

Request for Proposal (RFP)

Subject RFP #:	RFP-CATALYZE-217772-Ethiopia-2022-0348
RFP Issue Date:	December 8, 2022
Terms of Reference / Specifications:	Service Provider for Anchor Firm collaboration for malt barley value chain development, Boortmalt Ethiopia PLC (BME)
Project	USAID CATALYZE Ethiopia: MS4G
The Company	Palladium International, LLC
Country of Performance	Ethiopia
Closing Date and Time	January 06, 2023, at 11:59 PM, Nairobi time (UTC+3)
Questions Deadline	<input checked="" type="checkbox"/> Accepted at <a href="mailto:ethiopiams4g.procurement@thepalladiumgroup.com">ethiopiams4g.procurement@thepalladiumgroup.com</a> by December 16, 2022, at 02:00 PM, Nairobi time (UTC +3)
Bidders' Conference	<input checked="" type="checkbox"/> Virtually on December 20, 2022, at 02:00 PM, Nairobi time (UTC +3)
Details for Submission	Submissions will be accepted: <input checked="" type="checkbox"/> Electronically: email to <a href="mailto:ethiopiams4g.procurement@thepalladiumgroup.com">ethiopiams4g.procurement@thepalladiumgroup.com</a>
Offer Validity Period	120 days

Thank you for your interest in the above procurement. As implementer for the CATALYZE Innovative Blended Finance Project funded by United States Agency for International Development (USAID), Palladium invites you to submit a proposal for the scope of work attached in Annex A. Your proposal must be valid for the Validity Period.

Please email your notice of intention to submit a proposal by the Questions Deadline. Answers to questions shall be distributed to all offerors that have indicated an intention to submit a proposal by the deadline.

Please submit your proposal in accordance with the Details for Submission above by the Closing Date and Time. This RFP in no way obligates Palladium to award a contract nor does it commit Palladium to pay any cost incurred in the preparation and submission of a proposal. Palladium bears no responsibility for data errors resulting from transmission or conversion processes.

Yours sincerely,

CATALYZE Procurement Team

## Terms and conditions

### 1. Proposal Conditions

By submitting a proposal, potential suppliers are bound by these terms and conditions. Potential suppliers must submit offers with all details provided in English and with prices quoted in a single currency.

### 2. Proposal Lodgement

The Company may grant extensions to the Closing Time at its discretion. The Company will not consider any quotes received after the Closing Time specified in the RFP unless the Company determines to do so otherwise at its sole discretion.

### 3. Evaluation

The Company may review all proposals to confirm compliance with this RFP and to determine the best proposal in the circumstances.

### 4. Alterations

The Company may decline to consider a proposal in which there are alterations, erasures, illegibility, ambiguity, or incomplete details.

### 5. The Company's Rights

The Company may, at its discretion, discontinue the RFP; decline to accept any proposal; terminate, extend or vary its selection process; decline to issue any contract; seek information or negotiate with any potential supplier that has not been invited to submit a proposal; satisfy its requirement separately from the RFP process; terminate negotiations at any time and commence negotiations with any other potential supplier; evaluate proposals as the Company sees appropriate (including concerning information provided by the prospective supplier or from a third party); and n, and with any one or more potential suppliers.

### 6. Amendments and Queries

The Company may amend or clarify any aspect of the RFP before the RFP Closing Time by issuing an amendment to the RFP in the same manner as the original RFP was distributed. Such amendments or clarifications will, as far as is practicable be issued simultaneously to all parties.

Any queries regarding this RFP should be directed to the Contact Person identified on the cover page of this RFP.

### 7. Clarification

The Company may, at any time before execution of a contract, seek clarification or additional information from, and enter into discussions and negotiations with, any or all potential suppliers in about their proposals. In doing so, the Company will not allow any potential supplier to substantially tailor or amend their proposal.

### 8. Confidentiality

In their proposal, potential suppliers must identify any aspects of their proposal that they consider should be kept confidential, with reasons. Potential suppliers should note that the Company will only agree to treat information as confidential in cases that it considers appropriate. In the absence of such an agreement, potential suppliers acknowledge that the Company has the right to disclose the information contained in their proposal.

The potential supplier acknowledges that in the course of this RFP, it may become acquainted with or have access to the Company's Confidential Information (including the existence and terms of this RFP and the TOR). It agrees to maintain the confidence of the Confidential Information and to prevent its unauthorized disclosure to any other person. If the potential supplier is required to disclose Confidential Information due to relevant law or legal proceedings, it will provide reasonable notice of such disclosure to the Company. The parties agree that this obligation applies during the RFP and after the completion of the process.

### 9. Alternatives

Potential suppliers may submit proposals for alternative methods of addressing the Company's requirement described in the RFP where the option to do so was stated in the RFP or agreed upon in writing with the company prior to the RFP Closing Time. Potential suppliers are responsible for providing a sufficient level of detail about the alternative solution to enable its evaluation.

### 10. Reference Material

If the RFP references any other materials including, but not limited to, reports, plans, drawings, samples, or other reference material, the potential supplier is responsible for obtaining the referenced material and considering it in framing their proposal. And provide it to the Company upon request.

### 11. Price/Cost Basis

Prices or costs quoted must show the tax-exclusive price, the tax component, and the inclusive price.

The contract price, which must include any taxes, supplier charges, and costs, will be the maximum price payable by the Company for the Goods and/or Services.

### 12. Financial information

If requested by the Company, potential suppliers must be able to demonstrate their financial stability and ability to remain viable as a provider of the Goods and/or Services over the term of any agreement.

If requested by the Company, the potential supplier must promptly provide the Company with such information or documentation as the Company reasonably requires to evaluate the potential supplier's financial stability.

### 13. Referees

The Company reserves the right to contact the potential supplier's referees, or any other person, directly and without notifying the potential supplier.

### 14. Conflict of interest

Potential suppliers must notify the Company immediately if any actual, potential or perceived conflict of interest arises (a perceived conflict of interest is one in which a reasonable person would think that the person's judgment and/or actions are likely to be compromised, whether due to a financial or personal interest (including those of family members) in the procurement or the Company).

### 15. Inconsistencies

If there is an inconsistency between any of the parts of the RFP, the following order of precedence shall apply:

- (a) these Terms and Conditions
- (b) the first page of this RFP; and
- (c) the Schedule

so that the provision in the higher ranked document will prevail to the extent of the inconsistency.

### 16. Collusion and Unlawful Inducements

Potential suppliers and their officers, employees, agents, and advisors must not engage in any collusive, anti-competitive conduct or any other similar conduct with any other potential supplier or person or quote any unlawful inducements about to their proposal or the RFP process.

Potential suppliers must disclose where proposals have been compiled with the assistance of current or former Company employees (within the previous 9 months and who were substantially involved in the design, preparation, appraisal, review, and or daily management of this activity) and should note that this may exclude their proposal from consideration. Potential suppliers warrant that they have not provided or offered any payment, gift, item, hospitality, or any other benefit to the Company, its employees, consultants, agents, subcontractors (or any other person involved in the decision-making process relating to this RFP) which could give rise to a perception of bribery or corruption about the RFP or any other dealings between the parties.

### 17. Jurisdiction

This RFP shall be subject to the laws of the District of Columbia, United States of America. The language of the arbitration will be English.

The Potential Supplier and the Company will use their best efforts to settle amicably any dispute, controversy, or claim arising out of, or relating to this RFP or the breach, termination, or invalidity thereof.

If no agreeable settlement can be found, any dispute, controversy, or claim arising out of or relating to this RFP or the breach, termination, or invalidity thereof, shall be settled by mediation through the American Arbitration Association by filing a request for mediation with the AAA and the other party. The Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute.

## Company Information

Palladium is a global leader in the design, development, and delivery of Positive Impact — the intentional creation of enduring social and economic value. We work with corporations, governments, foundations, investors, communities, and civil society to formulate strategies and implement solutions that generate lasting social, environmental, and financial benefits.

## Project Background

USAID CATALYZE (MS4G) is a four-year activity funded by USAID/Ethiopia focusing on creating transformative outcomes in the food security and WASH sectors. To achieve these goals, the activity will engage youth, mobilize capital, increase access to finance, and support stakeholders to self-advocate toward policy change which will promote opportunities for the private sector community. In response to the impact of supply disruptions, sharp price increases in the price of food, and increases in the cost of agricultural production in Ethiopia, CATALYZE MS4G is placing a special focus on activities and partnerships with Ethiopian private sector partners to help increase farmer's access to – and ability to afford – both chemical and biological fertilizer, enhance the reliance of enterprises impacted by the rising cost of fertilizer, and strengthen Ethiopia's fertilizer and supply chain over the long term.

## Purpose

Boortmalt Ethiopia PLC ("BME"), a subsidiary of Belgium-based Boortmalt, was established in Ethiopia in 2017 with a total malt barley production capacity of 80,000 MT. BME is engaged in malt manufacturing and certified seed production. Over the past six years, BME has cultivated a presence in Ethiopia to support local barley growers and conduct barley variety trials, helping increase knowledge on growing local barley. Located in the Debre Birhan Industrial Park, the malting facility requires a supply of 80,000 MT of malt barley sourced from local farmers to operate at full capacity. Currently, BME is only able to source 50% of the malt barley needed to operate at full capacity. BME is currently sourcing malt barley from more than 30,000 farmers and strives to create a reliable and sustainable supply of malt barley in a manner that enables BME to fully utilize its installed plant capacity.

The purpose of this RFP is to select a service provider with agricultural and supply chain management background to support the development of Boortmalt Ethiopia PLC ("BME") malt barley supply chain. BME's ultimate goal is to achieve optimal utilization of malting plant located in Debre Berhan. Through achieving this goal, they aim to support rural smallholder farmers to grow from subsistence to commercial production levels, create employment opportunities for rural youth and women, increase financing to the agricultural sector, and introduce modern farming and supply chain practices. This includes but not limited to:

- Strengthen BME's current supply chain partners by increasing productivity
- Enhanced cluster development in the sourcing regions
- Organize and hold Farmers Field School (FFS) for 15,000 malt barley farmers not currently in BME's supply chain

## Type of Contract

Palladium intends to issue a Pay-for-Performance (P4P) subcontract to the selected offeror.

## Anticipated Contract Period of Performance

Subcontracts will be offered to winning bidders for a period of **15 months** with the option for renewal based on performance and the availability of funding, at the sole discretion of MS4G.

## BME Contribution / Resources

BME has a team of 50 agronomists working throughout this region that can be leveraged for support.

## Place of Performance

The activities to be performed under this subcontract will take place in Ethiopia. Specifically in Addis Ababa and North Shewa zone of Oromia and Amhara. The team proposed by the offeror would be expected to travel around these areas. For more information, see the Instructions for Submission of Cost Proposal.

## Staffing and Level of Effort

Offeror will propose a team of people with the skill set suitable to address the various deliverables in Annex A. But at a minimum the team proposed should include the following:

- Team Leader to oversee the work of each component
- Field-level advisory services to provide on-demand advice and field demonstration of the activities to be implemented to reach the objective of this project. The service provider will be the main point for monitoring advancements.
- Zonal-level coordination for team organization and monitoring. The aim is to show how the monitoring of clustering activities should be done and how to set realistic targets for the future.
- Supply chain expertise based in Addis, for reporting challenges and advancements by mail, phone calls, and physical meetings when necessary.
- Expertise in barley production based in Addis, for any technical questions on malt barley production.

A complete scope of work is attached as Annex A.

### Table 1: Key Deliverables by Component and Timeline

Offeror shall submit a work plan and recruit/assign at least three key personnel (Team Leader, supply chain management expert, agronomist/field advisor) who have a background in agricultural extension, agribusiness, or other related fields.

Component	Estimated Timeline	Deliverables and Results
<p><b>Component 1: Develop BME's Supply Chain</b></p> <p>Provide expert analysis and develop a strategy to improve supply chain management and agronomic practices for establishing a long-term strategy to increase the number of suppliers, private partners, and yield for BME's supply chain.</p>	<ul style="list-style-type: none"> <li>• Duration: 2 months.</li> <li>• Duty station: Debre Berhan</li> </ul>	<ol style="list-style-type: none"> <li>1. Assessment/strategy document.</li> <li>2. Formal engagement with 15,000 smallholders.</li> <li>3. Provide capacity building, training, and formalizing the aggregators.</li> <li>4. Identify digital payment modalities.</li> <li>5. Introduce modern, reliable, and sustainable agricultural input in the target locations.</li> <li>6. Introduce new financing models for smallholders</li> <li>7. Introduction of e-extension services.</li> </ol>
<p><b>Component 2: Cluster development</b></p> <p>Provide expertise on establishing effective and sustainable farmer clusters in North Shewa zones of Amhara and Oromia regions.</p>	<ul style="list-style-type: none"> <li>• Duration: of eleven months</li> <li>• Duty station: Debre Berhan</li> </ul>	<ol style="list-style-type: none"> <li>1. Training curriculum.</li> <li>2. Training presentation to WHOM on clustering methodology.</li> <li>3. Monthly monitoring reports</li> <li>4. Final report for sustaining clustering activities</li> <li>5. At least 100 aggregators and/or intermediaries trained.</li> </ol>
<p><b>Component 3: Conduct Farmer Field School (FFS)</b></p> <p>Design and deliver a training program (in collaboration with relevant partners) on agronomic and business skills for smallholder farmers new to BME's supply chain. The training program shall be aimed at increasing yield and improving quality of malt barley production.</p>	<ul style="list-style-type: none"> <li>• Duration: of eight months.</li> <li>• Duty station: Debre Berhan</li> </ul>	<ol style="list-style-type: none"> <li>1. FFS Implementation Plan.</li> <li>2. Deliver the training program.</li> <li>3. Monthly monitoring reports.</li> <li>4. Comprehensive report on assistance provided, challenges and opportunities.</li> </ol>

## Instructions to Offerors

Separate technical and cost proposals must be submitted by email no later than the time and date specified on the cover page.

### 1. Technical Proposal

For the technical proposal, the offeror must submit:

- (a) **Cover letter** with the following information:
  1. Offeror's contact information and address;
  2. Type of company or organization;
  3. Signed by an authorized representative of the company.
- (b) **Sector Coverage and Firm Profile:** Including the background on the offeror and relevant expertise, providing a description of specific projects performed, and results achieved by the offeror highlighting relevant expertise. (max. 2 pages)
- (c) **Technical Proposal:** Outlining by Component, the specific steps to completion, and how the offeror would achieve the deliverables and indicators outlined in Annex A of this RFP and in the evaluation criteria table below.
- (d) **Key Personnel and Staffing Plan:** The offeror will provide a team of technicians and experts with relevant qualifications and experience to adequately support the required activities. A brief description of staffing resources required to complete the assignment should be provided, along with their technical specialties and availability. A team leader and other senior staff that the offeror believes are essential to the successful completion of the activity must be named in the proposal and curriculum vitae (CV) provided. These CV's must receive approval by MS4G prior to implementation. CVs must be provided in an annex to this proposal.
- (e) **Proposed Work Plan:** (in a Gantt Chart) showing how the offeror would execute this project including a timeline (max. 2 pages)
- (f) **Past Performance References:** Summary description of project reports, including quantitative results achieved, for prior work with commercial smallholders with linkages to commercial off-takers, preference to see experience in the malt barley value chain (max. 3 report submissions, max. 2 pages each) including contact information for three references who oversaw or was familiar with the work of the offeror for these projects (max. 1 page)
- (g) All supporting documentation specified below in the pass/fail evaluation criteria.

**Note:** GSA has developed a useful interactive PDF tool that guides through the most common scenarios about UEI ([https://www.fsd.gov/sys\\_attachment.do?sys\\_id=af05f8fb1b44851006b09796bc4bcb6d](https://www.fsd.gov/sys_attachment.do?sys_id=af05f8fb1b44851006b09796bc4bcb6d))

### 2. Cost Proposal

Offers must submit a detailed cost proposal. Offerors will find CATALYZE MS4G Budget Template posted with this RFP or can request through [ethiopiams4g.procurement@thepalladiumgroup.com](mailto:ethiopiams4g.procurement@thepalladiumgroup.com). The cost proposal consists of:

- (a) Budget in Microsoft Excel with all formulas visible (unlocked)
- (b) Accompanying Word Document with all cost assumptions and explanations

#### Key assumptions

- Budget in Ethiopian Birr only
- All prices are to be inclusive of relevant taxes
- Separate unit cost and number of units
- Break down activity costs in as much detail as possible
- Offerors should budget for: Labor, Travel, and Transportation, Training and Other costs
- All consultant fees as required which should match the rationale for the proposed salaries in the AID1420-17
- Offeror should budget for:
  - Defense Base Act (DBA) insurance by FAR 52.228-3, as applicable.

Offerors will be required to complete the Due Diligence Questionnaire (Attachment 1) and provide a UEI number with proposals submission or attach screen shot as proof of registration for UEI number on SAM.org.

**Submission of Offers**

Electronic proposals must be submitted by sending two separate emails, one for technical proposal and one for cost proposal with the RFP number RFP-CATALYZE-217772-Ethiopia-2022-0348 in the subject lines.

Offers received past the deadline stated on the cover page will be deemed non-responsive and will not be considered for award.

**Evaluation and Award Process**

Proposals will be evaluated using the best value trade-off methodology.

This is a three-stage process.

- (1) The first set of criteria is graded on a pass/fail basis. Offerors must meet the following minimum eligibility qualification criteria and provide supporting documentation:

**Table 2. Eligibility requirement**

	<b>Requirement</b>	<b>Supporting Documentation</b>
(a)	<ul style="list-style-type: none"><li>• Must be a registered legal entity in Ethiopia for a minimum of five years</li><li>• Resumes/CVs of the Key Personnel are included to ensure completion.</li><li>• Named staff should have language proficiencies in accordance with the locations of the assignment are required.</li></ul>	Copy of the business license certificate or articles and Memorandum of Association
(b)	Must not have any active exclusions from working with the US government ( <a href="http://www.sam.gov">www.sam.gov</a> ), the UN (Sanctions List), or the US Department of the Treasury Office of Foreign Asset Control	N/A
(c)	Must have <b>UEI number or attach screenshot</b> as a proof of registration on SAM.org	UEI number if the offeror already has it Or Screen shoot as a proof of registration on SAM.org

- (2) If these minimum criteria are met, the offer’s technical proposal will be evaluated as follows:

**Table 3. Technical evaluation criteria**

<b>Evaluation Criteria</b>	<b>Documents Evaluated</b>	<b>Points</b>
<p><b>1. Sector coverage and firm profile.</b></p> <p>Description of the expertise of the offeror within preferred agricultural sector.</p>	Reference to the service provided and other documentation showing the experience	10
<p><b>2. Technical proposal.</b></p>		
<p>a. Description of the general approach to the three components and how the service provider will ensure the completion of all deliverables.</p>	The main body of the proposal should not exceed 15 pages, single spaced in 12 Gill Sans MT font. The proposal should be organized into the sections outlined in left column	12
<p>b. Management approach – describing the team roles and responsibilities with regards to completing the deliverables, where they are located, their travel expectations, etc</p>	Breadth and depth of the stakeholders to be supported. Quality and comprehensiveness of questions to be answered.	12
<p>c. Workplan – GANTT chart demonstrating a timeline of activities over the period of performance. It should present a weekly timeline beginning at week 1 with the signing of the subcontract.</p>	Breadth and depth of the stakeholders to be supported. Quality and comprehensiveness of questions to be answered.	11
<p><b>3. Key Personnel and Staffing Plan.</b></p> <p>The offeror must provide a brief description of the staffing resources required to complete this activity, their technical specialities and their availability, time required for recruitment and onboarding.</p>	<p>CV of the Team Lead demonstrates at least five years' experience supporting enterprises, farmers, and intermediaries in business development and sales-related activities in anchor firm contracts</p> <p>CVs of at least two key personnel (see Annex A below for more details) demonstrating the ability to support and carry out the SoW</p>	20
<p><b>4. Past Performance.</b></p>		
<p>a. Demonstrated experience, including quantitative results, in supporting farmers through anchor firm or similar model.</p>	Evidenced performance and reference of enterprises and contact person.	10
<p>b. Demonstrated experience, including quantitative results, in helping enterprises in sales, marketing, loan facilitation, input supply, and distribution.</p>	Evidenced performance and reference of enterprises and contact person.	10
<p>c. Demonstrated experience, including quantitative results, in facilitation of farmers into cooperatives, in designing forward contracting mechanisms, and in supporting aggregators and farmers.</p>	Evidenced performance and reference of enterprises and contact person.	10

<p><b>5. Gender Equity.</b></p> <p>Service provider is majority women-owned (50%), women managed or led businesses, legal registered entity in Ethiopia</p>	<p>Shareholder Agreement or equivalent, business licence and Articles and Memorandum of Association</p>	<p>5</p>
<p>TOTAL</p>		<p>100</p>

(3) The offeror’s cost proposal will be evaluated for:

- Proposed total price, relative to other offers received
- Realism and reasonableness of the work to be performed
- Price reflects a clear understanding of the requirements
- Price is consistent with various elements of the technical proposal
- Compliance with USAID cost principles (select one: Non-profit entities – Cost Principles in 2 CFR 200 Subpart E or For-profit entities – Cost Principles in FAR Part 31)

Palladium reserves the right to award under this solicitation without further negotiations. The offerors are encouraged to offer their best terms and prices with the original submission.

**PROCUREMENT INTEGRITY AND ETHICS**

It is Palladium’s Policy that no gifts of any kind and any value be exchanged between vendors/contractors and Palladium personnel. Discovery of the same will be grounds for disqualification of the vendor/contractor from participation in any Palladium’s procurements and may result in disciplinary actions against Palladium personnel involved in such discovered transactions.

**Resulting Award**

This RFP in no way obligates Palladium to award a contract. Palladium may opt to select multiple offers in response to this RFP.

Any contract/purchase order resulting from this solicitation must be signed by both parties to be considered valid and in force. All costs associated with, but not limited to, production, preparation, and/or d, delivery of goods or services, including deliveries, accepted by Palladium staff, without a fully executed (signed by both parties) contract/purchase order, are at the vendor’s risk only. Palladium shall not pay for any costs, without limitation, associated with the production, preparation, or delivery of goods and/or services under this or any other contract/purchase order, which has not been signed by both parties.

If your proposal is successful, you will be required to enter into the Company’s standard contract for the types of goods or services being provided. In the provision of the Goods and Services, you will be required to comply with the Company’s policies, including (without limitation) its Business Partner Code of Conduct and any relevant client terms and conditions. Potential suppliers must also comply with the Company’s Business Partner Code of Conduct in the submission of any proposals under this RFP.

If you are bidding as part of a joint venture, partnership, or similar, please make this clear in your submission. Likewise, if you propose to subcontract any part of the goods or services provision, then disclose this fact within your submission. The Company may require additional information from you and approval for subcontracting will not be automatic as subcontractors will be subject to Palladium’s Due Diligence process.

**Attachments**

Please review the additional documentation and proposed contract terms and conditions which should be given consideration when preparing your proposal. By submitting your bid, you will certify that you are in agreement with the contract terms and conditions as included in this solicitation and that all prices include all aspects of the required compliance with the terms and conditions of the proposed contract.



Attachment 1- Due Diligence Questionnaire

Attachment 2- CATALYZE MS4G budget Template

Palladium Business Partner Code of Conduct and Child Protection Guidelines can be downloaded in full at:  
<http://www.thepalladiumgroup.com/policies> or request through email from [Catalyze.procurement@thepalladiumgroup.com](mailto:Catalyze.procurement@thepalladiumgroup.com)

# 1. Annex A: Scope of Work

## I. Objective

The purpose of this RFP is to select a service provider with expertise in agricultural and supply chain management to support the development of BME's malt barley supply chain by creating a sustainable and reliable system for the supply of agricultural raw materials. BME's ultimate goal is to achieve optimal utilization of their malting plant located in Debre Berhan. This work sought under this RFP includes but not limited to the following three components:

- Component 1: Improve BME's Supply Chain
- Component 2: Develop Farmer Clusters in Target Areas
- Component 3: Conduct Farmer Field Schools

Through achieving this goal and the three components, they aim to support rural smallholder farmers to transition from subsistence to commercial production levels, create employment opportunities for rural youth and women, increase financing to the agricultural sector, and introduce modern farming and supply chain practices.

## I. Activities:

### I.2.1. Component 1: Improve BME's Supply Chain

**Assignment:** Develop a strategy to improve supply chain management and agronomic knowledge and practices, providing technical assistance and training to smallholders to increase the number of suppliers, aggregators and improve production and yield of malt barley to increase BME's supply chain.

#### **Key activities of assignment:**

The service provider, in close collaboration with BME's technical team will provide expertise in supply chain management and agronomic practices necessary for the improvement of BMEs' supply chain in the North Shewa Zone in Amhara and Oromia region. The service provider will also develop a strategy document that will provide clear and actionable recommendations for BME to implement to address the following challenges:

- How can BME increase the number of smallholder farmers in their supply chain in a sustainable manner?
- How can BME smallholder supply chain partners sustainably improve their yield?

In the strategy document, the service provider will assess and define the current situation. They will identify, and prioritize recommendations to optimally increase throughput, quality, and yields. This could be achieved by exploring and analysing the following illustrative questions and issues listed below regarding the production and market context of the target area. The Offeror is welcome to propose additional questions for exploration.

- **Aggregation:** Explain the market actors engaged in aggregation and their market share in the target area? What limitations or difficulties do exist, and prospective aggregators encounter within their businesses at various stages of their operations?
- **Input Supply:** What are the main constraints/challenges faced by local input retailers for input supply? This question includes imported inputs, such as fertilizer and pesticides, as well as alternative inputs such as certified seeds produced in Ethiopia.
- **Cluster System:** What is the cluster situation in the target area for malt barley production? How many clusters are currently active per woreda? What is the nature of their collaborative management? For how many years they have been working together? What is the reason for their long-term collaboration? To what extent do they work together? Are they organizing their production collectively?
- **Marketing & Side Selling:** What are the reasons or motivators that cause smallholders, private aggregators, and primary cooperatives to change business partners between the farming contract's signature and selling period?
- **Production Practices:** What are the recommended production practices and what are the constraints/challenges to using or adopting improved practices? What is the current average yield per woreda?

- Finance: What financing schemes are available to smallholders, official or informal? What are the constraints/challenges for smallholder farmers to use these financing schemes? What financing schemes are available to farmer organizations? What are the constraints/challenges for farmer organizations to use these financing schemes?
- Digital Technology: What kind of data capturing (digital and/or nondigital) is being used in the supply chain for tracking and tracing transactions? Can Source Platform (the digital tool developed by BME) be a potential solution?

**Table 4. Deliverable 1, acceptance criteria and payment**

Deliverables by Component	Acceptance Criteria	Payment %
<p><b>Component 1: Improve BME's Supply Chain</b></p> <p>1. Develop an assessment/strategy that identifies a pool of potential farmers, cooperatives, and aggregators for potential partnership, identifies technical gaps and assistance required relating to technical and agronomic issues, identify locations for expansion, challenges faced by input providers, identify locations with conducive agroecology for potential expansion for partnering with smallholder farmers.</p> <p>2. Establish formal engagement with 15,000 SH farmers.</p> <p>One time training to include the following topics:</p> <ul style="list-style-type: none"> <li>– Provide capacity building/training on supply chain management to aggregators, and ensure all formalization processes are complete for aggregators</li> <li>– Identify digital payment modalities applicable to the specific locations and introduction of digital payment systems with Fintech</li> <li>– Introduce modern, reliable, and sustainable agricultural input systems (Certified seeds, fertilizer, agrochemicals, and others) together with other partners working in the target locations.</li> <li>– Introduce new financing models for smallholder farmers in collaboration with BME</li> <li>– Introduce e-extension services</li> </ul>	<p>Approval by BME of Assessment/Strategy document [maximum 15 pages]</p> <p>Copy of signed agreements between farmers and BME.</p> <p>TOT training and technical assistance to aggregators on supply chain management based on findings of assessment. Copies of signed attendance sheets with names, age, dates, signature, or thumb print and copy of curriculum.</p> <p>Proof of introduction of digital system.</p> <p>Finance provided to at least 50% of farmers working with BME.</p>	<p>33%</p>

### 1.2.2. Component 2: Develop Farmer Clusters in Target Areas

**Assignment:** Provide expertise on establishing effective and sustainable farmer clusters in North Shewa zones of Amhara and Oromia regions.

**Key activities of assignment:**

The service provider, in close collaboration and consultation with the BME team will provide his/her expertise to support BME's field team and aggregators they manage, in organizing existing farmers into sustainable clusters. This includes but is not limited to:

- Conduct TOT training for BME's field team on sustainable cluster creation and maintenance for the existing aggregators under BME's management. Establish individual targets with each team member depending on their farming community's situation.

- Conduct monitoring on the establishment of the clusters.
- Support the organization of farmers into cooperatives and/or private aggregators in areas where no such organization exists business skills, creating market linkages, working capital management and other practical skills training to improve their capacity as aggregators for the malt barley sector.

**Table 5. Deliverable II, acceptance criteria and payment**

Deliverables by Component	Acceptance Criteria	Payment %
<b>Component 2: Develop Farmer Clusters in Target Areas</b> <ol style="list-style-type: none"> <li>1. Training curriculum including foundational business skills such as recordkeeping, creating market linkages, negotiating prices, market promotion, input supply, etc.</li> <li>2. Training presentation to smallholders on clustering methodology and guiding group work.</li> <li>3. Monthly reports on cluster advancement from monitoring activities</li> <li>4. Final report for sustaining clustering activities to be done by BME's field team</li> <li>5. At least 100 aggregators and/or intermediaries trained.</li> </ol>	Copy of Training Curriculum  Attendance sheets with names, signature or thumb print, age, gender of all attendees  Monthly activity report  Final report including that includes the aggregate results and any impact or qualitative outcomes.	33%

### 1.2.3. Deliverable 3: Conduct Farmer Field School (FFS)

**Assignment:** Design and deliver a training program (in collaboration with relevant partners) on agronomic and business skills to smallholder farmers new to BME's supply chain. The training program shall be aimed at increasing yields and improving quality of their malt barley production. The plan is to work in 12 woredas with one FFS in each woreda. In each woreda, approximately 10 to 20 groups of farmers will be organized into groups with approximately 30 farmers per group.

#### Key activities of assignment:

The service provider, in close collaboration and consultation with the BME team, will provide his/her expertise to smallholder farmers supplying BME. Complete details of the method to be shared by BME's team to the service provider.

- Identify and organize groups of smallholder farmers who would be partners of BME. This step will be supported by the local field advisor of BME.
- Use the methodology adapted by BME for implementing the FFS approach to improve malt barley production. This includes the organization of frequent learning sessions (around every 2 weeks for each group) and keeping a record of each learning session by recording the curriculum, names, gender, age and verification by signature or thumb print of each attendee.
- A minimum of 10 field days will be organized (one field day per each farmer group of 30 farmers).

**Table 5. Deliverable I, acceptance criteria and payment**

Deliverables by Component	Acceptance Criteria	Payment%
<b>Component 3: Conduct Farmer Field School (FFS)</b> <ol style="list-style-type: none"> <li>1. Develop FFS Implementation Plan which outlines the strategy for establishing FFS groups to reach 15,000 farmers over nine months of the cropping season for 2023-2024. The plan should include the timing, identify the</li> </ol>	Submission of Implementation Plan within 7 days of award signing  Signature or thumb print of all attendees, disaggregated by gender, age. Should include date of training and names of attendees.	34%

<p>trainers, other resources, budget, and training modules to use during this season.</p> <ol style="list-style-type: none"> <li>2. Deliver the training program on agronomy, including good agricultural practices, business, market access and recordkeeping skills to farmers who are new to BME's supply chain. The trainings are aimed at yield and quality improvements in malt barley production.</li> <li>3. Provide monthly monitoring reports for the FFS groups established over the course of the 2024 – 2025 cropping season. Monitoring reports should have comparative analysis of yield and gross margin for the plots where FFS principles have been applied versus traditional fields.</li> <li>4. Submit comprehensive report on assistance provided, challenges and opportunities, which should include a list of all attendees, disaggregated by gender and youth, training curricula for all three components and dates of trainings (expectation that 90% of groups will be trained during cropping season 2023-2024).</li> </ol>	<p>9 monthly reports showing changes over baseline to yields and gross margins.</p> <p>Final report within 7 days of completion of training with attached attendance sheet for all attendees.</p>	
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**1. Acceptance of Deliverables**

All deliverables will be reviewed by the CATALYZE MS4G Technical Manager (or his/her designee) for completeness and before being reviewed for acceptance and approved for payment.

**2. Delivery Timetable**

The delivery timeline is as provided under the Key Deliverables and Timeline section of this RFP.

**3. Payment Schedule**

- BME is expected to contribute 25% of the cost related to the services. The contribution can be provided in cash or kind.
- 75% will be covered by USAID CATALYZE MS4G program