**Call for submission of applications for selection of intervention partner(s) to strengthen value chains in the agriculture sector by improving production technology(ies)**

Project - Organizational development of the Rural Development Network of North Macedonia and development of sustainable models for food security for local communities

Reference number 4.3.1.2.1.

1. **Background**

The Rural Development Network of North Macedonia (RDN of NM) builds partnerships and achieves strategic cooperation to influence rural development policies at local and national level, supports and engages the rural community through activities for building and utilizing their abilities, skills, and knowledge, promotes and advocates attitudes that encourage conditions for equal development and sustainable use of natural resources. As an organization working on permanent development and inclusion of rural areas, the goal of the activities of the RDN of NM is the rural population in the Republic of North Macedonia to live and work in an inclusive environment that encourages diversification and sustainability, enabling balanced development and improvement of socio-economic conditions for life, as well as the preservation of natural wealth and cultural heritage.

In May 2021, RDN of NM launched the project “Organizational development of the RDN of NM and development of sustainable models for food security for local communities”, which is part of the project “Income Increase and Socio-Economic Empowerment of Vulnerable and Marginalized
Groups from Rural and Sub-Urban Areas (IISEE)”, implemented by We Effect and financially supported by SIDA.

The project activities of RDN of NM are focused on the local rural communities, their resilience, and enabling support in rural development with particular emphasis on the poor members of the community.

The main objectives of the IISEE project are:

Objective 1. Rural enterprises, small farmers/producers grow and provide more income and employment opportunities for the people from the rural area, women, and youth in particular.

Objective 2. Local communities are resilient and sustainable, providing support in rural development, especially for poor members of the communities in the selected market systems.

Objective 3. More Roma people have the capacities and the access to the job market to take up employment and business opportunities in the selected market systems.

Objective 4. Organizational development.

1. **Scope of engagement and main tasks**

The main objective of this call is to enrol interested and suitable parties to be engaged as intervention partner(s) responsible for implementation of a scaled-up intervention based on a tested business model presented below. The intervention’s objective is to improve and/or stabilize market access of small-scale agricultural households involved in agriculture production by re-building and/or strengthening the existing market systems and on that way contribute to increasing of their incomes. More precisely, the intervention aims to improve small-scale agricultural households access through introduction and implementation of modern agricultural practices, as well as the modernization of production. Implementation of the intervention will allow easier access to the market and increase productivity and quality of primary agricultural products.

The project "Organizational development of RDN of NM and development of sustainable models for food security in local communities" is based on the Market System Development approach (MSD)[[1]](#footnote-1), where after analyses performed, a pilot intervention in the onion sub-sector has been implemented. The tested business model re-establishes the missing market links through the introduction of advisory services for small-scale agricultural households, embedded in the business of the agricultures wholesaler that acted as an intervention partner. Furthermore, the tested business model involves contract farming as a basis for cooperation between involved parties. The two-way cooperation is based on the pre-arranged purchase of agricultural products and production supported by expertise to improve agricultural production practices.

Introducing new technologies for modernization of the agricultural production directly affects the decreasing of production costs while improving the quality of agricultural products.

Graph 1. New business model in agricultures sector

Advisory

service

Wholeselers

Imput

providers

Small scale

Agricultural

Households

The new business model was implemented in the period December 2021 - March 2022, as a successful pilot intervention, within the project “Strengthening the value chain in subsector onion”, involving 20 small-scale agricultural households organized around the wholesaler DOOEL Turan Ivan, Bogdanci.

Selected intervention partner shall have a capacity to undertake the following:

**Responsibilities of the intervention partner:**

* To successfully implement an intervention based on the MSD approach,
* To implement and adopt a developed business model for increasing access to the market by improving the quality of agricultural production;
* To have an active role in identifying small-scale agricultural households that will be involved in the intervention, with special emphasis on women and youth;
* In joint cooperation with RDN of NM, actively participate in the development of the intervention plan, budget, and plan for Monitoring and measurement of results (MRM)[[2]](#footnote-2);
* To conduct monitoring of the results of the intervention and to timely and efficiently collect data needed for the Monitoring results measurement system (MRM) of the IISEE project;
* Collaborate with and report timely to RDN of NM’s staff and maintain and develop a collaborative relationship based on participation, accountability, empowerment of non-discrimination, and transparency. Gender equality is a guiding principle for all aspects of this cooperation;
* To respect We Effect's code of conduct, anti-corruption principles, etc. (Available at: <https://weeffect.org/app/uploads/2020/10/gov-0150-v.3.0-we-gl-code-of-conduct.pdf> and <https://weeffect.org/app/uploads/2020/10/gov-0234-v.2.0-we-effect-anti-corruption-and-integrity-policy.pdf>).

**Expected deliverables are:**

* Established team for implementation of activities and their engagement until December

2023;

* Established an effective and sustainable advisory system available to small-scale agricultural households;
* Number of contracted agricultural households (more than 20), of which actively include at least 50% women;
* Collected baseline data for the markets and agricultural households involved in the intervention;
* Collected data (tracker questionnaires) for the implemented intervention and evaluation of their effectiveness.

**Type of Eligible activities**

* Establishing an operational business model for the implementation of contract farming (see Graph 1);
* Introducing new agricultural practices and technologies in primary production;
* Development and implementation of an effective advisory service available to small-scale agricultural households;
* Provision of means (tools, materials) to improve and simplify the production process;
* Promotion of the results of the intervention;
* Another type of activity to achieve the goal of engagement.

**Size of budget intervention and eligibility of costs**

Any budget requested under this call must be within the maximum amount:

* Any funding requested must not exceed EUR 30,000;
* Any intervention funding requested must not exceed 50% of the total eligible costs of the intervention;
* The balance (i.e., the difference between the total cost of the action and the amount requested) should be financed by the intervention partner with direct funding and/or in-kind contribution. In kind contribution refers to provision of goods and services paid by an intervention partner/s;
* Equipment could be purchased to maximum 50% of the funding requested.

**Location:**

* Activities should take place in North Macedonia.

**Partners**

* The intervention partner may have partners established in the North Macedonia that could

contribute to the accomplishments of the results and must sign a partnership agreement prior to applying, which will define their partnership as well as their respective technical and financial roles and obligations;

* If awarded contract, the intervention partner/s will sign agreement for Cooperation with RDN of NM.
1. **Duty travel and accommodation**
* Costs for travel and accommodation will not be accepted under this engagement.

1. **Coordination and reporting**
* The engaged intervention partner will regularly report its progress and will report on developed templates (narrative, financial and monitoring result management templates) to RDN of NM on quarterly basis.

**V. Qualification requirements**

* Any legal entity that is legally registered in the Central Registry of RNM and meets the criteria for trade activity and has at least 3 years of experience in the agricultural food industry;
* A group of associated companies that agree to have one of the companies apply on behalf of the others.

 Individuals, public or governmental institutions controlled by government bodies or political

 parties are not eligible to apply for this public call.

**The intervention partner must be able to:**

* Establish and test the business model;
* Organize and carry out fieldwork and cooperation with small-scale agricultural households and other interested partners in the intervention;
* Prepare reports and submit data to RDN of NM;
* Work within given deadlines;
* Organize and work with a team;
* Prevent conflict and develop resolution tools.
1. **Time frame**

The intervention is expected to last from September-October 2022 up to December 2023.

 **VII. Application process**

Applicants should submit all necessary documents to the following e-mail addresses: elizabeta.r@ruralnet.mk, vasko.g@ruralnet.mk and vancho.n@ruralnet.mk.

Application deadline **02/09/2022.**

Applications must be marked "**Call for applications for selection of an intervention partner(s) partnership”** - reference number 4.3.1.2.1.

 **VIII. Required documents:**

* A Signed partnership agreements in case of more than one applicant;
* An application form describing how you would best match the requested tasks and expected results (Appendix 1) field in Macedonian or English;
* CV of proposed team members of the intervention partner(s);
* A copy of valid registration of the applicant (as well as partner(s) if applicable) issued by the Central Registry of RNM;
* An annual financial report for 2021 of applicants (as well as partner(s) if applicable);
* A declaration of (non)existence of a conflict of interest (signed) (Appendix B);
* A proposed budget for the intervention on a comprehensive basis (including all national taxes).

**IX. Selection criteria:**

Application selection will be based on review:

1. **Technical evaluation (70%)**

The technical evaluation of the received offers will consist of:

* Years of operation of the company in the relevant sector;
* Number of regular suppliers (farmers);
* Annual turnover (average of the last 2 years in euros);
* Description of the activity (understanding of the intervention deal, matching with the synopsis;
* Level of involvement of the intervention partner in the proposed activities;
* Expected results (number of planned contracts signed with agricultural households);
* Expected participation of women and young people as a % of the total number of users;
* Expected number of beneficiaries of the intervention (number of beneficiaries who will be affected by the intervention, e.g. number of family members, employees, etc.);
* Expected % of increased gross income for small-scale agricultural households involved in the intervention;
* Potential for new employments;
* Sustainability of the intervention after support.

 **2. Financial evaluation (30%)**

The evaluation of financial offers will be based on the percentage of co-financing and relevance.

The following expectations will be considered as an advantage in the evaluation process of the proposals:

* Higher number of expected beneficiaries, women, men, and youth who directly benefit from the project interventions;
* Introducing contract farming;
* Introducing a sustainable model of advisory services for the small-scale agricultural households.

**X. Terms of payment**

The agreed amount of the intervention budget will be specified in the Memorandum of Cooperation (MoU) / Contract for cooperation and the respective annexes. All payments will be made in MKD at the average exchange rate of the NBRNM on the date of approval of the deliverables by the IISEE project.

**XI. The declaration of (non)existence of conflict of interest**

The applicant will describe whether their company/employees have any business or personal relationship with a closely related party of We Effect, its regional office in Skopje, its governing bodies and employees, or with the RDN of NM as a partner organization.

Closely associated party (persons, physical or legal) as per We Effect’s definition is considered person who has the possibility to exert control over, or significant influence on, the other person when it comes to financial and operative decision-making concerning an activity. The purpose of the Declaration is to disclose such information which makes the application and evaluation process more transparent and supports the bids in its relevance according to conditions on the open market.

**Contact**

The contact persons of the RDN of NM for this procurement are:

Elizabeta Risteska Mrcheska – organizational coordinator, e-mail address: еlizabeta.r@ruralnet.mk,

Vancho Naunov – co-facilitator, e-mail address: vancho.n@ruralnet.mk,

Vasko Gjorgievski – co-facilitator, e-mail address: vasko.g@ruralnet.mk.

1. https://beamexchange.org/market-systems/what-market-system/ [↑](#footnote-ref-1)
2. https://beamexchange.org/guidance/monitoring-overview/intervention-performance-monitoring/overview/ [↑](#footnote-ref-2)