



Call for Investment Proposals for the Agriculture Sector in Kigoma Region

About UNCDF

UNCDF makes public and private finance work for the poor in the world’s 47 least developed countries. 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. UNCDF’s financing models work through two channels: 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. 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 and SDG 17 on the means of implementation. By identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile and address exclusion and inequalities of access, UNCDF contributes to a number of different SDGs.

About the Programme

UNCDF is part of the Agriculture Thematic Group of the Kigoma Joint Programme - an area-based joint planning and implementation effort under the United Nations Development Assistance Plan (2016 – 2021) for Tanzania (UNDAP II). The Agriculture Programme is implemented by UNCDF in collaboration with other UN agencies: WFP, FAO, UN-Environment and ITC.

Call for Investment Proposals

UNCDF is inviting **commercially viable** investment project proposals from public and private developers with a focus on **agricultural infrastructure** such as:

- Facilities/plants and equipment for processing raw materials and intermediate products derived from the agricultural sector including selected commodities (maize, cassava, beans, rice,) and other agriculture sub-sectors with higher local economic development potential e.g. bee-keeping, fish farming, poultry, etc.
- Packaging – a system of preparing goods for storage, transport, logistics, sale, and end use.

- Storage and warehousing
- Collection and aggregation centres for agricultural produce.

What UNCDF under the Agriculture Theme offers to Project Developers

- Project development support
 - *Provide targeted technical project development and financing support to projects developers (e.g. enhanced project documentation, due diligence and financial structuring).*
 - *Prepare project investment documents in the format acceptable to commercial banks and investors.*
- Link developers to financial institutions and investors
 - *Support project developers in accessing funding from commercial and development finance institutions (e.g. identifying the right investor based on sector, size and type of finance required) and negotiate lending terms.*
 - *For qualified projects, UNCDF may provide seed capital (soft loans and reimbursable grants) based on unique project requirements and investment criteria.*
 - *Provide credit enhancements e.g. partial loan guarantees for qualified projects which are eligible for borrowing from domestic financial institutions.*

Eligibility criteria

Proposals must meet all of the following eligibility criteria:

- **Geographical Coverage: Agricultural infrastructure** projects throughout the Kigoma Region are eligible but special consideration will be given to projects from the districts of **Kasulu, Kibondo and Kakonko**.
- **Target Crops:** Investment projects engaging in the value chain of 4 crops: **Cassava, Maize, Beans, and Rice** will be given high consideration. Investment projects in other important local sub-sectors like bee-keeping and honey, fish farming, poultry etc can also be considered.
- **Commercial viability:** The investment proposal must show how the project will generate revenue and make profits. Applications should therefore be supported by a detailed description of the cost and revenue streams associated with the project.
- **Development impact:** Proposal must show how the project will generate benefits to the communities affected, e.g. job creation, income generation, empowerment of disadvantaged groups (including women, youth and rural communities), trade and market access for agricultural produce.
- **Project status:** Project development activities must have passed a pre-feasibility stage beyond a concept note, i.e. proposals should include as a minimum a completed business plan and all initial compliance steps (e.g. licenses, permits, titles, etc). Priority will be given to existing projects that are looking for expansion.
- **Ownership:** The investment project must be promoted by either a public or private entity operating in Kigoma, Tanzania.
- **Project size:** Total project costs must be between **USD 50,000 and USD 20 million**.

- **Qualified management:** The proposal must show evidence that the proposed management team has the necessary technical and managerial skills to run the project.
- **Compliance:** Compliance with Tanzania laws and regulations and [UNDCF/UNDP Environmental & Social Performance Standards](#) including human rights is a must.

Selection criteria

Eligible projects will be selected for further consideration based on the following selection criteria:

- **Commercial viability:** Proposals that show ability to generate revenue and make profits will be given priority.
- **Developmental impact:** Priority will be given to proposals that show high development benefits accruing to affected communities, e.g. job creation, income generation, empowerment of disadvantaged groups including women and youth and rural populations, trade and market access for agricultural produce, etc.

Documentation

For applicants who will be shortlisted must be prepared to submit relevant documentation related to their businesses within 2 weeks.

Before you submit

UNCDF will offer a half-day session on **Thursday, 18th January 2018 in Kigoma Ujiji** to guide applicants on submission requirements. The purpose of this session is to allow applicants an opportunity to raise questions and for UNCDF to provide guidance on how to prepare proposals to increase the probability of meeting the eligibility and selection criteria.

If you wish to participate, please send an email to local.finance@uncdf.org indicating “*Agriculture Theme Pre-submission workshop*” in the subject line of your email. You will only be allowed to participate in the workshop after receiving a confirmation email that you have been registered. Time and place will be communicated in due time to those who will request participation via email.

Please note that you are not required to participate in the session in order to submit a proposal. This is merely a courtesy provided by the UNCDF.

Instructions for submitting proposal

Only completed submissions as per the instructions given will be reviewed. A complete submission consists of the following two separate submission forms where the applicant must fill out all sections:

1. The Call for Proposal Submission Form (Word) which can be downloaded at www.uncdf.org/article/2951/call-for-investment-proposals-for-the-agriculture-sector-in-kigoma-region
2. The Call for Proposal **Submission Form (Excel)** which can be downloaded at www.uncdf.org/article/2951/call-for-investment-proposals-for-the-agriculture-sector-in-kigoma-region

Any supporting documentation must be submitted in separate documents.

The two submission forms (Word and Excel) **must** be submitted in their original formats (Word and Excel) along with any supporting documentation to the following recipient: local.finance@uncdf.org. Only one application per entity and per proposal will be accepted.

Language of proposal: Proposals must be submitted in English

Deadline for submission: The deadline for submission of investment proposals is on **30th January 2018**.

Please note: Applicants who do not submit both submission templates in their original formats within the deadline will not be considered, and only successful applicants will be contacted within 3 weeks after the deadline. Those applicants who will not be contacted should consider their proposals unsuccessful.