

REQUEST FOR EXPRESSIONS OF INTEREST (EOI) – DESIGN OF THE AGRI-PRENEUR ACCELERATOR PROGRAM (AAP) – AGRICULTURAL TRANSFORMATION INITIATIVE

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Submit Expression of Interest (EOI): [Visit our online form](#)

Foundation for a Smoke-Free World (FSFW) seeks a qualified organization from across the globe to submit a proposal to design the Agri-preneur Accelerator Program (AAP). The program will be designed to act as a world-class accelerator that will leverage the entrepreneurial spirit of youth, especially young women, and act as a support mechanism for young agri-preneurs (<35 years) to promote the agricultural transformation of smallholder farmers in Malawi.

OVERVIEW

The Foundation for a Smoke-Free World (FSFW) was launched in September 2017 as an independent, nonprofit 501(c)(3) organization dedicated to accelerating global efforts to reduce deaths and harm from smoking, with the ultimate goal of eliminating smoking worldwide. Since the adoption of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC) in 2003, countries that comprise 90% of the world's population have resolved to achieve significant reductions in smoking rates by 2025. The Foundation's mandate, as well as global efforts in this field, promise many positive health impacts. These efforts will invariably entail a reduction in demand for some types of raw tobacco products, such as those produced most prevalently by farmers in Malawi and several other regional economies. The reduction in demand for combustible tobacco products means predictably lower incomes for tobacco-producing farmers and tobacco-reliant economies. This change creates a unique opportunity to (a) support smallholder tobacco farmers as they transition to alternative crops and livelihoods, and (b) catalyze that transition.

Through the **Agricultural Transformation Initiative (ATI) in Malawi**, the Foundation is working to prepare smallholder tobacco farmers for an era of reduced demand for tobacco. The ATI will use this opportunity to facilitate the establishment of more secure income strategies for farmers, and will seek to partner with a diverse set of stakeholders to ensure the success and sustainability of this strategy. Some of the activities of ATI will target the following outcomes:

- Diversified, secure income streams for smallholder tobacco farmers
- Improved food security and nutrition for target populations
- Increased non-tobacco export earnings
- Application of technologies that enhance productivity, reduce costs, enable data-driven production decisions, and facilitate access to profitable and reliable markets

To enhance smallholder farmer incomes, the ATI will use a systems approach to understanding local contexts and potential points of intervention, coupled with an investment-oriented model of action. A systems-thinking approach is well suited for tackling complex development problems because it incorporates multifactor analysis and feedback loops to foster better decision-making. Focusing on investment, meanwhile, will ensure that each dollar spent is contributing to building capacity and strengthening local and national economies in a sustainable way—contributing, that is, to a better future for smallholder farmers, their families, and their communities.

AGRI-PRENEUR ACCELERATOR PROGRAM (AAP)

Despite being a country heavily dependent on agriculture, Malawi's agricultural productivity is stagnant, with the agricultural gross domestic product (GDP) increasing by just 3% per year since 2007.¹ Unfortunately, young people increasingly do not value agricultural production as a viable livelihood strategy.² This interest gap is exacerbated by Malawi's youth bulge: Malawi's median age is just 24 years, despite the median age of farmers being older than 50 years.³ Entrepreneurship and start-ups can address these disparities by both appealing to youth interest and opportunism⁴ and bringing much-needed technological advancement to the agriculture sector.⁵ The African small business sector has an increasing role to play in improving yields, increasing smallholder incomes, and addressing persistent poverty and malnutrition.⁶

¹ World Bank. 2018. World development indicators. Washington, DC. <https://data.worldbank.org/country/malawi>.

² Chinsinga B, Chasukwa M. Agricultural policy, employment opportunities and social mobility in rural Malawi. *Agrarian South: J Polit Econ*. 2018;7(1):28-50.

³ FAOSTAT. Food and agriculture organization (FAO) of the United Nations. Updated 2018. <http://www.fao.org/faostat/en/#country/130>.

⁴ De Gobbi MS. Making youth entrepreneurship work in Sub-Saharan Africa: some factors of success. *Open Journal of Business and Management*. 2014;2:305-313. <http://dx.doi.org/10.4236/ojbm.2014.24036>.

⁵ Katengeza SP, Okello JJ, Jambo N. Use of mobile phone technology in agricultural marketing: the case of smallholder farmers in Malawi. *In J ICT Res Dev Africa (IJICTRDA)*. 2011;2(2):14-25.

⁶ Leke A, Yeboah-Awankwah S. Africa: a crucible for creativity. *Harv Bus Rev*. 2018 November-December. <https://hbr.org/2018/11/africa-a-crucible-for-creativity>.

In a recent study of Malawians younger than 35, 74.4% of youth stated that they intended to start their own businesses.⁷ However, just 30% of respondents claimed to be actively involved in starting or running a business venture, and only 9% claimed to be owners of established businesses, suggesting high rates of failure and a lack of business knowledge. Additionally, more than 75% of youth in start-up businesses reported that their start-ups had been self-financed, with only 2% reporting that they were able to raise funds from financial institutions. While youth appear to be enthusiastic about starting their own business ventures, it's clear that training in operating a successful business venture and connecting to formal financing are critical, unaddressed needs. By creating jobs, small companies and start-ups play a significant role in country-wide economic growth, through spurring economic dynamism, innovation, and competition. Supporting innovative and disruptive agricultural start-ups in Malawi that target smallholders—aiming to transform agriculture through improved yields, quality, and more—can increase smallholder incomes and catalyze improved economic conditions and competitiveness for all.

Women in particular face unique barriers to entrepreneurship, resulting in gender imbalances in enterprise development globally across sectors, including less access to assets, social capital, education, market information, societal pressures, and more. In addition, women typically lack control over household assets and land, and therefore lack the collateral necessary to receive traditional loans.⁸ Globally, female founders received just 2% of venture capital dollars in 2017.⁹ While Sub-Saharan Africa has the highest number of female start-up entrepreneurs relative to established businesses at 11%, the region also leads in numbers of women who discontinued a business in the last year, exceeding men by 10%.¹⁰ Given that women are less likely than men to start businesses, this finding shows that despite a smaller pool of businesses, more women are leaving their businesses regionally.

As part of the ATI's mandate to support and accelerate the development of technologies and alternative viable income streams for smallholder farmers, the ATI plans to establish a Agri-preneur Accelerator Program (AAP) that will support youth entrepreneurs, with a special focus on young women, who have promising agricultural ventures (“agri-preneurs”) to work on their business start-ups, connect with seed funding, compete in business plan competitions or pitch days, and more. Given Malawi's large population of smallholder tobacco farmers, it's essential that the start-ups will work to accelerate technologies and businesses that will contribute to increased income for smallholder farmers, with a focus on those farming tobacco. The program will support a range of agri-preneurs under 35 with mentoring, training, co-working spaces, and additional resources to increase their likelihood of success. Youth enrolled in the program may be those at the early ideation stage of their venture, those in the beginning phases of a start-up, or those with existing small businesses looking to expand into larger markets. Programs that increase their focus to include corporations and other companies to target the “missing middle,” such as the World Bank's Industry and Entrepreneurship Project in Kenya, have found success as well.

In order to encourage women to pursue agri-preneurial careers, overcome their unique constraints, and reduce disparities in economic participation, the AAP will actively seek to engage and encourage women into agri-preneurial engagements. The program will also work to amplify the voices of existing entrepreneurial women in Malawi and the region by proactively engaging women as experts in the training, mentoring, and support cycle, as well as female investors. Gender considerations for the AAP must move beyond metrics (i.e., counting the number of women involved) to adequately analyze and address the full range of barriers facing women in business in Malawi.

⁷ Mandere G, Jamali-Phiri M, Souza E. Global entrepreneurship monitor—Malawi youth report. University of Malawi, Department of Population Studies. 2015. <https://www.gemconsortium.org/report>.

⁸ Tschirhart N, Kabanga L, Nichols S. The convergence of HIV/AIDS and customary tenure on women's access to land in rural Malawi. SAHARA-J. 2015;12:134-146.

⁹ Zarya V. Female founders got 2% of venture capital dollars in 2017. Fortune website. <http://fortune.com/2018/01/31/female-founders-venture-capital-2017/>. Published January 31, 2018. Accessed November 13, 2018.

¹⁰ Africa has highest number of women running start-ups vs established businesses. Capital Business website. <https://www.capitalfm.co.ke/business/2018/02/africa-has-highest-number-of-women-running-start-ups-vs-established-businesses/>. Published February 12, 2018. Accessed November 13, 2018.

SCOPE OF WORK

ATI seeks eligible private sector firms with at least 5 years of experience designing accelerator, incubation, and other innovative entrepreneurship competitions and start-up models to submit proposals for the design of the AAP on a 2-month contract, with the expectation that the program will launch by the end of 2019. The AAP will integrate with other ATI programs on the ground, including a scholarship fund, investment support facility, challenge fund, and Center for Agricultural Transformation.

At implementation, the AAP will have a budget of up to \$2 million per year for 3 years, with a cap of \$6 million over the life of project. FSFW understands that a successful agri-preneur program can be designed and run in many ways. Therefore, we are interested in creative programs that will achieve the following goals:

- Support youth agri-preneurs (<35) to launch successful businesses, or improve upon existing early-stage (agriculture-focused) businesses
- Encourage start-ups with disruptive solutions to smallholder farmer economic diversification to thrive
- Create a network of entrepreneurial youth interested in agricultural transformation, including an engaged alumni network
- Address gaps in business, finance, and entrepreneurial knowledge
- Encourage, engage, and mobilize female (youth) agri-preneurs
- Amplify the voices of entrepreneurial women and engage women as experts in the training, mentoring, and support cycle
- Contribute toward the development of a competitive start-up culture
- Support agri-preneurs to attract talent and build the teams they need to succeed

The program should create partnerships with investors and sources of funding, so that upon completion of the program, agri-preneurs are able to make pitches, compete in business plan competitions, and/or participate in demonstration/pitch days directly to potential sources of funding.

ATI will provide the co-working space for the accelerator, so applicants should not plan to design or identify co-working spaces where the AAP will occur.

PROCESS

Stage 1: Expressions of Interest for Design Proposal

- Request for Expressions of Interest Issued: December 5, 2018
- Expressions of Interest due: January 25, 2019
- FSFW review process: January 25–28, 2019

Stage 2: Design Proposal

- Design proposal development: January 29 – March 4, 2019
- Design proposals due: March 4, 2019
- FSFW review process: March 4–25, 2019

Stage 3: Design Consulting Engagement

- March 25 – June 3, 2019

Stage 4: Implementation of Proposal

- RFP Issued: June 10, 2019
- RFP development: June 10 – July 15, 2019
- Proposals due: July 15, 2019
- Pitch Presentation in Lilongwe: July 17, 2019
- Negotiation and award: July 22, 2019

Stage 1: Expressions of Interest for Design Proposal

Applicants must explain their experience in designing accelerators, incubators, and other entrepreneurship competitions and programs in Africa that connect with local/regional financing. Successful applicants will have at least 5 years of experience in designing programs with a focus on youth, women, and rural/disadvantaged populations in Sub-Saharan Africa. Submissions are limited to 2 pages in length; however, applicants may submit finalized designs for relevant programs they have designed as annexes.

EOIs must be submitted via the [online portal](#). If your EOI is not chosen, you will be notified accordingly. If your EOI is chosen, you will be invited to participate in the Design Proposal phase.

All questions should be submitted to agl_procurements@smokefreeworld.org and all questions and responses will be posted publicly on the FSFW website.

Stage 2: Design Proposal

The applicants with the highest rated proposals, as determined by a panel of FSFW employees, will respond to a closed RFP with more specifications. During this phase, applicants will further determine additional partners and resources required to complete the project.

Additional Information

Entities are encouraged to ask questions for clarification before the submission date. It is expected that selected proposals will engage FSFW/ATI to finalize project design.

No promise is made or enforceable right granted to anyone by this Request for Expressions of Interest. FSFW/ATI will make a determination whether to engage with a specific partner. FSFW/ATI will engage in final review, negotiation, responsibility, cost reasonableness, and timeline, and will craft an award instrument with the selected partner. Successful applicants will be required, at a minimum, to provide key organizational documents and background information as part of the due diligence process, and comply with the Foundation's [Grant Policies and Procedures](#).