

Request for Application (RFA)-SO-1

Stimulating live animal and meat trade in the RLP target 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. This will involve multiple partnerships with private sector and government actors. Thus, the Livestock 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 live animal and meat trade in the program-targeted area to facilitate intervention to catalyze livestock and meat trade through co-investment with private partners. This RFA is intended for existing business in livestock (small and medium scale live animal trade in sheep and goats), feedlots and small and medium scale meat trade.

2. Objective of Call for Applications

The objective of this call for applications is to catalyze livestock markets and that livestock market actors have efficient and profitable engagement with domestic and international markets, especially women and youth on a large scale to pastoral and agro-pastoral communities in the RLP target area.

RLP is welcoming applications from existing commercial livestock aggregation enterprises feedlots or commercial fattening enterprises, goat aggregators (mostly women led), livestock exporters, meat traders/enterprises and export abattoirs, who are interested in expanding their business through capacitating and networking of women goat aggregators and producers that have better access to pastoralists and agro-pastoralists, create a year round livestock supply and access to high quality livestock to end consumers.

3. Program Target areas.

Mercy Corps is open to receiving applications from qualified businesses (mentioned #2 above) 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

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 **livestock (live animal) and meat 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 **livestock (live animal) and/or meat enterprises** in the program-target areas. The RFA applicants include commercial livestock aggregation enterprises feedlots or commercial fattening enterprises, goat aggregators (mostly women led), livestock exporters, meat traders/enterprises and export abattoirs.
- 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 livestock aggregators (mostly women and youth) and livestock producers and other actors along the Tog-Wajaale livestock trade corridor (Somaliland and Somali state of Ethiopia).
- Clear understanding of **livestock (live animal) and/or meat 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 **livestock (live animal) and/or meat enterprises** model/ Market system resilience framework (See Annex 3). The applicant is responsible for organizing and managing activities 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/medium scale livestock aggregators (mainly women) and producers (e.g. create access to markets, provide capacity building to livestock aggregators to supply quality animals and improve on Business development skills, create a business partnership with livestock aggregators and producers, and other related) to create dependable access to year-round markets.
- Develop business idea that proposed to create a mutual business relationship to ensure the interdependence between business partners
- Develop business ideas that will have an added contribution to enhance peace building and social cohesion for the target communities.
- Develop forward and backward business relationships with small/medium scale aggregators, abattoirs, feedlots, and export traders to supply consistent numbers of livestock.
- Develop network of goat aggregation groups (especially women) and develop semi-formal arrangements for purchase of marketable livestock as per their end market requirements.
- Provide training to aggregation groups (women focused) on the age and quality of animals you require.
- Provide other embedded services to aggregation groups (women focused), such as basic extension advice and supply of feed during droughts.
- Develop business agreements to purchase livestock from producer groups (women focused).
- Establish improved logistics for transportation of goats.
- Provide trusted feedback to livestock aggregation enterprises to improve quality and value of animals (e.g. market price information)
- Act as guarantor to the small-scale livestock aggregators to access financial services.

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 of these activities be encouraged, and all ideas will be considered.

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. However, there will be exceptional cases in the project that will consider the support of temporary new businesses capacity development to bridge the gaps of initial start-up phases. This will be decided based on the nature of the business idea and the level of its future impacts on the program goal.

7. Maximum amount of award and cost share requirements

- The maximum amount of award that RLP Mercy Corps (MC) contributes will be \$30,000 for each business enterprise. The actual financial contribution will be dependent on the nature of the proposed business. The applicant should contribute at least 50% of the total investment costs for those businesses only focused on **livestock (live animal) and/or meat enterprises** expansion without additional networking with small/medium scale livestock aggregators (mainly women) and producers. 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 a 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 by no later than **July 7, 2024**. Upon receiving the applications, 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 on 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.

Table 1. Score Sheet for Stimulating live animal and meat enterprises in the RLP target areas along the Tog Wajaale corridor

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

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

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 Hargeisa 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 st 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).

A 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) and copy Abdulrahman Mohamed (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 **livestock (live animal) and/or meat 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 #	LAT RFA SO-01
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Call for Applications Title	Stimulating live animal and meat trade in the RLP Area
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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)	

2. 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)	

3. 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 livestock aggregators (mainly women) and livestock 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

4. 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)	
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5. 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
- Optional: 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.

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

Annex 3