knowledge and best practices. It involves mutual learning, the sharing of experiences, and joint initiatives aimed at promoting sustainable development, addressing common challenges, and fostering economic, social, and cultural progress.		
Strategic Value chain	Key for national or even regional food security or about classical export commodities. It concerns key agricultural commodities that have significant potential for economic growth, job creation, and food security, and it involves implementing targeted interventions to enhance their performance and competitiveness.		
Value chain	The agricultural value chain refers to the full range of activities and stakeholders involved in the production, processing, distribution, and consumption of agricultural products. It encompasses all the interconnected stages and processes from farm to fork.		
	It is characterized by interdependencies, relationships, and flows of products, services, information, and finances among its different stages. Stakeholders need to collaborate and optimize their activities to ensure efficiency, sustainability, and the delivery of quality agricultural products to consumers.		
Youth	"Youth" refers to individuals between the ages of 18 and 35 years according to the African Youth Charter		

## **Annexes**

- Annex 1: Concept note template
- Annex 2: Letter of Intent template
- Annex 3: Guidelines on cost eligible for reimbursement
- Annex 4: Working aid budget
- Annex 5: List of countries with projects from previous calls

#### **Imprint**

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