

**Statement of Work (SOW) under RFP ATI-047:
US- AfriTrade Model: Specialty Foods Sector**

Introduction

The USAID Africa Trade and Investment (ATI) activity is designed to bolster the U.S. Government’s ability to boost trade and investment to, from, and within the African continent. The continent-wide 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.

Driven by market demand, ATI embraces innovative approaches to achieve its goals. ATI is designed as a small, core set of centrally coordinated technical and institutional support activities, and a large, flexible performance-based subcontracting and grants under contract facility designed to support the needs and opportunities that USAID Missions and the private sector identify.

Purpose & Background

Prosper Africa is a Presidential-level national security initiative aimed at strengthening the strategic and economic partnership between the U.S. and Africa by catalyzing transformative two-way trade and investment flows. The Initiative brings together the full suite of U.S. Government trade and investment services and resources to help companies and investors do business in U.S. and African markets. The Initiative focuses on three main objectives: advancing deals, unlocking market opportunities, and strengthening business and investment climates.

Africa offers a diverse supply of natural resources, ranging from agricultural commodities to critical minerals. In 2021, U.S. total imports of agricultural products from Sub-Saharan Africa were \$34.3 billion. Top categories of agricultural imports from Africa to the U.S. included unroasted coffee (\$300 million), cocoa beans (\$974 million), cocoa paste and cocoa butter (\$340 million), tree nuts (\$182 million), and spices (\$289 million).¹ While exports to the U.S. are growing, a significant portion of products from the African continent is exported to other countries, processed, and then re-exported to the U.S.

Prosper Africa has implemented successful buyer-supplier and digital trade activities under ATI, collaborating with African Trade Promotion Service Providers (TPSPs), which have closed to date a cumulative 464 trade deals valued at \$534.6 million, with a deal pipeline of 819 additional deals valued at \$1.2 billion under development. However, while these previous buyer-supplier efforts enabled African firms to reach the U.S. market, moving forward, closing significant deals will require ATI to adopt a buyer-driven approach, where African exporters and TPSPs partner with U.S. buyers, encouraging and enabling them to source from Africa.

Prosper Africa is developing a U.S. – AfriTrade Model to increase the export deals closed between African firms and U.S. buyers. This model will build on successful TPSP models and introduce new variants, all aimed at a buyer-driven approach.

Objectives and Activities

A key mechanism to generate higher levels of export sales between Africa and the U.S is through the U.S-AfriTrade Model via a fully integrated buyer-driven mechanism. A buyer-driven mechanism will generate significant deal closures by focusing on establishing relationships with US buyers and combining efforts from existing ATI buyer-supplier and digital trade workstreams.

¹ <https://ustr.gov/sites/default/files/2022-12/SubSaharan2021.pdf>

Specifically, under this SOW, ATI seeks to form a partnership with TPSP(s) to achieve at least \$300 million in export sales between Africa and the U.S. within 18 months through establishing a secure supply chain from Africa into various U.S. retailers covering products such as seafood, peppadews, stone fruit, citrus, high value herbs, and vegetables such as sugar snaps, chilis, and baby corn, among others.

To achieve this, the offeror should leverage 1) already established relationships with major U.S. retailers seeking to source specialty food products from Africa and 2) USAID Missions' network of vetted, multicultural vendors to identify products that currently lack an effective route to the U.S. market.

Some of the benefits of this iteration of the U.S.-AfriTrade Model, focused on food products, include the following:

- Focusing on U.S. buyer demand-driven market development.
- Providing U.S. buyers with access to vetted products from Africa.
- Establishing a direct route for African exporters to U.S. retailers, ensuring price stability and mutual benefits for producers, retailers, and food service companies.
- Ensuring continuity of supply for U.S. retailers, particularly the supply of off-season products primarily available from Africa.
- Providing verification services for U.S. importers and African exporters and work with USAID Regional and Bilateral Missions to build a pre-qualified, and accredited list of potential African export firms/producers who can become approved suppliers.
- Offering U.S. market entry support for African suppliers.
- Providing aggregation and trade finance services to African exporters to meet U.S. buyer demand.
- Developing full visibility of the supply chain from source to consumption to reduce supply chain disruptions.
- Offering chain of custody traceability to demonstrate a product's lifecycle and alleviate product quality and safety concerns.
- Supporting African exporters/suppliers to develop and export a diverse range of products.
- Increasing African exporters/suppliers' ability to innovate in response to demand.
- Supporting African suppliers to export a strong potential supply of organic and natural products.

It is envisioned that the selected partner will conduct the following activities, although offerors may propose deviations from this process and deliverables as they see fit in accordance with their proposed approach to achieve the objective of \$300 million in export sales within 18 months:

- Identifying, vetting, and onboarding as many U.S. retailers as possible that are seeking opportunities to source from African markets.
- Leveraging relationships with U.S. buyers to connect them with African suppliers.
- Identifying U.S. buyer requirements and needs, such as supply chain standards, certification requirements and product specifications.
- Providing the relevant Enterprise Resource Planning (ERP) and/or other supply chain software to manage the supply chain.
- Implementing monitoring tools to track and report deals in a manner that allows ATI to report these deals in Salesforce.
- Identifying key partners that may contribute as a resource and who may be able to provide support to African firms.
- Leveraging relationships with U.S. retailers to remove slotting fees for African exporters.
- Providing exporting firms with reduced insurance rates.
- Providing export firms with access to trade finance.

- Providing access to FDA and USDA regulatory advice.
- Providing administrative support to exporters and buyers.
- Providing aggregation services to African exporters to meet U.S. buyer demands.
- Providing competitively priced logistics support to African exporters and U.S. buyers.

The Offerors should include in their proposal the data they capture as part of their standard data reporting and any due diligence procedures that will be shared with ATI as part of this activity.

General Implementation Structure

Upon selection and award, ATI will work closely with the awardee(s) to determine the contract structure including final timelines, deliverables, and associated costs. Additionally, ATI and USAID will also work closely with the awardee(s) on the overall learning agenda, including the appropriate cadence for reporting, communications, and other general ongoing project management activities, as well as be a resource to help the awardee achieve overall objectives.

Monitoring, Evaluation & Learning (ME&L)

ATI will work closely with the subcontractor to define appropriate indicators for the overall interventions based on applicable ME&L indicators as identified by ATI and the USAID stakeholders. ATI will work with the subcontractor to develop the ME&L plan at the kickoff, edit as needed during implementation (e.g. if additional transactions are added), and will collect and review data from the subcontractor for requisite reporting to USAID throughout the life of the activity. The subcontractor will be required to reasonably maintain and report on relevant data as part of the periodic check-in process. ATI will conduct data quality assessments as necessary. In many cases, the subcontractor must be willing to share results for at least a six-month period following the completion of their subcontract in order for ATI and USAID to accurately capture results (e.g. an investment that closes after the period of performance but was facilitated during the contracted support).

Place of Performance

The place of performance is not required to be in Africa, but preferred, and offerors should anticipate the need for frequent in-country visits. Offerors should provide details on their approach to working in relevant countries as the activity requires. The selected firm(s) will report to the ATI team based in Washington, DC and Johannesburg South Africa in coordination with Prosper Africa.

Implementation Timeframe

The activities outlined above are estimated to take place over an 18-month period starting around February 2024 and coming to completion by July 2025, although offerors should propose a timeline commensurate with their technical approach. In response to this solicitation, offerors may propose their own alternate timelines, work plans, and level of effort associated with the various components of the activity in line with their proposed approach.