

**Annex F: Overall Term Sheet / Selection Criteria.**

<b>Africa Agribusiness Window 3- Investing in Women(IIW) Sierra Leone</b>		
<b>1</b>	<p>The goal of <b>Africa Agribusiness Window 3- Investing in Women(IIW)</b> is to contribute to the promotion of gender equality, food security and inclusive growth by reducing rural poverty in sub-Saharan Africa through the economic empowerment of women in agribusiness. IIW is a proposed USD 50 million fund that will be piloted with an initial investment of USD 5.9 million.</p> <p><b>The objectives of IIW are to:</b></p> <ol style="list-style-type: none"> <li>1. Improve access to finance for enterprises that are owned/led by women and companies that create economic opportunities for women in rural areas e.g. through employment creation, market linkages, suppliers of inputs/produce/services along the value chain;</li> <li>2. Provide targeted business development technical assistance and capacity building on gender mainstreaming for businesses;</li> <li>3. Advocate and increase awareness for the business case for investing in women.</li> </ol> <p>The IIW Fund is funded by UK aid from the UK government.</p>	
<b>2</b>	<b>Duration of the programme</b>	<ul style="list-style-type: none"> <li>• 5 years ( 2018-2022)</li> </ul>
<b>3</b>	<b>Geography</b>	<ul style="list-style-type: none"> <li>• Sierra Leone</li> </ul> <p>Funding is available for businesses that are commercially active or have a strategic plan to enter the agribusiness market in Sierra Leone. All funding is earmarked for Sierra Leone specific activities.</p>
<b>4</b>	<b>Value Chains</b>	<p>IIW will largely support agribusinesses in the value chains listed below (but not limited to):</p> <ul style="list-style-type: none"> <li>• Rice</li> <li>• Cassava</li> <li>• Maize</li> <li>• Poultry</li> <li>• Vegetable</li> <li>• Fish</li> <li>• Groundnut</li> </ul>

4	<b>Focus areas</b>	<p>Investment ideas are invited from companies working in all aspects of the agricultural value chain, from input supply through production, post-harvest and storage to marketing and distribution with an emphasis on leveraging the role of women as either smallholder producers or employees in sectors and environments where they have been traditionally under represented. Focus areas that could be funded include (but are not limited to):</p> <ul style="list-style-type: none"> <li>● Market aggregators that provide reliable and new market opportunities for female smallholders to increase their profits and incomes;</li> <li>● Agribusinesses working with cooperatives and unions with a significant number of female smallholder farmers;</li> <li>● Information and media companies providing market information services to female smallholder farmers through traditional and digital finance platforms;</li> <li>● Agro-processors and manufacturing companies creating economic opportunities for women through employment creation and as suppliers of produce/services along the value chain;</li> <li>● Financial services providers providing innovative financing products for women in agribusiness;</li> </ul>
5	<b>Funds available</b>	<p>Applicants are expected to submit a funding application, justifying their requirements for the business and/ or idea to be funded, the funding amount and the project duration: Funding must be used for a specific project in Sierra Leone, e.g. scaling up an existing enterprise or replication/ expansion to a new market. Applicants can apply for a range of funding depending on their development stages (grants and/ or interest free loans):</p> <ul style="list-style-type: none"> <li>● Minimum fund award US\$100,000</li> <li>● Maximum fund award US\$1 million</li> </ul> <p>Funding is subject to meeting a certain level of match funding (see Matching Contribution): Funding payments will be milestone based, where disbursements are based on mutually agreed milestones that must be achieved.</p> <p>Duration of the agreement: 5 years</p>
6	<b>Matching contributions</b>	<p>IIW requires a matching contribution from the applicant to demonstrate interest and trust from the wider investor community. Acceptance of match funding is subject to approval by the Competition Manager. IIW match funding requirements are 1:0.5 based on the application value. Matching contributions can be made either all in cash or a combination of ‘in cash’ and/or ‘in kind’ as highlighted below:</p> <p><b>Type of matching accepted</b></p> <p><b>In Cash</b></p>

Where at least one other party (e.g. venture capital firm, impact investor, incubator / accelerator, mobile operator, foundation or the founder) agrees to provide funding to the IIW funding applicant. Evidence accepted includes a signed MoU or contract, a bank statement and letter confirming the total amount disbursed or to be disbursed by the other party. The submitted documents to the Fund of matching commitments must include all conditions, timescales and any other considerations.

**Examples Include:**

- Investment funding (equity finance)
- Impact investment
- Crowdfunding
- Grants (from governments, foundations or NGOs).

**In Kind**

In kind match includes any significant and quantifiable contribution to the project that is not financial. Applicants must be able to quantify and demonstrate what results any match given in kind will achieve for the proposed project.

In cases where in kind matching is offered, the Fund will discuss with the applicant how best to agree the match funding commitment and valuation. For example: a contractual agreement of support from a local incubator (providing the equivalent monetary value of the service).

**Examples Include:**

- Use of goods, services and facilities (such as software)
- Management time
- Provision and access to equipment
- Special materials
- Technical assistance

7	<b>Additional support available</b>	<p>The support package includes:</p> <ul style="list-style-type: none"> <li>● <b>Business to business (B2B)</b> match-making in order to promote exchange of learnings and business interventions with a high social and economic development impact, particularly on rural and peri-urban women.</li> <li>● <b>Provision of targeted technical assistance</b> on business development services as required by the investee.</li> <li>● <b>Gender mainstreaming prizes</b> which rewards investees that make significant changes to their processes to be gender responsive and create increased opportunities for women along the value chain.</li> <li>● <b>Access to further funding</b> through our partnerships, including via AECF Connect.</li> </ul>
8	<b>Desired socio-economic Impact</b>	<p>Business models must clearly demonstrate how they deliver and sustain systemic change in their target markets and create measurable improvements to the livelihoods of rural women. Specifically, this means: improving incomes of women; creating decent jobs for women across the agriculture value chain; increasing access to resources such as inputs, market information and markets for female smallholder farmers.</p> <p>For gender inclusivity, companies should articulate their strategy to meet the following criteria:</p> <ul style="list-style-type: none"> <li>● Include women in the ownership and management of the organisation;</li> <li>● Reduce the gender gap through access to jobs with decent wages, innovations in rural areas and strengthening the role of female suppliers in their value chains;</li> <li>● Gender responsive business practices in their operations;</li> <li>● Demonstrable benefits to female smallholder farmers in terms of aspects such as food security and nutrition;</li> <li>● Demonstrate possible engagement of women as key actors within the supply chain and that there are potential opportunities for such women led initiatives to grow into SMEs;</li> </ul> <p>Throughout the life of the funding (grants and interest free loans), companies must demonstrate that they are promoting sustainable development outcomes in their target communities and markets,</p>

		particularly the economic empowerment of women.
9	<b>Eligible companies</b>	<p>To be eligible for funding, businesses must meet the following criteria:</p> <ul style="list-style-type: none"> <li>● Be aligned with the focus areas.</li> <li>● Be able to show commitment of matching AECF funding, based on an agreed specific ratio.</li> <li>● Request a grant and interest free loan within the stipulated range.</li> <li>● Be compliant with fundamental in country and international human rights, labour standards, environmental management laws.</li> <li>● Must be legally registered and physically established in the country of doing business at the time of awarding of investment by AECF.</li> <li>● Must be involved in a business that is not on the International Finance Corporation (IFC) Exclusion List, i.e. businesses supporting terrorism, production/trade of weapons, radioactive materials, tobacco, etc.</li> <li>● Demonstrate additionally, <b>see broad view guide in text box 11, below.</b></li> </ul>
10	<b>Selection Criteria</b>	<p>Each applicant will be evaluated and scored against the following criteria:</p> <p><b>For commercial private sector companies (existing or start-ups):</b></p> <ul style="list-style-type: none"> <li>● Demonstrate how the business model will deliver and sustain social impact, particularly on gender.</li> <li>● Outline a business model that is commercially sustainable.</li> <li>● Demonstrate how gender analysis has informed the project design and how it will impact on the project.</li> <li>● Market potential and commercial viability.</li> <li>● Demonstrate investment relationships/ potential to access matching funds, leveraging additional and follow - on funding.</li> <li>● Demonstrate capacity of management team to implement the proposed business / project (adequate internal resources/capacity) - headquarter and in country.</li> <li>● Demonstrate understanding of the country context, gender issues and culture where the project is proposing to operate.</li> </ul>
11	<b>Classification of additionality</b>	<p>While we recognise that the additionality factor is context specific (geography, sector ...etc.), below is a description of our broad check of it:</p> <ul style="list-style-type: none"> <li>● <b>Faster:</b> The company could be expected to make the investment from other sources but in several years to come, meaning development impact is delayed or lost. IIW funds can make the proposed investment/ business happen faster and create transformational change sooner</li> <li>● <b>Bigger:</b> The company could be expected to make the investment from other sources but IIW funding would multiply development impact or ensure market systems change.</li> </ul>

		<ul style="list-style-type: none"> <li>● <b>Wider scope:</b> The company could be expected to make the investment from other sources but IIW funding will enable it to expand the scope of the goods or services geographically or to different groups of beneficiaries to multiply the development impact</li> <li>● <b>More inclusive:</b> The company will be able to access people closer to the bottom of the pyramid than it would otherwise do, enhancing the benefit to very poor people, particularly women.</li> </ul>
12	<b>Commitments from selected investees</b>	<p>If selected, applicants must be committed to:</p> <ul style="list-style-type: none"> <li>● Uphold the highest level of integrity to achieve specified goals.</li> <li>● Collaborate with AECF to finalize contract milestones and KPI's. Milestone indicators are agreed with AECF before signature of the contract.</li> <li>● Commitment to gather, analyse and share learnings from the project with AECF.</li> <li>● Report according to agreed schedules and requirements.</li> <li>● Participate in AECF/Donor annual programme reviews.</li> <li>● Ensure financial data and other management systems are accessible for audit purposes upon request.</li> </ul>