



Advancing Community Empowerment in Southeastern Myanmar (ACE)

Request for Applications (RFA)

Investment Grants: Collaborating with the Private Sector to Strengthen Agricultural Value Chains

Reference Number: ACE-P4795-19-002

Date of issuance: September 24, 2019

Due date for questions: October 15, 2019

Question response: All questions will be answered within 1 week of receipt; responses will be combined into one document and sent to all applicants. The last round of questions will be answered by October 22, 2019.

Closing date: November 5, 2019

Questions and applications should be sent via email to myanmargrants@pactworld.org.

1. Purpose Statement

ACE is seeking to fund projects that **improve farmers' productivity and improve access to markets** in Southeastern Myanmar. Pursuant to the authority granted under USAID award number AID-482-A-17-00001, Pact is pleased to announce the intention of this request for applications (RFA) to identify **private sector company partners** for the ACE project.

This is a **highly competitive process**, and ACE **anticipates providing awards up to \$200,000 USD**, with higher amounts considered with compelling rationale and detailed budget explanation. The total estimated amount of funding for the RFA is approximately \$1,000,000 USD, however, ACE reserves the right to offer no contracts at all. For the purposes of this RFA, "company" refers to private, for-profit entities operating in Myanmar. This RFA is issued as a public notice to ensure that all interested, qualified, and eligible organizations have a fair opportunity to submit applications for funding.

2. Background on the ACE Project

Advancing Community Empowerment in Southeastern Myanmar (ACE), supported by the United States Agency for International Development (USAID)/Burma, aims to support communities in their empowerment processes by reducing

vulnerabilities, promoting community participation in decision making, and strengthening mechanisms for more responsive and accountable local governance. ACE is implemented by Pact in partnership with Community Partners International, Mercy Corps and Save the Children. The project also partners with a broad range of local organizations and service providers, to address community development priorities.

ACE uses service delivery approaches that promote local engagement and leadership and create links between communities and service providers to meet locally prioritized needs. The project also empowers youth and women to take leadership roles. ACE aims to achieve three objectives:

- Reduce community vulnerabilities
- Foster community participation
- Strengthen local governance systems

3. Geographic Area

ACE defines Southeastern Myanmar as: Kayah State, Kayin State, Mon State, southern Shan State, northern Tanintharyi Region, and eastern Bago Region.

Through the work of consortium partners, ACE focuses implementation on the following townships: Demoso, Hpruso, Hpasawng Townships (Kayah State); Pekon Township (southern Shan State); Hlaingbwe, Kyainseikgyi and Thandaunggyi Townships (Kayin State); and Thanbyuzayat Township (Mon State). The project welcomes and will give preference to proposed projects in these areas where cooperation with other ACE activities can be mutually beneficial and that support efforts to reach marginalized and underserved communities. ACE would also support applications targeting neighboring townships that are complementary or geographically proximate to the focus townships.

4. Program Description

ACE seeks to partner with private sector actors to undertake interventions in three selected value chains: Vegetables, Maize and Sesame. The grant from ACE will fund activities that address systemic market constraints for smallholder farmers and other actors in the selected value chains. The grant program intends to invest in two intervention areas: improving farmers' productivity and improving access to markets. ACE will support projects that strongly emphasize sustainability of the business model.

Please note that applicants may apply to support both intervention areas, only one intervention area, or part of the intervention area in one or more value chains.

Intervention Area 1: Improving Farmers' Productivity

ACE is seeking partners who can provide services that increase the awareness of new and improved practices, technologies, and inputs for smallholder farmers (an explanation of how the applicant defines and targets smallholder farmers should be provided). The proposed intervention must lead to increases in farmers' productivity and income, and it should be designed to provide technical training on new practices, technologies, and the application of new and improved inputs in crop production and postharvest technology, based on assessment or evidence of market demands. Training design should, as much as possible, include theory and practical learning such as demonstration plots.

This intervention area could focus on facilitating access to credit for small holder farmers¹, including women farmers or women-headed households, such as offering improved access to inputs on credit or crop insurance schemes to address the risks for farmers around production, price instability for crops, and other fluctuations in the market.

Intervention Area 2: Improving Access to Market

ACE is seeking private sector partners who can promote an inclusive business model for the smallholder farmers in the selected value chains. Applicants are expected to design a business model that benefits farmers and their communities as well as the buyers/company/processing firms. The inclusive business model aims to increase the integration of smallholder farmers into an agribusiness value chain that creates new or expanded opportunities to access inputs in the credit system, improves technologies and practices, improves productivity and postharvest handling and logistics chain management, and reduces risk by price volatility and improves access to markets. The contract farming system can also be considered an inclusive business model.

Technical and Organizational Support

ACE intends to engage private sector partners receiving awards under this mechanism through technical and organizational capacity development approaches, where appropriate. For example, given the ACE project's commitment to conflict sensitivity and gender equality, ACE plans to work with award recipients on how to make their business practices more conflict sensitive and inclusive. Additionally, ACE's mandate to promote the inclusion of vulnerable groups emphasizes monitoring and evaluation approaches that use sex- and age- disaggregated data to assess how projects are impacting different groups. Technical support for environmental mitigation plans is also available. Areas for technical and organizational support will be identified during the negotiation stage.

5. Grantee Eligibility

To be minimally eligible for funding, applicants must provide full, accurate and complete information and comply with the following conditions. The organization must:

¹ ACE does not intend to support micro-finance institutions (MFIs) through this mechanism.

- Be authorized to conduct business in their country and country of operation (Myanmar);
- Demonstrate the use of effective financial accounting systems and financial documentation, and willingness to provide financial statements to the project as requested;
- Ability to provide the required cost contribution;
- Be able to complete the project within the proposed timeframe;
- Demonstrated leadership, openness to change and willingness to work collaboratively with the ACE team in terms of quality achievement and ensuring conflict sensitivity;
- Have strong willingness to review and reflect on whether the initiative is a success or how it could be improved;
- Acquire a DUNS number (the nine-digit identification number required for all procurement-related activities with the United States Government) prior to receipt of award. A DUNS number is not required for application but will be required for receipt of award. A DUNS number can be acquired online for free, and Pact can assist with this process.

Government of Myanmar departments or entities affiliated with the Government of Myanmar are not eligible to apply.

Preferred Qualifications

- Experience in providing technical extension services in the targeted crops for smallholder farmers (including trainings on on-farm production, pest and disease management, integrated pest and disease management, water management, soil and fertility management, safe use of pesticides and protective equipment application, and post-harvest handling practices).
- Possess organizational, financial and management capacity to provide services to farmers such as extension services, input supply, agronomy advice, and credit inputs that are necessary for small holder farmers.
- Experience with supply chain management for agricultural products, particularly in conflict-affected environments.
- Demonstrate a strong commitment to buying the products from the farmers supported through the project.
- Have strong market linkages with the domestic and/or international markets.
- For international companies, show concrete evidence of executing similar projects in Myanmar, preferably the south-eastern region.
- Experience with approaches for monitoring and evaluating project activities, including the use of disaggregated data, including by sex and age.
- Demonstrated rationale and approach for targeting smallholder farmers and addressing their market access needs.

6. Budget

Pact anticipates these awards will be cost-reimbursable or fixed amount. Award type will be based on the program description and the results of the partner's pre-award risk assessment, which Pact will conduct prior to issuance of the award. Subject to the availability of funds, Pact intends to award up to \$1,000,000 USD in total funding for this RFA. Pact anticipates awards for up to 18 months with total budgets up to \$200,000 USD each. Negotiations will be conducted with successful applicants only. Pact reserves the right to fund any or none of the applications submitted.

7. Cost Contribution

Applicants are required to contribute their own resources for the implementation of the project. Contribution can be either cash or in-kind of their resources. Private companies are expected to share 40-50% of total proposed cost. Cost contribution could include overall operating costs such as, *but not limited to*: staff effort, transportation, inputs, commodities, communication, documentation, office rent, supplier demonstration activities, supervision of activities, and other operating costs.

Contributions can come not only from the applicant, but also local counterpart organizations, program clients and other donors (but not other U.S. government funding sources). This type of contribution is called cost share. When incorporated into the award, cost sharing contributions will be governed by the regulations found in 2 CFR 200.306, which requires the submission of supporting documents that thoroughly verify the cost contribution.

8. Application Process

General inquiries and submission of questions: Please send questions about this RFA to myanmargrant@pactworld.org, with the subject line "Questions – name of organization submitting application – Investment Grants."

Application process: This is a competitive review process and a limited number of awards will be made available. The amount of resources made available under this RFA will depend on the applications received and the availability of funds.

Step 1, application submission: Interested applicants must submit an application on company letterhead. It should be maximum 10 pages if written in English using Calibri 11-point font, or a maximum of 14 pages if written in Zawgyi 11-point font. The format should be Microsoft Word or Adobe PDF. The application is attached to this RFA and downloadable at: <http://www.themimu.info/calls-for-proposals>. Applications must be submitted to myanmargrant@pactworld.org with the email subject line "Name of company submitting application – Investment Grants."

Applications should include: (1) Completed application summary form and annexes (see application template); and (2) an example of previous, related work (not counted in the 10-page limit).

If initial review indicates that the application merits further consideration, selected companies will be invited to finalize their application. After an application is received, Pact reserves the right to ask clarifying questions and conduct discussions with any applicant; doing so with one applicant does not obligate Pact to do so with all applicants. The selection process is expected to be complete within 3 months of the RFA deadline.

Step 2, application review: All applications will be reviewed for their technical merit by a Decision Panel, comprised of subject matter and project management experts. Based on the criteria outlined in Section 9, the Decision Panel will recommend applications to advance to award negotiation and finalization. The Decision Panel may suggest revisions and additions to the proposed project.

Step 3, pre-award and negotiations: If the Decision Panel selects an application for funding, it will move forward for final approval and award negotiation. During this stage, Pact staff will perform a risk assessment of the organization and determine any special conditions or capacity building measures that may be required in order to reduce risk. Pact would also finalize any outstanding negotiations on the program description, budget, targets, and work plan to finalize the award and obtain funder approval.

Step 4, contract: Pact will award grants that receive the necessary approvals and successfully complete the pre-award and negotiation stage.

9. Evaluation of Applications

Review process: A Decision Panel will be established that includes representatives from Pact, Mercy Corps, and USAID. All reviewers will be subjected to screening to eliminate any conflict of interest. Evaluation will be based on the established criteria, which the Decision Panel will use to rate applications and make recommendations to ACE management.

Evaluation Criteria: The applications will be rated based on the following evaluation criteria. Responsiveness to each criterion below will be assessed using the following evaluation framework.

- (A) **Alignment with intervention areas outlined in the RFA (25%)**
 - Proposed project design addresses gaps in the identified value chains
- (B) **Demonstrated approach for how the project will reach smallholder farmers (25%)**
 - Degree of inclusion in the proposed business model
 - Understanding and ability to explain how the project fits with the local context
 - Project design addresses constraints of smallholder farmers



- (C) **Past performance with the proposed project concept (20%)**
 - Experience working in Southeastern Myanmar or other comparable areas
 - Experience with the proposed intervention areas and value chains
- (D) **Value for money and proposed cost contribution (15%)**
 - Balance of scale and level of impact
 - Efficient use of resources for effective project design
- (E) **Clear approach for sustainability of the business model (15%)**
 - Articulated exit strategy
 - Demonstrated understanding of market actors in the region

Evaluation framework: The Decision Panel will evaluate all applications according to the following framework.

Score Range:

10	Excellent	Exceeds expectations in that it is comprehensive, thorough, and with exceptional merit, demonstrating that the proposed project will likely result in effective and efficient performance. Exhibits no deficiencies.
8	Very Good	Demonstrates overall competence, meets all minimum requirements, and exceeds requirements in some areas, but not all. Even if there are some identified weaknesses, the applicant demonstrates that it can successfully complete all deliverables in a timely, efficient, and economical manner
6	Acceptable/Average	Meets requirements. While the applicant demonstrates an ability to complete the work in some areas, there are some significant weaknesses or deficiencies. However, these combined weaknesses or deficiencies still represent a manageable performance risk.
4	Marginal	Minimally meets basic requirements or demonstrates a limited understanding of the requirements. Implementation of the proposed project would likely lead to unsatisfactory performance. Contains deficiencies and weaknesses that may negatively affect performance.
2	Poor	Many deficiencies, including failure to address key elements, failure to understand work necessary to perform the required tasks, or failure to provide a reasonable approach to fulfilling requirements.



		Performance risk is high.
0	Non-Responsive	Fails to address all elements of the criteria; fails to understand the work necessary to perform the required tasks; fails to meet the requirements of the solicitation.

10. Terms and Conditions

Standard provisions: The Standard Provisions for Non-U.S. Non-Governmental Organizations as applicable will apply to these awards. Applicants can find the provisions at <https://www.usaid.gov/sites/default/files/documents/1868/303mab.pdf>. Printed versions of these provisions are available upon request.

Permission for use and disclosure: By submitting an application under this RFA, the applicant consents to the disclosure of the documents submitted by the applicant to the reviewers involved in the selection process. Please note that all reviewers are bound by non-disclosure agreements.

Disclaimers

- Pact may cancel this RFA and not award any funds.
- Pact may reject any or all applications received.
- Issuance of this solicitation does not constitute a funding commitment by Pact.
- Pact reserves the right to disqualify any application based on applicant’s failure to follow solicitation instructions.
- Pact will not compensate applicants for their response to the solicitation.
- Pact reserves the right to issue an award based on initial evaluation of applications without further discussion.
- Pact may choose to award only part of the activities in the solicitation or to issue multiple awards based on the solicitation activities.
- Pact reserves the right to waive minor application deficiencies that can be corrected prior to award determination to promote competition.
- Pact may contact applicants to confirm contact person, address, and that the application was submitted for this solicitation.
- Pact may contact listed past performance references without notice to the applicant. Pact also reserves the right to contact other past performance information sources that the applicant did not list in the application.
- By submitting an application, applicants confirm they understand the terms and conditions.



- Some goods and services may not be procured with USAID funds under this award, such as construction (buildings, roads, wells, etc.) or agriculture commodities (cooking oil, rice, seeds, etc.). Applicants can include the provision of such goods in the project through their cost contribution but not through funding from USAID.