

ANNUAL PROGRAM STATEMENT (APS) DIVERSIFIED CROPS MARKET SYSTEM

Name of Project	Bangladesh Feed the Future Rice and Diversified crops (RDC) Activity
Annual Program Statement (APS) No.	14-2020
Date of Issue	April 01, 2020
Closing Date for Receipt of Applications <i>(Late applications will not be considered.)</i>	March 31, 2021
Questions on this solicitation should be submitted to e-mail address provided no later than the date indicated.	E-mail: info@acdivocardc.org December 31, 2020
<i>(Optional)</i> The project will hold a briefing for interested parties on the date and location indicated. Those interested should notify the e-mail above of their planned attendance.	No briefing Session will be held

I. PROGRAM DESCRIPTION AND OBJECTIVES

ACDI/VOCA is implementing the project entitled, Bangladesh Feed the Future Rice and Diversified crops (RDC) Activity with funding from USAID.

USAID's Feed the Future (FtF) Bangladesh Rice and Diversified Crops (RDC) Activity seeks to improve food security through facilitating systemic changes that can increase rural incomes. It is a five years project from July 13, 2016 to July 12, 2021. The USD 24.5 million initiative targets 500,000 farmers from the FtF zone in south-western Bangladesh. RDC will catalyze market system changes that promote diversified farm management approaches focused on intensified production of rice and the production of higher-value, nutrient-rich crops, improve food security and nutrition in the Khulna, Barisal, and southern Dhaka divisions of Bangladesh (FtF Zone).

RDC Objectives:

- Improved Food Security through facilitating systemic changes within market systems that increase incomes
- Increased intensification of rice and productivity improvements of diversified crops
- Increase competitiveness and inclusiveness of rice-based crop market systems.

In pursuit and support of these objectives, the project hopes to select eligible organizations to receive grants to carry out activities in the following areas:

The FtF activities focus on **Khulna** Division (Jessore, Jhenaidah, Magura, Narail, Bagerhat, Khulna, Satkhira, Chuadanga, Meherpur), **Barisal** Division (Barisal, Bhola, Jhalokathi, Pirojpur, Barguna, Patuakhali) and **Dhaka** Division (Faridpur, Gopalganj, Madaripur, Rajbari, Shariatpur).

RDC focal crops include:

- Rice
- Maize
- Pulses (including lentil, mungbean and chickpeas)
- Oilseeds (including mustard, sunflower, sesame, soybean and groundnut)

RDC also places emphasis on the following cross-cutting functions:

- Fertilizer
- Seed Treatment
- Crop Protection
- Information Communication Technology (ICT)
- Financial services
- Mechanization
- Gender
- Nutrition

RDC plans to collaborate with private companies/firms to address the systemic constraints faced by producers that inhibit their potential productivity, profitability and expansion.

The RDC Request for Application (RFA)

RDC will utilize a Request for Application (RFA) process to solicit applications to address constraints and opportunities present in rice cropping systems in the FtF Zone.

RDC is inviting companies/ firms who are interested in designing new and innovative business models, targeting farmers of the FtF zone, with an objective to achieve an improved commercial relationship among different market actors (e.g. companies, traders, agents, farmers). The business proposals must address at least one or multiple challenges that prevail in the sectors or crosscutting functions as mentioned in the above table.

Proposed business models/concepts must adhere to and support one or more of the following:

- Establishment/ expansion/ improvement of distribution models (for input companies) and/ or procurement models (for output companies) to include more underserved market actors in the rural areas (e.g. women, youth)
- Improvement/expansion of distribution models and/ or procurement models into new and underserved geographic markets in the FtF zone
- Addressing food security issues
- Innovative business ideas that target and benefit underserved farmers in the FtF zone.
- Period of performance should not be more than one year.

What does RDC Offer

RDC can provide both **technical** and **financial** support to execute the proposed and agreed upon business models/ideas:

- Financial support agreements, with RDC contribution ranging from **US Dollar \$5,000 to \$25,000** or equivalent in Bangladesh Taka. The final agreement will be negotiated with selected, qualified companies. This support must contribute to a significant investment that the companies will make themselves.

- Facilitation of fine tuning/improving the proposed business models or strategic plans
- Technical support as needed for successful implementation of the proposed models/ initiatives
- Facilitation of identifying or developing business linkages with other market actors

RDC can also offer follow on grants to/support to grantees to scale up successful interventions.

The RDC Fund cannot be Used for:

- Working capital (e.g. day to day operational costs, salaries of regular staff, rent of buildings/office space/storage houses, purchases)
- Direct payments/subsidies to producers/farmers
- Common fixed assets (e.g. computers, vehicles, tools, machineries, equipment)
- Common physical assets (e.g. buildings, warehouses, storage houses, *chatahs*)
- Improving or expanding a company's procurement to government or donor programs

Expected Results

It is expected that participating companies/firms will commercially benefit from the proposed business model. It will lead to inclusive and sustainable businesses through which the companies will be able to provide innovative and improved solutions for the betterment of the farmers in the FtF zone. It is also expected that farmers will have improved knowledge and skills regarding production processes of their crops. The farmers are expected to benefit from the inclusive business models of the companies. It will lead to improved commercial relationships and trust among the companies/firms, farmers and other market actors that are involved in the crop value chains/ sectors.

Depending on the success of the initial partnership, there will be opportunities for further investment to scale-up the successful models.

II. AWARD INFORMATION

Any amount that may be indicated below are projections. Applicants should not use them as targets or assume them to be guaranteed amounts.

Projected number of grants to be awarded	26
Projected not-to-exceed amount of an individual grant	2,000,000.00
Currency in which grant will be issued and paid	Bangladeshi Takas
Anticipated period of performance of an individual grant (<i>duration in months</i>)	Up to 12 months, with possibility of follow on grants based on results
Anticipated start date of performance (<i>Note: Grants will not be expected to begin on the same date. This date is only a guide to when the initial batch of grants will be expected to commence.</i>)	May 1,2020
Type of grant that <u>may be</u> issued: (<i>Note: The final choice of grant instrument will be determined after all elements of the grant application have been evaluated, including any risk that may be identified by ACDI/VOCA.</i>)	
<input type="checkbox"/> In-kind Grant <ul style="list-style-type: none"> • Only goods and services (not cash) will be transferred to the grantee. 	

Fixed Amount Subaward

- Grantee will receive grant funds in pre-determined fixed amount (non-adjustable) increments only after successful completion of quantifiable or otherwise verifiable milestones.

Cost Reimbursable Grant

- Grantee will be reimbursed for allowable and allocable costs incurred up to the amount obligated (i.e., available funds) to the grant.

III. ELIGIBILITY OF PROSPECTIVE APPLICANTS

Applications from potential new partners are encouraged. All applicants must be able to demonstrate that they meet the following mandatory eligibility requirements.

1. Properly document its legal status in its country of operation or place of performance of the grant, if awarded. It must be able to provide proof of its registration in the relevant jurisdiction and other appropriate documents that it is formally constituted, recognized by and in good standing within such jurisdiction, and compliant with all applicable civil and fiscal regulations.
2. Not identified in the System for Award Management (SAM) as ineligible to receive U.S. government funds.
3. Not appear on the Specially Designated Nationals (SDN) and Blocked Persons List maintained by the U.S. Treasury for the Office of Foreign Assets Control, or "OFAC List".
4. Not listed in the United Nations Security designation list.
5. Agree to be subject to a pre-award assessment to examine its possession or ability to obtain the necessary management competence to plan and carry out the activities to be funded and the Applicant will practice mutually agreed upon methods of accountability for the funds and other assets to be provided under the grant.
6. Can and willing to sign and submit the following required certifications if the grant will be funded by USAID:
 - *Assurance of Compliance with Laws and Regulations Governing Nondiscrimination in Federally Assisted Programs*
 - *Certification Regarding Lobbying*
 - *Certification Regarding Terrorist Financing*
 - *Key Individual Certification Narcotics Offenses and Drug Trafficking*
 - *Participant Certification Narcotics Offenses And Drug Trafficking*
 - *Certification of Recipient*

Additional eligibility requirements:

- Have an interest in expanding or developing inclusive and sustainable business models to procure agricultural products from the FtF zone
- Ideally, have been a legally registered company for at least the past two (2) years

- Have a commercial interest and incentive to invest in the capacity development of producers and other market actors
- Make an investment of at least 50% of the total program budget**
- Is not involved in an activity prohibited by USAID and is not in default with any development project
- Propose business models/concepts which satisfy and support one or more of the following will be given preference – (i) new and innovative business models, (ii) expansion of successful business models into new and underserved geographic markets and (iii) expansion of the business models targeting underserved customers in the rural areas, such as youth and women
- Legal support documents (e.g. certificate of incorporation, trade license, Tax Identification Number, VAT registration number, proof of bank account and/or any other legal document which might be deemed necessary as per the rule of the country and requirement of RDC) will need to be submitted as part of a due diligence process.

Note: *The Program is not eligible for Non-Government Organizations (NGOs), Consulting Firms or Associations.*

****** *The Applicant need to meet under RDC market actor agreement the 1:1 leverage requirement in cash funds or In-Kind resource which can be measurable. The grantee is encouraged to provide more than the minimum leverage requirement depending on the level of facilitation intensity required.*

IV. APPLICATION AND SUBMISSION INFORMATION

A. Format

1. All costs associated with responding to this solicitation shall be the sole responsibility of each applicant.
2. ACDI/VOCA reserves the right not to make any award from this solicitation.
3. Applicants must use the template provided in Annex A for the technical approach and corresponding budget.
4. Applications must be submitted in English.
5. The total number of pages shall not exceed 3 for the technical approach including attachments supporting the technical section.
6. Electronic submissions will be accepted by the same closing date. If submitting electronically -

The technical section and any attachments should be submitted using Microsoft Office Word 2013, or compatible version.

Electronic submissions should be submitted to this e-mail address: info@acdivocardc.org clearly stating the “**Application in response to APS # 14-2020- Diversified crops market system**” in the subject line.

ACDI/VOCA will not be responsible for any failure of transmission by an Applicant.

B. Additional Instructions for Technical Section

Applicants should propose to activities that are results-oriented to help achieve the objectives described in Section I, Program Description. A result is a significant, intended, and measurable change in the condition of a beneficiary or a change in the host country, institutions, or other entities that will affect the beneficiary directly or indirectly. The application should demonstrate the Applicant’s good understanding of these objectives by proposing to achieve results that can be quantified and measured.

At a minimum, a results-oriented grant application should have the following three key elements:

* Identifies specific results to be achieved and identifiable strategies and processes to achieve the intended results.

* Performance management system to measure and assess the achievement of planned results. This will include baseline data and performance goals at various levels against which actual achievement can be compared.

* Responsibility for performance to determine who is accountable for achieving results

C. Additional Instructions for Budget Section

1. Applicants should propose only those costs that are necessary and reasonable to perform the activities described in the application. Guidance on certain limitations are provided in the Section II, Award Information.
2. Items of cost will be reviewed under the standards of the cost principles in the U.S. government regulation, 2 CFR 200 Subpart E.
3. Applicants are required to submit a budget narrative that explains and justifies the need for the costs proposed in the budget. The narrative should help the reviewer understand ***why an item of cost is necessary and how it will be used for the activity for which it will be incurred.*** The budget narrative should demonstrate the relationship between the proposed activities and the budget. Just as the technical application should reflect the Applicant’s understanding of the objectives and the proposed approach to achieve those objectives, the budget and the accompanying narrative should be realistic and show a similar understanding of the financial requirements of the proposed program of activities.

V. EVALUATION

Applications will be evaluated against the evaluation criteria in the table below.

Criteria	Maximum Score
Technical Merits	60
Organizational capacity and Past performance	25
Cost effectiveness and cost realism	15
Total:	100

These evaluation criteria elements are described more fully below.

A. Technical Merits: The quality and feasibility of the application in terms of the viability of the proposed technical approach, (i.e., the proposed technical approach can reasonably be expected to produce the intended outcomes), appropriateness of the proposed methodology, innovativeness, and the work plan for achieving project Evaluation of approaches may include either approaches proven to be effective or new untried approaches with promise. Proposed mechanisms for monitoring and evaluation with objectively measurable indicators will also be appraised.
60 points

B. Organizational Capacity: Evidence of the capability to undertake and accomplish the proposed activities and positively strengthen the environment for trade and investment. The application should demonstrate the organization’s effectiveness in terms of internal structure, technical capacity, and key personnel, in meeting economic development goals. In addition, the organization must demonstrate adequate financial management capability. The evaluation will be based principally on the background, qualifications, reputation, appropriateness and skills of its key personnel; and the “track record,” reputation, and achievements (including development of self-sufficient, sustainable activities) of the organization.

Past Performance: Previous or ongoing experience implementing similar activities. This examines an Applicant's references and experience, which is a critical factor in assessing the capacity of the organization to implement the activity. **25 points**

C. Cost effectiveness and Cost Realism: The degree to which budgeting is clear and reasonable and reflects best use of organizational and grant resources. Applicant contribution reflects commitment to the project. Any applicant to be supported under this RFA is expected to make a 50% investment to total program budget proposed towards the implementation of the activity. **15 points**

Additionally, *Rice and Diversified crops (RDC) Activity* will ensure environmental soundness and compliance in design and implementation as required by 22 CFR 216.

SECTION VI. AWARD AND ADMINISTRATION INFORMATION

All grants will be negotiated, denominated and funded in *Bangladeshi Taka*.

All costs funded by the grant must be allowable, allocable and reasonable. Grant applications must be supported by a detailed and realistic budget as described in Section IV.

Issuance of this RFA and assistance with application development do not constitute an award or commitment on the part of Rice and Diversified crops (RDC) Activity, nor does it commit Rice and Diversified crops (RDC) Activity to pay for costs incurred in the preparation and submission of an application. Further, Rice and Diversified crops (RDC) Activity reserves the right to accept or reject any or all applications received. Applicants will be informed in writing of the decision made regarding their application.

ADDENDUMS

Addendum A and Appendix A

ANNEXES

Annex A – Grant Application Form with Budget

Application Form

Title of the Proposed business model/ concept_____

Name of the company/ firm		
Company/firm address		
Contact Person (on behalf of the company/ firm)	Name	
	Designation	
	Contact Number	
	Email:	
Proposed duration of the project (should be between 6 – 12 months)		
Proposed total budget (in BDT)		

1. Organizational Profile [maximum ½ page]

[Please write a brief introduction of the organization. The introduction must include information on its establishment, offices (headquarter and field offices), no. of permanent employees and core business of the organization such as crops which are procured, distribution models, etc.]

2. Proposed Business Model [maximum 1 page]

2.1. Market Opportunities

[Briefly outline the business opportunity as you see it]

2.2. Challenges

[Explain the main constraints for the company in exploring this opportunity- why do you need support to explore it]

2.3. Proposed Business Model

[Describe the proposed business model/ concept that the company would use to address the opportunity]

2.4. Relationships:

[Describe how the proposed business model would better service the different market players (e.g. farmers, traders, arotdars, the company)]

2.5. Target Group and Geographic Coverage

- *How many farmers can potentially be reached by the proposed business model?*
- *Who else that might benefit from the model?*
- *How many female farmers or other female market actors will be reached (if any)?*
- *Mention the target geographic areas (district and upazilla)*

3. Key Activities and Proposed Timeline [maximum 1 page]

- *Mention the major activities which need to be undertaken to implement the proposed business model*
- *Propose a timeline to carry out the major activities*

4. Future Plans [maximum ½ page]

Beyond the project period and without the project fund, what are the plans

- *to continue the proposed business model in the future, and*
- *to expand the proposed business model in other geographical regions or other product lines of the company/ firm*

5. Fund Rationale [maximum ½ page]

- *What would RDC funds be utilized for?*
- *Is the company able to match these funds?*
- *Why does the applicant need grant funding rather than commercially available finance?*

6. Experience with Other Development Projects or Government Projects

- *Past experience of working with other development partner(s) in the last **two years** (if any)*
- *This is not a requirement but informs RDC if the applicant is currently active with other development projects.*

Sl.	Name of the Project	Name of the Development Organization (i.e. donors, donor funded projects, development organizations or others)	Current status (on-going or closed)	Project Budget	% budget contribution of the company
1					
2					

Budget Template

Instructions: Each company/ 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 to at least **50%** of the program budget. *Operation and administrative cost are discouraged to include in the budget (e.g. staff salary, rent etc.)*

No	Activity/ Cost head	Unit Name (e.g. month/ day/ session)	Number (#) of Units	Cost per Unit (in BDT)	Total cost (in BDT)	Company Contribution (in BDT)	RDC Contribution (in BDT)	Budget Note
1								
2								
3								
4								
Total Budget								
Contribution to the budget (in %)								

Note: If any applicant wants to add additional information relevant to the budget or any line item of the budget, please add columns to the right of the above template.

- Units are description of the activity, for example- Retailers' Trainings, Demonstration Plots, Meetings, Participants
- Quantity = Numerical count of the Unit

Addendum- A to RDC Annual Program Statement No. 14-2020

As part of its Annual Program Statement (APS), the USAID/Bangladesh Feed the Future (FtF) Rice and Diversified Crops (RDC) activity is inviting interested agricultural input companies to submit an application for the development and marketing of one or more of the following commercial products.

1. Nitrogen fixing rhizobium bacteria and other biofertilizers (other than compost) and biopesticides
2. Chemical and biological seed dressings (*using USAID approved active ingredients*) including seeds treated before sale with novel seed dressing and coating products.
3. Novel CPP packaging systems that will make their use more efficient and safe.
4. Novel branded agricultural input retailing systems

The APS and application form can be downloaded at the following website:

<https://www.acdivoca.org/projects/bangladesh-rice-and-diversified-crops-activity/>

The following provides a brief description of each of these products and specific information that should be included in an application. Illustrative initiatives for each product are listed in **Appendix A** to this addendum.

1. Nitrogen fixing rhizobium bacteria and other biofertilizers (other than compost) and biopesticides -

RDC would like to support the private sector to develop production and marketing systems for micro-organism based biofertilizers, including rhizobium nitrogen fixing bacteria, biopesticides including Trichoderma and bio stimulants including plant growth regulators. This will result in the development of new markets for companies and safer, more effective means of raising crop production for farmers (that are also more environmentally friendly than current chemical-based fertilizer and crop protection systems). Applications should include:

- a) The type of biological agent or combination of agents the company wishes to market
- b) How these organisms will be produced, packaged and marketed
- c) How information about these products will be conveyed to company sales staff, retailers and farmers.

2. Novel CPP packaging systems that will make their use more efficient and safe –

RDC would like to support the private sector to develop novel packaging systems that improve the delivery and use of crop protection products (CPPs) by farmers. These CPPs should be appropriate for rice, maize, pulses and oil seeds and the company promotion and marketing activities should include the RDC zone. While there are many CPPs on the market with packaging appropriate to farmers the survey found that there are opportunities for improvements and innovation. Applications should include:

- a) The type of packaging they wish to develop and the technical assistance they will require to design and manufacture the containers
- b) How information about this new packaging will be transmitted to sales staff, retailers and farmers
- c) The technical support the company will need to implement this program.

3. Chemical and biological seed dressings (*using USAID approved active ingredients*) including seeds treated before sale with novel seed dressing and coating products –

RDC would like to support the private sector to develop and market **novel** chemical seed dressing products that would control the major soil and seed borne diseases of rice, grain legume and oil seed crops. Only those chemicals included on the list of crop protection products approved for use by USAID

financed programs¹ will be considered. These products could include standard seed dressing products, but companies are encouraged to consider the use of novel formulations such as pelletized and poly film coated seeds, coating seed in micro nutrients, and plant grown stimulants. For grain legumes chemical pesticides should not be used as seed dressings as these inhibit the action of any nitrogen fixing rhizobium bacteria applied to grain legume seeds. Ingredients could micro nutrients such as boron and molybdenum know to stimulate nitrogen fixation. Applications should include:

- a) The seed dressing products (including the chemical ingredients) the company wishes to market. These must be amongst the list of chemicals approved by the USAID Bangladesh PERSUAP (*copy of this is available from RDC upon request*).
- b) Information about the formulations they would use including seed pelletizing.
- c) How information about the use of seed dressings and seed pelletized products will be conveyed to company sales staff, retailers and farmers

4. Novel branded agricultural input retailing systems that are “branded” and that will improve services to farmers by providing them with products from trusted suppliers, a wider range of products and service from one shop and information from well-trained shop staff. Examples could include branded regional input supply shops wholly owned by national level companies, franchise operations, etc. Application should include the type of branded retailing system they wish to develop.

¹ USAID/Bangladesh Programmatic Pesticide Environmental Report and Safer Use Action Plan (PERSUAP), September 2015

Appendix A: Illustrative Examples of Company Initiatives

The following are illustrative examples of initiatives/activities that could be piloted by a company to develop and market the afore mentioned products. Feel free to identify additional activities not mentioned here!

Novel retailing systems

1. Design of branded retailing system (*collaboration with US based or regional companies with this capacity would be welcomed*)
2. Participation in international workshops and study tours to establish contacts with other companies who have established branded shop or novel retailing systems for agricultural input retailing
3. Establishment of pilot retail outlet using the new system
4. Support for sales staff and retailer training

Biofertilizer, Biopesticide and Bio stimulant production and marketing

1. Design, development, packaging and marketing of biological agent (*this might involve establishing microorganism production systems, including fermentation equipment, packaging systems and equipment, marketing and information dissemination systems that will inform sales staff, retailers and farmers about this new product. Collaboration with US based or other companies with this capacity would be welcomed*)
2. Participation in international workshops and study tours to establish contacts with other companies working on the same biologically based crop production systems
3. On-farm testing and demonstration of new biological products (*this could be done in collaboration with national or international research institutes or with overseas based companies. Collaboration with US based companies would be welcomed*)
4. Support for mass publicity campaigns to make farmers aware of how biological agents work and their advantages (*this could include social media and tea shop advertising as well as television program. This could include the use of short videos as well as a longer video presentation for TV and might at first focus on grain legume nitrogen fixation and the importance of rhizobium inoculation of grain legume seeds.*)
5. Support for sales staff and retailer training
6. Support for demonstrations and field days

Innovative crop protection product (CPP) packaging

1. Design and manufacture of novel CPP packaging (*collaboration with US based or other companies with this capacity would be welcomed*)
2. Design and implementation of publicity campaign for the use of new and novel CPP packaging (*this might involve designing and producing promotional material including short videos which explains the advantages for the farmer of using these new packs and how to use them*).
3. Mass publicity campaigns to make farmers aware of the advantages and use of novel CPP packaging (*this could include social media, tea shop and bill board advertising. This could also include the use short videos as well as a longer video presentation for TV*).
4. Support for sales staff and retailer training
5. *Development of packaging system spray tanks that reduces the chance of farmers coming into direct contact with the concentrated chemical and ensures the correct dosage is mixed in the spray tank and applied to the crop. Examples include a container that contains only enough a CPP product for one 16 litre spray tank, container that has a self-measuring system that delivers sufficient chemical for mixing in one tank, etc.*