

REQUEST FOR EXPRESSIONS OF INTEREST: CENTER FOR AGRICULTURAL TRANSFORMATION IN MALAWI RESPONSES TO QUESTIONS

August 9, 2018

Thank you to all organizations and individuals that submitted questions in response to the Foundation for a Smoke-Free World, Inc.'s (the "Foundation" or "FSFW") request for expressions of interest for the Center for Agricultural Transformation in Malawi.

A revised Annex A incorporating small changes can be found posted along with this document. Changes have been highlighted. For ease of reference, all questions below have been divided into three sections: technical, cost, and process/administrative.

TECHNICAL QUESTIONS AND ANSWERS

1. Can you explain what needs to be provided as experience for "spatial needs and technical requirements"? Should we elaborate on experience in formatting/building of such facilities?

Organizations should provide capability statements detailing their relevant experience in designing or providing input into the design of scientific laboratories and/or facilities that encourage collaboration and innovation. Organizations that have experience in formatting and building facilities should elaborate on their experience.

Post-award, the Foundation would like to garner your input on what your expected needs will be for the Center's facilities. For example, the number of hectares required for demonstration plots, the number of buildings, required power equipment, and any specialized equipment or services (i.e., Wi-Fi, lab equipment, etc.). It is not necessary to provide these details at this stage; this input will be required post-award.

2. The EOI states, “While research activities are already underway, FSFW will initiate the second phase, which will focus on building a new physical space for a flagship technology campus.” Does FSFW currently have ATI-related research activities underway in Malawi? If so, what are these activities?

No. The Foundation does not currently have ATI-related research activities underway in Malawi. This statement refers to this current procurement process, with expressions of interest due August 14, 2018.

3. Will ATI diversification activities be limited to crops during the first phase of the Center for Agricultural Transformation in Malawi?

No. The Foundation is open to a wide-range of creative and plausible diversification activities.

4. Is there a local partner? For example, a local partner through which we can gain access to and engage with the smallholder farmers?

There are no pre-identified partners.

5. To what extent is the government involved and committed; i.e., would they provide guarantees to the farmers to ensure there is a good incentive and low risk to them for changing crops?

While the Foundation has been talking to various Malawi governmental officials about agricultural diversification, there has not been any proposal, formal or informal, by the government of Malawi to provide guarantees or other financial assistance to farmers. The Foundation makes no representation that such guarantees will ever be obtained from the government of Malawi. Specifically, no reliance should be made on the future participation, through guarantees or other financial commitments, by the government of Malawi.

6. Is the Center supposed to be profitable?

The Center is being funded by the Foundation, which is a U.S. not-for-profit entity, the mission of which includes exploring and promoting sustainable agricultural and nutritional alternatives for tobacco farmers and tobacco land. The Foundation does not expect that the Center will be profitable. It is the expectation that over time the Center may become self-sustaining.

7. Under the Scope of Work, in the second pipeline, *Business incubation and commercialization open to the general public*, the ROI states that partners will “leverage funds through private sector commitments or other models.” Would the Foundation for a Smoke-Free World (FSFW) please clarify whether the Center for Agricultural Transformation in Malawi is meant to generate revenues and become self-sustaining?

Please refer to the response to question 6.

8. Has the Malawi government made any commitments for support of this project?

Please refer to the response to question 5.

9. Is the Foundation targeting local NGOs or international NGOs? What is the total ceiling anticipated for each?

We are interested in a broad spectrum of entities, including both local and international NGOs. The Foundation does not have anticipated ceilings for either.

10. What linkages are envisaged between the proposed Center and the Malawi Department of Agriculture and other Malawi sectoral departments involved in agriculture and FSN (food security and nutrition)-related matters?

We anticipate both formal and informal linkages between the Center, the government of Malawi, the public sector, and NGOs operating in Malawi. The Foundation anticipates collaborating with many different organizations in order to drive sustainable transformation in Malawi and throughout the region.

11. What is the focus of the Foundation: science or livelihoods to replace tobacco?

Both and beyond. The Foundation has four focus areas: (1) addressing knowledge gaps; (2) providing direction on the fastest ways to reduce smoking; (3) monitoring, evaluating, and reporting; and (4) preparing tobacco farmers for an era of reduced demand. For more information on our focus areas, please visit our website at www.smokefreeworld.org/our-areas-focus and there you can find the Certificate of Formation and Bylaws for the Foundation.

12. Can the leaf grower organizations such as Alliance One and Limbe Leaf be incorporated into the overall activities and serve as a resource for activities (e.g., training sites, research sites, data collection)?

Organizations may partner with leaf grower organizations on activities or involve these organizations in relation to direct support to smallholder tobacco farmers who need help with economic diversification. The Foundation will not provide grants or other corporate support for these for-profit companies.

13. Are there preferred partners?

There are no preferred partners.

14. Is this about rural transformation or focused more on capacity building?

While the overall goal of the Center is rural transformation, capacity building will be an essential activity to meet this goal.

15. What linkages are envisaged between the proposed Center and other Malawi-based and regional agricultural research institutions/entities?

We encourage organizations to propose such linkages. Please refer to the response to question 10.

16. What processes are envisaged to ensure the mainstreaming of the outcomes of the research undertaken by the proposed Center within policy formulation, regulatory renewal, and implementation processes in Malawi?

The mechanism to ensure regulatory coordination is currently being built. The Foundation is actively engaged in policy formulation and will look to leverage our relationship with the Ministry of Agriculture to ensure that research outcomes from the Center are discussed at a national and regional level.

- 17.** What linkages are envisaged between the research and other activities to be undertaken by the proposed Center and the broad international, continental, regional, and Malawi-specific agriculture transformation frameworks?

These mechanisms are currently being developed. Suggestions from offerors are welcome during the EOI and, eventually, the RFP phases.

- 18.** Which institutions are envisaged to be responsible for the (a) oversight; and (b) monitoring and evaluation of the activities, outputs, and outcomes of the proposed Center?

The Foundation has organized an Advisory Board of external experts who will provide guidance for the proposed outputs and outcomes for the Center. Final responsibilities for each partner will be discussed during the co-creation phase. Upon award, the prime grantee will be responsible for day-to-day management, monitoring and evaluation, and daily tasks for all consortia members. The Foundation will provide oversight on the Center to ensure independent evaluation of the Center.

- 19.** Under the Scope of Work, the first bullet indicates that the Center will serve as an international incubator and accelerator of knowledge, skill development, and positive change. Would FSFW please clarify whether the Center will support international activities or dissemination of research internationally in the initial five-year period?

At this time, the Center will not directly support activities outside of Malawi. The Foundation, however, is committed to disseminate research regionally and internationally at conferences and industry events. Activities that will have effects outside of Malawi will be welcomed if such activities directly apply to Malawi as well.

COST QUESTIONS AND ANSWERS

- 20.** Is the CAPEX (re: the formation of the center, equipment, etc.) not included in the \$10M budget, and will it be repaid in addition?

Yes. CAPEX is not included. The capital costs related to construction are outside the scope of this procurement. The Foundation will fund construction and renovation directly. If any of those costs are incurred by partners, they will be reimbursed.

- 21.** Will travel and accommodations expenses for the Pitch Day and other traveling days abroad be covered?

As we evaluate initial expressions of interest and determine which expressions we would like to advance, we'll determine to what extent these costs will be covered by the Foundation.

22. We understand from page 5 para 2 of the RFI that *“FSFW will incur the capital costs related to constructing the physical space to house the Center via a two-phased approach; these capital costs are outside the scope of this procurement. The first phase will focus on innovation within an existing infrastructure. FSFW will refurbish existing buildings and land to create a 21st century facility to support research, co-working, incubation, and education.”*

a) Will such capital costs as irrigation equipment, pumps, electricity, and laboratory equipment be paid by FSFW separate from this procurement?

Yes. All capital costs will be covered by the Foundation separate from this procurement, including costs for the items listed above. However, the recipient consortium will be involved in the construction procurement process and will provide input on the spatial needs and technical requirements for the space (i.e., the number and type of facilities required for success, lab equipment, amenities, hectares required, etc.), as discussed in the response to question 1.

b) Or will some of those capital costs need to be covered through the \$10 million award amount?

No. The \$10 million award amount will be exclusively for operational expenses, utilities, grants, capacity building activities, etc.

23. The RFI mentions (last paragraph on page 4) *“an iterative grant-incubation structure that encourages creativity, experimentation, and operation.”* Are the grants to be funded within the \$10 million award amount, or does FSFW anticipate additional separate funding for the grant-related structure?

Grants should be included within the \$10 million budget. Proposed budgets are not requested at this phase but will be part of later requests.

24. a. If we need working capital, whose responsibility is it to provide?

In accordance with its Grant Policies and Procedures, Articles, and Bylaws, the Foundation will provide working capital pursuant to the terms of the proposed and approved budget.

b. Is the allocated fund to include all running costs (salaries, management, etc.)? Are there provisions for increased activity / contingencies?

Yes, the allocated fund will include all running costs. Potential provisions for increased activities will be based on good performance, research needs, availability of funds, etc.

25. Please provide further information on the costing structure for this opportunity: will it be a grant or a contract? Will there be a cap on indirect rates?

The Foundation anticipates providing a grant to the party whose submission is reasonable and in line with the mission of the Foundation, and is the best suited to help ensure that the Foundation fulfills its mission.

26. Does FSFW wish to see a budget at this stage (and if so, in what detail)? Will there be a cap for indirect costs?

Budgets are not requested at this phase.

PROCESS/ADMINISTRATIVE QUESTIONS AND ANSWERS

27. Will the Foundation assist organizations in creating the concept note?

No, the Foundation will not assist any organizations in the creation of the initial Expression of Interest. However, we will be actively involved in the collaboration and co-creation process.

28. a. Is FSFW interested in receiving Expressions of Interest from organizations that would like to implement only a specific component of the Center for Agricultural Transformation (not operate and manage the full Center)?

Yes. We encourage all interested organizations to submit expressions of interest detailing expertise and experience in their relevant focus areas. During the collaboration and co-creation phase, the Foundation may encourage such parties to combine efforts and collaborate in pursuit of the strongest possible consortium.

b. If FSFW is not interested in receiving applications for a specific component of the Center, will there be opportunities in subsequent stages (stages 2 or 3) of the review process in which other organizations (who did not submit an Expression of Interest) may be invited to propose specific components to contribute to the development of the Center?

Please see the response to 28.a.

29. a. In forming a consortium, is it preferable for organizations to find their own consortium partners, or would FSFW rather facilitate compatible/aligned organizations?

We prefer that organizations form their own consortiums, if possible. However, individual organizations should not be discouraged as we may facilitate realignment based on identified gaps. Therefore, an exhaustive list of partners for all focus areas is not required.

b. Additionally, how much information about consortium sub-partners would be needed in the Expression of Interest? Would FSFW interact only with the lead partner in the project planning and dissemination of funds?

Submissions should include at least the names, responsibilities, and experience of each proposed consortium sub-partner. Yes, the Foundation will only interact with the lead partner in the planning and dissemination of funds.

30. Is FSFW seeking only organizations that already have an existing, long-term physical presence in Malawi?

No. The Foundation will consider all interested organizations.

31. Will submitting or not submitting an EOI in any way affect the submission of a potential proposal for the next phase of the FSFW crop diversification program in Malawi?

No. Responding to this EOI in no way impacts other opportunities with the Foundation.

- 32.** Please provide further details on point 4 of the Expression of Interest Template: Spatial Needs and Technical Requirements. What is Foundation for a Smoke-Free World looking for in this section?

Please refer to the responses to questions 1 and 22.

- 33.** Please confirm that the co-creation workshops will be held in Malawi.

The location of the workshops will be confirmed at the next stage of this process.

- 34.** Is there a proposed timeline with set milestones for the establishment and implementation over the five years?

No. Timelines and milestones will be determined at the next phases of the procurement process.

- 35.** Shall we send only our capabilities? Is it enough? Or how far do we have to go with our EOIs?

While understanding the capabilities of your organization is critical, we encourage all organizations to adhere to the template guidelines in Annex A.

- 36.** Should we describe the role of our company within the Center, and not our company's role in its ongoing operations?

Please describe both the role you envision playing at the Center, as well as your organizations qualifications and experience, per the template guidelines in Annex A.

- 37.** Should we describe the partners that we will employ for the project? Can we highlight partners by expertise only?

Yes. Partners may be highlighted by expertise only. Please refer to the response to question 29.b.

- 38.** We have defined the objective of our organization as the leading organization of the consortia and under this objective, the objectives of the Center. Is this in line with your intentions?

Each organization is to respond in whatever capacity it feels it can be most competitive. The entire consortium will be considered based on the range of skills of all those who have responded to this request. The Foundation has not pre-identified any preferred partners.

- 39.** Under "spatial needs and technical requirements," we understand we must describe our qualifications and experience in activities of construction and the establishment of infrastructure and farms, while answering and responding to technical requirements associated with each activity. Is this correct?

Correct. This section refers to organizations that will be able to provide input on the equipment required for the lab work to create, pilot, and scale appropriate science and technology to transform small tobacco farmers' lives. Please refer to the responses to question 1 and 22.

- 40.** Has FSFW made a determination on how you wish to implement and oversee the work under this award: (a) with substantial delegation of authority to the implementing partner (typical of USG grants), or (b) with substantial oversight and approvals such as for individual consultants and travel—hands-on involvement typical of a USG contract mechanism? The two scenarios have somewhat different costs, since the latter generally requires more behind-the-scenes time from operations/compliance staff from our HQ.

The Foundation will give substantial delegation of authority to the implementing partner (typical of USG grants).

- 41.** Annex A provides a detailed outline and page allocation suggestions for concept notes. Are the pages provided in Annex A maximum pages per section or they simply provided for illustrative/guidance purposes?

Please keep all submissions to five pages maximum, and follow the template guidelines in Annex A.

- 42.** Section 3 of Annex A of the RFI lists “*Specific Qualifications and Experience*” in four domains. However only three domains are listed below the Section 3 heading. Section 4, of Annex A lists “*Spatial Needs and Technical Requirements*,” which is now section 4. However, it appears that this might be the fourth domain referenced in the heading for Section 3. Would you please clarify which four domains are referenced in Section 3?

Yes. “*Spatial Needs and Technical Requirements*” should be the fourth domain referenced in the heading for Section 3. Please find a revised Annex A attached.

- 43.** Can you clarify whether we can apply with a proposal to address 3 out of the 4 requirements, or should we be forming a consortium of organizations for the application so we are able to address every requirement?

Yes. You can apply with a proposal to address 3 out of the 4 requirements. Please refer to the response to question 29

- 44.** Evaluation: Who will set the KPIs and who will conduct the evaluation?

KPIs will be co-created by the Foundation and the selected consortium during the collaboration phase of this procurement. Evaluations will be conducted either by the Foundation or an independent third-party organization. Evaluations will be validated by an impartial third party.

- 45.** Has any due diligence been conducted in preparation to establish a center? Was a study conducted that could be shared?

While the Foundation has conducted extensive research and engaged in many conversations with multiple parties in anticipation of this Center, no publicly available study can be shared. We encourage organizations to investigate successful global centers of excellence, the land grant university system, global research partnerships (i.e., the CGIAR system), research-for-development organizations, and other similar experimental systems for examples of how this model can be successful.

- 46.** Has a vision for the managerial-organizational structure of the Center and its business model already been determined?

No. The managerial-organizational structure of the Center and its business model may be proposed during the Expression of Interest and will be determined during the collaboration and co-creation phase.