

Terms of Reference for Potential Study Agreement

Deadline: Please submit your proposal by **April 19** by sending it to project@regions20.org

This document serves to provide an overview of the underlying project relevant to the Subnational Climate Fund (SCF), context on data availability and goals of the mandate, as well as an estimated scope of work requested from the consultant. Final details of the mandate should be covered by the subsequent proposal submitted by the consultant.

1. The Subnational Climate Fund

The SCF is a blended finance impact fund formed to pursue attractive risk-adjusted returns for private investors while generating measurable and certified environmental and social impacts. The Fund is focused exclusively on pursuing investments in mid-size climate infrastructure with nature-based solutions in various developing countries across Latin America and the Caribbean, Africa, the Mediterranean, and Asia. The Fund is managed by Pegasus Capital Advisors, a commercial Private Equity impact fund manager and further benefits from a separate, grant-funded Technical Assistance facility managed by The International Union for the Conservation of Nature (IUCN) and implemented by R20, IUCN, and Gold Standard.

2. Context of the Potential Study Agreement

The SCF is currently evaluating an investment opportunity in an African agri-food company which aims to scale-up the production of fonio, the oldest cereal native to West Africa. Fonio is a highly drought resistant and nutritious grain, and demand for it is rising from both urban populations in West Africa and from international consumers. To accommodate the increasing demand for fonio, the company will develop an integrated fonio value chain, covering production, pre-processing, collection, processing, distribution, and commercialization. The company will also address the need to increase fonio production from smallholder farmers by creating a stable market for it, improving the livelihoods of smallholder farmers in Mali and potentially in other West African countries.

Today there are two major challenges to meeting the increasing demand for fonio: low production and the difficulty of processing the grain. The SCF's Technical Assistance Facility has approved funds to carry out a study which aims to assess the feasibility of increasing yields and production volumes. SCF is therefore soliciting proposals from qualified organizations and experts with a solid track record and expertise in regenerative agricultural practices in the West African context and in the cooperation with smallholder cooperatives.

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3. Scope of Work for a Feasibility Study

The consultant is expected to provide the following assessment:

- Assess the feasibility, technically and economically, of new sustainable and organic production methods to increase Fonio yields, working with three farmers cooperatives (40-50 farmers).
- Assess the potential of increasing the fonio planting acreages in the areas where the three farmers cooperatives operate and evaluate the needs of farmers in achieving production increase.

- Design offtake and pricing models of buying fonio from farmers, assess their feasibility and impacts with farmers. Any model would need to make sure that farmers are better off with the project than before.

The activities to be conducted are the following:

- 1) A field study to evaluate improvement methods of existing fonio production: Undertake field trials with farmers in 3 farmer cooperatives in Yanfolili, Kita and Bla/San.
- 2) Several surveys and discussions with the cooperatives focusing on:
 - Baseline (current fonio production system, constraints, and potential)
 - Assess the possibility of fonio acreage increase in the three involved areas
 - Design and assess offtake and pricing models of fonio from farmers
 - Assess the capacity-building and tool needs of the three target farmers cooperatives
- 3) Prepare a six-year plan for fonio productivity improvement, variety selection and scaling-up.

4. Deliverables

A final report consisting of the following elements:

- Feasibility of introducing new farming practices based on the results of the farmer-implemented field trials, including a yield analysis, a cost benefit analysis, and a sensitivity analysis taking into account key factors which could significantly affect the result
- A baseline study of the three sites
- Assessment of the possibility of increasing acreage of planting fonio in the three sites of Mali
- Assessment of different offtake and pricing models with farmers
- A needs assessment of capacity strengthening of the three cooperatives.
- A six-year plan for fonio productivity improvement, variety selection and scaling-up

5. Indicative Timeline

Work is expected to commence immediately after the consultant is appointed. The work is expected to be completed within **10 months** after signing the service contract.

6. Form of Proposal & Requirements

Please prepare a brief proposal for the performance of this work, including the proposed fee structure, including hourly or daily rates and calculation thereof for completing the work required. Proposals will be assessed according to the applicant's financial standing, technical capacity and professional ability. We welcome work experience in agricultural value chains in Mali and experience in the collaboration with smallholder farmer communities in Mali, in addition to at least 10 years of experience in tropical agronomy, agroforestry, natural resource management and participatory approaches in research and development in West Africa.

Travel cost for field visit will be covered by the SCF separately from the consultancy fee.

7. Submission

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