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**RFP for Business Partnerships in supporting poor farmers in Grape Value Chain**

Road to Jobs (R2J) project is a three-year initiative funded by SIDA and implemented in the northern most provinces of Balkh and Samangan to facilitate the creation of jobs among the poor. The aim of the project is to unleash the economic potential of the expanding rural road network in Afghanistan, and that more and better jobs contribute to improved livelihoods and poverty reduction.

The project covers eight rural districts and two provincial capitals of the two northern provinces of Samangan and Balkh, with focus a) on rural areas where the road construction have opened up year-round access to product and job markets, and b) on addressing opportunities and challenges of theurban economy that absorb the products and labour coming from the rural economy. The ultimate beneficiaries are the rural households (women, men and their families) and their income earners who work either in rural communities or in urban and other major centers of employment.

The project has three outcomes; i) Collaboration and co-ordination among local stakeholders for local economic development is improved; ii) The position of poor and disadvantaged groups within selected sub-sectors is improved; iii) Access to and utilization of financial services by the farmers and disadvantaged groups is improved

The project is working to enhance competitive agro value chains and urban labour markets through multi-faceted interventions that respond to the underlying constraints inhibiting pro-poor sector growth. Giving special attention to vulnerable and marginalized groups, including women, the project is building on knowledge and experience from the 2.5 years of implementation in the two provinces. It is drawing on lessons from the successful pilots in grapes, livestock, almonds, poultry, dairy and cotton to promote market-driven, locally owned strategies that build on the incentives and capacities of various public and private actors to change and hence increase prospects for more and better jobs to be created and sustained-based on social dialogue at the local level. The project is working to enhance competitive agro value chains and urban labour markets through multi-faceted interventions that respond to the underlying constraints inhibiting pro-poor sector growth.

In pursuit of the outcome ‘collaboration and co-ordination among local stakeholders for local economic development is improved’ the R2J project has been piloting interventions that would i) improve farmer access to solar water pumping irrigation technology; ii) improve farmer access to markets for processing of grapes into juice; iii) provide markets for chicken through a chicken-buy back arrangement and iv) provision of extension and advisory services as an embedded service provided by participating private sector players. These pilot interventions have registered varying degrees of success. However, access to finance has been identified as one of the limitation to the adoption of some these interventions. ***R2J project is requesting for proposals from organizations and private sector players that are involved in solar powered pumps and drip irrigation technologies, fresh grape export, fruit and grape processing, poultry processing and marketing, cold storage, financial service provision, and input supplies that are willing to partner with R2J in supporting interventions targeting the poor people in Balkh and Samangan Provinces***.

1. *Improve the irrigation efficiency for grapes and Raisin production:*

At least 5,000 farmers in Samangan and Balkh provinces are involved in grape farming. The farmers have been experiencing low productivity of grapes due to limited access to irrigation water and the high cost of pumping using fuel generators.The use of solar is a good option for farmers in such areas that have plenty of sunlight with long day length during the summer period. In a pilot that R2J has been implementing, the use of solar powered pumps has been found to increase grape productivity by 33% and farmer incomes by 74%. However, the few farmers that have taken up solar powered water pumping are still using drag hoses with low irrigation efficiency when such better technologies like drip irrigation are available. Most farmers have not been able to embrace advances in solar and drip irrigation technology due to prohibitive costs and need for upfront lump-sum investment required. Additionally, they are not adequately aware of the incentives of solar pumps and drip irrigation technologies and their feasibility and capacity due to lack of coordination among solar pump and drip irrigation companies. *The* ***R2J is inviting service providers in solar energy pumping and drip irrigation technologies as partners to spread the use of cleaner energy and irrigation technologies with higher water use efficiencies. Partnerships between solar and drip irrigation technology suppliers with financial institutions would be useful in increasing access to these technologies****.*

1. *Scale up privatization of extension services*:

The public extension service has limited capacity to adequately train farmers and provide adequate extension and advisory services to the farmers. Limited knowledge and information on farming methods, limited use of improved inputs and chemicals, use of inefficient irrigation technologies have limited their farm production capacity. Furthermore, most of the farmers are unbanked and have limited financial literacy limiting their access to finance. There is scope for private sector and financial service providers, input suppliers, and other private sector players to embed training, extension and advisory services in their normal services that they provide to farmers. Providing such services will help the company to build better relationships with the farmers while providing much needed service. Special training programs can be arranged for the staff working with various development organizations to equip them with the information and knowledge of the products and services available. The trained staff can thereafter be used to disseminate the technologies whenever they interact with the local people in various forums. R2J is also inviting innovative partners to embrace the Information Communication Technologies (ICT) and improved mobile network penetration in the provision of extension and advisory services. This will require mobile network operators and innovative communication platform developers to get involved in designing appropriate tools for reaching the poor with agriculture information. The media offers opportunities for reaching poor people with agriculture information through very innovative, engaging programming built into viable commercial models which are not costly to poor users who need information the most but are least able to pay for it. ***The R2J is seeking like-minded private sector players (radio, ICT, mobile telephone, research institutions, etc) to partner with and co-invest in making extension services accessible to the target farmers through the above mentioned innovations.***

1. *Fresh Grape Marketing*

R2J is working with farmers in Feroz Nakchir and Hazrat sultan districts who produce grapes for the fresh market. Grape farmers sell all their grapes during the grape picking period which lasts for only 3 months. The farmers normally realise low prices for their produce due to the localised glut during this period. The farmers lack access to cold storage facilities which would allow them to store their produce and then sell when prices are higher. In addition, the farmers have no information on access to and opportunities in export markets even though they produce suitable grape varieties for markets in in India and Dubai. However, there are existing cold storage facilities/service and existing cargo services in Mazar-e-Sharif City for storage of grapes that potential exporters and fresh grape producers would consider partnering with. Existing ground and air cargo service could be bridged to connect with these new high-end markets and there is a need to strengthen coordination of cargo and logistic service to make available their services for grape exporters/ perishable exporters. Fresh grape markets, grape exporters and logistic service providers would benefit from increased income and better returns. ***The R2J is seeking partners from private sector players and associations that would support access to commercial cold chain services and information for local and export grape marketing, grape exporters, and improved local fresh grapes marketing.***

1. *Scale up grape processing*

The Market system analysis that R2J conducted revealed that there was scope for value addition and processing of grapes into grape juice, grape concentrate, jam, vinegar and spice powders. The analysis also revealed that women at village level are already involved in micro-scale processing of grapes into vinegar and spice powder and would benefit from further training on value addition, packaging, product development, support with resources and market linkages to increase uptake. The grape processing pilot revealed that the varieties of grapes produced in the target districts produced good quality grape juice and there is scope for increased processing. However, there is more scope for grape processing into other products in order to diversify grape markets and create more jobs. ***The R2J is seeking partners from private sector players in fruit processing into concentrates, jams, spices, vinegar and those that are willing to work with women groups in grape value addition and processing.***

Based on the above, R2J is inviting private sector players with Innovative Business Models to submit proper business proposals to address any of the above stated issues. R2J is providing opportunities for the companies to co-invest, contribute in creating jobs for the poor and marginalized people including returnees, internally displaced persons (IDPs) and refugees and for companies to open up and diversify their supply chains to include smallholder farmers for cost effective and profitable production.

**Basic Criteria for successful proposals:**

Successful proposed interventions should meet at least the following basic criteria:

1. The proposed interventions must clearly show the potential to generate more jobs and income for poor vulnerable groups including poor households, IDPs, returnees, women and jobless youth in targeted rural and urban centers.
2. The proposing organization, enterprise or association must be willing to take some acceptable investment risks through co-investment and trials of the proposed new intervention.
3. The proposed intervention must be environmentally sustainable and economically feasible for implementation within one year although priority will also be considered for interventions showing evidence of long term benefits.

Interested organizations, individual enterprises and associations, are invited to send their proposals or (EOI) to manoto@ilo.org – CTA (Ag.) Road to Jobs Project; Mazar e-Sharif. Deadline for submission of proposals is **31 October, 2019**.

**NOTE:** proposals will be reviewed as they are received on a rolling basis.