



UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF)
Kigoma Joint Program on Agriculture: Scaling Up access to Finance in the Kigoma Region
REQUEST FOR APPLICATIONS (RFA)

UNCDF Financial Inclusion Practice Area

Location: Dar-es-Salaam and the Kigoma Region, Tanzania

Objective: UNCDF is looking for a partner who will deploy a technology-based solution built on an existing digital platform to collect and aggregate smallholder farmer data that can be leveraged for data-driven decision-making for financial services.

Timeline:

- Publication date: Nov 28, 2019
- Final deadline for applications: December 15, 2019

Expected duration of Assignment: up to 24 months with possibility of renewal

Language required: English, Kiswahili

Applications should be returned to UNCDF by email at fipa.procurement.tz@uncdf.org no later than midnight on December 15, 2019 East Africa Time (EAT).

The subject line of the email should be: RFA Digital -KJP: Scaling Up Access to Finance in the Kigoma Region

Applications must follow the submission format as outlined in Annex 1 of this RfA. Note that **submissions to this address may not exceed 10MB. If size of the application is an issue, a DropBox or Google Drive link is acceptable.**

Annex 1 is the Submission Format

Annex 2 is a Sample of UNCDF Language Regarding Proprietary Rights of Knowledge Products

1. ORGANIZATIONAL CONTEXT AND BACKGROUND INFORMATION

UNCDF makes public and private finance work for the poor in the world's 47 least developed countries (LDCs). With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. This last mile is where available resources for development are scarcest; where market failures are most pronounced; and where benefits from national growth tend to leave people excluded.

UNCDF's financing models work through two channels: savings-led financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments — through fiscal decentralization, innovative municipal finance, and structured project finance — can drive public and private funding that underpins local economic expansion and sustainable development. UNCDF financing models are applied in thematic areas where addressing barriers to finance at the local level can have a transformational effect for poor and excluded people and communities.

By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to SDG 1 on eradicating poverty with a focus on reaching the last mile and addressing exclusion and inequalities of access. At the same time, UNCDF deploys its capital finance mandate in line with SDG 17 on the means of implementation, to unlock public and private finance for the poor at the local level. By identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile, UNCDF contributes to a number of different SDGs and currently to 28 of 169 targets. More information can be found on UNCDF here: <https://www.uncdf.org/>

UNCDF in Tanzania:

In Tanzania, UNCDF is part of the broader Kigoma Joint Programme (KJP), working with WFP, FAO, and ITC to increase the income of smallholder farmers in the Kigoma region, leading to agricultural and economic development in the region. Using a value chain approach, the program addresses the various bottlenecks in the maize, beans and cassava value chains to increase the investment from smallholder farmers in agriculture, while lowering the associated risk of such investments and increasing private sector engagement. To pave the way for increases in productivity, income, profitability and improved livelihoods, UNCDF is deepening access to finance for the smallholder farmers by strengthening savings and loan groups, linking farmers to financial service providers while building their financial capability and business skills.

2. OBJECTIVE OF THE CURRENT PROJECT AND RFA

2.1. The Kigoma Joint Programme (KJP)

The Kigoma region has experienced a relative increase in poverty levels, and it is also the region that hosts most of the refugees in Tanzania. Launched in September 2017, the Kigoma Joint Programme (KJP) is an area-based UN joint programme that cuts across multiple sectors to improve development and human security in Kigoma. The Kigoma Joint Programme applies a comprehensive approach to address a wide range of issues facing both the refugees in the region as well as the surrounding host communities.

The humanitarian-development nexus is supported by linking together the UN's existing response to refugees and migrants with an increased focus on developing the host communities. 16 participating UN agencies are cooperating across 6 themes which include sustainable energy and environment; youth and women's economic empowerment; violence against women and children; education with a focus on girls and adolescent girls; WASH (Water, Sanitation and Hygiene) and agriculture with a focus on developing local markets.

Under the agricultural theme of the KJP, UNCDF works with WFP, FAO and ITC to grow the capacity of smallholder farmers in order to increase farm income and support the fight against the effects of climate

change. Farmers will also gain improved knowledge on post-harvest handling of crops and how to access markets and finance for their goods leading to agricultural development in the region and eventually expand opportunities which would also reduce poverty and vulnerabilities.

UNCDF is working to strengthen farmer groups, promote financial inclusion and access to financial products and services that can improve farmer outputs and increase farm income, and build farmers' financial capability.

Access to financial services, information and market are key challenges faced by farmers. Digital services have the potential to address these three factors in a cost effective and affordable manner. The programme expects to reach 15,000 smallholder farmers with access to finance for input needs and products to reduce post-harvest losses. Through stronger savings groups, access to knowledge on agricultural best practices interwoven with financial and digital literacy education and access to finance, UNCDF intends to help smallholder farmers reach their potential with increased yields, better quality products and access to markets.

In the second half of 2019, UNCDF supported the aggregation and digitization of smallholder farmer data in Kigoma region. Piloting with 5,000 farmers and working with a financial technology company, UNCDF collected and validated micro-savings, geographical and production data for purposes of creating savings wallets on an already existing digital platform. Through a holistic approach that involved good agriculture practices, access and linkage to markets and inputs, UNCDF and its partners under the Kigoma Joint Program facilitated private sector companies in providing bundled services in the form of access to finance and inputs.

2.2 UNCDF's Request for Applications (RFA)

Building off Phase I of the farmer data aggregation and digitization exercise, UNCDF seeks to support the scale-up of innovative digital financial solutions that could make use of micro-savings as well as geographical and agricultural production data to offer financial access alternatives for smallholder farmers.

The purpose of this RfA is to recruit a firm to work in partnership with UNCDF to deploy a technology-based solution built on an existing digital platform to collect and aggregate smallholder farmer data that can be leveraged for data-driven decision-making for financial services.

The expected result is that UNCDF will partner with one of the shortlisted organizations to 1) determine additional data points to be collected to achieve project objectives, 2) collect, validate and clean farmer data for 10,000 farmers and establish a system for regular data collection and validation, 3) upload, analyze data and provide insights on farmer cash/crop cycle, 4) facilitate access to finance for farmers through mobile and agency networks (this includes setting up and expanding multi-purpose agency networks that embed such value added, *farmer-relevant* services as inputs demand aggregation), 5) identify additional uses of data for farmers in their crop marketing and planning cycle 6) enhance monitoring and evaluation of the programme through data analytics.

Applicants will be evaluated based on:

- 1) expertise and experience in collecting, aggregating and mining data for agricultural use;
- 2) cost-effectiveness and sustainability of the proposed approach;
- 3) potential for scale of the proposed approach;
- 4) operations in Tanzania with experience working in rural regions; strong preference for a locally owned, national company/firm;

- 5) experience working with government stakeholders at local and national level, smallholder farmers and financial service providers.

2.3. Timing

Applications should be returned to UNCDF Tanzania by email, no later than midnight on December 15, 2019 East Africa Time (EAT). It is anticipated that the shortlisting will be completed within 2 weeks of application submission. The time needed for submission of revised proposals, if necessary, will depend on the thoroughness and complexity of initial proposals but should take no more than 2 weeks. UNCDF aims to conclude all agreements no later than 11 January 2020.

The expected duration of the assignment is 24 months with option for renewal; the expected date of full completion is 31 December 2021. Further collaboration may be sought contingent upon performance and funding. The applicant(s) should propose a timeline and work plan for their own proposed project.

2.4. Contact

- Applications and any consultation about this RFA should be submitted via email at: Fipa.procurement.tz@uncdf.org
- The subject line of the email should be: RFA KJP: Scaling Up Access to Finance in the Kigoma Region

2.4. Responses

All queries and submitted applications will be acknowledged.

3. SCOPE OF WORK

UNCDF Tanzania seeks a firm or organization to partner with in Kigoma to build upon **Phase I** of a farmer data aggregation and digitization exercise to deploy a technology-based solution built on an existing digital platform to collect and aggregate smallholder farmer data that can be leveraged for data-driven decision-making for financial services. Under this Scope of Work, the grantee will perform the following activities and be responsible for the delivering the following outputs:

3.1. Expected Activities and Outputs

- 3.1.1 Collect, clean and keep updated existing project database of 10,000 farmers.

Kigoma Joint Programme (KJP) partner agencies have collected and digitized data on 5,000 smallholder farmers organized into 200 farmer groups. UNCDF is in the process of collecting and digitizing data for an additional 5,000 farmers. However, this data needs to be validated to allow integration into the selected firm's platform. The firm will then be responsible for updating and ensuring that data remains current on a regular basis. Data includes value chain data as well as individual farmer and group data.

Outputs:

- List of useful data to be collected on a regular basis.
- Validated and updated data of existing farmers.
- Continual data collection systems designed and tested.

3.1.2 Design farmer training and informational sessions about the digital data platform.

Outputs:

- Farmer training guide and training delivery proposal.
- 400 farmer groups informed/trained on the data platform, including benefits and client protection measures.
- Local gov't authorities trained and informed about the data platform.

3.1.3 Design project-related dashboards for the following uses: 1) monitoring and evaluation; 2) facilitating access to finance; 3) marketing and crop production planning.

Outputs:

- Three dashboard templates tested and finalized.
- Business case developed for FSPs to reach new client base, reduce risk and improve portfolio monitoring.
- If necessary, government approvals and/or no-objection received.

3.1.4 Support UNCDF's discussion with input providers and financial service providers to adapt and pilot product delivery to farmer groups.

Outputs:

- Farmer database allows for service provider integration.
- Data based solution for access to finance piloted with at least 1 FSP.
- Data based solution for access to farm inputs piloted with at least 1 input supply company.
- Identify FSP capacities that need strengthening to leverage data analytics.

3.1.5 Coordination, monitoring and reporting on data-related activities.

Outputs:

- Regular contact with local stakeholders
- Monthly reporting to UNCDF – narrative and quantitative
- Participate in regional workshops to share lessons learned and good practice.

3.1.6 Support with scale-up and next-phase of agricultural data analytic solutions.

Outputs:

- Proposed expansion plan
- Brief on lessons learned

4. AGREEMENT PARAMETERS

4.1. Outputs and deliverables

The written and technological outputs and deliverables of the work are considered a public good unless otherwise agreed. Thus, all the outputs and deliverables will be placed in the public domain with the intent that they can and should be freely and widely used by other parties.

4.2. Agreement

The technical partner is expected to sign a **Performance Based Financing (Grant) Agreement** with UNCDF by January 11, 2020 (Applicants not familiar with UNCDF agreements are encouraged to request a sample from fipa.procurement.tz@uncdf.org prior to submission of application).

4.3. Language

The deliverables, as well as any and all related correspondence exchanged by the organization and UNCDF, shall be written in English. English and Kiswahili will be used for the technical tools and documents to be used in reaching beneficiaries.

4.4. Global Access and Intellectual Property

Public good: The outputs produced will have the consideration of public good. In line with the public good nature of the grant, UNCDF may place all the deliverables specified in the public domain with the intent that they can and should be freely and widely used by other parties and the RECIPIENT INSTITUTION shall not be excluded from the ability to use such deliverables on the same basis as other external parties. The RECIPIENT INSTITUTION sign and accept the legal language in Annex 2, without modification, of the UNCDF grant agreement (performance based). UNCDF also has the right to assign custody of this public good to a public authority as appropriate

5. ELIGIBILITY REQUIREMENTS AND EVALUATION CRITERIA

5.1. Minimum qualification criteria

- Any type of organization (commercial for-profit firms, educational institutions, and non-profit organizations, Universities) operating a digital platform specialized in data.
- Currently operating in Tanzania.
- Demonstrated forged partnerships with at least one mainstream financial service provider.
- Successfully conducted similar assignments at a country or regional level with proven results. Involvement in similar program(s) that are currently running would be an advantage.
- Demonstrated relevant experience and capability of proposed staff members.
- Duly registered and operating in compliance with Tanzania's laws and regulations.
- Ability to work in English and Kiswahili.
- Flexibility in adopting products and services to local contexts to fit the needs of smallholder farmers as well as for women and youth.
- Submission of a complete application.

5.2 Other requirements and qualifications

- Experience working with local government at ward, district, regional and national levels.

- Experience working with financial service providers, mobile network operations, community-based organizations, and understanding of the challenges of working with them.
- Commitment and ability to provide on-site resources (e.g. staff, consultants) as needed.
- Extensive experience training trainers and providing participative trainings.

6 APPLICATION REQUIREMENTS

6.1 Structure of the Application

• The application includes a suggested template for submissions in Annex 1: *Submission Format*. Additional documents or links to documents may be included at the applicant's discretion. **Please consider that UNCDF email accounts are only able to receive attachments of up to 10MB and links to larger files are often preferable. If size of the application is an issue, a DropBox or Google Drive link is acceptable.**

6.2 Technical proposal:

The technical proposal shall be structured as follows:

- Methodology and approach to achieve the objectives of the project
- Detailed work plan with timeline of major activities
- Overview of past examples of similar projects, including references
- Proposed team (with CVs in Annex)

6.2 Financial proposal:

The submission must include a budget quotation for the project based on activities and outputs listed in section 3.1 with estimated implementation time of 1 year (see Annex 1, section 5). The financial proposal must provide a detailed breakdown of costs. Please provide separate figures for each functional grouping or category.

6.4 Submission of the Application

- Applications and any consultation about this RFA should be submitted via email at fipa.procurement.tz@uncdf.org
- The subject line of the email should be: RFA Digital - KJP: Scaling Up Access to Finance in the Kigoma Region
- The **deadline** to submit the application is **15 December 2019 at midnight EAT**