

**COMISSÃO DA CEDEAO**

**COMMISSION DE LA CEDEAO**

Agence Régionale pour l'Agriculture et l'Alimentation  
ARAA



**ECOWAS COMMISSION**

Regional Agency for Agriculture and Food  
RAAF

**Project:  
Supporting national rice platforms to deliver on rice import  
substitution.**

**Request of expression of interest  
Individual Consultant**

Reviewing existing studies and making recommendations for scalable financing solutions for millers and other rice sector value chain actors

**Reference:**

**ARAA/BMGF/2023/SCI/035**

**Source de financement**

**BILL AND MELINDA GATES FOUNDATION**

**Publication date:**

**August 25<sup>th</sup>, 2023**

**Submission deadline:**

**September 12<sup>th</sup>, 2023 – 5 PM GMT**

## **1. Background**

In West Africa, the consumption of high-quality rice outstrips local supply resulting in continued importation of milled rice from Asia to meet demands. Increasing population growth, urbanization and changing consumer preferences have further widened the gap in supply, and no country in West Africa has been able to achieve rice self-sufficiency despite having the right agro-climatic conditions and water availability to meet regional demand.

In 2014, the Economic Community of West African States (ECOWAS) Commission adopted the ECOWAS Rice Offensive--a strategic framework to engender a sustainable revival of rice sub-sector in West Africa and to provide support for the National Rice Development Strategies of Member States towards achieving rice self-sufficiency by 2025. To accelerate the implementation of the Rice Offensive, a Regional Rice Action Plan was developed in 2020. To achieve this goal, ECOWAS, together with several development partners, including the Bill & Melinda Gates Foundation, BMZ-GIZ, AfricaRice, the African Development Bank (AfDB), the Islamic Development Bank (IsDB), FCDO, AGRA, JICA/CARD, the World Bank, and others, established the ECOWAS Rice Observatory" (ERO). The aim of ERO is to achieve synergy and better coordinate rice sub-sector-related programs, public and private investments, and provide inputs for policy harmonization for key decision making. At the national level, ERO is establishing national rice platforms comprised primarily of private sector stakeholders across the value chain, with additional representation from research, government, and civil society to coordinate country-specific investments and policies.

ERO is made up of four technical committees that provide sound insight and make recommendations to the board based on strategic priorities identified within the rice sector and at national levels, facilitate specific research and studies to better influence decisions, and increase rice productivity within the region. One such decision is the recommendation by the ERO technical committee on finance, mechanization, and donor alignment on the need to review existing studies and make recommendations of accessible and scalable financing solutions /options for millers and other rice sector value chain actors.

## **2. Context**

Finance is a significant factor in aiding agricultural value chain (AVC) development, in terms of the availability of financial solutions to ease reaction to changing market requirements and fulfil the critical needs of VC actors. While the approaches and applications differ, most value chain approaches share several characteristics, such as a market perspective, a focus on end markets, recognition of the importance of relationships between different links in the chain, attention to improving value generation for the various participants in the chain and empowering the private sector. They do, however, differ in their abilities to access new markets, achieve higher market prices, stabilize the market, ensure supply, ensure quality produce, and make the market work for the poor.

Aside from internal arrangements, external elements such as the business environment, particularly the availability of support services, the institutional and policy environment, and the legal and contractual systems will all influence the chain's long-term viability. As AVCF expands across Africa, it's critical to understand the various limitations and strengths of the various models, as well as the sustainability elements and how to engender them to maximize the prospects of each organizational model.

It is important to note that a lot has been done on financing value chains recently that has increased considerably our knowledge base. The proposed consultancy, therefore, plans on drawing specific lessons learnt and recommendations that help advance the rice sector financing in the ECOWAS region. It is important that the study adds real value and not duplicate what is already known.

### **3. Objectives**

The overall aim of this task is to review and develop tailored recommendations of accessible and scalable financing solutions / options for the rice value chain actors in West Africa. The specific objectives are as follows:

1. Identify risk-sharing and de-risking models that exist and could be adapted to the rice sector in the ECOWAS region.
2. Review risk sharing models and de-risking facilities to finance input and output rice markets that could be brought to scale in the ECOWAS region.
3. Provide lessons learnt and develop practical recommendations from programmes like CARI, 2SCALE, NIRSAL, GIRSAL, AGRA and others that have and/or are implementing financing models and mechanisms for the rice sector.

### **4. Activities Scope**

The contractor is responsible for providing the following services:

- Identify the financing requirements of each rice value chain actor, including small and medium-sized producers, farmers cooperatives and associations, agrodealers, seed businesses, aggregators, millers, and transporters/logistical/warehousing firms. Financing must be defined in terms of duration, amount, use of funds, break-even interest rate, payback procedures, cash or in-kind credit, and so on.
- Evaluate which financial institutions, agricultural investment funds, and value chain actors (processors, wholesalers, importers, etc.) are participating in or interested in financing the rice industry from producer to processing. If possible, check on their delivery track record. Talk to partners (e.g, government agencies, development partners, EBID, Afreximbank, AfDB and others etc..) that have worked with them.
- Document their financing terms, collateral requirements, access to de-risking facilities (guaranteed funds, TA, matching grants, etc.), actual portfolio, commitment to funding the agricultural sector, knowledge of the rice sector, and so on. This should include Islamic financing products – identify any that have been rolled out successfully.
- Research existing de-risking or risk-sharing models that could be used in the rice industry. In-kind financing agreements, trade credit, matching grants to reduce equipment costs, risk sharing among input and output market parties, guarantee and TA facilities, government guarantees, cost of lending, default rates, and other metrics should be documented for these loans.
- Develop an investable concept note to improve rice sector value chain actor financing via financial institutions, value chain players (trade finance), contract arrangements between the private sector (e.g., millers) and farmers association for inputs and output markets, and agricultural investment funds.
- Recommendations and requirements for scaling funding and collaborations for each model.

## 5. Methodology

The assignment plan will be conducted as follows:

Strategy: The bidder is required to consider the tasks to be performed with reference to the objectives of the services put out to tender. Following this, the bidder presents and justifies the strategy with which it intends to provide the services for which it is responsible.

The assignment plan is to be developed through consultation with ERO – Finance, Mechanization, Donor Alignment technical committee and its partners taking into account the Terms of Reference (ToRs). The methodology adopted should update the preliminary challenges outlined within the ToRs specifying the specific reviewed issues, questions, methods of data collection and analysis that will be undertaken. It should also allow for wide consultation with all interested partners and stakeholders.

The assignment plan should include:

- a) A desk review of all relevant documentation, including (but not limited to):
  - ERO documents
  - Partner’s consultations and review of activities reports
  - Technical Reports on financing of rice sector
- b) Interviews and discussions with financial institutions, decision makers of key rice stakeholders involved in the projects to ensure the development is carried out in a participatory manner. A list of key partners and stakeholders should be identified.
- c) Electronic interviews through teleconference or written comments, e.g., emails where partners cannot be reached.

## 6. Time Schedule, Reporting and Communication

Based on the scope of the work plan development, it is estimated thirty (30) working days for the completion of this assignment.

The Timeframe (will cover the following aspects but will not be limited to):

No.	Description	Number of days
1.	Inception document	2 days
2.	Desk review of existing documents	5 days
3.	Interviews with partners and stakeholders	8 days
4.	Writing the 1st draft of ‘Report and the investable Concept note’	8 days
5.	Debriefing with ERO – Secretariat and Finance, Mechanization, Donor Alignment technical committee	2 days
6.	Drafting final ‘Report’ and ‘the investable Concept note’ in English and French	5 days
<b>Total number of days</b>		<b>30 days</b>

This schedule includes travels to meet some partners and stakeholders in the region if required and this will be in agreement with the consultant.

## 7. Deliverables

- Inception report with list of documents to be consulted, key informants to be interviewed, workplan and research tools (interview guidelines and assessment tools for financial products and providers) to be approved by the ERO committee.

- Draft report and a concept note that is (max 10 pages) for deployment of relevant products identified including potential implementing partners and funders.
- Final report (max 30 pages including the concept note without annexes)
- PPT deck for public presentations on the findings and concept note.

## 8. Consultant qualification and experience

This Consultancy will be carried out by an independent regional consultant with experience and exposure to development projects and rice agricultural value chain financing in the West African region.

The consultant must meet the following standards:

- Education/training: University qualification (M.Sc.) in Agricultural Economics, International Trade, Agricultural finance, or related fields.
- Solid knowledge and experience on the rice value chain and agricultural value chain financing issues for regional development.
- A good overview regarding relevant actors and partners within the rice agricultural policy, trade/market and financial negotiations in the ECOWAS region.
- Good knowledge of the West African region.
- Solid experience of analyzing project planning, management, and development of comparable projects.
- Profound knowledge concerning cost-efficiency and budget related to projects.
- Excellent writing skills and ability to elaborate evidence-based and contextually anchored activities towards the future.
- Full professional proficiency in English and/or French

## 9. Selection process

The ECOWAS Commission, through the Regional Agency for Agriculture and Food (RAAF) hereby invites natural persons to express their interest in providing the required services by providing information demonstrating that they possess the required qualifications and relevant experience to carry out the mission.

The attention of interested individual consultants is particularly drawn to Article 117 of the revised ECOWAS Public Procurement Code ("Offences by Candidates, Bidders and Winners"), which provides information on corrupt or fraudulent practices in competition or contract performance. In addition, please refer to the following specific information on conflicts of interest related to this assignment in accordance with Article 118 of the revised ECOWAS Public Procurement Code.

A consultant will be selected according to the individual consultant selection method described in the ECOWAS "Procurement Regulations". The main following criteria will be used to evaluate the candidates:

- |                             |            |
|-----------------------------|------------|
| • Conceptual note           | 10 points  |
| • Consultant qualification: | 90 points  |
| • Total                     | 100 points |

## 10. Requirements on the format of the application

The application must include the following documents:

- **Document 1. Application letter**

- **Document 2. Conceptual note:** The structure of the conceptual must correspond to the structure of the ToRs. In particular, the detailed structure of the organizational concept. It must be legible (font size 11 or larger) and clearly formulated. The concept note shall not exceed 20 pages (excluding CVs).
- **Document 3. CV:** The CVs of the consultant in accordance with qualification and experience sector of the ToRs must be submitted. The CVs must clearly show the position and job the proposed person held in the reference project and for how long.

## **11. Application submission**

Applications must be submitted no later than: September 12<sup>th</sup>, 2023 – 5 PM GMT, through the Dropbox file request: <https://www.dropbox.com/request/XFlopTTBsulugvpQsqUP>

All the documents must be included in **single PDF** file named as follows: “SCI035-Candidate Name.”

## **12. Request for additional information**

Interested consultants can obtain further information by writing to the following e-mail addresses: [procurement@araa.org](mailto:procurement@araa.org) cc: [ctienon@araa.org](mailto:ctienon@araa.org), [mnakorba@araa.org](mailto:mnakorba@araa.org), [badebowale@ecowas.int](mailto:badebowale@ecowas.int) with the subject "SCI035- ERO-Scalable Financing solutions ".