

HortiFresh Fund Manual



West Africa
Commercial Fruits &
Vegetable
Development Project

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LIST OF ACRONYMS

ACC	Accra
CD	Country Director
EKN	Embassy of the Kingdom of the Netherlands
EPA	Environmental Protection Agency
ETM	Evaluation Team Member
FDOV	Facility for Sustaining Entrepreneurship and Food Security
FM	Fund Manager
F&V	Fruits and Vegetables
GASIP	Ghana Agricultural Sector Investment Program
GSC	Grants Selection Committee
GSGDA	Ghana Shared Growth and Development Agenda
ICT	Information, Communication
METASIP	Medium Term Agricultural Sector Investment Plan
M&E	Monitoring and Evaluation
MASP	Multi-Annual Strategic Plan
MoFA	Ministry of Food and Agriculture
NABC	Netherlands African Business Council
NGO	Non-Governmental Organization
PLC	Public Limited Company
PM	Program Manager
P-P	Public-Private
PPP	Public Private Partnership
R&D	Research and Development
SDGs	Sustainable Development Goals
SNV	Netherlands Development Organization
ToC	Theory of Change
TVET	Technical and Vocational Education and Training
USD	United States Dollars
WCDI	Wageningen Centre for Development Innovation
WUR	Wageningen University and Research

1 INTRODUCTION

1.1 PROJECT OVERVIEW

The Embassy of the Kingdom of the Netherlands (EKN) in Accra prioritized commercial agriculture in its 4-years Multi-Annual Strategic Plan (MASP 2014-2017). That MASP followed the policy dynamics of The Hague, focusing more profoundly on (local) economic development and the contribution of Dutch private sector and expertise.

Although the MASP 2014-2017 has effectively come to an end, Ghana remains in a transitional relationship with the Netherlands and for the next 3.5 years, the emphasis on “trade and aid” will remain. Horticulture is mentioned specifically as providing an opportunity for food and nutrition security, creation of employment (including women and youth), as well as trade.

At the same time, one of the major priority objectives of the Government of Ghana is to ensure national food security, including production, distribution and access, as well as the nutritional value of food. This objective is to be measured in line with the Sustainable Development Goals (SDGs), the Ghana Shared Growth and Development Agenda (GSGDA II), and the Ghana Agriculture Sector Investment Programme (GASIP).

The Medium-Term Agriculture Sector Investment Plan (METASIP), and the GSGDA II aim to create an enabling environment for horticulture development in Ghana. Recently, the new Government of Ghana has launched a “Planting for Food and Jobs” campaign; promoting, amongst other crops, vegetables. Its purpose is dual: improving food and nutrition security, and job creation for the high number of unemployed youth.

Just like Ghana, both fruits and vegetables have received much attention in Ivory Coast, both for the domestic market (and import substitution) as well as exports. The development of these sectors has seen high volatility over the last two decades – even though the overall trend is upwards.

Based on the success of GhanaVeg and the potential for private sector investments and employment generation in the fruit sector, EKN-ACC has recommended to extend a similar set of interventions to the fruit sector. Since the fruit production and trade has a more regional character, the fruit interventions will be expanded to countries beyond Ghana.

In this context the Embassy is supporting the West Africa HortiFresh Program. HortiFresh has a mission to establish a sustainable and internationally competitive fruits & vegetable sector that contributes to inclusive economic growth, food and nutrition security. The major pathways towards achieving this broad-based goal is through the facilitation of a competitive and innovative fruits and vegetable sector, where inclusive and sustainable growth occurs, within a conducive business climate. The program is being coordinated by the Wageningen Centre for Development Innovation (WC DI), of Wageningen University and Research (WUR) in the Netherlands, and runs from January 2018 till December 2021. HortiFresh is hosted by SNV Netherlands Development Organisation in Accra.

Within this framework, the HortiFresh Funds are established with the aim of steering the horticulture sector into a more sustainable financing regime. There will be less grants, and more loans obtainable from commercial or development banks. Specific agricultural loan products will be developed with the banks. Selected grants are however reserved for very innovative activities that benefit the entire sector. These include:

1. Horticulture cluster development funds
2. Innovation fund
3. Youth employment fund

This manual describes their eligibility and evaluation criteria; and the processes by which they can be awarded, are also outlined.

1.2 GUIDING PRINCIPLES

The following guiding principles underpin the HortiFresh Program and the available funds to support the fruits and vegetables sector:

Sector wide approach

HortiFresh takes a sector approach, going beyond individual value chains in trying to tackle systemic issues that will lead to a more competitive and sustainable fruits & vegetable (F&V) sector.

Private sector-led and demand driven

The private sector leads in setting the agenda and, where possible, for the implementation of the activities.

Gender equality and youth employment

HortiFresh places a strong emphasis on holistic and inclusive development that ensures gender equality, and promote youth employment.

Public-private dialogue facilitation

Though HortiFresh is private sector-led, systemic changes in the enabling environment will also require the involvement of the public sector (especially around issues of business climate and food safety). Therefore, an informed public-private dialogue is key.

Evidence-based decision-making

A strong evidence base is needed to support both public and private sector decision-making in the vegetable sector, at all levels (from individual business level to country-level).

Business cases

HortiFresh supports initiatives that have strong business case underpinnings. This way, the commercial relations between the supported companies and various actors within the F&V value chain will be guaranteed and sustainable in the long term.

Improvement in innovative capacity

For a sustainable competitive fruits & vegetable sector, continuous innovations in product development and services are necessary. To allow this type of innovations to emerge and thrive, HortiFresh supports risky and pre-competitive activities.

1.3 DEFINITIONS

Agreement

It is the legal document that governs the allocation of funds and awards as set forth in this manual. It defines the roles and responsibilities of the Grantee under the HortiFresh grants program. This legal document can variously be referred to as the “agreement,” “award,” “award agreement,” or the “grant agreement”. The agreement is between SNV Netherlands Development Organization and the Grantee.

Applicant

This is a private company (BV, LTD or PLC) that submits an application in response to a Call for Proposal or Concept Notes. In some cases, this can be a consortium of partners (PPP), or a commercial association. Non-governmental organizations (NGO) can only be included as sub-contractors to provide auxiliary services. The specific conditions as provided in the Call for Proposals will be leading in this.

Application

A written document in form and substance conforming to the requirements of this manual, which outlines in detail the activities proposed by the Applicant for co-financing under the HortiFresh funds consisting of a concept note and, once approved, a project proposal, together with the required supporting documents.

Concept note

This is the initial document submitted in response to official calls issued by the HortiFresh program to organizations interested in accessing financial support. A prescribed template is published alongside the call announcement so interested companies can provide their project ideas in a standardized manner for transparent and fair assessment.

Co-Financing

Project costs financed with cash or in-kind contributions separate from grant funding provided by the grantee(s).

Grant

Financial assistance that provides support to accomplish a purpose as determined under the HortiFresh Program. The total amount of each of the funding facilities that a company obtains from HortiFresh, to carry out a specific project, constitutes a grant.

Grant modification

It is a change to a grant agreement, in cost, duration, and / or scope. An approval from the HortiFresh Fund Manager (FM) is required for any modification to an activity to be effected. Modifications must be approved in writing and grant agreements amended in writing.

Grantee

This is an organization or business that has been awarded a grant by the program. Under the HortiFresh Program, this must be an actor working within the fruits & vegetable sector. Grantees may also be referred to as Project Partners.

Project proposal

The document submitted as part of the award process – following an approved concept note. It outlines a comprehensive plan that specifies the applicant's goals and objectives, as well as the proposed activities that will be implemented. It therefore forms an important source of information for evaluating the prospective grantee's full application. Ultimately, if approved, this document is included by reference as part of the grant agreement.

Suspension

This is an action by the HortiFresh Secretariat at SNV Netherlands Development Organization that temporarily withdraws support, in whole or in part, under a grant, pending corrective action by the grantee or pending a decision to terminate the grant.

Termination

It is the cancellation of HortiFresh funding support, in whole or in part, under an agreement at any time prior to the date of completion. It would usually result from a gross violation of the terms of the grant agreement and after persistent instructions for corrective action have failed.

1.4 ROLES

Fund Manager (FM)

The Fund Manager has the primary responsibility for managing the various funds within HortiFresh. Specifically, the FM is responsible for facilitating the Calls for Concept Notes, coordinating the pre-screening process of the Grants Selection Committee, and the final evaluation of project proposals at the HortiFresh Secretariat at SNV. The Fund Manager is responsible for ensuring the Grants Manual's procedures are followed. In addition, s/he follows-up in terms of monitoring the approved projects and advises on payments.

The Fund Manager is the contact person to whom all concepts notes and final project proposals are submitted. The Fund Manager can give explanations to potential Grantees on the Fund Manual and Calls for Concept Notes.

Programme Manager (PM)

The Programme Manager has responsibilities for overall programme coordination and specific administrative functions within HortiFresh. The PM works with the Country Director (SNV) in communicating progress of the fund scheme to the Embassy of the Kingdom of the Netherlands (EKN), Accra. The PM provides inputs, like the CD, in the processes leading up to the award of grants.

The Country Director (CD)

The Country Director is the legally responsible person for the implementation of the HortiFresh Programme. In this capacity, the Country Director:

- a) Finalizes and submits the Fund Manual and proposed composition of the Grants Selection Committee to the Embassy of the Kingdom of the Netherlands, Accra (EKN-ACC) for approval.
- b) approves project proposals and is the main contract partner for all projects under the funds component of HortiFresh
- c) Can terminate and suspend project activities under the fund component if irregularities or violations occur.

Like the FM and PM, the Country Director is not a member of the GSC, but will be kept apprised of the grants under consideration, and consulted as needed in the course of the review. After awarding a grant, the Country Director can approve modifications to the grant's agreement within reasonable bounds (as far as the proposed modifications are in line with the initial objectives and activity framework on which basis the proposal was approved by the GSC). In the performance of this duty, the Country Director may be assisted by the HortiFresh Programme Manager and / or the Fund Manager.

HortiFresh Secretariat

The HortiFresh Secretariat consists of the SNV Country Director, HortiFresh Program Manager and Fund Manager - relative to the direct management of grant funds. They are complemented and supported by all the other staff of HortiFresh in the broader running of the Programme.

Grants Selection Committee (GSC)

The independent Grants Selection Committee consists of 3 members that complement each other in expertise in the areas of: economic feasibility, technical viability, scientific rigor (where applicable) and environmental sustainability. At the end of each Call for Concept Notes, the Fund Manager sends electronic copies of the concept notes, along with evaluation sheets to the Grants Selection Committee. The GSC reviews the concept notes looking at those projects that show real innovation and business cases, and have the most promise to be viable. Members of the GSC are, in addition, asked to provide an explanation to their evaluation of the concept notes. Based on this review, the GSC will propose to the HortiFresh Secretariat through the Fund Manager, a particular concept note is: 1) rejected, 2) or approved with conditions. The GSC also provides recommendations and rankings of the most suitable concept notes and how they should be developed into full project proposals. Reports from 2 of the 3 members will be enough to form a go-no-go decision with respect to each concept note.

Following this, the HortiFresh Secretariat will, through the Fund Manager, engage the companies whose concept notes have been approved by the GSC to develop these concepts into full project proposals. During this phase external support through HortiFresh consultants will be provided. After the HortiFresh Secretariat has assessed the project proposals satisfactorily, the GSC will be asked for a final no objection of the proposals. After this contracting of the approved projects can begin.

2 HORTIFRESH FINANCIAL INSTRUMENTS

2.1 FINANCIAL SUPPORT STRUCTURE

In line with the recommendations of EKN-ACC the financial support structure of the previous GhanaVeg Program has been revised to allow West Africa HortiFresh reflect the current focus of the Embassy. The main considerations of EKN-ACC were that, the Embassy's Trade & Aid agenda was in its final phase, and a move towards a more sustainable financing structure for the sector would be imperative. This shift should therefore lead to a HortiFresh, where there is less grants, but more loans obtained from commercial or development banks. However, some grants will still be disbursed, but only for very innovative activities that benefit the entire sector. These grant facilities will include:

1. Horticulture cluster development fund
2. Innovation fund
3. Youth employment fund

2.1.1 HORTICULTURE CLUSTER DEVELOPMENT FUND

In the focal areas of West Africa HortiFresh, many geographically-endowed hotspots are clearly identified for horticultural production and postharvest activities. These include onion production belts, tomato production and processing enclave, peri-urban farming within and close to city centres, mango triangle and carrot hotspots. Often the challenges within these hotspots are much more multi-faceted and beyond the scope of one company to resolve. In such cases, a number of partners are required, through a multi-stakeholder process, to design appropriate solutions to such challenges.

Horticulture cluster development grants will be available in support of geographical hotspots of a number of fruits and vegetables.

In these clusters, special private sector-led consortia (that include commercial farmers), will be brokered that together will develop an action agenda for F&V production and marketing activities. The consortia will bring together lead producers, input suppliers, wholesalers and processors as well as service providers. The action plans can differ greatly between clusters, focusing on e.g. pest and disease management in the mango sector (e.g. fruit fly in mango) or introducing new coco palm varieties along the coast. For the 5 projects a 50% cofinancing needs to be provided (in kind and/or in cash) by the main consortium partners (cf. the FDOV-PPP model). The total grant size from HortiFresh is between € 50.000 and € 100.000 per project for a period of 2.5 to 3 years.

The programme actively facilitates the process of cluster formation through the development of a joint Action Agenda. The joint Action Agenda will be developed through a multi-stakeholder process; building consensus for the most pressing challenges for the selected fruit and vegetable hotspots. A selection of private, public and research organizations ('a coalition of the willing') will be tasked to develop and implement solutions for the prioritized challenges.

2.1.2 INNOVATION FUND

Innovation drives entrepreneurship. However at their pre-competitive stage, innovative business ideas are yet to transform into market-ready products or services. The challenge remains that such innovative business ideas, being high-risk in nature, often do not attract the needed funding to facilitate this transformation.

In Ghana, the extension officer to farmer ratio has been a nagging problem confronting the general agricultural sector. Within the fruits and vegetable sector, the situation is worsened by the fact that many

of the existing extension officers are trained in the so-called food security crops including grains, roots & tubers, beans and nuts. Even though the fruits and vegetable sector is increasingly getting specialized, there's limited availability of extension service providers to provide solutions to such specialized challenges that are emerging. Agricultural graduates key targets to be rolled into these areas when a facility of this nature is made available.

Therefore, envisaged under the Innovation fund there will be specific calls for agronomic support services, interventions such as commercial spraying services by professional spray teams (potentially improving pesticide efficacy and reducing residues); pruning and harvesting services for fruit trees; mobile help line; irrigation support services, among others. This will require the development of business cases with interested companies, training of staff for implementation and marketing of the service to potential clients.

HortiFresh will make available innovation grants for highly risky ventures and pre-competitive activities. Funding will be directed towards supporting products and services currently most lacking for a competitive F&V sector.

The programme envisages ten innovation grants, six for the vegetable sector and four for the fruit sector. Each grant will amount to € 125,000 and will need to be co-funded with another € 125,000 by the private sector (in kind and/or in cash). The projects will be identified in the first nine months of the programme, and can be implemented for a period of 2 to 3 years.

2.1.3 YOUTH EMPLOYMENT FUND

There is currently a growing youthful population around the world, particularly in developing countries. Associated with this phenomenon, is the growing number of youthful graduates who can barely find meaningful employment after university-level education. The question of what to do with this segment of the population has therefore, become the subject of ongoing high-level policy discussions, both at international and local platforms.

This fund will be used to incentivize businesses to hire and train youth and women in the horticulture agribusiness sector, facilitate internships and incubator activities as well as develop specific financial products to facilitate start-ups for youth and women in the sector. An annual amount of € 50,000 is budgeted for about four projects which will be competitively awarded to the most promising business ideas.

2.2 PROCESS OF CONCEPT NOTE SUBMISSION AND SELECTION

The general procedure for assessing and administering these funds is presented schematically below:



Briefly elaborated further, the procedure is summarised below:

- a) The HortiFresh Secretariat develops and publishes Calls for Concept Notes on its website (www.ghanaveg.org).
- b) Members of the HortiFresh Business Platform, and sector actors, are also informed by e-mail.
- c) Interested private sector companies and/or other organizations (where eligible) complete a concept note form and return it electronically to HortiFresh through the Fund Manager.
- d) Concept notes are assessed by the independent Grant Selection Committee (GSC).
- e) HortiFresh engages the companies with the highest ranked concept notes, as determined by the GSC, and supports them to submit full project proposals. A minimum score of at least 60% is required. As many awards as have been provisioned for under the call for concept notes, will be granted.
- f) Full project proposals need to be submitted within ten weeks after HortiFresh informs the company of its decision following the concept note phase and subsequent support to develop the proposals have been provided.
- g) During this period, the Fund Manager conducts due diligence visit(s) to the project site to evaluate the readiness of the company (on the basis of a defined checklist), to execute the project as envisaged.
- h) From the outcome of the due diligence visit, together with the full proposal, the Fund Manager will develop an advice for the HortiFresh Secretariat, whether to grant the project or not.
- i) The proposals are evaluated by the HortiFresh Secretariat, consisting of the Country Director, Programme Manager and Fund Manager, with support from the HortiFresh Project Leader at WCDI.
- j) Approved projects are sent to the Grant Selection Committee for a light check if all their recommendations and conditions have been incorporated. The GSC needs to provide a no objection for all approved projects by the HortiFresh Secretariat.
- k) Companies whose proposals are selected are engaged for contracting.
- l) The company reports every time a full tranche amount has been exhausted (both narrative and financial).
- m) The Secretariat follows up with regular monitoring activities.
- n) Intermittent progress and updates reports, as per contract, are submitted by the companies upon request.
- o) Company provides final report upon closure of grant activity.

2.3 EVALUATION CRITERIA

HortiFresh will review all concept notes received and then send them for evaluation by the independent Grants Selection Committee (GSC). The GSC will evaluate the full applications on the bases of economic feasibility (20%), technical viability (20%), implementation capacity (20%), value-for-money (20%) and creating shared value (20%). Concept notes that attain above 60% are ranked and the top ones selected. Number of selected projects is determined by the number of grants available under a particular call. The criteria are further explained below:

Economic Viability (20%)

Proposed activity must show a cost-benefit analysis indicating a roadmap towards profitability in the short to medium term (3-5 years). This should be calculated taking into account the injection of the grant support, and consider the total project cost, cash flow projections and profitability.

Technical Approach (20%)

This is the degree to which the proposed activity offers an innovative approach that meets the overall objectives and indicators over the life of the project. It can include the proposed extension approach, business model and/or service delivery model. Projects should be well thought through, with logical linkages between inputs and expected outputs.

Implementation Capacity (20%)

The extent to which the applicant and her institution/company are capable of undertaking and accomplishing the proposed activities, based principally on the company profile and past achievements, as well as the qualifications of key staff being involved in the project.

Value-for-Money (20%)

The relationship between the co-financing grant that is requested and the significance and quality of the projected outcomes (as mentioned above in the outcome indicators). It also relates to the ambition level of the proposal, e.g. in terms of number of farmers/farm workers targeted or productivity increase aimed at. In addition, this indicator assesses whether the resources requested are reasonable in the context of the proposed project.

Creating Shared Value (20%)

Creating Shared Value involves the company's approach towards social and environmental issues, not so much as a responsibility but in creating value through new business opportunities. The criterion assesses the extent to which the proposed activity is likely to have meaningful, sustainable impact and demonstrative inclusiveness of women, youth and small-scale farmers that still leads to improved profitability and competitive positioning.

Companies are requested to elaborate further on the above criteria, making clear projections on:

- Targeted farmers and farm workers (both directly and indirectly)
- Involvement of women, youth and small-scale farmers; as well as women and young employees, and/or service contractors they work with (sustainable inclusive growth)
- Improved sustainability (environment/food safety)
- Company sales and turnover (cost/benefit analysis related to the business case / project)

Companies are also encouraged to propose project ideas that seek to:

- Promote home gardening and intercropping
- Increase fruit & vegetable safety and quality
- Enable nutrient preservation during post-harvest storage, transportation and processing.
- Create demand for products and services by improving public awareness and understanding of nutrition and health.
- Promote breast-feeding-at-work programme
- Establish nutritious food canteens, or change the menu in an existing canteen, providing employees with good nutrition, refrigeration space (including to store pumped milk), and cooking classes
- Promote community gardens: employers may provide space for workers to create gardens to grow their own vegetables for household consumption

- Conduct nutrition education: businesses may provide nutrition education to employees to change awareness, attitudes and skills towards healthy eating. This can be further extended in to community programmes, with companies partnering with community health centers and extension service providers to integrate nutrition education, and other services into existing programmes

As part of the evaluation process, GSC members will complete an evaluation report based on the criteria above and provide recommendations for each application. The GSC also ranks the concept notes, indicating those that should receive priority for support. The Fund Manager will then collate all the evaluation reports from the GSC, summarize the results in an evaluation matrix, indicating the summarized recommendation on each concept note to:

- Engage the company to develop a full proposal for funding, incorporating the feedback from the GSC or;
- Reject the concept note and not to proceed to the proposal development stage

2.4 TIME AND FUNDING LIMITATIONS

Timeline and Deadline

Requests for concept notes will be announced and published on the HortiFresh / GhanaVeg www.ghanaveg.org website stating the time period and deadline within which submission of grant applications should be made. A template for concept notes will be published alongside.

Retroactivity

No grants application will be considered for retroactive funding. Grants will not be awarded for expenditures that occur prior to the start of the grants activity without prior approval from the Fund Manager.

Funding Limits

The total maximum amount of a single grant under any of the Funds may not exceed EUR 150,000 per grant activity, or whatever amount is stated in the Call for Concept Notes. Leveraged funding from other funding or financing institution may be allowed, except from Dutch sources. This must however be discussed with the HortiFresh Secretariat to ensure optimal use of funds and to prevent budget overlaps, especially related to other grants.

Duration of Activity

Projects can be proposed with a running time of up to 2.5 years. A grant activity is not officially completed until the final narrative and financial reports as well as other deliverables described in the grant agreement have been submitted to, and accepted, by the Fund Manager. Extensions to the grant duration can only be given upon a request explaining the necessity. No extensions can be given beyond October 31, 2021; three clear months before the HortiFresh programme period's end date (31 December 2021), to allow for reporting obligations.

Co-financing Arrangement

The organization's co-financing contribution of 50% needs to be accounted for by submitting actual expenditure receipts. Contributions can be made in kind or in cash. Possible contributions from other development project activities need to be explained under this section, describing the complementarity and resource use. HortiFresh has a preference for co-financing that comes from the contributions of the private sector actor(s) or loans, rather than from other grants.

3 ELIBILITY CRITERIA

3.1 GENERAL ELIGIBILITY FOR ALL FUNDS

All companies soliciting co-financing under HortiFresh Funds should be:

- Legally recognized companies (LTDs, PLCs, BVs, commercial associations) and must have demonstrated a sound operational track record of at least two years of operational activities.
- Companies can come from Ghana but also from abroad, e.g. Dutch companies (no country limitations).
- Must propose activities within the fruits & vegetable sector
- Business cases with gender and youth integration / inclusion are encouraged
- Project should focus on one or more of the following three outcome indicators:
 - Productivity increase
 - Growth (value: US\$) of domestic high-end market
 - Growth of export value
- Projects are obliged to address the issues as presented in the specific Call for Concept Notes documents.
- Companies are as well obliged to share project results with the HortiFresh Business Platform when they are called upon.

3.1.1 ELIGIBILITY CRITERIA FOR HORTICULTURE CLUSTER DEVELOPMENT FUND

This fund is aimed at supporting geographical fruits and vegetables hotspots in the selected countries within the West African region. The fund will work through a multi-stakeholder process involving private sector, government and research institutions to develop a Joint Action Agenda. These stakeholders will build consensus to tackle the most pressing challenges within the hotspot. A selection of partners will then be tasked to develop and implement solutions for the prioritized challenges.

Five projects are envisaged with a budget of maximum € 100.000 each. A 50% co-financing by the main consortium partners is expected, while the other 50% co-financing will come from HortiFresh. Envisaged hotspots for specific interventions from consortium partners include the following:

- Upper East onion production belt
- Keta onion belt in the South-East
- Greater Accra peri-urban belt
- Brong-Ahafo tomato cluster
- Mampong carrot cluster
- The Sikaso, Bobo-Dioulasso, Korhogo triangle for mangoes

3.1.2 ELIGIBILITY CRITERIA FOR INNOVATION FUND

Ten grants are envisaged for both the fruits and the vegetable sectors. Each grant will amount to € 125,000 and will need to be matched with another € 125,000 by the private sector (in kind and/or in cash). The 50% Cofinancing from HortiFresh can be used for, but are not limited to the following:

- Registration of active ingredients and biologicals that need to become available in the market
- Seed company platform for high-yielding and disease-resistant varieties
- Development of an appropriate greenhouse for Ghana
- Other high-risk and pre-competitive activities may be supported
- Business cases that integrate economic and social innovation with environmental innovation – in what ways does proposed innovation impact on existing community structures, integrate clean technologies and or bring different partners to work together.
- Commercial spray services
- Pruning and harvesting services for fruit trees
- Mobile helpline to provide private extension to farmers
- Irrigation support services

3.1.3 ELIGIBILITY CRITERIA FOR YOUTH EMPLOYMENT FUND

Youth is an important new priority of the Dutch government (as part of the migration debate). There's the need to capacitate and motivate youth and women to work in the horticulture sector (both as entrepreneurs and employees). An annual amount of € 50,000 is budgeted (number of activities is open) and this 100% funding from HortiFresh can be used for, but not limited to the following interventions:

- Facilitate internships
- Facilitate start-ups for youth and women (e.g. incubator activities)
- Provide mentorship and support mechanisms for graduated interns
- Increase youth and women employment / or membership and involvement in activities or target them as part of franchising models
- Working with women and the youth, develop innovative ICT products for the F&V sector
- Develop sustainable models that will bridge the gap between agricultural TVETs and jobs in the agricultural sector
- Grants from the Youth Employment Fund may not be used to finance participation in workshops or trainings outside Ghana.

Table 1: Summary of HortiFresh Funds, and Examples of Eligible Business Cases

Funding Streams		Examples
Cluster fund	€ 100,000 (max)	<ul style="list-style-type: none"> • Upper East onion production belt • Keta onion belt in the South-East • Greater Accra peri-urban belt • Brong-Ahafo tomato cluster • Mampong carrot cluster • The Sikaso, Bobo-Dioulasso, Korhogo triangle for mangoes
Innovation fund	€ 125,000	<ul style="list-style-type: none"> • Registration of low risk pesticides and biologicals that need to become available in the market; • Seed company platform for high-yielding and disease-resistant varieties • Development of an appropriate greenhouse for Ghana • Other high-risk and pre-competitive activities may be supported • Business cases that integrate economic and social innovation with environmental innovation – in what ways does proposed innovation impact on existing community structures, integrate clean technologies and or bring different partners to work together. • Commercial spray services • Pruning and harvesting services for fruit trees • Mobile helpline to provide private extension to farmers • Irrigation support services
Youth employment fund	€ 50,000 (annually)	<ul style="list-style-type: none"> • Facilitation of internships • Facilitation of youth entrepreneurship, start-ups and companies that work with young people but also develop innovative ICT products for the F&V sector • Business models that specifically target young women as part of processing or service delivery (franchising) models • Business initiatives with interventions that are more inclusive toward youth and women • Businesses with large numbers of young/female employees that want to develop decent work policies and internal training and promotion programmes • Training institutes seeking to develop sustainable TVET models in agriculture

4 GRANT AWARD PROCEDURES

4.1 GRANT APPLICATIONS

All grant applications are based on the same general concept note and review procedures as outlined in this Fund Manual. Grant applications include a concept note development in the first phase, followed by a full proposal with a detailed budget submitted in the English language.

In general, technical proposals should address how the applicant intends to carry out the project and clearly describes the work to be undertaken, the responsibilities of all parties, timeline and deliverables (results). This section should provide a complete overview of the project's design and implementation.

The proposal should provide a detailed description of how the progress and achievements of the program are monitored, measured and assessed. The proposal addresses the selection criteria as outlined in the Fund Manual as well as the specific contribution it provides to the thematic Call for Concept Notes.

4.2 PROJECT PROPOSALS

4.2.1 CONCEPT NOTES

Requests for, and the subsequent submissions of concept notes will precede the actual development of fullfledged fundable proposals. Along with each Call for Concept Notes, a prescribed submission template will be published. Generally, the format will include:

- a) Project title
- b) Problem statement
- c) Objectives
- d) Overview of proposed activities and results
- e) Budget

4.2.2 TECHNICAL PROPOSALS

Following the successful evaluation of concept notes, the company will be requested to submit a full proposal. For the award of grants, a proposals should follow the prescribed format below:

- a) Cover Page
- b) Table of Contents
- c) Acronyms
- d) Executive Summary (not to exceed one page)
- e) Statement of Problem: the specific problems the applicant seeks to address as highlighted in the concept note
- f) Overview of proposed activities and results
- g) Justification for grant funding: how the use of the grant for the proposed activities contributes to the overall objective of the Call for Proposals

- h) Company profile and key staff involved in the project activity: a description of the company's history, geographic coverage, vision, major activities, and key staff involved in the envisaged project (Max 3 pages, CVs need to be annexed)
- i) Technical approach: a detailed description of the activities, roles and responsibilities in sufficient detail to thoroughly understand how the grant will be used
- j) Expected deliverables based on timelines for implementation
- k) A full budget spread over the duration of the grant activity
- l) Monitoring and evaluation plan, not to exceed two pages, and must include the standard indicators of HortiFresh
- m) Tentative: Collaborating Institutions, names of partners for joint activities. Attach any letter of agreement with collaborators
- n) Attachments (annexes) should be lettered (e.g. Attachment A), and can include: resumes of key personnel, and other supporting documents such as letters of support or the company's overall business plan
- o) Companies are requested to make clear projections on: targeted farmers and farm workers (both directly and indirectly); improved sustainability (environment/food safety) at farm level; and company sales and turnover in their proposals.

With respect to the M&E Plan, companies are obliged to operationalize one or more of the HortiFresh outcome indicators (productivity increase; growth of high-end domestic market; export growth). In addition, companies are requested to reflect on indicators such as: (1) the number of targeted farmers or farm workers; (2) the improved sustainability (environment/food safety) at company or farm level; and (3) the impact of the project interventions on company sales and turnover. A full list of indicators is provided in the agreement with grantees.

The M&E approach includes a concise monitoring and evaluation plan to track project results. It should outline the indicators to be tracked, the methods of measurement, frequency and responsibilities assigned as well as the reporting mechanisms put in place. Specific deliverables from the M&E Plan (milestones) will be included in the contract agreement.

A detailed budget showing co-financing contributions and as summarized in the technical proposal should be consistent with the format in Table 2 below:

Table 2: Budget Template

No.	Budget Line	Grantee Name			HortiFresh			Total
		Quantity	Unit-price	Sub-Total	Quantity	Unit-price	Sub-Total	
1.								
1.1								
1.2								
1.3								
2.								
2.1								
2.2								
2.3								
3								
3.1								

3.2									
3.3									
4.									
4.1									
4.2									
4.3									

4.3 REGISTRATION AND SCREENING

The following screening and registration procedures are followed upon the receipt of concept notes / project proposals:

- All project concept notes are sent to the HortiFresh Fund Manager for registration.
- Applicants will, within a week, receive an acknowledgement of the application (via e-mail) from the Fund Manager.
- The Fund Manager will do a pre-screening of concept notes based on a checklist of minimum criteria. Based on the pre-screening, the Fund Manager proposes to the Program Manager and the Country Director, which concept notes are rejected or accepted for the further assessment by the Grants Selection Committee.
- Where, there are varying views, the Country Director, will have the final word on the decision in accepting or rejecting of concept notes based on the minimum criteria.
- The Fund Manager will then send the approved Concept Notes to the Grant Selection Committee for evaluation, and will inform the companies whose proposals were rejected providing them reason for the rejection.

4.4 APPROVAL OF GRANT AWARDS AND CONTRACTING

- After their evaluation of concept notes, the Grant Selection Committee informs the HortiFresh Secretariat, through the Fund Manager, of their assessment, decisions on the concept notes and their ranking of the most suitable ones. The Selection Committee will provide a short explanation to the decision for each of the concept notes.
- The Fund Manager informs the companies on the decision of the Selection Committee
- The Fund Manager will work with companies whose concept notes are accepted to develop full project proposals. Companies will be provided access to third-party consultants (e.g. Resilience and SENSE) to help them in the development of a full project proposal.
- Final proposals will be evaluated by the HortiFresh Secretariat consisting of the FM, PM and CD.
- Once approved, the Fund Manager starts the contracting process for the project proposals that have been fully developed according to the format and recommendations from the Grant Selection Committee as well as comments for incorporation from the HortiFresh Secretariat.

5 DISBURSEMENT AND REPORTING

5.1 DISBURSEMENT

Grant for all activities implemented with HortiFresh support will be disbursed in local currency (in the specific currency of the West African Country concerned), based on a disbursement schedule presented and agreed to by the project for allowable costs and/or achievement of milestones. Where project activities would require international acquisition of goods and services, grant may be disbursed in Euros.

Grant disbursements will be made on the basis of the scope of project activities, duration and procurement needs. A typical disbursement schedule could as follows:

- a) 30% of the grant's value will be withheld for payment pending the timely submission of the final narrative and financial reports.
- b) grants may be disbursed on a mutually agreed schedule, such as 40% at the initiation of the activity, 30% delivered upon the completion of a clearly defined milestone, and the final 30% upon submission of the final activity and financial reports. Disbursements will be based on actual costs incurred.
- c) grants may also be allocated with respect to identified deliverables or milestones, and in this case the disbursement ratios maybe varied to accommodate the specific case in question. In certain cases, grants may be provided upon submission of receipts for expenses incurred after the grant is signed.

5.2 REPORTING

Grantees are required to submit a short tranche-based narrative and financial report as determined by the award agreement. Other briefings, task reports, progress updates, and success stories may be provided where necessary. Such narrative and financial reports should be accompanied by appropriate evidence of all direct costs incurred. Release of subsequent payments will be contingent on receipt and approval of grantee narrative and financial reports, the request for grants based on a liquidity forecast, as well as any other deliverables as described in the grant agreement, by the Fund Manager.

The last disbursement of the approved grant budget is subject to:

- a) approval of the final activity and financial reports 30 days after the end of the grant period or completion of the activity, whichever is earlier, as well as other deliverables as described in the grant agreement, and
- b) receipt of an official request for grants made by the grantee to HortiFresh.

5.3 LEGAL LIABILITIES

Grantees who are found to have misappropriated grants transferred to them or refuse to comprehensively account for such grants, upon persistent reminders, shall be given an ultimatum not exceeding 60 days to either refund such grants, or fully account for them. Failure to comply with this requirement shall make the grantee liable for legal prosecutions. The case will be decided upon by the court of competent jurisdiction / Arbitration in Ghana.

Annex A: GSC Reporting Format

Name of Evaluator:

Date:

Proposal (Code):

Selection Criterium:	Maximum Points:	Assessment:
<i>Economic Viability</i> Cost-benefit analysis, business viability, leverage of funding	20	
<i>Comments:</i>		
<i>Technical Approach</i> Innovativeness, problem analysis, linkage inputs-outputs	20	
<i>Comments:</i>		
<i>Implementation Capacity</i> Company profile, achievements, qualifications of key staff	20	
<i>Comments:</i>		
<i>Value-for-Money</i> Significance of outcomes, reasonable amounts for resources	20	
<i>Comments:</i>		
<i>Creating Shared Value</i> Profitability, sustainability and inclusiveness	20	
<i>Comments:</i>		
TOTAL SCORE:	100	

* Minimum score is 60 for approval

FINAL ASSESSMENT	
Approved with recommendations	
Rejected	

Conditions/Recommendations:

Annex C: Agreement Format

THIS AGREEMENT (“Agreement”) is made this day DD of MONTH YYYY, between **SNV Netherlands Development Organization Ghana**, Represented by Harm Duiker as Country Director (hereafter referred to as “SNV” and where the context shall so require shall admit its assigns and successors),

And

NAME OF GRANTEE represented by NAME OF REPRESENTATIVE as POSITION (hereinafter referred to as “the Grantee”) and where the context shall so require shall admit its assigns and successors) The parties shall individually be referred to as “Party” or collectively as the “Parties”.

Whereas:

- a. SNV is a not-for-profit international development organization that has been present in Ghana since 1991 and implements projects to improve individual lives and contributes to reducing global challenges in the areas of agriculture, energy, and water, sanitation & hygiene.
- b. The Grantee is a **STATUS AS COMPANY (LTD, BV ETC) OR NGO** established to MISSION, VISION, and APPROACH OF WORK.
- c. SNV has agreed to engage and provide funding to the Grantee for the **DESCRIPTION OF SERVICES UNDER THE PROJECT** among other services and the Grantee has agreed to be engaged by SNV in accordance with the terms and conditions of this Agreement.

It is hereby agreed as follows:

1. That SNV will make a grant contribution to the Grantee to engage in activities outlined in the action plan which shall include, but are not limited to **DESCRIPTION OF SERVICES UNDER THE PROJECT**.
2. The Grantee shall undertake the activities under the specified project description from DD MONTH YYYY through to DD MONTH YYYY.
3. The Grantee shall cooperate closely with the designated SNV Ghana Advisor and ultimately report to the **FUND MANAGER** of the West Africa HortiFresh Project.
4. SNV shall disburse to the Grantee total funding in the amount of XX,XXX.XX Ghana Cedis (XX,XXX.XX IN WORDS) for the entire project, payable in three tranches, upon submission of a payment request form from the Grantee and with approval from the **FUND MANAGER**.
 - 4.1. The initial payment of X% being **AMOUNT IN WORDS** Ghana Cedis (GHC **FIGURES**), shall be paid on the date of signature of this agreement, upon submission of a payment request form and approval of the work plan from the Grantee.
 - 4.2. The Second payment of Y% being **AMOUNT IN WORDS** Ghana Cedis (GHC **FIGURES**), shall be disbursed **ON DATE, AND** upon submission of a payment request form and approval of the progress report from the Grantee on the assignment and sufficient progress made.
 - 4.3. The third and final payment of maximum Z% being **AMOUNT IN WORDS** Ghana Cedis (GHC **FIGURES**), shall be disbursed **ON DATE, AND** upon submission of a payment request form and approval of the final report from the Grantee on the assignment. Final payment will be made on the basis of actual costs incurred.

5. Grantees who are found to have misappropriated grants transferred to them or refuse to comprehensively account for such grants, upon persistent reminders, shall be given an ultimatum not exceeding 60 days to either refund such grants, or fully account for them. Failure to comply with this requirement shall make the grantee liable for legal prosecutions. The case will be decided upon by the court of competent jurisdiction / Arbitration in Ghana.
- 5.1. Grantee is required to submit both narrative and financial reports on the prescribed forms issued by HortiFresh
 - 5.2. Financial reports must be underpinned by, and be consistent with the deliverables agreed upon in the project description. Grantee is responsible for the attainment of such deliverables
 - 5.3. Grantee is required to report on the following indicators (depending on nature of project):
 - number of farm-holdings reached (male/female; age: % < 35) (direct/indirect)
 - number of farmers that adopted (male/female; age: % < 35) research results/knowledge /new technology(direct/indirect)
 - number of farm holdings (family farms) (male/female; age: % < 35) with improved access to input and/or output markets (direct/indirect)
 - number of farm-holdings (male/female; age: % < 35) with increased productivity and/or income (direct/indirect)
 - number of jobs supported in agricultural chains/sectors
 - number of B2B initiatives started as a results of HortiFresh activities
 - number of partner farmers/business/SMEs practicing GAP or certified under GAP-related Certification Schemes
 - number of young entrepreneurs supported in developing, implementing, accelerating or scaling their businesses in the F&V sector (male/female)
 - number of youth gaining training and career development opportunities with HortiFresh business partners (< 35)
 - number of women gaining training and career development opportunities with HortiFresh business partners
 - number of reliable jobs created by HortiFresh supported SMEs/Businesses (women/men, age:<35)
 - value of turnover increase for SMEs/Businesses supported (US\$ per annum)
 - number of initiatives (new technologies) adopted by actors
 - number of initiatives (new technologies) adopted by actors
 - number of Dutch companies investing in the W/A (Ghana/Cote d'Ivoire) F&V sector as a result of HortiFresh activities
 - number of international companies excluding Dutch companies investing in the W/A F&V sector as a results of HortiFresh activities
 - volume of yield (tons/ha) of fruits & vegetables obtained
 - volume of export (regional and international)
 - value of export (regional and international)
 - volume of fresh and processed F&V supplied to the domestic markets
 - value of fresh and processed F&V supplied to the domestic markets
 - value and volume of imported F&V supplied to the domestic markets

6. Neither the Grantee nor its employees or agents shall for the term of this Agreement, be considered as staff of SNV and shall not be entitled to any privilege, immunity or compensation by SNV. The Grantee is not authorized to incur any commitment or expense on behalf of HortiFresh and SNV without prior approval from the FUND MANAGER.
7. Nothing in this Agreement or in any document relating thereto, shall be construed as constituting a waiver of privileges or immunities of SNV.
8. SNV reserves the right to claim from the Grantee any overpayment made in error or as a result of lack of proper information. In the event of the Grantee's non-compliance or partial compliance with the terms of this Agreement, the Grantee shall refund to SNV any funding already received in respect of activities that have not been performed by the Grantee or not performed to a standard considered acceptable to SNV. In the event of termination by SNV for stated reasons or for unforeseen causes beyond its control, SNV shall process any payments which remain outstanding up to the effective date of termination.
9. The Parties agree to hold the existence and contents of this Agreement, as well as all information exchanged during the currency of this Agreement ("Confidential Information") in the strictest confidence and to refrain from disclosing such information to third parties (except to individuals necessary for the provision of the legal services envisaged by the collaboration), directly or indirectly, except with the prior written consent of the other Party or by an order of a court of competent jurisdiction.
 - 9.1. Where the Parties are requested or required by applicable law, court order, oral questions, interrogatories, requests for information or documents, subpoena, or similar process to disclose any Confidential Information of the Parties, the requesting Party shall provide the other Party with prompt written notice of such request to provide the Party a reasonable opportunity to seek a protective order.
 - 9.2. Information shall not be or shall cease to be Confidential Information if it is or becomes publicly available through no direct or indirect act in breach of this Agreement of the Parties or any of its employees, agents or contractors.
 - 9.3. Upon the earlier request of a Party or the termination or expiration of this Agreement for any reason, the Party shall promptly deliver to the other Party or destroy (at the said Party's direction) the Party's Confidential Information and any copies, notes, extracts or summaries thereof. This provision shall survive any termination or other expiration of this Agreement.
 - 9.4. Project partners are however obliged to share project results within the HortiFresh Business Platform, whenever required
10. SNV shall be entitled to terminate or cancel this Agreement unilaterally and immediately if the Grantee commits any of the following breaches:
 - 10.1. The Grantee fails to dutifully deliver or perform the activities outlined in the Terms of Reference.
 - 10.2. The Grantee does not maintain confidentiality of information deemed to be confidential in accordance with clause 8 of this agreement.
 - 10.3. The Grantee does not show interest in the Project and continues to miss stipulated deadlines without providing tangible reasons therefor.
 - 10.4. Grantee commits acts of fraud and corruption

- 10.5. Grantee engages in inappropriate towards women, children and the vulnerable, such as sexual harassment, child abuse among others
- 10.6. In cases of clear abuse of grants, corruption and instance of women and child abuse, SNV may activate the provisions for legal prosecution under Article 5 of this Agreement
- 11. Disputes between the Parties shall first be settled by amicable discussions and negotiations. Should the parties fail to agree, or resolve the dispute within twenty-one (21) days, the Parties shall refer the matter to arbitration in accordance with the provisions of the Alternative Dispute Resolution Act, 2010 (Act 798) and any statutory amendments thereto.
 - 11.1. The Parties shall agree on the appointment of a single arbitrator and should the Parties fail to agree on the appointment within twenty-eight (28) days of the dispute, the Ghana Arbitration Centre shall appointment an arbitrator.
 - 11.2. The arbitration shall take place in Accra, Ghana and shall be conducted in English, in accordance with the rules of the Ghana Arbitration Centre.
 - 11.3. It is agreed and understood by the Parties that the decision of the arbitration proceedings on any issue referred to it shall be final and binding on the Parties.
 - 11.4. It is agreed and understood by the Parties that each Party shall pay all of its own fees and expenses and the cost of arbitration shall be borne equally by the Parties.
- 12. Any other agreement, deviating from or supplemental to the contents of this Agreement, shall only be binding in as far as they have been laid down and agreed upon in writing.
- 13. The Grantee shall be fully responsible for any medical costs incurred or any injury unless this injury or damage results from intent or gross culpability of SNV.
- 14. This Agreement is governed by and shall be construed and enforced in accordance with the laws of the Republic of Ghana.

The signatories below hereby warrant that they are duly authorized to execute this Agreement.

Date:

Date:

Harm Duiker

NAME OF GRANTEE

SNV Ghana, Accra

COMPANY/ORGANIZATION

Witnessed by:

Witnessed by:

Signature _____

Signature: _____

Francis Amoah

Country Finance Manager
