



Investing in Women in Nigeria (IIW-Nigeria)

Women's Agricultural Cooperatives: Term Sheet for Applicants



Women's Agricultural Cooperatives Window - Term Sheet

1	<p>The Women's Agricultural Cooperatives Window is a component of the Investing in Women in Nigeria (IIW-Nigeria) program, a CAN \$15.7 million program funded by Global Affairs Canada (GAC). This fund element comprises non-repayable grants to co-operatives working with women in Kano, totalling CAN \$1.1m. Implemented by the AECF, the program seeks to enhance women's economic empowerment by promoting women and young women's participation in the traditional and non-traditional sectors of the agribusiness sectors. The program seeks to:</p> <ol style="list-style-type: none"> 1. Enhance private sector engagement of women as economic actors across the key agricultural value chains. 2. Increase private and public sector investment in women-owned Small and Medium Enterprises (SMEs) as well as other businesses that create economic opportunities for women. 3. Reduce systemic gender inequalities that hinder women's effective economic participation in climate smart agriculture. <p>Fund Objectives</p> <ol style="list-style-type: none"> a. Improve access to finance for small and medium-sized enterprises and other less structured agricultural organizations, such as cooperatives, that create economic opportunities for women, e.g., through employment creation, market linkages, and suppliers of inputs/produce/services along the value chain. b. Provide targeted business development technical assistance and capacity building on gender mainstreaming for businesses. c. Advocate and increase awareness of the business case for investing in women in Kano. d. Provide incentives for innovations that will lead to sustainable widespread adoption of climate-smart practices in the agriculture sector and increase the resilience of both companies and the women that they work with to climate shocks.
2	<p>Duration of the programme: 5 years (2023-2028) (Year 1 inception + competition phase; Years 2 -5 for implementation).</p>
3	<p>Geography/ Focus Area</p> <p>Funding is available for: Women Cooperative Societies that are commercially active in agricultural value chains in Kano with demonstrated linkages to women farmers and entrepreneurs.</p> <p>Funding will target:</p> <ol style="list-style-type: none"> 1. Any of the following priority value chains in the Kano region: Maize, Rice, Groundnuts, Soya, Poultry. Hibiscus. 2. Any other agricultural value chains that demonstrate high engagement and impact for women.



4	Eligibility	<p>To be eligible for funding, private sector companies must meet the following criteria:</p> <ul style="list-style-type: none"> • Be a cooperative, association, or women's group that is registered with a recognized institution/body (including Community Base Organizations and Trade Associations) • Geographical Area: Kano • Operating in the agricultural sector in Kano State • Must have been operational within the last 2 years • Have a minimum of 25 members • Demonstrate a majority women owned/led. • Be able to show commitment to match AECF funding based on a minimum contribution ratio: AECF to Cooperative: 1: 0.10 (10%) in cash or kind. • Must have the requisite size of land required for an out-grower scheme if involved in primary production • Must have enough space for the establishment of a Common Facility Centre (CFC) if involved in processing • Must be willing to sign supply or distribution agreements with an anchor company • Be proposing an investment that will lead to gender transformation and/or improving resilience to climate shocks in the medium term. • Must be active as at the time of the application (at a minimum, activity evidenced by meeting minutes of cooperative members and verifiable financial records) • Demonstrate commitment to gender equality and the empowerment of women in the conduct of the business. • Request grant funding within the stipulated range as indicated below: <ul style="list-style-type: none"> ◦ Minimum fund award CAN \$ 10,000 ◦ Maximum fund award CAN \$ 50,000 • MUST NOT be involved in any act of corruption. AECF requires that the applicant (including its staff, contractors, and suppliers) not be involved in offering third parties, or seeking, accepting, or being promised by third parties, for themselves or any other party any gift, remuneration, compensation, or benefit of any kind whatsoever, which could be interpreted as an illegal or corrupt practice.] • MUST NOT be associated with prohibited activities by the Government of Nigeria, terrorism, money laundering, or a list that prohibits trading with some business (IFC (International Finance Corporation), USAID, UN, EU (European Union), and any other networks), United Nations Security Council resolutions issued under Chapter VII of the UN Charter. The screening will be conducted for all applicants and associated parties against provisions such as https://sanctionssearch.ofac.treas.gov/, www.worldbank.org/debar World-Check, EU sanctions list, etc. • MUST NOT have a default credit report from a licensed Credit Bureau in Nigeria.
5	Sectors	<p>Eligible cooperatives must demonstrate that their services are accessible and affordable, directly benefitting women in agricultural value chains, and encourage the adoption of climate and gender appropriate technologies, products, or services.</p> <p>Proposed initiatives can cover any part of the agricultural value chains but must demonstrate an ambition to address systemic challenges that keep women from more effectively engaging in agricultural markets to be eligible for funding. Examples of business models that will be attractive include (but are not limited to):</p> <ul style="list-style-type: none"> • Groups that provide services such as training, technical support, leasing equipment and access to finance to women in agricultural value chains • Market aggregators who provide new and sustainable opportunities for women to widen market access which will increase their profits and incomes. • Processors of agricultural produce sourced from women or processors who provide employment opportunities for women. • Groups that address climate-smart solutions and technologies at the household, production, transportation, and processing levels in the value chains

6	<p>Funds available</p> <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.</p> <p>Funding must be used for a specific project, e.g., introducing new services or products, scaling up an existing enterprise or replication/expanding to a new market. Investees can apply for a range of funding depending on their development stages as follows:</p>
	
<p>AECF intends to fund a minimum of 40 cooperatives at an average of CAN\$25,000 each.</p> <p>Funding will be in non-repayable grants and disbursed in Canadian dollars. It is subject to meeting match funding criteria (see the section on Matching Contribution). Cooperatives should apply for funding depending on their development stage and capacity to absorb funding for the proposed project. The cooperative's absorption capacity will be assessed during the application process and may be less than requested.</p> <p>Funding payments will be milestone-based, and disbursements will be based on mutually agreed-upon milestones that must be achieved/delivered. AECF may introduce other conditions on disbursements on an individual application basis prior to contracting.</p> <p>Duration of the funding agreement: 2 years.</p>	

7	<p>Financial contributions by the investee</p> <ul style="list-style-type: none"> Grants will be awarded based on matching funds provided by the grantee, with a minimum grant-to-matching contribution ratio of 1:0.10 (10%). All matching contributions are in-kind, although cash can also be provided. <p>Details of "in-kind" or "in cash" contributions are provided below:</p>
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Category	Type of Company contribution	Example of Matching Funds	Pricing & Valuation of Acceptable Verification
In-Kind Contribution	<i>Before contracting assets</i>		Independent valuation of assets over US \$10,000 at the business plan stage, followed by documentation on transfer of title at the contracting stage.
	<i>In-kind assets (third party or lead company)</i>		Independent valuation of assets over US \$10,000 and documentation on transfer of title or usage when the asset is made available to the cooperative.
	<i>In-kind time (third party or lead company)</i>		Valuation of time/advice by investee at business plan stage, supported by in-kind schedules presented in each progress report.
	<i>Land</i>		This will be verified by forecasts in the business plan stage and by the audited financial statements on a yearly basis.
In-Cash Contribution	<i>Financial instruments provided by other institutions (e.g., contracts, supplier credit or loans)</i>		Letter of intent at due diligence stage followed by agreement with institution at contracting stage or when it is forecast to be made available to the cooperative.
	<i>Cash investment (third party or lead company)</i>		Letter of intent at due diligence stage followed by bank statements showing cash investment when it is forecast to be made available to the cooperative. If the cash investment is made prior to the contracting date, audited financial statements are acceptable as proof of cash investment.
	<i>Bank facility</i>	For bank facilities and facilities provided by other institutions, the amount considered the matching fund is the total available facility.	A letter of intent is issued at the due diligence stage, followed by a loan or overdraft agreement at the contracting stage or when it is forecast to be made available to the cooperative.
	<i>Reinvested profits</i>		This will be verified by forecasts in the business plan stage and by the annual audited financial statements.

8	<p>Desired socio-economic impact</p>	<p>Cooperatives must demonstrate how they deliver and sustain social impact in their target markets. Specifically, this means the project will impact the number of other women in their value chain.</p> <p>Cooperatives should highlight how they meet the following:</p> <ul style="list-style-type: none"> • Gender-inclusive practices in their operations (e.g., women-centered design). • Demonstrable benefits to women include increased time for other activities, improved health, reduced drudgery, and increased household spending power. • Projects must be environmentally friendly, and promoting climate-smart solutions is particularly encouraged. <p>Progress in attaining the above will be measured through (only those that apply will be measured):</p> <ul style="list-style-type: none"> • Number of new jobs created and or/sustained by the cooperative (80% being for women) Qualitative indicators around women empowerment (e.g., ability to own assets; access to credit, use of existing women development structures to increase access to climate-smart technologies in the rural and peri-urban communities). • The volume of products or services bought from women in the agricultural sector in CAN\$ or USD equivalent. Projects must be environmentally friendly, with the promotion of climate smart solutions particularly encouraged. Environmental impact assessments and mitigation measures approved by pertinent regulatory authorities must be obtained where required. • The volume of inputs and or services sold to women in the agricultural sector. • Number of people reached through awareness creation or training.
9	<p>Selection Criteria</p>	<p>Each applicant will be evaluated and scored against the following criteria:</p> <ul style="list-style-type: none"> • Provision of viable concept plans and sustainable business models developed through the support of a Business Advisory firm identified by AECF. The proposals must be technically sound. It should spell out how performance is measured and evaluated with all agreed-upon indicators, targets, and milestones. • Must demonstrate a satisfactory performance record of the cooperative. Where available, testimonials of past performance should be submitted. • Demonstrating significant impact and transformation for the cooperative members and other women in the value chain. • Adoption of a climate-smart innovative approach • Demonstration of viability through positive financial projections (cash flow) • Provision of a realistic fund utilization plan. • Indicating understanding of risks and threats to project implementation and providing risk mitigation plans. • Demonstrate the capacity of the management team to implement the proposed project (adequate internal resources/capacity) • Indication of backward and forward linkages to suppliers and distributors, respectively.
10	<p>Commitments from successful investees</p>	<p>If selected, applicants must be committed to:</p> <ul style="list-style-type: none"> • Allowing regular due diligence. • Collaboration with AECF to finalize contract milestones and Key Performance Indicators to be agreed upon before signing the contract. • Sharing data, including performance against indicators and milestones. All data will be treated confidentially unless otherwise agreed in advance. • Gathering, analyzing, and sharing learnings from the project with AECF. • Reporting according to agreed schedules and requirements. • Participation in AECF/GAC annual program reviews. • Ensuring financial data and other management systems are accessible for audit purposes upon request.

<p>13</p>	<p>How to Apply</p>	<p>The application process includes the following:</p> <ul style="list-style-type: none"> • BMOs, WROs, and other women's umbrella organizations will be asked to submit a list of cooperatives registered under their organizations that meet the eligibility criteria spelled out in Section 4 above. • Potential applicants will be asked to upload their eligibility requirement documents on the Submittable platform with the support of an Extension and Business Development Service (EBDS) firm contracted by AECF. • AECF will score the cooperatives based on the eligibility scoring template • Shortlisted candidates would be required to submit detailed business proposals with the support of an Extension and Business Development Service (EBDS) firm. • Due Diligence will be undertaken on the successful cooperatives to validate the fulfillment of the eligibility criteria and business plan. • Investment Memoranda will then be prepared and submitted on behalf of the selected cooperatives. • The Investment Memoranda will first be evaluated by the IIRC and subsequently by the IC, where applicable. • Successful candidates will thereafter enter funding contracts with AECF. • The EBDS firm will support successful cooperatives to establish agreements with anchor companies • The successful cooperatives will also receive GAP, CSA, business advisory, and good governance training from the EBDS firm
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This call for application is not binding upon The AECF and no legal right or obligation arises therefrom.

The AECF reserves the right to determine the structure of the selection process, the number of short-listed applicants, the right to withdraw from the process, the right to change timetables at any time without notice and reserves the right to withdraw this call for applications at any time, without prior notice and without incurring any liability to indemnify, compensate and/or reimburse any party whatsoever.

The AECF does not charge an application fee for participation in the competition and has not appointed any agents or intermediaries to facilitate applications. Applicants are advised to reach out directly to the AECF.



CONTACT US:

No 4 Idris Umar Road, Off Dawaki Road
by Eterna Petrol Station, Railway Quarters
Kano, Nigeria

Email: iiwnigeria@aecfafrica.org | Tel: +2348080804040

www.aecfafrica.org