

Issue Date: August 30, 2022

Response Date: 1:00PM EAT, DATE: 4 October 2022

Subject: Request for Information (RFI)-005#: ATI, USAID-Liberia Partnerships in Agribusiness Incubator and Development Activity

Dear Prospective Partner:

Through the Africa Trade and Investment (ATI) program, the United States Agency for International Development (USAID) seeks to bolster the U.S. Government's ability to boost trade and investment to, from, and within the African continent. The continent-wide ATI program is USAID's flagship effort in support of the Prosper Africa initiative and will expand and accelerate two-way trade and investment between African nations and the United States.

In support of its efforts to work with the private sector to advance deals, promote market opportunities, and strengthen business and investment climates, USAID awarded the ATI contract to DAI Global in September 2021. Through ATI's flexible buy-in mechanisms, USAID Missions and Operating Units can access an expansive network of firms and individuals that have the range of technical expertise needed to identify opportunities and effectively mobilize private sector solutions to development priorities. ATI's large performance-based subcontracting and grants under contract facility are designed to further support the needs and opportunities identified by USAID Missions and the private sector. Through the Liberia Agribusiness Incubator and Development activity, ATI seeks to partner with one or more relevant incubators or accelerators to support the development of the commercial agribusiness needs in Liberia. Under ATI, USAID/Liberia will provide new resources for business incubation and entrepreneurship to support agribusiness enterprises to develop and access markets and other value-added services necessary for sustainability and job creation.

Purpose

The intent of this RFI is to conduct market research to better understand the number of qualified and interested incubators or accelerators who are able to provide innovative enterprise solutions and interventions that build Liberian agribusiness enterprises. Suitable incubators or accelerators are requested to respond providing an indication of their technical and management capacity to support enterprise pitch events (including corporate reverse pitches) as well as grooming and graduating agribusiness enterprises into the mainstream market. The incubator or accelerator is expected to improve the economic potential of the Liberian agriculture sector. The key to unlocking this potential is the growth of the private sector across the entire value chain, from on-farm production to the distribution and sale of final goods. There are numerous agricultural entrepreneurs and business people in Liberia who have good ideas to solve many of Liberia's agriculture sector constraints, but many lack the finance, networks, business sophistication, information, and know-how to realize or scale their ideas. The Agribusiness Incubator and Development activity will help address these constraints, improve the business enabling environment, and accelerate the growth of Liberian agribusiness.

Background

Liberia is a low-income and largely agrarian economy characterized by low productivity and unrealized potential. Despite highly favorable climate, soil, and geography, Liberia achieves low crop yields, imports most of its food, and exports almost no fruits or vegetables. Large concessionaires dominate agriculture production in the country, exporting raw commodities including rubber, oil palm, cocoa, and timber. In 2019, the Liberian agricultural sector accounted for 43 percent of formal employment yet contributed just 27 percent of gross domestic product. About 70 percent of the country's population depend on agriculture for their livelihood and food security. The Liberian agriculture sector can only grow through economic transformation driven by increased productivity, diversification of production, value addition from agriculture processing, and commercialization. However, the sector faces many constraints including inadequate road and electricity infrastructure, a weak business enabling environment, limited access to inputs, low levels of education, and a risk-averse financial sector that offers loan products with high interest rates and short tenors. In addition, six of Liberia's 15 counties lack a commercial bank branch, which makes access to formal financing options even more challenging for a predominantly rural sector like agriculture. To address some of these constraints, the activity will work to strengthen the ecosystem and foster promising agribusinesses and entrepreneurs who seek growth opportunities in the agriculture sector but need assistance to develop business plans, reduce business risk, and obtain financing. A grant making facility and incubator will provide much needed access to finance to Liberian agribusinesses, while also providing business development services and entrepreneurship development to spur innovation.

Request for Information

In support of this activity, ATI seeks information from a partner or consortium of partners interested in providing technical and management support to run an incubation/acceleration activity to foster new ideas from promising entrepreneurs, increase access to finance, foster an improved network of business service providers, strengthen agriculture value chains, create jobs, and improve the overall business enabling environment in Liberia. Interested incubators/accelerators may provide support to enterprises in pitch competitions (including reverse pitch events), lead bootcamps, and facilitate linkages to sources of finance and market outlets. The incubator/accelerator needs to demonstrate its ability to reach new and underutilized agribusinesses by working with existing Liberian enterprise ecosystem players including business service providers, financiers, and large buyers of goods and services, to the extent practicable.

ATI is seeking responses from interested parties surrounding their experience, networks and ideas surrounding the envisioned process below:

The Agribusiness Incubator and Development Activity Technical Scope:

Building on RFI responses, ATI aims to establish a central agribusiness incubator in Monrovia that offers local and regional networking, training, capacity building, deal sourcing, transaction facilitation, and linkages to the activity's co-investment grant facility. ATI will first onboard a partner to design and administer a business development incubator to facilitate investment and growth for Liberian entrepreneurs and micro, small, and medium businesses to achieve USAID's agribusiness objectives. The incubator will provide training, networking, connections to business service providers (BSPs), and linkages to financial providers. The incubator will deliberately support work with women and youth, which will be incorporated in the monitoring and evaluation targets. The incubator should seek opportunities to collaborate with beneficiaries of the planned Food Security, Nutrition, and Resilience (FSNR) activity who

are looking for business development support, entrepreneurship development, and financing opportunities. The incubator may also consider opportunities to leverage USAID's previous agribusiness activities with enterprises who previously received support. Ultimately the incubator will be a match-making entity that cultivates good business ideas and links participants with financing opportunities. Linkages with the grant facility are expected, but most of the financing must be unsubsidized and come from private sector sources. The incubator will create an environment of experimentation and risk taking with high upside potential. The incubator will hire transaction advisors on a pay-for-results basis to facilitate investment deals. Business development service (BDS) vouchers and reimbursable grants for BDS services are not permitted under this award.

To achieve the above goals, the agribusiness incubator may offer services including (but not limited to):

Illustrative Expected Incubators Services

1. Facilitate and administer a business development incubator to coordinate professional development for Liberian entrepreneurs and micro, small, and medium businesses to increase investment and productivity in the agribusiness industry.
2. Prepare, accelerate and strengthen enterprises' growth for the grant financing facility that co-invests with private sector firms with a minimum leverage ratio of 1:1.
3. Host and coordinate pitch competitions and reverse pitch events (solution-driven pitch) to provide seed finance and scale local or diaspora business plans and innovations that align with the goal of strengthening inclusive commercial agricultural development in Liberia (i.e., development that includes women, youth, and other marginalized groups).
4. Create a collaborating, learning, and adapting (CLA) agenda to gather and share evidence on which strategies work to promote agribusiness development in thin commercial markets such as Liberia, and to continually adjust Components 1-3 throughout the life of the activity.

Although the range of the provided services and resources differ, in most cases, the incubator may provide essential services and resources to the enterprise's services include the following:

- Advisory services, business management training, and business model canvas review
- Access to finance/capital sources (loans, grants, network of potential investors)
- Assistance with core business operations (accounting, market research, marketing, legal compliance)
- Access to office space and other operating resources (necessary software, hardware, etc.)

The information gathered through this process will be used to:

- Identify qualified and interested potential partners that can play a role in delivering the objectives outlined above
- Understand the state of play, the key barriers for small to medium agribusinesses in Liberia, and what new ideas and approaches are being recommended by the market
- Where USAID can intervene to have significant impact without displacing market actors
- Identify existing models or networks that incubate/accelerate businesses in alignment with USAID/Liberia's priorities

Note, USAID is open to hearing from organizations that may not have explicit experience working with USAID.

This RFI will not be construed as a commitment by DAI or USAID to award any contract or pay for any information voluntarily submitted as a result of this request. Responders are solely responsible for bearing all expenses associated with preparation and submission of the response to this RFI. This RFI does not restrict approaches to future Solicitations or Notices of Funding Opportunity.

In accordance with FAR 15.201(e), responses to this notice are not offers or proposals and will not be accepted to form a binding contract. Further information may be requested as a result of submissions received.

Responses should be submitted via email to ATI_Procurement@dai.com copying Mike Wayamba (Mike_Wayamba@dai.com) and Edwin Muli (Edwin_Muli@dai.com) no later than the date and time shown above, with the subject line: "Response to RFI ATI-005." Please limit the responses to 10 pages/slides using 11-point font size. Graphics may be included so long as text is clearly legible. Submissions in PowerPoint, Word, or PDF are acceptable. PDF is preferred along with an accompanying PowerPoint/Word document.

Sincerely,

ATI Procurement and Partnerships Team

ATI_Procurement@dai.com