

**Request for Application (RFA)-SO-1**  
**Strengthen Feed and Fodder Market System to enhance the resilience capacity of pastoral and agro pastoral communities in RLP targeted areas**

**1. Background of the project**

The Regional Livestock Program (RLP) is a 12-year initiative funded by the Swiss Agency for Development and Cooperation (SDC) and implemented by consortium members including IGAD, Helvetas, Welthungerhilfe, and Mercy Corps. The program is implemented in Somaliland, Somalia, Kenya, and Ethiopia. The program aims to bring about transformative change in the pastoral and Agro-pastoral areas of the Horn of Africa by creating a more productive, climate-resilient, inclusive, and competitive livestock sector.

RLP is implementing a Market Systems Development (MSD) approach, to stimulate sustainable, systemic change on a large scale. An MSD approach is iterative and adaptive in addressing sector-wide constraints and opportunities that sustain participation of small and medium scale producers and off and non-farm businesses within the numerous value chains that make up the larger livestock sector. Through this approach RLP will target both the supply and demand for products and services, ensuring that input and service providers are integrated into economic sub-sectors through revenue-generating market opportunities. RLP's MSD approach includes specific focus on opportunities and constraints to women as both consumers and suppliers of goods and services. To maximize investments, MSD approaches will be directed and concentrated to address barriers, inefficiencies and opportunities along per-identified livestock and camel milk trade corridors.

This will involve multiple partnerships with private sector and government actors. Thus, the feed and fodder market actors have efficient and profitable engagement with domestic and international markets, especially women and youth of the program is issuing this RFA to partner with feed and fodder enterprises in the program-targeted area to facilitate intervention.

**2. Objective of Call for Applications**

The objective of this call for application is to strengthen feed and fodder market system to enhance the resilience capacity of pastoral and agro pastoral communities in RLP targeted areas. The intervention is expected to catalyze feed and fodder private sector enterprises to improve access to and uses of quality feed and fodder on a large scale to pastoral and agro-pastoral communities in the RLP program area.. This RFA is intended for existing business in fodder producer/trader cooperatives, small, medium and large commercial fodder producers, feed retailers, feed agro-processing industries, feed processing cooperatives and other feed/fodder related enterprises who are interested in expanding their business through capacitating and networking so as to contribute the improvement access to quality feed and fodder for livestock producers, quarantine station, commercial camel and cattle dairy farms and fattening farms/feedlots. The anticipated investments are expected to contribute to improving the supply chain of quality feeds and fodder along the line from wholesalers up to end users through establishing a strong business network, strengthening business relationship, and backwards & forwards linkage between market actors.

**3. Program Target areas.**

Mercy Corps is open to receiving applications from small, medium and large-scale commercial feeds and fodder producers and marketing business interested to expand their business to the last mile including to support small and medium farmers operating in the following RLP program-targeted regions and/or existing in the adjacent regions who are interested in expanding the business/market to RLP target following priority target areas in the target regions:

- Awdal region
- Maroodi jeex region
- Toghdeer region
- Saxil region
- Gebiley region
- Hawd region

Mercy Corps' RLP following a rigorous evaluation process, **partnership** agreements will be set up with selected companies/businesses based on the criteria described below. If the proposed activities require financial investment, the business company will be expected to leverage co-investment (in cash or in-kind) for the implementation of the envisioned activities.

#### 4. Eligibility Criteria for application

Mercy Corps is interested in soliciting existing and operational **fodder producing and feeds processing enterprises** who fulfill the following ELIGIBILITY criteria for the co-investment to support their business expansion or/and growth to better support program target beneficiaries:

- Existing and operational feed and fodder enterprises in the program-target areas.
- To the minimum, the applicant should be in operation of the business for at least six consecutive months before the date of the application in and/or around RLP target areas.
- Should be legally registered under Somaliland laws and policies and should have renewed business licenses.
- Committed and have the financial means/resources to contribute to implement proposed business ideas.
- Commitment/interest to work with small scale feed and fodder producers (mostly women and youth) and other actors along the Tog-Wajaale livestock trade corridor (Somaliland) Clear understanding of feed and/or fodder enterprises and have a clear business model that supports creating better access and uses of service to wider communities.
- Commitment to share information related to the service and the business operation (if and when required) with Mercy Corps.

#### 5. Potential activities that could be supported

Proposed activities should be based on a sustainable private sector-led feeds and fodder production and delivery business model/ Market system resilience framework (See Annex 3). The applicant is responsible for organizing and managing activities with small scale farmers and last mile communities with technical and/or cost-share financial support from Mercy Corps. Examples of activities that could be supported include, **but are not limited** to, the following:

- Develop business relationships with small and medium feeds and/or fodder producers, and livestock producers, to create dependable access and uses of feed/fodder and service at last mile to pastoralist and agro-pastoralist communities.
- Develop business relationships with feeds/ fodder suppliers to create a system that respond to the increasing demand of quality and consistent feed/fodder in the area. The anticipated investments are expected to contribute to improving the supply chain of quality feeds and fodder along the line from wholesalers up to end users through establishing a strong business network and backwards and forwards linkage/ system. Standardization of fodder and feeds systems, inventory management, establishing consistent feeds and fodder supply, and any other related innovative ideas are encouraged in this investment.
- Interested in providing support to small and medium feeds and fodder producers and traders in training and technical support as part of marketing strategy/ as embedded service in reaching last mile pastoral and agro pastoral.
- The business partners/applicants who have a clear strategy of market development for his/her products and services in a way that allows better access to inputs/services to target communities through capacitating the last mile service providers.
- Business ideas that create a mutual business relationship between key market actors to ensure the interdependent business relationship.

- Innovative ideas of establishing Private Public Partnership (PPP) to enhance the last mile feeds/ fodder service delivery system supported by official consent letter from the public partners that shows the joint interest for future partnership.
- Feed/fodder development business ideas that will have an added contribution to enhance peacebuilding and social cohesion for the target communities in the program.

The lists above are non-exhaustive and only listed to provide examples of some of the potential areas the RLP program could support but any additional ideas or a combination ideas/activities are encouraged, and all ideas will be considered based on its merits.

## 6. Areas not eligible for funding

- Financial support for working capital costs, regular employee salaries for existing permanent staff, and operational costs of the business such as transportation of goods, recurrent use item purchase and related. However, in the exceptional cases the project will consider the support of temporary staffing for new businesses (e.g. business involving new expansion) to bridge the technical capacity gaps of initial start-up phases. This will be decided based on the nature of the business idea and the level investment future impacts on the program goal.

## 7. Maximum amount of award and cost share requirements

The maximum amount of award per business Mercy Corps (MC) RLP contributes will be dependent on the nature of the business ideas and anticipated level of impacts to the targeted communities. The program is aimed to co-invest >\$10,000 on average for lead firm business and \$3,000-10,000 for medium, small and micro business/enterprises. The applicant should contribute at least 50% of the total investment costs for those businesses only focused on **feed and fodder enterprises** expansion without additional networking with small/medium scale feed and fodder enterprises and producers (mainly women). However, for those business ideas planned to create extended business relationships and networking through building the capacities of small/medium scale livestock aggregators (mainly women) and producers, the program could contribute up to o 70% of the total investment costs depending on the specific context.

- The business enterprise that contributes/is willing to cost share above the minimum proposed based on the specific nature of the business idea (50% or 70%) will be encouraged and prioritized during the selection process.
- The maximum number of business enterprises to be awarded will be dependent on the amount of funding but by this call, the program is planned to reach up to 5 businesses. The final number of businesses to be supported will be dependent on the available budget.

## 8. Application Collection and review process

MERCY CORPS expects to receive proposals/applications from the entities that meet the above criteria, through the Mercy Corps Office/s in **Hargeisa**. The deadline for submission is exactly 4 weeks from the date of posting, proposals received after this date may still be considered if sufficient applications are not received. Applications will be reviewed on a rolling basis, so we encourage relevant private sector actors to submit their applications as soon as possible. Mercy Corps will evaluate the proposals using the criteria outlined in Table 1. The process of evaluating the proposals will be:

- **Initial Application Screening:** A committee established by Mercy Corps will screen, score, and rank applications received. Only applications from applicants meeting the ELIGIBILITY criteria will be screened. The ELIGIBLE applications will be scored using the criteria presented in Table 1 (below); as needed Mercy Corps will consult government agencies to get consent on the selected applicants mainly on their experience of operating in the area and commitments.
- **Application Assessment:** Best-ranked businesses will be additionally assessed by evaluation committee members of the Mercy Corps team via on-site verification of the application and the applicant due diligence check. Areas that need to be emphasized will be dependent on the type and nature of the Submitted Concept note.

- **Business Plan Screening.** The Mercy Corps committee will, upon receiving the completed assessments (business plans), conduct the final scoring and ranking of proposals and make recommendations for support.

### 9. Sustainability and long-term impact

The applicants are expected to clearly demonstrate the sustainability of the intervention i.e., how does your enterprise plan to continue doing business after the closure of the project?

**Table 1. Score Sheet for commercial feeds or/and fodder production business delivery system enhancement through supporting small and medium fodder farmer in Tog Wajaale corridor**

S/No	Description of evaluation areas	Score(A)	Weighted score (Multiply weighting point against score given to each applicant)
1	<p><b>Alignment with RLP objectives (weight 5 by for both lead and small co-investment applicants)</b></p> <ul style="list-style-type: none"> <li>• Score range from 0 – 10.</li> <li>• Minimum for those application does not align at all with RLP objectives.</li> <li>• maximum score for those applications that align with RLP objectives</li> </ul>		
2	<p><b>Innovation viability (Innovation approach is clearly, viable / realistic) (weight 4 for lead and 1 for small co-investment Applicants)</b></p> <ul style="list-style-type: none"> <li>• Score range from 0 – 10.</li> <li>• Minimum score: 0 for Innovation approach is clearly not viable / realistic and</li> <li>• maximum score for Innovation approach is clearly viable / realistic</li> </ul>		
3	<p><b>Expected impact (weight 3 for either lead or small co-investments applicants):</b></p> <ul style="list-style-type: none"> <li>• The score ranges from 0 – 10.</li> <li>• Minimum score for number of beneficiaries reached, and expected benefits is low.</li> <li>• Maximum score for numbers reached is very high, and expected benefits is high</li> </ul>		
4	<p><b>Track record and experience of applicant (use weight 1 for 1 either lead or small co-Investment applicants):</b></p> <ul style="list-style-type: none"> <li>• Score range: 0 – 10</li> <li>• Minimum score: 0 (Applicant has no relevant track record or experience)</li> <li>• Maximum score: 10 (Applicant has well-established track record or experience)</li> </ul>		

5	<p><b>Value for money (weight 3 for lead and 1 for small co-investment applicants):</b></p> <ul style="list-style-type: none"> <li>• Score range: 0 - 10</li> <li>• Minimum score: 0 (Proposed innovation is very expensive for the expected impact)</li> <li>• Maximum score: 10 (Innovation is very cost-effective for expected impact)</li> </ul>		
6	<p><b>Cost-share contribution (weight 3 for lead and 1 for small co-investment applicants)</b></p> <ul style="list-style-type: none"> <li>• Score range: 0 – 10</li> <li>• Minimum score: 0 (Applicant proposes less than 30% cost-share contribution)</li> <li>• Maximum score: 10 (Applicant proposes 70%+ cost-share contribution)</li> </ul>		
7	<p><b>Work plan logic and reasonability (weight 2 for lead and 1 for small co-investment applicants):</b></p> <ul style="list-style-type: none"> <li>• Score range: 0 – 10</li> <li>• Minimum score: 0 (work plan is incomplete and/or illogical)</li> <li>• Maximum score: 10 (sequence and duration of activities are logical and reasonable)</li> </ul>		
8	<p><b>Gender sensitivity (weight 3 for lead and 4 for small co-investment applicants):</b></p> <ul style="list-style-type: none"> <li>• Score range: 0 – 10</li> <li>• Minimum score: 0 (Application does not consider gender considerations)</li> <li>• Maximum score: 10 (Gender targeting and impact is logical and clearly articulated)</li> </ul>		
	<b>Total Score</b>		

## 9. The application process

The table below shows the process timeframe for this Call for Applications.

Date	Item	Details
June 24, 2024	Information Meeting	All are welcome to learn about the opportunity and ask questions. Time: 10:30-12:00 Location: MC office <b>Hargeisa</b> Or by telephone: +252 634 049 848

July 7, 2024	Collection deadline date	Interested applicants must submit a completed application, complete with all relevant documentation, by no later than this date.
July 8-12, 2024	Evaluation of applications	This is the expected date for completion of the eligibility and evaluation process, which will be conducted by Mercy Corps selection committees including government stakeholders. The evaluation process may include an interview with the applicant. Before final selection or rejection, the Mercy Corps team may conduct negotiations with the applicant to adjust/improve the application to align with Mercy Corps objectives more closely. This will also include a Financial Review, which may also be subject to negotiation/revisions.
July 17, 2024	Notification of acceptance / non-acceptance	The Mercy Corps Team will issue notifications of acceptance or non-acceptance to all applicants.
July 22, 2024	Expected date for the signing of the 1 <sup>st</sup> batch Subaward agreement	Following a negotiation process, final agreements between the selected applicants and Mercy Corps will be signed, and project implementation will begin.

## 10. Preparation of Applications

The application template is provided below and must be completed by the date listed above. Completed applications will be accepted in English and must be no more than ten (10) pages in length (not including budget, proof of registration, or other required attachments).

Soft copy of the application form will be emailed to interested applicants on request.

Mercy Corps will evaluate all Applications based on the criteria described above. ***All applicants that meet the criteria will be considered, however, Mercy Corps reserves the right to not accept any applicant if none are qualified.***

## 11. Submission process

Interested applicants should submit a soft copy via email and hard copy of the Application and required documentation as follows to the following contacts

- Mercy Corps office in Hargeisa, located in the Shacab area, Opposite immigration-
- Tel +252634470253 / +252 63 4049848
- Email expression of interest to Abdirizak Jama ([abdjama@mercycorps.org](mailto:abdjama@mercycorps.org)) and copy Abdulrahman Mohamed ([abdulmohamed@mercycorps.org](mailto:abdulmohamed@mercycorps.org))

Please also be sure to include all the requested documents listed in the Application Form template below.

## 12. Conditions

**Issuance of this solicitation in no way constitutes a commitment by Mercy Corps to execute any agreement or to pay any costs incurred by any applicant in submitting an application.**

Please note that Mercy Corps will **fully respect the confidentiality** of all companies involved in the program. If selected, Mercy Corps will establish an agreement with the selected **feed and fodder enterprises** that describes the objective of collaboration and clearly defines each party's respective responsibilities, roles, and obligations. Successful applicants must be willing to share information with Mercy Corps regarding their performance, and Mercy Corps will conduct interviews with clients/customers to gather information on impact and to monitor progress.

# Annex 1: AWARD APPLICATION FORM

Please enter the relevant information for the Call for Applications being applied for.

Call for Applications Ref #	FODDER RFA SO-01
Call for Applications Title	Strengthen Feed and Fodder Market System to enhance the resilience capacity of pastoral and agro pastoral communities in RLP targeted areas

Please ensure you complete all sections and attach all required documentation. The Application Form should be **no more than ten (10) pages in length** (not including additional supporting documentation and budget).

**1. Applicants contact details.**

1.1	Name of the point of contact for the applicant	
1.2	Position of point of contact within the business/institution	
1.3	Address	
1.4	Phone number	
1.5	Email address (optional)	

**1. Business/institution information**

2.1	Name of the business/institution	
2.2	Year of establishment	
2.3	Description of current business/institution structure and main business activities	
2.4	Number of full-time staff / part-time staff	
2.5	Mission / Objective of business/institution	

2.6	Has your organization received any financial/technical assistance from international organizations or NGOs (if yes, please describe the content of the assistance)	
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**1. Proposed Business/activities**

**3.1. Brief description of proposed business case/activities, why it is viable in the current market context, and who are the main partners in the proposed business.**



**3.2. Explain why the proposed business case/activities require support from Mercy Corps**

**3.3. Proposed location of activities and target groups (outreach/geographic coverage)**

**3.4. Expected impact of the business case/activities on the small/medium feed and fodder enterprises and fodder producers, and others as listed in the Call for Applications (please include economic or social benefits, number of individuals/households benefiting)**

**3.5. Proposed list of activities needed to realize the proposed business case/activities**

**3.6. Describe how the business case/activity will be sustainable**

**3.7. Describe how your track record and experience will enable you to implement the business case / activities successfully**

**1. Budget Summary**

4.1	Estimated cost of the entire business/activities (USD)	
4.2	Total request for financing from Mercy Corps (USD and %)	
4.3	Total financing covered by the applicant (USD and %)	
4.4	Describe other sources of financing (e.g. bank loan, family loan, own capital)	

**1. Supporting documentation**

(If they are not available, please provide the equivalent information.)

- Company Profile (if available)
- Copy of business registration documents
- **Copy of tax registration**
- Copy of financial reports for the last two years, including any audit report (if available)
- Please include details of the budget, as shown in Annex 1
- Support letter from national/regional government office indicating current operation status and reputation of the enterprise
- Optional: Testimonials from partners like livestock aggregators and producers (if there is previous linkage)

**I HEREBY CERTIFY THAT THE INFORMATION PRESENTED IN THE CONCEPT NOTE IS ACCURATE AND COMPLETE.**

Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

### **ANNEX 2 – Budget Template**

Please include a budget detailing the costs of the proposed innovation/activities, in the format below.

	<b>Item and Description</b>	<b>Quantity</b>	<b>Unit cost</b>	<b>Total Cost</b>	<b>Mercy Corps Share (%)</b>	<b>Applicant Share (%)</b>
<b>1</b>						
<b>2</b>						
<b>3</b>						
<b>4</b>						
<b>5</b>						
<b>6</b>						
<b>7</b>						

## **Annex 3**